

COVENTRY HEALTH CARE, INC.

AUDIT COMMITTEE CHARTER

Purpose of the Audit Committee

The Board of Directors has established the Audit Committee to assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, and (4) the performance of the Company's internal audit function and independent auditors. The Committee shall also prepare an audit committee report to be included in the Company's annual proxy statement as required by, and in accordance with, applicable rules and regulations.

The Company's Code of Business Conduct and Ethics covers the Company's Chief Executive Officer and senior financial officers, and the Committee shall monitor compliance with that code.

Members of the Audit Committee

The Committee must be comprised of at least three and no more than five members of the Board. A director that serves on the audit committees of more than three public companies (including the Company) may serve on the Committee only if the Board affirmatively determines that the director is able to effectively serve on the Committee (in which the Company must disclose such determination in its annual proxy statement). The Committee must be comprised solely of independent directors, as defined below.

An independent director must not be an officer or employee of the Company or its subsidiaries and must not have any relationship that, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and shall otherwise satisfy the applicable membership requirements set out in the rules of the New York Stock Exchange for listed companies and Rule 10A-3 under the Securities Exchange Act of 1934.

No Committee member shall have an interest in the Company that would preclude his or her ability to act on behalf of all the stockholders of the Company. A Committee member shall receive the compensation paid to him or her in their capacity as a member of the Board and as a member of the Committee, in each case as recommended by the Compensation Committee and approved annually by the Board.

No Committee member may participate in the discussions with respect to, or vote on, any matter unless he or she is independent with respect to such matter. If there is any basis for believing a Committee member is not independent with respect to such matter, the facts and circumstances should be reported to the General Counsel and to the Board, and the member should recuse

himself or herself until the Board, or a committee of independent directors, has determined that the Committee member is independent with respect to such matter.

All members of the Committee shall be able to read and understand fundamental financial statements, as the Board interprets such qualification in its business judgment. At least one member of the Committee shall have accounting or related financial management oversight experience, as the Board interprets such qualification in its business judgment. The Nominating/Corporate Governance Committee in nominating, and the Board in appointing, shall consider whether at least one member of the Committee falls within the definition of “financial expert” as defined by the Securities and Exchange Commission, and if not, why not.

The members of the Committee shall be recommended by the Nominating/ Corporate Governance Committee and appointed by the Board. Each member of the Committee shall serve until such member’s successor is appointed or until such member’s earlier resignation or removal. Any member may resign his or her position as a member of the Committee upon notice given in writing or by electronic transmission to the Board. A member may be removed from the Committee upon the majority vote of the sitting members of the Board. If a Chair of the Committee is not appointed by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

Responsibilities of the Audit Committee

The responsibilities of a member of the Committee are in addition to those responsibilities set out for a member of the Board. Each member of the Committee will be compensated separately for his or her service.

The Committee is responsible to the Board for the following activities:

Internal and External Audits

The Committee shall have overall responsibility for oversight of the adequacy and effectiveness of the external and internal audit function. This shall include:

- Reviewing the results of internal audits, management recommendation letters, report of the internal auditors, management's internal control review and the adequacy and effectiveness of the internal auditing function and the internal controls of the Company, including computerized information system controls and security, the overall control environment and accounting and financial controls;
- Sole authority for selecting and, where appropriate, replacing the independent auditors, approving audit services and any permissible non-audit services prior to commencement, and, at least annually, assessing the independence of the auditors and presenting its conclusion to the Board, including the receipt of an annual written statement from the independent auditors setting forth all relationships between the auditor and the Company, including the disclosure required by Independence Standards Board Standard No. 1, establishing clear hiring policies for employees and former employees of the independent auditors, and resolving any disagreements between the independent auditor and management;

- Ensuring the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law and considering whether it is appropriate to regularly rotate the audit firm;
- Approving the audit scope and audit plan prior to the audit's commencement and the fees and engagement terms of the independent auditors for its audit services and any permissible non-audit services;
- Reviewing at least annually such information concerning the independent auditors as the Committee may determine appropriate, including a report by the independent auditor describing (1) the auditing firm's internal quality control procedures and (2) any material issues raised by its most recent quality control review or peer review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years and any steps taken to resolve those issues;
- Ensuring that the independent accountant provides the Committee with timely reports, which the Committee reviews, of (1) critical accounting policies and practices, (2) alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, effects of using such alternatives, and the treatment preferred by the independent auditing firm, and (3) other material written communications between the independent auditor and management;
- Reviewing with management and the independent auditors, the internal audit function and approving the scope, risk assessment and nature of the internal audit plans, any subsequent material changes in internal audit activities for the coming year and the coordination of such activities with the independent auditors;
- Determining whether all or a portion of the Company's internal audit function will be provided by third parties, and if so, hiring, evaluating and compensating the internal auditors, and assuring their ability to have direct reporting to the Committee;
- Having direct access to the internal or external auditors on both a scheduled and as needed basis;
- Meeting separately and regularly with management, the external auditors, and the internal auditors and discussing with them, as applicable:
 - The quarterly and annual financial statements, the related footnotes, disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations", the quality of the Company's accounting principles, suggested changes relating to those principles, and the alternatives to those principles, the independent accountant's audit and report on the annual financial statements, the result of the independent accountant's review of the quarterly financial statements, the management letter provided by the independent auditor and the Company's response, financial or non-financial arrangements that do not appear on the financial statements of the Company and their risks, transactions or dealings with parties related to the

