

API HEALTHCARE ACQUIRES CLEARVIEW STAFFING SOLUTIONS – FREQUENTLY ASKED QUESTIONS

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Who is Clearview Staffing Software?

Clearview Staffing Software, based in Dallas, Texas, is the premier provider of innovative and affordable SaaS-based staffing solutions that help healthcare staffing agencies automate the process of recruiting, credentialing, scheduling and paying temporary medical professionals.

Clearview's suite of software solutions complements API Healthcare's. The difference is that API Healthcare's solutions target workforce management for healthcare delivery organizations; Clearview's solutions target temporary healthcare staffing agencies. Together, API Healthcare and Clearview Staffing Software can offer a complete solution for maximizing resource utilization across both the agency and the hospital.

How does this acquisition fit into API Healthcare's corporate strategy?

API Healthcare remains steadfast in our mission to be the experts in optimizing human capital for the healthcare industry. This acquisition will strengthen our solution and service offerings to existing and potential customers.

What are the current market conditions that are driving this acquisition?

Hospital Executives Have a Need for a Holistic View of Their Entire Workforce -

During the last year, we have heard many of our clients tell us that they want us to help them manage their entire workforce, including contractors, volunteers and agency workers. For many hospitals, agency workers comprise a large part of their workforce. In fact, nationwide healthcare agency billings were \$11.7 billion in 2008. Because labor

resource utilization is so complex and temporary staff can be a large part of the labor budget, it is essential for hospital executives to have a clear and comprehensive picture of both direct and temporary staff working in their facility. Yet, that complete labor picture is nearly impossible to access because so many of the workflows between agencies and hospitals are manual, inefficient and error-prone. This acquisition allows for the integration of the staffing solutions that the hospital uses with the staffing solutions that the agency uses. That integration will provide healthcare delivery organizations with comprehensive view of labor resource utilization that is so critical to them.

Streamlined Processes Cut Costs – Although there has been a decrease in the use of agency workers, many hospitals still rely on agency staff to meet their staffing needs. As both hospitals and agencies work to protect their operating margins, there is a need for software solutions that streamline processes and decrease operating costs. The integration between the API Healthcare and Clearview solutions makes it faster, easier, and more cost-effective to use agency staff when they are needed.



Experts in optimizing human capital

Nursing Shortage Still a Factor – During the recession, there was an influx of nurses back into the industry. Nurses who were not working returned to the workforce to either supplement their income and/or receive benefits due to a spouse's job loss. Combined with that, hospitals saw a decrease in demand for their services as fewer people chose to have elective procedures done. Those two factors have temporarily alleviated the nursing shortage and caused a decrease in the demand for agency labor.

However, experts predict that the nursing shortage is expected to intensify over the next several years. As more and more nurses leave the workforce due to retirement and burnout, aging baby boomers will create a growing need for healthcare services. Those factors will rapidly bring the nursing shortage back to the forefront once again. In fact, according to the latest projections from the U.S. Bureau of Labor Statistics, more than one million new and replacement nurses will be needed by 2016. And, officials with the Health Resources and Services Administration (HRSA) predict that all 50 states will experience some degree of nursing shortage by 2015.

Hospitals that have experienced a reduced need for agency staff will soon need to rely on creative and forward-thinking strategies to optimize the nursing staff available to them. Implementing solutions that allow them to maximize both internal and external staffing resources will position them to succeed and thrive in spite of the projected nursing shortage.

Agencies Need to Remain Competitive – Especially during difficult economic times, temporary staffing agencies need to take advantage of every tool and strategy that makes them more attractive to their hospital clients. Software and services that make it easier for agencies and hospitals to work together provide a win/win solution for both the agency and the hospital. Agencies that can provide that kind of cost-effective, streamlined working relationship with hospitals are more likely to be the supplier chosen when the hospital needs supplemental or temporary staff.

Explain what this acquisition means to the relationship between hospitals and agencies.

The API Healthcare and Clearview solutions are perfect complements to one another. API Healthcare is dedicated to optimizing human capital for hospitals and healthcare delivery organization; Clearview provides staffing agencies with the tools they need to recruit, credential, schedule and pay high quality temporary medical professionals. However, many of the workflows between agencies and hospitals for finding, placing and managing temporary staff are still manual, resulting in wasted time and lost dollars for both hospitals and agencies.

API Healthcare has made this acquisition because of that automation gap. Together, we can offer a complete solution for workforce management across both the agency and the hospital. This process re-engineering serves the needs of agencies, hospitals, and healthcare workers – it's a win/win/win situation.



What should Clearview Staffing Software clients expect?

With this acquisition, many things will remain the same for Clearview's clients. There will be no down time in the services provided, and key contacts will be the same. All training, implementation and support will continue as scheduled and on time.

Clearview clients can also expect some benefits for their agency as a result of the acquisition. First, Clearview becomes part of a larger company with greater resources available to support clients and innovate solutions. Then, the integration of the API Healthcare and Clearview solutions will streamline the workflows between agencies and hospitals. Agencies can realize a competitive edge because the integrated solutions will make it easier for them to share information with hospitals and better meet the hospital's temporary staffing needs. Better sharing of information empowers the agency to:

- Fill open shifts faster
- Streamline processes
- Increase accuracy and speed of invoicing, billing and paying
- Quickly address tardies or no-shows before hospital sends notifications
- Focus on attracting and managing quality candidates
- Further reduce operating costs with streamlined processes

Will Clearview Staffing Software be moving offices?

No. API Healthcare will maintain a Southwest office in Dallas, and the corporate office will remain in Hartford, WI.

What should API Healthcare clients expect?

API Healthcare clients will not see any changes in day-to-day operations. However, this acquisition is a positive sign of API Healthcare's growth and innovation and marks us as an industry leader. Although both API Healthcare and Clearview are strong market leaders in their own space, the combination of the two creates new opportunities for us – synergies that neither company could accomplish alone and something that no one else in the industry is doing.

As the solutions are integrated, hospitals will be able to realize the following benefits:

- Ability to find the best fit for staffing holes and open shifts with better resource utilization of both internal and external resources
- Less paperwork and manual intervention
- Easy to reconcile invoices from agencies – invoices are accurate with no discrepancies between actual hours worked and hours billed
- Easy reporting regarding agency labor (legislative requirements, budgeting, etc.)
- Less time spent selecting and tracking agency workers
- Diffuse the friction that currently exists between hospitals and agencies

