

news release

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Humana Announces Intent to Acquire Cariten Healthcare

- *Humana's commercial and Medicare Advantage medical membership to increase by approximately 110,000, bringing statewide total to 327,000*
- *Humana's East Tennessee provider network to grow for commercial and Medicare membership*

Louisville, Ky. — August 4, 2008 — Humana Inc. (NYSE: HUM) today announced it has signed a definitive agreement to purchase PHP Companies, Inc. (d/b/a Cariten Healthcare) ("Cariten"), from Knoxville, Tenn.-based Covenant Health for approximately \$245 million in cash. The transaction is anticipated to close during the fourth quarter of 2008 and is not expected to materially affect Humana's earnings guidance for the year ending December 31, 2008.

Cariten is a health-benefits company serving commercial, Medicare and Medicaid members in multiple counties throughout the eastern half of Tennessee. As of June 30, 2008, Cariten's medical membership included:

- 46,000 Medicare Advantage members
- 34,000 commercial fully insured members

news release

- 30,000 commercial administrative-services-only (ASO) members
- 99,000 Medicaid ASO members.

The Medicaid business relates to a TennCare program contract that is scheduled to be completed on December 31, 2008, and will not be renewed.

“Covenant and Humana leadership worked together to develop a relationship that will benefit employers, consumers and health care providers in this region,” said Humana of Tennessee President Evans Looney. “Humana’s national presence, local management and broad product array combined with Cariten’s local market presence and knowledgeable associates will result in stronger benefit offerings for East Tennessee consumers and employers.”

“We are confident that our Cariten customers will reap substantial benefits from the broad choice of commercial, government-sponsored, and individual health insurance products that Humana will bring to this marketplace,” said Cariten Chief Operating Officer Doug Haaland. “Cariten Senior Health members will benefit particularly from Humana’s expertise as one of the nation’s largest and most experienced Medicare contractors.”

Covenant Health President and CEO Tony Spezia called the transaction “a great opportunity to form a strong, long-term relationship with one of the nation’s largest and most-respected health insurance companies, which will benefit not only our members but also our strong network of Cariten physicians and other healthcare providers.”

Banc of America Securities LLC acted as exclusive financial advisor to Humana in its acquisition of Cariten from Covenant Health. Citigroup Global Markets Inc. acted as exclusive advisor to Covenant Health in the sale of Cariten to Humana.

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The transaction is subject to regulatory approvals from the Tennessee Department of Commerce and Insurance and the Centers for Medicare and Medicaid. The transaction will also require a Hart-Scott-Rodino filing with the United States Department of Justice and Federal Trade Commission and clearance from these agencies.

Cautionary Statement

This news release contains statements that are forward-looking. The forward-looking items herein are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking items may be significantly impacted by certain risks and uncertainties described in the company's Form 10-K for the year ended December 31, 2007, its Form 10-Q for the period ended March 31, 2008 and Form 8-Ks filed during 2008, as filed with the Securities and Exchange Commission.

About Humana

Humana Inc., headquartered in Louisville, Kentucky, is one of the nation's largest publicly traded health and supplemental benefits companies, with approximately 11.5 million medical members. Humana is a full-service benefits solutions company, offering a wide array of health and supplemental benefit plans for employer groups, government programs and individuals.

Over its 47-year history, Humana has consistently seized opportunities to meet changing customer needs. Today, the company is a leader in consumer engagement, providing guidance that leads to lower costs and a better health plan experience throughout its diversified customer portfolio.

news release

More information regarding Humana is available to investors via the Investor Relations page of the company's web site at www.humana.com, including copies of:

- Annual reports to stockholders;
- Securities and Exchange Commission filings;
- Most recent investor conference presentations;
- Quarterly earnings news releases;
- Replays of most recent earnings release conference calls;
- Calendar of events (including upcoming earnings conference call dates and times, as well as planned interaction with research analysts and institutional investors);
- Corporate Governance information.

About Covenant Health

Covenant Health is the largest and most comprehensive health system in East Tennessee. With \$1.6 billion in assets, it is a community-owned organization committed to improving the health of the people it serves. The health system has received national recognition and multiple awards for outstanding quality and patient satisfaction, and innovative technology. Covenant Health is governed by a voluntary board of directors composed of community leaders and medical professionals.

About Cariten Healthcare

Cariten was created in 1985 and today offers area employers a choice of plans and services. These include PPO, POS, HMO and third party administration services, as well as Cariten Senior Health HMO and PPO Medicare Advantage plans. The company also offers Business Health Solutions, a comprehensive approach to business behavioral and workplace services. Supporting Cariten's members is a provider network of more than 6,000 primary care and specialty physicians and 67 hospitals.