



message from Tom and Ken

Curaspan turned 15 this year. As part of the celebration, we watched a retrospective video that took us back to our earliest days as founders of a fledgling start-up. In 1999, we had few employees, not much money and what we thought was a good idea.

Turned out it was a good idea—the market has shown us that—but realizing that idea was not easy. The early years were tough. So were all the years in the middle. We faced a lot of challenges, some expected and many that were not. Over time, we adapted our product, shifted our strategy and found new ways to move forward. Then we did it again. And again. We've been adjusting on the fly ever since, first to survive and then to grow.

We're now looking ahead to some of the biggest opportunities Curaspan has ever seen. We thought it was time to start talking about some of our fundamental beliefs that haven't changed and never will. The result is this document. In it, you will find out who we are, why we do what we do, where we think we're going over the next several years and our best strategies for getting there. It wasn't easy to write. We went through numerous iterations and left a lot on the cutting room floor. We think that what's left captures the essence of Curaspan and what is truly important to us. We hope that it can provide a framework for how we work together and that everyone at Curaspan can see something of themselves in it.

From the start, we agreed to build a company that we both would want to work in. We've remained true to those fundamental values and principles from our first day, and we believe it's been the key to our success. Fifteen years ago, no one, including us, would have predicted where we would be today. Now we're looking forward to the next chapter of this story, and we know that whatever it looks like, it will be built on the core principles we started with in 1999.

Tom Ferry

Ken Manning



who we are

We left suffocating, soul-crushing corporate jobs to start this company, and we never want to go back. We greet each and every day with enthusiasm, excitement and, occasionally, nervous twinges because, in the words of Mario Andretti, “If things seem under control, you are just not going fast enough.” We want to keep the entrepreneurial spirit alive, and not only for ourselves. The best way we know to do that is to hire people who share our core values.

These are Curaspan’s core values:

Customers will always be our first priority.

“A business is simply an idea to make other people’s lives better.”

Richard Branson

We understand that we are nothing without our customers. The environment they work in is complicated, it changes routinely and they are asked over and over to adopt new technology that they are too busy to implement and learn. Our goal is to give them the tools and services they need to get their work done in the most direct and efficient way possible, and to deliver those tools and services with the least disruption and the most support and expertise. We learn from our customers, enjoy our partnership with them and recognize that the best outcome is that we both get smarter together.

We like simple.

“Simplicity is the ultimate sophistication.”

Leonardo da Vinci

Solving difficult problems is one of Curaspan’s fundamental drivers. Finding the simplest solutions to those difficult problems is one of our core objectives. But simple does not mean easy. It takes a certain amount of sophistication to design a simple solution to a complicated problem. Our goal is to be disciplined enough to keep it simple even as the problems get harder.

We’re not afraid to fail — or have fun.

“I have not failed. I’ve just found 10,000 ways that won’t work.”

Thomas Edison

Being entrepreneurial means taking risk, and taking risk means that sometimes we fail. The freedom to fail is vital to creativity.



who we are

Innovation doesn't happen without it, and no one would ever make a bold decision that takes us in a promising new direction if they were afraid of the consequences.

For us to survive as a company, we can't play it safe. We have to keep getting better and moving forward — but not without having fun. People do their best work when they're relaxed and we need everyone's best work. We also spend a good portion of our time together. If we don't enjoy our work and each other's company, why do it?

We treat each other with trust and respect.

"Coming together is a beginning, staying together is progress, and working together is success."

Henry Ford

Not everyone gets to work at Curaspan. Inviting the right people in is fundamental to who we are and how we will stay that way. Talent and intelligence are the minimum requirements. Also required is the ability to collaborate, share goals and jump in without being asked. We are a team of people who adapt on the fly, think independently and are open to the suggestions of others. If you like being told what to do, you won't like it here. If you like telling people what to do, you'll

like it even less. If candid discussion and passionate engagement make you uncomfortable, we're not a good fit for you. But if you have the capacity for great enthusiasm, if you want to do work that is fulfilling without sacrificing the other important parts of your life, if you want to be trusted, treated with respect and genuinely appreciated for who you are, Curaspan is the place for you.

We strive for excellence in all things.

"I never had a policy; I just tried to do my very best each and every day."

Abraham Lincoln

Our business has many challenges. It's highly competitive and revolves around adherence to requirements that are complicated, detailed and exacting. Despite the challenges — or maybe because of how we deal with them — Curaspan has become the leader in the patient transition market and maintains an unsurpassed customer retention rate. We've done it because we deliver. We deliver because we believe that good enough is never enough and that excellence is the minimum acceptable requirement across all areas of our company.



why we do it

We know two things: we like solving difficult problems and we like working with extraordinary people — both colleagues and customers. The challenges we observed in patient transitions satisfied our first requirement: it was a difficult problem. More important than that, poor patient transitions were contributing, in some cases, to poor patient outcomes.

