

# Business Sustainability Plan

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*2016 Consumer Health Data Aggregator Challenge*



## Executive Summary

1MEDIX is excited to be a participant of 2016 Consumer Health Data Aggregator Challenge. Challenge's primary goal aligns with 1MEDIX's central corporate mission: to empower the consumer to play a more active role in their health management with the development of user-friendly applications that utilize open, standardized APIs to aggregate all personal health data in one place. Our system draws from multiple health care providers, inpatient and outpatient, as well as hospitals, medical offices, and labs. It allows the individual to access their health history and information in one view with meaningful dashboards for different health monitoring needs and functionality across both desktop and mobile platforms. We are dedicated to streamlining personal health data and medical records information – while at the same time integrating a variety of different health IT systems, as well as data gathered from devices such as Apple Health Kit and Wearable Devices. The end result? Consumers will be able to better monitor and manage their health, no longer outsiders in their own medical care.

## About Us

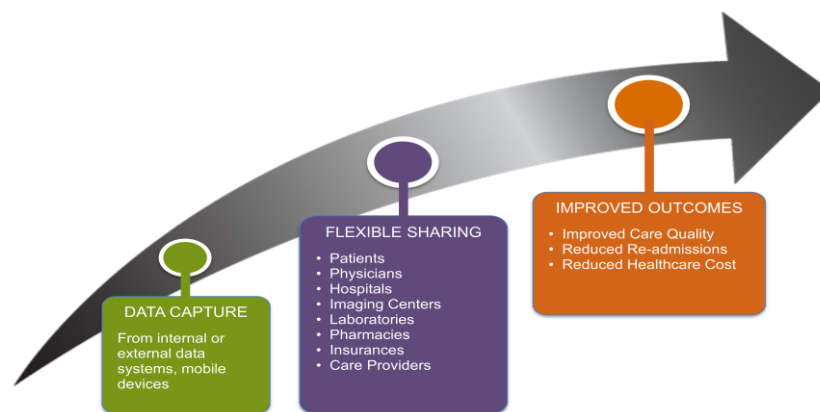
Founded in 2010 as Business Savvy Solutions, Inc. DBA 1MEDIX defines itself simply. Our goal is to **mobilize medical care, accelerate decisions and simplify connectivity.**

1MEDIX solutions include:

- Secure scalable platform based on Open Standard technologies, such as Fast Healthcare Interoperability Resources (FHIR) and Spring Security Framework.
- Multi-Channel Alerts Management (Mobile, Web, Email, Text, In-App).
- DIRECT Messaging and Secure Messaging Support
- HL7 v2.x (e.g. ADT, ORU, MDM, OML, VXU) and C-CDA to FHIR parsers that can be customized for different clients' needs.
- Customizable Patient/Provider Portals and mobile apps.
- Calendar views that can integrate events directly to mobile calendars, for iOS and Android Market.
- Forms / Questionnaire Builder and Portal Delivery.
- Patient Education Material Delivery and Repository.

## Current Market Opportunity / Issue Analysis

As per information from HealthIT.gov in 2015, 98% of all hospitals and 56% of all office-based physicians have demonstrated meaningful use of certified electronic health record (EHR) software. Data capture in Health IT is no longer a significant issue. Accordingly, It is time to move to the next phase: meaningfully sharing this data, with an eye towards consumer empowerment, improved patient health outcomes, and the authority of the individual to make informed decisions about their medical care.



