

## **GeckoSystems Expects New Medicare/Medicaid Payments to Increase Personal Robot Demand**

CONYERS, Ga., Aug. 26, 2009 (MARKETWIRE via COMTEX) -- GeckoSystems Intl. Corp. (PINKSHEETS: GCKO) announced today that the new Current Procedural Terminology (CPT) codes recently approved, for physicians only, will further enhance the cost/benefit ratios of personal companion robots for family care. These new CPT codes will increase physician productivity and revenue by billing for activities that have previously been considered unpaid administrative time for non-physical consultations such as telephonic or on-line consumer care using home monitoring medical devices. GeckoSystems is a dynamic leader in the emerging Mobile Service Robot (MSR) industry revolutionizing their development and usage with "Mobile Robot Solutions for Safety, Security and Service(tm)."

"While a home monitoring medical device may be stationary, as in GE/Intel, Philips et al offerings, or on a mobile personal companion robot such as our CareBot(tm), we believe the ability to monitor throughout the home with only one set of robust sensors to be more cost effective than incurring the cost and deficiencies of various fixed sensors with multiple installations per room. Due to the ability of our CareBots to automatically follow the designated care receiver using GeckoNav(tm) and GeckoTrak(tm), GeckoChat(tm) can verbally remind the care receiver of medication events, and enable vital sign taking of the care receiver. This new home medical appliance provides all the benefits of fixed, stationary monitoring systems, but with significant additional benefits such as surrogate companionship and easier video monitoring and conferencing. This, and other desirable benefits such as easy expansion to incorporate more vital sign monitoring subsystems (such as blood sugar and/or blood oxygenation levels), further reduces the total cost of ownership and increases personal robot demand for new home monitoring medical appliances, such as the CareBot," observed Martin Spencer, President/CEO, GeckoSystems.

When it comes to developing devices to help doctors monitor patients' health remotely, we're talking multibillion dollar potential. This professional telehealth market is predicted to grow from \$3 billion in 2009 to \$7.7 billion by 2012. And with the 65-and-older demographic estimated to be more than 71 million people by 2030, telehealth, especially cost effectiveness in the home, promises to be huge.

The substance of this tremendous scope in home telehealth marketplace has been illustrated by significant investments by major international companies such as GE, Intel, Philips, and others. So when GE, the world's 12th-largest company by revenue (\$176.6 billion in 2008) according to Fortune magazine, announced it is joining with the world's largest chip maker, Intel, to develop home-based health technologies, it signaled the continued transformation of an American icon to emerging 21st century marketplaces. The financial commitment by both companies is big -- \$250 million over the next five years -- and so is the market potential.

Philips Healthcare—which restructured and rebranded in 2007—is made up of multiple product sectors, including: Imaging Systems, Clinical Care Systems, Home Healthcare Solutions, Healthcare Informatics and Patient Monitoring and Customer Services. Philips claims that Home Healthcare Solutions is the largest in the market. They compete with the GE/Intel offering.

GE's QuietCare technology is a suite of motion sensors installed in multiple location throughout the home that relay information about the activity of care receivers in a way that allows long-term tracking of their behavior. This can include everything from if and when the person opens their pill collection to indications that they are experiencing erratic movements that may precede a fall. (This can be done more cost effectively by a personal companion robot that can automatically follow the designated care receiver such as GeckoSystems' CareBot.)

What do GE, Intel, Philips, GeckoSystems, and others know? ...that these new billing codes are beneficial for the care receiver and the physician while increasing their potential market size. The new CPT On-Line Service Codes allow payments to the physician such that a consumer can e-mail messages to a physician and/or they can receive payment for their review of medical information sent via a "home monitoring medical device."

"The new Medicare/Medicaid payments for physicians' usage of home monitoring medical devices will cover multitasking, upgradeable personal companion robots such as the CareBot due to the cost effective, robust, and efficient coverage readily available with minimum modifications to the home itself other than the comparatively simple installation of WiFi coverage. These new economic realities improve the value proposition of our mobile robot solutions for this marketplace, enhance the present pent up demand, and increase ROI for our stockholders," concluded Spencer.

