Sleep Apnea Management Services for Payers, Doctors and their Patients

Disease Management
Referral & Intake Programs
Utilization & Quality Management
Patient Screening w/Clinical Observations
Diagnostic Triage and Testing
Sleep Physician Interpretation Services
Therapy Selection (PAP, OA, EPAP)
Therapy Initiation & Management
Monitoring & Compliance
Ongoing Care & Replenishment

“Apnea victims have no memory of their all-night life and death struggle for breath.”

— William C. Dement, M.D., Ph.D
“The Promise of Sleep”
Chief Scientific Advisor to SleepQuest®, Inc.

www.SleepQuest.com
Sleepless Americans with Obstructive Sleep Apnea are at Risk*

People from all walks of life suffer from obstructive sleep apnea (OSA), when they stop breathing in their sleep. Those with the most severe OSA actually stop breathing up to 800 times each night. Most have no idea that they are affected by this disorder.

Obstructive sleep apnea affects men, women and children of all ages. As we sleep, the muscles that normally keep the throat open during wakefulness relax and allow the throat to narrow. When this happens, air is restricted or cannot pass through at all. Results are gasping or choking along with heavy snoring during sleep.

OSA (Obstructive Sleep Apnea) and sleep deprivation are serious conditions seldom factored into routine health exams. Both physicians and patients usually concentrate on diagnosing traditional medical needs for treatment. Although OSA is extremely prevalent, it is still largely undiagnosed. Sleep Apnea is now considered an insidious chronic disease state that left untreated leads to many medically related conditions including: hypertension, diabetes, congestive heart failure and stroke. Patients have become frustrated with the fragmented delivery of care while pursuing diagnosis and treatment of OSA.

Researchers report that people with severe apnea, which interferes with sleep, are several times more likely to die from any cause than those without the disorder. The findings in an 18-year study confirm smaller studies that have indicated an increased risk of death for people with apnea, also known as sleep-disordered breathing.

* "The Price of Fatigue", December 2010
Harvard Medical School / McKinsey & Co.
Sleep Quest is a National Provider of Sleep Disorder Management services for Organizations, Corporations and Managed Care Networks. The Company combines its clinical expertise, proprietary protocols, utilization and case-management services to create clinically-effective, and cost-effective, screening, diagnostic and therapy programs for individuals suffering from the most common form of sleep disorder, Obstructive Sleep Apnea (OSA).

Through contracts with all major national insurance companies and Medicare, SleepQuest clinical specialists support Payers in making appropriate clinical decisions that improve medical outcomes while reducing costs.

SleepQuest’s Management Program assists Insurance Companies, Corporations, Associations, Hospitals, Clinics, Independent Physician Associations and Third-Party Administrators in managing the growing demand for sleep services by cost-effectively addressing a wide range of procedures, from the initial diagnosis to the ongoing monitoring of patient compliance with sleep therapy.

The SleepQuest Management Program improves the quality of care being delivered to sleep patients while reducing costs associated with sleep disordered breathing.

SleepQuest offers a service delivery model that makes home health care available anywhere across the US. The program ensures timely delivery of services consistent with Payer Medical Policies, the American Academy of Sleep Medicine and the Centers for Medicare and Medicaid Services.

Comparison of costs for untreated sleep apnea patients and sleep apnea patients receiving treatment.

Kapur et al.  
The Medical Costs of Undiagnosed Sleep Apnea.

Ronald et al.  
Health Care Utilization in the 10 Years Prior to Diagnosis in Obstructive Sleep Apnea Syndrome Patients.
Getting Diagnosed and Treated for OSA can be a Complex, Frustrating Maze

Everyone from the patient on through the physician’s office staff has to deal with the maze of frustrating delays. Sleep medicine is not well integrated into the medical disease management system.

The current industry reality delivery model does not meet the patient’s or the physician’s needs for sleep medical attention.

For Example

**Current Industry Reality**

- Fear of unknown
- Wait for appointments
- Poor access
- Co-pay + deductible
- Get referral from primary care physician
- Poor service and support
- Wait for sleep lab bed
- Long uncomfortable night away from home

**Who does insurance paperwork?**

**Low adherence rates**

**Low accountability**

**Who provides DME?**

**Poor outcomes**

**Slow service delivery**

**Inconvenient 2-6 Months**
SleepQuest® Takes the Maze Out of OSA Medical Services With One Source

A Continuum of Care Approach!

