Laser Spine Institute, LLC

New Procedure Innovation for Surgery Centers
June 11, 2010



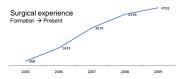
Outline

- I. What is the Laser Spine Institute
- II. Process Evaluation
- III. New Procedure Innovation
- IV. The Results
- V. Closing



I. What is the Laser Spine Institute

- Founded in 2005
- · We specialize in minimally invasive endoscopic spine surgery
- Performed 15,000+ surgeries
- We maintain our commitment to continued advancement of excellence in innovation, cutting edge technology, and process perfection to deliver the most productive and efficient working environment for our staff, while providing the most customer friendly environment to our patients.





Setting LSI apart Integrated medical, business process and service innovations yield breakthrough patient results Medical Breakthrough: Laser "plus" procedures address "80/20" of spine pathologies Endoscopic/ Micro-incision Outpatier Locsl/Twilight 'anesthesia · Direct Patient Relationships: Direct Patient Relationships: Healthcare 'disintermediary' Global, multi-channel online and offline sales and marketing platform Central call center(, > 10,000 campsignalmo. 'bicoastal' seminar circuit touching 10,000 prospective patients/morth Marketing determines success vs. reimbursement Cocal waight anestness Integrated Continuum of Spine Care: Internal capabilities cover life cycle Diagnosis – Ancillary – Surgery – Therapy Medical ciruic Imaging center Pain management Surgery center Physical therapy Five -Star Hospitality Experience: All professionals are <u>service</u> professionals Internet café, catering, media center, transportation Low wait times Employee Friendly: St. Petersburg times best places to work Becker's best places to work Upward Mobility Executive training programs Tuition Assistance 87% vs. 60% success rate @ 65% lower cost @ 25% of alternative recovery time [,5] Lone Stee Sermon LSI deployed rare process services, leading the market faster ...Our People 300 "family-members;" Service leaders devoted to the patient experience in Tampa, FL; Scottsdale, AZ; Valley Forge, PA; San Diego, CA; Beverly Hills, CA; The Village, FL; Ft. Lauderdale, FL locations. "Alchemy" of medical and business breakthroughs driving LSI leadership ...Innovators ...Service Service-driven "culture of hospitality" defining the patient experience LSI Service Excellence Rating = 90% National Average = 63% Industry leading Safety and Success Rates 1200% growth in surgery volume over 5 years "Consumer Health" segment pioneer -- Spine surgery market leader (Spine is #7 health condition spend - #1 health care growth sector) II. PROCESS EVALUATION

LSI LORE SPOR DITTOTE

Innovation through Process - Positional Statement

- The assumed results of this system will lead to the continued conceptualization, development, incubatio execution, and addition/launch of new advanced and cutting edge surgical procedures into our practice goal of the procedural advancement cycle is to maintain LSIs position as the leader in advanced spine surgery techniques by continuing to progress our approach to spine care.

- Conversation Points
 Identifying a best practices opportunity
 Evaluating the opportunity for fit into your system
 Appraising the opportunity for benefit of both economic and patient centric nature
 Standardzing through a philosopy of integration
 Deploying the cycle to seek results



5 day patient experience – Integrated "Turnkey" patient care cycle



New process achievement – How it works

Conceptualization → Evaluation → Execution → Implementation



1.51	LAURE SPINE SHITTEETS	$Inspiration \Rightarrow Assessment \Rightarrow Recommendation \Rightarrow Approval \Rightarrow Make it happen!$
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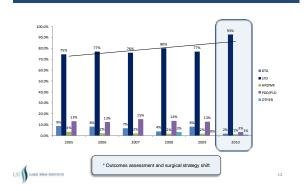
Procedural Innovation LSI must literally stay "ahead" of the curve					
High Differentiation Low Competition High Price point High Profits		Low Differentiation High Competition Low Price Low Profits			
TIME					
Innovators Early Adopter	s Early Majority Late Majority	Laggards			
Goal: Sustainable leadership through innovation-driven differentiation Continue to take more of the spine surgery market					
Loss Store derritors	staining Surgical Advanta	<u>ge</u> (SSA)			

A. NEW PRODUCT/TREATMENT INNOVATION

 $Identify \Rightarrow Evaluate \Rightarrow Appraise$



Surgical Portfolio



The Vision/Mission/Goals of "Sustaining the Surgical Advantage (SSA)" Enhancement Vs. Advancement

- Vision
- Advancing Innovation w/in LSI to achieve/maintain leadership position
- Mission
 - Align...the leadership team
 - Address...opportunities and challenges
 Advance...the patient experience
 - Inspire...the leadership team to put LSI first and commit themselves to each other and to our patients
- Goal

 - Collaboration...between thought leaders
 Exploration...of opportunities
 Alignment...of agenda for implementation
 - · Enhancement

 - 15,000 + surgeries → increase outcome Intra-operative procedure improvement Post operative procedure improvement

Advancement

- New procedures and surgical approach Philosophical strategy shift



How do we do it: R&D Process SSA Dept. of Bus. Strategy & Research Step 3: Symposium: Presentation of due diligence LSI LABS

The Cycle to Portfolio Advancement

LSI Labs "Portfolio Advancement" Integration Strike Team

Providing Resource support to portfolio advancement



Net increased pt. revenue/marketing share) - opex + loss prevention = New Procedure financial impact
Eaging!s. [SI Labs recomments that LSI advance the utilization of Procedure "X" throughout the LSI surgical enterprise. There is
strong evidence, both quantifative and qualifative in nature, that the introduction of this procedure to LSI's treatment portfolio will
improve the quality of care provided to our patient, as well as provide a favorable economic benefit in the form of economic result.

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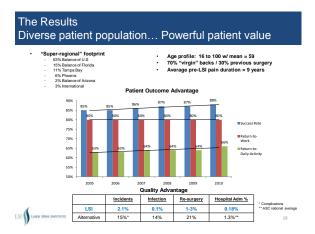
THE RESULTS

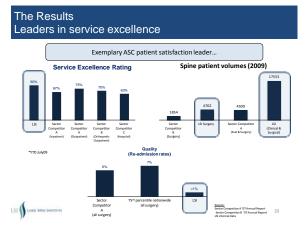
Deployed → Standardized



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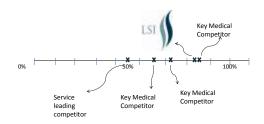
The Results Procedure Growth 800 N 200 N







LSI Employee morale rivals or outperforms morale levels measured at the world's most established, highest regarded, care & service-focused institutions



In our quest to become the world leader in spine care, employee engagement and morale are fundamental and LSI begins very strong

V. SUMMARY & CLOSING



Summary & Closing

 In Summary, LSI, through a detail oriented approach to new process and product innovation, continues to sustain its core values and competitive advantage by creating and deploying a project oriented environment conducive to continuous stimulation based innovation and optimization.

THANK YOU FOR YOUR TIME

