

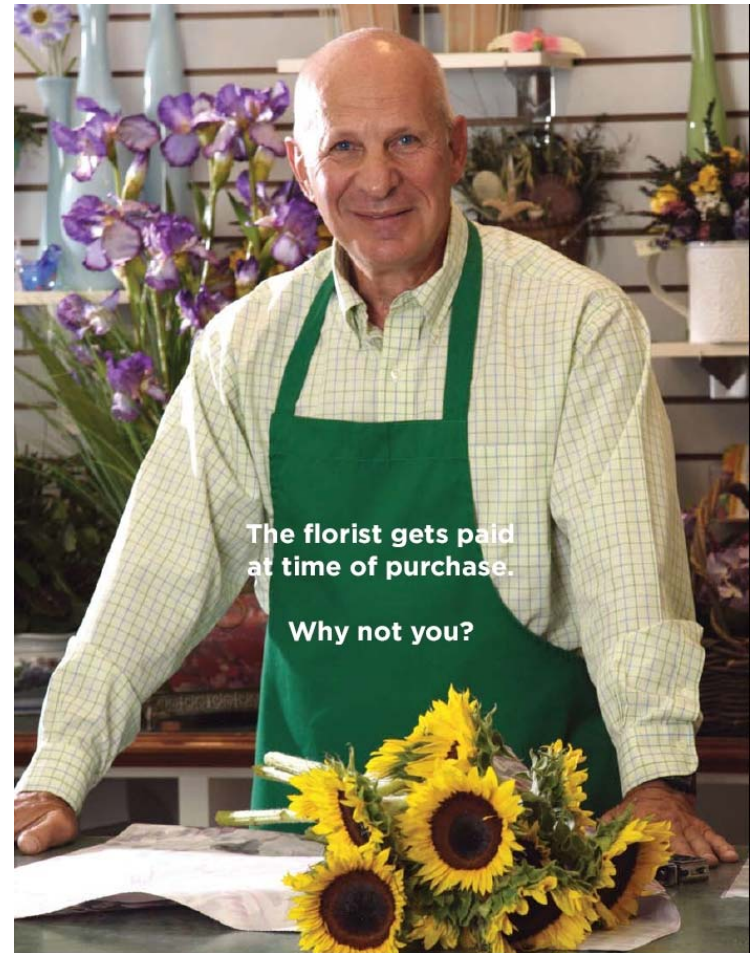
mPay GATEWAY

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} all patients . all payments . all payers

