

# Hilgraeve's *HyperSend.com*

## "A Secure Internet Delivery Service for Healthcare"

### Executive Overview

#### Introduction

Virtually every healthcare organization must adopt HIPAA compliant strategies to protect and ship "healthcare sensitive" data electronically. Hilgraeve is meeting this need with field-proven products that:

- Enable organizations to be "ready" to immediately meet the communication requirements of the HIPAA legislation.
- Are self-deploying, highly scalable, low-maintenance and financially viable.
- Have earned the trust of healthcare and many other industries over 18 years of award winning experience.

Hilgraeve's latest product is HyperSend, the next generation of secure delivery services designed for the shipping of healthcare data over the Internet. After reviewing the following overview of our corporate history, partnering models and the management you will be working with, we encourage you to visit [www.HyperSend.com](http://www.HyperSend.com) to receive free life-time use of this exciting service.

#### The Value of Experience – 50 Million Desktops

Hilgraeve has earned the recognition as the leader in advanced communications software and services by consistently developing high-value software that meets real business needs, since being founded in 1982. Hilgraeve has software on more than 50 Million desktops, as a result of long term OEM and customer relationships with Fortune 1000 companies. The following is a brief history of our product development and the successes that have led to the release of HyperSend, our newest service designed to help the healthcare community meet HIPAA communication requirements.

##### *HyperTerminal:*

This is the #1 terminal emulation product in the market. Microsoft includes it in every copy of Windows 95, 98, NT and 2000. It is widely used and is the #1 tool used for diagnosing and debugging Internet hardware at Cisco. It continues to be a primary tool for organizations like HBOC, VHA, Cleveland Clinic, GE Medical and BS/BC of Kansas.

##### *HyperACCESS*

This is considered by most to be the standard in terminal communication software. IBM has made HyperACCESS LITE a part of OS2 and it is the most advanced 32-bit terminal communications software for accessing telnet sites, terminal-to-host communication and file transfer. PC Magazine deemed it "the best terminal program you can buy!" It is a standard communication tool for companies ranging from the Federal Reserve and The Office of the Controller of Currency, to Hyatt Hotels and Siemens Medical.

##### *DropChute:*

Sensing a growing need for secure delivery solutions in the PC arena, Hilgraeve leveraged its experience with HyperACCESS and launched an instant-file-transfer, secure delivery application suite of peer-to-peer communication software that includes DropChute, DropChute Pro and DropChute Enterprise. The DropChute family are Windows applications that let PCs exchange files of any size or type (data, voice, image) and chat using keyboards or headsets securely over the Internet or between modems. DropChute provides machine authentication, on-the-fly encryption that can be configured to the highest standards, patented virus scanning of all received files, automatic compression/expansion for fast delivery, auto-recovery, automated delivery within an enterprise and drag and drop simplicity.

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Since first being previewed in 1997, DropChute has been highly acclaimed by the industry and proven it's high-value and quality of engineering including:

- Best of Comdex in 1997
- Two time winner of Microsoft Pick of the Week, WUGNET, Aug 1998 and Feb 1999
- Editor's Choice, Computer Times, May 1999
- Top 10 Internet Software Products of 1999, ZDNet
- ZDNet, Jan 2000: *“This ultra-classy program provides a direct link to your recipient, eliminating file limits, third parties, and security risks in the process.”*
- More than 40,000 trial copies downloaded from ZDNet alone
- PC Week, “better than email!”
- Product To Watch, Fortune Magazine Buyer's Guide, July 2000

DropChute and HyperACCESS have won major customers from a broad spectrum of industries that include Lucent, Siemens, Staples, Price Waterhouse Coopers, Eastman Kodak, Snap-On Tools. Additionally, our OEM relationships claim the top technology companies including Microsoft, Intel, IBM, Motorola, Sony and Delrina (Symantec). Specific examples of healthcare enterprises that use these Hilgraeve products include: Merallis, Medscripts, Lernout & Hauspie, Medifax, Digital Voice Systems, BS/BC Arkansas, QuadraMed and StellarNet.

For a more detailed descriptions of HyperACCESS and DropChute visit [www.Hilgraeve.com](http://www.Hilgraeve.com). A white paper on DropChute is also available upon request.

