

Wall Street Prep Training Manual

Demystifying the Healthcare Sector

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Today's goals

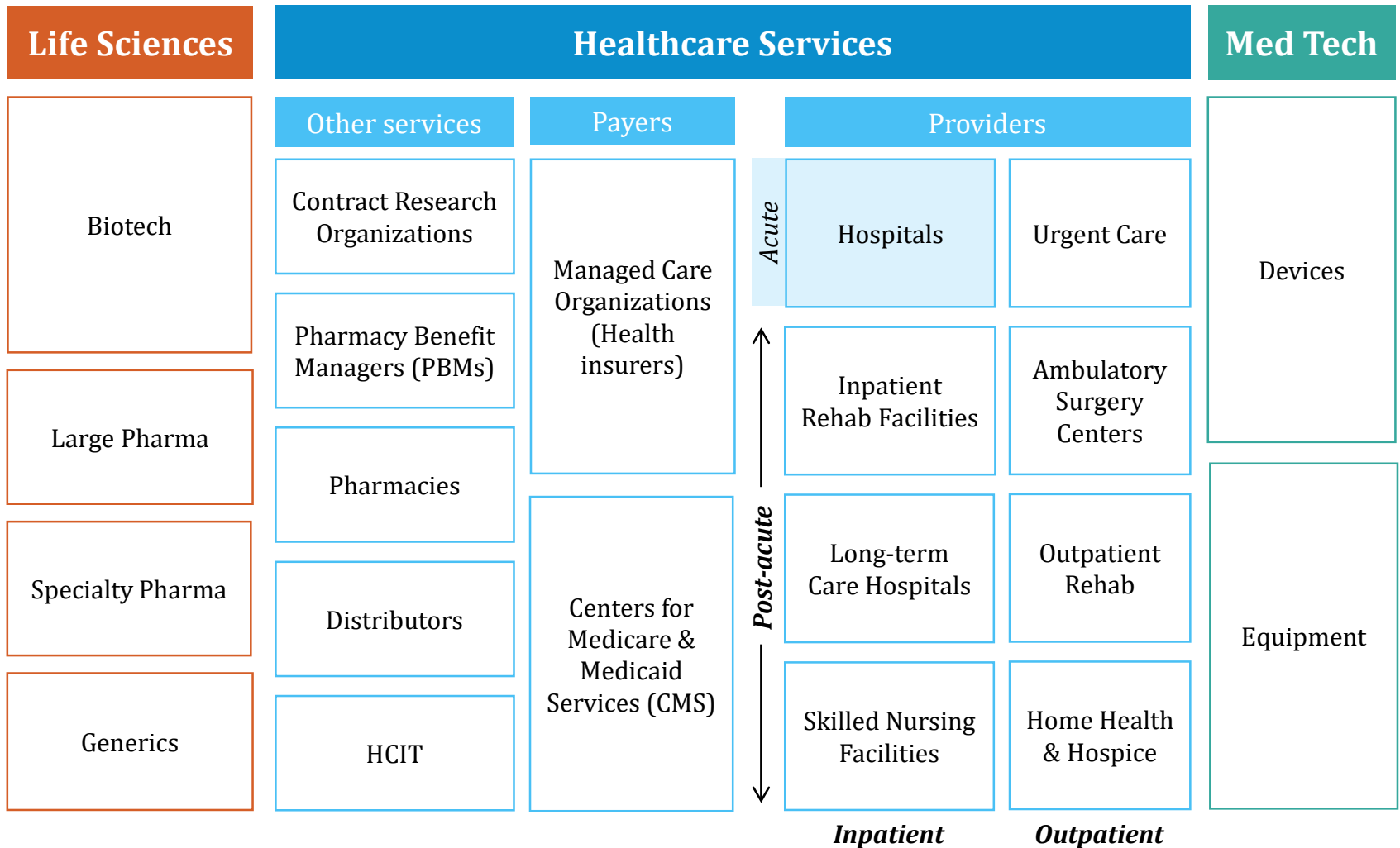
1. Explaining the sub-sectors within healthcare
 - Segmenting the industry
 - Emerging trends
 - Business model overview for each major sub-sector
2. Detailed flow of funds, products and services
3. Revenue build exercise for two sub-sectors (in Excel)

