

2005 HEALTHCARE M&A & CORPORATE DEVELOPMENT CONFERENCE

"OVER 150 PEOPLE ATTENDED LAST YEARS EVENT!"

THE ONE EVENT WHERE...
LEADING HEALTHCARE EXECUTIVES,
PRIVATE EQUITY FUNDS AND DEALMAKERS CONVENE

GAIN VALUABLE INSIGHT INTO:

- Sourcing deals from the financial and strategic buyers' perspective
- Creative financing techniques
- Joint venture investment opportunities with physician groups
- Exit opportunities, strategic alliances and partnerships
- How to avoid an M&A failure
- Investment opportunities in managed care, long term care, outpatient services and hospitals
- Latest development in specialty pharma and healthcare technology

KEYNOTE ADDRESS BY:

Dr. Lester Crawford, *Acting Commissioner*
FOOD & DRUG ADMINISTRATION

MAY 2-3, 2005
CHICAGO RENAISSANCE HOTEL • CHICAGO, IL



UNMATCHED SPEAKING FACULTY INCLUDES:

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- PricewaterhouseCoopers LLP
- Psychiatric Solutions, Inc.
- Salix Ventures
- Saunders Karp & Megrue
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7:45 - 8:45 Conference Registration & Continental Breakfast

8:45 - 8:55

CHAIRPERSON'S WELCOME & CONFERENCE OVERVIEW

Gary I. Levenstein, *Partner & Chair of the Corporate, Securities and Finance Department*

UNGARETTI & HARRIS LLP

8:55 - 9:30

KEYNOTE OPENING ADDRESS

Dr. Lester Crawford, *Acting Commissioner*
FOOD & DRUG ADMINISTRATION

As Acting Commissioner of the FDA, the nation's principal consumer protection agency, Dr. Crawford ensures the safety and protection of the public's health. Health and Human Services Secretary Tommy Thompson has said, "Lester Crawford has devoted his career to promoting safer products for the public, and he brings to the FDA valuable experience and leadership skills. With his help, the FDA will continue to build on its successes in ensuring the safety of foods, drugs, and medical products for all Americans."

9:30 - 10:15

STATE OF THE HEALTHCARE INDUSTRY: CHALLENGES, OPPORTUNITIES AND OUTLOOK

- ▶ What does the outcome of the Presidential election mean for Healthcare reform?
- ▶ How has the capital markets reacted?
- ▶ What do you believe will be the hot spots for investments in 2005?
- ▶ An overview of M&A and strategic partnering
- ▶ Interplays between the financing markets, private equity funds, valuations, economic activity, competitive landscape, demographic trends and other industry drivers

David Jones Jr., *Managing Director & Chairman*
CHRYSALIS VENTURES, LLC
Vice Chairman, HUMANA INC.

Nancy-Ann DeParle, *Former Administrator*
CENTERS FOR MEDICARE & MEDICAID SERVICES
Senior Advisor, JPMORGAN PARTNERS

Chris Karkenny, *Vice President of Corporate Development & Treasury*
PACIFICARE

Darren P. Lehrich, *Managing Director, Equity Research*
PIPER JAFFRAY & COMPANY

10:15 - 10:45 **Networking Break**

10:45 - 11:45

FINANCING THE DEAL

Hear from mezzanine, senior lenders, and private equity firms as they discuss the current availability of financial resources:

- ▶ What sectors are seeing deal flow
- ▶ Comparing company debt: Equity levels
- ▶ Staple on financing
- ▶ The three main drivers: Leverage, multiple expansion and operating returns

MODERATOR:

Kevin L. Murphy, *Managing Partner*
BRENTWOOD CAPITAL ADVISORS

PANEL MEMBERS:

Dave Allen, *Senior Vice President*
GE GLOBAL SPONSOR FINANCE

Buddy Gumina, *Partner*
SAUNDERS KARP & MEGRUE

C. David Yates, *Managing Director - Healthcare Finance Group*
BNP PARIBAS

Bruce Rauner, *Chairman*
GTCR GOLDEN RAUNER, LLC

Andrew H. Steuerman, *Managing Director*
GOLUB CAPITAL

11:45 - 12:30

SUCCESSFULLY STRUCTURING MERGERS, STRATEGIC PARTNERSHIPS AND/OR ALLIANCES WITH CORPORATE INVESTORS

Numerous transactions are occurring involving partnerships and/or alliances with strategic buyers in today's marketplace. The panel will discuss what makes those transactions successful.

