

DCIPA LLC
Phone 541.464.4491

Letter of Intent
Section 4.2.3, RFA #3402

March 28, 2012

This is the official Letter of Intent from DCIPA LLC and Mercy Medical Center ("DCIPA LLC") to apply under section 4.2.3 of RFA # 3402.

The proposed applicant is DCIPA LLC, an Oregon corporation (Registry No. 312689-98) and Mercy Medical Center. Chief Executive Officer for DCIPA LLC is Robert L. Dannenhoffer, MD, at 1813 W. Harvard, Suite 206, Roseburg, Oregon 97471, at 541.464.4490. Alternate contact is his assistant Sandy Pearson at 541.464.4491.

DCIPA LLC and Mercy Medical Center desire to provide care to all people in Douglas County, including zip codes 97410, 97417, 97428, 97429, 97432, 97435, 97436, 97442, 97443, 97447, 97455, 97457, 97462, 97469, 97470, 97471, 97473, 97479, 97481, 97484, 97485, 97486, 97494, 97495, 97496, 97499, and 97731, and excluding those zip codes in the coastal Douglas County area, as members in that geographic area have traditionally been part of the medical community in Coos Bay, which excludes 97441, 97442, 97457, 97467, and 97473.

DCIPA LLC is contracted with DMAP to provide healthcare to Medicaid insured in Douglas County. DCIPA LLC is an integrated delivery network and includes a panel of physicians, ATRIO Health Plans, and Mercy Medical Center – an acute care hospital, an electronic health record and information system, a technology support service, a physician billing service, medical and case management services, and claims management including:

1. Physician and mid-level providers
2. Mercy Medical Center, an acute care hospital
3. ATRIO Health Plans
4. Medical Management service
5. UmpquaOneChart electronic health record system
6. Professional Coding and Billing Service
7. Physician e-Health Services
8. Claims Management Services

DCIPA LLC and Mercy Medical Center already provide care to all of the residents of Douglas County, including those on Oregon Health Plan. DCIPA LLC plans to continue to cover all of the population of the included zip codes, and thus our only limit would be the total population of the included zip codes.

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DCIPA LLC has a long history of providing services to those covered by Oregon Health Plan and of working within defined budgets. DCIPA LLC's strategy will be to continue to provide excellent care and to better coordinate that care. These groups represent the major sectors of the health care delivery system.

DCIPA LLC has a long and successful experience with managed care contracts with the state. DCIPA, LLC is a current fully-capitated health plan contractor for Douglas County. ATRIO is a currently-licensed insurer and a Medicare Advantage contractor for commercial and special needs populations in Douglas and other counties.

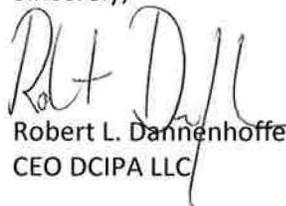
DCIPA LLC and ATRIO would like to have the three-way contract with the state, effective at the earliest possible date, again subject to the concerns above.

ATRIO will have a contract as a Medicare Advantage Plan with the Center for Medicare and Medicaid Services (CMS).

DCIPA LLC expects to submit the technical and financial applications in a timely fashion, tentatively, on April 30th and May 14th, respectively; but as the application and rules are not yet complete, our submission dates cannot be definitively determined at this time. DCIPA LLC would like to have the contract be effective as soon as practicable, hopefully on August 1, 2012. However, as the rules and the budget have not been published, this date cannot be definitively determined.

We submit this letter in good faith, and agree to the limited binding conditions described in the penultimate paragraph of section 4.2.3.

Sincerely,



Robert L. Dannenhoffer, MD
CEO DCIPA LLC

RLD/srp