Demystifying the Healthcare Sector

Explaining the Sub-Sectors within Healthcare

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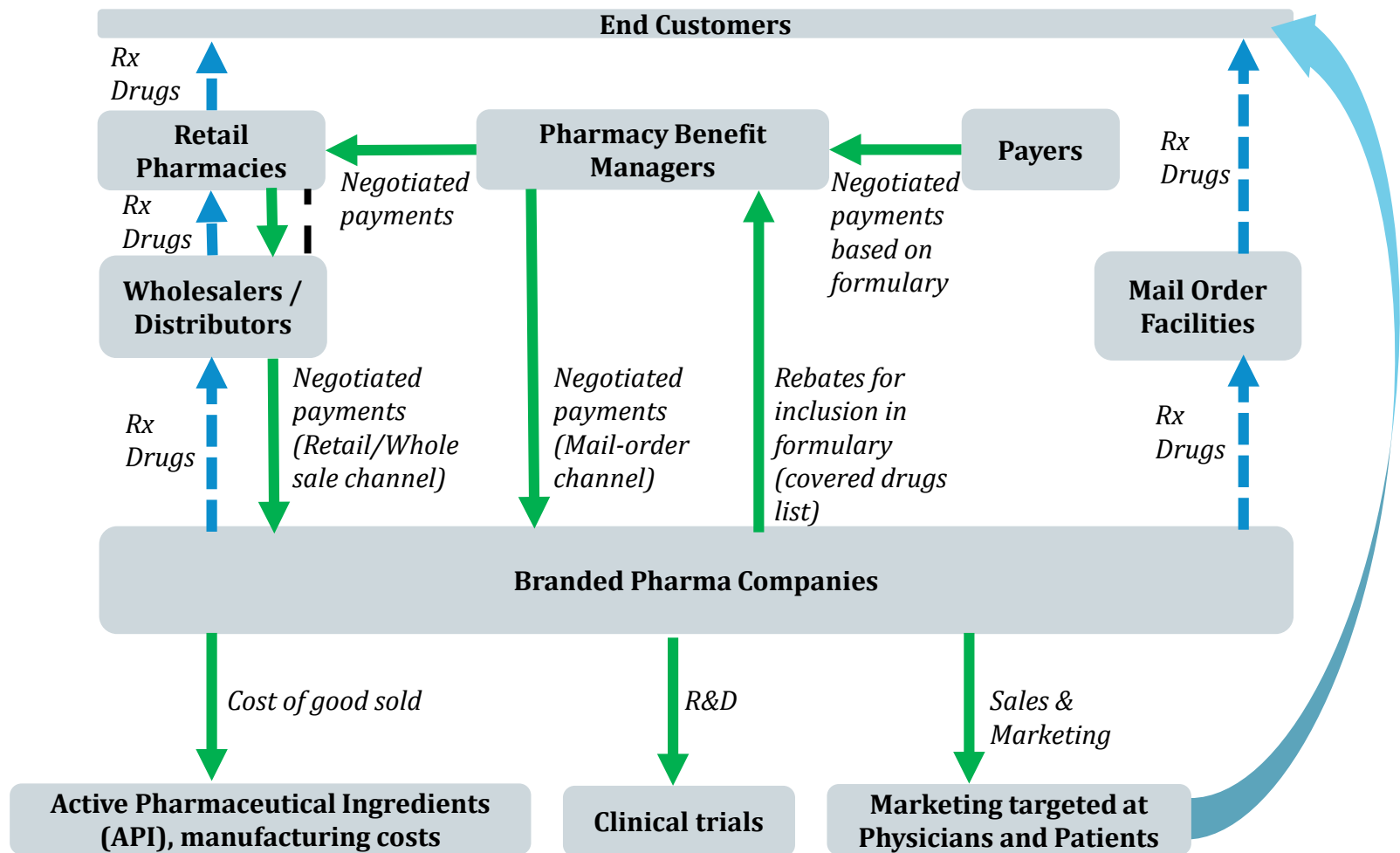
How Banks and PE firms segment the industry



