



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

ADVANCED SEMINAR

**ASSESSING RISK AND OPPORTUNITY
IN THE
CHANGING HEALTHCARE INDUSTRY**

**January 24 & 25, 2013
Windsor Court Hotel
New Orleans, Louisiana**

PROGRAM

Thursday, January 24

7:30 – 8:00 a.m. *Registration and Breakfast*

8:00 – 8:15 a.m. *Opening Remarks*
Jason Kissane, Assured Guaranty, Advanced Seminar Chairman

8:15 – 9:30 a.m. ***It Came from Inside the Beltway: The Latest on Health Reform and Anti-Trust***
Events in Washington D.C. have always played a pivotal role in the fortunes of not-for-profit hospitals. This is truer than ever today with the passage and validation of Obamacare, and the reinvigoration of the FTC's healthcare anti-trust activities. We will look at the effect of the post-Election changes in the political landscape on health reform, and how progress in implementation made to date will affect the credit quality of hospital bonds. The Supreme Court's hearing of the Phoebe-Putney anti-trust case is very much on our minds. Finally, we will look at the impact on upcoming hospital bond issuance: will we see new types of deals come to market in 2012? Will taxable issuance continue to increase? What will do we expect for 2013 healthcare bond volume?

Moderator: *Brad Spielman, Vice President, Public Finance Group, Moody's Investors Service*

Panelists: *Andy Bressler, Executive Director, Bank of America Merrill Lynch; Tom Keays, Executive Director, Morgan Stanley; William Smith, Partner, McDermott, Will & Emory; Karen Szerszen, Senior Research Analyst, Allstate*

9:30 – 9:45 a.m. *Break*

- 9:45 – 11:00 a.m. ***Understanding the Trend of Hospital Mergers and Acquisitions***
 We have seen an increasing number of announced mergers, acquisitions and affiliations as part of hospital strategies to prepare for a new era in healthcare. Additionally we have seen several large players in the tax-exempt market team up with for-profits to create funds that will pursue acquisition opportunities. Not every proposal reaches a successful ending. However many have. And, for the analyst, it can mean a radical change in the credit fundamentals. This panel will look into the factors driving hospitals to seek out partners and what challenges to consummating the deal and integrating operations. Additionally, the panel will look at the indenture implications of such transactions.
- Moderator: *Joe Rosenblum, Senior Vice President & Director of Municipal Credit Research, AllianceBernstein*
- Panelists: *Steve Weiner, Chair, Health Law Practice, Mintz Levin; Keith Pitts, COO, Vanguard Health; Normand Deschene, President & CEO, Lowell General Hospital, MA; David Singleton, SVP, Treasurer & CIO, Adventist Health System*
- 11:00 – 11:15 a.m. ***Break***
- 11:15 a.m.
 – 12:30 p.m. ***Future of Stand-Alone Hospitals***
 Stand-alone hospitals appear to be an endangered species as all roads to health-care reform seem to lead to consolidated, national and regional organizations that are better positioned to achieve efficiencies and manage population health risk. Is there a role for the stand-alone hospital in the future? The session will explore recent trends and examine the pros and cons of being a standalone. A few answers may surprise you.
- Moderator: *Iain Briggs, Senior Managing Director – Healthcare, FTI Health Solutions*
- Panelists: *Guy Medaglia, President & CEO, St. Anthony Hospital, Chicago; Chris Anderson, Chief Executive Office, Singing River Health System*
- 12:30 – 2:00 p.m. ***Luncheon & Keynote Address: Warner Thomas, President & CEO, Ochsner Health System introduced by Susannah Page, Bank of America Merrill Lynch***
- 2:15 - 3:30 p.m. ***Moving Beyond Days Cash on Hand***
 Are analysts too focused on traditional financial metrics in a patient-oriented landscape? This discussion will focus on quality measures, information technology, physician integration, and strategic direction for healthcare delivery. The panel will also discuss modern, non-financial metrics to improve hospital credit analysis.
- Moderator: *Keith Rochelli, Senior Research Analyst, Kayne Saybrook Municipal Opportunity Funds*
- Panelists: *Dan McMurray, Senior Managing Director, Focus Management Group; Jody Madala, Founder, Madala Health, Inc.; Jim Molloy, Managing Director, Barclays*
- 3:30 – 3:45 p.m. ***Break***

3:45 – 5:00 p.m. ***State-by-State Analysis: Winner and Losers***
Participants on the panel will discuss the states that are most likely to see stress in the provider community – and why – as well as what to watch for over the next twelve to twenty-four months.