The SleepQuest® Difference

Since 1996, SleepQuest® has been providing portable home sleep testing and successful treatment to thousands of patients. This method provides a faster, less expensive and more comfortable way to diagnose OSA compared to in-lab attended sleep studies. In early 2008, the Centers for Medicare Services (CMS) decided to allow home sleep testing in order to qualify Medicare patients for PAP treatment. This action means that many insurance plans which previously did not cover home sleep tests may now do so.

We offer a “continuum of care” approach that encompasses screening, diagnosis, treatment and ongoing care. We focus on helping patients become compliant in the use of their treatment equipment. Our Board Certified Sleep Physicians assist our referring doctors and dentists to medically manage each patient’s care, assuring that our mutual patients attain the highest possible adherence levels with therapy.

SleepQuest® trains Sleep Care Specialists who can provide patients with an extra measure of clinical education and training, and are uniquely qualified to give “therapeutic advice”. In addition, we provide support by telephone or email and if needed, we will arrange a special appointment to troubleshoot problems or concerns with their sleep care.

...Needs a New Model of Care!

Seamless 2-3 Weeks

Patient meets with Physician or Dentist. Symptoms include daytime fatigue, history of snoring and gasping for breath while sleeping

Doctor’s office faxes prescription and patient’s demographics to SleepQuest. Eligibility and benefits are checked and patient is scheduled and the doctor is notified.

Doctor receives diagnostic sleep study interpreted by a SleepQuest Board Certified Sleep Physician.

Patient has OSA– Physician or Dentist prescribes therapy and faxes prescription to SleepQuest.

If CPAP therapy, receives PAP titration interpreted by a SleepQuest Board Certified Sleep Physician with device type, pressure settings and mask interface recommendations.

Patient is educated and trained in use of therapy device.

Turnaround time: 2-3 weeks

Follow up compliance appointment at 30 days

Ongoing Care department follows up with patient quarterly to assure continued compliance with therapy treatment.
One Source Responsibility

Enhances

Physicians/Patients Goals to Sleep Well, Live Well

OSA Therapy Treatment Provides Dramatic Improvements

The most commonly prescribed treatment for Obstructive Sleep Apnea is Positive Airway Pressure (PAP). The PAP device delivers air pressure through a small mask that the patient wears while sleeping. The pressure creates an “air splint” which keeps the airway open, thereby eliminating obstructive apneas and allows the patient to breathe normally all night long. Sleep becomes uninterrupted and restorative.

For many patients, PAP therapy leads to a dramatic improvement of their daytime functioning as well as their general health. Other options for patients with OSA are oral appliances, weight loss and surgery. Research and careful consideration should be given to each treatment option. PAP is not a cure, but an effective, non-invasive therapy for managing Sleep Apnea and Upper Airway Resistance Syndrome.

Exceptional Sleep Medicine Diagnostic and Treatment Equipment to Maximize Results

Specialized Durable Medical Equipment (DME)

SleepQuest®, the leader in home sleep testing and treatment for sleep related breathing disorders, offers patients the latest in diagnostics and treatment options.

As a healthcare provider specializing in PAP treatment, SleepQuest® is always the first to offer patients the newest treatment options available from the world’s leading sleep therapy manufacturers. Our high standards in selecting the appropriate equipment for each patient and monitoring their care and adherence are among our highest concerns. We have compassion for our patients, and our staff demonstrates patience and expertise to find the most comfortable, individualized fit.

In addition to treatment devices, we provide the newest mask interfaces and other accessories, including humidifiers and other specialty items, all designed to make therapy as comfortable as possible. Other home medical equipment companies are limited to certain manufacturers and models, providing patients with little choice in terms of selection and sizes. SleepQuest® offers a broad-based product line, and our knowledgeable Sleep Care Specialists help patients choose the device and mask that are best suited for them, leading to higher patient satisfaction.

www.SleepQuest.com
High Patient Compliance Results in Lower Treatment Costs, Better Quality of Life

We go to great lengths to ensure that our patients are comfortable with the equipment, thoroughly educated and adherent with treatment guidelines. This results in the consistent successful treatment outcomes for which SleepQuest® is known. Our comprehensive adherence-monitoring process begins the day the patient starts on treatment, and continues for one year. It includes complete telephone support and follow up appointments to help answer patient questions or troubleshoot problems. Sleep clinics benefit from SleepQuest’s high compliance rate by referring their patients for the appropriate treatment. They appreciate the knowledge and expertise SleepQuest’s clinical staff offers their patients.

