



FOR IMMEDIATE RELEASE

HealthMedia, Inc. Contact:
Sally Hart Petersen
734-623-5485

**HealthMedia Strengthens Position as Global Leader of Online Behavior Change Solutions
with Acquisition of MySelfHelp.com**

Enhances Product Line with Full Spectrum of Online Behavioral Health Programs

Ann Arbor, MI—November 1, 2006 —HealthMedia, Inc. announced today the acquisition of MySelfHelp.com, the world's premier company for online behavioral health interventions including programs for depression and insomnia. MySelfHelp.com was built upon the premise that behavioral health problems cost employers and health plans billions of dollars each year in lost productivity, disability claims, and healthcare costs. Specifically:

- ◆ Over 30% of the U.S. population suffers from mental health problems at any given time, most commonly depression. 48% of the population will experience one or more mental health problems in the course of their lifetime.
- ◆ The average cost of medical treatment per depressed patient is \$8,000, only \$2,000 of which is treatment for depression. The additional costs are generated by depression-related medical problems resulting from lack of self care, non-compliance with recommended treatment and medication, and high-risk behaviors such as smoking and substance abuse.
- ◆ The presence of depression greatly increases the chances of being disabled by a medical condition – for some illnesses the risk of disability is more than doubled if the individual is also depressed.
- ◆ The economic burden of depression is over \$83 billion per year. Depression is responsible for over \$51 billion in workplace costs, including lost productivity and absenteeism each year, and is the number one cause for disability claims.
- ◆ 40% of the U.S. population suffers from sleep problems getting less than 7 hours of sleep per night.

This announcement is part of HealthMedia's "blue ocean" approach designed to extend its leadership position for online delivery of behavior change interventions for wellness, disease management, medication compliance, and behavioral health. HealthMedia's strategy:

- ◆ Raises the viability of the web to reach patients of all acuity levels, focusing on issues like doctor-patient relationships, depression, sleep problems, medication compliance, potential improvements in work productivity and creating the ability to provide an emotional connection;
- ◆ Eliminates the sole focus on ROI for high acuity patients;
- ◆ Reduces the absolute reliance on telephonic counseling, reduces distribution of generic content on the web or in brochures and reduces overall program expense; and
- ◆ Creates a reliance of behavior change science and a new ROI metric that incorporates productivity into the calculation.

"Consumers demand interventions that do not neatly fall into any single category. This creates the need for complementary products that cross multiple health issues. Our online behavior change interventions provide consistent, high-quality programming with outstanding efficacy rates, and increase the opportunities to create positive ROI for employers, health plans, pharmaceutical companies and behavioral health organizations," comments Ted Dacko, President and CEO of HealthMedia, Inc.

MySelfHelp.com Rounds Out HealthMedia's Behavioral Health Offerings

MySelfHelp.com has distinguished itself by offering a broad spectrum of highly interactive and clinically sophisticated behavioral health programs for combating depression, insomnia, binge eating and bulimia, and overcoming guilt and low self-esteem. To date, over a thousand people have engaged in MySelfHelp.com's programs and HealthMedia anticipates rolling them out to hundreds of thousands of their current participants.

"Some combination of insomnia, depression, guilt and anxiety is typically prevalent with many diseases and conditions such as obesity, smoking, and chronic illness. We intend to offer MySelfHelp programs not only through the traditional behavioral healthcare and EAP channels, but to healthcare organizations and employers as part of our core health and disease management offering," adds Ted Dacko. An analysis of HealthMedia's outcomes validates this point:

- ◆ 20% of those enrolled in HealthMedia's disease management program report being diagnosed with depression and 58% report sleep problems.
- ◆ 27% of those enrolled in HealthMedia's diabetes self-management program report being diagnosed with depression.
- ◆ 19% of those enrolled in HealthMedia's weight management program reported being diagnosed with depression.
- ◆ Lack of sleep is directly correlated to BMI. 38% of people who are obese and 44% of people who are extremely obese reported 6 or less hours of sleep per night.
- ◆ Obesity is directly correlated to depression. 28.5% of people who are obese and 32.5% of people who are extremely obese reported some depression over the past week.

The acquisition establishes a Boston area office for HealthMedia, Inc. The entire staff at MySelfHelp.com located in Northborough Massachusetts will be retained, and founder and president Dr. Richard Bedrosian Ph.D. will take on the position of Director of Behavioral Health Science reporting directly to Dacko. Says Dr. Bedrosian "We have great respect for HealthMedia's programming and the tremendous outcomes their participants have achieved through the wellness, disease management, and medication compliance programs. The spirit, values, and constructs that power the MySelfHelp interventions are consistent with those at HealthMedia. We are thrilled to become a core component of their programming."

About HealthMedia, Inc.

HealthMedia, Inc. is the global leader in online delivery of behavior change interventions. HealthMedia's proven outcomes increase compliance, reduce medical utilization, and increase productivity in order to improve profitability for health plans, employers, pharmaceutical companies, and behavioral health organizations. With its powerful combination of proven behavior science, sophisticated technology and creative marketing, HealthMedia delivers individually tailored self-management interventions for health and wellness, disease management, medication compliance, and behavioral health. Notable clients include Kaiser Permanente, UPS, Cleveland Clinic, Johnson & Johnson, Hewlett Packard, GSK, and seven Blue Cross Blue Shield organizations across the United States. HealthMedia partners include APS Healthcare, Corphealth, Harris Health Trends, Health Dialog, and SHPS. For more information, visit www.healthmedia.com.

About MySelfHelp.com

MySelfHelp.com is the world's premier company for online behavioral health interventions based upon behavioral science. MySelfHelp.com family of products includes online programs for depression, insomnia, binge eating, grief, self-esteem, guilt, and caregiver support programs and tools. MySelfHelp.com is staffed by a team of highly experienced and reputable healthcare professionals and other experts who are devoted to helping people improve the quality of their lives. MySelfHelp.com has grown through relationships with the National Institute of Mental Health, National Institutes of Health, and the Department of Health and Human Services.

###