

**HEALING HEARTS PEDIATRIC THERAPY CENTER INC.**

**BUSINESS PLAN**

**November 23, 2006**

**Updated as of August 5, 2009**

**CONFIDENTIAL**

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## **1.0 EXECUTIVE SUMMARY**

Healing Hearts Pediatric Therapy Center Inc. is a pediatric therapy clinic based in Stamford, Connecticut. The clinic will provide specialized therapeutic treatment for children with autism, cerebral palsy, motor-development delays and other neuro-motor disorders, but not specifically limited to any of the above.

The center's main strategic advantage lies in the unique therapies it will provide, including Suit Therapy (Similar to Adeli suit therapy), aquatic therapy, and other treatments. The availability of Adeli suit therapy in the U.S. today is extremely limited with many patients' families forced to incur significant travel expenses to seek treatment in Europe.

The primary group of patients treated at the clinic will be children. Specifically ones with CP, Autistic Spectrum Disorder (ASD) motor-development delays, muscular dystrophy and other neuro-motor disorders. CP is a condition in which the links between the brain and the motor nerves are faulty, resulting in a loss of movement and other nerve functions. These disorders are caused by "injuries" to the brain during fetal development at or near the time of birth. These injuries may include ischemia (interference with normal blood flow to the fetal or newborn brain) or hypoxemia (a reduced oxygen content of the blood present in fetal or newborn brain tissue). Each can occur before the onset of labor, during labor and delivery, or after birth. Ischemic and hypoxic complications can lead to permanent neurological injury or other handicapping conditions such as CP.

Current data shows approximately 5,000 babies and 1,200 to 1,500 preschool-aged children in the United States are diagnosed with CP each year, 1 in every 166 children is diagnosed with autism. Based on this data, Healing Hearts will treat as many children per year as the facility can accommodate once fully operational. Patients will be welcome from anywhere throughout the country, with emphasis on treating children close by in Fairfield County, Connecticut.

Healing Hearts is expected to begin limited operation in the Fall of 2009 or Spring of 2010.

### **1.1 Objectives**

The objectives for Healing Hearts are to:

- Open a temporary facility/begin physical therapy treatments by 2009.
- Have a fully equipped, permanent Healing Hearts Center fully operational by Spring 2010.

### 1.2.1 Mission

**Healing Hearts Pediatric Therapy Center is dedicated to improving the lives of children with a wide range of development disabilities and neuro-motor challenges. By offering innovative and specialized therapies in one centralized location regardless of ones financial means our center along with the family will form a cohesive TEAM enabling these children to achieve their maximum potential.**

### 1.3 Keys to Success

The keys to success for a specialized physical therapy clinic are:

- **Exclusive therapy offerings.** As mentioned in the Executive Summary, Adeli suit therapy currently is available on a very limited basis in the United States. The therapists that we employ will have the opportunity to train in Detroit, Michigan, with Richard and Isabela Koscielny, who were trained in Poland.
- **Reimbursement Strategies.** As this is a not for profit facility, we will require parents who have medical coverage to seek re-imburement on their own, to avoid our facility from adding additional support staff. Parents who do not have re-imbursable medical coverage can receive services on a sliding scale (see attached).
- **Documented clinical successes.** To achieve our goal of achieving world-class status, Healing Hearts must seek third-party testimonials and endorsements from patients, families, clinicians and academics. The center may use techniques such as digital pictures, video records to document patients' progress.

## 2.0 COMPANY SUMMARY

Healing Hearts is a pediatric therapy clinic established by fitness experts, therapists who are known locally in their chosen fields, as well as a well known wealth manager.

Healing Hearts will fill an important role in the Stamford community by providing aggressive, unique physical therapies previously available on a very limited basis in the United States. These therapies will improve the quality of life for children with autism, cerebral palsy, motor-development delays and other neuro-motor disorders. The therapeutic activities include:

- Suit Therapy
- Therapeutic exercise for flexibility and proprioceptive strengthening
- Massage Therapy
- Neuro-muscular re-education

- Functional training and gait training
- Cardiovascular/aerobic exercise
- Aquatic therapy
- Social Services
- Physical, occupational and speech therapy

Healing Hearts will be based in Stamford, CT.

## **2.1 Company Ownership**

Healing Hearts is a non profit 501C3 company started by its founders Tom Bacha, Kimberly Colletto, Neil Hackman, and Aileen Tisser.

## **2.2 Start-up Summary**

Healing Hearts anticipates start-up expenses of \$150,000. These costs include the signing of a lease, as well as therapeutic equipment.

## **2.3 Company Locations**

Should we be able to secure a lease before the space is occupied, Healing Hearts will be located at 48 Union Street Building #2, Stamford, CT beginning 2007.

# **3.0 SERVICES**

Healing Hearts will provide specialized therapeutic treatments for children with autism, cerebral palsy, motor-development delays and other neuro-motor disorders. Healing Hearts primary treatment goal is to teach patients to be as independent as possible. This will be achieved through various unique and rigorous physical therapy treatments.

