

Provider & Benefit Contract Management System

built with

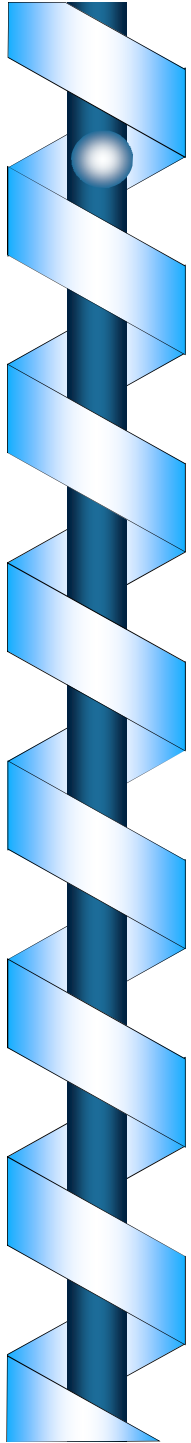
MasterDraft 3.0

*Presentation and prototype prepared by
Seth G. Rowland, Esq.
First Draft Legal System, Inc.*

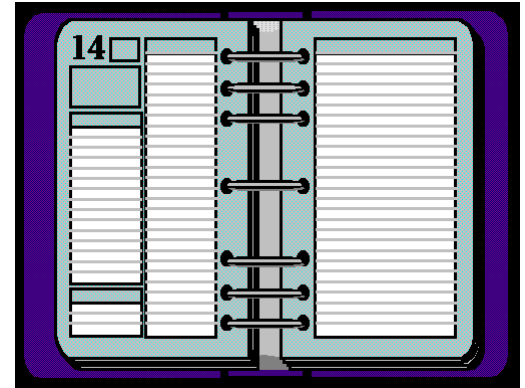
Copyright 1999
Basha Systems. All rights reserved



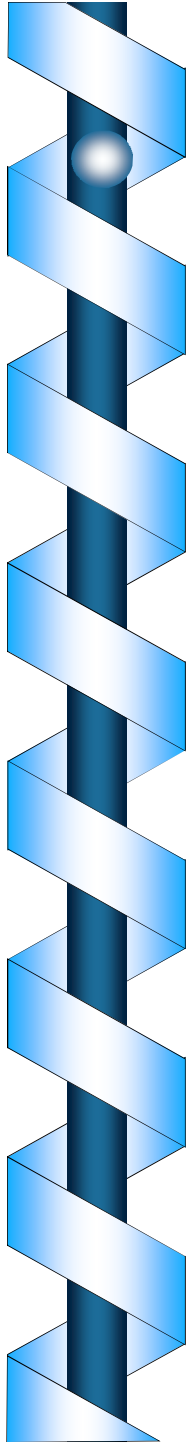
www.masterdraft.com



Agenda

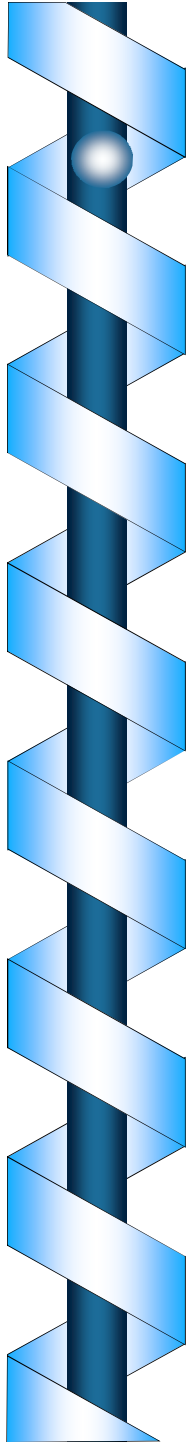


- ❑ Info on MasterDraft & First Draft
- ❑ Current Customers
- ❑ Highlights of the Software
- ❑ Next Steps & Questions
- ❑ MasterDraft Authoring



Don't Reinvent the Wheel. With MasterDraft you can ...

- ❑ Reengineer the Creation of Provider Contracts and Benefit Agreements
- ❑ Maximize Legal Expertise of Your Organization
- ❑ Minimize Time and Cost of Document Preparation
- ❑ Improve Work Product & Avoid Costly Errors
- ❑ Track Contract Terms in a Fully-Integrated Contract Management System



MasterDraft Allows You To ...

- ❑ Build multi-document systems based on your own precedents.
- ❑ Rapidly produce highly customized legal documents.
- ❑ Focus on strategic issues, while fostering consistency and quality control.
- ❑ Use staff more efficiently without reducing work quality.
- ❑ Enter accurate and timely data in a corporate contracts database.



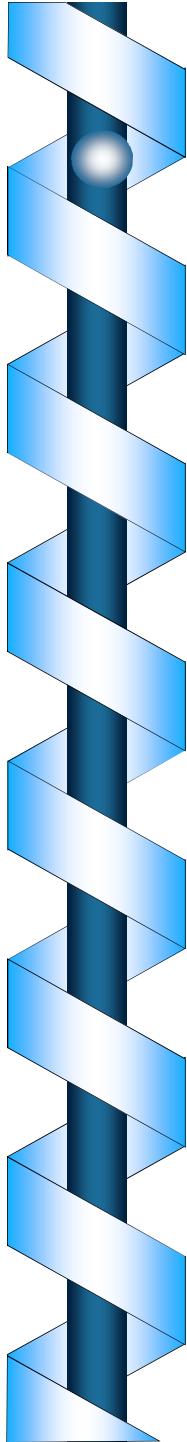
MasterDraft Version 3.0 and First Draft Legal System, Inc.

The Software

- ❑ Designed by lawyers for lawyers
- ❑ Extensive field testing over 10 years
- ❑ Free upgrades during term of service agreement

The Company

- ❑ Consultants are licensed attorneys
- ❑ 24-hour telephone hotline support
- ❑ Fixed fee for custom software



You're in Good Company

- American Savings Bank
- Blue Cross and Blue Shield of NC
- California Edison
- Merck & Co.
- NYCTA
- Pacific Bell
- Port of Portland
- Premier Insurance Management, Inc.

Law Firms

- Cadwalader Wickersham & Taft
- CS&M
- Gebhardt & Smith
- Morrison & Foerster
- Orrick, Herrington & Suttcliffe
- Sidley & Austin
- Wachtell, Lipton

Save & Retrieve Answer Profiles

MasterDraft Data File Options

DO YOU WANT TO USE A PRIOR DECISION FILE ?

DO YOU WANT TO USE A PRIOR VARIABLE FILE ?

DO YOU WANT TO SAVE DECISION INPUT AS A FILE ?

DO YOU WANT TO SAVE VARIABLE INPUT AS A FILE ?

OK

Choose one
Decision or
You may use
MasterDraft
and reused

MasterDraft Data File Selection

Search Type: HEALNEW6.V* Change Source

Directories: c:\, data, mdw, provider

Drives: c:

Data File Descriptions:
Dr. Rudy Crew PR0012
North Shore Practice Grp GR0034
Upstate Baptist Med Cntr HSP0052

OK, Cancel, Database

It's Easy To Assemble Even the Most Complex Agreements.

CHOOSE APPLICABLE PROVIDER TYPE

File Edit Data Logic Back Help

- PRIMARY CARE PRACTITIONER GROUP
- PRIMARY CARE PHYSICIAN
- INDEPENDENT PRACTICE ASSOCIATION (Primary & Specialist)
- HOSPITAL WITH PCP AND SPECIALIST NETWORK

OK

DESCRIPTION OF THIS MENU

Choose the applicable provider type. The choice will structure the agreement with those provisions and language most applicable to that particular provider type.

Handy
menus

When done,
click OK.

... with clear
explanations.

Create issue-specific Decisions

**Step Back
through the
decision-tree**

MasterDraft: Decision #9
File Edit Data Logic Back

ENROLLEES FROM NEW YORK CITY MEDICAID PROGRAM Yes
 No

OK

DESCRIPTION OF THIS DECISION

If the health plan intends to provide services to the medicaid population of New York City special language is required, as well as the recognition of several additional agencies to provide oversight and review of the services rendered.

**Detailed
explanations**

**Click Yes
or No.**

Decisions can be grouped together for rapid assembly

Special Contract Provisions
File Edit Data Logic Back Help

- INDEMNIFICATION BY PROVIDER
- SINGLE RENEWAL PERIOD
- PROVIDER EXCLUSIVITY (OR PARTIAL EXCLUSIVITY)
- MUTUAL RIGHT TO ACCOUNTING UPON TERMINATION

OK

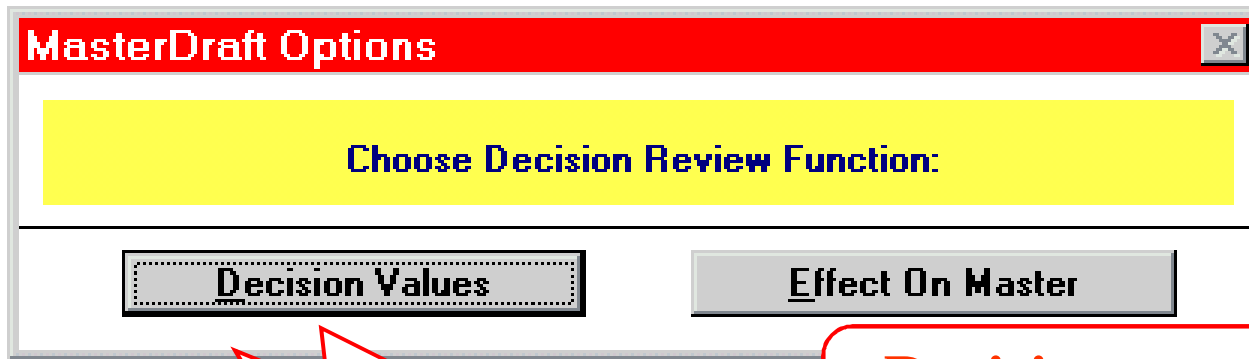
DESCRIPTION OF THIS MENU

The above listed special contract provisions are those which may be the subject of contention in negotiation. Choose those provisions which you wish to be included in the agreement. The content of the provisions may be reviewed in the variable assembly phase.

Pick any, all or none of these optional clauses.

Just click on the box.

Review all your decisions at a glance. Make final changes – then fill in the details.



Click “review contract structure.”

Then click on “Decision Values”

Decisions are summarized.

Just select & correct.

