

CONSULTING PRACTICES GROUP



Diamond provides short and long-term behavioral health consulting services to health systems, hospitals, behavioral health organizations and medical practices in the following areas:

STRATEGIC PLANNING

Diamond provides Strategic Planning Services to single and multi-facility organizations seeking to enhance Behavioral Health Services. The process includes:

- ◆ Evaluation of current services for compatibility with mission
- ◆ Market and demographic analysis and forecasts
- ◆ Competitor analysis
- ◆ Identification of growth and positioning strategies
- ◆ Selection and implementation of strategic objectives
- ◆ Financial modeling

OPERATIONAL ASSESSMENTS AND CONSULTATIONS

Diamond performs operational assessments for existing Behavioral Health programs to assess compliance, efficiency and financial viability. Assessments include:

- ◆ Evaluation of existing clinical programming, documentation, staffing and operations
- ◆ Evaluation of financial performance including assessment of coding, billing and collection systems
- ◆ Evaluation of provider records, documentation and compliance with various local, State and Federal regulatory requirements including the Health Insurance Portability and Accountability Act (HIPAA), The Joint Commission and state licensure

FEASIBILITY STUDIES

Well-researched, provider-specific feasibility studies that address the entire continuum of inpatient and outpatient care, for the creation of new Behavioral Health Services, are an important component of Diamond's consulting group. Studies include:

- ◆ Definition of the potential market for Behavioral Health Services
- ◆ Estimation of the type and demand for Behavioral Health Services in the defined market
- ◆ Forecast regarding financial impact of establishing various Behavioral Health Services
- ◆ Assistance with Certificate of Need activities

MARKET ANALYSIS AND STRATEGY

Diamond helps clients explore and determine current market position and competitive information for existing Behavioral Health Service providers. Tools include:

- ◆ Analysis of marketing approach, communication program and effectiveness
- ◆ Survey of existing and potential referral sources
- ◆ Competitor analysis
- ◆ Marketing education
- ◆ Recommendations for enhanced market approach, including collateral materials

DOCUMENTATION AND BILLING COMPLIANCE REVIEWS AND AUDITS

Diamond performs reviews of a Behavioral Health program's revenue cycle system and documentation associated with billings. Diamond also provides assistance with the review and appeal of denials for reimbursement by third-party payors including Medicare. Compliance reviews and audits include:

- ◆ Evaluation of an organization's consistency with the requirements for a quality management and compliance system
- ◆ Definition of the standards and requirements for financial management and documentation necessary to achieve Joint Commission and/or CARF accreditation
- ◆ Definition of the requirements of HIPAA regulations as they apply to an organization's operations
- ◆ Organization and administration of mock Joint Commission surveys

TELEPSYCHIATRY FEASIBILITY AND IMPLEMENTATION

Feasibility studies and implementation plans for the deployment of interactive video-conferencing in rural behavioral health settings are available as well as:

- ◆ Analysis of provider-specific regulatory and reimbursement opportunities
- ◆ Recommendations for video-conference equipment and bandwidth
- ◆ Assessment of community readiness to adopt telepsychiatry capabilities
- ◆ Physician and multi-disciplinary team training regarding clinical and technical use of telepsychiatry
- ◆ Integration of telepsychiatry into existing healthcare services



Diamond partners with numerous hospital and healthcare associations, providers and advocacy groups to offer education and tools to address current healthcare trends. Working together with an organization, Diamond's talented faculty is ready to assist with seminars, webinars and other methods of education.

Following is a brief sample of topics currently available as part of Diamond University's education initiatives. In addition, Diamond can develop and customize programs to specific needs.

