



FOR IMMEDIATE RELEASE

Millie Mast
ParadigmHealth
615-497-6242

**PARADIGMHEALTH, GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY EXTEND
NEONATAL CARE MANAGEMENT AGREEMENT UNDER NEW, TWO-YEAR CONTRACT**

UPPER SADDLE RIVER, NJ, August 30, 2006 – Building on their multi-year relationship, ParadigmHealth and Great-West Life & Annuity Insurance Company announced a new, two-year agreement to make Neonatal Care Management services available to approximately 2 million members in employer health plans administered by Great-West Healthcare. ParadigmHealth will use its medical expertise, Baby Steps[®] family education materials, and extensive clinical and financial database to assist providers in achieving positive medical outcomes in a cost-effective manner.

ParadigmHealth's neonatologists, nurse care managers and pediatric specialists will work closely with Great-West Healthcare members and their attending physicians and nurses to assist in achieving improved medical outcomes for premature infants and those with medically complex conditions in neonatal intensive care units and special care nurseries. Each infant and his/her family will be assigned a nurse care manager who will work in collaboration with physicians and nurses to support and educate parents/caregivers throughout the infant's hospital stay and for the first two weeks after the infant's discharge.

"We commend Great-West Healthcare for its firm commitment to providing a Neonatal Care Management program," said John Penrose, ParadigmHealth CEO. "We look forward to

continuing to strengthen our relationship with Great-West Healthcare as we work with providers and families in their efforts to care for infants in neonatal intensive care units and special care nurseries.”

About Great-West Healthcare

Great-West Healthcare, a division of Great-West Life & Annuity Insurance Company, is a national employee benefits provider with expertise in self-funding and health care management solutions. Nationally, the division operates a health care network that includes more than 4,250 hospitals and 550,000 providers and provides health care services to 2 million people. Visit www.greatwesthealthcare.com for more information.

Great-West Life & Annuity Insurance Company, headquartered in metro-Denver, serves its customers through a full range of health care plans, life and disability insurance, annuities, and retirement savings products and services. It is an indirect, wholly owned subsidiary of Great-West Lifeco Inc. and a member of the Power Financial Corporation group of companies. Great-West Life & Annuity Insurance Company is not licensed to do business in New York. Products are sold in New York by its subsidiary First Great-West Life & Annuity Insurance Company, White Plains, N.Y.

About ParadigmHealth

ParadigmHealth is an integrator of care and disease management services for its health plan and employer clients. The company’s care management services and innovative technologies work in concert to improve quality and lower costs by matching health care management resources with the individual needs of patients and their families. ParadigmHealth’s services focus on the management of outlier patients -- premature and medically complex neonates and patients with late-stage cancer, end-of-life care issues, multiple co-morbidities, and severe trauma. Its Personal Health Record technology and Disease Management technology platform integrate clients’ delivery of services to their members and providers. ParadigmHealth has managed over 100,000 outlier patients nationwide. Visit www.paradigmhealth.com.

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