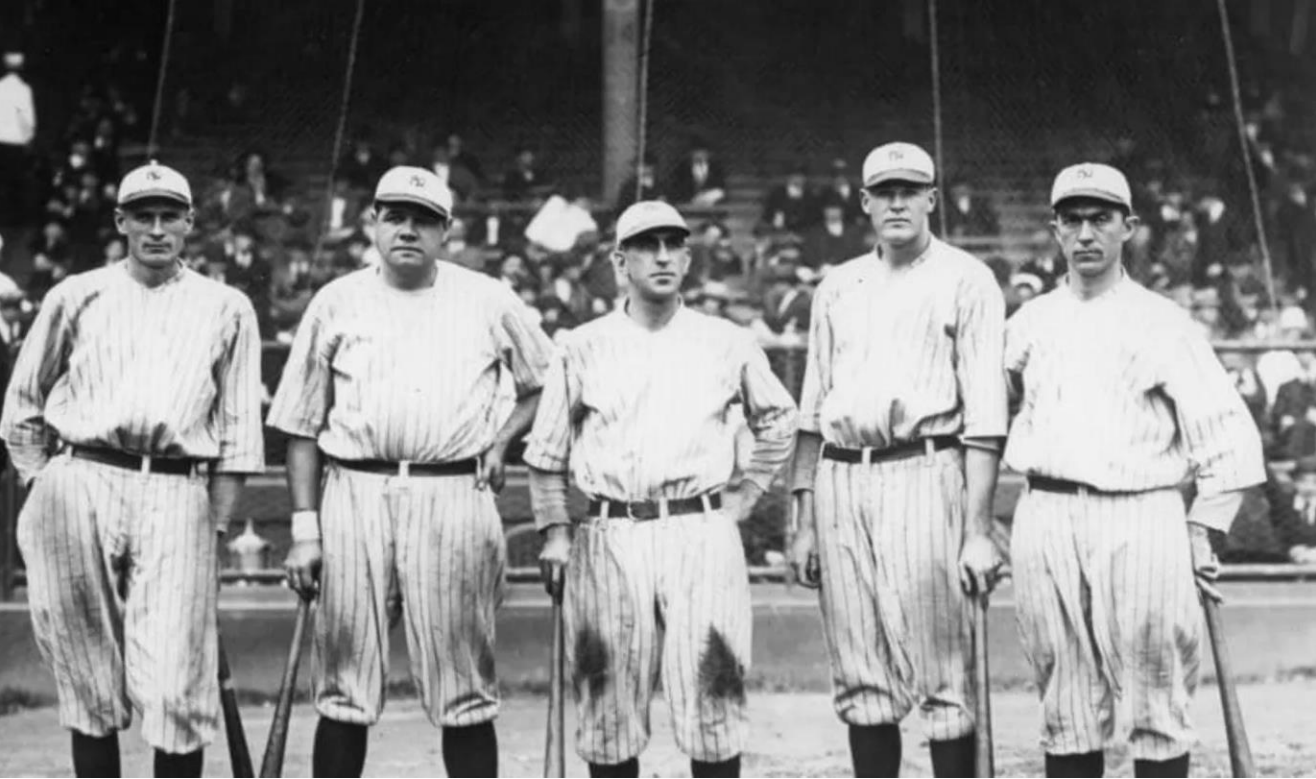


# MARTY BONICK

Ardent President & CEO

**The Big Story**







DE LA SALLE



74 55 31 11 18 75 30 50 36 38 10 35 73 26



DE LA SALLE  
87

DE LA SALLE  
81

DE LA SALLE  
56

DE LA SALLE  
72

DE LA SALLE  
50

DE LA SALLE  
61

DE LA SALLE  
14

DE LA SALLE  
67

DE LA SALLE  
19

DE LA SALLE  
14

DE LA SALLE  
183

DE LA SALLE  
49

DE LA SALLE  
13

DE LA SALLE  
30

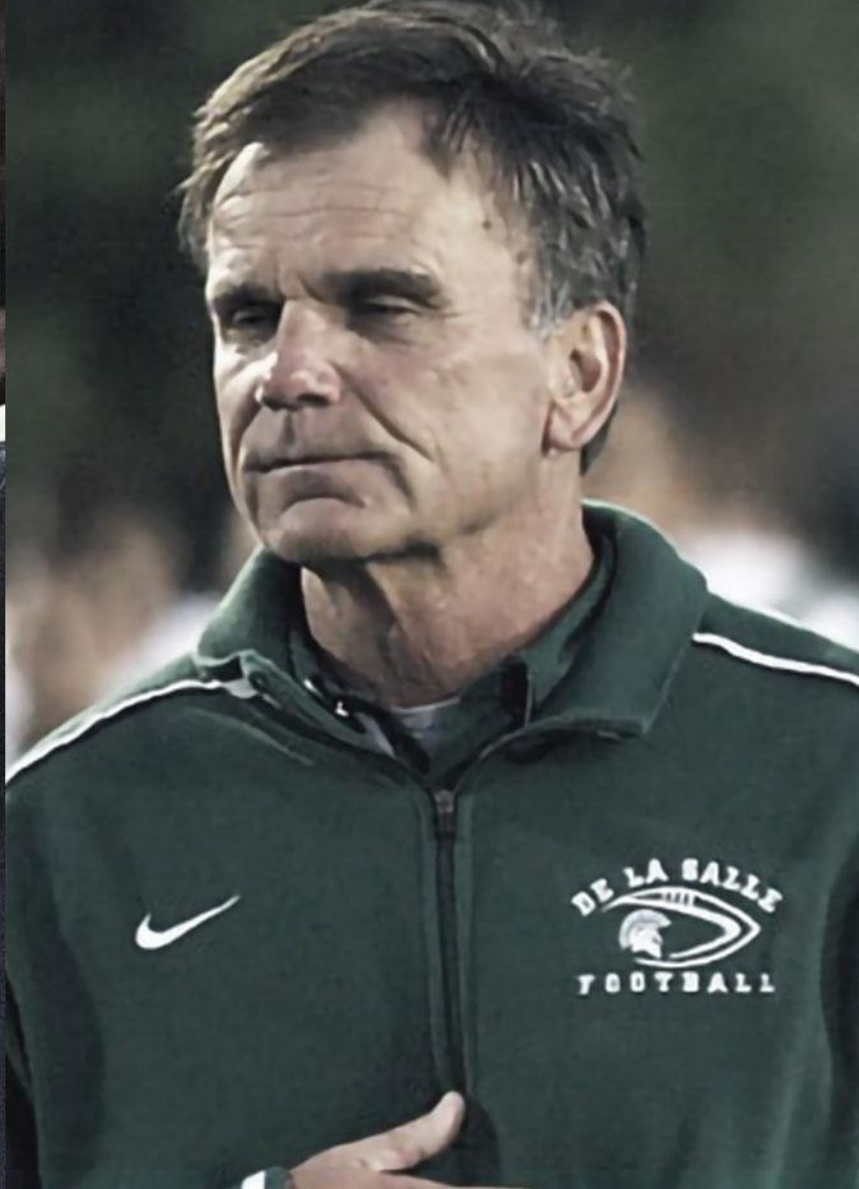
DE LA SALLE  
08

DE LA SALLE  
51

DE LA SALLE  
52

FOOTBALL  
NORTH COAST SECTION  
ARCO  
am/pm  
1996  
4A

# Role of the coach



# Role of the coach



# Role of the player



**When all  
else fails...**

**CHANGE the  
Game**

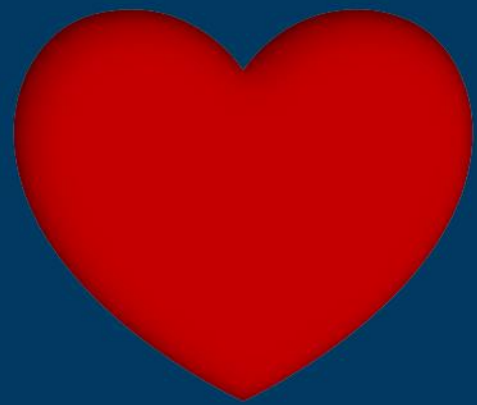






**The "Curse Breaker"**

# The formula



+

1%

=



# Love of the game



**Focus on effort and consistent improvement**

**1%**

**Above all, a culture of team over self**





**Looking Back at 2023**

# In the news...

Healthcare jobs go unfilled even as demand for care increases

2023 Is a Wrap

Health care data breaches hit 1 in 3 Americans last year: Is your data vulnerable?

How health inequity maps out across America

Dr. ChatGPT: A guide to generative AI in healthcare

Cuts ahead: Health systems rethink non-clinical job needs

A Year Without Roe

Kaiser Permanente to acquire Geisinger Health in bid to launch multisystem VBC platform

Healthcare data breaches hit new highs in 2023

Nonprofit Hospitals: Profits And Cash Reserves Grow, Charity Care Does Not

UnitedHealth sued by US Labor Department over 'thousands' of claims denials

Healthcare cyberattacks have affected more than 100 million people in 2023

Providers, beware. HCA is coming for your market share.

Report: U.S. hospitals face diminished reserves, mounting reimbursement challenges

75,000 Kaiser Permanente workers walk off the job. It's the largest health care worker strike in US history

Medicare Advantage plan star ratings decline again in 2024

Amazon Pharmacy rolls out service for unlimited generic drug prescriptions for \$5 a month

The Year Ozempic Ate the News

# A year of new partnerships...





# And building momentum with existing partners...



PROUD TO ANNOUNCE OUR  
EXPANDED PARTNERSHIP WITH



**\$50M**  
Year-over-year  
Improvement

RANKED #1 FOR THE 4TH TIME

## Best in KLAS

Our Best in KLAS team of experts is creating a frictionless end-to-end revenue cycle driven by people, fueled by technology and focused on progress.

