**PRODUCT DESCRIPTION**

Dragon Medical 10 is the most widely used and successful speech recognition solution in the history of the industry. It is used by over 80,000 clinicians in the US today to document care, directly in an electronic medical record (EMR), in Microsoft® Word, or in other clinical software.

Dragon Medical 10 offers a faster, more efficient way for medical professionals to create medical records, medical correspondence or e-mail messages. Dragon Medical 10 turns your voice into text three times faster than most people type with up to 99% accuracy using virtually any Windows®- or Citrix®-based EMR. Dragon Medical 10 includes vocabularies covering nearly 80 medical specialties and subspecialties.

Dragon makes EMRs easy to use by significantly reducing the number of mouse clicks and typing required by clinicians to document care. It seamlessly drives all major EMR systems including those from Allscripts™, Epic®, Misys®, GE® Healthcare, NextGen®, McKesson®, and Eclipsys®, to name just a few.

**Market Factors Driving EMR Adoption**

EMRs offer the potential to dramatically improve the cost and quality of healthcare. Despite their potential, EMR software is used by only 20% of clinicians in the U.S. today. In order to tap the potential benefits of EMRs, it is important to understand both the factors that are driving U.S. healthcare towards EMR adoption, as well as those factors that are inhibiting EMR adoption.
• **Potential cost savings.** A 1999 Institute of Medicine study estimates that standardized electronic healthcare information exchange could save $337 billion over a 10-year period in overhead and unnecessary spending.

• **Higher standards of care.** A 2001 Institute of Medicine study identified health information technology as one of the single most significant tools that could help improve healthcare quality.

• **A change in reimbursement philosophy.** U.S. healthcare is evolving from “fee for service” to “pay for performance,” where private and government payors base a portion of reimbursement on measurable outcomes. EMR systems are needed to keep score. Single-practice and smaller practices have neither the coding, billing nor medical records expertise to keep up with these constantly-changing reimbursement regulations and plans. Technology is a more cost-effective solution to ensure more complete records.

• **Federal government initiatives.** The Bush administration has set a goal for all Americans to have an electronic health record by 2014 and is now providing funding for EMR pilots.

**Factors Inhibiting EMR Adoption**

In the rush to computerize patient information, it’s been assumed that once EMRs are widely deployed, patient records would be more complete and care would universally improve, particularly in acute care settings.

Although provider organizations are fully committed to successfully deploying an EMR, adoption rates have been slower than expected due to significant usability issues:

• **Dramatically slower physician productivity in documenting and providing care.** EMR systems on average take clinicians longer to document a patient encounter as compared to traditional paper methods. This lower productivity has reduced physician patient load and results in longer wait times and reduced patient satisfaction.

• **Lower-quality patient notes.** The reliance on an EMR’s “point and click templates” requires that a clinician click through required menus to describe all patient cases. Without a corresponding “patient narrative” – a description of the clinician’s findings, thoughts, assessment and plan, or “medical decision-making” – the patient note will be incomplete and satisfy neither clinician providing care nor ancillary providers.

An alternative or assistive technology is needed to facilitate EMR adoption rate, which would address clinician productivity, clinician and patient satisfaction and quality of medical record concerns.

**Dragon Medical is The Solution**

Dragon Medical 10 is a mission-critical, enterprise speech recognition solution for all clinicians, used in physician practices, hospitals, or other healthcare provider organizations. It accelerates EMR adoption, helping clinicians to navigate industrial-strength EMR packages quickly to review lab tests or past medical history while documenting care anywhere in the record. Dragon Medical 10 offers seamless integration with all commercial EMRs, medical specialty vocabularies and regional accent tools, as well as numerous other features that make physicians more productive. This means that clinicians can now deliver the highest quality of care while improving the outcomes and economics across an entire healthcare enterprise.
Core Value Proposition

Dragon Medical 10 is used by clinicians to quickly navigate industrial-strength EMR packages and review lab tests or past medical history while documenting care anywhere in the record.

