

Rallyday Healthcare Investment Thesis

The Productivity Imperative

The Productivity Imperative



The healthcare industry is at an inflection point — driven by rising costs, workforce shortages, and increasing demand for high-quality care

To navigate these challenges, companies must embrace a productivity-driven approach, leveraging technology, process innovation, and data analytics to enhance efficiency, improve patient outcomes, and drive financial sustainability




Rallyday was designed to activate this critical transition in the healthcare industry



We have a team of healthcare industry veterans to help you navigate the changing landscape



Ryan Heckman
Managing Partner

Operating Experience:  **EVP EyeCare.**

- Founded EVP Eyecare with the vision of creating a leading surgical eye care company
- Completed 10 add-on acquisitions, scaled the business to 400+ employees, and became the #1 player (as measured by # of surgeries) in the Southwest (TX, CO, AZ)
- Exited for \$155m EV to the Cortec Group

Investing Experience:

- Chairman of the Board at Highbar Physical Therapy & Espire Dental  

Contact Information:

- Ryan@rallydaypartners.com
- [LinkedIn](#) and [bio](#)



Frank Corvino
Managing Partner

Operating Experience:  **GENESIS RESEARCH GROUP**




- Founded Genesis Research in 2009
- Partnered with Rallyday in early 2020 and scaled the business to ~150 employees
- Completed two acquisitions: one focused on broadening Genesis' geographic footprint into the UK & Europe, and the other adding an AI-enabled literature review to the business
- Exited for \$275m EV to GH0 Capital

Contact Information:

- Frank@rallydaypartners.com
- [LinkedIn](#) and [bio](#)



Ryan Kirkpatrick
Managing Director

Investing Experience:   

- Leads healthcare sourcing at Rallyday
- Currently serves on the Board of Espire Dental
- Previously co-managed The Colorado Impact Fund. Led an investment and sat on the Board of CirrusMD
- Started his career at Peloton Equity (f.k.a Ferrer Freeman & Company), a healthcare focused growth capital firm where he served on the Boards of Vitalize Consulting Solutions, Ernest Health, Biotix and Amerita

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Rallyday has experience supporting healthcare companies overcome challenges & take advantage of opportunities in today's market

Challenges

- 1 Cost pressures & reimbursement constraints
- 2 Labor shortages & workforce efficiency
- 3 Regulatory & policy changes

Opportunities

- 1 Technological innovation as a productivity enabler
- 2 Data-driven decision making
- 3 Human-centric cultures to attract & retain talent

Rallyday can help you

- 1 Adopt and enable technology to improve efficiency
- 2 Create innovative revenue & delivery models to disrupt the market
- 3 Uplevel new & existing leaders and become a destination for employees

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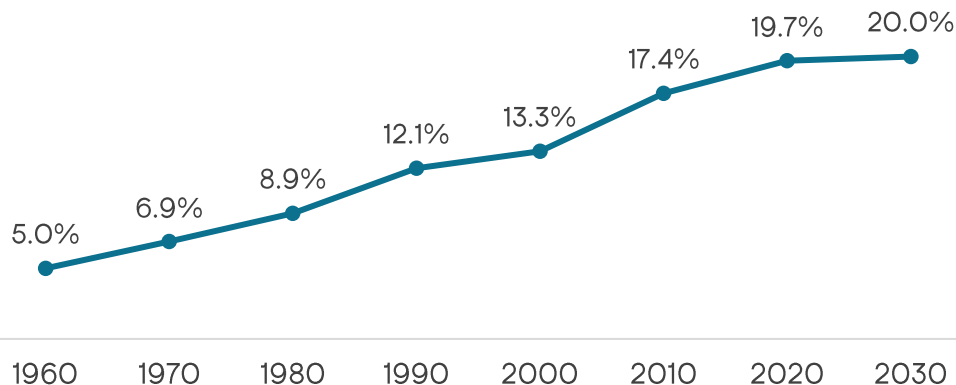
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Cost pressures are forcing the industry to maximize existing resources

U.S. healthcare spend as a percentage of GDP has skyrocketed

Source: The World Bank and Centers for Medicare & Medicaid Services



Rallyday insights

“As healthcare expenditure and value-based care continue to grow over the next decade, having the right partner with proven experience will be critical as providers shift their focus to higher patient satisfaction and maximizing efficiency gains”

– Ryan Heckman
Managing Partner



Commentary

- Due to budget deficits and the rising National Debt, Medicare and Medicaid reimbursement rates are at risk, forcing providers to seek efficiency gains and reduce waste
- Value-based care models are projected to encompass 60% of healthcare payments by 2030, emphasizing the need for cost-effective care delivery

