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December 21, 2012

FEDERAL EXPRESS

Mr. Ronald J. Pastuch
Holding Company Manager
Office of Insurance Commissioner
Insurance 5000 Building
P.O. Box 40259
Olympia, WA 98504-0259

RECEIVED

DEC 24 2012

**INSURANCE COMMISSIONER
COMPANY SUPERVISION**

**Re: Proposed Acquisition of Control of Soundpath Health, Inc. ("Soundpath") by
CollabHealth Plan Services, Inc. ("Applicant" or "CHPS")**

Dear Ron:

Thank you for taking the time today to discuss issues related to the Statement Regarding the Acquisition of Control of or Merger with a Domestic Health Carrier ("**Form A**"). As we discussed, we are enclosing documents that have just been finalized and agreed upon by all of the parties including the following Form A Exhibits:

Exhibit 4. Amended and Restated Bylaws of Soundpath. See Attachment 1 for this document as well as a comparison with the one that was initially filed.

Exhibit 5. Amended and Restated Articles of Incorporation of Soundpath. See Attachment 2 for this document as well as a comparison with the one that was initially filed.

Exhibits 8 and 9. Amendments to the Contractor and Participant Medicare Advantage Agreements between Soundpath and Physicians of Southwest Washington, LLC ("**PSW**") (Exhibit 8) and Franciscan Health System ("**FHS**") (Exhibit 9). See Attachment 3.

Exhibit 11. Business Associate Agreement. This was attached to the Insurance Administrative Services Agreement in the original filing. The copy provided was erroneously included. This is the Business Associate Agreement that should have been provided. Please replace the one that was submitted with the initial filing with the document in Attachment 4.

Exhibits 14 and 15. PSW Security Reserve Amendment (Exhibit 14) and the Northwest Physicians Network of Washington, LLC ("**NPN**") Security Reserve Amendment (Exhibit 15). Please replace the documents that were submitted with the initial filing with these documents in

Chicago | Dallas | Denver | Edwardsville | Jefferson City | Kansas City | Los Angeles | New York
Overland Park | Phoenix | St. Joseph | St. Louis | Springfield | Topeka | Washington, DC | Wilmington

In California, Polsinelli Shughart LLP.

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Attachment 5. The only revision to these documents was to change the reference from Newco to CollabHealth Plan Services, Inc. We have also provided redacted versions of these two documents for public disclosure.

Exhibit 28. Employee Lease Agreement. Please replace the one that was submitted with the initial filing with the document in Attachment 6. We have also provided a redacted version for public disclosure and a comparison to show the changes from the first version. Pursuant to our discussion, the Employee Lease Agreement will be submitted with a Form D filing after the approval of the Form A.

Exhibit 31. CollabHealth Managed Solutions, Inc. ("CHMS") Opening Balance Sheet. We have marked this document as confidential in its entirety. See Attachment 7.

Exhibit 37. Asset Purchase Agreement Closing Deliverable: General Assignment and Assumption Agreement. See Attachment 8.

Exhibit 24. Additional biographical affidavits have been enclosed as Attachment 9. These affidavits are for the officers and directors of CHMS, the parent company of CHPS. Attachment 10 contains these same affidavits, which have been redacted for public disclosure. With respect to Linda DuPuis' biographical affidavit, we respectfully request that the current affidavit on file be withdrawn to be replaced by the enclosed affidavit found in Attachment 11, which more correctly and accurately reflects her information. Additionally, as we also discussed, Ms. DuPuis is taking action that may cause us to request that this affidavit be replaced with yet another one that has a different response to question 11.c. You have agreed to give me at least 48 hours advance notice before a complete Form A file is submitted to the Administrative Judge, so that I can see if Ms. DuPuis affidavit is subject to change.

We have provided you with the biographical affidavits of the primary officers and all of the directors of CHMS, except J. Dean Swindle. His biographical affidavit is enclosed herewith along with a redacted copy for public disclosure. Also, we are obtaining the biographical affidavit of Kevin Hofton, President and Chief Executive Officer of Catholic Health Initiatives ("CHI"). With this filing you have the biographical affidavits of Michael T. Rowan, Executive Vice President and Chief Operating Officer and J. Dean Swindle, Vice President, Business Services and Chief Financial Officer.

In my email to you dated December 19, 2012, I provided you with a list of the names of the Board of Stewardship Trustees of CHI. It is my understanding that you do not presently intend to require the biographical affidavits of these Trustees.

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There will be no amendment to the Contractor and Participant Medicare Advantage Agreement between Soundpath and NPN as initially contemplated. As a result, there will be no Exhibit 7.

I have also enclosed as Attachments 12 through 21 redacted versions of many of the documents that were filed initially with the Form A along with an explanation as to why the redacted information is confidential under Washington law.

