



FOR IMMEDIATE RELEASE
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**Universal American ACO in Southeast Texas
Chosen as a Medicare Next Generation ACO**

*Innovative model recognizes primary care physicians' long history
and success in coordinating care*

WHITE PLAINS, N.Y. –Universal American Corp. (NYSE: UAM) announced today that one of its accountable care organizations formed in partnership with primary care physicians, the Accountable Care Coalition of Southeast Texas (ACCSETX), had been chosen by the Centers for Medicare and Medicaid Services (CMS) to participate in the Next Generation ACO Model. The Next Generation ACO Model is a new value-based payment model that encourages providers to assume greater risk and reward in coordinating the healthcare of Medicare Fee-For-Service beneficiaries.

In partnership with Collaborative Health Systems (CHS), a Universal American subsidiary, the 118 providers of ACCSETX will serve more than 12,500 Medicare beneficiaries as a Next Generation ACO. The selection recognizes the long history and success these physicians have had in coordinating care to improve healthcare outcomes while lowering costs through value-based arrangements, such as Medicare Shared Savings Program ACOs and Medicare Advantage plans. These same physicians work with TexanPlus, Universal American's four-star Medicare Advantage plan in Southeast Texas.

Under the Next Generation ACO Model, ACCSETX primary care physicians will have stronger financial incentives and tools at their disposal to engage beneficiaries and provide care outside the customary requirements of Medicare Fee-For-Service. For instance, telemedicine services received at a beneficiary's home will be covered and allow physicians to offer care through telephonic, online, and other electronic communications. Enhanced access to skilled nursing facilities will enable beneficiaries to enter a facility without a three-day inpatient hospital stay.

Richard Barasch, Chairman and CEO of Universal American, spoke about the selection announcement. “We are honored that ACCSETX has been chosen to participate as a Next Generation ACO, an important recognition of the years of hard work by the primary care physicians in this market. We are excited to team up with our providers and CMS to develop more flexible payment models, take on more risk, and ultimately improve the health of Medicare beneficiaries while cutting costs.”

Louis Roddy, M.D., member of the ACCSETX Board of Directors, spoke about the recent announcement and the opportunity for primary care physicians. “We are thrilled to be chosen for this innovative new model which gives primary care physicians additional tools and incentives to coordinate care for their Medicare Fee-For-Service beneficiaries. We look forward to sharing our results as we join with other Next Generation ACOs around the country to demonstrate our ability to positively change the healthcare equation.”

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About Universal American Corp.

Universal American (NYSE: UAM), through our family of healthcare companies, provides health benefits to people covered by Medicare and Medicaid. We are dedicated to working collaboratively with healthcare professionals, especially primary care physicians, in order to improve the health and well-being of those we serve and reduce healthcare costs. For more information on Universal American, please visit our website at www.UniversalAmerican.com.

About Collaborative Health Systems

Collaborative Health Systems (CHS), a Universal American company (NYSE: UAM), is a management services organization that partners with primary care physicians as they move to value-based payment delivery. Our core belief at CHS is that primary care physicians are in the best position to coordinate care for their patients in the value-based environment. CHS provides comprehensive support for its physician partners by providing actionable data to help coordinate care and helping practices change behavior to meet the new quality requirements of the value-based payment system. CHS currently manages 24 Medicare Shared Savings Program ACOs, with more than 3,200 providers, mostly primary care physicians, covering more than 280,000 Medicare beneficiaries. For more information, visit www.CollaborativeHealthSystems.com.

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