

# Founder's Club Information



## Dash Investment Opportunity

For years, the American public has been hearing how the Health Care system is broken, and to a great extent it is. The United States could see a shortage of up to 120,000 Physicians by 2030, impacting Patient care across the nation, according to new data published in March 2019 by the AAMC (Association of American Medical Colleges). With the population growing older and developing major chronic diseases like Diabetes, and the increasing number of Physicians leaving the profession, there is a noticeable need for gains in efficiency and effectiveness of Physician/Patient interactions and a new way of managing all of the information related to a Patient's wellness story.

The average number of Patients that a single Primary Care Physician maintains is 2,300. With doctors exiting the profession, the number of Patients per doctor at some practices is rapidly approaching the higher limits of 4,000 and beyond. This leaves less time with the Patient and insufficient follow-up. The Federal Government has tried to help, with the Centers for Medicare & Medicaid Services (CMS) testing multiple ways to pay for care and Insurance companies trying managed care to assist in reducing hospital readmissions and better preventive care. The Federal Government also implemented EHR-Meaningful Use, which requires doctors to convert to Electronic Medical Records and adopt other changes in delivery of care and payment structures to hospitals and Physicians to achieve better outcomes.

While all these efforts by the Government have made an impact around the margins, significant and meaningful change in the Healthcare delivery system will only be realized when Patient-centered health care becomes the focus of health care delivery. Consumers of health care must become more involved by owning and controlling the accuracy, thoroughness, and transparency of their wellness story. Patients have made their voices heard recently by voting politicians into office who promise change – whether it be free market or single payer. This type of change at the Government level will never impact cost within the system in a meaningful way that meets Patient demands and expectations. The effect of more Government programs is more of the same.

Consider this:

- Doctors are paid by the Government for Patients to achieve better outcomes or getting healthier.
- Hospitals are paid by the Government and Insurers if a Patient does not return for more health care related to a prior visit within 30 days. Inversely, the hospital is heavily penalized if that Patient returns for the same condition within those 30 days.
- Drug companies incentivize Physicians and hospitals for using their medications.
- Patient data is being sold by Physicians, hospitals, insurance companies, and anyone else in the health care supply chain.

It seems everyone is getting paid or earning money except the Patient. Why is that? The system is focused on the Physician effecting better outcomes for the Patient. But, what if the Patient doesn't take prescribed medication, or continues to eat foods that contribute to higher blood pressure and increasing obesity (BMI)? What if the Patient sustains a sedentary lifestyle, relaxing in front of the TV, the computer, or cell phone viewing social media, or favorite shows all day? How can anyone effect a change in a disaffected Patient's behavior? The short, simple answer is: they can't. Physicians can only make recommendations for Patients to change behavior and improve their health, but the changes required in lifestyle have to come from within.

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Why would Doctors, Hospitals, Insurance Companies and Big Pharma agree to give up the data they have collected on Dash Consumers? Because they are legally obligated to do so by the Federal government with the passing of The Health Insurance Portability and Accountability Act of 1996 (HIPAA; Pub.L. 104–191, 110 Stat. 1936, enacted August 21, 1996). The penalties for noncompliance are based on the level of negligence and can range from \$100 to \$50,000 per violation (or per record), with a maximum penalty of \$1.5 million per year for violations of an identical provision. Violations can also carry criminal charges that can result in jail time. Good Feather has created a secure “on ramp” to minimize the cost and impact of collecting this information. We have also created a significant financial gain model for these entities that is compelling.

Good Feather Technologies developed DASH to empower the Patient with the data needed to make lifestyle changes to live a healthier, longer life, and to provide Providers and Payers with a more timely, accurate, and thorough picture of a Patient's health to enable more cost-effective delivery of health care. Below is a simple scenario that will demonstrate how management of one simple little blood test could yield enormous cost reductions:

Tom has diabetes. Like most Patients with diabetes, he has multiple doctors – a primary care Physician, a cardiologist, a nephrologist, and an endocrinologist. Each Physician has an Electronic Medical Record (“EMR”), a Government-mandated change called “meaningful use”, but the EMRs don't communicate with one another; or if they do, the information never provides the whole picture. A Patient is greater than the sum of their medical history, but more on that in a moment.

Tom's primary care physician has ordered a lab test because Tom has been feeling a noticeable lack of energy. The test results come back, and Tom is referred to his Nephrologist because his kidney function numbers were concerning. The Nephrologist re-orders the lab test, but during the physical exam notices that Tom's feet are swollen and also show signs of poor blood flow and tells Tom to follow up with his Cardiologist. Tom follows that advice and makes an appointment with his Cardiologist who also orders a lab test. Within a span of a couple of weeks Tom has visited three doctors who all ordered independent blood tests.

