

	Responsible Party	Start Date	End Date	% Complete	STATUS
1.0 INITIAL PROCESS					
Letter Of Interest					Provide exclusive, confidential relationship to pursue acquisition
Initial meeting with group to identify interest					
If criteria, strategic and cultural, are a fit proceed with LOI					
2.0 DUE DILIGENCE					
(A) PROJECT MANAGEMENT					
Due Diligence Work Plan					Establish a systematic process that manages the work of due diligence and timelines established
Identify Project Director					
Develop Practice specific work plan					
Identify Practice key contact (administrator & physician)					
Schedule regular, ongoing meetings with Practice leadership					
(B) FINANCE					
Discovery/Preliminary due diligence					
Request initial due diligence data					
Develop preliminary proforma					
Evaluate financial and strategic implications of acquisition					
Make recommendation to appropriate committee					Decision to proceed will trigger full Due Diligence process
Practice Valuation					External company to evaluate and develop current value of practice
Contract with external company					Complete
Initial data request					Receive data, posts to shared drive, sends to valuation company
Review valuation results					
Establish practice value offer					
Develop Proforma					Establish and gain approval for financial impact group will have on system
Identify additional data requests					Work with practice administrator
Evaluate and review previous & current financial actuals					
Evaluate and review Revenue/Production data					
Estimate "new" costs associated with changes in benefits, "support resources"					Estimate an IT per phy expense
Estimate potential changes in payor contracts					Coordinate with (D) Managed Care analysis
Estimate potential savings through purchasing					Create an "estimate" per physician
Develop Financial projections for group					
Review draft with Practice Administrator					
Finalize proforma					
Present to mgmt team					
Present to Practice leadership/working team					
Physician Compensation					
Present compensation model to practice leadership					
Identify any unique revenue in practice					
Obtain copies of last two years of each physician's W-2					
Develop physician compensation based on historical production and standard comp model					
Evaluate physician compensation projections based on financial analysis					
Present overall physician compensation for initial term to practice leadership					Regular meetings with practice leadership with be process to work issues
Present incentive plan for initial term					
Identify outstanding issues, areas for discussion					
Finalize physician compensation & incentive plan					
Non-Physician Compensation analysis					
Request listing of current employees by type, DOH, FTE, salary					
Match to system salary range					Finance to utilize match for proforma
Maintain, update list for APA Schedule					
HR to utilize during Integration process					
(C) FACILITY EVALUATION					
Practice locations					
Request copies of all facility leases					Post to shared drive, send to Facilities, Purchasing
Establish FMV rates					
Determine whether to re-negotiate lease or take assignment					
Request listing and contracts for all facility-based services					Evaluation by Facilities, Purchasing
(D) Managed Care Analysis					

Request existing payor contracts for review					
Determine assignment or transfer of contracts					
Identify potential financial impact of acquisition					Coordinate financial impact with (B) Finance
(E) Business Relationships/Agreements					
Request current contracts/agreements/leases for review					Coordinate with (F) Operations Review
(F) Operations Review					
Conduct high level practice assessment and/or data review				To identify issues and potential risks associated with the acquisition	
Evaluate staffing levels/ratios					
Evaluate mgmt structure					
Hours of practice					
Policies/procedure review					
Assess current workflows for medical records, registration, scheduling					
Equipment evaluation					
Obtain appraisal (third party) of all equipment					Validate original equipment valuation
Medical equipment					
Review list of all medical equipment with BioMed					
Office equipment					
Request all leases, contracts					Copiers, postage machines, etc
Review with purchasing regarding assignment, transfer					
IT equipment					
Do assessment of current technology					Include all costs to upgrade practice to Virtua standards
Develop transition plan to Virtua standards					
Obtain approval for capital costs					
Revenue Cycle Analysis:					
Identify current PPM system					what are contractual issues, if any?
Evaluate collections ratios					
Evaluate processes					
Determine need to use existing practice billing system					
Develop plan/timeline to move to system PPM					
Obtain approval for costs/capital associated with transition					
Clinical Evaluation:					
Identify types, volume of procedures done in office					
Identify who performs each procedure					
Lab Department analysis					
Identify licensure of practice ie state, pharmacy, CLIA, etc					What is lab licensure, certification?
(G) LEGAL					
Malpractice Due Diligence				To determine risks/costs associated with practice acquisition	
Review malpractice insurance policy					
Request list of all known or suspected claims (need release of info)					Schedule for APA
Quantify Premium impact					Finance to include in Proforma
Compliance with laws/risk assessment					
					When/Who/How?
3. ASSET PURCHASE AGREEMENT					
4. PHYSICIAN EMPLOYMENT CONTRACTING					
Request all current physician employment contracts					
Evaluate practice contracts to standard contract					
Identify any unique existing individual contract					
Standard Contract Update					
Identify any unique requirement of practice or individual physician					Any "conditions" in LOI or promises made
Determine if malpractice coverage will be consistent with standard					
Develop Offer Letter for each physician					
Schedule individual meetings with each physician to review offer letter					

Identify any outstanding areas for individual physicians					
Resolve, negotiate outstanding issues					
Identify any physicians not likely to sign					Coordinate with APA limits on number of physicians being acquired and valuation
Finalize individual physician employment contracts					
Send contracts to physicians					Coordinate timing with APA signing; signed contracts within 10 days of APA signing
5. INTEGRATION PROCESS					Post signing of APA, pre-closing process
Update standard Work Plan					