FLEXMEDICAL CUSTOMER BULLETIN OCTOBER 2018

2015 CERTIFICATION INFORMATION

DIRECTLY FROM RYAN McGINTY - PRESIDENT, CEO, AND LEAD DEVELOPER

After months of research and consideration, we have decided not to pursue the 2015 Certification (known previously as Meaningful Use Stage 3). For the past 7 years, the two previous certifications (2011 and 2014) have consumed a huge amount of time and resources. Not only the development of features required to meet the certification, but the certification process itself, then the implementation and education required for customers to understand the changes made, and finally, maintaining compliance with the certification which continues until the end of 2018. While Stage 1 had numerous features that I considered beneficial to patient care. Stage 2 started down the road of "quality measurement" as its primary focus. Stage 3 not only continues this trend, it increases the requirements to a point that the burdens of the certification no longer align with FlexMedical's primary function: helping you care for patients more effectively and efficiently. The majority of our client-base has not participated in programs that require certification and gain no benefit from the bulk of the latest certification's features. Therefore, I have decided it is in the best interest of the client-base as a whole, and for FlexMedical in general, to not pursue the certification at this time.

Certification essentially locks us in to develop and maintain features that are rarely used, features that are used simply to "meet numbers," and prevents us from innovating in areas that would save vast amounts of day-to-day time. For 7 years, we have slowly watched our ability, along with the rest of the industry, to innovate erode into maintaining a tool for simply navigating ever-shifting red tape. This is not limited to FlexMedical because we are a small company – even the big players have watched their satisfaction scores fall as their products become more about meeting numbers than patient care. Smaller players have packed up or sold out to the larger players as the requirements have become more burdensome, further eliminating innovation.

I created FlexMedical to fill a void of innovative, easy-to-use, and affordable all-in-one software package for small to medium-sized medical offices. With this decision, we plan to get back to our roots of working for the customer without the barriers and burdens imposed on us by maintaining a certification that has become more about data collection than actual quality of care. I understand that not everyone will be able to follow us as our journey continues, and this has weighed heavily as I made the final decision but, ultimately, I feel this is the best decision for the majority of customers.

On the second page of this document are answers to some of the questions we anticipate will be asked the most. If your question is not answered here, please don't hesitate to contact us.

I value each and every customer that has placed their faith in us over the years. For those that cannot continue with us, please know your support has been appreciated and integral to our success thus far. For those of you that continue with us, I look forward to introducing new ideas and features that make you wonder how you ever lived without them in the first place.

Sincerely,

Ryan McGinty

President/CEO/Lead Developer

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OCERIS, Inc.

NOTE: Bills were delayed this billing cycle while we prepped this information. We will not be considering payment late until 30 days after receipt, so please ignore the due date on this round of invoices.

FREQUENTLY ASKED QUESTIONS

IS FLEXMEDICAL SHUTTING DOWN OR SELLING OUT?

No – With the majority of our customers not requiring nor benefiting from certification, we have ensured that we are structured such that focusing on existing customers will keep us solvent. We also have other income sources outside of FlexMedical. We have no outside investors to answer to and thus are free to chart our own course.

How Does This Affect Me?

If you do not use the EHR module of our product, or if you do not participate in incentive programs such as MIPS/MACRA, then this change will only affect you in a positive way, as we will be free to focus once again on innovation and faster feature turnaround.

If you have participated in the incentive programs and planned to in 2019, this change will affect you. While there are some portions of the programs that can be done without a certified EHR (CEHRT), the largest portions do require it. Not participating in these programs could result in a penalty on Medicare or Medicaid payments.

WHEN WAS THIS DECIDED?

I have heard that some of our customers were told that we were shutting down, we were being bought out, or that we had made a decision regarding certification. We have never discussed shutting down, nor have I ever discussed selling out to a competitor. Doing either would not benefit the existing customers. As for certification, this was only decided mid-September with an additional week to evaluate all potential impacts this could have. Any information to the contrary did not come from me and was simply fabricated.

CAN FLEXMEDICAL STILL BE USED TO ATTEST FOR CY 2018?

Yes – FlexMedical will remain 2014 certified through the end of 2018. Those that have chosen to participate in programs for 2018 can use a 2014 certified EHR. After 2018, our 2014 certification will expire and will no longer be applicable (unless CMS makes a last-minute decision to allow 2014 certified products in 2019).

WILL FLEXMEDICAL STILL BE ACTIVELY MAINTAINED?

Yes – There are numerous things that must be maintained, including Surescripts compatibility, billing format changes, and other standards used in day-to-day operations that have nothing to do with certification. New features are planned as well and FlexMedical will remain an actively developed, flagship product for me personally and my company. We will have a roadmap of new features for 2019 prior to the end of the year.

BOTTOM LINE - WHY DID YOU MAKE THIS DECISION?

Personally, I felt like we were getting away from the core principles that made me create FlexMedical in the first place. Certification started as a milestone of manageable size to a bloated maze of cryptic acronyms and even more cryptic requirements. Standards from the last certification that haven't been fully adopted are already being replaced by even more complicated and untested standards. It went from a "project" to a near full-time job across our entire organization keeping track of shifting standards, last minute mandates, and the infinite lack of consistent information. It has left no room to innovate and make a better product for all levels of your organization through new features that we've had in the works for years but have been unable to deliver due to regulation changes or the inability to change parts of the software because those sections have been "certified" and would require costly "recertification". Combine all of this with the fact that some of our large competitors simply cut corners to pass certification, the fact that physicians are retiring at a record rate due to EHR dissatisfaction and red tape requirements, and the choice became clear. My goal has always been simple — to get you home quicker, to help you care for patients more effectively, and to give your office the tools to increase the quality of care AND business across the board — all while giving you support that is responsive and prioritizes the customer above everything else. It is my belief that many of the improvements we have not been able to unveil would more than make up for any penalty leveled at you via CMS. Little is known about requirements for 2020 and beyond, but I can no longer shelve these ideas for the sake of making a clone of every other EHR out there that is trying to accommodate certification requirements.