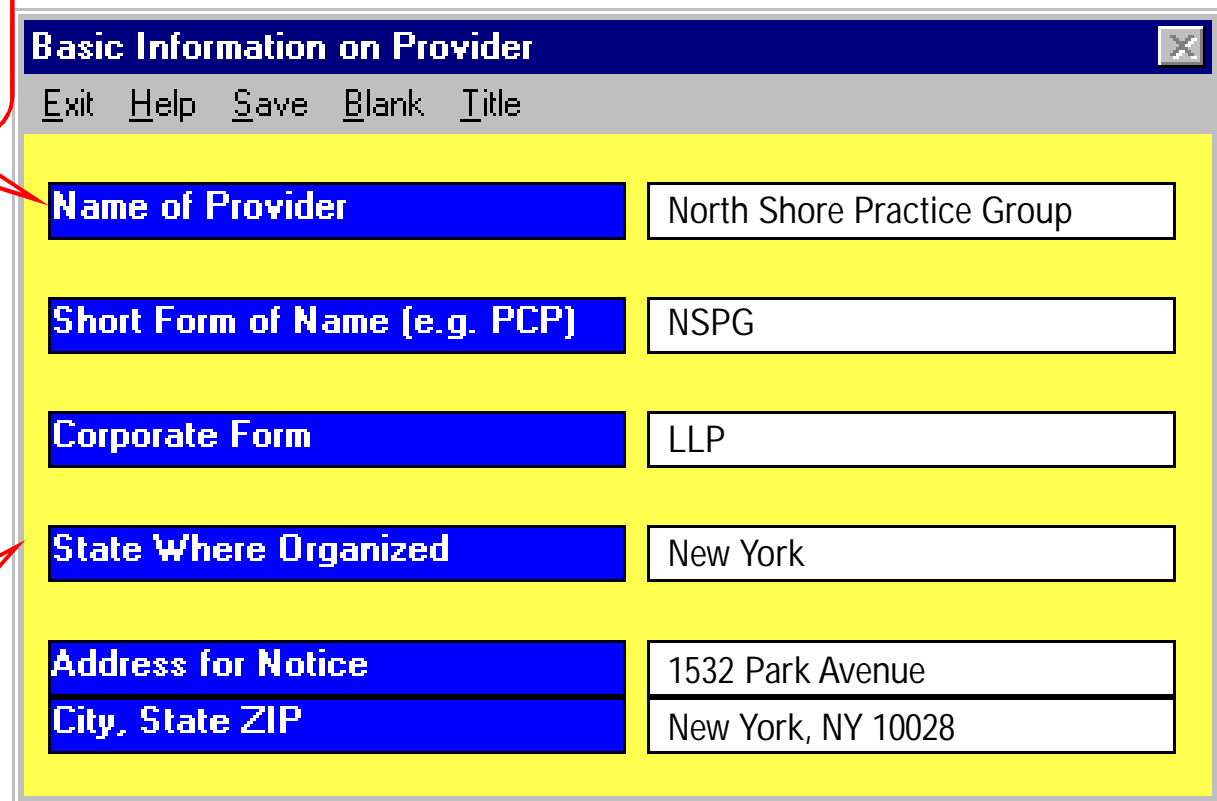
DOCUMENT	
CARE PRACTITIONER GROUP	YES
CARE PHYSICIAN	NO
AGENT PRACTICE ASSOCIATION (Primary &	NO
D#4: HOSPITAL WITH PCP AND SPECIALIST NETWORK	NO
D#9: ENROLLEES FROM NEW YORK CITY MEDICAID	NO
D#10: INDEMNIFICATION BY PROVIDER	YES
D#12: SINGLE RENEWAL PERIOD	NO
D#13: PROVIDER EXCLUSIVITY (OR PARTIAL	YES
D#14: MUTUAL RIGHT TO ACCOUNTING UPON TERMINATION	NO

Choose Exit

MasterDraft then guides you in filling out handy worksheets.

Variables are grouped together

No training is required. Just fill in the blanks.



The screenshot shows a software window titled "Basic Information on Provider" with a menu bar containing "Exit", "Help", "Save", "Blank", and "Title". The main area is a yellow form with several input fields, each with a blue label:

Name of Provider	North Shore Practice Group
Short Form of Name (e.g. PCP)	NSPG
Corporate Form	LLP
State Where Organized	New York
Address for Notice	1532 Park Avenue
City, State ZIP	New York, NY 10028

Context-Sensitive Help Menus are Built Into The Worksheets

Click on the help menu.

Notice Execution by Provider
Exit Help Save Blank Title

Name of Officer to Receive Notice	Jane Alexander
Title of Officer	Chief of Operations
Name of Officer Executing Agreement	Dr. Rudy Crew
Title of Officer	Partner

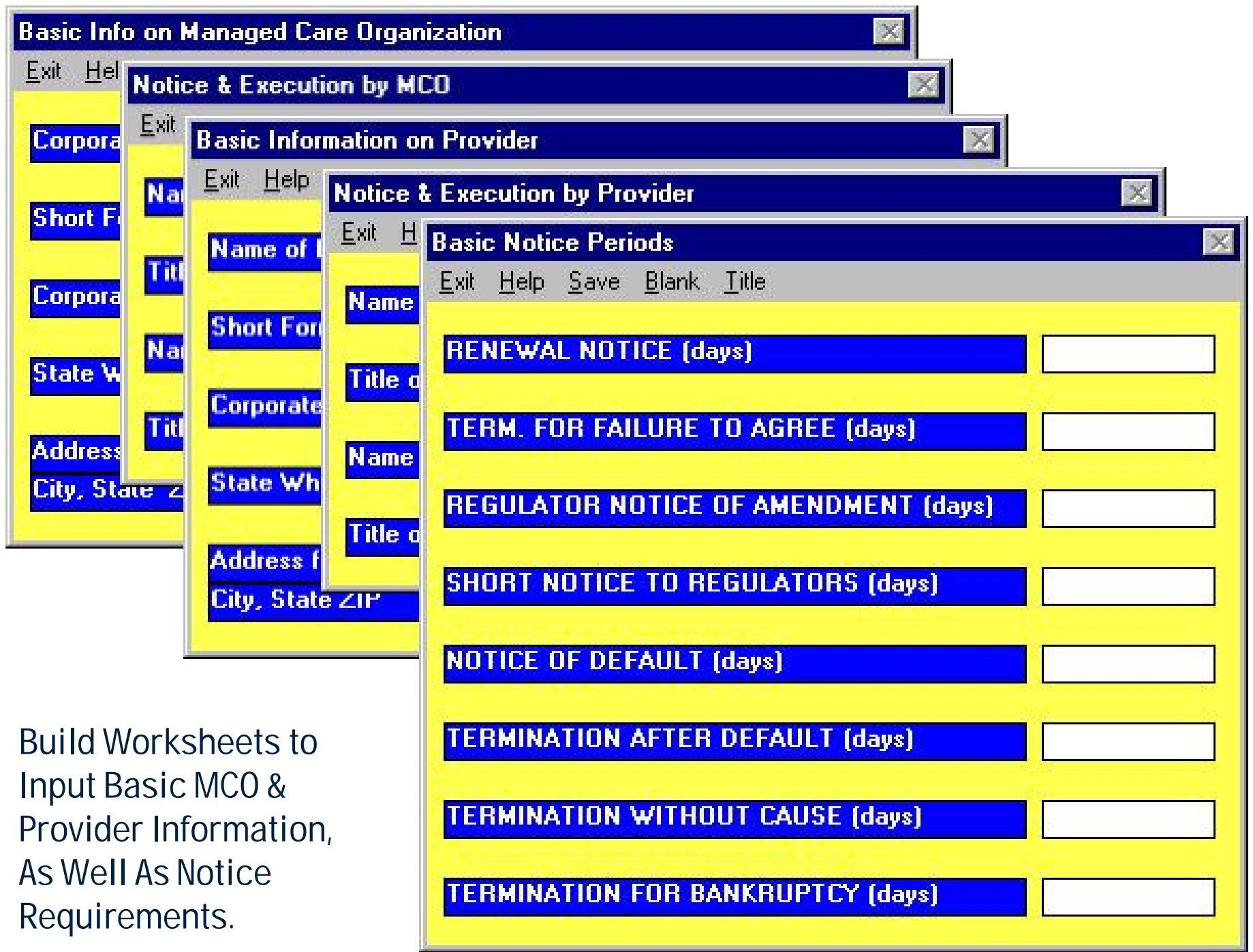
MasterDraft Variable Template [X]

Help Screen For Variable Entry

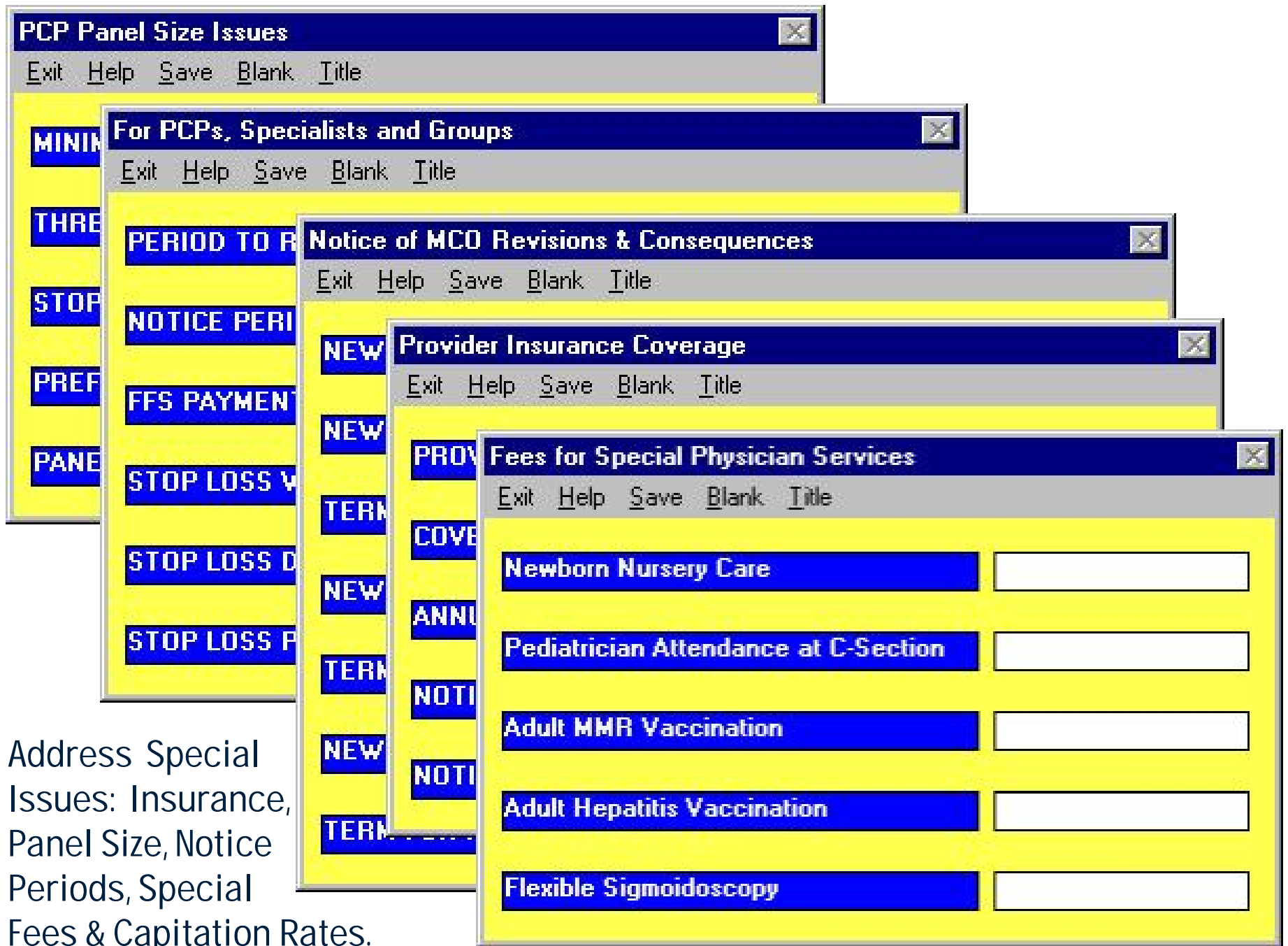
Identify the person who is designated to receive all notices under the Agreement for the Provider. The title is identified separately.

OK

Context-sensitive help



Build Worksheets to
Input Basic MCO &
Provider Information,
As Well As Notice
Requirements.



