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## WellCare Health Plans, Inc. Q3 2007 Earnings Call Transcript

### Earnings Call Excerpt

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WellCare Health Plans, Inc. (WCG)

Q3 2007 Earnings Call

November 5, 2007, 8:30 AM ET

#### **Executives**

Todd S. Farha - Chairman, President, and CEO

Paul L. Behrens - Sr. VP and CFO

#### **Analysts**

#### **Presentation**

[Call Starts Abruptly]

Friday, until independent investigation conducted by the special committee is complete or substantially complete, the Company will not be in a position to file its Form 10-Q for the third quarter. Therefore, the filing of the 10-Q will be delayed.

The Company is unable to predict how long the special committee's investigation will take or when it will complete or substantially complete its work. Depending on when the special committee complete its work, the filing of the Company's Form 10-K for the year ending December 31, 2007, may also be delayed. Because of the delay and filing our third quarter 10-Q, today we are reporting certain preliminary un-audited financial and operating data.

Further, as described in our press release issued earlier today, the Wall Street Journal published an article that reported among other things "according to a person familiar with the details of the investigation" federal and Florida medicated authorities are investigating allegations that the Company inflated the amount it spent on mental healthcare in order to keep money it should have refunded the Florida's medicate program. According to the article the investigation followed the filing of a so-called whistleblower lawsuit. We have not been served with nor have we seen any such whistleblower lawsuit.

We also learned from a docket search of a qui tam lawsuit filed in Florida state court against several defendants including the Company and one of its subsidiaries. The complaint is under seal and we cannot determine the nature of the allegations and, therefore do not know whether the qui tam action

relates to the subject matter of the federal and Florida investigations or to the allegations reported in the Wall Street Journal article.

Before turning the call over to Paul, I would like to add that despite the investigation, our primary focus continues to be ensuring that our members and providers are served by continuing to pay provider claims timely, answering our customer's calls, and providing access to cover healthcare services for our members. Our call centers continue serving our members and providers with an average speed of answer of under 10 seconds.

Our Tampa service center continues paying our provider claims with a turnaround time of over 95% within 10 days. We are also maintaining our turnaround times on healthcare authorizations processing 90% within two business days. Our pharmaceutical care teams continue to engage in an average of 6,000 interactions per business day, with members, physicians and pharmacies about drug therapies, and we continue to process an average of more than 150,000 prescriptions per business day.

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