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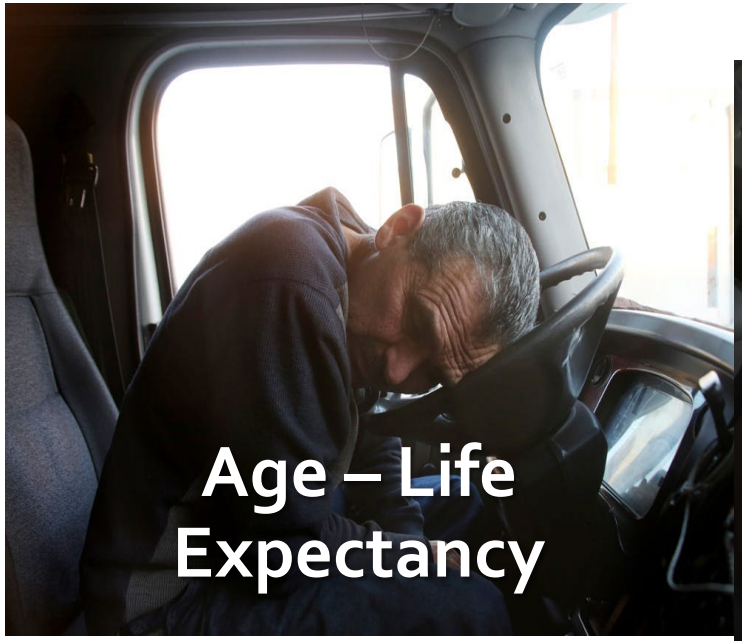
Driving Health Care Across America

Using Technology & Convenient Access to Provide High Quality Health Care for Truck Drivers, Travelers and Rural households

The Problem – Driver Health



Professional Truck Driver's Average Life Expectancy is 61 vs. National Average of 76 Male & 81 Female.

Average Age of Driver is 55 years.

75% of Truck Drivers are Overweight or Morbidly Obese.

High Fat, High Sodium Foods are Most Readily Available.

Sedentary Work & Lack of Regular Exercise

Source - Frost & Sullivan Report (avail. Upon request)

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The Problem – Driver Health

Multiple Overwhelming Issues

Diabetes

50% higher in Driver population than National Average.

Sleep Apnea

Drivers have the highest rate of any profession.

Hypertension

87% of Drivers suffer from high blood pressure – highest of any profession.

Recovery & Rehabilitation

Lack of access means less rehab that takes longer, or puts Driver out of service.

Pharmacy

Inability to obtain prescription and have it filled or refilled, lowers productivity of Driver and adherence to treatment.

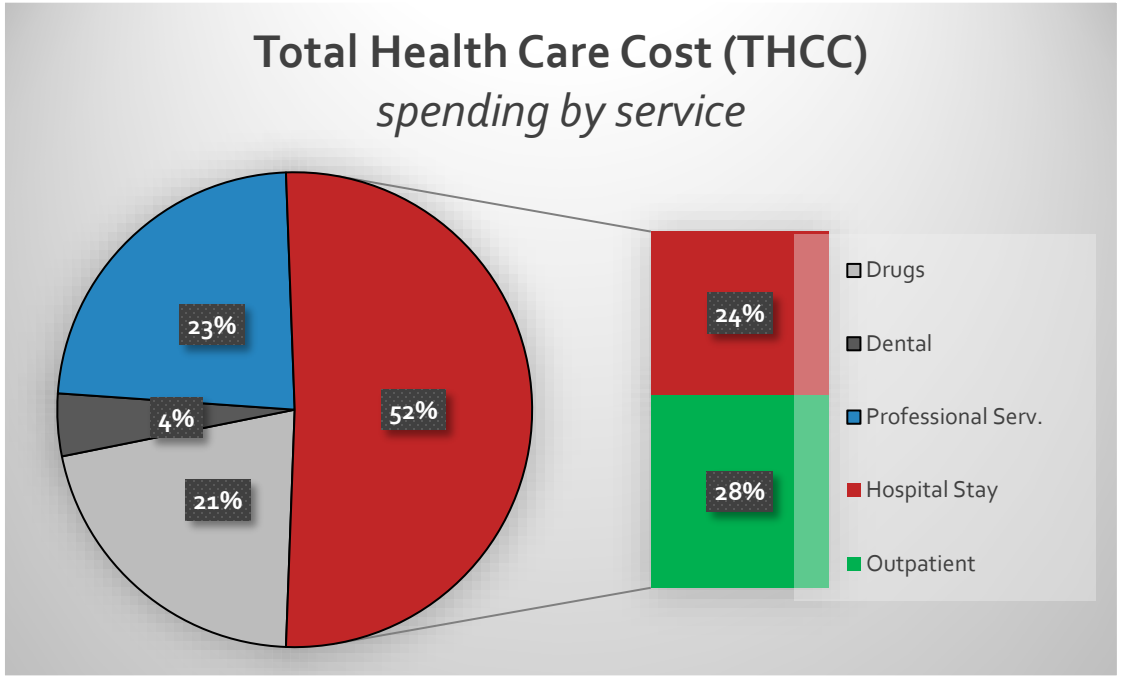
Source - Frost & Sullivan Report (avail. Upon request)

Marketplace Specifics

THCC (Total Health Care Cost) is ~$0.10 a mile for a truckload carrier.

