



inReach HEALTH

**Innovative Physician Strategies to
Grow Specialty Business Lines**

Chris Pusey, CEO

inReach Health - Introduction



Relationships with 100+ hospitals



*in*Reach
HEALTH



inreach
SURGICAL



inspire
REHAB



infocus
OPHTHALMOLOGY



insurg
MED DEVICE

History of *inReach*

Founded in 2010

inReach Health was founded in 2010 by Dr. Bryan Scheer, an orthopedic surgeon, who was frustrated with the typical “outreach” model of rural healthcare. He pushed back against this, contracting with individual rural hospitals, keeping patients local and *inreach*.

What We Do

While we started with general orthopedics, we now offer custom surgical programs in all specialties of orthopedics including hand, sports medicine, total joint, spine, foot and ankle. We also offer programs in general surgery, pain management, ENT, urology, GYN, MD anesthesia and ophthalmology.



What is the Opportunity?

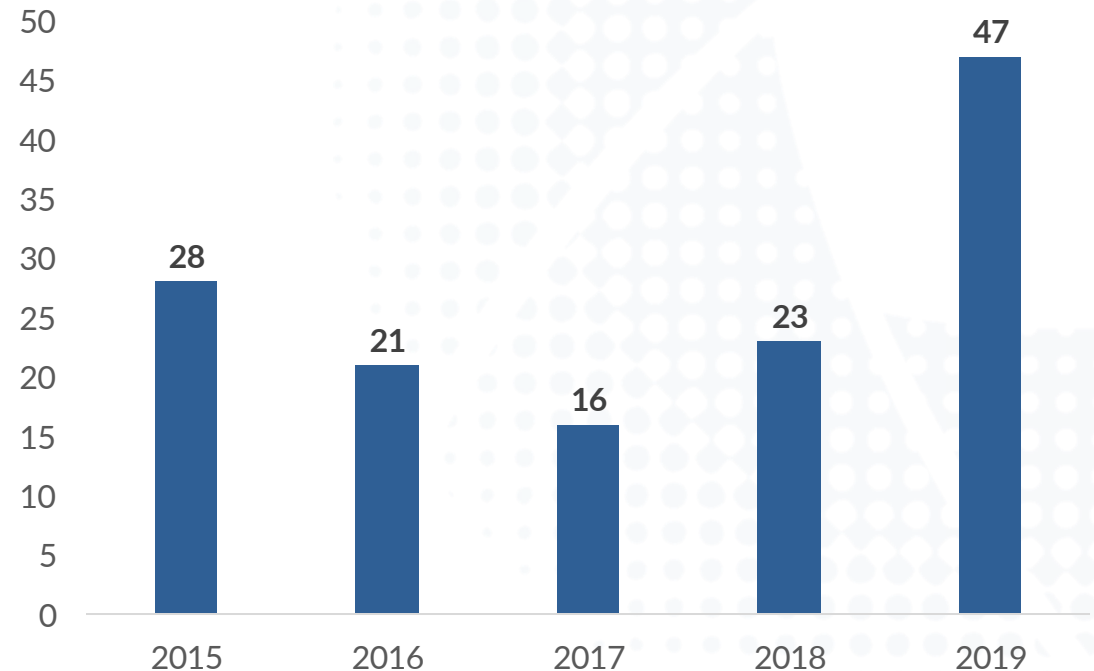
Healthcare services are competitive

Financial pressure to stay profitable

Physicians are difficult to recruit, and expensive

- Lower availability of physicians and specialists

Annual Hospital Closures per MedPAC (2019 Study)



Why Do We Care?

Not just a “rural” problem

Lost revenue

Morbidity / Mortality

Purpose

Public health

Research Shows Shortage of
More than 100,000 Doctors
by 2030 (AAMCNEWS)

“Health Resources and Services Administration (HRSA) projects a shortage of **5,080 orthopedic surgeons by 2025**”

124,000 The potential shortage of physicians by 2034, according to the Association of American Medical Colleges

40% of physicians will be older than 65 in the next decade

(AMA Study, 2022)

88% of hospitals used temporary physicians and other healthcare workers in the last year to combat staffing shortages

(AMN Healthcare Report, May 2022)

What We Encounter in the Market

Visiting physicians that rent space for clinic and take surgical patients to their ASC/hospital

Full time providers that are underproductive

One off provider that is a great partner- what happens when they retire or life changes?



How to Make Changes

Innovate: To make changes in something established, especially by introducing new methods, ideas, or products.



“Creativity is thinking up new things. Innovation is doing new things.”

Theodore Levitt (1925 – 2006), Renown economist

“If you look at history, innovation doesn’t come just from giving people incentives; it comes from creating environments where their ideas can connect.”