#### **More CPT Info:**

For in-depth information regarding the new CPT codes—and for suggested steps to utilize these new billable service codes— please read the online article, "How to Maximize the Value of New CPT Codes: What to Do to Take Advantage of These New Billable Services for Physicians," from the June 2009 issue of "OPEN MINDS" at [www.OpenMinds.com](http://www.OpenMinds.com)

#### **About GeckoSystems International Corporation:**

Since 1997, GeckoSystems has developed a comprehensive, coherent, and sufficient suite of hardware and software inventions to enable a new type of home appliance (a personal robot) the CareBot(tm), to be created for the mass consumer marketplace. The suite of primary inventions includes: GeckoNav(tm), GeckoChat(tm) and GeckoTrak(tm).

The primary market for this product is the family for use in eldercare, care for the chronically ill, and childcare. The primary distribution channel for this new home appliance is the thousands of independent personal computer retailers in the U.S. The manufacturing infrastructure for this new product category of mobile service robots is essentially the same as the personal computer industry. Several outside contract manufacturers have been identified and qualified their ability to produce up to 1,000 CareBots per month within four to six months.

The Company is market driven. At the time of founding, nearly 12 years ago, the Company did extensive primary market research to determine the demographic profile of the early adopters of the then proposed product line. Subsequent to, and based on that original market research, they have assembled numerous focus groups to evaluate the fit of the CareBot personal robot into the participant's lives and their expected usage. The Company has also frequently employed the Delphi market research methodology by contacting senior executives, practitioners, and researchers knowledgeable in the area of elder care. Using this factual basis of internally performed primary and secondary market research, and third party research is the factual basis for the Company's sales forecasts.

The Company's "mobile robot solutions for safety, security and service(tm)" are appropriate not only for the consumer, but also professional healthcare, commercial security and defense markets. Professional healthcare require cost effective, timely errand running, portable telemedicine, etc. Homeland Security requires cost effective mobile robots to patrol and monitor public venues for community assistance, crowd control, weapon detection, etc. Military users desire the elimination of the "man in the loop" to enable unmanned ground and air vehicles to not require constant human control and/or intervention.

The Company's business model is very much like that of an automobile manufacturer. Due to the final assembly, test, and shipping being done based on geographic and logistic realities; strategic business-to-business relationships can range from private labeling to joint manufacturing and distribution to licensing

only.

Several dozen patent opportunities exist for the Company due to the many innovative and cost effective breakthroughs embodied not only in GeckoNav, GeckoChat, and GeckoTrak, but also in additional, secondary systems that include: GeckoOrient(tm), GeckoMotorController(tm), the GeckoTactileShroud(tm), the CompoundedSensorArray(tm), and the GeckoSPIO(tm).

The present senior management at GeckoSystems has over thirty-five years experience in consumer electronics sales and marketing and product development. Senior managers have been identified for the areas of manufacturing, marketing, sales, and finance.

While GeckoSystems has been in the Development Stage, the Company has accumulated losses to date in excess of six million dollars. In contrast, the Japanese government has spent one hundred million dollars in grants (to Sanyo, Toshiba, Hitachi, Fujitsu, NEC, etc.) over the same time period to develop personal robots for their eldercare crisis, yet no viable solutions have been developed.

By the end of this year, the Company plans to complete productization of its CareBot offering with the introduction of its fourth generation personal robot, the CareBot 4.0 MSR. The Company expects to be the first personal robot developer and manufacturer in the world to begin in home eldercare evaluation trials.

### **What Does a CareBot Do for the Care Giver?**

The short answer is that it decreases the difficulty and stress for the caregiver that needs to watch over Grandma, Mom, or other family members most, if not much, of the time day in and day out due to concerns about their well being, safety, and security.

But, first let's look at some other labor saving, *automatic* home appliances most of us use routinely. For example, needing to do two or more necessary chores and/or activities at the same time, like laundering clothes and preparing supper.

The *automatic* washing machine needs no human intervention after the dirty clothes are placed in the washer, the laundry powder poured in, and the desired wash cycle set. Then, this labor saving appliance runs *automatically* until the washed clothes are ready to be placed in another labor saving home appliance, the *automatic* clothes dryer. While the clothes are being washed and/or dried, the caregiver prepares supper using several time saving home appliances like the microwave oven, "crock" pot, blender, and conventional stove, with possible convection oven capabilities.

