



Revere Healthcare Solutions Inc.

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“An Ounce of Prevention is Worth A Pound of Cure” – B. Franklin

From Carmine Di Palo, CEO of Revere Healthcare Solutions Inc.

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The problems that our company, RHS, strives to solve are well known.

1. According to the Organization for Economic Cooperation and Development (OECD) “Health at a Glance, 2015 Report”, as of 2013, the U.S. spends on healthcare, on a per capita basis, approximately twice as much as any other OECD country (\$8,000). In particular, in primary care between 40 cents and 60 cents of each \$1.00 covers administration costs. *The first problem, administration costs, related to the widespread habit of purchasing primary and preventive healthcare through an insurance policy, instead of directly from a provider, essentially cuts in half the amount of primary healthcare which can be delivered at any given cost or price.*
2. According to the Kaiser Foundation’s “Employer Health Benefits – 2016 Survey”, healthcare cost growth has outpaced both inflation and workers wages. In an effort to curb such trajectory, employers have tried to shift a portion of the cost to employees (and their families). According to the Foundation’s Survey, in 2016 81% of workers paid more than \$20 co-pay per primary care visit. In 2006 it was only 49%. *The second problem, higher costs mean higher primary care co-pays, and thus lower primary care utilization.*
3. According to the Health Resources and Services Administration, 103 million people in the U.S. live in areas with a shortage of primary healthcare. The National Association of Community Health Centers (www.nachc.org) provides interesting maps about shortage of access to primary care in each state. In 2013, in Kansas where RHS is based, 42% of the population (or 1.2 million people) experienced some

degree of shortage of primary care. In Missouri the picture was even worse: 53% (3.2 million). In each state, a few counties, usually less densely populated, show often evident (and sometimes dramatic) signs of limited access to primary care. *The third problem, uneven access to the most efficient (least expensive) and effective (best outcomes) form of healthcare: primary and preventive care.*

4. Such counties usually also are home to smaller, Critical Access Hospitals (CAH) struggling to keep their doors open. In February 2016, iVantage Health Analytics identified 673 facilities as “vulnerable or at risk for closure”. *The fourth problem, healthcare utilization shifting from inpatient to outpatient, lower reimbursements, higher costs and delayed payments all contribute to making such CAH, vital assets of any small community, less and less viable.*
5. Especially in under-served smaller communities, the incidence of metabolic diseases, most of which are reversible or controllable with adequate access to primary care and lifestyle management education, is well above average. Metabolic diseases are a silent, sometimes undiagnosed, but extremely dangerous health risk factors. With their costs silently *compounding* over time. *The fifth problem, limited access to a primary care physician or nurse practitioner overlaps with higher health risks. Risks that, undetected and untreated, over time become increasingly costlier.*

Those five problems represent a vicious, self-reinforcing loop responsible for higher and accelerating healthcare costs in smaller communities: shortage of access (exacerbated by CAH closures) translates into lower utilization of prevention, then into higher risk factors, then into higher healthcare costs. Then again into lower utilization.



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For individuals, families, and employers, especially in under-served communities our company offers unlimited, affordable access to quality healthcare co-operating with local hospitals.

Our solution breaks the self-reinforcing loop by combining i) financial and operational competences (driving down the cost of delivering a primary care visit), with ii) excellent clinical care, delivered by experienced providers.

The entire community, over time, benefits from our services. Employers experience a significant reduction in insurance premiums’ growth (if not a decline). Individuals and families gain, for a monthly fee, secured, unlimited access to primary and preventive healthcare. And the increased spending of the community on preventive healthcare (higher volumes) benefits the local hospital, which provides services such as labs and diagnostics at discounted, but promptly paid rates.

It is our belief that our approach to providing unlimited, affordable primary and preventive healthcare is key to design a sustainable healthcare system which keeps individuals healthy as long as possible, and detects early illnesses, coordinating the entry into the specialty healthcare system.

Our company is open to discuss those issues and our track record with three types of constituencies:

- HR directors, City and County administrators, and business owners struggling with the trajectory of their organization’s healthcare costs;
- Smaller hospitals seeking to improve their financial performance, by reducing the cost of delivering healthcare; and
- Primary care physicians approaching retirement in smaller communities, and worried about the future of their patients.

For all such constituencies, Benjamin Franklin said it all: “An Ounce of Prevention is Worth a Pound of Cure”.