

**HMS HOLDINGS CORP.**  
**NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

**A. PURPOSE**

The Nominating and Governance Committee of the Board of Directors (the “Board”) of HMS Holdings Corp. (the “Company”) is established by the Board to (i) assist the Board by identifying individuals qualified to become Board members, (ii) recommend to the Board the director nominees for election at the next annual meeting of stockholders, (iii) review and make recommendations to the Board on corporate governance related matters, (iv) oversee an annual evaluation of the Board and its standing committees and (v) recommend to the Board the directors to serve on each committee of the Board.

**B. STRUCTURE AND MEMBERSHIP**

1. **Number.** The Nominating and Governance Committee shall consist of such number of directors as the Board shall from time to time determine.
2. **Independence.** Except as otherwise permitted by the applicable NASDAQ rules, each member of the Nominating and Governance Committee shall be an “independent director” as defined by NASDAQ Rule 5605(a)(2).
3. **Chair.** Unless the Board elects a Chair of the Nominating and Governance Committee, the Nominating and Governance Committee shall elect a Chair by majority vote.
4. **Compensation.** The compensation of the Nominating and Governance Committee members shall be as determined by the Board.
5. **Selection and Removal.** Members of the Nominating and Governance Committee shall be appointed by the Board, upon the recommendation of the Committee. The Board may remove members of the Nominating and Governance Committee from such Committee, with or without cause.

**C. AUTHORITY AND RESPONSIBILITIES**

1. **General**

The Nominating and Governance Committee shall discharge its responsibilities, and shall assess the information provided to it by the Company’s management and others, in accordance with its business judgment.

2. **Board Membership**

- (a) **Search Firms.** The Nominating and Governance Committee shall have the authority to retain and terminate any search firm to be used to identify director candidates and to approve the search firm’s fees and other retention terms.
- (b) **Director Nominees.** The Nominating and Governance Committee shall be responsible for (i) identifying individuals qualified to become Board members, consistent with criteria approved by the Board, and (ii) recommending to the Board

the director nominees for election at the next annual meeting of stockholders and the persons to be elected by the Board to fill any vacancies on the Board, taking into account the recommendation of the Lead Independent Director. In making such recommendations, the committee shall consider candidates proposed by stockholders. The Committee shall review and evaluate information available to it regarding candidates proposed by stockholders and shall apply the same criteria, and shall follow substantially the same process in considering them, as it does in considering other candidates. The Committee may adopt, and periodically review and revise as it deems appropriate, procedures regarding director candidates proposed by stockholders.

- (c) **Criteria for Selecting Directors.** The Nominating and Governance Committee shall be responsible for reviewing with the Board, on a periodic basis, the requisite skills and criteria for new and continuing Board members as well as the size and composition of the Board as a whole.
- (d) **Director's Continued Service.** In accordance with the Company's Corporate Governance Guidelines, the Nominating and Governance Committee shall review and make a recommendation to the Board as to the appropriateness of a director's continued service on the Board or Board committee upon receiving notice of a significant change in status, including but not limited to a principal change in employment (including retirement), any matter that may cause a change in their status as an independent director, and any matter that may rise to the level of a material conflict of interest, other than related person transactions, which are reviewed by the Audit Committee.
- (e) **Board Leadership Structure.** As more fully provided for in the Company's Corporate Governance Guidelines, the Nominating and Governance Committee shall periodically review the Board's leadership structure to assess whether it is appropriate given the specific characteristics and circumstances of the Company.
- (f) **Director Resignation Review.** The Nominating and Governance Committee shall recommend whether or not the Board should accept the resignation of a director tendered in accordance with the Company's Director Resignation Policy.

### 3. Board Committees

- (a) **Selection of Committee Members.** The Nominating and Governance Committee shall be responsible for recommending to the Board the directors to be appointed to each Board Committee and the chair of each Board Committee, taking into account the recommendation of the Lead Independent Director.
- (b) **Oversight of Board Committees.** The Nominating and Governance Committee shall periodically review the size and composition of each Board Committee and make recommendations to the Board for changes or rotation of committee members, as applicable, the creation of additional Board committees, the modification of Board committees or the dissolution of Board committees.

#### 4. **Other Matters**

- (a) **Annual Board Evaluation.** The Nominating and Governance Committee shall oversee an annual self-evaluation of the board and its standing committees, which may include an evaluation of the performance of individual directors, to assess whether the Board and its committees are functioning effectively.
- (b) **Succession of Senior Executives.** The Nominating and Governance Committee shall oversee an annual review by the Board on succession planning for the Company's executive officers, which shall include transitional leadership in the event of an unplanned vacancy.
- (c) **Corporate Governance Framework.** The Nominating and Governance Committee shall periodically review and reassess the adequacy of the Company's Corporate Governance Guidelines and make recommendations to the Board for changes as it deems appropriate. The Committee shall review and make recommendations to the Board regarding the Company's Certificate of Incorporation and By-laws as it deems appropriate from time to time.
- (d) **Corporate Governance Related Matters.** The Nominating and Governance Committee shall consider any other corporate governance issues that arise from time to time and make recommendations to the Board.
- (e) **Additional Duties.** The Nominating and Governance Committee shall have such other duties as may be delegated from time to time by the Board.

#### D. **PROCEDURES AND ADMINISTRATION**

- 1. **Meetings.** The Nominating and Governance Committee shall meet as often as it deems necessary in order to perform its responsibilities. The Nominating and Governance Committee meetings will be governed by the quorum and other procedures generally applicable to meetings of the Board under the Company's By-laws, unless otherwise stated by resolution of the Board. The Nominating and Governance Committee may also act by unanimous written consent in lieu of a meeting. The Nominating and Governance Committee shall keep records of its meetings.
- 2. **Subcommittees.** The Nominating and Governance Committee may form and delegate authority to one or more subcommittees (including a subcommittee consisting of a single member), as it deems appropriate from time to time under the circumstances.
- 3. **Reports to the Board.** The Nominating and Governance Committee shall report regularly to the Board.
- 4. **Charter.** At least annually, the Nominating and Governance Committee shall review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
- 5. **Independent Advisors.** The Nominating and Governance Committee is authorized, without further action by the Board, to engage such independent legal and other advisors as it deems necessary or appropriate to carry out its responsibilities. Such

independent advisors may be the regular advisors to the Company. The Committee is empowered, without further action by the Board, to cause the Company to pay the compensation of such advisors as established by the Committee.

6. **Investigations.** The Nominating and Governance Committee shall have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it shall deem appropriate, including the authority to request any officer, employee or advisor of the Company to meet with the Committee or any advisors engaged by the Committee.
7. **Committee Self-Evaluation.** The Nominating and Governance Committee shall evaluate its own performance annually.