



I'm writing to introduce you to Invoice Factoring for the Medical Profession. We offer health-care providers **a unique and flexible financing solution** to meet the cash flow demands faced by your organization. Our primary service – **increasing working capital** by making cash advances based on patient billing – produces two major benefits:

- 1. Smoother, more reliable cash flow for operations**
- 2. More time to manage, control, and grow the business**

As a provider in the healthcare industry, management and control is critical to the success of your organization. We also understand that ***cash flow is vital***. Whether you're a young facility needing new equipment or additional partners, or a more established practice looking to levelize your cash flow, our services can help you facilitate those needs. In addition, we help you:

- **Cover daily operating costs**
- **Upgrade equipment & systems**
- **Receive discounts from suppliers**

For many years, our firm has been working with businesses to improve their cash flow, and we welcome the opportunity to discuss how Smart Finance Options, Inc. can be a financing solution to help you, or your colleagues, strengthen your organization. Don't hesitate to call or email us with your questions. We look forward to earning your business.

Respectfully,

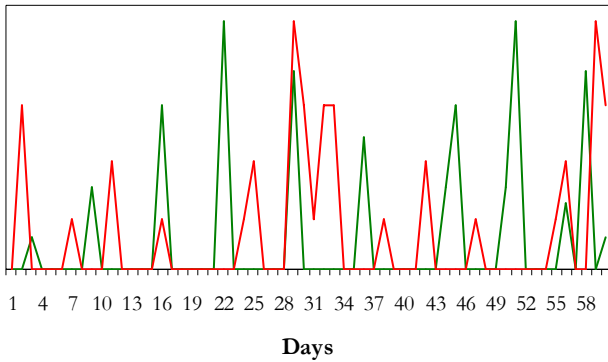
Charles Freeland

Charles Freeland, CEO
Smart Finance Options, Inc.

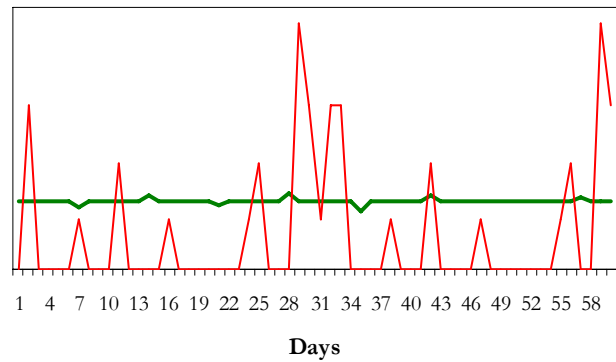


Why Factoring is Beneficial to Your Practice

If your practice has cyclical cash flow due to erratic payment from 3rd Party payers, you can take advantage of the Medical Factoring Program and have constant cash at your disposal.



— Collections — Expenses



— Collections w/Factoring — Expenses

In the example below, the current cash flow shows a practice with no immediate funds available - they can't take advantage of growth opportunities. The practice that is factoring has immediate funds available and can maximize their growth potential through their increased access to cash.

	Insurance/3 rd Party Patient Billings	Avg. Collection %	Net Collectible Revenue	Immediate Funds Available
Current Cash Flow	\$1,000,000	70.0%	\$700,000	\$ 0
With Factoring	\$1,000,000	70.0%	\$700,000	\$560,000

The benefits of our factoring program include, but are not limited to, you achieving:

- Greater control of your practice
- Coverage of working capital demands
- No contract term or minimum fees
- Additional capital with no new debt
- Levelized cash flow
- No set-up or origination fees



We Enable Healthcare Providers & Managers To:

- **Levelize cash flow & avoid unexpected shortfalls**
- **Gain greater control of your business**
- **Upgrade & purchase new equipment & systems**
- **Bring on additional partners**
- **Cover working capital demands**
- **Expedite large transactions**
- **Take advantage of growth opportunities**
- **Receive discounts when paying suppliers**
- **Obtain financing without additional debt**



Smart Finance Options, Inc.

Medical Receivable Financing Application

Provider Legal Name: _____

DBA or Fictitious Names: _____

Provider Contact: _____

Type of Facility: Physician – Hospital – SNF – Long Term Care – DME – Other _____

License Number: _____ Tax ID Number: _____

Medicare Number: _____

Address: _____

County in which Facility is Located: _____

Telephone: _____ FAX: _____ E-Mail: _____

Administrator/Owner _____

Chief Financial Officer: _____

Manager of Collections: _____

Other: _____

What Liens exist against the accounts receivable if any?

Bank:	Yes	No	Amount	_____
IRS:	Yes	No	Amount	_____
Other:	Yes	No	Amount	_____

Why does the Provider seek receivable funding? _____

How long does the Provider seek receivable funding? _____

How much cash is requested at initial funding? _____

Is there current or pending litigation against the Provider? _____

With Whom? _____

For What Amount? _____

Does Provider do its own payroll? _____ Third Party (Who)? _____

Are payroll taxes current? _____ If not, amount delinquent: \$ _____

Are Federal taxes current? _____ If not, amount delinquent: \$ _____

Are State taxes current? _____ If not, amount delinquent: \$ _____

Has Provider ever had a Medicare or Medicaid offset? _____ Amount of offset: \$ _____

Amount of previous offset(s) remaining unpaid: \$ _____

Is there a Medicare offset pending? _____ Estimated amount: \$ _____

Date of last Cost Report filing: _____

What is the average number of insurance claims billed per month?

Inpatient: _____ Outpatient: _____

What is the average dollar amount per claim billed?

Inpatient: _____ Outpatient: _____

Accounts Receivable Breakdown:

Insurance _____ % HMO _____ % Medicare _____ % Self pay _____ %

Medicaid _____ % Workers Comp _____ % Other (Specify) _____ %

Please complete the following:

Payer Type:	Average Monthly Gross Charges	Net Collectible Percentage	Average Monthly Net Payment	Average Days To Pay
Commercial Insurance	\$	%	\$	
Medicare	\$	%	\$	
Medicaid	\$	%	\$	
HMO / PPO	\$	%	\$	
Workers Comp	\$	%	\$	

Total: \$ _____ Gross Billings \$ _____ Net Pay

What is the total amount of unpaid insurance claims aged less than 91 days in the above financial classes?

\$ _____

Please include the following items with your application:

- The last fiscal year's tax return & financial statements, and interim financial statements for current year.
- A list of principals of the organization.
- A current summary aged trial balance of your accounts receivable in 30 day increments grouped by payer type (i.e., Medicare/Medicaid, commercial insurance, etc.) as depicted in the form below:

Summary Aging: Days Outstanding					
Payer Type:	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121+ Days
Commercial Insurance	\$	\$	\$	\$	\$
Medicare	\$	\$	\$	\$	\$
Medicaid	\$	\$	\$	\$	\$
HMO / PPO	\$	\$	\$	\$	\$
Workers Comp	\$	\$	\$	\$	\$
Blue Cross/ Blue Shield	\$	\$	\$	\$	\$
Self-Pay	\$	\$	\$	\$	\$
Other (Specify)	\$	\$	\$	\$	\$

Submitted By: _____ Date: _____

Reviewed By: _____ Date: _____

Once completed, please fax or e-mail this Application along with the Summary Aging to 888-547-7993 or E-mail to: info@smartfinanceoptions.com