Healthcare organizations that rely on Dragon Medical 10 will provide more efficient, profitable, and effective care. Clinicians will dictate patient records faster, more accurately than ever. Dragon Medical 10 is the only member of Nuance Dragon family which is specially developed to support dictation directly into an EMR system – capabilities not supported by Dragon NaturallySpeaking 10 Standard, Preferred or Professional editions. Dragon Medical frees clinicians up to spend more time with patients, increasing patient and clinician satisfaction. Dragon Medical 10, Dragon Small Practice 10 and Dragon Medical Enterprise 10 are the only members of the Dragon product line to support HIPAA and governmental patient security and confidentiality standards.

Using Dragon Medical 10, practice economics are substantially improved. Patient notes dictated using Dragon Medical 10 are more complete. More detailed physician decision-making supports higher levels of reimbursement than simple notes created by “point and click” EMR templates. Denial rates are reduced as coding is improved. Transcription is eliminated by Dragon Medical 10 adoption. Finally, practice volume is increased, as physicians can see more patients and get home on time for dinner, with paperwork completed before they leave the office.

Summary

The following is a summary of the impact Dragon Medical has on handwriting, typing or transcribing users:

<table>
<thead>
<tr>
<th>Physicians Using an EMR...</th>
<th>Physicians Using Dragon Medical 10 with An EMR...</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spend more time on documentation than via handwriting or transcribed dictation</td>
<td>Reduce their time spent documenting care</td>
</tr>
<tr>
<td>Complain their notes aren’t in their own words</td>
<td>Dictate a personalized patient narrative unique to each patient directly in the EMR</td>
</tr>
<tr>
<td>Spend more time focused on the computer than the patient</td>
<td>Have more time to focus on the patient</td>
</tr>
<tr>
<td>Find their already-long days are further lengthened as typing in an EMR is slower than talking</td>
<td>Dictate each note and complete it prior to seeing the next patient, which means they can leave on time with their notes signed</td>
</tr>
<tr>
<td>Turns physicians into typists</td>
<td>Can dictate by voice, in their own words</td>
</tr>
<tr>
<td>Complain the notes are less detailed than traditional dictation</td>
<td>Find their notes are more detailed, more complete, and often justify higher reimbursement</td>
</tr>
<tr>
<td>Clicking through cumbersome navigation windows</td>
<td>Say one word and get the appropriate check boxes filled on different pages</td>
</tr>
</tbody>
</table>
Target Audience

Dragon Medical 10 is targeted at the mid-sized (6-24 doctor) physician practice market.

- There are approximately 15,000 physician practices that have between 6 and 24 practices.
- Most mid-sized physician practices—70% or more—do not have an EMR currently deployed, but a sizeable percentage are evaluating/selecting EMRs during the next 12-24 months.

The table below shows the distribution of practices by size and the corresponding Dragon Medical 10 product targeted for that particular segment:

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Number of Doctors</th>
<th>Number of Practices</th>
<th>% of Total</th>
<th>Inclusive % of all Practices</th>
<th>Total Employees</th>
<th>Product Edition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>19,806</td>
<td>6.2</td>
<td>7.8</td>
<td>19,806</td>
<td>Dragon Medical Small Practice 10</td>
</tr>
<tr>
<td>2 to 4</td>
<td>2</td>
<td>186,097</td>
<td>58.6</td>
<td>66.4</td>
<td>667,270</td>
<td></td>
</tr>
<tr>
<td>5 to 9</td>
<td>3</td>
<td>51,447</td>
<td>16.2</td>
<td>82.6</td>
<td>328,351</td>
<td></td>
</tr>
<tr>
<td>10 to 24</td>
<td>4 to 5</td>
<td>37,677</td>
<td>11.9</td>
<td>94.5</td>
<td>540,769</td>
<td></td>
</tr>
<tr>
<td>25 to 49</td>
<td>6 to 10</td>
<td>11,561</td>
<td>3.7</td>
<td>98.2</td>
<td>367,471</td>
<td>Dragon Medical 10</td>
</tr>
<tr>
<td>50 to 99</td>
<td>11 to 25</td>
<td>3,886</td>
<td>1.2</td>
<td>99.4</td>
<td>238,135</td>
<td>Dragon Medical Enterprise 10</td>
</tr>
<tr>
<td>100 to 249</td>
<td>26 to 50</td>
<td>1,247</td>
<td>0.4</td>
<td>99.8</td>
<td>168,328</td>
<td></td>
</tr>
<tr>
<td>250 to 999</td>
<td>51 to 200</td>
<td>417</td>
<td>0.1</td>
<td>99.9</td>
<td>172,993</td>
<td></td>
</tr>
<tr>
<td>Total/Avg.</td>
<td></td>
<td>312,536</td>
<td>100</td>
<td>2,696,975</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Source: Bureau of Labor Statistics)

