



# Medix Systems Consultants, Inc.

"Solutions for the Future...Today"

| Standard   |   |
|--|---|
| <b>Pros</b>  | <p>Customer owns all equipment including hardware, software and data<br/>           Provides best return on investment over time<br/>           Access is NOT limited via internet connection for main facility (<i>and remote facilities if on private wide area network</i>); should the internet fail, system will still be up and running; access speeds are not dependent on the internet; Fastest &amp; most reliable solution<br/>           Device interface/integration easiest to implement<br/>           Client can interface w/third party systems in a manner not common w/standard web based solutions<br/>           Customer investment results in ownership of software license upon purchase or end of dollar buy-out lease term<br/>           Eligible for IRS section 179 tax benefits through December 31, 2009<br/>           Multiple payment options as well as flexible payment options; Full lease; Partial lease with downpayment; Full purchase upfront<br/>           Customer maintains full control of system, data, etc.</p>  |
| <b>Cons</b>  | <p>Slightly longer project lead time due to configuration &amp; implementation of server-based equipment at customer site(s)<br/>           Customer responsible for managing backups; may purchase remote backup solution for reliability<br/>           Perceived as more expensive even though the lease option would generally cost the same, per physician, as most web-based solutions</p>  |
| Co-location - client owns server and pays an additional \$250/month for co-location      |   |
| <b>Pros</b>  | <p>Excellent cost of ownership over a 5 year period (receive section 179 tax benefits during first year); customer owns license<br/>           Customer owns all equipment including hardware, software and data<br/>           Vendor manages backups allowing customer to focus on use of application<br/>           May include or exclude start-up costs to lower/raise monthly payment amount<br/>           Faster implementation time results in training occurring earlier in the project timeline<br/>           Device interface/integration almost as easy as standard option<br/>           Provides good return on investment as in standard option, with added benefits of:<br/>           Less expensive option (than standard)           <ul style="list-style-type: none"> <li>Vendor manages server - located at vendor site</li> <li>Managed server approach - provides client w/benefits of in-house server combined w/those of a web based solution</li> <li>Client assured high availability &amp; reliability w/out costs of managing system internally or paying third party network admin vendors</li> <li>Client may access server anywhere, anytime - limited only by user access privilege(s)</li> <li>Client assured of running very latest releases with zero client side maintenance</li> <li>Client can interface w/third party systems in a manner not common w/standard web based solutions</li> </ul> </p> |
| <b>Cons</b>  | <p>Access is limited via internet connection; speed dependent on connection; additional users will slow down overall speed of workflow</p>  |
| ASP/Hosted (Medix owns server AND they make no financial commitment to purchase MicroMD) |   |
| <b>Pros</b>  | <p>Perceived as least expensive option even though cost per physician per month may be the same as standard or co-location option(s)<br/>           Pre-delivery implementation time is minimal resulting in training occurring earlier than with a standard or co-location option<br/>           Vendor manages backups</p>  |
| <b>Cons</b>  | <p>Customer does not own application software<br/>           Customer has no control over how data is managed &amp; secured<br/>           Access is limited via internet connection; speed dependent on connection; additional users will slow down overall speed of workflow<br/>           Cost of ownership is typically higher than standard or co-location option(s); little or no return on investment<br/>           Maintenance cost is bundled into monthly fees therefore customer is unaware what they are paying for any particular aspect of the system<br/>           Customer is required to pay start-up expenses and any incremental service fees above and beyond the monthly fees<br/>           Customer fully responsible for hardware at customer site<br/>           Customer is not eligible for IRS section 179 deductions since this option is considered an expense</p>   |