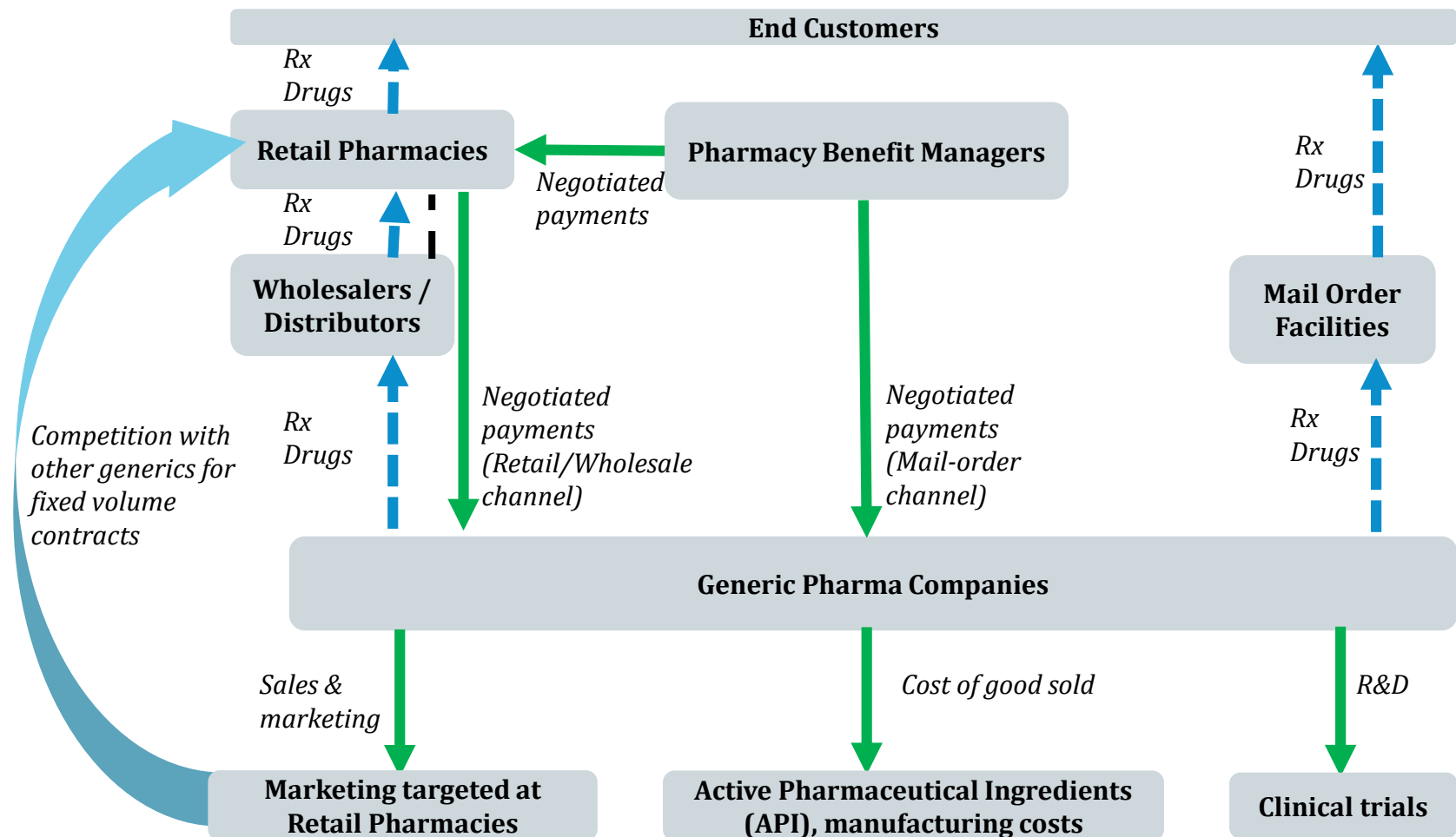
Industry Trends

- Industry consolidation via mergers and alliances:
 - Payers + PBMs
 - Pharmacies + Distributors
 - Pharmacies + Payers
- Integrated Delivery Networks: system of healthcare providers and health plan within a geographic area
- Value based care vs. Fee-for-service
- Consumer-centric healthcare: Urgent care centers, access to personal health data

