

DHG

DIXON HUGHES GOODMAN LLP

ACG Global
August 2017



DHG Healthcare Overview



300+
DEDICATED HEALTHCARE
PROFESSIONALS



A NATIONAL FOOTPRINT



9th
LARGEST

PRIVATELY-HELD HEALTHCARE
CONSULTING FIRM
RANKED BY
MODERN HEALTHCARE



50+
PARTNERS/PRINCIPALS/
DIRECTORS

Comprehensive Due Diligence for Healthcare M&A

- Financial Due Diligence (Quality of Earnings, Quality of Revenue)
- Tax Due Diligence
- Billing & Coding Review
- Revenue Cycle Assessments
- Compliance Assessments
- IT Diligence
- Data Analytics

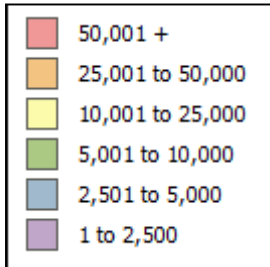
Agenda

- Understanding the Market
 - + Knowing the Competition
 - + Evaluating the Bed Need
 - + Determining the Payor Landscape
- Identifying Growth Opportunities
- Understanding Risk Capability / Position
- Learning about Provider Alignment / Medical Groups / Networks



Understanding the Market

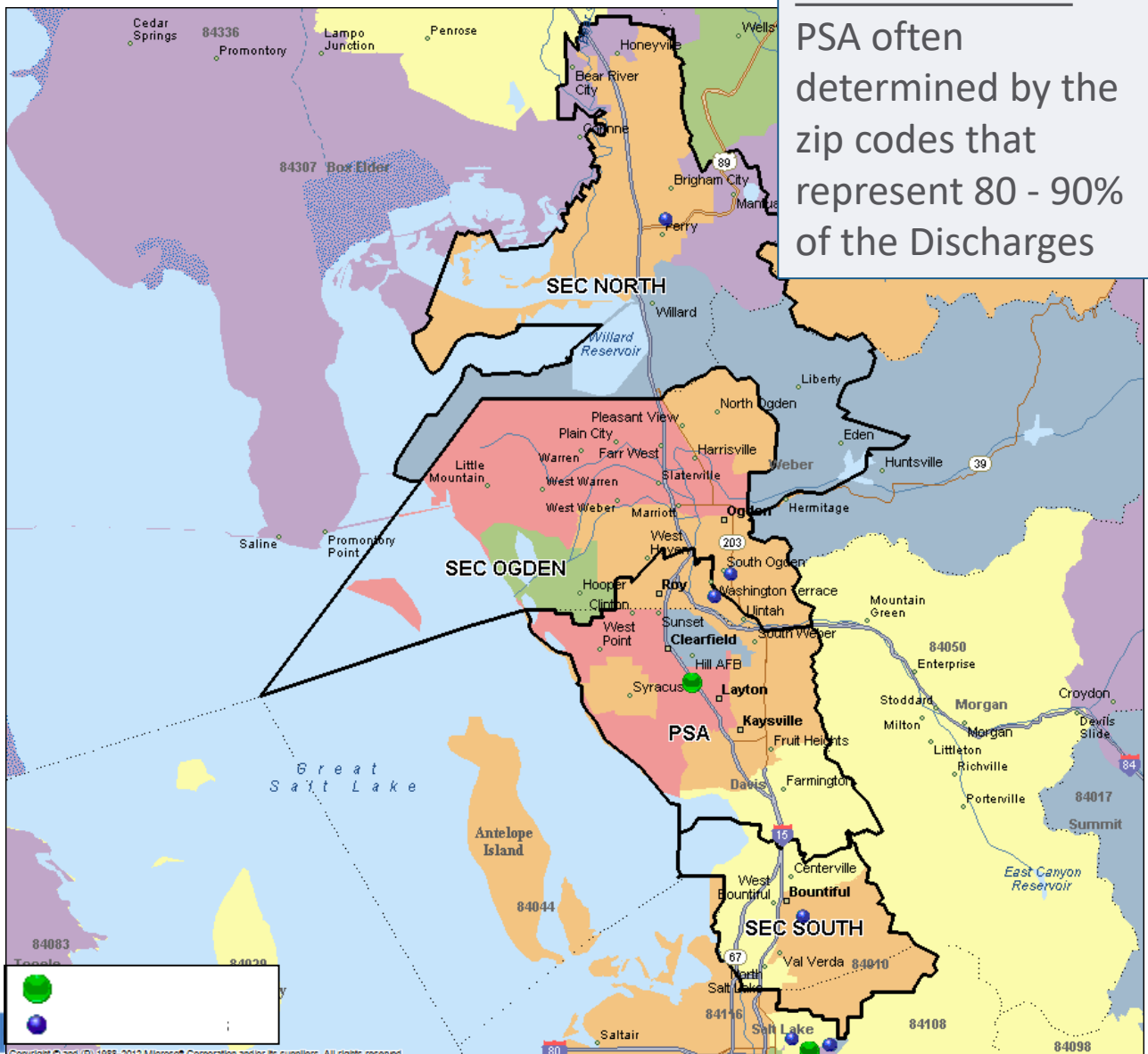
Population by zip code



	Pop 2017
PSA	311,163
SEC NORTH	35,161
SEC OGDEN	176,278
SEC SOUTH	99,230
Combined	621,832

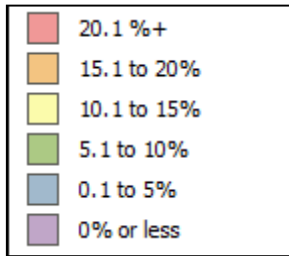
DHG Comment: Market attractiveness includes a focus on population (how big), growth (how fast), and age mix (payer and service implications).

DHG Comment: PSA often determined by the zip codes that represent 80 - 90% of the Discharges

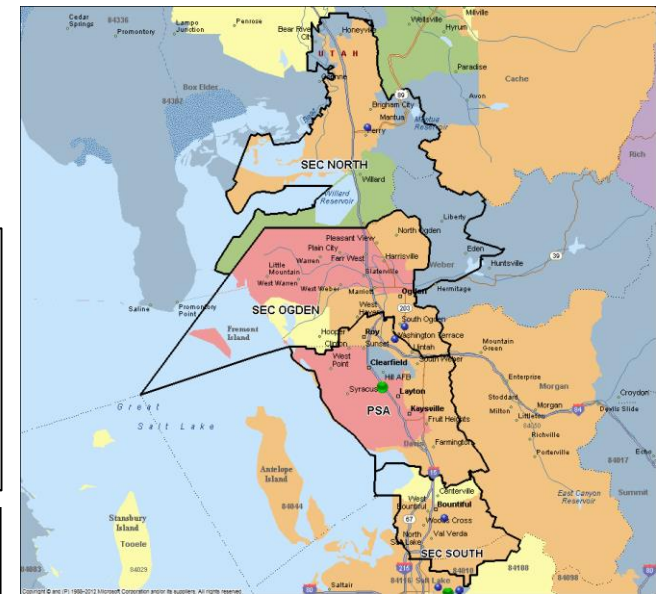
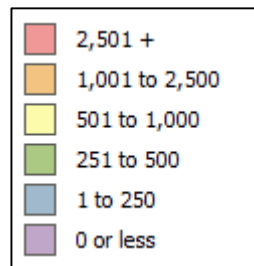


Demographics Source: Nielsen 2017-2022

% Growth by zip code



Net Growth 2017-2022



Demographics Source: Nielsen 2017-2022

	Primary	State of AL	USA
Population 2017	336,143		
Population 2022	339,300		
Net Growth 2017-2022	3,157		
% Growth 2017-2022	0.94%	1.70%	3.77%
Average Median Age 2022	41	40	39
2022	\$45,052	\$48,225	\$61,642
Population Under 65 2017	274,802		
Population Under 65 2022	270,436		
Net Growth Under 65 2017-2022	-4,366		
% Growth Under 65 2017-2022	-1.59%	-0.95%	1.26%
Population 65+ 2017	61,341		
Population 65+ 2022	68,864		
Net Growth 65+ 2017-2022	7,523		
% Growth 65+ 2017-2022	12.26%	15.19%	17.50%
% CAGR Total Population	0.19%	0.34%	0.74%
% CAGR <65	-0.32%	-0.19%	0.25%
% CAGR 65+	2.34%	2.87%	3.28%

