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Sleep Management Solutions, CareCore National Announce Partnership Industry Leading Companies to Offer Management Program to Treat Sleep Disordered Breathing

Suffield, CT (January 13, 2009) – Sleep Management Solutions, a sleep benefits management company, announces a partnership with South Carolina-based CareCore National to create a management program to treat sleep disordered breathing with a focus on obstructive sleep apnea (OSA). OSA is a condition characterized by repeated episodes where a sleeping person stops breathing and, when left untreated, can cause death. More than 18 million Americans suffer from OSA and many go undiagnosed. When untreated, the condition exacerbates other co-morbidities such as diabetes, heart disease, high blood pressure and GERD which leads to increased utilization of other healthcare services. Research shows that OSA sufferers are three times more likely to have strokes than people with comparable age or risk factors without the disorder.

A recent study by Fred Urbano, Francoise Roux, Joseph Schindler and Vahid Mohsenin of Yale University Medical School explained the connection between OSA, stroke and death. This study found that the “repeated surges and drops in blood pressure and blood flow during numerous apnea episodes each night reduces the brain’s ability to regulate these functions.”¹ More specifically, OSA patients had lower cerebral blood flow velocity and oxygen levels during sleep, and took longer to recover from a drop in blood pressure and to normalize blood flow to the brain.

Further, other studies found that a high percentage of people with OSA also have the following co-morbidities:

- 80% have drug resistant hypertension
- 35% have hypertension
- 50% percent have atrial fibrillation
- 50% percent have congestive heart failure
- 30% percent have coronary artery disease

The CareCore National-Sleep Management Solutions partnership results in the creation of CareCore Sleep Management, a company that provides quality and utilization management of sleep diagnostic and therapeutic services. The partnership combines CareCore National’s utilization and quality management experience with Sleep Management Solution’s expertise in clinical criteria, medical policy, patient therapy compliance, and network and distribution infrastructure to create a program that manages OSA.

Sleep Management Solutions COO, Thomas P. Gaffney Jr., acknowledges that health plans are recognizing this growing problem. “Data has shown that the demand for treatment for OSA is going to

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exceed the standard medical trend over the next five to ten years. In fact most market studies have shown payors seeing year over year claims expense growth of anywhere from 20-40 percent with spending ranging from \$1.50 – 3.50 per member per month,” Gaffney said.

The CareCore National-Sleep Management Solutions partnership offers a value-added product to payors by providing an integrated approach to patient management. CareCore National, a specialty benefit management company that already manages diagnostic and cardiac imaging, cardiac implantable devices, oncologic drugs and therapeutic agents, pain services and advanced lab testing, sees the additional business line very attractive to payors that are carefully looking to construct an efficient management program that includes the treatment of sleep apnea.

“The partnership allows Sleep Management Solutions and CareCore National to integrate their unique expertise and experience through a business relationship that offers expanded management opportunities for CareCore National’s current clients and address new opportunities for both companies. The relationship combines Sleep Management Solutions’ longstanding expertise in treating sleep disordered breathing with CareCore National’s utilization management systems capabilities,” said Donald R. Ryan, CareCore National CEO.

For more information on CareCore Sleep Management, please contact Thomas P. Gaffney Jr. at 888-49-SLEEP ext. 111 or tgaffney@sleepmanagementsolutions.com, or Kathleen Oelschlager at 800-918-8921 ext. 10114 or kmo@carecorenational.com.

¹ ” What is the Connection Between Sleep Apnea, Stroke and Death?” Science Daily 6 Jan. 2009

About CareCore National, LLC

CareCore National, a specialty benefit management company, manages quality and utilization of outpatient diagnostic and cardiac imaging, cardiac implantable devices, oncology drugs and therapeutic agents, radiation therapy, sleep, pain and lab services. With a comprehensive and diverse portfolio of offerings, we provide seamless solutions to health plans that seek to manage these specialty health care segments more effectively. Through our robust product offerings, CareCore National works with health plan clients to improve utilization and enhance quality. Our expert staff of medical directors and nurses administers the dynamic clinical protocols and innovative approaches needed to deliver first-class specialty benefits management. CareCore National covers more than 40 million member lives and is URAC accredited in Health Utilization Management and certified by NCQA in Utilization Management. For more information, visit www.carecorenational.com.

About Sleep Management Solutions

Founded in 2006 as the first sleep benefits management company, Sleep Management Solutions is the leader in the management of sleep-related services on behalf of the payer and employer communities in providing a service which enhances both clinical and financial quality, in creating the most efficient delivery model for managing the needs of sleep disordered breathing patients.

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