

ST. LOUIS--(BUSINESS WIRE)--Dec. 21, 2005--Centene Corporation (NYSE: CNC) today announced that it has signed a definitive agreement to acquire 100% of US Script, Inc., a privately held pharmacy benefits manager (PBM) headquartered in Fresno, California. US Script, which has annual sales of approximately \$65 million, administers pharmacy benefits and processes pharmacy claims via its proprietary claims processing software.

Under the terms of the agreement, Centene will pay \$40 million in cash at closing, and up to an additional \$10 million, if US Script achieves certain EBITDA targets over a five-year period. The transaction, which is expected to close the week of January 2, 2006, will be funded through a combination of free cash and borrowings under Centene's \$200 million credit facility. This transaction is expected to be accretive to earnings in the second half of 2006 and \$0.04 to \$0.06 per share for the full year.

Michael F. Neidorff, Centene's chairman and chief executive officer, stated, "This acquisition, which becomes part of CenCorp Health Solutions ("CenCorp"), is consistent with our strategy to build a multi-line healthcare services enterprise. With US Script on board, we have added another important service offering to our specialty company segment and a platform that will enable us to more directly realize savings on prescription drug costs. Centene's health plan subsidiaries will contract with US Script at market rates on an arms length basis. It will also serve to further diversify Centene's revenue and earnings base.

"We are delighted to have Robert Bagdasarian, R.Ph., US Script's chief executive officer, an extremely capable and talented executive joining our organization. He has over 30 years of experience in the pharmacy industry and leads an organization that was recognized last year by Inc. magazine as one of the nation's 500 fastest growing privately held companies," concluded Mr. Neidorff.

Robert Bagdasarian, R. Ph., said, "Becoming a part of the Centene organization and offering our PBM services to its health plans and other managed care organizations creates an important opportunity to continue to build our business to the benefit of all our clients."

William N. Scheffel, Centene's Senior Vice President, Specialty Companies, said, "The addition of a PBM significantly increases the breadth of CenCorp's product line. The acquisition will benefit both Centene and US Script as we work with our current vendors to transition our health plans' business during 2006. Furthermore, this will increase US Script's volume of business as well as its service capabilities to the existing customer base."

Additional benefits of the acquisition include:

- Cost savings: The integration of US Script will allow Centene to realize savings on prescription drugs through its independent subsidiary with an outstanding system capability.
- Innovative information technology: The claims adjudication system internally developed by US Script is flexible and scalable.
- Consistent with corporate strategy: This transaction adds an additional component to Centene's existing specialty business platform, allowing the company to be a low-cost producer in the healthcare services industry.
- Entry into new states and markets: With US Script as part of its operations, Centene's specialty companies can enter new states and markets by offering pharmacy services, creating potential opportunities to cross-sell multiple products.

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, disease management, nurse triage and treatment compliance. Information regarding Centene is available via the Internet at www.centene.com.

About US Script, Inc.

Formed in 1999, US Script, Inc.'s 1,500 customers consist of small employer groups and third-party administrators and represents approximately 500,000 lives. The company has an automated mail service pharmacy, Rx Direct, Inc., located in Texarkana, Texas. In addition, US Script administers a contracted national network of retail pharmacies, consisting of approximately 45,000 chain and independent retailers nationwide.

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