



GET TO KNOW BDO

BDO HEALTHCARE Rx

A new prescription for healthcare



The Future of Care, Accelerated

We're witnessing a turning point in the history of the healthcare industry. Demand, disruption and digital transformation are accelerating to usher forward the future of care.

It's no longer on the horizon; it's here.

When the pandemic abates, it won't mark a return—but rather a renaissance—to a new vision for healthcare that is more collaborative, connective and patient-centric than ever before.

While challenges amass, so too do opportunities. That is...if you know where to look.

An urgent script for healthcare, BDO Healthcare Rx is our platform of services that provides a unique, comprehensive viewpoint of your organization's current condition, performance opportunities, and future growth scenarios. Backed by a team of clinicians, financial and regulatory professionals, former healthcare executives, digital and operational specialists, and experiential designers, we focus on rapidly addressing critical support in today's environment across three critical areas:

- ▶ Financial Improvement
- ▶ Clinical Innovation
- ▶ Digital Transformation

**The future of care is here.
Are you ready?**

Transformation Accelerators

Disruption from the pandemic accelerated five disruptive trends that will define care delivery and successful healthcare organizations in the future:



REIMBURSEMENT DETERMINED BY CLINICAL OUTCOMES

Regulators and payers are rewarding superior quality and penalizing underperformers



DIGITAL TRANSFORMATION

The impact of emerging technologies and big data to reach populations in need



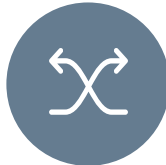
PATIENTS AS CUSTOMERS

Patient perceptions are now measured, analyzed, and factored into reimbursement levels, giving rise to new business models



REDESIGNING "AT-RISK" ORGANIZATIONS

New regulations are requiring integrated financial and operational restructuring



M&A AND PE ACTIVITY

Private equity's investments in the health sector have become increasingly diversified and frequent