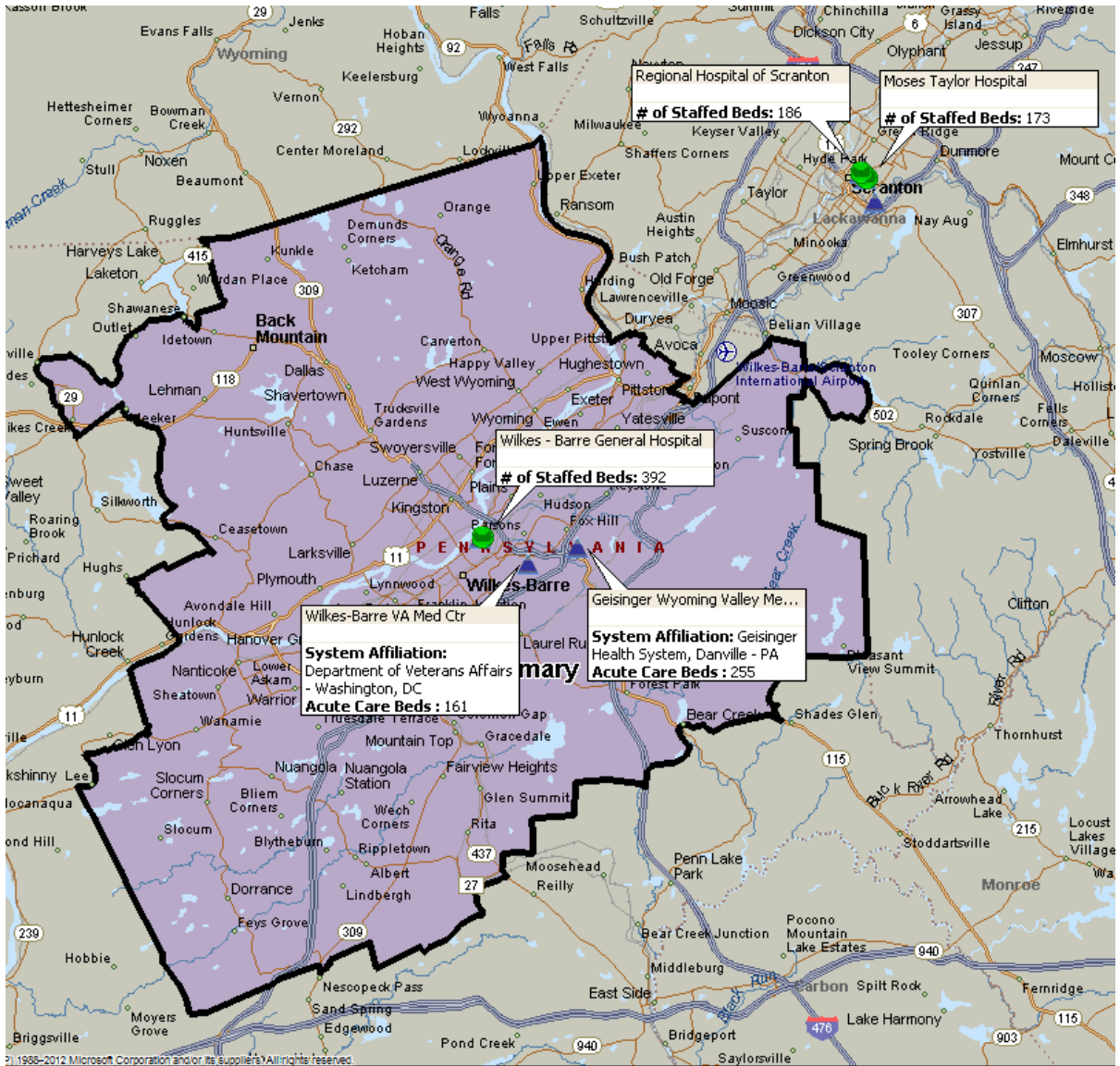
Demographics Source: Nielsen 2017-2022

	Pop 2017	Pop 2022	% Growth 2017-2022	Net Growth 2017-2022	% CAGR
Age 00-14	62,592	60,891	-2.72%	-1,701	-0.5%
Age 15-24	41,952	43,359	3.35%	1,407	0.7%
Age 25-34	41,915	41,477	-1.04%	-438	-0.2%
Age 35-44	40,674	40,497	-0.44%	-177	-0.1%
Age 45-54	43,250	40,683	-5.94%	-2,567	-1.2%
Age 55-64	44,419	43,529	-2.00%	-890	-0.4%
Age 65-74	36,216	42,072	16.17%	5,856	3.0%
Age 75-84	18,276	19,214	5.13%	938	1.0%
Age 85+	6,849	7,578	10.64%	729	2.0%
Total	336,143	339,300	0.94%	3,157	0.2%
Age 0-17	75,758	74,362	-1.84%	-1,396	-0.4%
Age 18-64	199,044	196,074	-1.49%	-2,970	-0.3%
Age 65+	61,341	68,864	12.26%	7,523	2.3%

Demographics Source: Nielsen 2017-2022

Competitive Landscape – Acute Care Hospitals

DHG Comment:
Competitor landscape allows you to see providers by size across the surrounding geographies



Hospital of Interest

Acute Care

Hospital Info Source: AHD, Definitive Healthcare, Cost Reports, DHG Market Research

Service Area Market Providers

Facility Name	City	System Affiliation	Other Affiliation	Type of Facility	Service Area	Acute Care Beds	Acute Care Occupancy Rate	Acute Care ADC	Rehab Beds	Rehab Occupancy Rate	Rehab ADC	SNF Beds	Long Term Care Beds	FY End Date
Baptist Hospital	Pensacola	Baptist Health Care, Pensacola - FL		Acute Care	Pensacola	450	40.0%	179.9				0		9/30/2013
Gulf Breeze Hospital	Gulf Breeze	Baptist Health Care, Pensacola - FL		Acute Care	Pensacola	68	60.6%	41.2				0		9/30/2013
Jay Hospital	Jay	Baptist Health Care, Pensacola - FL		Acute Care	Pensacola	49	12.0%	5.9				0		9/30/2013
Sacred Heart Hospital	Pensacola	Ascension Health, Saint Louis, MO	Sacred Heart Health System - Pensacola, FL	Acute Care	Pensacola	466	72.5%	337.7				0		6/30/2013
Santa Rosa Medical Center	Milton	Community Health Systems, Inc - Franklin, TN		Acute Care	Pensacola	129	33.3%	42.9				0		5/31/2013
West Florida Hospital	Pensacola	HCA, Nashville - TN		Acute Care/Rehab	Pensacola	400	33.6%	134.4	58	33.8%	19.6	0		5/31/2013
Select Specialty Hospital - Pensacola	Pensacola	Select Medical Corporation - Mechanicsburg, PA		Long Term	Pensacola							0	54	9/30/2013
Fort Walton Beach Medical Center	Fort Walton Beach	HCA, Nashville - TN		Acute Care	Ft Walton-Destin	189	62.6%	118.4				0		5/31/2013
Twin Cities Hospital	Niceville	HCA, Nashville - TN		Acute Care	Ft Walton-Destin	59	31.4%	18.5				0		5/31/2013
Healthmark Regional Medical Center	Defuniak Springs			Acute Care	Ft Walton-Destin	50	19.4%	9.7				0		9/30/2013
North Okaloosa Medical Center	Crestview	Community Health Systems, Inc - Franklin, TN		Acute Care	Ft Walton-Destin	110	54.5%	59.9				0		3/31/2014
Sacred Heart Hospital on the Emerald Coast	Miramar Beach	Ascension Health, Saint Louis, MO	Sacred Heart Health System - Pensacola, FL	Acute Care	Ft Walton-Destin	58	71.7%	41.6				0		6/30/2013
The Rehabilitation Institute of Northwest Florida	Destin	HCA, Nashville - TN		Rehab Hsp	Ft Walton-Destin				20	59.5%	11.9			5/31/2013
Bay Medical Center	Panama City	Ascension Health, Saint Louis, MO	Sacred Heart Health System - Pensacola, FL	Acute Care	Panama City	323	58.9%	190.3				0		12/31/2013
Sacred Heart Hospital on the Gulf	Port Saint Joe	Ascension Health, Saint Louis, MO	Sacred Heart Health System - Pensacola, FL	Acute Care	Panama City	19	24.2%	4.6				0		6/30/2013
Calhoun-Liberty Hospital	Blountstown			Acute Care	Panama City	15	104.7%	15.7				0		12/31/2013
Doctors Memorial Hospital	Bonifay			Acute Care	Panama City	20	44.0%	8.8				0		9/30/2013
Gulf Coast Medical Center	Panama City	HCA, Nashville - TN		Acute Care	Panama City	196	65.1%	127.5				0		1/31/2014
Northwest Florida Community Hospital	Chipley			Acute Care	Panama City	25	26.4%	6.6				34		9/30/2013
HealthSouth Emerald Coast Rehabilitation Hospital	Panama City	HealthSouth Corporation, Birmingham - AL		HealthSouth	Panama City				75	73.1%	54.8	0		12/31/2013
Select Specialty Hospital - Panama City	Panama City	Select Medical Corporation - Mechanicsburg, PA		Long Term	Panama City							0	30	7/31/2013
George E. Weems Memorial Hospital	Apalachicola			Acute Care	Port St Joe-Apalachicola	25	7.6%	1.9				0		9/30/2013
Sacred Heart Hospital on the Gulf	Port Saint Joe	Ascension Health, Saint Louis, MO	Sacred Heart Health System - Pensacola, FL	Acute Care	Port St Joe-Apalachicola	19	24.2%	4.6				0		6/30/2013

DHG Comment:
Competitor inventory tells the story of scale, networks and strong/weak competitors.

