Home Sleep Testing HoST ™

VirtuOx HoST™ Solutions

- Virtuox is the leading the way in Home sleep testing distribution and delivery across the US today through it's HoST™ Home sleep testing platform.

- VirtuOx' HoST™ platform can diagnose patients with the two most common forms of Sleep Apnea, Central and Obstructive utilizing Type III devices.

- VirtuOx is accredited by the Joint Commission as an Ambulatory Care Sleep Diagnostic Center.

- VirtuOx is ultra conservative and has obtained numerous legal opinions in regards to our HoST™ Platforms and Processes.

VirtuOx HoST™ Solutions

- VirtuOx has a national panel of Board Certified Sleep Physicians licensed in all 50 states including the District of Columbia.

  - **Interp Sleep W/O State Licensure Opinion**

  - Many Sleep Labs and Home Sleep Test providers do not have properly licensed physicians performing Interps

  - Medicare requires that the physician be Board Certified in Sleep

  - State laws require the physician be licensed in the state where patient resides.

Verify all PAP Interps, make sure physician was properly licensed. If the physician was not properly licensed your PAP may face a post pay refund.

"Physician who interprets diagnostic tests performed in other states could be found to be practicing medicine without a license in those states."
Tim Webster Brown & Fortunato, P.C.

VirtuOx HoST™ Solutions

- VirtuOx and its affiliates have the following certifications:
    - OSHA
    - OSHA Standard Training
    - Blood born Pathogen Handling Certification
    - Hepatitis Vaccinations for staff

    - HIPAA
    - HIPAA Standard Training
    - Certified Privacy Associate on staff
    - Certified Security Experts on staff

    - FDA
    - ISO documents following FDA certified device handling and treatment processes
    - FDA guidelines updated to work instructions for each medical device

    - ISO 13485
    - Medical Device ISO Certification

    - PCI
    - Payment Card Industry Standard Training for Type IV Merchant

VirtuOx HoST™ Solutions

- VirtuOx and its affiliates are very scalable and can ramp up to 10X in 30 days or less
- VirtuOx and its affiliates have multiple centers that can handle regional logistics / reverse logistics.

VirtuOx Comprehensive Logistics Services

24/7/365 CRM Services
order processing
order management
customer service
customer care
technical support
warranty management

Total Supply Chain Management
materials management
inventory management
sourcing - domestic / international
component distribution
warehousing / transportation

Fulfillment Services
kitting / de-kitting
sub/light assembly
pick / pack / ship
collateral production
rebate processing

Reverse Logistics
RMA processing
returns management
component repair / refurbish
de-kit / re-package
recall service and support

Complete Program Management & Reporting

VirtuOx HoST Agent Capacity

Customer Service & Care

- ISP User Support
- Billing Resolution
- Consumer Affairs – Telco
- Order Entry
- Web/Telephone Product Ordering/Fulfillment
- RMA Issue / Processing
- Channel Support Information/ Ordering/ RMA
- Rebate
- Training Development

Technical Support 24x7x365

- First Customer Contact
- Entitlement   24/7/365
- Customer Relations 24/7/365
- Customer Service 24/7/365
- Level 1 & Level 2: Primary, Secondary
  - PC, Notebook
  - PDA, Blackberry
  - Server
  - Network (router, L2 L3 switches)
- Security (Firewall, Watchguard, etc)
  - OS (Mac, Linux, Windows)
- Level 3: Escalation, Team Leads
- Agent Certifications:
  - A+, Net+, and I-Net+
  - MCSE, MCSA, and MCP
  - CEH, CCNA, and CCNP
- Telamon currently supports Motorola WiBB division

VirtuOx HoST Fulfillment Services

- Product / Premium / Literature
- Pick, Pack & Ship
- Kitting / Collating
- P.O.P / P.O.S.
- Distribution
- Equipment Configuring & Testing
- De-kitting
- Repackaging
- Returns Disposition & Credit
- Testing, Repair & Refurbish
- Rebate Processing
- Inventory Management
- Database Development
- Client Systems Interface
- Special packaging
- B2B & B2C applications

