

CENTENE CORP  
Form S-4  
August 19, 2015  
Table of Contents

As filed with the Securities and Exchange Commission on August 18, 2015

No. 333-[ ]

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM S-4**

**REGISTRATION STATEMENT**

***UNDER***

***THE SECURITIES ACT OF 1933***

**CENTENE CORPORATION**

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

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

**6324**  
**(Primary Standard Industrial**  
**Classification Code Number)**  
**7700 Forsyth Boulevard**

**42-1406317**  
**(I.R.S. Employer**  
**Identification No.)**

**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. "

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. "

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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)

**CALCULATION OF REGISTRATION FEE**

<b>Title of Each Class of Securities to be Registered</b>	<b>Amount to be Registered</b>	<b>Proposed Maximum Offering Price Per Unit</b>	<b>Proposed Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee</b>
Common stock, par value \$0.001 per share	48,452,500 shares (1)	Not Applicable	\$5,441,319,552.45 (2)	\$632,281.33 (3)

(1) Represents the maximum number of shares of common stock of the registrant estimated to be issuable in the transaction described herein, based on an amount equal to (A) (I) 77,288,323 shares of Health Net, Inc., which is referred to as Health Net, common stock outstanding as of August 13, 2015, that may be cancelled and exchanged in the transaction described herein, multiplied by (II) 0.622, which is the exchange ratio per share of Health Net common stock for each share of common stock of the registrant, plus (B) (I) 1,443,930 shares of Health Net common stock underlying in-the-money stock options outstanding as of August 13, 2015 multiplied by (II) 0.622 minus (III) 651,609 shares of common stock of the registrant, which is the number of shares of the registrant with a value (measured as the volume weighted average price of the common stock of the registrant, as quoted on the New York Stock Exchange, over the 10 trading days ending on August 13, 2015) equal to the average weighted exercise price of such Health Net stock options, plus (C) (I) 213,261 shares of Health Net common stock underlying time-based restricted stock units and performance share awards granted pursuant to a Health Net stock plan, that are, in each case, either vested as of immediately prior to the effective time of the merger or become vested solely as a result of the consummation of the merger described herein, multiplied by (II) 0.622.

(2) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933, as amended (the Securities Act), and calculated pursuant to Rule 457(f) under the Securities Act. The proposed maximum aggregate offering price for the common stock is the product of (x) \$68.925, the average of

the high and low sales prices of Health Net common stock, as quoted on the New York Stock Exchange, on August 13, 2015, and (y) 78,945,514, the estimated maximum number of shares of Health Net common stock that may be exchanged for the shares of common stock of the registrant being registered as described in footnote (1) above.

- (3) Calculated pursuant to Section 6(b) of the Securities Act and SEC Fee Rate Advisory #1 for fiscal year 2015 at a rate equal to \$116.20 per \$1,000,000 of the proposed maximum aggregate offering price.

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**Table of Contents**

**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 AUGUST 18, 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 July 2, 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. holders will recognize gain (but not loss) to the extent such U.S. holders receive cash (including the cash portion

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**Table of Contents**

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 \_\_\_\_\_, the last trading day before the date of this joint proxy statement/prospectus, the implied consideration of \$ \_\_\_\_\_ per share represents a premium of approximately \_\_\_\_\_ 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 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 42.**

**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  
*Chairman, President and Chief*

Jay M. Gellert  
*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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Table of Contents

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON, [ ], 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 [ ] at [ ], 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 [ ], 2015 as the record date for the Centene special meeting. Only holders of record of Centene common stock at the close of business on [ ], 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.

**Table of Contents**

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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**Table of Contents**

**Health Net, Inc.**

**21650 Oxnard Street**

**Woodland Hills, CA 91367**

**NOTICE OF SPECIAL MEETING OF STOCKHOLDERS**

**to be held on [ ]**

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 [ ], 2015, at [ ], 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 [ ] and [ ], 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 [ ], 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.

**Table of Contents**

**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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**Table of Contents**

**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 [ ].

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 [ ], which is [ ] 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.

**Table of Contents**

**TABLE OF CONTENTS**

<b><u>QUESTIONS AND ANSWERS ABOUT THE MERGERS AND THE SPECIAL MEETINGS</u></b>	1
<b><u>SUMMARY</u></b>	11
<b><u>The Parties</u></b>	11
<b><u>The Transaction</u></b>	13
<b><u>Consideration to be Received in the Merger by Health Net Stockholders</u></b>	13
<b><u>Treatment of Stock Options and Other Stock-Based Awards</u></b>	14
<b><u>Centene Board of Directors Following Completion of the Merger</u></b>	15
<b><u>Headquarters</u></b>	15
<b><u>Recommendations of the Centene Board of Directors</u></b>	15
<b><u>Recommendations of the Health Net Board of Directors</u></b>	15
<b><u>Opinions of Financial Advisors</u></b>	16
<b><u>Interests of Directors and Executive Officers in the Mergers</u></b>	17
<b><u>U.S. Federal Income Tax Consequences of the Merger</u></b>	19
<b><u>Accounting Treatment of the Merger</u></b>	19
<b><u>Appraisal Rights</u></b>	19
<b><u>Regulatory Approvals</u></b>	20
<b><u>Litigation Related to the Merger</u></b>	20
<b><u>Conditions to Completion of the Mergers</u></b>	20
<b><u>Treatment of Health Net's Existing Debt; Financing</u></b>	23
<b><u>Timing of the Transaction</u></b>	23
<b><u>No Solicitation</u></b>	24
<b><u>Termination of the Merger Agreement; Termination Fees</u></b>	24
<b><u>Matters to be Considered at the Special Meetings</u></b>	29
<b><u>Voting by Centene and Health Net Directors and Executive Officers</u></b>	30
<b><u>Risk Factors</u></b>	31
<b><u>SELECTED HISTORICAL FINANCIAL DATA</u></b>	32
<b><u>SELECTED UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL INFORMATION</u></b>	36
<b><u>COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA COMBINED PER SHARE INFORMATION</u></b>	37
<b><u>COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION</u></b>	38



<u>Market Prices</u>	38
<u>Dividends</u>	39
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	40

**Table of Contents**

<b><u>RISK FACTORS</u></b>	42
<u>Risks Related to the Merger</u>	42
<u>Risks Relating to the Combined Company after Completion of the Merger</u>	47
<u>Other Risk Factors of Centene and Health Net</u>	50
<b><u>THE MERGER</u></b>	51
<u>Background of the Merger</u>	51
<u>Rationale for the Transaction</u>	61
<u>Centene Board of Directors Recommendations and Its Reasons for the Transaction</u>	62
<u>Health Net Board of Directors Recommendations and Its Reasons for the Transaction</u>	65
<u>Opinions of Centene's Financial Advisors</u>	69
<u>Opinion of Health Net's Financial Advisor</u>	86
<u>Certain Financial Projections</u>	95
<u>Governance of Centene Following Completion of the Merger</u>	103
<u>Headquarters</u>	103
<u>Interests of Directors and Executive Officers in the Merger</u>	103
<u>Director and Officer Indemnification</u>	119
<u>Accounting Treatment</u>	119
<u>Regulatory Approvals Required for the Merger</u>	119
<u>Treatment of Health Net's Existing Debt; Financing</u>	121
<u>Treatment of Health Net Stock Options and Other Stock-Based Awards</u>	121
<u>Appraisal Rights</u>	122
<u>NYSE Listing of Centene Common Stock; Delisting and Deregistration of Health Net Common Stock</u>	126
<u>Litigation Relating to the Merger</u>	126
<u>U.S. Federal Income Tax Consequences</u>	126
<u>Restrictions on Sales of Shares of Centene Common Stock Received in the Merger</u>	130
<b><u>THE MERGER AGREEMENT</u></b>	131
<u>Structure of the Merger</u>	131
<u>Merger Consideration Received by Health Net Stockholders</u>	131
<u>Treatment of Health Net Stock Options and Other Stock-Based Awards</u>	132
<u>Closing</u>	133
<u>Marketing Period</u>	133
<u>Effective Time</u>	134
<u>Conversion of Shares; Exchange of Certificates; No Fractional Shares</u>	134

<u>Designation of Director</u>	135
<u>Representations and Warranties</u>	135

**Table of Contents**

<u>Covenants and Agreements</u>	138
<u>Conditions to the Merger</u>	153
<u>Termination</u>	155
<u>Effect of Termination</u>	157
<u>Termination Fees and Other Fees</u>	157
<u>Amendment and Waiver</u>	160
<u>Third Party Beneficiaries</u>	160
<u>Governing Law; Jurisdiction</u>	160
<u>Enforcement</u>	161
<u>THE CENTENE VOTING AGREEMENT</u>	162
<u>THE HEALTH NET VOTING AGREEMENT</u>	165
<u>INFORMATION ABOUT THE COMPANIES</u>	168
<u>Centene</u>	168
<u>Health Net</u>	168
<u>Merger Sub I</u>	169
<u>Merger Sub II</u>	169
<u>CENTENE SPECIAL MEETING</u>	170
<u>CENTENE PROPOSALS</u>	175
<u>Item 1. The Share Issuance Proposal</u>	175
<u>Item 2. The Centene Adjournment Proposal</u>	175
<u>Item 3. The Charter Amendment Proposal</u>	176
<u>Other Matters to Come Before the Meeting</u>	177
<u>HEALTH NET SPECIAL MEETING</u>	178
<u>Item 1. The Merger Proposal</u>	184
<u>Item 2. The Merger-Related Compensation Proposal</u>	184
<u>Item 3. The Health Net Adjournment Proposal</u>	184
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	185
<u>NOTES TO THE UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS</u>	190
<u>1. Description of Transaction</u>	190
<u>2. Basis of Presentation</u>	191
<u>3. Accounting Policies</u>	192
<u>4. Estimate of Consideration Expected to be Transferred</u>	192
<u>5. Estimate of Assets to be Acquired and Liabilities to be Assumed</u>	193

<u>6. Income Statement Pro Forma Adjustments</u>	195
<u>7. Balance Sheet Pro Forma Adjustments</u>	197
<u>DESCRIPTION OF CENTENE COMMON STOCK</u>	199

**Table of Contents**

<u>LEGAL MATTERS</u>	214
<u>EXPERTS</u>	214
<u>DATES FOR SUBMISSION OF STOCKHOLDER PROPOSALS FOR 2016 ANNUAL MEETING</u>	214
<u>Centene</u>	214
<u>Health Net</u>	215
<u>HOUSEHOLDING OF JOINT PROXY STATEMENT/PROSPECTUS</u>	217
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	217
<u>Centene SEC Filings</u>	217
<u>Health Net SEC Filings</u>	218
Annex A: Agreement and Plan of Merger	
Annex B: Voting Agreement between Health Net and Michael F. Neidorff	
Annex C: Voting Agreement between Centene and Jay M. Gellert	
Annex D: Opinion of Allen & Company LLC	
Annex E: Opinion of Evercore Group L.L.C.	
Annex F: Opinion of J.P. Morgan Securities LLC	
Annex G: Section 262 of the Delaware General Corporation Law	
Annex H: Form of Certificate of Amendment of the Centene Certificate of Incorporation	

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**Table of Contents**

**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



**Table of Contents**

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 [ ] 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 [ ].

