



NEWS

FOR IMMEDIATE RELEASE
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MAMSI Appoints Senior Health Care Economist

Rockville, Md. – Mid Atlantic Medical Services, Inc. (MAMSI) (NYSE: MME) announced today that Peter Welch Ph.D., has joined the Strategic Policy and Analysis Department. As the Department's Senior Health Care Economist, Dr. Welch will be using advanced statistical methods to develop new policies and procedures to help assure that MAMSI health plan members have access to affordable, quality health care.

“Pete Welch brings the expertise and knowledge needed to further develop our Strategic Policy and Analysis Department, established just two years ago,” said Steven Bandeian, M.D., Senior Vice President of Strategic Policy and Analysis. “With Pete’s extensive background in health care analysis, we continue to enhance our ability to quickly understand changes in medical utilization and related costs.”

Prior to joining MAMSI, Welch served as the Director of Research at the American Association of Health Plans. He has over 20 years of experience in health care analysis and has held senior positions at several different organizations including the Urban Institute and the Congressional Budget Office. During Welch’s 20-year career, he published more than 50 articles in peer-reviewed journals, including 10 articles in *Health Affairs*, the premier health policy journal.

Welch received his doctorate in economics from the University of Colorado and his bachelor’s degree from Swathmore College.

MAMSI is one of the mid-Atlantic region’s largest health services companies with subsidiaries covering over 1.8 million lives in Maryland, Washington, D.C., Delaware, Pennsylvania, North Carolina and West Virginia. For more information about MAMSI, visit www.mamsi.com.

Note 1: Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: All forward-looking information or statements contained in this release, including expectations regarding future or continued performance, are based on management’s current knowledge of factors, all with inherent risks and uncertainties, affecting MAMSI’s business. MAMSI’s actual results may differ materially if these assumptions prove invalid. Significant risk factors, while not all-inclusive, are: the possibility of increasing price competition in the Company’s marketplace; the possibility that the Company is not able to increase its market share at the anticipated premium rate; the possibility of increased litigation, legislation or regulation that might increase regulatory oversight which, in turn, would have the potential for increased costs; the possibility of increased medical expenses due to increased utilization, inflation or legislative mandates; and the possibility that the Company is not able to negotiate new or renewal contracts with appropriate physicians and health care practitioners. Investors should review other risks and uncertainties contained in Company documents filed with the Securities and Exchange Commission.

Note 2: MAMSI is a regional holding company for health care organizations that provides comprehensive health insurance products and services including: three health maintenance organizations, MD-Individual Practice Association, Inc. (M.D. IPA), Optimum Choice, Inc.® (OCI) and Optimum Choice of the Carolinas, Inc. (OCCI); a preferred provider organization, Alliance PPO, LLC; a life and health insurance company, MAMSI Life and Health Insurance Company (MLH); and home care companies such as HomeCall, Inc., FirstCall, Inc., and HomeCall Pharmaceutical Services, Inc.