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QualityMetric Announces 2006 Global Collaboration for Federally Funded Grants in Patient-reported Outcomes

Lincoln, RI, Wednesday, December 7, 2005 – QualityMetric Incorporated announced today that it has received more than \$5 million in federal grant awards and contracts since 1999 from the National Institutes of Health (NIH) and has collaborated with over 30 leading clinical partners to apply the company's new outcomes solution in improving care delivery. Providing the most widely-used health outcomes measurement surveys that capture, benchmark, and interpret patient-reported health information, QualityMetric products and services are used to determine the effectiveness of health treatments and programs worldwide. Federal NIH grants have contributed to the continued improvement of generic patient-reported outcome (PRO) surveys and to the development of new disease-specific PRO surveys, incorporating *standardized outcomes metrics* pioneered by QualityMetric to ensure scientific validity and comparability of health status measurement across the continuum of healthcare.

According to CEO and Chairman of the Board, John E. Ware, Jr., PhD, "Our federal grant program leverages the expertise of world-renowned clinical thought leaders in collaboration with QualityMetric measurement scientists to develop PRO surveys in therapeutic areas where there is a clinical need and market demand. In 2006, we plan to expand our network of clinical collaborators and encourage interested researchers to contact us."

Funding sources for QualityMetric grants thus far include the National Cancer Institute, National Heart, Lung and Blood Institute, National Institute on Aging, National Institute of Arthritis and Musculoskeletal and Skin Diseases, National Institute of Child Health and Human Development, National Institute of Diabetes and Digestive and Kidney Diseases, and National Institute of Neurological Disorders and Stroke.

Several of QualityMetric's product development initiatives are supported through the NIH's Small Business Innovation Research (SBIR) program, a federal set-aside program designed for domestic small business concerns engaging in research and development efforts that have strong potential for commercialization and public benefit. SBIR grant proposals undergo rigorous peer review by independent scientists and the funding agency. Grant awards are made on the basis of technological innovation, scientific merit, commercialization, and corporate potential.

Scientists at QualityMetric have extensive experience in the application of modern psychometric methods [item response theory (IRT)] and computerized adaptive testing (CAT) technology to the assessment of PROs. Members of QualityMetric's research team have developed the DYNHA[®] CAT system which allows administration of computerized tests of both generic and disease-specific health concepts. Using the DYNHA CAT system, QualityMetric is able to explore the practical applications of IRT and CAT in clinical research and practice.

"Another critical component of QualityMetric's grant strategy," stated Diane Turner-Bowker, PhD, Director of Grants & Research Administration, "reflects the U.S. Government's keen interest in advancing the application of

technology in healthcare. Grants allow us to expand the availability of the DYNHA CAT system, which reduces respondent burden and makes PRO survey administration faster, easier, and far more cost effective by providing the funding to develop products permit use of PDAs, tablets, fax, and online administration of surveys via the Internet.”

Examples of QualityMetric’s grant-funded research projects involving the development of DYNHA CAT-based PRO instruments are listed below. Although there are unique challenges within each specific project, QualityMetric emphasizes the synergistic advantages of the combined efforts. QualityMetric’s extensive experience gained from previous and ongoing DYNHA CAT developments over the years provides a foundation for these efforts.

Partial Listing of QualityMetric Grant Projects

- Computerized Adaptive Assessments of:
 - Asthma Impact
 - Chronic Pain
 - Impact of Multiple Diseases
 - Headache Impact
 - Pediatric Health
- Definition of a Platform-Independent Solution for Patient-Reported Outcomes in Oncology
- Dynamic Assessment of Pediatric Health and Functioning
- Functional Health CAT in Chronic Kidney Disease
- Functional Health CAT in Diabetes
- Outcome Assessment in Arthritis and Aging

QualityMetric is asking noted clinical thought leaders interested in patient-reported outcome collaboration and potential grant application to contact Dr. Diane Turner-Bowker at dtbowker@qualitymetric.com.

About QualityMetric Incorporated

QualityMetric provides the most widely used health outcomes measurement products and services using proprietary and analytical methodologies to capture, benchmark, and interpret actionable, patient-reported health information. Founded in 1997 by John E. Ware, Jr., PhD, principal developer of the SF-36[®], SF-12[®], and SF-8[™] Health Surveys, QualityMetric collaborates on the development of science-based health assessment systems for application by companies developing new treatments, care management organizations, practitioners, employers, and government agencies who need practical, yet precise patient-reported data for risk screening and outcomes monitoring.