Rallyday portfolio experience

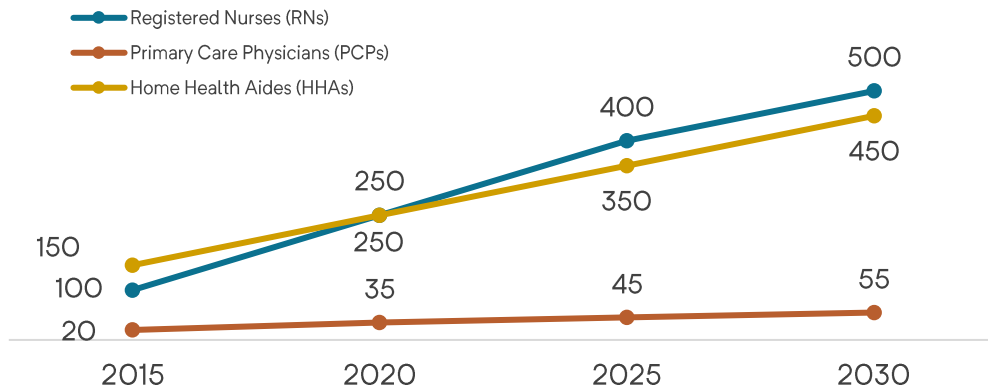


Pyx Health redefined the traditional behavioral care model to treat loneliness through a tech-enabled solution, providing savings to both payers & insurance plans, and better outcomes for our most vulnerable population

Labor shortages are creating access to care challenges & driving wage inflation

Healthcare workforce shortage continues to grow (\$000s)

Source: HHS, HRSA, AAMC, and BLS



Rallyday insights

“RNs, PCPs, and HHAs continue to gain more control in today's labor market. Together, we can recruit and retain top talent, remove administrative burdens, and give medical professionals more time to focus on patient care”

– Frank Corvino
Managing Partner



Commentary

- Burnout and turnover have surged for healthcare workers (34% of nurses considering leaving the profession due to workload strains for example)
- Benefits and improved operating tools play a crucial role in alleviating burnout
- Automation and workflow optimization can alleviate administrative burdens to improve staff wellbeing and utilization

Rallyday portfolio experience

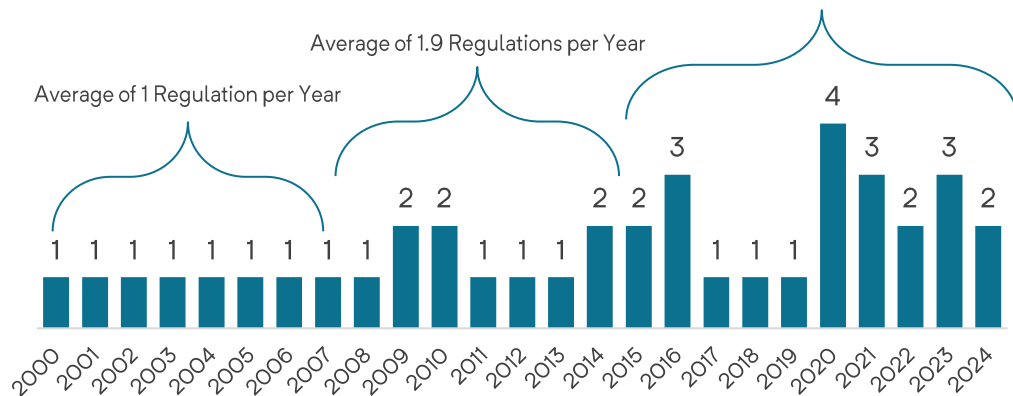


During Rallyday's holding period, Genesis grew headcount from 42 to 145 while also maintaining a 97% employee retention rate. The Rallyday Accelerator Program (RAP) helped Genesis prioritize purpose & culture, leading to best-in-class people metrics

Regulation and policy changes are impacting productivity

Healthcare regulations passed per year

Source: CMS



Rallyday insights

“As the number of healthcare regulations increase, providers are forced to spend additional time and resources on compliance, distracting them from seeing patients. We will prioritize productivity & efficiency as the broader healthcare industry looks to navigate this landscape”

– Ryan Heckman
Managing Partner



Commentary

- Hospitals and healthcare providers are spending over \$39 billion annually on regulatory compliance tasks
- Compliance costs for mid-sized businesses are approximately 40–50% higher than costs for smaller firms
- Healthcare organizations are spending more time and money on staff training centered around compliance & regulation

