

CENTENE CORP  
Form S-4/A  
September 17, 2015  
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As filed with the Securities and Exchange Commission on September 17, 2015

No. 333-206463

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**AMENDMENT NO. 1**

**TO**

**FORM S-4**

**REGISTRATION STATEMENT**

***UNDER***

***THE SECURITIES ACT OF 1933***

**CENTENE CORPORATION**

**(Exact name of registrant as specified in its charter)**

**Delaware**

**6324**

**42-1406317**

**(State or other jurisdiction of  
incorporation or organization)**

**(Primary Standard Industrial  
Classification Code Number)**

**(I.R.S. Employer  
Identification No.)**

**7700 Forsyth Boulevard**

**St. Louis, Missouri 63105**

**(314) 725-4477**

**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

**Keith H. Williamson**

**Executive Vice President, General Counsel and Secretary**

**7700 Forsyth Boulevard**

**St. Louis, MO 63105**

**(314) 725-4477**

**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

**Copies of all communications, including communications sent to agent for service, should be sent to:**

**Paul T. Schnell  
Skadden, Arps, Slate,  
Meagher & Flom LLP  
4 Times Square  
New York, NY 10036  
(212) 735-3000**

**Jeremy D. London  
Skadden, Arps, Slate,  
Meagher & Flom LLP  
1440 New York Avenue,  
N.W.  
Washington, D.C. 20005  
(202) 371-7000**

**Kathleen A. Waters  
Senior Vice President,  
General Counsel and Secretary  
Health Net, Inc.  
21650 Oxnard Street  
Woodland Hills, CA  
(818) 676-6000**

**R. Alec Dawson  
David W. Pollak  
Morgan, Lewis &  
Bockius LLP  
101 Park Ave.  
New York, NY 10178  
(212) 309-6000**

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this Registration Statement becomes effective and all other conditions to the proposed merger described in the enclosed joint proxy statement/prospectus have been satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Takeover offer)

Exchange Act Rule 14d-1(d) (Cross-Border Issuer Takeover offer)

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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**The information in this joint proxy statement/prospectus is not complete and may be changed. We may not sell the securities offered by this joint proxy statement/prospectus until the registration statement filed with the Securities and Exchange Commission is effective. This joint proxy statement/prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities in any jurisdiction where an offer, solicitation or sale is not permitted.**

**PRELIMINARY, SUBJECT TO COMPLETION, DATED SEPTEMBER 17, 2015**

**&  
TRANSACTION PROPOSED YOUR VOTE IS VERY IMPORTANT**

Dear Stockholders:

Each of the boards of directors of Centene Corporation and Health Net, Inc. has unanimously approved a merger, combining Centene and Health Net and bringing together two complementary managed care organizations with a history of operating excellence to create a stronger, larger and more geographically diverse organization that will be well positioned to create greater value for all of our stockholders.

Centene and Health Net entered into an agreement and plan of merger on July 2, 2015. Subject to stockholder approvals and the satisfaction (or waiver to the extent legally permissible) of certain other closing conditions, Centene and Health Net will combine their businesses through the merger of Health Net with a newly formed, direct wholly owned subsidiary of Centene, with Health Net thereupon becoming a direct wholly owned subsidiary of Centene as the surviving corporation, in a transaction which is referred to as the merger. In addition, as more fully described herein, immediately following the completion of the merger and contingent upon Health Net's receipt before the effective time of the merger of an opinion from Morgan, Lewis & Bockius LLP, its outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of Internal Revenue Code of 1986, as amended, which is referred to as the Code, Health Net, as the surviving corporation in the merger, will merge with and into another direct wholly owned Centene subsidiary, with the latter subsidiary surviving, in a transaction which is referred to as the subsequent merger. The merger and the subsequent merger are referred to collectively as the mergers or the transaction in this joint proxy statement/prospectus.

If the merger is completed, Health Net stockholders (other than (i) Centene, Health Net, Chopin Merger Sub I, Inc., a direct wholly owned subsidiary of Centene, which is referred to as Merger Sub I, and Chopin Merger Sub II, Inc., a direct wholly owned subsidiary of Centene, which is referred to as Merger Sub II, (ii) holders of Health Net stock options, restricted stock units or performance share awards (with respect to such underlying shares only) and (iii) any stockholders holding shares of Health Net common stock with respect to which appraisal rights are properly demanded and not withdrawn under the General Corporation Law of the State of Delaware) will receive \$28.25 in cash and 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock for each share of Health Net common stock, which ratio is referred to as the exchange ratio, and which cash and stock consideration combined are referred to as the merger consideration. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. No fractional shares of Centene common stock will be issued in the merger. Instead of receiving any fractional shares, each holder of Health Net common stock will be paid an amount in cash, without interest, rounded down to the nearest cent, equal to the product of (x) the amount of the fractional share interest in a share of Centene common stock to which such holder would otherwise be entitled

(rounded to three decimal places) and (y) an amount equal to the volume weighted average price per share of Centene common stock on the New York Stock Exchange, which is referred to as the NYSE, on each of the ten consecutive trading days ending with the third complete trading day immediately prior to the closing date, weighted by the total volume of trading in Centene common stock on each such trading day. Centene stockholders will continue to own their existing shares of common stock of Centene, the form of which will not be changed by the transaction.

Upon completion of the merger, former Health Net stockholders will own approximately 29% of the then outstanding Centene common stock, based on the number of shares and stock-based awards of Centene and Health Net outstanding as of September 17, 2015. The value of the merger consideration to be received in exchange for each share of Health Net common stock will fluctuate with the market value of Centene common stock until the merger is completed.

The merger and the subsequent merger, if both are consummated, are intended to constitute a single integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. If the subsequent merger is consummated, in general no gain or loss will be recognized by U.S. holders of Health Net common stock upon the exchange of Health Net common stock for Centene common stock except that U.S.

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holders will recognize gain (but not loss) to the extent such U.S. holders receive cash (including the cash portion of the merger consideration and any cash received in lieu of a fractional share). If the subsequent merger is not consummated, U.S. holders of Health Net common stock would recognize gain or loss equal to the difference, if any, between (i) the sum of the fair market value of the Centene common stock received in the merger and any cash received and (ii) such U.S. holder's adjusted tax basis in the Health Net common stock surrendered in exchange therefor. You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the mergers to you. You will not know at the time of your respective vote whether the subsequent merger will take place, and therefore you will not know the precise tax treatment of the merger or mergers when you vote.

Based on Centene's closing stock price on September 16, 2015, the most recent practicable date for which such information was available, the merger consideration represented approximately \$67.96 in value per share of Health Net common stock, which represents a premium of approximately 4.5% over Health Net's closing stock price on July 1, 2015, the last trading day before the public announcement of the transaction described herein. The value of the merger consideration to be received in exchange for each share of Health Net common stock will fluctuate with the market value of Centene common stock until the merger is complete. The common stock of each of Centene and Health Net is listed on the New York Stock Exchange under the symbol **CNC** and **HNT**, respectively. We urge you to obtain current market quotations for the shares of common stock of Centene and Health Net.

Each of Health Net and Centene is holding a special meeting of its stockholders to vote on the proposals necessary to complete the merger. Information about these meetings, the mergers, the share issuance, and the other business to be considered by stockholders at each of the special meetings is contained in this joint proxy statement/prospectus. Any stockholder entitled to attend and vote at the Health Net or Centene special meeting is entitled to appoint a proxy to attend and vote on such stockholder's behalf. Such proxy need not be a holder of Health Net or Centene common stock. We urge you to read this joint proxy statement/prospectus and the annexes and documents incorporated by reference carefully. **You should also carefully consider the risks that are described in the Risk Factors section beginning on page 44.**

**Your vote is very important regardless of the number of shares of Centene common stock or Health Net common stock that you own. The merger cannot be completed without approval of (i) the Share Issuance proposal (as defined below) by the affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting that are entitled to vote on the proposal and (ii) the Merger proposal (as defined below) by the affirmative vote of holders of a majority of the shares of Health Net common stock outstanding and entitled to vote on the record date.**

**Whether or not you plan to attend your company's special meeting of stockholders, please submit your proxy as soon as possible to make sure that your shares are represented at that meeting.**

**The Centene board of directors unanimously recommends that Centene stockholders vote **FOR** the proposal to approve the issuance of Centene common stock in the merger, which is necessary to complete the merger.**

**The Health Net board of directors unanimously recommends that Health Net stockholders vote **FOR** the proposal to adopt the merger agreement, which is necessary to complete the merger.**

Michael F. Neidorff

Jay M. Gellert

*Chairman, President and Chief*

*President and*

*Executive Officer  
Centene*

*Chief Executive Officer  
Health Net*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger, the subsequent merger or the other transactions described in this joint proxy statement/prospectus or the securities to be issued in connection with the merger or determined if this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

This joint proxy statement/prospectus is dated [ ], 2015, and is first being mailed to stockholders of Centene and Health Net on or about [ ], 2015.

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**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON, OCTOBER 23, 2015**

To the Stockholders of Centene:

A special meeting of stockholders of Centene Corporation will be held at Centene Plaza, 7700 Forsyth Boulevard, St. Louis, Missouri 63105, on October 23, 2015 at 12:00 p.m., Central Time, for the following purposes:

1. To approve the issuance of Centene common stock, par value \$0.001 per share, pursuant to the Agreement and Plan of Merger, dated as of July 2, 2015, by and among Centene, Chopin Merger Sub I, Inc., Chopin Merger Sub II, Inc. and Health Net, Inc., as the same may be amended from time to time, a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice (the Share Issuance proposal).
2. To approve any proposal to adjourn the Centene special meeting from time to time, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Share Issuance proposal (the Centene Adjournment proposal).
3. To approve an amendment to Centene's certificate of incorporation, as amended, to increase the number of authorized shares of Centene common stock from 200 million to 400 million, the full text of which is attached as Annex H to the joint proxy statement/prospectus accompanying this notice (the Charter Amendment proposal).

**Approval of the Share Issuance proposal is required to complete the merger. Approval of the Charter Amendment proposal is not required to complete the merger.**

Centene will transact no other business at the special meeting, except for business properly brought before the special meeting or any adjournment or postponement thereof by or at the direction of the board of directors.

The accompanying joint proxy statement/prospectus further describes the matters to be considered at the Centene special meeting.

The Centene board of directors has set September 22, 2015 as the record date for the Centene special meeting. Only holders of record of Centene common stock at the close of business on September 22, 2015 will be entitled to notice of and to vote at the Centene special meeting and any adjournments or postponements thereof. Any stockholder entitled to attend and vote at the Centene special meeting is entitled to appoint a proxy to attend and vote on such stockholder's behalf. Such proxy need not be a holder of Centene common stock.

**Your vote is very important regardless of the number of shares of Centene common stock that you own. The merger cannot be completed without approval of the Share Issuance proposal by the affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting that are entitled to vote on the proposal. To ensure your representation at the Centene special meeting, please complete and return the enclosed proxy card or submit your proxy by telephone or through the Internet.** Please vote promptly whether or not you expect to attend the Centene special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the Centene special meeting.



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The Centene board of directors has unanimously approved the merger agreement and the transactions contemplated thereby and unanimously recommends that you vote **FOR** the Share Issuance proposal, **FOR** the Centene Adjournment proposal and **FOR** the Charter Amendment proposal.

