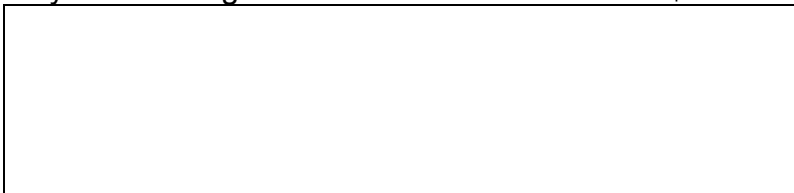


**IMPORTANCE OF PROJECT PURPOSE**

WESTERN NEVADA HOME CARE GROUP has delivered professional medical care to Nevada's homebound disabled since 1997. Illness and disability has stranded a significant number of people in their homes. We find most patients with untreated chronic diseases such as lung and heart diseases, diabetes, arthritis, stroke, substance abuse and cancer. Most have longstanding unmet needs to arrange access to equipment or life sustaining oxygen, home health nursing and social services. All of these things require physician sanction to be eligible for Medicare financing, and rarely do doctors respond to this need without seeing the person in an office setting. Our patients are the sickest people found outside of institutions. They are paralyzed with stroke, injury and arthritis. Many have lost limbs, lung and heart function, are blind and deaf, are chair or bed bound and require around the clock care and observation. They are typically so fragile that transporting these people to a doctor's office is impossible without danger to, and heroic efforts by the person and their caretakers. Their bones are thin and break easily with minor injury. Many require large doses of narcotic medicines to control pain even when resting, making the slightest change in position cause unbearable suffering. Many need constant oxygen supplementation or other devices such as urinary catheters further complicating transport. Many are intolerant of exposure to weather conditions due to infirmity or dangerous medicine side effect. Danger to the caretaker transporting an infirm patient is reflected in the fact that nursing home employees have one of the highest rates of industrial injury. Living in rural locations necessitates long transport time to a medical facility. In Western Nevada frequently experiencing adverse weather further increases danger to all parties. Since physicians rarely do home visitation, many chronic medical conditions in the homebound are poorly controlled and acute problems are left untreated. Both patient and caretakers are easily overwhelmed with the tasks of maintaining chronic disease which necessitates recurrent hospitalization. Frequently, a homebound person's only recourse for care is ambulance evacuation to a hospital emergency department, currently costing a minimum of \$800. These problems results in tremendous personal suffering, increased morbidity, mortality, and financial cost to society. It is important to note that a review of homebound patients visited by our group in January 2004 showed 92% with one or more medical diagnosis directly attributed to tobacco use.

**MEETING THE UNMET NEEDS OF THOSE TO BE SERVED**

The time expenditure and effort are too great and reimbursement too little for physicians to routinely perform home visitation. The financial and temporal burden of delivering medical care into a person's home is significantly different than an office based practice. For instance, it is common for an internal medicine doctor to see forty patients a day with average Medicare reimbursement of \$119.



## EXHIBIT G

Our practitioners are able to see from four and six patients a day with an average reimbursement of \$136.

Extrapolating from U.S. Census Bureau year 2000 reports, there are over 39,000 disabled people in our service area that have difficulty leaving their homes. Our group has a six year history of logistic development and organization delivering professional medical care to the homebound. We are already well integrated with the social workers of the Nevada Division For Aging Services, hospital discharge planners, home health agencies, durable medical goods suppliers and pharmacies. (Please see attached letters from these agencies confirming this fact)

Generally, the above mentioned groups refer patients to us when no other physician will help. We also accept referral from any concerned citizen. Usually the patient is assessed for needs within the week. Our business is operated out of an office in Gardnerville, Nevada with a registered nurse/dispatcher manning the phone from 8 a.m. to 5:30 p.m. seven days a week. Our doctors or physician assistants are available by cellular phone from this office from 9:00 a.m. to 5:30 p.m. We accept Medicare assignment, Medicaid, and bill most insurance companies.

