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LogistiCare Awarded Medicaid Non-Emergency Transportation Contract From State of Oklahoma

ATLANTA -- LogistiCare Solutions, LLC, the nation's leading provider of specialized transportation network management, today announced that the State of Oklahoma has awarded the company a multi-year agreement to manage non-emergency transportation (NET) for the state's SoonerCare Choice program, which services 240,000 Medicaid recipients in 77 counties throughout the state. The contract runs from August 1, 2003, through June 30, 2004, with three subsequent one-year renewal options. Estimated contract value over the three years is more than \$20 million.

After a competitive bid process, the Oklahoma Department of Central Services, on behalf of the Oklahoma Health Care Authority, selected LogistiCare because of its proven ability and nationwide track record of providing higher-quality services to Medicaid recipients at a lower cost to its state clients. LogistiCare outdistanced other competitive bidders on its technical score by more than 30 percent.

"Working in partnership with a qualified, well-respected company such as LogistiCare allows the Oklahoma Health Care Authority to leverage its resources more effectively and efficiently," said State Medicaid Director Dr. Lynn Mitchell, Oklahoma Health Care Authority. "This relationship will ultimately create opportunities for our agency to better serve our individual beneficiaries."

"LogistiCare offers a proven business model and unmatched track record in bringing service and access benefits to our clients' programs and the Medicaid populations they serve," said John L. Shermeyen, chairman and chief executive officer of Logisticare, Inc. "I am gratified we have been selected to service the SoonerCare Choice program, as it reinforces that we offer the best choice in managing Medicaid NET in the market today. We look forward to partnering with the Oklahoma Health Care Authority to service their needs and that of their Medicaid customers."

LogistiCare pioneered the privatization model of administering the Medicaid NET benefit by managing certain gatekeeping processes through integrated technology and network operations centers (call centers), while managing through regional offices a network of local transportation companies to deliver the actual trip service. The company currently manages Medicaid NET programs for multiple Medicaid state agency and managed care clients across the nation.

In Oklahoma, the Medicaid program is called the "SoonerRide" program. Under terms of the contract, LogistiCare will manage the complete NET transportation process of the SoonerRide program for the SoonerCare Choice population, which requests approximately 35,000 health care-related transports per month. LogistiCare's scope of services include Medicaid recipient eligibility verification and screening, trip scheduling and routing. The company also will sub-contract with and manage the performance of third-party local transportation companies (providers) that will provide the actual trip service. In that capacity, LogistiCare also will perform provider billing verification and trip reimbursement, while ensuring overall Sooner Care Choice program quality assurance.

After a 75-day transition period, during which LogistiCare will credential its provider network and conduct extensive outreach to health care facilities to ensure transportation service is uninterrupted, it will conduct its ongoing operations through a dedicated staff of 20 people, in addition to the company's centralized administrative and management staff support. The dedicated staff will coordinate services from a central business office located at Oklahoma City, Okla., and a regional office at Muskogee, Okla.

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About the Transportation Network Manager Model

LogistiCare pioneered the transportation network management system or "brokerage" concept, which offers government and commercial organizations a complete, single contract, outsourcing solution for their specialized transportation needs. LogistiCare's market approach centralizes management of certain gatekeeping processes through network operations centers, while managing through regional offices a network of multiple transportation companies to deliver the actual trip service. LogistiCare's sophisticated network operations center technology in combination with field management of local transportation companies, or "providers," ensures the appropriate level of service (e.g., ambulatory, stretcher, and wheelchair) is provided in the most efficient and satisfactory manner. Prior to this approach, a fragmented system of multiple providers offering varying levels of service existed. Network operation centers manage call center operations, including eligibility screening, reservations, billing, reporting and IT support. Regional offices manage networks of commercial, non-profit and public transportation providers. Regional office management ensure proper provider relations, facility outreach, quality assurance, and in many instances routing and dispatching.

About LogistiCare

Headquartered in Atlanta, Ga., LogistiCare is the nation's leading manager of outsourced specialized transportation network management services for government agencies, managed care organizations, self-funded insurers, hospitals, transit authorities and school boards. The company currently holds more than 25 contracts in eight states and the District of Columbia and manages a national network of more than 600 transportation providers. Its 24 office locations throughout the United States coordinate over 7 million trips for more than 3 million recipients each year. LogistiCare originated as a software solutions developer and later evolved into an outsourcing company based on the success of its proprietary management software. Its services are distinguished by an emphasis on customer service and quality assurance, complemented by the most advanced technology, including telephone, Internet, mobile data, global positioning systems and other wireless devices.

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