



NEWS

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FOR MORE INFORMATION:
Deborah Veney Robinson 301-545-5256

MAMSI Introduces New Voluntary Benefits Products *“MAMSI Complete” offers more benefits and services to employers*

Rockville, Md. -- Mid Atlantic Medical Services, Inc. (MAMSI) (NYSE:MME), one of the mid-Atlantic region's largest health services companies, announced today a partnership with Select Benefits Communications Group (SBCG) to offer voluntary benefits products, called MAMSI Complete, to employer groups. SBCG is a recognized regional leader in workplace benefits plan design, communication, enrollment and administration. With MAMSI Complete, employers can supplement traditional company-paid benefits such as group health insurance with other meaningful, employee-desired benefits with no employer cost contribution required.

“MAMSI Complete provides a one-stop shopping solution for the workforce benefits of our employer groups,” noted Mark D. Groban, M.D., MAMSI Chairman of the Board. “We now offer a broad array of tailored worksite benefits and enrollment services that help them attract and retain productive employees – without the additional expense to the employer.”

MAMSI Complete's voluntary worksite benefits include accident coverage policies; permanent life insurance with riders available for long-term care, critical illness, AD&D and spouse/dependent coverage; voluntary short-term disability income policies; critical illness coverage policies and group legal service policies.

After choosing the voluntary benefits that meet their needs, employees enjoy the convenience of payroll-deducted premiums, many on a pre-tax basis, and individual benefits counseling. SBCG will conduct on-site benefits education sessions for employer groups and collect all benefits elections, dramatically simplifying the open enrollment process for Human Resources staff. Further, employers can save substantial dollars by implementing voluntary benefits through the payroll tax savings associated with pre-tax ancillary benefits.

SBCG is a privately held, Maryland-based firm providing worksite benefits services through the brokerage and consulting communities in the mid-Atlantic states. For more information about SBCG, visit www.selectbenefitsgroup.com.

MAMSI is a regional holding company with subsidiaries covering more than 1.9 million lives in Maryland, Washington, D.C., Virginia, Delaware, North Carolina, Pennsylvania 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 contained in this release is based on management's current knowledge of factors, all of which have inherent risks and uncertainties, that affect 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 service area; the effect of a weak economy on the Company; the effect on the Company due to the acts of terrorism and the threat of future attacks; the possibility that the Company is not able to increase its market share at the anticipated premium rates; the possibility of increased litigation, legislation or regulation

(such as the numerous class action lawsuits that have been filed against managed care companies and the pending initiatives to increase health care regulation) that might have the potential for increased costs, and/or increased regulation of rates which might have the potential to decrease revenue; the inability to predict and control medical expenses due to increased utilization by the Company's membership, increased practitioner and pharmaceutical costs, federal or state mandates that increase benefits or limit the Company's oversight ability, the ultimate accuracy of the Company's estimate of the liability for incurred but not reported claims, the potential for disputes under its risk-sharing arrangements, and the Company's ability to maintain and renew these arrangements; and the possibility that the Company is not able to negotiate new or renewal contracts with appropriate physicians, other health care practitioners, hospitals and facilities.

The list of significant risk factors is not intended to be exhaustive. There may be other risk factors that would preclude the Company from realizing the predictions made in the forward-looking statements. While the Company may periodically update this discussion of risk factors, the Company does not undertake to update any forward-looking statement that may be made by or on behalf of the Company prior to its next filing with the Securities and Exchange Commission.

Note 2: MAMSI is a regional holding company whose subsidiaries include: 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); a coordination of benefits company, Alliance Recovery Services, LLC (ARS); and home care companies such as HomeCall, Inc., FirstCall, Inc., and HomeCall Pharmaceutical Services, Inc.

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