

# HMS•Holdings•Corp.

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## ***Los Angeles County Extends Contract with Health Management Systems***

NEW YORK, January 10, 2008 – The County of Los Angeles Office of Managed Care has extended its current contract with Health Management Systems, Inc. (HMS) to maintain county public health and managed care information systems. Under the contract, HMS will continue to provide proprietary software solutions and data management services to the county’s Office of Managed Care (OMC) through 2009.

The OMC operates Community Health Plan, a federally qualified health maintenance organization that provides low- or no-cost services through California state healthcare programs, including the California Medicaid program (Medi-Cal), to more than 160,000 members. The OMC is part of the Los Angeles County Department of Health Services, which oversees environmental, community, and family health for nearly 10 million residents.

“Over the years, HMS has teamed successfully with Los Angeles County in the effort to manage healthcare costs wisely, and we are honored to be chosen once again for this mission,” said Bill Lucia, President of HMS. “We will continue to leverage our expertise to help government-sponsored healthcare plans and healthcare agencies meet new fiscal challenges.”

### **About Health Management Systems**

HMS (NASDAQ: HMSY) is the nation’s leader in cost management, coordination of benefits, and program integrity services for government healthcare programs. The company serves the Medicaid programs of 40 states, 72 Medicaid managed care plans, the Centers for Medicare and Medicaid Services (CMS), child support agencies, SCHIP, and Veterans Administration facilities. HMS helps ensure that healthcare claims are paid correctly and by the responsible party. As a result of the company’s services, government healthcare programs recover over \$1.0 billion annually, and obtain access to data that helps them prevent billions more in erroneous payments.

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