

**PRESS ANNOUNCEMENT: FOR IMMEDIATE RELEASE**

**Magellan Health Services and QualityMetric Redefine Behavioral Health Outcomes Measurement; Industry Leaders Develop New Assessment System to Address Relationship Between Behavioral and Physical Health**

**DATELINE: AVON, Conn. & LINCOLN, RI May 2, 2006**

Magellan Health Services, Inc., the nation's leading manager of behavioral health care, and QualityMetric Incorporated, a recognized authority in health status measurement, have come together to design a system to address the relationship and co-morbidity that exists between behavioral and physical health. The enhanced assessment system relies on QualityMetric's existing health status tools, but expands the focus toward behavioral health outcomes and demonstrated improvement in members' health and productivity.

"Our collaboration with QualityMetric will enable us to take an industry standard for measuring outcomes in physical and behavioral health and expand it to comprehensively measure the impact of medical and behavioral health as co-morbid conditions," said Anthony M. Kotin, M.D., Magellan's chief clinical officer. "This effort combines QualityMetric's expertise and leadership in outcomes assessment tools with Magellan's extensive clinical expertise in behavioral health. Our combined knowledge will advance the behavioral health community's ability to more precisely measure member improvement."

"All stakeholders in health care, including patients, payors, and providers, are interested in outcomes that accurately measure and monitor effectiveness," said John E. Ware, Jr., Ph.D., CEO and chairman of the board of QualityMetric. "Our collaboration with Magellan will build on QualityMetric's standardization of health metrics to demonstrate real value to health care purchasers. Magellan is an ideal partner based on their depth of experience in behavioral health and their noted commitment to quality care and outcomes."

The new assessment system will be based on QualityMetric's SF-12(R) Health Survey. The SF-12(R) is nationally recognized as the leading health assessment tool for measuring changes in physical and mental health status with an emphasis on physical health components. Magellan is working with QualityMetric to expand the SF-12(R) questions related to behavioral health, productivity and treatment effectiveness.

Magellan expects to implement the new assessment system by mid-summer of 2006. The new system will be Web-based and include real-time reporting capabilities to support improved care delivery and member compliance.

**About Magellan:** Headquartered in Avon, Conn., Magellan Health Services (Nasdaq:MGLN) is the country's leading manager of behavioral health care. Its customers include health plans, corporations and government agencies.

**About QualityMetric:** QualityMetric provides the most widely used health outcomes measurement products and services using proprietary and analytical methodologies to capture, benchmark and interpret actionable, patient-reported health information. Founded in 1997 by John E. Ware, Jr., Ph.D, principal developer of the SF-36(R), SF-12(R) and SF-8(TM) Health Surveys, QualityMetric collaborates on the development of science-based health assessment systems.

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