CLINICAL SERVICES AND COMPLIANCE

- ◆ The Joint Commission Survey Readiness
- ◆ Seclusion and Restraint Training
- ◆ Suicide Assessment and Prevention
- ◆ Fundamentals of Compliance for Healthcare Managers
- ◆ Clinical Assessments, Treatment Planning, Clinical Treatment, Documentation and Coding for Inpatient Psychiatry

BEHAVIORAL HEALTHCARE FINANCE AND OPERATIONS

- ◆ Key Ingredients to a Successful Business Plan
- ◆ Fundamentals in Finance for Healthcare Managers
 - Responsibility Reports
 - Revenue Generation
 - Staffing
 - Expense Management
 - Determining Contribution Margin
- ◆ Opportunities for Specialty Hospital Services

- ◆ Medicare Prospective Payment System for Inpatient Psychiatry (IPF-PPS)
 - Prospective Payment Finance
 - Audit Tools for Medicare PPS
 - Regulations
- ◆ Telepsychiatry
 - Implementing Telepsychiatry in Healthcare
 - Regulatory and Reimbursement Issues in Telepsychiatry
 - Technical and Human Factors in Successful Telepsychiatry Implementation

EMPLOYEE ASSISTANCE AND WORKPLACE SOLUTIONS

- ◆ Burnout Prevention for Healthcare Professionals
- ◆ Emotional Intelligence Leadership Competencies
- ◆ Keys to Enlightened Leadership
- ◆ Managing Change in the Workplace
- ◆ Managing Workplace Conflict

ADDICTIONS

- ◆ Addiction in the Workplace
- ◆ Treatment of Impaired Professionals
- ◆ Pain Management: Prescription, Misuse and Recovery
- ◆ Physician Health: The Role of the Hospital
- ◆ Dual Diagnosis (Addiction and Mental Illness Comorbidity)

HUMAN RESOURCES, STAFF AND PHYSICIAN RECRUITING

- ◆ Fundamentals of Human Resource Management for Healthcare Managers
- ◆ Successfully Managing Complex Employee Relations Events
- ◆ The Three R's of Human Capital Management: Recruitment, Retention and Rewards
- ◆ Interviewing and Candidate Assessment Skills: Behavioral Techniques Interviewing (BTI)
- ◆ Recruiting and Retaining Physician Resources

Utilizing an experienced and knowledgeable staff, Diamond assists organizations with a broad range of education initiatives. Diamond's team of experienced professionals yields a combined 250 years experience in healthcare and includes MHA's, Advance Practice RN's, Licensed Clinical Social Workers, Clinical Psychologists, MBA's, CPA's, Senior Professionals in Human Resources (SPHR's), Certified Coding Specialists, Certified Substance Abuse Counselors, and Board Certified Physicians.

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OUTPATIENT PULMONARY SERVICES



Diamond's Behavioral Health experience enhances the development and management of specialty clinical services that have a correlation with mental health issues. By offering a continuum of care through outpatient pulmonary services, Diamond can help hospitals expand services while better serving their communities.

OUTPATIENT PULMONARY SERVICES

Lung Disease claims more than 300,000 lives in America every year and is the third leading cause of death in the United States. The direct and indirect economic cost attributable to lung disease totals billions annually.

Hospitals have a unique opportunity to develop cost effective Outpatient Pulmonary Services to the communities served. The program focuses on a multidisciplinary team, exercise conditioning, strength training, and activities of daily living, education and emotional support for pulmonary patients.

APPROPRIATE CONDITIONS

Conditions appropriate for Outpatient Pulmonary Services are:

- ◆ Asthma
- ◆ Chronic Bronchitis
- ◆ Asthmatic Bronchitis
- ◆ Emphysema
- ◆ COPD
- ◆ Lung Cancer
- ◆ Lung Transplant / Resection
- ◆ Occupational and Environmental Lung Diseases

MULTI-DISCIPLINES UTILIZED

The Treatment Team may consist of the following disciplines:

- ◆ Referring Primary Care Physician
- ◆ Medical Director
- ◆ Physical Therapy
- ◆ Occupational Therapy
- ◆ Respiratory Therapy
- ◆ Behavioral Health
- ◆ Social Services
- ◆ Dietary

COURSE OF TREATMENT

Each patient receives an individualized treatment plan developed through a joint effort between the patient and the healthcare professionals providing their treatment. A physician oversees all patient care from start to finish.

