

## **HEALTH HERO NETWORK LAUNCHES MEDICARE PROJECT USING TECHNOLOGY TO IMPROVE CHRONIC CARE AND REDUCE COSTS**

*Health Hero Network and Medical Groups Will Deploy the Health Buddy® System, Enabling Doctors to Coach and Monitor Patients at Home*

**Redwood City, CA - February 1, 2006** — Health Hero Network, a leading provider of personalized, home health care technology, announced today the start of a new program sponsored by Medicare. Named the Health Buddy Program, the project will test whether technology-based preventive care can help patients struggling with chronic illness lead happier, healthier, longer lives while reducing health care costs. Up to 1,600 patients with severe chronic illnesses will use Health Hero Network's Health Buddy® system to manage their conditions from their homes with daily oversight from their care management teams. Health Hero Network's technology has reduced hospitalizations by up to 63 percent in similar programs.

In July 2005, Health Hero Network received an award to participate in the Care Management for High-Cost Beneficiaries Demonstration Project by the Centers for Medicare and Medicaid Services (CMS). The project, originally named ACCENT— Advancing Chronic Care through E\*Health Networks and Technologies – will be led by Health Hero Network along with the American Medical Group Association, Bend Memorial Clinic in Bend, Oregon, and Wenatchee Valley Medical Center in Wenatchee, Washington.

CMS Administrator Mark B. McClellan, M.D., Ph.D stated that "the Care Management for High Cost Beneficiaries Demonstration project is designed to test different models of care to streamline what is often a fragmented health care delivery system. The launch of the Health Buddy Program is a significant step in investigating how telehealth technology can provide the best possible prevention-oriented care, improve the quality of life and reduce health care costs for our high-cost Medicare patients."

The Health Buddy Program will include up to 1,600 patients with congestive heart failure, diabetes, and/or chronic obstructive pulmonary disease. The goals are to demonstrate improvements in quality of life and care for enrolled patients, and thus, deliver significant savings in Medicare costs. The project is slated to last three years.

"The Health Buddy Program redefines the physician and patient relationship by using technology as a tool to prevent crises," said Steve Brown, CEO of Health Hero Network. "Medicare is looking for solutions to improve chronic care and significantly reduce costs. Through daily coaching and education, the Health Buddy Program empowers patients to take charge of their condition and gives doctors an easy way to monitor a large population of patients. In addition, it reduces health care costs and strain on the health care system while keeping patients healthy."

Eligible patients already under the care of the participating medical groups will be invited to join the Health Buddy Program. Once enrolled, they will receive a Health Buddy appliance to use in their homes. The appliance will engage the patient in a daily dialogue to collect information about their vital signs, behavior and symptoms. A care management team will monitor each patient's responses on a secure website to receive early warning if the patient's condition is at risk of deteriorating, in which case the team can intervene and prevent hospitalizations. The daily information will give the care management team a broader understanding of a person's condition and symptom trends.

Health Hero Network is also participating in two Medicare Health Support projects. There are eight Medicare Health Support programs that are slated to enroll up to 160,000 Medicare patients around the country. Those patients will receive chronic care improvement services through disease management organizations and health plans.

### **About Health Hero Network**

Health Hero Network develops and markets the Health Buddy® system for health improvement. The Health Buddy system serves as the interface between patients at home and care providers, facilitating patient education and monitoring of chronic conditions. The system includes monitoring technologies, clinical information databases, Internet-enabled decision support tools, health management programs and content development tools. Through increased communication, behavior modification, and prevention, the Health Buddy system improves the quality of care. Based in Redwood City, California. Health Hero Network's systems are protected by over 55 issued US patents. <http://www.healthhero.com>. For more information on the Health Buddy Program please visit: <http://www.healthbuddy.com/medicare>.

### **CONTACTS:**

Health Hero Network, Inc.  
Kathy Goodman  
Marketing & Communications Specialist  
(650) 779-9134 office  
[kgoodman@healthhero.com](mailto:kgoodman@healthhero.com)