By Order of the Centene Board of Directors,

Keith H. Williamson

*Executive Vice President, General Counsel and Secretary*

[ ], 2015

**PLEASE VOTE YOUR SHARES PROMPTLY. YOU CAN FIND INSTRUCTIONS FOR VOTING ON THE ENCLOSED PROXY CARD. IF YOU HAVE QUESTIONS CONCERNING THE MERGER, ABOUT THE PROPOSALS IN THIS JOINT PROXY STATEMENT/PROSPECTUS OR ABOUT VOTING YOUR SHARES, PLEASE CALL EITHER:**

**Innisfree M&A Incorporated**

501 Madison Avenue, 20<sup>th</sup> Floor

New York, New York 10024

Phone: (877) 825-8772

Banks & Brokers: (212) 750-5833

or

**Morrow & Co., LLC**

470 West Avenue

Stamford, CT 06902

Phone: (800) 662-5200

Banks & Brokers: (203) 658-9400

Email: Centene@morrowco.com

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**Health Net, Inc.**

**21650 Oxnard Street**

**Woodland Hills, CA 91367**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**to be held on October 23, 2015**

To the Stockholders of Health Net, Inc.:

We are pleased to invite you to attend the special meeting of stockholders of Health Net, Inc., a Delaware corporation (referred to as Health Net), which will be held at 21281 Burbank Boulevard, Woodland Hills, California 91367, on October 23, 2015, at 10:00 a.m., Pacific time, for the following purposes:

to vote on a proposal to adopt the Agreement and Plan of Merger, dated as of July 2, 2015, by and among Centene Corporation, Chopin Merger Sub I, Inc., Chopin Merger Sub II, Inc. and Health Net, as amended from time to time (the merger agreement), which is further described in the sections titled The Merger and The Merger Agreement, beginning on pages 54 and 134, respectively, and a copy of which is attached as Annex A to the joint proxy statement/prospectus accompanying this notice, which is referred to as the Merger proposal;

to vote on an advisory (non-binding) proposal to approve the compensation that may be paid or become payable to Health Net's named executive officers that is based on or otherwise related to the proposed transactions, which is referred to as the Merger-Related Compensation proposal; and

to vote on a proposal to approve the adjournment of the Health Net special meeting to a later date or dates, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Merger proposal, which is referred to as the Health Net Adjournment proposal.

Health Net will transact no other business at the special meeting except such business as may properly be brought before the special meeting or any adjournment or postponement thereof by or at the direction of the Health Net board of directors. Please refer to the joint proxy statement/prospectus of which this notice is a part for further information with respect to the business to be transacted at the Health Net special meeting.

The Health Net board of directors has fixed the close of business on September 22, 2015 as the record date for the Health Net special meeting. Only Health Net stockholders of record at that time are entitled to receive notice of, and to vote at, the Health Net special meeting or any adjournment or postponement thereof. A complete list of such stockholders will be available for inspection by any Health Net stockholder for any purpose germane to the special meeting during ordinary business hours for the 10 days preceding the Health Net special meeting at Health Net's offices at 21650 Oxnard Street, Woodland Hills, CA 91367. The eligible Health Net stockholder list will also be available at the Health Net special meeting for examination by any stockholder of record present at such meeting.

Completion of the merger is conditioned on adoption of the merger agreement by the Health Net stockholders, which requires the approval of a majority of the issued and outstanding shares of Health Net common stock entitled to vote at the Health Net special meeting.

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**The Health Net board of directors has unanimously approved the merger and the merger agreement, declared the merger agreement advisable and in the best interest of Health Net and its stockholders, and unanimously recommends that Health Net stockholders vote FOR the proposal to adopt the merger agreement, FOR the approval, on an advisory (non-binding) basis, of the compensation that may be paid or become payable to Health Net's named executive officers that is based on or otherwise relates to the proposed transactions and FOR the proposal to approve the adjournment of the Health Net special meeting to a later date or dates, if necessary or appropriate, to permit further solicitation of proxies.**

**Your vote is very important regardless of the number of shares of Health Net common stock that you own. Whether or not you expect to attend the Health Net special meeting in person, to ensure your representation at the Health Net special meeting, we urge you to submit a proxy to vote your shares as promptly as possible by (i) visiting the Internet site listed on the Health Net proxy card, (ii) calling the toll-free number listed on the Health Net proxy card or (iii) submitting your Health Net proxy card by mail by using the provided self-addressed, stamped envelope.** Submitting a proxy will not prevent you from voting in person, but it will help to secure a quorum and avoid added solicitation costs. Any eligible holder of Health Net stock who is present at the Health Net special meeting may vote in person, thereby revoking any previous proxy. In addition, a proxy may also be revoked in writing before the Health Net special meeting in the manner described in the accompanying document. If your shares are held in the name of a broker, bank or other nominee, or through the Health Net 401(k) Plan please follow the instructions on the voting instruction card furnished by the broker, bank or other nominee, or your plan administrator.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger and the merger agreement and the other matters to be considered at the Health Net special meeting. We urge you to carefully read this joint proxy statement/prospectus, including any documents incorporated by reference herein, and the annexes in their entirety. If you have any questions concerning the merger or this joint proxy statement/prospectus, would like additional copies or need help voting your shares of Health Net common stock, please contact Health Net's proxy solicitor:

MacKenzie Partners, Inc.

105 Madison Avenue

New York, New York 10016

Phone: (212) 929-5500

Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)

Website: [www.mackenziepartners.com](http://www.mackenziepartners.com)

By Order of the Health Net Board of Directors,

Kathleen A. Waters

Senior Vice President, General Counsel and Secretary

Woodland Hills, California

[ ], 2015

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**REFERENCES TO ADDITIONAL INFORMATION**

This joint proxy statement/prospectus incorporates by reference important business and financial information about Centene and Health Net from other documents that are not included in or delivered with this joint proxy statement/prospectus. For a listing of the documents incorporated by reference into this joint proxy statement/prospectus, see *Where You Can Find More Information* beginning on page 220.

You can obtain any of the documents incorporated by reference into this joint proxy statement/prospectus by requesting them in writing or by telephone from Innisfree M&A Incorporated or Morrow & Co., LLC, Centene's proxy solicitors, or MacKenzie Partners, Inc., Health Net's proxy solicitor, at the following addresses and telephone numbers:

**For Centene Stockholders:**

Innisfree M&A Incorporated  
501 Madison Avenue, 20th Floor  
New York, New York 10022  
(877) 825-8772 (toll-free)  
(212) 750-5833 (collect)

or

Morrow & Co., LLC  
470 West Ave,  
Stamford, CT 06902  
(800) 662-5200 (toll-free)  
(203) 658-9400 (collect)

**For Health Net Stockholders:**

MacKenzie Partners, Inc.  
105 Madison Avenue  
New York, New York 10016  
Phone: (212) 929-5500  
Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com)  
Website: [www.mackenziepartners.com](http://www.mackenziepartners.com)

**To receive timely delivery of the documents in advance of the special meetings, you should make your request no later than October 8, 2015, which is 10 business days before the special meetings.**

You may also obtain any of the documents incorporated by reference into this joint proxy statement/prospectus without charge through the Securities and Exchange Commission, which is referred to as the SEC, website at [www.sec.gov](http://www.sec.gov). In addition, you may obtain copies of documents filed by Centene with the SEC by accessing Centene's website at [www.centene.com](http://www.centene.com) under the tab *Investors* and then under the heading *SEC Filings*. You may also obtain copies of documents filed by Health Net with the SEC by accessing Health Net's website at [www.healthnet.com](http://www.healthnet.com) under the tab *Investor Relations* and then under the heading *Financial Information*.

We are not incorporating the contents of the websites of the SEC, Centene, Health Net or any other entity into this joint proxy statement/prospectus. We are providing the information about how you can obtain certain documents that are incorporated by reference into this joint proxy statement/prospectus at these websites only for your convenience.

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**QUESTIONS AND ANSWERS ABOUT THE MERGERS AND THE SPECIAL MEETINGS**

*The following questions and answers briefly address some commonly asked questions about the mergers and each of the Centene and Health Net special meetings. They may not include all the information that is important to stockholders of Centene and Health Net. Stockholders should carefully read this entire joint proxy statement/prospectus, including the annexes and the other documents referred to or incorporated by reference herein.*

**Q: What are the mergers?**

A: Centene Corporation, which is referred to as Centene, and Health Net, Inc., which is referred to as Health Net, have entered into an Agreement and Plan of Merger, dated as of July 2, 2015, which (as amended from time to time) is referred to as the merger agreement. A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. The merger agreement contains the terms and conditions of the proposed business combination of Centene and Health Net. Under the merger agreement, subject to satisfaction (or waiver to the extent legally permissible) of the conditions to the merger set forth in the merger agreement and described hereinafter, Chopin Merger Sub I, Inc., a direct wholly owned subsidiary of Centene, which is referred to as Merger Sub I, will merge with and into Health Net, with Health Net continuing as the surviving corporation and a direct wholly owned subsidiary of Centene, in a transaction which is referred to as the merger. Pursuant to the merger agreement, immediately following the completion of the merger and contingent upon Health Net's receipt before the effective time of the merger of an opinion from Morgan, Lewis & Bockius LLP, which is referred to as Morgan Lewis, its outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of the Code, Health Net, as the surviving corporation in the merger, will merge with and into Chopin Merger Sub II, Inc., another direct wholly owned subsidiary of Centene, which is referred to as Merger Sub II, with Merger Sub II continuing as the surviving corporation and a direct wholly owned subsidiary of Centene, in a transaction which is referred to as the subsequent merger, and together with the merger is referred to as the mergers or the transaction.

**Q: Why am I receiving these materials?**

A: Centene and Health Net are sending these materials to their respective stockholders to help them decide how to vote their shares of Centene or Health Net common stock, as the case may be, with respect to the merger and other matters to be considered at their respective special meetings.

The merger cannot be completed unless Centene stockholders approve the issuance of Centene common stock in the merger and Health Net stockholders adopt the merger agreement. Each of Centene and Health Net is holding a special meeting of its stockholders to vote on the proposals necessary to complete the merger. Information about these special meetings, the mergers and the other business to be considered by stockholders at each of the special meetings is contained in this joint proxy statement/prospectus.

This joint proxy statement/prospectus constitutes both a joint proxy statement of Centene and Health Net and a prospectus of Centene. It is a joint proxy statement because each of the boards of directors of Centene and Health Net are soliciting proxies from their respective stockholders. It is a prospectus because Centene will issue shares of its common stock in exchange for outstanding shares of Health Net common stock in the merger.

**Q: What will Health Net stockholders receive in the merger?**

A: In the merger, Health Net stockholders (other than (i) Centene, Health Net, Merger Sub I, Merger Sub II or any of their respective subsidiaries, (ii) holders of Health Net stock options, restricted stock units or performance share awards (with respect to such underlying shares only) and (iii) any stockholders holding shares of Health Net common

stock with respect to which appraisal rights are properly demanded and not withdrawn under the General Corporation Law of the State of Delaware, which is referred to as the DGCL) will receive \$28.25 in cash and 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock for each share of

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Health Net common stock, which is referred to as the exchange ratio, and which cash and stock consideration combined are referred to as the merger consideration. This exchange ratio is fixed and will not be adjusted to reflect changes in the stock price of either company before the merger is complete. No fractional shares of Centene common stock will be issued in the merger. Instead of receiving any fractional shares, each holder of Health Net common stock will be paid an amount in cash, without interest, rounded down to the nearest cent, equal to the product of (x) the amount of the fractional share interest in a share of Centene common stock to which such holder would otherwise be entitled (rounded to three decimal places) and (y) an amount equal to the volume weighted average price per share of Centene common stock on the New York Stock Exchange, which is referred to as the NYSE, on each of the ten consecutive trading days ending with the third complete trading day immediately prior to the closing date, weighted by the total volume of trading in Centene common stock on each such trading day, which amount in this clause (y) we refer to as the Centene stock value. Centene stockholders will continue to own their existing shares of common stock of Centene, the form of which will not be changed by the transaction.

