

MD
save

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There's a Movement Happening
in Healthcare. **ARE YOU READY?**

LANDSCAPE

*Source: Commonwealth Fund Health Care Affordability Survey, Jul-Aug '15 **Source: NYT

LANDSCAPE

*Since 2010, health insurance costs have risen **6X faster** than wages.

*Source: NYT

CONSUMER BEHAVIOR



As more of the
cost burden shifts,
consumer behavior
is changing.

PROVIDER IMPACT



As consumer behavior shifts, providers are feeling the burden.

“Providers may be receiving as little as 18 cents to 34 cents for every dollar billed to those with high-deductible health plans.”

– The Advisory Board Company

ENGAGING THE NEW PATIENT-CONSUMER

“One might not go back to a restaurant that gave you a **bill for the appetizer** then a bill for the bread then **individual bills for the entrée and drink.**”

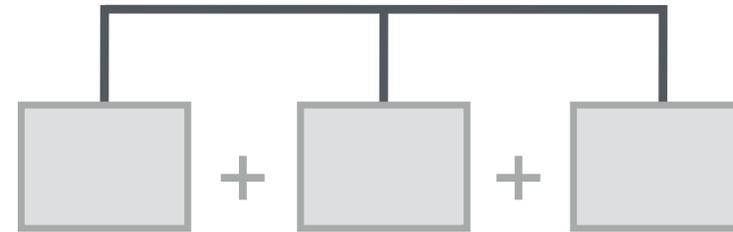
--Holly Fletcher, The Tennessean



TRANSPARENT PRICING



FUTURE OF TRANSPARENCY



Bundled Payments

- Episodic Care
- “All in one” price – no surprises, all services included
- **Accelerated distribution** of provider funds
- No collections / bad debt



Online Purchasing

- Compare providers and hospitals
- Lock in rates, pay upfront
- Use HSA or FSA funds
- Financing available
- Expedited scheduling
- **CPT codes reported to support** universal claim form submission

LEARNING OBJECTIVES

Identify
consumer
trends in
healthcare

Discuss strategies
to manage the
HDHP and private
pay patient population

Create methods
to manage and
benefit from cost
transparency

CONSUMER TRENDS IN HEALTHCARE

LANDSCAPE

High deductible health plans (HDHP) will grow at double digit year-over-year rates for the foreseeable future.

24% of employees are on high deductible health plans **83%** will not reach their annual deductible threshold

17.4M

Americans HDHP

38M Uninsured

90%

of US businesses offer HDHP

25% *Only* Offer HDHP

Average deductible is **\$6000/y**



PATIENT PERSPECTIVE

Over 3,000 patient stories of medical debt were posted by readers in reaction to this article:



PATIENT PERSPECTIVE

25%

of patients

will forgo needed care
because they can't
afford it

INDUSTRY IS POISED FOR DISRUPTION

Products easy to compare



Prices easy to compare



Full cost borne by buyer



Buyer's cost represents large portion of buyer's budget

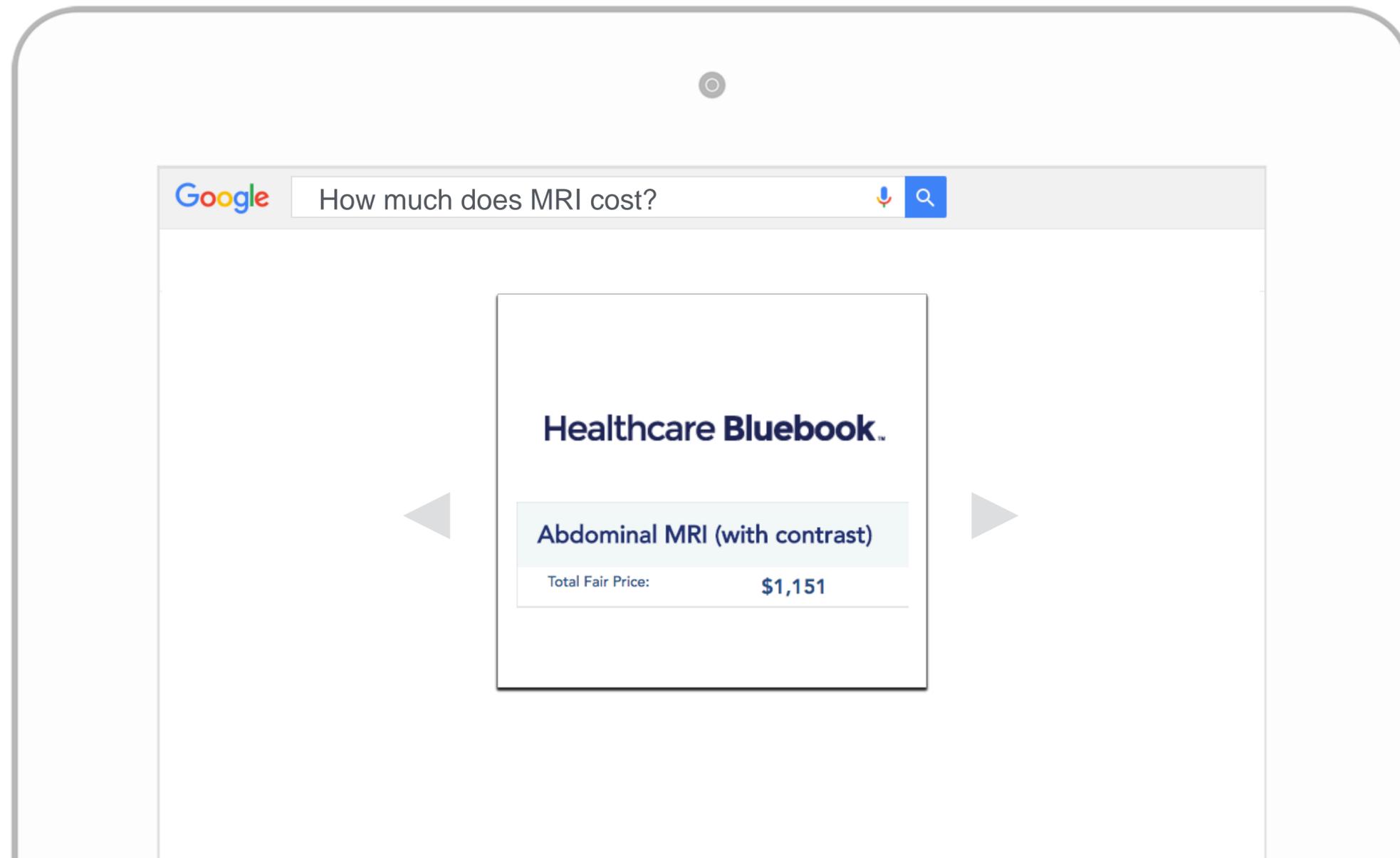


Customers not attached to brands



HOW TO ENGAGE THE HDHP & PRIVATE PAY PATIENT POPULATION?

1 EMBRACE PRICE TRANSPARENCY



2 OFFER BUNDLED HEALTHCARE SERVICES

Bundled Procedure

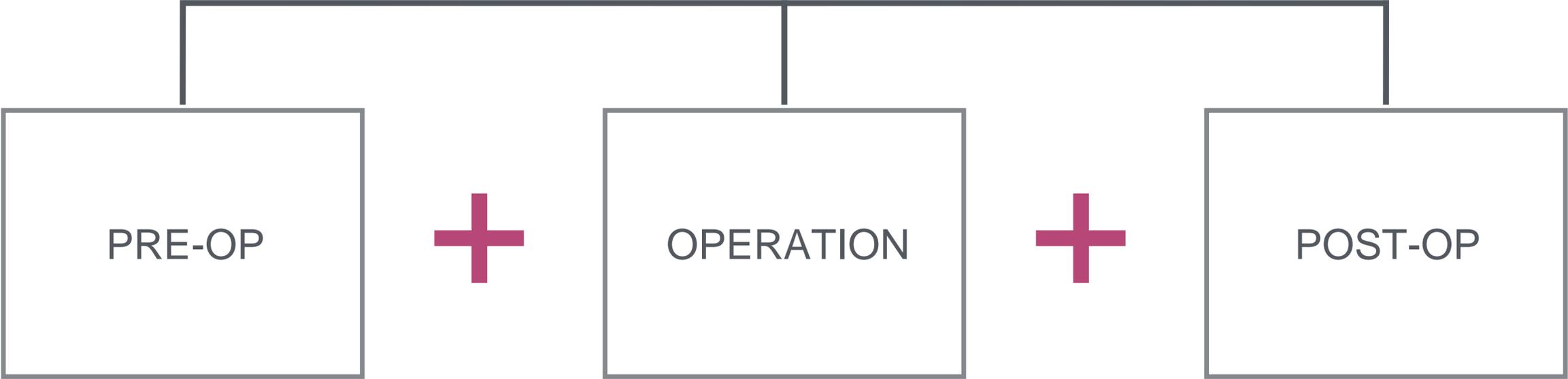


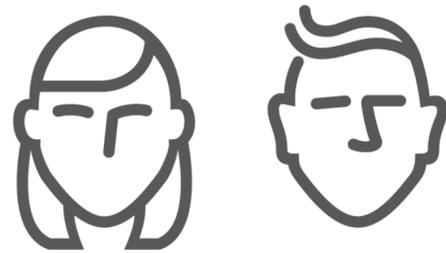
Image
Lab
Office

Surgeon
Anesthesia
Facility

Post-Op Office
Professional
Physical Therapy
Facility

3

ADOPT A SIMPLIFIED (STREAMLINED) PAYMENT FLOW



Patient or proxy purchases bundled procedure from Mdsave (web/portal/phone)