Libraries of approved clauses at your fingertips

Choose One Item

- HCSA Resolution of Disputes
- Basic Court Jurisdiction & Venue
- Court Jurisdiction & Venue, Excluding Choice of Law
- Arbitration Through AAA
- Arbitration Through the NHLA

Select Cancel Review

MasterDraft Library

Edit Clipboard Style MultiLine Blank Title

Text From

<U>Govern shall be go accordanc [STATE LA controvers the service be brought [STATE JU federal dist

MasterDraft Library

Edit Clipboard Style MultiLine Blank Title

Text From Input

<U>Governing La be governed by a with the laws of t [CHOICE], except of laws. All claim the Agreement or hereunder shall b State of [STATE , federal district co

MasterDraft Library

Edit Clipboard Style MultiLine Blank Title

Text From Input File

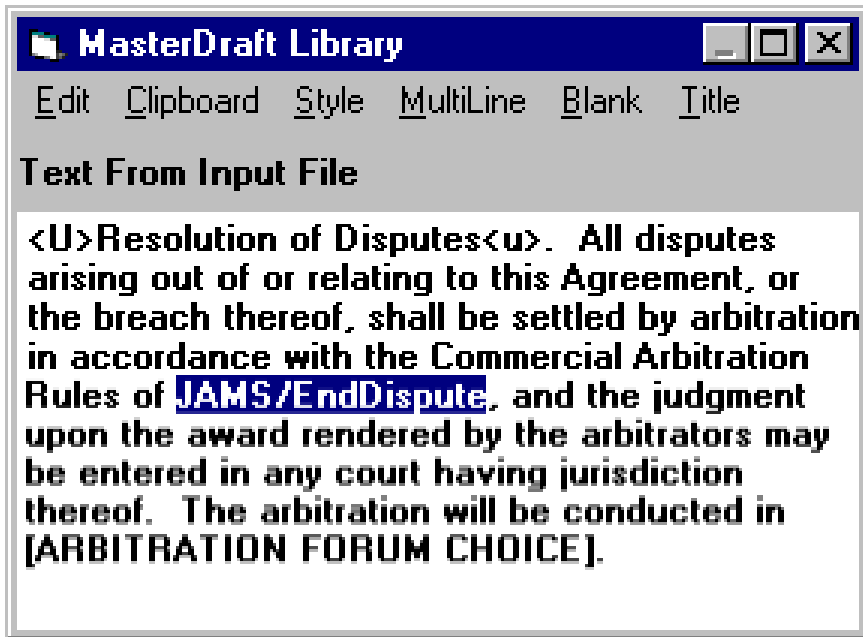
<U>Resolution of Dispute arising out of or relating t breach thereof, shall be s accordance with the Com Rules of the American Ar ("AAA"), an the judgment rendered by the arbitrator court having jurisdiction l will be conducted in [AR [CHOICE].

MasterDraft Library

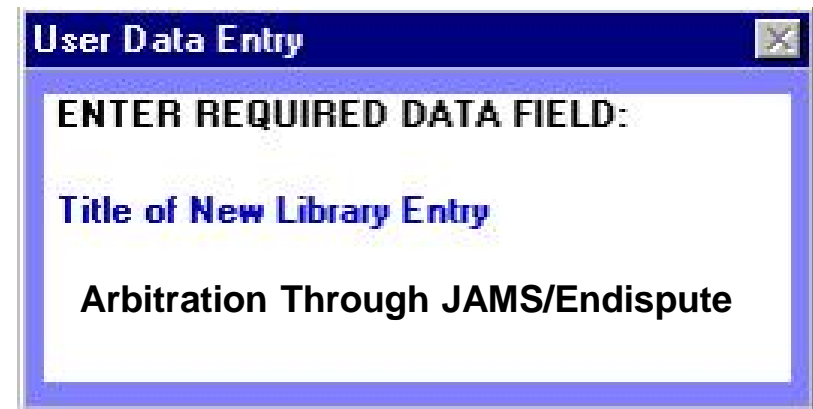
Edit Clipboard Style MultiLine Blank Title

Text From Input File

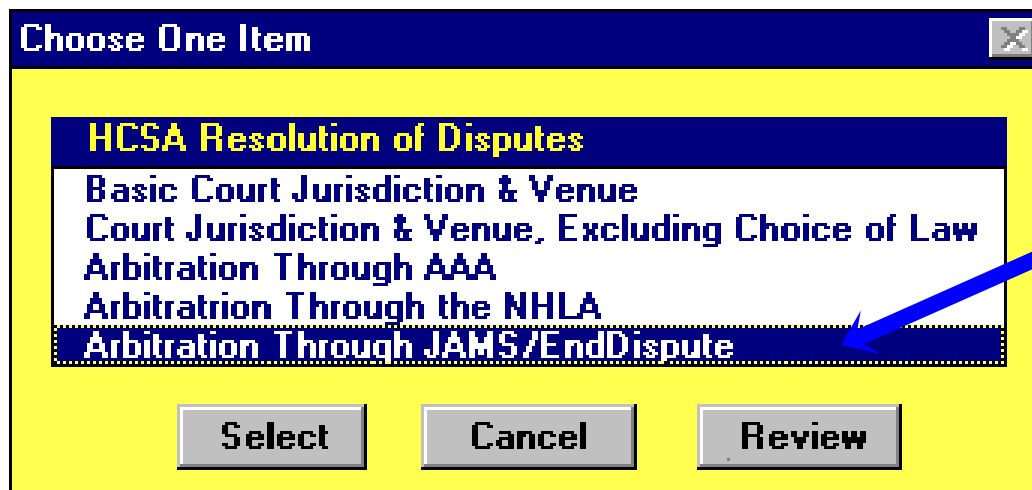
<U>Resolution of Disputes<u>. All disputes arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the National Health Lawyer's Association ("NHLA"), and the judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof. The arbitration will be conducted in [ARBITRATION FORUM CHOICE].



Leverage your work product by adding revisions to the Library



Give the entry a new title and identify the author.



New covenant ready for others to use

Special math, date & error checking functions set MasterDraft apart.

ENTER VALUE OF VARIABLE # 10
Edit Clipboard Style MultiLine Blank Title
CLOSING
1/24/99

MasterDraft Special Functions
! The date you have chosen: January 24, 1999 is a Sunday ...

ENTER VALUE OF VARIABLE # 10
Edit Clipboard Style MultiLine Blank Title
CLOSING DATE
January 25, 1999

MasterDraft Options
!! ERROR !! Input failed condition:
The Closing Date must be a weekday. Choose another date.
Try Again OK As Is

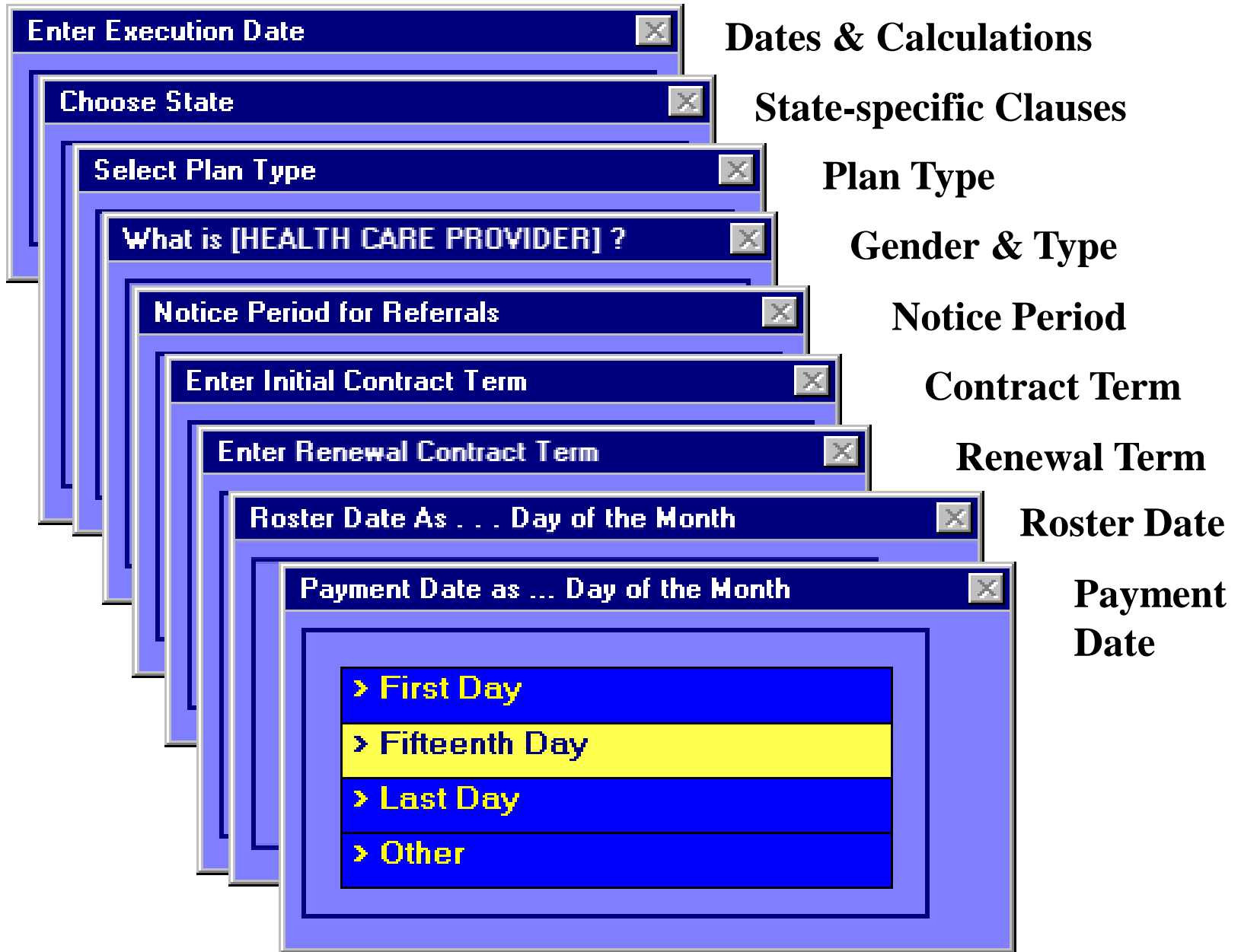
Enter Date

Calculates day of the week

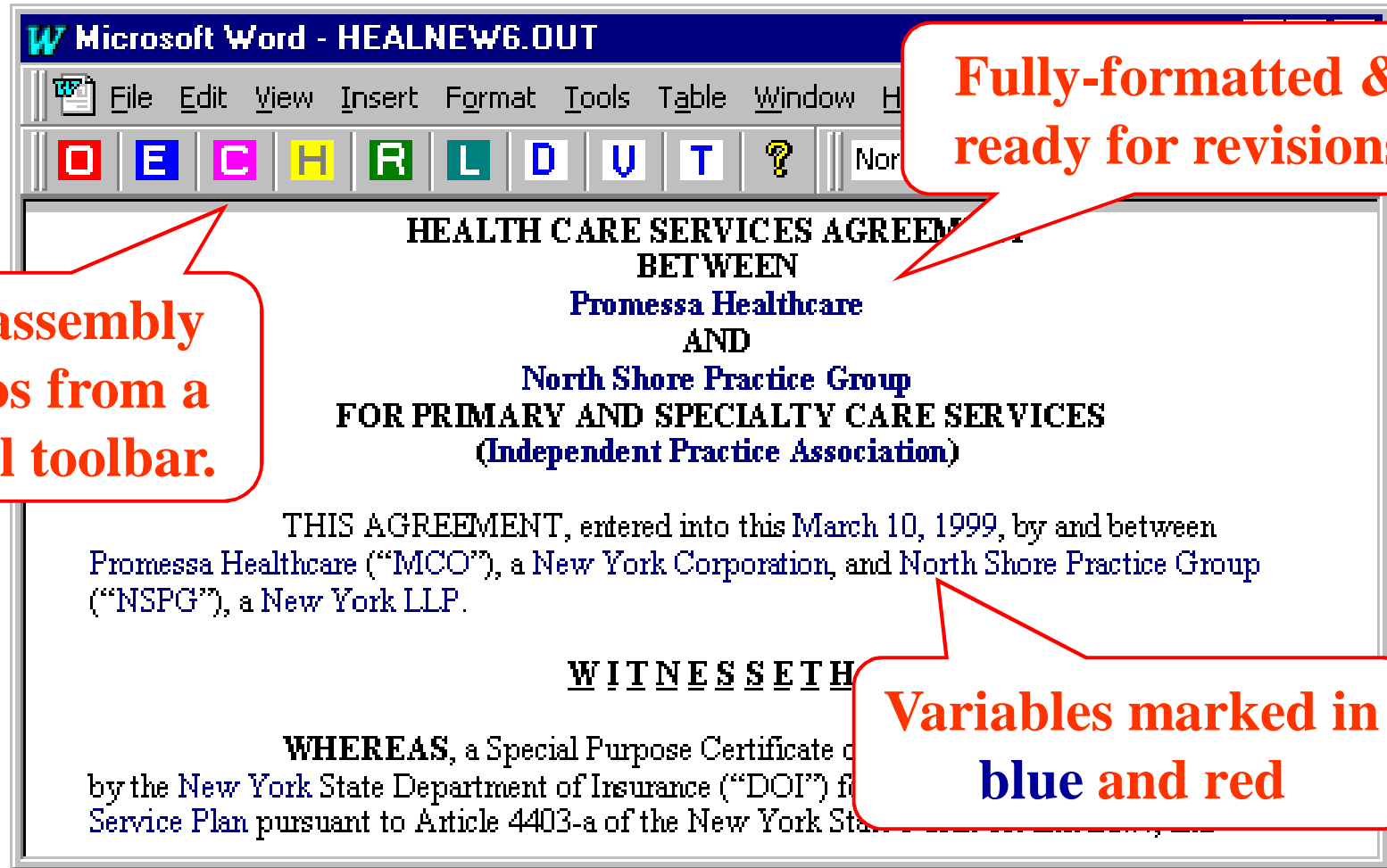
Date is properly formatted

It's a Sunday.
Choose another day.

