

**Q2**

**2019**

**RCM, HEALTH IT,  
DATA & ANALYTICS  
NEWSLETTER**



LAWRENCE, EVANS & CO., LLC

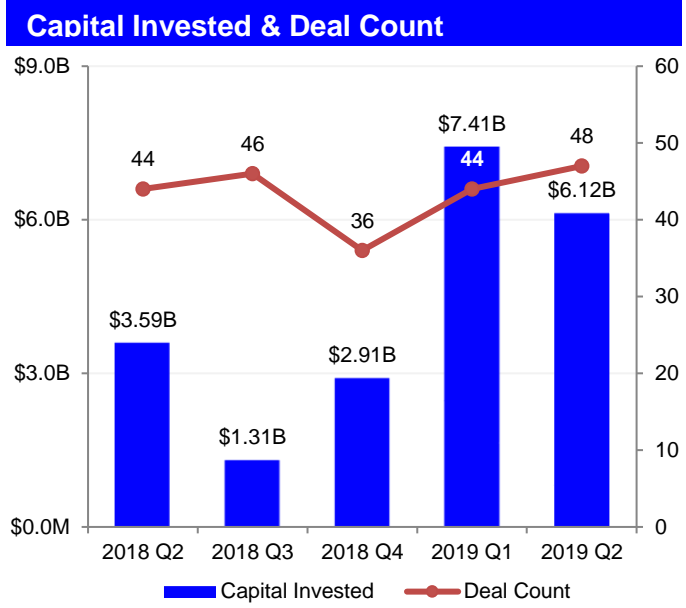
Investment Banking | Healthcare Finance | Consulting

SNAPSHOT OF SECOND QUARTER

The market remains very active with numerous transactions by both strategic and financial buyers. Notable moves in Fintech by insurance company United Healthcare buying payment processor Equine for \$3.2B and JPMorgan purchased InstaMed to secure a seat to the table with all of the healthcare dollars flowing through the system.

Industry niches continue to dominate activity and valuation with transactions in behavioral health (Valant by Gemspring), home health and hospice (Change Healthcare's Home Care and Hospice Solutions by Netsmart), transportation (Digitech by Pamlico), physician/dental (XL Dent by Valsoft and OrthoFi by Accel-KKR), complex claims including workers comp or out of network (Caid Solutions by Argos of NaviMed), as well as payment integrity (Ensemble Healthcare by Golden Gate).

Our conversations with many family offices and financial buyers show increased interest and new investors into revenue cycle management, tech enabled, and software as the recurring revenue with tailwinds into the outsourced model and need for technology and talent to process the claims. The need for quality talent at providers has pushed several technology companies, including Allscripts (physician) and Homecare Homebase (homehealth and hospice), into offering billing as a complementary service. Patient engagement solutions also remain very attractive as a value add to RCM. Nevertheless, the increased adoption of AI into payment processing is gaining traction with significant VC investments as well as the recent acquisition of Digitize.AI by Waystar Health and Bain Capital



Source: PitchBook Data, Inc. & LECO

TOP TRANSACTIONS

Deal activity has remained strong during 2019 despite the waves in the bond and equity markets. Reported deal activity was over \$6 billion with at least 48 HCIT transactions.

RCM, Health IT, Data & Analytics Top Q2 Transactions

Deal Date	Company Name	Investors	Deal Size (\$M)
21-Jun-2019	Equian	UnitedHealth Group (NYS: UNH)	3,200.0
11-Apr-2019	WageWorks (NYS: WAGE)	HealthEquity (NAS: HQY)	2,010.0
29-May-2019	Ensemble Health Partners	Golden Gate Capital	1,200.0
17-May-2019	InstaMed	JPMorgan Chase	600.0
27-Jun-2019	Change Healthcare (NAS: CHNG)		557.1
19-Jun-2019	Dude Solutions	Clearlake Capital Group	500.0
01-May-2019	The Chartis Group	Audax Group	247.5
08-May-2019	Voalte	Hill-Rom Holdings (NYS: HRC)	195.0
17-Jun-2019	Singular Bio	Invitae (NYS: NVTA)(Sean George)	55.0
24-Apr-2019	Get Real Health	Computer Programs & Systems (NAS: CPSI)	25.0

Source: Pitchbook Data, Inc.

**WageWorks (NYSE: WAGE)** a provider of tax advantage plans was acquired by **HealthEquity (NASDAQ: HQY)** for \$2 billion. HQY provides solutions that allow consumers to make healthcare saving and spending decisions. Its technology allows customers to see their tax-advantaged healthcare savings, compare treatment options and pricing, pay healthcare bills, receive benefit information, and earn wellness incentives.

**Change Healthcare Inc. (NASDAQ: CHNG)** completed its initial public offering June 27<sup>th</sup> offering of 49,285,713 shares of its common stock at a public offering price of \$13.00 per share. Change raised approximately \$557 million.