Ongoing Care program ensures positive outcomes

Knowing that a compliant patient is a healthier patient, SleepQuest’s Ongoing Care Department provides centralized, organized and consistent patient support. Ongoing Care seeks to ensure patient’s compliance and high satisfaction with sleep therapy. Experienced staff members who are familiar with issues that may arise with treatment are able to help overcome these problems. At one month and one year after beginning PAP treatment, we send a comprehensive compliance questionnaire to the referring physician, letting them know exactly how their patient is adhering to treatment. Patients who enroll in Ongoing Care benefit by receiving regular announcements concerning their treatment and alert them to any new sleep care products available. Enrollees also receive reminder notices either by phone call, email or postcard on a quarterly basis to inform them of their eligibility for replacement and comfort supplies. Our specialists build strong relationships with patients which assures adherence to therapy, and leads to high patient satisfaction. Whether it’s time to replace a well-worn mask or change dirty filters, patients can depend on SleepQuest’s Ongoing Care specialists to remind them when they are eligible to replace their supplies based on their insurance company’s replacement schedules.
Williams C. Dement, M.D., Ph.D.
Chief Scientific Advisor

He is the world’s leading authority on sleep, sleep deprivation and the diagnosis and treatment of sleep disorders. Dr. Dement is Chief Emeritus, division of Sleep Medicine at Stanford University. He continues his crusade by educating both primary care physicians and the public about the importance of healthy sleep and has published numerous books and articles on sleep medicine. He is also the founder of the American Academy of Sleep Medicine, which examines physicians who wish to specialize in sleep medicine and certifies that they possess the requisite skills and knowledge. Dr. Dement’s biggest disappointment is that after a lifetime of effort in this field, a majority of patients with sleep disorders are left undiagnosed and untreated.

Why has Dr. Dement Endorsed SleepQuest®
For More Than 10 Years?

In order to establish the highest standards available in home sleep testing, SleepQuest® uses Board Certified Sleep Physicians to interpret its studies and exclusively utilizes home testing devices that are FDA approved and come with a long list of validation reports. Dr. Dement supports SleepQuest’s comprehensive disease management approach which starts with initial screening followed by home sleep testing, treatment and Ongoing Care. Dr. Dement is disappointed that the traditional sleep lab approach has never really served patients as well as it could. He believes that the SleepQuest® model provides greater access to care at a lower cost and considers SleepQuest® as providing the best possible pathway for patients with sleep disordered breathing.

Primary Care Doctors and Dentists are Key

Primary Care Physicians (PCPs) and Dentists are key to this new pathway. Over time, we have seen an improvement in clinician awareness of OSA, as they begin to include sleep related questions during their routine patient examinations. By uncovering these patients, OSA will become as pervasive in their practices as diabetes and asthma. In partnering with SleepQuest®, the PCP or Dentist can confidently medically manage his/her OSA patients, allowing for greater access to successful testing and treatment with greatly improved outcomes. In cases requiring an attended study, SleepQuest® informs the clinician when it is appropriate to refer the patient to a sleep center. For example, patients with a rare neurological sleep disorder such as narcolepsy require brain wave monitoring as well as other physiological parameters.

Evolved From Sleep Lab to Patient’s Home

The Leader in

Sleep Care

for OSA

“SleepQuest® provides a cost effective sleep care pathway that improves access and outcomes for the millions of sufferers of OSA.”

— Dr. William C. Dement

Triumvirate of Good Health*

*William C. Dement, M.D., Ph.D.
The Father of Modern Sleep Medicine

SleepQuest® is an independent private corporation not affiliated with Stanford University, Stanford Sleep Disorders Clinic or the Stanford Medical School.

www.SleepQuest.com
Innovative Strategic Alliances Provide Positive Benefits for Patients, Physicians, Insurance Plans and Manufacturers

We are able to offer high quality sleep diagnostic and treatment services that are very cost competitive. This is critical in a managed care environment that demands constant cost scrutiny and maintenance of high clinical quality and patient service. SleepQuest® bills the insurance plan directly - everyone wins!