### **Introducing HyperSend**

Hilgraeve has leveraged its knowledge gained from 18 years of addressing enterprise secure communication needs and merged its software together with industry-standard security technology to create the entirely web-based HyperSend service. HyperSend enables the healthcare community to securely exchange “HIPAA sensitive data” beyond the safe bastions of firewalls and corporate networks over the Internet. Every time you send data files, HyperSend establishes a secure, reliable and controlled data channel through the Internet. This channel authenticates, encrypts and tracks deliveries in accordance to the HIPAA technical requirements. These files may be of any size or type including:

- Administrative transactions: eligibility, rosters, claims referral authorizations, attachments, identifiers and scheduling.
- Clinical Records: laboratory and testing order/results, prescriptions and reorder, compressed or uncompressed radiology images (still and motion), electronic medical records and reports.
- Secure Consults: institution to practitioner, physician to physician, physician to patient

Unique to HyperSend is the ability to self-deploy a “HIPAA ready” secure-delivery service between small and large trading partners, within any healthcare enterprise/community or world wide without the cost and pain of implementing yesterday's technology. There is virtually no training necessary. To send a delivery, just go to the HyperSend.com Send page, enter an address, type a message, select the document or file of any size or type you want to send, and click Send. If your recipients have not signed up for a HyperSend account, they receive an email message that invites them sign up in less than 5 minutes. With this simple step they are empowered to send time-critical, HIPAA sensitive healthcare data in a secure manner to doctors, hospitals, labs, pharmacy, patients, multiple recipients, or predefined groups. Every electronic destination on the Internet is accessible with HyperSend.

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For a more detailed technical description see the enclosed Technical Overview and HIPAA Readiness Summary or visit [www.HyperSend.com](http://www.HyperSend.com) for a complete profile on our service, affiliate programs and pricing.

**HyperSend As A Strategic Asset**

Substantial rewards await those companies who solve the serious problems that confront thousands of healthcare businesses. One of the most serious is the need to switch from outmoded delivery methods (mail, phone, couriers or faxes) to *secure electronic delivery through the Internet*. The concerns for privacy, inadequacies of email and mounting pressure to replace paper with faster and economically sound secure electronic communications are creating an explosive market for secure Internet delivery in healthcare and other industries. Analysts predict an enormous, yet realistic, opportunity overall.

- Aberdeen Group predicts that \$300 billion spent annually on physical delivery of documents today will shift to the Internet. By 2001, 35% of these documents, or 21 million documents per day, will be sent electronically through the Internet
- IDC reports that business-to-business services are expected to grow from \$200 billion in 2000 to \$2.5 trillion in 2004

Enabling this growth even further, the Clinton Administration signed the Electronic Signatures in Global and National Commerce Act (E-SIGN) bill into law on June 30, 2000. The bill, which enables the legal enforcement of contracts, purchase orders, and other documents signed digitally online, will transform a wide variety of business activities - such as healthcare, online banking, stock trading, and insurance transactions - into Internet transactions.

Specifically for healthcare:

- Use of Internet information systems by physicians and allied health is anticipated to grow at an annual rate of 15.3% through 2002
- 70% of office applications will be Internet-equipped by 2003

Every organization covered by the HIPAA standards will need to demonstrate that controls are in place which comply with the HIPAA security mandates. Knowing this Hilgraeve has completed an internal audit to assess its level of readiness as a trusted HIPAA business partner and determined that HyperSend offers an immediate remedy for achieving secure exchange of data over the Internet. By integrating Hilgraeve's HyperSend service into your solution mix, you immediately solve the secure delivery problem faced by many and shorten your time to market. Those who are first to cut costs and improve their services through the speed, economy and global reach offered by HyperSend will gain a sizeable competitive edge. Our HIPAA analysis is available for review by potential affiliates and OEMs and a summary is enclosed with this overview.

**Partnering Opportunities**

Our partnering model stands on two very flexible legs, OEM and enterprise purchase plans. For either of these partnering programs, Hilgraeve provides monthly reports that enable you to monitor HyperSend usage by group members. HyperSend includes central administration for group accounts and the automation necessary to easily integrate HyperSend in any existing program or workflow process.

