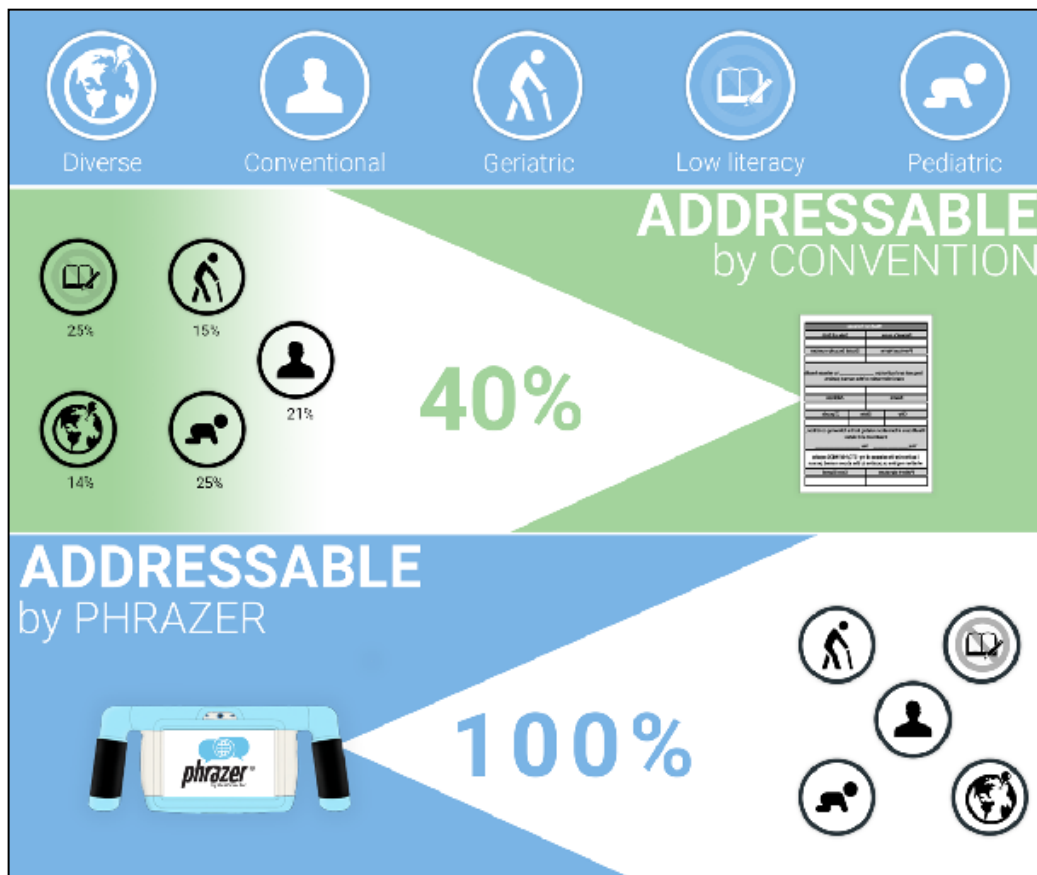


CITE System Benefits

Introduction:

Phrazer is based on Communication and Information Theory Empowered (CITE) methods that have proven to be the first effective strategy to harmonize patient and system performance across all demographics. The opportunity yield for efficiency, efficacy and performance benefits at low cost is nearly unlimited.



The ability to engage and provide equal service to patients from all ages, languages, literacies and cultures offers powerful benefits. Phrazer as a capable platform that harmonizes resources and tasks has a tremendous capacity for reducing the cost of business.

