



For Immediate Release

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MedEncentive and Medical Justice Announce Partnership

Firms join forces to lower medical costs by abating medical malpractice lawsuits, defensive medicine and variance in treatments

(OKLAHOMA CITY, OK and GREENSBORO, NC) – President Obama in his speech to Congress and the nation Wednesday evening acknowledged that something needed to be done about the cost of medical malpractice and the defensive medicine that preserves patient safety. MedEncentive, a web-based incentive system designed to control healthcare costs, and Medical Justice, a member based organization designed to protect physicians from frivolous medical malpractice lawsuits and Internet defamation, have formed an important partnership that offers a real solution to these issues that has bi-partisan appeal.

Through the partnership, physicians who successfully participate in the MedEncentive program will receive Medical Justice coverage at most favored pricing. Medical Justice has also agreed to contribute to MedEncentive’s demonstration projects in Kansas and Michigan. This contribution will be in the form of free coverage to physicians who successfully participate in these three year long demonstrations.

“As our country engages in an important debate over health care, my colleagues and I have been busy communicating what we and many others believe is a true breakthrough in terms of health care cost containment,” said Jeff Greene, MedEncentive CEO. “We are very pleased that our program resonated with Medical Justice in a way that led to this partnership. Together, we will offer an important additional benefit to physicians that will also benefit patients and health insurers.”

Jeff Segal, MD, JD, founder and CEO of Medical Justice states, “Too often, healthcare reform is seen as a zero-sum game. We believe when physicians, patients and payers participate in a truly collaborative system, all parties benefit. MedEncentive offers a unique program with impressive cost savings, and we are excited to offer Medical Justice as an extra inducement to boost physician participation in the MedEncentive program.”

As a means to reduce medical malpractice risk, doctors feel compelled to order extra tests and render additional services; a practice known as “defensive medicine.” Studies have estimated

that defensive medicine costs \$105 billion to \$210 billion per year. Other studies report that the costs related to over-treatments, under-treatments and miss-treatments by medical providers equate to \$630 billion annually.

Through five years of testing, the MedEncentive Program has demonstrated cost containment in its trial installations with multiple employers, in part, by reducing the need for defensive medicine and encouraging providers to practice evidence-based care. The company is sponsoring expanded demonstrations of the Program involving independent evaluation by academic institutions in Kansas and Michigan.

MedEncentive achieves health care cost containment by combining financial rewards, proprietary web-based applications, the concept of “doctor-patient mutual accountability,” and common sense. The program works by compensating physicians for using evidence-based treatment guidelines and prescribing what is called “information therapy” to their patients. Patients are also financially rewarded when they report or demonstrate to their physicians an understanding of and adherence to the prescribed information therapy. Both parties must agree to allow the other party to confirm or acknowledge each other’s adherence, thus creating a level of mutual accountability that is unique to the program.

“MedEncentive’s process of compensating physicians for documenting adherence to evidence-based guidelines or providing their patients a reason for non-adherence, coupled with physician initiated patient education is what caught our attention from a professional liability standpoint,” adds Dr. Segal. “Physicians who practice these methods reduce their risks of being sued, and therefore, earn our most favored pricing.”

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Medical Justice, base in Greensboro, NC, is a membership based organization run by physicians for physicians. Founded in 2002, Medical Justice aggressively addresses the interests of doctors within the changing landscape of medical practice. The organization’s mission is to arm its members with the necessary tools to protect their practices’ most important assets – reputation, character and integrity – against frivolous lawsuits and Internet defamation. For more information, call 877.MED.JUST (877.633.5878) or go to www.medicaljustice.com

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Founded in 2005, MedEncentive, LLC is a web-based health information services company located in Oklahoma City. Described as a breakthrough by healthcare experts, the MedEncentive Program is designed to easily “bolt-on” to any health plan (commercial insurance, self-insured employers, Medicare, etc.) to control healthcare costs by directing financial incentives from health insurers to both providers (doctors) and consumers (patients). MedEncentive’s patent-pending method of using financial incentives to invoke the more powerful process of “doctor-patient mutual accountability” encourages doctors to practice better medicine and patients to be healthier, which leads to healthcare cost containment. Through the method, MedEncentive is able to uniquely align the interests of the healthcare consumer, provider and insurer in a “win-win-win.” To learn more go to www.medencentive.com or call 405-319-8450.