

Alvarez & Marsal Healthcare

Our Integrated Approach

2018

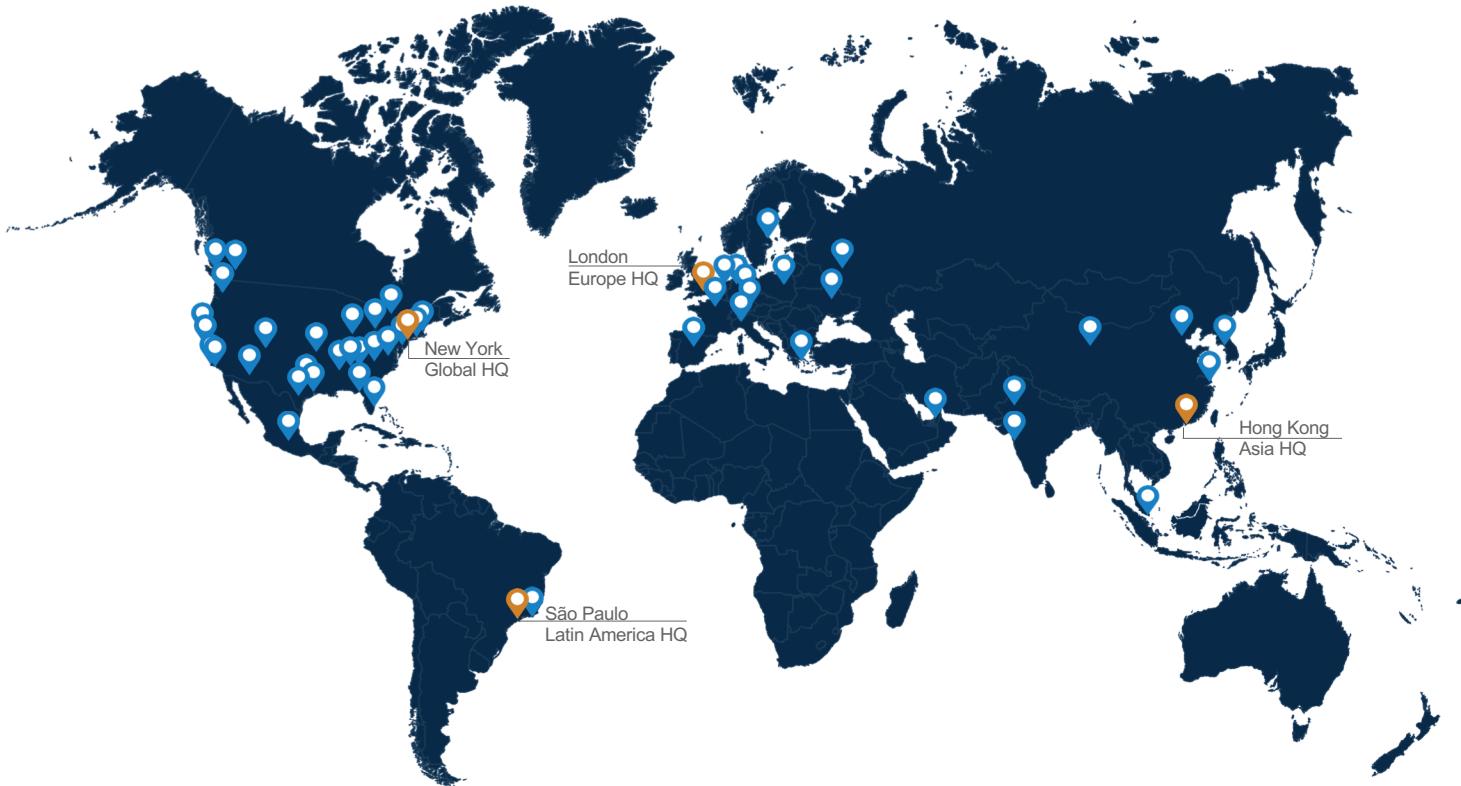
ALVAREZ & MARSAL



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A&M: A Global Professional Services Firm



