News Release

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CENTRACARE HEALTH SYSTEM SELECTS MERGE PACS™
Web-based PACS consolidates 3D, mammography, PET and CT to improve workflow and deliver faster results with fewer resources

Chicago, IL (June 28, 2012) Merge Healthcare Incorporated (NASDAQ: MRGE), a leading provider of clinical systems and innovations that seek to transform healthcare, today announced that Centracare Health System’s St. Cloud Hospital, the largest healthcare provider in the St. Cloud, MN region, has selected Merge PACS™ to enable its radiologists to read, review, archive and share images and data.

“Challenges related to payment reform and changes in reimbursement are driving providers to find ways to reduce costs and increase efficiencies, while still improving outcomes,” said Jeff Surges, CEO of Merge Healthcare. “One way St. Cloud Hospital, who conducts more than 350,000 imaging studies a year, is addressing this challenge is by implementing Merge PACS. With Merge PACS we are delivering the next generation of picture archiving communication systems to clients utilizing our legacy solutions, as well as the overall market, and streamlining workflow because radiologists now have all the data they need in one centralized place."

“One of the nicest aspects of Merge PACS is its inherent functionality that eliminates the need for other workstations,” said Amy Porwoll, CIO of St. Cloud Hospital. “In the past, our radiologists had to use multiple workstations, which added time to their workflow and costs to our bottom line. Now, because Merge PACS is web-based, we can deploy it across our entire enterprise without the expense of additional physical workstations.”

Merge PACS is a real-time picture archiving communication system with 100% web-based architecture and a vendor-neutral archive infrastructure. What makes Merge PACS unique is its consolidation of workstations including 3D, mammography and PET/CT/MR/NM fusion which allows for faster diagnoses. And only Merge PACS brings true acceleration of workflow with real-time, customizable worklists, critical results management to help patient care and physician efficiency.

About Merge
Merge is a leading provider of clinical systems and innovations that seek to transform healthcare. Merge’s enterprise and cloud-based solutions for image intensive specialties provide access to any image, anywhere, any time. Merge also provides health stations, clinical trials software and other health data and analytics solutions that engage consumers in their personal health. With solutions that are
used by providers and consumers and include more than 20 years of innovation, Merge is helping to reduce costs and improve the quality of healthcare worldwide. For more information, visit merge.com.

About St. Cloud Hospital
As the largest health care facility in the region, St. Cloud Hospital offers a full spectrum of inpatient and outpatient services. From state-of-the-art care for heart disease and cancer to preventive health screenings and behavioral health counseling, the hospital has the technology and skilled professionals to meet the needs of the region. Currently the hospital has nearly 4,300 employees and a medical staff of 400 physicians. St. Cloud Hospital conducts more than 350,000 imaging studies a year.

Cautionary Notice Regarding Forward-Looking Statements
The matters discussed in this news release may include forward-looking statements, which could involve a number of risks and uncertainties. When used in this press release, the words “will,” “believes,” “intends,” “anticipates,” “expects” and similar expressions are intended to identify forward-looking statements. Actual results could differ materially from those expressed in, or implied by, such forward-looking statements. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update such factors or to publicly announce the results of any of the forward-looking statements.

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