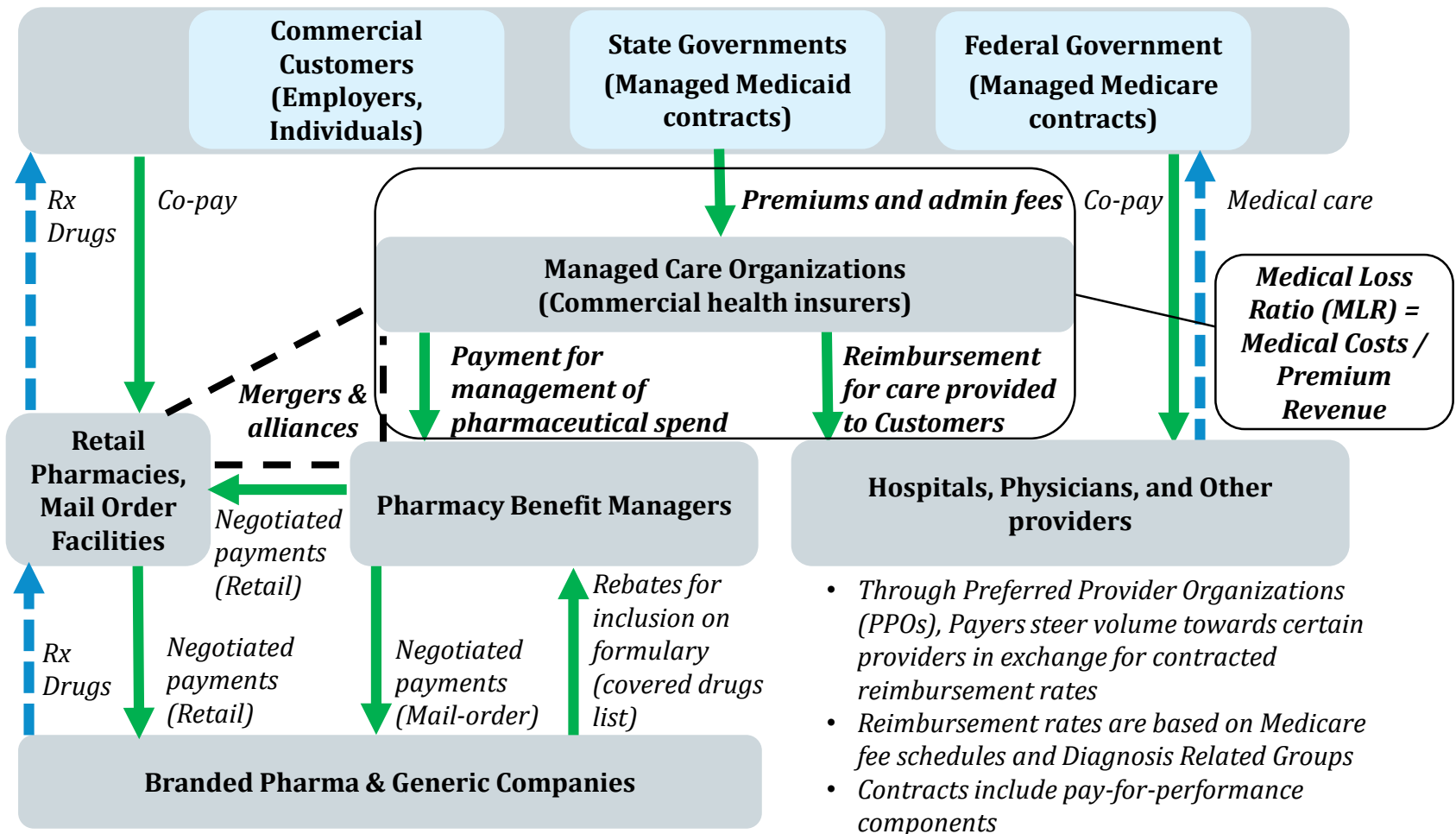
Business Model Overview: Pharma



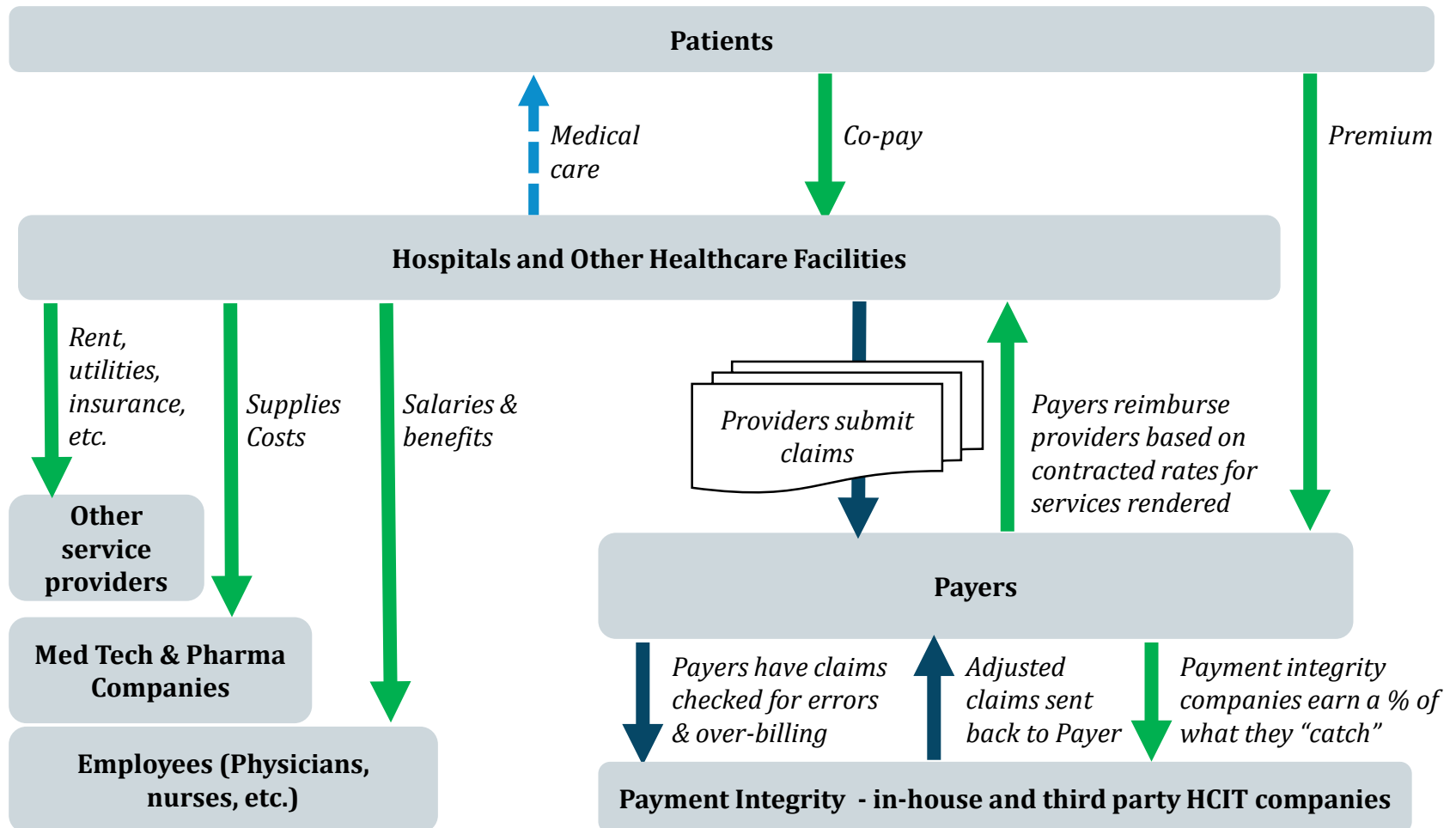
Business Model Overview: Generics



Business Model Overview: Managed Care Orgs.