- ▶ Why do the deal: Opportunities provided by corporate investors
- ▶ Getting the deal done: Structuring, valuation and timing considerations
- ▶ Making the deal work: Strategic partnering, operational and financial concerns including exit strategies

Bill Baker, *Partner*
KPMG LLP - TRANSACTION SERVICES

12:30 - 2:00 **Networking Lunch**

2:00 - 2:30

CASE STUDY: PUBLIC TO PRIVATE FINANCING OF TROVER SOLUTIONS

This case study talks about the acquisition of Trover Solutions by Tailwind Capital Partners and management and how they dealt with issues concerning ownership, SEC and shareholder approval, operations along with the best financing solution for the group.

MODERATORS:

Gregory Browne, *Director, Healthcare Finance*
CAPITALSOURCE FINANCE LLC

Jay G. Sepanski, *Investment Officer, Healthcare Finance*
CAPITALSOURCE FINANCE LLC

PANEL MEMBERS:

Geoffrey S. Raker, *Managing Director*
TAILWIND CAPITAL PARTNERS

Douglas R. Sharps, *EVP Finance & Administration, CFO, Secretary*
TROVER SOLUTIONS, INC.

2:30 - 3:15

JOINT VENTURE INVESTMENT OPPORTUNITIES WITH PHYSICIAN GROUPS

- ▶ What makes them work
- ▶ Why some fail
- ▶ Regulatory pitfalls

Thomas M. Fahey, *Managing Partner and Chair of the Healthcare Department*
UNGARETTI & HARRIS LLP

David Church, *Manager*
THE TIBER GROUP

Ruth A. Colby, *Senior Vice President*
NEUROSOURCE, INC.

3:15 - 3:30 **Networking Break**

3:30 - 4:15

SECTOR FOCUS: OUTPATIENT SERVICES

Some of the best opportunities in healthcare have been in outpatient services. We will look at outpatient surgery, imaging and laboratory services to find out why these sectors are attracting so much attention.

MODERATOR:

Tom Wylly, *Senior Partner*
BRENTWOOD CAPITAL ADVISORS

PANEL MEMBERS:

Tim Geary, *CEO*
NATIONAL SURGICAL CARE

Tim Petrekin, CEO
E+HEALTH CARE LLC

Curt Thorne, President & CEO
MEDSOLUTIONS

4:15 - 5:00

HOW TO AVOID AN M&A FAILURE

- ▶ Common causes of deal failure
- ▶ Interplay between due diligence and integration
- ▶ Strategies to recover from a troubled deal

MODERATOR:

Steven Elek III, Partner, Healthcare Transaction Services
PRICEWATERHOUSECOOPERS LLP

PANEL MEMBERS:

David M. Senior, Vice President, Business Development
AMERISOURCEBERGEN

April Anthony, President
ADVANCED HOMECARE MANAGEMENT INC.

Karey L. Witty, Senior Vice President & Chief Financial Officer
CENTENE CORPORATION

5:00- 6:00

COCKTAIL RECEPTION

TUESDAY, MAY 3RD 2005

8:15 - 9:00 Continental Breakfast

8:55- 9:00

CHAIRPERSON'S INTRODUCTION TO DAY TWO

Thomas M. Fahey, Managing Partner and Chair of the Healthcare Department
UNGARETTI & HARRIS, LLP

9:00 - 9:45

SECTOR FOCUS: LONG TERM CARE - STABLE AND GROWING

- ▶ Current state of the industry
- ▶ Operating challenges (staffing, insurance, occupancy)
- ▶ Revenue diversification strategies
- ▶ Capital markets overview
- ▶ Outlook for 2005

MODERATOR:

Tom Carden, VP Sales/Marketing
HEALTHCARE BUSINESS CREDIT CORPORATION

PANEL MEMBERS:

David Rehm, Senior Vice President
VISTACARE, INC.

Steve Fogg, Chief Financial Officer
MARQUIS COMPANIES

Patrick Hurst, Managing Director
HOULIHAN, LOKEY, HOWARD & ZUKIN

9:45 - 10:30

SECTOR FOCUS: MANAGED CARE

With the ongoing escalation of healthcare costs for private employers and state programs and the expansion of the federal Medicare program, managed care has suddenly become hot again. The panel will discuss:

- ▶ Medicare and Medicaid plans
- ▶ Consumer-directed health plans and health savings accounts
- ▶ Health and disease management programs
- ▶ Self-insured employer strategies

Mike Kaplan, Partner
THREE ARCH PARTNERS

Paul Wallace, Senior Vice President, Strategic Development
AMERICAN HEALTHWAYS

Chris Stenzel, Senior Vice President
Strategic Venture Capital and Mergers & Acquisitions
KAISER PERMANENTE

10:30- 10:45 Networking Break

10:45- 11:30

SECTOR FOCUS: HOSPITALS

- ▶ Acute care
- ▶ Behavioral
- ▶ Rehabilitation
- ▶ Speciality

Page Barnes, Senior Vice President of Finance
ARDENT HEALTH SERVICES

Steve Davidson, Chief Development Officer
PSYCHIATRIC SOLUTIONS, INC.

