

Critical Risks

Disruptive Innovation

Disruptive technology and disruptive innovations can affect products and services in ways the market does not expect, typically by being lower priced or designed for a different set of consumers. Disruptive innovations are particularly threatening to the industry leaders of an existing market, primarily because they are coming from an unexpected direction. Many of the features offered with HDNA could be considered disruptive innovations because they are not present in the current selection of administrative healthcare applications, especially in that our API offers the ability to seamlessly integrate new features on a regular basis without have re-factor the underlying code that powers the system.

Market Interest and Growth Potential

There will always be a constant demand for healthcare companies to improve their methods of handling electronic medical information across multiple systems and platforms - especially in the mobile marketplace. This demand will only increase with the \$36 billion incentive from Congress that will be rolled out over the next seven years, as well as the fact that HIPAA regulations and EHR mandates will become more strict and enforced via severe financial penalties for those providers and companies that do not comply. Additionally, the smartphone marketplace is increasing at an exponential rate and HDNA believes that becoming the early front-runner for mobile, personal healthcare record access will only solidify future growth opportunities and revenue potential.

Time and Cost to Development

A working prototype of each HDNA is already in development. Design has also begun on products for additional revenue streams (beyond those already mentioned). Depending on the scope of the our initial product integration with our first clients, additional development time may be needed to prepare the system for unforeseen enhancements. While not required for initial product roll out, the need for a front-facing customer web portal for account management must be created.

Proprietary Issues

HDNA has placed a strong focus on creating a healthcare IT solution that does not rely on a confined and proprietary system. Every aspect of the project relies on maintaining widespread compatibility via the use of widely accepted and open source standards as well as a clearly defined MVC model that can implement with any system.