

HealthSmart Announces Agreement to Acquire Wells Fargo TPA

DALLAS, TX – October 18, 2011

HealthSmart Holdings Inc., announced today that it has entered into a definitive agreement to acquire Wells Fargo Third Party Administrators, Inc., the medical third-party administration (TPA) business of Wells Fargo Insurance Services USA, Inc. – part of Wells Fargo & Company (NYSE: WFC). Terms of the transaction, which is expected to be completed by the end of the year, were not disclosed.

Wells Fargo TPA offers employee benefits and claims administration services for employers. HealthSmart will acquire all of the operating assets and related liabilities of the TPA. As part of the transaction, HealthSmart will assume ownership of the leases for office locations in Charleston, WV; Juneau, AK; Fayetteville, NC; and Newnan, GA. Nearly 600 Wells Fargo TPA employees will join HealthSmart.

Neal Aton, President and CEO of Wells Fargo Insurance Services, said his organization will continue to distribute medical TPA products and services to its customers using HealthSmart's broad network and capabilities. "Wells Fargo Insurance Services is dedicated to providing the best possible service to our customers," he said. "For more than 30 -years, HealthSmart has been serving customers in the commercial and Medicare segments through its state-of-the-art claims system. By working with HealthSmart, we are able to offer our customers additional access to the medical TPA products and services they need."

Following the acquisition, HealthSmart will have annual revenues of more than \$100 million, employ more than 1,000 workers, and manage more than \$5 billion in claims.

Daniel D. Crowley, Chairman of HealthSmart, commented, "The combination of Wells Fargo TPA and HealthSmart creates the second largest, non-carrier owned TPA in the country. Establishing a beachhead in the Eastern U.S. to complement our current Texas, Colorado, Ohio, and California locations will build a service and distribution capability not currently available through most non-carrier managed care companies. We look forward to our relationship with Wells Fargo Insurance Services, the city of Charleston and the state of West Virginia."

James M. Pennington, President of HealthSmart, said, "We are very excited about the opportunities this acquisition brings to HealthSmart. Being a West Virginia native, and having a 16-year history with the organization in its early years as McDonough Caperton Insurance Group, makes this personally rewarding, and it will be exciting to help write the next chapter in its long story. The West Virginia location will provide HealthSmart with an Eastern base from which to expand nationally, and the ongoing relationship with Wells Fargo Insurance Services creates a

strategic vehicle for additional growth. HealthSmart is widely known as a terrific company, one which values its many fine individuals. We welcome the Wells Fargo TPA employees to our firm and family."

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About HealthSmart

HealthSmart Holdings, Inc. is an innovative healthcare solutions company that manages more than \$4.2 billion in claims annually. The company's headquarters is in Irving, Texas, and it currently maintains seven service locations around the country. The HealthSmart companies are dedicated to delivering integrated, self-funded solutions via proprietary products and services, including benefit administration, provider networks and care management. Our mission is to improve member health and reduce healthcare costs.

About Wells Fargo Insurance Services

Wells Fargo Insurance Services is the fifth largest insurance brokerage in the world and the largest bank-owned insurance brokerage in the U.S. (Business Insurance, 2011) with more than 200 offices in 37 states. Its 7,000 insurance professionals place more than \$19 billion* of risk premiums with experience in property, casualty, benefits, international, personal lines, and life products.

Wells Fargo & Company (NYSE: WFC) is a nationwide, diversified, community-based financial services company with \$1.3 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores, 12,000 ATMs, the Internet (wellsfargo.com and wachovia.com), and other distribution channels across North America and internationally. With more than 270,000 team members, Wells Fargo serves one in three households in America. Wells Fargo & Company was ranked No. 23 on *Fortune's* 2011 rankings of America's largest corporations. Wells Fargo's vision is to satisfy all our customer's financial needs and help them succeed financially.

**Figures include Wells Fargo Insurance Services USA, Inc., Wells Fargo Insurance, Inc., and Rural Community Insurance Services.*