50+ OFFICES

20+ COUNTRIES

3,000+ EMPLOYEES

FOUNDED
1983

OUR PEOPLE

Senior Leadership

- 400+ experienced Managing Directors

Dedicated Private Equity Service Practice

- 500+ Private Equity Services Professionals

OUR CLIENTS

200+ Mid-cap/Large-cap PE Firms

25% FTSE 100

60% Fortune 100

138+ Industries

OUR DIFFERENTIATORS

Integrated Full-service Solutions

Senior-led Team

Hands-on Approach to Problem Solving / Value Creation

Strong Operational Heritage

Free from Audit-based Conflicts

The A&M Difference



LEADERSHIP

- Focusing senior resources at every stage of the delivery process
- Forging consensus around credible, executable solutions
- Engaging and partnering with your organization



SENIOR RESOURCE DEPTH

- Global reach
- Executives drawn from both industry and professional services firms
- Majority of our professionals (Director grade and above) have extensive Board-level operational experience



MANAGING COMPLEXITY

- Proven track record in managing complex, high-profile situations
- Delivery through assured leadership and execution
- Development of strategic and corporate finance options in cooperation with management to support the business plan



SPEED, EXECUTION AND ACTION

- Focus on delivering rapid results with overarching focus on improving bottom-line results
- Coordinate short- and medium-term objectives and credible plans with achievable milestones



OPERATIONAL HERITAGE

- Proven, fact-based approach
- Over 30 years of operational experience
- Ability to provide seasoned interim executives for rapid implementation



PRACTICAL BOTTOM-LINE ORIENTATION

- Keen awareness of what can be implemented in a turnaround environment
- Overarching focus on improving bottom-line results
- Able to achieve business transformation with restructuring speed

Global Transaction Advisory Group Presence

Number of Professional Staff as of May 2018

UNITED STATES: 168

Managing Directors: 29

Professional Staff: 139

Offices: 10

- Atlanta
- Boston
- Chicago
- Denver
- Houston
- Los Angeles
- Miami
- Nashville
- New York (HQ)
- San Francisco



LATIN AMERICA: 20

Managing Directors: 2

Professional Staff: 18

Offices: 2

- Mexico City
- Sao Paulo



EUROPE: 68

Managing Directors: 17

Professional Staff: 51

Offices: 6

- Amsterdam
- Frankfurt
- London
- Munich
- Paris
- Stockholm



ASIA: 20

Managing Directors: 1

Professional Staff: 19

Offices: 4

- Beijing
- Hong Kong
- Shanghai
- Singapore



INDIA: 69

Managing Directors: 5

Professional Staff: 64

Office: 1

- Mumbai

GLOBAL PRACTICE
OVER 350 PROFESSIONALS
54 MANAGING DIRECTORS
23 OFFICES WORLDWIDE

FORMER BIG FOUR
CPA/CHARTERED
ACCOUNTANTS

DEDICATED
INDUSTRY VERTICAL TEAMS

INTEGRATED DILIGENCE
OFFERING

A&M Taxand: The Global Adviser of Choice

A GLOBAL ORGANIZATION OF TAX ADVISORS

- Taxand provides high quality, integrated tax advice worldwide. With more than 400 tax partners and over 2,000 tax advisors in over 40 countries, our tax professionals grasp both the fine points of tax and the broader strategic implications, helping mitigate risk, manage tax burden and drive business performance.
- We share knowledge and provide clients with seamless access to tax advisers in countries around the globe.
- We are independent, ensuring that clients adhere both to best practice and to tax law and that we remain free from time consuming, audit based conflict checks. This enables us to deliver practical advice, responsively.
- A&M Taxand is the largest provider of global tax services outside the Big Four.

A&M OFFERS A FULL SERVICE TAX PRACTICE

- We have over 40 Managing Directors and 220 professionals located in the U.S. and the UK.
- We provide tax advisory and compliance services throughout the full lifecycle of an organization to mid-market, larger corporate, global and U.S. based clients without audit-based conflicts of interest.

Our services include:

Federal Tax	State and Local	International
Compensation and Benefits	Research Credits and Incentives	Mergers and Acquisitions
Transfer Pricing	Sales and Use	Private Client Services

Our Integrated Healthcare Practice



About A&M's Integrated Healthcare Practice

The A&M Healthcare Industry Practice has a significant track record of working with equity investors, management, boards of directors and stakeholders of both investor-owned and non-profit organizations.

