



## PRESS RELEASE

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### **AMERIGROUP Corporation Announces Filing and Effectiveness of Registration Statement on Form S-3**

**VIRGINIA BEACH, Va.** (May 23, 2007) - AMERIGROUP Corporation (NYSE: AGP) announced today that it has filed a registration statement on Form S-3 with the Securities and Exchange Commission, which automatically became effective upon filing. The registration statement relates to the resale by the holders of AMERIGROUP's 2.00% Convertible Senior Notes due 2012 (the "Notes") (and shares of common stock issuable upon conversion of the Notes). AMERIGROUP's initial issuance of the Notes, in aggregate principal amount of \$260,000,000, was completed in March and April 2007 in a private placement pursuant to Rule 144A of the Securities Act of 1933, as amended.

A copy of the prospectus may be obtained from AMERIGROUP at 4425 Corporation Lane, Virginia Beach, Virginia 23462, Attention: Investor Relations. The registration statement was filed on behalf of the selling security holders, and AMERIGROUP will not receive any proceeds from the resale of the Notes or underlying shares of common stock.

The shelf registration statement was filed in satisfaction of AMERIGROUP's obligations under a registration rights agreement entered into in connection with the private placement. Because AMERIGROUP filed the shelf registration statement as a "well-known seasoned issuer," the shelf registration statement was automatically effective upon filing. The prospectus included in the shelf registration statement will be used by those selling security holders named therein to resell their Notes and the shares of common stock issuable upon conversion of the Notes.

#### **About AMERIGROUP Corporation**

AMERIGROUP Corporation, headquartered in Virginia Beach, Virginia, improves healthcare access and quality for low-income Americans by developing innovative managed health services for the public sector. Through its subsidiaries, AMERIGROUP serves more than 1.5 million people in the District of Columbia, Florida, Georgia, Maryland, New Jersey, New York, Ohio, Tennessee, Texas and Virginia. For more information, visit [www.amerigroupcorp.com](http://www.amerigroupcorp.com).

### **Forward-Looking Statements**

*This release is intended to be disclosure through methods reasonably designed to provide broad, non-exclusionary distribution to the public in compliance with the Securities and Exchange Commission's Fair Disclosure Regulation. This release contains certain "forward-looking" statements related to the resale by holders of the Company's convertible senior notes (and shares of common stock issuable upon conversion of the notes) which are subject to numerous factors, many of which are outside of the Company's control, including the levels and amounts of membership, revenues, organic premium revenues, rate increases, operating cash flows, health benefits expenses, medical expense trend levels, our ability to manage our medical costs generally, seasonality of health benefits expenses, selling, general and administrative expenses, days in claims payable, income tax rates, earnings per share and net income growth. These statements are made pursuant to the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve known and unknown risks and uncertainties that may cause AMERIGROUP's actual results in future periods to differ materially from those projected or contemplated in the forward-looking statements. These risks and uncertainties include, but are not limited to, national, state and local economic conditions, including their effect on the rate-setting process, timing of payments, as well as the availability and cost of labor, utilities and materials; the effect of government regulations and changes in regulations governing the healthcare industry, including our compliance with such regulations and their effect on our ability to manage our medical costs; changes in Medicaid payment levels, membership eligibility and methodologies and the application of such methodologies by the government; liabilities and other claims asserted against AMERIGROUP; our ability to attract and retain qualified personnel; our ability to maintain compliance with all minimum capital requirements; the availability and terms of capital to fund acquisitions and capital improvements; the competitive environment in which we operate; our ability to maintain and increase membership levels; and demographic changes.*

*Investors should also refer to our Form 10-K for the year ended December 31, 2006 filed with the Securities and Exchange Commission ("SEC") on February 27, 2007, as updated by our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2007 filed with the SEC on May 3, 2007, for a discussion of certain known risk factors that could cause our actual results to differ materially from our current estimates. Given these risks and uncertainties, we can give no assurances that any forward-looking statements will, in fact, transpire and, therefore, caution investors not to place undue reliance on them. We specifically disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.*

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