Driver Health Challenges Drive Costs

- Direct cost of driver health care is $750 to $900 a month; **adding more than 15% to the expense of driver wages.**
- **Worst drive the Most** – 1% / 2% of driver population drive 30% / 40% of Total Health Care Cost (THCC).
- Health challenges (hypertension, diabetes, sleep apnea) **significantly less expensive if regularly checked & routinely managed.**
- Difficulty / Inconvenience of going in large truck **prevents** drivers from getting **medical care until condition has worsened in severity.**



Marketplace Specifics

THCC (Total Health Care Cost) is ~$0.10 a mile for a truckload carrier.

Driver Health Challenges Drive Costs

- THCC is driven by: current health status, use of routine health care, maintenance of chronic conditions, methods chosen to access health care services, preventing health condition from deteriorating into severe life threatening. ***Preventative maintenance is always the least expensive maintenance.***
- **49% of emergency room visits are unnecessary** (*severity ranging from 'minor' to 'moderate' - should have been treated in an urgent care*).
- **<9% of emergency room visits** by drivers **lead to admission** to the hospital, which suggests another >40% are unnecessary (*could have been treated in an urgent care*).

Emergency Room Visits by Severity	
Minor	3%
Low to Mod	10%
Moderate	36%
Should Have Gone to Urgent Care	***49%***
High	34%
Life Threatening	17%
ER Visits Leading to Admission	**8%**
>90% Could Have Been Treated in Urgent Care	
Cost of Urgent Care Visit	$150
Cost of ER Visit (no admission)	$2,100
Cost of ER Visit (admission)	$24,500
Based on trucking company data representing >20,000 trucks	

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Marketplace Specifics

We are respectfully asking trucking companies these questions:

- How much did you spend last year on the preventative maintenance of your trucks and trailers?
- How does that compare with how much you spent on preventative care for your drivers?
- **How much did you spend on providing convenient access to health care for your most valuable asset?**
- If preventive maintenance is always the least expensive form of maintenance & if your drivers really are your most valuable asset, **why aren't you spending more on a preventative maintenance plan for them?**

All Trucking companies are quick to say, **"Our drivers are our most valuable asset."**

Marketplace Specifics

Opportunities and Metrics

THCC could be reduced by >30%, while still improving quality of care.

- **Productivity lost per driver** is $4,000 yr. in revenue (5 days * $800), >$1,500 in incremental operating margin. Days / time off for doctor visits, prescription pickups, and DOT exams are recovered.
- **Turnover costs** $5,000 to $7,000 per driver. Providing convenient access to health care, improvement in quality of life, could improve retention by >10 percentage points.
- **Core opportunity** - with over half (52%) of THCC going to either outpatient or hospital stays, and since emergency room visits are >10 to 20X the cost of urgent care visits ($1,500 - $2,700 vs. $150):
  - Converting 50% of emergency room visits to urgent care would reduce THCC by 6% (conditions 'minor' to 'moderate') or >$0.005 a mile.
  - Converting 90% of emergency room visits to urgent care would reduce THCC by >10% (conditions requiring hospital admission) or >$0.01 a mile.

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Bottom Line

THCC of ~$0.10 a mile for a truckload carrier, could be reduced by >30%, while still improving quality of care.

- Increased productivity and lower turnover, would **boost operating profit per truck by >$1,500 a year and cut hiring costs per truck by $600.**
- Converting emergency room visits to urgent care visits would **lower THCC by $650 to $1,100 per truck**.
- Increased use of preventive maintenance that results in decreased progression of conditions to high severity should **lower THCC by >$650 per truck.**
- **>$3,600 in operating profit per truck.**

