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***CMS Awards Medicaid Integrity Program Contract To HMS***

NEW YORK, September 19, 2008 – HMS (NASDAQ: HMSY) today announced that it has been awarded a Medicaid Integrity Program (MIP) Task Order by the Centers for Medicare and Medicaid Services (CMS). Under the 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 Dallas Jurisdiction, which includes Arkansas, Colorado, Louisiana, Montana, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, and Wyoming. The contract, expected to be completed over the next 12 months, is valued at \$5.7 million and may be renewed on an annual basis upon a successful performance determination by CMS.

It is anticipated that this award will not have a material effect on HMS's 2008 earnings.

**About HMS**

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, 80 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. HMS is a wholly owned subsidiary of HMS Holdings Corp., which is headquartered in New York and operates offices nationwide.

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