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COMPANY BACKGROUND

Tyler Medical Supplies, Inc. is a nationwide provider of therapeutic wound care and surgical dressings to in need individuals with the necessary insurance coverage. Our current account base is made up of more than 100 long-term care facilities and many at home patients. Most of our revenue comes from Medicare Part B with a smaller percentage coming from other primary insurers such as Blue Cross/Blue Shield, Fidelis SecureCare and UMWA to name a few. We inventory the dressings that we provide and ship them directly from our facility via UPS or USPS Priority Mail Service.. The wound care products that we stock and promote are used to heal almost any opening in the skin. We frequently update our staff and supplies to include the latest innovations in surgical dressings. We provide dressings for stasis, diabetic and decubitus ulcers along with open wounds, 1st and 2nd degree burns, post-debridement wound sites, and post-operative wounds.

Tyler Medical continues to offer stability in an ever-changing, complex insurance coverage environment. March 2011 marks the beginning of the seventeenth year in business for Tyler Medical Supplies, Inc. We are a Subchapter "S" Corporation. The company owners and employees as a whole has more than seventy years of combined experience in the wound care arena.

TYLER MEDICAL'S ROLE IN THE WOUND CARE COVERAGE ENVIRONMENT

In order to be a successful provider via insurance entitlements one must remain proactively informed regarding the ever-changing rules, regulations, qualifications and requirements. Tyler Medical believes one of the main reasons for our success is our continued efforts to stay informed and to adhere to all guidelines and regulations set forth. We truly enjoy sharing this success and information with our clients.

Throughout various points in our existence, Tyler Medical has made our voice heard helping to shape some of Medicare's changes. In early 1995 Tyler Medical Supplies, working with the NPUAP (National Pressure Ulcer Advisory Panel) and the Wound Coalition, was asked to comment on the Surgical Dressing Policy. Our company developed the formulas that Medicare used to determine the utilization guidelines for the amount of amorphous hydrogel and Multidex Powder required to treat various wounds. This guideline remained the industry standard up until January 2011.

Tyler Medical was heavily involved in the successful lobbying efforts regarding the striking of H.R. 2425, a Medicare spending bill that would have devastated Medicare beneficiaries, facilities and providers alike. Although this bill never made it through congress, H.R. 2425 served as an advanced warning of possible future events. In analyzing the spirit of this defunct Medicare spending bill, Tyler Medical used H.R. 2425 to plan for later Medicare legislative changes. This put

Tyler Medical and our clients ahead of our competition.

Tyler Medical has watched countless Medicare Part B Provider companies come and go. Even some of the largest corporations do not spend enough time researching and educating. We have seen entire wound care product lines become immediately obsolete because of inadequate investigation and planning. The main reason for these companies' failure was lack of preparation and knowledge.

Our proactive approach to ever-changing coverage guidelines, regulations and requirements has set Tyler Medical apart from our competitors. When we succeed, the true winners are our clients! PPS (Prospective Pay System) has been a reality for some time now for all Medicare certified skilled nursing facilities.' PPS basically is a per-diem that the facility is given to cover all patient costs during their first one hundred days following admission to the facility. This per-diem is provided through the patients' Medicare Part A benefits. Many other insurance carriers follow a similar protocol. During this time wound care dressings are included in the per-diem and must be provided by the facility. They are not covered separately until the PPS period (the 1st 100 days in the facility) ends. With the ever increasing cost of wound care dressings this can easily be a financial burden on the budget of any nursing facility.

It is clear that nursing facilities are going to have to find ways to minimize expenses and maximize income. Tyler Medical can help your organization do both. Not only can we help your company minimize expenses and maximize income, but we can also keep your organization informed. Accurate and timely information will allow companies like yours thrive now and in the years to come. Tyler Medical is a winning solution in many areas for any facility looking to tighten their budget and/or keep informed of current wound care products, guidelines and regulations.



HOW OUR SERVICES WORK

We have worked diligently to make the complicated rules and regulations of wound care dressing coverage as simple as possible for our clients. Tyler Medical continues to break through the documentation maze. We have spent hundreds of hours refining our system so that claims get paid. Our wound care program has stood the test of time because we have accomplished the following:

- * Absolute minimum paperwork.
- * A simple, consistent and effective wound care protocol that remains within the confines of current wound care policies and guidelines.
- * Therapeutic wound care protocols that state surveyors, administrators, physicians, nurses and family members alike will praise.
- * An experienced wound care specialist will be available to you for any questions or advice that you may need answered or addressed.
- * Ongoing wound care education including new wound care innovations and products.

In general, our system works as following:

Step # 1 – A designated representative of the facility provides the necessary information to Tyler Medical to process an order.

Step #2 – Tyler Medical will work with the representative to confirm that the order is clinically sound and meets all applicable guidelines.

Step #3 – Tyler Medical will generate all of the necessary paperwork required to complete the order. The facility representative will only need to review, sign and date the paperwork.

Step #4 – The product is shipped by Tyler Medical along with the generated paperwork (as noted above) to the facility representative.



Step #5 – Tyler Medical will generate and issue the physician’s order for his / her signature and date.

Step #6 – Tyler Medical will bill the order to the applicable insurance carrier once all signed paperwork is received.

FREQUENTLY ASKED QUESTIONS

Tyler Medical Supplies, Inc. is dedicated to supplying the highest quality wound care dressings available. We can supply these dressings to Medicare Part B (and various other insurance) entitled residents at NO COST to the facility. The following list is what we have found to be the most frequently asked questions and concerns.