Pensacola Totals	1562	742.0	58	19.6	0	54
Ft Walton-Destin Totals	466	248.1	20	11.9	0	0
Panama City Totals	598	353.5	75	54.8	34	30
Port St Joe-Apalachicola Totals	44	6.5	0	0	0	0

Hospital Info Source: AHD, Definitive Healthcare, Cost Reports, DHG Market Research

Bed Need Analysis

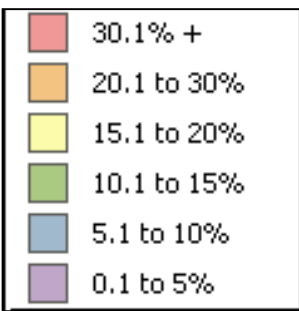
DHG Comment:
Evaluating the market Bed Demand helps identify the service areas grow potential, opportunity and risk of competitor expansion

	PSA Population	Acute Care Use Rate per 1000	ALOS per Admit	Total Days of Care	Average Daily Census	Estimated Occupancy Rate	PSA Bed Need	Market Share	PSA Bed Need	In-Migration ^{^^} to PSA
	<u>Estimate</u>	<u>per 1000</u>	<u>Admit</u>	<u>of Care</u>	<u>Census</u>	<u>Rate</u>	<u>Need</u>	<u>Share</u>	<u>Bed Need</u>	<u>Tot M/S Bed Need</u>
Baseline	75,275	75.48	4.00	22,738	62.3	46.7%	133	20.0%	27	29
Adjusted for ALOS	75,275	75.48	3.50	19,887	54.5	46.7%	117	20.0%	23	26
Baseline Projection 2019**	82,803	75.48	4.00	25,001	68	46.7%	147	20.0%	29	32
ALOS Change (-0.5%)	82,803	75.48	3.50	21,876	60	46.7%	128	20.0%	26	28
% Occupancy Changes (-6.7%)	82,803	75.48	3.50	21,876	60	40.0%	150	20.0%	30	33
Mkt Share Change (+5%)	82,803	75.48	3.50	21,876	60	40.0%	150	25.0%	37	41
In-Migration-Change to 15%	82,803	75.48	3.50	21,876	60	40.0%	150	25.0%	37	43
Use Rate Change (+5%)	82,803	80.48	3.50	23,324	64	40.0%	160	25.0%	40	46
Population Change (Only +5% over baseline)	79,039	80.48	3.50	22,264	61	40.0%	152	25.0%	38	44
All Max	82,803	80.48	4.00	26,656	73	40.0%	183	25.0%	46	52

Numbers in Red indicate change in assumption from the baseline. Primary Service Area
 Population from Truven
 Data for ALOS, Market Share, use rate & in-migration taken from State Data (2012-13)
 Baseline 2012 - Includes PSA admits to all hospitals except Newborn, Behavioral, Substance Abuse & Rehab Occup.
 ** Baseline Projection 2019 assumes population change only.
 ^^In-Migration - estimate only

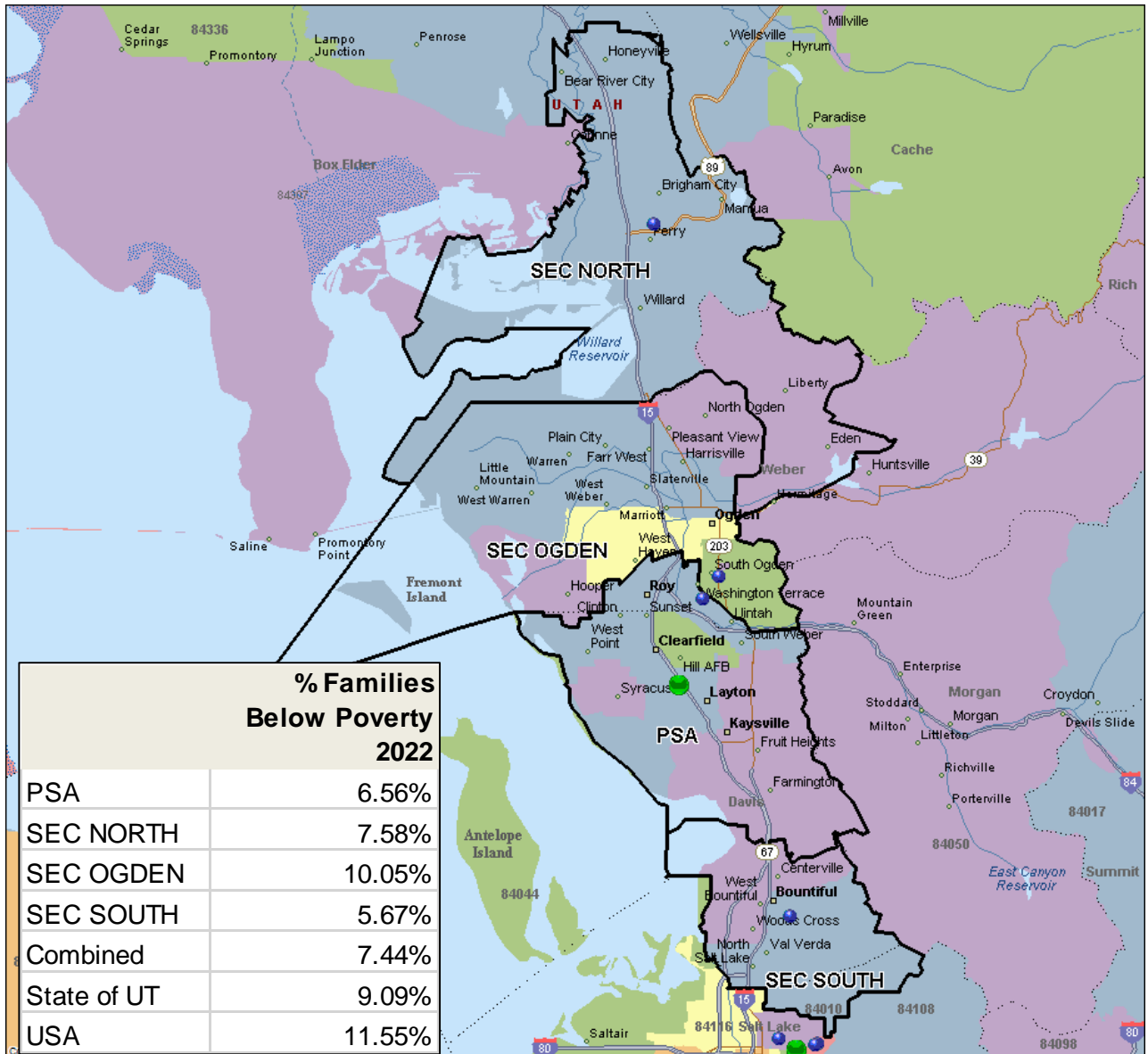
% of Families Below Poverty Level - 2022

% Families Below Poverty Level



*Note: USA poverty level guidelines for a Household in 2013 for 4 persons \$23,550 and 5 persons \$27,570.
Source: US Dept of Health and Human Services

DHG Comment:
Indicators of weak payer areas are important to identify.