**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;

**Table of Contents**

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

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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

**Table of Contents**

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 date of this joint proxy statement/prospectus, the Centene Supporting Stockholder is the beneficial owner of approximately [ ]% of the issued and outstanding shares of Centene common stock. For a discussion of the Centene Voting Agreement, see *The Centene Voting Agreement* beginning on page [ ].

**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 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

## **Table of Contents**

circumstances specified therein. As of the date of this joint proxy statement/prospectus, the Health Net Supporting Stockholder is the beneficial owner of approximately [ ]% of the issued and outstanding shares of Health Net common stock. For a discussion of the Health Net Voting Agreement, see *The Health Net Voting Agreement* beginning on page [ ].

### **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.

### **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.**



**Table of Contents**

**Q: How do I vote?**

A: If you are a stockholder of record of Centene as of [ ], which is referred to as the Centene record date, or a stockholder of Health Net as of [ ], 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 [ ], Central Time, on [ ], 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 [ ], Central Time.

The special meeting of Health Net stockholders will be held at 21281 Burbank Boulevard, Woodland Hills, California 91367 at [ ], Pacific Time, on [ ], 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 [ ], 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.

**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.

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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

**Table of Contents**

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 [ ], 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 [ ], 2015 in order for you to instruct 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.

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**Table of Contents**

***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.

**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;

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**Table of Contents**

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 [ ] 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.

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 [ ]. 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



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**Table of Contents**

(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 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: 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

Morrow & Co., LLC

(877) 825-8772

(800) 662-5200

Bankers and brokers call collect at (212) 750-5833      Bankers and brokers call collect at (203) 658-9400  
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).

**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 [ ]. 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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**Table of Contents**

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

## **Table of Contents**

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.





**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 [ ]. 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 [ ].

## **Table of Contents**

### ***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 [ ].

### **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 [ ] and [ ], 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 [ ] and [ ], respectively.



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**Table of Contents**

**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.**



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**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 [ ] 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 Mergers' Opinion of Health Net's Financial Advisor" beginning on page [ ] 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 [ ].

*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 [ ].

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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## **Table of Contents**

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 [ ].

### **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 date of this joint proxy statement/prospectus, the Centene Supporting Stockholder is the beneficial owner of approximately [ ]% of the issued and outstanding shares of Centene common stock.

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

### **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 of the Health Net stockholder approval in respect of the Merger proposal. As of the date of this joint proxy statement/prospectus, the Health Net Supporting Stockholder is the beneficial owner of approximately [ ]% of the issued and outstanding shares of Health Net common stock.



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## **Table of Contents**

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

### **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 [ ].

### **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 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 [ ].

**Table of Contents****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 [ ], The Merger Agreement Covenants and Agreements Reasonable Best Efforts beginning on page [ ] and The Merger Agreement Conditions to the Merger beginning on page [ ].

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 [ ].

**Litigation Related to the Merger**

In connection with the merger, two purported Health Net stockholders have filed two putative class action lawsuits against Health Net, Centene, the Merger Subs and the members of the Health Net Board. The lawsuits allege, among other things, that the directors of Health Net breached their fiduciary duties in connection with the merger, and that the other defendants aided and abetted the breaches of fiduciary duty. The lawsuits seek 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.

**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.

**Table of Contents**

***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 Covenants and Agreements Regulatory Approvals Required for the Merger beginning on page [ ].

***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);

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;



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**Table of Contents**

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 Reasonable Best Efforts beginning on page [ ].

***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.

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**Table of Contents**

***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 [ ].

**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 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 date that is the earlier of (a) consummation of the merger, (b) the termination of the merger agreement and (c) one business day after the *Outside Date*, which is July 2, 2016.

For further information regarding the *Financing*, see *The Merger Treatment of Health Net's Existing Debt; Financing* beginning on page [ ] and *The Merger Agreement Covenants and Agreements Financing* on page [ ].

**Timing of the Transaction**

The transaction is expected to be completed by early 2016. However, it is possible that factors outside of each company's control could require them to complete the merger at a later time or not to complete the merger or the subsequent merger at all.



**Table of Contents**

**No Solicitation**

In the merger agreement, each of Centene and Health Net has agreed not to, nor permit any of its subsidiaries, nor authorize or permit any of the officers, directors or employees or any affiliate, investment banker, financial advisor, attorney, accountant or other representative retained by it or its subsidiaries to, directly or indirectly:

solicit, initiate or knowingly encourage (including by way of furnishing information), or take any other action to facilitate, any inquiry or the making of any proposal which constitutes, or may reasonably be expected to lead to, any takeover proposal;

enter into any letter of intent, memorandum of understanding, merger agreement or other agreement, arrangement or understanding relating to any takeover proposal (other than an acceptable confidentiality agreement, which is described hereinafter, entered into in accordance with the merger agreement); or

enter into, continue or otherwise participate in any discussions or negotiations regarding any takeover proposal.

The merger agreement includes customary exceptions such that, prior to obtaining stockholder approval, the parties may engage in negotiations regarding and, subject to complying with certain specified procedures and, in certain circumstances, a payment of a termination fee as described below, the applicable party's board of directors may change its recommendation of the transaction (i) in light of, or terminate the merger agreement to enter into an agreement for, an unsolicited takeover proposal that is determined to be a superior proposal, or (ii) in light of an intervening event, in each case, to the extent necessary to do so to comply with applicable fiduciary duties. For a discussion of the limitations on solicitation of acquisition proposals from third parties and the ability of each company's board of directors to change its recommendation for the transaction, see The Merger Agreement Covenants and Agreements No Solicitation beginning on page [ ].

**Termination of the Merger Agreement; Termination Fees**

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time of the merger:

by the mutual written consent of Centene and Health Net.

by either Centene or Health Net:

if any governmental entity of competent jurisdiction has issued an order permanently restraining, enjoining or otherwise prohibiting the merger and such order has become final and non-appealable;

if the merger has not been completed by July 2, 2016; provided, however, that this termination will not be available to any party that has breached its obligations in any material respect under the merger agreement in any manner that will have proximately caused or resulted in the failure of the merger to have been completed by such date;

if the Centene Stockholder Approval has not been obtained upon a vote taken at the duly convened Centene special meeting or at any adjournment or postponement of such meeting; or

if the Health Net Stockholder Approval has not been obtained upon a vote taken at the duly convened Health Net special meeting or at any adjournment or postponement of such meeting.

by Health Net:

prior to the Centene stockholder vote, in the event that (i) the Centene Board effects an adverse recommendation change, as described in more detail in The Merger Agreement Covenants and Agreements Adverse Recommendation Change and Termination beginning on page [ ], (ii) the

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**Table of Contents**

Centene Board or any committee thereof fails to include the Centene recommendation FOR the Share Issuance proposal in this joint proxy statement/prospectus, (iii) following the disclosure or announcement of a takeover proposal with respect to Centene (other than a tender or exchange offer described in clause (iv) below), the Centene Board fails to reaffirm publicly the Centene recommendation FOR the Share Issuance proposal within five business days after Health Net requests in writing that such recommendation be reaffirmed publicly, (iv) a tender offer or exchange offer is commenced that would, if completed, constitute a takeover proposal with respect to Centene and the Centene Board fails to recommend against acceptance of such tender offer or exchange offer by its stockholders (including by taking any position contemplated by Rule 14e-2 of the Exchange Act other than recommending rejection of such tender offer or exchange offer) within 10 business days of the commencement of such tender offer or exchange offer, or (v) the Centene Board publicly announces an intention to take any of the foregoing actions, which termination right pursuant to this bullet point we refer to as Health Net's Centene Board Action Termination Right;

prior to the Centene Stockholder Approval vote, if Centene is in willful breach of its no solicitation obligations;

if Centene materially breaches or fails to perform any of its representations, warranties, covenants or agreements set forth in the merger agreement, and such breach or failure to perform (i) would give rise to the failure of a closing condition regarding the accuracy of Centene's representations and warranties or Centene's compliance with its covenants and agreements and (ii) is incapable of being cured by Centene by July 2, 2016, or, if capable of being cured, has not been cured by Centene within 30 calendar days following receipt of written notice of such breach or failure to perform from Health Net (or, if earlier, July 2, 2016), which termination right pursuant to this bullet point we refer to as Health Net's Centene Breach Termination Right; or

prior to obtaining the Health Net Stockholder Approval, in accordance with, and subject to the terms and conditions of, the provisions described under The Merger Agreement Covenants and Agreements Adverse Recommendation Change and Termination.