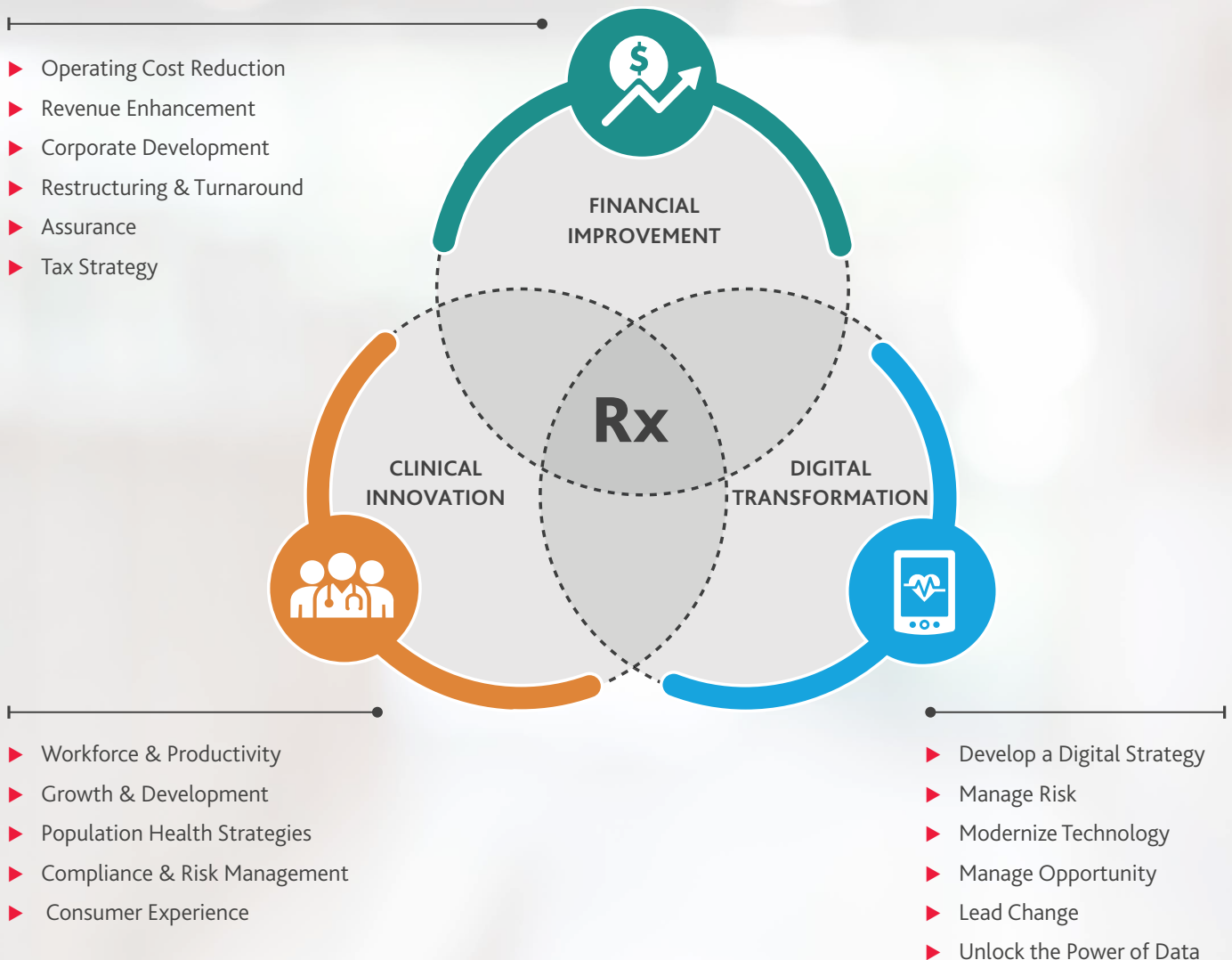


An Urgent Script for Healthcare

ACCELERATED CHANGE REQUIRES URGENT ACTION.

BDO Healthcare Rx brings together clinical innovation, financial improvement and digital transformation to help support organizations as they rapidly identify the operational, care model, workforce, technology, and real estate opportunities that are preventing them from maximizing the return on their strategic commitments.

By applying our proprietary BDO performance diagnostic tool, you can form a thorough and objective assessment of your current state of operations, envision your future possibilities then move with haste to realize them.



The BDO Healthcare Rx Method

QUICKLY CONVERT OPPORTUNITIES INTO REALITY.

BDO has helped healthcare organizations plan and implement cost savings, new strategies, working rapidly with stakeholders to envision and implement future-state models to optimize performance and improve care with minimal disruption.

The BDO Healthcare Rx method rapidly guides clients through four phases of activity to yield quantifiable results. Each phase of work is calibrated to meaningfully engage stakeholders and provide critical insights in weeks not months.



| | |
|---------------------------------|---|
| PHASE 1: THE OPPORTUNITY | BDO Performance Diagnostic Output |
| PHASE 2: THE IMPACT | Deep dive in priority improvement areas to quantify savings opportunities |
| PHASE 3: THE PATH | Solution design and activation planning to achieve savings |
| PHASE 4: THE REWARD | Supported implementation and measured results |





BDO Healthcare Rx in Action

INNOVATING THE EXAM ROOM OF THE FUTURE

BACKGROUND

A national health provider, serving patients across seven regions of the United States, anticipated that by 2028, they would add over 6,500 exam rooms across all regions serving more than 65 million patient encounters per year, requiring a capital investment greater than \$12B.

CHALLENGES

Recognizing the opportunity of this investment, the health system sought to create an optimized outpatient experience designed to deliver a universal standard of care to their patients across 17 states.

Goals included a patient experience that contributes positively to member expectations, provider workflow efficiencies, and reduced supply chain costs.

BDO'S SOLUTIONS

Through this effort, members of our BDO team engaged with regional leadership, medical group champions, and patient advocate teams to research and develop a sustainable adoption of universal building designs for outpatient care. A five-year vision was authored to stimulate opportunities for innovation. Areas of exploration included the future state impact of evolving patient needs; emerging technology; product design innovations; and care model innovation.

CLIENT IMPACT

BDO met key client metrics of a template that was 80% adaptable across other sites; yielded consistent satisfaction measures, met their client credo; provided a 30% reduction in capital investments; yielded supply chain economies of scale; and created a scalable solution that adapted to the technology.

OUTPATIENT CENTER ANCHORS GATEWAY TO ITS CAMPUS

BACKGROUND

This growing, nationally recognized health system provides world-class care at ten hospitals and more than 200 locations in communities stretching throughout Northern Illinois. The flagship academic medical center of the system is known for pushing boundaries in research, training the next generation of physicians and scientists, and pursuing excellence in patient care. Virtually every medical specialty is represented by the medical staff of nearly 4,000 employed and affiliated physicians. The provider is among the top hospitals in the nation as part of the *U.S. News & World Report* prestigious Honor Roll of America's Best Hospitals.

