ReadyCareConnect

BUSINESS PLAN

Overview

To give caregivers peace of mind by providing them with a personalized care path as they navigate caring for an aging parent. ReadyCare is a comprehensive and adaptable platform and community that provides a curated plan of care and answers to your most pressing questions.

PROBLEM

Over 2/3 of caregivers find caring to be overwhelming. When asked why they are overwhelmed they cite things like: managing the care recipients bills, budgeting for care, locating services and knowing what your parent is eligible for. For the 15m Americans that are caring for someone with dementia, the challenges are even more complex. They face expensive
services, increased costs and the number of Americans doing this will increase by 84% by 2050.

- **Customer Pain:** There is no system in place designed to help caregivers to navigate caring for an aging parent.
- **Access Problem:** Barriers to technology adoption are wide and many, and caregivers perceive lack of awareness, cost, and time to find or learn about new technologies to be their greatest hurdles.

**SOLUTION**

**The Eureka Moment:** Last year, my brother was in a car accident and almost died. Following that my family was faced with enormous medical bills, the need to find home caregivers, and the need to locate tools for him because of his limited mobility.

My parents are both lawyers. I work in the healthcare industry, and still it was daunting, scary and expensive. There was no tool available for us to navigate home care and I had a realization that the same audience I was serving in the institutional setting, the aging population, needed support for their families in the home setting.

We needed an integrated solution to help with caregiving. Something that allowed us to coordinate care and an organizing tool that was comprehensive and integrated, while simultaneously being adaptable. Our research shows that there is a market need for a trusted and curated source that caregivers can use to identify apps or other digital tools that are recommended for their caregiving activities. This will mediate the challenges caregivers face when selecting which caregiving products to use in a saturated and rapidly-changing marketplace.

**The Product**

ReadyCare is your trusted care coach and community. An Artificial Intelligence powered platform that guides family caregivers as they
navigate new responsibilities, fears, and confusion associated with caring for an ailing loved one. Along their empathetic journey with ReadyCare, family caregivers will learn how to maintain personal balance and strength while gaining practical caregiving resources including preparing for the different stages of aging, optimizing insurance payouts, and designing the new home for healthcare with emerging smart home technologies.

Features

ReadyCare is the beginning of a better caregiving experience for family caregivers and recipients. Find services your loved one is eligible for, read real reviews of smart home technologies, and plan out a care budget.

• See doctors & services in your insurance network
• Get directed to doctors that are trained in geriatric care, including dentists, primary care doctors, allergists, OBGYNs, dermatologists, family doctors, urologists, psychologists, ophthalmologists, podiatrists, optometrists, and more
• Read verified reviews of services from other caregivers
• Our AI powered platform lets you search by stage of care, specific challenges related to dementia
• The Connect with Caregivers tool allows for peer-to-peer learning and community support

There is very high interest in developing technology based solutions for family caregivers for these areas that we will address in our product:
making medical appointments (77.9%), managing finances (70%), budgeting (67%) arranging services (67%) and assessing health needs and conditions (77.5%).

**WHY NOW?**

The Boomer generation is rapidly aging into retirement and as a result the number of people becoming family caregivers is exploding. Up until now many family caregivers did not use technology based solutions as they deemed traditional solutions to be just as good. However, they have struggled with finances, stress and the ability to navigate the system. What has changed is that younger caregivers are far more interested in new technologies and are willing to try them. In addition, several products like ZocDoc have acclimated users to searching for medical services in one place.

- 65% of caregivers ages 18-49 years said they are likely to use available technologies, whereas 56% of caregivers ages 50-64 and only 38% of those ages 65 and up said the same.

A solution to navigating the health system has not been built to-date for the aging population because the caregivers themselves are not native digital users and were not open to these types of solutions. This has shifted in the last few years and is opening up a large unaddressed market.

**MARKET POTENTIAL**

In the year 2020, the size of the caregiving market opportunity will reach an estimated $72 billion.
Beyond direct spending, the opportunity costs of family caregiving are huge: $522 billion annually, as measured by RAND Corporation by estimating income lost during the time that unpaid caregivers spend on eldercare.

Carelinx, founded in 2011 also sells to home care but is not a direct competitor, has approximately 200k users. @ $10/mo. or $100/yr. we are looking at a market of $20m.

CUSTOMERS

86% of family caregivers have access to the Internet, but only 7% use technology based tools designed for caregivers. But, and this is important, 80% are searching for answers on how to care for their loved one using search engines. This huge gap is what needs to be address and that is why our aim is first of all to address this discrepancy through a tool that is easy-to-use and is not a 'feel good' product, but a practical tool to help people to navigate the healthcare system to find services they are eligible for and to help financially plan for the cost of caregiving.

Primary Demographic

- Have smartphone
- Have access to Internet
- Lower to upper middle class users (not wealthy)
- 40-65 year old caregivers
- Mostly female

Caregiver User Journey

The caregiver journey is often complex with conflicting priorities. Our aim was to illustrate a typical caregiver of a care recipient with dementia. Users move through feeling grateful to overwhelmed to resentful to
proud. We want to help them through all of those things. Give them a place to express gratitude with other caregivers, give them a place to get the answers they need so they will be less overwhelmed, give them a place to connect with available resources to mitigate family members not stepping up and give them a place to give back to new caregivers and to share what they learned.