Rallyday portfolio experience



Highbar has upleveled its physical therapists by reducing time spent on administrative & compliance burdens. Today, Highbar PTs see an average of 10.6 patients per day compared to a historical average of 9.8 patients per day

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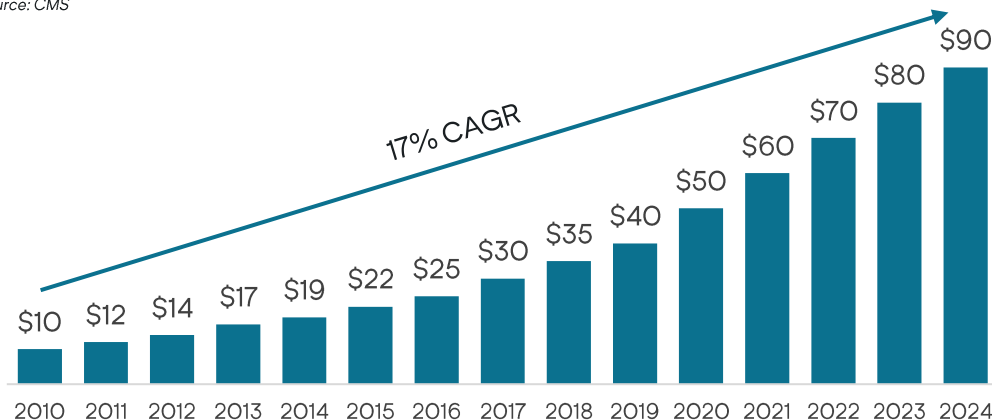
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Technology investments are leading to productivity improvements

Healthcare IT spend continues to surge (\$ billions)

Source: CMS



Rallyday insights

“Healthcare companies who invest in software tools and AI will gain a competitive advantage in the market; benefiting from reduced administrative burdens, better clinical productivity, and overall improved outcomes”

– Ryan Kirkpatrick
Managing Director



Commentary

- AI and machine learning have the potential to reduce annual administrative costs by \$18 billion through continued process automation
- RPA adoption in RCM can improve claims accuracy and reduce denials by up to 50%
- Telehealth usage surged 38x from pre-pandemic levels, demonstrating sustained demand for digital-first care delivery

Rallyday portfolio experience

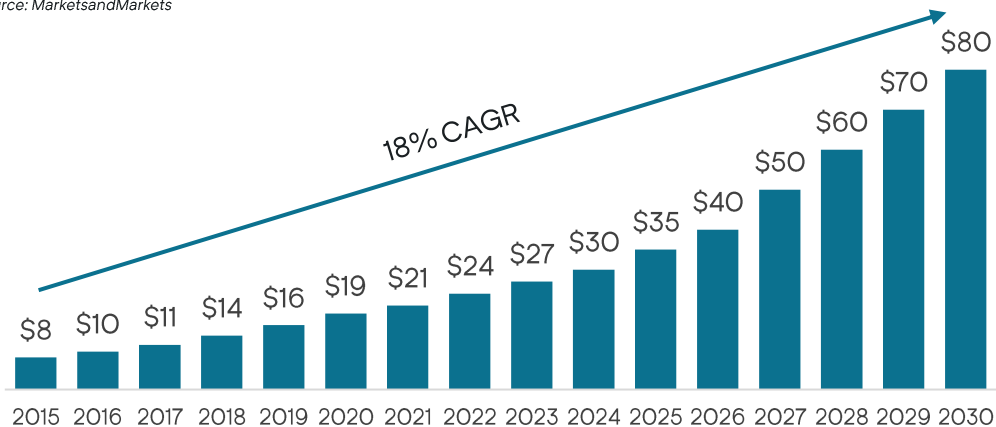


Esquire improved its technology stack through a practice management system change, allowing for the integration of AI-enhanced x-ray review to more effectively diagnose treatment

Healthcare analytics are improving data-driven decisions & real time insights

Healthcare analytics spend is expected to ramp up (\$ billions)

Source: MarketsandMarkets



Rallyday insights

“*Insights gained from real time data are crucial to increasing productivity & decision making. Having a partner who has been there, done that will make it easier to implement new systems, align on KPIs, and interpret data, all aimed at driving operational efficiencies*”

– Frank Corvino
Managing Partner



Commentary

- The healthcare analytics market is expected to grow rapidly at a CAGR of 25%+ through 2028
- AI-driven diagnostics have demonstrated accuracy improvements of up to 30% over traditional methods
- The 21st Century Cures Act mandates improved data-sharing & interoperability fostering additional innovation & efficiency