- Combines world-class pre-acquisition financial accounting and operational diligence services with deep healthcare industry and post-acquisition advisory services
- Over 150 dedicated healthcare industry professionals with deep financial, operational, and advisory experience
- Strong history of effectively serving the needs of the private equity community in the U.S. and Europe through both our proprietary deal-flow and extensive performance improvement capabilities

Leveraging our Experience

A&M applies decades of experience in providing services to both failing and challenged companies to build a comprehensive consulting practice offering high quality consulting services throughout a company's entire lifecycle – from early stage due diligence and strategy services through exit or turnaround advisory services. Our team of regionally based senior professionals, many with C-Level experience, provides actionable strategies to today's financial, operational and regulatory issues across the entire healthcare continuum.

- Reputation for “on time, on budget” performance
- Multi-disciplinary, local market experience and presence
- Long history of market credibility / accountability
- Small, dedicated teams of operating professionals

COMPLIANCE / INVESTIGATIONS

- Board Advisory
- TJC, HIPAA and Sarbanes-Oxley Compliance
- Dispute and Reimbursement Resolution
- Fraud / Abuse Investigation
- Licensing Advisory Services
- Government Settlements
- Billing Practices and Policies
- Intellectual Property Licensing
- Expert Testimony
- IND/EOPII/NDA Filings
- Regulatory Strategy Development
- Manufacturing Audits and Remediation
- PAI Readiness and Oversight
- Annual Report Preparation
- CMS Compliance

EXIT / SUPPORT

FINANCE ADVISORY

- Self-Side Financial Operation and Tax Due Diligence
- Self-Side Advisory and Asset Disposition
- Valuation Opinions and Testimony

DUE DILIGENCE / ACQUISITION SUPPORT

PERFORMANCE IMPROVEMENT / GOVERNANCE

STRATEGY

- Market Positioning
- Brand Development
- Service Line Development
- Capital Planning and Investment
- Physician Relations and Integration
- Continuum of Care
- Mission and Vision
- Long-Term Strategic Plans

TRANSACTION ADVISORY

- Buy-Side Financial, Operational and Tax Due Diligence
- Real Estate Advisory
- Financial Modeling
- Merger Integration
- Deal Structuring
- Capital Sourcing

FINANCIAL PERFORMANCE

- Revenue Cycle
- Business Office Efficiency
- Managed Care Strategy
- Risk Advisory
- Budgeting / Financial Planning
- Capital Programs
- Supply Chain
- Labor Productivity
- Clinical Documentation and Coding Reviews
- Third-Party Reimbursement
- Patient Access, Throughput and Level of Care
- Clinical Efficiency and Outcomes
- Human Resources and Labor Management
- Performance Benchmarking
- Process Work Flow Analysis and Redesign

CLINICAL QUALITY

- Clinical Process Redesign
- Public Reporting of Quality and Safety Indicators
- Evidence-Based Care
- Resource Utilization and Cost of Quality
- Pay for Performance
- Care and Case Management Process

OPERATIONAL EFFECTIVENESS

- Drug Product and Development
- Formulation Development
- Excipient / Ingredient Selection
- Analytical Methods Development
- Report Documentation
- Strain Selection
- Feed and Media Optimization
- Protein Fermentation and Purification
- Biocatalysis Strategy Development
- Clinical Process Redesign
- Public Reporting of Quality and Safety Indicators

MANUFACTURING

- Supply Chain Strategy
- Technology Transfer Planning and Management
- Vendor Selection
- Vendor Audits
- Manufacturing Strategy
- Manufacturing Process Development and Validation
- Process Assessment and Optimization
- Manufacturing Scale-Up
- Technology Transfer
- Understand Labor / Facility Costs and Raw Material Cost Contribution
- Direct Your Drug Development Efforts to Drive Down Cost
- Resource Utilization and Cost of Quality

COST OF GOODS ANALYSIS

- API Manufacturing Cost Estimates
- Model Manufacturing Processes
- Detailed Cost Analysis
- Analysis of Technical and Cost Challenges of Synthetic Route

INTERIM MANAGEMENT

- C-Level Expertise (CRO, CEO, CFO, Controller, Compliance Officer)
- Crisis Management
- Contract Management
- Liquidity Management
- Reimbursement Management
- Asset Management

RESTRUCTURING

- Financial Advisory
- Financial and Operational Restructuring
- Turnaround Advisory Plans
- Change Management
- Organizational Development
- Risk Advisory
- Unsecured and Secured Lender Advisory
- Creditor Consultancy Management
- Capital Management

A&M Transaction Advisory Healthcare Group

Dedicated healthcare vertical with over 20 professionals providing financial accounting due diligence to private equity and corporate healthcare clients.

