



PRESS RELEASE

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AMERIGROUP Contracts with Federal Government to Offer Medicare Advantage Health Plans in Seven States

VIRGINIA BEACH, Va. (Sept. 18, 2007) – AMERIGROUP Corporation (NYSE: AGP) today announced that it has signed contracts with the U.S. Centers for Medicaid and Medicare Services (CMS) to offer both Medicare Advantage Special Needs Plans (SNPs) and traditional Medicare Advantage health plans to address the specialized needs of seniors and people with disabilities in seven states.

AMERIGROUP currently coordinates care for approximately 5,000 individuals through Medicare Advantage Special Needs Plans (SNPs) in Texas and Maryland. The Company intends to add new Medicare Advantage plans that will focus on people with similar needs in five additional states -- Florida, New Jersey, New York, New Mexico and Tennessee -- including service area expansions in Texas and Maryland, beginning January 1, 2008.

All seven Medicare Advantage plans will focus primarily on two groups: people who are eligible for both Medicare and Medicaid (SNPs), and Medicare enrollees whose incomes narrowly exceed Medicaid eligibility requirements. AMERIGROUP serves many of these individuals today through its Medicaid programs.

“We have been working extensively with the aged, blind and those with disabilities through Medicaid for nine years, and adding programs to work with this group through Medicare is a natural next phase,” said James G. Carlson, President and Chief Executive Officer of AMERIGROUP Corporation. “We are extremely pleased to increase our capacity to meet the health needs of seniors, a group that is growing rapidly. These Medicare Advantage plans are based in sound social policy, leverage our Company’s capabilities and are consistent with our mission.”

AMERIGROUP was founded in 1994 and initially focused solely on serving low-income mothers and children through the Medicaid program. In 1998, the Company began serving people with

chronic and severe health conditions through Medicaid's Aged, Blind and Disabled (ABD) program. AMERIGROUP is now a national leader in private sector ABD programs, serving about 171,000 ABD enrollees. AMERIGROUP initially entered the Medicare program in Texas in 2006, focusing on seniors who are eligible for Medicaid and Medicare. The Company's new Medicare Advantage health plans are the next phase of its ongoing efforts to better meet the needs of people with disabilities and serious long-term illnesses.

AMERIGROUP's Medicare initiatives are overseen by its Senior and Special Services Organization (SSO), under the leadership of AMERIGROUP Senior and Special Services Chief Executive Officer Peter Haytaian and Chief Operating Officer Patrick Blair. The Company expects to begin outreach to potential members on October 1, 2007, contingent on final federal approval of its contracts, which is expected by that date.

About AMERIGROUP Corporation

AMERIGROUP Corporation, headquartered in Virginia Beach, Virginia, improves healthcare access and quality for the financially vulnerable, seniors and people with disabilities by developing innovative managed health services for the public sector. Through its subsidiaries, AMERIGROUP Corporation 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.

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