Reimbursement Analysis (1/2)

Case Studies

Engagement Type	Transaction Diligence	Transaction Diligence
Situation	A PE firm evaluating an investment in a large single-state multispecialty physician practice and management services organization sought to understand the government program and commercial reimbursement outlook for the practice.	A lender evaluating providing debt financing to a multi-state operator of skilled nursing facilities sought to understand the key federal and state reimbursement catalysts and policy trends impacting the target Company.
Description of Marwood's Work and Analysis	• Medicare fee-for-service reimbursement analysis at a code-specific and payment reform level • Medicare Advantage penetration rate and premium analysis at a national and county level • Outlook for Accountable Care Organization ("ACO") migration to risk sharing models • Commercial health plan reimbursement analysis at an E&M code-specific level	• Medicare SNF analysis including overview and assessments of Medicare coverage, reimbursement methodology, reimbursement outlook, SNF value-based purchasing and bundled payment initiatives, and Dual Eligible/Coordinated Care Demonstration programs • Analysis of Medicaid and Medicaid Managed Care reimbursement for the Company in select key states, including insights from Medicaid Managed Care Plans on trends in utilization management, network management and reimbursement for SNF services

Medicare Payment Scenario Analysis

MA Enrollment In The State Will Likely See Steady Enrollment Growth, As There Is Not Currently High Penetration

ACA Expanded The Physician Quality Reporting System As A First Step To Physician Pay For Performance

CMS Will Continue To Support The ACO Program; The Long Term Goal Is To Move Providers To Two-Sided Models

The Outlook For Part A SNF Reimbursement Is Slightly Positive In The Near Term; Potential Pressure For Medium Term

Dual-Eligible Plans Receive Medicare And Medicaid Capitation Payments For Service Delivery

SNF Utilization Management Will Continue To Grow As A High Priority In Both State 1 And State 2

Marwood Completed A Referral Source Analysis Within Three Key Markets

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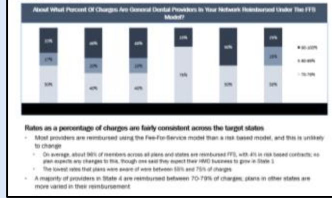
Reimbursement Analysis (2/2)

Case Studies

Engagement Type	Transaction Diligence	Transaction Diligence
Situation	A private equity sponsor was evaluating a potential investment in a multi-state Dental Service Organization ("DSO") with Commercial Health Plan and Medicaid/Medicaid Managed Care exposure.	A leading private equity-backed physical therapy treatment provider was evaluating an add-on acquisition with operations in three key states and needed to understand the reimbursement outlook for Medicaid, Workers' Compensation, Auto Insurance and Commercial Health Plan payors.
Description of Marwood's Work and Analysis	• Analysis and outlook of federal legislative and regulatory initiatives impacting DSOs and insurance coverage for dental care • Commercial insurer analysis to identify and provide outlook on trends impacting network, reimbursement and utilization management for dental services • Overview and outlook for Medicaid reimbursement in the Company's five key states	• Provided outlook of Medicaid, workers' compensation, auto insurance and commercial health plan payer environments in key states • Conducted surveys and discussions with commercial health plans and Medicaid managed care plans to assess trends in coverage, utilization, network access, reimbursement methodology and reimbursement trends for outpatient physical therapy services

Members Of Congress May Continue To Express Concerns About DSOs, But Legislative Action Is Unlikely

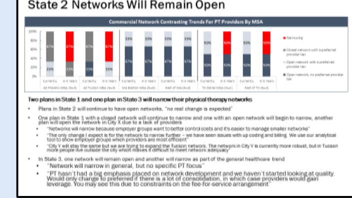
State Medicaid Key Takeaways: State 1 and State 2



Nearly All State 1 Medicaid Children Will Continue To Receive Dental Services Through Managed Care

State By State Health Plan View Comparison

Most Medicaid Plans Will Continue To Base Reimbursement Off Of Their State Medicaid Fee Schedule



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