Menus standardize data input

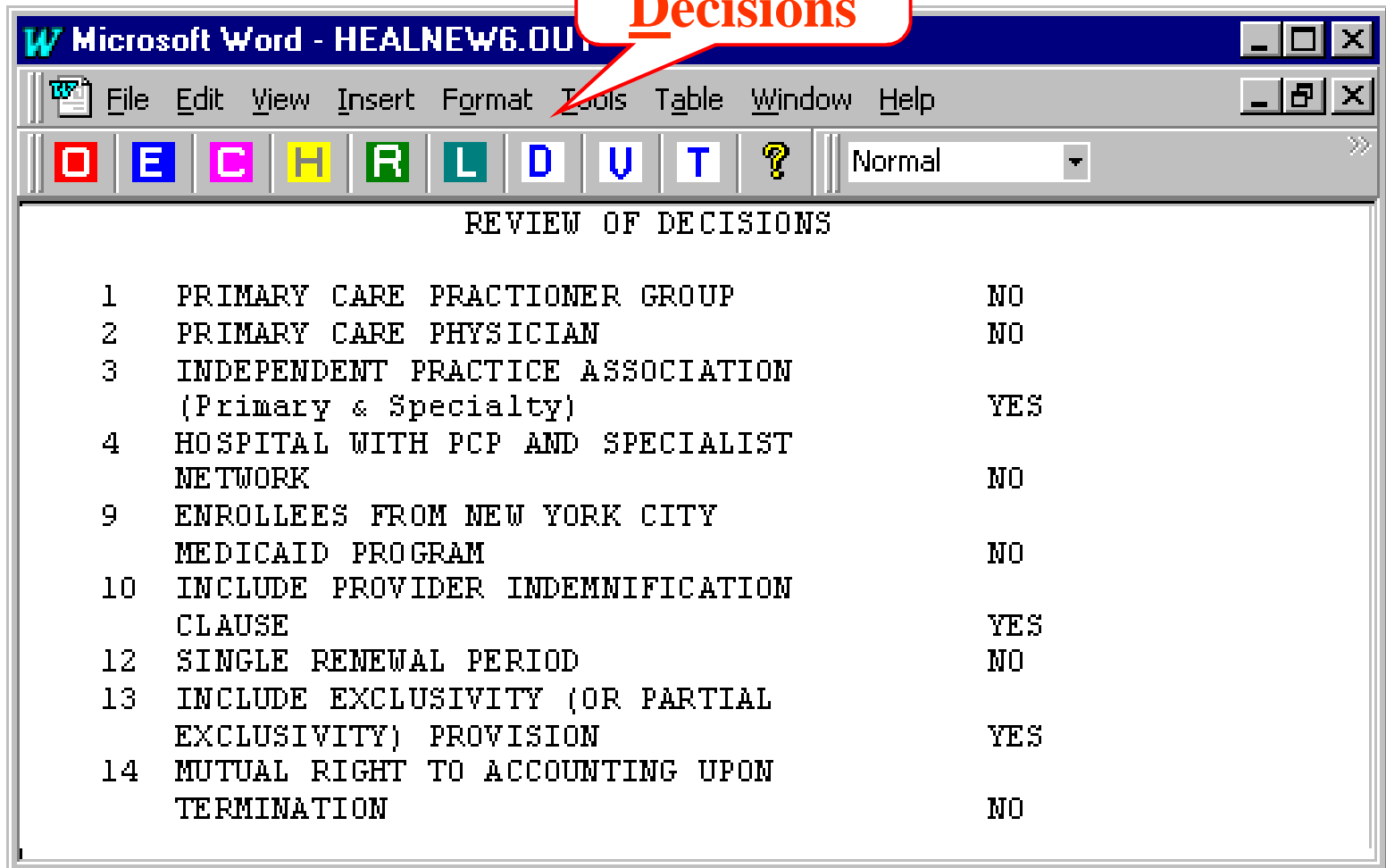


Launch Word for Further Editing



Quick Summary of All Decisions

Click on
Decisions

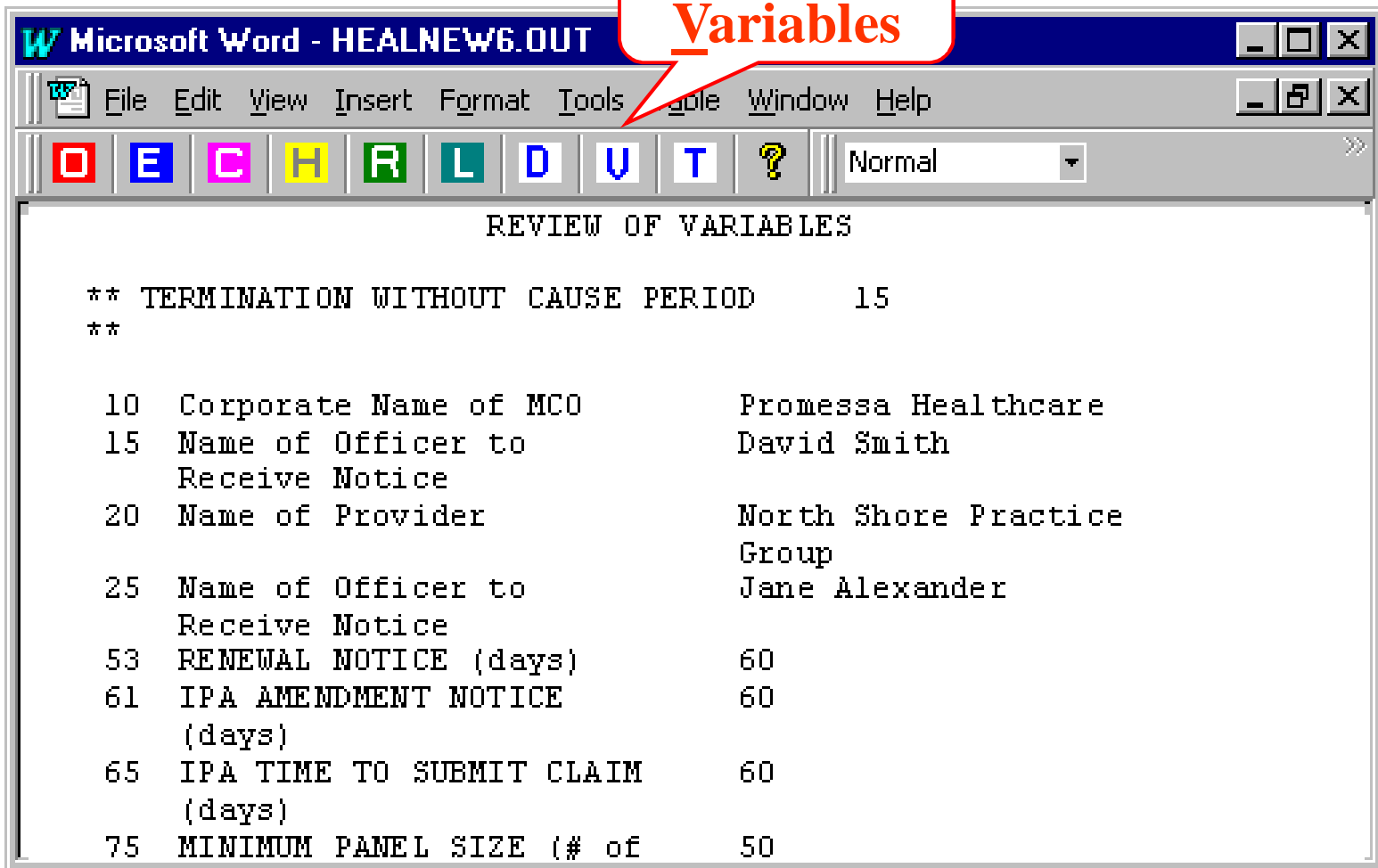


The screenshot shows a Microsoft Word window with the title bar 'Microsoft Word - HEALNEWS6.DOC'. The menu bar includes File, Edit, View, Insert, Format, Tools, Table, Window, and Help. The toolbar shows icons for Bold, Italic, Underline, Color, Font Color, Paragraph, Bullets, and a Help icon. The document content is a table titled 'REVIEW OF DECISIONS' with 14 rows of data.

REVIEW OF DECISIONS		
1	PRIMARY CARE PRACTITIONER GROUP	NO
2	PRIMARY CARE PHYSICIAN	NO
3	INDEPENDENT PRACTICE ASSOCIATION (Primary & Specialty)	YES
4	HOSPITAL WITH PCP AND SPECIALIST NETWORK	NO
9	ENROLLEES FROM NEW YORK CITY MEDICAID PROGRAM	NO
10	INCLUDE PROVIDER INDEMNIFICATION CLAUSE	YES
12	SINGLE RENEWAL PERIOD	NO
13	INCLUDE EXCLUSIVITY (OR PARTIAL EXCLUSIVITY) PROVISION	YES
14	MUTUAL RIGHT TO ACCOUNTING UPON TERMINATION	NO

