



Extend Health Raises \$15 Million in Series B Funding

Company also announces Name Change and Board of Advisors

Burlingame, CA, August 9, 2007 --- Extend Health, Inc., a leading provider of defined contribution health care solutions to Fortune 500 corporations, today announced that it has secured \$15 million of Series B funding led by New York-based Psilos Group Managers. Psilos was joined by Extend Health's existing investor, Revolution Health Group of Washington, D.C. Extend Health will use the funds to better serve its growing corporate customer base, which includes Chrysler, Federal Express, IBM, GE, The Gap, Avon and dozens of other major corporations.

In conjunction with the financing, the company has changed its name to Extend Health, Inc. to better reflect the breadth of programs available to its clients, their employees and retirees. The company was previously known as Extend Benefits Group, LLC.

The company also today announced a new board of advisors which includes leaders in health care, finance, accounting and government service. Advisory board members include Dr. Mark McClellan, former head of the Center for Medicare Services and the Food and Drug Administration, Dick Gephardt, former Majority Leader of the United States House of Representatives; Chuck Bowsher, former head of the U.S. General Accounting Office and Comptroller General of the United States; Ed Mazur, former State Comptroller of the Commonwealth of Virginia and a former member of the Government Accounting Standards Board; and Alain Enthoven, currently a Professor of Public and Private Management (Emeritus), at the Stanford Graduate School of Business.

"We are pleased to announce the closing of our Series B round and welcome two of Psilos' founding partners, Dr. Albert Waxman and Stephen Krupa, to Extend's board of directors," said Bryce Williams, Extend Health's chief executive officer. "Extend Health had a choice of investment partners, but chose Psilos because of its superior track record in health care services and its reputation for working with entrepreneurial teams to build substantial value over time."

"We welcome Psilos as an investor in Extend Health and have reinvested in this round because of the company's substantial traction in providing high-quality health insurance plans for the employees and retirees of dozens of major American corporations," said Steve Case, Revolution Health chairman and chief executive officer. "Revolution looks forward to an ongoing role in helping Extend Health create innovative and compelling coverage solutions for its clients."

"We are excited about the investment in Extend Health, its management team and its core value proposition of bringing highly personalized health insurance options to employees who would otherwise be unable to participate in company-sponsored health plans, as well

as retirees who do not typically have the ability to personalize a plan to their needs,” said Al Waxman, Psilos co-founder and senior managing member.

About Extend Health

Extend Health, Inc. is leading the transformation of employer-sponsored health insurance from a “one-size-fits-all” group solution to an individualized solution. Working with a wide variety of national and regional health insurance companies, Extend Health enables corporations to define the cost of their health insurance programs and significantly reduce their administrative responsibilities. Leveraging new developments in the use of tax free dollars, including U.S. Treasury approved Health Reimbursement Arrangements, Extend Health offers two core programs -- ExtendRetiree and ExtendAccess.

Available in all 50 states, ExtendRetiree allows employers to replace legacy group retirement plans for those 65 and older with a defined contribution alternative. Helping retirees maximize the use of an employer contribution, ExtendRetiree allows each retiree to select the plan that best fits his or her needs from a wide range of individual Medigap, Medicare Advantage and Medicare Part D plans. This highly personalized selection process is enabled via web-based tools and expert benefits assistance from Extend Health’s Salt Lake City-based customer care facility. The ExtendRetiree program also allows corporations, unions and government entities to comply with recent FASB/GASB directives with regard to under-funded or currently unreported retiree health care obligations.

ExtendAccess provides affordable medical plan options to employees and independent contractors who are ineligible for company sponsored group health plans. Since 2006, Extend Health has offered an exclusive variation of the ExtendAccess program to members of the H.R. Policy Association under the National Health Access 2007 brand at www.nationalhealthaccess.com.

For more information, please visit www.extendhealth.com

About Revolution Health

Revolution Health Group LLC was created by AOL Co-Founder Steve Case to create products and services that empower people by putting them at the center of the health system. The cornerstone of the company is RevolutionHealth.com, a free consumer health and medical web site that marries expert content and online tools with the power of social networking. Revolution Health also offers premium services that enable companies to provide health content and customized online tools to their employees, an insurance marketplace and CarePages (www.carepages.com), the leading service that enables communication among family and friends when someone is receiving care. For more information, please go to <http://www.RevolutionHealth.com>.

About Psilos

Psilos Group is a successful healthcare private equity firm founded in 1998. With approximately \$450 million under management, Psilos focuses its investments across the healthcare services, healthcare information technology, and medical device & instrumentation sectors. Psilos invests nationwide in businesses that are poised to create enduring market value by fundamentally improving the U.S. healthcare system. Psilos' portfolio companies are sustainable and high value businesses that have a demonstrated ability to reduce the costs of healthcare delivery, improve clinical quality and advance the alignment of payer, patient and provider incentives. Psilos has offices in New York, the San Francisco Bay Area and Santa Fe, New Mexico.

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