Characteristics

The 6-24 physician practice has the following characteristics:

- 2-4 offices / locations.
- Can be single or multi-specialty.
- Physicians are owners and decision-makers:
  - Input from “professional” manager and/or IT.
  - Minimal decision cycle—“board approval” (usually monthly meeting).
  - Small (2-5) IT department has little/no influence.
- Other Factors:
  - Multi-specialty or subspecialty (not primary care) typically make a significant annual transcription spend.
  - At $5k-$12k per physician, they may be spending between $35k-$150k a year or more on transcription.
  - Responsiveness/Referrals to primary care physicians is an important driver of specialty practices’ business. Slow transcription turnaround time is a potential “buy sign” to explore.
  - IT dependent: These practices are on 2nd- or in some cases 3rd-generation practice management/patient scheduling systems.
  - They are somewhat price-sensitive regarding EMR systems and “Lexus-priced” EMR products. Epic® or Allscripts® Touchworks® in this market is not common.

(Source: Bureau of Labor Statistics)
Organizational Structure

While there is no “typical” organizational structure in a 6-24 doctor organization, physicians are not only the owners in most cases, but also provide day-to-day administrative leadership, with one of the physicians typically serving as the CEO or Managing Partner.

Practices of this size will typically have one or two non-physicians in key administrative roles, usually with the title of Chief Administrator or Chief Operating Officer, overseeing billing, reimbursement, patient accounting, general financial management of the practice, and “operations,” including IT.

Highest-Ranked EMR Vendors: Large Physician Practices

The highest-ranked (by KLAS) EMR vendors in this segment—and vendors with the greatest installed base—are:

- Allscripts®/A4 Healthmatic® EMR • NextGen®
- eClinicalWorks® • Greenway® • Chartcare® EMR
- Misys® • GE® Logician / GE Centricity® • Epic®
- McKesson® PracticePartner • Sage® Intergy EHR

A sizeable number of large medical enterprises have built and continue to maintain their own homegrown EMR. Large organizations such as Marshfield Clinic, as well as practices associated with Partners Healthcare, Dartmouth-Hitchcock, University of Michigan, and Vanderbilt University Medical School have homegrown systems, which are considered a core part of their care delivery.

PRODUCT FEATURES

Below is a summary of new features and capabilities which are in Dragon Medical 10.

Major New Features and Enhancements

- **Improved Accuracy.** (Enhanced) You won’t find a more accurate speech recognition product for your PC anywhere. Dragon Medical 10 is up to 20% more accurate before enrollment than Dragon NaturallySpeaking Medical Version 9, and Dragon Medical 10 is over 38% more accurate than Dragon Professional 10 when used in a medical setting.

- **Faster Than Ever.** (Enhanced) Compared to Version 9, Dragon Medical 10 delivers significant improvement in response time. Fast speakers will observe more than 50% reduction in the time it takes for words to appear on the screen. Since some speakers pause in their dictation to watch the results, having words appear on the screen sooner facilitates a more seamless dictation experience.