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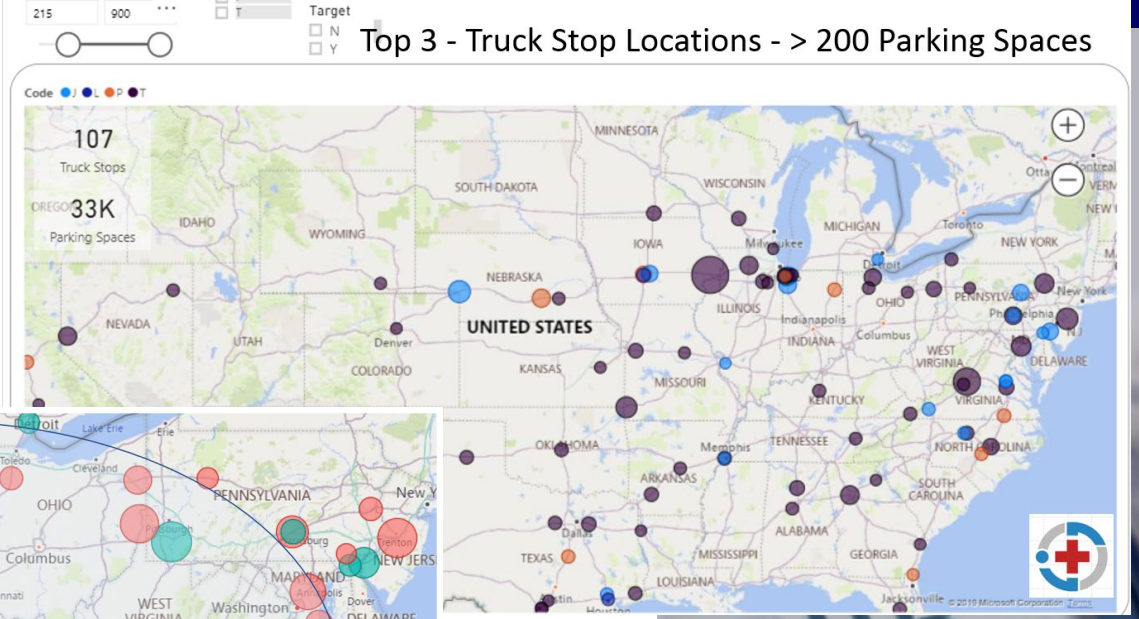
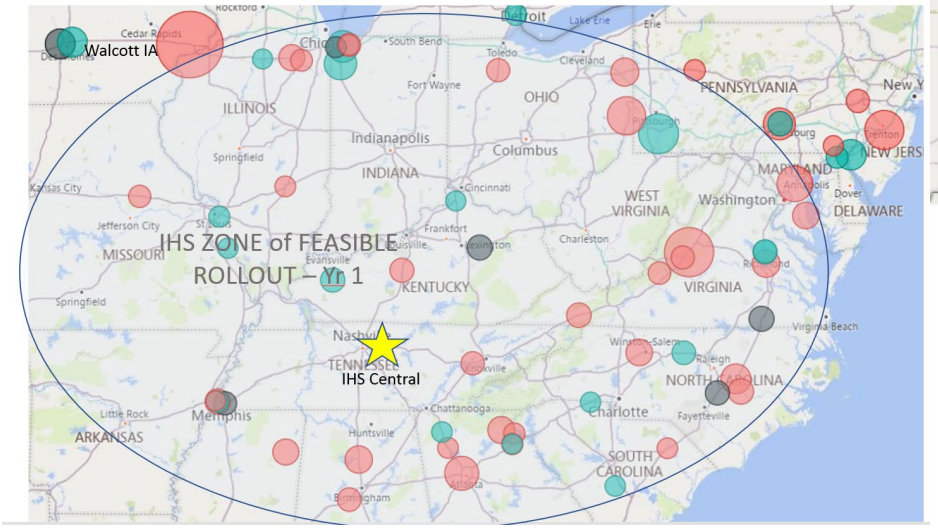
Strategize

Overlaying the Maps of Major Truck Stop Chains (locations) with Density of Traffic (vol. of diesel) and Velocity (DOT data) as well as Driver Duration (# parking spots).

Top 3 - Truck Stop Locations - > 200 Parking Spaces





Prioritize

Align the Network with the Traffic Patterns and Terminal Networks of our Strategic Fleet Partners.

Produce

Convenient Access to Medical Professionals, Diagnostics & Treatment, High Quality Care, and Prescriptions.

Our Solution

Build a Nationwide Network of >300 Urgent Care Clinics.

Preventative maintenance is always the least expensive maintenance.

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Market Opportunity

Provide Better Care to Underserved Population

3.5 Mil

Professional Truck Drivers

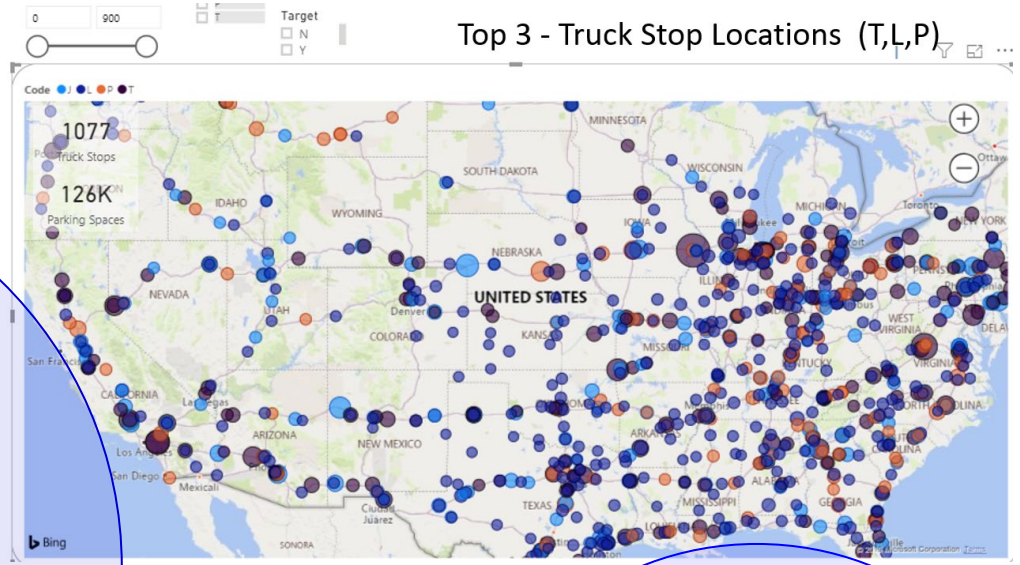
Improve quality of life and condition of health, while increasing productivity and lowering direct, as well as indirect, costs.