Steven Johnson (born 1968), Science author & media theorist

Process of Innovation

- The path/tools to true innovation often in front of the problem
- Listen to challenges, opportunities
- Without knowing your stakeholders, it will be difficult to implement a resolution to your issue
- “Orthopedic Educational Encounters”
- Providers alone will not fix your problem
 - Often don’t have the background or experience to drive better systems. They know what has “worked” for them
 - General orthopedics versus subspecialty orthopedics

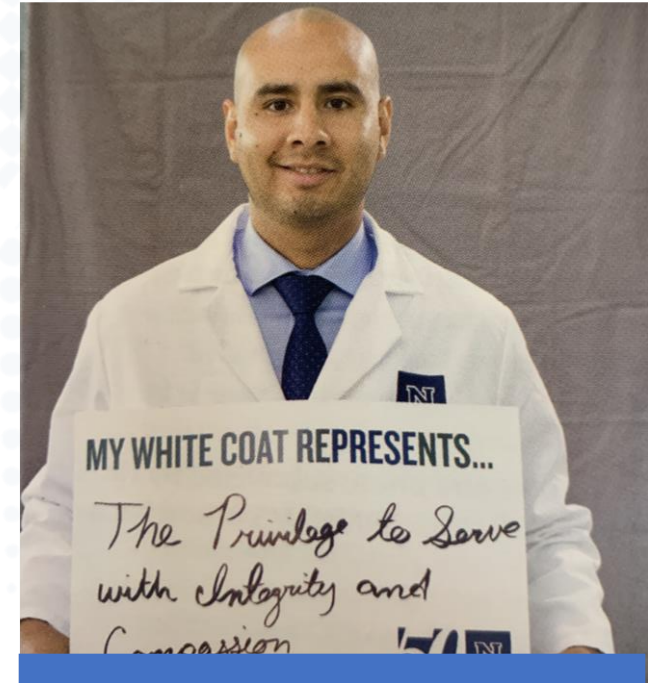


Understanding Physicians

- Involvement in the decision-making process
- Work/life balance
- Fair compensation for efforts
- Most people that take the highest paying opportunity don't stay as long
- Purpose, throughput, appreciation, collaboration builds a long-standing team
- Comprehensive team alignment
- Recruitment/compensation tips
- Travel
- Efficiency/work ethic versus warm bodies

During the pandemic, due to lack of work/life balance, 43% of physicians switched jobs, 8% retired, and 3% left medicine for a new career

(MedCity News, 2022)





“Burnout was tugging at me after 28 years in the practice of urology, but then I found *inReach*. I had no idea that practicing in rural America could be so fulfilling. It was as if I had just started practicing again, with all the excitement and exuberance. I started three urology practices in Nebraska and South Dakota. The patients and hospital staff members could not have been more kind, welcoming, helpful, and appreciative. Medicine was fun. I worked with RPM (*inReach*) for almost 8 years before retiring at age 75. It has been the best chapter in my medical career. I wish I had another 10 years to work for this wonderful organization.”



Dr. Stacy Childs, Urologist



The Opportunity: Curbing Outmigration

- Rural hospitals have struggled over time to adapt to the changing landscape of healthcare and keeping patients local.
- This is compounded by the huge discrepancy in availability of specialists (supply) and lower local demand for services.
- Traditional models lend themselves to employed single providers with no subspecialty, high cost (employed and unproductive) or non operative visiting specialists.
- Stop out-migrating and *inReach* today!

Level the Playing Field in Specialty Medicine

8.7x

The number of specialists in urban vs. rural communities

Source: Rural Health US

\$630,528

Net hospital income increased for each additional surgical service line provided by a Critical Access Hospital

Source: NIH

8.7x

Percentage of rural hospitals struggling to break even

Source: Chartis Center for Rural Health

inReach Solution

- inReach Health partners with rural hospitals to bring specialty surgical services on a **permanent but part time basis**, beginning with as little as two days per month.
- We **customize** our programs to the patient dynamics and population of each individual community.
- We recruit physicians that do not have any incentives to out-migrate patients and focus their attention on building a **sustainable local practice**.
- We **align our financial interests** with the surgeon and hospital by billing on a production basis. This variabilizes the compensation for the hospital, lowering up front financial risk to our partners while incentivizing both inReach and the surgeon to grow a successful program.

- Providers **chose to live** somewhere that makes it difficult to maximize personal efficiency. Making the inReach model attractive.
- We have a **robust team** of nurses and operators that help with licensing, credentialing, and onboarding new physicians. We also do active site visits to evaluate clinic and OR flow to ensure optimal success of our programs. Our staff continues to stay **involved throughout the partnership**; sending monthly reports and performing annual site visits.