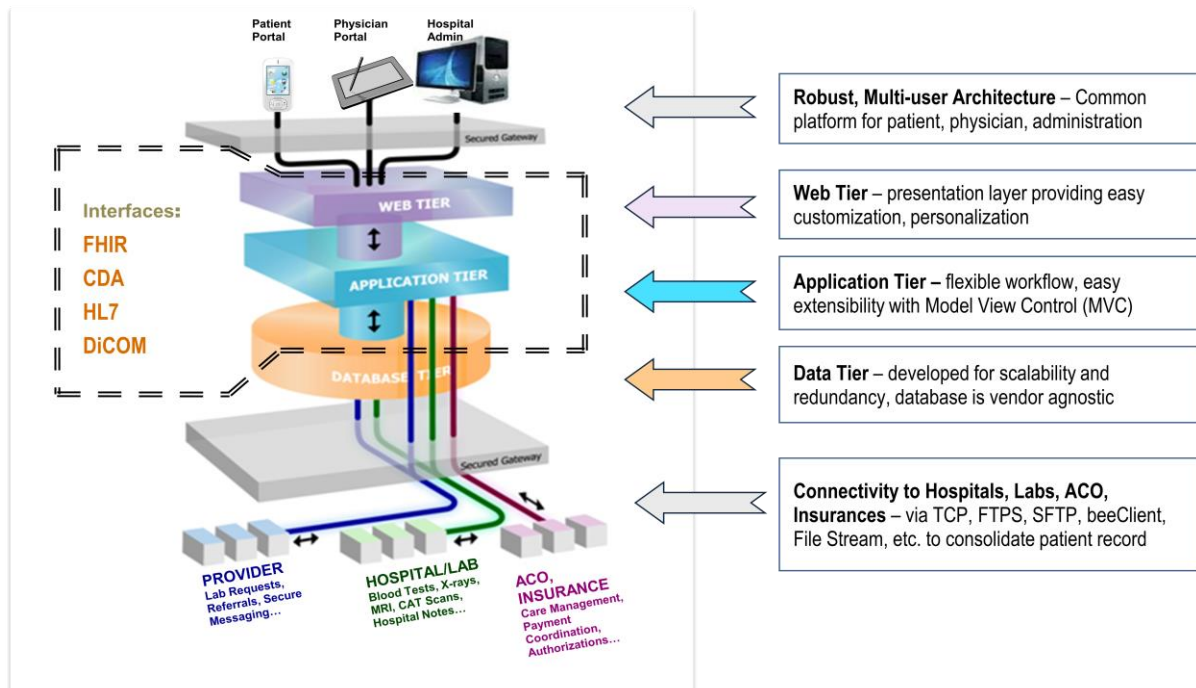
1MEDiX has been in the data interfacing business for more than 5 years. . We have focused on two areas:

- **Design and Usability:** Very few Health Care IT projects can demonstrate long term return on investment (ROI), not, unfortunately, from to lack of capability, but rather for lack of functionality. End users historically have been thwarted in their efforts to fully access, let alone comprehend and utilize, their personal health information. . In response, we've designed a product that health care consumers will want and enjoy using.
- **Connectivity and Mobility:** With the Internet maturing, , we see ever- increasing demand from the general marketplace for an easy to use, simple to understand aggregation of health data, gathered from both traditional health service providers as well as from new medical devices and health monitoring tools.

We believe there is significant market demand this product. Consumers have moved to take a more active role in their health decisions and habits, especially among the patients with long term illnesses. We see potential revenue streams from advertisements, research grants, caretakers that will need information to take care their clients, data processing services, ACOs that will reap benefits from users making better health decisions, as well as the hospitals that are always searching for ways to build better relationship with their patients and the community at large. As users actively use the application, they reap daily benefits of meaningful data and easier tools to monitor their health. In turn, we see much corporate growth and success stemming from these significant consumer gains.

## Our Solution

Our architecture embraces open, standardized APIs. Our data layer is modeled after Fast Healthcare Interoperability Resources (FHIR). Security is managed with Spring Security Framework. Development is based on a rapid development platform called GRAILS.



With modular design, we can add functionality and capacity quickly and cost effectively. Currently we have several pre-developed modules. Our portal consists of a combination of these functional libraries. In doing so, we are able to add HL7 mapping capabilities, messaging capabilities, FHIR access and search capabilities as well as forum and forms creation capabilities that make the system a feature rich and easily customizable/scalable platform of different apps.

With our system, consumers can:

- Timely and securely aggregate health data from different health services providers, mobile health platforms (e.g. Apple and Google Health Kits) and 3rd party providers with open APIs.
- Track health statuses effectively, including weight, glucose level, and cholesterol level within an easy to use dashboard that provides simple monitoring trackers on specific clinical measures.
- Securely communicate with health service providers, sharing questions, concern or even relevant pictures or videos. .
- Store important documents, such as Advanced Directives, discharge summary or Education Materials, in Document repository.
- Review history of Changes over time.
- Transfer any or all health records to chosen health service providers.

Customized Portals

Mobile Apps (iOS or Android)

Plug-Ins to Existing Applications and Systems

**Provider Portal**

**Admin Portal**

**Patient Portal**

**Message Center**

- DIRECT Messaging
- Secure Messaging

**beeEngine**  
(HL7 v2.0 Mapping)

**CDA Tool**  
(CCDA/  
BlueButton Import)

**Ad Hoc Reporting / Mail Merging / Personal Alerts Generation**

**Alerts and Reminders**  
- Banner, Email, Text or In-App

**Forum**

**Calendar**

**Master Patient Indexing (MPI)**

**CORE PACKAGE** - Security Framework, FHIR Access, Organization Master, User Master

**FHIR Based Data Tier with FHIR Server and FHIR Client**



## Financial Estimate

Financial Estimate is based on following assumptions:





