% Families Below Poverty 2022	
PSA	6.56%
SEC NORTH	7.58%
SEC OGDEN	10.05%
SEC SOUTH	5.67%
Combined	7.44%
State of UT	9.09%
USA	11.55%

Payor Mix – Example Hospital

Payor	Net Patient Revenue	% of Total Charges	% of Total Charges	Discharges	% of Total Discharges	Days	% of Total Days	
Medicare	\$18,013,224	10%	\$79,137,045	19%	1,168	20%	4,053	21%
Medicaid	\$8,882,508	5%	\$36,792,066	9%	158	3%	842	4%
Private/Self Pay/Other	\$154,006,070	85%	\$293,641,898	72%	4,467	77%	14,171	74%
Total	\$180,901,802	100%	\$409,571,009	100%	5,793	100%	19,066	100%

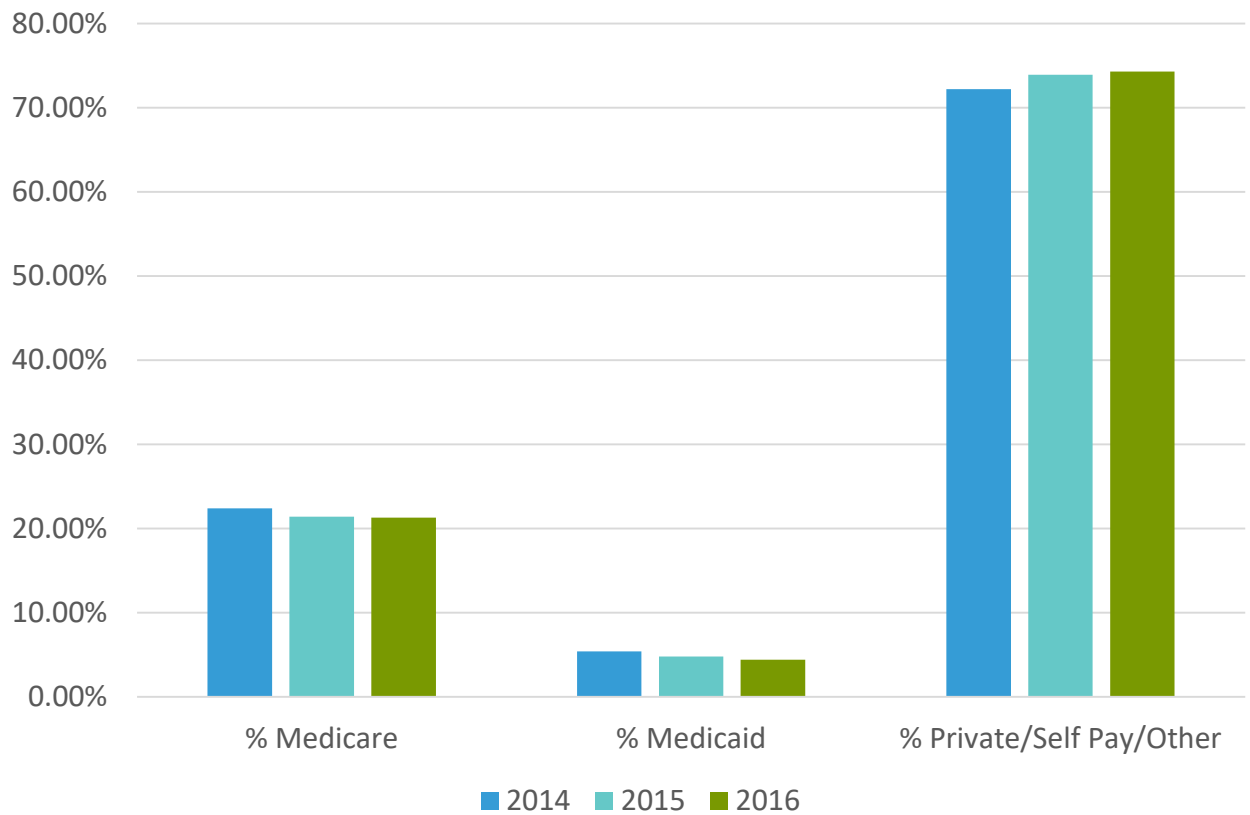


Table Metrics per most recently filed Cost Report



Identifying Growth Opportunities

Competitive Position: Market Share & Volume for Service Area

Volume	Volume				Market Share			
	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→
Hospital 5	360	365	464	↑	6.3%	5.8%	6.4%	↑
All Other Hospitals	831	939	1079	↑	14.6%	15.0%	14.9%	↑

All Other < 5%

Inpatient Discharge Data per State All Payer Database, if available; or Medicare if not available.

Service Line Position: 5 Top Providers by 2015 Volume

General Medicine		Volume				Market Share			
Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016	
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓	
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑	
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑	
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑	
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→	

CV Disease		Volume				Market Share			
Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016	
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓	
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑	
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑	
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑	
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→	

Pulmonary		Volume				Market Share			
Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016	
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓	
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑	
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑	
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑	
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→	

All Other < 5%

Service Line Position: 5 Top Providers by 2015 Volume

General Medicine		Volume				Market Share			
Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016	
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓	
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑	
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑	
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑	
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→	

CV Disease		Volume				Market Share			
Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016	
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓	
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑	
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑	
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑	
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→	

Pulmonary		Volume				Market Share			
Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016	Trend 2014 to 2016	
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓	
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑	
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑	
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑	
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→	

All Other < 5%

Service Line Position: 5 Top Providers by 2015 Volume

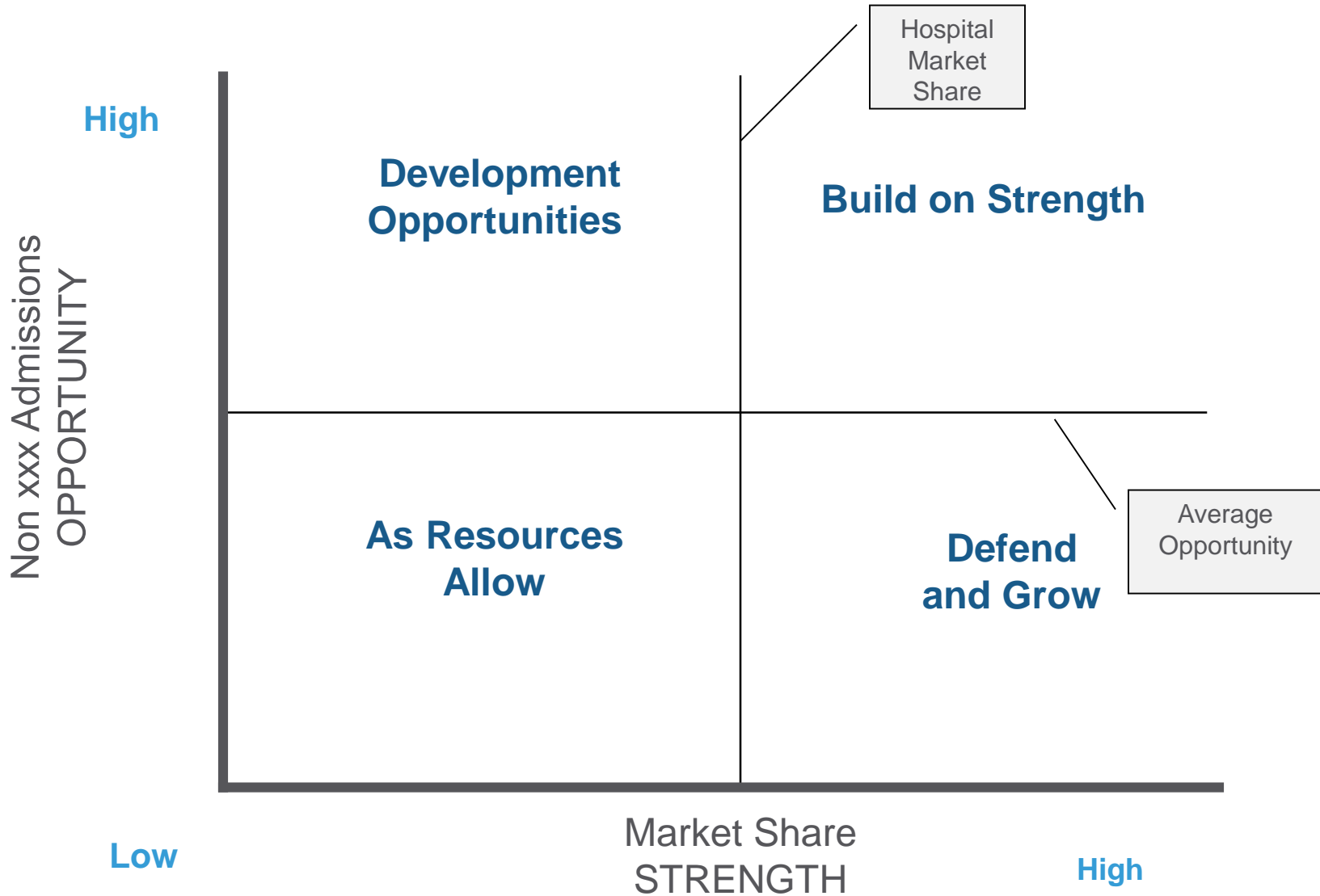
General Surgery	Volume				Market Share			
	Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→

Card/Vas/Thor Surgery	Volume				Market Share			
	Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→

Ortho	Volume				Market Share			
	Volume	2014	2015	2016	Trend 2014 to 2016	2014	2015	2016
Hospital 1	1478	1527	1767	↑	26.0%	24.4%	24.4%	↓
Hospital 2	56	67	81	↑	1.0%	1.1%	1.1%	↑
Hospital 3	11	14	18	↑	0.2%	0.2%	0.3%	↑
Hospital 4	1975	2203	2609	↑	34.8%	35.2%	36.0%	↑
Hospital 5	967	1144	1235	↑	17.0%	18.3%	17.0%	→