CHALLENGES

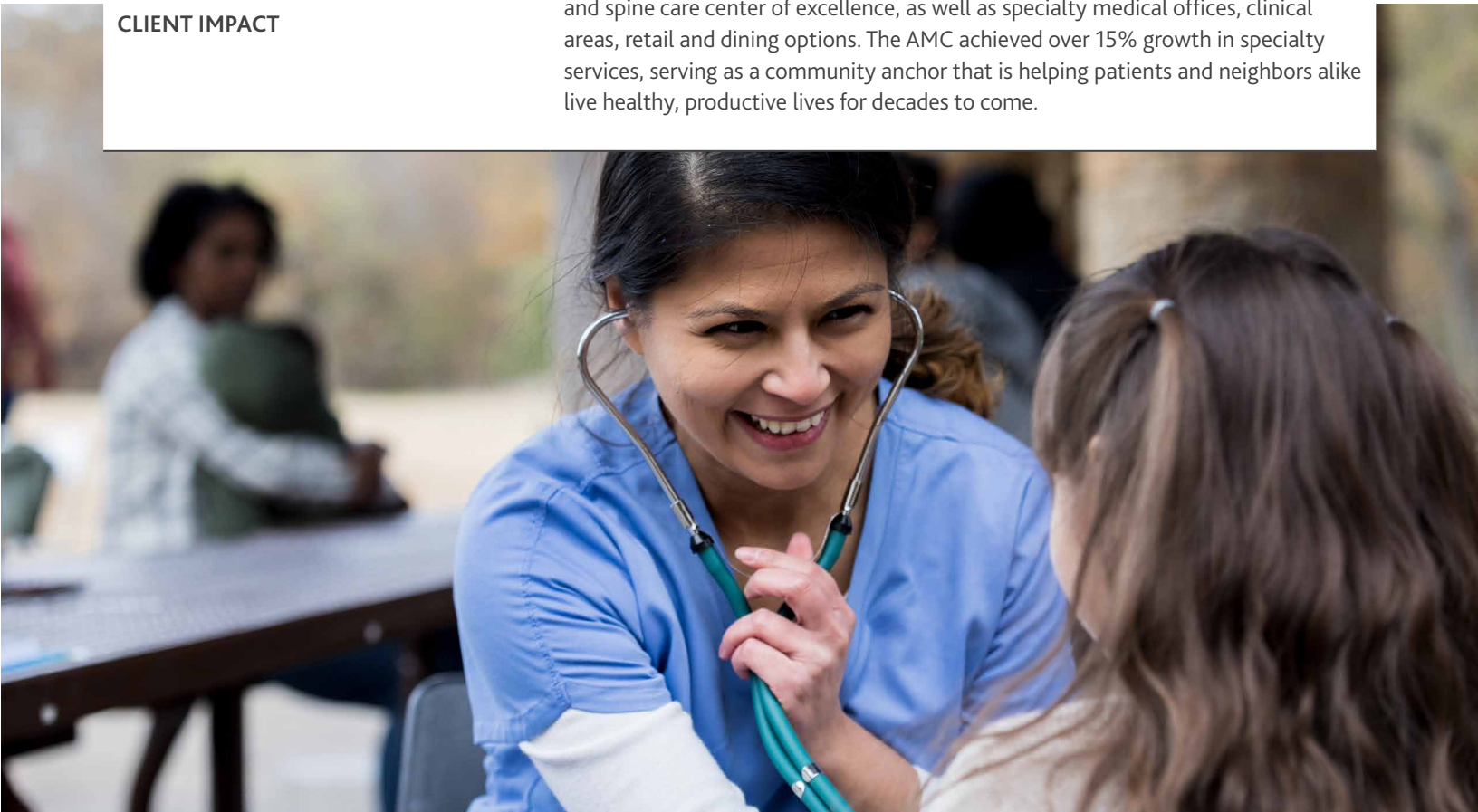
The academic medical center (AMC) sought to seamlessly connect its downtown campus and the surrounding community while maintaining a best-in-class patient experience and supporting flexibility for an undefined, rapidly changing future.

BDO'S SOLUTIONS

The AMC engaged team members of BDO to both develop the functional and space program as well as organize the planning layouts for their comprehensive outpatient center. Additionally, the BDO team members worked with retail vendors to align a variety of complimentary retail offerings to the ground and second levels of the facility, engaging the life of the street scape, while providing added convenience for patients visiting their campus.

CLIENT IMPACT

The resulting outpatient care center is both a patient and neighborhood destination that provides a new home for the client's outpatient surgery center and orthopedic and spine care center of excellence, as well as specialty medical offices, clinical areas, retail and dining options. The AMC achieved over 15% growth in specialty services, serving as a community anchor that is helping patients and neighbors alike live healthy, productive lives for decades to come.





UNLOCKING BRANDING COMMUNICATION TO SUSTAIN TRANSFORMATION

BACKGROUND

This safety net hospital in the Midwest serves a gentrifying neighborhood with significant cultural diversity and sought to increase their presence as a leader to the underserved community.

CHALLENGES

The hospital sought to refresh its name, branding, and image to inspire consumer confidence by their patients and enhance a stronger connection to its community, following the pandemic.