- Monthly Provider Subscription Fee of \$75 Per Month
- Annual Provider Subscription Fee of \$825 Per Year
- Interface Development Fees average about \$5000 per Interface, sponsored by Hospital, Lab or Imaging Facilities, for the providers.
- Advertisements will initially be placed on patient portal, but will be removed when our income reaches fiscal balance.
- Consulting services are projects, such as our current engagements with certain National Physician Organizations, universities, and non-profit foundations on various researches, studies, and mobile apps development/maintenance and website maintenance.
- License and Maintenance are for license fees and annual maintenance to host their own instance of 1MEDiX for their providers. We currently have 2 licensed instances in production.
- Administrative Services will provide Sales Support until Month 7 of go-live.
- Business Savvy Solutions, Inc., the incubator, will continue provide rent, internet, utilities, and facility maintenance until January, 2018.
- Business Savvy Solutions, Inc., the incubator, will provide tier 1 customer services support free of charge until July, 2017.
- Credit Card Processing Fee of 5% for membership subscriptions.
- The revenue does not include a new joint venture starting January 1, 2017, in which we will get \$4 per patient per month from a new software venture that will supply data, with patient consent, to case managers, caretakers, and home care agencies.



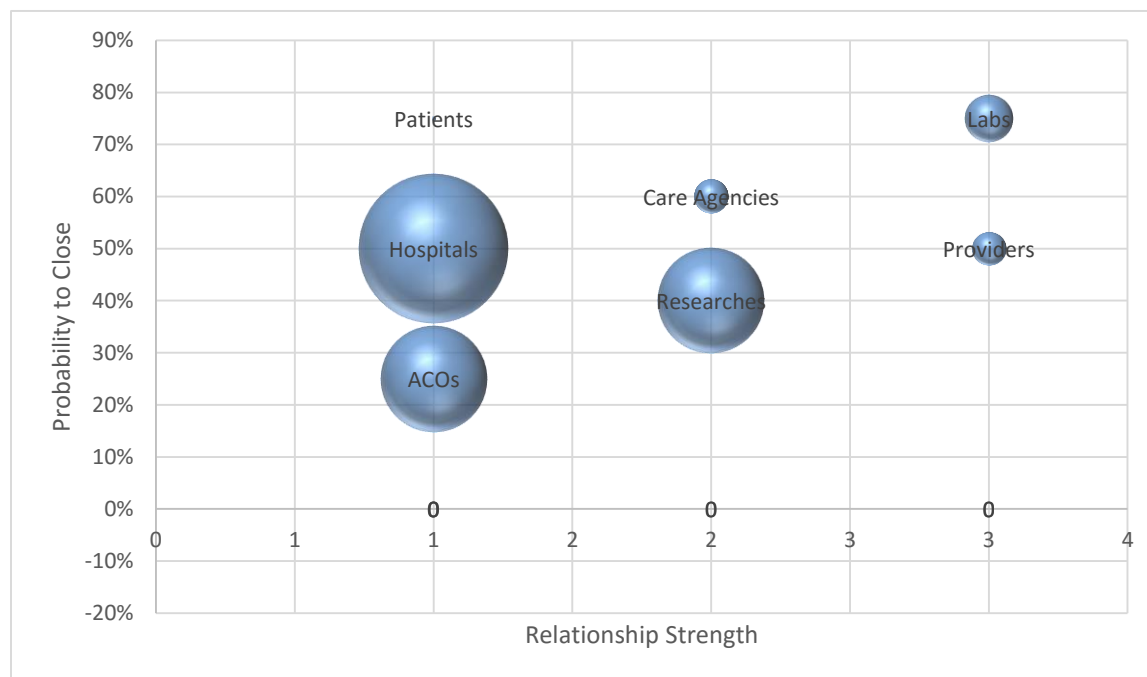
Twelve Month

## PROFIT & LOSS PROJECTION

FISCAL YEAR BEGINS: JAN 2017

		JAN-17	FEB-17	MAR-17	APR-17	MAY-17	JUN-17	JUL-17	AUG-17	SEP-17	OCT-17	NOV-17	DEC-17	YEARLY
REVENUES (SALES)		TREND												
Monthly Subscription		\$ 375	\$ 750	\$ 1,125	\$ 1,500	\$ 1,875	\$ 2,250	\$ 3,000	\$ 3,750	\$ 4,500	\$ 6,000	\$ 8,250	\$ 9,000	\$ 42,375
Annual Subscription		\$ 825	\$ 825	\$ 825	\$ 1,650	\$ 1,650	\$ 1,650	\$ 2,475	\$ 2,475	\$ 2,475	\$ 4,125	\$ 8,250	\$ 4,125	\$ 31,350
Interface Development				\$ 5,000	\$ 5,000	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ -	\$ 90,000
Advertising Income		\$ 60	\$ 79	\$ 98	\$ 158	\$ 176	\$ 195	\$ 274	\$ 311	\$ 349	\$ 506	\$ 825	\$ 656	\$ 3,686
Consulting Services				\$ 24,000				\$ 24,000				\$ 24,000		\$ 72,000
License and Maint.		\$ 10,000					\$ 35,000			\$ 35,000			\$ 35,000	\$ 115,000
TOTAL SALES		\$ 11,260	\$ 1,654	\$ 31,048	\$ 8,308	\$ 8,701	\$ 49,095	\$ 39,749	\$ 16,536	\$ 57,324	\$ 25,631	\$ 56,325	\$ 48,781	\$ 354,411
COST OF SALES		TREND												
Developers/QA		\$ 6,750	\$ 6,750	\$ 6,750	\$ 6,750	\$ 6,750	\$ 6,750	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 103,500
Customer Services		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 21,000
Consultants		\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 45,000
Hosting Services		\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 2,400
Credit Card Processing		\$ 60	\$ 79	\$ 98	\$ 158	\$ 176	\$ 195	\$ 274	\$ 311	\$ 349	\$ 506	\$ 825	\$ 656	\$ 3,686
3rd Party Licenses		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
TOTAL COST OF SALES		\$ 7,110	\$ 7,129	\$ 7,148	\$ 12,208	\$ 12,226	\$ 12,245	\$ 19,574	\$ 19,611	\$ 19,649	\$ 19,806	\$ 20,125	\$ 19,956	\$ 176,786