>60 Mil

Interstate Highway Travelers

The number of Americans who take a trip of more than 50 miles, 6+ times a year on the Interstate Highway System, that is not commute related.

Top 3 - Truck Stop Locations (T,L,P)



46 Mil

Rural Population

For those living in non-metropolitan counties, access to any health care is often >25 miles away.

10 Mil

Households that own an RV

The Family Motor Coach Association has >150,000 members.

Fun fact: U.S. Interstate Highway System is only 1% of roadway mileage, but carries 23% of all roadway traffic.

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Market Opportunity

Just the Trucking Industry

Added Market Segments

- 3.5 million drivers (drivers avg. 4 health care visits a year), 14 million visits.
- 14 million visits at $125 per visit = $1.75 billion.
- Prescriptions, lab services, additional services and products leverage revenue of each visit = $1.25 billion.

- Network of 300 clinics within 5 years.
- Local Populations 2.5 visit per year estimated
- Total revenue per clinic >$2.5 mill.

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OUR FACILITIES

Convenience & Ease of Access

Located in or next to truck stop, short walk or shuttle.

Administration duties &overhead functions centralized in HQ.

Technology

Building the entire network on highspeed communication.

Enabling Technology: 5G advanced communication

Medical Service Technology: Drop ship RX.

Communication

Pre-scheduled visits to minimize the drivers time waiting. Ability to communicate with driver, IHS central, hospital, trucking and insurance companies.

High-speed internet, hi-resolution imaging & linkage to central HQ for medical evaluation, as well as secure cloud based storage for multiple functions.

Pharmacy & Medical Supplies

Prescriptions filled and refilled, c-pap supplies, braces (knee, back, etc.).

Available at facility or scheduled for facility later in driver's route.

Text notification of prescription, health monitoring, and post visit follow-up.

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Clinic Design

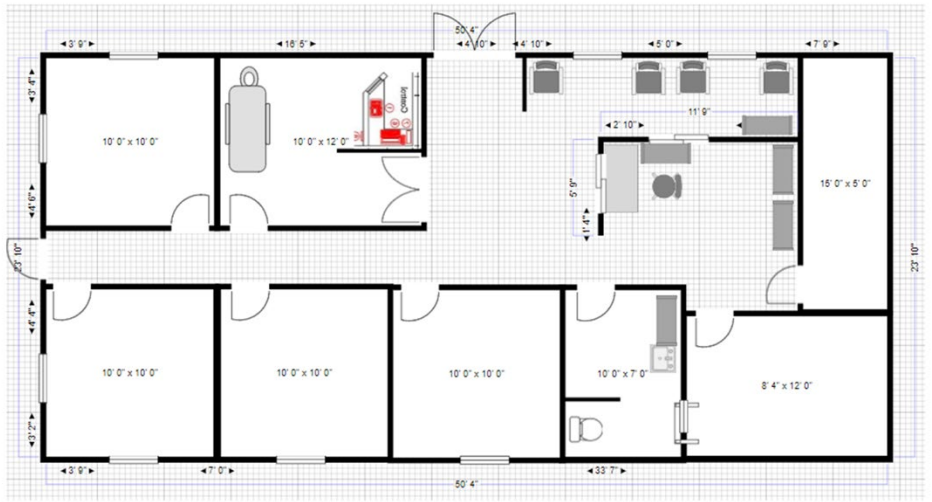
Conveniently located on property of truck stop / terminal of carrier partners

In negotiations with, all major truck stop chains, as well as several smaller chains and individual outlet providers. Everyone we approach is very interested in our concept and been extremely cooperative in finding a way to add us to their service offering.