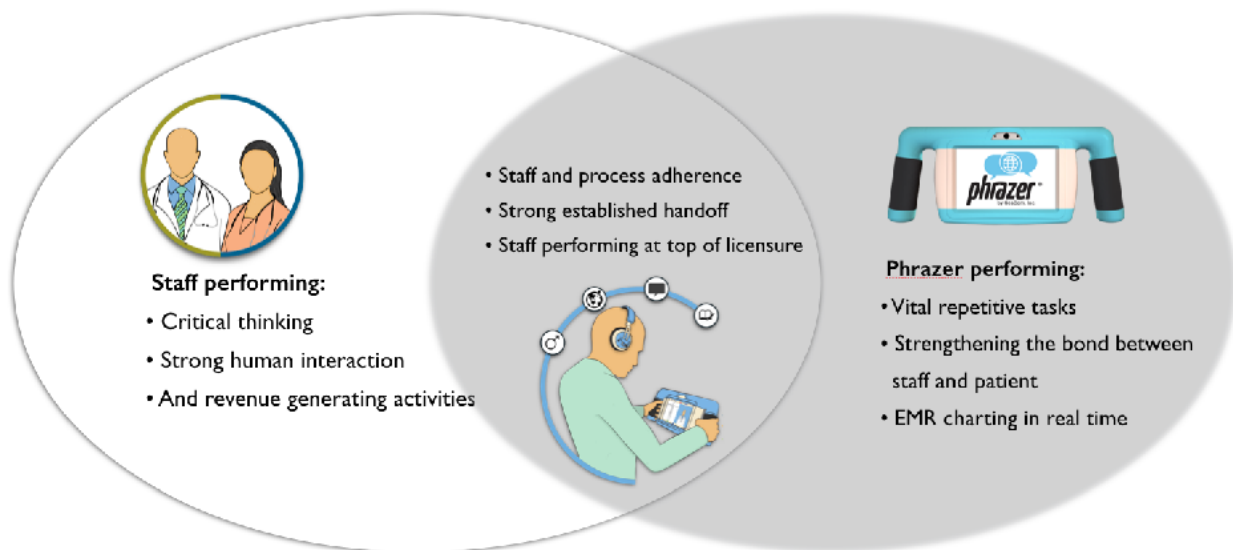
Helping staff to work at top of licensure with reliable interactions and realtime guides opens a new, broad freeway of innovation and adherence. The staff and resource benefits can ultimately free frozen opportunities in care to provide new and more effective solutions.

Phrazer Platform Benefits

Phrazer as a platform offers special capabilities such as multithreaded communication and coordination pathways that provide realtime relevant communications between patient, staff and resources. The fully vetted, qualified and proven platform provides the following special benefits:

- Medical Grade
- Regulatory Civil Rights Coverage
- CITE-Methodologies
- Reduction of Translation Errors and Service Needs
- Reduction of Charting Time
- Reduction of Point Solutions
- Reduction of Costs for Staff Education
- Process Adherence
- Continuity and Quality of Care
- Meets Infectious Disease Control Standards
- New Reimbursement Pathways

Phrazer has been employed and proven effective within many healthcare systems and departments including the Emergency Department of Mayo Clinic Health System in Austin.



Phrazer Financial Benefits

The following calculations serve to illustrate the financial benefits associated with a Phrazer implementation. Patient encounters are based on Mayo Clinic Austin's annual statistics and combined with ED specific averages. Additional values provided by MCHS can be used to further define the business case.

Relative Service Costs:

In every use case Phrazer is effectively employed to perform in concert with staff and the medical record. Phrazer performs vital repetitive tasks while allowing staff to focus more on manual interactions. The overall result is enhanced continuity and quality of care while simultaneously reducing costs. Below are a few examples of current use cases at Mayo Clinic Health System Austin. Calculations are considered in English only with one staff member and without EMR integration.

Use Case	Provider	Traditional Method (Provider Alone)			New Method (Provider with Phrazer)				Difference (per Patient)	%	Target Pop	Hours Saved	Annual Cost Difference
		Provider Rate (Hourly)*	Provider Time (Hrs)	Total Cost/Engagement	Phrazer Rate (Hourly)	Phrazer Time (Hrs)	Provider Time (Hrs)	Total Cost/Engagement					
ED - Patient Experience	Reg	\$30.00	0.10	\$3.00	\$1.00	0.10	0.00	\$0.10	\$2.90	90%	21,600	2,160.00	\$62,640.00
Chief Complaint	MD	\$250.00	0.15	\$37.50	\$1.00	0.15	0.07	\$17.65	\$19.85	70%	19,200	1,536.00	\$381,120.00
Triage	RN	\$60.00	0.09	\$5.40	\$1.00	0.09	0.03	\$1.89	\$3.51	70%	16,800	1,008.00	\$58,968.00
Crutches Education	RN	\$60.00	0.25	\$15.00	\$1.00	0.25	0.08	\$5.05	\$9.95	20%	4,800	316.00	\$47,760.00
Discharge Education	RN	\$60.00	0.25	\$15.00	\$1.00	0.25	0.08	\$5.05	\$9.95	70%	10,800	2,856.00	\$167,160.00
Informed Consent	MD	\$250.00	0.25	\$62.50	\$1.00	0.25	0.08	\$20.25	\$42.25	50%	12,000	2,040.00	\$507,000.00
Medication Reconciliation	RN	\$60.00	0.35	\$21.00	\$1.00	0.35	0.08	\$5.15	\$15.85	70%	16,800	4,536.00	\$266,280.00

Total: 14,952.00 \$1,490,928.00

There are additional financial and harmonization benefits when engaging LEP patients with Phrazer. The following calculation shows five examples and the associated annual cost saving opportunities.

