



August 11, 2010

Ms. Marceil Case
Department of Health Care Policy and Financing
1570 Grant Street
Denver CO 80203

Dear Ms. Case:

As required by 25.5-5-404(k), C.R.S., Colorado Access hereby certifies that the Company was designated by the Colorado Division of Insurance (DOI) in August 2009 as being in Hazardous Financial Condition as defined by criteria established by the Division and as promulgated in DOI Regulation 3-1-7. This designation was based on the fact that the Company's Capital and Surplus balance was below the minimum required by 10-16-411(1.5) C.R.S. on June 30, 2009. As required by the DOI and in relation to the designation, the Company submitted a Capital and Surplus Recovery Plan on September 18, 2009 and submitted an update to the plan dated June 14, 2010. In addition, the Company is in regular communication with the DOI regarding the issue. Even though the Hazardous Financial Condition designation is still in place, since November 30, 2009 the Company's Capital and Surplus balance has exceeded the minimum required by 10-16-411(1.5).

Colorado Access certifies that the capitation payments set forth in the contract between the Company and the Colorado Department of Health Care Policy and Financing for the Denver County Behavioral Health region for the period January 1, 2010 through December 31, 2010 are sufficient to ensure the financial stability of the Company with respect to the delivery of services to Medicaid recipients as specified under the aforementioned contract.

Sincerely,

Philip Reed
CFO