Tyree G. Wilburn, Chairman and CEO
MERIT HEALTH SYSTEMS, LLC

11:30 - 12:15

LATEST DEVELOPMENTS IN SPECIALTY PHARMA

- ▶ Financing of specialty pharma
- ▶ Supply of products
- ▶ Sales & Marketing platform models
- ▶ In licensing products and finding product opportunities
- ▶ Integrated development platform

Todd Davis, Principal
PAUL CAPITAL PARTNERS

Jeffrey S. Aronin, President
OVATION PHARMACEUTICALS, INC.

John M. Siebert, CEO
CYDEX INC.

12:15- 1:15 Networking Luncheon

1:15 - 2:00

EMERGING OPPORTUNITIES IN HEALTHCARE TECHNOLOGY

With rising healthcare expenditures, falling margins for hospitals and rising demand for procedures and medicines due to technological advances, hear expert panelists discuss where the best opportunities lie and the challenges they face including:

- ▶ Investment criteria from the buyer's/investors' perspective
- ▶ Value proposition from the customer's perspective
- ▶ Market adaptability
- ▶ Distribution

David Ward, Partner
SALIX VENTURES

Aldo Zini, President & CEO
AETHON

2:00 - 3:30

WORKSHOP:

HOW DO YOU POSITION YOUR COMPANY FOR SALE?

Gary I. Levenstein, Partner & Chair of the Corporate, Securities and Finance Department
UNGARETTI & HARRIS, LLP

3:30 Conference Concludes

THANK YOU TO OUR SPONSORS:



Ungaretti & Harris LLP offers legal services uniquely suited to meet the needs of healthcare entities involved in mergers, acquisitions and affiliations. Our clients include independent hospitals, hospital systems, managed care organizations, long term care facilities, medical device manufacturers and distributors, physicians, physician groups, biotechnology and pharmaceutical companies, clinical laboratories and developers of healthcare facilities. The Firm's business, healthcare and regulatory lawyers work together to combine their extensive knowledge and experience to form a unified healthcare transactional team.



KPMG's Transaction Services practice provides a range of services to organizations in both developed and emerging markets around the world. We provide divestiture, merger, and acquisition support by placing a strong emphasis on stakeholder value and identifying key risks and benefits early. The Big Four firm with the strongest growth record over the past decade, KPMG offers clients the scale, global reach, industry insights, and multidisciplinary range of services they demand. KPMG LLP (www.us.kpmg.com) is the U.S. member firm of KPMG International. KPMG International's member firms have nearly 100,000 professionals, including 6,600 partners, in 150 countries.



The main focus of the BNP Paribas Healthcare Finance Group, as a relationship financing partner, is the development of integrated financing solutions for clients. BNP Paribas has been an active lender to the U.S. healthcare industry for over 20 years. We have maintained our commitment to the healthcare industry during difficult times while many of our peers have exited the market. BNP Paribas' healthcare portfolio is approximately \$2 billion, of which \$1 billion is leveraged and \$1 billion is investment grade. Our strategy is to structure, underwrite, agent and syndicate Senior and Subordinated Debt for U.S. healthcare companies and equity sponsor groups. We will also co-invest equity in conjunction with debt financing on a selected basis. We finance transactions across the entire healthcare continuum, including providing project financing for the construction and operation of Continuing Care Retirement Communities ("CCRC's"). We maintain a dedicated and focused Healthcare Finance Group with 12 specialized banking professionals.



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PricewaterhouseCoopers' Transaction Services Group advises healthcare companies on how to use all types of transactions (acquisitions, divestitures, alliances and joint ventures) more effectively to reach their business goals and improve returns on capital invested. We help our clients understand trends in the market, assess the impact of regulatory changes, and uncover hidden opportunities, risks and deal issues, regardless of whether the objective is to diversify, enter new markets, reduce costs, exit non-core or less profitable businesses, or deploy capital more efficiently.

We help companies evaluate every M&A decision—from qualifying a target through strategies for capturing post-deal profits—thereby helping them deliver value. We help clients objectively assess the pros and cons of acquisitions, alliances, joint ventures and even outsourcing and marketing arrangements, before they begin screening candidates.

