



**COMPUMED, INC. ANNOUNCES NEW CONTRACT WITH NEW YORK
DEPARTMENT OF CORRECTIONAL SERVICES TO PROVIDE REMOTE ECG
SCREENINGS**

**CONTRACT EXTENSIONS WITH GEO GROUP, IOWA DEPARTMENT OF
CORRECTIONS AND NEBRASKA DEPARTMENT OF CORRECTIONAL SERVICES
APPROVED**

LOS ANGELES, July 27, 2009 -- CompuMed, Inc. (CMPD.OB) -- a medical informatics company serving the healthcare community with diagnostic software solutions -- today announced it has been awarded a new contract with the New York Department of Correctional Services (NYDOCS). In addition, the Company has extended its agreements to provide electrocardiogram (ECG) remote interpretation systems and over-read services for the GEO Group (NYSE:GEO), the Iowa Department of Corrections (IADOC) and the Nebraska Department of Correctional Services (NDCS).

NYDOCS awarded CompuMed a new multi-year contract to provide interpretative ECG services and cardiologist over-reads for approximately 60,000 detainees at 65 correctional facilities statewide. CompuMed has installed 94 state-of-the-art CardioGram(tm) 707 ECG systems at the NYDOCS facilities.

"NYDOCS is a great fit for us, and we have close to a 100 percent renewal rate with our large correctional clients, which shows both the need for our ECG services and client satisfaction with our service as a whole," said Maurizio Vecchione, CompuMed's CEO. "This high renewal rate will allow us to focus on additional markets going forward."

Under the terms of the GEO Group extension, CompuMed will continue to provide remote cardiac screening and over-reads for detainees at 16 select GEO Group facilities. Based in Boca Raton, GEO Group is a world leader in privatized correctional and detention services management.

CompuMed will continue to provide ECG services for IADOC's nine facilities, providing remote cardiac screening on an as-needed basis for more than 8,400 detainees. IADOC owns 10 of CompuMed's CardioGram systems.

CompuMed will continue to provide ECG services and over-reads for detainees at five of the NDCS correctional facilities.

CompuMed's traditional core business is providing remote ECG interpretation terminals and related services to medical facilities that may not have access to physicians trained and qualified to interpret ECG results. Customers for the Company's CardioGram system are typically correctional facilities, ambulatory surgery centers, occupational health clinics and physician offices. The system reduces healthcare costs significantly by providing remote cardiac screening at the point-of-care. Another advantage is an optional feature that automatically sends ECG results to a trained cardiologist for an over-read. "We are seeing a confluence of telemedicine and electronic medical records, as well as an increase in providing medical access to remote or isolated sites," said Mr. Vecchione. "This puts CompuMed's telecardiology division in an excellent position for additional growth." For more information, contact CompuMed at 310-258-5000 or www.compumed.net; CompuMed is on twitter @compumed.

About CompuMed:

CompuMed, Inc. (CMPD.OB) develops and markets products and services that combine telemedicine, medical informatics and advanced imaging. The CardioGram™ is one of the first telecommunication networks designed to remotely interpret electrocardiograms and is used by private practice, government and corporate healthcare providers nationwide. The OsteoGram® is a noninvasive diagnostic system that provides effective and accurate bone density measurement for screening for osteoporosis and assessing hip fracture risk. The OsteoGram has significant cost advantages over other technologies in the marketplace. The OsteoGram and CardioGram are cleared by the FDA and reimbursable by Medicare. CompuMed distributes its products worldwide both directly and through OEM partners. . Visit CompuMed on-line at www.compumed.net.

Statements contained in this press release that are not historical facts, such as statements about prospective earnings, savings, revenue, operations, revenue and earnings growth, results of contracts and other financial results, are forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All such forward-looking statements including statements concerning the Company's plans, objectives, expectations and intentions are based largely on management's expectations and are subject to and qualified by risks and

uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. These statements are subject to uncertainties and risks including, without limitation, competitive factors, outsourcing trends in the pharmaceutical industry, product and service demand and acceptance, changes in technology, ability to raise capital, the availability of appropriate acquisition candidates and/or business partnerships, economic conditions, the impact of competition and pricing, capacity and supply constraints or difficulties, government regulation and other risks identified in the Company's filings with the Securities and Exchange Commission including its Annual Report on Form 10-KSB and Quarterly Reports on Form 10-QSB. All such forward-looking statements are expressly qualified by these cautionary statements. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect events, conditions or circumstances on which any such statement is based after the date hereof, except as required by law.

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