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**HEALTHGRADES ACQUIRES COMPAREYOURCARE™ FROM FACCT;
WILL LAUNCH FIRST ONLINE PHYSICIAN-RATING TOOL FOR CONSUMERS**

Consumers Will Compare Care Received During Doctor Visits Against Evidence-Based Recommendations

Johns Hopkins University Bloomberg School of Public Health, Arthritis Foundation Among CompareYourCare Clients

LAKEWOOD, Colo. (February 23, 2005) – HealthGrades, the independent healthcare quality company, today announced the acquisition of COMPAREYOURCARE™ from the Foundation for Accountability, known as FACCT. HealthGrades also announced plans to launch the nation’s first scientifically constructed online tool enabling patients to rate healthcare received during doctor visits and compare it with the latest evidence-based recommendations already accepted by the medical community.

FACCT (www.facct.org), a non-profit organization, developed CompareYourCare with the nation’s leading scientific experts and recently began licensing it for research and consumer use to organizations that include The Johns Hopkins University Bloomberg School of Public Health and the Arthritis Foundation. HealthGrades will offer the online tool for license as well as integrate it into its consumer Web site (www.healthgrades.com), which is the leading online destination for consumers looking for quality information on hospitals, physicians and nursing homes, attracting two million visitors each month.

“HealthGrades is taking a decade of research – including the best available science on how consumers can help raise healthcare quality – and it is going to bring it to millions of consumers,” said David Lansky, Ph.D., FACCT’s founder. “CompareYourCare was designed to further FACCT’s mission to create a more responsive healthcare system through informed, motivated consumers who help shape the system, hold it accountable for quality, and act as partners in improving their own health. FACCT’s recent research confirms that consumers understand quality and have expectations that drive physician-quality improvement.”

CompareYourCare is an interactive, Web-based decision-support tool that allows consumers to receive individually tailored feedback on the healthcare received during their regular doctor visits, and shows users how to compare their care with the latest evidence-based recommendations. By answering a series of questions, consumers receive a rating of the quality of care provided by their physician for their particular health condition and this translates into a “grade” based on national clinical guidelines. The tool compares the physician’s score with regional and national benchmarks, and gives the user detailed information on areas where care is

good or needs improvement. The feedback is positive in tone, encouraging a partnership with healthcare providers and responsible self-care as the basis for improving the quality of health and healthcare.

CompareYourCare currently has tools in the following areas: Adult General Health, Adult Asthma, Adult Diabetes, Adult Depression, Breast Cancer, Knee & Hip Osteoarthritis, Coronary Artery Disease, Culturally Competent Care, Rx Drug Formulary, What Makes a Good Dr?, What Kind of Patient Am I? and Medication Adherence. In development are tools to help consumers compare their care in the following categories: Maternity Care, HIV/AIDS, Pediatric Asthma, Schizophrenia and others.

Among the researchers from FACCT joining HealthGrades is Susan Prows, Ph.D., M.P.H., who will continue to direct the research and development of CompareYourCare. HealthGrades will provide uninterrupted service to existing CompareYourCare customers. CompareYourCare will also continue to participate in related research projects, seeking to further validate the underlying measurement strategies and grow the user base beyond the current platforms.

“HealthGrades is already the leading destination for consumers looking for healthcare quality information, including data on specific physicians,” said HealthGrades CEO Kerry Hicks. “Now we’re going even farther by helping consumers compare their doctor visits with the latest medical guidelines. It’s all part of our mission to help consumers get the highest quality care.”

He continued, “We understand that there’s a responsibility that comes with acquiring this cutting-edge research on physician quality. HealthGrades is committed to maintaining the integrity of the tool while making CompareYourCare as broadly available as possible.”

About HealthGrades

Health Grades, Inc. (OTCBB: HGRD) is the leading independent healthcare quality company, providing ratings, information and advisory services to healthcare providers, employers, health plans and insurance companies. Through its Web site, HealthGrades provides more than two million consumers each month with access to information about healthcare providers and practitioners. HealthGrades works directly with healthcare providers to help assess, improve and promote their quality, and it provides liability insurers, employers and payers with critical information about healthcare quality.

About Foundation for Accountability

The Foundation for Accountability (FACCT), which recently closed its operations, was a national organization improving healthcare for Americans by advocating for an accountable and accessible system where consumers are partners in their care and help shape the delivery of care. To achieve this goal, FACCT created research-based tools to help people make quality-based decisions, developed consumer-focused quality measures, supported public education about healthcare quality, fostered efforts to collect quality data and informed public policy.