- **Electronic Medical Record Support.** (Enhanced) Medical professionals can navigate and dictate inside third-party EMR application software.

- **Hidden Mode.** (New) Users can dictate while reviewing lab or radiology test results and save when finished anywhere in the EMR. (Not available in Dragon Medical Small Practice).

- **HIPAA Supportive.** (New) Protects patient confidentiality and helps provider organizations support HIPAA regulations.

- **Medical Vocabularies.** (Enhanced) Dragon Medical 10 contains vocabularies covering nearly 80 medical specialties and subspecialties which ensure high dictation accuracy.

- **PowerMic™ Ready.** (Enhanced) Program your PowerMic buttons to run a Dragon function or user voice command.
• Medical Formatting Rules. (New) Smart software expands medical abbreviations and follows capitalization rules of medical terms.

• MyCommands. (New) Show user commands only in Command browser (Not available in Dragon Medical Small Practice).

• DragonTemplates. (New) Text & graphics commands with voice fields. Quickly automate form filling applications. Users can now create text and graphics commands in the MyCommands Editor that contains fields with a list of values that can be specified at the time of dictation. (Not available in Dragon Medical Small Practice).

• Improved Auto-Transcription. (Enhanced) The Auto-Transcribe Folder Agent now creates a synchronized audio file along with the automatic transcript for deferred correction. Dragon Medical 10 gives the Auto-Transcribe Agent the option of creating a synchronized audio (.DRA) file along with the transcript file, making it possible to later get the benefit of Playback and Correction—just like users dictating in word processors can save the .DRA file along with their dictated document, which enables a third party to correct errors, refining the speaker’s profile.

• Correction Only Profile. (New) Dragon Medical 10 lets those who correct the dictations of others to open the dictation files and make corrections by keyboard, which contributes to the optimization of the speaker’s profile over time. (Not available in Dragon Medical Small Practice).

• New Look and Feel. (New) Updated icons are intuitive and easy to see. Dragon Medical 10 introduces new graphical icons to enhance the DragonBar™ user interface, making the product easier to use.

• Improved Help System and Tutorials. (Enhanced) Dragon Medical 10 offers an enhanced interactive tutorial with a completely new look and feel. Customizable help screens remind you of your favorite commands.

In addition, Dragon Medical 10 includes dozens of additional new features and enhancements, many of which are described below and categorized for ease of review.

New Accuracy Features

• Regional Accent Support. (New) Dragon Medical 10 supports many regional accents of both non-native speakers (Asian-Pacific, Asian-Indian English, Australian, British, Hispanic) and U.S. accents (Deep South, Northern Inland).

• Automatic Accuracy Tuning. (New) Dragon Medical 10 can automatically run tuning programs to improve accuracy while you sleep.

• Embedded Data Collection Tool. (New) A new optional data collection engine (switched off by default) is embedded in the product to encourage more users to collect speech data and share with Nuance® to help improve overall product accuracy in future releases.

• More Flexible Enrollment. (Enhanced) Special simplified voice enrollment is available for speakers who have difficulty reading interactive text passages. Dragon Medical 10 set-up now offers dysarthric support to tune acoustic models during initial configuration. By making it easier to read the text used to train the product to an individual user’s voice, Dragon Medical 10 improves the experience for younger users and users with certain speech impairments.

• Medical Bluetooth® Acoustical Model Support. (Enhanced) Special new acoustic software makes recognition with your Bluetooth headset higher than ever.

New Navigation and Control Features

• Voice Shortcuts for Email and Calendar. (New) Dragon Voice Shortcuts collapses common tasks into simple voice commands. Now you can send emails and schedule meetings – faster than ever before.
• **Voice Shortcuts for Web Search.** (New) Dragon Voice Shortcuts collapses common tasks into simple voice commands. Now you can search the Web – faster than ever before.

• **Voice Shortcuts for Desktop Search.** (New) Dragon Voice Shortcuts collapses common tasks into simple voice commands. Now you can search your desktop – faster than ever before.

