Parachute Health

The State of DME ePrescribing 2021

Over the past two years, the COVID-19 pandemic has changed nearly every aspect of how we think about and provide healthcare. Burnout from overwork and inefficient processes combined with new workplace risks and widespread healthcare worker shortages mean that efficiency, productivity, and focus on patient outcomes are more important than ever before to a functioning healthcare system.

Now more than ever, the question many are asking is: When we identify a broken area of healthcare, **can we afford *not* to take action?**

At Parachute Health, we believe the answer is no. That's why we built the Parachute Platform to modernize DME/HME and supplies ordering.

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Executive Summary

A Message from Our CEO

To date, COVID has claimed over 910,000 lives in the US and tested providers, administrators, and policymakers along the way. The healthcare sector's workforce is stretched thin, with far more roles to fill than people to fill them. Meanwhile, patient needs have grown exponentially. At a time when caregivers and suppliers need to be at their best, we cannot afford to let antiquated fax-based processes and administrative hurdles be a source of waste and distraction. Yet, when it comes to DME ordering, many are still overly dependent on ineffective and dated methods.

Six years ago, Parachute Health embarked on a journey to partner with DME suppliers, clinicians, health plans, and other key players in our ecosystem to gain an intimate understanding of their real-world challenges and pain points. We used what we learned to build and refine the only DME ePrescribing technology on the market that completely replaces the need for faxing or paper-based orders.

As I look back at 2021, I'm incredibly proud of how we've continued to innovate in this space, I'm grateful for our customers' ongoing willingness to innovate and embrace change, and I'm in awe of all of the caregivers who have gone above and beyond in spite of unprecedented challenges. I'm also excited for 2022, when we will continue the important work of creating greater trust, collaboration, and coordination in our healthcare system — starting with better access to critical DME and supplies.

David Gelbard, Parachute Health CEO

The Parachute Network

40,000

provider facilities actively ordering on the Parachute Platform

10,000

products actively being ordered on the Parachute Platform

110,000

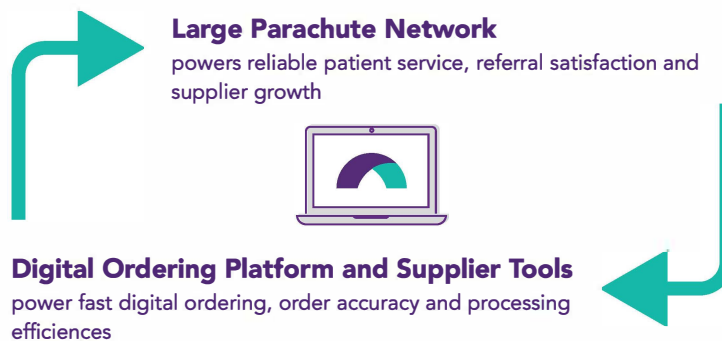MDs signing orders on the Parachute Platform

2,000

supplier locations receiving & processing orders on the Parachute Platform

The Parachute Network

The Parachute Platform's Impact

The Parachute Network has grown to include over 2,000 supplier locations supporting 40,000+ clinical facilities across all 50 states in 2021.

Large Parachute Network
powers reliable patient service, referral satisfaction and supplier growth

Digital Ordering Platform and Supplier Tools
power fast digital ordering, order accuracy and processing efficiences

The Parachute Platform has emerged as the leading platform facilitating online DME/HME and supplies ordering with best-in-class solutions to fix broken processes, and we're working hard to help more people and continuously improve our tech. Looking ahead at 2022 and beyond, we will continue to focus on removing friction from the ordering experience in order to:

- Empower providers to provide excellent patient care at facilities, in residential care settings, or as part of in-home care
- Power suppliers to grow by offering better, faster service for both patients and clinicians
- Increase transparency and efficiency in POS DME ordering across payers and health plans

