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Contact: Ed Domansky
Director, Corporate Communications
770.994.4579

LogistiCare Wins Medicaid Transportation Management Contract for Three Georgia Regions

ATLANTA -- LogistiCare announced today that the Georgia Department of Community Health (DCH) has awarded the company a contract to continue providing Non-Emergency Transportation (NET) services for Medicaid recipients in three of the state's five regions: East, Southwest and Central. The contract will run from July 1, 2005 through June 30, 2006, with four subsequent one-year renewal options.

LogistiCare has operated a Medicaid transportation brokerage in Georgia since 1997 and currently manages brokerage operations in four of the state's five regions. The company's Georgia NET operations handle more than 3.5 million trips annually for nearly one million Medicaid members. Due to state procurement specifications, no bidder could be awarded more than three of the state's five regions in this procurement. Therefore, LogistiCare could not continue managing all four of the regions covered under the company's current contract, but was awarded the maximum number of regions allowed.

"We would like to have retained all four of our current regions, but we are happy nonetheless that DCH recognized the value LogistiCare provides to its Medicaid NET recipients by awarding us the maximum number of regions possible," said John Shermeyen, president and chief executive officer of LogistiCare. "I am proud of LogistiCare's accomplishments in Georgia, which would not have been possible without the hard work and dedication of our Georgia operations team. We are extremely excited to continue our relationship with DCH and look forward to providing the best transportation services possible for Georgia Medicaid recipients for many years to come."

LogistiCare is proud to have been one of the pioneer partners for DCH in successfully realizing the promise of the NET brokerage program model for Georgia. The model was instituted as a component of the state's service improvement and cost containment plan. DCH has estimated that the former fee-for-service program would have cost the state \$85 million in FY 1998 had the brokerage system not been created. Instead, actual FY 1998 costs were less than \$50 million. Eight years later, FY 2005 costs are still \$20 to \$25 million less than the 1998 fee-for-service expectations.

In addition to bringing cost and fraud under control, LogistiCare has worked to enhance service quality and accessibility for DCH members and to improve the NET experience for all stakeholders.

"I am an avid supporter of LogistiCare's brokerage system in the state of Georgia," said Frank Hill, executive director of North Georgia Community Action Inc. "Eight years ago, LogistiCare promised positive changes to NET that would bring efficiencies to the program and to our businesses. They have delivered. Their operations team is always available and always willing to assist providers when they need it."

About LogistiCare

Headquartered in Atlanta, LogistiCare is the nation's leading provider of specialized transportation network management. The company's government clients include state Medicaid agencies, Medicare HMOs, school boards, transit and paratransit authorities. Healthcare sector clients include hospital systems and many of the nation's largest managed care organizations.

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With its market innovation, proprietary software, and proven record of creating budget stability and program integrity, LogistiCare is well known as the leader in improving non-emergency transportation programs. On an annual basis, the company manages a national network of more than 700 transportation companies that deliver more than 11 million trips to customers annually.

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