



CV INFOSYS EDITORIAL BACKGROUNDER

April 30, 2010

THE COMPANY

CV Infosys (Clear Vision Information Systems, Inc.) provides software solutions and services for health plan companies participating with Medicare Advantage. The company was founded in 2006 by four healthcare industry experts who understand Medicare Risk Adjustment and the unique challenges it presents. By the end of 2008, CV Infosys had obtained several multi-state clients, achieved a 300% growth in revenue over the previous year, and moved to larger corporate headquarters in Westlake Village, CA. Projections for 2010 include significant increases in clients, revenue and number of employees; releases of upgraded software tools; and launches of new products and services.

THE INDUSTRY

Under its MA program, Medicare pays health plan companies a “premium” to provide Medicare benefits to enrolled patients. The annual premium is calculated by weighting (1) the patient’s demographics and (2) the patient’s medical treatment for chronic conditions during the previous year. This is called “risk adjustment.” The rationale behind risk adjustment is this: the sicker the patient, the more expensive their treatment and the higher the risk adjusted premium. The model is “predictive”, and revenue is tied to the cost of anticipated services, based on the diagnosis submitted to Medicare (CMS) the previous year.

For Risk Adjustment to work properly, the patient must be **assessed** for each chronic condition every year, and the diagnosis must be reported and accepted by CMS. If they aren’t, the condition will not be included in the calculation for the following year payments.

MA health plans and their capitated (risk-sharing) providers use CVInfosys software tools and services to ensure that patients receive treatment for their chronic conditions every year, and that the conditions are properly coded and submitted to Medicare. This provides a win-win situation for everyone. The patient receives the health care they need, and the health plan and providers receive “right-sized” CMS revenue.

THE SOFTWARE SOLUTIONS

RevenueMax™

RevenueMax is a powerful, data-intelligence tool used by health plans and providers to ensure that patients receive treatment for their chronic conditions.

RevenueMax monitors the reporting of clinical data to Medicare, identifies chronic conditions and patterns of care, and pinpoints gaps in reporting and treatment. Users see historical, current and future data, and can take action to ensure that patients receive the treatment they need.

SubmissionMax™

SubmissionMax is a simple, stand-alone software solution that helps health plans manage and correct diagnoses rejected by Medicare. It is the only application that can correct hundreds of errors with the click of a single button.

THE SERVICE SOLUTIONS

In addition to software solutions, CVInfosys provides health plans with services that identify and pursue missing or incorrect data.

DxMax™

DxMax is a data pursuit service that targets member hospitals. For a variety of reasons, diagnosis (Dx codes) from in-patient stays are often under-reported to health plans, and so, do not make it through to Medicare for setting future reimbursements.

CVInfosys pursues and obtains the missing data. The pursuit includes targeted mailings to member hospitals, follow up, collection of data, keying of diagnoses, and submission of the additional (or corrected) data to the health plan.

MDMax™

MDMax is also a data pursuit service, but it targets member doctors and medical groups.

CVInfosys uses RevenueMax software to review data submitted by a doctor or group and identify gaps in the reported treatment of chronic conditions. CVInfosys then generates a problem list and requests intervention to ensure that the chronic condition is evaluated, treated and recorded, and that evaluations are returned. Then, CVInfosys keys in the data and submits it to the health plan.

THE CVINFOSYS TEAM

CVInfosys is a Health IT company specializing in Risk Adjustment. It was founded in 2006 by four managed-care risk-adjustment experts. Collectively, they have over 90 years of experience working with Medicare, health plans, hospitals and physician groups.

Tom Peterson, President and CEO

Tom has more than 20 years of experience working with data for health-care companies and the Medicare Program. He has held several key positions: in IT at Blue Shield of California, as a Medicare auditor for Blue Cross of California, and as a reimbursement specialist for Cedars-Sinai Medical Center. He has an extensive background in clinical data related to risk adjustment, including system design and analysis, provider outreach and training program development. Tom has chaired a variety of team activities for the Industry Collaboration Effort (ICE) (www.IceForHealth.org), and has participated in the development of many training forums and best-practice presentations on risk adjustment for the industry.

Pam Klugman, Vice President and COO

Pam has more than 20 years of experience in health care and Medicare, with both providers and health plans. Pam was manager of IT, Medicare revenue improvement and recovery, for

Blue Shield of California. She also held roles as senior Medicare auditor for Blue Cross of California, reimbursement specialist for Cedars-Sinai Medical Center, and finance coordinator for Northridge Hospital. Pam has worked on many system-development and data-analysis projects, including the optimization of tracking and reporting of encounter and claims data used in compiling submissions under the CMS (Medicare) risk-adjustment model. She is also very experienced in contract utilization data, HIPAA compliance and risk settlements. Pam has been active in ICE since its inception in 1998, and has co-chaired the ICE Risk Adjustment Data Acquisition and Reporting (RADAR) team for several years. Pam has given best-practice presentations for ICE and has presented information to CMS. She is considered to be an industry expert on risk adjustment.

Donovan Ayers, Vice President, Regulatory Compliance

Donovan has more than 20 years of experience working for health plans, a management company, and an ERISA self-insured employer group plan. He worked on Medicare risk activities at three health plans prior to starting the Medicare Advantage consulting division for CVInfosys. Donovan is certified in health-care compliance, and has been very influential in regulatory reform and in setting direction for compliance and operational activities, on both the health plan and employer sides. He was the Medicare compliance officer for Blue Shield of California for eight years, and also filled the role of general manager, with sales and profit/loss responsibility, for state programs.

Donovan worked with CMS to develop and rollout various compliance training programs for health plans and provider groups in California. In addition, he testified at HHS subcommittee hearings on the compliance burden placed on plans and providers due to provisions in the Balanced Budget Act, and has prompted regulatory reform and changes related to the Medicare appeals process.

Prior to Blue Shield, Donovan was director of statewide provider operations, and ancillary and PPO contracting, for Prudential HealthCare. Donovan also held management roles at Health Net, Southern California Edison and Maxicare, and worked in provider contract administration at PacifiCare and SelectCare Management Company.

CONTACT INFORMATION

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