



BAILEYSOUTHWELL&CO

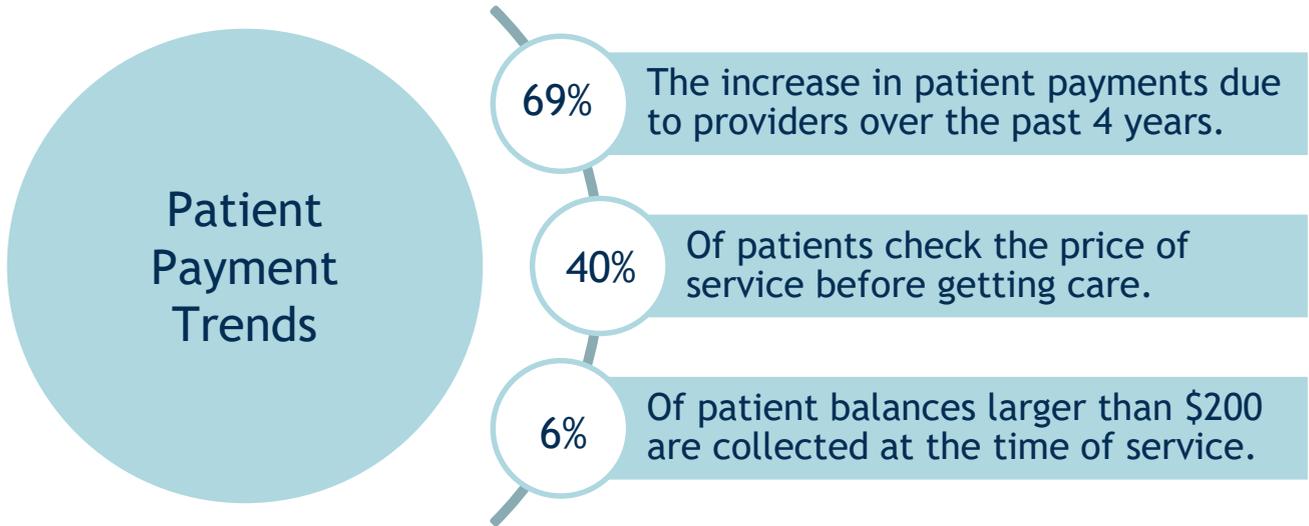
REVENUE CYCLE MANAGEMENT: PATIENT PAYMENTS

A BSC Healthcare Technology Sector Report

Revenue Cycle Management (“RCM”) companies are moving beyond the office, focusing on enhancing the experience, including the payment process. As out-of-pocket payments rapidly become a larger percentage of overall medical spend, providers must adapt their billing and collection process to increase the speed and likelihood of collections and improve the patient experience.

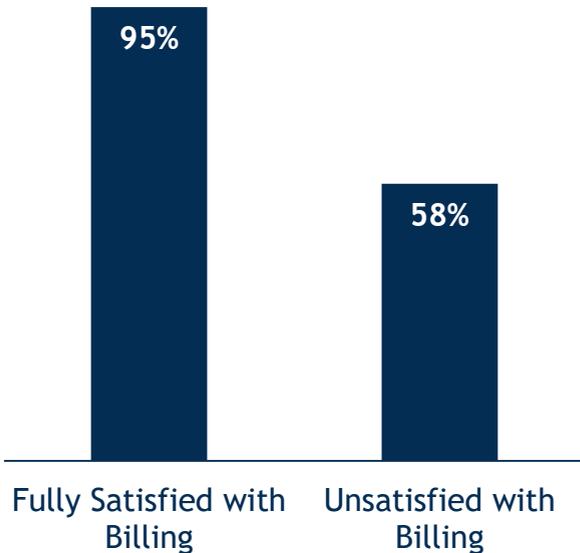
Market Trends

Due to the rise of consumer driven health plans, patients now control a larger portion of healthcare payments resulting in providers having to create a patient-central billing and collection process. RCM solutions help providers increase patient touchpoints and improve transparency throughout the billing process which ultimately drives greater patient satisfaction, improves loyalty, and increases provider collections.