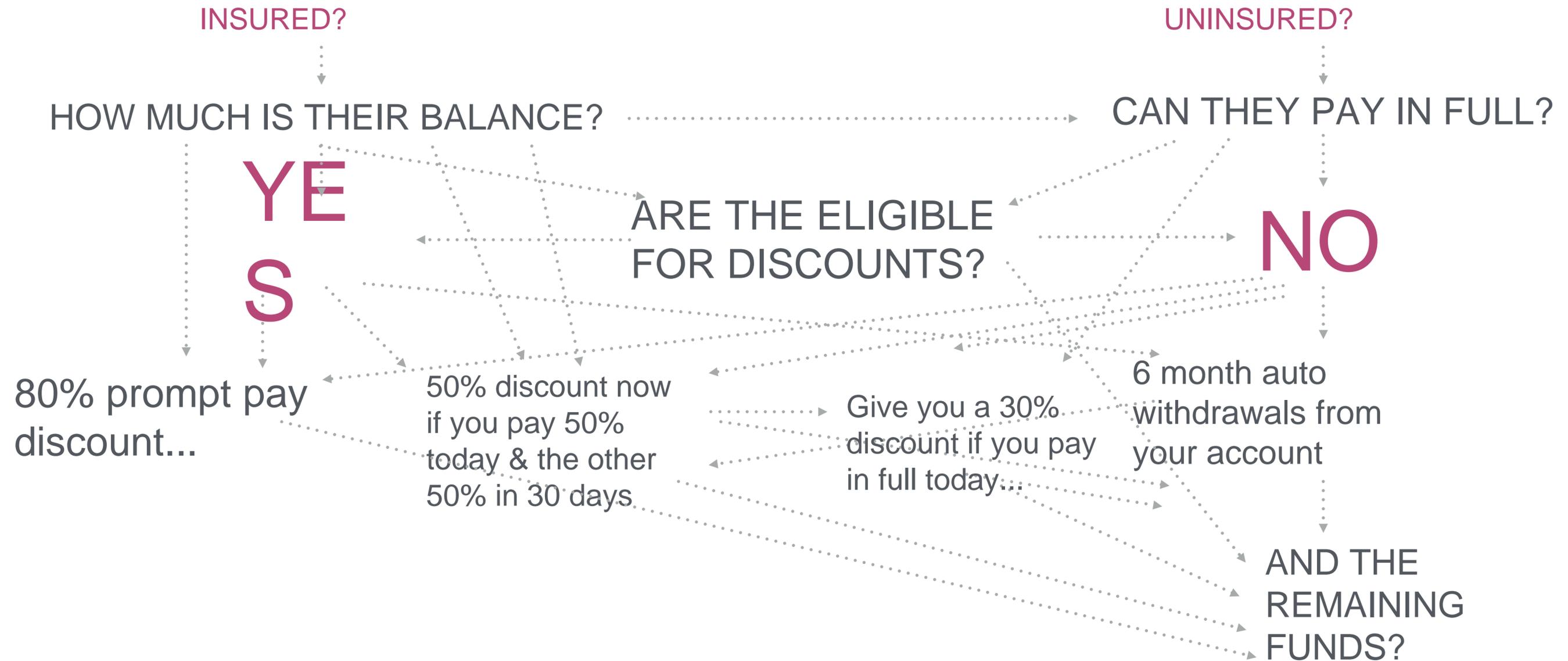
Mdsave issues voucher to patient



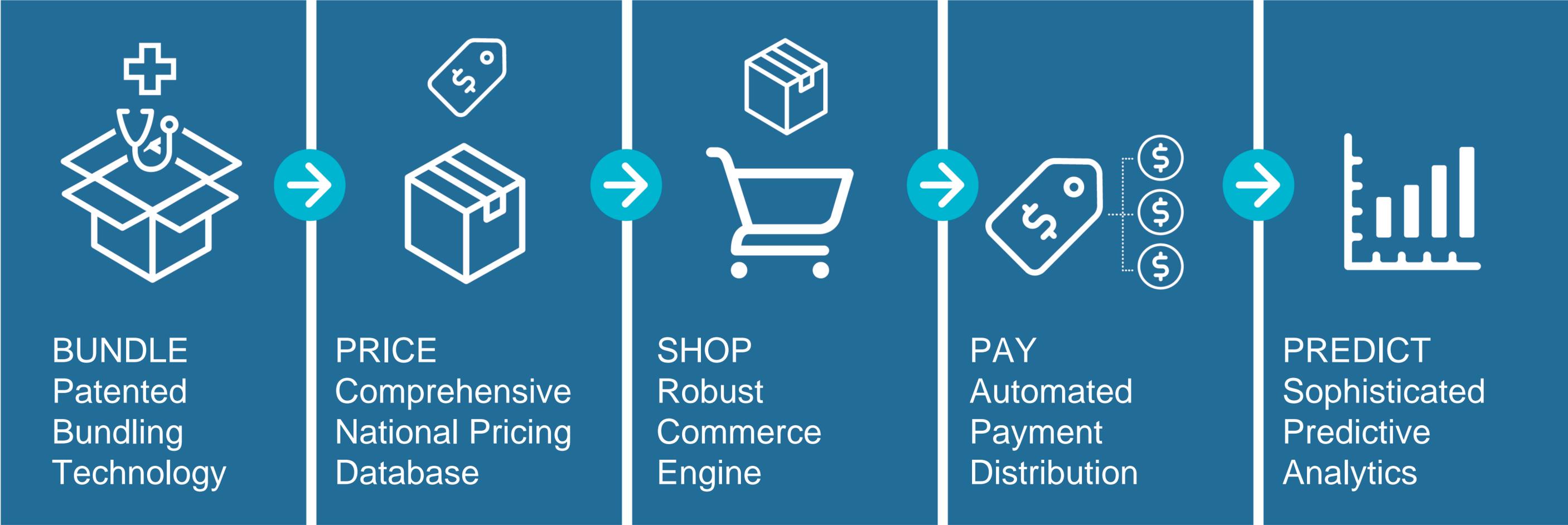
Once voucher redeemed, Mdsave distributes funds to parties

HOW TO BENEFIT FROM COST TRANSPARENCY