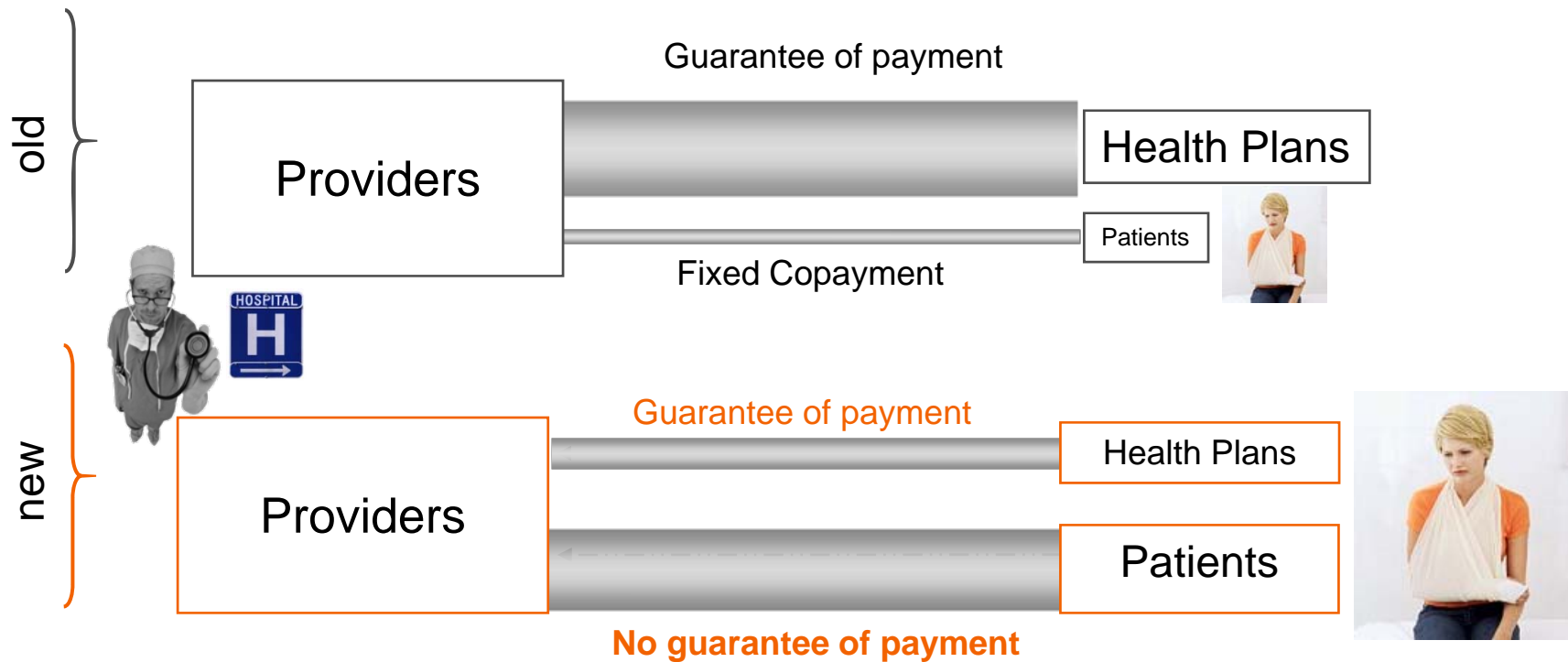
mPay Gateway

We deliver hosted software that supports a business process for collecting patient payment obligations when the patient is in the office.



HMO/PPO vs. CDH

Consumer health care payments are over \$250 Billion annually, expected to grow to \$420 Billion in a few years



The Impact of CDH

Current World

When 20% of patients have CDH plans

Clinic Revenue	\$500,000	Clinic Revenue	\$500,000
Revenue collected from consumers (15% of revenue)	\$75,000	Revenue collected from consumers (100% of CDH and 15% of remainder)	\$160,000
Revenue collected at time of service (fixed dollar co-pays)	\$37,500	Revenue collected at time of service (estimated at 50% of non-CDH consumer revenue)	\$30,000
Amount to be collected after visit	\$37,500	Amount to be collected after visit	\$130,000

49.2% of the amount to be collected after a visit is written off as bad debt*

Bad Debt Expense**	\$18,450	Estimated Bad Debt Expense ***	\$63,960
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*Medical Group Management Association 2004 data; McKinsey & Company July 2007

** Consistent with MGMA data showing 3.69% average bad debt expense

*** Based on 49.2% of amount to be collected after visit

Without mPay Gateway

- Patient receives services and leaves not knowing what they owe
- 30-60 days later – Health Plan tells the provider what to charge the patient
- Only then can the provider send a bill to the patient
 - And another, and another . . .
- **Cost:**
 - 50% of post-visit consumer obligation is written off as bad debt
 - Outsourcers charge 6+% of transaction (plus print and mail charges)
 - Staffing to create and track bills
 - Average of three statements/bills sent per visit



What is needed

- **A way to collect from the patient while still in the office.**
- **How to enable that**
 - **Visibility to final payment obligation**
 - **Single process and system that supports all patient transactions**
 - **Consumer friendly checkout experience**
 - **Simple to use with** any practice management system

mPay Gateway Approach

- **mPay uniquely (patent pending) combines**
 - Point of service estimator for patient liability
 - Delayed settlement transaction
 - In a PCI-certified environment
- **mPay merchant terminal for collections at POS**
 - Fixed dollar Co-pays
 - Third party determined post-visit obligations
- **Consumer engagement in the process**
 - Encourage simple transaction to be treated like retail transactions
 - Receive services, see itemized receipt, pay for services

In the same way a hotel authorizes a card at check-in and collects payment at checkout -- mPay Gateway simplifies the process for health care providers!

