

MARCH 23, 2010

“THE MOMENT”

THE AFFORDABLE CARE ACT WAS SIGNED, SIGNALING THE INTRODUCTION OF AN ARTIFICIAL FORCE (THE GOVERNMENT) ON A BUSINESS MARKET (HEALTH INSURANCE).

IT IS CLEAR THAT THIS EVENT EFFECTIVELY “BROKE” THE HEALTH INSURANCE MARKET FOR SMALL BUSINESSES AND WELL-EARNING SELF EMPLOYED INDIVIDUALS & FAMILIES.

THIS HAS CREATED THE NEED FOR A NEW DYNAMIC AND THAT IS WHERE THE BIRTH OF
CUSTOMINSURED CAN BE TRACED TO. . .

A NEW DYNAMIC IN THE HEALTH INSURANCE MARKET.

HEALTH INSURANCE 2.0

“THE SUBSEQUENT FALLOUT”

THIS SEISMIC CHANGE IN THE MARKET HAS HAD PROFOUND EFFECTS FOR SMALL BUSINESSES.
THERE HAVE BEEN SEVERAL PERSISTENT ISSUES TO DEAL WITH:

- EMPLOYER CONTRIBUTION TO PREMIUMS INCREASE EVERY YEAR-**
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- DEDUCTIBLES AND CO-PAYS CONTINUE TO CLIMB (MORE EMPLOYEE EXPOSURE)-**
- NETWORKS ARE SHRINKING, CAUSING LOSS OF ACCESS TO DOCTORS AND FACILITIES-**
- RENEWAL PREMIUM INCREASES AVERAGE 10-20%, YEAR IN AND YEAR OUT-**
- COMPANIES ARE FORCED TO CHANGE THEIR COVERAGE ANNUALLY TO CONTROL COSTS-**
- COMPANIES ARE ACTUALLY PENALIZED WHEN EMPLOYEES USE COVERAGE-**
- TRADITIONAL OPTIONS ARE ISSUED IN A “ONE SIZE FITS ALL” FORMAT THAT DOESN'T WORK FOR MOST-**

SMALL BUSINESSES OWNERS ARE FINDING THEIR *PERCEIVED* HEALTH INSURANCE OPTIONS TO
BE HIGHLY LIMITING, FRUSTRATING TO DEAL WITH AND OVERLY EXPENSIVE.

THIS IS NOT SUSTAINABLE

“A NEW APPROACH IS NEEDED”

CUSTOMINSURED WAS CREATED TO APPROACH HEALTH INSURANCE IN A WHOLE NEW WAY BY ELIMINATING OR MITIGATING MANY OF THE LEGACY ISSUES THAT NOW EXIST:

- CUSTOMIZED HEALTH INSURANCE PLANS SPECIFICALLY DESIGNED TO FIT THE NEEDS OF SMALL BUSINESSES AND EACH EMPLOYEE-**
- REDUCE PREMIUMS BY 20% AND LOCK IN STABLE RENEWAL PREMIUMS-**
- LOW OR NO DEDUCTIBLES OR CO-PAYS (MINIMIZE EMPLOYEE FINANCIAL EXPOSURE)-**
- FLEXIBILITY TO CHANGE COVERAGE ANY TIME OF YEAR-**
- PPO ONLY NETWORKS PROVIDING ACCESS TO ANY DOCTOR OR FACILITY, NATIONWIDE-**
- SIGNIFICANTLY LOWER PREMIUMS FOR YOUTH DEPENDENTS-**
- ELIMINATE COBRA LIMITATIONS-**
- SUPERIOR COVERAGE OPTIONS PROVIDING MORE COMPETITIVE BENEFITS TO RECRUIT AND RETAIN MORE TALENT-**

HEALTH INSURANCE 2.0

“IT ISN'T JUST THE COVERAGE”

OUR VISION OF “HEALTH INSURANCE 2.0” CREATES A WHOLE NEW DYNAMIC. WE SEE OURSELVES AS A VERSION OF AMAZON, NERDWALLET OR LENDINGTREE FOR THE HEALTH INSURANCE INDUSTRY. CLIENTS AREN'T COMING TO US SIMPLY FOR HEALTH INSURANCE, THEY'RE COMING TO US BECAUSE WE OFFER AN APPROACH AND COMBINATION OF BENEFITS THAT NO OTHER COMPANY WILL BE ABLE TO MATCH.