by Centene:

prior to the Health Net stockholder vote, in the event that (i) the Health Net Board effects an adverse recommendation change, as described in more detail in The Merger Agreement Covenants and Agreements Adverse Recommendation Change and Termination beginning on page [ ], (ii) the Health Net Board or any committee thereof fails to include the Health Net recommendation FOR the Merger proposal, (iii) following the disclosure or announcement of a takeover proposal with respect to Health Net (other than a tender or exchange offer described in clause (iv) below), the Health Net Board fails to reaffirm publicly the Health Net recommendation FOR the Merger proposal within five business days after Centene requests in writing that such recommendation under such circumstances be reaffirmed publicly, (iv) a tender offer or exchange offer is commenced that would, if completed, constitute a takeover proposal with respect to Health Net and the Health Net Board fails to recommend against acceptance of such tender offer or exchange offer by its stockholders (including, for these

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purposes, by taking any position contemplated by Rule 14e-2 of the Exchange Act other than recommending rejection of such tender offer or exchange offer) within 10 business days of the commencement of such tender offer or exchange offer, or (v) the Health Net Board publicly announces an intention to take any of the foregoing actions; which termination right pursuant to this bullet point we refer to as Centene's Health Net Board Action Termination Right;

prior to the Health Net Stockholder Approval, if Health Net is in willful breach of its no solicitation obligations;



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**Table of Contents**

if Health Net materially breaches or fails to perform any of its representations, warranties, covenants or agreements set forth in the merger agreement, and such breach or failure to perform (i) would give rise to the failure of a closing condition regarding the accuracy of Health Net's representations and warranties or Health Net's compliance with its covenants and agreements and (ii) is incapable of being cured by Health Net by July 2, 2016, or, if capable of being cured, has not been cured by Health Net within 30 calendar days following receipt of written notice of such breach or failure to perform from Centene (or, if earlier, July 2, 2016), which termination right pursuant to this bullet point we refer to as Centene's Health Net Breach Termination Right; or

prior to obtaining the Centene Stockholder Approval in accordance with, and subject to the terms and conditions of, the provisions described under "The Merger Agreement - Covenants and Agreements - Adverse Recommendation Change and Termination.

If the merger agreement is terminated as described above, the merger agreement will be void and have no effect, and there shall not be any liability or obligation on the part of any party, except that:

no termination will affect the obligations of the parties contained in the confidentiality agreements entered into by Centene and Health Net in connection with entering into the merger agreement;

no termination will relieve any party from liability for any fraud, willful breach of a representation or warranty or willful breach of any covenant or other agreement contained in the merger agreement, in which case the aggrieved party will be entitled to all rights and remedies available at law or in equity, provided that if a termination fee is paid following termination for either party's willful breach of its no solicitation obligations as described below, such termination fee shall be the sole and exclusive remedy in connection with any such willful breach; and

certain other provisions of the merger agreement, including (i) provisions with respect to the ability of Health Net and Centene to pursue damages against the other party for fraud or willful breach of the merger agreement and (ii) provisions with respect to the allocation of fees and expenses, including, if applicable, the termination fees described below, will survive the termination of the merger agreement.

The merger agreement provides for termination fees in connection with a termination of the merger agreement under the following circumstances:

in the event Health Net terminates the merger agreement pursuant to clause (i) of Health Net's Centene Board Action Termination Right in the event that the Centene Board effects an adverse recommendation change in response to a Centene intervening event (as described hereinafter), Centene will pay to Health Net a fee in the amount of \$402 million on the second business day following the date of such termination.

in the event Health Net terminates the merger agreement (a) pursuant to clauses (ii), (iii) or (iv) of Health Net's Centene Board Action Termination Right, (b) pursuant to clause (i) of Health Net's Centene Board

Action Termination Right in the event that the Centene Board effects an adverse recommendation change in connection with a Superior Proposal or (c) due to Centene's willful breach of its no solicitation obligations, Centene will pay to Health Net a fee in the amount of:

\$302 million on the second business day following the date of such termination, if, with respect to clauses (a) and (b), such termination or, with respect to clause (c), such willful breach, occurs on or prior to 5:30 p.m., New York time, on August 17, 2015; or

\$367 million on the second business day following the date of such termination if, with respect to clauses (a) and (b), such termination or, with respect to clause (c), such willful breach, occurs after 5:30 p.m., New York time, on August 17, 2015.

in the event Centene terminates the merger agreement prior to obtaining the Centene Stockholder Approval, in accordance with, and subject to the terms and conditions of, the provisions described

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**Table of Contents**

above under Covenants and Agreements Adverse Recommendation Change and Termination, Centene will pay to Health Net \$302 million if such termination occurs on or prior to 5:30 p.m., New York time, on August 17, 2015 or \$367 million if such termination occurs after 5:30 p.m., New York time, on August 17, 2015, in either case concurrently with, and as a condition to the effectiveness of, the termination.

in the event Centene terminates the merger agreement pursuant to clause (i) of Centene's Health Net Board Action Termination Right in the event that the Health Net Board effects an adverse recommendation change in response to a Health Net intervening event (as described hereinafter), Health Net will pay to Centene a fee in the amount of \$251 million on the second business day following the date of such termination.

in the event Centene terminates the merger agreement (a) pursuant to clauses (ii), (iii) or (iv) of Centene's Health Net Board Action Termination Right, (b) pursuant to clause (i) of Centene's Health Net Board Action Termination Right in the event that the Health Net Board effects an adverse recommendation change in connection with a Superior Proposal or (c) due to Health Net's willful breach of its no solicitation obligations, Health Net will pay to Centene a fee in the amount of:

\$188 million on the second business day following the date of such termination, if, with respect to clauses (a) and (b), such termination or, with respect to clause (c), such willful breach, occurs on or prior to 5:30 p.m., New York time, on August 17, 2015; or

\$229 million on the second business day following the date of such termination if, with respect to clauses (a) and (b), such termination or, with respect to clause (c), such willful breach, occurs after 5:30 p.m., New York time, on August 17, 2015.

in the event Health Net terminates the merger agreement prior to obtaining the Health Net Stockholder Approval, in accordance with, and subject to the terms and conditions of, the provisions described above, Health Net will pay to Centene \$188 million if such termination occurs on or prior to 5:30 p.m., New York time, on August 17, 2015 or \$229 million if such termination occurs after 5:30 p.m., New York time, on August 17, 2015, in either case concurrently with, and as a condition to the effectiveness of, the termination.

We refer to each of the foregoing fees as the termination fees. In no event shall Centene or Health Net be required to pay a termination fee if such party has already paid a termination fee, and no termination fee shall be payable more than once.

In addition to the termination fees described above, the merger agreement provides for other fees to be paid in connection with the termination of the merger agreement under the following circumstances:

in the event that the merger agreement is terminated by Centene or Health Net due to a failure to obtain the Centene Stockholder Approval at the Centene special meeting, or any adjournment or postponement thereof, Centene will pay to Health Net a fee in the amount of \$101 million either (i) concurrently with such termination (in the case of termination by Centene) or (ii) on the second business day following the date of such termination (in the case of termination by Health Net); and

in the event that the merger agreement is terminated by Centene or Health Net due to a failure to obtain the Health Net Stockholder Approval at the Health Net special meeting, or any adjournment or postponement thereof, Health Net will pay to Centene a fee in the amount of \$63 million either (i) concurrently with such termination (in the case of termination by Health Net) or (ii) on the second business day following the date of such termination (in the case of termination by Centene);

We refer to each of the foregoing fees as no-vote fees. In no event shall a no-vote fee be payable more than once.

**Table of Contents**

The merger agreement further provides that Centene will pay Health Net a fee under the following circumstances:

After the date of the merger agreement, if:

a takeover proposal with respect to Centene is publicly disclosed, announced or otherwise made public by any person (other than Health Net or its affiliates), which is referred to as the Centene takeover proposal (and which substitutes 50% for 15% in the definition of takeover proposal);

the merger agreement is terminated by (i) either Centene or Health Net due to a failure to obtain the Centene Stockholder Approval at the Centene special meeting or (ii) by Health Net pursuant to Health Net's Centene Breach Termination Right, if the breach giving rise to Health Net's Centene Breach Termination Right rose to the level of a willful breach, and at the time of such termination the Centene takeover proposal has not been withdrawn and remains outstanding; and

within nine months after any such termination referred to in the preceding bullet point, Centene enters into any definitive agreement providing for any transaction contemplated by any Centene takeover proposal (regardless of when made and whether or not the same Centene takeover proposal initially referenced, which transaction is thereafter completed (regardless of when)) or completes any transaction contemplated by any Centene takeover proposal (regardless of when made and whether or not the same Centene takeover proposal initially referenced, which transaction is thereafter completed (regardless of when));

then Centene will pay to Health Net \$367 million, less the amount, if any, of the Centene no-vote fee previously paid by Centene to Health Net, concurrently with the occurrence of the completion of any Centene takeover proposal referred to in the preceding bullet point.

The merger agreement further provides that Health Net will pay Centene a fee under the following circumstances:

After the date of the merger agreement, if:

a takeover proposal with respect to Health Net is publicly disclosed, announced or otherwise made public by any person (other than Centene or its affiliates), which is referred to as the Health Net takeover proposal (and which substitutes 50% for 15% in the definition of takeover proposal);

the merger agreement is terminated by (i) either Centene or Health Net due to a failure to obtain the Health Net Stockholder Approval at the Health Net special meeting or (ii) by Centene pursuant to Centene's Health Net Breach Termination Right, if the breach giving rise to Centene's Health Net Breach Termination Right rose to the level of a willful breach, and at the time of such termination the Health Net takeover proposal has not been withdrawn and remains outstanding; and

within nine months after any such termination referred to in the preceding bullet point, Health Net enters into any definitive agreement providing for any transaction contemplated by any Health Net takeover proposal (regardless of when made and whether or not the same Health Net takeover proposal initially referenced, which transaction is thereafter completed (regardless of when)) or completed any transaction contemplated by any Health Net takeover proposal (regardless of when made and whether or not the same Health Net takeover proposal initially referenced, which transaction is thereafter completed (regardless of when));

then Health Net will pay to Centene \$229 million, less the amount, if any, of the Health Net no-vote fee previously paid by Health Net to Centene, concurrently with the occurrence of the completion of any Health Net takeover proposal referred to in the preceding bullet point.