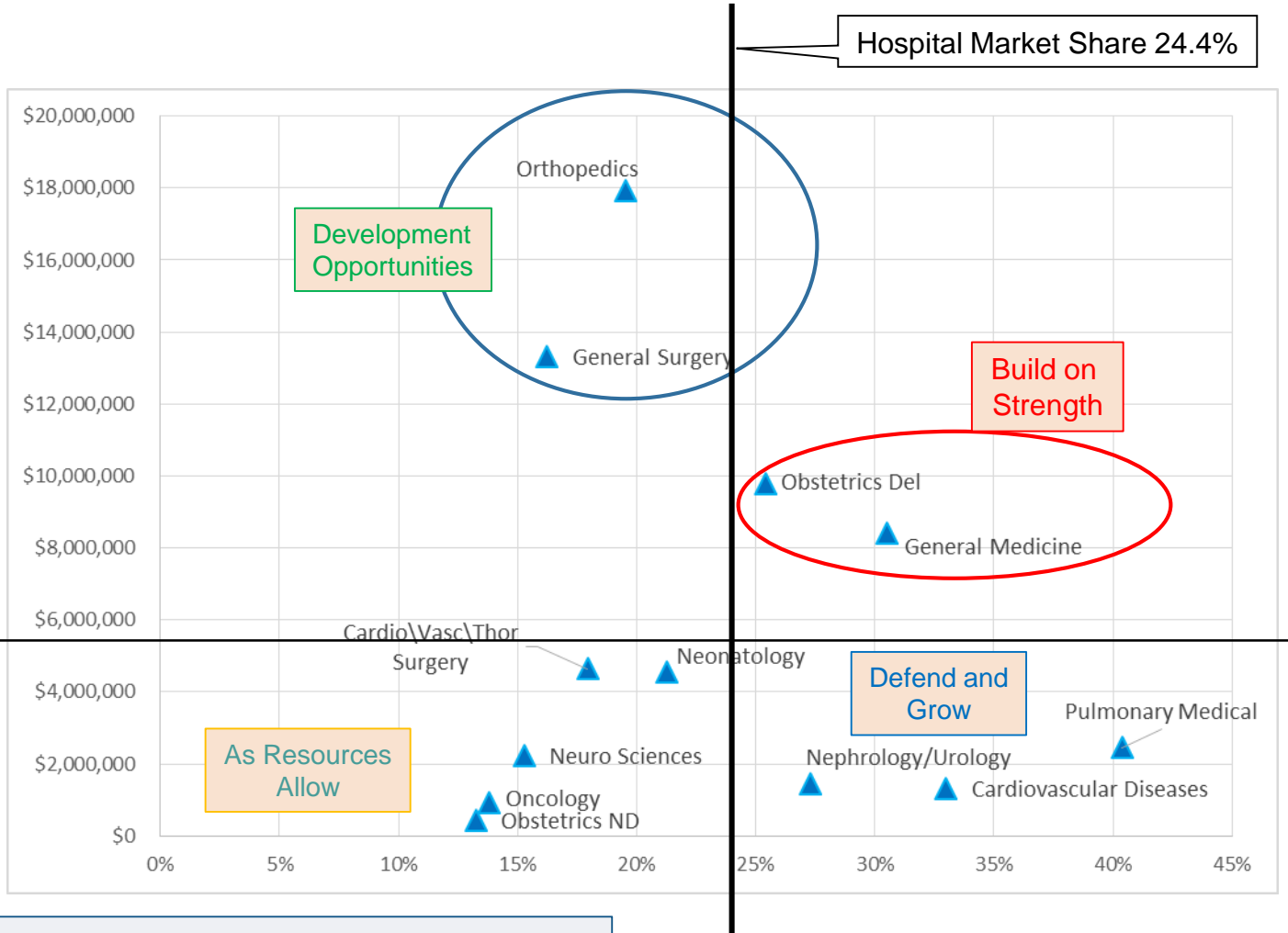
All Other < 5%

Emerging Service Line Strategy



Emerging Service Line Strategy

Opportunity = Non Client x Avg CM Per Case



DHG Comment:
Service line data can paint a picture of market position as well as likely emerging growth strategies.

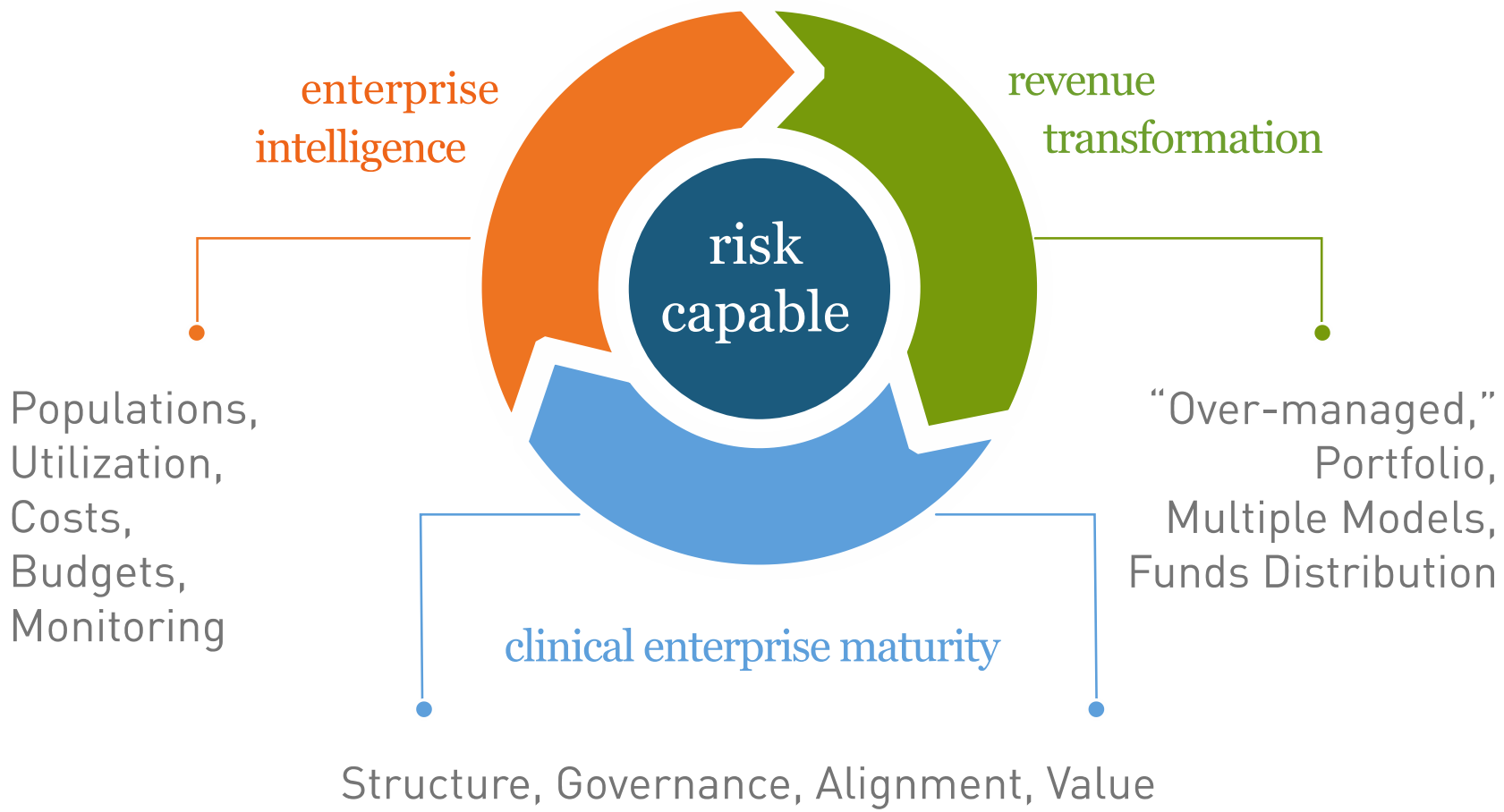
Market Share = Strength

Inpatient Discharge Data per State All Payer Database, if available; or Medicare if not available. CM provided by hospital.



