

experience **insight** // The health care environment presents many challenges for health care service providers. From financial challenges and operational issues to reimbursement cuts and competitive pressure, widespread challenges have caused many hospitals and health systems to assess their strategic options.



BKD Corporate Finance, LLC works with health care clients to assess available financial and strategic options. As a subsidiary of **BKD, LLP**, one of the largest health care management consulting firms in the U.S., our insightful advisors have the ability to leverage industry expertise with a disciplined approach to provide clients with in-depth education related to their strategic options and help clients meet growth and expansion needs, make investment decisions, negotiate transactions for mergers, acquisitions, affiliations or divestitures and streamline the overall process.

STRATEGIC ISSUES hospital or health system boards must address:

- Competitive position
- Community demographic and economic changes
- Physician and employee recruitment challenges
- Financial capabilities
- Reimbursement pressures
- New models of care
- Regulatory changes

MERGERS & ACQUISITIONS

Joining two entities is one of the most intricate transactions you will encounter. Our advisors help organizations navigate complex financial and strategic issues related to a hospital or health system merger or acquisition, from first contact to closing.

Our disciplined approach can help you:

- Evaluate strategic opportunities
- Identify target organizations

- Perform a valuation analysis
- Structure and negotiate the transaction
- Navigate due diligence and the closing process

AFFILIATIONS

Strategic affiliations can range from cooperation agreements to virtual mergers and bring varying degrees of risk and transactional complexity. Our advisors offer a broad range of industry expertise to help hospitals and health systems address these complex issues.

To guide you, we can help:

- Distinguish strategic goals and objectives
- Identify potential partners and solicit proposals
- Prepare financial models and calculations
- Structure and negotiate agreements
- Coordinate due diligence and the closing process

KEY CONSIDERATIONS in selecting a hospital or health system merger, acquisition or affiliation partner:

- Continued provision for health care in the community
- Financial commitments
- Operational capabilities
- Access to capital and financial strength
- Physician recruitment
- Management resources
- Model of care strategy



“ The BKD Corporate Finance team did an excellent job representing the financial interest of McCune-Brooks Regional Hospital in the transaction. The Board of the city-owned, not-for-profit hospital had a fiduciary duty to ensure long-term access to health care in the community. Although we knew who the likely party was going to be in the transaction, BKDCF used their expertise in health care transactions to negotiate the financial components of the transaction from a position of strength. The BKDCF team did an excellent job managing the process, helping to achieve an outcome that was approved unanimously by the Board.* ”

Doug Culver

CFO

McCune-Brooks Regional Hospital

*This statement may not be representative of the experience of other clients and is not a guarantee of future performance or success.

DIVESTITURES

Selling a subsidiary is a complicated and time-consuming endeavor, making an experienced advisor’s assistance critical. We specialize in guiding organizations through the complex financial and strategic issues related to a divestiture, from first contact to closing.

Our disciplined approach includes:

- Analysis of the subsidiary and its industry
- Financial evaluation to identify value drivers within the subsidiary
- Carefully planned marketing designed to generate multiple buyers while maintaining confidentiality
- Expertise in structuring and negotiating transactions
- Assistance with due diligence and the closing process

FINANCING

Obtaining financing involves complex issues and varying degrees of risk. Our advisors have the expertise to guide you through each phase of the process. We can help find financing sources that align with your strategic objectives. Our network of lenders and investors can help you unite with the right partner.

ABOUT BKD CORPORATE FINANCE

BKD Corporate Finance provides merger, acquisition, affiliation, sales and financing services to the health care industry. We are a wholly owned subsidiary of **BKD, LLP**, one of the largest CPA and advisory firm in the U.S. and the firm of choice for approximately 1,300 hospitals and health care systems.



FOR MORE INFORMATION // For a complete list of our offices and subsidiaries, visit bkd.com or contact:

Austin Propst // Director // apropst@bkd.com // 417.869.8588

Wyatt Jenkins // Vice President // wjenkins@bkd.com // 417.869.8588

BKD THOUGHTWARE®

// articles // emails // presentations // videos // webinars

bkd.com