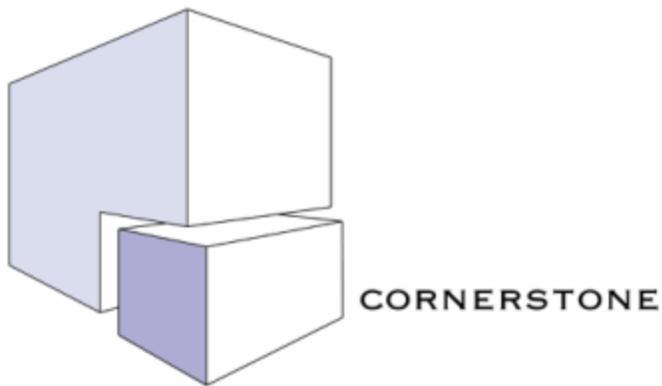


# EXECUTIVE SUMMARY

## AN IGNITER BUSINESS PLAN: EMERGENCY MEDICAL CONCIERGE



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## EMERGENCY MEDICAL CONCIERGE (EMC™) SERVICE

### Summary:

**The Emergency Medical Concierge (EMC™) is a branded emergency medical service business that provides High Net-Worth Individuals immediate physician access for their urgent medical needs, 24/7/365.** For immediate emergency care, EMC™ will arrange the best, most appropriate direct care through a network of medical partners in emergency medicine anywhere in the US and internationally. A small full time staff supported by a group of contracted on-call emergency care physicians and other specialists will provide service if close enough or, more likely, advise patients of the nearest available best alternative quality service for immediate care. Individual memberships, and institutional or corporate subscriptions are expected to generate \$1.5M in revenues in the first year growing to \$20M by the fifth full year of operation.

### Market Target & Need

**The High Net-Worth Individual (HNWI) is the primary target patient market segment – with the potential to need an emergency room visit approximately 45 times each day in the US for the HNWI population segment.** There are approximately 50,000 individuals in this market segment (individuals with >\$30M in investable assets) Secondary market targets would include corporations who wish to protect their executives and the venues frequented by the HNWIs. The people in this segment (like all market segments) are subject to at least one emergency situation in their lives as a result of accident, physical condition or concern. Accidents may account for about 2 visits per day for this population segment, and the HNWI population (age over 70, medical conditions...) may account for over 40 visits per day.

This market segment is driven by five major concerns:

- 1. Quality of care**
- 2. Personal Safety**
- 3. Security of personal Information**
- 4. Access to the best, most appropriate care**
- 5. Individualized Service (24/7/365) for consistency of care**

Changes in the health care system in conjunction with expected demographic trends are expected to drive the growth of the emergency concierge market. The increases in the numbers of insured are expected to result in more emergency visits clogging an already overtaxed system that is cannot grow fast enough to meet the demand. In addition, the aging population will continue to generate increasing pressure on emergency services. These factors will continue to increase in the potential for mistakes, inappropriate or hurried medical decision-making, reductions in available individualized care and longer waiting times. These factors are expected to drive the demand for more personal care that is “instantly” available to guide these patients to the best possible outcome.

### Market Opportunity Value - \$150M (Estimated) for EMC™

Market values for concierge care range from institutional membership models at \$700 per year to individual concierge practices that charge members up to \$30,000 a year. We estimate the value of the emergency concierge market to be between \$40M and \$300M. From the limited amount of data available, as this is a relatively new market, we are estimating that \$6,000/year represents the high end for US emergency concierge medical service.

### Competition

Four types of competitors are currently found in this market:

- **Institutions** – Providers such as the Mayo Clinic, Cleveland Clinic
- **Concierge Practices** – available 24/7 with some of them also serving spa and vacation venues
- **Medical Companions** – Primarily targeting travel for HNWI, politicians and others
- **Specialized services** – providers such as medical air transport, private ambulances...

Although most of the focus of these competitors is on non-US travel, both the institutional and private practice competitors will provide US-based services if they are called. There is also one private practice concierge group that services venues frequented by HNWIs along the East Coast of the US, so there is an understanding that there is a need for this type of US-based service.