WHAT HAPPENS TODAY...



MARKETPLACE SOLUTION



Our experts help you build bundled care packages.

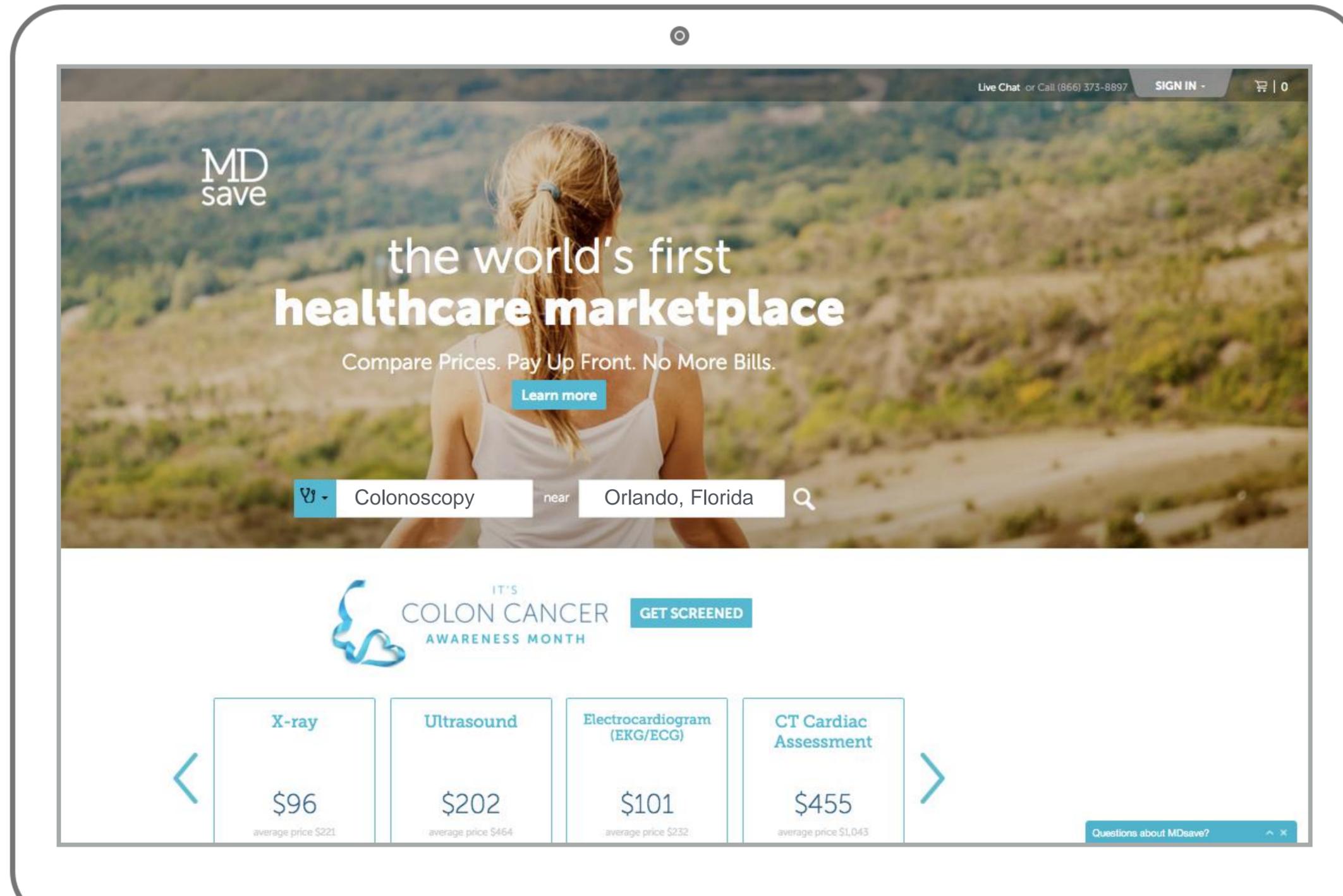
Tap into our extensive market insights to set competitive pricing.