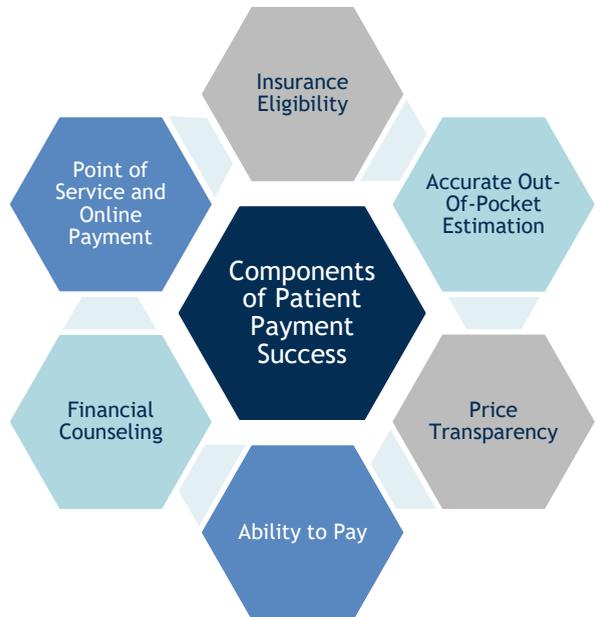


Sources: The American Journal of Managed Care: Healthcare Spending and Preventative Care in High-Deductible and Consumer-Directed Health Plans., athenahealth.

Patients Who Would Return to a Provider



Key Patient Payment Factors

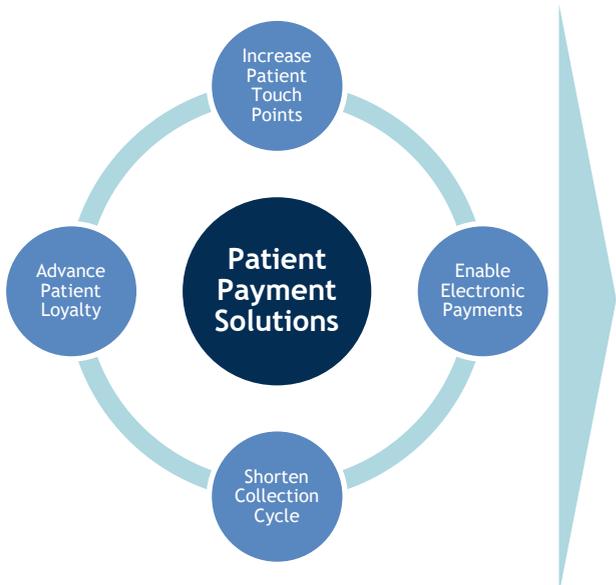


Out-of-pocket healthcare payments amount to 37% of total healthcare spend.

Source: Connance., Centers for Medicare and Medicaid Services.

How RCM Solutions Can Help

RCM companies are empowering providers to deliver a payment experience uniquely focused on the needs of the patient. These solutions not only offer a superior patient experience but also enable providers to increase receivable realization and drive down the overall cost of collection.



SwervePay
Health Services

Utilizes cloud-based system to estimate out-of-pocket costs, enable automated messaging, and secure one-click payments both online and mobile.

AccessOne

Provides flexible, consumer-focused patient financing solutions to help consumers afford out-of-pocket medical expenses and drive high patient satisfaction.

CHANGE
HEALTHCARE

Provides end-to-end revenue cycle management via its Revenue Performance Advisor software solution. Its software estimates the patient's share of the total medical bill with 90% accuracy.

