



485-C Route 1 South
Iselin, NJ 08830-4097
Tel: 732.362.5000
Fax: 732.362.5065

www.careadvantage.com

**CAREADVANTAGE REPORTED A 73% INCREASE IN REVENUE
FOR THE QUARTER ENDING JUNE 30, 2006**

Iselin, New Jersey, September 4, 2006--CareAdvantage, Inc. (OTC: CADV) (the "Company") reported that revenue for the quarter ending June 30, 2006 increased 73% compared to the quarter ending June 30, 2005.

CareAdvantage generates most of its revenue from the licensing of its predictive modeling and decision support system, RightPath™ Navigator (RPNavigator), and providing consulting services in connection with that licensing. RPNavigator integrates financial, clinical, pharmacy and HR data to facilitate more insightful clinical analyses of health status and future medical cost trends. The system utilizes several methodologies developed by 3M Health Information Systems, including Clinical Risk Groups (CRGs), All Patient Refined DRGs (APR-DRGs), and Ambulatory Payment Groups (APGs).

"All predictive models have inherent strengths and weaknesses. CareAdvantage elected to work with a categorical clinical model developed by 3M Health Information Systems due to the degree of case mix and severity adjustment, and its ability to predict non cost events such as hospital admissions, ER visits, and procedures", said Dr. William Vennart, National Medical Director at CareAdvantage. "A categorical model allows us to identify specific clinical parameters, such as early stage diabetics, to refine care management interventions, the financial evaluation of (disease management) program performance, and the assessment of "true" trend."

CareAdvantage developed proprietary algorithms and analytical techniques as an overlay to 3M's foundational algorithms to assist in the identification of high opportunity members with actionable conditions, the profiling of providers and facilities on both a cost and quality basis, and the establishment of decision support tools to support care management, employer group reporting, market retention, financial analysis, and actuarial and underwriting processes.

The CareAdvantage team consists of former health plan executives, senior medical directors and care management operations directors, as well as experts in clinical data analysis and information technology. The Company delivers a fully managed, turnkey solution, and performs all functions related to system development, data management, cleansing, data loading and other services required to implement actionable programs and targeted intervention strategies.

Contact:

Joshua P. Stein
Client Solutions Group
732.362.5016
jstein@careadvantage.com