

Deal Summary

Asking Price:	\$1,650,000	Listing ID:	AVRS
Down Payment:	\$16,500	Company Type:	Medical Credentialing and Billing
Total Assets:	\$15,000	Location:	Collin County
Revenue:	\$725,000	Adj. EBITDA:	\$390,000 (2020) / \$475,000 (2021)*

* Annualized

Adjusted EBITDA is defined as EBITDA + Owner's Salary + One-time and Discretionary expenses

Terms

This opportunity has been pre-approved by an SBA banker and is eligible for an SBA loan. For full approval, a buyer will need to meet the standards of both the SBA and the bank's credit team.

The seller will retain all the cash and retire any long-term debt. Assuming a 10-year SBA bank note of \$1,485,000 (excluding any SBA and/or loan fees) and an interest rate of 6%; the monthly loan payments would be approximately \$16,500/month or \$198,000 annually. The SBA loan will be personally guaranteed by Buyer.

Legal Organization

Type of Corporation:	S Corporation	SIC Code:	541519
Year-End:	December	Accounting Method:	Cash

Top Things to Know About This Business

- **Business Model:** Help Providers get “in network” with insurance plans and help with medical billing
- **Recurring Revenue:** Offers a subscription model that represents 40% of revenue. Once a provider is “in network”, they can sign up for a monthly maintenance plan to ensure they are always in compliance with the carriers.
- **Outstanding Profit Margins:** After adjustments and expenses, company has 50% Profit Margins!
- **Low Overhead:** Operates in a full remote environment (no leases or utilities)
- **Nationwide Presence:** Currently have over 750+ active providers in 42 states.
- **Scalability:** Company can expand into new areas without the new to open new offices
- **Established Brand:** Excellent reputation for outstanding work
- **Longevity:** Established in 1998, the company has been an industry leader for 20+ years
- **Turnkey Operations:** Company is guided by well-defined systems and processes
- **Training:** Seller will train free of charge for 30 days to ensure smooth transition.

Marketing Strategy

The company does not have an outside salesperson but does have an inside salesperson who has been with the company for 20 years. She recently moved into a part-time role with the company and currently works 20 – 25 hours a week. The source of new business comes from marketing / cold calls (50%) and the remaining 50% comes from referrals / word of mouth.

History

The Company was started in 1998 and the current owner purchased the business in mid-2019. After the acquisition, the current owner converted from an office environment to a fully remote environment to save cost.

Days and Hours:

Monday - Thursday: 8:00am to 5:00pm.

Friday: 8:00am to 4:00pm.

Saturday - Sunday: Closed.

Sales and Adjusted EBITDA

<u>Fiscal Year End</u>	<u>Revenue</u>	<u>Adjusted EBITDA*</u>	<u>As a % of Sales</u>
(Annualized) 2021	\$900,000	\$475,000	52.9%
2020	\$725,000	\$390,000	53.8%

* All adjustments to EBITDA were provided by seller

** The current seller purchased the company on July 23, 2019. Since 2019 was a partial year and the prior years were under a different ownership; we elected to only include 2020 and 2021 in our materials.

Employees

Below is a breakout of the company's employees:

Division	Full-Time (USA)	Part-Time (USA)	Contractors (India)	3rd Party (India)*
Medical Credentialing	8	1	2	2
Medical Billing	-	-	-	4

* The company uses a third-party staffing company in India to handle 100% of the medical billing. They also employ two individuals on the credentialing side of the business. The rest of the employees work directly for the company.

Assets and Liabilities

An asset list is available for the \$15,000 of furniture, fixtures and equipment. All cash and accounts receivable will be retained by the Seller. All debts on the company will be paid off by the Seller at closing. If there is any owner financing as determined by SBA underwriting, any such debt is to be personally guaranteed by the buyer.

Facilities

The company works a fully remote environment and do not have an office.

Support and Training

The Owner genuinely desires an effective business transition with seamless customer service through to the buyer. They will train a buyer for 30 days. An additional consulting contract can be obtained.

Reason for Selling

The owner wishes to pursue other opportunities.

CORPORATE/INVESTMENT GROUP CONFIDENTIALITY AGREEMENT

Medical Credentialing and Medical Billing Company for Sale

Sale Price: \$1,650,000

1. For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the undersigned ("The Recipient") enters into this Confidentiality Agreement with The Vant Group, Inc., a Texas corporation ("the Broker") and for the benefit of the Broker's client (the "Company") that shall be identified by the information disclosed under this Confidentiality Agreement.
2. The Broker has attached hereto or has provided or may subsequently provide to the Recipient in connection herewith certain technical, financial, and/or business information (collectively the "Information") regarding the Company (as above designated) to facilitate an evaluation by the Recipient whether to acquire the Company or stock or assets thereof. The Recipient acknowledges that the Information is highly confidential and proprietary to the Company.
3. The Recipient shall not at any time, without prior written consent of the Company, furnish, copy, reproduce or distribute, in whole or in part, directly or indirectly, the Information to anyone, except Recipient's financial advisors, investors, tax advisors and attorneys, who may be furnished with the Information for the sole purpose of advising the Recipient as to the structure of any proposed purchase of the Company (or its stock or assets), and it will keep permanently confidential the Information and will use the Information only for the purpose set forth above. The Recipient shall be under no obligation to maintain as confidential any information which (a) Recipient can show by legally sufficient written evidence was in its possession prior to disclosure by the Broker and/or the Company; or (b) becomes generally available to the public in tangible form other than by acts or omissions of Recipient; or (c) is lawfully obtained from a third party. The Recipient shall not contact the Company to discuss the sale or purchase of the Company or the Information without prior written consent of the Broker.
4. The Recipient hereby indemnifies and holds harmless the Broker, and its agents, representatives, employees and attorneys, from and against any and all claims, liabilities, actions, causes of action and damages, arising from or relating to any injury or loss arising out of, from, or attributed to the transactions or matters subject hereof, or the actions, omissions, wrongful conduct or other breach of this Confidentiality Agreement by Recipient, which indemnification shall include, without limitation, reimbursement of attorney's fees and expenses incurred by the Broker in connection herewith.
5. The Recipient shall not enter into any agreement for the purchase of the Company or its stock or assets unless said agreement contains a provision wherein the parties thereto acknowledge that the Broker is the procuring cause of such agreement and the Broker is entitled to a broker's commission as agreed upon by the Company and the Broker.
6. While the Information is believed to be accurate, it is subject to change, error or withdrawal of offering, without notice. The Company and the Broker expressly disclaim any and all liability for representations or warranties, expressed or implied, contained in the Information, or, for omissions from it. The Company reserves the right to require the return of the Information at any time.
7. A facsimile transmission of this document is legal and binding.
8. The Recipient warrants that the undersigned is a duly authorized by the Recipient to enter into binding legal contracts on its behalf.
9. This Agreement contains the entire agreement between the parties hereto with regard to the subject matter hereof. If one or more of the provisions contained herein shall be held to be invalid, illegal or unenforceable, the balance of this Agreement shall remain in full force and effect. This Agreement shall be binding upon the parties' heirs, successors and assigns, where permitted. This Agreement may not be assigned by the Recipient without the prior written consent of the Broker. No ambiguity herein shall be resolved presumptively against any party. This Agreement shall be construed in accordance with the laws of the State of Texas, and the obligations of the parties are performable in Dallas, County, State of Texas, where venue shall lie for any actions brought hereunder.

RECIPIENT:

Company Name

Street

Signature

City State Zip

Print Name

Phone

Date: _____

Fax