BDO'S SOLUTIONS

BDO led a collaborative process to incept, design, develop and launch a new name and identity, reintroducing this healthcare provider to their community with a strong statement of commitment and focus on health equity. Together with our client, we created a strategy to capitalize on rebranding through a patient safety and experience transformation effort.

Working with leadership across the organization, we gathered insights on their legacy and future aspirations that resulted in a new brand personality, design, and application.

CLIENT IMPACT

In ten weeks, customer narratives were developed, over 1,900 design options explored, and a recommended option was chosen by employing an advantage scoring method to unify conviction in the brand message across the organization.

The resulting transformation of both their brand identity and organizational name is now celebrated as a community leader advancing healthcare equity.

REINVENTING THE OUTPATIENT CONSUMER EXPERIENCE

BACKGROUND

An academic medical center (AMC) in the heart of the Midwest, serves as the flagship location for a major university. The AMC is comprised of two hospitals and dozens of adult specialty clinics. Complete services range from primary care, emergency care and the delivery of thousands of babies each year, to care of patients with the most complex conditions. Areas of specialization include solid organ and blood and marrow transplantation, heart disease and cancer.

CHALLENGES

The AMC sought to replace a patchwork of overcrowded and outdated campus facilities with a safe, welcoming, and accessible environment for patients and their families.

BDO'S SOLUTIONS

Our BDO team engaged with more than 200 physicians, advanced practice providers, clinical and operational leaders, and staff members in authoring the program objectives and strategic planning for a new acute care center. The focus was centered on patient-and family-centered care at the foundation of every decision.

Built upon consumer-centric experiences and innovations from retailers like Apple and Starbucks, this provider changed both the patient and staff perspective on healthcare delivery. Services in support of this transformation included: site of service access strategy; workflow redesign; digital health integration; and facility design.

CLIENT IMPACT

The resulting outcome yielded:

- ▶ \$70M savings in capital investment
- ▶ 40% more annual visits in 25% less space
- ▶ 3x more compliments than complaints
- ▶ A double digit increase in commercial insurance payments





DEVELOPING AN ACO FOR POPULATION HEALTH MANAGEMENT

BACKGROUND

This Accountable Care Organization (ACO) represents a revolutionary shift in the healthcare business model.

CHALLENGES

BDO assisted the ACO by evaluating current care delivery models and the existing and future needs of its community and patient populations; defining providers' role in the community; and developing strategic plans to help guide healthcare organizations toward future success.

BDO'S SOLUTIONS

Working along the with the ACO, we re-evaluated the delivery of care with a focus on the following:

- ▶ Keeping groups of people healthy
- ▶ Emphasizing outcomes
- ▶ Applying appropriate levels of care at the right place
- ▶ Offering care at sites convenient to patients
- ▶ Customizing care for each patient
- ▶ Creating venues to provide special chronic care services
- ▶ Assuming responsibility for the needs of all people within a community
- ▶ Decreasing costs by providing enhanced care to the sickest patients and not denying care

CLIENT IMPACT

- ▶ Lowered hospital admissions and guided patients to appropriate care providers
- ▶ Improved member satisfaction results
- ▶ Reduced lengths of stay by 1 full day
- ▶ 30-day readmission rates fell from 22% to 9.8%
- ▶ Eliminated excessive and wasteful spending
- ▶ Realized 12.8% in savings compared to unmanaged care for a Medicare population of similar size
- ▶ Disease management outcomes resulted in \$8.5 million in savings per year
- ▶ Decreased admissions from 383/1000 per annum to 170/1000 per annum

CONSOLIDATING ALL PROCEDURAL SERVICES ONTO A SINGLE PLATFORM

BACKGROUND

This academic medical center is recognized as one of the nation's 100 Top Hospitals and Top 15 Major Teaching Hospitals by Truven Health Analytics Future State forecasting.

CHALLENGES

Consolidating all procedural services onto a single platform required senior management support to project a top-down change management to the organization.

Coordination with teams to identify efficiencies in workflow and staffing without people feeling threatened in their positions.

