

Exhibit 4–7: Competitive Relevance of the Weaknesses of American Healthways, Inc.

Weaknesses	Is Weakness		Can	
	Is Weakness of High or Low Value?	Common (Not Rare)	Is it Easy or Difficult to Correct the Weakness?	Competitors <i>Sustain</i> Their Advantage?
		(High/Low)	(Yes/No)	(Easy/Difficult)
<i>Service Delivery</i>				
Contracts have long sales cycle	H	Y	D	N
Large percent of revenues generated from three contracts	H	Y	D	N
Less experience/success with some diseases and programs	H	N	D	Y
Data dependency to independently evaluate effectiveness of services	H	N	D	N
Operating contracts have to be carefully serviced for retention	H	Y	D	N
<i>Culture</i>				
Integrating corporate culture of StatusOne	H	N	D	N
Management's overly conservative fiscal philosophy	H	Y	E	Y
<i>Strategic Resources</i>				
Hospital contracts decreasing	H	Y	D	N
Average revenue per hospital contract decreasing by 11 percent	H	Y	D	N
Cost to maintain IT for compliance with Federal and state regulations	H	Y	D	N
Ability to compete in tight labor market	H	Y	D	N
Failure of IT materially affects business	H	Y	D	N
Volatility of stock price and volume	H	N	D	N