

FOR IMMEDIATE RELEASE

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**VERMEDX[®] TECHNOLOGY TO SUPPORT EMPIRE PHYSICIANS GROUP
DIABETES MANAGEMENT PROGRAM**

VERMEDX[®] to exhibit at CAPG, May 13th to 15th, 2010 in Palm Desert, CA

BURLINGTON, VERMONT – May 3, 2010 – VERMEDX, INC. announced today that the company has been selected by the Empire Physicians Group to provide its patented VERMEDX[®] technology to their patient population.

Empire Physicians Group is an Independent Physicians Association (IPA) comprised of more than 40 primary care physicians and over 200 specialists in the Coachella Valley of California.

According to a study released by the California Diabetes Program, California has nearly three million people with diabetes, meaning that more than one out of ten adult Californians has diabetes. From 1998 to 2007, the prevalence of diagnosed diabetes rose from 5.5 to 7.6 percent, representing a 38 percent increase in one decade. California has the greatest number of people in the U.S. who are newly diagnosed with diabetes. The VERMEDX[®] technology will help Empire Physicians Group create a Patient Registry and provide patient quality care improvements. Projected outcomes include increased patient involvement, better diabetes management, and cost savings.

Empire Physician's Group president Steven Dorfman, MD, stated, "Diabetes affects a significant portion of our patient population. The VERMEDX[®] program will be a very powerful tool for leveraging our resources. It will allow us to continue to provide the level of excellence through our doctors that we are known for."

The VERMEDX Diabetes Information System ("VDIS") is a patented technology developed during the course of a five year clinical trial funded by the National Institute of Health. It provides both registry and patient-specific decision support functions, allowing a prepared and proactive physician and support team interact optimally and regularly with an informed patient. The company retains exclusive license rights to the technology from the University of Vermont.

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“We are delighted to have the opportunity to participate in a program with Empire Physicians Group to improve the health of diabetes patients and reduce the cost of care,” stated Chief Executive Officer Benjamin Littenberg, MD.

Dr. Littenberg has developed statewide registry-based approaches to quality and safety improvement with the Vermont Breast Cancer Surveillance System and the Vermont Diabetes Information System, the foundation for the Vermedx® diabetes disease management program. He is the Henry and Carleen Tufo Professor of Medicine, Professor of Nursing and Director of General Internal Medicine at the University of Vermont. He continues to practice General Internal Medicine in Burlington, Vermont.

Look for VERMEDX® at the California Association of Physician Groups (CAPG) conference, MAY 13TH TO MAY 15TH, at the JW Marriott, Palm Desert, CA. VERMEDX® will be at booth number 13.

About Vermedx®

Vermedx® decision support services deliver measurable quality outcomes improvement, process refinement, and significant cost reduction savings for chronic disease patients, providers, insurers, and public health agencies. The patent-pending Vermedx Diabetes technology uses automated blood test reports and notification letters to help doctors better care for their patients, and patients better manage their diabetes conditions. The Vermedx Program has been used by thousands of patients with diabetes in Vermont, New Hampshire, New York and Texas. Clients include municipalities, private hospital systems, physician organizations, and managed care organizations. Visit www.vermedx.com for more information.

About CAPG

The California Association of Physician Groups (CAPG) is the voice of coordinated healthcare in California. We are the nation’s largest professional association representing physician groups practicing in the managed care model. Our members are committed to the delivery of coordinated, accountable, clinically integrated health care services. We support our members through public advocacy, educational services, and collaboration with other stakeholders in California health care. Visit www.capg.com for more information.

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