

PROPSAL TO WELLS FARGO BANK

A National Model for Remote Medical Services

A Hospital in Tulare California has filed for bankruptcy and needs a restructuring of their business model to get out of the hole and create a sustainable revenue stream. This is a proposal for a PPP that creates a remote medical model that can generate enough additional revenue for hospital to become profitable. This model can be duplicated nationally as it proves successful and become a new lending market. When Wells Fargo Bank provides a Letter of Interest, it will be delivered to the bankruptcy court, and accepted as a competing Proposal for all Creditors; the Court will order a Due Diligence package be prepared for the PPP.

* Borrower is a Public Private Partnership (PPP) with:

1. [Tulare Local Healthcare District](#) (Hospital)
2. Developer David Wells and Associates providing remote medical services
3. Wells Fargo Bank providing \$75 million Line of Credit (LOC)
4. Remote model Investors (Bass Family?) as advisors and later investors
5. [Adventist Healthcare](#) will be a party to the PPP
6. Creditors Group as approved by court

* Term of Line of Credit is 5 years. Wells Fargo will receive an agreeable amount of equity in the PPP as an incentive. The LOC agreement will require court and all parties approval of all terms

* [Collateral](#) is the real estate currently owned by borrower and all new assets. Any existing mortgages must agree to subordinate and get paid at IPO. It is probable that the current real estate property has a value in excess of \$200 million. There is existing debt including Local bonds exceeding \$80 million. When the Letters of Interest are signed, the court will provide a schedule of all assets and obligations on the real estate along with land plat, architectural, Bond Prospectus and any document that will help Bank calculate and evaluate the risk.

* Capital Payback is an IPO based on the new earning power of the expanded hospital services to remote patients. Wells will provide business case for revenues possible from [remote](#) medical business. The IPO will be based upon the latest combined earnings of the PPP.

* Upon the Letter of Intent from Wells Fargo Bank, and as a condition of funding, the Hospital will agree to authorize developer Wells in an agreement to secure the LOC funding and to grow a referral of services fee business from remote medical. Bank will require a Due Diligence package from the court

* Then upon Letters of Interest provided by each of the parties, Wells will submit a Bankruptcy Reorganization Plan to the Court that will include a creditor class of claims all of which are paid by the IPO before LOC becomes due.

* Expanded revenue base generated by developer Wells comes from growing a remote medical business. As a condition of the “Line of Credit” Wells will prepare a proforma business case for how much revenue is possible from this proposed profit center. Wells will organize a technology team made up of Kodak, _____ and others. Kodak will provide the terabyte hard drives, server farm and cameras. Wells will rent one floor of space (in yellow) as the Hub as shown below. The planned occupants can be redistributed throughout the facility to make room.



*Wells will have the exclusive contract for remote medical including, manufacture and provide medical equipment and Kiosks to all remote locations connecting to the Hub. These will be seeds around which a medical neighborhood will grow and flourish in these remote locations.

Remote Pharmacy



Hub Commination's Room

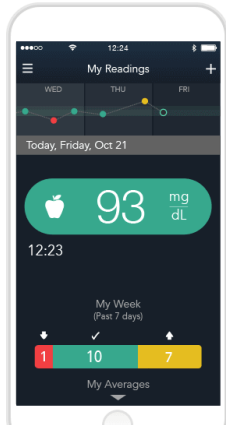


exam & consultation booth

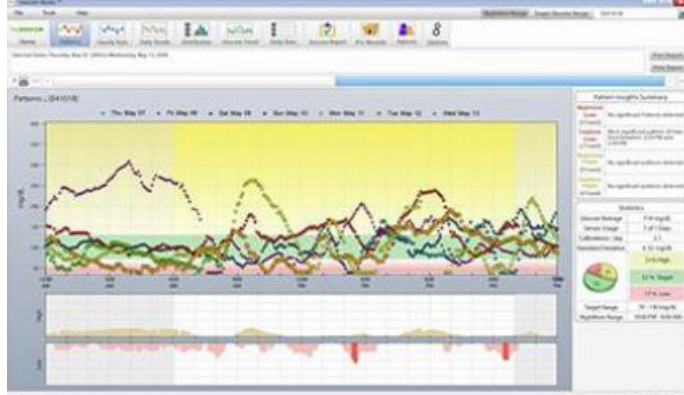


* A New Age for Remote Medical is emerging with personalized monitoring products that can be tracked by doctors, staff, patients and even emergency responders on cell phones, wrist bands, databases and desktops.

Cell tracking



hub computers pattern tracking



body sensors



“Body network sensors have become lightweight healthcare assistants—they acquire data, run diagnostics, report adverse events, and even warn of unsafe situations” [More](#)

Remote Medical Revenue Scenario might look something this: let’s say the Hospital employed 150 doctors and 500 staff in the past to treat 30,000 patients annually. Within 100-mile radius of the hospital are dozens of small towns that lack medical facilities with a million Medicare population. Within 5 years the hospital could grow another 30,000 remote patients employing another 150 doctors and 500 staff. The revenue base would be much smaller say 50% of the current revenue base. But that should be enough for the hospital to become more sustainable financially. One big difference would be the cost of operating the remote medical network. This should be very small, perhaps as low as \$25 per subscriber per month for basic monitoring. These funds would go into a separate account managed by Wells. The patient's insurance or even Medicare should pay this subscription



Test Bed for remote medical-There are a handful of experiments going on in remote medical mostly by the insurance companies. They view this as a way of saving money. Once up and running it may be an opportunity to invite others from the medical industry to both watch and or participate. It could also become a new financial market for Well Fargo bank.