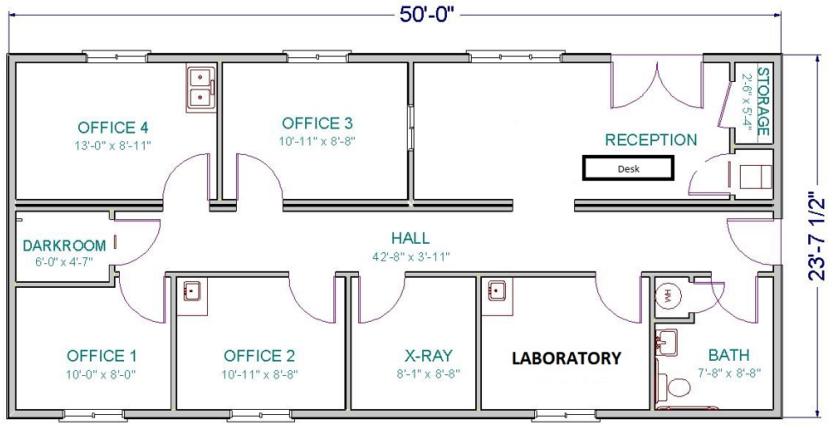
No definitive agreements have been signed yet, but a consistent range of expectations has been established.

Depending on the location, we will build our clinics as stand alone facilities, and lease the square footage of the footprint / land; or we will build the clinic inside an existing structure when necessary.

IHS Clinic Floor Plan (External)



IHS Clinic Floor Plan (Int/Ext -concept)



Well-known commercial construction company has reviewed our plans, committed to a detailed bid of the costs, with an established permitting and execution timeline, on a per clinic basis for our rollout. *Details and terms of which are available to investors upon request.*

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Clinic Focused on Patient

Functions which are best provided 'face to face'

Facilities include internet access with cloud-based patient record storage for multiple functions, including high-speed hi-resolution imaging linked to central Support center for medical evaluation.

Ability to communicate with driver, IHS central, local hospital, trucking companies, and insurance carriers.

Physical space and medical staff to serve patient incoming rate of 30+ / day, with space for basic lab analysis, essential medical and X-ray equipment.

Staffed with a full-time licensed certified PA, oversight by MD, plus remote assistance.

Tele Medicine Supported & Leveraged by Technology

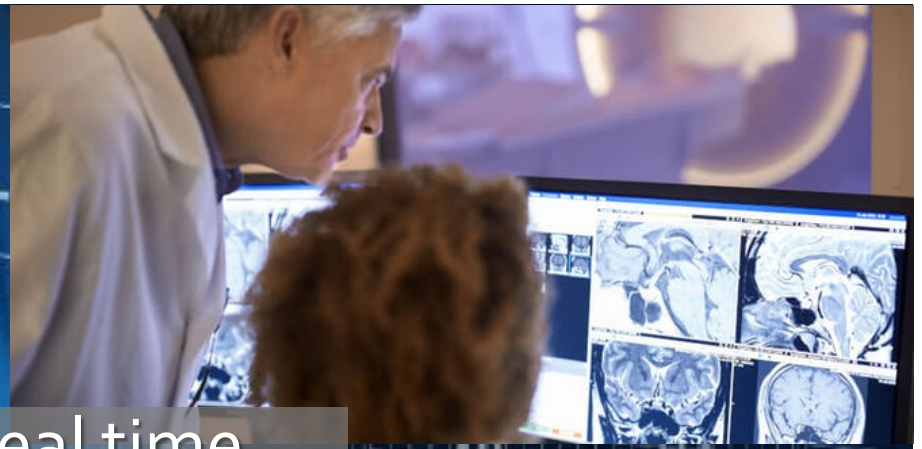
Our aggressive rollout will include advanced technology to enable vital telemedicne services.

Centralized Clinic Support

Focusing on functions with economies of scale
Use power of technology to provide support, expertise and oversight

Sophisticated Technical and Medical support will be available 24x7 to all nationwide clinics from central facilities.

IHS will maintain real time oversight of all clinics nationwide with full multi-functional / multi-discipline expertise and support from US based central operations.



Central HQ will be staffed by MDs for remote consultation, assistance and 24x7 telemedicine support.

High speed data and video technology will be deployed to maximize support capability.

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Clinic Specific Financials

Path to Breakeven; Potential for Profit

Operating Variables

- Patient Daily Volume (30 per day)
- Hours of Service (16 – 6 am to 10 pm)
- Services Offered – Designated Health Care Services
  - Visits - Examination, Routine Acute Care, and Management of Chronic Conditions
  - Testing, Screening, and Studies
  - Pharmacy, OTC, and Supplies
- Staff Required (Medical service time per patient – 30 mins)

Revenue Total $2.625m per yr.

- Visits - 30 per day @ $125 = $3,750 / $1.365m per yr.
- Testing:
  - Qualitative - (simple - blood sugar, strep, urine, flu, lipid panel) 7.5 per day @ $21 = $157 / $57.5k per yr.
  - Quantitative - (more in depth – comprehensive multi-factor screening) 2.25 per day @ $150 = $338 / $123k per yr.
  - Infectious Disease - 3 per day @ $450 = $1,350 / $493k per yr.
  - Genetic – (4% of visits) 1.2 per day @ $500 = $600 / $219k per yr.
- Study:
  - Sleep Studies – 10 a month @ $210 / $25.2k per yr.
  - CPAP Setup – 7 per month @ $1,478 / $124k per yr.
- Pharmacy - 6 per day @ $70 = $420 / $153K per yr.
- Other Supplies / OTC - $141 per day / $51.6k per yr.