**Competition**

Unlike all the lists of links, static content, questionable message boards, our product delivers a customized answering system that walks with you on your journey of caregiving. We give opportunities for people to share their hard earned knowledge and to potentially derive revenue from what they have learned.

**Direct:**

Livpact - This product purports to do many of the things we are looking at doing. However, the product is clunky, hard to sign up for, out-dated and has not succeeded as a result.

Active Daily Living - This product is also outdated and does not contain any of the functionality we are thinking about in terms of adaptability.

Our biggest competition will be services that offer more generalized versions of portions of this service: ZocDoc, Xero, AARP, and caregiver organizations that support caregivers. We will differentiate ourselves by creating a care path that will connect all the pieces that caregivers need to consider.

**Indirect:** Our secondary competition are traditional methods of obtaining information like: WebMd, Reddit, forums, word-of-mouth, etc...

To address this we will need to create a system that is more user friendly than the simpler but less effective solutions.
BUSINESS MODEL

ReadyCare is an online caregiving planning service, providing a subscription based search facility for end users by integrating information about healthcare providers, insurance, smart home technologies and support in a central location. In a similar way as companies like, TurboTax, we take a scary complex process and streamline it so that the caregiver's stress is significantly reduced. They get the value of experts for the price of an app.

The average American family caregiver spends $7k for the first year in caring for a parent, a number which quickly balloons in the next year to $30-$40k of direct costs and $30k in indirect costs. The value of the 15 million family caregivers that care for someone with dementia is massive.

We also anticipate interest from insurance companies as competent family caregivers significantly offset the costs of home health aide costs incurred.

Wealthier caregivers pay for coaches to help guide them through this process. Lower income families have more services available to them. Middle class families and upper middle class are facing similar challenges as paying for college for the kids. They fall in-between these two markets and so we have identified that they are a prime target.

Revenue Model

-Freemium for peer-to-peer learning

-Core product is subscription based. We need to test the price point but we will make it comparable to other offering that perform similar tasks for other demographics. We will be testing price points of $5/month to $15/month with an annual subscription of $99 to $150.
- We intend to create a marketplace for home care products and will derive revenue off of those sales.

- We are hoping that providers may at some point pay a small subscription (similar to ZocDoc) to having their practice highlighted.

- It is possible that we will be able to get some payment from insurance if we can show we are reducing rehospitalization.

We also intend to form partnerships with a number of organizations to highlight on the platform and/or to advertise through their channel.

**TEAM**

**Jo Schneier** is a serial entrepreneur with two exits in the past to K12 Inc. and Leapfrog. He also is the founder and CEO of Cognotion, Inc. a company that has developed training products for the eldercare space. Cognotion distributes to the Skilled Nursing Facility and Assisted Living verticals. He has deep ties in this space with funders, institutions and potential partners. He also spent five years working with behavioral research scientists to get patients to change behaviors.

Mx. Schneier also is a visiting speaker at Cornell and mentors at NYU, Columbia, and Wharton. Mx. Schneier has spoken at TEDMed, Lake Nona and J.P. Morgan Startup Health conferences.

**Caroline Young** Chief Product Officer of Cognotion. Caroline has product development and senior executive experience at several technology startups including video gaming company, Playdom, where she led the P&L and development of “Market Street,” a game whose success secured the company’s acquisition by Disney for $763MM. She holds an Engineering degree in Product Design from Stanford University and is also a professional life coach.

**Gerry Carey** Chief Technology Officer of Cognotion. Gerry has been responsible for technical product development at Cognotion. During his
time he built out simulations, apps, websites, LMS development, AI programming, and AR programs for companies like Bridgestone, Loews Hotels, Panera Bread, Ministry of Health of Saudi Arabia and Signature Healthcare.

**Chris Russell** Creative Director at Cognition. Chris has been responsible for developing all the content of our multimedia products for the healthcare market.

**FINANCIALS**

**Two Year Projections**

- Based on a $10/month subscription rate (still testing) we anticipate closing 2018 with $64K ARR
- In 2019, we anticipate ending the year with $3.9M ARR

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ARR</td>
<td>64,068$</td>
<td>3,996,674$</td>
</tr>
<tr>
<td><strong>Costs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs of Good Sold</td>
<td>10.73%</td>
<td>6,872$</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
<td>113.67%</td>
<td>$72,824.70</td>
</tr>
<tr>
<td>9.77%</td>
<td>38.13%</td>
<td>$1,523,752.16</td>
</tr>
<tr>
<td>Research &amp; Development</td>
<td>112.90%</td>
<td>$72,333</td>
</tr>
<tr>
<td>General &amp; Administrative</td>
<td>387.64%</td>
<td>$248,350</td>
</tr>
<tr>
<td>EBIT</td>
<td>-336,312$</td>
<td>1,599,805$</td>
</tr>
<tr>
<td>Cash needed to cover costs</td>
<td>-$385,276.18</td>
<td></td>
</tr>
</tbody>
</table>