



**The Education Committee of the
National Federation of Municipal Analysts**

**ADVANCED SEMINAR
on the
Changing Face of Healthcare**

Thursday October 17

7:30 - 8:00 a.m. **Registration and Continental Breakfast Sponsored by Piper Jaffray**

8:00 - 8:15 a.m. **Opening Remarks-** *Rachel Barkley, Senior Vice President, Loop Capital Markets, Advanced Seminar Chairperson*

8:15 - 9:30 a.m. **Healthcare Legislative Policy Update**

Democrats and Republicans have starkly different views on the delivery and financing of healthcare services. The 2020 election will be in part a referendum on healthcare, yet providers must also navigate the next 14 months of the Trump Administration. Join us for both an update on the near-term policy and legislative initiatives that could impact the healthcare sector, and a discussion on the competing healthcare reform proposals of the 2020 presidential candidates.

Moderator: *Jim LeBuhn, Vice President Credit Research, Loomis Sayles*

Panelists: *Mike Rock, Senior Associate Director, American Hospital Association; Nathan Bays, President, Bays & Company*

9:30 - 9:45 a.m. **Break**

9:45 - 11:00 a.m. **The Law of Unintended Consequences: No Good Deed Goes Unpunished When It Comes to Medicare**

This panel will give the audience a better understanding of the federal administration of Medicare policy changes, as well as how these changes are handled by healthcare providers. We'll look at some of the unintended consequences from prior Medicare initiatives that negatively affected revenues and the overall financial stability of providers. Additionally, we'll discuss what analysts should be concentrating on when considering how future proposals may impact issuers. We'll also examine the tools healthcare managers must have to identify and diagnose problems before it becomes too late.

Moderator: *Stephanie McAleer, Bond Risk, Team Leader, Siemens Financial Services,*

Panelists: *Dr. Jon Christianson, Professor & James A. Hamilton Chair in Health Management, Division of Health Policy, University of Minnesota; Jim Papadakos,*

CFO, Milford Regional Medical Center, Milford, Massachusetts, Robert Tarola, Consultant, Right Advisory

11:00 - 11:15 a.m. **Break**

11:15 a.m.-12:30 p.m. **Can You See Healthcare Clearly Now? Chasing the Transparency and Consumerism Dream**

In the age of e-commerce and ubiquitous smart phones, consumers expect fast and pleasant shopping experiences. Consumers want to accurately compare real-time cost and quality information, but also to seamlessly make purchases, schedule appointments, review data records, submit payments, and engage with customer service. The healthcare industry is far behind in these areas, and hospitals may no longer have the luxury of time because opacity is no longer acceptable to customers. The advancement of electronic medical records, new regulatory requirements, the rise of consumerism (the “retailization of medicine”), and rapid growth of high-deductible health plans are shifting the playing field. This panel will explore hospital strategies to embrace (or mitigate) transparency and consumerism. We will also discuss competitive threats from non-traditional retail and tech players, and explore possible impacts that adaptive business models and potential commoditization of prices may have on hospitals’ bottom line and credit profile.

Moderator: *George Huang, Director, Wells Fargo*

Panelists: *Matt Muhart, Executive Vice President & Chief Administrative Officer, Memorial Healthcare System; Kurt Waltenbaugh, CEO, Carrot Health*

12:30 - 1:45 p.m. **Luncheon with Speaker-TBD**

1:45 - 2:00 p.m. **Break**

2:00 - 3:15 p.m. **Bondholder Strategies for Ailing Hospital Credits**

Since January 2018, more than two dozen acute care hospital facilities have sought protection under the federal bankruptcy code while many others are in material – if not critical – financial distress. Financial distress can affect bond transaction rights and impair bondholder recoveries, and so bondholders are deploying “deal first aid,” and even “deal surgery” to inoculate bond transactions from risks of loss, with a goal to minimize bondholder losses and to provide treatment to maximize bondholder recoveries. The panel will explore common bondholder strategies to drive bondholder recoveries during distress.

Moderator: *Ian Hammel, Member, Mintz Levin*

Panelists: *Andrew Turnbull, Managing Director, Houlihan Lokey; Jerry Solomon, CFA, Fixed Income Portfolio Manager, Capital Group; Chad J. Shandler, Senior Managing Director, Corporate Finance & Restructuring, FTI Consulting*

3:15 - 3:30 p.m. **Break**

3:30 - 4:45 p.m.

Proton Therapy Financing

Proton therapy financing is a growing space in municipals with eleven deals or \$1.7 billion financed. These are complex credits with construction risk, technology, and competition among them. This panel will start with a brief overview of proton treatment and financings, followed by a discussion of why some facilities have had difficulties and/or needed to restructure. We will cover reimbursement issues and present a nuts and bolts framework for analyzing proton deals; for example, which metrics analysts should focus on when looking at financings and how previous deals compare in that framework. Finally, we will address the broader questions that arise in proton financings, including the competitive landscape for facilities and how to view technological risk in proton therapy.

Moderator: *Richard Akulich, Director, Preston Hollow Capital*

Panelists: *Annika Andrews, President & CEO, SCCA Proton Therapy Center; Dr. Tina Yu, Mevion Medical Systems; Richard Szalkowski, Senior Vice President, Raymond James*

5:00 - 6:00 p.m.

Cocktail Reception

Friday October 18

7:30 - 8:00 a.m.