Clinic Specific Financials

First clinic scheduled to open by 5/30/20

Path to Breakeven; Potential for Profit

- Operating Expenses
  - Staff - 37 hrs. per day @ $61 an hr. = $2265 a day including wages, benefits, & insurance
  - Testing Lab Support:
    - Qualitative - (simple - blood sugar, strep, urine, flu, lipid panel) 7.5 per day @ $4.15 = $31 / $11.4k per yr.
    - Quantitative - (more in depth – comprehensive multi-factor screening) 2.25 per day @ $75 = $169 / $61.6k per yr.
    - Infectious Disease - 3 per day @ $225 = $675 / $246.4 per yr.
    - Genetic - (4% of visits) 1.2 per day @ $250 = $300 / $109k per yr.
  - Study:
    - Sleep Studies - 10 a month @ $210 / $25.2k per yr.
    - CPAP Setup - 7 per month @ $667 / $56k per yr.
  - Pharmacy - 6 day @ $57.4 = $344 / $125.7K per yr.
  - Supplies / OTC - $56 per day / $20.6k per yr.
  - Other Consumables - $540 a month
  - Clinic Overhead - $1,800 rent, $960 utilities

- Revenue per clinic
  - Within first year of operation, we expect clinics to first reach and then exceed a monthly Revenue run rate of >$7,000 per day, >$215,000 a month, or an annualized run rate > $2.6 million.
- EBITDA per clinic
  - Within first year of operation, we expect clinics to first reach and then exceed a monthly EBITDA rate of >$1,700 per day, >$50,000 a month, or an annualized run rate > $605,000.
  - Within the second year of operation, we expect clinics to reach a monthly EBITDA rate of >$3,000 per day, >$90,000 a month, or an annualized run rate > $1.0 million.
- EBITDA overall
  - We expect IHS to turn EBITDA positive in month 13, shortly after the first 20 clinics are opened and have been operating for at least 3 months.
- Leverage to the Results
  - Patient volume increase of 10 per day (going from 30 to 40) increases EBITDA by >$1,000 a day, >$30,000 a month, and >$365,000 a year.

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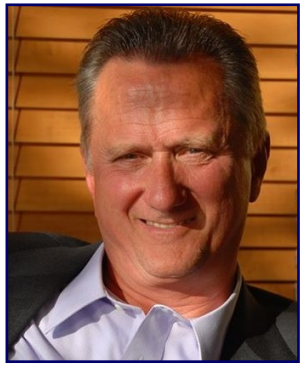
Our Team

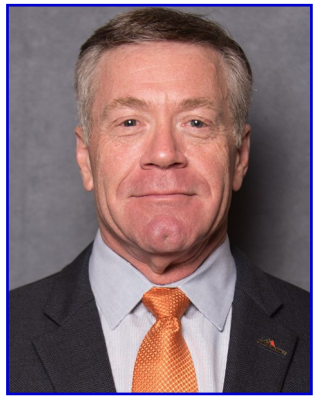


Monty Lankford

CEO

Before starting IHS, Monty founded TLC Medical in 1996 and set up over 20,000 C-Pap patients. Monty founded Rural Physician Partners creating a network of physician partners.

He has served in leadership roles in both TN State as well as national Republican Party politics, he an active member of his church, serves on charitable, academic and corporate boards. He, and his wife of 43 years, have 5 children and 16 grandchildren (with another on the way).



Tim Campbell

COO

Before joining IHS, Tim served in multiple Senior Leadership roles for McLane Company, a wholly owned subsidiary of Berkshire Hathaway. While Director of Sales, McLane enjoyed annual sales of 42B.

As a young man, his time in the US Army , instilled a passion for physical fitness. Tim's personal time is spent with his wife Carol of almost 40 years and hiking a National Park someplace in this great country.

Steve Harlow

CIO / Treasurer

With over 30 years experience in the development, management and support of technology in the aerospace, healthcare and real estate industries, Steve is directing the development, integration and roll-out of the technology supporting our facilities.

John Juhasz

CTO / Secretary

In > 4 decades as CEO / entrepreneur, program manager, and a practicing engineer, he has had (9 patents awarded) in the automotive, aerospace, energy, and telecom sectors. He helped develop the On-Star System at GM/Europe, at the Anti-Skid brake systems at Bendix, as well as spending 2 decades at NASA on various projects including the ISS (International Space Station). At IHS, John is engaged in strategic planning & financial modeling, and technology & system development.