After supper, the dirty pots, pans, and dishes are placed in the *automatic* dishwasher to be washed and dried while the family retires to the den to watch TV, and/or the kids to do homework. Later, perhaps after the kids have gone to bed, the caregiver may then have the time to fold, sort, and put up the now freshly laundered clothes.

So what does a CareBot do for the caregiver? It is a new type of labor saving, time management *automatic* home appliance.

For example, the care giver frequently feels time stress when they need to go shopping for 2 or 3 hours, and are uncomfortable when they have to be away for more than an hour or so. Time stress is much worse for the caregiver with a frail elderly parent that must be reminded to take medications at certain times of the day. How can the caregiver be away for 3-4 hours when Grandma must take her prescribed medication every 2 or 3 hours? If the caregiver is trapped in traffic for an hour or two beyond the 2 or 3 they expected to be gone, this "time stress" can be very difficult for the caregiver to moderate.

Not infrequently, the primary caregiver has a 24 hour, 7 days a week responsibility. After weeks and weeks of this sometimes tedious, if not onerous routine, how does the caregiver get a “day off?” To bring in an outsider is expensive (easily \$75-125 per day for just 8 hours) and there is the concern that medication will be missed or the care receiver have an accident requiring immediate assistance by the caregiver, or someone they must designate. And the care receiver may be very resistant to a “stranger” coming in to her home and “running things.”

So what is it worth for a care receiver to have an *automatic* system to help take care of Grandma? Just 3 or 4 days a month “off” on a daylong shopping trip, a visit with friends, or just take in a movie would cost \$225-500 per month. And that scenario assumes that Grandma is willing to be taken care of by a “stranger” during those needed and appropriate days off.

So perhaps, an *automatic* caregiver, a CareBot, might be pretty handy, and potentially very cost effective from the primary caregiver’s perspective.

### **What Does a CareBot Do for the Care Receiver?**

It’s a new kind of companion that always stays close to them enabling family and friends to care for them from afar. It tells them jokes, retells family anecdotes, reminds them to take medication, reminds them that family is coming over soon (or not at all), recites Bible verses, plays favorite songs and/or other music. It alerts them when unexpected visitors, or intruders are present. It notifies designated caregivers when a potentially harmful event has occurred, such as a fall, fire in the home, or simply been not found by the CareBot for too long. It responds to calls for help and notifies those that the caregiver determined should be immediately notified when any predetermined adverse event occurs.

The family can customize the personality of the CareBot. The voice’s cadence can be fast or slow. The intonation can be breathy, or abrupt. The voice’s volume can range from very loud to very soft. The response phrases from the CareBot for recognized words and phrases can be colloquial and/or unique to the family’s own heritage. The personality can range from brassy to timid depending on how the care giver, and others appropriate, chooses it to be.

Generally, the care receiver is pleased at the prospect of family being able to drop in for a “virtual visit” using the onboard webcam and video monitor for at home “video conferencing.” The care receiver may feel much more needed and appreciated when their far flung family and friends can “look in” on them anywhere in the world where they can get broadband internet access and simply chat for a bit.

Why is Grandma really interested in a CareBot? She wants to stay in her home, or her family’s home, as long as she possibly can. What’s that worth? Priceless. Or, an average nursing home is \$5,000 per month for an environment that is too often the beginning of a spiral downward in the care receiver’s health. That’s probably \$2-3K more per month for them to be placed where they really don’t want to be. Financial payback on a CareBot? *Less than a year-* Emotional payback for the family to have this new *automatic* care giver? *Nearly instantaneous-*

### **Safe Harbor:**

Statements regarding financial matters in this press release other than historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and as that term is defined in the Private Securities Litigation Reform Act of 1995. The Company intends that such statements about the Company's future expectations, including future revenues and earnings, technology efficacy and all other forward-looking statements be subject to the Safe Harbors created thereby. The Company is a development stage firm that continues to be dependent upon outside capital to sustain its existence. Since these statements (future operational

results and sales) involve risks and uncertainties and are subject to change at any time, the Company's actual results may differ materially from expected results.

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