And a concise list of all Variables

Click on
Variables



Microsoft Word - HEALNEW6.OUT

File Edit View Insert Format Tools Variables Window Help

Normal

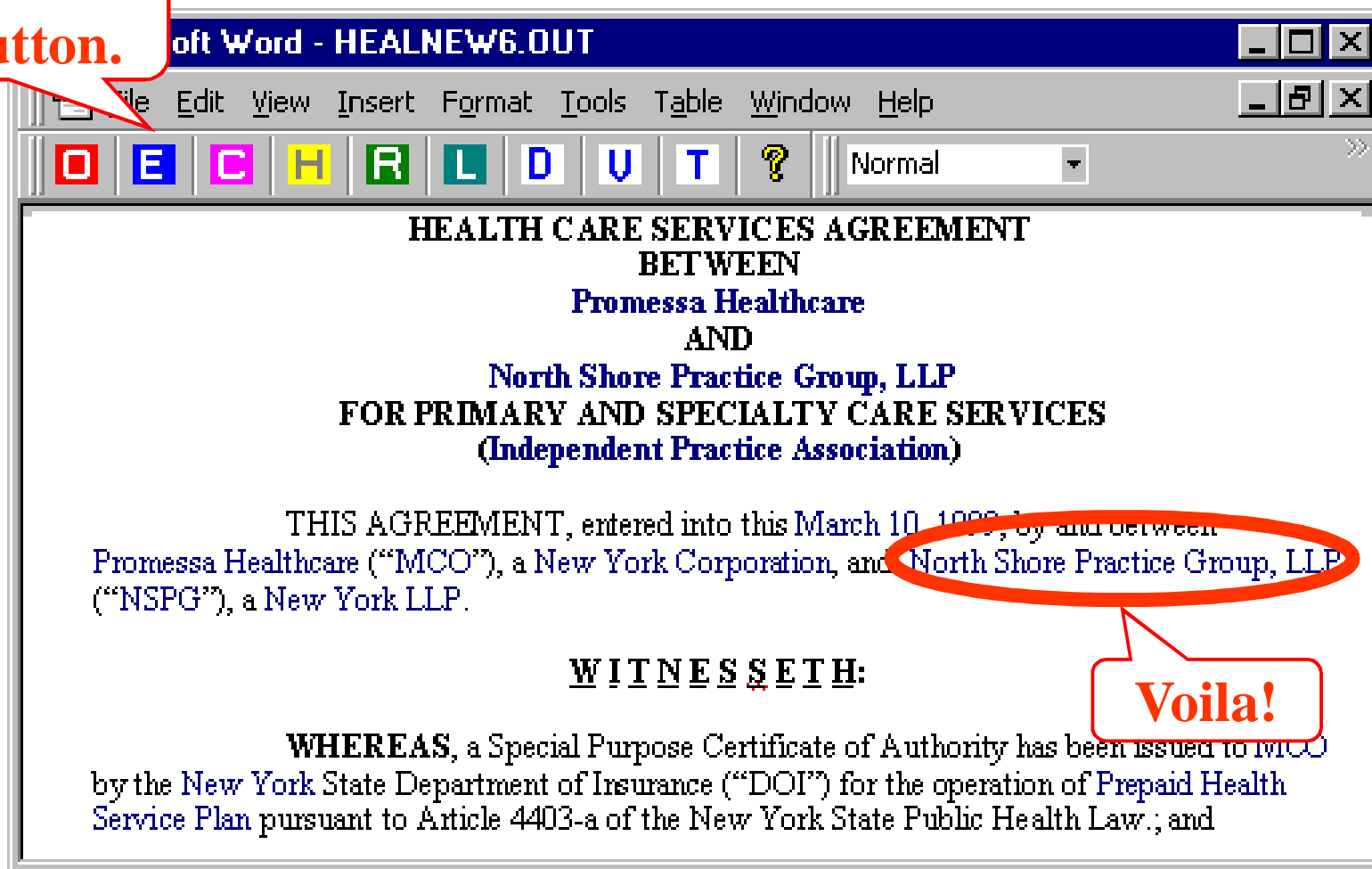
```
REVIEW OF VARIABLES

** TERMINATION WITHOUT CAUSE PERIOD      15
**

10 Corporate Name of MCO                   Promessa Healthcare
15 Name of Officer to Receive Notice       David Smith
20 Name of Provider                         North Shore Practice
                                           Group
25 Name of Officer to Receive Notice       Jane Alexander
53 RENEWAL NOTICE (days)                 60
61 IPA AMENDMENT NOTICE (days)           60
65 IPA TIME TO SUBMIT CLAIM (days)         60
75 MINIMUM PANEL SIZE (# of                50
```

Change variables instantly throughout the document

Click on the Edit button.



Microsoft Word - HEALNEW6.OUT

File Edit View Insert Format Tools Table Window Help

Normal

**HEALTH CARE SERVICES AGREEMENT
BETWEEN
Promessa Healthcare
AND
North Shore Practice Group, LLP
FOR PRIMARY AND SPECIALTY CARE SERVICES
(Independent Practice Association)**

THIS AGREEMENT, entered into this March 10, 1999, by and between Promessa Healthcare ("MCO"), a New York Corporation, and North Shore Practice Group, LLP ("NSPG"), a New York LLP.

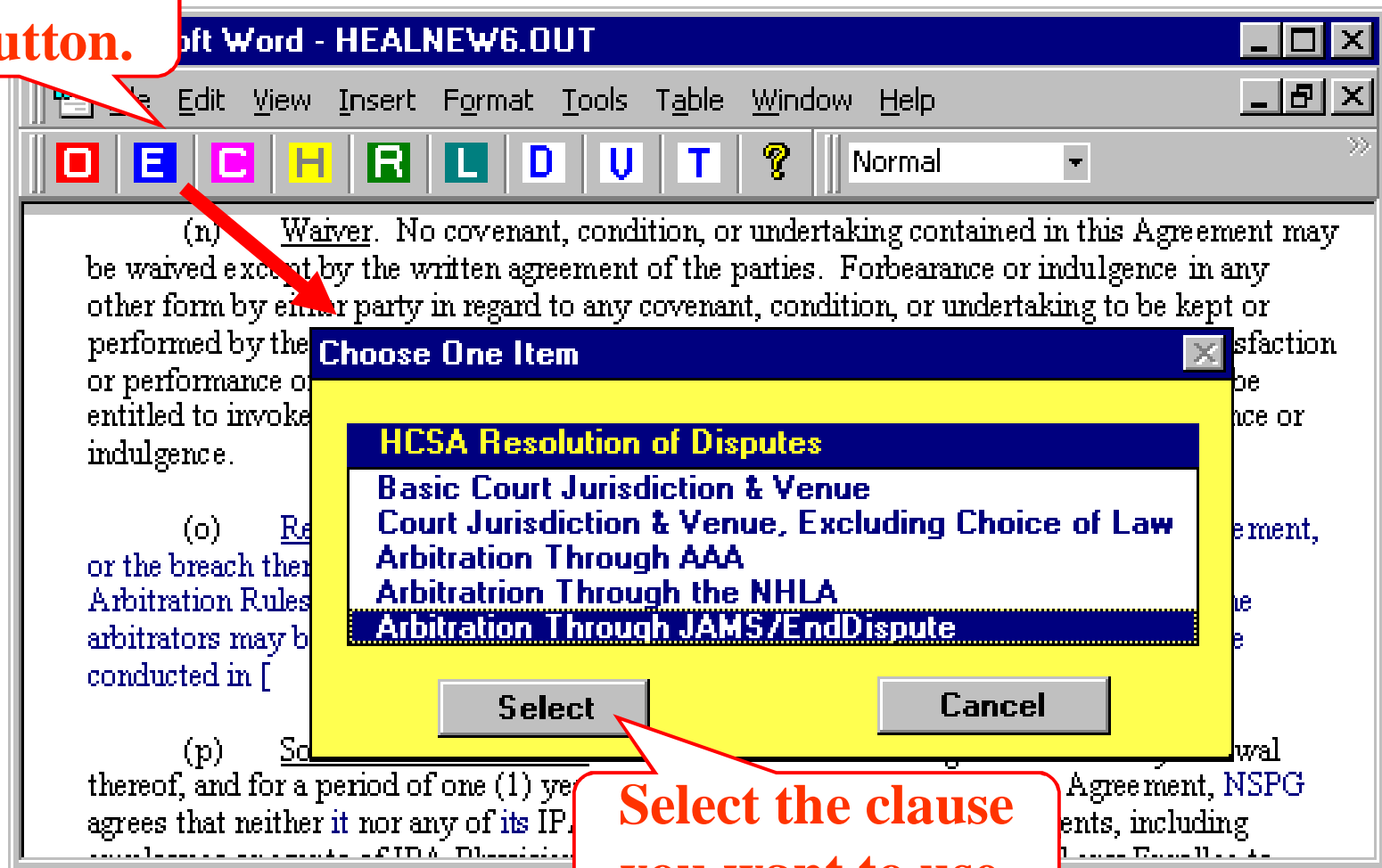
WITNESSETH:

WHEREAS, a Special Purpose Certificate of Authority has been issued to MCO by the New York State Department of Insurance ("DOI") for the operation of Prepaid Health Service Plan pursuant to Article 4403-a of the New York State Public Health Law.; and

Voila!

Access clause libraries for post-assembly editing.

Click on the Edit button.



The screenshot shows a Microsoft Word window titled "Microsoft Word - HEALNEW6.OUT". The menu bar includes File, Edit, View, Insert, Format, Tools, Table, Window, and Help. The toolbar contains icons for Bold (B), Italic (I), Underline (U), and a question mark, along with a style dropdown menu set to "Normal". The main text area contains a paragraph starting with "(n) Waiver. No covenant, condition, or undertaking contained in this Agreement may be waived except by the written agreement of the parties. Forbearance or indulgence in any other form by either party in regard to any covenant, condition, or undertaking to be kept or performed by the... or performance of... entitled to invoke... indulgence.

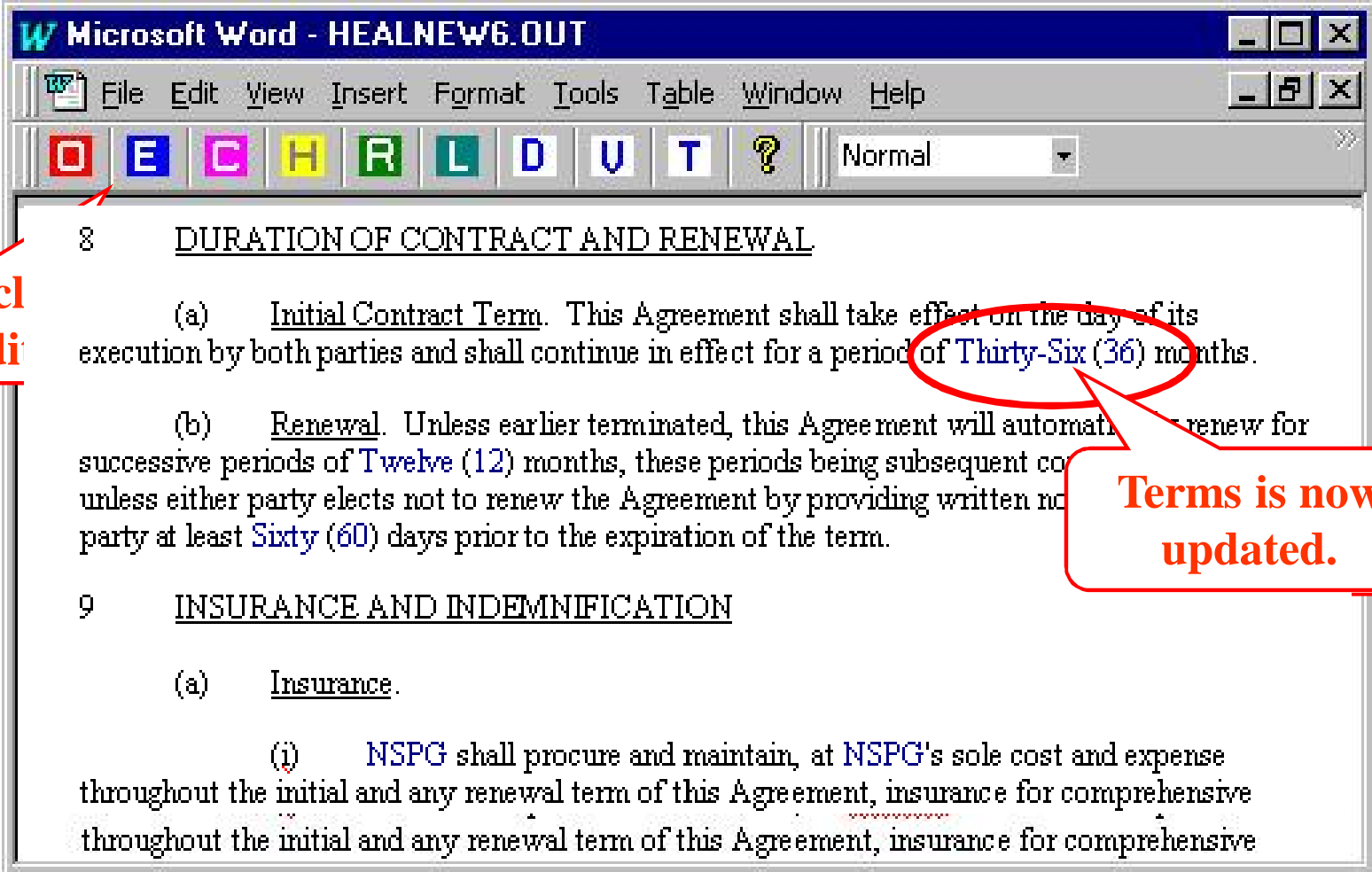
A "Choose One Item" dialog box is open over the text. It has a yellow background and a blue title bar. The dialog box contains a list of clause options:

- HCSA Resolution of Disputes
- Basic Court Jurisdiction & Venue
- Court Jurisdiction & Venue, Excluding Choice of Law
- Arbitration Through AAA
- Arbitration Through the NHLA
- Arbitration Through JAMS/EndDispute

At the bottom of the dialog box are "Select" and "Cancel" buttons. A red arrow points from the "Edit" button in the toolbar to the dialog box. Another red arrow points from the "Select" button to a callout box.