Why Patients Like Us

"Before I met with a Sleep Care Specialist, I had felt so awful for so long. Now, I feel like a new person with renewed energy and hope. I can’t thank SleepQuest enough for all their help."

— Christie V., Fresno, CA

It’s simple - patients prefer to be tested in their own home, providing a more natural and realistic sampling of their sleep disorder. We take the time to obtain critical medical background information and then guide the patient in every aspect of their diagnostic test, treatment, and/or Ongoing Care. As patient advocates, we service members with their best interests in mind. And they appreciate SleepQuest’s unique compliance program, assuring that patients are contacted regularly while on treatment.

Why Physicians Like Us

"SleepQuest has provided us with prompt and accurate diagnostic services, complete and detailed reporting, and has assisted our patients in adhering to therapy in a dependable and cost-effective manner."

— Richard A. Weinberg, M.D., F.A.C.S.

When doctors and their staff refer patients to us, they know from our reputation and their own past experience that they can expect a true healthcare partner, providing optimum diagnostic and treatment services and rapid turnaround times. Our screening process assists the physician in determining that our pathway will lead to effective diagnosis and treatment. SleepQuest® works closely with each referring doctor to monitor and follow the patient, and the doctor is provided updates on the patient’s sleep care throughout the process. Doctors approve of our comprehensive easy to read reports, while still retaining control of the management of their patient.

Why Manufacturers Like Us

"SleepQuest is the only company that I am aware of who provides a continuum of care for patients with sleep disordered breathing. They are innovators at providing a cost-effective home testing pathway with a focus on successful outcomes."

— Dr. Don Rubin
CEO & President, Itamar Medical

SleepQuest® receives high praise from the world’s top sleep care equipment manufacturers as a result of our patient-focused approach. Our reputation among these manufacturers has enabled us to offer our patients the newest and most innovative testing and treatment products, frequently sooner than any other sleep care provider. These manufacturers continue to support SleepQuest’s outreach campaigns in order to bring about public awareness on sleep disorders.

Why Managed Care Executives Like Us

"SleepQuest is not only one-third of the price of a sleep center, they also make it quicker to get the patient properly diagnosed and treated with less hassle."

— Lawrence Cappel, Ph.D.
CEO, Pacific Health Alliance

SleepQuest® offers a disease management approach to sleep diagnostic and treatment services at significant savings to the more than 50 contracted insurance plans and networks who rely on us for cost-effective, accurate and timely services. Through years of experience, SleepQuest® understands the challenges faced by the insurance industry as well as the frustrations that both patients and physicians may encounter when trying to obtain optimal care. By being accountable to the patient, physician and insurance entity, our goal is to achieve successful outcomes and the highest level of satisfaction for all those involved in the patient’s care.

SleepQuest’s® Continuum of Care Adds Value:
Continuing to lead with our innovative disease management model

SleepQuest’s competitive, low cost OSA disease management approach has propelled us to the forefront of the exploding sleep medicine industry. This is a result of the paradigm shift by insurance plans to cover home sleep tests for OSA. This shift allows greater access for the multitude of sufferers to receive treatment quickly and subsequently benefit from the reduction of other chronic disease states precipitated by Sleep Apnea. Estimates indicate that fewer than 20% of over 52 million OSA sufferers have been diagnosed with Obstructive Sleep Apnea. The annual direct and indirect cost of OSA is estimated to be $120 billion. The cost of sleep related accidents in transportation and the workplace are considered to be $43-46 billion. SleepQuest® is expanding its sleep care model directly to these sectors to serve and save lives.

In order to capitalize on the public’s need for more information and resources for sleep care, we have designed a website devoted to help those patients outside of our traditional field office areas by providing a “virtual” office to assist them with improving their health through restorative sleep. Patients from all over the country are able to access screening, diagnostic testing and treatment from this website, allowing those who self-pay and those lucky enough to have health insurance equal access to testing and treatment for OSA (www.MySleepQuest.com).