Business Model Overview: Providers

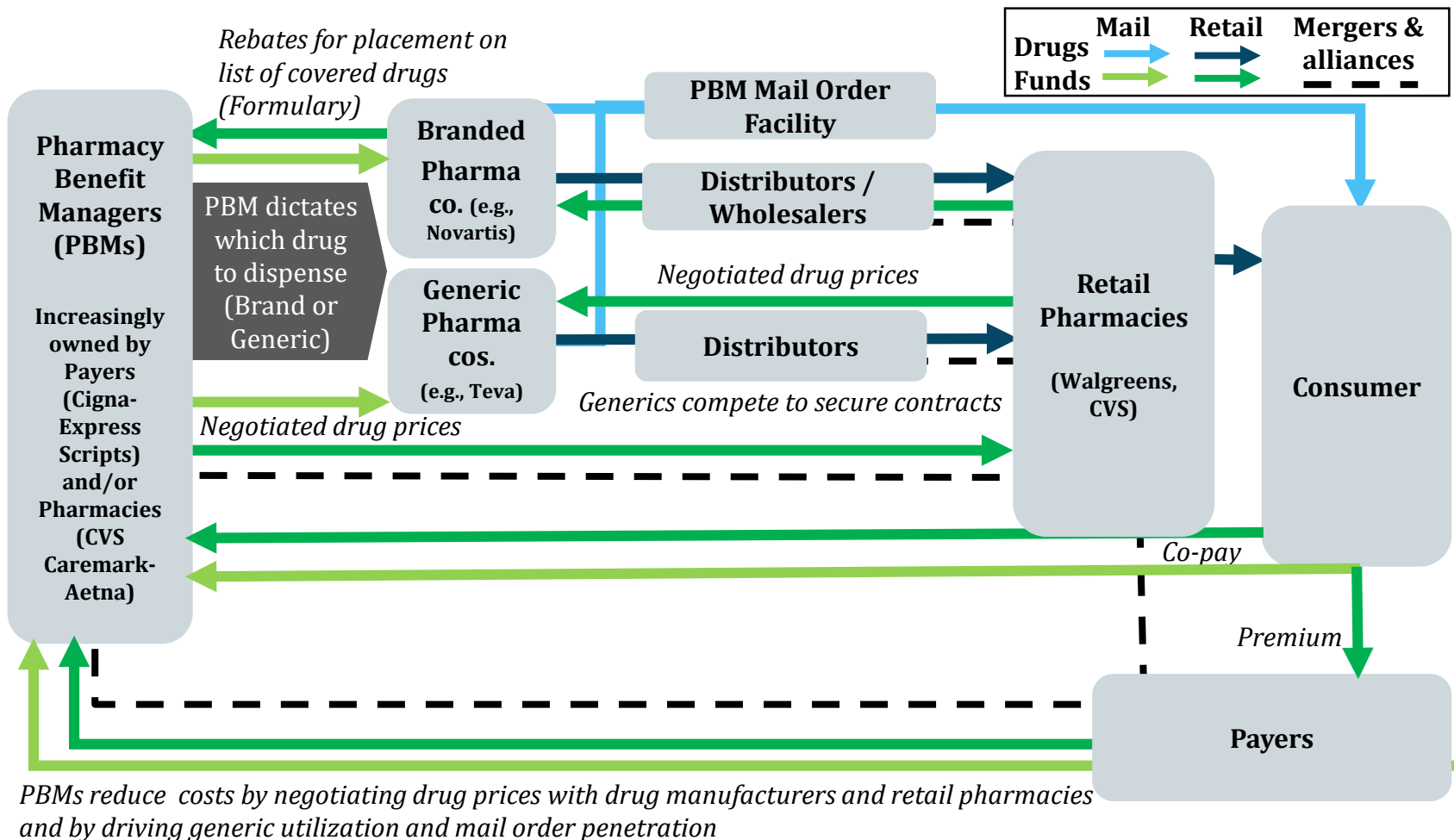


Demystifying the Healthcare Sector

Detailed Flow of Funds, Products and Services

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Flow of Funds & Products: Pharmaceuticals



Flow of Funds & Services: Providers