		Chief Complaint								
		English				Non-English				
		w/o Phrazer		With Phrazer		w/o Phrazer		With Phrazer		
Resource	Rate	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost	
RN	\$60.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	
MD	\$250.00	0.15	\$37.50	0.07	\$17.50	0.15	\$37.50	0.07	\$17.50	
Scribe	\$20.00	0.15	\$3.00	0.07	\$1.40	0.15	\$3.00	0.07	\$1.40	
Interpreter	\$85.00	0.00	\$0.00	0.00	\$0.00	0.15	\$12.75	0.07	\$5.95	
Phrazer	\$1.00	0.00	\$0.00	0.25	\$0.25	0.00	\$0.00	0.25	\$0.25	
Cost per Encounter			\$40.50		\$19.15		\$53.25		\$25.10	
Cost per Year		11,760	\$476,280.00		5,040		\$268,380.00		\$126,504.00	
Cost Difference			\$251,076.00				\$141,876.00			
Cost Savings			\$392,952.00							

Phrazer Financial Benefits

		Medication Reconciliation							
		English				Non-English			
		w/o Phrazer		With Phrazer		w/o Phrazer		With Phrazer	
Resource	Rate	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost
RN	\$60.00	0.35	\$21.00	0.08	\$4.80	0.35	\$21.00	0.08	\$4.80
MD	\$250.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
Scribe	\$20.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
Interpreter	\$85.00	0.00	\$0.00	0.00	\$0.00	0.35	\$29.75	0.08	\$6.80
Phrazer	\$1.00	0.00	\$0.00	0.35	\$0.35	0.00	\$0.00	0.35	\$0.35
Cost per Encounter		\$21.00		\$5.15		\$50.75		\$11.95	
Cost per Year		11,760	\$246,960.00	\$60,564.00		6,480	\$328,860.00	\$77,436.00	
Cost Difference		\$186,396.00				\$251,424.00			
Cost Savings		\$437,820.00							

		Discharge Education							
		English				Non-English			
		w/o Phrazer		With Phrazer		w/o Phrazer		With Phrazer	
Resource	Rate	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost
RN	\$60.00	0.25	\$15.00	0.08	\$4.80	0.25	\$15.00	0.08	\$4.80
MD	\$250.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
Scribe	\$20.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
Interpreter	\$85.00	0.00	\$0.00	0.00	\$0.00	0.25	\$21.25	0.08	\$6.80
Phrazer	\$1.00	0.00	\$0.00	0.25	\$0.25	0.00	\$0.00	0.25	\$0.25
Cost per Encounter		\$15.00		\$5.05		\$36.25		\$11.85	
Cost per Year		11,760	\$176,400.00	\$59,388.00		5,040	\$182,700.00	\$59,724.00	
Cost Difference		\$117,012.00				\$122,976.00			
Cost Savings		\$239,988.00							

		Informed Consent							
		English				Non-English			
		w/o Phrazer		With Phrazer		w/o Phrazer		With Phrazer	
Resource	Rate	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost
RN	\$60.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
MD	\$250.00	0.25	\$62.50	0.08	\$20.00	0.25	\$62.50	0.08	\$20.00
Scribe	\$20.00	0.25	\$5.00	0.08	\$1.60	0.25	\$5.00	0.08	\$1.60
Interpreter	\$85.00	0.00	\$0.00	0.00	\$0.00	0.25	\$21.25	0.08	\$6.80
Phrazer	\$1.00	0.00	\$0.00	0.25	\$0.25	0.00	\$0.00	0.25	\$0.25
Cost per Encounter		\$67.50		\$21.85		\$88.75		\$28.65	
Cost per Year		8,400	\$567,000.00	\$183,540.00		3,600	\$319,500.00	\$103,140.00	
Cost Difference		\$383,460.00				\$216,360.00			
Cost Savings		\$599,820.00							

		Triage							
		English				Non-English			
		w/o Phrazer		With Phrazer		w/o Phrazer		With Phrazer	
Resource	Rate	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost	Qty (Hrs)	Cost
RN	\$60.00	0.09	\$5.40	0.03	\$1.80	0.15	\$9.00	0.03	\$1.80
MD	\$250.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
Scribe	\$20.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
Interpreter	\$85.00	0.00	\$0.00	0.00	\$0.00	0.10	\$8.50	0.00	\$0.00
Phrazer	\$1.00	0.00	\$0.00	0.09	\$0.09	0.00	\$0.00	0.09	\$0.09
Cost per Encounter		\$5.40		\$1.89		\$17.50		\$1.89	
Cost per Year		11,760	\$63,504.00	\$22,226.40		5,040	\$88,200.00	\$9,525.60	
Cost Difference		\$41,277.60				\$78,674.40			
Cost Savings		\$119,952.00							