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**Table of Contents**

The merger agreement further provides that Centene will pay Health Net a fee in the amount of \$250 million within two business days following the date of a termination of the merger agreement under the following circumstances:

the merger agreement is terminated by Health Net or Centene due to (i) a governmental entity of competent jurisdiction having issued an order permanently restraining, enjoining or otherwise prohibiting the merger and such order has become final and non-appealable (solely to the extent the order giving rise to such termination right relates to applicable U.S. federal antitrust laws) or (ii) the failure of the merger to be consummated by July 2, 2016; and

at the time of such termination, (i) the condition that the waiting period (and any extensions thereof) under the HSR Act applicable to the merger shall have expired or been terminated shall not have been satisfied and (ii) all of the other conditions to Centene's obligation to complete the merger (other than (A) the condition that 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, but solely to the extent the order giving rise to the failure of such condition relates to applicable U.S. federal antitrust laws and (B) the condition that there shall not be pending any proceeding by a governmental entity seeking to impose a Burdensome Condition, but solely to the extent the proceeding giving rise to the failure of such condition was brought under applicable U.S. federal antitrust laws) have been satisfied (or in the case of conditions that by their nature are to be satisfied at the closing are capable of being satisfied if the closing were to occur on the date of such termination).

For a more detailed discussion of each party's termination rights and the related termination fee obligations, see The Merger Agreement Termination beginning on page [ ] and The Merger Agreement Effect of Termination; Termination Fees and Other Fees beginning on page [ ].

**Matters to be Considered at the Special Meetings**

***Centene***

At the Centene special meeting, Centene stockholders will be asked to consider and vote upon:

the Share Issuance proposal;

the Centene Adjournment proposal; and

the Charter Amendment proposal.

Stockholder 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.

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.

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 at the meeting on the proposal is required to approve the Centene Adjournment 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.



## **Table of Contents**

The Centene Board unanimously recommends that Centene stockholders vote **FOR** all of the proposals set forth above, as more fully described under *Centene Proposals* beginning on page [ ].

### ***Health Net***

At the Health Net special meeting, Health Net stockholders will be asked to consider and vote upon:

the Merger proposal;

the Merger-Related Compensation proposal; and

the Health Net Adjournment proposal.

Approval of the Merger proposal is required for completion of the merger.

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.

The affirmative vote of holders of a majority of the votes cast by shares of Health Net common stock represented (in person or by proxy) at the Health Net special meeting and entitled to vote on such proposal is required to approve the Merger-Related Compensation 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.

The Health Net Board unanimously recommends that Health Net stockholders vote **FOR** all of the proposals set forth above, as more fully described under *Health Net Proposals* beginning on page [ ].

### **Voting by Centene and Health Net Directors and Executive Officers**

As of the Centene record date, directors and executive officers of Centene and their affiliates owned and were entitled to vote [ ] shares of Centene common stock, representing approximately [ ]% of the total voting power of the shares of Centene common stock outstanding on that date. It is currently expected that Centene's directors and executive officers will vote their shares of Centene common stock in favor of each of the proposals to be considered at the Centene special meeting, although none of them have entered into any agreements obligating them to do so other than the Centene Supporting Stockholder.

As of the Health Net record date, directors and executive officers of Health Net and their affiliates owned and were entitled to vote [ ] shares of Health Net common stock, representing approximately [ ]% of the total voting power of the shares of Health Net common stock outstanding on that date. It is currently expected that Health Net's directors and executive officers will vote their shares of Health Net common stock in favor of each of the proposals to be considered at the Health Net special meeting, although none of them have entered into any agreements obligating them to do so

other than the Health Net Supporting Stockholder.

In addition, (i) the Centene Supporting Stockholder entered into the Centene Voting Agreement with Health Net pursuant to which, among other things, such stockholder agreed to vote in favor of the Centene share issuance and to vote against any takeover proposals in respect of Centene and (ii) the Health Net Supporting

**Table of Contents**

Stockholder entered into the Health Net Voting Agreement with Centene pursuant to which, among other things, such stockholder agreed to vote in favor of the adoption of the merger agreement and the transactions contemplated thereby and to vote against any takeover proposals in respect of Health Net.

**Risk Factors**

You should also carefully consider the risks that are described in the section entitled **Risk Factors** beginning on page [ ].

**Table of Contents**

**SELECTED HISTORICAL FINANCIAL DATA**

The following selected historical financial information is being provided to assist you in your analysis of the financial aspects of the transaction.

The Centene annual historical information is derived from the audited consolidated financial statements of Centene as of and for each of the years in the five-year period ended December 31, 2014. The assets, liabilities and results of operations of Kentucky Spirit Health Plan and University Health Plans have been classified as discontinued operations for all periods presented.

The Health Net annual historical information is derived from the audited consolidated financial statements of Health Net as of and for each of the years in the five-year period ended December 31, 2014. On April 1, 2012, Health Net completed the sale of the business operations of its Medicare PDP business, which is referred to as the PDP Business, to Pennsylvania Life Insurance Company, a subsidiary of CVS Caremark Corporation. As such, the selected historical financial information included below of Health Net includes the results of the PDP Business for the period from January 1, 2010 through March 31, 2012, and does not include the results of the PDP Business for the period from April 1, 2012 through December 31, 2014.

The data as of and for the six months ended June 30, 2015 and 2014 has been derived from the unaudited interim financial statements of both Centene and Health Net and, in the opinion of each company's management, includes all normal and recurring adjustments that are considered necessary for the fair presentation of the results for the interim period.

The information is only a summary and should be read in conjunction with each company's historical consolidated financial statements and related notes contained in the Centene and Health Net annual reports on Form 10-K for the year ended December 31, 2014 and quarterly reports on Form 10-Q for the period ended June 30, 2015, which are incorporated by reference into this joint proxy statement/prospectus, as well as other information that has been filed with the SEC. See "Where You Can Find More Information" beginning on page [ ] of this joint proxy statement/prospectus for information on where you can obtain copies of this information. The historical results included below and elsewhere in this joint proxy statement/prospectus are not necessarily indicative of the future performance of Centene, Health Net or the combined company.

**Table of Contents****Centene Corporation**

(in millions, except share data)	Six Months Ended		As of and for the				
	June 30, 2015	2014	2014	Year Ended December 31, 2013	2012	2011	2010
<b>Statement of operations data:</b>							
Premium and service revenues (1)	\$ 9,945	\$ 7,093	\$ 15,667	\$ 10,526	\$ 7,682	\$ 5,052	\$ 4,284
Earnings from continuing operations, net of income tax expense	153	80	261	162	76	117	94
Discontinued operations, net of income tax expense (benefit)	(1)	1	3	4	(87)	(9)	4
Net earnings (loss)	152	81	264	166	(11)	108	98
(Earnings) loss attributable to noncontrolling interests	(1)	1	7	(1)	13	3	(3)
<b>Net earnings attributable to Centene Corporation</b>	<b>\$ 151</b>	<b>\$ 82</b>	<b>\$ 271</b>	<b>\$ 165</b>	<b>\$ 2</b>	<b>\$ 111</b>	<b>\$ 95</b>
<b>Net earnings (loss) per common share attributable to Centene Corporation:</b>							
<b>Basic:</b>							
Continuing operations	\$ 1.28	\$ 0.70	\$ 2.30	\$ 1.49	\$ 0.86	\$ 1.20	\$ 0.93
Discontinued operations	(0.01)	0.01	0.03	0.03	(0.84)	(0.09)	0.04
Basic earnings per common share	\$ 1.27	\$ 0.71	\$ 2.33	\$ 1.52	\$ 0.02	\$ 1.11	\$ 0.97
<b>Diluted:</b>							
Continuing operations	\$ 1.24	\$ 0.68	\$ 2.23	\$ 1.43	\$ 0.83	\$ 1.15	\$ 0.90
Discontinued operations	(0.01)	0.01	0.02	0.04	(0.81)	(0.09)	0.04
Diluted earnings per common share	\$ 1.23	\$ 0.69	\$ 2.25	\$ 1.47	\$ 0.02	\$ 1.06	\$ 0.94
<b>Consolidated Balance Sheet Data:</b>							
Cash and cash equivalents (1)	\$ 1,967	\$ 1,200	\$ 1,546	\$ 974	\$ 746	\$ 494	\$ 434
Investments and restricted deposits (1)	1,782	1,203	1,557	941	727	653	640
Total assets	7,022	4,683	5,838	3,529	2,774	2,190	1,944
Medical claims liability (1)	2,092	1,394	1,723	1,112	815	519	457
Long term debt (1)	1,139	885	888	666	535	348	328
Total stockholders' equity	1,940	1,486	1,743	1,243	954	936	797

(1) From Continuing Operations



**Table of Contents****Health Net, Inc.**

(in millions, except share data)	As of and for the						
	Six Months Ended			Year Ended December 31,			
	June 30, 2015	2014	2014	2013	2012	2011	2010
	(unaudited)						
<b>Revenues:</b>							
Health plan services premiums	\$ 7,724	\$ 6,143	\$ 13,361	\$ 10,377	\$ 10,459	\$ 9,879	\$ 9,492
Government contracts	296	298	604	572	689	1,417	3,344
<b>Net Income</b>	<b>\$ 88</b>	<b>\$ 150</b>	<b>\$ 146</b>	<b>\$ 170</b>	<b>\$ 122</b>	<b>\$ 72</b>	<b>\$ 204</b>
<b>Income Summary (1):</b>							
<b>Net Income Per Share Basic (1):</b>							
Income from continuing operations	\$ 1.15	\$ 1.87	\$ 1.83	\$ 2.14	\$ 0.31	\$ 0.69	\$ 1.75
Income of discontinued operation, net of tax (2)					1.18	0.12	0.33
<b>Net income</b>	<b>\$ 1.15</b>	<b>\$ 1.87</b>	<b>\$ 1.83</b>	<b>\$ 2.14</b>	<b>\$ 1.49</b>	<b>\$ 0.81</b>	<b>\$ 2.08</b>
<b>Net Income Per Share Diluted (1):</b>							
Income from continuing operations	\$ 1.13	\$ 1.85	\$ 1.80	\$ 2.12	\$ 0.31	\$ 0.68	\$ 1.73
Income of discontinued operation, net of tax (2)					1.16	0.12	0.33
<b>Net income</b>	<b>\$ 1.13</b>	<b>\$ 1.85</b>	<b>\$ 1.80</b>	<b>\$ 2.12</b>	<b>\$ 1.47</b>	<b>\$ 0.80</b>	<b>\$ 2.06</b>
<b>Consolidated Balance Sheet Data:</b>							
Cash and cash equivalents and investments available for sale	\$ 3,135	\$ 2,273	\$ 2,665	\$ 2,060	\$ 2,153	\$ 1,790	\$ 2,022
Total assets	5,860	4,777	5,396	3,929	3,934	3,608	4,132
Loans payable Long term	210	100	100	100	100	113	
Senior notes payable	400	399	400	399	399	399	399
Total stockholders equity (3)	1,712	1,822	1,709	1,629	1,557	1,443	1,694

