



Transatlantic Healthcare Advisory

Case Studies



Engagement Type

Transatlantic Transaction Diligence

Situation

A US multinational private equity investor was considering an investment in a leading global home care franchisor with business in the UK, the US and Australia. To inform its investment decision, the investor was looking for a comprehensive analysis of critical regulatory and reimbursement issues in these three countries.

- Provided an in-depth UK analysis of the payers and users, alongside a review of the competition landscape
- Conducted a US-focused regulatory and reimbursement analysis at the state and federal level
- Worked with local experts in Australia to undertake a full national regulatory analysis

Description of Marwood's Work and Analysis

Medicare Outlook

- Medicare home health and hospice reimbursement will likely continue to be a target for reform over the next 3 to 5 years.
- High-level health reform proposals have placed attention to the subject of long-term care reimbursement.
- Medicare (Original, as well as Medicare Advantage) will continue to be a focus for reform.
- Quality of care is a starting point for home health providers, as well as 2016 and CMS.
- The VWP demonstration projects in 2016 and CMS.
- The Centers for Medicare and Medicaid Services (CMS) is currently reviewing the impact of the VWP demonstration projects on the home health industry.
- Medicare Advantage plans will continue to be a focus for reform.
- Medicare Advantage plans will continue to be a focus for reform.
- Medicare Advantage plans will continue to be a focus for reform.

Medicaid Program Outlook For Skilled Home Health And Personal Care Services In Key States

State	Coverage	Reimbursement	Assessment
Ohio	State	Reimbursement	Assessment
Pennsylvania	State	Reimbursement	Assessment
New York	State	Reimbursement	Assessment

Schedule Of Fees And Aged Care Subsidies And Supplements For Homecare Packages in Australia

Aged Care Subsidies and Supplements New Rates of Payment from 1 July 2015

UK Outlook

```

graph TD
    Company --> Payers_Users[Payers & Users]
    Company --> Providers
    Payers_Users --> Market_Dynamics[Market Dynamics]
    Providers --> Market_Dynamics
    Market_Dynamics --> Quality_Performance[Quality Performance]
    Market_Dynamics --> Workforce_Homes[Workforce Homes]
    Market_Dynamics --> Policy_Context[Policy context]
  
```

Transatlantic Transaction Diligence

A multinational private equity client considering an investment in the owner of skilled nursing facility, hospital, medical office building and assisted living real estate assets sought to understand the macro reimbursement and policy risks associated with the elderly housing market in the UK along with the US federal and state regulatory and reimbursement environment for these facilities.

- Provided a UK analysis focusing on the impact of funding pressures at the local authority level, minimum wage reform and legislative changes such as the Care Act of 2014
- Carried out US federal level analysis and in-depth state level analysis of regulatory and reimbursement trends across 10 key states for the company

The New Medicare DSH Formula Reduces Medicare DSH Payments

Marwood believes that the new Medicare disproportionate share hospital (DSH) funding formula, implemented in FY 2014, will result in a significant reduction in DSH payments.

Current Law Projections Positive Annual Updates, But There Is The Potential For Reimbursement Changes To SNFs

Marwood believes that the Medicare SNF reimbursement update will be positive for the next few years (2015 to 2018), but there is pressure for future changes (2019 to 2021).

UK Outlook

Company	Supply		Demand	
	Living Wage	Immigration Policy	LA Funding	Care Act 2014

Local Authority Funding is Affecting Care Home Reimbursement in England

Total Social Care Expenditure For People Over 65

Estimated Expenditure (£ billion)

Year

Legend: Other social care, Care Homes (Residential Care)