OUR GOAL IS TO SELL A CONCEPT OF COVERAGE:

ACCESS TO ANY DOCTOR OR FACILITY NATIONWIDE WITH NO DEDUCTIBLES OR CO-PAYS. NOT ONLY IS THE COVERAGE DESIGNED TO ELIMINATE MANY OF THE LEGACY ISSUES AND FRUSTRATIONS PEOPLE AND BUSINESSES CURRENTLY CONTEND WITH, OUR PLATFORM INTEGRATES ADDITIONAL FEATURES THAT COMPLEMENT THEIR COVERAGE WITH SUPERIOR HEALTHCARE BENEFITS THAT NO ONE ELSE CAN COORDINATE OR OFFER.

CUSTOMINSURED =
HEALTH INSURANCE

“THE NEW DYNAMIC”

OUR APPROACH CONSOLIDATES SEVERAL CURRENTLY DISPARATE RESOURCES UNDER ONE UMBRELLA. IT'S IMPORTANT THAT BUSINESSES AND INDIVIDUALS HAVE ACCESS TO ANY DOCTOR, PROVIDER OR FACILITY THAT THEY WANT WITH LOW OR NO OUT OF POCKET EXPOSURE, WITH AFFORDABLE AND STABLE PREMIUMS.

HOWEVER, WE WANT PEOPLE TO EXPERIENCE A SUPERIOR LEVEL OF BENEFITS THAT ARE ALSO A GIVEN:

- DIRECT PRIMARY CARE. OUR SMALL BUSINESS PLANS ARE DESIGNED SO THAT EMPLOYEES HAVE ACCESS TO THEIR OWN PHYSICIAN THAT CAN BE ACCESSED REMOTELY OR IN PERSON, CAN ACT AS AN ADVOCATE FOR ADVICE OR BEST PRICING AND WILL MAKE QUARTERLY CHECK-UPS, ONSITE-**
- CLIENT PORTAL PROVIDING ONGOING RESOURCES AND A PLATFORM FOR CLIENTS TO ENGAGE AND ACCESS ON-DEMAND ASSISTANCE FOR CLAIMS OR ADDITIONAL NEEDS-**
- NEW AND LEGACY CONTENT PROVIDING KNOWLEDGE AND PERTINENT RESOURCES INCLUDING: PDFs, YOUTUBE CONTENT, PODCASTS AND SOCIAL MEDIA-**
- ONGOING EMAIL AUTOMATIONS TO FACILITATE INITIAL ONBOARDING AND ONGOING ADVICE AND TIPS ON USING COVERAGE AND OTHER ASPECTS OF THEIR HEALTHCARE-**
- ADVICE AND RESOURCES TO DETERMINE BEST PRICING FOR DOCTORS, MEDICAL PROCEDURES, MEDICATIONS, TESTING AND ADDITIONAL MEDICAL SERVICES-**
- TURNKEY APPLICATION PROCESS AVAILABLE THROUGH MOBILE/SMARTPHONE APP-**

“CUSTOMIZATION IS THE TREND”

NOWADAYS, THE TREND IS TOWARDS CUSTOMIZATION AND PEOPLE EXPECT TO BE ABLE TO CATER PRODUCTS AND SERVICES TO THEIR PERSONAL NEEDS AND BUDGET:

-LIBERTY MUTUAL INSURANCE-

-GEICO INSURANCE-

-PROGRESSIVE INSURANCE-

-MOD PIZZA-

-CHIPOTLE-

-TESLA-

-STARBUCKS-

-CABINETS TO GO-

-UBER-

-IKEA-

-CARVANA-

-STREAMING SERVICES-

-CELL PHONE LEASES-

-DELL COMPUTERS-

HEALTH INSURANCE IS ONE AREA WHERE THIS TREND HAS NOT MANIFESTED

...UNTIL NOW!

“STARTING WITH A CLEAN SLATE”

OUR BUSINESS MODEL CAN BE IMPLEMENTED NATIONWIDE WITH LOW RELATIVE OVERHEAD. OUR BACK OFFICE SYSTEM IS COMPLETELY INTEGRATED WITH TELEPHONY, CLIENT MANAGEMENT (CRM), EMAIL AUTOMATIONS, MARKETING, DEAL TRACKING, LEAD CAPTURE AND PROCESSING, INTER-OFFICE COMMUNICATION, DOCUMENT HANDLING. . .AND CAN BE FURTHER CUSTOMIZED AS NEEDED.