- (1) The six months ended June 30, 2015 was impacted by \$73.7 million pretax expenses primarily related to the Cognizant Transaction. The six months ended June 30, 2014 reflects a tax benefit of \$72.6 million, net of adjustments to reserve for uncertain tax benefits, created by a loss on the stock of one of our subsidiaries. For 2014, includes an \$88.5 million pretax asset impairment primarily related to Health Net's assets held for sale in connection with the Cognizant Transaction and \$96.8 million of pretax expenses primarily related to the Cognizant Transaction. Health Net's operating results for the year ended December 31, 2014 were also impacted by fees imposed under the Patient Protection and Affordable Care Act, which we refer to as the ACA, including \$141.4 million in amortization of deferred costs of health insurer fee and \$97.6 million in other ACA fees. For 2013, Health Net had approximately \$56 million in favorable reserve developments related to prior years. These reserve developments related to prior years when considered together with the provision for adverse deviation recorded as of December 31, 2013, did not have a material impact on Health Net's operating results or financial

condition. In addition, Health Net's operating results for the year ended December 31, 2013 were impacted by \$12.0 million in pretax costs primarily related to Health Net's continuing efforts to address scale issues. For 2012, includes a gain on sale of discontinued operation in the amount of \$114.8 million after-tax. Health Net's operating results for the year ended December 31, 2012 were impacted by approximately \$35 million of adverse development related to prior years recorded as part of Health Net's health care cost. In addition, Health Net's operating results for the year ended December 31, 2012 were impacted by pretax costs of \$35.6 million related to Health Net's G&A cost reduction efforts, a \$5.0 million expense related to the early termination of a medical management contract and \$1.3 million in



**Table of Contents**

litigation-related expenses net of an insurance reimbursement. For 2011, includes a \$181 million pretax expense related to a litigation judgment in the first quarter. In addition, Health Net's operating results for the year ended December 31, 2011 were impacted by a \$40.8 million favorable adjustment to loss on sale of Health Net's Northeast health plan subsidiaries that were sold on December 11, 2009 and a \$6.8 million benefit from litigation reserve adjustments, partially offset by pretax costs of \$25.2 million related to Health Net's G&A cost reduction efforts. For 2010, includes pretax charges of \$61.2 million related to Health Net's operations strategy and other cost management initiatives, and \$9.0 million in early debt extinguishment and related interest rate swap termination costs, partially reduced by a \$46.5 million benefit from litigation reserve adjustments and a \$42.0 million adjustment to loss on sale of Northeast health plan subsidiaries.

- (2) Includes the operating results of Health Net's PDP Business that was sold on April 1, 2012.
- (3) No cash dividends were declared in any of the periods presented.

**Table of Contents****SELECTED UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL INFORMATION**

The transaction will be accounted for under the acquisition method of accounting, which means the assets and liabilities of Health Net will be recorded, as of the completion of the transaction, at their respective fair values and added to those of Centene. For a more detailed description of the acquisition method of accounting, see "The Merger Accounting Treatment" on page [ ] of this joint proxy statement/prospectus.

We have presented below selected unaudited pro forma combined consolidated financial information, which is referred to as Selected Pro Forma Financial Information, that reflects the acquisition method of accounting and gives effect to the transaction, in the case of the statement of operations information, as though the transaction had occurred as of January 1, 2014 and, in the case of the balance sheet information, as though the transaction had occurred as of June 30, 2015.

The unaudited pro forma combined consolidated financial information, which is referred to as Unaudited Pro Forma Financial Information, has been prepared giving effect to the payment of the merger consideration in exchange for each share of Health Net common stock outstanding as of July 31, 2015.

The Unaudited Pro Forma Financial Information would have been different had the companies actually been combined as of January 1, 2014 or June 30, 2015. For example, the Selected Pro Forma Financial Information does not reflect cost savings that may result from the transaction. The combined pro forma financial information has been presented for illustrative purposes only and is based on assumptions and estimates considered appropriate by Centene's management; however, it is not necessarily indicative of the results of operations and financial position that would have been achieved had the pro forma events taken place on the dates indicated, or of the future consolidated results of operations or of the financial position of the combined company. The following Selected Pro Forma Financial Information has been derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Consolidated Financial Statements and related notes beginning on page [ ] of this joint proxy statement/prospectus.

	<b>Six Months Ended June 30, 2015</b>	<b>Year Ended December 31, 2014</b>
	<b>(in millions, except share data)</b>	
<b>Combined Consolidated Statement of Operations Information:</b>		
Total Revenues	\$ 18,657	\$ 30,525
Earnings from operations	401	487
Net earnings attributable to common stockholders	137	240
<b>Net earnings per common share:</b>		
Basic	\$ 0.82	\$ 1.45
Diluted	\$ 0.79	\$ 1.41
Weighted average shares outstanding		
Basic	167,997,482	165,448,977
Diluted	172,710,742	170,299,022

**As of**  
**June 30, 2015**  
(in millions)

**Combined Consolidated Balance Sheet Information**

Cash and cash equivalents	\$ 2,841
Investments and restricted deposits	4,161
Goodwill and Intangible assets, net	6,029
Total assets	17,457
Medical claims liability	3,850
Long term debt	4,131
Total stockholders' equity	5,210

**Table of Contents****COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA COMBINED PER SHARE INFORMATION**

The following table sets forth selected historical per share information of Centene and Health Net and unaudited pro forma combined consolidated per share information reflecting the transaction between Centene and Health Net, under the acquisition method of accounting, and the issuance of 0.622 of a validly issued, fully paid and non-assessable share of Centene common stock in exchange for each share of Health Net common stock. You should read this information in conjunction with the selected historical financial information, included elsewhere in this joint proxy statement/prospectus, and the historical financial statements of Centene and Health Net and related notes contained in the Centene and Health Net annual reports on Form 10-K for the year ended December 31, 2014 and the quarterly reports on Form 10-Q for the period ended June 30, 2015, which are incorporated by reference into this joint proxy statement/prospectus. The unaudited Centene pro forma combined consolidated per share information is derived from, and should be read in conjunction with, the Unaudited Pro Forma Condensed Combined Consolidated Financial Statements and related notes beginning on page [ ] of this joint proxy statement/prospectus. The historical per share information is derived from audited financial statements of Centene and Health Net as of and for the year ended December 31, 2014 and the unaudited financial statements for the six months ended June 30, 2015.

The unaudited pro forma combined consolidated per share information would have been different had the companies actually been combined as of the beginning of the periods presented. For example, the unaudited pro forma combined consolidated per share information does not reflect cost savings that may result from the transaction. The unaudited pro forma combined consolidated per share information has been presented for illustrative purposes only and is based on assumptions and estimates considered appropriate by Centene's management; however, it is not necessarily indicative of the results of operations and financial position that would have been achieved had the pro forma events taken place on the dates indicated, or of the future consolidated results of operations or of the financial position of the combined company.

	<b>As of/For the Six Months Ended June 30, 2015</b>	<b>As of/For the Year Ended December 31, 2014</b>
<b>Centene Historical per Common Share Data:</b>		
Net income-basic	\$ 1.27	\$ 2.33
Net income-diluted	1.23	2.25
Book value (1)	16.29	14.72
<b>Health Net Historical per Common Share Data:</b>		
Net income-basic	\$ 1.15	\$ 1.83
Net income-diluted	1.13	1.80
Book value (1)	22.15	21.89
<b>Unaudited Pro Forma Combined per Centene Common Share Data:</b>		
Net income-basic	\$ 0.82	\$ 1.45
Net income-diluted	0.79	1.41
Book value (1)	30.98	N/A
<b>Unaudited Pro Forma Combined per Health Net Equivalent Share Data:</b>		
Net income-basic (2)	\$ 0.51	\$ 0.90

Net income-diluted (2)	0.49	0.88
Book value (1)(2)	19.27	N/A

- (1) Amount is calculated by dividing shareholders' equity by common shares or shares of common stock, as applicable, outstanding. Pro forma book value per share as of December 31, 2014, is not meaningful as the estimated pro forma adjustments were calculated as of June 30, 2015.
- (2) Amounts calculated by multiplying unaudited pro forma combined per share amounts by the exchange ratio in the merger (0.622 of a Centene common share for each share of Health Net common stock).

**Table of Contents****COMPARATIVE PER SHARE MARKET PRICE AND DIVIDEND INFORMATION****Market Prices**

The table below sets forth, for the calendar quarters indicated, the high and low sales prices per share of Centene common stock and Health Net common stock, both of which trade on the NYSE under the symbols **CNC** and **HNT**, respectively.