Deep Sector expertise including:

- Physician Practice Management
- Hospital and Health Systems
- Long Term Care
- Payors and Payor Services
- Home Health and Hospice
- Behavioral Health
- Life Sciences
- Outsourcing
- Labs and Imaging

Integrated Diligence Approach that:

- Assists clients in validating investment thesis
- Monitor industry trends and translate changes in industry dynamics (reimbursement, product rollout and acceptance, cost structure, etc.)
- Provides comprehensive suite of complementary services for healthcare acquirers, including:
 - Guidance on complex accounting issues
 - Transaction tax advice
 - Healthcare consulting services, including (but not limited to) operational improvement, interim management and strategy development and execution

Representative Healthcare Clients

Private Equity Clients

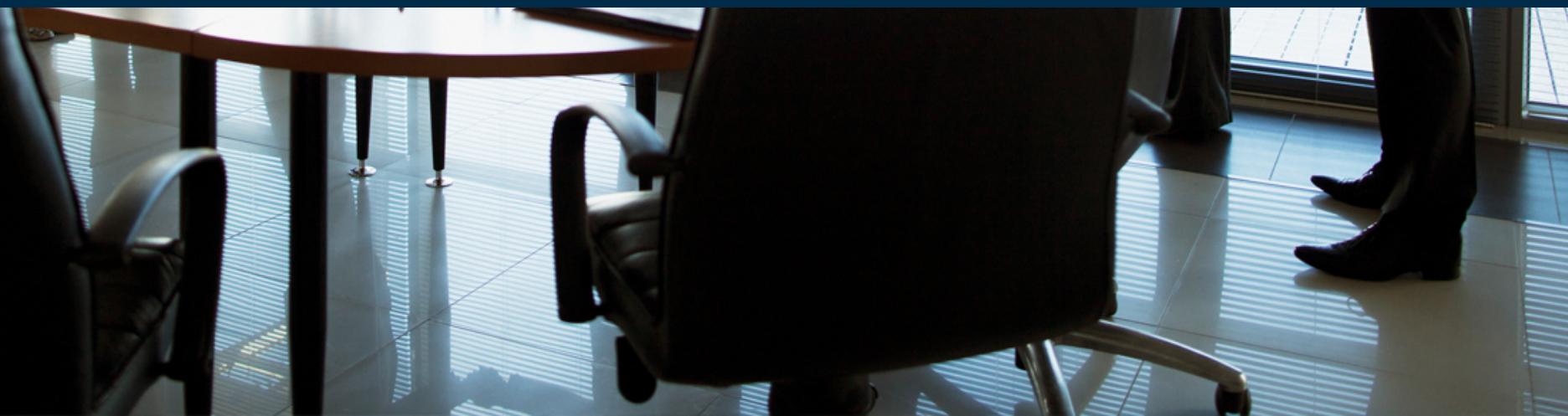
- American Securities
- Apax Partners
- Arlington Capital
- Audax Group
- Austin Ventures
- Baird Capital Partners
- CCMP Capital Partners
- Centre Partners
- Enhanced Equity Fund
- Excellere Partners
- Frazier Healthcare
- GI Partners
- Harren Equity
- Harvest Partners
- HIG Capital
- Kohlberg & Company
- Linden Capital Partners
- New Enterprise Associates
- Pamlico Capital Partners
- Ridgemont Equity Partners
- Serent Capital
- Vistria Group
- Warburg Pincus
- Water Street Healthcare Partners
- Waud Capital Partners
- Webster Capital
- Wellspring Capital Partners
- Welsh Carson Anderson & Stowe

Corporate Clients

- Acadia Healthcare
- AccentCare
- Advocat
- American Dental Partners
- American Pathology Partners
- American Physician Partners
- Ardent Health Services
- Centene
- Davita
- Emdeon
- HCA
- Healogics Corporation
- Hospice Compassus
- IASIS Healthcare
- LifePoint Health
- Mercy Health
- National Mentor
- NextCare Urgent Care
- Optimal IMX
- Predictive Biosciences
- RegionalCare Hospital Partners
- Solstas Lab Partners
- Sonic Healthcare
- Sound Physicians
- SouthernCare
- SpecialtyCare, Inc.
- TeamHealth