Total Cost Savings: \$1,790,532.00

Phrazer Financial Benefits

Increased Revenue Opportunities:

Phrazer effectively operationalizes and consistently applies reimbursable protocols across all demographics without interruption to patient flow and staff performance.

Description	Rate	Base Qty	Target %	Adj Qty	UM	Total	CPTCode**	Relative Value Units (RVU)
Smoking Cessation (3-10 min)	\$12.55	24,000	8%	1,920	ED Visit	\$24,086.50	99406	0.35
Smoking Cessation (>10 min)	\$26.17	24,000	8%	1,920	ED Visit	\$50,237.55	99407	0.73
Alcohol and/or substance abuse structured screening and brief intervention services (15-30 min)	\$33.69	24,000	20%	4,800	ED Visit	\$161,723.62	99408	0.94
Alcohol and/or substance abuse structured screening and brief intervention services (>30 min)	\$67.38	24,000	20%	4,800	ED Visit	\$323,447.23	99409	1.88
Annual Depression Screener	\$17.36	24,000	50%	12,000	ED Visit	\$208,320.00	G0444	

Total Revenue: \$767,814.89

*The Medicare payment is determined by multiplying the RVUs by the Conversion Factor. At this writing, the CF for 2016 is \$35.843.

Example CPT Codes 99281-99285: ED visit for the evaluation and management of a patient requires the following key components: history, examination, medical decision making, and counseling/coordination of care. Phrazer accurately gathers the information (comprehensive History - History of Present Illness, Past, Family, and Social History, and Chief Complaint) and documents it in the EMR with a timestamp to meet the requirements for reimbursement. Phrazer provides additional benefits related to counseling/coordination of care activities by offering patient and family education.

Description	Rate	Requirements	CPT Code	Relative Value Units (RVU)
Level I ED Exam	\$21.51		99281	0.6
Level II ED Exam	\$41.94		99282	1.17
Level III ED Exam	\$62.73	1 out of 3 elements required (Family/Social/Past Medical History)	99283	1.75
Level IV ED Exam	\$119.00	2 out of 3 elements required (Family/Social/Past Medical History)	99284	3.32
Level V ED Exam	\$175.63		99285	4.9

Phrazer Financial Benefits

Relative Revenue:

Phrazer is an established solution for operationalizing reimbursable protocols. Phrazer benefits include significantly increased compliance rate and patient coverage as well as reduction of downcoding. Though conventional methods have the same revenue opportunity they lack the ability to operationalize the effort. Further if conventional application could operationalize the service it would result in a net negative outcome due to cost of application.

Smoking Cessation					
w/o Phrazer			With Phrazer		
Qty 90%	Av Rate	Rev	Qty 90%	Av Rate	Rev
3,256	\$19.36	\$63,036.16	3,256	\$19.36	\$63,036.16
Alcohol/Substance Abuse					
w/o Phrazer			With Phrazer		
Qty 90%	Av Rate	Rev	Qty 90%	Av Rate	Rev
8,640	\$50.53	\$436,579.20	8,640	\$50.53	\$436,579.20
Depression Screener					
w/o Phrazer			With Phrazer		
Qty 90%	Av Rate	Rev	Qty 90%	Av Rate	Rev
10,800	\$17.36	\$187,488.00	10,800	\$17.36	\$187,488.00

Net Positive Revenue:

Reimbursement protocols provided via Phrazer result in significant net positive revenue instead of a net loss via traditional methods.

	Smoking Cessation		Alcohol/Substance Abuse		Depression Screener	
	w/o Phrazer	w/ Phrazer	w/o Phrazer	w/ Phrazer	w/o Phrazer	w/ Phrazer
Adj. Revenue	\$63,036.16	\$63,036.16	\$436,579.20	\$436,579.20	\$187,488.00	\$187,488.00
Adj. Cost	\$240,000.00	\$20,160.00	\$600,000.00	\$50,400.00	\$750,000.00	\$63,000.00
Net Revenue	-\$176,963.84	\$42,876.16	-\$163,420.80	\$386,179.20	-\$562,512.00	\$124,488.00