4x Best in KLAS for Revenue Cycle Outsourcing



# Bringing BIG ideas together



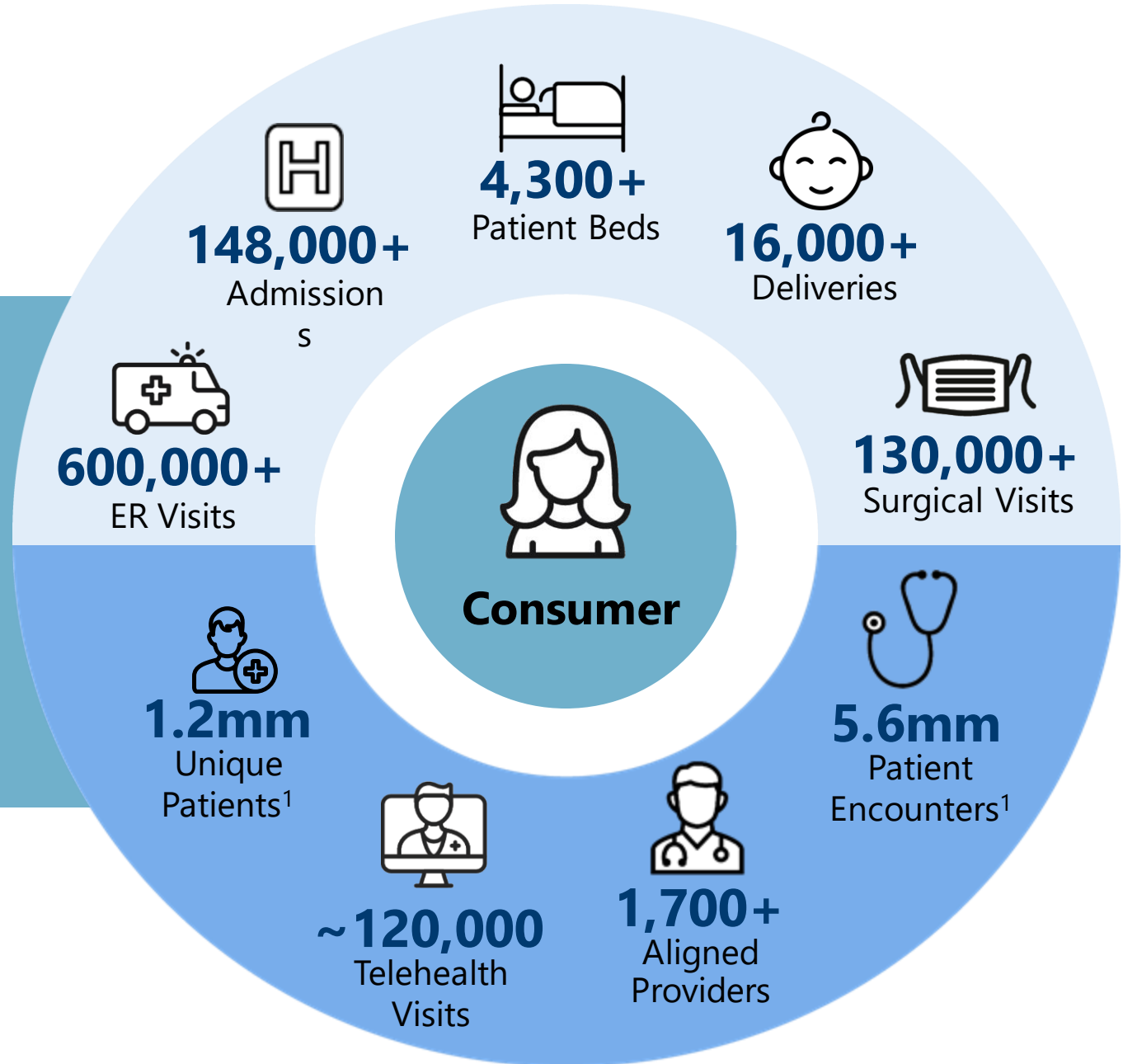


choreohealth

# The last year at Ardent:

Caring for patients  
in the hospital and beyond

More than  
**15,000**  
lives touched  
each day





**People first.**  
Always.

Do the  
**right thing.**



Pursue  
**Extraordinary.**



**Small**  
improvements,  
**big** impact.

**1%**

**Simplicity**  
is everything.



# The **Ardent** Way



Be  
**curious.**



**Figure**  
it out.

There's no  
them.  
Just **us.**



**Teamwork**  
wins.



Your **team** is  
bigger than  
your department.



Make it  
**Better.**



**Own** it.



Healthcare  
should be  
**easy.**

Embrace  
**different.**



Think  
**BIG.**

**Seek solutions**  
– not blame.



Training camp...preparing for growth

# Getting our House in Order



#GOHIO

# Celebrate the wins

+470 RNs added in 2022

\$94 million in GOHIO savings





# Project "Turkey"







# ABOVE AND BEYOND

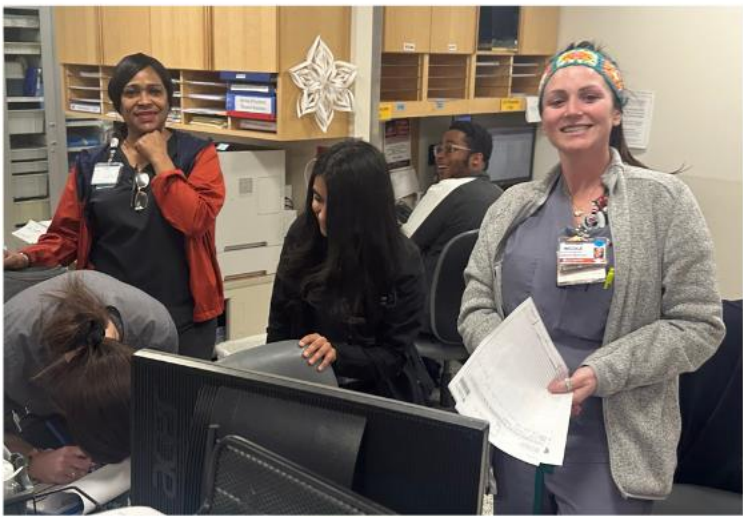
— ” —

It's so hard to give a shout out to just one person or team, so I'd like to give one to everybody involved in the recovery. Rarely is an employee asked to sacrifice sleep, family, and even health for their job. Hardly does that need arise, but you all met that need and gave deeply for those around you.

You accomplished what felt impossible. I hope you reflect on these days, appreciating their gravity and considering them (what may be) your finest hour.

Thank you.

---



# Critical indicators reporting

## 2023 Year End



### PEOPLE

Voluntary  
Turnover

2023  
17.2%

390  
Basis Point  
Improvement



### SERVICE

Net Promoter  
Score (NPS)

2023  
68.6

260  
Basis Point  
Improvement



### QUALITY

ALOS/GMLOS

2023 1.197

1.9% Improvement

HAI Rollup

2023 0.374

28% Improvement



### FINANCE

Adjusted EBITDAR

3.3% Improvement

18.7% Improvement  
(Pre-Cyber)

Cash  
(free cash flow)

63% Improvement  
(Pre-Cyber)

# Accessing what's ahead



# Our story today



- **Leading acute care centered health system** with track record of success delivering healthcare in communities across the country
- Nation's **fourth-largest** private for-profit hospital operator
- Strong footprint in **growing mid-sized urban markets** with favorable demographic and economic profiles
- **Leading** (#1 or #2) **share** in most of our markets
- **Significant scale** with broad range of services
- Rapidly growing **consumer-centric healthcare ecosystem**

**2001**  
founded

**6**  
states

**30**  
hospitals

**200+**  
sites of care

**23,000+**  
team members

**1,700+**  
aligned providers

**\$5bn+**  
total net revenue<sup>2</sup>

**\$470mm+**  
adjusted EBITDAR<sup>2</sup>

# Ardent's evolution



- Equity Group Investments (EGI) & Ventas acquired Ardent in 2015
- Focused initially on hospital acquisitions
- Created JV partnerships in new attractive markets

- Improved financial performance throughout COVID-19 pandemic
- New management team
- Epic implementation
- Internal centralization and standardization

- Growing outpatient footprint
- Expanding value-based care capabilities
- Integrating technology to build consumer-focused capabilities
- Significant margin enhancement opportunity