Understanding Risk Capability / Position

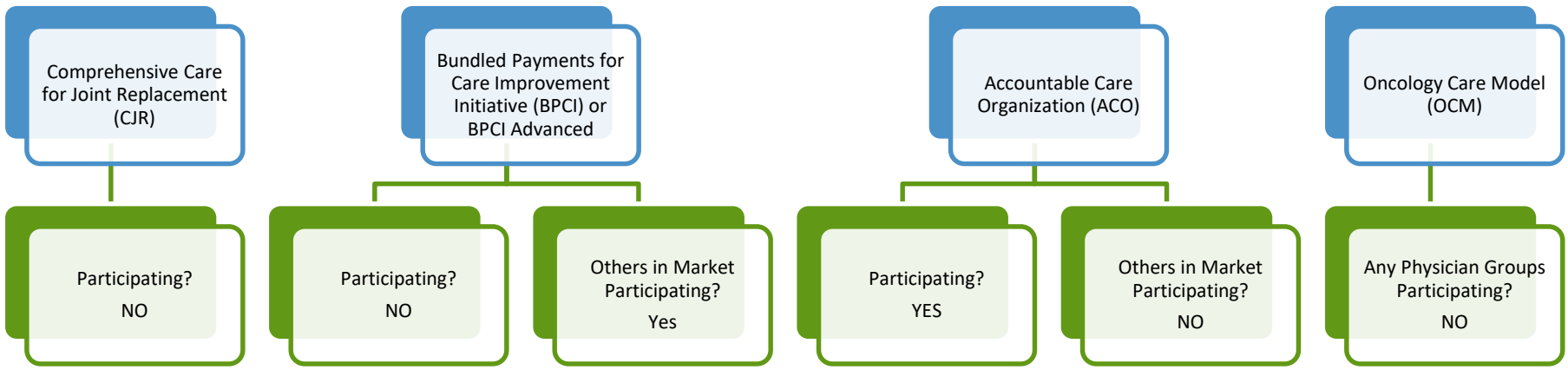
Risk Capability



Healthcare organizations stand at a tipping point where the strategy, tactics and access to actionable data will profoundly impact their opportunity for success in the years to come

Alternative Payment Models – Market Activity – by MSA

Example, MSA:



CMS Analytics – Critical to Risk Capability

CORE COMPETENCIES

PROGRAM COMPETENCIES



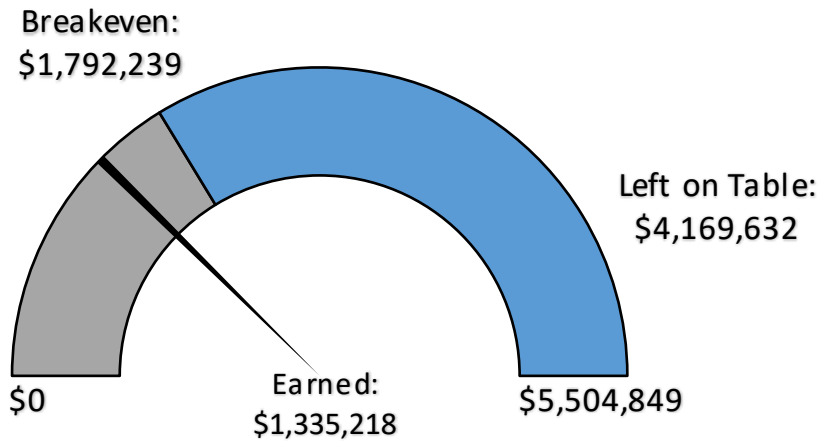
PERFORMANCE	POST-ACUTE	EPISODIC	PROGRAM SPECIFIC	
Readmissions	SNF Performance	EPM Readiness	Mandatory	CJR
HACS	Home Health	BPCI Readiness		
MACRA		Episodic Spend & Variation	Voluntary	BPCI OCM ACO EPM
VBP/MSPB				

RESOURCES

QNET Analytics CMS Analytics	Post-Acute Scorecards Definitive Assessments	EPM Analytics BPCI Analytics “Super Bundler”	Monthly/Quarterly Dashboarding National Episodic Benchmarks
---------------------------------	---	--	---

Example Health System – VBP FY 2017 Performance

VBP FY'17 Total Performance

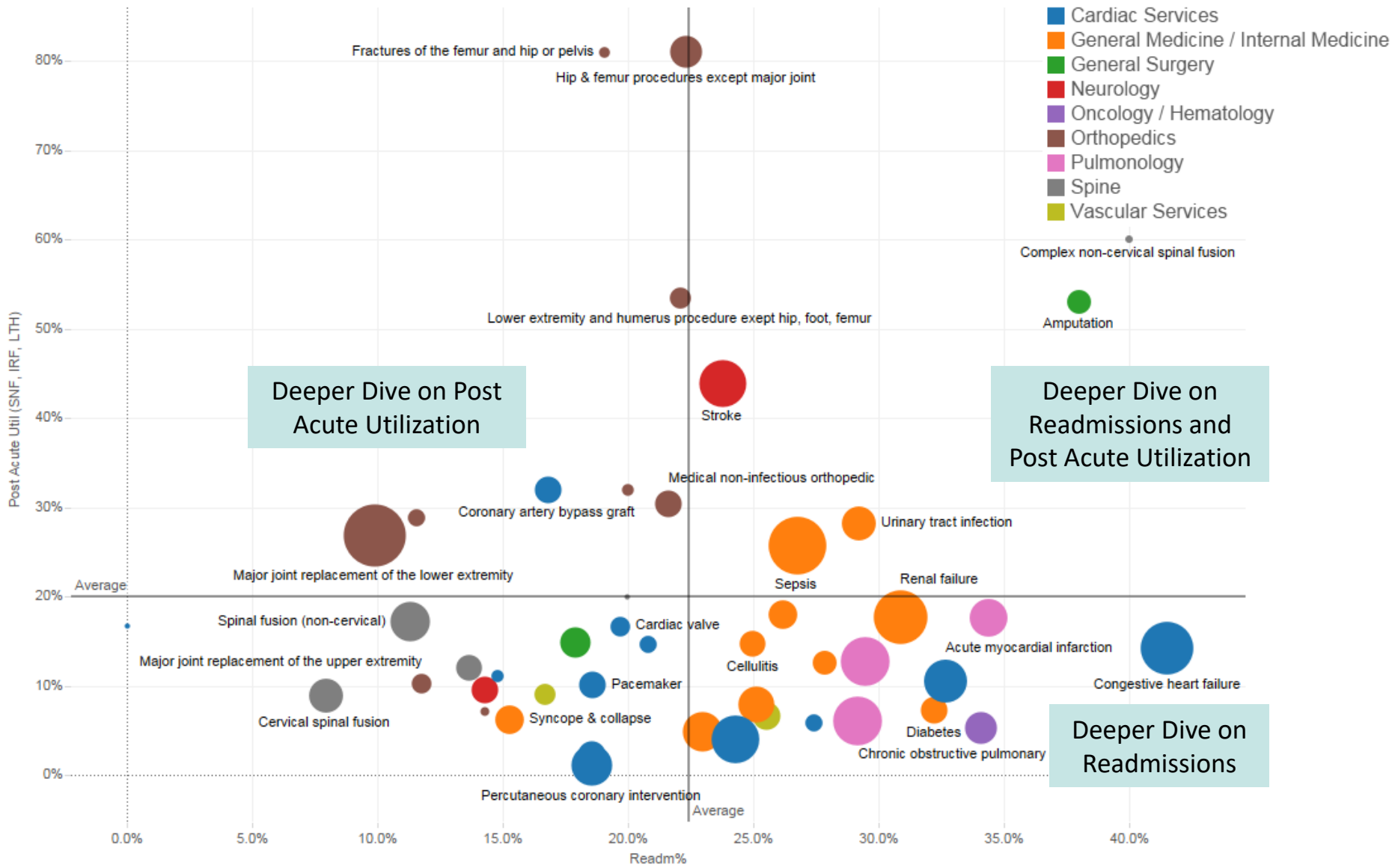


VBP FY'17 Total Performance					
	Earned Back	Unearned	Available \$\$	% Earned	Bonus / (Penalty)
System	\$ 1,335,218	\$ 4,169,632	\$ 5,504,849	24.26%	\$ (457,022)

Total Score	State Average	National Average	National Δ
24.26	33.26	35.56	(11.31)

Source: VBP scores and adjustment factors per Hospital Compare. DHG applied adjustment factor to Medicare DRG payments per most recently filed cost report.

