



FOR IMMEDIATE RELEASE

Simplified Software Development and Resiant Networks Streamline HIPAA Compliance for Nursing Facilities

*SSD to offer Resiant Networks' CMoffice online HIPAA compliance
management tool to its network of 700 nursing facilities*

MINNEAPOLIS—January 9, 2007—Resiant Networks, a leading provider of online HIPAA compliance management solutions, has entered into an agreement with Simplified Software Development (SSD), LLC for the distribution of its CMoffice® online HIPAA compliance management solution. Under the private-label distribution agreement, SSD will make CMoffice available to its network of more than 700 nursing homes across the nation.

Florida-based SSD offers its Simplified Nutrition Online (SNO) service to nursing facilities and institutional dietary departments. The Web-based service helps nursing homes manage the dietary needs of patients, as well as the complex tracking and reporting requirements necessary to comply with Medicare and Medicaid regulations. While working with these facilities, SSD recognized their need for an affordable, easy-to-use system to manage compliance with the privacy and security requirements of the Health Insurance Portability and Accountability Act (HIPAA) of 1996.

“We evaluated several solutions, including the option of developing one in-house,” said Lou Tutko, chief executive officer of Simplified Software Development. “We chose CMoffice because of its synergy with our SNO service. CMoffice allows us to reduce development costs and time-to-market, enabling us to quickly deliver nursing facilities with a comprehensive system that automates the entire HIPAA compliance process. Our customers will be able to quickly and easily understand, set up and manage HIPAA compliance and training programs in their facilities.”

Nursing facilities benefit from CMoffice because it works similar to the SNO service they are already using. Rather than investing time and capital to build out and maintain hardware and software in-house, CMoffice leverages an on-demand healthcare services platform and is hosted in 7 Medical System's secure, redundant data center. Nursing facilities gain a flexible, scalable HIPAA compliance solution with an affordable monthly subscription fee—as low as \$30 per month for up to five users. The month-to-month subscription delivers low risk because customers are not locked into long-term contracts.

“CMoffice was designed to meet HIPAA standards for both privacy and security,” said Grant Peterson, chief executive officer of Resiant Networks. “As an on-demand, online system, CMoffice puts powerful step-by-step tools for managing HIPAA compliance and protecting patient privacy at the fingertips of healthcare workers. At the same time, CMoffice meets HIPAA security standards for preventing electronic health information systems from improper access. That’s why the solution is hosted in 7 Medical’s secure data center that is strictly focused on serving only the needs of healthcare customers.”

CMoffice helps nursing facilities meet HIPAA privacy rules by automating the entire HIPAA compliance process, providing users with easy-to-use online tools such as compliance reference libraries, convenient checklists, template forms and training modules. The latest HIPAA regulations and information are continually updated and reflected in the system at all times, and users can access the system anywhere, anytime.

To meet HIPAA security standards, CMoffice is hosted in 7 Medical Systems’ secure, redundant data center. 7 Medical combines extensive clinical and technical expertise, and employs industry-leading data center and storage area networking (SAN) technologies, to provide the highest security, service uptimes, and disaster recovery protection for safeguarding HIPAA information.

“It’s a natural evolution for SSD to expand its services and offer HIPAA compliance and training to its customers,” said Jason Studsrud, chief executive officer of 7 Medical Systems. “Nursing facilities can quickly and easily add CMoffice as a complement to the SNO service they are already using without the need for any additional capital for hardware, software and IT resources.”

SSD will market CMoffice under a private label called Simplified Compliance Online. General availability of the solution is expected by end of January 2007. For more information, contact SSD at 888-773-5521.

ABOUT SIMPLIFIED SOFTWARE DEVELOPMENT (SSD)

SSD’s SNO service offers nursing homes and institutional dietary departments an efficient way to handle the complex tracking and reporting requirements necessary to comply with Medicare and Medicaid regulations. Nursing homes subscribing to SNO on a monthly basis gain access to a comprehensive system for administering, tracking and reporting their patients’ dietary intake. Dieticians simply access the system on demand, from any Web browser with no need to worry

about installation or maintenance, such as software compatibility, updates or upgrades, which are automatically included. For more information, call 888-773-5521.

ABOUT RESIANT NETWORKS

Resiant Networks is a leading developer and provider of online compliance management solutions that enable healthcare organizations to meet the privacy and security standards of HIPAA. Headquartered in Edina, Minn., Resiant Networks' "Compliance Made Easy" strategy delivers HIPAA compliance in a browser-based environment for anywhere, anytime access and affordable monthly payments. Founded in 2001, the company completed extensive research and development and launched its Web-based CMoffice[®] compliance management service in 2006. Healthcare entities of all sizes and specialties across the nation use CMoffice to manage all aspects of HIPAA privacy and security compliance. For more information, visit <http://www.resiantnetworks.com> or <https://cmoffice.com>.

ABOUT 7 MEDICAL SYSTEMS, LLC

7 Medical Systems[™], LLC is a leading, nation-wide provider of on-demand hardware, software, technology and IT services to the healthcare industry. The Minneapolis-based company offers a unique blend of hands-on clinical and technical expertise, enabling healthcare organizations to deploy cost-effective, productivity-enhancing technology services for critical business applications such as electronic medical records (EMR/EHR) and digital imaging (RIS/PACS). By outsourcing these critical functions to 7 Medical, healthcare organizations eliminate capital expenses for network infrastructure and reduce ongoing expenses for software and technical resources. On-demand services are hosted in 7 Medical's secure, redundant data center that ensures 24/7 trouble-free operation and support with built-in disaster recovery protection. Healthcare organizations trade in hefty capital expenses for affordable monthly usage fees—paying only for what they use. For more information, visit <http://www.7medical.com>.

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