How mPay Gateway Works

- **Step 1: Create an Estimate**
 - Use the mPay Gateway All-payer Estimator to determine estimated patient responsibility.
 - Patient name
 - Health plan
 - Additional info (if available)
- **Step 2: Authorize Payment**
 - Show the patient what services you performed and what the patient's cost is expected to be. **Swipe the patient's payment card.** The patient signs the receipt, validating their commitment to pay, and is on their way.
- **Step 3: Collect**
 - When you receive the remittance advice from the patient's payer, use the mPay software to settle the exact amount the patient owes. The money is sent right to your bank account.

With mPay Gateway

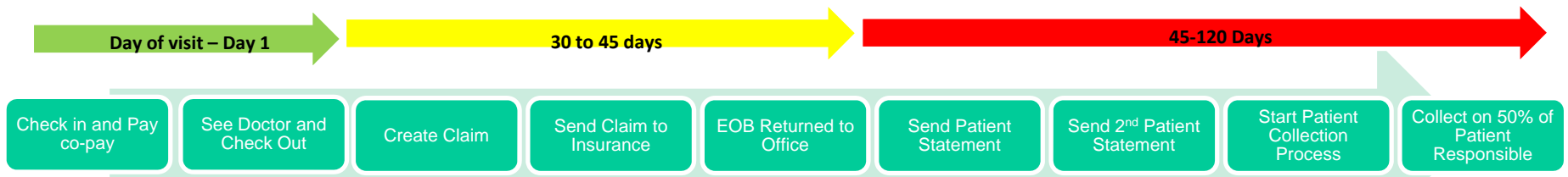
- **When patient visits**
 - Tell patient approximately what they will owe
 - Obtain card authorization – guarantee of payment
 - Patient gets itemized receipt and is done
- **30-60 days later – push through the settlement for exact amount**

- **Benefits:**
 - Cash collected at time of adjudication
 - 30-60+ days faster
 - Eliminate bad debt risk
 - No statements
 - Simpler process



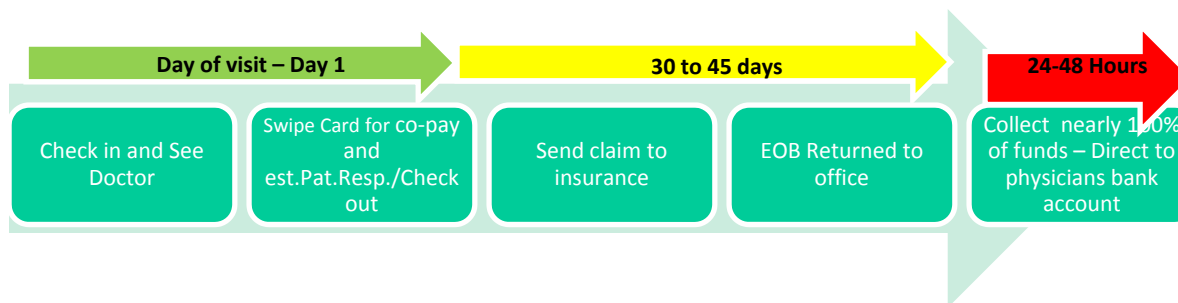
Improved Collection Process

Current Patient Responsible Collection Process



Patient Obligation Money in Bank = 75 to 165 days at a 50% Collection rate

mPay Gateway Patient Responsible Collection Process



Patient Obligation Money in Bank = 32 to 46 days at nearly 100% Collection rate

What does it cost?

- **Standard merchant fees**
 - Competitive with current rates – about 2.5%
 - \$.15 per swipe
 - Pass through interchange (approx 180 bp)
 - 70 bp on paid charges
 - \$30 Monthly fee

- **Additional fees for delayed transactions**
 - 400 bp on collected amounts
 - Less expensive than traditional outsource billing
 - Greater yields
 - More patient-friendly

Q&A

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708 North First Street
Minneapolis MN 55401
P. (866) 381-6662
mPaygateway.com

mPay Virtual Point of Sale (POS)

mPay™ GATEWAY
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Provider Setup Payment Management **Patient Encounter** User Profile Logout

Step 1 :
Identify Patient

Select healthplan the patient is a member of.

Healthplan
[All Healthplans] ▼

Please enter the patient search criteria and process 'Search'.

Last Name: First Name:

Patient ID: Patient Account ID:

Healthplan Member ID:

Searching for a Patient
Please provide information to locate the patient in the mPay Gateway system and press "Search for Patient".

