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2023 **ACG IBD SCHOOL & SOUTHERN REGIONAL POSTGRADUATE COURSE**
DECEMBER 1-3, 2023 | RENAISSANCE NASHVILLE HOTEL
NASHVILLE, TENNESSEE

Register online: meetings.gi.org

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Request for Applications

GRADE Methodologists for ACG Guidelines



APPLICATION DEADLINE:
➔ December 15, 2023


Those selected will be required to participate and complete the International Guideline Development Credentialing & Certification Program through McMaster University. The onsite training will be in Spring 2024 and is sponsored by the ACG. Applicants must agree to a 5-year term as a GRADE Methodologist.

Want to Learn More?
GRADE INFORMATION SESSION IN VANCOUVER:
Sunday October 22 3:30-4pm Room 111-112

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Participating in the Webinar




Moderator:
Daniel J. Pambianco, MD, FACG

All attendees will be muted and will remain in "Listen Only Mode"

Type your questions here so that the moderator can see them. Not all questions will be answered but we will get to as many as possible.

A handout with the slides and room to take notes can be downloaded from your control panel.



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ACG Virtual Grand Rounds

Join us for upcoming Virtual Grand Rounds!



Week 41 – Thursday, October 12, 2023
 Intestinal Ultrasound in IBD
 Faculty: Noa Krugliak Cleveland, MD
 Moderator: David T. Rubin, MD FACG
At Noon and 8pm Eastern



Week 44 – Thursday, November 2, 2023
 Vaccine Update for Gastroenterologist
 Faculty: Freddy Caldera, DO, MS, FACG
 Moderator: Francis A. Farraye, MD, MSc, MACG
At Noon and 8pm Eastern

[Visit gi.org/ACGVGR](https://gi.org/ACGVGR) to Register

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ACG 2023

OCTOBER 20-25, 2023 | VANCOUVER, CANADA



PRACTICE MANAGEMENT SUMMIT 2023:

ADAPTATION IS THE NEW NORM

 Friday, October 20 |  1:45pm - 6:30pm



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ACG Standard Slide Decks

Colorectal Cancer Screening and Surveillance Slide Deck

Ulcerative Colitis Slide Deck

ACG has created presentation-ready, semi-customizable MS PowerPoint clinical slide decks for your unique teaching and learning needs.

Visit gi.org/ACGSlideDecks to learn more and request access to the standard slide decks!

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Disclosures

 <p>Scott Fraser, MBA: No financial disclosures or conflicts.</p>	 <p>Vonda G. Reeves, MD, MBA, FACG: No financial disclosures or conflicts.</p>
 <p>Daniel J. Pambianco, MD, FACG: No financial disclosures or conflicts.</p>	 <p>Stephen T. Amann, MD, FACG: Consultant Eli Lilly Corp</p>

*All of the relevant financial relationships listed for these individuals have been mitigated

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The Impact and Future of Private Equity in GI: Are we at an inflection point in our specialty?

An overview of private equity's latest investment opportunities and challenges in GI



Scott Fraser MBA

October 5, 2023












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Private Equity Backed MSO Consolidation Continues . . .

Select Gastroenterology Platform Expansion⁽¹⁾

2016 – 2018	2019 – 2023 ⁽²⁾
 <p>3 Platforms 3 States</p>	 <p>9 Platforms 30 States</p>
<p style="text-align: center;">Platform Details:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  UNITED DIGESTIVE Frazier \$782.2mm Invested 2018 </div> <div style="text-align: center;">  GI Alliance Apollo \$4.6B Invested 2022 </div> <div style="text-align: center;">  GASTRO HEALTH OMERS \$12.5B Invested 2021 </div> </div>	<p style="text-align: center;">Recently Formed Platform Details:</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  gastro Varsity \$417mm Invested 2019 </div> <div style="text-align: center;">  U.S. DIGESTIVE HEALTH Amulet \$250mm Invested 2019 </div> <div style="text-align: center;">  OneGI Webster \$875mm Invested 2020 </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  PINNACLE H.I.G. Growth \$970mm Invested 2020 </div> <div style="text-align: center;">  Allied Digestive Health Assured Healthcare Partners Invested 2020 </div> <div style="text-align: center;">  unio Triton Pacific Invested 2021 </div> </div>












- Pace of consolidation continues w/over 80+ transactions since 2020*
- 90% of transactions since 2020 have been done by:*
 - GI Alliance
 - GastroHealth
 - United Digestive
 - US Digestive
 - One GI
- Consolidation has just started in largest markets:
 - NY & CA

*Levin Pro database, Valuations, Competition & the Future of GI

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Private Equity GI MSOs Considerations

National Focus	Regional Focus	Hospital Focused	MSO "Light"	Multi Specialty MSOs w/GI
 	    		 	 

Key factors to consider when selecting an MSO:

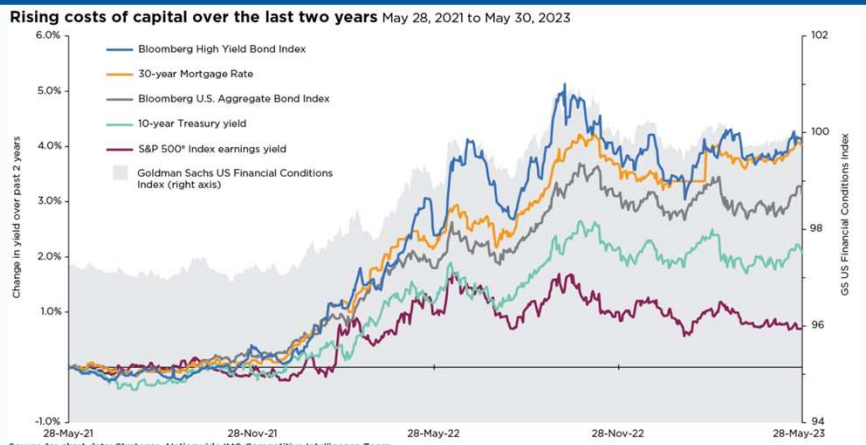
- How old are they/When was their Private Equity investment?
- Type of PE fund (Growth vs Debt fund) & debt rating?
- How large are they? Number of clinics, ASCs and providers?
- Centralized or Regional . . . Operational autonomy?
- Commercial contract leverage/rate lifts? Ancillary service lines & lift?

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The Cost of Capital Impacting PE backed MSOs

Rising costs of capital over the last two years May 28, 2021 to May 30, 2023



Source for chart data: Strategas, Nationwide IMG Competitive Intelligence Team

- PE firms “slow down” acquisitions as rates rise to focus on “operational efficiencies”
- More focus on organic MSO growth vs acquired MSO growth
- Higher rates negatively impacting acquisition multiples

*Nationwide Financial websites

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The Cost of Healthcare Labor & Wage Inflation*

The largest portion of potential extra healthcare costs are introduced to the system in 2022–23.

Potential incremental in-year healthcare costs due to inflation, \$ billion, nominal

Year	Clinical labor costs	Nonclinical labor costs	Nonlabor costs	Total
2022	56	59	38	152
2023	99	72	77	248
2024	114	77	94	284
2025	131	80	100	311
2026	150	84	105	338
2027	170	87	112	369

- 6-10% clinical labor wage inflation forecasted*
- Wage inflation will be 3-7% higher than inflation rate*
- Wage inflation will outpace CMS & commercial rate increases, thus putting negative pressure on operating margins & profitability

*Mckinsey & Company "The Gathering Storm: The Transformative impact of inflation on the Healthcare Sector"

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Focus on Diversifying Gastroenterology Practices

MSOs Optimize GI Ancillaries:

- Infusion Lab
- Prep Center & Services
- Specialty Pharmacy
- Pathology
- Pediatric GI
- Imaging
- Rx Research
- Population Health
- Weight Loss

New GI Ancillaries:

Liver Ctrs

Artificial Intelligence

- MSO investments and enterprise-wide adoption of both Liver Ctrs & AI
- Increasing clinical care via diagnostic yields & ancillary revenue

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Pursuing Diversified GI Care – Liver Centers

Prevalence of NAFLD is rapidly increasing in US*

Year	Prevalence (%)
1988	5.5%
2008	11.0%
2022	24.0%

US NAFLD Market Opportunity**

80
million

Americans Impacted

25
million

Have NASH
Non-Alcoholic SteatoHepatitis
Liver Inflammation

8x

The Hep C Market Size

\$100
billion

Annual Economic Burden for NAFLD

- NAFLD is estimated to effect 80-100M individuals in US
- 69% of American adults are overweight, while 1/3 could be classified as obese (BMI>30)***

*Objective Health & EchoSens websites

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Liver Centers Clinical & Business Thesis

Pharma Billions \$s in Development & Awareness

GI Screening & Activation

Chronic Disease Management

- 30+ Compounds in development
- Patient awareness campaigns
- FiberScan* work-up in clinic
- Performed by mid-level staff
- Established reimbursement
- Activate new/at risk patient population
- Prescribe RX therapy
- Weight loss programs
- Bariatric referral

*Objective Health & EchoSens websites

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Potential Future of GI MSOs . . . Vertical Integration with the "Titans of Disruption"

 >70,000 Doctors* >\$78B Rx spend* >29,000 employees* >350 ASCs* >250 Endo Ctrs*	 >9500 locations* >39M lives* >1120 locations*	 >8700 locations* >19M members* >2800 Doctors* >2500 Doctors* >45 GIs*	 >300M users* >45% of cloud-based data* >800K lives*
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National GI MSOs are Synergistic

*United Healthcare Annual Report, Optum, Walgreens, Summit. Health, VillageMD, SCA, CVS, Aetna, Amazon & One Medical websites

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Other Titans of Disruption to Watch & Resources

 	 Dr. Zeev Neuwirth	 Praveen Suthrum
	 Scott Becker	

*United Healthcare Annual Report, Optum, Walgreens, Summit. Health, VillageMD, SCA, CVS, Aetna, Amazon & One Medical websites

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Contact Information







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Questions?

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	Daniel J. Pambianco, MD, FACP:		Stephen T. Amann, MD, FACP:

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CONNECT AND COLLABORATE IN GI



ACG GI Circle
Connect and collaborate within GI



IBD Circle
A Partnership of the American College of Gastroenterology
and the Crohn's & Colitis Foundation



ACG Hepatology Circle



**ACG Functional GI
Health and Nutrition Circle**

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LOGIN OR SIGN-UP NOW AT: acg-gi-circle.within3.com



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