Post Acute Utilization vs Readmission Rates– Example Client



Deeper Dive on Post Acute Utilization

Deeper Dive on Readmissions and Post Acute Utilization

Deeper Dive on Readmissions

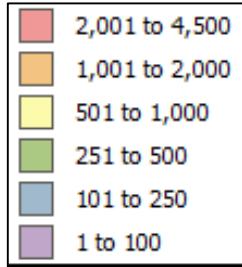


Learning about Provider Alignment / Networks

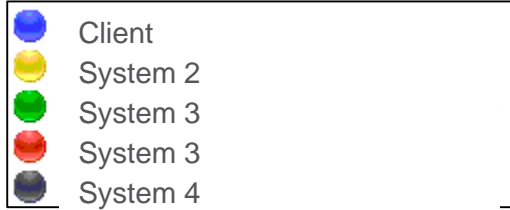
Opportunity – Non-Client Cases by Zip (2Q 2014-1Q 2015)

General/Family and Internal Medicine Physicians

NON Client Cases by Zip Code

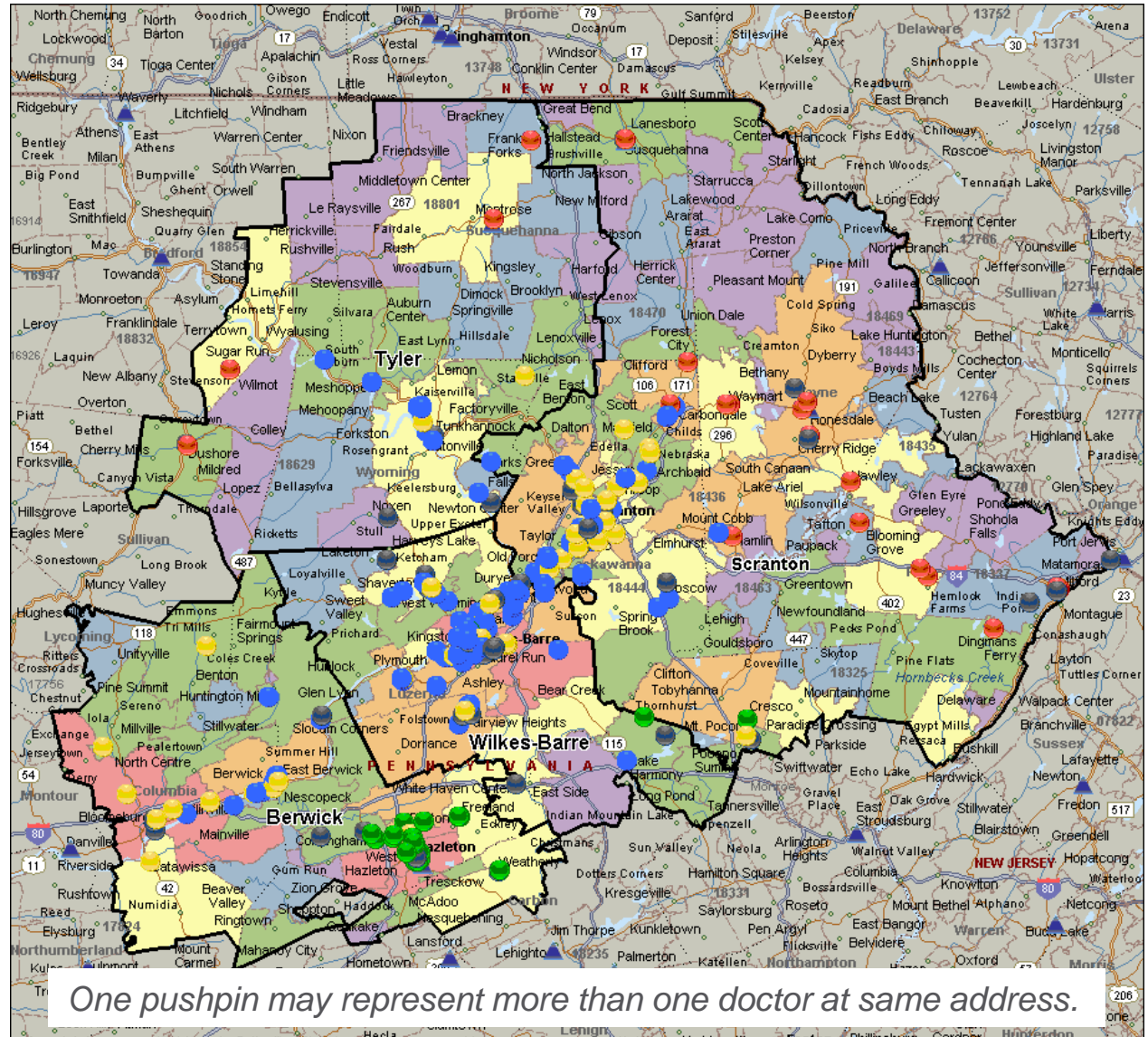


Medicare Network Affiliation (Gen/Fam & IM Physicians)



Primary Network Affiliation - Medicare Claims Based	All Service Areas	
	Count	% of Total (Down)
Client	164	38%
System 2	120	27%
System 3	27	6%
System 3	37	8%
System 4	89	20%
Total	437	100%

▲ Acute Care Hospital

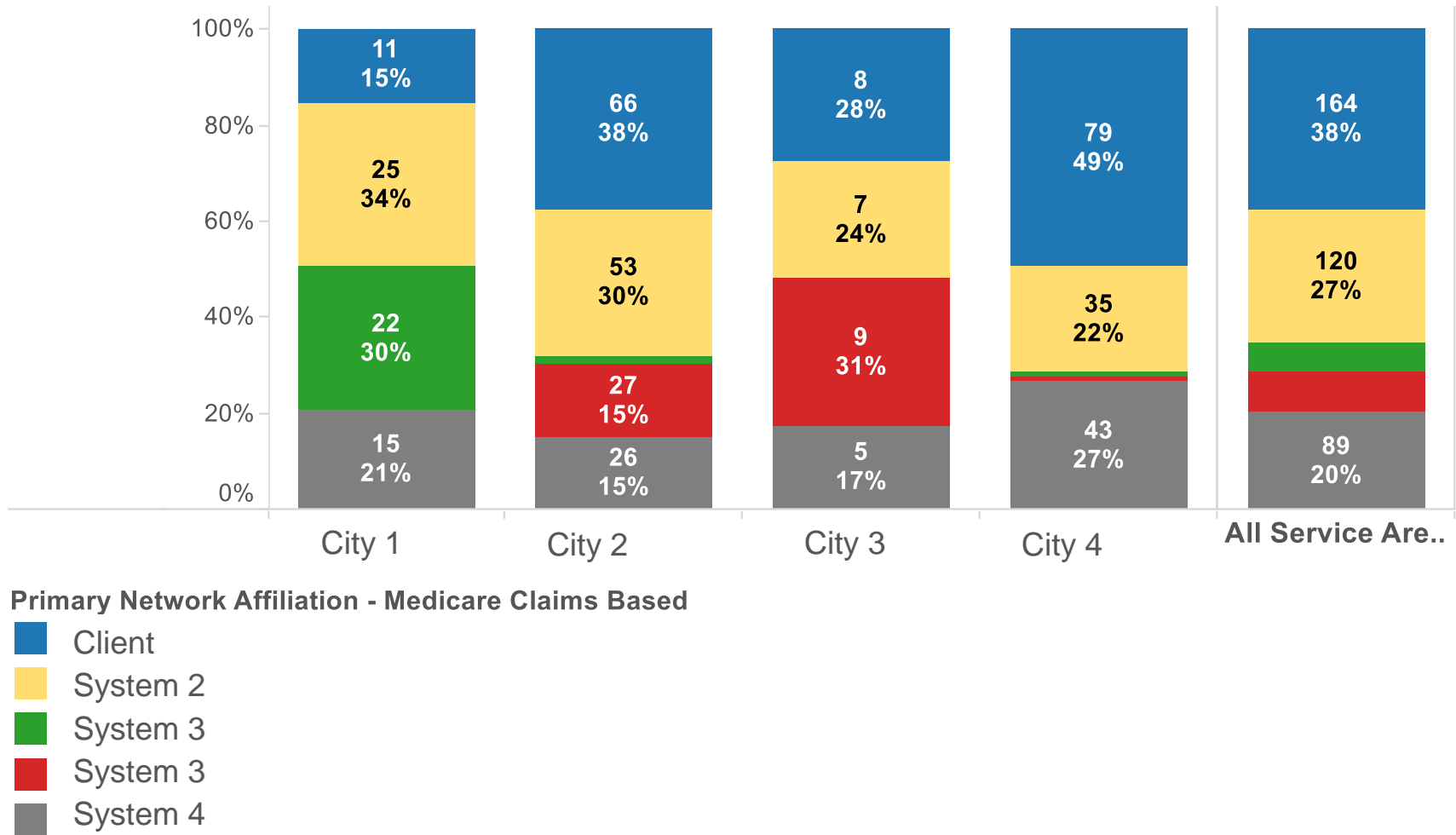


Inpatient Discharge Data per State All Payer Database, if available; or Medicare if not available.

