



A&M INSIGHTS

The one tool you need for better health care financial decisions

The complex pharmaceutical landscape in Europe — especially in Germany — make financial planning and forecasting a difficult and formidable process. To overcome such challenges, drug manufacturers and other companies in the industry are discovering that **financial modeling** in health care is crucial to predicting future revenue streams, annual budgets, and winning the drug tender game in socialized medicine.

When health care companies enter the European market, they must navigate the sector's complicated regulations as well as contend with multiple reimbursement schemes for over the counter, generic, or patent-protected pharmaceutical products. Companies must incorporate the entire market landscape when evaluating the best strategy to market their products. That additional complexity, and understanding the possible scenarios, must now become a fundamental requirement for accurate financial forecasting.

Effective modeling of health care financial scenarios requires using different sources, including existing and purchased data, and ensuring the assumptions and data are transparent to optimize strategic decision making. It also entails gathering data on current regulations and various reimbursement schemes, as well as creating interactive visualizations to help support decisions and reduce risk of misjudgments.

A&M helps to build robust forecasting models in healthcare and life-science

A&M has experience developing integrated financial models to facilitate complex decisions, tailored to client needs. These models incorporate financial and market data from various sources and are based on statistical estimation and transparent calculations to merge the underlying data.

With experienced professionals from multiple disciplines and deep knowledge of the pharmaceutical market and reimbursement schemes, we design and build complex models to improve financial forecasting and empower leaders to make better decisions.

Opposite are a few services we provide to help companies compete in the highly complex European healthcare and Life-Science industry.





Annual and long-range planning

We assist clients in using integrated commercial models of profit and loss statements, balance sheets, and cash flow statements to create a reliable source for planning purposes, whether that's in your supply chain, operations, or strategic decisions.



Patient model

Clients can facilitate planning for AMNOG, the German law regulating pharmaceutical markets, and other market requirements by incorporating relevant market data to forecast potential revenue streams based on the underlying patient profiles.



Tender bidding strategy and optimization We provide transparent and reliable cost calculations that incorporate specific health insurance fund regulations and requirements. By using scenario calculations and alternative go-to-market assumptions, clients can make better decisions and help optimize other areas of the business, such as supply chain and order-management processes.



Mergers and acquisition modelling We help clients forecast and interact with scenario models to optimize due diligence for strategic and private equity projects and facilitate the preparation and execution of transactions.

Our Approach



Design

Based on a detailed analysis of a client's requirements and the mandatory regulations and reimbursement schemes in place, we determine the scope and identify the necessary data sources.



Build

We use best-in-class techniques and a clear separation of inputs, calculations, and outputs to guarantee maximum transparency of the predicted results based on the assumptions and data incorporated.



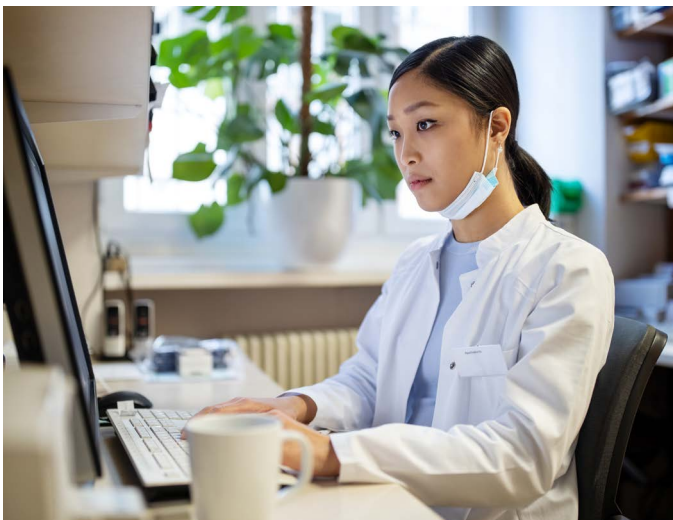
Test

Prior to deploying the model, we perform intensive testing internally and work closely with our clients during the build-phase to ensure a constant user acceptance test.



Deploy

At the end of the process, the client receives our models and sources of the underlying data and documentation of all assumptions used.



Contact A&M for a demonstration of our Health Care Modeling services and how we can help you improve your decision making.



A&M: Leadership. Action. Results.SM

A&M has worked with some of the largest European and global organisations to stabilise financial performance, transform operations, capture profitable growth and accelerate results through decisive action.

When traditional improvement activities are not enough, A&M's restructuring and turnaround heritage brings fact-based, action-oriented leadership to transformations and delivers rapid results.

Our professionals have both operational and advisory experience together with a proven track record in leading businesses through tough, complex situations.

KEY CONTACTS



Marcel Wibbe

Senior Director

+49 (69) 71048 7189

mwibbe@alvarezandmarsal.com



Raymond Berglund

Managing Director

+44 (0) 791 875 0352

rberglund@alvarezandmarsal.com

ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) for leadership, action and results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

With over 5,000 people across four continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

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