Select the clause you want to use.

Picklists allow for standard options



The screenshot shows a Microsoft Word window titled "HEALNEW6.OUT". The menu bar includes File, Edit, View, Insert, Format, Tools, Table, Window, and Help. The toolbar contains icons for Bold (B), Italic (I), Underline (U), Color (C), Highlight (H), Redline (R), Undo (U), and Redo (D), along with a font style dropdown set to "Normal".

Section 8 is titled "DURATION OF CONTRACT AND RENEWAL".

(a) Initial Contract Term. This Agreement shall take effect on the day of its execution by both parties and shall continue in effect for a period of **Thirty-Six (36)** months.

(b) Renewal. Unless earlier terminated, this Agreement will automatically renew for successive periods of **Twelve (12)** months, these periods being subsequent consecutive periods of **Twelve (12)** months, unless either party elects not to renew the Agreement by providing written notice to the other party at least **Sixty (60)** days prior to the expiration of the term.

Section 9 is titled "INSURANCE AND INDEMNIFICATION".

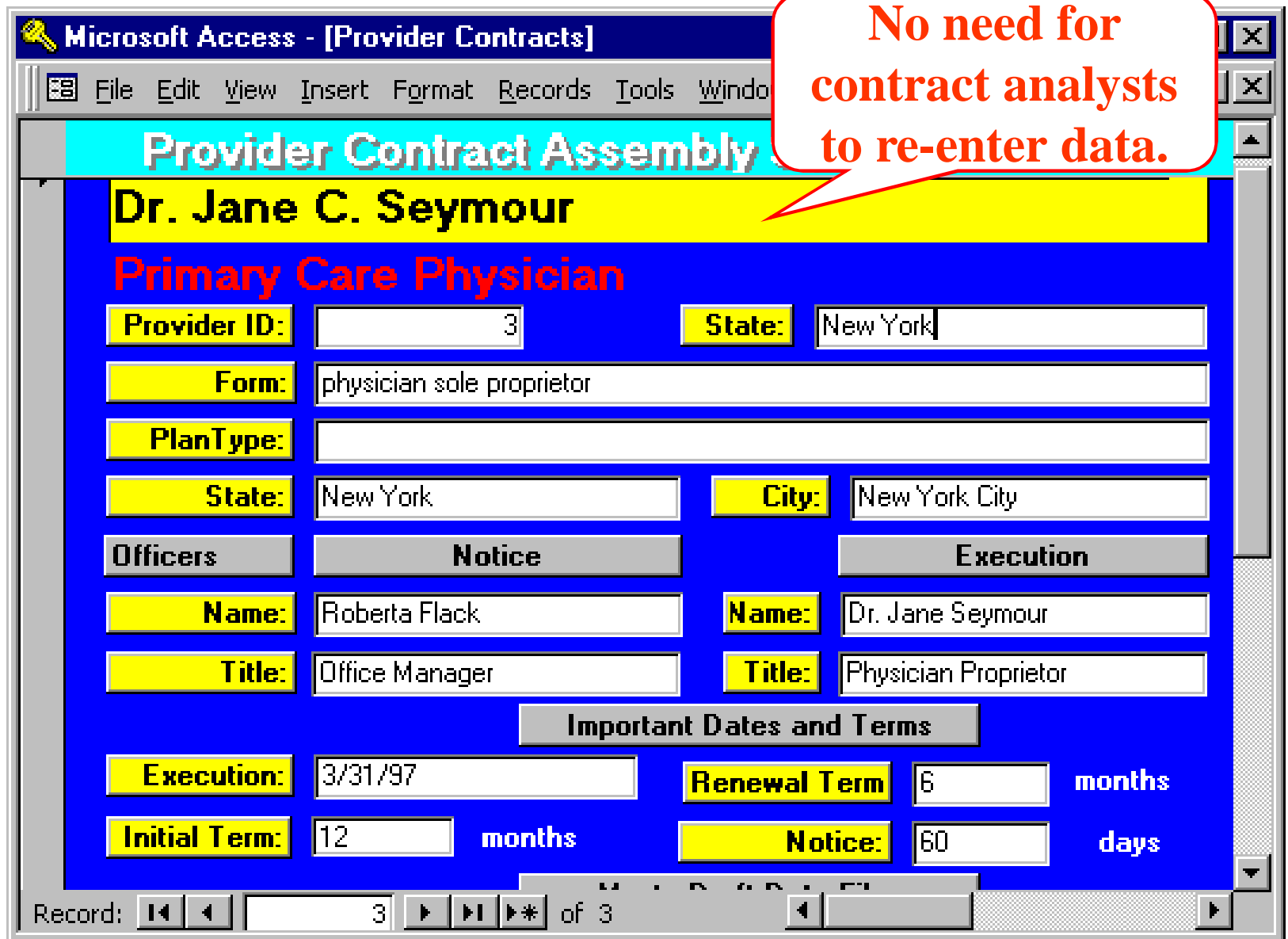
(a) Insurance.

(i) **NSPG** shall procure and maintain, at **NSPG's** sole cost and expense throughout the initial and any renewal term of this Agreement, insurance for comprehensive general liability, fire, theft, and vandalism, and other risks as may be required by the contract documents, throughout the initial and any renewal term of this Agreement, insurance for comprehensive general liability, fire, theft, and vandalism, and other risks as may be required by the contract documents.

Then, click on edit

Terms is now updated.

With accurate and timely data ...



Microsoft Access - [Provider Contracts]

File Edit View Insert Format Records Tools Window

Provider Contract Assembly

Dr. Jane C. Seymour

Primary Care Physician

Provider ID: 3 **State:** New York

Form: physician sole proprietor

PlanType:

State: New York **City:** New York City

Officers **Notice** **Execution**

Name: Roberta Flack **Name:** Dr. Jane Seymour

Title: Office Manager **Title:** Physician Proprietor

Important Dates and Terms

Execution: 3/31/97 **Renewal Term:** 6 months

Initial Term: 12 months **Notice:** 60 days

Record: 3 of 3

No need for contract analysts to re-enter data.

... Reports and ticklers are easy

Microsoft Access - [Contracts By Execution Date : Report]

File Edit View Tools Window Help

Provider Contracts (by Execution Date)
10-Mar-99

Provider Name	Type of Provider	Corporate Form
Executed on: <input type="text" value="Monday, March 24, 1997"/>		
Davis Ophthalmology Associates	Independent Practice Association	LLP
Executed on: <input type="text" value="Monday, March 31, 1997"/>		
Dr. Jane C. Seymour	Primary Care Physician	physician sole

Page:

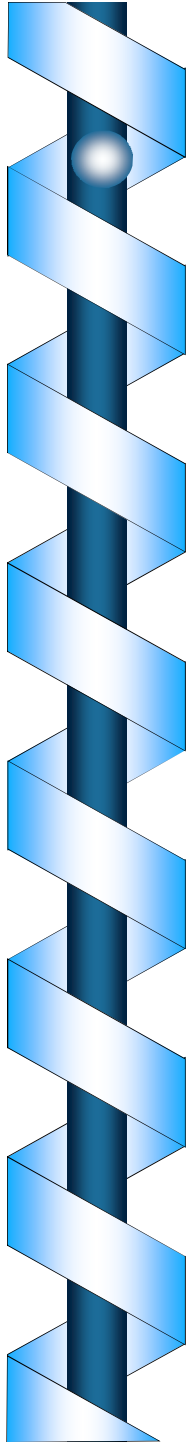
Microsoft Access - [Contracts By Provider : Report]

File Edit View Tools Window Help

Provider Contracts (by Provider)
10-Mar-99

Provider Name	Type of Provider	Corporate Form
Davis Ophthalmology Associates	Independent Practice Association	LLP
Dr. Jane C. Seymour	Primary Care Physician	physician sole proprietor
Dr. Rudy Crew	Primary Care Physician	incorporated physician

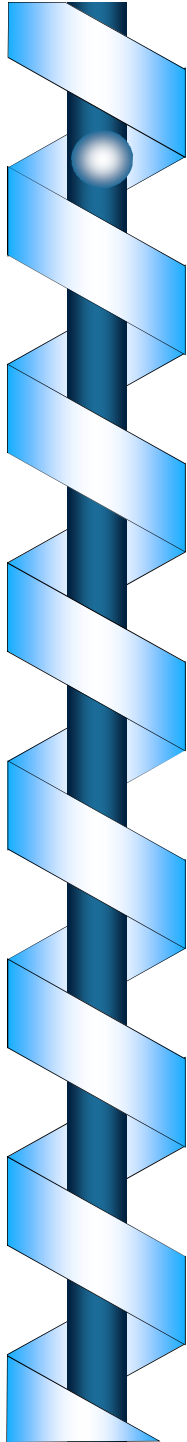
Page:



Recap:

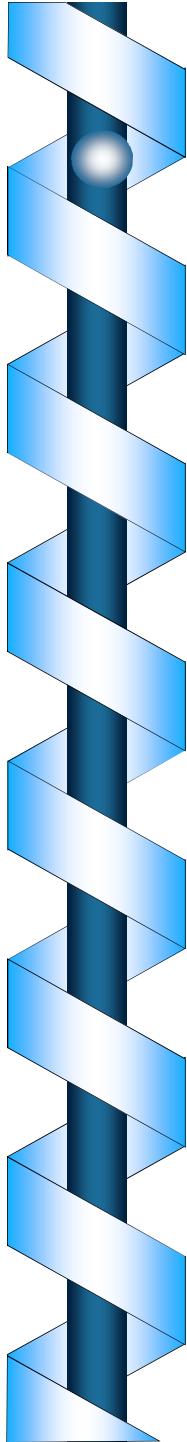
This system allow you to ...

- ❑ Reengineer the creation of contract documents.
- ❑ Build expert assembly system that is flexible and up-to-date.
- ❑ Train your contract specialists.
- ❑ Reap cost-saving efficiencies.
- ❑ Promote quality control and consistency.
- ❑ Control and empower your non-legal staff.
- ❑ Build libraries of knowledge.