A&M Healthcare Professionals



Michael S. Cole

Managing Director and Healthcare Industry Leader | Transaction Advisory Group

- Mike Cole is a Managing Director and leads the Healthcare Practice of Alvarez & Marsal Transaction Advisory Group. For more than 25 years, Mr. Cole has specialized in spearheading financial accounting healthcare due diligence projects for complex public and private company transactions.
- As the Healthcare Practice Leader of A&M's Transaction Advisory Group, Mr. Cole ensures delivery of the firm's integrated diligence offering to both private equity firms and strategic buyers around the United States.
- Mr. Cole has assisted numerous strategic buyers and private equity firms with transactions across a wide spectrum of healthcare and life sciences segments, including acute care hospitals, long-term care, home health, hospice, managed care specialty and institutional pharmaceuticals, ambulatory surgical centers, clinical laboratories, physician and dental practices and clinics, pharmacy benefit management, disease management, contract research organizations and other healthcare service organizations.
- Mr. Cole specializes in providing accounting and transaction structuring advice, throughout the transaction lifecycle, assessing quality of earnings and key business and earnings drivers, as well as SEC and GAAP accounting and reporting requirements. He critiques financial models and purchase agreements and reviews the financial performance of target companies to identify cost reductions and / or operating efficiencies. He has worked with management teams of private equity-backed portfolio companies to complete add-on acquisitions and direct platform investments.
- Prior to joining A&M, Mr. Cole was a Partner and the National Leader of Private Equity - Healthcare at Ernst & Young. In this role, he led financial accounting due diligence projects for private equity investor groups and strategic buyers, and the development and coordination of the firm's go-to-market and service delivery strategies for private equity funds with healthcare interests. Previously, Mr. Cole was with the Audit & Business Advisory practice of Arthur Andersen in Nashville.
- Mr. Cole earned a bachelor's degree in accountancy, with high honors, from the University of Kentucky. He is a Certified Public Accountant (CPA) in Tennessee and Kentucky, and an active member of the American Institute of Certified Public Accountants (AICPA) and the Tennessee State Society of Certified Public Accountants (TSCPA). He was named to the Nashville Health Care Council Board of Directors in July 2017.



MICHAEL S. COLE, CPA

Andrew Henoch

Managing Director | Transaction Advisory Group

- Andrew Henoch is a Managing Director with Alvarez & Marsal's Transaction Advisory Group in Chicago. With over five years of transaction-related experience, Mr. Henoch focuses on accounting and financial analysis for buy-side and sell-side transaction matters for both private equity firms and strategic buyers. In addition, He has participated in a variety of post-merger operational improvement projects, with responsibilities ranging from the preparation of business plan reviews to the construction of financial models capable of incorporating performance improvement scenarios.
- Mr. Henoch primarily focuses on serving clients in the healthcare and life sciences industries, including acute and sub-acute care hospitals, outpatient physical therapy, durable medical equipment, home health, hospice, managed care, nurse staffing, disease management, and specialty pharmaceuticals. Additionally, he has performed financial accounting due diligence projects across various other industries, including manufacturing, construction, publishing, agriculture, communications, distribution, retail and engineering services.
- Prior to joining A&M, Mr. Henoch was a Senior Associate with the Private Company Services practice at PricewaterhouseCoopers. During this time, he worked with high growth private and small-cap public clients to assess key performance indicators, analyze financial risk, evaluate internal controls for Sarbanes-Oxley compliance and provide audited financial statements. In addition, Mr. Henoch has participated in several engagements for clients during the sale processes, where he gained exposure to purchase accounting, operational and financial integration, internal control implementation, and other transaction related issues from both the buyer's and seller's perspectives.
- Mr. Henoch earned a bachelor's degree, cum laude, in finance and accounting from the Freeman School of Business at Tulane University in New Orleans, Louisiana. He is a Certified Public Accountant (CPA), licensed in the state of Illinois.



