



**FOR IMMEDIATE RELEASE**

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**ADVANTEDGE HEALTHCARE SOLUTIONS ACQUIRES PROFESSIONAL BILLING & MANAGEMENT SERVICES, INC.**

*Augments Corporate Growth Strategy and Strategic Partnerships*

**Warren, NJ, March 6, 2007** – Advantedge Healthcare Solutions (“AHS”), a technology-enabled applications services provider (“ASP”) that offers medical billing services to physician groups using its proprietary software called Virtual Manager, today announced its acquisition of Professional Billing & Management Services, Inc. (“PBMS”), a premier and long standing anesthesia billing company located in Chambersburg, PA.

Founded in 1999 by Stephen G. Sullivan, Sr., a long-time industry veteran, AHS represents the next generation of medical billing, operating as a Software as a Service (“SaaS”) provider, a new generation of ASP service, and as a business process outsourcer providing revenue cycle management services. AHS employs proprietary, on-demand, web-based technology and continuous business process improvement methods to increase the operating efficiencies of medical billing and to improve results for its physician customers.

In April and November 2006, AHS received a \$20 million commitment from Founders Equity Inc., a New York-based private equity firm, and Safeguard Scientifics, Inc., a leading provider of capital to growth-stage technology and life sciences companies. As a result of this financing, AHS is fulfilling its objectives to accelerate organic growth and pursue strategic acquisitions.

“The outsourced physician billing market is extremely fragmented,” said Mike Doyle, Chief Executive Officer at AHS. “However, our proprietary technology and commitment to customer service provide physicians with a platform to increase their revenue in a fully compliant way. Additionally, our focus on strategic acquisitions should stimulate higher revenue growth rates and ultimately facilitate enhanced, more valuable offerings for our customers. PBMS has long established itself as a leading provider of billing and management services. Our strategic acquisition of PBMS, coupled with implementing our proprietary software and our extensive experience in the healthcare, software and medical claims billing markets, provides the template for future partnerships and acquisitions.”

Founded in 1984 by Sandra K. Chilcote, PBMS is a medical billing company that provides billing and management services to medical providers and ambulatory surgery centers. Their main areas of expertise include providers of anesthesia and pain management services. PBMS also offers practice management services, which includes negotiation of contracts with insurance companies, credentialing services, analysis of financial

information relating to billing for services provided, and functioning as a liaison between physicians and payers. As part of the acquisition, AHS intends to continue and expand operations in Chambersburg, PA.

“Since 1984, PBMS has focused on providing personalized customer service and satisfaction,” said Sandra K. Chilcote, President of PBMS. “The medical billing industry involves constantly changing rules and regulations. Staying educated on these changes while remaining compliant takes time and effort. Merging with AHS leverages our respective expertise in maximizing medical billing efficiencies in anesthesia, pain management and ambulatory surgery center services. I am extremely excited about working with the AHS team.” As part of this acquisition, the PBMS headquarters will remain in Chambersburg, PA.

#### **About AHS**

Founded in 1999 by Stephen G. Sullivan, Sr., a long-time industry veteran, AHS is a technology-enabled service provider that provides medical billing services to hospital-based and office-based physician groups using its proprietary software called Virtual Manager. This state-of-the-art software efficiently collects financial information and speeds the reimbursement of third-party claims, enabling physicians to increase operational efficiency, reduce costs, increase financial performance and comply with industry and governmental regulations. AHS provides outsourced billing and ASP services to the following specialty practices: Anesthesiology, Cardiology, Emergency Medicine, Hospitalists, Internal Medicine, Multi-Specialty, Neonatology and Radiology. [www.ahsrcm.com](http://www.ahsrcm.com)

#### **About Founders Equity Inc.**

Since 1969, Founders Equity has been actively engaged in private equity investing and enhancing the value of small to mid-cap enterprises. As a result of the operating experience of its principals, Founders Equity strives to be added-value partners with entrepreneurial owners and management teams. It focuses on later-stage growth equity investments, recapitalization or buyouts of established business and management teams pursuing an acquisition growth strategy. [www.fequity.com](http://www.fequity.com)

#### **About Safeguard**

Safeguard Scientifics, Inc. (NYSE: SFE) builds value in growth-stage technology and life sciences businesses. We provide growth capital as well as a range of strategic, operational and management resources to our partner companies. Safeguard participates in expansion financings, corporate spin-outs, management buyouts, recapitalizations, industry consolidations and early-stage financings. [www.safeguard.com](http://www.safeguard.com).

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