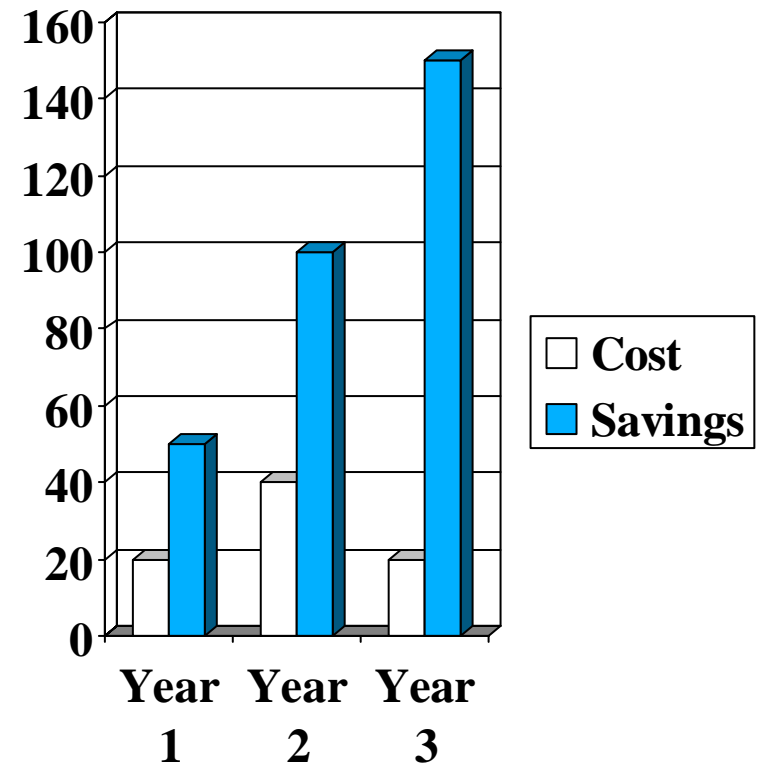
MasterDraft: A Powerful Tool ...

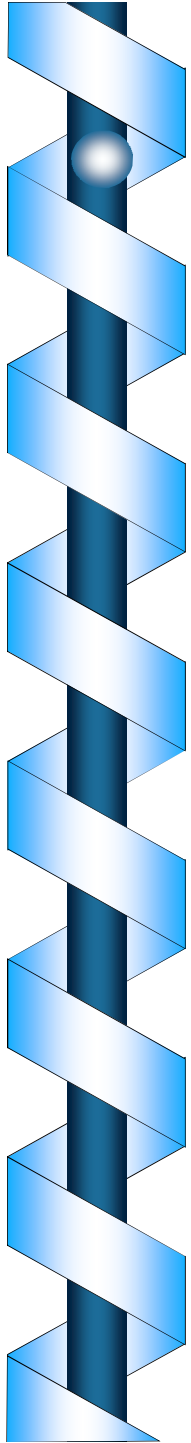
- ❑ Full License — \$1295
(Author & Assembly)
- ❑ Run-Time License — \$300
(Assembly Only)
- ❑ Volume Discounts and Site Licenses
- ❑ Consulting Services for a Fixed Fee
- ❑ Service and Maintenance Agreements



... that Pays for Itself (ROI)

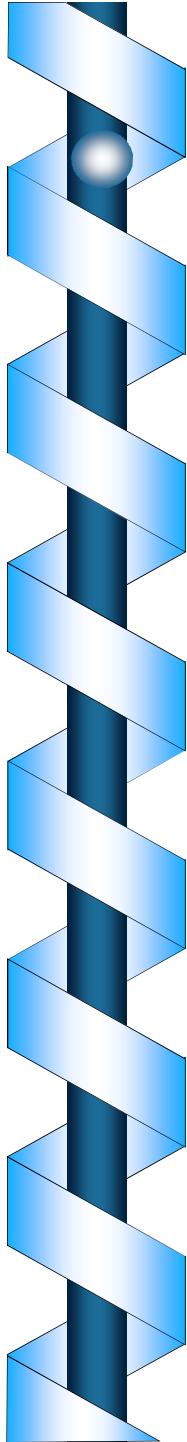
- ❑ Year 1. Modest savings from pilot
- ❑ Year 2. Substantial savings from roll-out
- ❑ Year 3. Continuing savings with low carrying costs





Benefits of Immediate Implementation

- Eliminate work backlog
- Streamline document drafting
- Avoid costly errors
- Produce consistent quality work
- Deliver one-time and on-budget
- Track contract terms

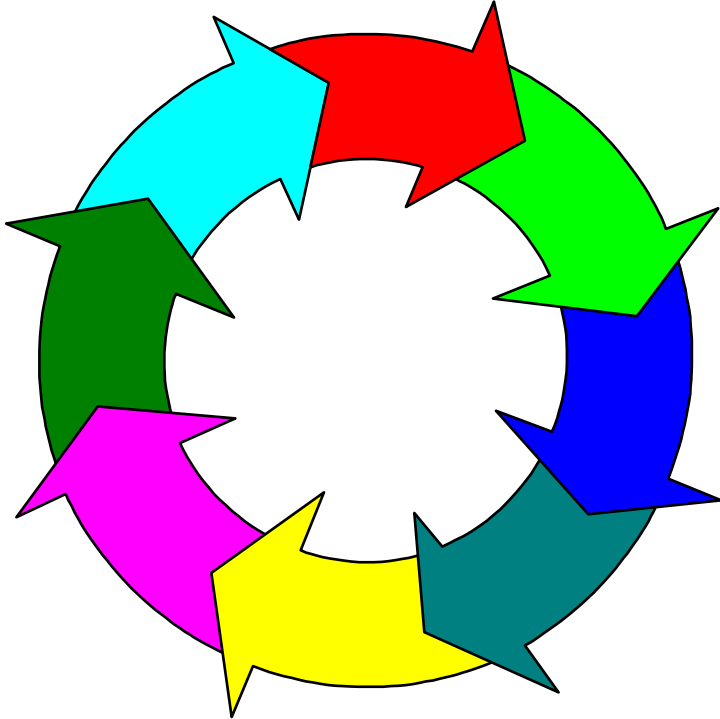


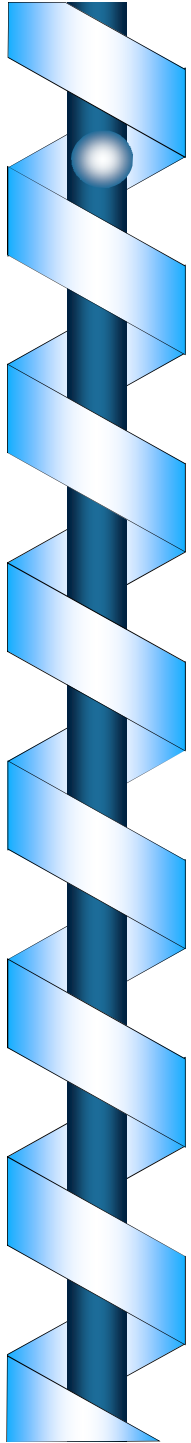
And the Next Step

- ❑ Start with a Pilot System.
- ❑ Make Pilot System available to rest of department.
- ❑ Integrate Pilot System with a corporate contracts database.
- ❑ Add additional documents to the system.
- ❑ Improved efficiency without sacrificing quality of work.

A vertical decorative element on the left side of the slide, consisting of a dark blue central bar with a light blue ribbon-like pattern spiraling around it.

Overview of Authoring Process





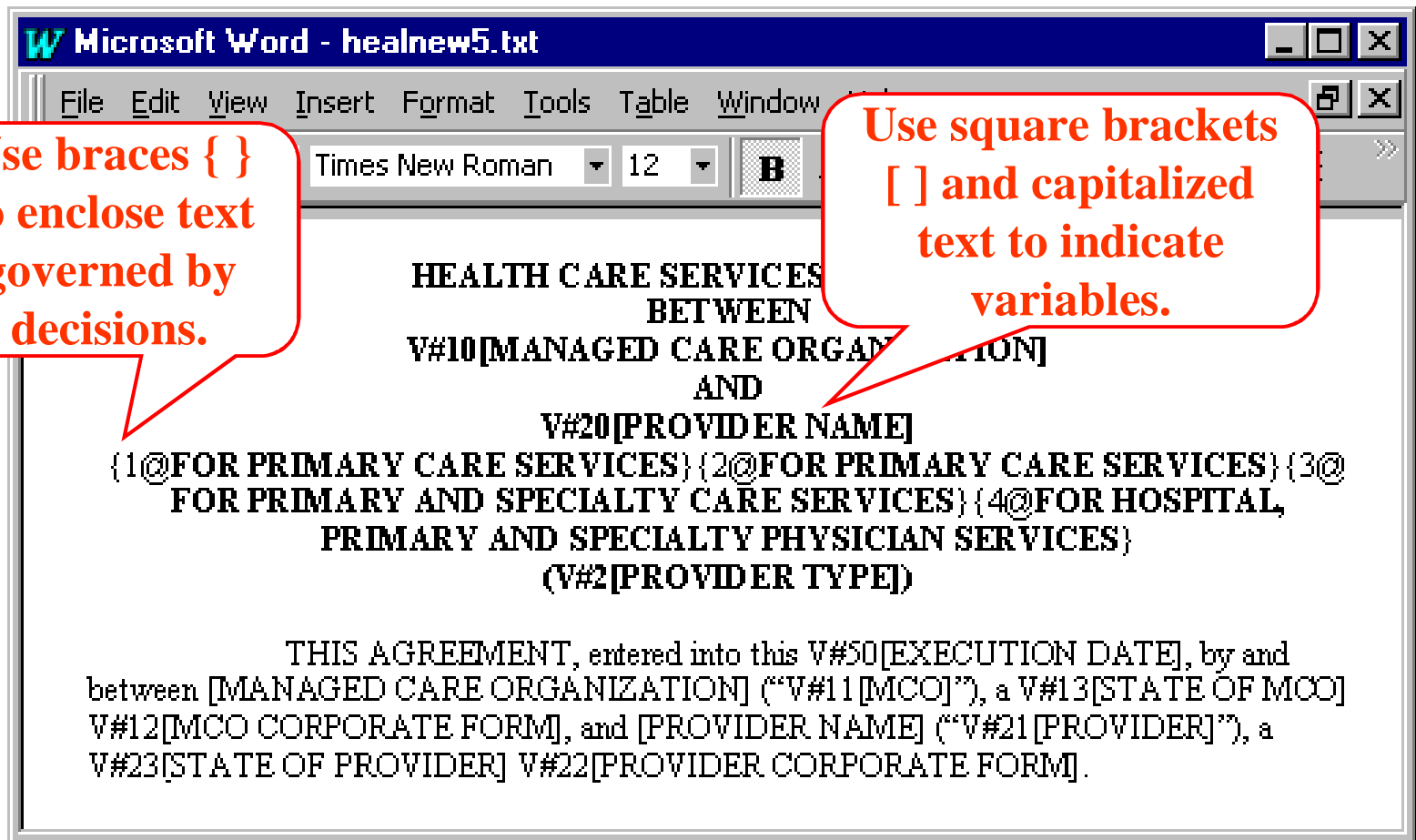
Under the hood . . . Authoring in four easy steps

- ❑ First, create a master document containing standard and alternate clauses
- ❑ Second, define and code decision and variable prompts in the master document
- ❑ Third, process the master document in the Author program
- ❑ Fourth, customize presentation and define rules and conditions

Create a master document in Word using easy to apply codes.

Use braces { } to enclose text governed by decisions.

Use square brackets [] and capitalized text to indicate variables.



Author looks for new Variable & Decision Codes to Interpret

Variables are designated by capitalized text in square brackets: []

THIS AGREEMENT, entered into this V#50[EXECUTION DATE], by and between [MANAGED CARE ORGANIZATION] (V#1[MCO]), a V#13[STATE OF MCO] V#12[MCO CORPORATE FORM], and [PROVIDER NAME] (V#21[PROVIDER]), a V#23[STATE OF PROVIDER] V#22[PROVIDER CORPORATE FORM].
<1>DURATION OF CONTRACT AND RENEWAL

Click on Prompt

The Default Prompt is the Name of the Variable in Brackets.

