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***HMS Awarded Medicaid Provider Audit Contract in Virginia***

NEW YORK, April 20, 2009 – HMS today announced that it had been awarded a contract by the Commonwealth of Virginia Department of Medical Assistance Services (DMAS) to audit community mental health and other behavioral health providers that participate in the Virginia Medicaid program. The contract is for three years, with three additional optional renewal years.

HMS will perform audits of in-state and out-of-state provider services, including outpatient psychotherapy and substance abuse, therapeutic day treatment, mental health support services, and intensive in-home therapy. Additional provider classes may be added as deemed necessary by DMAS.

HMS will provide DMAS with information necessary to validate or substantiate erroneous claims or issues, notify providers of audit findings, and support recovery of any overpayments. As part of the process, HMS will work with DMAS to educate providers on billing and compliance issues identified so that providers and the program can reduce billing errors and avoid overpayments in the future.

**About HMS (NASDAQ:HMSY)**

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, 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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