



Nexion Positioning Statement

This document provides you with the necessary background needed to make a convincing and successful presentation of the Nexion application to prospective clients.

What is Nexion?

Nexion provides the necessary payment infrastructure to busy medical practitioners enabling them to compete in an ever-changing business environment.

Nexion is a single system that records and processes all payment transactions made irrelevant of how that payment is received. This recording and processing capability is embedded in a comprehensive reporting tool that allows full visibility into transactions processed and cash flow.

Nexion enables practices capability to accept all **Credit Card** types (MasterCard/ Visa/ American Express/ Diners Club) **Debit Cards** (Electron/ Maestro) allows **Direct debit** transactions of bank accounts (Current and Savings) as well as recording of **Cash receipts** (direct deposit/ cash receipts/ Cash) all on system with a comprehensive detailed reporting tool

Nexion is a software package that is installed on clients PC, (Minimum requirement Pentium 2 PC running Windows 2000 or above). Nexion requires Internet access (ADSL or Dialup) and an inkjet or laser printer.

Nexion offers a complete payment administration system as a stand alone solution or it can be integrated with various practice management and accounting applications.

The environment medical practitioners are operating in today:

Traditionally medical practitioners have been reliant on third party providers (medical aid schemes). Over the past few years, there have been some significant changes in the environment that medical practitioners operate in; most changes have resulted in a marked increase in the number of private payments that have to be collected from patients in the practice.

Factors that have affected this change include:

1. The proportion of patients with only hospital or chronic care only schemes has increased with fewer patients on comprehensive medical insurance schemes.
2. There has been a significant increase in the volume of auxiliary dispensing or additional services (such as Botox injections) taking place in practices.
3. There has been an increase in the number and complexity of medical schemes, making dependence on third party payers less dependable and more complex. In many cases schemes have reduced the limit of coverage.
4. Treatments by some specialists such as Dentists and Orthodontists are expensive and cover in some cases, a long period of time. These specialists need to offer their patients payment terms and treatment plans that allow for payments to be made over time.
5. Patients are not always in a position to pay for treatment when needed. Medical practitioners need additional tools to allow them to give treatment when due and patients should not have to defer treatment until they can afford it.

Medical practitioners are dealing with these changes by adding to the workload of the practice managers and have resulted in practices having to:

- 1) Allow patients to pay on account.
- 2) Obtaining a credit card facility from their bank.
- 3) Accepting cash / cheques and direct deposit from clients.

These additional payments need to be processed and administered. Many practices are unable to deal with these additional payments. The responsibility falls on the practice manager who does not always have the training or the time to deal with these payments.

Nexion offers a single solution that facilitates, processes and reports on all payments made to the practice, providing the busy medical practitioner with a clear view into the flow of funds through his or her practice.

What issues are practices facing today as a result of these changes?

The burden of processing an increased volume of payments are handled by an already overburdened practice management team that is not always equipped to handle the complexities of all the payment types offered today resulting in issues that include :

1. Multiple processes are in place to receive payment resulting in multiple procedures and paper intensive administration at the front desk of a busy practice resulting in training issues for new staff members.
2. Considerable time is spent reconciling bank statements and deposits to get detail of historic cash flow. Where payment terms are offered, there is limited capability to determine future payments.
3. It is not always possible to get an accurate picture of the practice's financial status without considerable time and effort.
4. Large amounts of aging debt are increasingly hard to collect unless expensive and not always subtle collection alternatives are invoked.
5. Where an existing credit card facility is in place, a combination of manual and computerized processes are needed to handle payments. End of day processes on the credit card terminal can be cumbersome and the reconciliation of credit card payments from the bank is at best complex and paper intensive.
6. In cases where payment terms are extended, these have to be managed and collected manually and usually without a written commitment from patients to pay. In many cases adding to bad debt.
7. As a result of more cash being available in the practice without adequate recording mechanisms the risk of fraud increases.
8. Not being able to collect funds at time of service necessitates the sending of statements, the printing collating and mailing of these statements are both expensive and labor intensive.

Increased volume of payments and these resulting issues are handled by an already overburdened practice management team that is not always equipped to handle the complexities of all the payment types offered today. Nexion offers a single solution, enabling practices to accept and process all payment types, eliminating the above issues faced by practices.

How does Nexion fit in?