Decision Prompt Definition

Edit Clipboard

Prompt for Variable #50

EXECUTION DATE

Call Up the Variable Design Window

The screenshot shows a software window titled "Variable Design Window" with a menu bar containing "File", "Value", and "Logic". The main content area is titled "Definitions For Variable #50" and contains a table of variable properties:

Prompt	EXECUTION DATE
Short Name	None
Description	Yes
Condition(s)	
Test	
Computation	
List	Enter Execution Date
Template	None
Type	A Date

Below the table is a section with radio button toggle switches for various options:

- Basic Prompt
- Condition(s)
- List
- Lines
- Short Name
- Test
- Template
- User Function
- Description
- Computation
- Type
- Exit

This box summarizes the variable, including description, any special conditions, and presentation format.

The toggle switches in this box allow you to shape the variable by choosing among a range of options.

Continue Processing the Master

MasterDraft stops at each new decision code and prompts you to formulate a question.

The screenshot shows the MasterDraft software interface. The main window displays a contract template with the following text:

```
{1@FOR PRIMARY CARE SERVICES}{2@FOR PRIMARY CARE SERVICES}{3@ FOR  
PRIMARY AND SPECIALTY CARE SERVICES}{4@FOR HOSPITAL.  
PRIMARY AND SPECIALTY PHYSICIAN SERVICES} (V#2[PROVIDER TYPE])  
  
THIS AGREEMENT, entered into this V#50[EXECUTION DATE],  
by and between [MANAGED
```

Below the main window, a smaller window titled "Decision Prompt Definition" is open. It has a menu bar with "Edit" and "Clipboard". The text in this window is:

```
Prompt for Decision #1  
  
PRIMARY CARE PRACTITIONER GROUP
```

Now enter the question or prompt as you wish it to appear.

**Click
"Enter
by**

Call Up the Decision Design Window.

The screenshot shows a window titled "Decision Design Window" with a menu bar containing "File", "Value", and "Logic". The main content area is titled "Definitions For Decision #1" and contains a table with the following data:

Prompt	PRIMARY CARE PRACTITIONER GROUP
Short Name	PRIMARY CARE PRACTITIONER GROUP
Description	None
Condition(s)	
Menu	CHOOSE APPLICABLE PROVIDER

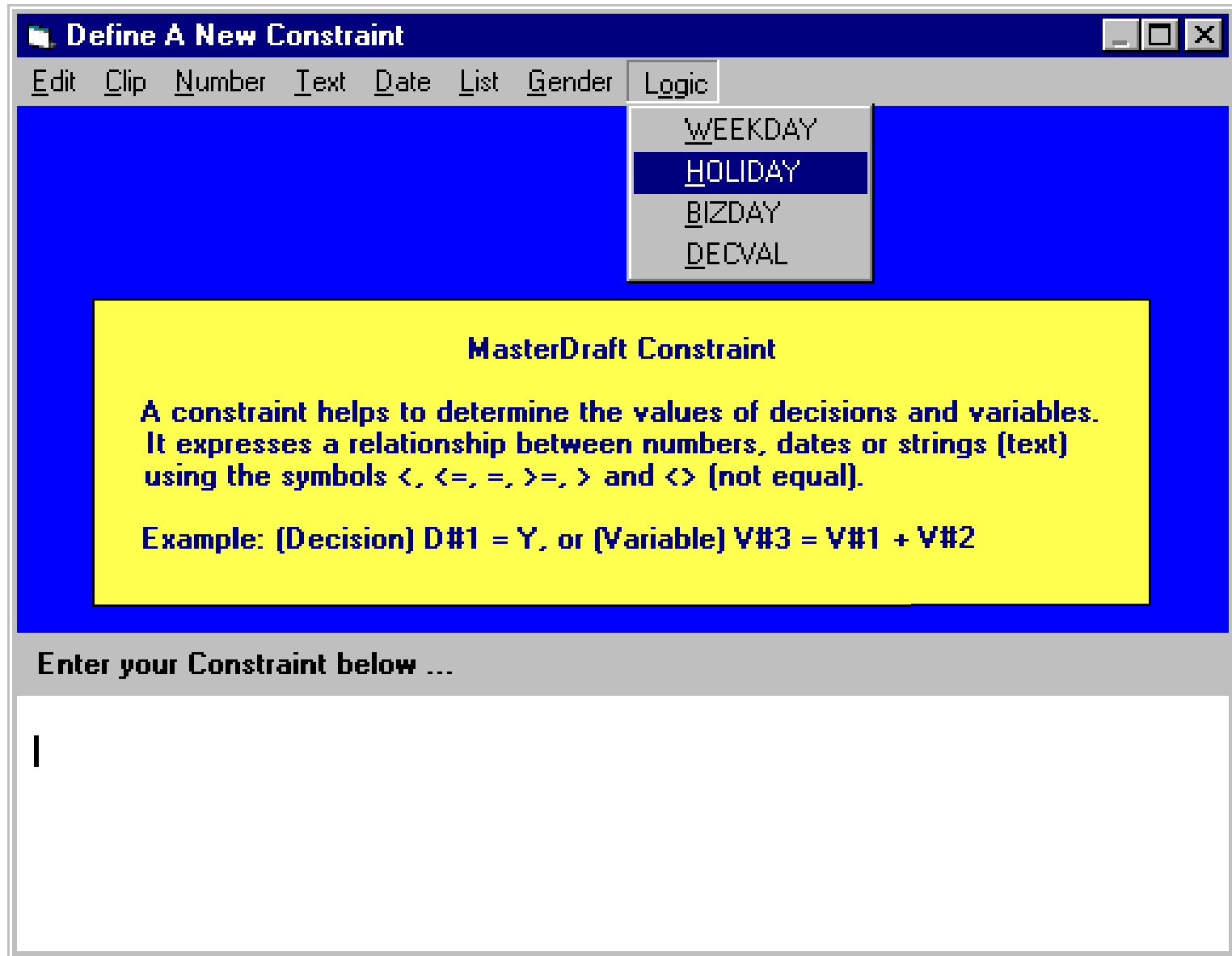
Below the table is a section with six radio button toggle switches:

- Basic Prompt
- Short Name
- Description
- Condition
- Menu
- Exit

Two callout boxes provide additional information:

- A red callout box points to the table and contains the text: "This box summarizes the decision, including description, any special conditions, and presentation format."
- A red callout box points to the toggle switches and contains the text: "The toggle switches in this box allow you to shape the decision by choosing among a range of options."

Build Condition Logic with Menus



Define A New Constraint

Edit Clip Number Text Date List Gender **Logic**

- WEEKDAY
- HOLIDAY**
- BIZDAY
- DECVAL

MasterDraft Constraint

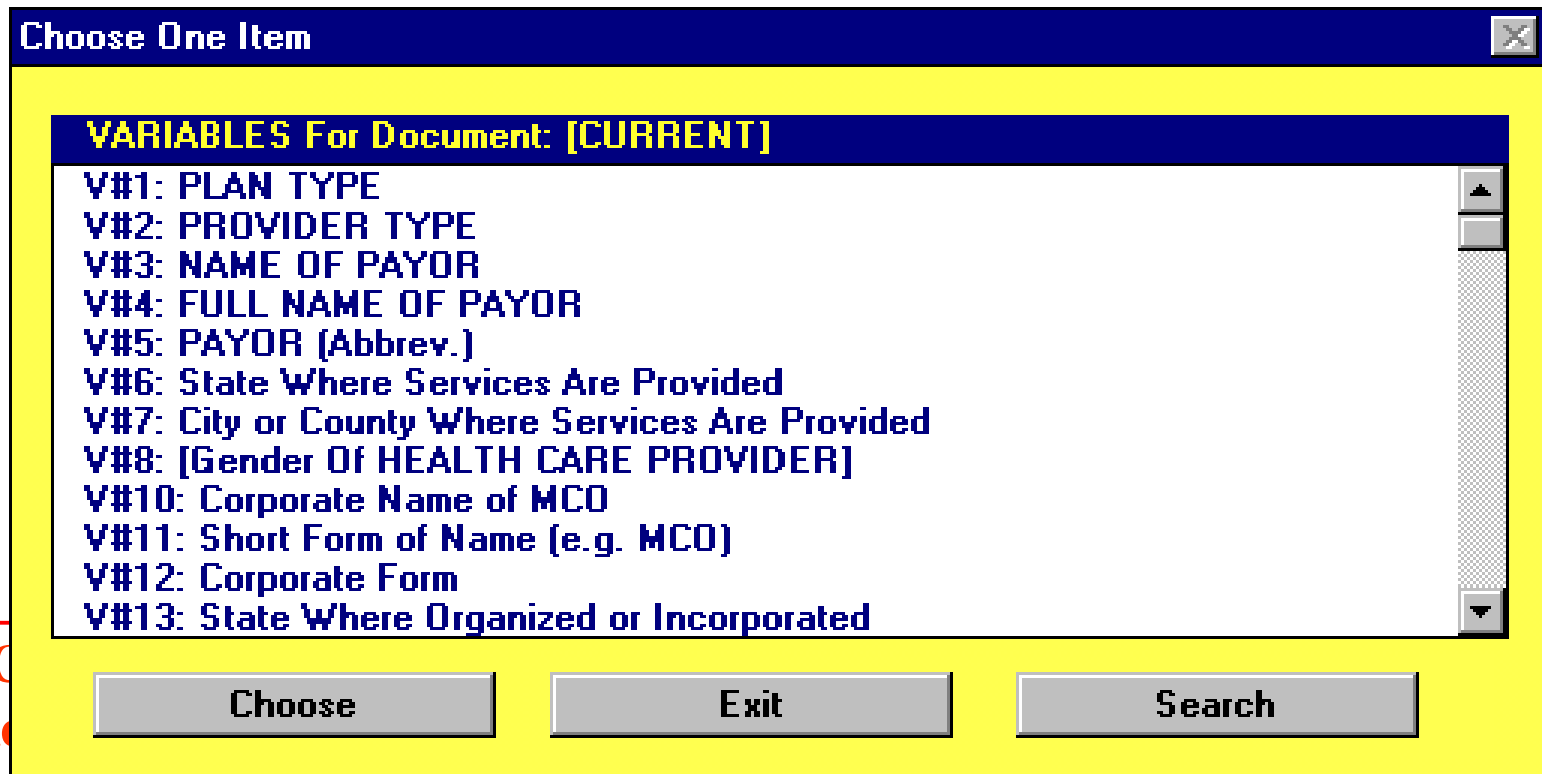
A constraint helps to determine the values of decisions and variables. It expresses a relationship between numbers, dates or strings (text) using the symbols <, <=, =, >=, > and <> (not equal).

Example: (Decision) D#1 = Y, or (Variable) V#3 = V#1 + V#2

Enter your Constraint below ...

|

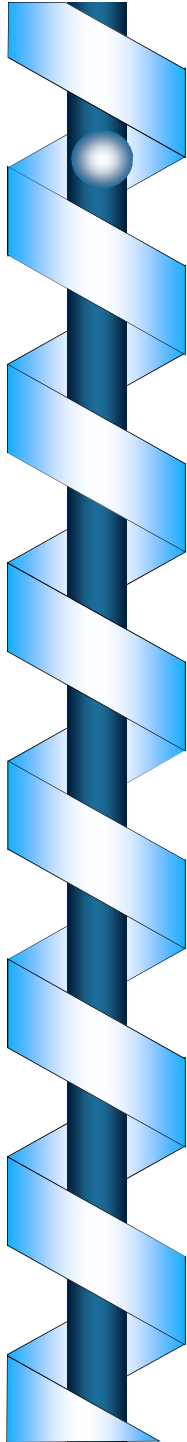
Revisions Are Just A Click Away



Re

of all Decisions.

of all Variables.



For Additional Information

- ❑ Visit our website: www.masterdraft.com
- ❑ Contact First Draft at (212) 879-5190 to arrange for a consultant to visit.
- ❑ Consultant will provide a firm quote based on scope of project and number of licenses required after reviewing documents.
- ❑ Maintenance contract will allow clients to upgrade and revise underlying documents without additional development costs.