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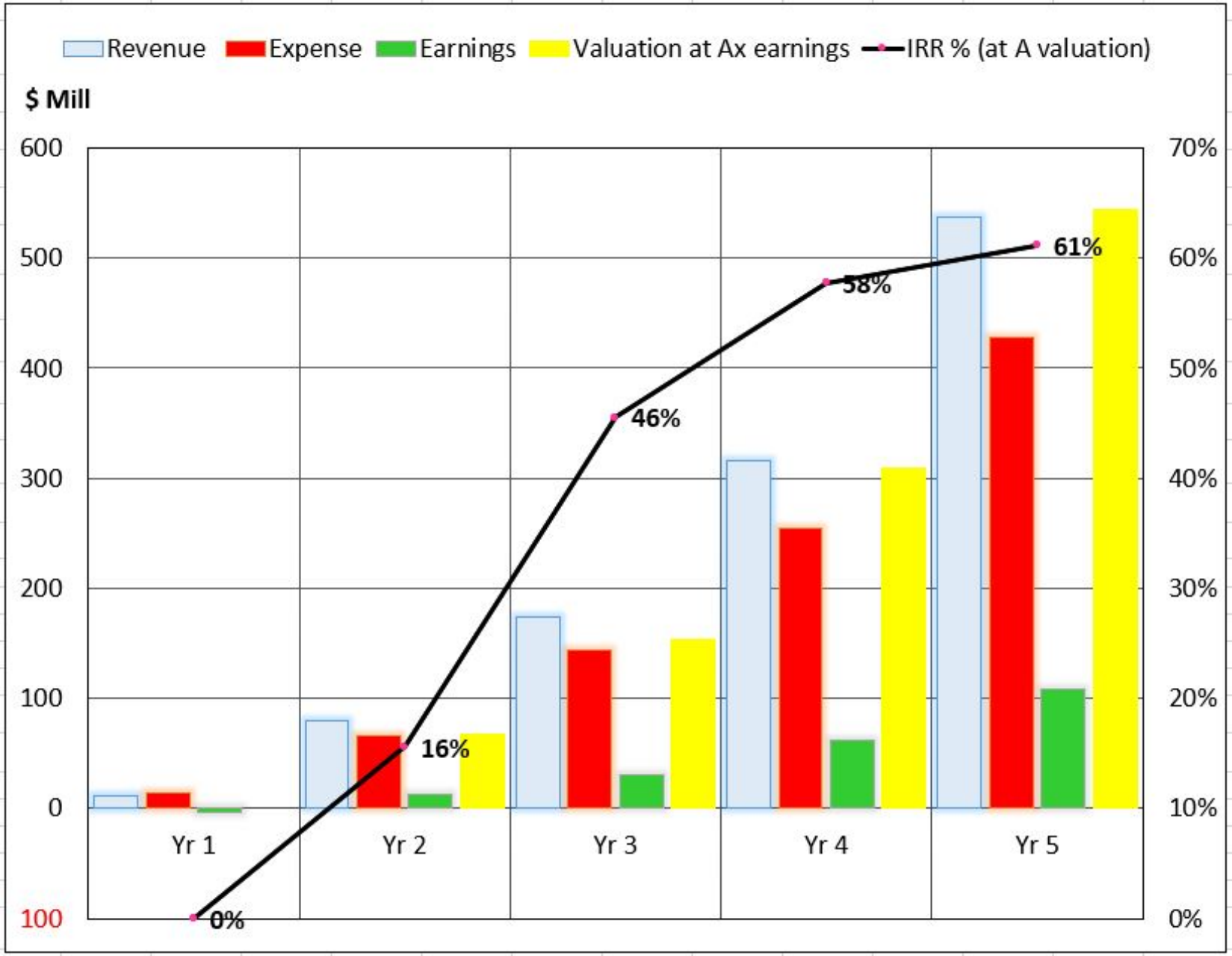

Our Team

Walt Massey

Advisor

Walt is a founding partner of COVALUS, a consulting firm that provides strategic planning and implementation services for institutional and private building owners.From its headquarters in Dallas and offices in Nashville, Philadelphia, Denver, and Houston, Covalus currently serves clients in 23 states. During his 25 years in the industry, Walt has led the planning or construction of more than 11 million square feet of hospitals valued at more than $7 billion.

Dr. Upender

Medical Advisor

Dr. Upender is an Associate Professor of Neurology and the Medical Director of Vanderbilt Sleep Disorders Center. He has served a 5-year term on the U.S. Coast Guard Medical Advisory Committee. He continues to advocate for sleep health through the American Academy of Sleep Medicine Public Safety Committee. Dr. Upender is a diplomate of American Board of Psychiatry and Neurology and holds certification in both Neurology and Sleep Medicine. He is also a diplomate of American Board of Electromyography.