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As a solution provider, you serve customers that need to exchange sensitive information with clients or business partners. HyperSend can help you win business, incrementally increase revenues and differentiate yourself from your competitors. Here are some of the potential affiliate opportunities we anticipate or have experience with:

- Software vendors and OEMs can integrate HyperSend secure data delivery into their healthcare applications, quickly and seamlessly
- ISPs, ASPs, portals and email service providers can become HyperSend resellers and reap recurring revenue from secure delivery services
- Systems integrators and consultants can use HyperSend to satisfy tough customer demands for secure data delivery and workflow automation
- Organizations, associations and .com ventures that cater to healthcare professionals that need to exchange information securely and want to save money, can use HyperSend to offer faster service by migrating from paper to electronic delivery
- Dispersed allied health enterprises can use HyperSend to exchange confidential business data with remote locations
- Businesses can use HyperSend to exchange data securely with patients or suppliers

We know from many OEM relationships that businesses are extremely interested in incorporating secure delivery into their enterprises or web offerings. HyperSend can be seamlessly integrated into any existing web site and can reflect the site's look and feel without the need to purchase and operate a separate server.

Hilgraeve possess extensive knowledge about who will and will not buy, and exactly what customers want, because of our accumulated experience in marketing secure delivery solutions. Our pricing models and the cutoff between free and paid service, positions our partners to offer free initial deployment of HyperSend. Group capacity plans are a convenient and economical way for businesses to facilitate secure data exchange with healthcare partners. You simply select the plan that meets the monthly capacity needs of your group, similar to cellular phone services.

### **Management**

The three founders Of Hilgraeve boast more than 50 years collective experience in their field and have established Hilgraeve as one of the leading developers of communications software. Hilgraeve's CEO Matt Gray has reshaped the organization to operate at today's Internet speed. Gray devotes the majority of his time to marketing and management issues and is adept in strategic alliances. The other two founders, Bob Everett, VP Finance & Operations and John Hile, VP R&D are also part of the executive management team along with Jeff Beamsley, VP of Business Development and Bob Paulenske, VP of Sales.

### **Patents**

Patents for key aspects of HyperSend server-to-client and client-to-server data transfer processes are under file with Hilgraeve for the following US patents:

- 7/00: 6,094,676 - Method and Apparatus for Peer-to-Peer Communication
- 9/96: 5,553,271 - Auto-Detect System and Method for Data Communications
- 6/94: 5,319,776 - In-Transit Detection of Computer Virus with Safeguard

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**Call to Action**

You already know that the healthcare customer's demand for secure delivery of “HIPAA sensitive” data over the Internet is on the verge of explosive growth. The question is how do you meet this demand quickly? By adopting HyperSend you immediately benefit from our experience and reputation while meeting the needs of your customers for secure delivery through the Internet. Visit [HyperSend.com](http://HyperSend.com) for an expanded overview that provides additional information, general pricing and free use. It's easy!

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**HyperSend Security: A Brief Technical Overview**

HyperSend is as easy as email, yet superbly more secure. Exchanging critical information through Internet email exposes you to many security risks. Email transmission methods allow messages to be lost, waylaid, intercepted or faked, and copies of your messages may remain on various servers along the way.

HyperSend achieves secure, reliable, fast, and traceable delivery by relying on the secure data transfer protocols used by web browsers (HTTPS and SSL). Unlike email, which comes to rest on mail server after mail server as it makes its way through the Internet, every HyperSend delivery is sent as a secure, encrypted stream of data directly to the HyperSend servers. Copies of your correspondence never exist on mail servers, nor do they remain on the HyperSend servers after delivery.

Each time you send, receive or track deliveries, HyperSend establishes a user-authenticated and encrypted connection between your PC and the HyperSend servers, using the same robust security measures used to protect financial transactions on the Internet: industry-standard SSL (Secure Sockets Layer) protocol.

For authentication and encryption, the HyperSend servers use a VeriSign Global Site certificate. VeriSign Global Site certificates support the world's strongest web server encryption, 128-bit SSL. HyperSend achieves the most secure connections possible for users with browsers that support 128-bit encryption, and supports secure connections with browsers that support only 40-bit encryption.