New Patient
If you are unable to locate the patient click 'New Patient' to enter a new patient.

Scheduled Encounters. Timeframe: ▼ Show Completed

Scheduled Date	Last Name	First Name	Birth Date	Action
02/11 01:46pm	Beutner	Avery	10/02/04	<input type="button" value="Open"/>
02/11 01:52pm	Beutner	Brian	09/02/07	<input type="button" value="Open"/>
02/11 02:00pm	Beutner	Avery	10/02/04	<input type="button" value="Open"/>
02/14 01:34pm	Beutner	Brian	09/02/07	<input type="button" value="Open"/>
02/16 06:52am	Radlauer	Mark	01/01/70	<input type="button" value="Open"/>

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Confirm Patient Information

Step 1 :

Identify Patient

Please enter information about the patient.

Patient Demographic Information

First Name *
Last Name *
Gender
Birth Date (mm/dd/yyyy)
Patient ID

Healthplan

Healthplan Name *

Contract

Healthplan Coverage Information

Healthplan Member ID
Healthplan Group
Copay (09/11/2007)
Remaining Deductible (02/13/2008)
Pre-Deductible Coinsurance (09/11/2007)
(ex: 70 = 70% owed by patient)
Post-Deductible Coinsurance (09/11/2007)
(ex: 10 = 10% owed by patient)

Scheduling

Scheduled Date *
Scheduled Time *

Validate the patient via one of the following:

Please provide information about the patient to be stored with the payment.

If the patient does not have coverage with a healthplan select 'No Healthplan' in the healthplan list.

If the patient has their healthplan member card with them, ask for them for their member id number.

Dates are entered in the format mm/dd/yyyy

* = Required Field

Estimate Patient Liability

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Provider Setup Payment Management Patient Encounter User Profile Logout

Step 2 :

Build Encounter

mPay Gateway Demo - Brian		Encounter #: 695
1111 Maple Lane		Date: 02/15/2008
Maple Grove, CO 80122		Patient: Brian Beutner
		Visit Tracking #: <input type="text"/>

Remove Item	Due
<input type="button" value="Copoly"/>	<input type="text"/>
<input checked="" type="checkbox"/> Estimate service	94.38
Office Visit 3 (25-30 min) (\$94.38)	
<input checked="" type="checkbox"/> Estimate service	71.50
allergy testing (\$71.50)	
Total Due	\$165.88

To come back to the encounter at a later date:

If you would like to delete this encounter:

Patient: Brian Beutner
Healthplan: BCBS of Minnesota
Patient ID: 12334234
Patient Account ID: Beut 123
Healthplan Member ID: 9878789678
Healthplan Group: Indiv

Copay: \$50.00 (09/11/2007)
Est Deduct Remaining: \$1,850.00 (02/13/2008)
First Dollar Remaining: \$300.00 (09/11/2007)
Pre Deductible Coinsurance: 100.00% (09/11/2007)
Post Deductible Coinsurance: 10.00% (09/11/2007)

Scheduled Date: 02/15/2008
Scheduled Time: 10:58 AM

Entering an Estimate

To enter an estimate for this encounter you need to indicate the service(s) the patient is receiving.

Bank Card Payment Authorization

Step 3 :
Payment

mPay Gateway Demo - Brian Encounter #: 695
1111 Maple Lane Date: 02/15/2008
Maple Grove, CO 80122 Patient: Brian Beutner
708 N. First St
Minneapolis, MN 55401

Estimated Charges:

Office Visit 3 (25-30 min)	\$94.38
allergy testing	\$71.50
Remaining Due	\$165.88

Total Remaining Due \$165.88

[Show Receipt](#)

[Click here if telephone/mail payment](#)
(currently: patient present)

Pay Remaining Due:

Card Type:

Card Holder Name:

Card Number:

Expiration:

CVV: [click here if CVV is illegible](#)

Card Holder Address:

Address 1:

City/State/Zip:

Billing Address:

The above address is the billing address for the credit card

Address 1:

Zip Code:

Amount:

[Submit Payment](#)

Patient: Brian Beutner
Healthplan: BCBS of Minnesota
Patient ID: 12334234
Patient Account ID: Beut 123
Healthplan Member ID: 9878789678
Healthplan Group: Indiv