## **3.1 Patient Physical Therapy Services**

- **Suit Therapy.** This unique and intensive physical therapy treatment is based on the Adeli suit, first used by Russian cosmonauts in the early 1970s to prevent muscle atrophy in space. It was adapted for physical therapy use by a Russian businessman and has been used in Europe to treat CP patients since 1992. The suit consists of a modified vest, shorts, kneepads and shoes. The pieces of the suit are laced together with flexible, bungee-like cords that can be adjusted to provide varying pounds of pressure to needed muscle groups. These tension cords form a sort of outer “skeleton” and are tightened to support and correct weak muscles. The purpose of Suit Therapy is to improve muscle control and movement.

- **Massage and stretching.** A common characteristic of CP is unusually tight muscles. To relax these muscles in preparation for physical therapy manipulations, therapists will begin each treatment session with intense massage and stretching. This improves flexibility and range of motion and may be coupled with limited weight training. These techniques, practiced regularly in Poland, are much more aggressive than traditional U.S. therapies and reap more dramatic results.
- **Strengthening.** One of the primary goals of Suit Therapy is to strengthen patients so they will gain independent muscle control. Each move performed by a human requires strength. Muscle without strength is useless. Without strength we could not sit, walk, talk, breathe or eat. Children with neurological disorders spend months in a wheelchair without exercise while their bodies deteriorate.
- **Aquatic Therapy.** This therapy uses water as a treatment modality and involves various exercises based upon individual patient diagnosis. Conditions treated include: neurological conditions (CP, brain injuries, spinal cord injuries, spina bifida), orthopedic surgery, and spinal disorders. Benefits include: increased muscle tone; increased strength and endurance; increased range of motion; improved coordination and balance; increased circulation; improved spatial-perceptual deficits; improved posture control; correction of sensory deficits; decreased pain.
- **Social Services.** As part of a multidisciplinary therapy team, social workers provide critical support services to special needs children, their siblings, and their families. Their expertise focuses on the impact that raising a special needs child has on both the individual and the family. Services include, but are not necessarily limited to: \*support/discussion groups or “drop in” chat space for parents while children are receiving therapy services \*comprehensive psychosocial assessment of family strengths and needs \*evaluation of family support systems, \*education and referrals to community resources, \*crisis intervention \*short term counseling focusing on adjustment to illness, decision making, or bereavement, \*advocacy for patients and families, \*sibling support groups, etc.
- **Physical therapy.**
- **Occupational therapy.**
- **Speech Therapy.**
- **Chiropractic Care**
- **Musical Therapy**

#### **4.0 COMPETITIVE COMPARISON**

The only other facility in Fairfield County is the Center for Pediatric Therapy located in Greenwich, CT. This is a for profit business, which does not currently include suit or aquatic therapy.

## **5.0 Therapist Team**

We are in the process of interviewing therapists for the Healing Hearts Center. The hiring and interview process will all be conducted by the lead therapist Ailene Tisser. Ms. Tisser holds a Bachelors Degree from SUNY at Albany, a Bachelor of Science Degree in Physical Therapy from SUNY Health Science Center at Brooklyn, NY, and a Masters Degree in Developmental Disabilities from NYU School of Education, Health, Nursing and Allied Professions, and Ms. Tisser is N.D.T. (Neurodevelopmental Treatment) in Pediatrics.

All therapists will act as independent contractors so that Healing Hearts will not be responsible for employee costs, as well as client billing.

**Independent Contractors** – They will sign non-compete agreements, pay a daily rate to use the fully equipped office space at Healing Hearts, they will be responsible for their own scheduling, they will set their own fee for service that is reasonable and customary with their competitors, they will accommodate a mutually agreed upon percentage of their caseload that will pay on a sliding scale fee as determined by proof of income, they will have mutually agreed upon hours of use (taking into consideration safety of the warehouse space after certain hours), they will carry their own malpractice insurance listing the Healing Hearts facility as an additional insured location on their policy, we will set up a formal rental agreement for them to sign and abide by.

### **Management Team / Board of Directors**

President/Director – Kimberly Colletto  
Secretary/Director – Laurie A. Gray

Program Coordinator – Tom Bacha

**Healing Hearts Pediatric Therapy Center Inc.  
Approved for 501(c)(3) Non Profit Status on 01/29/07**

**Estimated Annual Budget as of 07/19/07**

<b>Expenses</b>	<b>Actual</b>	<b>Budget</b>	<b>Dollar Variance</b>	<b>Percent Variance</b>	<b>Annual Budget</b>
Rent	0	\$ 100,000	\$ 100,000	100%	\$ 100,000
Salaries	0	\$ 100,000	\$ 100,000	100%	\$ 100,000
Construction Costs	0	\$ 200,000	\$ 200,000	100%	\$ 200,000
Insurance (Liability, Workman's Comp.) Directors Insurance	0	\$ 10,000	\$ 10,000	100%	\$ 10,000
Postage	0	\$ 2,500	\$ 2,500	100%	\$ 2,500
Cleaning	0	\$ 15,000	\$ 15,000	100%	\$ 15,000
Utilities / Phone	0	\$ 20,000	\$ 20,000	100%	\$ 20,000
Supplies	0	\$ 10,000	\$ 10,000	100%	\$ 10,000
Therapy Equipment / Pool	0	\$ 300,000	\$ 300,000	100%	\$ 300,000
Computer / Copier	0	\$ 20,000	\$ 20,000	100%	\$ 20,000
<b>Total Expenses</b>	<b>0</b>	<b>\$ 777,500</b>	<b>\$ 777,500</b>	<b>100%</b>	<b>\$ 777,500</b>