Gross Profit		\$ 4,150	\$ (5,475)	\$ 23,900	\$ (3,900)	\$ (3,525)	\$ 36,850	\$ 20,175	\$ (3,075)	\$ 37,675	\$ 5,825	\$ 36,200	\$ 28,825	\$ 177,625
EXPENSES		TREND												
Administrative Services		\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 60,000
Salary and Commission		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 8,000	\$ 5,000	\$ 7,400	\$ 35,400
Payroll expenses		\$ 2,350	\$ 2,350	\$ 2,350	\$ 3,350	\$ 3,350	\$ 3,350	\$ 4,800	\$ 4,800	\$ 4,800	\$ 5,400	\$ 4,800	\$ 5,280	\$ 46,980
Office Supplies		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
Advertising and Marketing		\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 4,500
Travel Expenses		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ 3,000
Accounting and legal		\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Rent		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
Taxes (real estate, etc.)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Meals and Entertainment		\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 1,200
Dues and Subscriptions		\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000
TOTAL EXPENSES		\$ 13,900	\$ 7,900	\$ 7,900	\$ 8,900	\$ 8,900	\$ 8,900	\$ 15,600	\$ 15,600	\$ 15,600	\$ 19,200	\$ 15,600	\$ 21,480	\$ 159,480
Net Profit		\$ (9,750)	\$ (13,375)	\$ 16,000	\$ (12,800)	\$ (12,425)	\$ 27,950	\$ 4,575	\$ (18,675)	\$ 22,075	\$ (13,375)	\$ 20,600	\$ 7,345	\$ 18,145

## Engagement Plan



## Action Plan

Based on our extensive network of strong relationships with a variety of industry insiders, our Engagement Plan centers around the following: to inform, to inquire, and to close.

Inform	Inquire	Close
ACOs Hospitals Patients	Research Grants / Projects Care Agency	Labs Providers

### Inform:

For candidates that we aim to inform, we plan to:

- Host events and sponsorships, leveraging our relationships at local health communities such as Redwood Mednet and various local Senior Centers.
- Seek out to work with Influencers, such as the Innovative Labs network at various hospitals, some of which are already engaged in conversations with our company.
- Leverage existing relationship in organizations to get to direct stakeholders, such as data services managers, interoperability managers and provider relationship managers.
- Google Ad Words Purchases and possibly print advertisements within relevant industrial magazines, such as Health IT News.





## Inquire

For candidates to whom we aim to propose, we plan to:

- Continue working with existing proposals, closing as many as possible.
- Publish Case Studies and White Papers.
- Engage local universities with similar type of research projects.
- Engage local care agencies with industrial influencers, who are already on our advisory board.
- Continue to fine tune and improve our offering based on market feedback

## Close

For candidates that we aim to close, we plan:

- Continue to work with the existing proposals and try to close as many as possible.
- Extend existing relationships, mostly with interface projects, data aggregation offerings and FHIR based analytic capabilities.
- Seek out direct referrals from providers of their colleagues and other resources that may benefit from our tools.