

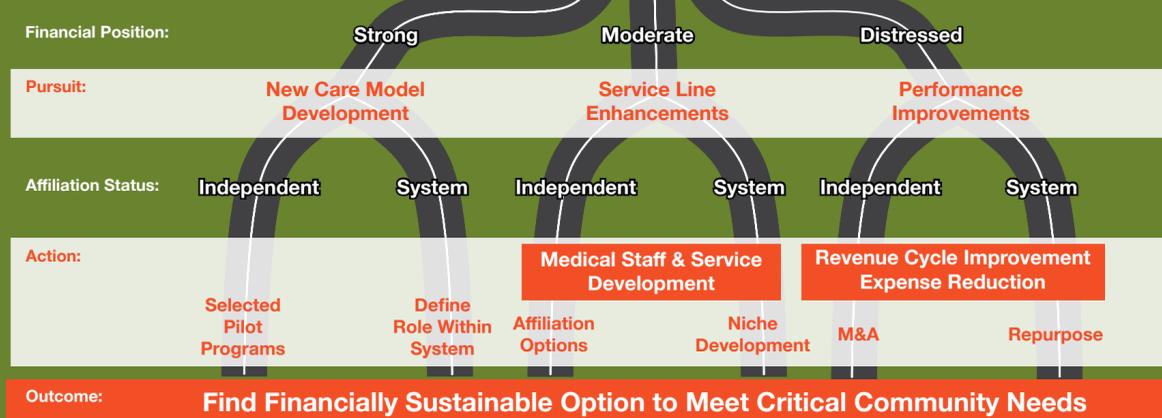
Developing a Pathway for Viable Healthcare in Rural Communities

Regardless of trends, each rural hospital faces unique issues and often works with limited resources in its quest to provide high-quality, cost-effective care.

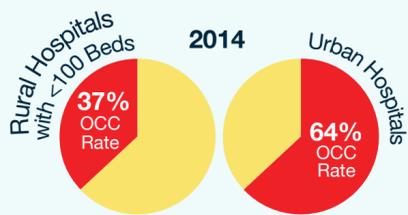
Strategic planning is essential to develop a pathway to success.



Rural Hospital Strategic Pathways



Inpatient Admission Decline

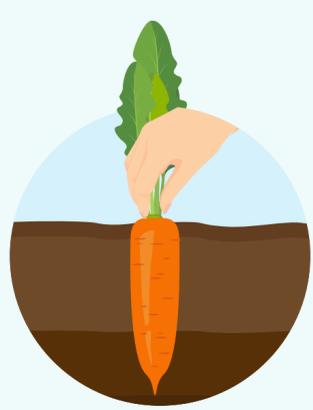


Small rural hospital occupancy rates declined 9% from 2006 to 2014.

- Medicare Payment Advisory Commission

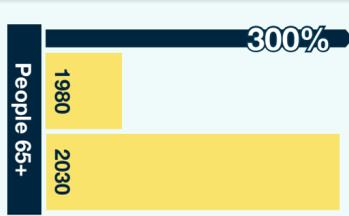
Dig It up by the Roots

Examining opportunities for patient throughput for efficiency mitigates resulting financial losses. Objective analysis of process can yield a bumper crop of opportunity. Physician alignment and thorough service line planning can offer long-term solutions.



PYA PYA can help identify cost reduction opportunities and partner on performance improvement initiatives. PYA provides experienced personnel focused on **value transformation and strategic planning** to better position a hospital for success.

Aging Population & Increased Rate of Chronic Disease



By 2030, an estimated 60% of Baby Boomers will have more than one chronic condition.

- 2014 Advisory Board Research Brief

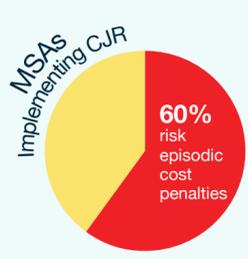
For Everything There Is a Season

Undergoing thorough physician and community health needs assessments can prepare an organization to identify the services and providers that a community needs most.



PYA PYA's talented team of physicians, nurses, accountants, and population health experts to conduct **physician and community health needs assessments**. These experts can help lead, establish, and/or educate on population health initiatives.

Complex Payment Care Models



In 2015, CMS enacted the first mandatory value-based program—Comprehensive Care for Joint Replacement (CJR)—in 67 pilot MSAs.

- Avalere Analysis

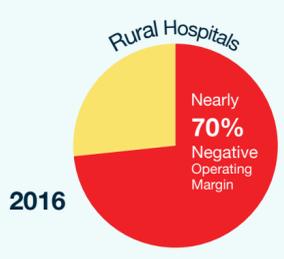
Many Hands Make Light Work

New regulations and the need to transition to value-based care shouldn't render an organization unsuccessful in serving its community. Knowledgeable guidance is available without adding a fixed cost investment in manpower.



PYA When it comes to new payment and care models, PYA draws upon a deep-rooted knowledge of federal reimbursement programs and CMS regulations. PYA provides a skilled partner in **value transformation and compliance initiatives** helping rural hospitals navigate complex regulatory environments.

Recognition of Revenue-Growing Opportunities

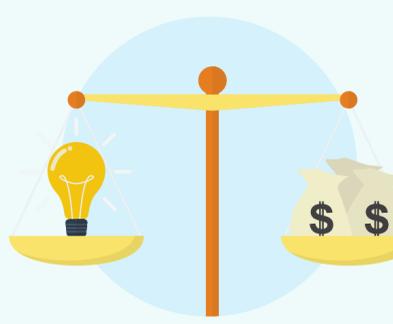


Overall, 70% of rural hospitals operated at a negative operating margin.

- 2016 Vantage Health Analytics Index Study

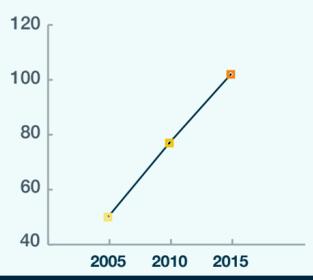
It Is Important to Weigh All Options Available

In order to identify opportunities to grow revenue, it is crucial for leadership teams to be forward-thinking and innovative, and fully exercise abilities to strategically plan and execute.



PYA PYA offers rapid organizational and service line assessments, reimbursement analyses, facilitation of board education, and **strategic planning services** to rural hospitals, helping identify realistic opportunities to grow much-needed revenue.

Affiliation Exploration



Within a ten year span, hospital transactions increased by more than 100%.

- Irving Levin Associate's 2016 Health Care Services Acquisition Report, the 22nd addition.

The Grass May Not Be Greener on the Other Side

Independent providers often experience market encroachment and a lack of access to capital. Successful rural hospitals strategically explore both equity and non-equity solutions as well as a variety of affiliation options.



PYA PYA assists healthcare providers with the transaction process. We help determine the right partners, **explore beneficial and appropriate affiliation options**, and see transactions through to successful post-integration in order to maintain community access to quality healthcare services.

