

UAHC Health Plan Receives Medicare Advantage Contract

DETROIT, Oct 18, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- United American Healthcare Corporation (Nasdaq: UAHC), a pioneer in healthcare services for Medicaid recipients, today announced that its subsidiary, UAHC Health Plan of Tennessee (UAHC-TN), has a new contract with the Centers for Medicare & Medicaid Services (CMS) to act as a Medicare Advantage qualified organization. The contract authorizes UAHC-TN to serve members enrolled in both the Tennessee Medicaid and Medicare programs, commonly referred to as "dual-eligibles."

On October 10, 2006, UAHC-TN received the signed contract from CMS confirming UAHC-TN's eligibility to participate as an eligible Medicare Advantage Organization. The contract authorizes UAHC-TN to offer a Special Needs Plan to its eligible members in Shelby County, Tennessee, and to operate a Voluntary Medicare Prescription Drug Plan, both beginning January 1, 2007.

The contract term is September 29, 2006 through December 31, 2007, after which the contract may be renewed for successive one-year periods in accordance with its terms.

"Our reputation as a provider of quality, cost-effective managed care solutions has again opened new doors of opportunity for our business," said William C. Brooks, president, chairman and CEO of United American Healthcare. "With CMS' contract approval of our Medicare Advantage proposal, we now have the opportunity to serve those members of UAHC Health Plan who qualify as 'dual-eligibles,' typically low-income seniors and people with disabilities who are enrolled in both Medicaid and Medicare. Over time, we believe the dual-eligible population could be a significant new revenue source for the Company."

About United American Healthcare Corporation

United American Healthcare Corporation (UAHC) is a full-service healthcare management company, pioneering the delivery of healthcare services to Medicaid recipients since 1985. UAHC owns and manages UAHC Health Plan, which is based in western Tennessee and includes the Memphis market. UAHC provides access to more than 900 primary and specialty care physicians and more than 19 hospitals for the members of UAHC Health Plan. For more information, please visit the Company's web site at <http://www.uahc.com>.

United American Healthcare Corporation Safe Harbor Statement

Forward-looking statements by United American Healthcare Corporation, including those in this announcement, involve known and unknown risks, which may cause actual results and corporate developments to differ materially from those expected. Factors that could cause results and developments to differ materially from expectations include, without limitation, the effects of state and federal regulations, the effects of acquisitions and divestitures, and other risks described from time to time in each of United American Healthcare's SEC reports, including quarterly reports on Form 10-Q, annual reports on Form 10-K, and reports on Form 8-K.

SOURCE United American Healthcare Corporation

Stephen D. Harris, CFO of United American Healthcare Corp., +1-313-393-4571,
Investor_relations@uahc.com ; Investor Relations: Noel R. Ryan III of Lambert,
Edwards & Associates, +1-616-233-0500, nryan@lambert-edwards.com

<http://www.uahc.com>

Copyright (C) 2006 PR Newswire. All rights reserved

News Provided by COMTEX