	Centene Common Stock		Health Net Common Stock	
	High	Low	High	Low
<b>2013:</b>				
First Calendar Quarter	\$ 24.28	\$ 20.29	\$ 29.57	\$ 24.16
Second Calendar Quarter	26.37	21.07	33.30	26.69
Third Calendar Quarter	32.52	26.01	33.90	29.11
Fourth Calendar Quarter	33.92	27.06	33.52	25.40
<b>2014:</b>				
First Calendar Quarter	\$ 33.18	\$ 28.44	\$ 35.70	\$ 29.23
Second Calendar Quarter	38.84	27.56	42.33	30.39
Third Calendar Quarter	41.99	35.49	47.95	40.84
Fourth Calendar Quarter	54.24	37.53	55.19	42.61
<b>2015:</b>				
First Calendar Quarter	\$ 71.66	\$ 51.73	\$ 61.55	\$ 50.79
Second Calendar Quarter	82.18	61.85	65.33	52.40
Third Calendar Quarter (through July 31, 2015)	83.00	67.09	76.67	64.32

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 and per share information presented in this filing has been adjusted for the two-for-one stock split.

On July 1, 2015, the last trading day before the public announcement of the signing of the merger agreement, the closing sale price per share of Centene common stock was \$80.90 and the closing sale price per share of Health Net common stock was \$65.06, in each case on the NYSE. On July 31, 2015, the latest practicable date before the date of this joint proxy statement/prospectus, the closing sale price per share of Centene common stock was \$70.13 and the closing sale price per share of Health Net common stock was \$66.86, in each case on the NYSE. The table below sets forth the equivalent market value per share of Health Net common stock on July 1, 2015 and July 31, 2015, as determined by multiplying the closing prices of shares of Centene common stock on those dates by the exchange ratio of 0.622 and adding the cash portion of the merger consideration of \$28.25 per share, without interest. Although the exchange ratio is fixed, the market prices of Centene common stock and Health Net common stock will fluctuate before the special meetings and before the merger is completed. The market value of the merger consideration ultimately received by Health Net stockholders will depend on the closing price of Centene common stock on the day such stockholders receive their shares of Centene common stock pursuant to the merger agreement.

	<b>Centene Common Stock</b>	<b>Health Net Common Stock</b>	<b>Implied Per Share Value of Merger Consideration</b>
July 1, 2015	\$ 80.90	\$ 65.06	\$ 78.57
July 31, 2015	\$ 70.13	\$ 66.86	\$ 71.87

The market prices of Centene common stock and Health Net common stock have fluctuated since the date of the announcement of the merger agreement and will continue to fluctuate from the date of this proxy statement/prospectus to the date of the Health Net special meeting and the date the merger is completed and thereafter. No

**Table of Contents**

assurance can be given concerning the market prices of Centene common stock or Health Net common stock before completion of the merger or Centene common stock after completion of the merger. The exchange ratio is fixed in the merger agreement, but the market price of Centene common stock (and therefore the value of the merger consideration) when received by Health Net stockholders after the merger is completed could be greater than, less than or the same as shown in the table above. Accordingly, Health Net stockholders are advised to obtain current market quotations for Centene common stock and Health Net common stock in deciding whether to vote for adoption of the merger agreement.

**Dividends**

Centene has never declared any cash dividends on its capital stock and currently anticipates retaining any future earnings for the development, operation, and expansion of its business. Health Net has not paid any dividends on its common stock during fiscal years 2013, 2014 and year-to-date fiscal 2015 and has no present intention of paying any dividends on its common stock. However, the board of directors of each of Centene and Health Net retains its right to review the dividend policy periodically subject to, among other things, the limitations set forth in the merger agreement.



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**Table of Contents**

**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of Centene, Health Net and the combined businesses of Centene and Health Net and certain plans and objectives of Centene and Health Net with respect thereto, including the expected benefits of the merger. These statements may be made directly in this joint proxy statement/prospectus or may be incorporated by reference to other documents and may include statements for the period after completion of the merger. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as anticipate, target, expect, estimate, intend, plan, goal, believe, hope, will, may, would, could or should or other words of similar meaning or the negative thereof. There are several factors which could cause actual plans and results to differ materially from those expressed or implied in forward-looking statements. Such factors include, but are not limited to, the following:

The expected closing date of the transaction;

The possibility that the estimated synergies (as described hereinafter) and value creation from the merger will not be realized, or will not be realized within the expected time period;

The risk that the businesses will not be integrated successfully;

Disruption from the merger making it more difficult to maintain business and operational relationships;

The risk that unexpected costs will be incurred;

Changes in economic conditions, political conditions, changes in federal or state laws or regulations, including the ACA and the Health Care Education Affordability Reconciliation Act and any regulations enacted thereunder, provider and state contract changes, the outcome of pending legal or regulatory proceedings, reduction in provider payments by governmental payors, the expiration of Centene's or Health Net's Medicare or Medicaid managed care contracts by federal or state governments and tax matters;

The possibility that the merger does not close, including, but not limited to, due to the failure to satisfy the closing conditions, including the receipt of approval of Centene's stockholders and Health Net's stockholders;

The risk that financing for the transaction may not be available on favorable terms;

Risks and uncertainties discussed in the reports that Centene and Health Net have filed with the SEC; and

Risks and uncertainties set forth in or incorporated by reference into this joint proxy statement/prospectus in the section entitled Risk Factors beginning on page [ ].

These forward-looking statements reflect Centene's and Health Net's current views with respect to future events and are based on numerous assumptions and assessments made by Centene and Health Net in light of their experience and perception of historical trends, current conditions, business strategies, operating environments, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this document could cause Centene's and Health Net's plans with respect to the merger, actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this document are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as of the date of this joint proxy statement/prospectus or, in the case of a document incorporated by reference, as of the date of that document. Neither Centene nor Health Net assumes any

**Table of Contents**

obligation to update the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law. A further list and description of risks and uncertainties can be found in Centene's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and in its subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K as well as in Health Net's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 and in its subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

**Table of Contents****RISK FACTORS**

*In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including, among others, the matters addressed in the section entitled **Cautionary Note Regarding Forward-Looking Statements** beginning on page [ ], you should carefully consider the following risk factors before deciding whether to vote for the proposal to adopt the merger agreement, in the case of Health Net stockholders, or for the proposal to approve the issuance of the shares of Centene common stock forming part of the merger consideration, in the case of Centene stockholders. In addition, you should read and consider the risks associated with each of the businesses of Health Net and Centene because these risks will relate to the combined company following the completion of the merger. Descriptions of some of these risks can be found in the respective Annual Reports of Centene and Health Net on Form 10-K for the fiscal year ended December 31, 2014, as such risks may be updated or supplemented in each company's subsequently filed Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, which are incorporated by reference into this joint proxy statement/prospectus. You should also consider the other information in this document and the other documents incorporated by reference into this document. See the section entitled **Where You Can Find More Information** beginning on page [ ].*

**Risks Related to the Merger**

***The merger is subject to conditions, some or all of which may not be satisfied, or completed on a timely basis, if at all. Failure to complete the merger could have material adverse effects on Centene and Health Net.***

The completion of the merger is subject to a number of conditions, including, among others, the approval by the Centene stockholders of the issuance of the shares of its common stock forming part of the merger consideration, the approval by Health Net stockholders of the adoption of the merger agreement and the receipt of certain other regulatory approvals, which make the completion and timing of the completion of the merger uncertain. See the section entitled **The Merger Agreement Conditions to the Merger**, beginning on page [ ], for a more detailed discussion. Also, either Centene or Health Net may terminate the merger agreement if the merger has not been consummated by July 2, 2016, except that this right to terminate the merger agreement will not be available to any party whose failure to perform any obligation under the merger agreement has been the cause of or the primary factor that resulted in the failure of the merger to be consummated on or before that date.

If the merger is not completed, Centene's and Health Net's respective ongoing businesses may be materially adversely affected and, without realizing any of the benefits of having completed the merger, Centene and Health Net will be subject to a number of risks, including the following:

the market price of Centene common stock or Health Net common stock could decline;

Centene or Health Net could owe substantial termination fees to the other party under certain circumstances;

if the merger agreement is terminated and the Centene Board or the Health Net Board seeks another business combination, Centene stockholders and Health Net stockholders cannot be certain that Centene or Health Net will be able to find a party willing to enter into a transaction on terms equivalent to or more attractive than the terms that the other party has agreed to in the merger agreement;

time and resources committed by Centene and Health Net's respective management to matters relating to the merger could otherwise have been devoted to pursuing other beneficial opportunities for their respective companies;

Centene or Health Net may experience negative reactions from the financial markets or from their respective customers or employees; and

Centene and Health Net will be required to pay their respective costs relating to the merger, such as legal, accounting, financial advisory and printing fees, whether or not the merger is completed.

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**Table of Contents**

In addition, if the merger is not completed, Centene or Health Net could be subject to litigation related to any failure to complete the merger or related to any enforcement proceeding commenced against Centene or Health Net to perform their respective obligations under the Merger Agreement. The materialization of any of these risks could adversely impact Centene and Health Net's respective ongoing businesses.

Similarly, delays in the completion of the merger could, among other things, result in additional transaction costs, loss of revenue or other negative effects associated with uncertainty about completion of the merger.

***The merger agreement contains provisions that limit each party's ability to pursue alternatives to the merger, could discourage a potential competing acquiror of either Centene or Health Net from making a favorable alternative transaction proposal and, in specified circumstances, could require either party to pay substantial termination fees to the other party.***

The merger agreement contains certain provisions that restrict each of Centene's and Health Net's ability to initiate, solicit, knowingly encourage or, subject to certain exceptions, engage in discussions or negotiations with respect to, or approve or recommend, any third-party proposal for an alternative transaction. Further, even if the Centene Board withdraws or qualifies its recommendation with respect to the issuance of the shares of Centene common stock forming part of the merger consideration or if the Health Net Board withdraws or qualifies its recommendation with respect to the adoption of the merger agreement, unless the merger agreement has been terminated in accordance with its terms, Centene or Health Net, as the case may be, will still be required to submit each of their merger-related proposals to a vote at their special meeting of stockholders. In addition, the other party generally has an opportunity to offer to modify the terms of the transactions contemplated by the merger agreement in response to any third-party alternative transaction proposal before the board of directors of the company that has received a third-party alternative transaction proposal may withdraw or qualify its recommendation with respect to the merger-related proposal.

