

## United American Healthcare Announces Extension of TennCare ASO Arrangement Through December 31, 2005

DETROIT, Dec 16, 2004 /PRNewswire-FirstCall via COMTEX/ -- United American Healthcare Corporation (Nasdaq: UAHC), a pioneer in healthcare services for Medicaid recipients, announced today that it has been notified that the State of Tennessee, doing business as TennCare, will extend through December 31, 2005 the administrative services only ("ASO") reimbursement system currently applicable to UAHC's subsidiary, Omnicare Health Plan, Inc. ("OmniCare"), a managed care organization. The extension is in a written amendment that TennCare recently provided OmniCare, which OmniCare has signed and sent back to be signed by TennCare, amending their contractual risk agreement under which OmniCare acts as an intermediary between TennCare and healthcare providers to the State's uninsured and uninsurable residents.

Under the ASO reimbursement system, OmniCare and TennCare's other contracted managed care organizations process claims for their members and collect an administrative service fee for each member, with no medical cost risk.

William C. Brooks, President, CEO and Chairman of United American Healthcare, said, "This 12-month extension of our ASO arrangement with the State of Tennessee affirms our confidence in our ability to continue delivering the outstanding results we have reported in recent quarters as well as possible future expansion opportunities."

Mr. Brooks concluded, "We believe that our successful business model for delivering quality managed healthcare services will continue to benefit the State and the 133,000 members that we serve."

### About United American Healthcare

United American Healthcare is a full-service healthcare management company, pioneering the delivery of healthcare services to the Medicaid population since 1985. The Company owns and manages OmniCare Health Plan, Inc. in western Tennessee, including Memphis, through which UAHC serves 133,000 enrollees in Tennessee.

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 Corp.

Stephen D. Harris, Chief Financial Officer of United American Healthcare Corp., +1-313-393-4571; or Investor Relations, Charles Messman or Todd Kehrli, +1-818-556-3700, both of MKR Group, LLC, for United American Healthcare Corp.  
(UAHC)

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