Copay: \$50.00 (09/11/2007)
Est Deduct Remaining: \$1,850.00 (02/13/2008)
First Dollar Remaining: \$300.00 (09/11/2007)
Pre Deductible Coinsurance: 100.00% (09/11/2007)
Post Deductible Coinsurance: 10.00% (09/11/2007)

Scheduled Date: 02/15/2008
Scheduled Time: 10:58 AM

To come back to the encounter at a later date: [Pend Encounter](#)

If you would like to delete this encounter: [Invalidate Encounter](#)

Retail Receipt

Step 4 :

Receipt

mPay Gateway Demo - Brian	Encounter #: 695
1111 Maple Lane	Date: 02/15/2008
Maple Grove, CO 80122	Patient: Brian Beutner
	708 N. First St
	Minneapolis, MN 55401

Estimated Charges:

Office Visit 3 (25-30 min)	\$94.38
allergy testing	\$71.50
Master Card (**** * 3456) Approved: TAS243	(\$165.88)
Remaining Due	\$0.00
<hr/>	
Total Remaining Due	\$0.00

Payment Acknowledgement

I (Brian Beutner) authorize a hold of \$165.88 against the credit card(s) listed above in anticipation of settlement against these holds once the final pricing and Explanation of Benefits has been issued. If my account balance is not sufficient to cover the final price, the merchant (mPay Gateway Demo - Brian) will bill me for the remaining balance due.

Signature

[Print Receipt](#) [New Patient Encounter](#)

Printing a receipt:

To print a receipt, click on "Print Receipt".

Why print a receipt?

It is important that you keep a printed copy of the receipt with signature on file. If you do not have a signed receipt and there is a dispute by the patient, you will lose the dispute.

Patient Encounter Complete

The patient encounter has been successfully completed. Click 'New Patient Encounter' to create a new patient encounter.

Post-Adjudication Collection

Repricing

ACH Files

Research

No Date Restriction

ACH File

Deposit: pending, Submit: 09/05/2007

Submitted

From

To

Transactions

From

To

Last Name:

First Name:

Visit Tracking #:

Healthplan Member ID:

Patient ID:

Patient Account ID:

Healthplan:

[All Healthplans]



Search

Repricing

Showing 1-11 of 11.

Encounter Date	Encounter ID	Last Name	First Name	Visit Tracking #	Healthplan Member ID	Patient ID	Patient Account ID	Estimated Patient Responsibility	Held Amount	Adjudicated Patient Responsibility	Amount to Collect	Action	Message
11/19/2007	634	Beutner	Brian		9878789678	12334234	Beut 123	\$143.71 (paid \$.00)	\$143.71			Collect Funds	87 days old
11/05/2007	615	Beutner	Brian		9878789678	12334234	Beut 123	\$165.88 (paid \$.00)	\$165.88			Collect Funds	102 days old
12/03/2007	641	Beutner	Brian		9878789678	12334234	Beut 123	\$121.50 (paid \$50.00)	\$71.50			Collect Funds	74 days old
01/28/2008	657	Beutner	Brian		9878789678	12334234	Beut 123	\$121.50 (paid \$50.00)	\$71.50			Collect Funds	
02/15/2008	695	Beutner	Brian		9878789678	12334234	Beut 123	\$165.88 (paid \$.00)	\$165.88		\$147.53		Settled for \$147.53.
01/23/2008	647	Diana	Beutner		xyz 1234	1223		\$141.57 (paid \$.00)	\$141.57			Collect Funds	
10/24/2007	610	Jones	Jack	4567		1223	3454	\$103.67 (paid \$.00)	\$103.67			Collect Funds	114 days old
09/13/2007	482	Jones	Jack			1223	3454	\$363.00 (paid \$.00)	\$363.00			Collect Funds	154 days old
10/05/2007	565	Jones	Jack			1223	3454	\$214.45 (paid \$50.00)	\$164.45			Collect Funds	132 days old
09/07/2007	459	sorbo	kevin	43d32	162735	1234		\$148.11 (paid \$70.34)	\$77.77			Collect Funds	161 days old
09/21/2007	526	sorbo	kevin		162735	1234		\$34.65 (paid \$.00)	\$34.65			Collect Funds	146 days old