February 22, 2012

Dear Steve, Don and Marc,

Steve, Don and Marc, I am pleased to give you my thoughts on IQware's product, and why I believe IQware is positioned in the "sweet spot" for what's needed in health care at this moment in time. As you know, I am very active at both the state and national level with regard to pharmacy connectivity and HIT(Health Information Technology) efforts to improve patient care. I have been very critical of current E Prescribing efforts, because they have done nothing to reduce the error rates, and have actually created new errors that we need to catch and correct. The potential to catch overdoses and other serious problems is not being addressed by the EMR (electronic medical record) and E Prescribing systems,and IQware has the potential to quickly provide a flexible solution. With regard to my primary interest, pharmacist services, it is clear to me that IQware meets the need to communicate with various physician, hospital and laboratory systems, all speaking different languages. Pharmacists can also report, bill and evaluate the effectiveness of the newest services that payers are demanding, as described in the new Surgeon General's report on the value of pharmacists in the health care system. http://www.pharmacist.com/AM/Template.cfm?Section=Home2&TEMPLATE=/CM/HTMLDisplay.cfm&CONTENTID=27555

Here are some of my thoughts.

MEDICATION THERAPY MANAGEMENT

Pharmacists have been providing a very valuable service, known as Medication Therapy Management (MTM) for over 10 years. These services are now being recognized and paid by Medicare and a number of private payers. The problem is that there is not an easy way for pharmacists to report the services,bill for them, and report the health outcomes of the patients receiving the services. The payers know that they save thousands of dollars from the pharmacists interventions, and are prepared to pay for those services, but the billing systems in pharmacy are primarily designed to bill tablets or capsules, not professional services. IQ Wares solves that problem.

With patients with diabetes, for example, a large percentage of the patients are not utilizing their medications properly, resulting in a

high number of emergency room visits and hospitalizations. However, when the pharmacist meets face-to-face with the patients, carefully explaining how to utilize the medications, and how to use the blood testing devices, the results are impressive. In a recent Ohio study, the patient population improved from only 50% of patients meeting the HbA1c standard, to over 75% hitting the correct number. This translated into nearly $2000 of savings per patient per year, after paying the pharmacists' charges. The patient saw the physician more frequently, the plan paid for more medication because the patient began taking it properly, but ER and hospitalization savings were far higher than the additional drug, pharmacist and physician charges.IQware, by providing an easy-to-use, flexible platform, allows the process to happen smoothly.

SAFETY AND SECURITY

All health care providers are, or should be, extremely concerned about the security of their data. And yet, I constantly hear of breaches of that security, sometimes associated with huge financial penalties. IQware is a solution that has taken security to a much higher level. Since the data doesn't reside on a computer that could be easily breached through a flimsy browser, the patient data remains secure. The added security of MTM and other safety measures make the product far superior to competitive products.

OVERALL HEALTH CARE SYSTEM

We have a huge problem in the US with regard to patient transitions of care from home to hospital, hospital to home or nursing home, or whatever facility. Drugs are a major cause of these problems in transitions. We know that 1/3 of the prescriptions written for chronic illness are never filled, resulting in many of the patients returning to the hospital within 30 days, resulting in NO payment for the hospital or physicians. It is also clear that nearly 50% of those taking medications take them incorrectly, also adding to readmissions, IQware will allow connectivity between the hospital and the local pharmacy, so the community pharmacist will know exactly what medications the patient is being released with, so we can ask why a prescription is missing. The local pharmacist can also be incentivized to slow down and be sure the patient fully understands the medication. If they refuse to fill the prescription, or if there is a problem such as a high copay keeping them from filling the drug, the pharmacist can report back to the prescribing physician. The community pharmacist can also check lab values and other information on the patient chart, via IQware's connectivity, so that the pharmacist can adjust medication dosages, as the physician requests.

One of the great features of IQware is its flexibility. One system may want specific data collected on all diabetic patients, where another program may focus more specifically on pain management. The program can be adjusted quickly to provide the specific reporting required by the program. The interoperability positions the software

to help move the latest in health care reform in a practical direction. Medical homes and accountable care organizations both require health professions to step out of their individual silos, and focus on the needs of the patient. IQware, by providing access to various records through one interface, reduces unnecessary repeating of tests, and improves communications between all providers treating a particular patient. In addition, when requested,IQware can add safety to the process by doing certain checks for overdoses,duplication, and other medication issues. This will prevent patient injury and lawsuits that today's systems cannot prevent.

I see IQware being the vehicle to truly empower healthcare reform. Patient outcomes will improve, thus allowing physicians, pharmacists, and other providers to be paid appropriately for the improved care, which is where the health care system wants to go. I believe that the improved medication therapy management done through this system will be the initial reason that IQware is utilized, but the potential for numerous other uses for the products safety and flexibility are exciting. I fully endorse the product.

Ernest Boyd, R.Ph., MBA
Executive Director
Ohio Pharmacists Association
2674 Federated Blvd
Columbus, Ohio 43235