Read on to learn about how we've led digital transformation in DME ordering by slashing waste and inefficiency — and about the technology that makes it all possible.
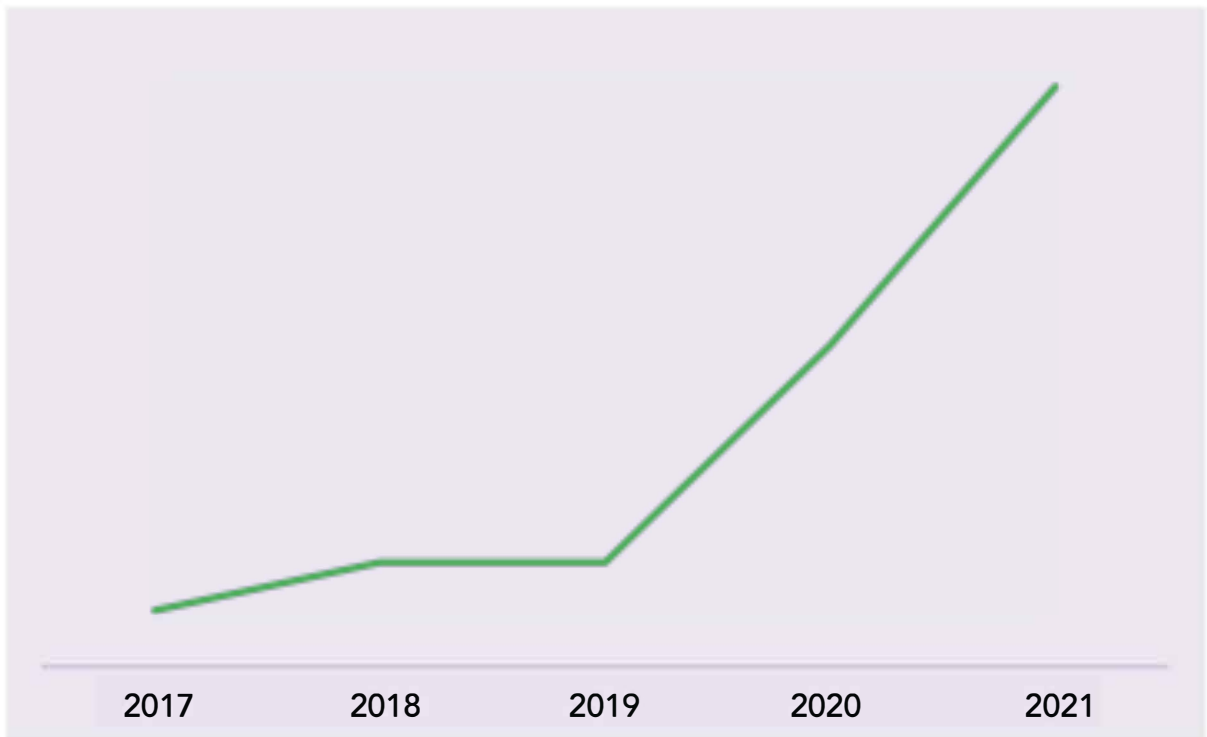
The Parachute Network

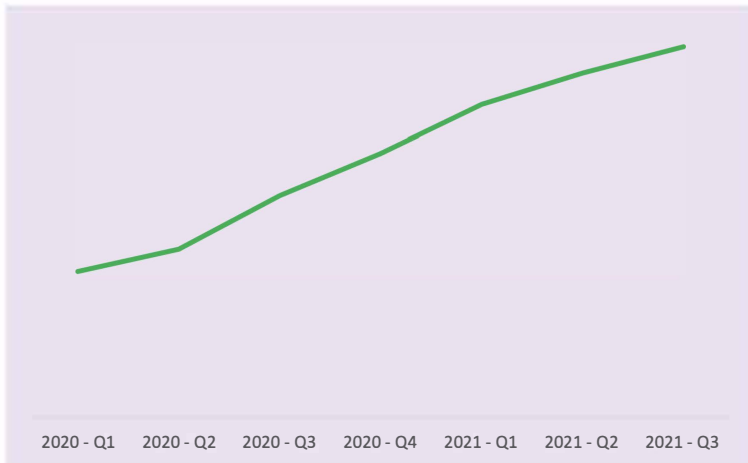### Empowering Providers, Powering Suppliers

The Parachute Platform is **used by over 320,000 healthcare providers** — across ordering clinicians and signing MDs — continuing rapid growth since launch in 2016. The need for digital transformation and to move away from manual, in-person, and fax-based processes during the COVID-19 pandemic further accelerated adoption. We see this trend continuing, with month-to-month increases in 2021.

Annual growth in number of HCPCS ordered
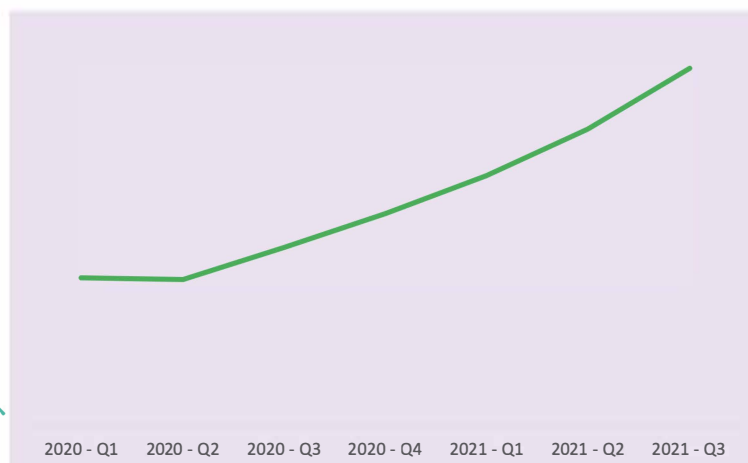

| 2017 | 2018 | 2019 | 2020 | 2021 |

Rapid Adoption of DME ePrescribing

110,000 MDs ePrescribed on the Parachute Platform — **66% growth over the past year.**