The merger and the subsequent merger, if both are consummated, are intended to constitute a single integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. If the subsequent merger is consummated, in general no gain or loss will be recognized by U.S. holders of Health Net common stock upon the exchange of Health Net common stock for Centene common stock except that U.S. holders will recognize gain (but not loss) to the extent such U.S. holders receive cash (including the cash portion of the merger consideration and any cash received in lieu of a fractional share). If the subsequent merger is not consummated, U.S. holders of Health Net common stock would recognize gain or loss equal to the difference, if any, between (i) the sum of the fair market value of the Centene common stock received in the merger and any cash received and (ii) such U.S. holder's adjusted tax basis in the Health Net common stock surrendered in exchange therefor. You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the mergers to you. You will not know at the time of your respective vote whether the subsequent merger will take place, and therefore you will not know the precise tax treatment of the merger or mergers when you vote. See *The Merger U.S. Federal Income Tax Consequences* beginning on page 130 for additional information.

**Q: What will happen to the preferred share purchase rights attached to Health Net common stock?**

A: Prior to the completion of the merger, Health Net will terminate the rights agreement by and between Health Net and Wells Fargo Bank, N.A., which is referred to as the Health Net rights agreement. In connection with such termination, all of the rights to purchase Series A Junior Preferred Stock of Health Net will be cancelled without any consideration therefor. Prior to the execution and delivery of the merger agreement, the Health Net rights agreement was amended in an action approved by the board of directors of Health Net, which is referred to as the Health Net Board, such that the restrictions set forth in the Health Net rights agreement would not apply to the mergers, the merger agreement, the Health Net Voting Agreement (as defined below), Centene, Merger Sub I or Merger Sub II.

**Q: When do Health Net and Centene expect to complete the transaction?**

A: Centene and Health Net are working to complete the transaction as soon as practicable. We currently expect that the transaction will be completed by early 2016. Neither Centene nor Health Net can predict, however, the actual date on which the transaction will be completed because it is subject to conditions beyond each company's control, including federal and state regulatory approvals. See *The Merger Agreement Conditions to the Merger* beginning on page 156.

**Q: What am I being asked to vote on, and why is this approval necessary?**

A: Centene stockholders are being asked to vote on the following proposals:



1. to approve the issuance of Centene common stock, par value \$0.001 per share, pursuant to the merger agreement, which is referred to as the Share Issuance proposal;

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2. to approve any proposal to adjourn the Centene special meeting from time to time, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Share Issuance proposal, which is referred to as the Centene Adjournment proposal; and

3. to approve an amendment to Centene's certificate of incorporation, as amended, to increase the number of authorized shares of Centene common stock from 200 million to 400 million, the full text of which is attached as Annex H to this joint proxy statement/prospectus, which is referred to as the Charter Amendment proposal.

Approval of the Share Issuance proposal by Centene stockholders is required to complete the merger. Approval of the Charter Amendment proposal is not required to complete the merger.

Health Net stockholders are being asked to vote on the following proposals:

1. to adopt the merger agreement, which is referred to as the Merger proposal;

2. to approve, on an advisory basis, the merger-related compensation arrangements of Health Net's named executive officers, which is referred to as the Merger-Related Compensation proposal; and

3. to approve any proposal to adjourn the Health Net special meeting from time to time, if necessary or appropriate, to solicit additional proxies in the event there are not sufficient votes at the time of the special meeting to approve the Merger proposal, which is referred to as the Health Net Adjournment proposal.

Approval of the Merger proposal by Health Net stockholders is required for completion of the merger.

The Share Issuance proposal and the Merger proposal are collectively referred to as the Merger-Related proposals.

**Q: What vote is required to approve each proposal at the Centene Special Meeting?**

*A: The Share Issuance proposal:* The affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting and entitled to vote on the proposal is required to approve the Share Issuance proposal, which is referred to as the Centene Stockholder Approval.

*The Centene Adjournment proposal:* If a quorum is not present, the affirmative vote of holders of a majority of the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting and entitled to vote on the proposal is required to approve the Centene Adjournment proposal. If a quorum is present, the affirmative vote of holders of a majority of the votes cast by the shares of Centene common stock represented (in person or by proxy) at the Centene special meeting and entitled to vote on the proposal is required to approve the Centene Adjournment proposal.

*The Charter Amendment proposal:* The affirmative vote of holders of a majority of the shares of Centene common stock outstanding and entitled to vote on the record date for the Centene special meeting is required to approve the Charter Amendment proposal.

**Q: Have any Centene stockholders agreed to vote their shares in favor of any of the Centene proposals?**

A: Yes. Michael F. Neidorff, President and Chief Executive Officer of Centene, who is referred to herein as the Centene Supporting Stockholder, entered into a voting agreement with Health Net, which is referred to as the Centene

Voting Agreement, pursuant to which the Centene Supporting Stockholder agreed, among other things, to (a) appear at each meeting of the stockholders of Centene or otherwise cause all of the shares beneficially owned at such time by the Centene Supporting Stockholder to be counted as present thereat for purposes of calculating a quorum, and respond to each request by Centene for written consent, if any; and (b) vote or cause to be voted (or deliver or cause to be delivered a written consent with respect to) all shares beneficially owned at

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such time by the Centene Supporting Stockholder (i) for the Share Issuance proposal and any actions in furtherance thereof at any meeting of the stockholders of Centene, and at any adjournment or postponement thereof, at which the Share Issuance proposal or the other transactions contemplated by the merger agreement and other related agreements (or any amended version thereof), or such other actions, are submitted for the consideration and vote of the stockholders of Centene (or in response to a request by Centene for written consent with respect thereto), and (ii) against (A) any takeover proposal in respect of Centene and (B) any other corporate action the consummation of which would frustrate the purposes, or prevent or materially delay the consummation, of the transactions contemplated by the merger agreement. The Centene Voting Agreement terminates in certain circumstances specified therein. As of the close of business on September 14, 2015, the most recent practicable date for which such information was available, the Centene Supporting Stockholder has the power to vote and is the beneficial owner of approximately 0.8% and 2.9%, respectively, of the issued and outstanding shares of Centene common stock. The percentage of shares of Centene common stock that the Centene Supporting Stockholder has the power to vote or beneficially owns as of the record date is not expected to be meaningfully different from the percentage as of September 14, 2015. For a discussion of the Centene Voting Agreement, see *The Centene Voting Agreement* beginning on page 165.

**Q: What vote is required to approve each proposal at the Health Net Special Meeting?**

*A: The Merger proposal:* The affirmative vote of holders of a majority of the shares of Health Net common stock outstanding and entitled to vote on the record date for the Health Net special meeting is required to approve the Merger proposal, which is referred to as the Health Net Stockholder Approval.

*The Merger-Related Compensation proposal:* The affirmative vote of holders of a majority of the votes cast by stockholders of Health Net entitled to vote thereon, represented (in person or by proxy) at the Health Net special meeting, is required to approve the Merger-Related Compensation proposal. Because the vote on the Merger-Related Compensation proposal is advisory only, it will not be binding on either Health Net or Centene. Accordingly, if the merger agreement is adopted and the merger is completed, the merger-related compensation will be payable to Health Net's named executive officers, subject only to the conditions applicable thereto, regardless of the outcome of the non-binding, advisory vote of Health Net's stockholders.

*The Health Net Adjournment proposal:* If a quorum is not present, the affirmative vote of holders of a majority of the votes entitled to be cast by holders of shares of Health Net common stock represented (in person or by proxy) at the Health Net special meeting is required to approve the Health Net Adjournment proposal. If a quorum is present, the affirmative vote of holders of a majority of the votes cast by the shares of Health Net common stock represented (in person or by proxy) at the Health Net special meeting and entitled to vote on the proposal is required to approve the Health Net Adjournment proposal.

**Q: Have any Health Net stockholders agreed to vote their shares in favor of any of the Health Net proposals?**

*A: Yes.* Jay M. Gellert, President and Chief Executive Officer of Health Net, who is referred to herein as the Health Net Supporting Stockholder, entered into a voting agreement with Centene, which is referred to as the Health Net Voting Agreement, pursuant to which the Health Net Supporting Stockholder agreed, among other things, to (a) appear at each meeting of the stockholders of Health Net or otherwise cause all of the shares beneficially owned at such time by the Health Net Supporting Stockholder to be counted as present thereat for purposes of calculating a quorum, and respond to each request by Health Net for written consent, if any; and (b) vote or cause to be voted (or deliver or cause to be delivered a written consent with respect to) all shares beneficially owned at such time by the Health Net Supporting Stockholder (i) for the adoption of the merger agreement, the merger and other transactions contemplated by the merger agreement, and all agreements in furtherance of the merger and any actions in furtherance thereof at any meeting of the stockholders of Health Net, and at any adjournment or postponement thereof, at which

the merger agreement and other related agreements (or any amended version thereof), or such other actions, are submitted for the consideration and vote

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of the stockholders of Health Net (or in response to a request by Health Net for written consent with respect thereto), and (ii) against (A) any takeover proposal in respect of Health Net and (B) any other corporate action the consummation of which would frustrate the purposes, or prevent or materially delay the consummation, of the transactions contemplated by the merger agreement. The Health Net Voting Agreement terminates in certain circumstances specified therein. As of the close of business on September 14, 2015, the most recent practicable date for which such information was available, the Health Net Supporting Stockholder has the power to vote and is the beneficial owner of approximately 1.3% and 2.1%, respectively, of the issued and outstanding shares of Health Net common stock. The percentage of shares of Health Net common stock that the Health Net Supporting Stockholder has the power to vote or beneficially owns as of the record date is not expected to be meaningfully different from the percentage as of September 14, 2015. For a discussion of the Health Net Voting Agreement, see *The Health Net Voting Agreement* beginning on page 168.

**Q: What happens if the non-binding advisory proposal to approve compensation that will or may be paid or provided by Health Net to its named executive officers in connection with the merger is not approved?**

A: Approval, on an advisory (non-binding basis), of compensation that will or may be paid or provided by Health Net to its named executive officers in connection with the merger is not a condition to completion of the merger. The vote is an advisory vote and is not binding. If the merger is completed, Health Net may pay compensation in connection with the merger to its named executive officers even if Health Net stockholders fail to approve the non-binding advisory proposal to approve compensation that will or may be paid or provided by Health Net to its named executive officers in connection with the merger.

