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NEWS BRIEF

FOR IMMEDIATE RELEASE

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QWIKHEALTH OPENS CALIFORNIA'S FIRST RETAIL MEDICAL STORE - Lowers Cost, Increases Consumer Access to Quality Medical Care -

Burlingame, CA August 16, 2005: QwikHealth, Inc. announced today the launch of its network of retail health care stores which make quality medical care and access to affordable prescription drugs available to the public in a more convenient and affordable manner than traditional doctor's offices or urgent care centers.

"With 6.6 Million Californians going without health insurance, and millions more concerned about the rapidly rising cost of health care, it became apparent that there was a need for a new way of managing access to quality medical care at a price people could afford to pay," said Dave Mandelkern, president and CEO of QwikHealth.

QwikHealth manages low-cost, affordable doctor's offices where quality medical care for the whole family is convenient, accessible, and consumer-driven in a friendly, retail environment. A licensed medical doctor is on site as are in-store diagnostic and lab tests. QwikHealth managed doctors typically treat routine family medical problems such as earaches, fever, a sore throat; provide school, sports, or employment physicals; a broad range of immunizations including flu, tetanus, or hepatitis shots, and a wide array of diagnostic lab tests including pregnancy, liver function, and cholesterol checks. Minor injuries (such as sprains, rashes, or insect bites) are also treated by the doctor. QwikHealth stores are not emergency rooms or trauma facilities.

Open seven days a week, from 7AM to 7PM, customers drop in to QwikHealth stores at their convenience; no appointment is necessary.

The QwikHealth business model takes the mystery out of the cost of health care and puts consumers in control by telling them up front how much everything costs. Upon entering a QwikHealth store, customers see a menu board that clearly spells out the prices of the most commonly requested services. A standard visit with the doctor costs just \$39.00; lab tests and immunizations start at just \$19.00. QwikHealth is able to dramatically reduce the cost of medical care to consumers by eliminating costly overhead such as billing and insurance reimbursement departments, and by investing in cost-saving technology such as electronic medical record software and in-store diagnostic lab equipment.

In order to keep costs low for both insured and uninsured customers, no health insurance is necessary or accepted. QwikHealth managed doctors take cash, checks, debit cards,

and major credit cards. A receipt form is provided if a customer wishes to pursue insurance reimbursement on their own.

Dr. William Schwartz, who has done many years of private practice and also has been active at the Samaritan House Free Medical Clinics, has expressed positive interest in the starting of the QwikHealth concept because it will offer people in the community an additional means of receiving medical care. “While we have an excellent medical community with superb facilities, the addition of another venue for care which will be less expensive and readily accessible is a needed medical complement to our wonderful health care system, for a community which is not fully served,” said Dr. Schwartz.

Besides reducing the cost of the primary care provider visit, another factor that is of critical importance in making health care more accessible to the uninsured and under-insured populations is lowering the cost of prescription drugs. QwikHealth has negotiated on behalf of its customers a pre-priced formulary of affordable generic drugs to treat many common illnesses such as asthma, hypertension, high cholesterol, infection, etc. This formulary has attempted to limit the total cost for a one-month supply of a drug to less than \$20. QwikHealth has partnered with RxAmerica, a subsidiary of Longs Drug Stores, who provide low-cost pharmaceutical alternatives to uninsured and under-insured groups. With the QwikHealth program, consumers know in advance, at the time the doctor recommends a prescription drug, how much it will cost per month and whether or not they will be able to afford it. Prescriptions are filled for the customer at a nearby branch of a major retail drug store chain.

NOTE TO REPORTERS: You are cordially invited to attend a press briefing prior to the grand opening of the QwikHealth San Mateo location. The briefing will take place at 4:30PM on Thursday, August 18 at 9 West 41st Avenue (at El Camino Real) in San Mateo. For more information or to confirm attendance, please call Dave Mandelkern at 415-531-4238.