



## PRESS RELEASE

### CONTACTS:

**Investors:** Julie Loftus Trudell  
Senior Vice President, Investor Relations  
AMERIGROUP Corporation  
(757) 321-3597

**News Media:** Kent Jenkins Jr.  
Senior Vice President, External Communications  
AMERIGROUP Corporation  
(757) 769-7859

## AMERIGROUP Renews Contract with Tennessee

**VIRGINIA BEACH, Va. (July 3, 2008)** – AMERIGROUP Corporation (NYSE: AGP) announced today that, effective July 1, 2008, AMERIGROUP Tennessee renewed its contract with the State of Tennessee through June 30, 2009.

The renewal includes a rate increase for the period April 1, 2008 through June 30, 2008, as well as a rate increase for the period July 1, 2008 through June 30, 2009. Expenditures on home health and private duty nursing services during State fiscal year ending June 30, 2008 were at a level significantly higher than originally projected. Based on more current claims data, Tennessee's actuaries have certified an additional adjustment for these services for the period April 1, 2007 to March 31, 2008, that will result in a one-time payment to AMERIGROUP Tennessee.

AMERIGROUP will discuss these items in greater detail as well as provide full-year 2008 earnings guidance in its previously scheduled second quarter earnings release after the market closes on Wednesday, July 23, 2008.

The second quarter earnings conference call will be hosted by AMERIGROUP management on Thursday, July 24, 2008 at 9:30 a.m. Eastern Time. To listen to the call, dial 866-260-3161 (domestic) or 01-706-679-7245 (international) approximately ten minutes prior to the start time of the call. Callers will be asked to identify themselves and their affiliations. The conference call will also be available through the investors' page of the Company's Web site, [www.amerigroupcorp.com](http://www.amerigroupcorp.com), or through [www.earnings.com](http://www.earnings.com).

A telephonic replay will be available shortly after the conclusion of the call through Thursday, July 31, 2008. This replay may be accessed by dialing 800-642-1687 (domestic) or 01-706-645-9291 (international) and providing passcode 51352685. A replay of the webcast will also be available at the sites listed above for 30 days, beginning approximately two hours after its conclusion.

## **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 approximately 1.7 million people in Florida, Georgia, Maryland, New Jersey, New Mexico, New York, Ohio, South Carolina, Tennessee, Texas and Virginia. For more information, visit [www.amerigroupcorp.com](http://www.amerigroupcorp.com).

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