

Magellan Health Completes Acquisition of Armed Forces Services Corporation

SCOTTSDALE, Ariz.--(BUSINESS WIRE)-- [Magellan Health, Inc.](#) (NASDAQ:MGLN), a leader in complex care and special population management, today announced that it has completed its acquisition of Armed Forces Services Corporation (AFSC), a company with extensive experience providing and managing behavioral health and specialty services to various agencies of the federal government, including all five branches of the U.S. Armed Forces.

"Coupling Magellan's clinical expertise with AFSC's extensive network within the military and other federal agencies, this acquisition will enable us to expand our behavioral health, wellness and integrated care offerings and services in this important area," said Sam K. Srivastava, chief executive officer of Magellan Healthcare. "This acquisition also allows us to expand our work in suicide prevention and programs that assist in post-traumatic stress disorder to help members of the military and federal workers live healthier lives."

AFSC holds approximately 60 contracts with the federal government, and has 1,800 employees and subcontractors, with operations in all 50 states, three territories and eight countries. AFSC manages and provides a variety of behavioral health services including life coaching, counseling, training, rehabilitation, transition assistance, recruitment and retention, and family programs.

Magellan will update its 2016 guidance to include the impact of the acquisition on its next earnings call on July 29, 2016.

About Magellan Health: Headquartered in Scottsdale, Ariz., [Magellan Health, Inc.](#) is a leader in managing the fastest growing, most complex areas of health, including special populations, complete pharmacy benefits and other specialty areas of healthcare. Magellan develops innovative solutions that combine advanced analytics, agile technology and clinical excellence to drive better decision making, positively impact health outcomes and optimize the cost of care for the members we serve — all within a customer-first culture. Magellan's customers include health plans and other managed care organizations, employers, labor unions, various military and governmental agencies and third-party administrators. For more information, visit [MagellanHealth.com](#).

Cautionary Statement

This release contains forward-looking statements within the meaning of the Securities Exchange Act of 1934 and the Securities Act of 1933, as amended, which involve a number of risks and uncertainties. All statements, other than statements of historical information provided herein, may be deemed to be forward-looking statements including, without limitation, statements regarding the expansion of behavioral health, suicide prevention, wellness and integrated care offerings and services, the future business and growth of AFSC and Magellan Healthcare's business generally. These statements are based on management's analysis, judgment, belief and expectation only as of the date hereof, and are subject to uncertainty and changes in circumstances. Without limiting the foregoing, the words "believes," "anticipates," "plans," "expects," "may," "should," "could," "estimate," "intend" and other similar expressions are intended to identify forward-looking statements. Actual results could differ materially due to, among other things, the possible election of certain of the company's customers to manage the health care services of their members directly; changes in rates paid to and/or by the company by customers and/or providers; higher utilization of health care services by the company's risk members; delays, higher costs or inability to implement new business or other company initiatives; the impact of changes in the contracting model for Medicaid contracts; termination or non-renewal of customer contracts; the impact of new or amended laws or regulations; governmental inquiries; litigation; competition; operational issues; healthcare reform; and general business conditions. Additional factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, but are not limited to, the risks discussed in the "Risk Factors" section included within the company's Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission on February 29, 2016.

View source version on [businesswire.com](#): <http://www.businesswire.com/news/home/20160705005325/en/>

Magellan Health, Inc.

Media

Colleen Flanagan Johnson, 860-507-1923

cefjohnson@magellanhealth.com

or

Investors

Renie Shapiro Silver, 877-645-6464
rshapiro@magellanhealth.com

Source: Magellan Health, Inc.

News Provided by Acquire Media

<https://magellanhealth.mediaroom.com/2016-07-05-Magellan-Health-Completes-Acquisition-of-Armed-Forces-Services-Corporation>