But DME ePrescribing isn't just about MD usage stats. **There's a total of 320,000 clinicians on the Parachute Platform**, from case managers to medical assistants, from nurses to discharge planners, all supporting patients and doctors across the healthcare landscape.
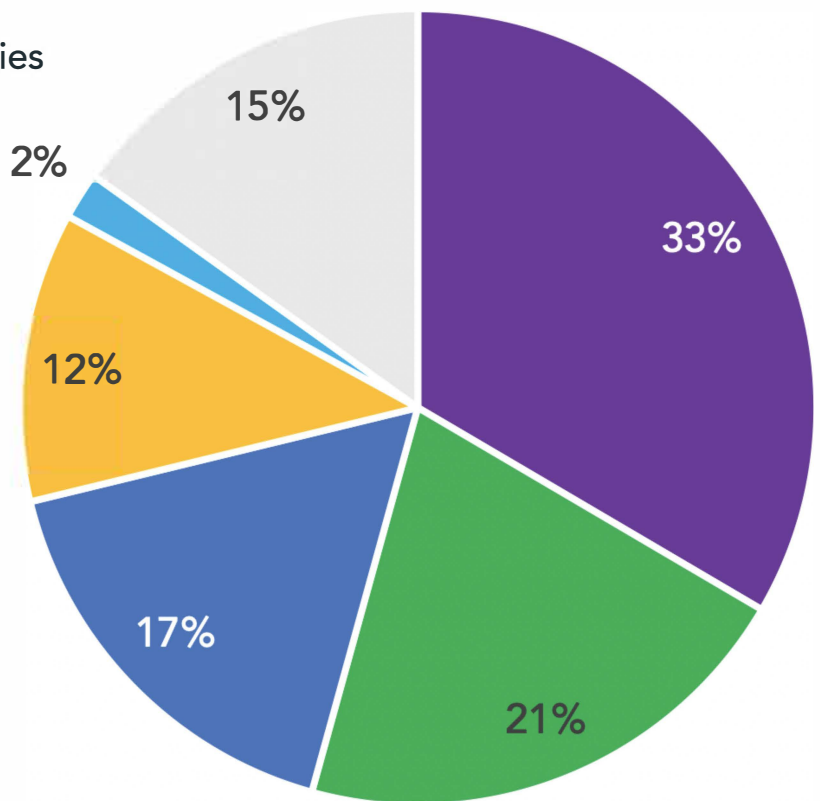

Non-MD clinicians appreciate the benefits of the Parachute Platform also, as the numbers show: **adoption increased 101% across all clinician types in the past year.**

Rapid Adoption of DME ePrescribing

Where do these clinicians practice? Just about everywhere!

- **33% Doctor's offices**
- **21% Nursing homes & rehabilitation centers**
- **17% Hospitals**
- **12% Home health agencies**
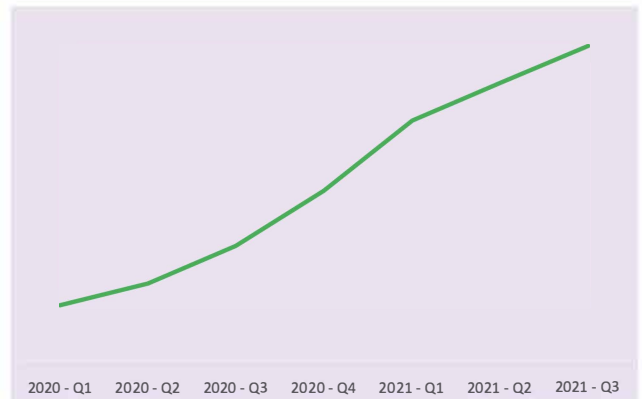- **2% Hospice**
- **15% Other**
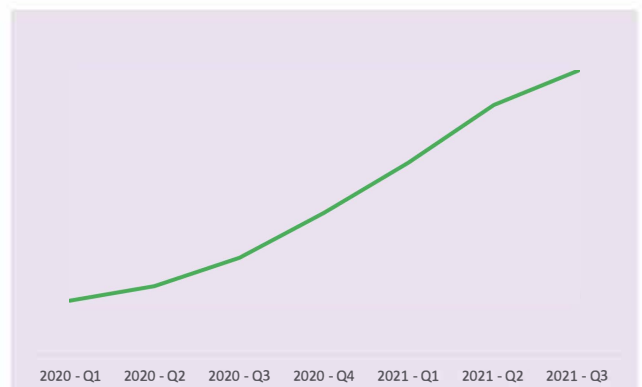
Rapid Adoption of DME ePrescribing

With so many hospitals hit hard by COVID disruptions, Parachute Health has become **a central tool for determined front-line healthcare workers** as they persevere in **connecting patients to the care they need.**

842 Hospitals are actively DME ePrescribing every week on the Parachute Platform.

This shows up clearly in platform usage metrics: the number of hospitals that use DME ePrescribing has grown **165% this year** ...

| 2020 - Q1 | 2020 - Q2 | 2020 - Q3 | 2020 - Q4 | 2021 - Q1 | 2021 - Q2 | 2021 - Q3 |

...while the number of ambulatory practices that use DME ePrescribing has **nearly tripled,** with **191% growth in the same period.**

| 2020 - Q1 | 2020 - Q2 | 2020 - Q3 | 2020 - Q4 | 2021 - Q1 | 2021 - Q2 | 2021 - Q3 |

So, what products are customers DME ePrescribing?

