



MEDICAL CENTER

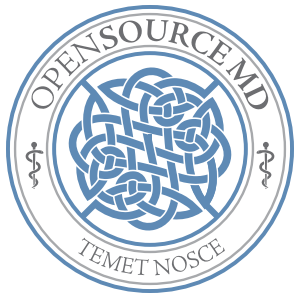
As President of Open Source MD, Inc. (OSMD), I would like to express our interest in partnering with your hospital to provide staffing services. OSMD has a unique staffing model that enables acute care facilities to bring immediate stability to their Hospitalist programs. Our business model takes advantage of a cost-efficient and effective strategy that brings highly skilled physicians to healthcare facilities in need of staffing stability and we do so while the facility retains control of their Hospitalist group. Our model removes the extraneous costs associated with Locum Tenens, recruitment, and the inefficiencies of groups that are short-staffed. The OSMD concept focuses on providing facilities with physicians who specialize in continuity of care, accurate documentation, and patient satisfaction.

OSMD's contract with the facility or group is purely a relationship agreement. It outlines the responsibilities of each party. Each month, OSMD asks that the facility provide information regarding scheduling, quality indicators of the physicians, and compensation such that OSMD can invoice its clients for the business services it provides to its physicians. Our model works by facilitating a direct relationship between the physician and the healthcare facility. The provider's contract is between the physician and facility and the compensation flows in accordance with the contract (paid directly by the facility or management group to the physician). OSMD offers a pool of physicians who plan to work at the facility on a long-term basis. The hospital guarantees shifts to the contracted pool of physicians affiliated with OSMD. Physicians compete for available shifts within the hospital's group and it is the same physicians who work at the facility for many years to come.

In addition, OSMD offers unique staffing models that Hospitalist services may choose to implement to provide extended coverage during the busy admitting hours of the day. These unique models not only improve Emergency Department throughput, but also increase patient satisfaction. This is accomplished by allowing patients to be seen much sooner by their provider. This results in the implementation of care plans in a timely fashion. Our model focuses on continuity such that there is much less fragmentation in care delivered by the group. Our methodology decreases the number of handoffs which promotes more effective communication between the staff and physicians. This translates into lower lengths of stay and lower readmission rates.

OSMD's strongest impact is financial; both from a cost standpoint and in regards to E&M coding, documentation, utilization of resources, and DRG reimbursement. From a budgetary standpoint, the cost of working with OSMD is proximate to that of a fully employed service. When compared to Locums, a 3-physician team working an OSMD hybrid model can save a hospital over \$1,000,000 annually. Hospitals are able to reinvest in their program by eliminating money spent on inefficiencies and third-party agencies. We have seen hospitals increase staffing and support to mitigate provider burnout and improve documentation. This can translate into a return in the millions of dollars.





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The financial impact with E&M coding, documentation, utilization of resources, and DRG reimbursement is even more powerful. OSMD's physicians understand that hospital medicine is a business and hospitals rely on high quality documentation and appropriate utilization of resources to achieve financial success and maintain growth. OSMD's physicians work directly with CDI teams (often led by physicians specializing in CDI) to ensure that their documentation has all of the necessary information to accurately reflect the care that is provided. High quality documentation promotes the highest rates of reimbursement and limits denials. This translates into millions of dollars annually back to the hospital.

OSMD empowers healthcare facilities by giving them choice. Hospitals can choose which physicians are offered more shifts, implement a staffing model that fits the facility's characteristics, and create policies and procedures that optimize how the Hospitalist group coordinates care with other service lines. By guaranteeing shifts to the group and not to the individual, the hospital is not obligated to allocate the same number of shifts to each provider each month of the year. The hospital now can strategically increase and decrease the number of scheduled physicians based on predicted seasonal patterns in patient volumes. A second advantage of OSMD's methodology is that the contracted physicians compete for shifts. The lack of a shift guarantee to any individual promotes collaboration and teamwork with the end objective being the delivery of high-quality healthcare (including quality documentation, patient and staff satisfaction, and efficient throughput).

Please do not hesitate to reach out to me if your facility has an interest in improving the quality of the hospital's service, maintaining hospital control, and improving measures that positively affect the hospital's financial status. Based on factual data and references from hospital CEOs, I know OSMD can be a tremendous asset to your hospital and afford your hospital a strategic advantage in this competitive healthcare marketplace.

Regards,

David A. Rosen, M.D., M.P.H.

President

