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MVP Health Care and Preferred Care Complete Merger

*Combination Creates Major New Health Plan
Serving New York, Vermont and New Hampshire*

SCHENECTADY, NY – January 11, 2006 – Two upstate New York based health plans, MVP Health Care of Schenectady and Preferred Care of Rochester, announced today that their proposed merger has been completed creating a major new plan serving three quarters of a million members across upstate New York, Vermont and New Hampshire.

"The regulatory and legal steps needed to conclude the merger have been completed, and during the months ahead MVP and Preferred Care coworkers will be working together to combine two great health plans into one plan that will be a 'leading player' in the Northeast," said David W. Oliker, president and CEO of MVP Health Care.

"I want to reassure current MVP and Preferred Care customers that they will not see any changes in day to day operations as a result of this merger, customers will call the same telephone numbers they've always called, talk to the same people they've always talked to, and see the same doctors and health care providers as they did prior to the merger," said Lisa Brubaker, MVP Health Care executive vice president for Rochester operations, and government programs. "The combination gives us the resources to make needed investments in technology to meet the needs of our customers and providers," she said.

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The company said:

- Members of the two plans will see no change in their products and services;
- Members, employers and providers will continue to call the same telephone numbers and work with the same people from the same offices across the new combined service area;
- Jobs across the new service area will be preserved;
- The new combined organization will continue to operate as a not-for-profit. Its board of directors will be a combination of current MVP and Preferred Care directors;
- MVP Health Care president and CEO David W. Oliker is the president and CEO of the combined company, which will continue to operate as both MVP Health Care and Preferred Care.

During meetings with employees in both Rochester and Schenectady, Oliker outlined his goals for the combined company including:

-- A provider network stretching from Rochester to New Hampshire that will be seamless for members and employers.

-- Product offerings that will combine the best of both MVP and Preferred Care products and that can be sold throughout the expanded market area.

-- Expansion of Preferred Care Medicare programs into several MVP counties.

In addition to Oliker, other members of the senior management team for the combined company are drawn from both company's management teams.

Lisa Brubaker, Preferred Care senior vice president and chief operating officer will assume the newly created position of executive vice president, Rochester operations and government programs.

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Thomas Combs, Preferred Care senior vice president and chief financial officer will become executive vice president and chief financial officer of MVP.

David Field, MVP chief financial officer and chief operating officer will be the executive vice president and chief operations officer for the combined company.

Dennis Allen, M.D, MVP executive vice president and chief medical officer; will have the same role in the combined company.

Scott Averill, MVP executive vice president and chief marketing officer will be the chief marketing and sales officer for the combined company.

Denise Gonick, Esq., MVP executive vice president and chief legal officer will hold the same position in the combined company.

"These executive vice president appointments reflect a blending of the talent of the two organizations," Oliker said. This is a leadership team that will make MVP the perfect example of a well-managed and successful, regional health benefits company," Oliker said.

The combined company's service area covers upstate New York, the Hudson Valley, the entire state of Vermont and southern New Hampshire.

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