10 Key Operational Challenges - Facing Independent Physician Groups

1. **Liquidity.** Lack of liquidity and working capital to fund ongoing clinical and non-clinical practice operations in the COVID-19 environment
2. **Capital & Infrastructure.** Professional infrastructure and substantial capital to better weather future pandemics and/or economic slowdowns
3. **New Normal Post-Pandemic.** Uncertainty regarding the “new normal” for medical practice following the pandemic
4. **Reimbursement & Regulations.** Uncertain reimbursement environment and future regulatory changes
5. **Market Consolidation.** Continued consolidation by new market entrants (i.e. private equity) resulting in larger and more well-capitalized competitors

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10 Key Operational Challenges - Facing Independent Physician Groups

(cont'd.)

6. **Power Players Acquiring Referral Sources.** Acquisition of independent primary care referral sources by local hospitals, regional multispecialty groups and national companies (e.g., Optum)

7. **Value-Based Payment.** Shift from fee-for-service to value-based payment structure, population health and risk programs

8. **Direct Contracting.** Expertise in direct contracting with self-insured employers, as that model of healthcare delivery and reimbursement continues to grow

9. **Capital for Healthcare IT and Service Expansion.** Greater need for strategic working capital to invest in information technology, advanced data analytics, EMR, virtual care platforms, and new/expanded ancillary services & offices

10. **Focus on Outpatient Setting.** Shift from legacy hospital-based/inpatient setting of care to ambulatory/outpatient setting

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