

ST. LOUIS--(BUSINESS WIRE)--Dec. 7, 2004--Centene Corporation (NYSE: CNC) announced today that it has closed its transaction with Swope Community Enterprises to purchase two health plan entities serving 136,000 members. FirstGuard Inc.'s subsidiary, FirstGuard Health Plan Kansas, serves over 94,000 Medicaid and CHIP members throughout the state of Kansas, and FirstGuard Health Plan, Inc. serves 42,000 Medicaid members in Missouri (collectively, FirstGuard). The transaction has received all necessary regulatory approvals and is effective as of December 1, 2004.

Centene paid approximately \$93 million for all of the issued and outstanding capital stock of FirstGuard. The consideration was paid through a combination of approximately \$53 million from available funds and \$40 million borrowed under Centene's revolving credit facility.

Michael F. Neidorff, Chairman and Chief Executive Officer of Centene, said, "We are pleased to have closed this acquisition ahead of our projected time frame and to enter two new markets -- Kansas and our home state of Missouri. Moreover, this acquisition is consistent with our stated strategy of entering additional mandated Medicaid markets, with the ultimate goal of providing both demonstrated cost savings to the states and quality care to our Medicaid recipients."

Neidorff continued, "Consistent with our local approach and branding, FirstGuard will retain its name. Joy Wheeler will continue in her current capacity as President of FirstGuard and also assume the title of Chief Executive Officer. We expect FirstGuard to continue its growth momentum, and the Kansas City, Missouri headquarters will be the focus for our expanding business. We anticipate that approximately 12-14 staff positions will be consolidated. These individuals will have the opportunity to pursue positions within Centene and offered relocation packages.

"Finally, I would like to thank the Missouri Department of Insurance, the Missouri Division of Medical Services, the Kansas Insurance Department and the Kansas Department of Social and Rehabilitation Services for their support and expeditious review during the approval process for FirstGuard. We look forward to a successful, ongoing relationship with them," concluded Neidorff.

E. Frank Ellis, Chairman and Chief Executive Officer of Swope Community Enterprises, commented, "We are pleased to have completed this transaction in an efficient and expeditious manner and are confident that benefits will remain available to all FirstGuard members."

The fourth paragraph of this press release contains forward-looking statements that relate to future events and future financial performance of Centene. Subsequent events and developments may cause the Company's estimates to change. The Company disclaims any obligation to update this forward-looking financial information in the future. Matters subject to forward-looking statements involve known and unknown risks and uncertainties, including economic, regulatory, competitive and other factors that may cause Centene's or its industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Actual results may differ from projections or estimates due to a variety of important factors, including Centene's ability to successfully integrate and manage the acquisition of FirstGuard, Centene's ability to accurately predict and effectively manage health benefits and other operating expenses, competition, changes in healthcare practices, changes in federal or state laws or regulations, inflation, provider contract changes, new technologies, reduction in provider payments by governmental payors, major epidemics, disasters and numerous other factors affecting the delivery and cost of healthcare. The expiration, cancellation or suspension of Centene's Medicaid managed care contracts by state governments would also negatively affect Centene.

About Centene Corporation

Centene Corporation provides multi-line managed care programs and related services to individuals receiving benefits under Medicaid, including Supplemental Security Income (SSI) and the State Children's Health Insurance Program (SCHIP). The Company operates health plans in Indiana, Kansas, Missouri, New Jersey, Ohio, Texas and Wisconsin. In addition, the Company contracts with other healthcare organizations to provide specialty services including behavioral health, nurse triage and treatment compliance. Information regarding Centene is available via the Internet at www.centene.com.

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