**Q: What constitutes a quorum?**

A: The presence at the Centene special meeting, in person or by proxy, of the holders of a majority of the shares of Centene common stock issued and outstanding on the record date for the Centene special meeting and entitled to vote at the meeting will constitute a quorum for the transaction of business at the Centene special meeting. The presence at the Health Net special meeting, in person or by proxy, of the holders of a majority of Health Net votes entitled to be cast by stockholders entitled to vote on the record date for the Health Net special meeting will constitute a quorum for the transaction of business at the Health Net special meeting. Abstentions (which are described below) will count for the purpose of determining the presence of a quorum for the transaction of business at each special meeting. Shares held in street name by brokers, banks or other nominees that do not have discretionary authority to vote the shares as to a particular matter and have not received voting instructions from their clients, which are referred to as broker non-votes, will be counted for the purpose of determining the presence of a quorum for the transaction of business at either special meeting to the extent there are any such broker non-votes.

**Q: How does the Centene Board recommend that I vote?**

A: The board of directors of Centene, which is referred to as the Centene Board, unanimously recommends that holders of Centene common stock vote **FOR** the Share Issuance proposal, **FOR** the Centene Adjournment proposal and **FOR** the Charter Amendment proposal.

**Q: How does the Health Net Board recommend that I vote?**

A: The Health Net Board unanimously recommends that Health Net stockholders vote **FOR** the Merger proposal and **FOR** the Health Net Adjournment proposal. In addition, the Health Net Board unanimously recommends that holders of Health Net common stock vote **FOR** the Merger-Related Compensation proposal to approve, on an advisory (non-binding) basis, any golden parachute compensation arrangement that may be paid or become payable to Health

Net s named executive officers that is based on or otherwise relates to the merger or contemplated by the merger agreement.

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**Q: Is my vote required to approve the subsequent merger?**

A: No. The constituent parties to the subsequent merger have approved the consummation of the subsequent merger. The subsequent merger is contingent upon (i) the consummation of the merger and (ii) Health Net's receipt before the effective time of the merger of an opinion from Morgan Lewis, Health Net's outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of the Code.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please vote your shares as soon as possible so that your shares will be represented at your respective company's special meeting. Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker, bank or other nominee.

**Please do not submit your Health Net stock certificates at this time. If the merger is completed, you will receive instructions for surrendering your Health Net stock certificates in exchange for shares of Centene common stock from the exchange agent.**

**Q: How do I vote?**

A: If you are a stockholder of record of Centene as of September 22, 2015, which is referred to as the Centene record date, or a stockholder of Health Net as of September 22, 2015, which is referred to as the Health Net record date, you may submit your proxy before your respective company's special meeting in one of the following ways:

Telephone voting, use the toll-free number shown on your proxy card;

Via the Internet, visit the website shown on your proxy card to vote via the Internet; or

Mail, complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope.

If you are a stockholder of record, you may also cast your vote in person at your respective company's special meeting.

If your shares are held in street name, through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Street name stockholders who wish to vote at the meeting will need to obtain a legal proxy form from their broker, bank or other nominee.

**Q: When and where are the Centene and Health Net special meetings of stockholders? What must I bring to attend the special meeting?**

A: The special meeting of Centene stockholders will be held at Centene Plaza, 7700 Forsyth Boulevard, St. Louis, Missouri 63105 at 12:00 p.m., Central Time, on October 23, 2015. Subject to space availability, all Centene stockholders as of the Centene record date, or their duly appointed proxies, may attend the meeting. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. Registration and seating will begin at 11:30 a.m., Central Time.



The special meeting of Health Net stockholders will be held at 21281 Burbank Boulevard, Woodland Hills, California 91367 at 10:00 a.m., Pacific Time, on October 23, 2015. Subject to space availability, all Health Net stockholders as of the Health Net record date, or their duly appointed proxies, may attend the meeting. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. Registration and seating will begin at 9:30 a.m., Pacific Time.

If you wish to attend your respective company's special meeting, you must bring photo identification. If you hold your shares through a broker, bank or other nominee, you must also bring proof of ownership such as the voting instruction form from your broker or other nominee or an account statement.

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**Q: If my shares are held in street name by a broker, bank or other nominee, will my broker, bank or other nominee vote my shares for me?**

A: If your shares are held in street name in a stock brokerage account or by a broker, bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, bank or other nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to Centene or Health Net or by voting in person at your respective company's special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee. Your broker, bank or other nominee is obligated to provide you with a voting instruction card for you to use.

Under the rules of the NYSE, brokers who hold shares in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of matters that the NYSE determines to be non-routine without specific instructions from the beneficial owner. It is expected that all proposals to be voted on at the Health Net special meeting, the Share Issuance proposal and the Centene Adjournment proposal are such non-routine matters and that the Charter Amendment proposal is a routine matter. Broker non-votes occur when a broker or nominee is not instructed by the beneficial owner of shares to vote on a particular proposal for which the broker does not have discretionary voting power.

If you are a Centene stockholder and you do not instruct your broker, bank or other nominee on how to vote your shares:

your broker, bank or other nominee may not vote your shares on the Share Issuance proposal, which broker non-votes, if any, will have no effect on the vote count for this proposal (assuming a quorum is present);

your broker, bank or other nominee may not vote your shares on the Centene Adjournment proposal, which broker non-votes, if any, will have no effect on the vote count for this proposal (regardless of whether a quorum is present); and

your broker, bank or other nominee may vote your shares on the Charter Amendment proposal.

If you are a Health Net stockholder and you do not instruct your broker, bank or other nominee on how to vote your shares:

your broker, bank or other nominee may not vote your shares on the Merger proposal, which broker non-votes, if any, will have the same effect as a vote AGAINST this proposal;

your broker, bank or other nominee may not vote your shares on the Merger-Related Compensation proposal, which broker non-votes, if any, will have no effect on the vote count for this proposal (assuming a quorum is present); and

your broker, bank or other nominee may not vote your shares on the Health Net Adjournment proposal, which broker non-votes, if any, will have no effect on the vote count for this proposal if a quorum is present, and will have the same effect as a vote AGAINST this proposal if a quorum is not present.

**Q: How do I vote my shares of Health Net common stock held through Health Net s 401(k) Plan?**

A: If you hold shares of Health Net common stock through Health Net s 401(k) Plan, you may vote your shares by telephone, mail or via the Internet as described above. If you vote your shares by telephone or via the Internet, your voting instructions must be received before 11:59 p.m. (Eastern Time) on October 22, 2015 in order for you to instruct the 401(k) Plan trustee how to vote your shares. If you vote your shares by mail, your voting instructions must be received before 6:00 p.m. (Eastern Time) on October 21, 2015 in order for you to instruct

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the 401(k) Plan trustee how to vote your shares. If you hold shares through the 401(k) Plan and do not timely submit your voting instructions by this deadline, your applicable shares will be voted in the same proportion to the shares held in the 401(k) Plan for which votes were cast.

If you hold shares of Health Net common stock through the 401(k) Plan, you may attend the Health Net special meeting. However, shares held through the 401(k) Plan can only be voted as described above, and cannot be voted in person at the Health Net special meeting.

### **Q: What if I fail to vote or abstain?**

A: For purposes of each of the Centene special meeting and the Health Net special meeting, an abstention occurs when a stockholder attends the applicable special meeting in person and does not vote or returns a proxy with an abstain instruction.

### ***Centene***

*Share Issuance proposal:* An abstention will have no effect on the vote for the Share Issuance proposal. If a Centene stockholder is not present in person at the Centene special meeting and does not respond by proxy, it will have no effect on the vote count for the Share Issuance proposal (assuming a quorum is present).

*Centene Adjournment proposal:* If a quorum is not present, an abstention will have the same effect as a vote AGAINST the Centene Adjournment proposal. If a quorum is present, an abstention will have no effect on the vote for the Centene Adjournment proposal. If a Centene stockholder is not present in person at the Centene special meeting and does not respond by proxy, it will have no effect on the vote count for the Centene Adjournment proposal (assuming a quorum is present).

*Charter Amendment proposal:* An abstention or failure to vote will have the same effect as a vote cast AGAINST the Charter Amendment proposal.

### ***Health Net***

*Merger proposal:* An abstention or failure to vote will have the same effect as a vote cast AGAINST the Merger proposal.

*Merger-Related Compensation proposal:* An abstention will have no effect on the vote on the Merger-Related Compensation proposal. If a Health Net stockholder is not present in person at the Health Net special meeting and does not respond by proxy, it will have no effect on the vote count for the Merger-Related Compensation proposal (assuming a quorum is present).

*Health Net Adjournment proposal:* If a quorum is not present, an abstention will have the same effect as a vote cast AGAINST the Health Net Adjournment proposal. If a quorum is present, an abstention will have no effect on the Health Net Adjournment proposal. If a Health Net stockholder is not present in person at the Health Net special meeting and does not respond by proxy, it will have no effect on the vote count for the Health Net Adjournment proposal (assuming a quorum is present).

### **Q: What will happen if I return my proxy or voting instruction card without indicating how to vote?**

A: If you sign and return your proxy or voting instruction card without indicating how to vote on any particular proposal, the Centene common stock represented by your proxy will be voted as recommended by the Centene Board with respect to that proposal or the Health Net common stock represented by your proxy will be voted as recommended by the Health Net Board with respect to that proposal. Unless a Centene stockholder or a Health Net stockholder, as applicable, checks the box on its proxy card to withhold discretionary authority, the applicable proxy holders may use their discretion to vote on other matters relating to the Centene special meeting or Health Net special meeting, as applicable.

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**Q: What if I hold shares of both Centene common stock and Health Net common stock?**

A: If you are a stockholder of both Centene and Health Net, you will receive two separate packages of proxy materials. A vote as a Health Net stockholder will not constitute a vote as a Centene stockholder and vice versa. Therefore, please sign, date and return all proxy cards that you receive, whether from Centene or Health Net, or vote as both a Centene stockholder and as a Health Net stockholder by Internet or telephone.

**Q: May I change or revoke my vote after I have delivered my proxy or voting instruction card?**

A: Yes. If you are a record holder, you may change or revoke your vote before your proxy is voted at the Centene or Health Net special meeting as described herein. You may do this in one of four ways:

by sending a notice of revocation to the corporate secretary of Centene or Health Net, as applicable;

by logging onto the Internet website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card, in each case if you are eligible to do so;

by sending a completed proxy card bearing a later date than your original proxy card; or

by attending the Centene or Health Net special meeting, as applicable, and voting in person.

If you choose any of the first three methods, you must take the described action no later than the beginning of the applicable special meeting.

If your shares are held in an account at a broker, bank or other nominee or through the Health Net 401(k) Plan and you have delivered your voting instruction card to your broker, bank or other nominee, you should contact your broker, bank or other nominee, or your plan administrator to change your vote.

**Q: What are the U.S. federal income tax consequences of the merger?**

A: The merger and the subsequent merger, if both are consummated, are intended to constitute a single integrated transaction that qualifies as a reorganization within the meaning of Section 368(a) of the Code. It is a condition to Centene's obligation to complete the subsequent merger that Health Net receive a written opinion of Morgan Lewis, Health Net's outside legal counsel, to the effect that the mergers will qualify as a reorganization described in Section 368(a) of the Code. If the subsequent merger is consummated, in general no gain or loss will be recognized by U.S. holders of Health Net common stock upon the exchange of Health Net common stock for Centene common stock except that U.S. holders will recognize gain (but not loss) to the extent such U.S. holders receive cash (including the cash portion of the merger consideration and any cash received in lieu of a fractional share). If the subsequent merger is not consummated, U.S. holders of Health Net common stock would recognize gain or loss equal to the difference, if any, between (i) the sum of the fair market value of the Centene common stock received in the merger and any cash received and (ii) such U.S. holder's adjusted tax basis in the Health Net common stock surrendered in exchange therefor. You are strongly urged to consult with a tax advisor to determine the particular U.S. federal, state or local or foreign income or other tax consequences of the mergers to you. You will not know at the time of your respective vote

whether the subsequent merger will take place, and therefore you will not know the precise tax treatment of the merger or mergers when you vote. See The Merger U.S. Federal Income Tax Consequences beginning on page 130 for additional information.