• **Quick Voice Formatting (Delete <that> and Format <that> commands).** (Enhanced) In addition to the many existing editing commands such as “Delete line”, Dragon Medical 10 introduces direct commands for formatting, deleting, and copying named words and passages. Rather than selecting the relevant word(s) or passage and commanding what to do with that text (e.g., “Select very, [pause] Bold that”), you can now directly name the desired text with the desired action in a single voice command, such as “Bold very.”

• **Improved Natural Commands for Firefox®.** (Enhanced) The same great Web browser experience with Internet Explorer is now available for FireFox.

• **Improved Natural Commands for Microsoft® Office 2007.** (Enhanced) Use your voice to control advanced features of Microsoft Office 2007.

• **Option to Disable Microsoft Text Services (CTFMon).** (Enhanced) Option to turn off Alternative User Input Text Input Processor (CTFMon) to eliminate potential conflicts with Dragon.

• **Disable Web Commands.** (New) Disable HTML commands separately from dictation support, so Dragon Medical 10 won’t confuse commands with dictated words.

**New System Management Features**

• **Improved Enterprise Security Features: Disable Scripting Commands to Prevent VBA Viruses.** (New) More configuration options provide administrators with better control of Dragon in the enterprise.

• **Improved Security Features: Encrypt Macros for Distribution.** (New) Encrypt macros for distribution, providing resellers and administrators alike with better control of Dragon Medical 10. (Not available in Dragon Medical Small Practice).

• **Upgradeable.** (Enhanced) Uses your voice profiles and language models from Versions 8 & 9, so all words and phrases you’ve added are available.

• **Auto Configuration Based on System Profile.** (New) Dragon’s smart configuration software gets the highest accuracy and fastest response from older PCs and laptops by optimizing memory and processor performance.

• **User-configurable Word Formatting Rules.** (New) A new inverse text normalization (ITN) dialog gives users a faster and easier way to define the formatting options for units of measure. Users can quickly indicate when numbers should be written as numerals vs. words.

• **PowerMic™ Support for Citrix®.** (New) The PowerMic is now certified for use in a Citrix environment.

• **PowerMic Barcode Support.** (New) The PowerMic with integrated barcode scanner can be used to scan MRN’s, Patient ID, or accession numbers… in your EMR.
**PRODUCT BENEFITS**

**More Efficient Care**

- **Dictate faster and more accurately than ever.** Dragon Medical 10 is up to 20% more accurate before enrollment than Dragon NaturallySpeaking Medical 9—saving valuable minutes. Additionally, Dragon Medical 10 has virtually instant response time, saving clinicians valuable minutes in their day.

- **Dictate anywhere in your EMR.** Dragon Medical 10 allows clinicians to dictate anywhere in an EMR system: while reviewing Lab Tests, Patient History, or Current Medications. Clinicians no longer have to click back and forth between information they’re reviewing and the dictation window. They dictate while reviewing information and the Hidden Mode feature allows the doctor to paste the dictation directly where he or she wants to place it.

- **Accelerate clinician adoption and acceptance of EMR systems.** Dragon Medical 10 reduces time spent documenting care in an EMR:
  - Voice commands specific to each EMR which reduce the amount of searching and mouse-clicks needed to move to the right screens.
  - “Free text” open dictation of medical decision-making (History of Present Illness, Assessment, Plan and other elements of a medical note) directly into the EMR, eliminating the need for clinicians to type.

As a result, physicians will more rapidly embrace and adopt their proven chosen clinical information system.

**More Effective Care**

Clinicians receive the following advantages from Dragon Medical 10 over Version 9 or non-Medical 10 products:

- **Dictate in your own words.** Dragon Medical 10’s free-text dictation capability supports more detailed History of Present Illness, more flexible Review of Systems, and more descriptive Assessment and Plan – the “medical decision-making” aspects of the note – which give referring clinicians and ancillary providers a clearer and more detailed patient assessment and prognosis.

