



Contacts: Francesca Marraro (media relations) Christine Rogers (investor relations)
 (212) 857-5442 (212) 857-5986
 fmarraro@hms.com crogers@hms.com

Louisiana Department of Health and Hospitals Announces Intent to Award Cost Containment Services Contract to HMS

NEW YORK, July 14, 2008 – The Louisiana Department of Health and Hospitals announced its intent to award HMS a contract to continue providing Third Party Liability (TPL) recovery and cost avoidance services to the state’s Medicaid program. This statement of intent is the result of HMS having achieved the highest score in a competitive procurement process for the three-year contract.

During its most recent contract with the state, HMS recovered more than \$36 million for the Department.

“Our decision to award this contract to HMS demonstrates our agency’s continued trust in HMS’s expertise and resources in revenue recovery and cost avoidance solutions,” said William Perkins, TPL Director of the Department of Health and Hospitals. “Clearly their results speak for themselves and we look forward to even greater accomplishments.”

HMS’s President, Bill Lucia, believes that the long-term relationship with Louisiana is critical to building the expertise required to continually develop new and innovative processes and technologies. “Under the current economic constraints, no effort can be spared in the search for every recoverable dollar and every avoidable expense,” he explained.

About HMS

HMS is the nation’s leader in cost containment, coordination of benefits, and program integrity services for government healthcare programs. HMS serves the Medicaid programs of 37 states and 80 Medicaid managed care plans. In addition, the company provides services to CMS, child support agencies, SCHIP, and Veterans Administration facilities. In 2007 alone, HMS recovered more than \$1 billion from third parties and other funding sources for its clients, and provided data that assisted them in saving billions of dollars more. HMS is a wholly owned subsidiary of HMS Holdings Corp. (NASDAQ: HMSY), which is headquartered in New York and operates offices nationwide. Visit www.hms.com for more information.

###