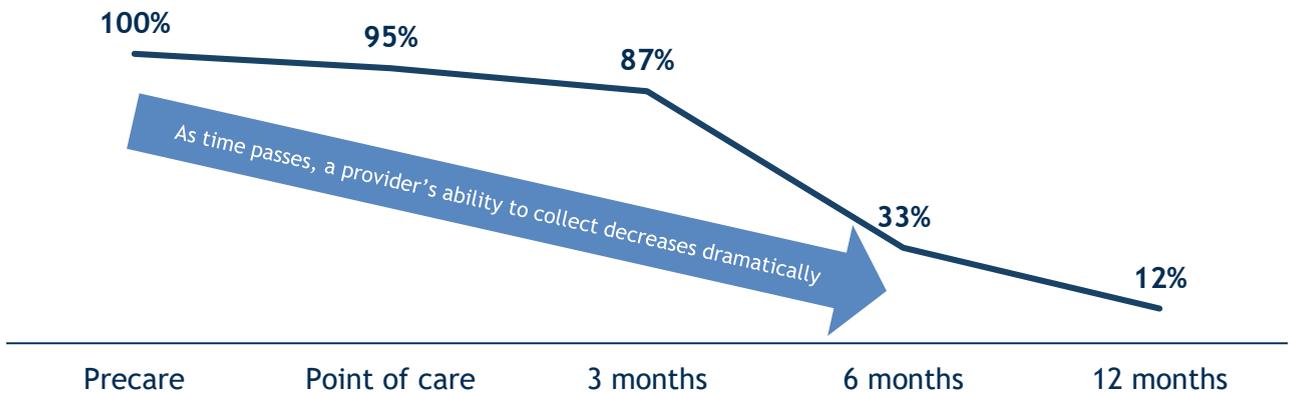
capio+

Offers revenue cycle models that focus on patient engagement to improve patients' ability to pay as well as healthcare debt purchasing services that minimizes the risk to providers of bad debts.

visitpay

Provides cloud-based healthcare payment platforms to make patient payment easier. Its solutions have increased patient satisfaction by 40% and reduced the cost to collect by 75%.

Percent Collected of a Healthcare Bill by Collection Timing



RCM companies increase the speed and value of collection, thereby increasing provider revenue.

Source: Advisory Board

Recent Transactions

Numerous transactions in the space show an increased focus on revenue cycle management services.

1

July | 2018

Revenue Cycle Management

Patientco is a payment technology company founded to bring together intuitive consumer payment tools and world-class payment infrastructure. The Series B capital will be used to accelerate Patientco's growth in the \$5B+ patient payments market, expand sales and marketing throughout the U.S., and fuel continued product innovation.



Lead Series B in



2

June | 2018

Revenue Cycle Management

Echo Health Ventures and Frontier Capital completed a strategic investment in AccessOne to help fund AccessOne's acquisition of HealthFirst Financial. With the acquisition, AccessOne becomes one of the largest and most experienced national platforms for tailored patient financing solutions in healthcare.



FrontierCapital

Invested Growth Capital in



3

January | 2017

Revenue Cycle Management

Primus Capital made a major growth investment in Payspan, Inc. Based in Atlanta, GA, Payspan is a healthcare technology company providing payment automation services that improve administrative efficiency, meet regulatory requirements, and enable payers and providers to manage new reimbursement strategies in a rapidly changing landscape.

PRIMUS

Invested Growth Capital in



4

July | 2016

Revenue Cycle Management

Bain Capital Private Equity invested growth equity in Navicare, a subscription-based software solution that helps healthcare organizations of all sizes increase revenue, accelerate cash flow, and reduce the costs associated with managing insurance claims and patient payments. Navicare purchased ZirMed in Nov 2017 to form Waystar, a leading healthcare RCM platform.



Made Strategic Investment in



5

May | 2016

Revenue Cycle Management

From pre-service to billing to financing, Simplee's platform has tools to estimate the cost of procedures, drive better understanding of billings and payments, and provide friendly financing options throughout the patient journey, all focused on building rapid trust and paving a path to payment. In 2018, Simplee raised senior debt to continue to scale its platform.

SOCIALCAPITAL



83NORTH

Invested in Series C1 in



Select BSC Transactions

Bailey Southwell bankers have advised numerous RCM companies in their sale



MARINA
MEDICAL BILLING SERVICE
A Portfolio Company of
Prospect Partners

has been acquired by



American
Capital

Undisclosed

Financial Advisor to Marina Medical Billing Service



MARINA
MEDICAL BILLING SERVICE
A Portfolio Company of
American
Capital

has been acquired by



THE SYSTEM[®]
A Portfolio Company of
EIP
FRANCISCO
PARTNERS

Undisclosed

Financial Advisor to Marina Medical Billing Service



Piedmont
HealthCare

has been acquired by



ANODYNEHEALTH

Undisclosed

Financial Advisor to Piedmont Healthcare Management Group



TRANSOLUTIONS
Medical Transcription Services

has been acquired by



highroad
CAPITAL PARTNERS

Undisclosed

Financial Advisor to Transolutions, Inc.



NEA
National Electronic Attachment, Inc.



MEA
Medical
Electronic
Attachment

has been acquired by



POLARIS
PARTNERS

Undisclosed

Financial Advisor to National & Medical Electronic Attachment



Payment America
SYSTEMS

A Portfolio Company of



Council Capital

has been acquired by



PREMIERE CREDIT
of North America, LLC

Undisclosed

Financial Advisor to Payment America Systems, Inc.

BSC's Healthcare Technology Team

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