



News Release

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FOR IMMEDIATE RELEASE

Streamline Health® and HERAE Announce Strategic Partnership to Offer Revenue Cycle Solutions

Combined Solutions Will Enable Health Systems to Fully Automate and Optimize their Business Process Workflow to Maximize Cash Flow

CINCINNATI, OH and SAN DIEGO, CA June 5, 2007 — Streamline Health (NASDAQ Capital Market: STRM), a leading provider of enterprise document workflow solutions and HERAE, LLC (pronounced “hurray”), a provider of electronic payment processing providing Direct Deposit for Healthcare®, today announced they have formed a partnership that combines Streamline Health’s solutions with HERAE’s medical banking-remittance processing solutions to streamline healthcare financial services workflow. By automating revenue cycle management processes, this combined solution will empower hospitals and health systems to more effectively manage their claims processes, increasing their productivity and enabling them to control costs.

The partnership brings together Streamline Health’s document workflow systems for patient financial services with HERAE’s HIPAA-compliant all electronic EOB payment process. Streamline Health and HERAE will offer a comprehensive solution to their customer communities eliminating manual processes associated with healthcare financial services. “Through this relationship, we are enabling healthcare enterprises to better manage their revenue cycle by providing the means to achieve a fully electronic solution for remittance and payments,” according to Jim Ribelin, founder and executive vice president, HERAE. “Streamline Health has the document workflow solutions that, when coupled with HERAE’s electronic payment processing, create operational efficiencies for hospitals, which translates into a real return on investment.”

HERAE moves the information associated with healthcare claim payments between providers and payers, electronically. This process transforms the HIPAA 835 transaction into standardized virtual electronic remittance forms. Customers will benefit with simpler and faster processing, the elimination of envelopes, checks and explanation of benefit (EOB) forms, and an expected improvement in cash flow. Streamline Health’s document workflow solutions expedite the payment cycle and afford secondary billing opportunities by electronically capturing both paper-based and digitized Explanation of Benefits (EOB).

All images are stored at the account level for fast retrieval. Users may print and fax the remits directly from the user's desktop. Compliance with HIPAA regulations is achieved with redaction of Protected Health Information (PHI) capabilities.

"By partnering with HERAE, our goal is to leverage each other's expertise to allow our clients to remove the inefficient friction points in paper-intensive remittance processing," said Scott Lenz, executive director of business and market development for Streamline Health. "The result will enable healthcare organizations to streamline their revenue cycles and achieve optimal financial performance."

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About HERAE

A privately owned limited liability corporation based in San Diego, California, HERAE provides Direct Deposit for Healthcare®. Through its unique focus on healthcare provider billing challenges and electronic remittance advice, HERAE has developed a paperless process with standardized online explanation of benefits (EOB) forms, detailed reporting and process workflow enhancement capabilities that improve collections, reduce costs by up to two-thirds, and complete the payment to deposit cycle in 24-48 hours. On the Net: www.herae.com or call 888-41-HERAE (888-414-3723).

About Streamline Health

Streamline Health (NASDAQ Capital Markets: STRM) is a leading supplier of workflow and document management tools, applications and services that assist strategic business partners and healthcare organizations to improve operational efficiencies through business process optimization. The Company provides integrated technology solutions for automating document-intensive environments, including document workflow, document management, e-forms, portal connectivity, optical character recognition (OCR), and interoperability.

Streamline Health's solutions create a permanent document-based repository of historical health information that is complementary and can be seamlessly integrated with existing disparate clinical, financial and administrative information systems, providing convenient electronic access to all forms of patient information from any location, including secure web-based access. For additional information, visit our website at www.streamlinehealth.net.

"Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995

Statements made by Streamline Health Solutions, Inc. that are not historical facts are forward-looking statements that are subject to risks and uncertainties. The forward-looking statements contained herein are subject to certain risks, uncertainties and important factors that could cause actual results to differ materially from those reflected in the forward-looking statements, included herein. These risks and uncertainties include, but are not limited to, the timing of the closing of contracts and the timing of the subsequent revenue recognition related thereto, the impact of competitive products and pricing, product demand and market acceptance, new product development, key strategic alliances with vendors that resell the Company products, the ability of the Company to control costs, availability of products produced from third party vendors, the healthcare regulatory environment, healthcare information systems budgets, availability of healthcare information systems trained personnel for implementation of new systems, as well as maintenance of legacy systems, fluctuations in operating results and other risks detailed from time to time in the Streamline Health Solutions, Inc. filings with the U. S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis only as of the date hereof. The Company undertakes no obligation

to publicly release the results of any revision to these forward-looking statements, which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.