

Air Medical Group Holdings - Overview

Air Medical Group
Holdings

Independent provider of air medical services serving rural markets in the Midwest region

Investment Overview

Initial Investment Date: July 2004

Final Total Realization Date: October 2010

Investment Thesis

- Attractive industry growth fundamentals, including trend to independent provider model, with recession-resistant demand characteristics
- Significant opportunity for new base and membership expansion, as well as acquisitions
- Positive reimbursement environment, particularly in rural areas
- Unique and difficult to replicate operating model: standardized aviation platform, contiguous rural footprint, independent provider delivery model and membership
- Compelling unit-level economics with unit mobility
- Diversified revenue across payers, geographies, referral sources and bases
- Experienced, innovative management team with a rural healthcare focus

Investment Highlights and Company Accomplishments

- Grew base locations from 37 at the time of acquisition to 147 at exit, states served from nine to 25 and annual flights from 13,800 to 50,000
- Opened 49 new greenfield bases, utilizing standardized new base process
- Expanded service offerings to include hospital partnerships with the addition of 18 bases
- Completed four highly strategic add-on acquisitions, adding 43 bases
- Professionalized the Company with the addition of several “C” level positions, including CEO, CFO and General Counsel. Made significant infrastructure investments in safety, patient care and information systems