BDO'S SOLUTIONS

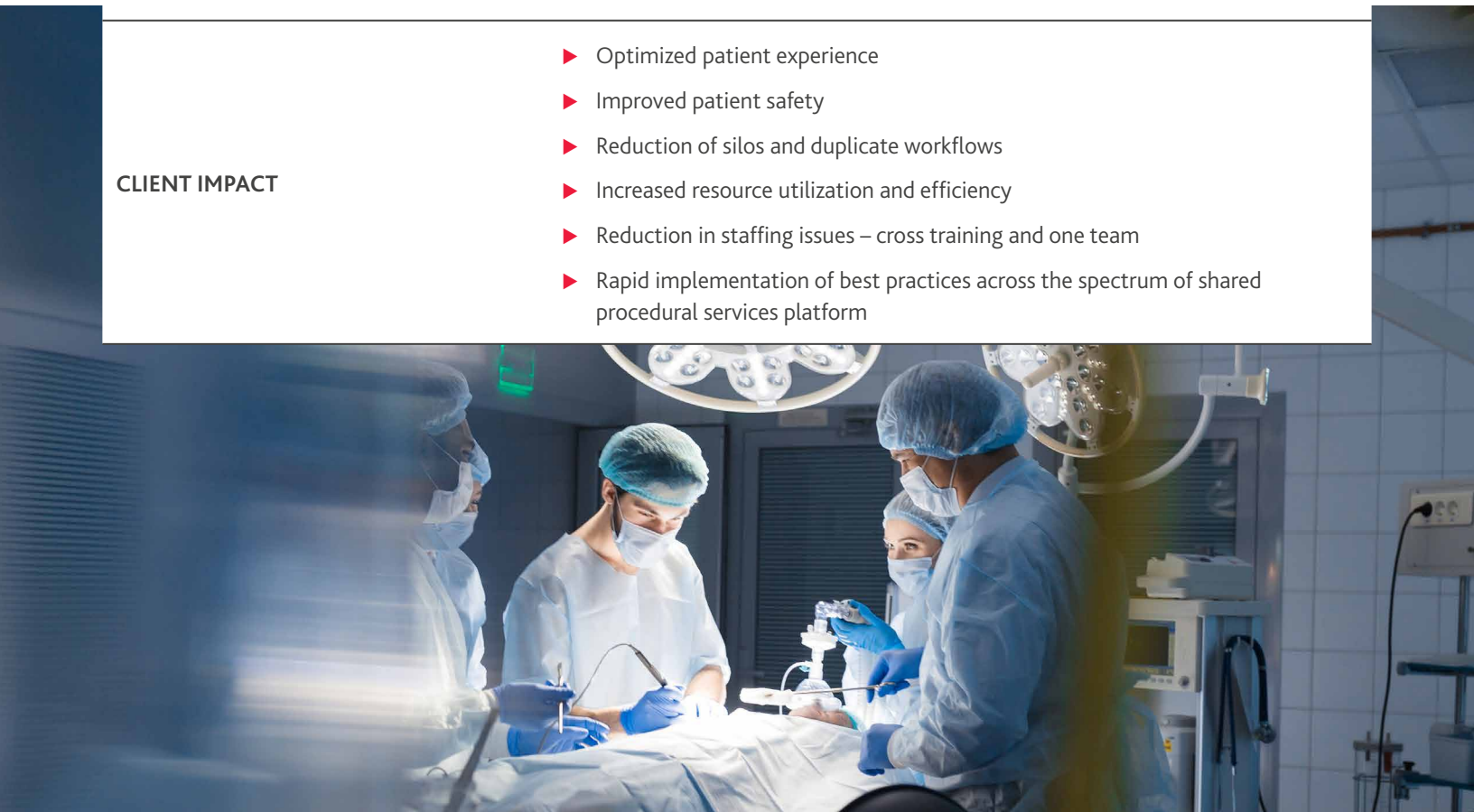
BDO partnered with the academic medical center to consolidate surgical services, cardiology, interventional radiology, and endoscopy into a common procedural platform supported by a shared pre-op and recovery space and then cross trained clinical staff.

The collaboration focused on improving:

- ▶ Data analytics
- ▶ Workflow innovation
- ▶ Technology integration
- ▶ Simulation modeling
- ▶ Facility design

CLIENT IMPACT

- ▶ Optimized patient experience
- ▶ Improved patient safety
- ▶ Reduction of silos and duplicate workflows
- ▶ Increased resource utilization and efficiency
- ▶ Reduction in staffing issues – cross training and one team
- ▶ Rapid implementation of best practices across the spectrum of shared procedural services platform





IMPROVING THE FINANCIAL PERFORMANCE OF AN AMBULATORY SURGERY CENTER

BACKGROUND

An ambulatory surgery center, part of a large integrated delivery system, had experienced a decline in profitability over a period of 12 months. The center wanted a clearer understanding of the underlying operational and resource issues driving financial performance with the goal of establishing an achievable path to profitability through a 12-month forecast P&L target and capital budget.

CHALLENGES

Address important cost and revenue drivers through a series of analysis and workgroup meetings aimed at key areas of performance for the surgery center.