**Q: Do I have appraisal rights in connection with the transaction?**

A: Under Delaware law, Centene stockholders will not be entitled to exercise any appraisal rights in connection with the merger, the subsequent merger or any other transaction described in this joint proxy statement/prospectus.

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Subject to the closing of the merger, record holders of Health Net common stock who do not vote in favor of the adoption of the merger agreement and otherwise comply fully with the requirements and procedures of Section 262 of the DGCL may exercise their rights of appraisal, which generally entitle stockholders to receive a cash payment equal to the fair value of their Health Net common stock exclusive of any element of value arising from the accomplishment or expectation of the mergers. The fair value could be higher or lower than, or the same as, the merger consideration. A detailed description of the appraisal rights and procedures available to Health Net stockholders is included in *The Merger Appraisal Rights* beginning on page 125. The full text of Section 262 of the DGCL is attached as Annex G to this joint proxy statement/prospectus.

**Q: What will happen to my Health Net stock options and other stock-based awards?**

A: Upon completion of the merger:

Each outstanding Health Net stock option that you hold will be cancelled in exchange for:

- (i) a cash payment of \$28.25 for each share of Health Net common stock subject to the option, generally reduced by an amount of cash equal to any applicable withholding taxes; and
- (ii) a distribution of 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock for each share of Health Net common stock subject to the option, generally reduced by a number of shares of Centene common stock with a Centene stock value equal to the aggregate exercise price of the option.

If the amount of cash that would otherwise be provided to you in respect of your Health Net stock options is not sufficient to cover the applicable withholding taxes, then the number of shares of Centene common stock that would otherwise be provided to you will be reduced to the extent necessary to cover the shortfall. If the number of shares of Centene common stock that would otherwise be provided to you in respect of your Health Net stock options is not sufficient to cover the option exercise price, then the amount of cash that would otherwise be provided to you will be reduced to the extent necessary to cover the shortfall. Any fractional shares of Centene common stock will be treated as set forth in *The Merger Agreement Merger Consideration Received by Health Net Stockholders*.

Each outstanding Health Net restricted stock unit and performance share award that you hold that either (i) is vested in accordance with its vesting schedule as of the completion of the merger or (ii) becomes vested under its terms solely as a result of the completion of the merger will be cancelled in exchange for a cash payment per share subject to the award of \$28.25 and a distribution per share subject to the award of 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock.

Any applicable withholding taxes resulting from this treatment of your vested Health Net restricted stock units or performance share awards will be satisfied by reducing the amount of cash that would otherwise be provided to you, but if the amount of that cash is not sufficient to cover the applicable withholding taxes, then the number of shares of Centene common stock that would otherwise be provided to you will be reduced to the extent necessary to cover the shortfall. Any fractional shares of Centene common stock will be treated as set forth in *The Merger Agreement Merger Consideration Received by Health Net Stockholders*.



Each outstanding Health Net restricted stock unit and performance share award that is not vested in accordance with its vesting schedule as of the completion of the merger and does not otherwise become vested under its terms solely as a result of the completion of the merger will be converted into an award relating to a number of shares of Centene common stock (rounded down to the nearest whole share) equal to the product of (i) the number of shares of Health Net common stock that were issuable upon the vesting of such award immediately prior to the effective time of the merger, multiplied by (ii) the rollover award exchange ratio, as described hereinafter, but will otherwise remain outstanding subject to the same terms and conditions (including time-based vesting conditions) as applied to the award

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immediately prior to the completion of the merger. However, any outstanding performance criteria relating to converted Health Net performance share awards will be deemed to have been achieved at the target level. The rollover award exchange ratio is equal to the sum of (x) 0.622 and (y) the quotient of (1) \$28.25 divided by (2) the Centene stock value.

**Q: What happens if I sell my shares of Health Net common stock after the record date but before the Health Net special meeting?**

A: The record date for the Health Net special meeting (the close of business on September 22, 2015) is earlier than the date of the Health Net special meeting and earlier than the date that the merger is expected to be completed. If you sell or otherwise transfer your shares of Health Net common stock after the record date but before the date of the Health Net special meeting, you will retain your right to vote at the Health Net special meeting. However, you will not have the right to receive the merger consideration to be received by Health Net stockholders in the merger. In order to receive the merger consideration, you must hold your shares through completion of the merger.

**Q: What happens if I sell my Centene shares after the record date but before the Centene special meeting?**

A: The record date for the Centene special meeting (the close of business on September 22, 2015) is earlier than the date of the Centene special meeting. If you sell or otherwise transfer your Centene common shares after the record date but before the date of the Centene special meeting, you will retain your right to vote at the Centene special meeting.

**Q: Whom should I contact if I have any questions about the proxy materials or voting?**

A: If you have any questions about the proxy materials, or if you need assistance submitting your proxy or voting your shares or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card, you should contact the proxy solicitation agent for the company in which you hold shares.

If you are a Centene stockholder, you should contact the proxy solicitation agents for Centene, at:

Innisfree M&A Incorporated

(877) 825-8772

Bankers and brokers call collect at (212) 750-5833

If you are a Health Net stockholder, you should contact MacKenzie Partners, Inc., the proxy solicitation agent for Health Net, at (800) 322-2885 (toll-free) or (212) 929-5500 (collect).

Morrow & Co., LLC

(800) 662-5200

Bankers and brokers call collect at (203) 658-9400

**Table of Contents****SUMMARY**

*This summary highlights selected information contained in this joint proxy statement/prospectus and does not contain all the information that may be important to you. Centene and Health Net urge you to read carefully this joint proxy statement/prospectus in its entirety, including the annexes. Additional, important information, which Centene and Health Net also urge you to read, is contained in the documents incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 220. Unless stated otherwise, all references in this joint proxy statement/prospectus to Centene are to Centene Corporation, all references to Health Net are to Health Net, Inc. and all references to the merger agreement are to the Agreement and Plan of Merger, dated as of July 2, 2015, by and among Centene Corporation, Chopin Merger Sub I, Inc., Chopin Merger Sub II, Inc. and Health Net, Inc., a copy of which is attached as Annex A to this joint proxy statement/prospectus.*

**The Parties*****Centene***

Centene is a diversified, multi-national health care enterprise that provides programs and services to government sponsored health care programs, focusing on under-insured and uninsured individuals. Centene provides member-focused services through locally based staff by assisting in accessing care, coordinating referrals to related health and social services and addressing member concerns and questions. Centene also provides education and outreach programs to inform and assist members in accessing quality, appropriate health care services. Centene believes its local approach, including member and provider services, enables it to provide accessible, quality, culturally-sensitive health care coverage to its communities. Centene's health management, educational and other initiatives are designed to help members best utilize the health care system to ensure they receive appropriate, medically necessary services and effective management of routine, severe and chronic health problems, resulting in better health outcomes. Centene combines its decentralized local approach for care with a centralized infrastructure of support functions such as finance, information systems and claims processing.

Centene operates in two segments: Managed Care and Specialty Services. Centene's Managed Care segment provides health plan coverage to individuals through government subsidized programs, including Medicaid, the State Children's Health Insurance Program, Long Term Care, Foster Care, dual-eligible individuals and the Supplemental Security Income Program, also known as the Aged, Blind or Disabled Program, or collectively ABD. Beginning in 2014, Centene's Managed Care segment also provides health plan coverage to individuals covered through federally-facilitated and state-based Health Insurance Marketplaces. Centene's Specialty Services segment consists of Centene's specialty companies offering diversified health care services and products to state programs, correctional facilities, health care organizations, employer groups and other commercial organizations, as well as to its own subsidiaries. For the year ended December 31, 2014, Centene's Managed Care and Specialty Services segments accounted for 89% and 11%, respectively, of Centene's total external premium and service revenues.

Centene's managed care membership totaled 4.1 million as of December 31, 2014. For the year ended December 31, 2014, Centene's premium and service revenues and net earnings from continuing operations attributable to Centene were \$15.7 billion and \$268 million, respectively, and its total cash flow from operations was \$1.2 billion.

On February 2, 2015, the Centene Board declared a two-for-one split of Centene common stock in the form of a 100% stock dividend distributed February 19, 2015 to stockholders of record on February 12, 2015. All share, per share and stock price information presented in this joint proxy statement/prospectus has been adjusted for the two-for-one stock split.



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Centene's initial health plan commenced operations in Wisconsin in 1984. Centene was organized in Wisconsin in 1993 as a holding company for its initial health plan and reincorporated in Delaware in 2001. Centene's corporate office is located at 7700 Forsyth Boulevard, St. Louis, Missouri 63105, and its telephone number is (314) 725-4477. Centene's website address is [www.centene.com](http://www.centene.com). Information contained on Centene's website does not constitute part of this joint proxy statement/prospectus. Centene's stock is publicly traded on the NYSE under the ticker symbol CNC.

### ***Health Net***

Health Net is a publicly traded managed care organization that delivers managed health care services through health plans and government-sponsored managed care plans. Health Net's mission is to help people be healthy, secure and comfortable. Health Net provides and administers health benefits to approximately 6.1 million individuals across the country through group, individual, Medicare (including the Medicare prescription drug benefit commonly referred to as Part D), Medicaid and dual eligible programs as well as programs with the U.S. Department of Defense, which is referred to as the DoD, and U.S. Department of Veterans Affairs, which is referred to as VA. Health Net also offers behavioral health, substance abuse and employee assistance programs, and managed health care products related to prescription drugs.

Health Net's Western Region Operations segment includes the operations of its commercial, Medicare and Medicaid health plans as well as the operations of its health and life insurance companies and certain operations of its behavioral health and pharmaceutical services subsidiaries, primarily in Arizona, California, Oregon and Washington. As of June 30, 2015, Health Net had approximately 3.2 million risk members in its Western Region Operations segment. For the year ended December 31, 2014, Western Region Operations health plan services premiums revenues were approximately \$13.4 billion.

Health Net's Government Contracts segment includes its government-sponsored managed care contract with the DoD under the TRICARE program in the North Region, its Military and Family Life Counseling, formerly Military and Family Life Consultant, which is referred to as MFLC, contract with DoD and other health care related government contracts, including the Veterans Choice and Patient Centered Community Care program, which is referred to as PC3/Choice, with VA. Under the T-3 contract for the TRICARE North Region, Health Net provides administrative services to approximately 2.8 million Military Health System eligible beneficiaries. For the year ended December 31, 2014, Government Contracts revenues were approximately \$604 million.

Health Net was incorporated in 1990. The current operations are the result of the April 1, 1997 merger transaction, which is referred to as the FHS Combination, involving Health Systems International, Inc., which is referred to as HSI, and Foundation Health Corporation. Health Net changed its name to Health Net, Inc. in November 2000. Prior to the FHS Combination, Health Net was the successor to the business conducted by Health Net of California, Inc., now its health maintenance organization, which is referred to as HMO, subsidiary in California, and HMO and preferred provider organization networks operated by QualMed, Inc., which combined with those networks in 1994 to create HSI.

