

For Immediate Release

Editorial Contact:

Cynthia Chow
(925) 242-4600
cchow@valleyoak.com

Valley Oak Systems' Client Takes Home Theodore Roosevelt Award Catholic Healthcare West Recognized for Outstanding Workers' Compensation and Disability Management Program

San Ramon, CA – November 17, 2005 – Valley Oak Systems Inc., a national provider of claims management software, services, and support, today announced that its client, Catholic Healthcare West (CHW), was presented with the Theodore Roosevelt Workers' Compensation and Disability Management Award for a non-profit organization at the National Workers' Compensation and Disability Conference in Chicago.

The award—named in honor of President Theodore Roosevelt who introduced the first piece of workers' compensation legislation in the United States—recognizes an organization for their ability to reduce the number and cost of injuries to workers on-the-job. The judging was based on four main criteria: performance, transferability, teamwork, and vision.

“Receiving this award is great honor for our organization,” said Barbara Pelletreau, the Director of Risk Services and Systems at CHW. “This recognition validates our vision to promote and improve the health and well-being of our employees, and re-enforces our program tactics in terms of fostering a culture of safety, establishing process controls, and pulling together an incredibly talented team of risk managers and third-party vendors.”

With 40 hospitals encompassing parts of Arizona, Nevada and most of California, CHW is the largest not-for-profit hospital provider in California. Its network includes nearly 7,500 physicians and approximately 40,000 employees. Everyday CHW employees are exposed to significant workplace risks, many unique to the healthcare setting. In 2003, CHW was significantly

impacted, like other employers, by a nationwide increase in workers' compensation costs. Their average work-related injury was costing \$44,000. As a non-profit organization, these costs took funds away from their core mission and it was imperative to bring costs under control.

In 2002, CHW launched a comprehensive program overhaul with three key objectives to reduce injuries, control medical costs, and reduce lost days. Designing a program with financial incentives, a scorecard approach to benchmarks and metrics, and a careful alignment of technology to meet their objectives, CHW achieved outstanding results. They reduced their overall workers' compensation funding by 50 percent over a three year period with a 41 percent decrease in indemnity injuries and a 27 percent in lost days.

“The use of technology played a key role in our success,” said Pelletreau. “Our claims and risk management system provides operational efficiency, communication and collaboration among our team members, and information that is just a ‘click away.’ Our workers' compensation coordinators are able to generate reports with actionable information in a matter of minutes, allowing them to direct resources toward program management rather than data management.”

“We've worked closely with Catholic Healthcare West for the last five years and knew they had an outstanding program,” said Randy Wheeler, founder and CEO of Valley Oak Systems. “We nominated them for this award because they're dedicated to excellence. We're thrilled they have the national recognition they deserve, and hope other organizations can learn from their success, using their program as a model to emulate.”

About Valley Oak Systems, Inc.

Valley Oak Systems, Inc. is a privately held corporation with headquarters in San Ramon, California. Founded in 1994, Valley Oak Systems is dedicated to providing the highest quality software, services, and support to enable clients to meet their goals. For more information, go to www.valleyoak.com, or call (925) 242-4600.

About Catholic Healthcare West

Catholic Healthcare West (CHW), headquartered in San Francisco, CA, is a system of 40 hospitals and medical centers in California, Arizona and Nevada. Founded in 1986, it is the

eighth largest hospital system in the nation and the largest not-for-profit provider in California. CHW is committed to delivering compassionate, high-quality, affordable health care services with special attention to the poor and underserved. The CHW network of more than 7,500 physicians and approximately 40,000 employees provides health care services to more than four million people annually. In 2005, CHW provided \$623 million in charity care and unsponsored community benefit. For more information, please visit our website at www.chwHEALTH.org.

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