BDO'S SOLUTIONS

BDO recommended the following improvements:

- ▶ Revenue Cycle: reduce denials through improving the front-end process, implement case-costing prior to surgery, and renegotiate managed care contracts
- ▶ Supply Chain: implement standardization initiatives and improve contracting efforts
- ▶ Capital Purchasing – implement controls around capital purchases to ensure appropriate debt financing strategies and strategic alignment
- ▶ Surgical Operations: improve operating room utilization to drive volumes
- ▶ Volume & Case Mix: understand and monitor case profitability by payer and by physician to drive decisions
- ▶ Physicians Performance Scorecard: educate physicians on their role in driving financial performance in score-carding against peers

CLIENT IMPACT

- ▶ Revenue Cycle: reduction of denials
- ▶ Improved contracting efforts
- ▶ Optimized volume and case mix
- ▶ Introduction of a Physicians Performance Scorecard

RESTORING ACCESS TO CARE TO VULNERABLE PATIENT POPULATIONS

BACKGROUND

This multi-site FQHC provider specializes in primary, behavioral health and substance abuse care. The not-for-profit healthcare organization is dedicated to advancing the health and well-being of the South Florida community, providing quality, integrated care that combines the best prevention, disease control, consumer education, research, and evidence-based clinical services.

CHALLENGES

During the pandemic, the provider faced a challenge staying safely connected to its most at-risk patients.

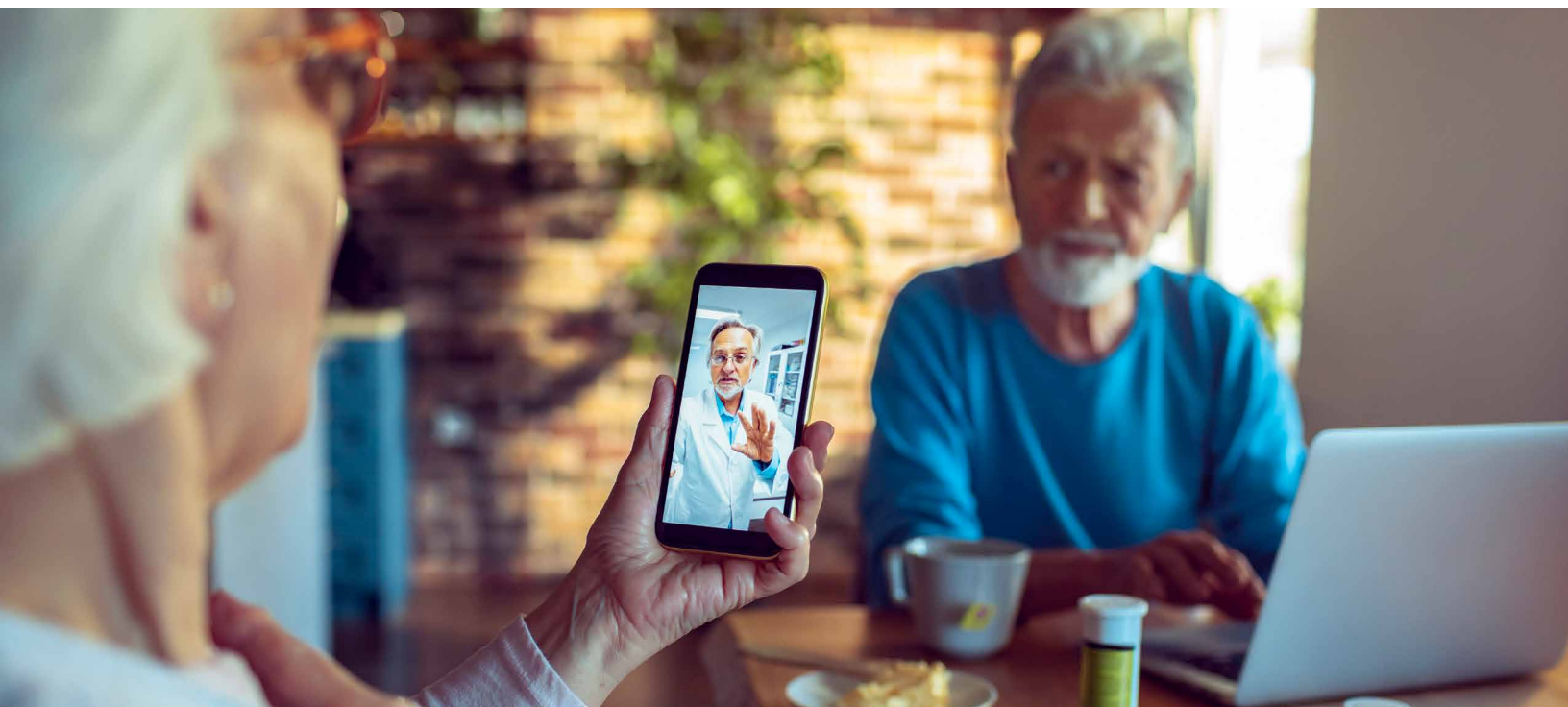
BDO'S SOLUTIONS

BDO partnered with the provider to rapidly facilitate the selection and deployment of a virtual health solution that coupled telehealth and remote monitoring for an underserved population, while determining how to enhance the functionality of its current electronic medical records platform.