Health Net's executive offices are located at 21650 Oxnard Street, Woodland Hills, California 91367, its website address is [www.healthnet.com](http://www.healthnet.com), and its phone number is (818) 676-6000. Information contained on Health Net's website does not constitute part of this joint proxy statement/prospectus. Health Net common stock is listed on the NYSE, trading under the symbol HNT.

### ***Merger Sub I***

Chopin Merger Sub I, Inc., which is referred to as Merger Sub I, a direct wholly owned subsidiary of Centene, is a Delaware corporation incorporated on June 26, 2015 for the purpose of effecting the merger. Merger Sub I has not conducted any activities other than those incidental to its formation and the matters

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contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the merger. The principal executive offices of Merger Sub I are located at 7700 Forsyth Boulevard, St. Louis, Missouri 63105.

### ***Merger Sub II***

Chopin Merger Sub II, Inc., which is referred to as Merger Sub II and, together with Merger Sub I, the Merger Subs, a direct wholly owned subsidiary of Centene, is a Delaware corporation incorporated on June 26, 2015 for the purpose of effecting the subsequent merger, if applicable. Merger Sub II has not conducted any activities other than those incidental to its formation and the matters contemplated by the merger agreement, including the preparation of applicable regulatory filings in connection with the mergers. The principal executive offices of Merger Sub II are located at 7700 Forsyth Boulevard, St. Louis, Missouri 63105.

### **The Transaction**

On July 2, 2015, Centene, Health Net, Merger Sub I and Merger Sub II entered into the merger agreement, which provides that, subject to the terms and conditions of the merger agreement and in accordance with the DGCL, Merger Sub I will merge with and into Health Net, with Health Net continuing as the surviving corporation and a direct wholly owned subsidiary of Centene. In addition, immediately following the completion of the merger and contingent upon Health Net's receipt before the effective time of the merger of an opinion from Morgan Lewis, Health Net's outside legal counsel, that the mergers will constitute a reorganization under Section 368(a) of the Code, Health Net as the surviving corporation in the merger will merge with and into Merger Sub II, with Merger Sub II continuing as the surviving corporation and a direct wholly owned subsidiary of Centene.

### **Consideration to be Received in the Merger by Health Net Stockholders**

In the merger, each share of Health Net common stock that is issued and outstanding immediately prior to the effective time of the merger (other than (i) any shares of Health Net common stock owned or held directly or indirectly by Centene, Health Net (including as treasury stock), Merger Sub I or Merger Sub II, which will be cancelled upon completion of the merger, (ii) shares underlying Health Net stock options, restricted stock units or performance share awards and (iii) any shares of Health Net common stock with respect to which appraisal rights are properly demanded and not withdrawn under the DGCL, which are referred to as appraisal shares) will be converted into the right to receive \$28.25 in cash and 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock, which is referred to as the exchange ratio, and which cash and stock consideration combined are referred to as the merger consideration. This exchange ratio is fixed and will not be adjusted to reflect stock price changes prior to the closing of the merger. The exchange ratio will be adjusted appropriately to fully reflect the effect of any reclassification, stock split (including a reverse stock split), recapitalization, split-up, combination, exchange of shares, readjustment or other similar transaction (including any exercise of rights issued pursuant to the Health Net rights agreement), or any stock dividend declared thereon, with respect to the shares of either Centene common stock or Health Net common stock with a record date prior to completion of the merger. No fractional shares of Centene common stock will be issued in connection with the merger. Instead of receiving any fractional shares, each holder of Health Net common stock will be paid an amount in cash, without interest, rounded down to the nearest cent, equal to the product of (x) the amount of the fractional share interest in a share of Centene common stock to which such holder would otherwise be entitled (rounded to three decimal places) and (y) the Centene stock value. Centene stockholders will continue to own their existing shares of Centene common stock, the form of which will not be changed by the transaction.





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**Table of Contents****Treatment of Stock Options and Other Stock-Based Awards*****Health Net***

Each outstanding Health Net stock option will be cancelled upon completion of the merger in exchange for (i) a cash payment of \$28.25 for each share of Health Net common stock subject to the option, generally reduced by an amount of cash equal to any applicable withholding taxes, and (ii) a distribution of 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock for each share of Health Net common stock subject to the option, generally reduced by a number of shares of Centene common stock with a Centene stock value equal to the aggregate exercise price of the option (such aggregate amount hereinafter referred to as the Health Net Stock Option Consideration). If the amount of cash that would otherwise be provided to a holder of Health Net stock options is not sufficient to cover the applicable withholding taxes, then the number of shares of Centene common stock that would otherwise be provided to the holder will be reduced to the extent necessary to cover the shortfall. If the number of shares of Centene common stock that would otherwise be provided to a holder of Health Net stock options is not sufficient to cover the option exercise price, then the amount of cash that would otherwise be provided to the holder will be reduced to the extent necessary to cover the shortfall. Any fractional shares of Centene common stock will be treated as set forth in The Merger Agreement Merger Consideration Received by Health Net Stockholders.

Each outstanding Health Net restricted stock unit and performance share award that either (i) is vested in accordance with its vesting schedule as of the completion of the merger or (ii) becomes vested under its terms solely as a result of the completion of the merger will be cancelled upon the completion of the merger in exchange for a cash payment per share subject to the award of \$28.25 and a distribution per share subject to the award of 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock.

Any applicable withholding taxes resulting from this treatment of vested Health Net restricted stock units and performance share awards will be satisfied by reducing the amount of cash that would otherwise be provided to the holder of the vested award, but if the amount of that cash is not sufficient to cover the applicable withholding taxes, then the number of shares of Centene common stock that would otherwise be provided to the holder will be reduced to the extent necessary to cover the shortfall. However, any fractional shares of Centene common stock will be treated as set forth in The Merger Agreement Merger Consideration Received by Health Net Stockholders.

Each outstanding Health Net restricted stock unit and performance share award that is not vested in accordance with its vesting schedule as of the completion of the merger and does not otherwise become vested under its terms solely as a result of the completion of the merger will be converted into an award relating to a number of shares of Centene common stock (rounded down to the nearest whole share) equal to the product of (i) the number of shares of Health Net common stock that were issuable upon the vesting of such award immediately prior to the effective time of the merger, multiplied by (ii) the rollover award exchange ratio, as described hereinafter, but will otherwise remain outstanding subject to the same terms and conditions (including time-based vesting conditions) as applied to the award immediately prior to the completion of the merger. However, any outstanding performance criteria relating to converted Health Net performance share awards will be deemed to have been achieved at the target level. The rollover award exchange ratio is equal to the sum of (x) 0.622 and (y) the quotient of (1) \$28.25 divided by (2) the Centene stock value.

For a more complete discussion of the treatment of Health Net stock options, restricted stock units and performance share awards, see The Merger Agreement Treatment of Health Net Stock Options and Other Stock-Based Awards on page 135. For further discussion of the treatment of Health Net stock options, restricted stock units and performance share awards held by directors and executive officers of Health Net, see The Merger Interests of Directors and Executive Officers in the Merger Interests of Directors and Executive Officers of Health Net in the Merger beginning

on page 107.

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### ***Centene***

Neither the merger nor the subsequent merger (if it occurs) will affect Centene's stock options or other stock-based awards. All such awards will remain outstanding subject to the same terms and conditions that are applicable to such stock options or other stock-based awards prior to the mergers.

### **Centene Board of Directors Following Completion of the Merger**

*Board of Directors.* The merger agreement provides that the parties will take all actions so that immediately following the completion of the merger, the Centene Board will include one director to be designated by the Health Net Board from those directors serving on the Health Net Board as of July 2, 2015, who qualifies as an independent director as defined by Section 303A.02 of the NYSE Listed Company Manual and is reasonably acceptable to the Nominating and Corporate Governance Committee of Centene. Other than such additional director, no changes to the Centene Board or Centene senior management are expected in connection with the consummation of the mergers.

For a more complete discussion of the directors and executive officers of the surviving corporation, see *The Merger Governance of Centene Following Completion of the Merger* beginning on page 106.

### **Headquarters**

Upon completion of the transaction, Centene's corporate headquarters will remain in St. Louis, Missouri, with operations throughout the country.

### **Recommendations of the Centene Board of Directors**

After careful consideration, the Centene Board unanimously recommends that holders of Centene common stock vote **FOR** the Share Issuance proposal, **FOR** the Centene Adjournment proposal and **FOR** the Charter Amendment proposal.

For a more complete description of the Centene Board's reasons for the transaction and the recommendations of the Centene Board, see *The Merger Rationale for the Transaction* and *The Merger Centene Board of Directors Recommendations and Its Reasons for the Transaction* beginning on pages 64 and 65, respectively.

### **Recommendations of the Health Net Board of Directors**

After careful consideration, the Health Net Board unanimously recommends that holders of Health Net common stock vote **FOR** the Merger proposal and **FOR** the Health Net Adjournment proposal.

After careful consideration, the Health Net Board unanimously recommends that holders of Health Net common stock vote **FOR** the Merger-Related Compensation proposal to approve, on an advisory (non-binding) basis, any golden parachute compensation arrangement that may be paid or become payable to Health Net's named executive officers that is based on or otherwise relates to the merger or contemplated by the merger agreement.

For a more complete description of the Health Net Board's reasons for the transaction and the recommendation of the Health Net Board, see *The Merger Rationale for the Transaction* and *The Merger Health Net Board of Directors Recommendation and Its Reasons for the Transaction* beginning on pages 64 and 65, respectively.



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**Opinions of Financial Advisors**

*Centene's Financial Advisors*

**Opinion of Allen & Company LLC**

Centene has engaged Allen & Company LLC, referred to as Allen & Company, as a financial advisor to Centene in connection with the proposed merger. On July 1, 2015, at a meeting of the Centene Board held to evaluate the merger, Allen & Company rendered an oral opinion, which was confirmed by delivery of a written opinion dated July 1, 2015, to the Centene Board as to the fairness, from a financial point of view and as of the date of such opinion, to Centene of the merger consideration payable by Centene pursuant to the merger agreement.

**The full text of Allen & Company's written opinion, dated July 1, 2015, which describes the procedures followed, matters considered, assumptions made and qualifications and limitations on the review undertaken, is attached to this joint proxy statement/prospectus as Annex D and is incorporated by reference in its entirety into this joint proxy statement/prospectus. You are encouraged to read Allen & Company's opinion carefully and in its entirety. Allen & Company's opinion was intended for the benefit and use of the Centene Board (in its capacity as such) in connection with its evaluation of the merger consideration from a financial point of view to Centene and did not address any other aspect of the merger. Allen & Company's opinion did not constitute a recommendation as to the course of action that the Centene Board should pursue in connection with the merger, or otherwise address the merits of the underlying decision by Centene to engage in the merger, including in comparison to other strategies or transactions that might be available to Centene or in which Centene might engage. The opinion does not constitute advice or a recommendation to any stockholder as to how such stockholder should vote or act on any matter relating to the merger or otherwise.**

**Opinion of Evercore Group L.L.C.**

Centene has engaged Evercore Group L.L.C., referred to as Evercore, as a financial advisor to Centene in connection with the proposed merger. On July 1, 2015, at a meeting of the Centene Board, Evercore rendered its oral opinion, subsequently confirmed by delivery of a written opinion that, based upon and subject to the factors, procedures, assumptions, qualifications and limitations set forth in its opinion, as of July 1, 2015, the merger consideration was fair, from a financial point of view, to Centene.