ADDITIONAL FUNDING/INVESTMENT WILL PROVIDE:

- PERMANENT OFFICE LOCATION-**
- SOCIAL MEDICA CURATOR AND ADS- FACEBOOK, BING, GOOGLE-**
- MARKETING ASSOCIATE AND TELEMARKETERS-**
- FUNDS FOR MOBILE/SMARTPHONE APPLICATION CREATION-**
- EMPLOYEE LABOR-**
- ONGOING TECHNICAL SUPPORT-**
- LEGAL SUPPORT-**
- WEBSITE REFINEMENT-**

STREAMLINED & ADAPTABLE

“FUTURE POTENTIAL”

AS OF 2020, THERE WERE 399,000+ SMALL BUSINESSES WITH AT LEAST 2 EMPLOYEES IN TEXAS. ACCORDING TO THE CHAMBER OF COMMERCE, AS OF 2018 THERE WERE 10.2M SMALL BUSINESSES IN THE U.S. WITH AT LEAST 2 EMPLOYEES. ACCORDING TO A RECENT KAISER HEALTH SMALL BUSINESS REPORT, 57% OF SMALL BUSINESSES OFFER BENEFITS TO AT LEAST ONE EMPLOYEE. THAT EQUALS 227,000 SMALL BUSINESSES IN TEXAS AND 5.8 MILLION SMALL BUSINESSES NATIONWIDE THAT SERVE AS OUR POTENTIAL MARKET. ASSUMING AN AVERAGE OF \$700 MONTHLY PREMIUM PER DEAL, REVENUE POTENTIAL IS AS FOLLOWS:

-40 NEW HOUSEHOLDS PER WEEK:

**176 HOUSEHOLDS/MONTH, \$123,000 MONTHLY PRODUCTION, \$1.48M ANNUALIZED,
\$517,000 IN ANNUAL REVENUE, \$148,000 TRAILING-**

-100 NEW HOUSEHOLDS PER WEEK:

**430 HOUSEHOLDS/MONTH, \$301,000 MONTHLY PRODUCTION, \$3.6M ANNUALIZED,
\$1.2M IN ANNUAL REVENUE, \$360,000 TRAILING-**

-250 NEW HOUSEHOLDS PER WEEK:

**1,075 HOUSEHOLDS/MONTH, \$752,500 MONTHLY PRODUCTION, \$9.3M ANNUALIZED,
\$3.1M IN ANNUAL REVENUE, \$930,000 TRAILING-**

-1,000 NEW HOUSEHOLDS PER WEEK:

**4,300 HOUSEHOLDS PER MONTH, \$3M MONTHLY PRODUCTION, \$36M ANNUALIZED,
\$12M IN ANNUAL REVENUE, \$3.6M TRAILING-**

MILLIONS OF HOUSEHOLDS

“THE COMPETITION?”

BECAUSE WE ARE CREATING A NEW DYNAMIC, THERE IS NO OTHER COMPANY OUT THERE THAT IS OFFERING THE APPROACH OR PLATFORM THAT WE ARE:

- HEALTH INSURANCE COMPANIES ARE NOT GOING TO ADAPT THEIR COVERAGES QUICKLY, IF AT ALL, AND, EVEN IF THEY DO IT HELPS US BECAUSE WE WILL BE INTEGRATING ANY SUPERIOR PRODUCTS INTO OUR SOLUTIONS-**
- WE START GROUND LEVEL WITH EACH OF OUR SMALL BUSINESSES WITH OUR DIRECT PRIMARY CARE PLATFORM, GIVING EACH COMPANY DIRECT ACCESS TO THEIR OWN DOCTOR FOR: TREATMENT(S), QUARTERLY OFFICE CHECKUPS, PATIENT ADVOCACY, PROCEDURE AND PRICING GUIDANCE, ALONG WITH AN ONGOING NEWSLETTER AND UPDATES (CORONAVIRUS INFO AND ADVICE, FOR INSTANCE)-**
- NO AGENCY ON THE MARKET OFFERS A BREADTH OF COVERAGE OPTIONS IN THE WAY WE DO. ALL THEY KNOW ARE THE TRADITIONAL PLANS THAT ARE THE SOURCE OF THE PROBLEM-**
- MOST INDEPENDENT AGENTS ARE EXCLUSIVE TO ONE COMPANY’S PRODUCTS-**
- BECAUSE OF THE WAY WE COMBINE PRODUCTS AND SERVICES WE CAN LOWER PREMIUMS BY 20% (ON AVERAGE; STABILIZED GOING FORWARD) WHILE OFFERING SUPERIOR SOLUTIONS BUILT AROUND EMPLOYEE NEEDS, ONGOING TREATMENT(S) AND PROTECTING AGAINST THE UNFORESEEN-**

ONE-STOP SHOP

“FORWARD OPPORTUNITY”

OUR APPROACH ALLOWS US TO BE ADAPTABLE TO FUTURE CHANGES OR OPPORTUNITIES:

-DIVERSIFICATION OF TARGET AUDIENCES. . .OUR APPROACH IS WELL SUITED FOR MORE THAN JUST THE SMALL BUSINESS MARKET. FOR EXAMPLE, WELL-EARNING SELF EMPLOYED INDIVIDUALS ARE DEALING WITH THE SAME ISSUES AS SMALL BUSINESSES. AS ANOTHER EXAMPLE, WE CAN MARKET A GUARANTEE-ISSUE, LOW COST ACCIDENT PLAN THAT INCLUDES PHYSICAL REHAB FOR ATHLETES OR CREATE A REFERRAL PLATFORM FOR DENTISTS, FACILITIES AND/OR DOCTORS-

-WHAT IF THE GOVERNMENT TRIES TO FIX THE PROBLEM (AGAIN)? THE MOST “LIKELY” SCENARIO WOULD INVOLVE THE CREATION OF A PUBLIC OPTION ON THE ACA MARKETPLACE. THIS WOULD DO NOTHING TO CHANGE THE SITUATION FOR SMALL BUSINESSES AS THE PUBLIC OPTION WOULD ONLY APPLY TO INDIVIDUALS. WHAT IF MEDICARE FOR ALL IS PASSED? CURRENTLY THERE ARE TENS OF MILLIONS OF SENIORS ON MEDICARE THAT ARE PURCHASING ANCILLARY COVERAGES RANGING FROM MEDICARE ADVANTAGE PLANS, SUPPLEMENTS, LONG TERM CARE, HOME HEALTH CARE AND DENTAL & VISION COVERAGE. ANY FUTURE UNDERAGE MEDICARE MARKET WOULD HAVE SIMILAR NEEDS-

-INSURANCE COMPANIES INTRODUCE NEW PRODUCTS AS A RESULT OF MARKET DEMAND. . .ANY NEW SUPERIOR PRODUCTS OR COVERAGES THAT ARE INTRODUCED WOULD SIMPLY BE ADDED TO OUR PORTFOLIO AND IMPLEMENTED WHERE BEST SUITED-

-ADDITIONAL SERVICES, FEATURES AND PROGRAMS ARE INTRODUCED INTO THE HEALTHCARE MARKET. . .MUCH LIKE OUR ABILITY TO INTEGRATE ANY NEW COVERAGES, WE CAN SEAMLESSLY INTEGRATE ANY FUNCTIONS OR FEATURES INTO OUR PLATFORM AND REINFORCE OUR POSITION AS THE ONE STOP SOLUTION FOR HEALTH INSURANCE AND HEALTHCARE NEEDS-

EVOLVE. . .AND GROW

“THE VALUE(ATION) IS THERE”

OF COURSE THERE ARE SEVERAL COMPANIES WORKING IN THE HEALTH INSURANCE INDUSTRY. HOWEVER, WE ARE CONFIDENT THAT OUR APPROACH IS UNIQUE AND CAN STAND AS “THE” MODEL GOING FORWARD. BASED ON OUR RESEARCH THERE ARE SEVERAL COMPANIES THAT COULD BE CONSIDERED COMPARABLE BECAUSE THEY HAVE SERVICES THAT ARE SIMILAR IN SOME WAYS:

**-STRIDE HEALTH; EST. REVENUE: \$1M-\$10M; \$38.9 TOTAL FUNDING;
HEALTH INSURANCE BROKER OFFERING ACA-STYLE POLICIES;
WWW.STRIDEHEALTH.COM; EST. 2013-**

**-GOHEALTH; EST. REVENUE: \$10M-\$30M; \$75.4M TOTAL FUNDING;
HEALTH INSURANCE BROKER OFFERING ACA-STYLE POLICIES;
WWW.GOHEALTHINSURANCE.COM; EST. 2001-**

**-HIXME; EST. REVENUE: \$1M-\$10M; \$23.9M TOTAL FUNDING;
HEALTH INSURANCE BROKER FOCUSED ON MID-MARKET COMPANIES;
WEBSITE UNKNOWN; EST. 2013-**

**-SIMPLYINSURED; EST. REVENUE: LESS THAN \$1M; \$8.4M TOTAL FUNDING;
HEALTH INSURANCE BROKER OFFERING ACA-STYLE POLICIES;
WWW.SIMPLYINSURED.COM; EST. 2012-**

**-WELLTHIE; EST. REVENUE: \$1M-\$10M; \$5M TOTAL FUNDING;
HEALTH INSURANCE BROKER AND TECHNOLOGY PLATFORM FOR BROKERS;
WWW.WELLTHIE.COM; EST. 2013-**