BDO led the process to evaluate multiple telehealth providers and conducted a rigorous comparative analysis of vendor qualifications, including a review of platform capabilities, user experience ratings, and connected device performance quality.

CLIENT IMPACT

- ▶ Innovated patient care by optimizing workflows, establishing reporting dashboards, and created a solution to optimize systems to overcome challenges of a dual-EMR platform.
- ▶ Delivered 2,400 telehealth services / month
- ▶ Reduced hospital and emergency room visits by 15%
- ▶ Reduced in office visits by 85% through the pandemic



Integrated Services Support Each Area of Focus

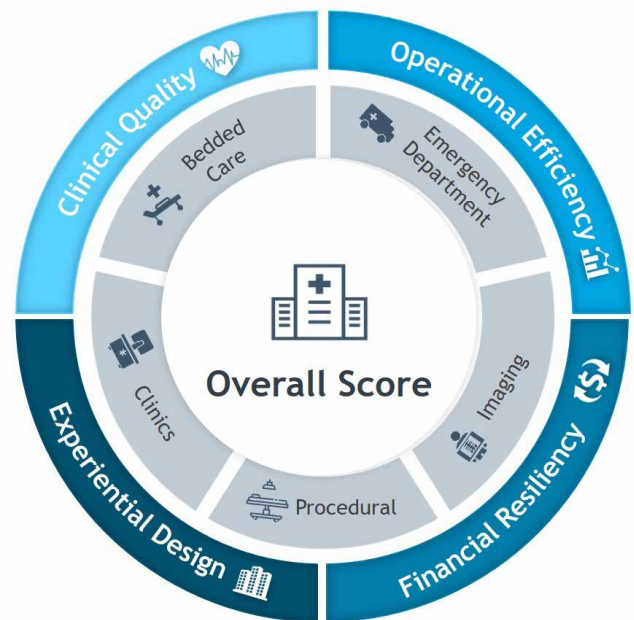
| FINANCIAL IMPROVEMENT | CLINICAL INNOVATION | DIGITAL TRANSFORMATION |
|--|---|--|
| BDO SERVICES | | |
| <p>Operating Cost Reduction</p> <ul style="list-style-type: none"> ▶ Performance Diagnostic Assessment ▶ Cost Reduction (Labor & Non-Labor) ▶ Business Process Automation ▶ Real Estate Optimization <p>Revenue Enhancement</p> <ul style="list-style-type: none"> ▶ Reimbursement Analysis & Maximization ▶ Revenue Cycle Optimization ▶ Payer/Managed Care Contracting ▶ Ambulatory Network Development <p>Corporate Development</p> <ul style="list-style-type: none"> ▶ Acquisitions & Partnerships ▶ Transaction Support ▶ Due Diligence & Valuations ▶ Integration Support ▶ Compensation & Benefits <p>Restructuring & Turnaround</p> <ul style="list-style-type: none"> ▶ Ownership Transition ▶ Raising Alternative Sources of Capital ▶ Interim Management & Business Outsourcing ▶ Crisis Management & Business Continuity ▶ Bankruptcy Support <p>Assurance</p> <ul style="list-style-type: none"> ▶ ASC 740 ▶ Accounting & Reporting Advisory ▶ Audit & Financial Reporting ▶ Corporate Governance ▶ Regulatory Compliance <p>Tax</p> <ul style="list-style-type: none"> ▶ R&D Tax Credits ▶ State and Local Tax, International Tax, Federal Tax ▶ Tax Due Diligence & Transformation ▶ Transfer Pricing | <p>Workflow & Productivity</p> <ul style="list-style-type: none"> ▶ Process Improvement ▶ Physician Practice Management ▶ Care Model Redesign ▶ Recruitment & Retention Strategies ▶ Workforce Optimization ▶ Medical Staff Transformation <p>Growth & Development</p> <ul style="list-style-type: none"> ▶ Service Line/Program Strategy ▶ Virtual Care/Telehealth Planning ▶ Health/Retail Prototyping <p>Population Health Strategies</p> <ul style="list-style-type: none"> ▶ Value-Based Care Strategies ▶ Chronic Disease Program Development ▶ Quality Measure Improvement ▶ CIN/ACO Implementation <p>Compliance & Risk Management</p> <ul style="list-style-type: none"> ▶ Compliance Program Development & Management ▶ Contracting & Network Creation ▶ Medical Expense Management ▶ Expert Witness ▶ Risk Readiness Assessment ▶ Corporate Integrity Agreements & IRO Support ▶ Credentialing <p>Consumer Experience</p> <ul style="list-style-type: none"> ▶ Market And Consumer Segmentation ▶ Patient Satisfaction Improvement ▶ Branded Experience Development ▶ Restoring Consumer Confidence ▶ Environment of Care Optimization | <p>Develop a Digital Strategy</p> <ul style="list-style-type: none"> ▶ Enterprise Data Governance ▶ Digital Transformation ▶ IT Optimization ▶ Software Selection ▶ App Modernization <p>Manage Opportunity</p> <ul style="list-style-type: none"> ▶ Managed Services ▶ Program Management <p>Lead Change</p> <ul style="list-style-type: none"> ▶ Enablement and Adoption ▶ Project Management <p>Manage Risk</p> <ul style="list-style-type: none"> ▶ Data Protection: Privacy & Cybersecurity ▶ Regulatory Compliance ▶ Integrated Governance, Risk & Compliance <p>Modernize Technology</p> <ul style="list-style-type: none"> ▶ Application Development ▶ System Integration ▶ Robotic Process Automation (RPA) ▶ Modern Workplace ▶ IT Infrastructure ▶ Cloud <p>Unlock the Power of Data</p> <ul style="list-style-type: none"> ▶ Data Management & Analytics ▶ Artificial Intelligence ▶ Customer Relationship Management |