EXPECTED BENEFITS

Individuals who receive Outpatient Pulmonary Services often have a better quality of life. They are able to do more for themselves and be involved in the many activities of life. They are able to breathe better, increase their strength and endurance, decrease their anxiety and/or depression, prevent hospitalizations and reduce medication costs.

EXPECTED OUTCOMES

- ◆ Increased physical conditioning
- ◆ Improved quality of life
- ◆ Reduced hospital re-admissions
- ◆ Reduced length of stay when hospitalized
- ◆ Reduced medication costs

QUALITY THROUGH SERVICE

Diamond helps hospitals:

- ◆ Develop high quality clinical services
- ◆ Obtain a decrease in contractual adjustments
- ◆ Establish a cost effective service
- ◆ Create a continuum of care
- ◆ Expand outpatient services
- ◆ Meet a community need
- ◆ Provide a state-of-the-art service

EXAMPLE CAH MODEL

Proforma Statement of Income:
3 days at 70% of 8 Patient Model ADC 5.6

Based on the above information, this type of program could potentially generate revenues between \$400,000-\$500,000 and an estimated contribution margin of \$60,000 - \$100,000.

PSYCHIATRIST / PHYSICIAN EXTENDER RECRUITMENT



Diamond provides a nationally scoped, contingent-based recruitment service of Psychiatrists and Physician Extenders for its clients. Recruitment of candidates in Behavioral Health can include backgrounds in Addiction, Adult, Child & Adolescent, Geriatric, Residential Treatment and Substance Abuse. The Diamond Recruitment Team thoroughly screens and presents quality candidates which results in the best possible outcome for clients, healthcare providers, patients and communities. Our goal is to provide a total solution to the recruitment needs of our clients.

RECRUITMENT & SOURCING

Diamond's Recruitment Team utilizes a targeted approach to gather detailed information about each recruitment opportunity. The Recruitment Team specializes in mapping qualified candidates to appropriate opportunities based on client/candidate need, location and established parameters. This focused methodology will include the following components:

- ◆ Recruitment service for Psychiatrists and Physician Extenders
- ◆ Dedicated recruiting consultants working in collaboration with key hospital staff until recruitment is successfully completed
- ◆ Individualized Opportunity and Community Profile completed with on-site Program Director and hospital leadership to discuss job details and candidate parameters
- ◆ Detailed requisition intake process completed during Opportunity Profile
- ◆ Post-Profile summary is created to ensure accurate position details have been captured before presenting opportunity to potential candidates
- ◆ Candidates are thoroughly screened and their interest in the position is verified by the Recruitment Team
- ◆ Lead and assist client with interview date verification and travel itinerary for on-site interview

- ◆ Proven track record of success in recruiting Psychiatrists and Physician Extenders specializing in the areas of Addiction, Adult, Child and Adolescent, Geriatric, Residential Treatment and Substance Abuse.

CLIENT EXPECTATIONS

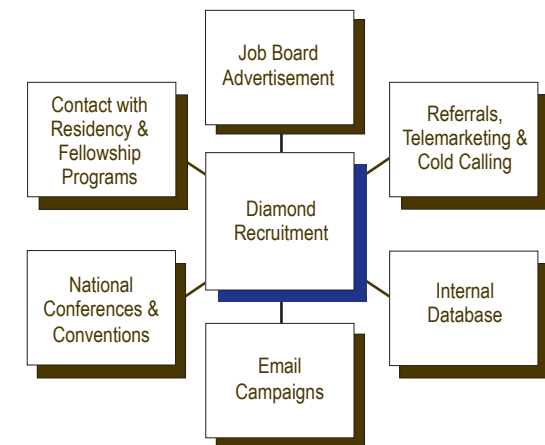
The goal of the Diamond Recruitment Team is to exceed client expectations in providing the hospital with a candidate who will reside in the community for years to come. The Team will partner with the client to consult and coordinate the recruitment process for maximum success. Once entering into a contingent contract agreement with Diamond, a client can expect the following:

- ◆ Retained service for less than contingent cost
- ◆ \$15,000 placement fee per Psychiatrist
- ◆ \$10,000 placement fee per Physician Extender
- ◆ Continual communication, feedback, and guidance throughout the recruitment process
- ◆ Multi-pronged marketing and recruitment approach
- ◆ Candidates thoroughly screened and presented with client opportunity to ensure interest and match
- ◆ Seamless integration with the Diamond Operations and Development Teams
- ◆ Negotiation with the candidate in the interest of the client (placement fee amount is fixed)

RECRUITMENT PROCESS

- ◆ Requisition intake session for the generation of Opportunity and Community Profiles
- ◆ Job posting and marketing campaign custom designed for each client opportunity
- ◆ Candidate / significant other telephone screen and opportunity presentation
- ◆ Interview dates obtained from candidate
- ◆ Qualified candidate presented to client
- ◆ Client conducts telephone interview to confirm candidate interest and qualifications
- ◆ Interview dates reaffirmed and site visit scheduled
- ◆ Feedback and confirmation on decision by client
- ◆ Formal offer extended to candidate
- ◆ Negotiations and acceptance
- ◆ Determine candidate start date

NATIONWIDE MARKETING APPROACH



CONTRACT MANAGEMENT SERVICES



Diamond is a national leader in the provision of contractual management services to hospitals for inpatient and outpatient services. Managing specialized geriatric programs, adult, child and adolescent services, chemical dependency, residential treatment facilities, sleep disorder services, and outpatient pulmonary services, Diamond has both the resources and the experience to offer contractual relationships that are tailored to client needs and preferences. These capabilities include start-up of new services and expansion or improvements to existing programs.

THE PROCESS

Diamond conducts a market feasibility study to determine current community need and fit with a hospital's mission. This phase includes the following steps:

- ◆ Conducting interviews with key leadership and frontline personnel
- ◆ Comprehensive market analysis
- ◆ Full financial review of current or potential services
- ◆ Program assessment for clinical appropriateness
- ◆ Staffing review
- ◆ Physical plant assessment
- ◆ Physician strategy development

From this initial analysis, Diamond develops a strategic business plan for review by the client health system or hospital. Upon approval, Diamond assists with prioritizing and implementing the approved strategies.

KEY AREAS OF SUPPORT

Service Design — determining the number of beds and range of clinical services, including both inpatient and outpatient services.

Obtaining Approvals — working closely with the hospital to secure Certificate of Need, licensure, zoning, Medicare certification, DRG exemption and other regulatory approvals.

Physical Plant Modifications — advising architects and engineers regarding design or modification of facilities to meet building codes, pass safety and security requirements, and develop a clinical environment that best complements the services being offered.

Personnel Recruitment, Selection and Education — conducting recruitment and interviewing, hiring and orientation, and developing position descriptions for medical staff, nurses, clinical staff and support personnel and non-clinical staff for new or existing programs.

Program Development — developing and implementing programs for specific demographic populations such as adolescent, geriatric, adult psychiatric, chemical dependency, neuro-psychiatric and medical-psychiatric.

ONGOING MANAGEMENT SERVICES

Diamond has more than 20 years of experience managing the operations of inpatient and outpatient Behavioral Health programs.

Once an existing clinical program has been fully evaluated and adapted, or a new program has been fully established, Diamond can provide ongoing day-to-day contract management.

This level of continued management includes:

- ◆ Physician recruitment
- ◆ Supervision of clinical programs
- ◆ Quality assessment
- ◆ Community outreach and education
- ◆ Negotiations with payors
- ◆ Liaison with regulatory agencies
- ◆ Related operational activities

Many years of strategic development experience have positioned Diamond as a leading provider of Behavioral Health Services. Diamond's reputation for quality services enables client hospitals to successfully provide quality services that are well utilized and financially strong.

