



“Excellent performance begins with a team of people aligned around a shared purpose, a common set of values and well-understood goals. We aim to foster and continuously improve a culture of collaboration, accountability, compliance and high performance.”

To our stockholders, members, government and business partners, and associates:

OUR VISION

Our vision is to be a leader in government-sponsored health care programs in collaboration with our members, providers and government partners. We foster a rewarding and enriching culture to inspire our associates to do well for others and themselves.

OUR MISSION TO SERVE

Our members are our reason for being. We help those eligible for government-sponsored health care plans live better, healthier lives.

Two years ago, we created and implemented a multi-year plan to position WellCare for long-term success. This plan included reinvesting in our people, our processes and our technology to strengthen our foundation and improve our operational and financial performance. Building on the momentum of our strong performance in 2015, and driven by our dedicated associates, I am pleased to report that 2016 was an exceptional year for WellCare.

All three of our lines of business—Medicaid Health Plans, Medicare Health Plans and Medicare Prescription Drug Plans—produced strong year-over-year results. In 2016, total revenue grew, earnings per diluted share increased and net income margin improved from 2015.

Our success in 2016 was not limited to improved financial and operational performance. We also began to actively pursue growth opportunities in both Medicaid and Medicare. We were awarded two Medicaid contracts in 2016. In Nebraska, a new market for WellCare, we were selected to participate in the state’s Heritage Health Medicaid program, where the state combined its existing physical health, behavioral health and pharmacy programs into a single comprehensive and coordinated system. In Missouri, an existing Medicaid market for us, the program is expanding statewide, and we were selected as one of three winners in a competitive bid process. These two wins are an affirmation of the improvements to our clinical and operational capabilities to better meet the needs of our customers.

We also announced four acquisitions in 2016, closing two of them during the year. Three of these acquisitions—Care1st Arizona, Advicare and Phoenix Health Plan—will contribute to growth primarily in our Medicaid business. The other, our pending acquisition of Universal American Corp., a publicly traded Medicare-focused company, will be the largest acquisition and integration in WellCare’s history. One of our top priorities is to successfully integrate these acquired businesses. Over the past two years, we reinvested in our business development and integration capabilities—building a dedicated team with proven experience to execute on growth and integration. We intend to continue to pursue growth opportunities that fit within our strategic framework: government-sponsored health programs that align with our core capabilities, provide us with a sustainable competitive position and deliver profitable growth.

As we look forward to the coming years, we see many more opportunities for growth, both organic and through acquisitions. WellCare is solely focused on government-sponsored health care programs—Medicaid and Medicare—and there are significant and attractive penetration opportunities in these programs. We expect that states and the federal government will continue to look for ways to provide access to quality health care for their constituents while reducing costs—and managed care organizations, including WellCare, have a proven track record of doing this. At WellCare, we focus every day on providing innovative solutions for our state and federal customers to better serve the health care needs of our members.

Our ability to deliver value to our members, government and business partners, and stockholders is driven by our Values—Partnership, Integrity, Accountability and One Team. Excellent performance begins with a team of people aligned around a shared purpose, a common set of values and well-understood goals. We aim to foster and continuously improve a culture of collaboration, accountability, compliance and high performance.

Our success starts with people. We cannot be successful without the commitment of our associates, our executive leadership team and our board of directors to achieve our goals. We continue to invest in developing the talent of our associates, and, over the past year, we welcomed four new executives to our leadership team:

Darren Ghanayem — Senior Vice President and Chief Information Officer;
Anat Hakim — Senior Vice President, General Counsel and Corporate Secretary;
Rhonda Mims — Senior Vice President and Chief Public Affairs Officer; and
Timothy Trodden — Senior Vice President and Chief Human Resources Officer.

These talented leaders bring a broad array of diverse expertise and experience to WellCare to help drive our future success. We also welcomed James Dallas as a new board member in September 2016. With his health care experience and deep understanding of information technology and risk and change management, James will join his fellow board members in providing effective stewardship of WellCare.

Through our corporate social responsibility efforts, we make a powerful impact on improving the lives of people in the communities where we live and serve. Having a diverse workforce allows us to create a culture of inclusion. WellCare strives to create a work environment that allows our associates to bring their diverse perspectives to the table to better serve our members. We also foster a culture of caring and are committed to serving our communities through our associate volunteer programs and corporate giving. Our WellCare Associate Volunteer Effort (WAVE) and Day of Service programs and the WellCare Community Foundation provide resources to a variety of nonprofit organizations in our communities. In 2016, more than 5,000 associates volunteered to support our communities, and WellCare and the WellCare Community Foundation donated more than \$4.0 million to organizations that provide much needed support and services to the underserved in markets where we operate.

Our vision is to be a leader in government-sponsored health care programs in collaboration with our members, providers and government partners. Building on our outstanding performance in 2016, as we look forward, we are focused on improving quality for our members, ensuring members and providers receive an outstanding customer experience, strengthening our government partnerships, and growing profitably.

In closing, on behalf of the board of directors and our leadership team, I thank our associates and business partners for their dedication, commitment and contribution to WellCare's success. And, to our stockholders, thank you for your continued support and investment in our company.



Kenneth A. Burdick
Chief Executive Officer

April 10, 2017

OUR VALUES

Partnership

We deliver excellent service to our member, provider and government partners. Members are the reason we are in business; providers are our partners in serving our members; and government partners are the stewards of the public's resources and trust.

Integrity

We do the right thing to keep the trust of those we serve and with whom we work.

Accountability

We are responsible for the commitments we make and the results we deliver both internally and externally.

One Team

We demonstrate a collaborative "One Team" approach across all areas and put members first in all we do.