Moderator: *Peter Block, Executive Director, Morgan Stanley & Co.*

Panelists: *Charlene Butterfield, Director, Not-for-Profit Healthcare Ratings, Standard & Poor's; Eric Jordahl, Managing Director, Kaufman Hall; Karen Hogan, Director, Senior Analyst, Blackrock*

5:15 – 6:15 p.m. ***Cocktail Reception***

Friday, January 25

8:00 – 8:30 a.m. ***Continental Breakfast***

8:30 – 9:00 a.m. ***Keynote Address - George W. Whetsell, Co-founder and Managing Partner of Prism Healthcare Partners LTD***

9:00 – 10:15 a.m. ***Hospital Profitability in a New Era of Reimbursement Pressures***
For the past few years, hospitals have been reducing expenses to counteract a variety of pressures including reduced reimbursement. This panel will explore the likelihood and extent of future rate cuts by federal, state and private payors as well as answer questions such as how hospitals will be profitable based on Medicare payment rates or when a greater proportion of patients are covered by Medicaid starting in 2014? We will examine the risks and opportunities for hospitals of these coming changes.

Moderator: *Dan Wilson, Director, National Public Finance Guarantee*

Panelists: *Mark Peters, M.D., CEO, East Jefferson General Hospital; Rick Gundling, Vice President, HFMA; Marvin Eichorn, CFO, Mountain States Health Alliance*

10:15 – 10:30 a.m. ***Break***

10:30 – 11:45 a.m. ***From Volume to Value: Managing the Transition to a New Delivery System***
As the healthcare delivery system shifts from volume-driven incentives to a value-based system driven by quality and cost, what risks and opportunities do hospitals face? This panel will explore the shift to a value-driven delivery system, in both the Affordable Care Act and the private payor market, including the risks, opportunities, strategies, and transition challenges faced by hospitals.

Moderator: *Liz Sweeney, Director, Corporate & Government Ratings Standard & Poor's Corporation*

Panelists: *Bruce Swartz, Senior Vice President Physician Integration, Dignity Health; Mark Higdon, Partner, KPMG LLC*

11:45 a.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.

NFMA

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REGISTRATION

Registration for the seminar is \$450 for full members of the NFMA and its Constituent Societies and \$550 for non-members, which includes all seminar materials, two continental breakfasts, one luncheon and the cocktail reception. A limited number of discounted registrations for government employees is available; inquiries should be directed to Lisa Good at 412-341-4898, or lgood@nfma.org. Registration is online only at www.nfma.org. After January 4, 2013, 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. For more details on the cancellation policy, contact Lisa Good at 412-341-4898.

HOTEL

The Windsor Court Hotel, 300 Gravier Street, New Orleans, LA 70130, is the site of the Advanced Seminar. The hotel is located at 300 Gravier Street in the heart of the Central Business District, and is within easy access of the French Quarter, the jazz clubs and restaurants of Bourbon Street, and the antique shops and art galleries of Royal Street. Hotel views to the south capture the Mississippi River, while just blocks west is the emerging Arts District, followed by the antebellum architecture of the Garden District. In addition, the New Orleans Convention Center, Aquarium of the Americas, Audubon Insectarium, National World War II Museum, The Ogden Museum of Southern Art and the docks for the legendary paddle wheeler tours are all within a 15-minute walk.

ATTIRE

Business casual is acceptable for the seminar.

TRANSPORTATION

The hotel is located 25 minutes east of the Louis Armstrong International Airport. The airport is serviced by Air Canada, Airtran, American, Continental, Delta, Frontier, Jet Blue, Mid West Express, Southwest, United Airlines and West Jet. Taxi service from the airport is recommended; the flat rate is \$33 for up to two passengers or \$13/passenger for three passengers.