Case Study – Rural Midwest

- ▶ 25 bed critical access hospital
- ▶ 10,000 county size

Specialty surgical services provided by *inReach*

- Ortho General
- Ortho Hand
- Ortho Foot & Ankle
- Ortho Upper Extremity
- Spine
- Urology
- MD Anesthesia/
Pain Management

Surgery
Revenue:

5.3x

INCREASE

Net Patient
Revenue:

2.5x

INCREASE

Annual Patient
Encounters:

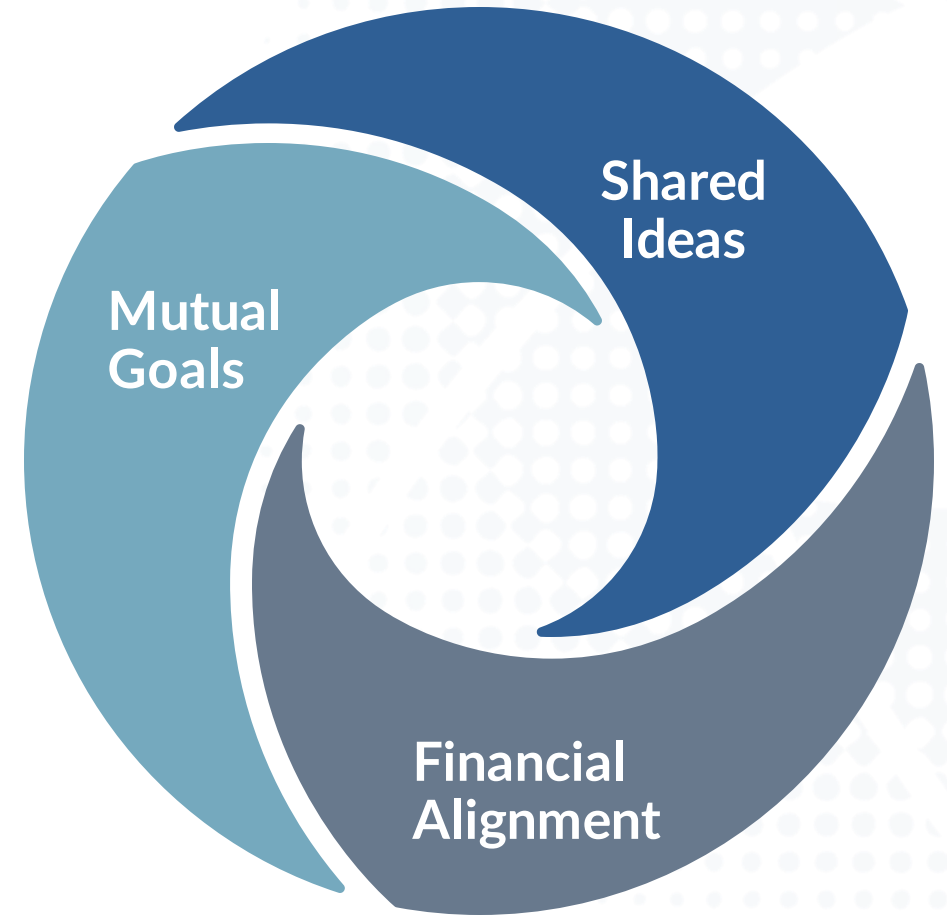
+71k

INCREASE



Comprehensive Team Alignment

- Examples of aligning team with common goal
 - Physical Therapy
 - Surgery
 - Revenue Cycle
 - Future growth/needs
 - New opportunities/market demands
- Think outside of the box



Innovation Requires Vision



Must be able to sell your idea



Risk of change versus risks of inaction

- Death, morbidity, closure



Benefits of pushing for change

- Cultivate a culture of embracing risk (understand it won't be perfect)
- Innovation is continuous



Measuring and defining success

- Financial, economic
- Social, population

*in*Reach Partners with Hospitals to Drive Resources



*in*reach SURGICAL

inreach surgical provides surgical services in over 40 hospitals in 10 states with over 50 surgeons. We build customized surgical programs to fit your community in orthopedics, spine, urology, pain management/anesthesia, ENT, GYN, and general surgery.

Our team provides comprehensive support for program development, marketing, best practices, and more.

*in*spire REHAB

inspire helps rural hospitals recruit top talent and designs rehab departments to elevate patient care and local market share. We provide physical, occupational and speech therapy services with customized programs to fit each hospital's needs.

We provide invaluable resources to PTs and directors to help achieve maximum potential.

*in*focus OPHTHALMOLOGY

infocus provides surgical equipment, instrumentation, products and ophthalmic tech support for the ophthalmologist and OR staff. This creates an attractive environment for recruiting ophthalmologists with large capital investment for the surgical facility.

Our leading-edge technology and services deliver in efficiencies to rural hospitals.

*in*surg MED DEVICE

We specialize in the distribution and service of orthopedic medical devices. Our focus is in the orthopedic specialties of total joint reconstruction, sports, trauma & biologics.

Our reps are cross trained in all subspecialties to provide the best resources for the physician and operating room team, leading to unmatched customer service specific to rural markets.



inReach
HEALTH

Thank You