In short, *A LOT!*

Expansive List of Order Categories

Mobility & Ambulatory
Manual and power wheelchairs, walkers, rollators, canes, hip kit and accessories

Hospital Beds
Hospital bed packages and accessories, including slings and lifts

Oxygen
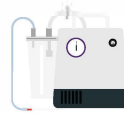Home oxygen setup, portable oxygen concentrators and accessories

CPAP & BiLevel
CPAP & BiLevel packages, accessories, pressure change service and Resupply

Nebulizer
Nebulizer packages and accessories, Acapella machine, and nebulizer meds

Suction/Trach
Suction machines, tracheostomy packages and supplies

Ventilators
Non-invasive and invasive ventilation packages

Testing & Monitoring
Home sleep and O/N oximetry tests, PT/INR monitor and others

Diabetes
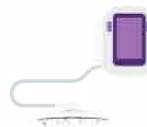Glucose meters, CGMs, InPen, insulin pens/syringes and insulin, and supplies

Enteral
Nutritional formula and enteral packages

Orthotics
Braces, splints, pneumatic walker and hearing aids

Wound Care
Negative pressure wound therapy and wound care supplies

Breastfeeding
Breast pumps and supplies

Incontinence
Diapers, liners and other supplies

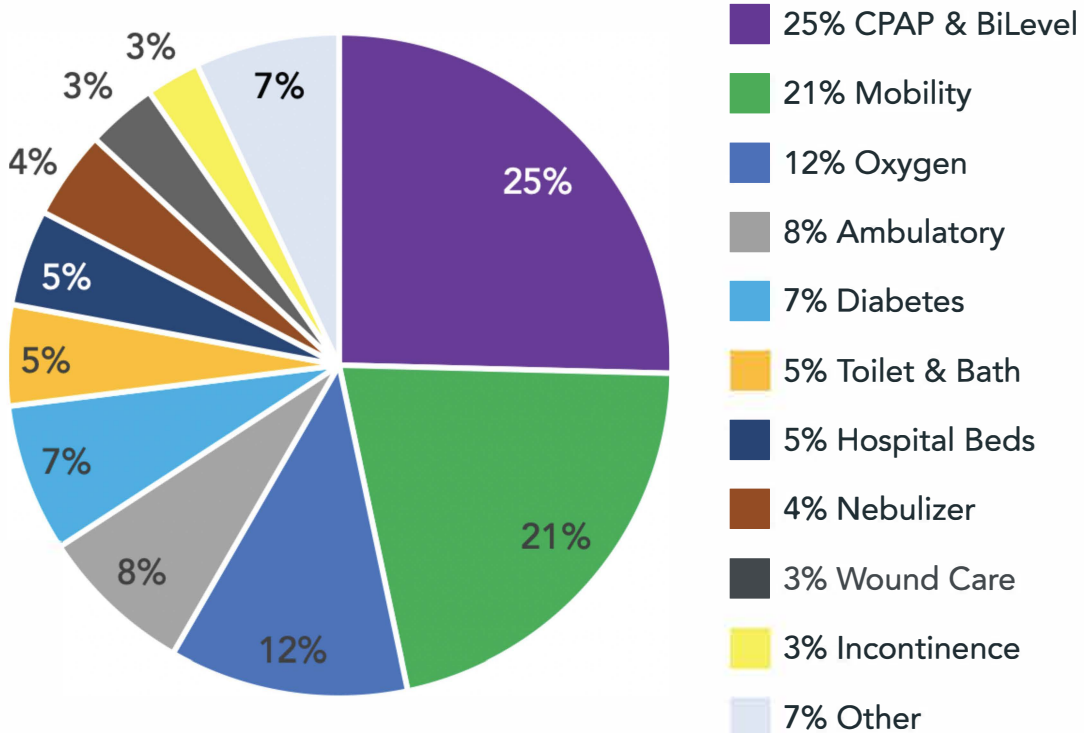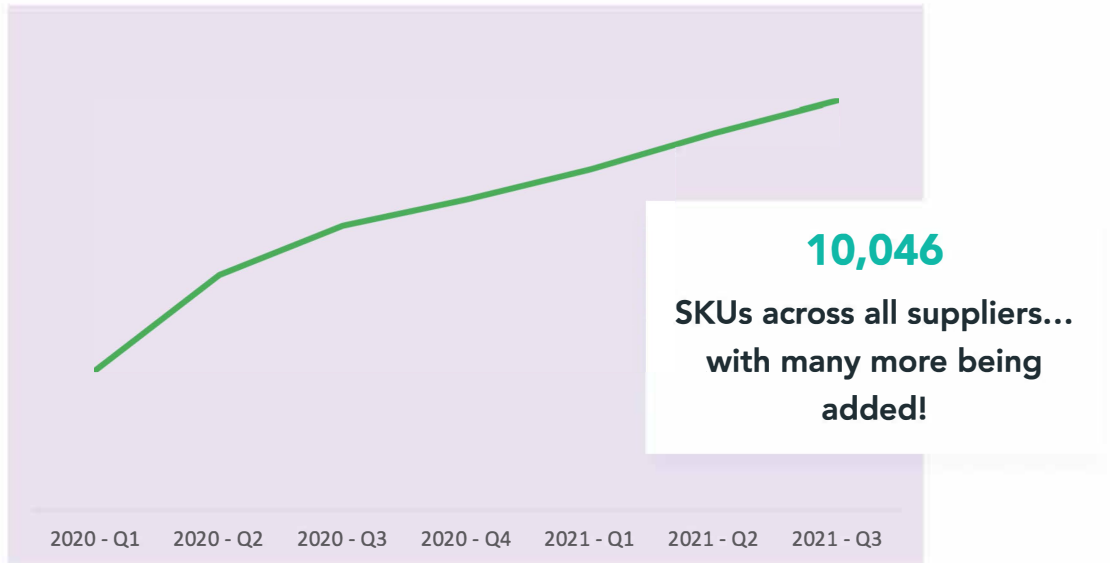## Coming Soon in 2022