Nexion provides the necessary tools to operate in today's environment so doing eliminating or minimizing the issues faced by medical practitioners and their practice management allowing more time for the care of patients and providing the medical practitioners crucial information on the performance of the practice.

How does Nexion solve the issues facing practices today, and provide the tools to address the changes in the market today:

1. Multiple processes are in place to receive payment resulting in multiple procedures and paper intensive administration at the front desk of a busy practice resulting in training issues for new staff members.
Nexion provides a SINGLE system that enables practices to accept cash, process cards and direct debit patients accounts, providing a single experience for the practice management staff for processing payments, irrelevant how the patient pays and resulting in all payments being incorporated in a report from this single system.
2. Considerable time is spent reconciling bank statements and deposits to get detail of historic cash flow. Where payment terms are offered, there is limited capability to determine future payments.
Nexion reports provide detailed reports on both transactions processed, expected future payments as well as funds deposited, providing the medical practitioner a single tool that will provide the details on deposits of funds processed on the Nexion system.
3. It is not always possible to get an accurate picture of the practice's financial status without considerable time and effort.
Nexion reports are available on line, in real time, detailed report filters are available allowing data to be made available for cash flow analysis across date ranges and payment types.

4. Large amounts of aging debt are increasingly hard to collect unless expensive and not always subtle collection alternatives are invoked.
Nexion direct debit capability is can be used to proactively collect aged receivables, providing the capability to act on verbal commitments to pay.

5. Where an existing credit card facility is in place, a combination of manual and computerized processes are needed to handle payments. End of day processes on the credit card terminal can be cumbersome and the reconciliation of credit card payments from the bank is at best complex and paper intensive.
Nexion provides more than just a capability to accept cards, Nexion manages the payment process, provides detailed reporting on transactions processed and eliminates day end procedures, tracing payments with the bank or hidden fees in processing.

6. In cases where payment terms are extended, these have to be managed and collected manually and usually without a written commitment from patients to pay. In many cases adding to bad debt.
Nexion direct debit capability allows for a payment to be divided into monthly installments. Once a transaction has been entered, nexion will automatically deduct funds on due dates and notify patients by SMS that funds are going to be debited. These transactions are of course included on cash flow reporting reflecting as future receipts.

7. As a result of more cash being available in the practice without adequate recording mechanisms the risk of fraud increases.
Nexion provides a single secure system for recording and processing payments, by eliminating multiple paper intensive methods to record receipts, we minimize the risk of fraudulent activity.

8. Not being able to collect funds at time of service necessitates the sending of statements, the printing collating and mailing of these statements are both expensive and labor intensive.
By giving the practice the capability to collect practically all methods of payment, we enable to practice to obtain payment at time of service, eliminating the need to send out statements.

How does Nexion compare to other products:

There are services available to practices that offer parts of what Nexion offers, resulting in the practice having to manage multiple systems and processes. The services however rarely provide the on-line real time reporting on the transactions processed through or by them. Nexion offers a single system that enables practices capability to accept all **Credit Card** types (MasterCard/ Visa/ American Express/ Diners Club) **Debit Cards** (Electron/ Maestro) allows **Direct debit** transactions of bank accounts (Current and Savings) as well as recording of **Cash receipts** (direct deposit/ cash receipts/ Cash) all on system with a comprehensive detailed reporting tool.

- Banks provide credit card facilities, enabling acceptance of Credit Cards but not always Debit Cards and American Express. These facilities however require manual end of day processes and reconciliation and do not provide detailed reporting on transactions processed.
- Facilities that offer direct debit capability require cumbersome audit requirements on debit authorities, do not offer the capability to provide payment terms over time and also do not provide detailed reporting on transactions processed.
- Outsourced administration bureaus also offer a service to practices these services tend to be expensive, do not offer the flexibility of payment types reporting or proactive reduction of aged receivables.
- Debt collection, often a method of last resort is aggressive and expensive.

What are the motivating factors to buy?