Acquire patient-consumers seeking self-pay care.

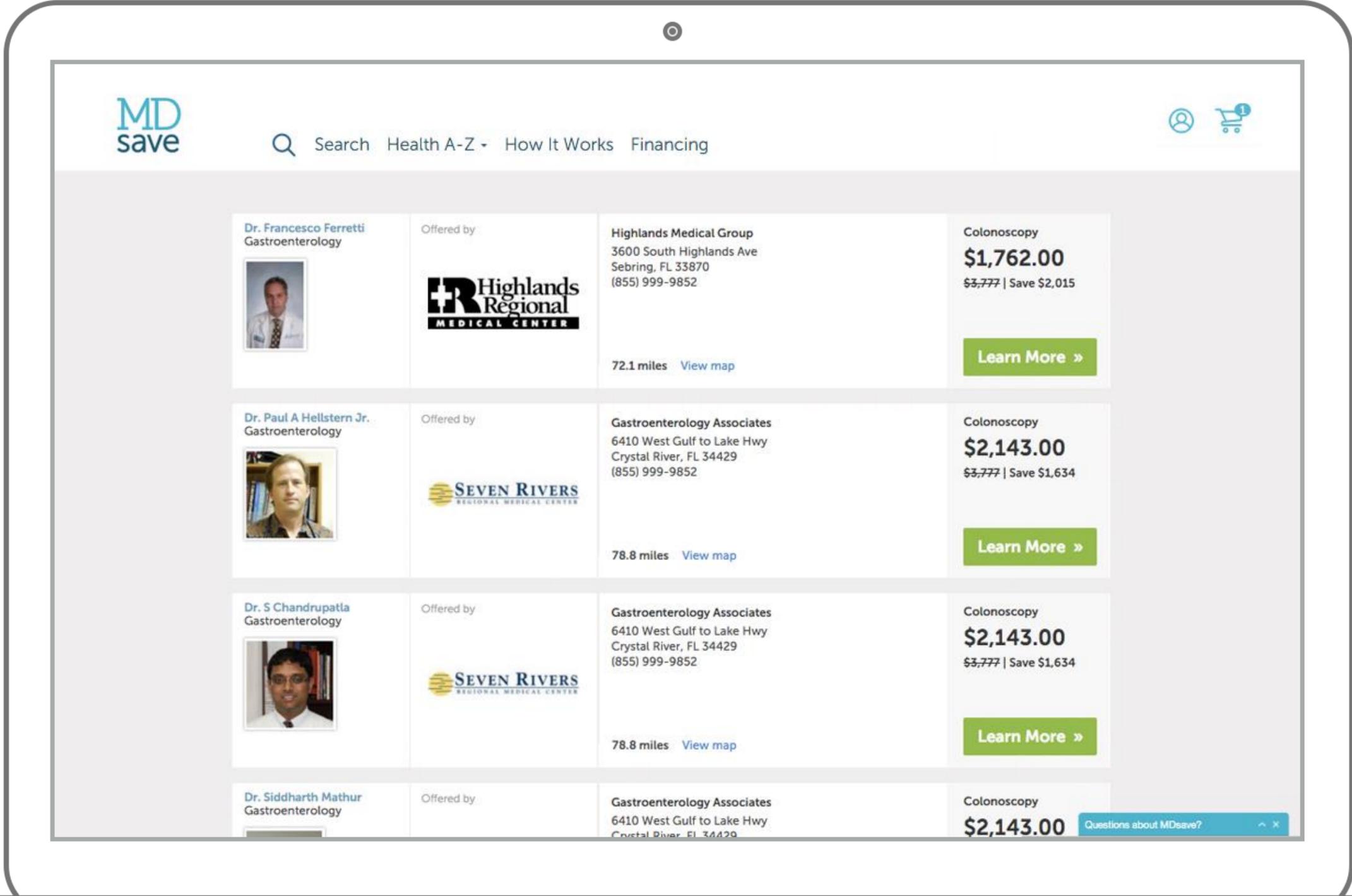
Receive full payment within 7 days of voucher redemption.