~**\$2bn** total net revenue<sup>1</sup>

**14** hospitals<sup>1</sup>

~**12k** FTEs<sup>1</sup>

~**\$4bn** total net revenue<sup>2</sup>

**30** hospitals<sup>2</sup>

**21k+** FTEs<sup>2</sup>

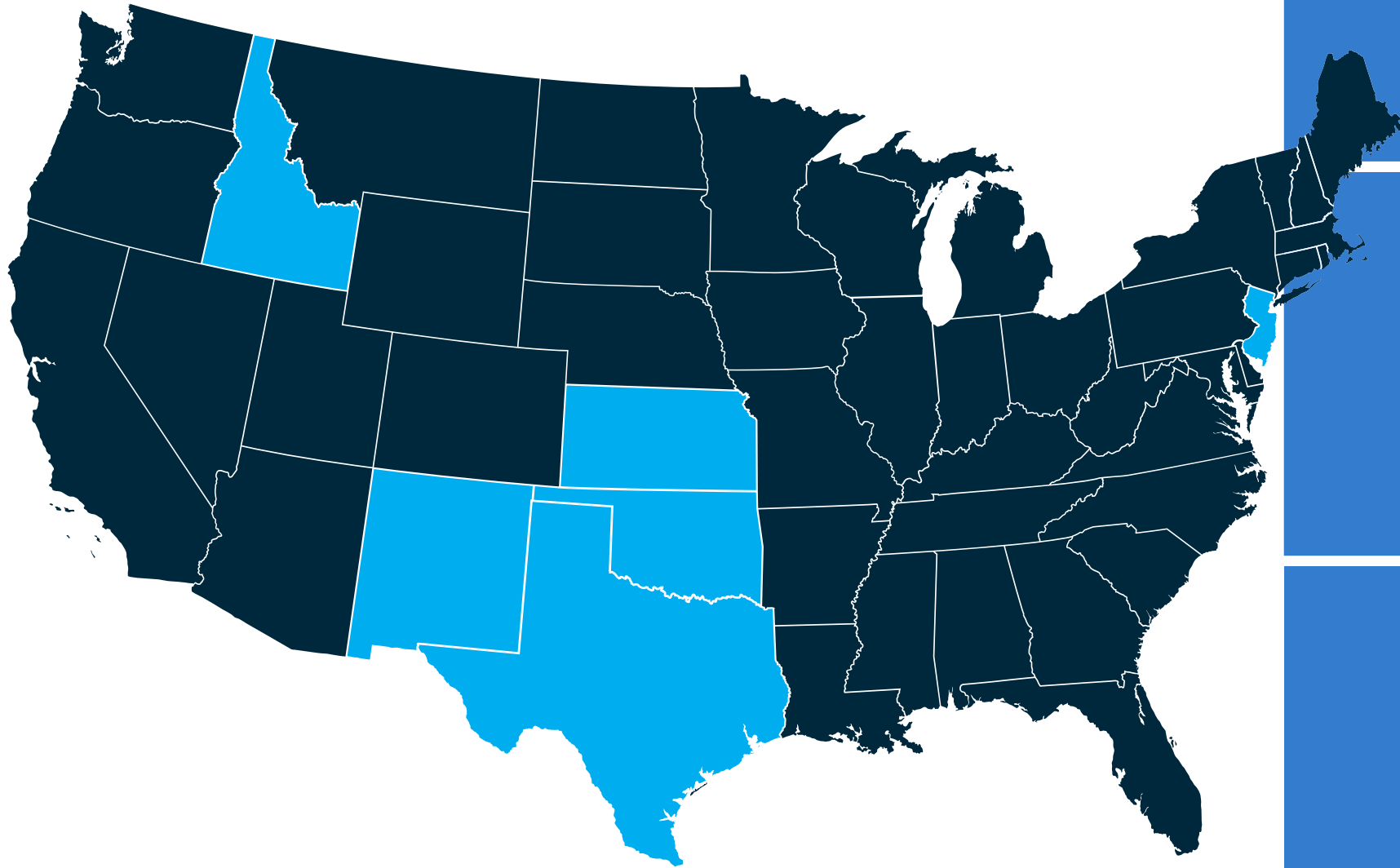
**\$5bn+** total net revenue<sup>3</sup>

**30** hospitals<sup>3</sup>

**21k+** FTEs<sup>3</sup>

<sup>1</sup> As of initial EGI and Ventas investment; <sup>2</sup> As of FY 2018; <sup>3</sup> As of LTM September 2023

# Opportunity knocks... near



Total addressable healthcare spending in our current markets:

\$ **37.8** billion

Acute care:

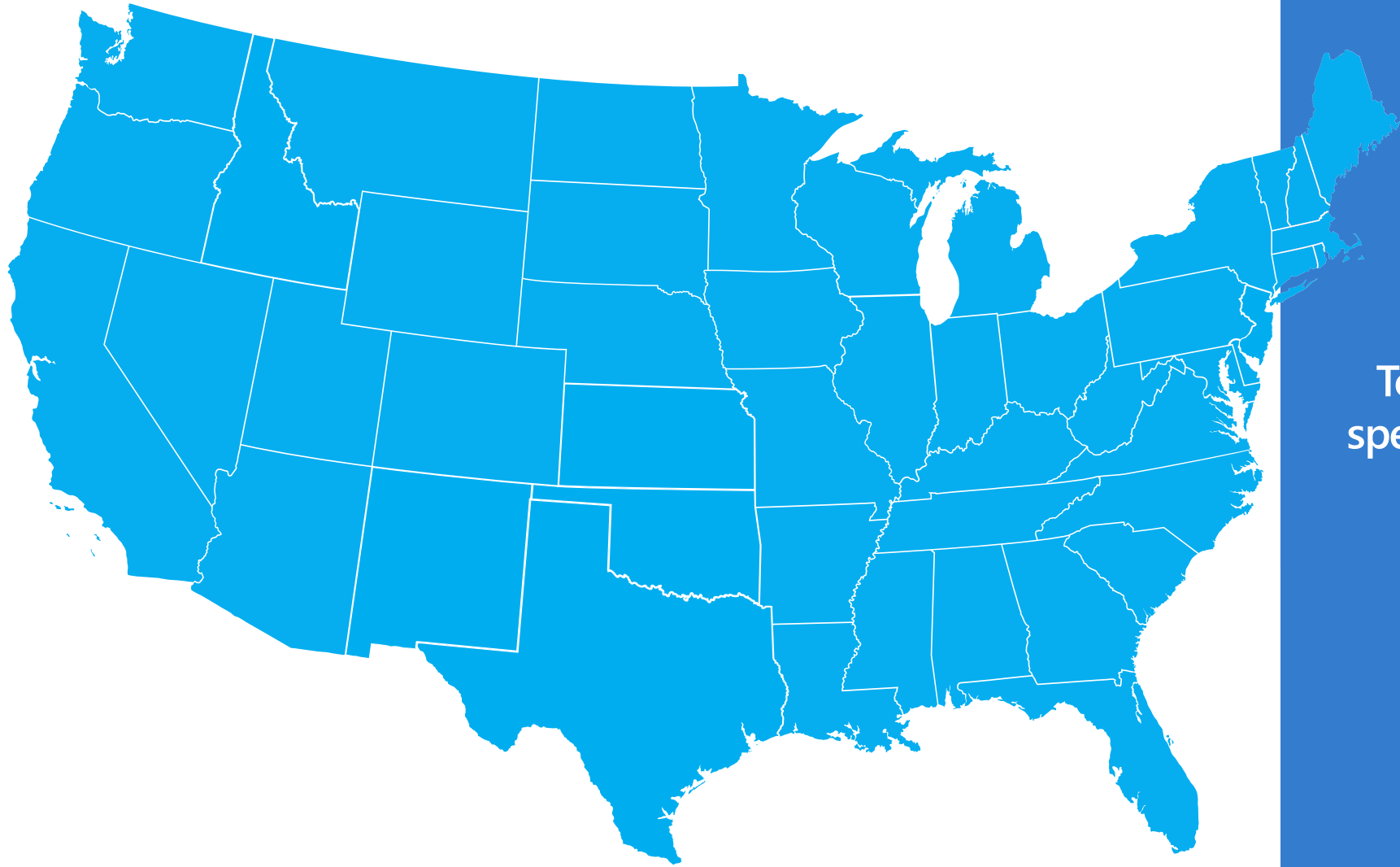
\$ **20.9** billion

Ambulatory and outpatient services :

\$ **16.9** billion



and far...



Total addressable healthcare  
spending in our target markets:

\$800 billion

# We've become much more than a hospital company...

A Changing Payor Landscape — Net Revenue by Patient Type

Financial Class	Inpatient \$M's	Outpatient \$M's	Total \$	Inpatient	Outpatient	Total \$
Commercial	\$630	\$982	\$1,612	26%	43%	34%
Medicare	\$545	\$331	\$876	22%	15%	19%
Mgd. Medicare	\$519	\$327	\$847	21%	14%	18%
Medicaid	\$355	\$258	\$613	15%	11%	13%
Mgd. Medicaid	\$155	\$140	\$295	6%	6%	6%
Other/Exchange	\$211	\$216	\$427	9%	9%	9%
Self Pay	\$15	\$ 18	\$33	1%	1%	1%
<b>TOTALS</b>	<b>\$2,429</b>	<b>\$2,274</b>	<b>\$4,702</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
% of TOTALS	52%	48%				



# ...and our physician and outpatient footprint is growing



382

Primary Care Providers\*



1,348

Specialists\*



5

Ambulatory Surgery Centers



3

Freestanding ERs



29

Urgent Care Centers



6

Imaging Centers



22

Physical Therapy Clinics



**BiIntellisense** – BioButtons  
**CareAI** – Virtual RN Visits  
**Cadence** – Remote Pt. Monitoring  
**CareHarmony** – Chronic Care Mgmt

Strategic Partners

\* Employed & contractually aligned providers, including APPs  
Note: As of September 2023

**Zoom in a  
bit closer**





Percent of people we  
treat each day that are  
inpatients...

**10%**



**So where were we?**

---

Margin  

---

Improvement



# Margin improvement

*Priority focus areas - "blocking & tackling"*

## REVENUE

- Supplemental Payments
- Revenue Cycle Enhancements
- Managed Care Increases
- VBC Contract Revenue Capture
- Underpayments

## EXPENSES

- Labor/Productivity Enhancement
- Overhead Optimization
- Employee Benefits Redesign
- Supplies/Inventory Management
- Purchased Services

## OPTIMIZATION

- Service Lines: Rationalization, Growth
- Capacity/Throughput
- Transfer Centers: Standardization, Volume Growth