- Most medical practices in South Africa have no visibility into their cash flow.
- *Nexion allows you to see ,in real time, historical payments and future receipts. Detailed reports are on all transactions by date range, cost centre and transaction type.*
- Where an existing credit card facility is in place, a combination of manual and computerized processes are needed to handle payments.
- *With Nexion, it is very easy to reconcile back to your bank accounts and there is no need to calculate credit card chargeback fees. With Nexion, you have a single system that handles all these processes.*
- Practice staff waste many hours reconciling payments, processing statements and doing credit card day end procedures.
- *Nexion will save the practice considerable time by reducing time spent reconciling and processing statements.*
- Bad debt is becoming increasingly prevalent with medical practices.
- *Nexion's proactive debt collection facility will help reduce bad debt which is becoming a significant issue at medical practices.*
- It is rare to find practice managers that have received adequate training for what they are expected to do.
- *Nexion gives the practice manager all the administration tools needed to process the practices entire payment system.*

In the coming months, Nexion will be integrated with various PMAs (Practice Management Applications). Once this integration is complete you will have a very important differentiating factor between your application and the numerous, cheaply priced alternatives available on the market today. Nexion allows you to offer a total solution to your potential clients. We provide you with important "stickiness", to a comprehensive solution, a solution that your competition cannot provide.

Nexion Pricing

No capital investment needed.... Operates with your existing systems and there is no additional charge for the credit card terminal.

Nexion charges fall into three categories:

1. Nexion charges a one time installation fee for each computer Nexion is installed on. Installation charges are billed by Nexion or a Nexion accredited dealer. The installation fee is R300 .Prices are VAT exclusive and subject to change.
2. Fixed monthly license fee which covers software rental, software updates and support. Nexion license fees are charged for each computer the software is installed on, and per licensee. Monthly license fees will be deducted from proceeds in the first week of each month. Monthly license fee is R300. Prices are VAT exclusive and subject to change.
3. Nexion transaction charges are charges on a per transaction basis and is tier based and differ by transaction type. The fee tier charged is dependent on the average transaction size processed through Nexion in the previous calendar month, provided that minimum transaction levels have been met. Transaction fees are deducted from proceeds. (See Pricing structure on last page) Prices are VAT exclusive and subject to change.
4. Nexion charges a minimum monthly transaction fee of R350. In any month that the minimum transaction fee is not met, Nexion will charge the difference between the fee already charged and the minimum fee. Prices are VAT exclusive and subject to change.

The tools and answers you need to address possible resistance and issues potential clients might raise.

Is Nexion right for any practice??

Nexion is suitable for all medical service providers. . Our experience has shown that specialists and dental related practitioners easily reach this minimum transaction threshold. In the case of GP's, Nexion is suited to the larger GP practices or those that have an element of supplemental dispensing.

Nexion is not for me....

There are a number of counter arguments that you can put across if you are met with any resistance or "headwind". Here are some of the arguments and our response.

I prefer to deal only with cash - Cash is expensive to deposit at all banks. In addition, by keeping large amounts of cash on the premises, the practice is open to the threat of internal fraud and external crime.

I can get better rates at the bank – This is a definite sign that Nexion is being perceived as a credit card facility only. The best answer to this argument is "Can the bank provides you with the reports that Nexion provides? Can the bank provide you the option of direct debit that will allow your patients to pay over time? Is the bank's facility integrated with your practice management application? Does the bank's facility allow you to reduce bad debt? "

I do not have the necessary volume of transactions to justify the fees – GP's need to process one or two transactions a day, specialists need to process two or three transactions per week. If the potential client cannot reach that threshold, then Nexion is not for them.

Its' too difficult to operate - Nexion is very user friendly. We provide all clients with a comprehensive user manual and our support lines are open 7 days a week.

I do not have the computer hardware – All Nexion need is at least a Pentium Two computer, an inkjet or laser printer and a connection to the Internet (ADSL, ISDN or Dial Up)

To implement Nexion, NO changes are needed in the way you do business.

- Nexion does not require the practice to change banks. We work with all banks.
- Nexion operates as a stand alone and therefore can be used with any practice management application.
- Nexion works with the practices existing computer hardware and inkjet or laser printer.
- Nexion does need a connection to the Internet; ideally this should be ADSL but works over a dial up connection. If the practice has an existing credit card facility, there will be a communication charge of at least R1.50 for each transaction processed. This additional cost is not always apparent.

The following marketing tools Nexion will make available to the sales channels:-

1. PowerPoint sales presentation – this presentation outlines the benefits of using Nexion and gives an overview of the look and feel of the program.
2. Frequently asked questions – these cover most of the common questions asked by practices who are considering implementing Nexion.
3. Price List