

August 19, 2014

Thomas J. Betlach Director Arizona Health Care Cost Containment System 801 E. Jefferson St. Phoenix, AZ 85034

Dear Mr. Betlach,

Tucson Regional Economic Opportunities, Inc. (TREO) welcomes the opportunity to offer its support for the merger of The University of Arizona Health Network (UAHN), including University Family Care (UFC), into Banner Health (Banner).

In order for Southern Arizona, as well as the entire State of Arizona, to continue to attract and retain companies that will further bolster the economic development of the state, Arizona must have a strong healthcare system including a premier academic institution, excellent delivery systems and strong Medicaid program.

This merger fosters all three of these important priorities. Banner's investment in the UAHN and UFC will infuse critical resources necessary for the continued growth and technological advancement needed to remain competitive in an evolving healthcare environment. Additionally, UAHN employs over 6,500 people in Southern Arizona, delivering quality care and playing a vital role in fueling the Tucson economy.

TREO looks forward to our continued partnership with UAHN, UFC and Banner in establishing Tucson as a premier community in Arizona and nationally.

Thank you for the opportunity to provide TREO's economic development perspective.

Sincerely,

Joe Snell

President & CEO

Cc: Michael Waldrum, President and CEO, The University of Arizona Health Network