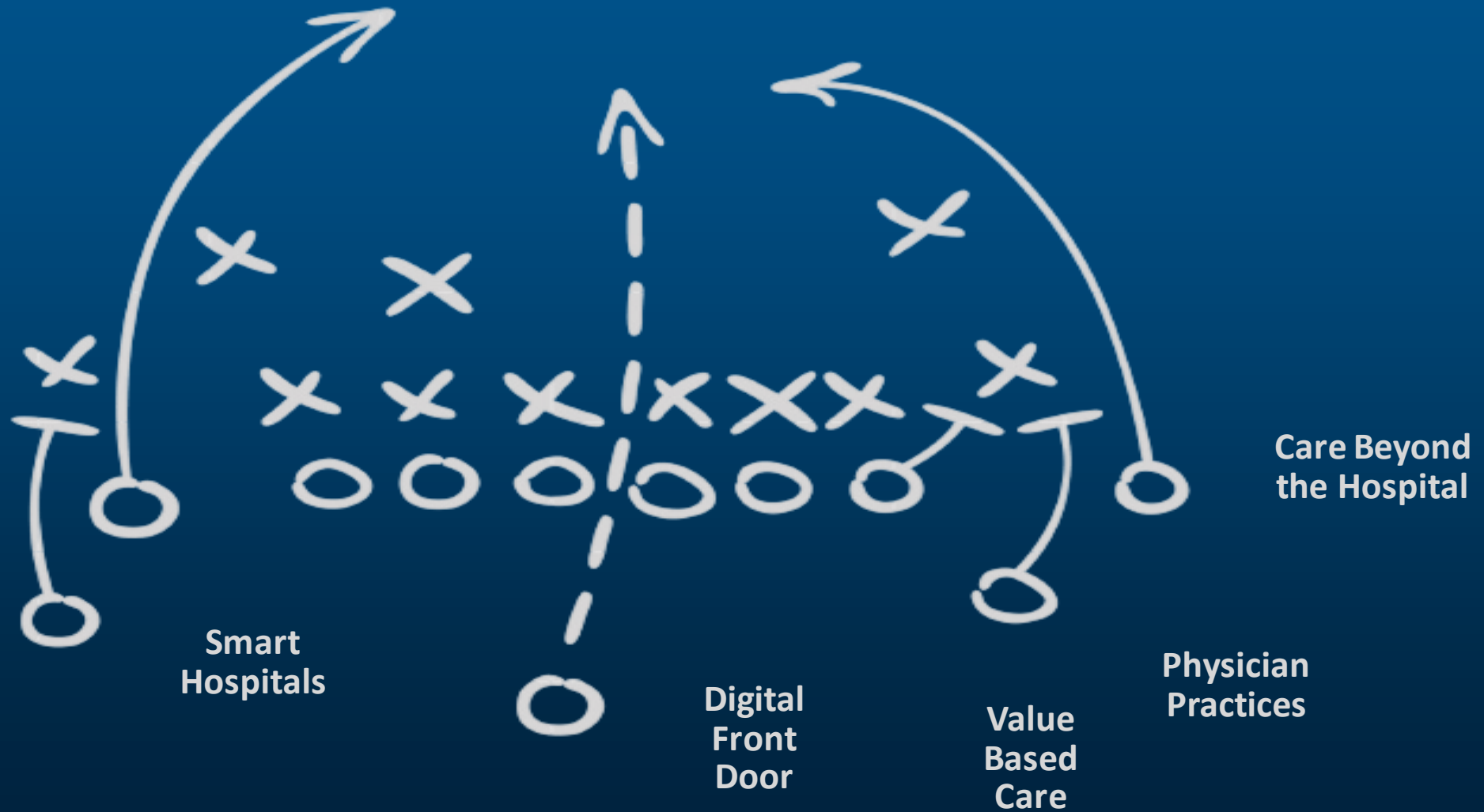
Market Share  
Growth

Market share growth

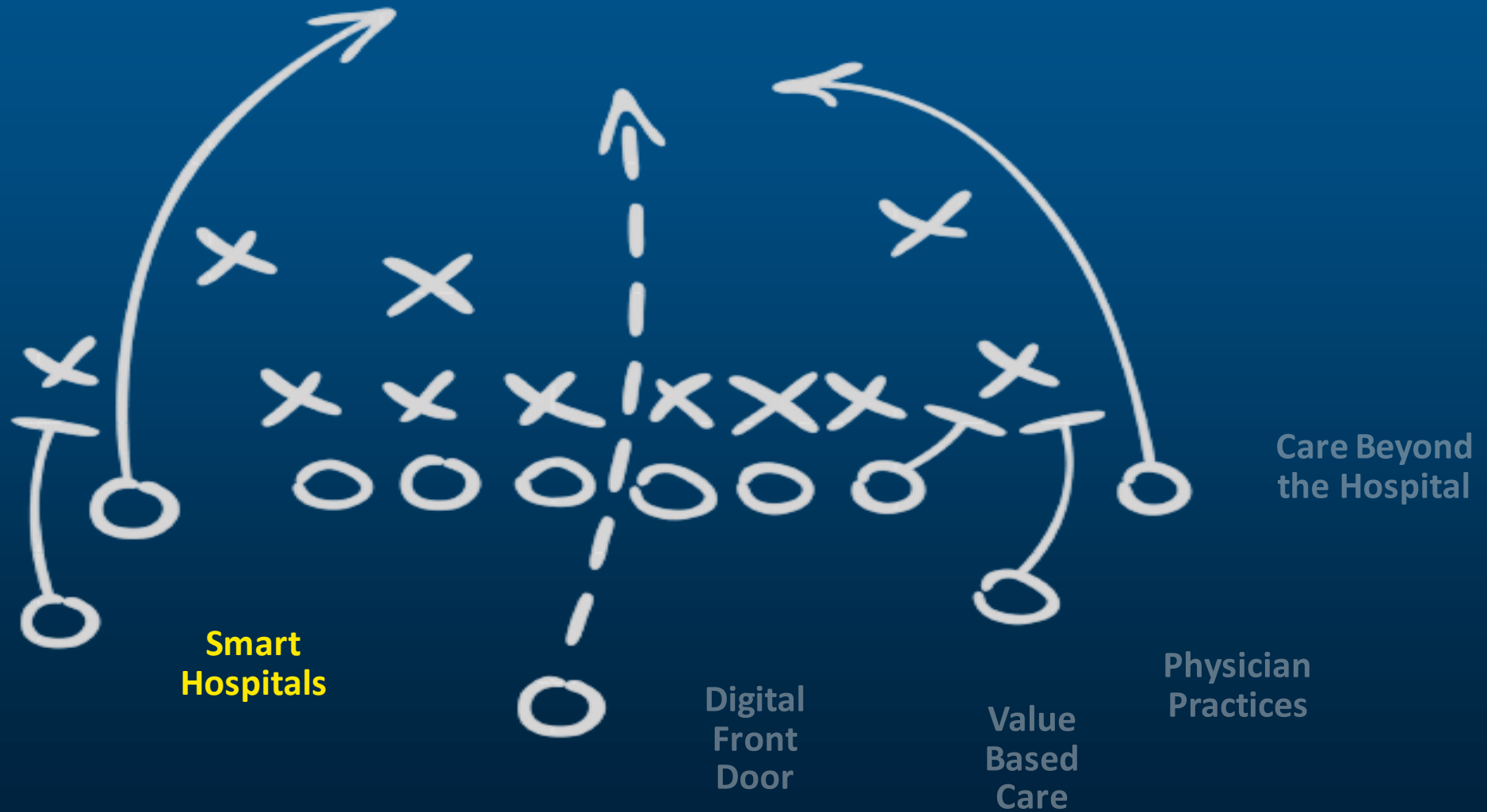
ARDENT 360°



# Ardent 360 - A patient's playbook



# Patient focus: **Emergency**



# Smart hospitals



Smart Hospitals



# Growing our core operations...

**3.6%**

**Admit  
Growth**

**5.0%**

**Adj. Admit  
Growth**

**3.6%**

**Surgical  
Growth**



...and improving our safety and quality outcomes

**27%**

**Reduction  
Falls with  
injury**

**MissionZERO**  
Our Culture of Safety

**Culture of  
Safety  
Survey  
improved  
in every  
category**

**16%**

**Improvement  
in HAI  
Performance**



# Strategic partnerships ...making our hospitals safer and smarter



**Epic**

**370,000**

**Potential adverse  
drug events avoided**



