



REDWOOD ADVISORS

*Local Market Analysis
Sample Materials*

Agenda

- **Local Market Analysis**
- RWA Overview & Core Offers

Population dynamics across Colorado to identify potential high-value local markets

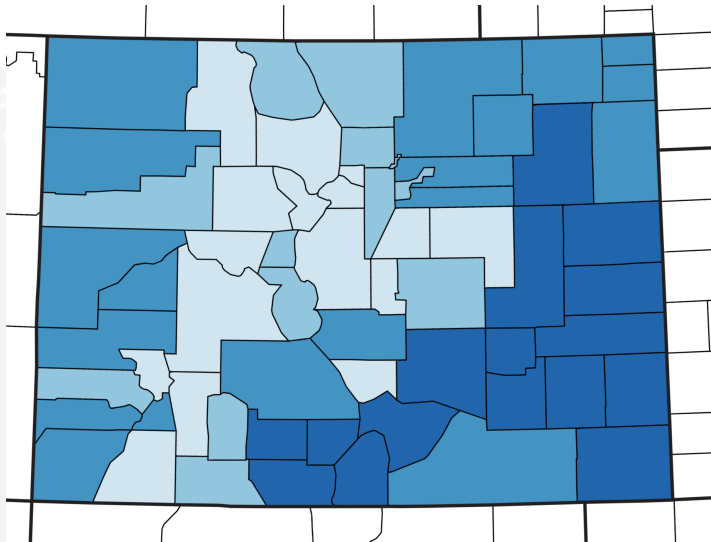
Vulnerability index of Seniors over 65 per county in Colorado (2019)^A

Vulnerability score index (CHI)



1.6

9.2



Key Insights: xx

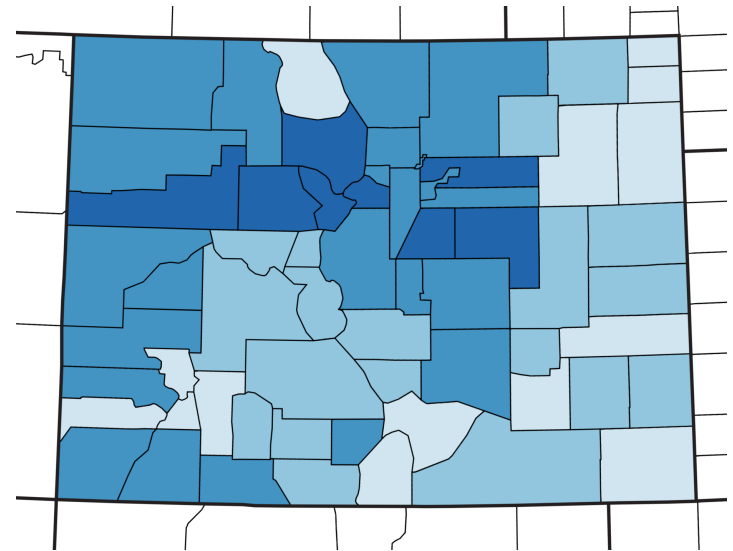
Projected population change of seniors over 65 per county in Colorado (2030)^A

Projected pop. growth (CHI)