Physician list by specialty, location, affiliation: CMS Provider Files, DHG Market Research and Medicare Claims Data to determine affiliation

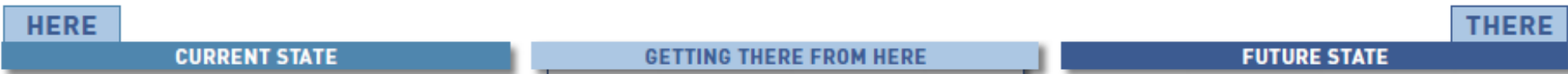
Medicare Network Affiliation by Service Area

General/Family and Internal Medicine Physicians



Physician list by specialty, location, affiliation: CMS Provider Files, DHG Market Research and Medicare Claims Data to determine affiliation

Sample Physician Landscape Assessment – Pre-Acquisition



HERE

CURRENT STATE

Redacted

GETTING THERE FROM HERE

- STRATEGIC IMPERATIVES**
- "New" organizational strategic plan
 - Consistent Communication and physician involvement
 - Improve IT implementation process and provide intellectual resources to lead the process
 - Recruit Strong Operational leader
 - Enhance process improvement and cost reduction strategies (\$5-10M in cost savings)
 - LEAN (OR and ED)
 - Begin dialogue with Client market leadership to assess collaborative clinical opportunities
 - Improve access, care coordination, connectivity, and communication with referring physicians to enhance the Client experience
 - Investment in physical plant

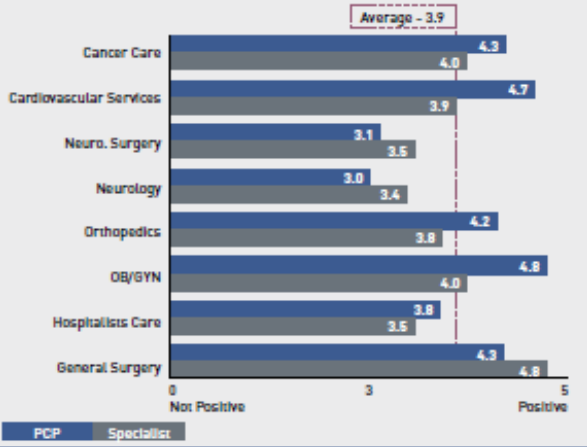
- PHYSICIAN ALIGNMENT OBJECTIVES**
- Orthopedics
 - Redacted

THERE

FUTURE STATE

- Clinically Integrated Network¹**
- Strong brand of Client Medical Group²
 - Ambulatory footprint established in key markets
 - Recapture outmigration in key services
 - Continue to build on "Core" of General Surgery
 - Service Line Growth
 - Ortho/Spine Institute
 - Client collaborative Joint Center
 - Cardiology Center of Excellence
 - High Profile "affiliated" Cancer Center (MD Anderson)
 - Women's Health
 - + Renovate OB rooms
 - + Breast Clinic
 - + Cardiac Care

How comfortable are you with referring your patients for?



Key Service Lines	Volume	Market Share	Volume	CM per Case	Market Share**	Market Share	Outmigration
Cardiology	1,011	30.70%	3292	\$6,990	\$821,354	37.18%	32.11%
General Medicine*	2,973	32.40%	9187	\$5,426	\$2,691,514	33.25%	34.39%
General Surgery	424	32.20%	1929	\$7,517	\$728,773	26.08%	43.73%
Gynecology	170	33.50%	508	\$1,813	\$44,050	22.05%	44.49%
Neurology	286	36.20%	1045	\$4,283	\$228,070	29.58%	34.18%
Neurosurgery	36	24.50%	147	\$11,433	\$84,033	12.26%	43.27%
Obstetrics	481	30.90%	2204	\$1,412	\$177,442	31.85%	37.25%
Oncology/Hematology (Medical)	153	23.40%	455	\$6,423	\$216,903	18.93%	57.71%
Orthopedics	361	21.90%	1444	\$6,447	\$530,588	37.47%	40.40%
Total	4,395	30.98%	20643		\$5,324,928	32.2%	34.9%

¹Primary Care Physicians
²According to SMH 2011 CM

Potential Market Share Opportunity: 6+%, 1-5%, 0%

Example Physician Practice Scorecard

350+ PROVIDERS
\$95,000,000 REVENUE

Management Overhead	BEST PRACTICE	TARGET	SAMPLE CLIENT	NET OPPORTUNITY
Cost to Manage (less Cost to Collect)	4-6%	12%	21%	\$9,000,000

Revenue Cycle	BEST PRACTICE	TARGET	SAMPLE CLIENT	NET OPPORTUNITY
AR Improvement	Under 35 days	35 days	73 days	\$5,000,000
Denial Rate	Less than 2%	Under 5%	9.60%	\$1,500,000
Cost to Collect	4-5%	5%	7%	\$600,000
CBO Staff Productivity	\$1,300,000-\$1,500,000 collect/FTE	\$1,300,000	\$900,000/FTE	\$600,000
Managed Care Contracting	Consistent Process	Consistent	Inconsistent	\$1,500,000

Physician Practice	BEST PRACTICE	TARGET	SAMPLE CLIENT	NET OPPORTUNITY
Specialist Investment-Same Store	Less than \$125,000 per doctor	\$175,000	\$225,000	\$11,000,000
PCP Investment-Same Store	Less than \$60,000 per doctor	\$75,000	\$128,000	\$7,000,000

Combined Opportunity				\$36,200,000
----------------------	--	--	--	--------------

*Best Practices are estimates and vary by size, market, specialty mix, etc.

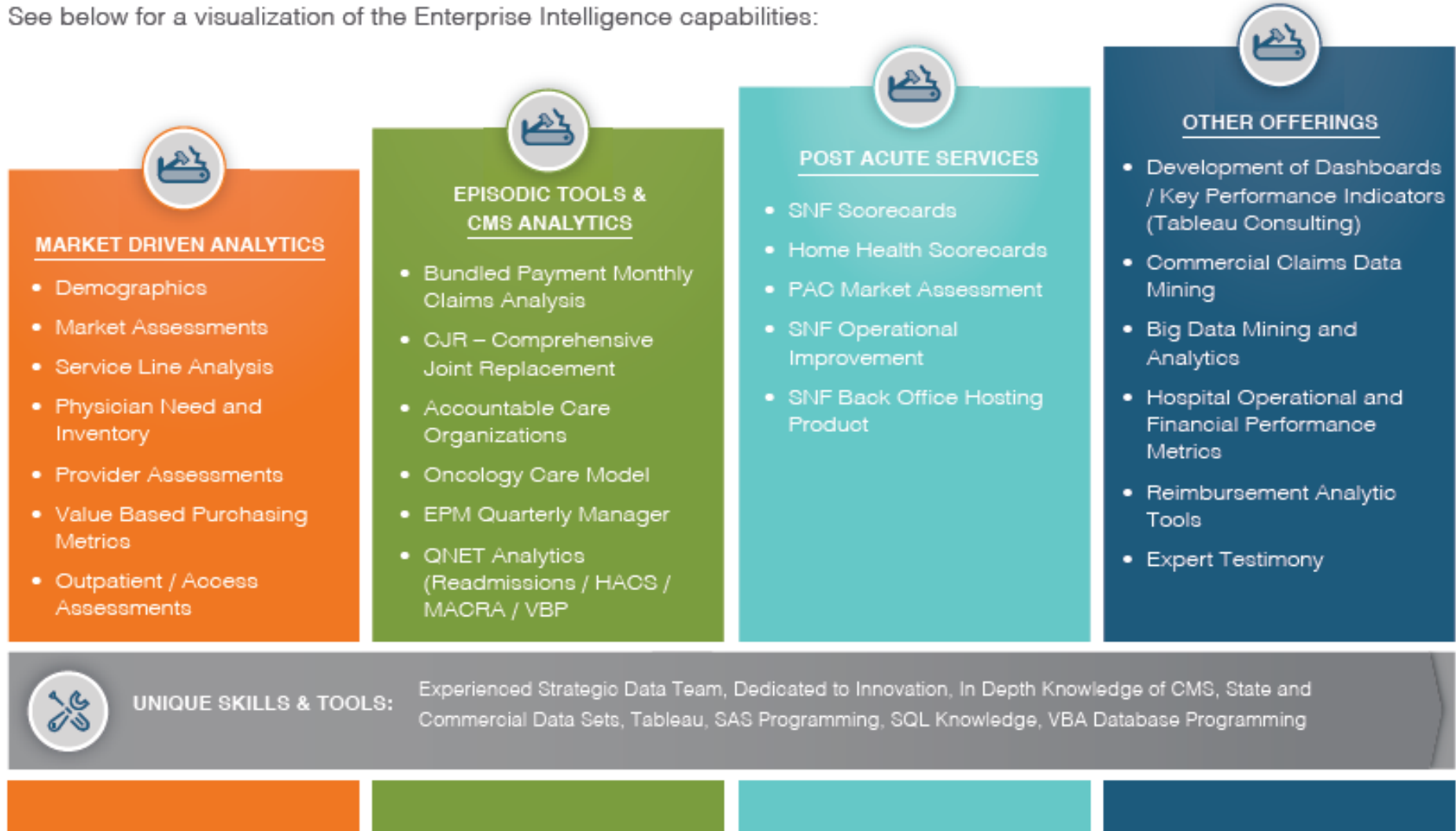


Questions?

OUR SERVICES

Enterprise Intelligence offers a suite of product offerings across a multitude of capabilities and offers deliverables that enable organizations to utilize actionable data to drive meaningful decisions across the care continuum.

See below for a visualization of the Enterprise Intelligence capabilities:





Contact:

John Brock		Partner		john.brock@dhgllp.com
Chris Masone		Principal		chris.masone@dhgllp.com