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Hello CarePoint stockholders and investors!

I couldn't be more excited about CarePoint. From all indications, we are on the cusp of a phenomenal break-out year. Here's why...

We are first movers, bringing a critical life-saving product to market at a historically significant and unprecedented time. Our data-driven, outcomes oriented quality management process for clinical labs aligns perfectly with the larger information technology (IT) revolution now transforming healthcare. Due to our vision, innovation, speed to market, ability to scale, and fortunate timing, we have an opportunity to take an early lead and potentially dominate a newly emerging \$500M market segment. By collecting and converting specific clinical data into actionable information, we can measurably improve the accuracy of diagnostic test results – a key driver of efficient healthcare delivery.

In Version 2 of Pro-QCP, we intend to deploy the first real-world, real-time industry-wide diagnostic performance surveillance system. The data we collect will allow us to flag poorly performing diagnostic platforms before they can do harm to society. We are now witnessing a 'perfect storm' for diagnostic error when it comes to Covid testing. Poorly performing and minimally validated Covid diagnostics are flooding the marketplace. Our ability to monitor real-world, real-time performance should be a significant contribution to the battle against the pandemic.

At the same time our value to society is dramatically increasing, our markets are exploding in size. This is due to the unprecedented worldwide demand for Covid testing, followed by a deluge of government subsidies to support that testing.

At CarePoint, our team is busy completing Pro-QCP development and testing, gathering and processing content for Covid test modules, preparing our digital marketing and market automation campaigns, developing marketing collaterals, product videos, deploying our channel partner campaign, assembling the 'tech stack' that will support Pro-QCP's commercialization.

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Labs that can benefit from 8-10 modules of Pro-QCP are our top targets. We believe offering each lab their first module for free will be a compelling 'freemium' offer. Not only will it garner goodwill and positive press coverage relative to Covid, but it virtually eliminates any resistance to customer adoption and will allow us to achieve accelerated market traction. Because our customer acquisition costs are negligible (e.g., no sales rep required, customers subscribe directly on website, etc.) and because Pro-QCP will not require much after-sale support, we are building everything to be able to extremely scalable. We are also planning on how we will need to staff up and reinvest some of those exponential returns to build 'top-gun' marketing and engineering teams to actualize Pro-QCP's full product and market potentials.

I've forecasted \$20M in sales for next year. I continue to collect market intelligence that suggests that this estimate is way too conservative. Analysts are predicting an \$8 Billion spend on Covid anti-body testing in the next year alone and the US government has just announced a further \$50B in emergency funding to subsidize Covid testing. To put those figures in perspective, the entire worldwide diagnostics market was approaching \$80B per year, pre-Covid. So we are truly in unprecedented times, with a historically unique opportunity.

But let's look at product/market fit... the key driver of market growth. Pro-QCP has all the attributes of a super viral, super scalable product. These days the fastest growing, most market dominating companies tend to be 'product lead growth' companies. PLG's are most often scalable, software as a service (SaaS) companies that take an early lead in a niche market, quickly scale their companies to increase network value, and then dominate in their space to stay ahead of any competition. Two key attributes of these successful PLG companies are their *virality* and *scalability*.

Let's look at how Pro-QCP measures up...

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**Pro-QCP's Viral attributes:**

- Exceptional value proposition and product/market fit
- Easy to onboard new customers
- No human contact/selling anticipated for most customer acquisitions
- Intuitive to use, requires minimal user support
- Infinitely scalable
- Strong network effect: product's value increases with each new subscriber
- Zero resistance introductory offer: First module for FREE
- Natural 'upsell' within each account: most moderate labs can use 8-10 Pro-QCP modules
- Pro-QCP's time savings alone justifies the cost of an annual subscription (\$795)
- Expansive worldwide target audience
- Users are incentivized to refer and recommend Pro-QCP to colleagues
- Pro-QCP allows integrated delivery networks to standardize QA protocols
- CarePoint's channel partner referral program will underpin and support a network of strategic channel partners that can provide key endorsements and deliver large portions of the market
- Pro-QCP competes with no one, so we can collaborate across all categories of channel partners: IVD manufacturers, national distributors, lab proficiency test orgs, industry associations, accrediting agencies, lab consultants, etc.
- Product is poised to become an industry standard for federally-mandated Individualized Quality Control Plans (IQCP's)
- Pro-QCP has benefits for the entire healthcare delivery ecosystem: improves economies, improves personnel utilization, ensures regulatory compliance, facilitates standardization across integrated delivery networks, increases Medicare reimbursements, satisfies hospital accreditation requirements, lowers malpractice costs, and measurably improves patient outcomes
- Product provides tremendous value to society: simultaneously mitigating the leading four causes of death in the US:

#1 Heart disease (660,000)	#4 Medical Errors (250,000)
#2 Cancer (600,000)	#5 Accidents (173,000)
#3 Covid (417,000+)	#6 Respiratory (150,000)

