

**RESOLUTION OF THE BOARD OF DIRECTORS OF
STANFORD HEALTH CARE ADVANTAGE
DECEMBER 3, 2019**

WHEREAS, Stanford Health Care Advantage (“SHCA”) has been established to support, benefit, and further the charitable purposes of Stanford Health Care (“SHC”), in part by operating a Medicare Advantage plan;

WHEREAS, SHCA and SHC have closely reviewed various options for the future of the Medicare Advantage plan and identified Lumeris Healthcare Outcomes, LLC and its affiliates, including Essence Plan Holdings, LLC and Essence Group Holdings Corporation (collectively, the “Lumeris Affiliates”) as strong business partners in the Medicare Advantage industry;

WHEREAS, SHCA, SHC, and the Lumeris Affiliates plan to undertake a restructuring and sale transaction, subject to certain regulatory approvals, including from the California Department of Managed Health Care (“DMHC”), whereby SHCA would first convert from a nonprofit public benefit corporation to a for-profit corporation and then SHC would sell eighty three percent (83%) of the equity capital of SHCA to Essence Plan Holdings, LLC;

WHEREAS, in order to effectuate the transaction, the parties will need to enter into the following agreements: (i) an Acquisition Agreement by and among SHCA, SHC, and Essence Plan Holdings, LLC (and Essence Group Holdings Corporation as its guarantor) governing the conversion and purchase and sale described above (the “Acquisition Agreement”); (ii) a Managed Services Agreement by and between SHCA and Lumeris Healthcare Outcomes, LLC governing plan operation and management (the “Managed Services Agreement”); and (iii) a Letter of Intent by and among SHC, SHCA, University HealthCare Alliance and Lumeris Healthcare Outcomes, LLC governing the creation of a population health services organization (the “PHSO Letter of Intent”); and

WHEREAS, Section 5911(a) of the California Corporations Code requires that a sale, transfer, or other disposition of all or substantially all of SHCA’s assets requires the approval of the SHCA Board of Directors of the principal terms of such sale, transfer, or other disposition of SHCA’s assets.

NOW, THEREFORE, BE IT RESOLVED that this Board of Directors hereby approves the officers and other representatives of SHCA to take all of the necessary steps to consummate the transaction described herein, including the conversion of SHCA from a nonprofit public benefit corporation to a for-profit corporation, the sale of eighty three percent (83%) of the equity capital of SHCA to the Lumeris Affiliates, and seeking and obtaining approval from the DMHC for such conversation and sale; and

FURTHER RESOLVED that this Board of Directors hereby approves the execution of the Acquisition Agreement, Managed Services Agreement, and PHSO Letter of Intent, each materially in the form attached hereto.