



P.O. Box 690, Jefferson City, Mo. 65102-0690

In re: Proposed Acquisition or Merger of:)
 Cambridge Life Insurance Company)
 and) Case No. 041101618C
 American Life and Health Insurance Company)
 by)
 Coventry Health Care, Inc.)

Finding of Fact, Conclusions of Law, and Order

Findings of Fact and Conclusions of Law

Based on the competent and substantial evidence on the whole record, I, Scott B. Lakin, Director of Department of Insurance, State of Missouri, (“Director”) find and conclude that:

1. On or about November 1, 2004, a Form A Statement was filed with the Missouri Department of Insurance (the “Department”) on behalf of Coventry Health Care, Inc. (“Applicant”), in connection with the proposed acquisition of certain Missouri domestic insurers, namely, Cambridge Life Insurance Company and American Life and Health Insurance Company (the “Insurers”). Jonathan A. Weinberg appeared for Applicant. Mark Stahlhuth appeared for the Department’s Division of Financial Regulation.
2. Applicant intends to acquire direct control of the Insurers by a merger between Coventry Merger Sub, Inc., a wholly owned subsidiary of Applicant, and First Health Group Corp., which owns all of the issued and outstanding shares of the Insurers, with Coventry Merger Sub, Inc., surviving.

3. A preponderance of evidence on the whole record fails to show that:
- A. After the change of control of the Insurers by Applicant, the Insurers will be unable to satisfy the requirements for the issuance of a license to write the lines of insurance for which they are presently licensed.
 - B. The effect of the acquisition of the control of Insurers would be substantially to lessen competition in insurance in this State, or tend to create a monopoly therein.
 - C. The financial condition of Applicant is such as might jeopardize the financial stability of the Insurers or prejudice the interests of their subscribers.
 - D. Any plans or proposals Applicant has to liquidate the Insurers, to sell their assets or to consolidate or merge them with any person, or to make any other material change in their business or corporate structure or management are unfair and unreasonable to policyholders or subscribers of the Insurers or contrary to the public interest.
 - E. The competence, experience and integrity of the Applicant's management are such that it would be contrary to the interests of the subscribers of the Insurers and of the public to permit the acquisition of control of the Insurers by Applicant.
 - F. The acquisition of the Insurers by the Applicant is likely to be hazardous or prejudicial to the insurance buying public.

Order

Based on the foregoing findings and conclusions, the acquisition of control of Cambridge Life Insurance Company and American Life and Health Insurance Company by Coventry Health Care, Inc. as proposed in the Form A Statement, is hereby **APPROVED**.

So ordered, signed and official seal affixed this _____ day of December, 2004.

SCOTT B. LAKIN, Director