Diabetes Resupply

Ostomy

Urology

The Digital Product Catalog

Increasing Numbers of SKUs

10,046

SKUs across all suppliers... with many more being added!

2020 - Q1 2020 - Q2 2020 - Q3 2020 - Q4 2021 - Q1 2021 - Q2 2021 - Q3

- 25% CPAP & BiLevel
- 21% Mobility
- 12% Oxygen
- 8% Ambulatory
- 7% Diabetes
- 5% Toilet & Bath
- 5% Hospital Beds
- 4% Nebulizer
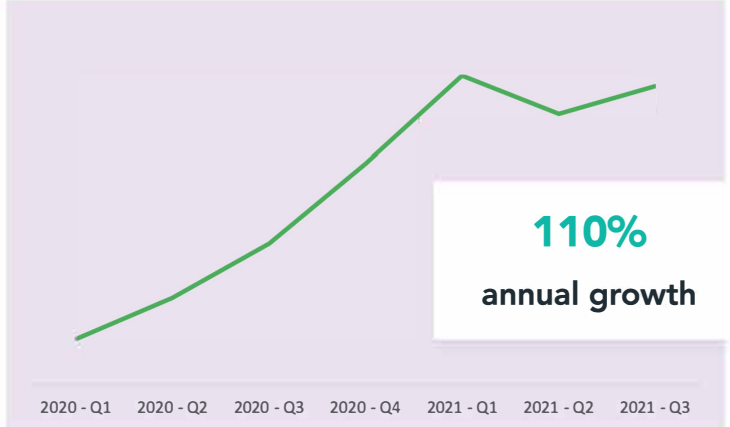- 3% Wound Care
- 3% Incontinence
- 7% Other

The Digital Product Catalog

Top Three Fastest Growing Categories on the Parachute Platform
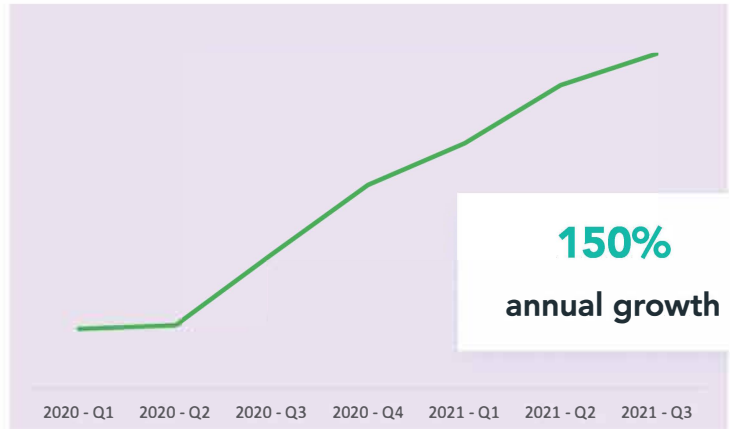
Fast growth
OXYGEN

At the beginning of the COVID-19 pandemic, Parachute Health made enabling oxygen orders our priority so that we could empower providers and suppliers to get patients the life-saving products they needed, fast.