Access proprietary analytics for competitive insights.

DEMO



DEMO

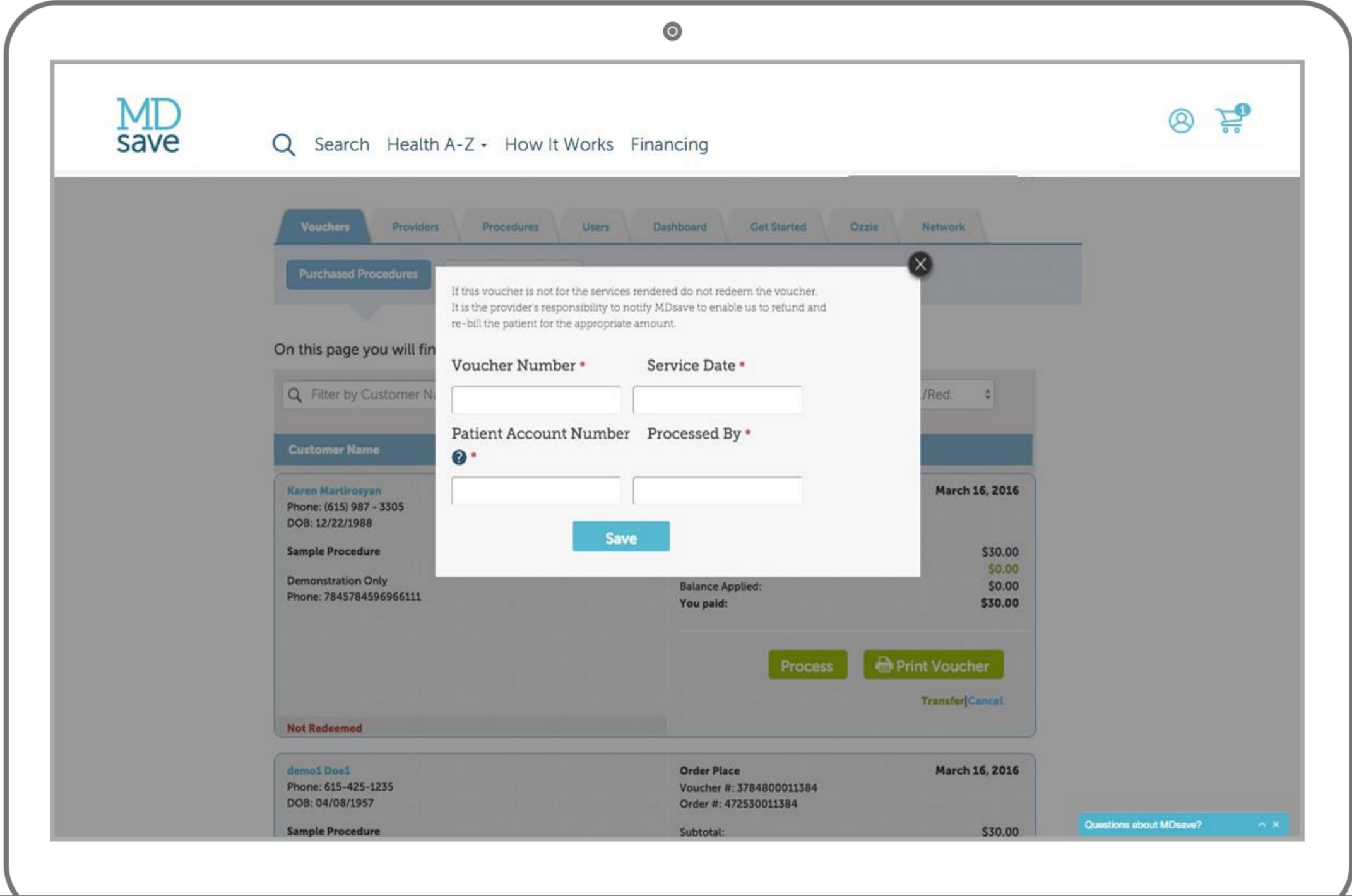


DEMO

The screenshot displays the MDsave website interface. At the top left is the MDsave logo. To its right are navigation links: Search, Health A-Z, How It Works, and Financing. In the top right corner, there are icons for a user profile and a shopping cart with a '1' next to it, which is being pointed to by a mouse cursor. Below the navigation is a section for 'Edit Provider Information | Transaction History' and a note 'Offered through MDsave'. The main content area features a profile for Dr. Francesco Ferretti, a Gastroenterologist at Highlands Medical Group. It includes his photo, office hours (Mon-Fri 8:00am-5:00pm), and location (3600 South Highlands Ave, Sebring, FL, 33870). A 'Visit Website' link is also present. Below the profile, there are two tabs: 'About This Provider' (selected) and 'Available Procedures'. Under 'Available Procedures', a 'Colonoscopy' procedure is listed with a price of \$1,762.00, a 'Save \$2,015' indicator, and an 'Add To Cart' button. A quantity selector shows '1'. A 'CHECK OUT' button is visible in a floating cart overlay on the right. At the bottom, a table lists other procedures and their prices.

Procedure	Average Cash Price	MDsave Price
+ Abdominal Paracentesis	\$2,321.17	\$946.00

DEMO



DEMO

MD save

Search Health A-Z ▾ How It Works Financing

Vouchers Providers Procedures Users Dashboard Get Started **Ozzie** Network

Payout rates listed are suggested rates only. All rates are to be determined by the hospital system.