In order to capture the burgeoning OSA market, we have created a number of websites to serve patients both near and far. These websites can be accessed through our corporate site, www.sleepquest.com.

In addition, we have been actively promoting the need to educate and train more sleep care coaches (i.e. Sleep Care Specialists) who will be able to assist patients with home sleep testing and successful therapy. One of our goals, along with other sleep providers, is to be able to increase not only access to care, but to shorten the timeframe of how long it takes a patient to go from awareness of the sleep disorder to commencing treatment. Historically, it has taken patients up to 6 months to complete this cycle in the United States.

The three most common sleep disorders diagnosed by Primary Care Physicians (PCP) are insomnia, restless legs syndrome and Sleep Apnea. Other specialists, such as ENTs (Otolaryngologist) and Dentists who have undergone additional training in sleep medicine, now partner with SleepQuest® to confidently diagnose and treat Sleep Apnea patients, while referring rare neurological and behavioral cases to a board certified sleep physician for further evaluation. During office visits, these physicians and dentists should routinely ask their patients how they are sleeping, and may uncover other symptoms such as snoring, complaints of choking or gasping while asleep and daytime fatigue. A home sleep study is often medically necessary for the majority of the population with these symptoms. Once doctors begin including this key question in their patient evaluations, and patients are tested and successfully treated, we should begin to see a reduction in costly, catastrophic events such as heart disease, diabetes, hypertension, stroke, congestive heart failure and accidents.

SleepQuest® maintains a web site (www.SleepQuest.com) as a powerful resource to help people acquire information about the vast field of sleep medicine. We also market our services and products nationally and internationally through our direct to consumer sites.

www.SleepQuest.com
Thank you for your interest in learning more about SleepQuest. With the approval of home testing for Sleep Apnea by the Centers for Medicare & Medicaid Services (CMS), a majority of insurance companies have changed their policies to approve this more convenient, accurate and less costly method of testing. Over the past 10 years, our resolute focus on client satisfaction and successful treatment has made us the leader in disease management for patients suffering from Sleep Apnea.

Back in 1999, we began working with Dr. William Dement, considered the father of modern sleep medicine, as a result of sharing a similar vision with respect to the need for better, less expensive and more convenient access for the millions of undiagnosed patients with sleep disorders and, specifically, those with Sleep Apnea. Dr. Dement has dedicated his life to advancing sleep medicine. With our assistance, Primary Care Physicians can be empowered to medically manage their patients with Sleep Apnea by overseeing the diagnosis and treatment much like they currently do for patients with asthma and diabetes.

Having invested considerable amounts of time, money and talent to build our infrastructure, we are positioned for a surge in demand for our services. We expect to see a rapid increase in the amount of sleep testing and treatment services we are asked to perform. Our program provides the lowest cost solutions for patients and insurance companies along with a documented compliance rate with treatment unequalled in the industry. With over 50 insurance contracts in the United States and a strong physician, dentist and sleep lab referral base, we can scale our operation rapidly to provide outstanding returns to our investors and other stakeholders.

Through this communication, my goal is to give the reader a thorough understanding of our growth potential as well as the promise that the future holds for those in need of sleep care services. You may also enjoy viewing our web site at www.SleepQuest.com to learn more about our organization. We appreciate your support in helping us in our mutual quest for better sleep.

Sincerely,

Robert Koenigsberg
President / CEO
SleepQuest, Inc.

SleepQuest® has earned the highly valued accreditation from the Joint Commission on the Accreditation of Health Care Organizations (JCAHO) by demonstrating compliance with national standards for health care quality and safety.
SleepQuest Corporate Headquarters
985 Industrial Road, Suite 200
San Carlos, CA 94070
Phone: (650) 412-0123
Fax: (650) 412-0124

National Programs & Services
Phone: (877) 672-8378
Fax: (866) 721-8481

Patient Service Center - San Francisco
Phone: (415) 775-3379
Fax: (415) 775-3380

Patient Service Center - Peninsula
Phone: (650) 412-0123
Fax: (650) 412-0130

Patient Service Center - San Jose
Phone: (408) 356-6162
Fax: (408) 356-6164

Patient Service Center - Fresno
Phone: (559) 436-8800
Fax: (559) 436-8818

www.SleepQuest.com