

\*\*\* FINAL Press Release \*\*\*

**Media Contact:**

Eric Glass, Hill & Knowlton

415.281.7139

eric.glass@hillandknowlton.com

## **WageWorks Expands Services to the Small and Mid-Sized Market**

*Company acquires Creative Benefits, leading provider of consumer-directed benefits services to SMBs*

**SAN MATEO, CA – September 22, 2008** – WageWorks, the nation's leading provider of tax-advantaged health, wellness, commuting, child and elder care benefits and retiree services for Fortune 500 companies, today announced that it has acquired Creative Benefits, Inc., an industry leader in eligibility administration, COBRA administration and flexible benefit account services with more than 750 small and mid-sized clients across the nation. The acquisition strengthens WageWorks' position in the consumer-directed benefits market and delivers a deeper suite of benefits solutions to small and mid-sized companies and their employees.

Creative Benefits serves the unique needs of small to mid-size employers with benefits services that include FSA, HRA, commuter, and Premium Only Plan ("POP") administration, online enrollment, eligibility administration, and COBRA administration. The Vista, Calif.-based company will now operate as Creative Benefits, a WageWorks company. The combined company represents a market presence of over 2,700 clients and approximately 1.8 million participants.

"The combination of WageWorks and Creative Benefits creates a leading force in the consumer-directed benefits industry," said Joe Jackson, CEO, WageWorks, Inc. "Together we can deliver a comprehensive suite of benefits solutions that provides companies of every size the specialized services they need."

"When it comes to customer care, operational capability and technology innovation, WageWorks sets the gold-standard for service to the Fortune 500," said Jody L. Dietel, Creative Benefits president and founder.

"Similarly, Creative Benefits has delivered impeccable service to the small and mid-size employer market since 1989. Together, we can leverage our platforms, experience, and broader portfolio of solutions to employers, participants, brokers, and consultants that we serve."

Ms. Dietel, a highly regarded expert in benefits and compliance industry, will continue to serve in her current capacity and report to Mr. Jackson. She also will continue serving in leadership positions within benefits industry associations, including ECFC and SIGIS.

### **About WageWorks**

Founded in 2000, WageWorks helps employers support consumer directed pre-tax benefit programs, including health care (FSA, HSA, HRA), wellness programs, child and elder care, commuting services, education benefits, and employee sponsored programs, such as gym reimbursement. Wage Works also offers retiree health care and COBRA Services. More than 100 of America's Fortune 500 employers and millions of their benefits-eligible employees use WageWorks' programs. As the cost of living continues to rise and more health care costs are pushed to employees, WageWorks seeks to eliminate barriers to benefit participation so families and individuals can save money and improve their overall well-being.

WageWorks provides easy-to-use benefits programs that help save time, and educational tools and resources to increase employees' knowledge and understanding of their family's health care and financial needs.

WageWorks is headquartered in San Mateo, CA, with offices in New York, Tempe, AZ., Mequon, WI, Kansas City, KS, Lombard, IL, Troy, MI and now Vista, CA. For more information, please visit [www.wageworks.com](http://www.wageworks.com).