110%
annual growth

2020 - Q1   2020 - Q2   2020 - Q3   2020 - Q4   2021 - Q1   2021 - Q2   2021 - Q3

Even faster growth!
CPAP/SLEEP

Despite recalls in the CPAP market, the Parachute Network grew even faster across CPAP. Now, we're launching PAP Resupply functionality on the Parachute Platform.

150%
annual growth

2020 - Q1   2020 - Q2   2020 - Q3   2020 - Q4   2021 - Q1   2021 - Q2   2021 - Q3

Fastest growth of all!
DIABETES

2021 will be remembered as the year the diabetes industry adopted ePrescribing for all supplies, from insulin to monitors and lancets. Order to delivery time improvement from 25-35 days to 3-5 days, even for CGMs was a key driver of adoption.
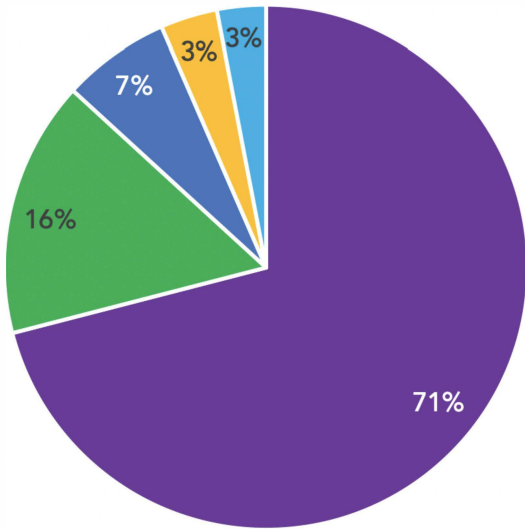

177%
annual growth

2020 - Q1   2020 - Q2   2020 - Q3   2020 - Q4   2021 - Q1   2021 - Q2   2021 - Q3

Empowering Providers, Powering Suppliers

Doctors digitally sign quickly on the Parachute Platform

16 minute average time to sign, with 71% in under 1 hour

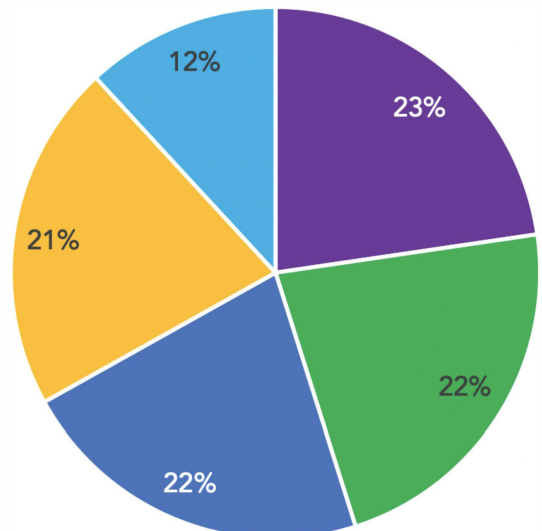- 71% <1 Hour
- 16% 2-8 Hours
- 7% 9-24 Hours
- 3% 24-48 Hours
- 3% >48 Hours

45% of orders delivered within 1 day
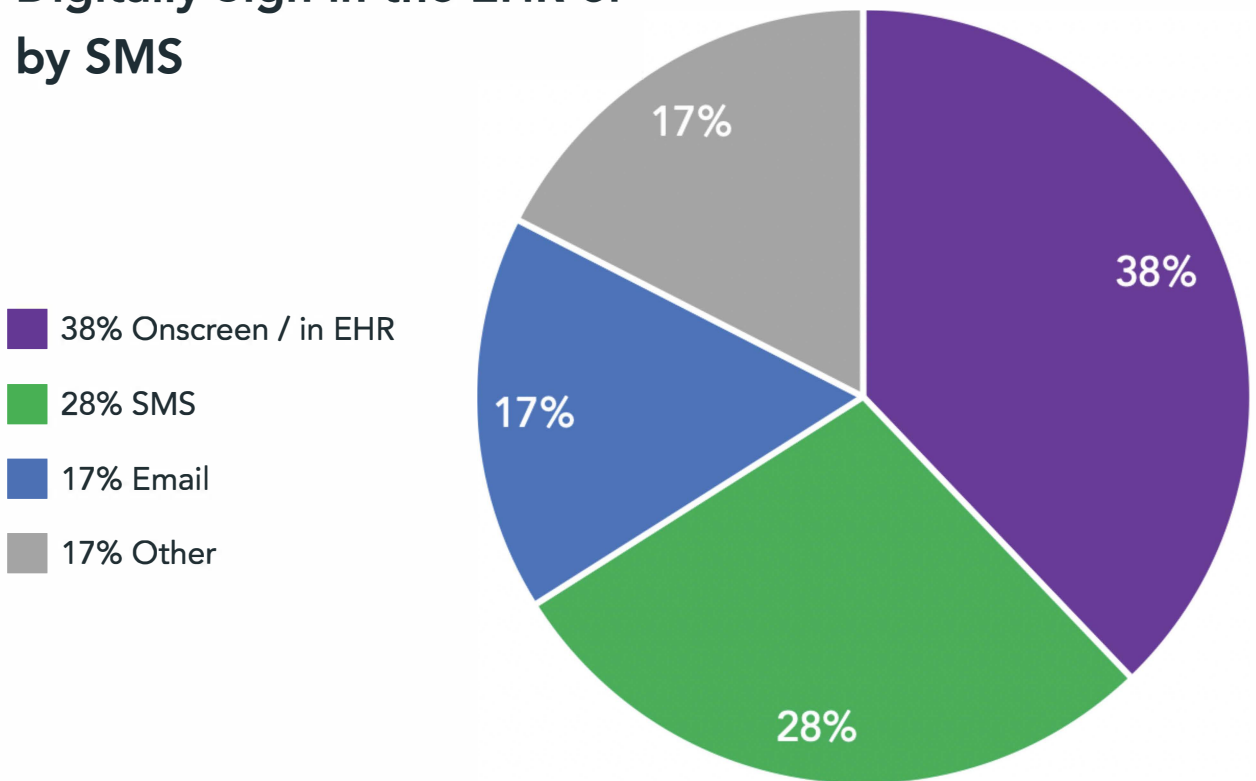
Suppliers on the Parachute Platform deliver orders quickly