Over time, we did solve the fundamental problem with discharge planning and we developed — and continue to develop — solutions to other problems facing the health care industry. In the process, we've acquired

a comprehensive understanding of the industry and established a unique set of working relationships, both of which will help us deliver innovations in patient care for years to come. We've done it all with a growing group of Curaspan colleagues, partners and customers who make us look forward to coming to work every day.

There are many unsolved problems in the world. Right now, we're working on health care, but we leave open the possibility that we might want to work on other problems over time. So, we define our core purpose — the reason we exist — this way:

To take on seemingly impossible problems and work with extraordinary people to solve them.

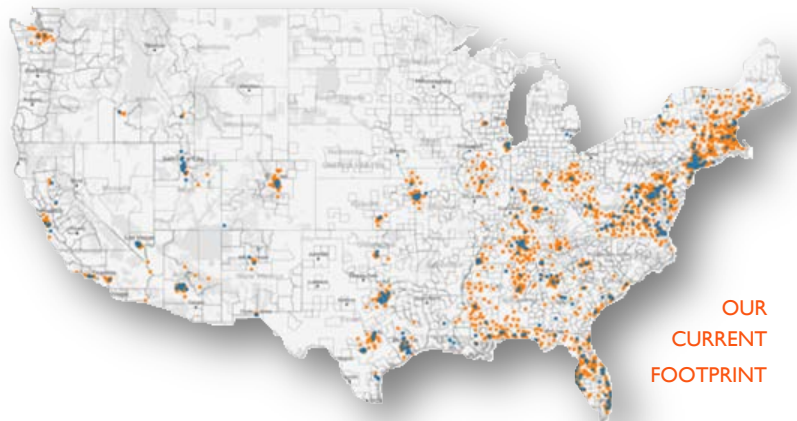


where we're going

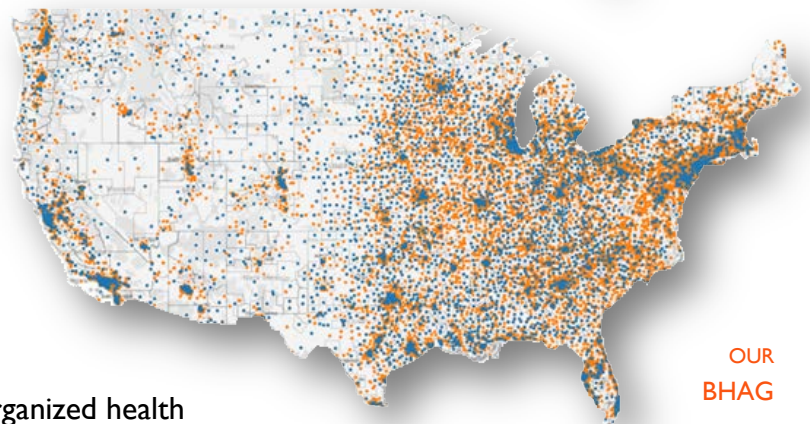
What's a BHAG? It's a Big Hairy Audacious Goal and having one is one of the things that makes companies great. It's a vivid, clear and compelling strategic goal that is simple to grasp, easy to remember and deeply inspiring to everyone in the company. A good one can feel daunting, if not impossible, to those outside the company. But those inside the company believe in it, pursue it and know that it's possible.

Our BHAG:

Curaspan will influence care transitions for every health care delivery organization in the country.



