

Attains Long Term Membership Growth Target

ST. LOUIS, Feb. 18 /PRNewswire-FirstCall/ -- Centene Corporation (NYSE: CNC) today announced that its South Carolina subsidiary, Absolute Total Care, has signed a definitive agreement to acquire Columbia-based Carolina Crescent Health Plan (CCHP), the state's largest non-profit Medicaid managed care organization, from University Health Services, Inc. (UHS). CCHP serves more than 40,000 Medicaid members in 46 counties across the state.

Consistent with Centene's stated goal of growing its South Carolina plan to cover between 10-15 percent of the eligible Medicaid population, Absolute Total Care expects to provide managed care services for approximately 90,000 Medicaid members after the acquisition, or approximately 13 percent of the state's eligible Medicaid population. The transaction is contingent on receiving approval from state regulators and is expected to close in the third quarter of this year.

The addition of the CCHP membership to Absolute Total Care will enable the company to leverage its care management capabilities across nearly twice as many members, with the potential to significantly improve health outcomes and reduce costs for the state's Medicaid members. Absolute Total Care will work closely with CCHP to ensure a seamless transition for members, providers and other stakeholders.

"The expansion of our South Carolina operations is consistent with our strategy to effectively and prudently deploy capital to grow our business," said Centene Chairman and Chief Executive Officer Michael F. Neidorff. "Like all accretive acquisitions, this transaction will allow us to leverage our business platform and systems across a broader member base, enabling us to provide better service at lower cost to our customers. Our ongoing leadership in providing managed care by working locally with the state, the health care providers and our members serves to improve health outcomes in a cost effective manner."

The acquisition of CCHP is expected to add revenues in the range of \$55-65 million for 2010 and \$115-130 million on an annual basis. Including transaction costs, the company expects the acquisition to be accretive to earnings by approximately \$0.02-0.03 per share in 2010, and accretive by approximately \$0.09-0.11 per share on an annual basis.

About Centene Corporation

Centene Corporation is a leading multi-line healthcare enterprise that provides programs and related services to individuals receiving benefits under Medicaid, including the State Children's Health Insurance Program (SCHIP), as well as Aged, Blind, or Disabled (ABD), Foster Care, Long-Term Care and Medicare (Special Needs Plans). The Company operates local health plans and offers a wide range of health insurance solutions to individuals and the rising number of uninsured Americans. It also contracts with other healthcare and commercial organizations to provide specialty services including behavioral health, life and health management, managed vision, nurse triage, pharmacy benefits management and treatment compliance. Information regarding Centene is available via the Internet at www.centene.com.

The information provided in 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. Readers are cautioned that 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 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.

SOURCE Centene Corporation

<https://investors.centene.com/2010-02-18-Centene-Corporation-to-Acquire-Medicaid-Health-Plan-in-South-Carolina>