- 23% Same day
- 22% Next day
- 22% Same week
- 21% Next week
- 12% >15 days

Empowering Providers, Powering Suppliers

Two-thirds of MDs prefer to Digitally Sign in the EHR or by SMS

- 38% Onscreen / in EHR
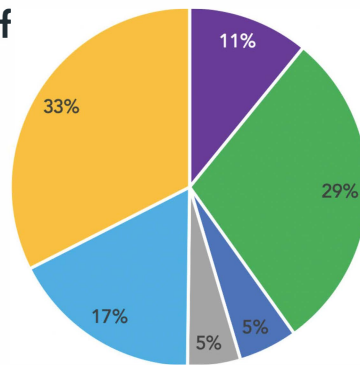- 28% SMS
- 17% Email
- 17% Other

Strong Health Plan Footprint

All major lines of business across all major health plans see their members benefit from MD adoption of DME ePrescribing

Diverse representation of patient health plans

- 11% Aetna
- 29% Anthem / BCBS
- 5% Cigna
- 5% Humana
- 17% United
- 33% Other

CASE STUDY

DME ePrescribing enabled the automation powering a Health Plan to reduce costs and achieve higher quality for its members

- 25% decrease in substantiated grievances, 20% reduction of inbound calls

- Tightly-integrated authorization and ordering improved claim payments from 65% to 90%

- Reduction from 4 to 2 internal teams required to complete claims, minimizing handoffs

- Workflow complexity reduced by 45%

- Narrowed DME Suppliers from 12 to 5 based on quality and cost

"

One of the great things about Parachute Health is that we can select the items and brands we want based on our knowledge of the member vs. before where the supplier would just pick based on the HCPCS code and description then provide what's available **"**

— **Health Plan Director of Authorization Operations**

The Parachute Platform

The Most Reliable Network, Available Nationwide

In 2021, Parachute Health has continued to stay ahead of potential reliability, HIPAA-compliance, and data security concerns by completing SOC1 and SOC2 independent audits, comprehensive external and independent compliance review, and data security audits from dozens of major hospitals and health systems.

99.99% uptime during business hours (8a-9p ET)

SOC1 and SOC2 independent audits completed

Establishing Industry Standards

In 2021, Parachute Health continued to work tirelessly with our network of providers and suppliers, as well as sit on the CMS Council for Document Requirement Lookup Service (DRLS) and the CMS Council for DME ePrescribing. Working with industry participants to define the standards we implement is crucial to our central goal: **to enable our provider and supplier partners** to focus on what they do best — **care for patients.**

The COVID-19 crisis was a stark reminder that healthcare must evolve. By eliminating the uncertainty and administrative inefficiency associated with DME order fulfillment, Parachute Health removes a major source of friction that historically held back the industry. Our goal is to end reliance on faxing, incomplete data, and disorganized workflows in DME ordering.

Digital Ordering Platform and Supplier Tools

The Benefits of the Parachute Platform

Clinicians spend more time with patients, less time with paperwork

Patients receive the lifesaving products they need, quickly and reliably

Supplier sales increase by providing outstanding service digitally

Increased efficiency and no more sorting through thousands of faxes

At the core of the Parachute Network is the powerful Parachute Digital Ordering Platform. Built with healthcare providers and DME suppliers in mind, the Parachute Platform modernizes medical supplies and services ordering. We eliminate the fax, paperwork tracking and time-consuming phone follow-ups. With digital ordering, tech features such as dashboard views, status updates, and real-time chat power provider-supplier coordination like never before to ensure patients receive needed orders quickly.

