

ST. LOUIS, May 6 /PRNewswire-FirstCall/ -- Centene Corporation (NYSE: CNC) today announced its subsidiary, Celtic Group Inc. (Celtic), has signed a definitive agreement to acquire NovaSys Health, L.L.C. (NovaSys), a leading third party administrator (TPA) in Arkansas. NovaSys clients include Arkansas State employees, public school employees as well as ARHealthNetworks, a hybrid program of which NovaSys is the sole vendor in the state. In addition to traditional TPA services, NovaSys also offers its clients a preferred provider organization (PPO) network of quality hospitals, physicians and ancillary providers.

"Our involvement in the Arkansas Medicaid Expansion Program and long-standing relationship with both the State and key healthcare providers in the market make us a natural partner for Centene and Celtic," said NovaSys Chief Executive John Ryan. "Our broad capabilities and experience will allow us to help vertically integrate Celtic's operations in claims processing, as well as strengthen our combined capabilities as a platform for hybrid products, both in Arkansas and other new markets."

The acquisition of NovaSys expands Centene's national presence, increasing to 11 the number of states that the company currently operates in with the addition of Arkansas.

"The expansion of our Celtic operations and its capabilities is consistent with our strategy of effectively deploying capital to enhance our business," added Frederick Manning, Celtic President and Chief Executive Officer. "NovaSys brings both TPA and PPO network capabilities as well as a talented management team that shares the Centene and Celtic philosophy of providing better services at lower costs to our customers."

The transaction is expected to close in the second quarter of 2010 and will be funded out of operating cash flow. Including transaction costs, the Company expects the financial impact of the acquisition will be immaterial in 2010 and accretive to earnings by approximately \$0.02 to \$0.03 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 the rising number of under-insured and uninsured individuals. Many receive benefits provided under Medicaid, including the State Children's Health Insurance Program (CHIP), as well as Aged, Blind or Disabled (ABD), Foster Care and long-term care, in addition to other state-sponsored programs, and Medicare (Special Needs Plans). Centene's CeltiCare subsidiary offers states unique, "exchange-based" and other cost-effective coverage solutions for low-income populations. The Company operates local health plans and offers a range of health insurance solutions. It also contracts with other healthcare and commercial organizations to provide specialty services including behavioral health, life and health management, managed vision, telehealth services, and pharmacy benefits management. More information regarding Centene is available 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.

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