How much does a blood test cost? Costhelper health estimates between \$100 to \$3,000 without insurance and \$0 to \$30 co-pay with insurance. This is part of the problem – estimating cost to the Patient in terms of co-pays only. If the Payer (health insurance company) bears most of the cost, it will pass that cost along to the Patient in the form of deductibles and higher monthly premiums. For the illustrative purposes of our example, assume a standard cost of \$150 per lab test.



If the results of the lab test ordered by the Primary Care Physician were used by the Cardiologist and Nephrologist, the cost savings to Tom would be \$300. That seems trivial, however, if extrapolated across all diabetics living in the U.S. and with a reduction of just *one* lab test and not two like in Tom's example, the cost savings would exceed \$4.5 billion annually.

Total number of diabetics in the U.S. = 30,300,000 according to the CDC

Average Lab Test = \$150

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Total cost saved in the system = \$30,300,000 x \$150 = \$4,545,000,000

Diabetes is such a devastating disease because the long-term complications may be disabling or even life threatening. These complications include:

- Cardiovascular disease
- Nerve damage (neuropathy)
- Kidney damage
- Eye damage
- Foot damage
- Limb amputations
- Skin conditions
- Hearing impairment
- Alzheimer's, and
- Depression

What is DASH and how can it make an impact? The answer is simple – DASH provides the missing information necessary to all stakeholders in a Patient's health to enable more effective collaboration between Physicians, Insurance companies, and hospitals to make the best health care delivery decisions possible. Each person has different circumstances that impact their decision making. A one-size-fits-all approach won't work. DASH can be tailored to each individual's needs and consumption of data.

DASH is designed to consolidate all of a Patient's health-related information in one place. One might assume that is what all of the Physician's EMRs are doing. Each Doctor has a Patient Portal and all medical records for that relationship are stored there, accessible to the Patient at any time. Patients even have applications on their phone to access their medical record from specific Doctors. Patients with more than one Doctor must log in and out of multiple Patient Portals to access their medical records.

DASH is an electronic representation of a person's health and wellness journey through life, describing the time between birth and death (1930 – 2016). That "Dash" represents the life lived and choices made that will impact one's wellness story. DASH brings a person's entire medical record – from multiple physicians – into the palm of their hand through mobile technology. Anytime a doctor visit occurs, a comprehensive and current medical record can be electronically transmitted to him/her. That includes CT scans, MRIs, X-Rays, prescriptions (past and present), lab results, Medical IOT Devices and anything else the Dash Consumer wants included that connects to the Internet. Explanation of Benefits ("EOB") – who's in network and who is not – will also be sent to Dash. A Dash Consumer will also know in advance how much a procedure will cost – not just the co-pay. When a doctor sends a Patient to a specialist, the Patient doesn't always ask if the specialist is in network. With Dash, there will be no more unpleasant surprises in the form of unintentionally using an out-of-network medical Provider.