HyperSend relies on passwords for user authentication. To guard against password theft or interception, HyperSend uses respected methodologies for the secure storage and exchange of passwords. Even HyperSend server administrators do not know your password, because passwords are stored in an unreadable form (a one-way hash using the MD5 hash algorithm). When you log in, your password is sent through an encrypted connection. The HyperSend servers process the received password (using the MD5 hash algorithm and an arbitrary salt value) and compare the result with the stored form. Only if the two match, are you admitted.

For additional security, you can enclose your deliveries in an Encrypted Envelope that only the recipient can open. Encrypted Envelopes use the widely respected Blowfish encryption algorithm, already proven in more than 130 security products. You are prompted for a secret word or phrase used to encrypt the delivery on your PC before it is transmitted to the server. The delivery remains encrypted on the HyperSend servers. When it arrives at the recipient's PC, the recipient must enter the same secret word or phrase to open and decrypt the delivery. We require using our Encrypted Envelope feature to be HIPAA compliant.

The HyperSend web servers, located in data centers of a top-tier Internet provider and employ state-of-the-art security procedures to guard against electronic intrusion. The data centers are located in close proximity to the Internet backbone and staffed 24 hours a day, 7 days a week to ensure prompt delivery of your critical business information.

## HIPAA Readiness Summary Sheet

<i>HyperSend</i>	<b>HIPAA Requirements</b>
	<b>Administrative Procedures for Data Integrity, Confidentiality and Availability §.308 (a)</b>
<b>Ready</b>	Certification §.308(a)(1)
<b>Ready</b>	Chain Of Trust Partner Agreement §.308(a)(2)
<b>Implemented</b>	Contingency Plan §.308 (a)(3)
<b>Ready</b>	Formal Mechanism For Processing Records §.308(a)(4)
<b>Ready</b>	Information Access Control §.308(a)(5)
<b>Ready</b>	Internal Audit §.308(a)(6)
<b>Ready</b>	Personnel Security §.308(a)(7)
<b>Ready</b>	Security Configuration Management §.308(a)(8)
<b>Ready</b>	Security Incident Procedures §.308(a)(9)
<b>Ready</b>	Security Management Process §.308(a)(10)
<b>Ready</b>	Termination Procedures §.308(a)(11)
<b>Ready</b>	Training §.308(a)(12)
	<b>Physical Safeguards For Data Integrity, Confidentiality And Availability §.308 (b)</b>
<b>Ready</b>	Assigned Security Responsibility §.308(b)(1)
<b>Implemented</b>	Media Controls §.308(b)(2)
<b>Implemented</b>	Physical Access Controls §.308(b)(3)
<b>Ready</b>	Work Station Use §.308(b)(4)
<b>Ready</b>	Secure Workstation Location §.308(b)(5)
<b>Ready</b>	Security Awareness Training §.308(b)(6)
	<b>Technical Security Services §.308(c)</b>
<b>Ready</b>	Access Control §.308(c)(1)
<b>Ready</b>	Audit Controls §.308(c)(2)
<b>Implemented</b>	Authorization Control §.308 (c)(3)
<b>Implemented</b>	Data Authentication §.308 (c)(4)
<b>Implemented</b>	Entity Authentication §.308 (c)(5)
	<b>Technical Security Mechanisms §.308(d)</b>
<b>Implemented</b>	Communications and Network Controls §.308(d)(1)

This document is based on the HIPAA Security Summit Guidelines Version 1.1 January 12, 2000. The purpose of this page is to demonstrate Hilgraeve's state of readiness in providing secure delivery over the Internet of sensitive healthcare data as described by the HIPAA regulations and interpreted by the HIPAA Security Summit held October 11-13, 1999 in Baltimore, Maryland. The information contained in this document is intended to be used only for assessing Hilgraeve's HyperSend Secure Delivery service and Hilgraeve reserves the right to revise this document as regulations are finalized or amended and new features are added to its service. For more details on the summit, consult:

<http://www.wedi.org/htdocs/membersonly/hipaa.htm>.