With presence in more than 40 countries and 16 U.S. cities, PricewaterhouseCoopers' Transaction Services group can meet your company's needs wherever you're doing transactions. Our services reflect our ongoing research on leading Joint Venture and M&A practices and direct experience advising many of the world's leading corporations and private equity firms. For more information on our services, please visit our website at www.pwc.com/transactionservices.

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HEALTH CARE NEWS



HEALTH CARE WEEKLY - REVIEW

Mergers & Acquisitions Report

WHO SHOULD ATTEND:

From Public and Private Healthcare Companies Looking For Growth or Exit Options Through Acquisitions:

- Acquisition Executives
- CEO's
- CFO's
- General Counsel
- Corporate & Business Development Executives
- Strategic Planning Executives

From the Financial & Investment Community:

- Commercial & investment banking professionals
- Executives involved in healthcare transactions of \$50 million and up
- M & A specialists
- Executives from private equity, LBO and venture funds
- Institutional investors
- Senior, mezzanine, and other lenders

From the Professional Advisory Community & Service Providers:

- Accountants
- Attorneys
- Consultants
- Deal intermediaries
- Due diligence & market intelligence firms
- Valuation and appraisal firms

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Tabletop Exhibition/Booths - Offer you the perfect opportunity to show your target market what your product or service can do for their business. A limited number of exhibits tables/booths are available and are strategically positioned to guarantee optimum exposure. Exhibit Tables/Booths are assigned on a first-come, first-serve basis. Please register early for best location.

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To maximize your company presence to this target market, please contact Don Buford at tel. 212-967-0095 x 277 or dobuford@srinstitute.com.

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Dear Colleague

M&A activity remains strong in the healthcare industry. According to Healthcare M&A Monthly, there were more than 825 healthcare transactions that totaled more than \$190.8 billion in 2004.

The 2005 Healthcare M&A and Corporate Development Conference will assemble leading investors, healthcare executives, lenders and advisors from the M&A community to share their perspectives regarding healthcare transactions.

Program highlights include:

- The state of the **healthcare transaction and finance market**
- Enhancing value in **M&A deals**
- **Financing** transactions
- **Exiting opportunities, techniques and strategies**
- **Deal sourcing strategies**
- **Joint venture investments** with physician groups
- Investment opportunities in **long term care, managed care, outpatient services and hospitals**
- Future trends in **specialty pharma and healthcare technology**

We encourage you to join us at this unique event. There will be opportunities to network with highly regarded members of the industry. No other event offers access to this select group in the healthcare arena.

To reserve your place, please complete the registration form on the back of this brochure, register by phone at (888)-666-8514, or email at info@srinstitute.com.

We look forward to seeing you in Chicago in May.

Sincerely,



Gary I. Levenstein, Partner & Chair of the Corporate, Securities and Finance Department
UNGARETTI & HARRIS, LLP



Thomas M. Fahey, Managing Partner and Chair of the Healthcare Department
UNGARETTI & HARRIS, LLP

Conference Organizer: Strategic Research Institute
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Payments: The registration fee for this conference at the:

Standard Rate.....\$1595
Early Bird Rate (expires March 15, 2005).....\$1295
Senior business development executives from healthcare companies.....\$1095

This includes all breakfasts, lunches, refreshments, receptions and the conference documentation workbook. Payments may be made by company check, American Express, Visa, MasterCard, Diners Club or Discover CARD. Please make check payable to Strategic Research Institute L.P. and be sure to write the registrant's name on the face of the check along with the conference code CX559. Payments received not later than April 15, 2005.

Cancellations: All cancellations will be subject to a \$227 administration fee. In order to receive a prompt refund, your notice of cancellation must be received in writing by April 15, 2005. We regret refunds will not be issued after this date. The registration may be transferred to you or another member of your organization for any Strategic Research Institute conference during the next twelve months. If you plan to send a substitute in your place, please notify us as soon as possible so that materials and preparations can be made. In the event of a conference cancellation, Strategic Research Institute assumes no liability for non-refundable transportation costs, hotel accommodations or additional costs incurred by registrants.

Suggested Dress: Business Casual

Continuing Legal Education Credits (CLE): This program may qualify for credits upon approval from the State Bar Associations. Please note, applying for CLE credits is the sole responsibility of the conference attendee. If requested, a certificate of attendance will be sent to you upon your successful completion of the program.

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Hotel Accommodations: We have reserved a limited block of rooms with the hotel for our attendees. To secure your Accommodations, please contact the hotel at least four weeks in advance and be sure to mention that you are a Strategic Research Institute delegate.

Visit Strategic Research Institute at www.srinstitute.com/cx559

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