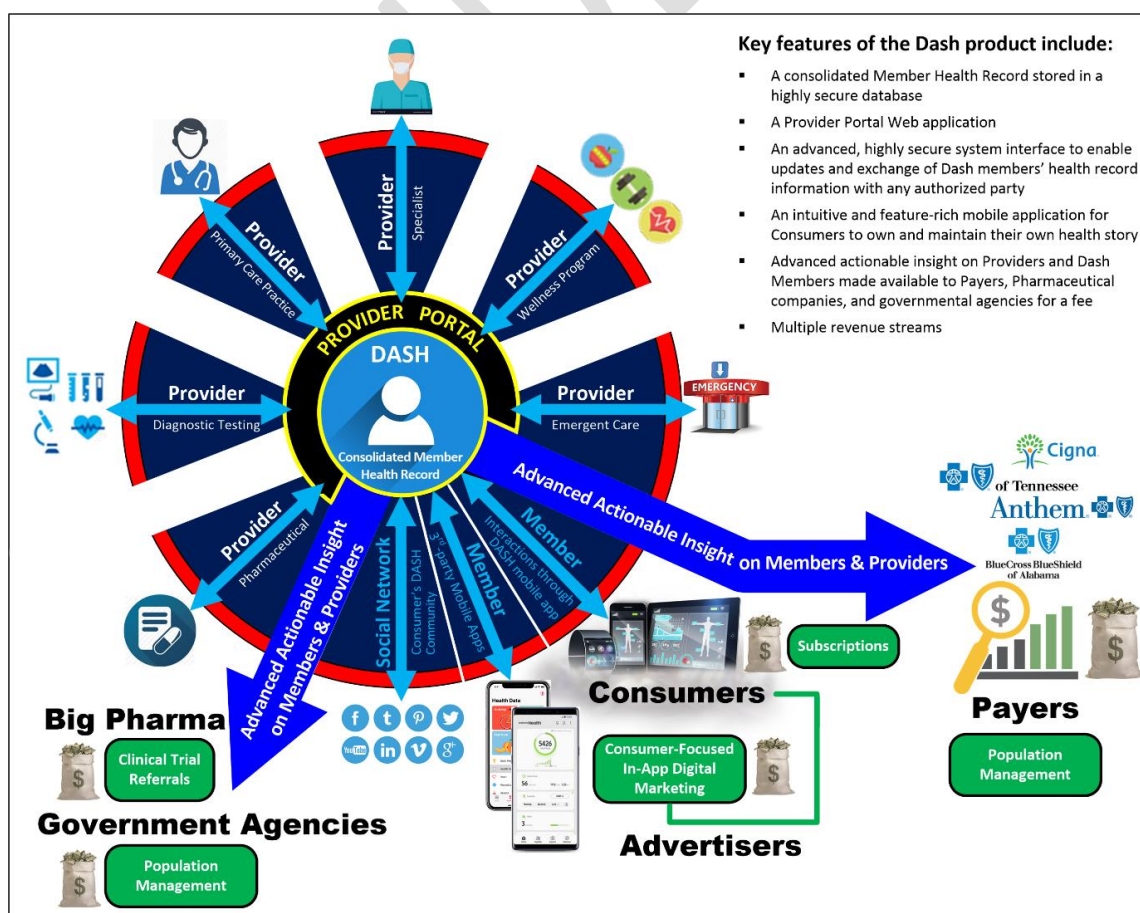
A person is greater than the sum of their medical history. In today's world the success of your wellness story is a combination of clinical and social information. DASH can use AI to determine: a trip to Mexico where a salmonella outbreak happened; a Facebook post describing the difficulty someone is having at work; a "new granddaughter" post on Instagram; bank account running on empty and the bills piling up, how all of these factors could have an impact on a person's health. Currently the doctor will never know. Why? Because these life events never get electronically connected in one place. With machine learning, DASH connects them for each Patient and populates the list of questions that need to be shared with the Doctor. In an average 15-minute setting in the office with the doctor, rarely do these get mentioned.

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Here is another scenario to demonstrate the power of DASH. A family living in Green Bay, Wisconsin has an 86-year-old mother/grandmother living alone in Tampa, Florida. She doesn't drive but has several upcoming doctor's appointments and nobody available to take her. Using Dash, arrangements can be made to schedule a ride to get her to her appointment. DASH has a built-in geo-location finder and can notify the requestor when she arrives at the doctor's office. DASH also has her adult children listed in her community, enabling them to voice their concerns for their mother's health directly to her doctor through DASH, or join in the visit via video conferencing. A ride home can be scheduled for her through Dash, and once the medical record is updated, trusted members of her Dash community can view what happened at the appointment. Prescriptions can also be scheduled to be delivered to her home. DASH is more than an electronic medical record! It is empowering people to take control of their life.

The power and utility of Dash is clear, but as in the Jerry McGuire Movie – Show Me the Money! The Dash business model consists of four primary revenue streams:

- Patient subscriptions primarily subsidized through health and wellness products sold to employer groups by insurance companies and open market;
- Payers (Insurance Companies and Government agencies) compensating Dash for access to valuable and meaningful, actionable insight about their Members based upon the comprehensive personal health record that only Dash can provide;
- Digital marketing from advertisers through in-app ads for users who have opted in for this feature; and
- Pharmaceutical companies compensating Dash for each referral to a Patient to participate in a clinical trial or other relevant study.



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The ability to collect Patient medical data from all Providers through a special Dash application programming interface reaches outside the US market. Europe, Asia, India, and Australia all have the same need for the business model and vision of DASH. Southwest Airlines made its mark in a highly regulated market and at the lowest price. They sold on value and volume. Good Feather believes that there is enough value in the actionable insight provided to Payers by Dash, that enough revenue will come from that source alone to cover product development and operating costs and generate a substantial net profit. Additional profit will come from digital marketing and referrals of Dash users to pharmaceutical companies. While individual, unaffiliated Patients will have the option of paying for a subscription to use Dash, it is not Good Feather's long-term intention or strategy to charge Patients directly to use the product.

## ***Patient-driven Revenue***

Within the US market, there are an estimated 327,167,434 people as of July 2018 according to the US Census Bureau. Excluding everyone under 18, the population is 253,227,594 adults. Capturing just 1% of that market within the first 18 months at \$1.99 per member per month for Patient Dash subscriptions paid to Good Feather by Payers and/or VA subsidies would produce \$5,039,227 top line revenue per month, or \$60,470,727 top line revenue for 12 months.