FACILITIES DEVELOPMENT: THE PAVILIONS



Diamond possesses the financial strength to partner with health systems and hospitals to develop Behavioral Health Pavilions. The Pavilion is an innovative model that enables the hospital to preserve its capital, while creating state-of-the-art Behavioral Health facilities on its campus.

THE BEHAVIORAL HEALTH PAVILION:

- ◆ A state-of-the-art facility
- ◆ Provides space for outpatient services
- ◆ Generally has 40 or more inpatient beds
- ◆ Is located on or near the hospital's campus
- ◆ Operates as a unit of the main hospital
- ◆ Is developed as a service-line of the hospital

GENERAL MARKET METRICS INCLUDES:

- ◆ Minimum regional market of approximately 100,000 persons
- ◆ Population requirements will vary based on the age distribution of the regional market
- ◆ Generally oriented to urban and suburban types of markets

ADVANTAGES OF A PAVILION

- ◆ Provides high quality services
- ◆ Creates a critical mass in Behavioral Health to meet the needs of the communities served
- ◆ Enables greater program diversity and flexibility
- ◆ Provides new and attractive facilities for the hospital
- ◆ Frees space in the main Hospital for development/ expansion of other medical/surgical services at the hospital
- ◆ Can evolve from service-line into a Center of Excellence for the Hospital
- ◆ Helps with the recruitment of quality staff and physicians
- ◆ Serves as the centerpiece of a Regional Behavioral Healthcare Network



SPECIALIZED DISEASE MANAGEMENT SERVICES



Diamond's Behavioral Health experience enhances the development and management of specialty clinical services that have a correlation with mental health issues. By establishing new or existing comprehensive sleep disorders services or offering a continuum of care through outpatient pulmonary services, Diamond can help hospitals expand services while better serving their communities.

SLEEP DISORDERS

Approximately 70 million people in the United States are affected by a sleep problem. However, the majority of sleep disorders are treated through lifestyle changes, medication, CPAP or Bi-Pap therapy, counseling, surgery or a combination of methods. Diamond helps hospitals:

- ◆ Establish a financially successful service
- ◆ Enhance the financial success of a hospital's current Sleep Disorders Service
- ◆ Diagnose and treat sleep disorders within the community served
- ◆ Increase community awareness of sleep disorders and healthy sleep habits
- ◆ Partner with key physicians, DME's, and Home Health Care Providers to provide comprehensive patient care
- ◆ Provide the highest quality of care through adherence to the American Academy of Sleep Medicine (AASM) standards
- ◆ Achieve AASM accreditation within one year
- ◆ Integrate Behavioral Health services into outpatient sleep for patients needing those services

OUTPATIENT PULMONARY SERVICES

Lung Disease claims more than 300,000 lives in America every year and is the third leading cause of death in the United States. The direct and indirect economic cost attributable to lung disease totals billions annually.

Hospitals have a unique opportunity to develop cost effective Outpatient Pulmonary Services to the communities served. The outpatient continuum consists of conditioning, education and maintenance. For some patients, Outpatient Pulmonary Services can be a continuation of the therapeutic intervention and rehabilitation begun on an inpatient basis. Diamond helps hospitals:

- ◆ Develop high quality clinical services
- ◆ Obtain a decrease in contractual adjustments
- ◆ Establish a cost effective service
- ◆ Create a continuum of care
- ◆ Expand outpatient services
- ◆ Meet a community need
- ◆ Provide a state-of-the-art service

QUALITY THROUGH SERVICE

Diamond helps hospitals be successful in the creation or enhancement of Specialized Disease Management Services by providing:

- ◆ Market assessments
- ◆ Financial analysis
- ◆ Contract management
- ◆ Consulting services
- ◆ Program supervision
- ◆ Compliance
- ◆ Operational assessments
- ◆ Outreach development
- ◆ Accreditation assistance

Diamond's reputation for quality services enables client hospitals to successfully provide quality services that are well utilized and financially strong.