



FOR IMMEDIATE RELEASE

MEDIA CONTACT:

Lorie Fiber/Lisa Waters
Edelman
323-202-1046/323-202-1051
lorie.fiber@edelman.com
lisa.waters@edelman.com

**Ancillary Care Management Announces Agreement To Act As Application Services Provider
For The Division Of Medical Assistance In The Commonwealth Of Massachusetts**

**Partnership to Eliminate Paper-Based Processes, Increase Workflow Efficiencies and Reduce
Coding Discrepancies with HIPAA Compliant Medical Authorization Process**

LOS ANGELES, Oct. 21, 2003 - Ancillary Care Management (ACM), the leading provider of technology and management services for ancillary care and the Division of Medical Assistance, the single state agency responsible for the administration of the Massachusetts Medicaid program (MassHealth), today announced an agreement to develop, host and maintain a private-label, secure Web site through which any enrolled MassHealth provider, trading partner, and select staff and subcontractors will use ACM's Authorization Management System (AMS) to request and receive notification of prior authorizations for select MassHealth services.

The AMS application provides a Web-based customizable system, known to MassHealth stakeholders as the Automated Prior Authorization System (APAS). This system allows MassHealth and their intermediaries to effectively disseminate and access prior authorization information through ACMcentral.com. This real-time prior authorization process incorporates patient verification and authentication and provides a complete audit trail to track all participants engaged in the prior authorization process. APAS also complies with the HIPAA mandate of using a standard electronic format to accommodate the electronic exchange of prior authorization information between providers and review entities.

- more -

“We look forward to a long and successful partnership with the Division of Medical Assistance,” said David Willcutts, president and CEO of Los Angeles-based ACM. “Together we can effectively manage the costs associated with the growing sector of ancillary care by eliminating the manual process, thus reducing transactional costs and allowing for a more efficient exchange of healthcare information.”

About ACM

ACM is the nation's leading provider of technology and management services for ancillary benefit management. ACM focuses on improving patient care and reducing costs related to services provided in an ancillary care setting, defined as the home, doctor's office or other non-hospital environment. Founded in 1995, the privately held company contracts with health plans nationwide, serving over 18 million covered lives. ACM applies paperless automation to the traditional paper-based systems used by payers and providers when managing these benefits. ACM is based in Los Angeles, California and links payers, providers, clinicians, allied health professionals, suppliers and patients through its Web site, which offers a progressive suite of applications that manage all aspects of ancillary care.

About The Division of Medical Assistance

The Division of Medical Assistance is the single state agency in Massachusetts that administers Medicaid (Title XIX) and the Children's Health Insurance Program (CHIP) (Title XXI). In Massachusetts, Medicaid and CHIP are combined into one program called MassHealth. DMA also manages the Insurance Partnership for small businesses. Through MassHealth, DMA offers a broad range of health-care services by paying for part or all of a MassHealth member's health insurance, or paying medical providers for services given to MassHealth members. Qualified MassHealth members may be able to get doctor visits, prescription drugs, hospital stays, and many other important services.

#