## ***Payer-driven Revenue***

Payers (Insurance Companies, self-insured employers, federal government agencies) benefit as much as the individual does from DASH. They would receive the ICD codes that Physicians use to diagnose their Patients with, not just the ICD codes the billing department believes generates the highest rate of reimbursement from a Payer. They could quickly identify fraud and achieve the targets that CMS places upon them for better outcomes. BlueCross BlueShield of Tennessee has approximately 3,500,000 members which equates to approximately 80% of the market. There are 650,000 Diabetics in TN according to BCBST. Tennessee has the 5<sup>th</sup> highest rate of diabetes in the US. Partnering with BCBST by offering them a rate of \$0.49 per member per month for actionable insight about their members would produce:

- \$1,715,000 top line revenue per month, or
- \$20,580,000 top line revenue per year.
- \$5.88 per member per year or
- 650,000 diabetics in TN
  - Each saved one lab test per diabetic
  - A savings of \$97,500,000 to BCBST

Assume only 50% of BCBST members are Dash members: \$10,290,000 paid annually by BCBST to Good Feather for 1,750,000 Dash subscribers resulting in an annual costs savings of \$ 48,750,000 to BCBST if just half of the diabetics in Tennessee are Dash subscribers and avoid one unnecessary lab test per year.



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That is just one Blues Plan (Tennessee) and only one of dozens of chronic disease use cases that Dash will provide meaningful, actionable insight about to Payers, the value of which will exceed the fee that Good Feather Technologies will charge them.

## Digital Marketing Revenue

Good Feather expects an additional small revenue stream from businesses placing advertisements in the Dash mobile app carefully targeted to each Dash Patient.

## Big Pharma-driven Revenue

The quality and depth of each Dash personal health record is an asset that enables Good Feather to determine which Patients are ideal candidates for clinical trials and other studies for which pharmaceutical companies need qualified participants. Good Feather can sell these leads to the pharmaceutical companies and reward with a payment any Dash Patient who chooses to participate in the clinical trial or study for which they were recruited.

### Notes:



With Health Insurance: Copays of \$0-\$30 or 10%-50+% Coinsurance



Total, Costs: \$100-\$3,000+ Without Insurance

### Typical costs:

- CostHelper readers with health insurance report out-of-pocket costs of **\$283-\$675** for blood tests, with an average of **\$432**; total billed costs were **\$312-\$1,200** (averaging **\$755**), with the insurance either paying or discounting the total cost by **\$29-\$525**.
- For Patients covered by health insurance, out-of-pocket costs for blood work typically consist of a co-pay ranging from nothing to **\$30** or more, or co-insurance of 10%-50% or more; deductibles and out-of-pocket maximums will apply.
- Blood tests are often covered by health insurance for preventive, diagnostic, or treatment purposes, but coverage depends on the individual case and the terms of the health insurance plan.
- CostHelper readers without health insurance report total costs of **\$700-\$2,589**, averaging **\$1,543**. For Patients not covered by health insurance, total costs can be **\$100-\$3,000** or more, depending on the number and type of tests ordered; the cost of any doctor visits to order and interpret the tests; and whether the tests are done on an emergency basis.
- Routine blood work done as part of an annual physical or a new Patient exam can cost **\$100-\$1,000** or more. Often ordered in connection with an annual physical, a complete blood count (CBC) test alone can cost **\$10-\$150** or more.
- Depending on the Patient's symptoms, doctors typically order multiple tests to check for a number of conditions; comprehensive panels of tests can cost **\$80-\$1,500** or more and combining several testing packages can bring total costs to **\$1,500-\$2,700** or more.

<https://health.costhelper.com/blood-test.html>

<https://bettertennessee.com/health-brief-diabetes-in-tennessee/>

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## America's largest health insurers in 2018

Morgan Haefner - Thursday, January 10th, 2019 [Print](#) | [Email](#)

Here are the eight health insurers with the most members and revenue in 2018, as reported by [Forbes](#):

**1. UnitedHealth Group**

Membership: 49.5 million  
Revenue: \$201 billion

**5. Humana**

Membership: 14 million  
Revenue: \$53.7 billion

**2. Anthem\***

Membership: 40.2 million  
Revenue: \$90 billion

**6. Centene**

Membership: 12.2 million  
Revenue: \$48.3 billion

**3. Aetna**

Membership: 22.2 million  
Revenue: \$60.6 billion

**7. Molina Healthcare**

Membership: 4.4 million  
Revenue: \$18.8 billion

**4. Cigna**

Membership: 15.9 million  
Revenue: \$41.6 billion

**8. WellCare Health Plans**

Membership: 4.37 million  
Revenue: \$16.9 billion

\*BlueCross BlueShield Association (BCBSA) is a federation of 36 separate United States health insurance organizations and companies, providing health insurance in the United States to more than 106 million people.