care.ai™

**17,000**

**Patients rounded  
on with a Virtual Nurse**



**EvidenceCare**  
*Better Care. Fewer Clicks.*

**10x ROI**

**Admission Criteria  
& Waste Reduction**



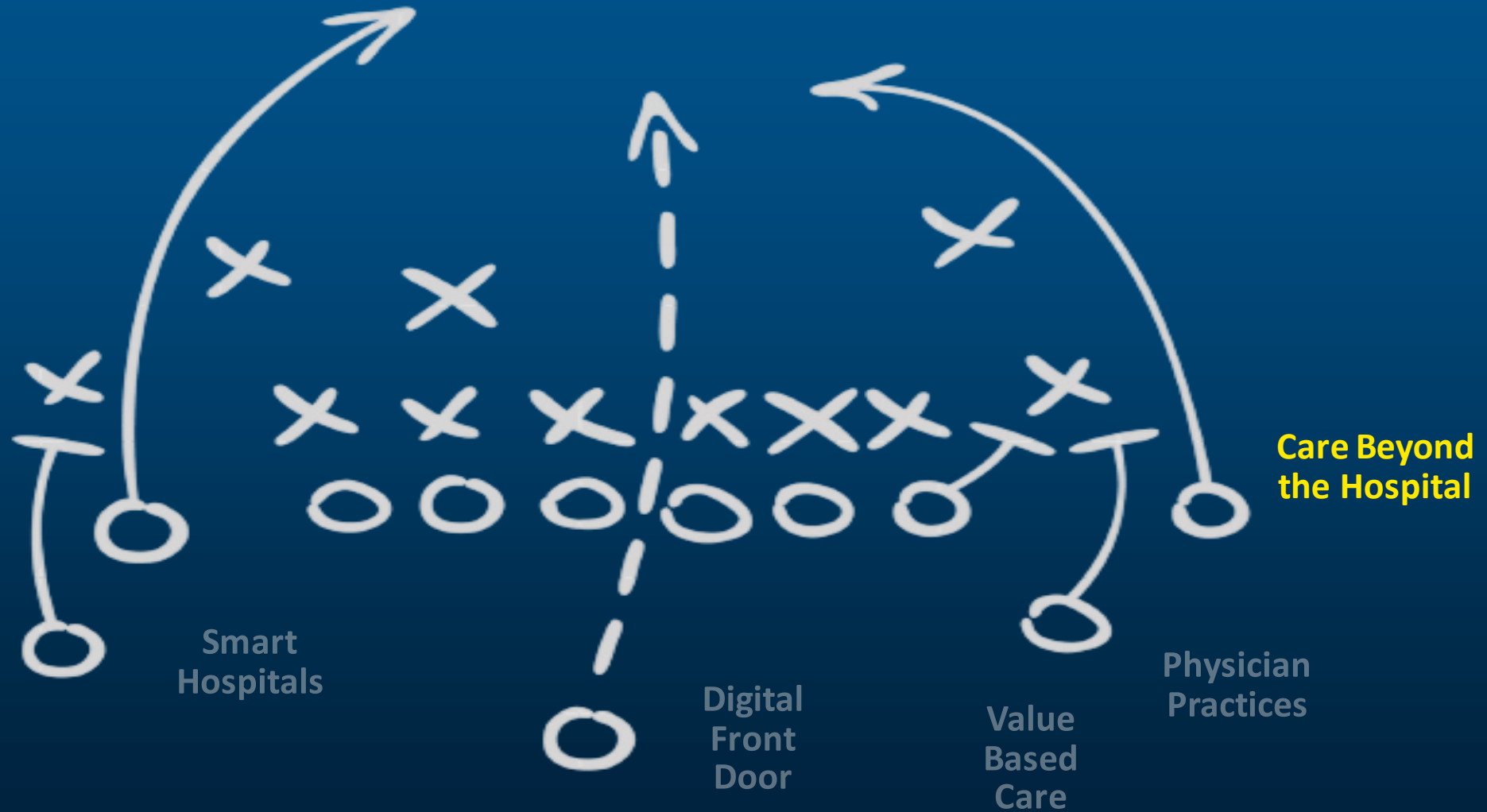
BioIntelliSense

**12,000**

**Patients monitored**



# Patient focus: Proximity



# Care beyond the hospital

Chief  
Financial  
Officer



Care Beyond  
the Hospital

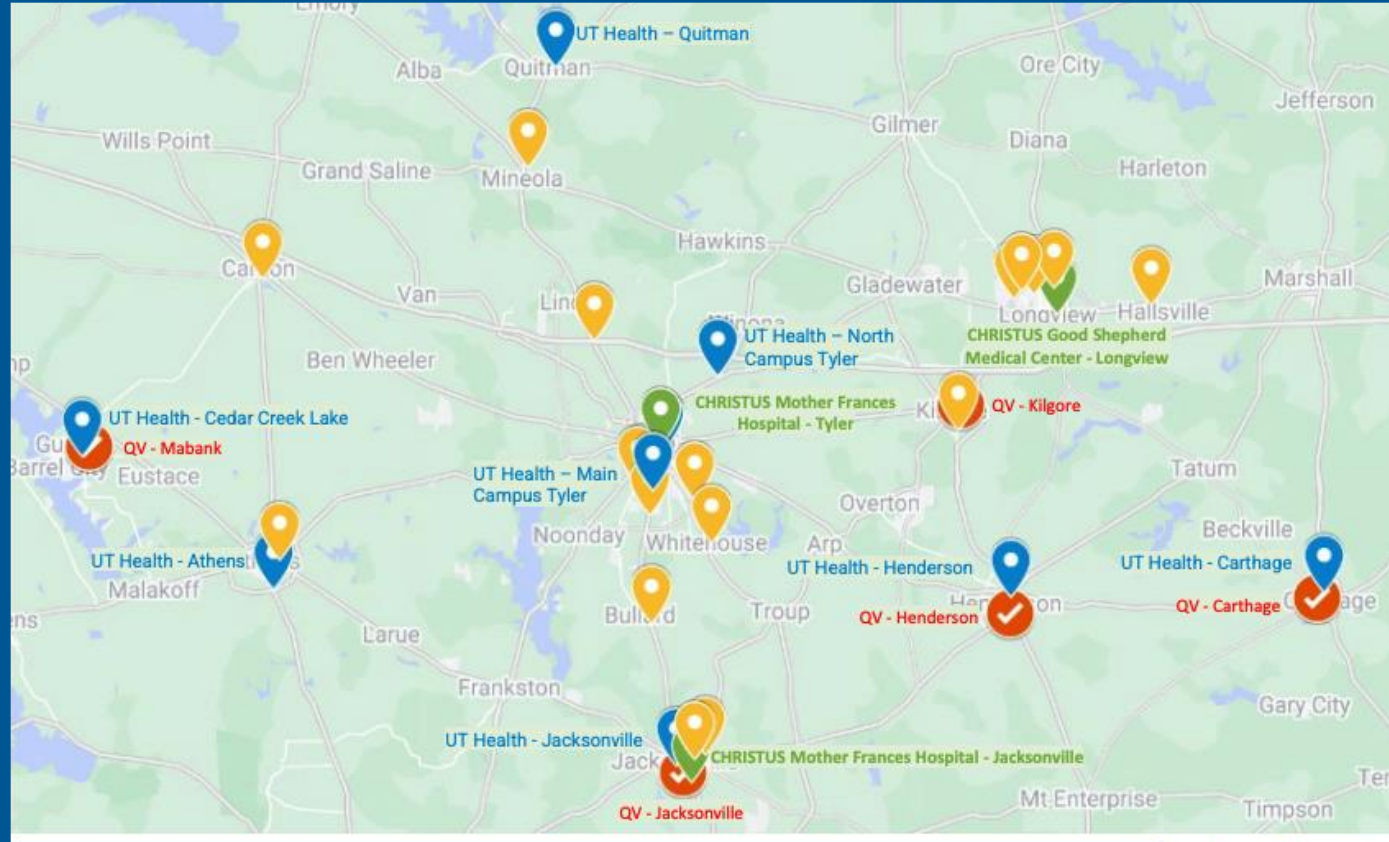


Smart Hospitals



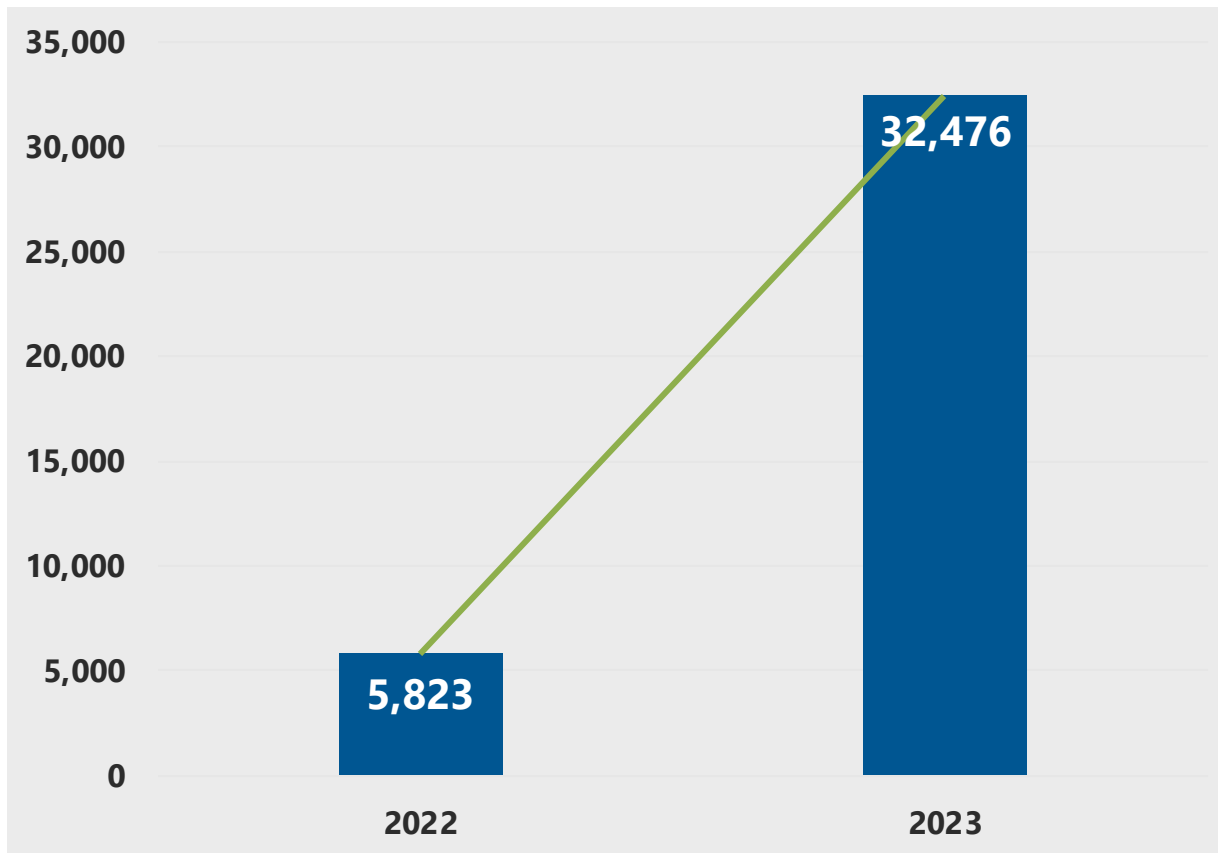
# Expanding access points of care

*With over a dozen more in the pipeline in 2024*





# Chronic care management (CCM)



Purpose of CCM is to decrease admissions and readmissions, minimizing total cost of care.