In some circumstances, upon termination of the merger agreement, a party will be required to pay a termination fee of between \$63 million and \$402 million to the other party. See the sections entitled "Summary No Solicitation" beginning on page [ ], "The Merger Agreement Termination; Effect of Termination; Termination Fees and Other Fees" beginning on page [ ].

These provisions could discourage a potential third-party acquiror or merger partner that might have an interest in acquiring all or a significant portion of Centene or Health Net or pursuing an alternative transaction from considering or proposing such a transaction, even if it were prepared to pay consideration with a higher per share cash or market value than the per share cash or market value proposed to be received or realized in the merger. In particular, a termination fee, if applicable, may be substantial, and could result in a potential third-party acquiror or merger partner proposing to pay a lower price to the Centene stockholders or Health Net stockholders than it might otherwise have proposed to pay absent such a fee.

If the merger agreement is terminated and either Centene or Health Net determines to seek another business combination, Centene or Health Net, as applicable, may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the merger.

***The merger is subject to the expiration or termination of applicable waiting periods and the receipt of approvals, consents or clearances from regulatory authorities that may impose conditions that could have an adverse effect on Health Net, Centene or the combined company or, if not obtained, could prevent completion of the merger.***

Before the merger may be completed, any waiting period (or extension thereof) applicable to the merger must have expired or been terminated, and any approvals, consents or clearances required in connection with the merger must

have been obtained, in each case, under applicable law, including pursuant to the insurance laws and, in some instances, state health care laws. In deciding whether to grant the required regulatory approval, consent or clearance, the relevant governmental entities will consider the effect of the merger on competition

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**Table of Contents**

within their relevant jurisdiction. The terms and conditions of the approvals, consents and clearances that are granted may impose requirements, limitations or costs or place restrictions on the conduct of the combined company's business. Under the merger agreement, Centene and Health Net have agreed to use their reasonable best efforts to obtain such approvals, consents and clearances and therefore may be required to comply with conditions or limitations imposed by governmental authorities, except that neither party may be required to agree to any term, limitation, condition, restriction or requirement that, individually or in the aggregate, would have or would reasonably be expected to have a material and adverse effect on the financial condition, business, revenue or EBITDA of Centene or Health Net, in each case, as currently conducted, or a requirement that would or would reasonably be expected to restrict or prohibit any lines or types of business in which Centene or Health Net shall be permitted to engage and would have or would reasonably be expected to have a material and adverse effect on Centene or Health Net.

In addition, regulators may impose conditions, terms, obligations or restrictions in connection with their approval of or consent to the merger, and such conditions, terms, obligations or restrictions may delay completion of the merger or impose additional material costs on or materially limit the revenues of the combined company following the completion of the merger. There can be no assurance that regulators will choose not to impose such conditions, terms, obligations or restrictions, and, if imposed, such conditions, terms, obligations or restrictions may delay or lead to the abandonment of the merger. For a more detailed description of the regulatory review process, see the section entitled "The Merger Regulatory Approvals Required for the Merger" beginning on page [ ].

***The exchange ratio is fixed and will not be adjusted in the event of any change in either Centene's or Health Net's stock price. As a result, the merger consideration payable to Health Net's stockholders may be subject to change if Centene's stock price fluctuates.***

Upon completion of the merger, each share of Health Net common stock 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. This exchange ratio will not be adjusted for changes in the market price of either Centene common stock or Health Net common stock between the date the merger agreement was signed and completion of the merger. Due to the fixed exchange ratio, fluctuations in the price of Centene common stock will drive corresponding changes in the value of the merger consideration payable to each Health Net stockholder. As a result, changes in the price of Centene common stock prior to the completion of the merger will affect the value of Centene common stock that Health Net common stockholders will receive on the closing date.

The price of Centene common stock has fluctuated during the period between the date the merger agreement was executed and the date of this joint proxy statement/prospectus, and may continue to change through the date of each of Centene and Health Net's stockholder meetings and the date the merger is completed. For example, based on the range of closing prices of Centene common stock during the period from July 1, 2015, the last full trading day before the public announcement of the merger, through July 31, 2015, the latest practicable trading date before the date of this joint proxy statement/prospectus, the exchange ratio represented a value of the stock portion of the merger consideration ranging from a high of \$50.32 to a low of \$42.94 for each share of Health Net common stock. The actual market value of the Centene common stock received by holders of Health Net common stockholders upon completion of the merger may be outside this range.

These variations could result from changes in the business, operations or prospects of Centene or Health Net prior to or following the completion of the merger, regulatory considerations, general market and economic conditions and other factors both within and beyond the control of Centene or Health Net. At the time of the special stockholders meetings, Health Net stockholders will not know with certainty the value of the shares of Centene common stock that they will receive upon completion of the merger.





**Table of Contents**

***Members of the management and board of directors of Health Net and Centene have interests in the merger that are different from, or in addition to, those of other stockholders.***

In considering whether to approve and adopt the transactions contemplated by the merger agreement, Health Net and Centene stockholders should recognize that members of management and the Health Net and Centene Board have interests in the merger that differ from, or are in addition to, their interests as stockholders of Health Net or Centene.

The executive officers and directors of Health Net have arrangements with Health Net that provide for severance, accelerated vesting of certain rights and other benefits upon completion of the merger and/or if their employment or service is terminated under certain circumstances following the completion of the merger. Executive officers and directors of Health Net also have rights to indemnification, advancement of expenses and directors' and officers' liability insurance that will survive the completion of the merger. 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, will be appointed to the Centene Board as of immediately following the closing. The Health Net Board was aware of these interests and considered them, among other matters, in approving the merger agreement and making its recommendation that the Health Net stockholders vote **FOR** the Merger proposal, the Merger-Related Compensation proposal and the Health Net Adjournment proposal.

With respect to Centene, these interests include that all nine members of the Centene Board, including Mr. Neidorff, will remain on the Centene Board, and Mr. Neidorff, the Chairman of the Centene Board and Centene's President and Chief Executive Officer, will remain as the Chairman of the Centene Board and Centene's President and Chief Executive Officer. The executive officers of Centene will remain the executive officers of the combined company. The Centene Board was aware of these interests and considered them, among other matters, in approving the merger agreement and making its recommendation that the Centene stockholders vote **FOR** the Share Issuance proposal, the Centene Adjournment proposal and the Charter Amendment proposal.

These interests are further described in *The Merger* Interests of Centene Directors and Executive Officers in the Merger beginning on page [ ] and *The Merger* Interests of Health Net Directors and Executive Officers in the Merger.

***If the mergers do not qualify as a reorganization under Section 368(a) of the Code, the stockholders of Health Net may be required to pay substantial U.S. federal income taxes.***

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. If the subsequent merger is not completed or if the IRS or a court determines that the mergers should not be treated as a reorganization within the meaning of Section 368(a) of the Code, in either event, a holder of Health Net common stock would recognize taxable gain or loss upon the exchange of Health Net common stock for Centene common stock pursuant to the merger. See *The Merger* U.S. Federal Income Tax Consequences beginning on page [ ].

***Each party is subject to business uncertainties and contractual restrictions while the proposed merger is pending, which could adversely affect each party's business and operations.***

In connection with the pendency of the merger, it is possible that some customers, suppliers and other persons with whom Centene or Health Net has a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with Centene or Health



**Table of Contents**

Net, as the case may be, as a result of the merger, which could negatively affect Centene's or Health Net's respective revenues, earnings and cash flows, as well as the market price of Centene common stock or Health Net common stock, regardless of whether the merger is completed.

Under the terms of the merger agreement, each of Centene or Health Net is subject to certain restrictions on the conduct of its business prior to completing the merger, which may adversely affect its ability to execute certain of its business strategies, including the ability in certain cases to enter into or amend contracts, acquire or dispose of assets, incur indebtedness or incur capital expenditures. Such limitations could adversely affect each party's businesses and operations prior to the completion of the merger.

Each of the risks described above may be exacerbated by delays or other adverse developments with respect to the completion of the merger.

***Uncertainties associated with the merger may cause a loss of management personnel and other key employees which could adversely affect the future business and operations of the combined company.***

Centene and Health Net are dependent on the experience and industry knowledge of their officers and other key employees to execute their business plans. The combined company's success after the completion of the merger will depend in part upon the ability of Centene and Health Net to retain key management personnel and other key employees. Prior to completion of the merger, current and prospective employees of Centene and Health Net may experience uncertainty about their roles within the combined company following the completion of the merger, which may have an adverse effect on the ability of each of Centene and Health Net to attract or retain key management and other key personnel. In addition, no assurance can be given that the combined company will be able to attract or retain key management personnel and other key employees of Centene and Health Net to the same extent that Centene and Health Net have previously been able to attract or retain their own employees.

***Litigation filed against Health Net, Centene, the Merger Subs and the members of the Health Net Board could prevent or delay the consummation of the merger or result in the payment of damages following completion of the merger.***

In connection with the merger, purported Health Net stockholders have filed two putative stockholder class action lawsuits against Health Net, Centene, the Merger Subs and the members of the Health Net Board. Among other remedies, the plaintiffs seek to enjoin the merger. The outcome of any such litigation is uncertain. If a dismissal is not granted or a settlement is not reached, the lawsuits could prevent or delay completion of the merger and result in substantial costs to Centene and Health Net, including any costs associated with indemnification. Additional lawsuits may be filed against Centene, Health Net or the directors and officers of either company in connection with the merger. The defense or settlement of any lawsuit or claim that remains unresolved at the time the merger is consummated may adversely affect the combined company's business, financial condition, results of operations and cash flows. See "The Merger Litigation Related to the Merger" beginning on page [ ] for more information about the lawsuits that have been filed related to the merger.