Our services include most of the things available from a conventional physician's office. Each doctor commonly can perform EKGs, pulse oxymetry, rapid strep screening, dipstick urinalysis, occult blood, immunizations and draw blood samples or cultures for subsequent laboratory testing. We frequently arrange home oxygen services, health care equipment delivery, and coordinate home nursing care and hospice. We prescribe medicines for all types of illnesses. We remove toenails, incise and drain cutaneous abscesses, debride and repair simple wounds, perform cutaneous punch biopsies and cutaneous cryo-destruction. We can inject local anesthetic and cortisone into trigger points, inflamed joints and connective-tissue. We can perform urinary catheterization. We do not offer obstetrics/gynecology services for patients in the reproductive years. New in 2003 is a mobile X-Ray service.

### SIZE OF POPULATION TO BE SERVED

As stated above, Extrapolating from U.S. Census Bureau year 2000 reports, there are over 39,000 disabled people in our service area that have difficulty leaving their homes. Our organization gives routine care in the Nevada Counties of Carson, Douglas, Lyon, Mineral, Storey and Washoe representing an area of over 5000 square miles, both urban and rural. We are willing to make interventions anywhere in Nevada. There is no age limitation. We prefer to limit our services to those homebound by disability. We currently serve 160 patients with a minimum of a monthly visit. We can serve up to 260 with our present personnel and will recruit more to accommodate patient census

### COST EFFECTIVENESS

We are in the process of recruiting community volunteers to provide non-medical patient tasks such as medicine pick up and delivery, home and safety improvement, respite, etc.

Recurrent hospitalization is a common occurrence for the homebound disabled. Usually, the only physician care is found by them in the hospital. Many problems previously requiring hospitalization can be prevented or subverted by proper professional home care. Research evidence shows that pre-emptive actions by home care health professionals can reduce costs by as much as 46%. ("Journal of the American Medical Association" #282, 1999 p 1129,) and "...decreased hospitalization and nursing home use without compromising medical outcomes" ("Journal of the American Medical Association" #290, 2003, p. 1203-1207). After discharge from the hospital, elders improved their ability to stay in home by 82% compared with "the usual care". ("Journal of the American Medical Association", #287, April 24, 2002). Further studies showed that "...home care intervention reduced elder readmission, lengthened the time from hospital discharge and readmission and decreased the costs of providing health care." ("Journal of the American Medical Association" #281, Feb 17, 1999).

According to American Medical Association statistics, the average cost of hospitalization is now at \$5355. Non-emergent ambulance transportation to and from the hospital averages \$1600 in Western Nevada. Our group commonly provides in home medical services to disabled patients twice a month at a yearly cost to Medicare of \$3264. Clearly, if our group can prevent only one hospitalization for a patient, an economy is realized. Many of our patients have experienced 8-10 hospitalizations a year until professional medical care was brought to them in their home.

### POTENTIAL FOR ONGOING SUSTAINABILITY

Our staff is one of our greatest assets. The project director, Dr. Kirkland White, has spent the majority of his 20 year career serving the medically disenfranchised. Deedee Blackburn, R.N., has extensive experience in home health and hospice nursing. Likewise, our certified physician assistants, Kenneth Zacharias and Regina Pedersen have spent their entire careers serving rural Nevada. In addition to the community and State Government goodwill and attention generated by our project, Every Nevada State Government elected official has been apprised of our project and has shown enthusiastic support. Most recently have also formed an alliance with the National Institutes of Health and National Institute on Aging

### COLLABORATION

We are currently allied with The Partnership for Community Resources for fiscal management and are negotiating with the Sierra Family Health Center for logistic and financial support and project expansion

### LEVERAGING OF ADDITIONAL RESOURCES

Financially, we have already secured almost half of projective operating expenses in Medicare and Medicaid billing. We have ongoing grant applications to various Federal agencies and projects and the Robert Wood Johnson Foundation. We have a long range goal of creating an endowment funded by Nevada's leading industries.

### INNOVATION

WESTERN NEVADA HOME CARE GROUP is able to deliver medical care to Nevada's homebound disabled with services similar to a conventional medical office due to electronic miniaturization, computers and telephonic technology that was unavailable until recently