## Achievements:

- CCM live in four markets
- **400%+** increase in CCM encounters 2022 to 2023

## Future Opportunities:

- Expand vendor services to remaining markets in 2024
- Expand services to additional lines of business, i.e. Managed Medicare and Medicaid

# Remote patient monitoring

## Improving patient outcomes and care

### Clinical Outcomes

Cohort	12 Week Target	Actuals	
T2 Diabetes	< 154 mg/dL	Maintain (+/- 10 mg/dL)	0 mg/dL reduction
	154-183 mg/dL	3% reduction	14.3% reduction
	183-240 mg/dL	7% reduction	18.9% reduction
	> 240 mg/dL	15% reduction	33.4% reduction
Hypertension	SBP < 130 DBP < 80	Maintain ( +/- 5 mmHg)	3 SBP mmHg increase 0.7 DBP mmHg increase
	SBP 130-140 DBP 80-90	2% reduction	0.0% SBP reduction 3.6% DBP reduction
	SBP 140-180 DBP 90-100	5% reduction	7.3% SBP reduction 9.6% DBP reduction
	SBP > 180 DBP > 100	8% reduction	17.1% SBP reduction 15.0% DBP reduction

### Operational Outcomes

Measure	Definition	Target	Actuals
Utilization	% enrolled patients who utilize devices 16+ days out of 30 days	> 75%	<b>78%</b> Nov-Jan 2024
6 Month Retention	% enrolled patients who stay enrolled in program, assuming ongoing medical need and no cell service related issues	> 60%	<b>78.4%</b>
Escalations to Ordering Provider	% of Cadence clinical encounters that are escalated to ordering clinician	< 5%	<b>0.95%</b>

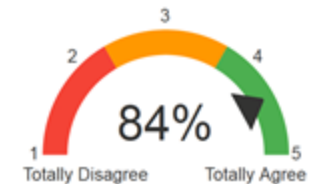
### Patient Survey Results

#### Net Promoter Score

Based on the global NPS standards any score above 0 would be considered "good", with 50 and above classified as excellent



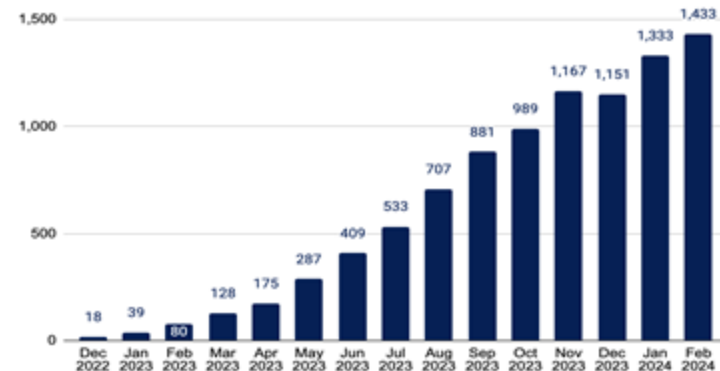
I feel comfortable reaching out to the Remote Care Program clinicians at Cadence any time if I have a medical issue related to my condition



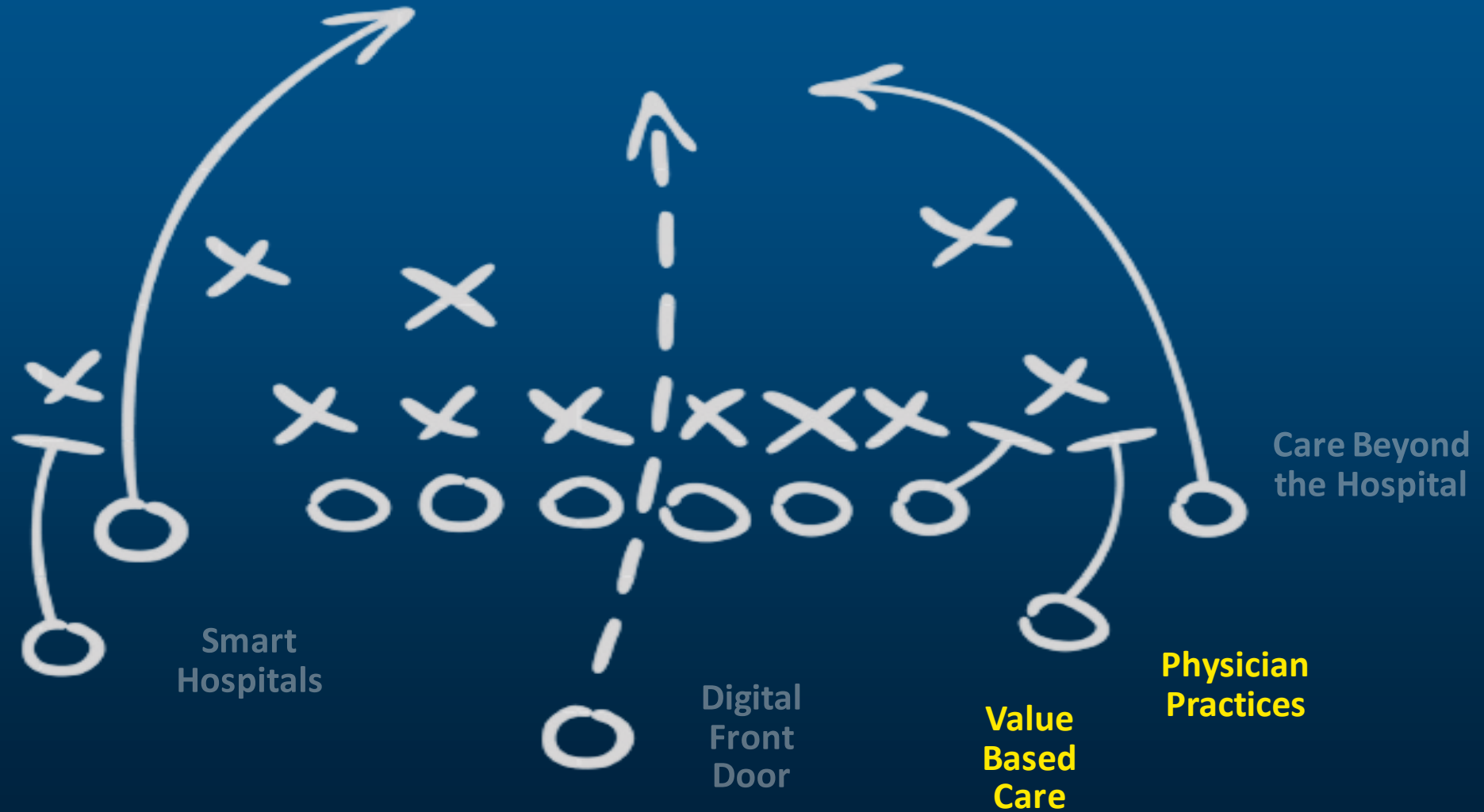
The Remote Care Program clinicians provide the highest quality medical care in a way that is easy for me to understand.



### Cumulative Patient Growth



# Patient focus: **Endorsement**



# Physicians & value-based care



Physician &  
Value Based Care



Smart Hospitals



Care Beyond  
the Hospital



# What is value-based care?

## Value-Based Care Defined:

A healthcare delivery model in which **providers**, including hospitals and physicians, are **paid for improving patient health outcomes**.

Under value-based care agreements, providers are rewarded for helping patients improve their health, reduce the effects and incidence of chronic disease, and live healthier lives in an evidence-based way.

The “**value**” in value-based healthcare is derived from **measuring health outcomes against the cost of delivering the care**.