- **Secure patient information.** Only Dragon Medical 10 supports HIPAA compliance guidelines to protect patient confidentiality.

- **Improve physician satisfaction.** Physicians who use Dragon Medical report that it significantly improves their enjoyment of practicing medicine. By allowing them to use their time more effectively, and by getting home in time for dinner, physicians’ overall quality of life is improved.

**More Profitable Care**

Clinicians receive the following advantages from Dragon Medical 10 over Version 9 or non-Medical 10 products:

- **Reduce the cost of documentation.** Eliminate transcription by speech-enabling the EMR, freeing up resources to focus more on patients and invest in methods to help practice efficiency. Medical centers that are using Dragon Medical 10 today are eliminating transcription costs which total $500-$1000 a month per physician.

- **Support higher level of reimbursement.** Clinicians create more detailed notes with Dragon Medical 10 than with notes built with “point and click”, templated-only EMR menus.

- **Reduce denials.** Better documentation improves coding effectiveness and provides richer detail per patient, which provides better justification and fewer denials.

- **Increase practice volume.** Faster, more accurate response reduces time spent on dictation, allowing physicians to see more patients and increase practice revenue and profitability.
SYSTEM REQUIREMENTS

Client Minimum Specifications

- Intel® Pentium® / 1 GHz processor or equivalent AMD processor. Faster processors will yield faster performance
- Dragon Medical 10 requires the SSE2 instruction set. Processors without SSE2 are “Intel before Pentium 4” and “AMD before Athlon 64”
- 512 MB RAM or 1 GB RAM for Windows Vista™
- Free hard disk space: 2.5 GB
- L2 Cache: 512 KB
- Supported Operating Systems:
  - Windows Server 2000
  - Windows Server 2003
  - Windows XP SP2 or higher - 32 bit - Home & Prof
  - Windows 2000, SP4 or higher
  - Windows Vista™ or Windows Vista™ SP1, 32-bit
  - Citrix MetaFrame Presentation Server 4.0 or 4.5
- DVD-ROM drive (required for installation)
- Microsoft® Internet Explorer 6 or higher (free download available at www.microsoft.com)
- Nuance-approved noise-canceling headset microphone (included)
- For Bluetooth wireless microphone support, please visit http://support.nuance.com/compatibility/
- A web connection is required for activation

During the install process the software checks to make sure your system meets these minimum requirements. If you do not meet the requirements, the software will not be installed.

Recommended Specifications

- Intel® Pentium® / 2.4 GHz processor (1.6 GHz dual core processor) or equivalent AMD processor. Faster processors will yield faster performance
- 1 GB RAM
- Free hard disk space: 2.5 GB
- L2 Cache: 1 MB

For more product information please visit Dictaphone Healthcare Solutions at www.nuance.com/dictaphone or call 866-748-9537.

Dragon Medical 10 Summary Descriptions

100 words

Dragon Medical 10 speech recognition software offers the fastest, most complete way for physicians in mid-sized practices to create transcription-free clinical documentation. Dictate medical findings directly into any Windows®-based EMR three times faster than most people type with up to 99% accuracy. Use voice commands to quickly navigate within the EMR to review lab tests or dictate a prescription. Dragon Medical 10 includes vocabularies which cover nearly 80 medical specialties and subspecialties, and supports HIPAA compliance guidelines. Dragon Medical 10 helps you raise the quality of care while making your practice more efficient and profitable.

50 words

Dragon Medical 10 is the fastest, most complete way for physicians in mid-sized practices to create transcription-free clinical documentation. Dictate findings into EMRs three times faster than typing with up to 99% accuracy. Dragon Medical 10’s vocabularies support nearly 80 medical specialties and subspecialties, and supports HIPAA guidelines. Raise the quality of care while making your practice more efficient and profitable.

25 words

Dragon Medical 10 lets clinicians dictate three times faster than typing—with up to 99% accuracy – inside any EMR, making the practice of medicine more efficient, effective, and profitable.

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