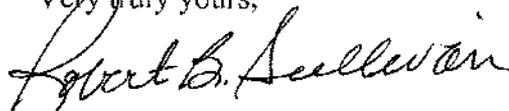
We initially marked the Confidentiality and Noncompetition Agreements (Exhibits 12 for PSW and 13 for NPN in the Form A) as confidential. Upon further review, we rescind that claim of confidentiality. We have enclosed these two agreements without a confidentiality sticker as Attachment 22.

Additionally, as we discussed, the Administrative Services Agreement ("ASA") is being amended to add the right of CHPS to utilize Soundpath's trademarks and copyrighted materials in the course of performing services under the ASA Agreement. The ASA Agreement will be submitted with a Form D requesting a letter of non-disapproval. Also, the three definitive agreements (the Stock Purchase Agreement, the Asset Purchase Agreement, and the Class R Preferred Shares Purchase Agreement) are being amended to extend the present January 15, 2013 closing date. And, the promissory Note is being amended to extend the maturity date.

Finally, as you requested during our call today and pursuant to RCW § 48.31C.030(2)(g), we are providing a description of the Guaranty that CHI will enter into with NPN and PSW. In this regard, CHI will enter into a Guaranty with NPN and PSW whereby CHI will guarantee the performance of CHPS' obligations under Section 4.2(b) of the Amended and Restated Shareholder Agreement of Soundpath. Pursuant to Section 4.2(b), each of NPN and PSW have the right to require CHPS to purchase their respective shares of stock in Soundpath for any reason during the period beginning two (2) years after the closing date and ending five (5) years after closing date. Please consider this description as an addition to Item 7 of the Form A.

Thank you for your time and consideration. I look forward to hearing from you after you have had a chance to review the attachments.

Very truly yours,



Robert B. Sullivan

RBS:sam
Encs.

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**EXHIBITS ORIGINALLY SUBMITTED WITH THE
10/19/12 FORM A OR PROVIDED SHORTLY AFTER**

Exhibit Number	Description of Exhibit	Entire Document Confidential	Redacted for Public disclosure	Entire Document Public
1	Stock Purchase Agreement		✓	
2	PSW Escrow Agreement		✓	
3	NPN Escrow Agreement		✓	
4	Amended and Restated Bylaws of Soundpath			✓
5	Amended and Restated Articles of Incorporation of Soundpath			✓
6	Amended and Restated Shareholder Agreement of Soundpath	✓		
7	Amendment to Contractor and Participant Medicare Advantage Agreement between Soundpath and NPN	Amendment no longer contemplated		
8	Amendment to Contractor and Participant Medicare Advantage Agreement between Soundpath and PSW			✓
9	Amendment to Contractor and Participant Medicare Advantage Agreement between Soundpath and FHS			✓
10	Insurance Administrative Services Agreement		✓	
11	Business Associate Agreement			✓
12	PSW Non-Competition Agreement			✓
13	NPN Non-Competition Agreement			✓
14	Amendment to PSW Security Reserve Amendment		✓	✓
15	Amendment to NPN Security Reserve Amendment		✓	
16	NPN's Legal Opinion	✓		

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Exhibit Number	Description of Exhibit	Entire Document Confidential	Redacted for Public disclosure	Entire Document Public
17	PSW's Legal Opinion	✓		
18	Soundpath's Legal Opinion / Buyer's Legal Opinion	✓		
19	Class R Preferred Stock Purchase Agreement		✓	
20	Asset Purchase Agreement		✓	
21	Assignment and Assumption Agreement (Marquette)			✓
22	Assignment and Assumption of Leases Agreement			✓
23	CHI Organizational Chart	✓		
	Organizational Charts Post-Acquisition for Soundpath			✓
24	Biographical Affidavits		✓	
25	Soundpath Projections	✓		
26	PSW Assignment and Amendment of Amended and Restated Administrative Services Agreement		✓	
27	NPN Assignment and Amendment of Amended and Restated Administrative Services Agreement		✓	
28	Employee Lease Agreement		✓	
29	Promissory Note, Stock Pledge and Security Agreement	✓		
30	Opening Balance Sheet for CollabHealth Plan Services, Inc.	✓		
31	Opening Balance Sheet for CollabHealth Managed Solutions, Inc	✓		
32	2013 First Quarter Financial Statement for CHI			✓
33	CHI's Consolidated Financial Statements and Other Financial Information Years Ended June 30, 2012 with Report of Independent Auditors			✓

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Exhibit Number	Description of Exhibit	Entire Document Confidential	Redacted for Public disclosure	Entire Document Public
34	CIIT's Consolidated Financial Statements and Other Financial Information Years Ended June 30, 2011 and 2010 with Report of Independent Auditors			✓
35	CHI's Consolidated Financial Statements and Other Financial Information Years Ended June 30, 2009 and 2008 with Report of Independent Auditors			✓
36	CHI's Consolidated Financial Statements and Other Financial Information Years Ended June 30, 2007 and 2006			✓
37	Asset Purchase Agreement Closing Deliverable: General Assignment and Assumption Agreement			✓