1.1%

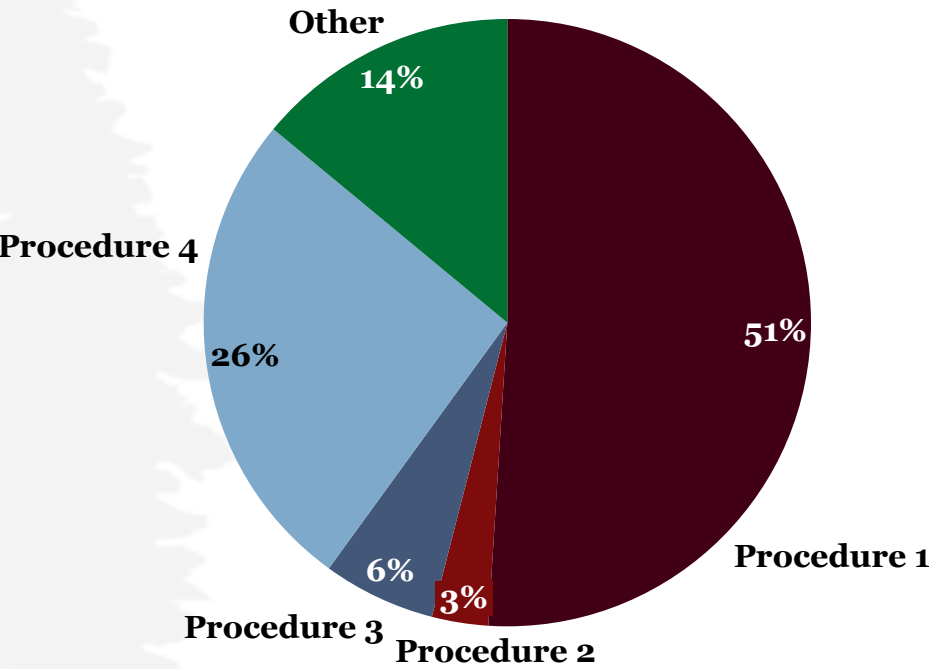
120.4%



Key Insights: Denver suburbs and some mountain counties projected to have greatest growth

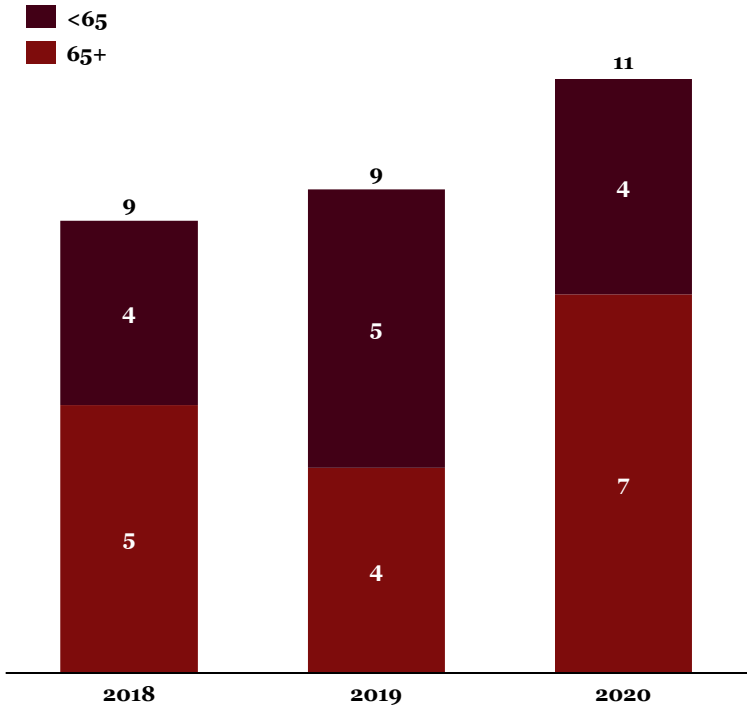
Medicare certified providers focused on <Procedure 1> will see continued growth in the future

Procedure distribution among Medicare recipients (% of total)



- Over half of Medicare recipients needed X procedure
- XX

Revenue from public insurance companies (\$Bs)



- XX
- XX



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Who we work with: Growing middle-market and large outpatient providers