***The unaudited pro forma condensed combined financial information in this joint proxy statement/prospectus is presented for illustrative purposes only and may not be reflective of the operating results and financial condition of the combined company following completion of the merger.***

The unaudited pro forma condensed combined financial information in this joint proxy statement/prospectus is presented for illustrative purposes only and is not necessarily indicative of what the combined company's actual financial position or results of operations would have been had the merger been completed on the dates indicated.

Further, the combined company's actual results and financial position after the merger may differ materially and adversely from the unaudited pro forma condensed combined financial data that is included in this joint proxy statement/prospectus. The unaudited pro forma condensed combined financial information has been

**Table of Contents**

prepared with the expectation, as of the date of this joint proxy statement/prospectus, that Centene will be identified as the acquirer under GAAP and reflects adjustments based upon preliminary estimates of the fair value of assets to be acquired and liabilities to be assumed. The final acquisition accounting will be based upon the actual purchase price and the fair value of the assets and liabilities of the party that is determined to be the acquiree under GAAP as of the date of the completion of the merger. In addition, subsequent to the closing date, there will be further refinements of the acquisition accounting as additional information becomes available. Accordingly, the final acquisition accounting may differ materially from the pro forma condensed combined financial information reflected in this document. See Unaudited Pro Forma Condensed Combined Financial Statements beginning on page [ ] for more information.

***Completion of the merger may trigger change in control or other provisions in certain agreements to which Health Net is a party, which may have an adverse impact on the combined company's business and results of operations.***

The completion of the merger may trigger change in control and other provisions in certain agreements to which Health Net is a party. If Centene and Health Net are unable to negotiate waivers of those provisions, the counterparties may exercise their rights and remedies under the agreements, potentially terminating the agreements or seeking monetary damages. Even if Centene and Health Net are able to negotiate waivers, the counterparties may require a fee for such waivers or seek to renegotiate the agreements on terms less favorable to Health Net or the combined company. Any of the foregoing or similar developments may have an adverse impact on the combined company's business and results of operations.

**Risks Relating to the Combined Company after Completion of the Merger**

***The combined company may be unable to successfully integrate the businesses of Centene and Health Net and realize the anticipated benefits of the merger.***

The success of the merger will depend, in part, on the combined company's ability to successfully combine the businesses of Centene and Health Net, which currently operate as independent public companies, and realize the anticipated benefits, including synergies, cost savings, innovation and operational efficiencies, from the combination. If the combined company is unable to achieve these objectives within the anticipated time frame, or at all, the anticipated benefits may not be realized fully or at all, or may take longer to realize than expected and the value of its common stock may be harmed. Additionally, rating agencies may take negative actions against the combined company.

The merger involves the integration of Health Net's business with Centene's existing business, which is a complex, costly and time-consuming process. Centene and Health Net have not previously completed a transaction comparable in size or scope to the proposed merger. The integration of the two companies may result in material challenges, including, without limitation:

the diversion of management's attention from ongoing business concerns and performance shortfalls at one or both of the companies as a result of the devotion of management's attention to the merger;

managing a larger combined company;

maintaining employee morale and retaining key management and other employees;

the possibility of faulty assumptions underlying expectations regarding the integration process;

retaining existing business and operational relationships and attracting new business and operational relationships;

consolidating corporate and administrative infrastructures and eliminating duplicative operations;

coordinating geographically separate organizations;

unanticipated issues in integrating information technology, communications and other systems;

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**Table of Contents**

unanticipated changes in federal or state laws or regulations, including the ACA and the Health Care Education Affordability Reconciliation Act and any regulations enacted thereunder; and

unforeseen expenses or delays associated with the merger.

Many of these factors will be outside of the combined company's control and any one of them could result in delays, increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could materially affect the combined company's financial position, results of operations and cash flows.

Centene and Health Net are currently permitted to conduct only limited planning for the integration of the two companies following the merger and have not yet determined the exact nature of how the businesses and operations of the two companies will be combined after the merger. The actual integration may result in additional and unforeseen expenses, and the anticipated benefits of the integration plan may not be realized.

***Centene stockholders and Health Net stockholders will have a reduced ownership and voting interest after the merger and will exercise less influence over the policies of the combined company than they now have on the policies of Centene and Health Net, respectively.***

Centene stockholders presently have the right to vote in the election of the Centene Board and on other matters affecting Centene. Health Net stockholders presently have the right to vote in the election of the Health Net Board and on other matters affecting Health Net. Immediately after the merger is completed, it is expected that current Centene stockholders will own approximately 71% of the combined company's common stock outstanding and current Health Net stockholders will own approximately 29% of the combined company's common stock outstanding, respectively.

As a result, current Centene stockholders and current Health Net stockholders will have less influence on the policies of the combined company than they now have on the policies of Centene and Health Net, respectively.

***The future results of the combined company may be adversely impacted if the combined company does not effectively manage its expanded operations following the completion of the merger.***

Following the completion of the merger, the size of the combined company's business will be significantly larger than the current size of either Centene's or Health Net's respective businesses. The combined company's ability to successfully manage this expanded business will depend, in part, upon management's ability to design and implement strategic initiatives that address not only the integration of two discrete companies, but also the increased scale and scope of the combined business with its associated increased costs and complexity. There can be no assurances that the combined company will be successful or that it will realize the expected operating efficiencies, cost savings and other benefits currently anticipated from the merger.

***The combined company is expected to incur substantial expenses related to the completion of the merger and the integration of Centene and Health Net.***

The combined company is expected to incur substantial expenses in connection with the completion of the merger and the integration of Centene and Health Net. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated, including purchasing, accounting and finance, sales, payroll, pricing, revenue management, marketing and benefits. In addition, the businesses of Centene and Health Net will continue to maintain a presence in St. Louis, Missouri and Woodland Hills, California, respectively. The substantial majority of these costs will be non-recurring expenses related to the merger (including financing of the merger), facilities and systems consolidation costs. The combined company may incur additional costs to maintain employee



morale and to retain key employees. Centene and Health Net will also incur transaction fees and costs related to formulating integration plans for the combined business, and the execution of these plans may lead to additional unanticipated costs. Additionally, as a result of the merger,

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**Table of Contents**

rating agencies may take negative actions with regard to the combined company's credit ratings, which may increase the combined company's costs in connection with the financing of the merger. These incremental transaction and merger-related costs may exceed the savings the combined company expects to achieve from the elimination of duplicative costs and the realization of other efficiencies related to the integration of the businesses, particularly in the near term and in the event there are material unanticipated costs.

***The combined company will be significantly more leveraged than Centene is currently.***

Upon completion of the merger, the combined company expects to incur approximately \$2,382 million in additional indebtedness. The combined company will have consolidated indebtedness of approximately \$4,136 million, which is greater than the current indebtedness of Centene prior to the merger. The increased indebtedness and higher debt-to-equity ratio of the combined company in comparison to that of Centene on a historical basis will have the effect, among other things, of reducing the flexibility of Centene to respond to changing business and economic conditions and increasing borrowing costs. For more information on the financial impact of the combined company's indebtedness, see Unaudited Pro Forma Condensed Combined Financial Statements beginning on page [ ].

***The financing arrangements that the combined company will enter into in connection with the merger may, under certain circumstances, contain restrictions and limitations that could significantly impact the combined company's ability to operate its business.***

Centene is incurring significant new indebtedness in connection with the merger. Centene and Health Net expect that the agreements governing the indebtedness that the combined company will incur in connection with the merger will contain covenants that, among other things, may, under certain circumstances, place limitations on the dollar amounts paid or other actions relating to:

payments in respect of, or redemptions or acquisitions of, debt or equity issued by the combined company or its subsidiaries, including the payment of dividends on Centene common stock;

incurring additional indebtedness;

incurring guarantee obligations;

paying dividends;

creating liens on assets;

entering into sale and leaseback transactions;

making investments, loans or advances;

entering into hedging transactions;

engaging in mergers, consolidations or sales of all or substantially all of their respective assets; and

engaging in certain transactions with affiliates.

In addition, the combined company will be required to maintain a minimum amount of excess availability as set forth in these agreements.

The combined company's ability to maintain minimum excess availability in future periods will depend on its ongoing financial and operating performance, which in turn will be subject to economic conditions and to financial, market and competitive factors, many of which are beyond the combined company's control. The ability to comply with this covenant in future periods will also depend on the combined company's ability to successfully implement its overall business strategy and realize contemplated merger synergies.

Various risks, uncertainties and events beyond the combined company's control could affect its ability to comply with the covenants contained in its debt agreements. Failure to comply with any of the covenants in its

**Table of Contents**

existing or future financing agreements could result in a default under those agreements and under other agreements containing cross-default provisions. A default would permit lenders to accelerate the maturity of the debt under these agreements and to foreclose upon any collateral securing the debt. Under these circumstances, the combined company might not have sufficient funds or other resources to satisfy all of its obligations. In addition, the limitations imposed by financing agreements on the combined company's ability to incur additional debt and to take other actions might significantly impair its ability to obtain other financing.

Centene has obtained commitment letters from potential lenders. However, the definitive loan documents have not been finalized.

*The market price of the combined company's common stock may be affected by factors different from those affecting the price of Centene or Health Net common stock.*

Upon completion of the merger, holders of Centene common stock and Health Net common stock will be holders of common stock of Centene. As the businesses of Centene and Health Net are different, the results of operations as well as the price of the combined company's common stock may in the future be affected by factors different from those factors affecting Centene and Health Net as independent stand-alone companies. The combined company will face additional risks and uncertainties that Centene or Health Net may currently not be exposed to as independent companies.

*The market price of Centene's common stock may decline as a result of the merger.*

The market price of Centene common stock may decline as a result of the merger if, among other things, the combined company is unable to achieve the expected growth in earnings, or if the operational cost savings estimates in connection with the integration of Centene's and Health Net's businesses are not realized, or if the transaction costs related to the merger are greater than expected, or if the financing related to the transaction is on unfavorable terms. The market price also may decline if the combined company does not achieve the perceived benefits of the merger as rapidly or to the extent anticipated by financial or industry analysts or if the effect of the merger on the combined company's financial position, results of operations or cash flows is not consistent with the expectations of financial or industry analysts.