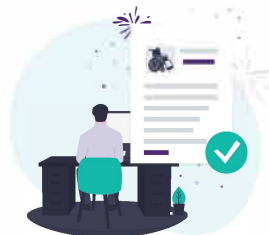Ordering clinicians create order online and signing providers eSign by email, SMS or onscreen

Suppliers accept complete digital orders and any faxed orders on one dashboard

opt-in for order status notifications

PushBack to provider to complete

Order

Communicate efficiently via secure digital real-time chat

Patients receive needed DME and supplies quickly and reliably

Providers: order quickly and maximize patient care

As convoluted as the healthcare system can be in America, people and platforms like yours can really make it easy for us providers to do our job - i.e. help our patients.

— Khyati Patel, Ambulatory Care Pharmacist, Aurora Medical Center

QUICKLY CREATE COMPLETE, ACCURATE ORDERS

- Create orders in <3 min, <1 min with EHR integration
- Guided documentation to increase reliability and completeness of orders
- Digital signing to fit practice workflows
- Supplier marketplace and digital storefronts

- Recurring order support from suppliers
- Order dashboard with automated status updates
- Real-time chat to save time on phone hold
- Digitally complete documentation requests
- Data reporting to optimize patient care

EHR integrations

Epic   Cerner   MEDITECH EXPANSE   PointClickCare   Netsmart

altruista HEALTH   homecare homebase   HL7 FHIR   ...and many more

1 min EHR-integrated time to order

3 min median time to order

< 1 day median time from order to delivery

PROVIDER ACCOUNTS

ePrescribing
Free, secure account for facilities and providers

CREATE ACCOUNT

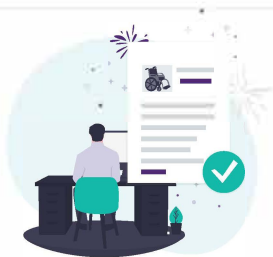**Enterprise**
Even faster orders with EHR integration

CONTACT US

Suppliers: power business efficiencies & grow referrals

"Referrals LOVE ordering on the Parachute Platform.

— Brandon Bliss, CEO, Orbit Medical

QUICKLY ACCEPT COMPLETE, SIGNED ORDERS

- Digital Intake for faxed and digital orders in one dashboard
- Complete, compliance-approved documentation
- Digital signing to fit practice workflows
- Robust reporting and analytics to optimize business efficiency and performance

- Modern API with documentation for ERP/billing integration
- Automation for resupply orders
- Digital chat to resolve questions in real time
- PushBack to convert held orders

2x
profitability achieved by suppliers

5x
increase in CSR productivity
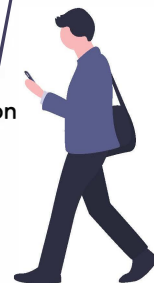
3x
faster intake cycle

...AND MORE WITH THE POWER OF THE PARACHUTE NETWORK

Faster signatures with large Parachute Network of MDs signing digitally

- Multiple signing options to fit provider workflows
- Batch Digital Signature Requests reduce notification fatigue

Greater efficiency with automated fax-to-digital conversion tools

- PushBack faxes to referral for documentation requests and digital conversion
- Mobile app for sales rep enablement and referral growth

GET STARTED TODAY   https://www.parachutehealth.com/supplier-sign-up

Parachute Health Products

Skip the fax and modernize your DME and supply ordering workflows with ePrescribing

Digital Ordering
Efficiency of fast and secure, step-by-step ordering online with WOPD, F2F and CMN form generation

Resupply Management
Automation to request re-order eSignatures for continuing patient service, with >50% of orders returned in 1 day

Fax-to-Digital Conversion
Suppliers leverage PushBack capabilities and sales rep relationships along with marketing enablement tools to close out held orders and convert fax users to digital workflows

Order Status Visibility
Provider dashboard and notifications provide peace of mind with confirmation when suppliers accept complete orders and when patients receive the equipment and supplies

Order Processing / Intake
Visibility across all orders, digital and faxed, with efficiency gains from digital checks and prompts to review only qualified orders based on diagnosis

Digital Chat
Modern, real-time chat to resolve questions, to avoid phone tag and save hours spent on hold

Supplier Transfer
Network management tools to reroute orders to a specific supplier in order to maximize business efficiency and provide excellent customer service

Sales Rep Mobile App
Order alerts and communication tools power sales reps to expedite held order completion and convert referrals to digital

Reports by Parachute
Set up tracking and workflow monitoring metrics to optimize business practices to maximize performance

Visit parachutehealth.com or contact us at info@parachutehealth.com