SCALE + healthcare

SCALE Case Study

MSO Formation – Orthopedic

Client Profile

Size 100 Providers National Footprint

Specialty

Orthopedic

Services Deployed



MSO Formation



Strategic Planning and Execution



Integration

Overview

- + Client engaged SCALE to create an MSO integration plan, linking 4 Orthopedic groups across multiple states.
- + Provider/Investor goal was to create a national platform to optimize same store growth and grow through acquisition.
- Client sought clarity on what they needed to focus on near term, mid-term, and longer term, with specificity and sequencing of the decided-upon workstreams.

Client Profile:

- + 4 founding groups were all multi-site, collectively represented over 100 providers, staff, ASC's.
- + Private equity backed.
- + Founding group possessed strong leadership team and capabilities, but had limited experience with MSO formation.
- + Client requested an assessment of its target's capabilities, plus a structure through which to execute an integration process/execution plan.

Execution

- + SCALE created an execution playbook for client identifying strategy for:
 - + Immediate Integration Needs
 - + Evolving National Needs
- + Plan to successfully create an executable process of integration.
- + SCALE delivered a comprehensive "100 day" Integration plan focused on key stabilization workstreams including:
 - + Finance
 - + HR
- + SCALE delivered a sequenced longer-range plan focused on key integration areas including:
 - Marketing
 - **+** IT
 - + RCM

- + SCALE conducted a comprehensive review of in-place capabilities including:
 - + Corporate Leadership
 - + Finance
 - + Operations
 - + Human Resources
 - + Marketing
 - + Compliance
 - + RCM
- + SCALE conducted a deep dive into near-term capabilities of immediate acquisition targets.

Results

Client was provided with comprehensive Integration plan that:

- + Prioritized needs
- + Contained sufficient detail/roadmap for success
- + Identified internal and external resources to support success

SCALE Assessment additionally assessed immediate target acquisitions' RCM, HR, Marketing capabilities to further assist client developing a management strategy beyond integration process.

SCALE was re-engaged by client to provide further custodial support in 100-day execution support in areas of need identified by SCALE/Client during process including:

+ HR + Marketing + Compliance

Integration Process – Local Needs

SCALE-Developed client-specific Workstream Process is Relatable on Nation & Local Level

Current target close date: XXX			
Immediate Steps	Tier 1 Initiatives	Tier 2 Initiatives	
Theme: Information Gathering & Immediate stabilization in key operational areas	Theme: Identify Near -Term integration opportunities: Plan, Sequence and Execute	Theme: Identify longer term opportunities requiring additional lead -time to execute	
Pre-close to first 30 Days	Months 2-6	Months 7-12	
Compliance	Compliance	Compliance	
□ HR	HR	HR	
□ RCM	RCM	RCM	
□ Finance	Finance	Finance	
Marketing	Marketing	Marketing	
Information Technology (IT)	Information Technology (IT)	Information Technology (IT)	
	Corporate Operations	Corporate Operations	

Integration Process – National Integration

High Level SCALE National Playbook Narrative

Phase 1		Phase 2	
Approximate Timeline: Month	s 0-18 A	pproximate Timeline: Months 18-24+	
Inventory Capabilities of target platform		 Form Long-term Integration Committee focused on value - added projects that are More capital Intensive More disruptive/short term but greater value/long 	
 Identify areas for near -term Cross -Pla Integration Opportunities 	orm • M		
 Plan, sequence and execute Near term Opportunities 	Integration term	m	
Illustrative Examples:		 Create long-term project execution plan timeline and budget 	
 HRIC Consolidated Finance Platform National Marketing Campaign CRM Data Analytics Reporting RCM Integration GPO 	•	rative Examples: Single EMR/PM National ASC EMR Data Repository/Value -Based Care Strategy National Insurance Contracts	

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SCALE prides itself in developing customized solutions for its clients and helping physician groups grow and thrive in a challenging marketplace. Now, we are ready to help you. We look forward to sharing examples of how we have helped our clients and invite you to schedule a 1-on-1 complimentary consultation with us.

Contact Margaret Braxton at MBraxton@scale-healthcare.com to continue the conversation.