ANDREW HENOCH, CPA

Raheel Khan

Managing Director | Transaction Advisory Group

- Raheel Khan is a Managing Director with Alvarez & Marsal's Transaction Advisory Group. He specializes in providing buy-side and sell-side financial due diligence services, with a specialization in healthcare.
- Prior to joining A&M in New York and then Atlanta, Mr. Khan was with the Transaction Services group of PricewaterhouseCoopers in New York City, where he worked with large private equity and corporate clients on buy-side and sell-side transactions.
- Since arriving at A&M, Mr. Khan has focused on healthcare transactions and brings expertise in physician practice management, behavioral healthcare, dental service organizations, revenue cycle management, hospice and home health, senior living, and various other healthcare sub-industries.
- Mr. Khan focuses on determining historical earnings quality, historical revenue quality, working capital requirements, and identifying debt-like items of acquisition targets through analysis of financial statements and discussions with management to provide clients with key information in purchase price negotiations. He also identifies key business drivers and trends to determine the sustainability of earnings and the growth potential of acquisition targets. Mr. Khan ensures that acquisition and financing agreements reflect the proper deal structure and link with financial due diligence findings.
- Mr. Khan serves on the Virginia Tech Pamplin College of Business Accounting Advisory Board. He was also awarded the 2011 Pamplin College of Business Outstanding Recent Graduate Award by Virginia Tech.
- Mr. Khan earned his bachelor's degree, summa cum laude, and master's of accountancy, in Accounting with an option in Finance from Virginia Tech. Mr. Khan became a Certified Public Accountant in Virginia in 2008 and New York in 2009.



RAHEEL KHAN, CPA

Richard Sober

Managing Director | Transaction Advisory Group

- Richard Sober is a Managing Director with Alvarez & Marsal's Transaction Advisory Group in Atlanta. With more than 16 years of experience, he specializes in providing all aspects of accounting and transaction advice. He has led and participated in numerous buy-side and sell-side transactions for both private equity and corporate clients.
- For the past 13 years, Mr. Sober has focused on healthcare transactions, and brings deep expertise in home health, hospice, acute care, hospital, dental practices, long-term care (SNF, ALF, LTACH), managed care, physician practice management and nurse staffing companies. Additionally, he has diverse experience in complex carve-out, public-to-private deals and sell-side transactions. Prior to his healthcare experience, he led and participated in diligence projects in the manufacturing, consumer products and telecommunications industries.
- Mr. Sober provides expert advice throughout the transaction lifecycle, assessing quality of earnings and key business and earnings drivers, as well as SEC and GAAP accounting and reporting requirements. He critiques financial models and purchase agreements, and reviews the financial performance of target companies to identify potential operating efficiencies. He has worked with management teams of private equity-backed portfolio companies to complete numerous add-on acquisitions and platform investments.
- Before joining A&M, Mr. Sober was a senior manager with the transaction advisory services practice of Ernst & Young in Atlanta. In this role, he led financial due diligence projects for large and middle market private equity clients with investments in healthcare and corporate healthcare acquirers.
- Mr. Sober earned a bachelor's degree in accounting, with a minor in economics, and a master's degree in accounting from the Fisher School of Accounting at the University of Florida. He is a Certified Public Accountant (CPA) in Georgia.



RICHARD SOBER, CPA

Ernesto Perez

Managing Director & Global Practice Leader | Global Transaction Tax

- Ernesto R. ("Ernie") Perez is Global Practice Leader of Alvarez & Marsal Taxand, LLC and also serves as Global Practice Leader of the firm's Transaction Advisory Tax practice. With more than 22 years of experience, Mr. Perez has deep experience in structuring all aspects of domestic and cross-border acquisitions, divestitures and reorganizations across a wide range of industries, such as consumer markets, telecommunications, financial services, real estate, industrial products, leisure, business services and distribution.
- Mr. Perez advises private equity funds, hedge funds, corporations and investment banking firms on the tax and financial impacts of a wide range of areas, including corporate finance, merger and acquisition deal structuring, due diligence and the design and execution of tax efficient financing structures.
- Mr. Perez has counseled clients on domestic and cross-border transactions focusing on tax structuring, due diligence and financial modeling. He has also advised clients in all areas of outbound and inbound international taxation, including structuring new country investments, tax efficient financing structures, foreign tax credit planning, earnings and profits computation, transfer pricing, earning stripping, FIRPTA and branch profits taxes. In addition, Mr. Perez has extensive experience with domestic corporate tax issues, partnership taxation and consolidated group matters.
- Previously, Mr. Perez was a Partner with Arthur Andersen, where he served as Practice Leader for the firm's International Tax practice in Florida.
- Mr. Perez earned a bachelor's degree in business administration, with a concentration in economics, cum laude, from the University of Georgia. He received a Juris Doctor from Georgia State University College of Law and is admitted to practice before the U.S. Tax Court.
- Mr. Perez has been a frequent speaker and lecturer on international transaction tax matters. From 2002 through 2006, he served as an adjunct professor for the Master of Taxation program at the University of Miami School of Law. He is admitted to the Florida Bar and is a licensed Certified Public Accountant (CPA) in Georgia. Mr. Perez is also a member of the American Institute of Certified Public Accountants (AICPA), the Florida Institute of Certified Public Accountants, the American Bar Association and the International Fiscal Association. He is fluent in Spanish and English.



