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ScImage Awarded Nationwide Government Contract for Teleradiology

Veteran's Health Administration to use ScImage's solution for centralized teleradiology project serving more than 150 VHA medical centers nationwide

Los Altos, CA – March 12, 2007 – ScImage, an award winning enterprise imaging and information management company, based in Los Altos, California, announced today that the Veteran's Health Administration (VHA) has awarded ScImage the contract for the VHA's nationwide teleradiology program serving more than 150 Veteran's Health Administration Medical Centers.

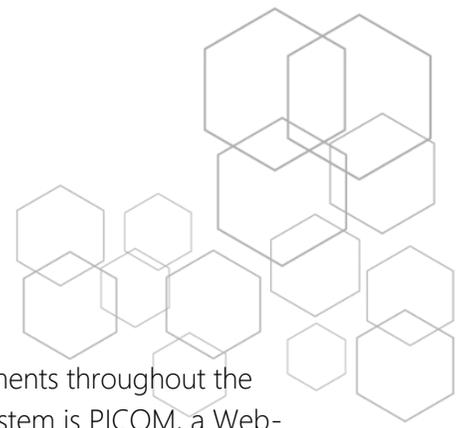
The ScImage solution will be deployed as a web layer on top of disparate PACS at various facilities to route exams along with prior images and reports based on dynamic business rules and will be used exclusively in the VHA's Teleradiology Center to provide a virtual reading environment for reading radiologists and/or radiology groups. Deploying the solution in this manner will enable the VHA to surmount the shortage of qualified staff in certain geographies and provide faster turnaround. The result will be a more unified and consistent collaborative reading workflow that VHA program directors can watch and manage very closely from anywhere.

At its core, PicomEnterprise boasts one database and a shared infrastructure that simplifies workflow for multiple facilities. The solution features several time saving and innovative clinical applications for TelePACS over broadband infrastructure. "ScImage is proud to be a part of such an important project. Providing the VHA with a unified approach to medical image and information management will lead to improved clinical workflow, patient care and a lower total cost of ownership," stated ScImage Founder and CEO, Sai P. Raya, Ph.D.

Overall, ScImage will provide an extremely comprehensive solution that is ideal for the VHA's objective of a centralized workflow model that will enable them to have full 24x7 coverage across the United States. ScImage's solution will be placed in VHA datacenters to provide a virtual reading environment for radiologists from anywhere while administrators can monitor reading progress, exam volumes and workflow efficiencies.

About ScImage

Founded in 1993, ScImage, Inc. is a privately held company, headquartered in Los Altos, California. ScImage is a global leader in the development and deployment of advanced Enterprise Imaging and Information Management Solutions. ScImage's mission is to be the True Enterprise Imaging Company



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by providing a shared infrastructure PACS for all imaging intensive departments throughout the healthcare enterprise. At the center of the ScImage's Enterprise Imaging system is PICOM, a Web-based technology that works independent of modalities and departments to deliver diagnosis-enhancing software, seamlessly integrated multi-modality PACS, image and information Management, archive, offsite disaster recovery and telemedicine functionality. ScImage® PICOM®, NetraMD®, ForeverOnline®, PicomOnline, and EPF are trademarks or registered trademarks of ScImage, Inc. For more information on ScImage, visit their website at www.scimage.com or call 1-866-SCIMAGE.