VirtuOx HoST Inventory Management

- Full-featured, Integrated Warehouse Management, Order Management & Web Reporting functionality
- Kanban Systems & FIFO stock rotation
- Daily end-to-end inventory reconciliation of all receipts, shipments, and on-hand
- 99.95% Inventory Accuracy Track Record
- Cycle Count – by Client spec's or A B C method
- 100% Monthly Physical Inventory count
- Centralized process for handling all inventory adjustments
- Specific Item / Vendor Attribute Inspection
- Segregate & Quarantine non-conforming items
- Online Inventory reporting in real time

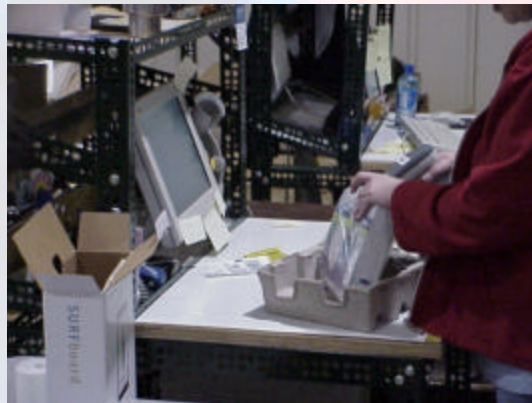# VirtuOx HoST Distribution Center

- Same day shipping available

- 350,000 sq. Ft. Domestic

- Multi-program, multi-client, multi-shift capabilities

- Flexible processing lines

- Multiple truck docks

- Emergency power system

- Video, motion, & electronic security systems

- Clean room areas

- High security lock up areas

- Portions temperature controlled
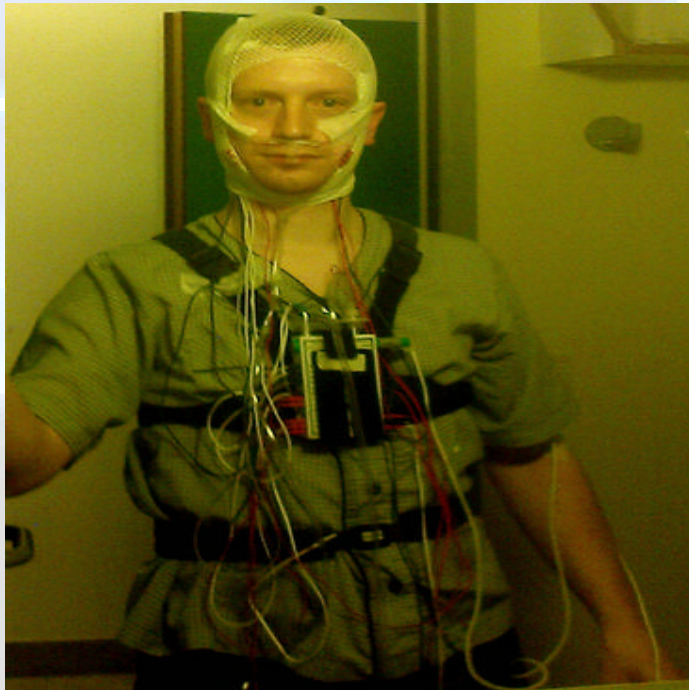
VirtuOx HoST Reverse Logistics Services

- Inbound / Outbound Logistics / Fulfillment
- Inspection / Testing
- Repair / Refurbish
- Parts Sourcing & Retrieval
- Re-labeling & Re-packing
- Re-Fulfillment / Distribution
- Call Center for RMA, Customer Service, Technical Support
- Exchange /Trade-in Services & Support
- Recall Services & Support
- Recycling and Disposal Services (through partner)

VirtuOx HoST Devices

- In 2008 Home Sleep Testing (HoST) was approved by CMS

Home sleep test (HoST)

In lab sleep test (PSG)

Apnealink: G0399

ARES: 95800

About VirtuOx HoST Devices

With so many devices on the market which one is the best?

