



News Release

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RISARC ANNOUNCES PARTICIPATION IN CMS esMD PILOT via RMSe-bubble SECURE ELECTRONIC DATA TRANSFER SYSTEM

- Cost Effective Alternative Solution To Paper Transactions
- Real Time Document Tracking
- Seamless System Integration
- Secure Gateway for CMS esMD Communication

BURBANK, Ca August 3, 2011 — RISARC announces that it will be operating as a Health information Handler (HIH) for the Center for Medicare and Medicaid (CMS), Electronic Submission of Medical Documents (esMD) Pilot initiative.

As part of its participation in the esMD Pilot, RISARC will offer its RMSe-bubble Secure Data Transfer System as a secure gateway for healthcare providers to communicate with CMS. The RMSe-bubble is an HIPAA compliant system that allows for the safe and secure electronic transfer of sensitive medical documents.

About the RMSe-bubble:

The RMSe-bubble presents providers, insurers, and healthcare stakeholders a cost effective means for requesting, sending and receiving documents, including images, regardless of size or file type between themselves. The system further provides an invaluable workflow system that will allow an organization to track the movement of a document as well as manage the day to day progress of every department involved in processing any and all documents that are requested or sent within their organization and externally to their various trading partners.

With the increased demand and need for providing medical records and information in a fast, safe and secure manner RISARC is offering a real time solution as an alternative to current cost and time intensive paper transactions such as mail, fax or courier services. The RMSe-bubble is an easily adaptable vehicle for hospitals, government agencies as



well as health information exchange partners seeking to realize an easier and cost effective work world when it comes to the transfer of sensitive medical information. The direct benefit of the RMSe-bubble is a seamless transition to a paperless work environment without the time consuming elements of adding additional costly hardware to an organizations existing IT infrastructure.

The CMS esMD Pilot Phase 1:

The esMD Pilot Phase 1 was developed by CMS to provide a more efficient and secure means for healthcare providers to communicate with CMS requesting contractors. The requesting contractors' job is to measure, preview, identify and correct improper payments by requesting a sample of claims and requesting medical documents from providers who submit claims to CMS for manual review.

This is an initiative meant to reduce losses through improper payments made by claims submitted to the Medicare and Medical Fee for Service (FFS) every year. CMS estimated that there were 2,000,000 requests issued by their contractors for medical documentation from Medicare providers in 2010. The esMD Pilot Phase 1 will also provide healthcare providers a more reliable and efficient means to answering requests from CMS contractors.

The Process for Sending Documents:

Previously these requests were made through a letter sent to providers, whose options for replying to the CMS contractors were either via the mail or fax exclusively.

The esMD Pilot underwent tests submission starting in the spring of 2011, wherein Medicare RAC/MAC sent out paper requests to healthcare providers who then returned the requested medical documentation electronically to CMS requesting contractors utilizing technology created by the Nationwide Health Information Highway (NwHIN) known as Connect – compatibility gateways to provide a secure path for doing so. The esMD Pilot Phase 1 will have a tremendous affect on reducing losses and costs within the healthcare industry. RISARC will operate as a secure gateway for this process through its RMSe-bubble system.

Reducing the Costs of Healthcare:

The need to reduce the costs associated with healthcare is of vital importance not just for the healthcare industry, but for patients as well as businesses around the world. By moving to a paperless environment where documents are transferred between



healthcare providers and their partners in an electronically secure manner the direct effect will be in reduced costs as well as many corollary benefits.

Resending of documents and multiple requests for information are major causatives in the uncontrolled costs of paper transactions. Electronic movement will help shrink these costs dramatically. This will allow hospitals, private practices and insurers to operate more efficiently both fiscally and organizationally.

Weighing the Benefits:

A crucial area that will be affected is in the security of moving sensitive medical documents. There are a myriad of rules and regulations as laid out through the Health Insurance Portability and Accountability Act (HIPAA) regarding the handling of medical documents. HIPAA sets the guidelines for security of electronic protected health information.

Electronic Medical Records (EMR) will soon become the standard for storing and making available essential documents for patients. Healthcare professionals will be able to provide patients access to their private personal information via the internet at the stroke of a key. Both parties will experience the peace of mind in knowing that their information will never be in the hands of any entity other than those intended.

Through the coordinated efforts of these key Governmental agencies the ground work has been laid for the healthcare industry to transition into a paperless environment for the transportation of sensitive medical documents via secure electronic means.

RISARC is proud to have been a part in this successful test which culminates in the launch of the esMD Pilot Phase1 and looks forward to continue working in partnership with CMS in a coordinated effort to prevent the continuation of losses through improper filing of medical claims now and into the future.

To find out more about the CMS esMD Pilot Phase1 go to: <http://www.cms.gov/ESMD/>



About RISARC:

RISARC has been involved in providing ground breaking system solutions and management tools for the Health Care industry for 20+ years and with its 360 degree service RISARC is able to fulfill a wide variety of technological needs within the healthcare industry.

Among its varied HIPAA compliant services is RISARC's pioneering Admission Error Tracking System (AETS). RISARC was the first company to develop a real time automated solution for hospitals to identify and track registration errors from initial registration right through all detailed reports. AETS is the pre-dominate system for hospital Admissions Managers across the country to ensure quality and accuracy during the registration process. The benefits of the AETS has proven invaluable for saving time, money, reduced days in A/R and improved quality of information for hospital staff and patients alike.

RISARC's steady commitment to state of the art services includes its vaunted Electronic Medical Record (EMR), a user friendly and efficient system for Practice Management and Billing solutions. RISARC's EMR systems features are tailor made to provide seamless integration into any organizations workflow infrastructure. Some of the many benefits of the EMR system include increased productivity, reduced costs, increased revenues and a simplified documentation process.

With RISARC and its dedicated staff of healthcare management solutions professionals, you can expect the highest level of excellence in providing the kind of customer care and support your organization demands and deserves.

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