**The full text of the written opinion of Evercore, dated as of July 1, 2015, which sets forth, among other things, the procedures followed, assumptions made, matters considered and qualifications and limitations on the scope of review undertaken in rendering its opinion, is attached as Annex E to this joint proxy statement/prospectus and is incorporated by reference in its entirety into this joint proxy statement/prospectus. You are urged to read Evercore's opinion carefully and in its entirety. Evercore's opinion was addressed to, and provided for the information and benefit of, the Centene Board (in its capacity as such) in connection with its evaluation of the merger consideration from a financial point of view and did not address any other aspects or implications of the merger. The opinion does not constitute a recommendation to the Centene Board or to any other persons in respect of the merger, including as to how any holder of shares of Centene common stock or Health Net common stock should vote or act in respect of the Centene share issuance or the merger. Evercore's opinion does not address the relative merits of the merger as compared to other business or financial strategies that might be available to Centene, nor does it address the underlying business decision of Centene to engage in the merger.**



**Table of Contents*****Health Net's Financial Advisor*****Opinion of J.P. Morgan Securities LLC**

In connection with its consideration of the merger, the Health Net Board received on July 1, 2015 from Health Net's financial advisor, J.P. Morgan Securities LLC, which is referred to as J.P. Morgan, its oral opinion, subsequently confirmed in writing on the same day, that, as of such date and based upon and subject to the factors, assumptions, limitations and qualifications set forth in its opinion, the merger consideration to be paid to the holders of Health Net common stock in the merger and, if applicable, the subsequent merger was fair, from a financial point of view, to such stockholders. The full text of the written opinion of J.P. Morgan, dated July 1, 2015, which sets forth, among other things, the assumptions made, matters considered and qualifications and limitations on the review undertaken by J.P. Morgan in connection with rendering its opinion, is attached to this joint proxy statement/prospectus as Annex F and is incorporated herein by reference. You should read this opinion and the description beginning on page 89 carefully and in their entirety. J.P. Morgan's opinion is addressed to the Health Net Board, is directed only to the merger consideration to be paid to the holders of Health Net common stock and does not address any other matter. The opinion does not constitute a recommendation as to how any such stockholder should vote with respect to the merger or any other matter.

For a description of the opinion that the Health Net Board received from J.P. Morgan, see *The Merger Opinion of Health Net's Financial Advisor* beginning on page 89 of this joint proxy statement/prospectus.

**Interests of Directors and Executive Officers in the Mergers**

You should be aware that some of the directors and executive officers of Centene and Health Net have interests in the mergers that are different from, or are in addition to, the interests of stockholders generally. These interests include the following:

*For Health Net's Directors and Executive Officers:* The accelerated vesting and settlement of certain stock-based compensation awards; the conversion of certain restricted stock units and performance share awards; indemnification and insurance; the appointment of one independent director to be designated by the Health Net Board from those directors serving on the Health Net Board as of July 2, 2015, who qualifies as an independent director as defined by Section 303A.02 of the NYSE Listed Company Manual and is reasonably acceptable to the Nominating and Corporate Governance Committee of Centene; the anticipated service in senior positions of certain members of Health Net's senior management team following the mergers; the treatment of compensation arrangements relating to certain executive officers; the indemnification of Health Net's directors and officers by Centene; and the interests and obligations of Mr. Jay M. Gellert pursuant to the Health Net Voting Agreement. For a further discussion of the Health Net Voting Agreement, see *The Health Net Voting Agreement* beginning on page 168.

*For Centene's Directors and Executive Officers:* Mr. Michael F. Neidorff, currently the Chairman of the Centene Board and Centene's President and Chief Executive Officer, will continue in those positions immediately following the completion of the mergers; Mr. Neidorff and eight other directors of Centene will continue to serve as directors of Centene immediately following the completion of the mergers; and the interests and obligations of Mr. Michael F. Neidorff pursuant to the Centene Voting Agreement. For a further discussion of the Centene Voting Agreement, see *The Centene Voting Agreement* beginning on page 165.

The Centene Board and the Health Net Board were aware of these additional interests by their respective directors and executive officers and considered these potential interests, among other matters, in evaluating and negotiating the merger agreement and the mergers, in approving the merger agreement and in recommending the applicable

merger-related proposals.



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For a further discussion of the interests of Health Net and Centene directors and executive officers in the mergers, see *The Merger Interests of Directors and Executive Officers in the Merger* beginning on page 107.

### **The Centene Voting Agreement**

In connection with entering into the merger agreement, Michael F. Neidorff, the President and Chief Executive Officer of Centene, who is referred to herein as the Centene Supporting Stockholder, entered into a voting agreement with Health Net, which is referred to as the Centene Voting Agreement, pursuant to which the Centene Supporting Stockholder agreed to, among other things, vote his shares of Centene common stock (i) for the Share Issuance proposal and any actions in furtherance thereof at any meeting of the stockholders of Centene, and at any adjournment or postponement thereof, at which the Share Issuance proposal, or the other transactions contemplated by the merger agreement and the other related agreements (or any amended versions thereof), or such other actions, are submitted for the consideration and vote of the stockholders of Centene (or in response to a request by Centene for written consent with respect thereto), and (ii) against (A) any takeover proposal in respect of Centene and (B) any other corporate action the consummation of which would frustrate the purposes, or prevent or materially delay the consummation, of the transactions contemplated by the merger agreement. Notwithstanding the foregoing agreements each of Health Net and the Centene Supporting Stockholder have agreed that the foregoing obligations will not in any way restrict the Centene Supporting Stockholder from taking any action in his capacity as a director, officer or employee of Centene that is otherwise permitted to be taken pursuant to the merger agreement. The Centene Voting Agreement terminates upon the earliest to occur of: (x) the termination of the merger agreement; (y) an adverse recommendation by the Centene Board; or (z) the receipt of the Centene stockholder approval in respect of the Share Issuance proposal. As of the close of business on September 14, 2015, the most recent practicable date for which such information was available, the Centene Supporting Stockholder has the power to vote and is the beneficial owner of approximately 0.8% and 2.9%, respectively, of the issued and outstanding shares of Centene common stock. The percentage of shares of Centene common stock that the Centene Supporting Stockholder has the power to vote or beneficially owns as of the record date is not expected to be meaningfully different from the percentage as of September 14, 2015.

For a further discussion of the Centene Voting Agreement, see *The Centene Voting Agreement* beginning on page 165.

### **The Health Net Voting Agreement**

In connection with entering into the merger agreement, Jay M. Gellert, the President and Chief Executive Officer of Health Net, who is referred to herein as the Health Net Supporting Stockholder, entered into a voting agreement with Centene, which is referred to as the Health Net Voting Agreement, pursuant to which the Health Net Supporting Stockholder agreed to, among other things, vote his shares of Health Net common stock (i) for the adoption of the merger agreement, the merger and the other transactions contemplated by the merger agreement, and all agreements in furtherance of the merger and any actions in furtherance thereof at any meeting of the stockholders of Health Net, and at any adjournment or postponement thereof, at which such merger agreement and the other related agreements (or any amended version thereof), or such other actions, are submitted for the consideration and vote of the stockholders of Health Net (or in response to a request by Health Net for written consent with respect thereto), and (ii) against (A) any takeover proposal with respect to Health Net and (B) any other corporate action the consummation of which would frustrate the purposes, or prevent or materially delay the consummation, of the transactions contemplated by the merger agreement. Notwithstanding the foregoing agreements each of Centene and the Health Net Supporting Stockholder have agreed that the foregoing obligations will not in any way restrict the Health Net Supporting Stockholder from making any action in his capacity as a director, officer or employee of Health Net that is otherwise permitted to be taken pursuant to the merger agreement. The Health Net Voting Agreement terminates upon the earliest to occur of: (x) the termination of the merger agreement; (y) an adverse recommendation by the Health Net

Board; or (z) the receipt

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of the Health Net stockholder approval in respect of the Merger proposal. As of the close of business on September 14, 2015, the most recent practicable date for which such information was available, the Health Net Supporting Stockholder has the power to vote and is the beneficial owner of approximately 1.3% and 2.1%, respectively, of the issued and outstanding shares of Health Net common stock. The percentage of shares of Health Net common stock that the Health Net Supporting Stockholder has the power to vote or beneficially owns as of the record date is not expected to be meaningfully different from the percentage as of September 14, 2015.

For a further discussion of the Health Net Voting Agreement, see [The Health Net Voting Agreement](#) beginning on page 168.

## **U.S. Federal Income Tax Consequences of the Merger**

Centene and Health Net intend for the mergers, taken together, to be treated as a reorganization within the meaning of Section 368(a) of the Code for U.S. federal income tax purposes. However, it is not a condition to Health Net's obligation or Centene's obligation to complete the transactions that the mergers, taken together, be treated as a reorganization. The subsequent merger is predicated on Health Net receiving an opinion from Morgan Lewis, with a copy delivered to Centene, to the effect that the mergers will constitute a reorganization within the meaning of Section 368(a) of the Code for U.S. federal income tax purposes.

If Morgan Lewis does not deliver such an opinion, then the subsequent merger will not occur, and the initial merger will be a taxable transaction as described under [The Merger U.S. Federal Income Tax Consequences Tax Consequences if the Transaction Does Not Qualify as a Reorganization Described in Section 368\(a\) of the Code](#). If the opinion is delivered, it will be based, and the discussion under [The Merger U.S. Federal Income Tax Consequences Tax Consequences if the Second Merger Does Occur and the Transaction Qualifies as a Transaction Described in Section 368\(a\) of the Code](#) is based, on the facts, representations and warranties contained in representation letters provided by Centene and Health Net to Morgan Lewis, and on customary factual assumptions set forth in Morgan Lewis' opinion. The opinion of Morgan Lewis, if delivered, will not be binding on the Internal Revenue Service or any court. Health Net and Centene have not sought and will not seek any ruling from the Internal Revenue Service regarding any matters relating to the transactions and, as a result, there can be no assurance that the Internal Revenue Service would not assert, or that a court would not sustain, a position contrary to any of the conclusions set forth herein.

For a more complete description of the U.S. federal income tax consequences of the merger, see [The Merger U.S. Federal Income Tax Consequences](#) beginning on page 130.

## **Accounting Treatment of the Merger**

The merger and the subsequent merger, if it occurs, will be accounted for as an acquisition of Health Net by Centene under the acquisition method of accounting in accordance with accounting principles generally accepted in the U.S., which is referred to as GAAP.

## **Appraisal Rights**

Under Delaware law, Centene stockholders will not be entitled to any appraisal rights in connection with the merger, the subsequent merger or any other transactions described in this joint proxy statement/prospectus.