Rallyday portfolio experience

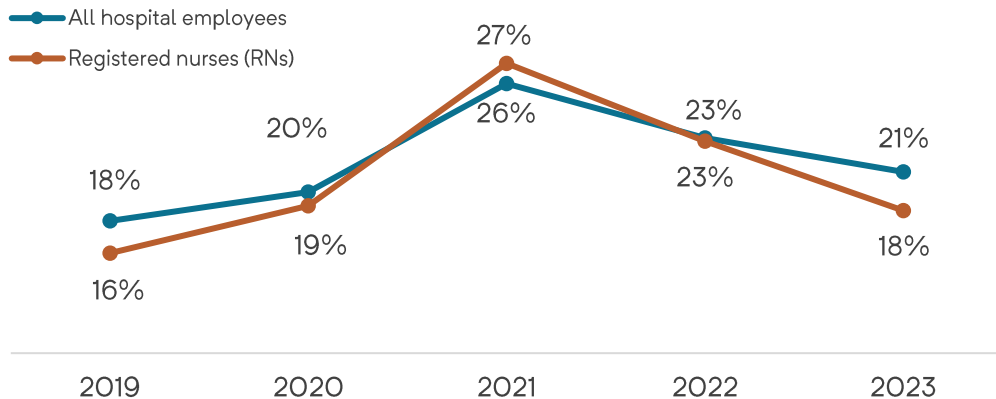


Rallyday has a strategic partnership with Nimble Gravity (current portfolio company). Nimble Gravity is an AI consultancy that enables our partner companies to utilize data more effectively

Culture is essential to attract & retain healthcare employees

Hospital staff turnover peaked during COVID, but is returning to normalcy

Source: NSI, Nursing Solutions



Rallyday insights

“Human-centric cultures improve clinician performance, lower turnover & burnout, and attract the best talent. Organizations who are able to foster uniquely strong cultures will stand out among the rest. Rallyday can help codify and implement your organization's culture”

– Ryan Kirkpatrick
Managing Director



Commentary

- Healthcare organizations with robust employee well-being programs see 40% lower turnover rates, largely attributed to increased employee engagement and a stronger sense of belonging
- Over 50% of healthcare workers report experiencing symptoms of burnout, with primary care providers among the most significantly affected

Rallyday portfolio experience



Pyx codified a scalable purpose & culture which had a significant impact on the company's recruiting & retention efforts. Pyx maintained nearly twice the national retention average for its compassionate care call center staff

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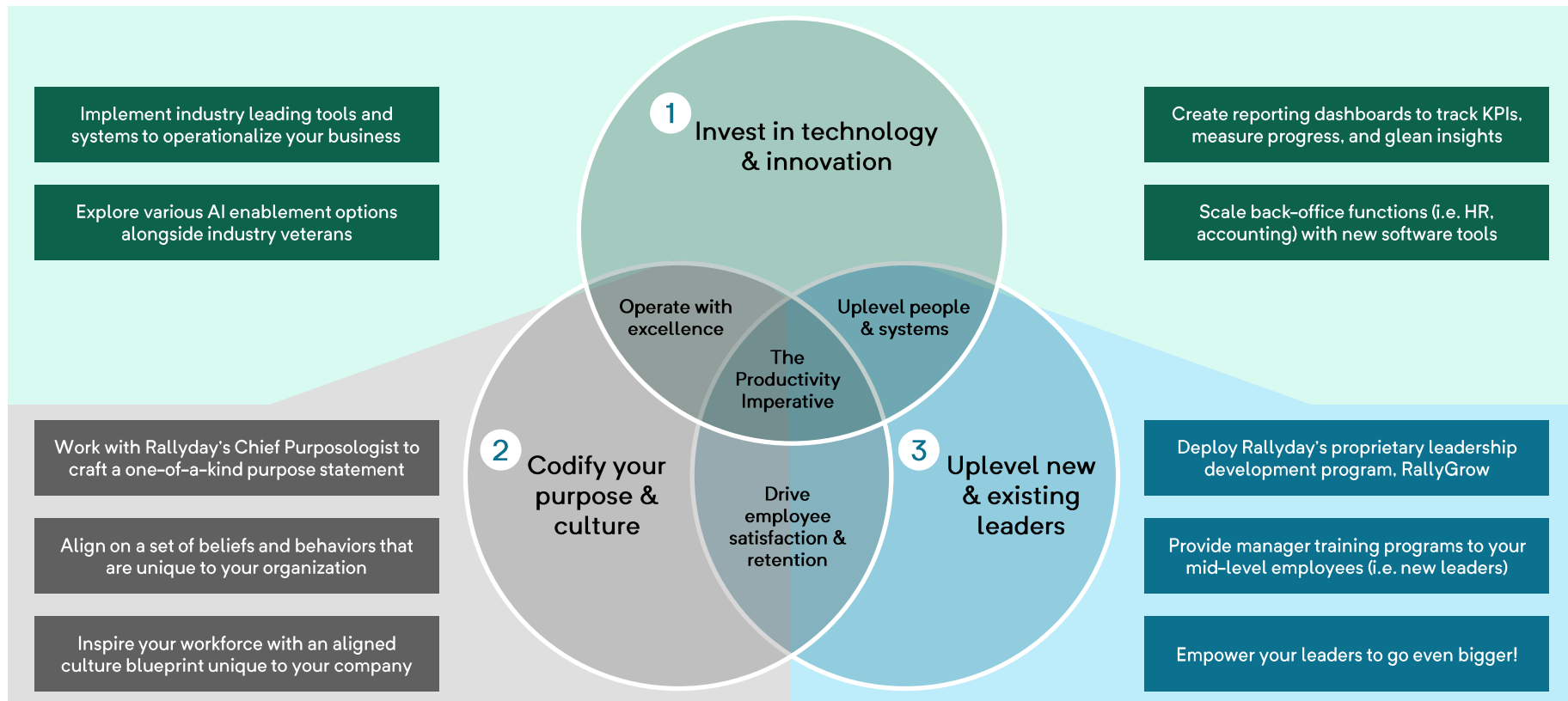
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Partnering with Rallyday gives your team the opportunity to...