OUR
CURRENT
FOOTPRINT



OUR
BHAG

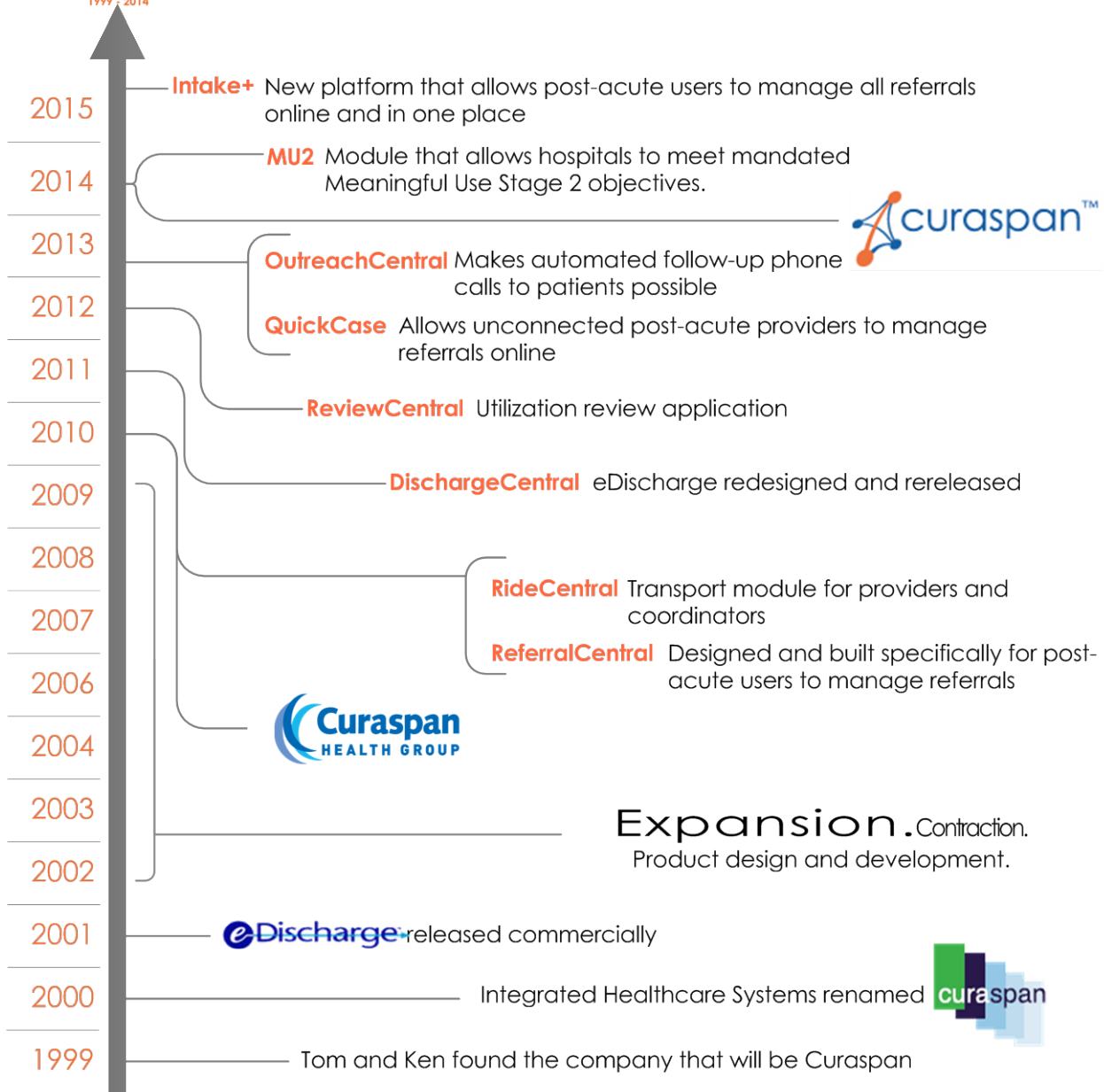
We are driven by patient outcomes. We are defined by our determination to make those outcomes better in a frenzied, disorganized health care industry where high stress, scarce resources and inadequate information make things go wrong — sometimes catastrophically. Patients being moved from one care setting to another are particularly vulnerable.

We will make health care better by making patient transitions better. We will succeed with innovations where other companies have failed. Health care providers will seek us out because no other company will understand them the way we do and offer what we offer. We will be at the center of the new health care models with a network that connects meaningful players to each other and to us. Our influence and our reputation within health care will be so strong that no patient in the country will transition from one care setting to another without the benefit of our positive influence.



what we've done

... so far





what we know

Curaspan is the current market leader in patient care transition. If we stay on track, we can maintain clear market leadership by deepening our relationship with our customers and continuing to build the highest value network in the industry. We have a strategy to get there, but we face some risks and challenges along the way.

At Curaspan, these are our major challenges:

Our competitors have changed.

We have a massive opportunity in front of us. Over the next several years, government incentive programs and market forces will push hospitals and health care systems to make patient transitions of care an increasingly important area of focus. At the same time, providers will take on more financial risk for patient outcomes and associated costs, which will drive interest in comprehensive coordination of care that goes beyond transition planning.

With our network, our expertise and our current leadership position, we are ideally positioned to take full advantage of the evolving transitions of care market. But we're not the only ones who see it. As the shape, scope and potential size of the opportunity become clearer, companies from the smallest startup to the largest EMR vendor will want in. Some may try to replicate what we do, at least in part, while others will try to extend their current business offerings into the

evolving coordination of care market, either as competitor or partner.