### Key Factors for Success

There are five key factors for success in this market. EMC™ as envisioned in this plan, will have distinct advantage over all competitors.

COMPETITOR	KEY SUCCESS FACTORS				
	RESPONSE SPEED	ACCESS TO BEST CARE	INDIVIDUAL SERVICE	US FOCUS	COST
EMC™	+++	+++	+++	+++	+
MAYO	++	++	+++	+	+++
CONCIERGE MD	+	+	+++	++	+
HOSPITAL ER	-	-	-	+++	+

The clear differentiating aspect of this service will be the ability to instantly respond to assist in key decision-making specifically and by providing access to the best possible care immediately available – in whatever institution that care may reside. Immediate medical needs will be administered as suggested by EMC™ at the best available closest institution, but arrangements for the best possible care for the aftermath of the emergency or even for the treatment of urgent care will be managed by EMC™. Cost is the one area where Mayo Clinic, for example, has an advantage. Then again, the Mayo's business interest is to refer the patient to a Mayo affiliated institution.

**Business Definition – ER in your pocket.**

EMC™ provides 24/7/365 emergency medical advice, and care arrangement for the best for the best possible medical care in the US for any medical emergency of a member patient.

Patients will become members of EMC™ for an estimated \$3000 per year. Institutions may also subscribe to EMC in order to cover their needs at their place of business or for their executives at \$1000 per month.

**Business Model: Owner-Operator**

The business is to be driven by an “owner-operator” model where participating physicians, the specialists on call, will function as the emergency medical concierge physicians. This keeps costs to a minimum as building equity becomes the objective of participation.

**Business Objective:** To become the leading provider of Concierge Emergency Medical service sector in the US – by direct marketing to gain a 20% share of HNWIs.

**Financial Summary**

	<b>Yr. 1: Start-up</b>	<b>Yr. 5: Target</b>
<b>Revenues:</b>	<b>\$0.8M</b>	<b>\$27.3M</b>
Membership	\$0.75M <sup>1</sup>	\$22.5M <sup>2</sup>
Subscriptions	\$0.04M <sup>3</sup>	\$ 4.8 M <sup>4</sup>
<b>Costs:</b>	<b>\$2.2M</b>	<b>\$9.5M</b>
Operating	\$0.8 <sup>5</sup> M	\$2.5M
Medical	\$0.5 <sup>6</sup> M	\$3.0M
Marketing	\$0.2 <sup>7</sup> M	\$1.5M
Administration	\$0.5 <sup>8</sup> M	\$2.5M
<b>Operating Income</b>	<b>(\$1.4M)</b>	<b>\$17.8M</b>

<sup>1</sup> 250 individuals at \$3,000 per year

<sup>2</sup> 20% of a 50,000 person market at \$3,000 per year.

<sup>3</sup> 4 institutions at \$1K per month.

<sup>4</sup> 400 subscriptions at \$12K per year.

<sup>5</sup> 6FTE at \$130K

<sup>6</sup> 6 Specialty Coverage one call per day cost

<sup>7</sup> One FTE

<sup>8</sup> Legal, Insurance, technical, website...

## Key Issues and Concerns

**Membership:** Having a critical mass of patients is the key strategy. To do this effectively, at a minimum, a full time marketing person with responsibility for direct marketing to HNWI is envisioned to be necessary.

**Market Access** – How access to the HNWI market will be managed is critical. A number of access points need to be considered including direct marketing, access through concierge physicians, through wealth management companies and potentially through alliances with services such as American Express.

**Competition** – Once established, and viewed as successful, competitors will be invited in to this market. The logical new entrants would be insurance companies looking to increase revenue from this market segment and position themselves as the insurer of choice. EMC must work to position itself as the high value patient advocate and position insurers, and others as advocates for low cost not high value.

**Costs** – Maintaining this business with high gross margins will require a disciplined business management team. Renting as opposed to buying – meaning managing the funds through a bank or financial management company is an effective method. In addition, the call center can be virtual rather than a fixed location, although this will require more investment in technology.

**Physician Coverage** – The model describes an owner-operator model that will also feature back-up coverage physicians who are all active in practice.