# Value-based contracts and revenues



Number of VBC Contracts and Programs

82

Total Contract Value \$2.2B+



Attributed & Assigned Patients

222,596

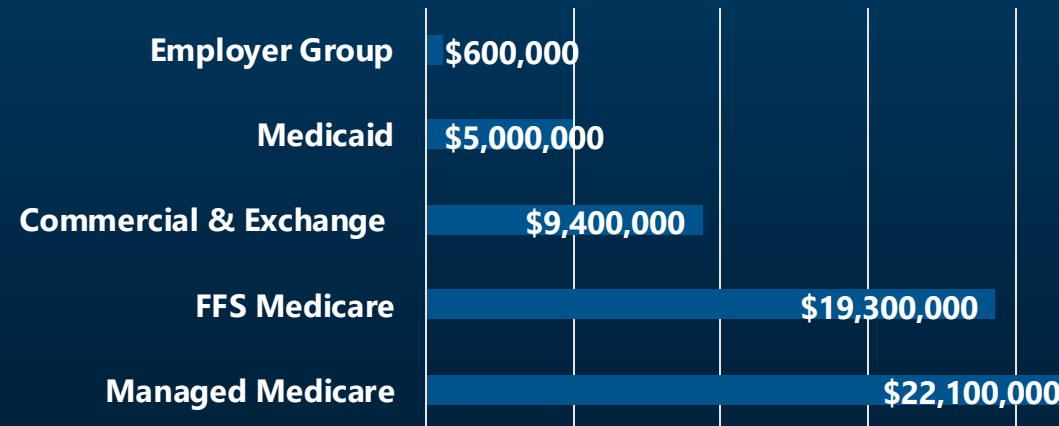


Portfolio Value

\$56.5M

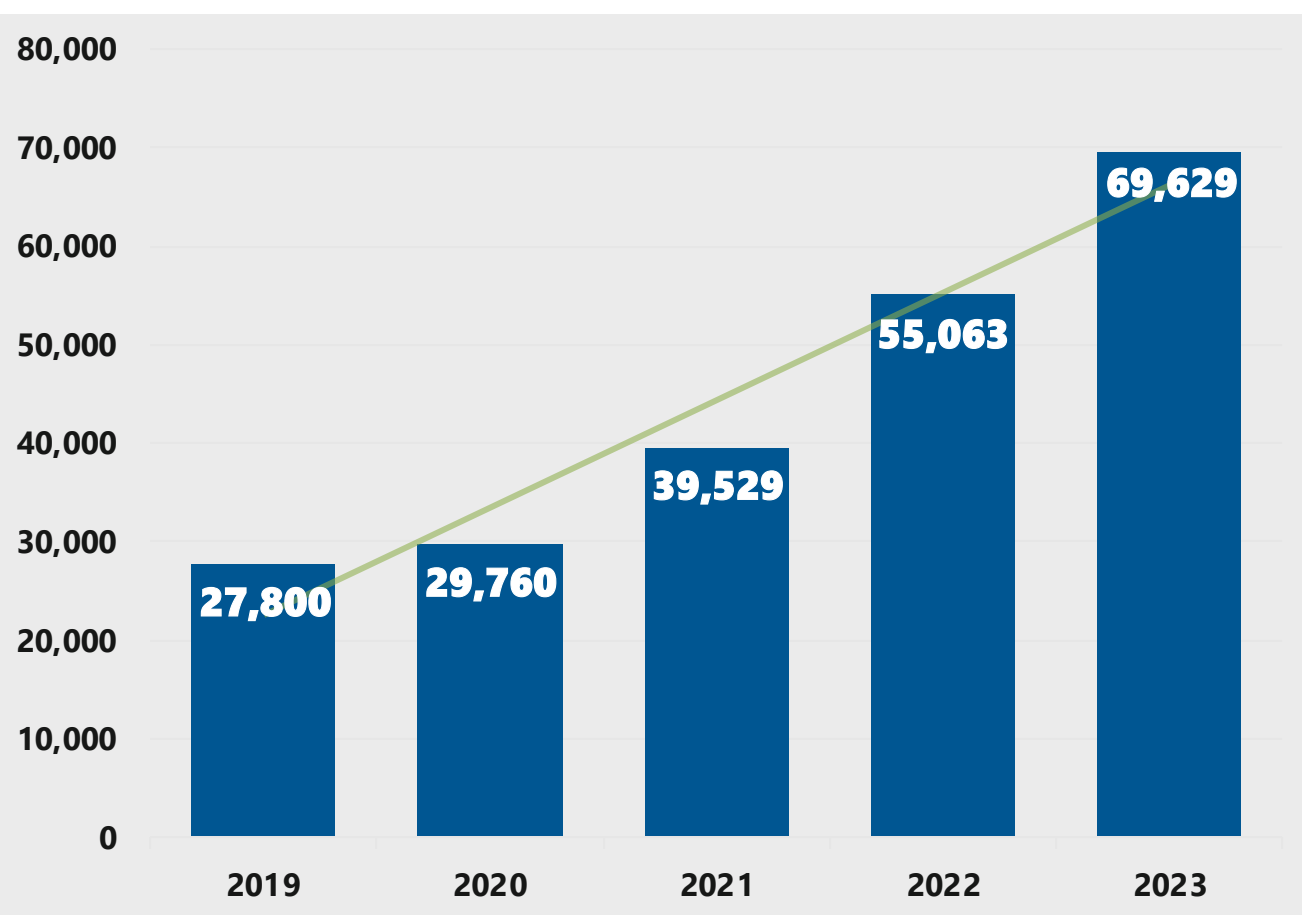
Covered Lives by LOB	222,596
Managed Medicare	51,549
FFS Medicare	62,508
Commercial & Exchange	36,185
Medicaid	62,469
Employer Group	2,085

## Portfolio Incentives by LOB





# Medicare annual wellness visit (AWV)



## Achievements:

- 25.7% YOY improvement 2022 to 2023
- 150% improvement 2019 to 2023

## Future Opportunities:

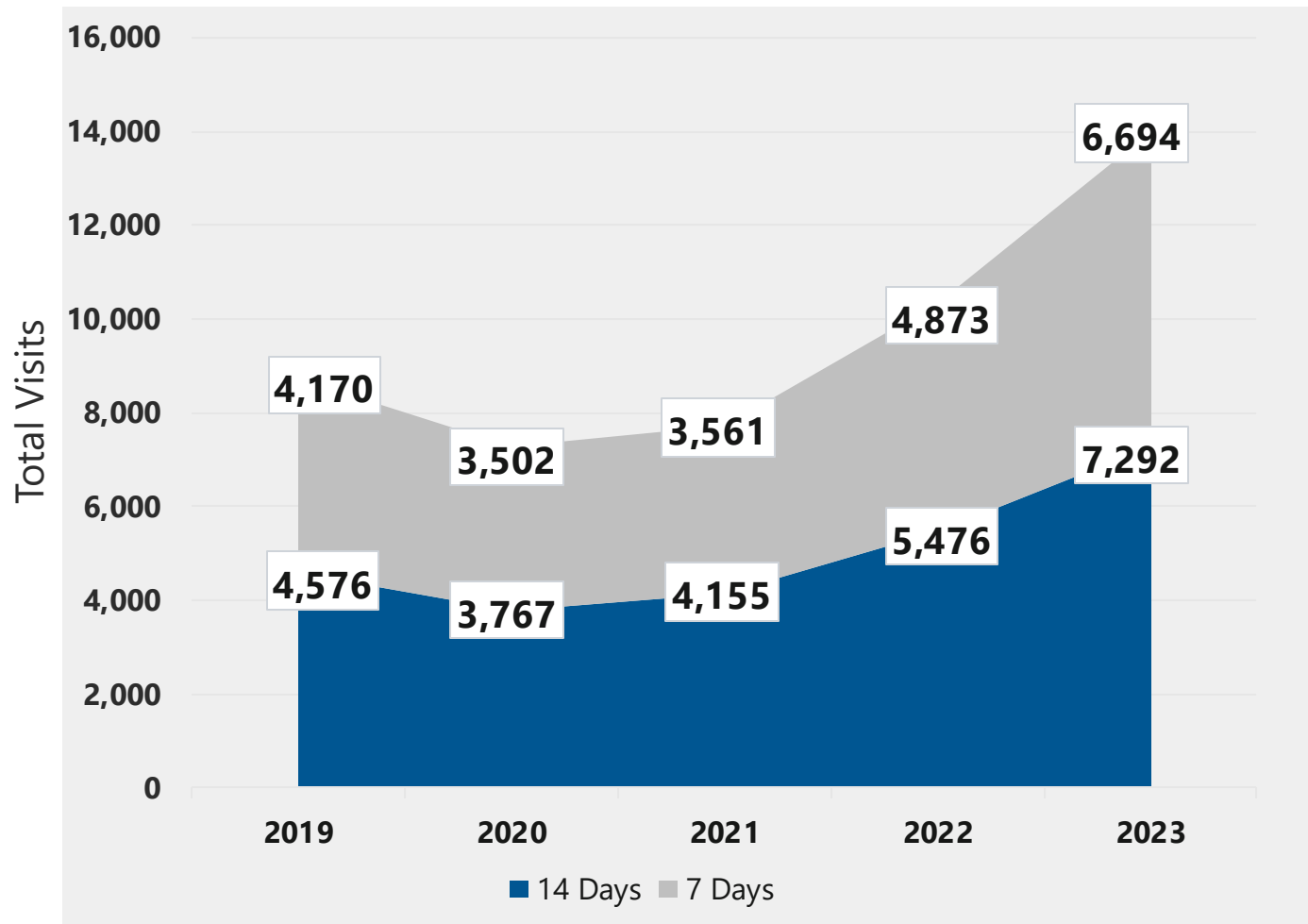
- Nurse led AWV expansion
- Increased adoption of AWV template
- Targeted engagement for underperforming providers

\* Data inclusion of markets live on Epic by year

†Note: Security event occurred in November of 2023, negatively impacting performance in November and December



# Transitional care management (TCM)



The purpose of TCM is to decrease readmissions through early intervention

## Achievements:

- 35.1% Increase from 2022 to 2023

## Future Opportunities:

- Refinement and expansion of the hospital navigator pilot



# Clinical quality

Quality	2019	2020	2021	2022	2023
Fall Screen	51.3%	50.2%	49.5%	50.0%	58.4%
*DM HbA1c	37.9%	38.9%	34.8%	33.7%	32.3%
Controlled BP	67.0%	68.8%	67.5%	68.6%	70.1%
Breast Cancer Screen	52.9%	49.2%	50.9%	55.2%	58.6%
Colorectal Cancer Screen	47.5%	47.7%	48.9%	50.9%	52.6%
Tobacco Scr & Intervention	87.6%	87.9%	90.3%	90.8%	91.0%
Depression Scr & Plan	38.5%	34.9%	33.3%	33.9%	38.5%

Added Epic optimizations identified through Healthy Planet workgroup

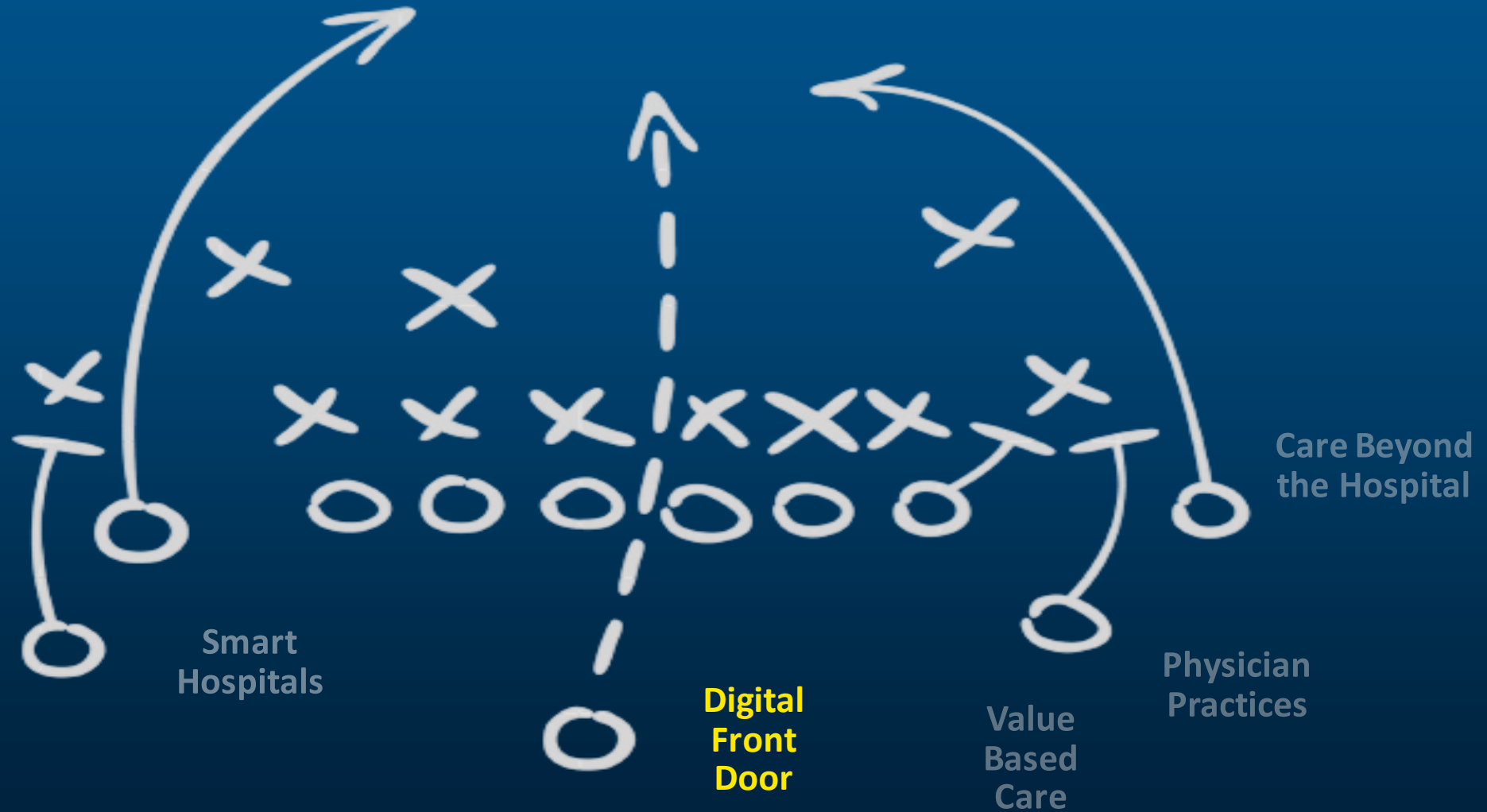
## Achievements:

- Improvement in all measures from 2022 to 2023

## Future Opportunities:

- Continued optimization of Epic tools

# Patient focus: **Outreach**



# Digital front door



Digital Front Door



Smart Hospitals



Physician &  
Value Based Care



Care Beyond  
the Hospital



# Defining How: “Doors” that Support Consumer Demand

A consumer-centered strategy needs to consider the enterprise demand across the full array of entry points.



## “Front” Door

How we **ACQUIRE NEW** consumers, who are searching and subsequently self-directing themselves into the healthcare system – could be based off our advertising efforts or organic search

## “Side” Door

How we **REACTIVATE EXISTING** patients, proactively outreaching and engaging them to receive their necessary care – this is most commonly accomplished through MyChart, SMS and email

## “Stage” Door

How we **STREAMLINE ACCESS** for employed and independent physician partners – PPRO efforts through B2B2C

# A different expression of market share

FY23 vs FY22

Active  
Patients

↑ **0.3%**

Patient  
Encounters

↑ **1.8%**

Encounters/  
Patient

↑ **1.5%**

2023 **1,194,293**

**5,630,182**

**4.71**

2022 **1,190,285**

**5,527,976**

**4.64**





# MyChart Fast Pass

*Fast Pass went live on 1/4/2024 across 490 locations*

Ardent now offers MyChart Fast Pass, where patients scheduling an appointment via MyChart can request to be placed on a **digital wait list to receive an earlier appointment**. If an earlier appointment opens up, a notification is sent to ten patients that qualify based on scheduling priority and the amount of time on the wait list. The first patient to accept the appointment gets the new time.

**When scheduling an appointment, a box will pop up asking the patient if they would like to join the wait list** to be notified if earlier appointments opens up.



## IMPACT

- **16,643 patients contacted** with the option for an earlier appointment
- **4,420 patients** then accepted an earlier option that **moved up their appointment on average 26 days**

PMC (1/11/24, Physical Medicine Rehab) – “Long wait time for setting up appointment due to back log of patients and short staffing. They did put me on the cancellation list and I got in 21 days earlier.”

BSA (1/11/24, Family Medicine) – “I was so grateful to be given options for an appointment sooner than originally scheduled.”

UTHET (1/25/24, Family Medicine) – “It was very easy to get an appointment, and I really liked the fact that when an earlier appointment became available, the MyChart system notified me of that opportunity.”

# 2024 targets

Targets for the department show growing unique patients by 36,750 and capturing an additional \$66 per patient giving us a greater share of wallet. Doing this gives us potential revenue growth of \$243M across FY24.

**1,231,043**  
Unique Patients

**\$4,460**  
NPR/Unique Patient

**\$243M**  
NPR Growth

<b>+12,000</b> Active Patient Retention	<b>+5,500</b> Dormant Patient Reactivation	<b>+19,250</b> Untouched Acquisition
--	---	---

**4.78**  
Encounters/Patient

**12,000 or 1% betterment** in Active Patient retention based off FY23 Unique Patient count of 1,194,293.

**5,500 or 1% improvement** in Dormant Patient reactivation based off FY23 Dormant Population estimate of 550,000.

**19,250 or 0.5% increase** in Untouched Consumer acquisition based off FY23 Untouched Consumer estimate of 3,850,000.

**3% increase** in the per encounter capture based on FY22 to FY23 growth (1.5%) plus optimization (additional 1.5%) we see in segmentation and targeting of consumers around next best actions.

**\$243M in revenue growth** based on \$162M of patient capture (36,750 x \$4,395) plus encounter increase per patient of \$81M (\$66\* x 1,231,043).



\*One encounter (in FY23) equates to \$933. Increasing the number of encounters per unique patient by 1.5% drives the annual revenue per unique patient up by \$66.

# Consumer department goals & purpose

WE ARE ONE TEAM WITH ONE GOAL:  
**MAKING HEALTHCARE EASY**

1

**Easy to Access**

2

**Easy to Use**

3

**Easy to  
Experience**

# Building an ecosystem around the consumer



Digital Front Door



Smart Hospitals



Consumer




Physician &  
Value Based Care



Care Beyond  
the Hospital



# Ardent 360 strategy

 Patient enters here...





2024

START

TUAL  
ORGANIZE SERVICES WEEK CHECK BOX  
DAILY GOALS  
PRIORITIES  
PRACTICE CROSS OFF EMAIL  
SUCCESS GOALS  
DAILY  
PERFORM  
PHONE CALLS PRIORITIES  
**PRIORITIES**  
CALENDAR  
MANAGEMENT  
BUSINESS  
PRACTICE  
CAREER  
WORK TASKS  
PLANNER  
DAILY GOALS



# Changing industry requires new imperatives

Growth, diversification and new sources of revenue are required:

- ① An entirely different competitive landscape:**  
ACOs, Medical groups (Optum/WellMed/BS&W), specialized service entities (UC/ASC)
- ② Optimize core business** while also incubating new sources of potential growth.
- ③ Success will require organizing** around the consumer, specifically key patient segments and payor models.



# Changing industry requires new imperatives

Growth, diversification and new sources of revenue are required:

## ④ New core assets are essential

to thrive in new paradigm:

- Consumer understanding and focus
- Digital capabilities – devices, data ingestion, synthesis, and action
- Data, data, data
- Aligned “primary care” as a key asset for capturing new value opportunities
- Investments / partnerships expand beyond the acute setting

## ⑤ Different organization structures are necessary to scale new business models.

# 2024 priorities

## Margin Improvement

### REVENUE

- Supplemental Payments
- Revenue Cycle Enhancements
- Managed Care Increases
- VBC Contract Revenue Capture
- Underpayments

### EXPENSES

- Labor/Productivity Enhancement
- Overhead Optimization
- Employee Benefits Redesign
- Supplies/Inventory Management
- Purchased Services

### OPTIMIZATION

- Service Lines: Rationalization, Growth
- Capacity/Throughput
- Transfer Centers: Standardization, Volume Growth

## Market Share

### HOSPITAL OPS

- Strategic Plan/Execution

### HEALTH SERVICES & PHYSICIAN SERVICES

- Segmentation of Business
- Optimize Access
- Update Comp Model

### CONSUMER GROWTH

- Consumer Engagement
- Provider Engagement

### ACCESS POINTS & FACILITY EXPANSION

- Expand Ambulatory Footprint
- New Market Expansion

# Ardent organizational structure

Chief Executive  
Officer

General  
Counsel

Chief Financial  
Officer

Chief Strategy  
&  
Development  
Officer

Chief Human  
Resources  
Officer

Chief Digital  
Information  
Officer

Chief Medical  
Officer

*Company  
Standardization  
& Optimization*

President,  
Hospital  
Operations

*Core Operations  
(Hospitals)*

President,  
Health  
Services

*Ambulatory  
Growth  
(Health Services)*

# Focused on growth & improvement

## Expand Access and Services in Existing Markets

- Focused investment in physician network, ambulatory footprint and virtual/outpatient services
- Growth of specialty providers and high-acuity service lines
- Continued investment in digital capabilities to drive patient acquisition and retention

**Expand**

## Leverage Scale to Improve Operating Efficiencies

- Embedded opportunity for significant margin enhancement
- Continued standardization of key systems and processes
- Leverage Epic for optimization of clinical and financial operating performance

**Improve**

## Pursue Strategic Acquisitions & JV Opportunities

- Expand in existing markets through strategic acquisitions and partnerships
- Selectively pursue acquisitions in attractive new markets
- Leverage significant JV experience to partner with new academic and not-for-profit health systems

**Invest**

# A fresh look on the future...



# Take a closer look...













## Making Healthcare Better

See how Ardent is reimagining the care journey. [➔](#)

As a leading provider of healthcare services in growing mid-sized urban communities, Ardent is passionate about making healthcare better and easier to access. With a comprehensive network of hospitals, outpatient facilities and providers, we are building an ecosystem of care that puts people at the center.



### Care on your terms

Virtual visits and convenient urgent care clinics and outpatient surgery centers make care easier to access.



### Partners in health

Our network of providers helps manage care across your lifetime – in sickness and in health.



### Complex care when you need it

Our hospitals treat acute or complex medical conditions when a higher level of care is needed.



### Connected from anywhere

Remote monitoring technology and hospital-at-home programs help us stay connected.



### Powering care with smart technology

From online scheduling and bill pay to AI-powered wearables, we're using innovation to make care better.

# Connected to purpose



**Our purpose is caring for people:**  
our patients, our communities and one another.