Select a specialty: Gastroenterology ▾ Version: MDsave Current Prices ▾

Bundled Procedure Pricing

[View Deleted Procedures](#)

Facility Physician Anesthesia Pathology [Advanced Features](#)

Modify by Locality

Facility	NATIONAL RATE	1
Physician	NATIONAL RATE	1
Anesthesia	NATIONAL RATE	1
Pathology	NATIONAL RATE	1

Set Recommended Rate

Facility	125%
Physician	125%
Anesthesia	177%
Pathology	130%

Expand all Edit

Procedure	Facility Price	Physician Price	Anesthesia Price	Pathology Price	MDsave Fee	Total Amount
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[Questions about MDsave?](#)

DEMO



Search Health A-Z ▾ How It Works Financing



Procedure	Facility Price	Physician Price	Anesthesia Price	Pathology Price	MDsave Fee	Total Amount
GI						
> Abdominal Paracentesis	\$611	\$120	\$200	\$169	\$ 110	\$1210
> Bravo 48 Hour PH Monitor	\$411	\$106	\$0	\$0	\$ 52	\$569
> Capsule Endoscopy	\$1065	\$244	\$0	\$0	\$ 131	\$1440
▼ Colonoscopy	\$988	\$337	\$280	\$169	\$ 177	\$1951
DESCRIPTION	CPT CODE	CMS FACILITY	CMS PHYSICIAN	CMS ANESTHESIA	CMS PATHOLOGY	
Colonoscopy with ablation	44401	790	277	0	0	
Colonoscopy w/ablation	45388	790	333	0	0	
Colonoscopy	44388	790	172	0	0	
Colonoscopy with biopsy	44389	790	190	0	0	
Colonoscopy for foreign body	44390	790	231	0	0	
Colonoscopy for bleeding	44391	790	257	0	0	
Colonoscopy & polypectomy	44392	790	225	0	0	
Colonoscopy w/snare	44394	790	263	0	0	
Diagnostic colonoscopy	45378	790	221	0	0	
Colonoscopy w/fb removal	45379	790	278	0	0	
Colonoscopy and biopsy	45380	790	265	0	0	
Colonoscopy submucous inj	45381	790	251	0	0	