## Implementation Plan Summary

### Quarter 1: Develop Funding, Build Infrastructure, Administration, Teams, Policies and Process

#### Funding

- Obtain necessary funding
- Name business Advisory Board
- Identify Group of founding physicians and other equity participants

#### Business Infrastructure - by end of 1Q:

- Name an interim business team
- Name a core team of phone support, technical advisor and physicians will begin developing the necessary protocols.
- Legal and regulatory support will be named
- Insurance Contracts developed
- Policy manuals drafted
- Marketing Plan drafted to include plans for building awareness, access and to test membership and delivery models.
- Pricing will be finalized for memberships and subscriptions
- Website construction
- Alliances developed with key institutions (financial...)

Medical Infrastructure:

- Physicians in a minimum of five US regions will be named to the leadership team
- Identification and development of the necessary networks
- Alliances developed with key physicians and institutions

**Quarter 2: Testing the system, Begin Marketing, Build Additional Key Alliances**

- Market test
- Launch website
- Build critical mass of members
- Begin offering secondary market target subscriptions

**Quarter 3: Launch Quarter**

**Business Team:****David Helfet, MD, Founder**

Dr. David L. Helfet, ranked as one of New York Magazine's "Best Doctors in New York" and Castle-Connolly's "America's Top Doctors" is one of the two founders of EMC™. He is well known trauma specialist. Dr. Helfet is currently Professor of Orthopaedic Surgery at Weill Cornell Medical College, Director of the Orthopaedic Trauma Service at both Hospital for Special Surgery and New York-Presbyterian Hospital and is the Orthopedic Trauma specialist for the Fire Department of New York (FDNY), the New York Police Department (NYPD), and New York State Police.

Dr. Helfet has published extensively on orthopedic trauma including numerous articles and book chapters. He frequently presents at both national and international conferences on treatment of orthopaedic trauma. He has received such visiting lectureships as the Presidential Guest and Watson-Jones Memorial Lecture of the British Orthopaedic Association, and has been the recipient of many honors and awards including the Philip D. Wilson Jr. Teaching Award.

**Bruce Moskowitz, MD, Founder**

Dr. Moskowitz, the second founder of EMC™ has been in general private practice in South Florida since 1978, treating a diverse community. He is experienced in developing community service projects such as more effective healthcare delivery to migrant farm workers, developing comprehensive women's healthcare programs and building strong interconnected country-wide communities of physicians and medical centers for more effective care of patients, across the country. Dr. Moskowitz has also built connections for philanthropic foundations with radiological and oncological research. His recent efforts have focused on building a cancer nutrition consortium of 15 academic Medical Centers.

Dr. Moskowitz currently serves as the Chairman of the Board of Biomedical Research and Education. He has held many leadership positions such as Chief of Internal Medicine at St. Mary's Medical Center where he also served on the Executive Committee and has been named the recipient of awards for superior patient care.

**Aaron Moskowitz, MSBME, Interim Chief Operating Officer**

Aaron Moskowitz, is the founder of Igniter, a new business development company specializing in new medical practice business models. EMC™ is the first business Igniter has accepted for development. Igniter is a spin-off of the Biomedical Research and Education Foundation (BREF) a 501(c)3 where Mr. Moskowitz is the Executive Director. BREF is an education foundation dedicated to improving patient care at the physicians-patient interface.

Aaron received his undergraduate degree in Biomedical Engineering at the University of Rochester and his Masters at Duke University in 2001. He began researching and comparing the advantages of competing medical devices while finishing his graduate studies. These reviews helped establish the format for the Biomedical Review Letter that was published by BREF beginning in 2004 and later lead BREF to the development of a patient implant registry starting in 2006. Mr. Moskowitz was appointed Executive Director to lead this effort. In addition to BREF, Aaron has also created medical websites such as "medicaldeviceregistry.org", a tool for individuals looking for more information about medical

devices, allowing them to register the devices and track them online. He developed the online resource "myclinicaltriallocator.com", a tool for receiving updates on clinical trials and finding trials by geographic location as well as the location based iPhone app known as the Emergency Medical Center Locator (EMCL), a free resource to find near-by specialized emergency medical care.