1) HOW ARE WE ABLE TO GET DRESSINGS TO THE FACILITY AT NO COST?

We can provide dressings to Medicare Part B (and various other insurance) entitled residents at no cost to the facility. These residents pay a premium every month to receive insurance benefits. Medicare Part B and many other insurance carriers cover wound care dressings as one of those benefits. Not only do we take full responsibility for obtaining the insurance reimbursement but, we can also guarantee in writing that your facility will not receive a bill for any item supplied by Tyler Medical even if we do not get paid by the insurance carrier. Of course, this does not apply to a payment denial due to incorrect / false information provided to Tyler Medical by the facility representative(s). Tyler Medical is extremely proactive in our approach to providing insurance approved items. We have systems in place that allow us to learn if an individual is entitled to receive dressings.

2) ARE THERE ANY HIDDEN COSTS?

Absolutely not! Tyler Medical is a Medicare Participating Provider that accepts assignment for services provided. That means that we accept only the amount that Medicare deems as an "allowable" charge. Rest assured that we are not permitted to recoup a single penny beyond the charges deemed "allowable" by Medicare. This is also true of any other insurance carriers that we bill. We obtain coverage and benefit information prior to processing the order to assure that we are an eligible provider. Tyler Medical always accepts assignment and accepts the “allowable” amount as payment in full. If the resident has a secondary insurance, that carrier will be billed automatically by Medicare crossover or manually by Tyler Medical for the remaining twenty percent balance that the primary insurance did not cover. We **DO NOT** bill the facility or resident.

3) WHO HANDLES THE PAPERWORK?

Tyler Medical generates all of the required documents needed to process an order and bill a claim. The designated facility representative is only responsible for reviewing the information, signing and dating the document(s) and returning them to Tyler Medical.

4) WHAT ABOUT THE TWENTY PERCENT THAT MEDICARE DOES NOT PAY FOR?

Most residents have some type of coinsurance. Usually, a resident will have Medicaid if nothing else. Tyler Medical is cost effective with just the eighty percent “allowable” amount that most primary insurance carriers reimburse at. We are only required to make a reasonable attempt at recouping the additional twenty percent of the “allowable” amount. We are not required to spend more money in recoupment costs than the value of the outstanding twenty percent “allowable” amount. For that reason, we only need to receive a payment or a denial from the resident’s coinsurance to fulfill our billing obligations.

5) WHAT IF A RESIDENT DOES NOT HAVE A SECONDARY INSURANCE ?

Tyler Medical has a system in place that can uncover a secondary insurance that may have been overlooked. But, if a resident truly does not have any coverage in addition to their primary insurance then the outstanding twenty percent “allowable” amount becomes their responsibility. But, most people in this situation are experiencing life on a very fixed budget and have a significant financial hardship. In this case, the individual will be eligible to sign a financial hardship form that will eliminate this payment obligation. Also, please keep in mind that we are not a collection agency and do not report to any credit bureaus.

6) IS THERE A MINIMUM ORDER?

No. Tyler Medical does not have any minimum order requirement.

7) ARE THERE ANY CONTRACTS TO SIGN?

No. Tyler Medical does not require or provide contracts to be signed. Tyler Medical is willing to review and sign contracts that are required and provided by the facility / corporation. However, it is important that Tyler Medical should be the sole wound care provider in the facility. This cuts down on confusion and overlapping while assuring that the healing progress made is not stalled or reversed. Tyler Medical has the ability to provide many products from various manufacturers eliminating the need to look elsewhere for a particular protocol.



TYLER MEDICAL WOUND CARE PROGRAM **BENEFITS**

* Your facility will receive superior customer service and the latest and most beneficial wound care products available. Tyler Medical utilizes a multitude of manufactures to achieve optimum healing results.

* Tyler Medical provides your facility access to our many years of experience and knowledge in wound care therapies and reimbursements. Our wound and billing specialists are only a phone call away.

*By receiving the best wound care dressings at no cost to your facility from Tyler Medical, your budget for wound care supplies will be freed up allowing its use in other aspects of patient care.

* Tyler Medical assumes all billing responsibilities in turn alleviating your staff from the time and efforts of billing and hoping that the claim will meet all requirements and be fully reimbursed. Tyler Medical handles all of the logistics and billing duties.

*Your facility will no longer need to house an extensive and expensive inventory of wound care dressings. Tyler Medical will provide each eligible wound care resident with their own predetermined dressings on a monthly basis for as long as they are needed. Again, this is done at no cost to the facility.

* Your caregivers will receive ongoing wound care education free of charge without leaving the confines of the facility.

*Tyler Medical assumes the task of obtaining a physician's order for all requested supplies.

In Closing...

Tyler Medical is a fully accredited and bonded durable medical equipment provider. We are a participating provider with Medicare and an approved provider for various other insurance carriers. We only provide wound care therefore, it is our specialty and we excel in wound care in comparison to our "one stop shop " competitors. We continue to adapt to an ever changing set of rules and regulations while remaining focused on the task of healing your residents in need of advanced wound care. We are confident that you / your facility will find Tyler Medical a perfect fit for your wound care program and an effortless way to free up valuable finances. Tyler Medical is a small tight-knit company that affords

each facility superior customer service and the individualized attention that each facility deserves. Together we can successfully heal all wounds!