Under Delaware law, if the merger is completed, record holders of Health Net common stock who do not vote in favor of the adoption of the merger agreement and who otherwise properly exercise their appraisal rights will be entitled to

seek appraisal for, and obtain payment in cash for the judicially determined fair value of, their shares of Health Net common stock, in lieu of receiving the merger consideration. The fair value could be higher or lower than, or the same as, the merger consideration. The relevant provisions of the General Corporation Law of the State

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of Delaware, which is referred to as the DGCL, are included as Annex G to this proxy statement/prospectus. Health Net stockholders are encouraged to read these provisions carefully and in their entirety. Moreover, due to the complexity of the procedures for exercising the right to seek appraisal, Health Net stockholders who are considering exercising that right are encouraged to seek the advice of legal counsel. Failure to comply strictly with these provisions may result in loss of the right of appraisal. For a more detailed description of Health Net stockholder's appraisal rights, see *The Merger Appraisal Rights* beginning on page 125.

**Regulatory Approvals*****HSR Act***

The merger is subject to the requirements of the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended, which is referred to as the HSR Act, which prevents Centene and Health Net from completing the merger until required information and materials are furnished to the Antitrust Division of the Department of Justice, which is referred to as the DOJ, and the Federal Trade Commission, which is referred to as the FTC, and the HSR Act waiting period is terminated or expires. On July 17, 2015, Centene and Health Net filed the requisite notification and report forms under the HSR Act with the DOJ and the FTC. On August 11, 2015, early termination of the waiting period under the HSR Act was granted by the FTC and DOJ.

***Other Regulatory Approvals***

Pursuant to the insurance laws and, in some instances, the health care laws of Arizona, California, Oregon and the Cayman Islands, applicable regulatory authorities must approve of (or provide non-objection, grant of exemption, or, in certain circumstances, alternative resolution, as the case may be, to) Centene's acquisition of control of Health Net's health maintenance organization and insurance companies. In addition, various other pre- and post-closing notification filings (which are not conditions to the completion of the merger) will be made pursuant to applicable insurance and health care regulatory laws. For more information about regulatory approvals relating to the merger, including a discussion of circumstances that may constitute Burdensome Conditions (as defined herein), see the sections entitled *The Merger Regulatory Approvals Required for the Merger* beginning on page 122, *The Merger Agreement Covenants and Agreements Reasonable Best Efforts* beginning on page 150 and *The Merger Agreement Conditions to the Merger* beginning on page 156.

Although we expect that all regulatory clearances and approvals will be obtained, we cannot assure you that these clearances and approvals will be timely obtained or obtained under the terms of the merger agreement at all or that the granting of these clearances and approvals will not involve the imposition of additional conditions on the completion of the merger, including the requirement to divest assets, or require changes to the terms of the merger agreement. These conditions or changes could result in the conditions to the merger not being satisfied.

For a more complete discussion of regulatory approvals relating to the merger, see *The Merger Regulatory Approvals Required for the Merger* beginning on page 122.

**Litigation Related to the Merger**

In connection with the merger, two purported Health Net stockholders filed two putative class action lawsuits against Health Net, Centene, the Merger Subs and the members of the Health Net Board. The lawsuits, as amended and consolidated, allege, among other things, that the merger consideration is inadequate, that the process culminating in the merger was flawed, that the directors of Health Net breached their fiduciary duties in connection with the merger, and that Centene and the Merger Subs aided and abetted the breaches of fiduciary duty. The amended complaint also

alleges that the Form S-4 Registration Statement filed on August 19, 2015 contains material misstatements and omits material information. The consolidated lawsuit seeks to enjoin the merger and other relief. For a more detailed description of litigation in connection with the merger, see [The Merger Litigation Relating to the Merger](#).

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**Conditions to Completion of the Mergers**

The parties expect to complete the merger after all of the conditions to the merger in the merger agreement are satisfied or waived, including after Centene and Health Net receive stockholder approval of the Share Issuance proposal and Merger proposal, respectively, at their respective special meetings and receive all required regulatory approvals. The parties currently expect to complete the transaction by early 2016. However, it is possible that factors outside of each company's control could require them to complete the transaction at a later time or not to complete it at all.

***Conditions to the Obligations of the Parties to Complete the Merger***

The obligations of each of Centene, Merger Sub I and Health Net to complete the merger are subject to the satisfaction (or waiver to the extent legally permissible) of various conditions, including the following:

Centene having obtained the Centene Stockholder Approval, and Health Net having obtained the Health Net Stockholder Approval;

the shares of Centene common stock to be issued in the merger or otherwise reserved for issuance in connection therewith having been approved for listing on the NYSE, subject to official notice of issuance;

no law or order (whether temporary, preliminary or permanent) will have been promulgated, entered, enforced, enacted or issued or be applicable to the merger or the Centene stock issuance by any governmental entity and continuing in effect that prohibits, prevents or makes illegal the consummation of the merger or the Centene stock issuance;

effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part, and the absence of any stop order suspending such effectiveness and of any proceeding seeking a stop order relating to such registration statement;

the waiting period (and any extensions thereof) under the HSR Act applicable to the merger having expired or been terminated; and

filings with and consents of any government entity specified in the merger agreement and required for the completion of the merger having been made or obtained. For a discussion of the governmental filings and consents required for the merger, see "The Merger Regulatory Approvals Required for the Merger" beginning on page 122.

***Conditions to the Obligations of Each of Centene and Merger Sub I to Complete the Merger***

In addition, the obligations of each of Centene and Merger Sub I to complete the merger are subject to the satisfaction (or waiver to the extent legally permissible) on or prior to the closing date of the following conditions:

the representations and warranties of Health Net set forth in the merger agreement with respect to (i) the organization of Health Net, (ii) the capitalization of Health Net and certain voting matters, and (iii) authority, execution and delivery, enforceability, state takeover statutes, the Health Net rights agreement, conflicts with organizational documents, absence of a Health Net material adverse effect or any event, change, effect, development, state of facts, condition, circumstance or occurrence that would be reasonably expected to have a Health Net material adverse effect since December 31, 2014 and through July 2, 2015 and brokers being true and correct in all respects (except to the extent that any inaccuracies would be de minimis, in the aggregate, with respect to clause (ii)) as of the date of the merger agreement and as of the closing date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date);



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all other representations and warranties of Health Net set forth in the merger agreement being true and correct in all respects (without giving effect to any materiality or Health Net material adverse effect qualifier in such representation or warranty), as of the date of the merger agreement and as of the closing date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date), except to the extent that breaches of such representations or warranties, individually or in the aggregate, have not had, and would not reasonably be expected to have a Health Net material adverse effect;

Health Net having performed or complied with, as applicable, in all material respects, the obligations, agreements and covenants (in each case, other than certain notification obligations) required by the merger agreement to be performed or complied with by Health Net;

since the date of the merger agreement, no event, change, effect, development, state of facts, condition, or circumstance having occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Health Net material adverse effect;

Centene and the Merger Subs having received a certificate validly executed and signed on behalf of Health Net by its chief executive officer and chief financial officer certifying that the conditions above have been satisfied; and

no proceeding by a governmental entity shall be pending seeking to impose a Burdensome Condition, as described hereinafter; no Burdensome Condition shall have been imposed or required in connection with certain filings with or as a condition to the receipt of certain consents from any governmental entity specified in the merger agreement; and none of such filings or consents shall contain any Burdensome Condition. For a discussion of the circumstances that would constitute Burdensome Conditions, see *The Merger Agreement Covenants and Agreements Reasonable Best Efforts* beginning on page 150.

***Conditions to the Obligations of Health Net to Complete the Merger***

The obligation of Health Net to complete the merger is subject to the satisfaction (or waiver to the extent legally permissible) on or prior to the closing date of the following conditions:

the representations and warranties of Centene and each Merger Sub set forth in the merger agreement with respect to (i) the organization of Centene and the Merger Subs, (ii) the capitalization of Centene and certain voting matters and (iii) authority, execution and delivery, enforceability, state takeover statutes, conflicts with organizational documents, the absence of a Centene material adverse effect or any event, change, effect, development, state of facts, condition, circumstance or occurrence that would be reasonably expected to have a Centene material adverse effect since June 29, 2014 and through July 2, 2015 and brokers being true and correct in all respects (except to the extent that any inaccuracies would be de minimis, in the aggregate, with respect to clause (ii)) as of the date of the merger agreement and as of the closing date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date);

all other representations and warranties of Centene and each Merger Sub set forth in the merger agreement being true and correct in all respects (without giving effect to any materiality or Centene material adverse effect qualifier in such representation or warranty), as of the date of the merger agreement and as of the closing date as though made on or as of such date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date), except to the extent that breaches of such representations or warranties, individually or in the aggregate, have not had, and would not reasonably be expected to have a Centene material adverse effect;

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Centene and each Merger Sub having performed or complied with, as applicable, in all material respects the obligations, agreements and covenants (in each case, other than certain notification obligations) required by the merger agreement to be performed or complied with by each of them;

since the date of the merger agreement, no event, change, effect, development, state of facts, condition, or circumstance having occurred that, individually or in the aggregate, has had or would reasonably be expected to have a Centene material adverse effect; and

Health Net having received a certificate validly executed and signed on behalf of Centene by its chief executive officer and chief financial officer certifying that the conditions above have been satisfied.

***Conditions to the Obligations of Each of Centene, Merger Sub II and Health Net to Complete the Subsequent Merger***

The obligations of each of Centene, Merger Sub II and Health Net (as the surviving corporation in the merger) to complete the subsequent merger is subject to receipt by Health Net on or prior to the effective time of the merger of a written opinion of Morgan Lewis, its outside legal counsel, to the effect that the mergers will qualify as a reorganization under Section 368(a) of the Code.

To the extent legally permissible, the conditions set forth in the merger agreement may be waived by Centene or Health Net, subject to the agreement of the other party in certain circumstances. For a more complete discussion of the conditions to the merger, see The Merger Agreement Conditions to the Merger beginning on page 156.

**Treatment of Health Net's Existing Debt; Financing**

There is no financing condition to the merger and the merger is not conditioned upon the funding of the Financing, as described herein.

In connection with the merger, the parties intend to terminate Health Net's existing revolving credit facility. In addition, Health Net agreed to use its reasonable best efforts to cooperate with Centene to conduct a consent solicitation with respect to Health Net's 6.375% Senior Notes due 2017, which are referred to as the 2017 Notes, to obtain from the requisite holders thereof an agreement to amend the defined term Change of Control in the 2017 Notes to provide that the merger will not constitute a Change of Control. Health Net commenced such consent solicitation on August 3, 2015 and received the requisite consents on August 12, 2015. Following the receipt of the requisite consents, the amendments became effective on August 14, 2015. We refer to such consent solicitation as the Consent Solicitation.

Centene has agreed to pay or reimburse Health Net for financing the Consent Solicitation. Centene has obtained a commitment letter from Wells Fargo Bank, National Association, WF Investment Holdings, LLC, Wells Fargo Securities, LLC, Barclays Bank PLC, Citibank, N.A., Citigroup Global Markets Inc., SunTrust Bank, SunTrust Robinson Humphrey, Inc., Fifth Third Bank, Regions Bank, Regions Capital Markets, a Division of Regions Bank, U.S. Bank, National Association, U.S. Bancorp Investments, Inc., Morgan Stanley Senior Funding, Inc. and The PrivateBank and Trust Company, which is referred to as the Financing Commitment, to fund up to \$1 billion under a new revolving credit facility and \$2.67 billion under a senior bridge facility to consummate the merger. We refer to the financing contemplated by the commitment letters as the Financing.

The Financing is subject to customary conditions and will be unsecured. The Financing Commitments will terminate on the d