Good

95800

Sleep study, unattended, simultaneous recording; heart rate, oxygen saturation, respiratory analysis (eg, by airflow or peripheral arterial tone), and sleep time
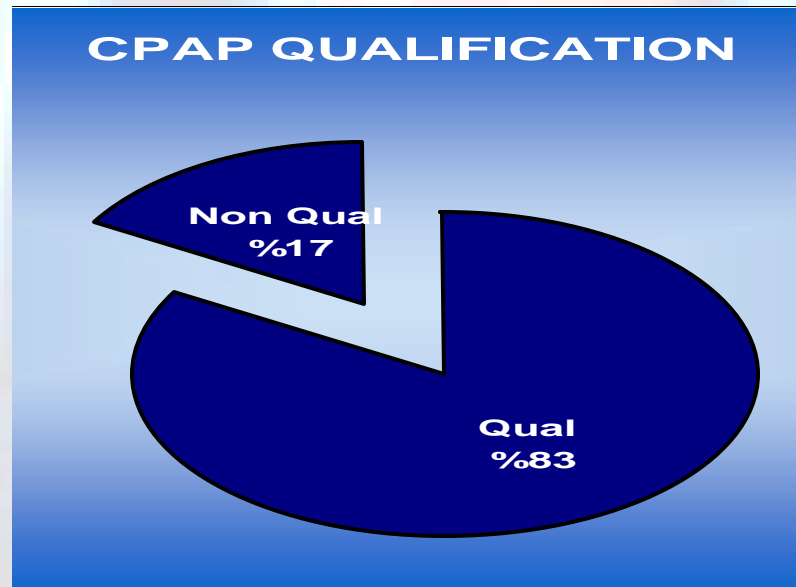
Better

G0399

Sleep study, unattended; minimum of four channels: two respiratory movement/airflow, one ECG/heart rate and one oxygen saturation

About VirtuOx HoST-Statistics

• 8 day average cycle time between ship date to Interp date.

• 3-5% Failure Rates.

• Patients are frequently recommended to have an overnight pulse oximetry on their new therapy device to make sure it is meeting or exceeding the patients respiratory needs.

CPAP QUALIFICATION

Non Qual %17

Qual %83

About VirtuOx HoST-Payers

- Medicare

- Medicare Advantage Plans (Private Fee for Service)

- Aetna

- BCBS-Most States

- Cigna

- GEHA

- Humana

- True Choice

- United

- And thousands more

HoST Order Process

HoST order is placed one of two ways:

  Physician Generated   **Oximetry Generated**

  Faxes directly to VirtuOx
  Or faxes to DME who faxes RX to VirtuOx

VirtuOx processes order

  Verification of insurance benefits are performed
  Patient is called and informed of the physician's orders, the test process is thoroughly
   explained and the test is scheduled.
   • ***If patient refuses HoST, MD & DME notified***

All patients are entered into VirtuOx HoST for Online Tracking: HoST Status Queue

HoST is shipped

 HoST is set up for patient and mailed via USPS 2 day express.
 Virtuox provides easy-to follow patient instructions and pictorial guides.
 24-hour telephone support is available through our toll free number.

HoST Order Process

HoST is received by patient HoST Welcome Package.pdf
- VirtuOx receives email from USPS about delivery.
- VirtuOx calls patient to go over proper HoST set up and to answer any questions.

HoST is performed
- The following day, the patient ships back HoST device in the postage paid USPS container provided by VirtuOx.

HoST is scored
- A VirtuOx RPSGT will manually over score the test data.

HoST is interpreted HoST Example.pdf
VirtuOx has a panel of Board Certified Sleep physicians available to interpret the scored test data that are licensed in the state the patient lives.

One of three situation will occur:
- *Patient needs Auto titrating PAP therapy. Sleep MD recommends appropriate high & low pressure*
- *Patient requires no additional therapy as they do not meet the medical necessity for PAP*
- *Patient should have a facility based PSG as the Sleep MD noticed some significant abnormalities.*

HoST Order Process

Results to the referring physician & DME

 Once the data has been scored and interpreted, the results will be sent to the ordering physician.

DME delivers equipment

 DME will get proper prescription from the patients treating physician based on the Sleep MDs recommendation. Depending on the DMEs policies the DME will either deliver a Auto PAP, download results and deliver a regular PAP based on the Auto PAPs results.

 The DME may also leave the Auto PAP device in the patients home.

Virtuox bills appropriate carrier for test

DME Management can run monthly hierarchy reports

Corporate Overview 1

Corporate Overview 2