

## **CMS Provides Bid Approval to UAHC Health Plan's Medicare Advantage Proposal**

### **Expands UAHC Health Plan's Addressable Markets, Marks New Era as a 'Multi-Line' MCO**

DETROIT, Sept 13, 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 received bid approval from the Centers for Medicare & Medicaid Services (CMS) to act as a Medicare Advantage qualified organization beginning in 2007.

UAHC-TN initially applied for contract approval from CMS on March 20, 2006, indicating its desire to operate a "Special Needs Plan" in western Tennessee. As a Medicare Advantage approved organization, UAHC-TN would be able to serve members enrolled in both the Tennessee Medicaid and Medicare programs, commonly referred to as "dual-eligibles." UAHC-TN is currently submitting contract documentation to CMS for review which, when signed, will be effective January 1, 2007.

"United American Healthcare has been a leading provider of Medicaid managed care services in Tennessee since 1994. Following a period of careful strategic consideration, we believe UAHC-TN's unique blend of Medicaid-related experience in the region has positioned UAHC-TN to take the next step toward becoming a full-service, multi-line managed care organization, beginning with our service of the special needs (dual-eligible) population," said William C. Brooks, president, chairman and CEO of United American Healthcare. "We believe the dual-eligible population represents a higher-margin business opportunity for our Company when compared to the margins of our traditional, Medicaid-focused business, resulting in the potential for incremental profitability over time."

#### 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

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