Questions about MDsave? ~ x



KEY PROVIDER BENEFITS

65%

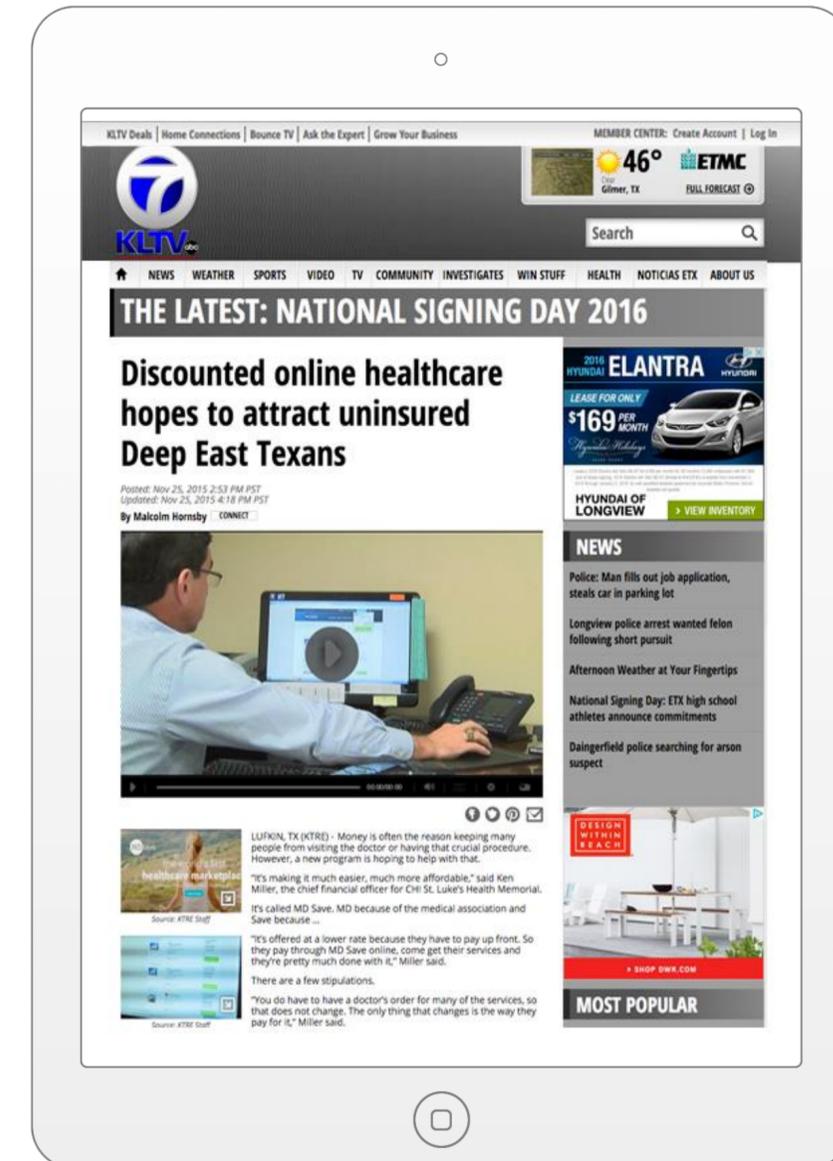
of patients would not have moved forward with their care without the ability to pay through MDsave

— MDsave Focus Group

- ✓ Reduce Bad Debt
- ✓ No-Risk Patient Financing
- ✓ Attract Non-Affiliated Physician Referrals
- ✓ Support Self-Pay Patients
- ✓ Additional Revenue from Downstream Procedures
- ✓ Keep Patients In-Network
- ✓ Efficiently Build Bundled Procedures
- ✓ Draw Patients from 60+ miles

PROVIDER BENEFITS

- ✓ 40% Reduction in patient “no shows”
- ✓ 3 total knee replacements (\$40,000 each) following an MDsave MRI/X-Ray
- ✓ 600% increase in monthly imaging procedures
- ✓ 11 colonoscopies, 36 MRIs, and 8 outpatient surgeries from patients traveling 60+ miles in 6 weeks
- ✓ New physician referrals from competitive hospitals
- ✓ Increased awareness following media pick-up by local ABC affiliate



KLTV, local ABC affiliate



PATIENT COMMENTS

“My doctor wrote the script for the MRI at my request (after shopping for MRI prices). The reason I decided to shop is because my deductible is very high (\$7,500) and my doctor said an MRI through ARC could cost up to \$5,000. When I found MDsave.com, I could not believe the difference in price. I sent the information to my Doctor at ARC, and asked for the script to be sent to the MDsave hospital.”

—Ian, Austin, Tx



“Great Service & Staff at MDsave. Needed a CT Scan. Southampton, VA was the closest member Hospital. Most professional, caring and accommodating. My Specialist was very pleased with the quality and delivery of their Scans and the "Read" from their Radiologist. My full cost was 1/3 of local quotes.”

— Richard, New Bern NC



“I live in metro Atlanta and my cost (after insurance) for an MRI ranged from \$1,875 to \$2100. My husband found MDsave online and I was able to have the test done for \$709. I had to drive a little out of town, but it was so worth it. The hospital staff was the BEST! Will definitely use again.”

— Michele, Atlanta, GA





THE OPPORTUNITY

Disrupt healthcare through an open market platform that transforms how patients, providers, employers and payers access affordable, quality medical care.

QUESTIONS?

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MDSAVE is also featured in the following publications:

FORTUNE
HE FORTUNE LOGO

TC TechCrunch

YAHOO!
FINANCE

Bloomberg
Business

The Examiner
SAN FRANCISCO
sfexaminer.com

DAILY NEWS