Dr Harry Jacobson

Partner/Advisor

Dr. Jacobson was Vice Chancellor for Health Affairs at Vanderbilt University and the CEO of Vanderbilt University Medical Center (VUMC). VUMC consists of a medical school, nursing school and a healthcare system. During Dr. Jacobson's 11+ year tenure, VUMC revenues grew from approximately $750 million to $2.5 billion, it opened over $1 billion of newly constructed facilities, it was recognized as a "most-wired" hospital as well as a *U. S. News and World Report* honor-roll hospital. a *Fortune* top-100 place to work.

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Growth Strategy

How we will become the dominant leader of interstate and rural health services within 3 to 5 years.

Phase 1
< 8 months

- Initial rollout of first 10 clinics.
- Establish technology support network and co headquarters.
- Close on contract to outsource billing and collection systems with major national provider.
- Refine operating model and establish 'line of sight' to cash flow positive on first clinics.
- Meet all requirements for 2nd tranche of financing.

Phase 2
< 15 months

- Rollout of additional 10 clinics (20 total).
- Expand depth, breadth, and sophistication of technology network to include secure cloud-based patient records, and app for trucker's phone.
- Become cash flow positive on first 10 clinics.
- Meet all requirements for 3rd tranche of financing.

Phase 3
24 months

- Rollout additional 40 clinics (60 total).
- Begin bringing outsourced services, such as lab work, in house.
- Expand breath of services, add ancillary products (equipment) to increase revenue and improve value provided.
- Become cash flow positive on first 20 clinics.

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Growth Strategy

How we will become the dominant leader of interstate and rural health services within 3 to 5 years.

Phase 4
36 months

- Rollout additional 60 clinics (120 total).
- Continue bringing outsourced services in house as appropriate.
- Expand sophistication of services offered.
- Become cash flow positive on first 90 clinics.
- Return 100% of initial investment to investors, plus a special dividend.

Phase 5
48 months

- Rollout of additional 80 clinics (200 total).
- Continue expanding sophistication of technology with detailed designs rigorously focused on trucking industry's needs and IHS ability to provide. Seeking patent protection for innovation when possible.
- Complete bringing outsourced services in house.

Phase 6
60 *months*

- Rollout of additional 100 clinics (300 total).
- **Achieve $1 billion in valuation.**

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Financials

Interstate Health Systems is currently debt free.

	Year 1	Year 2	Year 3	Year 4	Year 5
Clinics	20	60	120	200	300
Patient Visits	100,000	477,000	981,000	1,692,000	2,790,000
Revenue	**$9,107,000**	**$87,045,000**	**$194,118,000**	**$369,910,000**	**$696,177,000**
Operating Expenses					
• Clinic Operations	6,428,000	51,340,000	113,503,000	208,436,000	379,496,000
• IT, HR, Billing	1,890,000	4,304,000	5,944,000	14,901,000	16,791,000
• Insurance	624,000	1,420,000	1,962,000	4,917,000	5,541,000
• Sales & Marketing	581,000	870,000	1,941,000	3,699,000	6,962,000
• Contract Services	360,000	761,000	858,000	957,000	1,078,000
• Corporate Support	239,000	1,689,000	1,125,000	420,000	473,000
• Depreciation	234,000	683,000	1,132,000	1,850,000	2,748,000
Total Expenses	**10,356,000**	**61,068,000**	**126,464,000**	**235,181,000**	413,089,000
EBIT	-1,249,000	25,976,000	67,654,000	134,729,000	283,088,000

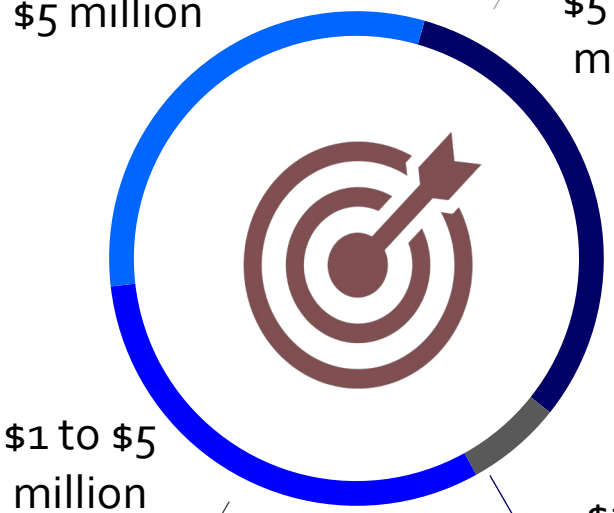
Funding

Investors are Capitalizing the Initial Equity Value at $25 million

Each $1 million invested obtains 4% of the equity.

Funds Already Committed

Fully Funded



Additional Funds Short-Term

IHS is offering 20% Premium Equity to Investors Committing & Funding

Carrier Partnership Category

For those who see the value of our services, want to help us perfect our model, but are not yet ready to commit a large amount of funds, we are offering a limited number of Carrier Partnerships.

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Thank You

Bringing Convenient Access to High Quality Health Care to Truck Drivers & Travelers on Interstate Highways