The BDO Healthcare Rx Toolkit

BDO PERFORMANCE DIAGNOSTIC (PDX) A Tool Built with Holistic Performance in Mind

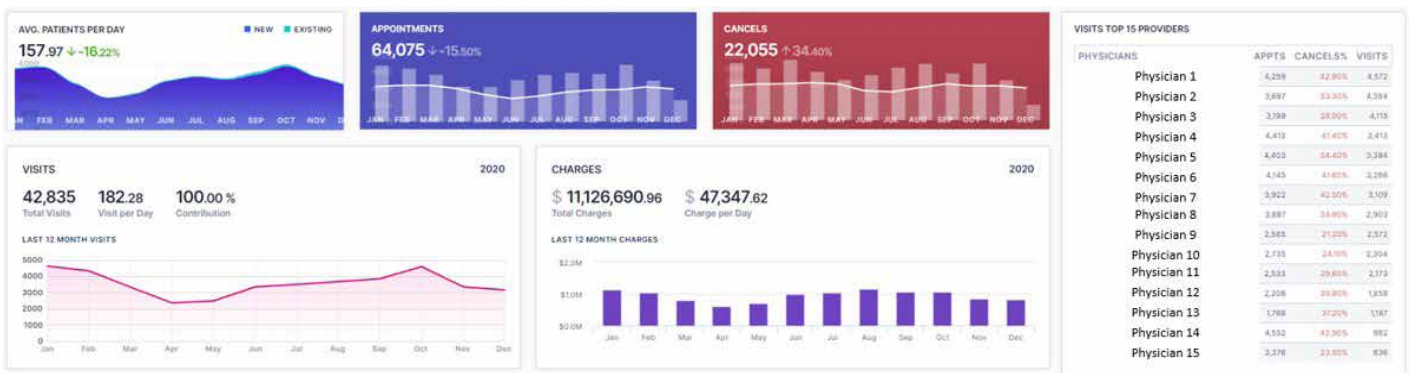
The BDO PDX tool provides healthcare organizations with critical information across four categories essential to assessing any healthcare environment. Using the diagnostic, organizations will understand clearly which clinical environments meet performance expectations, where further investments are necessary and if replacement or divestiture should be a consideration.



BDO RX INTEL

A Real-Time Dashboard Built to Uncover Actionable Insights to Optimize Financial, Operational and Clinical Performance

BDO Rx Intel is a real-time tool that integrates data sets from disparate electronic health records and practice management software. It offers actionable insights from an easy-to-use, real-time dashboard to optimize financial, operational, and clinical performance. The tool is ideal for Medicare Part B providers.





People who know Healthcare, know BDO.

www.bdo.com/healthcare

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THE BDO CENTER FOR HEALTHCARE EXCELLENCE & INNOVATION

The BDO Center for Healthcare Excellence & Innovation is devoted to helping healthcare organizations thrive clinically, financially, and digitally. We help clients redefine their strategies, operations and processes based on both patient-centric demands and rigorous best business practices—responding to the industry's new market disrupters, cost pressures and outcomes-based reimbursement models. For more information, please visit: www.bdo.com/industries/healthcare/overview

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