ERNIE PEREZ

Martin McGahan

Managing Director | Healthcare Industry Group

- Martin McGahan is a Managing Director with Alvarez & Marsal Healthcare Industry Group in Atlanta, with more than 15 years of healthcare operations and finance experience.
- Mr. McGahan works with healthcare organizations to drive operational and financial performance improvement. In addition, his expertise in corporate finance, restructuring and the raising of capital—including public, private sources of both debt and equity-enables his clients to strategically re-engineer their balance sheets for long-term stability and growth.
- Mr. McGahan has been advising several companies in both the healthcare services and pharmaceutical / biotechnology industries. He is currently serving as restructuring adviser to several major providers of home healthcare, assisted living facilities and senior housing. He is also advising a clinical research organization on operational restructuring and capitalization alternatives.
- Mr. McGahan recently served as Chief Restructuring Officer of Saint Vincent Catholic Medical Centers, a \$1.5 billion health system in New York City, which includes several academic medical centers, nursing homes, a home health agency and an off-shore insurance captive. Before that, he served as CFO of St. Vincent's, where he refinanced the their debt at more favorable rates and terms and supervised the restructuring of the system's financial infrastructure, including the revenue cycle and billing functions, managed care contracts, accounting, treasury, financial reporting and IT platform. St. Vincent's successfully emerged from Chapter 11 bankruptcy in 2007.
- Previously with A&M, Mr. McGahan took on interim management roles with several troubled healthcare



MARTIN MCGAHAN

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Appendix



Private Equity Services: Our Integrated Diligence is a Unique Solution

Transaction Analytics

Embeds analytics throughout the investment lifecycle for more insights and better decisions.



Valuation

Provides pre-deal valuation diligence and modeling services



Commercial

Answers critical investor questions regarding market position and opportunities



Information Technology

Goes well beyond the checklist to focusing on end-to-end business activities, costs, and personnel



Financial Accounting

Validates financial results and provides insight into reported performance



Operational

Validates that top and bottom-line potential can be achieved



Tax

Identifies risk and after-tax cash flow efficiencies from acquisition through compliance and post-acquisition planning



Human Capital

Quantifies remuneration and benefits inputs to valuation. Identifies risk and opportunities post-closing



Private Equity Post-Acquisition Services: A Focus on Operational Performance Improvement



CFO Services

Improve finance function performance through enhanced reporting and transparency, more effective management of liquidity and working capital, upgrades to organization and processes, and financial system implementations.



Operations Management

Improve cohesion between merchants, supply chain and store operations. Strengthen in-store process to reduce time on non-customer facing activities. Optimize scheduling and improve customer engagement practices.



OpEx Efficiency

Streamline business and delay organization structure. Leverage shared services, outsourcing and process change to drive functional savings. Identify overhead efficiencies and reduce the fixed cost structure company.



Information Tech Services

Assess infrastructure needs for short-, mid-, and long-term scalability. Determine Omni-channel enhancement needs and paybacks. Ensure efficient spending on third party contractors.



Supply Chain Services

Improve manufacturer costs, rebates, and payment terms. Enhance warehousing, logistics, distribution efficiencies. Invoke supplier management tactics to improve services



Revenue & Margin Management

Identify sustainable sources of revenue and margin opportunities. Implement frameworks to optimize merchandising, product portfolio, and pricing. Assess marketing effectiveness and marketing channel return on investment.



Interim Management

Stimulate communication and responsiveness by implementing management expertise. Utilize leadership as a driving force for tactical strategies, course correction, and operational realities. Execute actions with results oriented focus.



Merger Integration / Carve-Out

Articulate strategic scope to develop TSA framework and key strategies. Define integration plans with structure, approach, and reporting. Execute platform stabilization, while monitoring synergy and realization of goals.



Real Estate

Establish real estate strategy with location strategy, analysis, asset and risk management. Identify pro-formula projections with impactful asset/portfolio performance. Provide alignment with leading service providers to increase portfolio value and long term evaluation.