Rallyday's investment themes span both enablers and adopters of the productivity imperative

Rallyday investment themes



Better patient outcomes



Lower cost care delivery



Limiting friction in patient / provider experience



Increasing productivity of the provider



Attracting and retaining the best talent



Reducing administrative cost



More care coordination

Enablers



Interoperability solutions



Pharma services



Practice management solutions



Engagement applications



Revenue cycle management



AI / data solutions

Adopters



Healthcare providers



Payers



Senior care



Products / tools



Virtual care



BioPharma



Labs / research

The Productivity Imperative



The future of healthcare depends on the industry's ability to enhance productivity while maintaining quality care

Rallyday's investment approach prioritizes companies that drive operational efficiency, leverage technology for smarter decision-making, and enable scalable care delivery





























By focusing on the productivity imperative, we position ourselves to capitalize on transformational opportunities across the healthcare sector



Make it a Rallyday



Rallyday's select healthcare investing experience

Logo	Description	Logo	Description
	Advanced Pain Management is a provider of pain management solutions and services		Schryver Medical is a provider of mobile imaging and diagnostics to facility-based care providers
	AxelaCare is a provider of high-tech infusion services		HealthTrans is a provider of prescription drug cost management services to self-insured health plans
	MedExpress is a provider of urgent care services		Ernest Health is a provider of multi-site IRF and LTAC services
	MTS Medication Technologies is a provider of medication adherence packaging systems		Vitalize Consulting Solutions is a provider of EHR installation and consulting services
	EVP EyeCare is a provider of multi-site eye care services		National Surgical Hospitals is a provider of multi-site surgery center services
	CareCentrix is a provider of specialty benefit management services related to home health		Ardent is a provider of multi-site acute care services
	CirrusMD is a provider of virtual primary care services		Arcadia is a provider of big data analytics solutions
	Citizens Rx is a provider of prescription drug cost management services		Amerita is a provider of multi-site infusion company services
	Clarity is a provider of healthcare member communication services		Friday is a provider of individual market-based health insurance services
	Elara Caring is a provider of home healthcare services		Biotix is a manufacturer of plastic consumables for research lab
	Fox Rehab is a provider of physical therapy services		Pyx Health is a provider of loneliness solutions
	RHA Health Services is a provider of health services for individuals with intellectual and developmental disabilities		Genesis Research is a provider of real-world-evidence and health economics research / analytics
	The Weinberg Group is a provider of regulatory consulting for drug and medical device development		Highbar is a provider of physical therapy solutions
	AlphaCM is a EHR and practice management solution for behavioral health and developmental disabilities providers		Espire is a provider of general dentistry services

Sources & references

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- CMS
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- HHS
- Health Affairs Expenditure Projections
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- HRSA
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- McKinsey
- NSI
- Nursing Solutions
- OSHA
- The World Bank

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