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CAREFIRST BLUECROSS BLUESHIELD, HEALTHWAYS FORGE A NEW FRONTIER IN POPULATION HEALTH MANAGEMENT

OWINGS MILLS, MD and NASHVILLE, Tenn. - April 21, 2006 – Healthways, Inc. (NASDAQ:HWAY) and CareFirst BlueCross BlueShield today announced a groundbreaking three-year partnership to deliver a comprehensive, integrated population health management solution that addresses health promotion, disease prevention and disease management to the health plan’s 750,000 fully insured members, beginning July 1. The agreement to provide Healthways’ Health and Care SupportSM services is unprecedented in scope and reach for such collaborations between a health plan and a single health management organization.

“This initiative takes population health management to an entirely new level, and it represents the single most integrated program of its kind,” said Healthways President and CEO Ben R. Leedle, Jr. “We are excited to embark on this journey with CareFirst to demonstrate the positive and dramatic impact that combining health and care support can have on a population. We commend the vision and commitment of CareFirst in pursuing these solutions on behalf of its members and customers.”

Under the agreement, CareFirst members will receive Healthways disease management programs for diabetes, congestive heart failure, coronary artery disease, chronic obstructive pulmonary disease and asthma. Additionally, Healthways will implement an integrated health and wellness program that includes a health risk assessment (HRA) to evaluate an individual’s health status and existing health risks. Members whose HRA scores indicate they are at high risk for compromised health will receive tailored telephonic health and lifestyle coaching from Healthways to address issues such as stress management, weight management, exercise regimens and smoking cessation. Members with less severe health scores will be provided electronic lifestyle interventions delivered through a partnership between Healthways and Pro-Change Behavior Systems, a research-based, behavior change management company founded by Drs. James and Janice Prochaska, Ph.D.

CareFirst Vice President of Quality and Medical Policy Jon Shematek, M.D., said, “We firmly believe in the power of a population-wide approach for effectively managing the health of our members. With this fully integrated, robust health management program, we will be able to promote better care for our members, and enable them to receive tailored guidance to deal with their specific health and lifestyle issues.”

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The agreement with Healthways also provides the health plan’s self-insured employer customers in Northern Virginia, Washington, D.C., Maryland and Delaware with unparalleled access to health management expertise. Self-insured employers in the CareFirst network will gain access to the complete suite of Healthways services, which includes 24 disease management programs and the myhealthIQ™ wellness solution.

**About CareFirst**
In its 71st year of service, CareFirst, an independent licensee of the Blue Cross and Blue Shield Association, is a not-for-profit health care company which, through its affiliates and subsidiaries, offers a comprehensive portfolio of health insurance products and administrative services to more than 3.4 million individuals and groups in Northern Virginia, the District of Columbia, Maryland and Delaware. Through its CareFirst Commitment initiative and other public mission activities, CareFirst supports efforts to increase the accessibility, affordability, safety and quality of health care throughout its market areas.

**About Healthways**
Healthways, Inc. is the leading and largest provider of specialized, comprehensive Health and Care Support℠ programs and services, including disease management, high-risk care management and outcomes-driven wellness to health plans, employers and government in all 50 states, the District of Columbia, Puerto Rico and Guam. As of February 28, 2006, the Company provided Health and Care Support services for more than 2 million people nationwide. Healthways helps people lead healthier lives while reducing overall healthcare costs. As The Health/Care Trust Channel℠, Healthways provides people the support they need when they need it to enable them to make better choices and achieve better health outcomes. For more information, visit [www.healthways.com](http://www.healthways.com).

**Safe Harbor Provisions**
This press release contains forward-looking statements that are based upon current expectations and involve a number of risks and uncertainties. In order for Healthways to utilize the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, investors are hereby cautioned that these statements may be affected by the important factors, among others, included in the discussion in Part I, Item 1, and Part II, Item 7, of Healthways’ Annual Report on Form 10-K for the fiscal year ended August 31, 2005, and Part I, Item 2 of Healthways’ Quarterly Report on Form 10-Q for the quarter ended February 28, 2006. Consequently, actual operations and results may differ materially from those expressed in these forward-looking statements. Healthways undertakes no obligation to update or revise any such forward-looking statements.

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