U.S. Oral Surgery
Management



UNIFIED
WOMEN'S HEALTHCARE™



option
care™



Johnson & Johnson

BILL &
MELINDA
GATES
foundation



PotentiaMetrics



Acelity™

UC San Diego



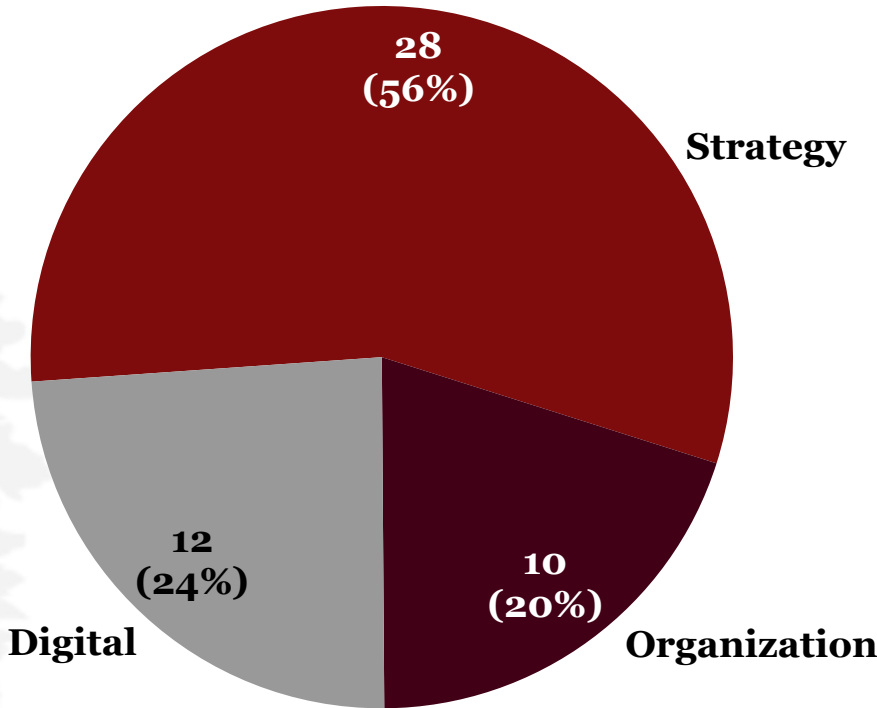
Tenet
Health

Onlife
HEALTH



Redwood Advisors focuses on growth strategy, digital and organizational excellence for outpatient providers

No. of projects (% of projects)
(N=50)



1 Strategy: Maximizing Profitable Growth

We help outpatient providers grow faster and more profitably with customized, comprehensive value creation planning

2 Organization: Delivering Organizational Excellence

We help deliver excellence across six key dimensions so clients accomplish their goals more effectively and efficiently

3 Digital: Unlocking Digital Potential

We help providers unlock digital potential to better serve their patients or customers and create new business models



RWA Core Outpatient Offers

Offers	Key Outputs	Value	Timeline
1 Commercial Due Diligence	<ul style="list-style-type: none"> Full commercial due diligence of potential acquisition on key dimensions (e.g., patient retention & growth, physician retention & growth, cost, rates) and local markets (e.g., payor mix, demographics) 	<ul style="list-style-type: none"> Assess opportunity and key risks Provide robust synthesized facts and insights to inform “go” / “no-go” decision Gain tailored insights to help accelerate post-acquisition growth if deal moves forward 	~3-6 weeks
2 Local Market Analysis	<ul style="list-style-type: none"> Targeted local market analysis of local supply and demand factors for a specific healthcare offer (e.g., OBGYN, hospice care) 	<ul style="list-style-type: none"> Build significant credibility with potential acquisitions via an in-depth, robust analysis of relevant local markets Identify new opportunities and potential risks associated with potential M&A and / or De Novos 	~4-6 weeks
3 M&A / De Novo Strategy	<ul style="list-style-type: none"> Full 3-5 year M&A and de novo strategy including growth targets (revenue, provider, patient), prioritized markets and sub-markets, and acq. filters and criteria 	<ul style="list-style-type: none"> Set clear goals and prioritize markets and practices to focus resources, target investments, prioritize markets, and enable proactive sourcing to win more and better deals with a higher long-term ROI 	~6-8 weeks
4 Enterprise-wide Value Creation Planning	<ul style="list-style-type: none"> Full 3-5 year strategic plan including a full list of value creating initiatives, top 3-5 (based on value and ability to execute), and action plan for top 3-5 initiatives 	<ul style="list-style-type: none"> Significantly accelerate revenue and EBITDA growth with prioritized list of top 3-5 initiatives linked to clear action plans 	~8-12 weeks
5 Practice Integration	<ul style="list-style-type: none"> True operational, strategic, organizational, and cultural integration of two or more providers into an integrated platform primed for further growth and improvement 	<ul style="list-style-type: none"> Significantly increase saleable enterprise value with a higher exit multiple due to increased scale, EBITDA, and growth capability 	~6-12 months





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