NEW MODELS for a NEW MARKETPLACE

building your future through strategic positioning

Tom Schramski, PhD

American HealthCare Capital
CORPORATE FINANCE • MERGERS & ACQUISITIONS

salience consulting group

ASU/CABHP Annual Summer Institute
agenda

* what is the new behavioral marketplace?

* what are the issues facing your organization?

* what is strategic thinking?

* what are your strategic options?
reimbursement...

is only part of the story
leadership PTSD
reduced $
technology
competition
integrated care
do we really need insurance companies?
effectively surfing the new normal requires...

* willing perspective
* customer view
* lean management
* commitment to execution
* agility in action
willing perspective
customer view
lean management
commitment to execution
what about your organization?
what about…
and...

- FEDS
- MCOs
- NEW COMPETITORS
- INTERMEDIARIES
- NEW RFP CYCLE
- FEDS
- RATES
- STATE BUREAUCRATS
- EMERGING TRENDS
- NEW COMPETITORS
the most important questions
where are you going?

and how are you positioning yourself to get there?
a fundamental review of your vision is necessary
assess your position
strategy serves position

(not the other way around)
“Hope without action is nothing.”

Hannah Davis, 14

good plans and execution are relentlessly committed to results
everything is up in the air
internal preparation (M&A)

* human capital build
* cash flow and profitability
* resource commitment (e.g. marketing)
* organizational structure support
internal preparation (cont.)

* financial literacy
* distributed leadership
* more talent development
* failure encouragement
* etc.
define your target

- service area/market
- revenue
- cash flow
- management competence
- integration/culture match
options

* organic growth
* assumption/takeover
* acquisition
* merger
* alliances/partnerships
* being acquired/assumed
remember: pencil it
organic growth
acquisition

due diligence
financing
stock or asset purchase
 valuation
contract transfer
agreement
alliances/partnerships
being acquired/assumed

what is your value?
final suggestions

* have your book
* prepare for scenarios
* due diligence
* have fun
your book

✓ two to three years of financials
✓ service revenue by source/location
✓ current organizational chart
✓ list of locations by address
✓ list of all contracts with dates
✓ copy of any business plan
✓ historical background of business
your book (cont.)

- copies of all leases + other agreements
- copies of all brochures + marketing materials
- total number of employees/contractors
- total number of customers by revenue/location
- real estate owned by entity/individual
- product information + any intellectual property
- current + potential market differentiators
scenarios

takeover/assumption

merger

alliance/partnership

acquisition

due diligence
financing
valuation
contract transfer
stock or asset purchase
agreement
due diligence
"The **best** surfer in the water is having the most **fun**.”

Steven Kotler, *West of Jesus*
Thanks to ASU/CABHP Annual Summer Institute