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### **Pro-QCP's Scalability:**

- Low customer acquisition cost
- Product revenue will self-fund it's own growth: annual subscriptions represent a year of pre-paid revenues
- Subscription based model = Reoccurring annual revenues
- Expansive product roadmap: Can grow product into a fully functional Quality Management System, or just be acquired by one of the major players in that market niche
- Pro-QCP module development process (e.g., clinical content) has been optimized for scalability
- Customers will continuously contribute new program content that is shared with the larger user community – continuously enriching program data and its clinical value (strong network effect)
- Pro-QCP will capture, aggregate and 'mine' key diagnostic performance data for the first time – data that is valuable to labs, healthcare delivery systems, diagnostic manufacturers, and to society at large
- The data we intend to harvest and publish should drive exceptional traffic to our website and present a variety of monetization potentials
- Pro-QCP requires minimal customer support
- Other market applications and opportunities have already been identified
- CarePoint will deploy a novel Referral Program that will incentivize channel partners and allow us to ramp up an extensive network of collaborators
- Coupon code promotion: puts our marketing collaborators in a positive light, allows us to identify lead-sources/channel partners and efficiently track referral fees
- Our #1 target market, Covid testing sites and specimen collection locations, is now exploding and approaching a billion prospects world-wide
- As the Covid market recedes, we expect continued long-term growth from sales of Pro-QCP modules to traditional testing labs
- Enterprise versions of Pro-QCP may have compelling regulatory compliance value for regional and nation-wide reference labs, such as LabCorp and Quest
- Product provides 100% gross margin
- Pro-QCP revenues will endow the company with significant reinvestment capital to expand Pro-QCP and commercialize our other products and intellectual property, accelerating growth for years to come
- Pro-QCP will create substantial wealth for CarePoint stockholders

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If this were poker, we'd be holding a royal flush. We are at a unique moment in time, with historically unprecedented market demand, launching a first-of-its-kind product. We are joining a host of innovative, market disruptive companies that are transforming medicine by leveraging information technology to capture clinical data essential to driving improved operational efficiencies and patient outcomes. We are equipping clinicians with the tools they need to measurably improve diagnostic accuracy, satisfy regulatory compliance, and reduce suffering and death due to preventable medical errors.

While we are 'first movers' in our market, we are actually a pretty 'safe bet' as we are introducing quality management practices that have been highly evolved and proven effective across many other industries. They make organizations smarter, more efficient, and more responsive. Healthcare delivery is one of the last hold-outs to adopt quality management systems and CarePoint will be leading the charge (toward the inevitable?) with our new, user friendly proprietary web app.

Combining aggressive digital marketing campaigns with strategic channel partner collaborations, we intend to take the market by storm and gain a dominating 'network effect.' We also plan to continuously innovate, iterate, and expand our product to stay ahead of competition as we capture market share and gain an unassailable advantage in our target markets. [Example of network effect: AirBnB currently has 7 million properties for rent, in 100,000 cities, and representing 220 countries. How would you like to compete with that?]

By the way, Pro-QCP is in the final stretch of development, and it looks great.

We have raised about \$100,000 since my last update to continue funding Pro-QCP development. To those of you that increased your investment in CarePoint, I have one word: Bravo!!! You will be extremely well rewarded. We are now targeting a launch date of mid-March for Pro-QCP and are looking for a few more investors to help fuel our campaign launch.

I know some of you have been with CarePoint since the beginning, when the company was just a concept, over eight years ago. We've come a long way, created a lot of value, and have overcome lots of hurdles. I'm sure some of you are reading my updates with suspicion and incredulousness, perhaps with a

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concern that my brain aneurism is finally getting ready to blow! Or maybe that I'm too close to the trees, drinking too much of my own cool-aid, or simply that I have had a dismal track record accurately forecasting revenues to date. If you're in that category, I certainly can't fault you. My current forecast for the company is pretty spectacular. But if you are open to the facts, and can appreciate the exceptional times we are in, and see the "open goal shot" we have with this amazing product opportunity, you have my permission to start celebrating.

In the background, our Controls Division continues to fulfill our supply contracts with federal proficiency testing organizations and we will be promoting our new Coagulation QC to this same audience. Our commercialization projects with Magellan Diagnostics and Perosphere Technologies are still on hold as we await the resumption of key clinical trials that have been paused due to Covid. We are also exploring a collaboration with another diagnostic analyzer manufacturer regarding either a supply or a licensing opportunity for one of our QC formulations.

I will try to keep everyone as up-to-date as possible as we approach the final launch of Pro-QCP. Look for an invitation for an investor call in a separate email in the near future. I'm eager to answer any questions you may have and provide an overview of our market plan, launch strategy and the market stats that underpin my forecast. In the meantime, feel free to reach out to me any time.

Buckle up for an exciting year ahead!!!

A handwritten signature in blue ink that reads "Bill Donohue".

Bill