- Company and the procedures used to identify related parties, the clarity of financial disclosures, and any other matter related to the Company's independent audit;
- Significant findings quarterly and during the year and management's responses thereto, including the timetable for implementation of the recommendations to correct weaknesses in internal control;
 - Any difficulties encountered in the course of their audits, including any restrictions on the scope of their work or access to required information;
 - Any changes required in the planned scope of their audit plan; and
 - The effect of regulatory and accounting initiatives and of any off-balance sheet structures on the Company's financial statements.

Corporate Compliance and Risk Assessment

- Periodically reviewing management's program to monitor, control, and report on compliance with the Company's established code of conduct and ethics and applicable laws, rules, and regulations. This review shall include:
 - Establishing procedures for employees to confidentially and anonymously submit to the Committee concerns or issues regarding the Company's accounting or auditing matters and procedures for the receipt, retention, and treatment of complaints regarding accounting or auditing matters, including internal controls;
 - Periodically reviewing and recommending changes or additions to the Company's code of business conduct and ethics, and reviewing management recommendations to the Board for changes that reflect changes in law or policy;
 - Discussing with management any significant risk exposures and steps taken to monitor and control them;
 - Discussing the activities of the compliance and ethics program with the Company's Compliance Officer;
 - Discussing with the external auditors their findings including significant risk exposures and any possible illegalities during the annual audit;
 - Discussing with the internal auditors their teams' findings including significant risk exposures during operational reviews; and
 - Discussing any legal matters that may have a material impact on the Company's financial statements or the Company's compliance policies with legal counsel.

General

- Recommending inclusion of the Company's financial statements in the Annual Report on Form 10-K;
- Conducting or authorizing investigations into any matters within its scope of responsibilities;
- Reviewing and discussing earnings press releases (including the use of "pro forma" or "adjusted" non-GAAP information), and financial information and earnings guidance provided to analysts and ratings agencies;
- Obtaining reports from the chief executive officer, the chief financial officer, or the chief internal auditor and retaining, at the Company's expense, experts to advise or assist the Committee, including outside counsel, accountants, financial analysts, consultants or others;
- Reviewing and reassessing at least annually the adequacy of this Charter and submitting it to the Board of Directors for approval;
- Preparing an audit committee report to be included in the Company's annual proxy statement as required by, and in accordance with, applicable rules and regulations; and
- Performing any other activities consistent with this Charter, the Company's Certificate of Incorporation, Bylaws and governing law as the Committee or the Board deems necessary or appropriate.

The Committee does not prepare financial statements on behalf of the Company or perform the Company's audits, and its members are not the Company's auditors and do not certify the Company's financial statements. These functions are performed by the Company's management and independent auditors.

Meetings

The Committee shall meet separately at least on a quarterly basis and may from time to time require specially called meetings, as deemed necessary by the Chair of the Committee. The Chair of the Committee will preside at each meeting of the Committee and shall set the length of each meeting and the agenda of items to be addressed at each meeting. Management, the external auditors, and the internal auditors shall provide reports and information to the Committee as provided herein and as required by the Committee. An appropriate portion of the Committee's meeting with the external auditors and the internal auditors shall be in executive session without management.

Reporting

The Committee shall maintain written minutes of all meetings and consent actions, which shall be recorded or filed with the books and records of the Company and made available to the Board. The Committee will make regular reports to the Board with respect to its activities. Reports of significant matters presented at meetings of the Committee will be given by the Chair of the

Committee to the Board, as required by law, regulations, or applicable New York Stock Exchange listing requirements.

Performance Evaluation

Each year, the Committee shall review and assess the adequacy and appropriateness of this charter and the Committee's own performance. The results of such evaluation and any proposed changes shall be presented to the full Board.