Continental Breakfast

8:00 - 9:15 a.m.

Disruptive Change: For Real This Time?

Efforts at transforming the healthcare system have resulted in only modest changes in the way that hospitals, doctors and insurance plans do business. However, there are forces at play that could vastly increase the pace of change and radically alter how consumers access and pay for healthcare, as well as the role of hospitals in the system. This session will discuss what's different now, who the disruptors are, what disruption could mean for hospitals, what kind of healthcare organizations are best positioned to address these changes, and who will be at greatest risk.

Moderator: *Liz Sweeney, President, Nutshell Associates*

Panelists: *Craig Samitt, President & CEO, BlueCross Blue Shield of Minnesota; James Hereford, CEO, Fairview Health System; Eric Larsen, President, The Advisory Board Company*

9:15 - 9:30a.m.

Break

9:30 - 10:45a.m.

M&A in 2020 and Beyond

Since the passage of the ACA in 2010, M&A among healthcare organizations has increased significantly and has fundamentally changed healthcare. More recently, there has been a trend towards mega-mergers as regional opportunities disappear. Additionally, non-traditional entities have seen an opportunity to “fix” the system with private equity firms entering healthcare or developing joint ventures with existing

healthcare organizations. Going forward, will we see additional collaboration between for-profit and not-for-profit providers? How will organizational culture and governance play a role? How will providers incorporate the full continuum of care as baby boomers age and care shifts into the home? Panelists will explore the motivations for continued growth as well our thoughts on M&A trends over the next decade and its impact on not-for profit providers.

Moderator: *Meredith Mitchell, Vice President, J.P. Morgan*

Panelists: *Peter DeAngelis, Executive Vice President & Chief Financial Officer, Thomas Jefferson University; Courtney Midanek, Senior Vice President, Kaufman Hall; Lorrie Warner, Managing Director, Citi*

10:45 -11:00a.m. **Break**

11:00 a.m.-12:15 p.m. **Tech Across the Healthcare Spectrum**

Healthcare cannot be separated from technology, whether it utilizes technology to enable the customer experience, aid the delivery care model, create efficiencies, or advance healthcare science. Data is everywhere, and technology tools enable the whole healthcare system.

This panel will examine how providers incorporate tech and data into their delivery model. We will examine successful technology tools with a goal of understanding why they are successful, and how their impacts are measured. The panel will also review how organizations manage the implementation of tech initiatives to ensure success, and when partnerships between tech companies and healthcare providers make the most sense. What should analysts ask providers to determine whether new technologies are moving the organization forward and creating a competitive advantage, or simply adding another cost?

Moderator: *Suzie Desai, Director, S&P Global Ratings*

Panelists: *Aimee Quirk, CEO, innovationOchsner, Ochsner Health System; Michael Rosenbaum, Founder & CEO, Arena; Sam Glick, Partner, Oliver Wyman*

12:15 -12:30 p.m. **Closing Remarks-** *Rachel Barkley, Senior Vice President, Loop Capital Markets, Advanced Seminar Chairperson*

12:30 p.m. **Seminar Adjourns**

The views expressed at the Advanced Seminar are those of the panelists alone and do not necessarily represent those of the National Federation of Municipal Analysts.

EDUCATION CHAIR

Rachel Barkley, Senior Vice President, Loop Capital Markets

ADVANCED SEMINAR CO-CHAIRS

Rachel Barkley, Senior Vice President, Loop Capital Markets
John Ceffalio, Vice President, AllianceBernstein

CONTENT CHAIR

Robin Fisher, Vice President, Franklin Templeton

REGISTRATION

Registration for the seminar is \$550 for members of the NFMA and its Constituent Societies, and \$650 for non-members, which includes two continental breakfasts, one luncheon and the cocktail reception. A limited number of discounted registrations for government employees and students are available; inquiries should be directed to Lisa Good at 412-341-4898, or lgood@nfma.org. Registration is online only at www.nfma.org. The deadline for registration is October 4, 2019. Cancellations will be accepted through October 4, 2019; a \$50 processing fee will be applied regardless of the reason for cancellation. Beginning October 5, 2019, there will be no refunds; however, substitutions from the same firm will be accepted. If weather conditions prevent attendance, proof of flight cancellations must be provided and a partial (50%) credit will be given to be applied to registration for a future NFMA event.

HOTEL

The site of the seminar will be the Renaissance Minneapolis, the Depot, 225 Third Avenue South, Minneapolis, MN 55401. Group rooms are available at the rate of \$237/night. The room block closes on September 20, 2019, but may fill prior to that date. Subject to availability, the group rate will be available three days pre- and post- the event dates. Please contact Renaissance Reservations at (612) 375-1700 or 866-211-4611 and ask for the National Federation of Municipal Analysts Room Block to get the group rate of \$237 for a Standard Guest Room, or go to [Book your group rate for National Federation of Municipal Analysts](#). Please note the hotel's early departure and cancellation fees when you make your reservations.

ATTIRE

Business casual is acceptable for the seminar.

TRANSPORTATION

Minneapolis is served by the Minneapolis-St Paul International Airport (MSP), which is eight miles from the hotel. Taxi service from the airport to the hotel is estimated to cost \$35. Super Shuttle runs service to downtown hotels at a cost of \$16 (one way). The hotel does not provide its own shuttle service.

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