CENTENE
Corporation

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April 5, 2004

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OFFICE OF THE SECRETARY

The Honorable William H. Donaldson, Chairman
Securities and Exchange Commission
450 Fifth Street N.W.
Washington, DC 20549

Dear Mr. Chairman:

S7-10-04

Re: *Support For "Best Price" Rule*

I am writing as a registered voter in the State of Missouri and as President and Chief Executive Officer of Centene Corporation, a publicly traded corporation based in St. Louis.

Centene completed its initial public offering in December 2001. Since that time, Centene's stock price has increased from $9.33 (adjusted for a stock split) to over $30 and its market capitalization is now well in excess of $600 million. In the midst of steady growth in Centene's stock price, we decided to move trading of Centene's common stock from The Nasdaq National Market to the New York Stock Exchange in October 2003. We made this move after discussions with investment bankers and numerous brokers led us to conclude that our investors would be better served by trading on the NYSE.

As you know, the Securities and Exchange Commission has proposed a set of rules to restructure the regulation of the U.S. equity markets in a manner that would, among other things, weaken the "trade-through" or "best price" rule. I believe the SEC's proposal would significantly erode existing protections that help investors receive the best price for their orders, no matter the market in which the trade takes place. The "trade-trough" or "best price" rule provides investors assurances they will receive the best price when buying and selling shares of NYSE companies. For decades, this principle has ensured that orders, whether large or small, compete on the same basis: price.

The SEC proposal would allow institutions to opt out of the "best price" rule. This means those institutions would have the right to execute at a price other than the best price on behalf of their ultimate investors. Professional traders would be encouraged to internalize customer order flow. I believe that taking this liquidity out of the market will increase trading costs, widen quoted spreads and increase

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volatility. Allowing institutions to "opt out" will send a message that price does not matter, even when speed and anonymity are relatively equal between markets. This is the wrong message, particularly at a time when investor confidence has been significantly shaken by a seemingly unending series of misbehaviors by corporate management, investment banks, mutual funds and other participants in the U.S. capital markets.

John Thain, the Chief Executive Officer of the NYSE, testified before a Congressional subcommittee that the "best price" rule is "one of the mechanisms that guarantees that investors get the best price. . . . It's very important, when talking about the trade-through rule, that all investors, big and small, should get the best price. Anything less undermines confidence in the markets."

I could not agree more. Moreover, in addition to impairing investor confidence, the SEC proposal would permit fragmentation of liquidity across multiple trading venues, resulting in an increase in the cost of raising capital that would negatively affect both issuers and investors. This is a matter of great significance for the American economy, particularly at this time, as signs of economic resurgence begin to appear. Higher costs of capital will directly impact the ability of corporations such as Centene to invest in jobs, product development, geographic expansion, and strategic acquisitions

I therefore request that you take all actions possible to maintain the "best price" provisions of the trade-through rule.

Please feel free to call me if you have any questions or if I can otherwise be of assistance to you.

Sincerely,

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Michael F. Neidorff
President and Chief Executive Officer

cc: Catherine Kinney
President and Co-COO
New York Stock Exchange