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CMS Awards Medicaid Integrity Program Contract to HMS

NEW YORK, May 11, 2009 – HMS today announced that it has been awarded a second Medicaid Integrity Program (MIP) Task Order by the Centers for Medicare and Medicaid Services (CMS). Under this Task Order, HMS will examine payments to providers made under Title XIX of the Social Security Act, with the objective of identifying potential overpayments made as a result of fraud, waste, or abuse.

HMS will perform these services in the CMS Medicaid Integrity Group (MIG) San Francisco Jurisdiction, which includes California, Washington, Oregon, Arizona, Alaska, Nevada, Idaho, Hawaii, Guam, American Samoa and the Commonwealth of the Northern Mariana Islands. The contract is valued at \$3.2 million for the base year and may be renewed on an annual basis upon a successful performance determination by CMS.

In September 2008 HMS was awarded the MIP Task Order for the MIG Dallas Jurisdiction, comprising Texas, New Mexico, Oklahoma, Louisiana, Arkansas, Colorado, Utah, Montana, South Dakota, North Dakota and Wyoming.

With the addition of the San Francisco Jurisdiction, HMS is now the CMS Audit Medicaid Integrity Contractor (Audit MIC) for 22 state and territory Medicaid programs across the country.

About HMS (NASDAQ:HMSY)

HMS Holdings Corp. (HMS) is the leader in coordination of benefits and program integrity services for government healthcare programs. The company's clients include health and human services programs in more than 40 states, over 90 Medicaid managed care plans, the Centers for Medicare and Medicaid Services (CMS), and Veterans Administration facilities. HMS helps ensure that healthcare claims are paid correctly and by the responsible party. As a result of the company's services, government healthcare programs recover over \$1 billion annually, and avoid billions of dollars more in erroneous payments.

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