While no one company can do exactly what we do, a number of smaller incursions taken together could begin to erode our value proposition. Our response cannot be to simply defend our place in the market, but to expand and strengthen it by doing what we have always done — staking out territory that has yet to be mapped and creating opportunities where none have existed before. We have an immense head start on our competitors. Our challenge is to keep it.

Our customers are changing.

The current health care delivery system is not sustainable. There simply isn't enough money in the public coffers to fund it. As the industry evolves, roles will change, goals will overlap and revenues and margins will continue to decline. As our customers try to navigate through the turbulence, one of our challenges will be to provide them with the



what we know

tools and solutions they need to drive down costs, increase operational efficiency and maximize the return on their technology investments. As part of this changing landscape, we also expect to see our entire customer base shift. Customers will consolidate or be consolidated, some will grow into larger entities and others will become risk bearing entities. We will have to figure out how to integrate with and support organizations that are becoming ever larger and more complicated. At the same time, we have to continue to expand the value of our network so that we remain relevant to our customers as they grow and change.

Regulations never get less complicated.

The regulatory environment will continue to be a major challenge for health care providers, and for us, as well. Since the federal government controls over 50 cents of every dollar spent for health care, it will feel compelled to layer on more and more regulations. The current mixture of state and federal regulations is already almost incomprehensible to all but the most skilled and highly educated people across the legal, security and regulation spectrum. To remain truly useful advisers to our customers, we will need to understand — and influence —

the regulatory environment and how it impacts them.

The market will move fast — with or without us.

To maintain our leadership position, we have to keep moving at least as fast as we're moving. To maintain the trust and loyalty of our customers, we have to keep producing excellent work. The trick is to find a way to do both — to do quality quicker. We have to continue to innovate and experiment — but more rapidly, implement in a timelier manner and get changes and new solutions to our customers when they need them. We have to continuously streamline our processes across the board, from development to sales to implementation and servicing. Our challenge is to do it without sacrificing the level of quality that has earned us a high degree of customer loyalty and without squeezing the creativity, energy and fun out of the company.

It's hard to be heard.

The very thing that makes our solution so attractive and adoptable — simplicity — presents the biggest challenge in communicating its full value. In the early days, we might have been thought of as a “fax machine replacement,” but we have moved well past that stage to become a multifaceted



what we know

provider of solutions to the confusing array of problems faced by a full range of customers, from the CFO to the discharge nurse to the home health care worker. We are the recognized leader in patient transitions of care. We are a repository of information and expertise on the subject, and we deploy one of the most experienced, knowledgeable and qualified teams in the industry to help our customers implement and use our solutions. We are solvers and simplifiers and we remove the obstacles around patient transitions of care for our customers so their clinicians can do the more important work of spending more time with patients and families and improving patient outcomes.

Our challenge is to cut through the noisy, crowded and complicated health care market to make sure our message is heard and our *full* value understood.

Exceptional people will always be hard to find.

While everyone knows about the dearth of technology talent, we recognize that all creative talent is in short supply. In today's virtual world, the most talented, in-demand individuals can work anywhere. Adding to our challenge is the fact that we require not just

exceptional talent, but exceptional people. None of our strategies will work without them. The challenge of attracting and retaining extraordinary people will impact all aspects of Curaspan's model as we continue to grow.



core strategies

Be the recognized authority on transition planning.

- ▶ Provide rapid value solutions that only we can offer.
- ▶ Offer the most comprehensive and substantive advice and counsel available on patient transitions of care between settings.
- ▶ Maintain the knowledge and expertise to support all customers, from the smallest hospital to the largest health care system.

Grow the network. Leverage the network.

- ▶ Keep adding nodes to the network to increase its value to current members.
- ▶ Attract new members to the network by enhancing functionality, increasing interoperability and providing the right information at the right time to improve patient outcomes.
- ▶ Establish our network as the essential connection and communication ingredient that will make the new health care models work.

Innovate for simplicity, elegance and practicality.

- ▶ Provide transition of care solutions that are striking in their simplicity when compared to byzantine health care regulations, overly complex EMRs and reimbursement models that change often.
- ▶ Structure our organization and approach to ensure that Curaspan is always actively generating, incubating and acting on innovative ideas.

Be *the* place to work

- ▶ Recruit new members to our team that don't just fit our culture, but thrive in it. Keep the outstanding members we already have by treating them with trust and respect.
- ▶ Create paths that make it easy for anyone at Curaspan to branch out, find new roles and learn new things.
- ▶ Invest in cutting edge technology that excites and inspires both inside Curaspan and outside.