SELECTED TRANSACTIONS

Deal Date	Deal Size (\$M)	Company Name	Investors	Description
01-Apr-2019		ERIS Medical Technologies	Ni2 Health	Developer of a medical software platform designed to help health care facilities identify, correct and manage missing revenue and charge capture opportunities. The company's platform leverages proprietary rules logic engine and provides healthcare revenue management teams a medium by which they can review patient charges both prospectively and retrospectively, prioritize and trend charge capture opportunities and manage the hospital patient charge capture process more effectively, offering clients comprehensive and automated solutions that quickly and efficiently identify missing and noncompliant charges for health care providers.
01-Apr-2019	5	inHealth Medical Services	CardieX (ASX: CDX)	Owner and operator of a virtual health coaching company designed to offer technology-based programs to individuals seeking a healthier life. The company's programs are delivered through online telemedicine platform and is focused on medical weight loss, chronic disease management, diabetes prevention, sport nutrition and corporate wellness and is based on personalized interaction, enabling patients to achieve their full wellness potential and live happier, healthier lives.
02-Apr-2019		Custodix	TriNetX	Developer of pseudonymisation and anonymisation system designed to offer a range of system for ensuring compliance with European and US data protection legislation and security appropriate practices. The company's system facilitates compliant exchange of sensitive data for research, statistical processing and sharing of data and also permits secure and trustworthy re-use of EHR data, enabling businesses deal with all security and privacy related aspects of modern data management.
02-Apr-2019		Digital Healthcare	Northgate Public Services	Provider of healthcare information technology. The company provides image management and storage solutions for the ophthalmology sector with core competencies in clinical information and patient care management.
02-Apr-2019		FoodFirst Network	Albert Heijn	Provider of an online subscription platform, intended to offer advice on nutrition, exercise, sleep and relaxation. The company's information and tips from experts are Scientifically based information in videos and articles, enabling users to tackle their lifestyle with the company's extensive team of doctors, nutritionists, dietitians.
08-Apr-2019	2	Vorpal Technologies K.K.	HekaBio	The company primarily operates in the Commercial Services industry. Vorpal Technologies K.K. was founded in 2018 and is headquartered in Akasaka, Japan.
09-Apr-2019		Valant Medical Solutions	Gemspring Capital	Developer of web-based electronic medical record system. The company develops software with integrated practice management that enables psychiatrists and other behavioral health professionals to manage billing system and maintain electronic medical records of their patients.
11-Apr-2019	2,010	WageWorks (NYS: WAGE)	HealthEquity (NAS: HQY)	WageWorks Inc is a provider of tax-advantaged programs in the United States. The company specialises in consumer-directed benefits such as health savings accounts, health and dependent-care flexible spending accounts, health reimbursement arrangements, and commuter benefit services, including transit, parking, and wellness programs. With the help of WageWorks, employees use pretax dollars to pay for healthcare, dependent care, and commuter expenses and save money on their payroll tax.
22-Apr-2019		DailyRounds	M3 (TKS: 2413)	Developer of a medical education platform designed to focus on case-based and problem-solving approach. The company's platform allows doctors to see, share, review and learn clinical cases, enabling doctors to enhance their medical knowledge.
22-Apr-2019		Mscripts	Cardinal Health (NYS: CAH)(Debbie Weitzman)	Provider of mobile pharmacy and digital patient engagement platform designed to offer innovative, easy-to-use mobile and web health management services. The company's services manage prescriptions and health on mobile phones through 2-way interactive SMS messaging and branded mobile applications, enabling patients to make refilling convenient and remembering to take medications easily.
24-Apr-2019	25	Get Real Health	Computer Programs & Systems (NAS: CPSI)	Provider of collaborative healthcare technology platform designed to create ad customizes personal health applications. The company's platform combines a world of new information from patients, devices and applications with existing clinical data, enabling individuals and healthcare professionals to engage and empower each other.
25-Apr-2019	16	OTTR Chronic Care Solutions	CareDx (NAS: CDNA)	Provider of organ transplant patient tracking software. The company's software provides access to real-time appropriate information, expedite external reporting and facilitate clinical research, enabling health care clients, physicians, nurses and administrators to increase their case-load efficiency by spending less time manually searching for information, thereby helping in optimizing patient safety.
29-Apr-2019		XLdent	Valsoft	Developer of a dental practice management software designed to enhance patient care for improved patient outcomes. The company's electronic dental records system specializes in providing dental patient screening, dental appointment scheduling, post-treatment screening, dental report and patient history, enabling clients to create a seamless workflow and improve productivity in their practice.

Source: Pitchbook Data, Inc.

## SELECTED TRANSACTIONS - CONT.

Deal Date	Deal Size (\$M)	Company Name	Investors	Description
30-Apr-2019		Bernoulli	Capsule Technologie	Developer of a real-time connected healthcare platform designed to offer life support critical care applications. The company's Bernoulli One, a connected healthcare platform combines comprehensive and vendor agnostic medical device integrated with powerful middleware, clinical surveillance, telemedicine, advanced alarm management, predictive analytics and robust distribution capabilities, providing clinicians with tools to drive better outcomes and improve the patient experience.
30-Apr-2019		Betterpath	Hu-manity.co	Provider of a platform to track patients health records. The company's platform helps patients and medical practitioners have better access to the medical records which helps them to receive better medical help and this information can be used to satisfy observational research goals.
01-May-2019		Health iQ Limited	Corrona UK	Provider of data and digital solutions for healthcare and life sciences intended to transform patient outcomes through innovative data & technology solutions. The company offers real-life healthcare scenario, revenue analyzer, analytics solution and simulation, providing clients with clear, precise and insightful guidance.
01-May-2019		HealthlinkNY	HealtheConnections	Provider of health information exchange services in the United States. The company's database maintains a centralized record of patients' electronic health records from participating healthcare organizations and provider practices, providing customers electronic access to patients' community-wide health records.
02-May-2019		McBee	Netsmart Technology	Netsmart Technologies, an Overland Park, Kansas-based provider of healthcare software and technology solutions backed by GI Partners and TA Associates, has acquired Wayne, Pennsylvania-based healthcare consulting firm, McBee, according to an announcement by the former. Financial terms were not disclosed. McBee is a health care services and consulting firm that delivers financial, operational, and clinical consulting services exclusively to healthcare providers across the continuum of care. Additional offices are located in Columbia, Maryland and Richmond, Virginia.
03-May-2019		OrthoFi	Accel-KKR	Developer of technology-enabled service software. The company's software and technology platform offer service to orthodontists for acquiring, financing and managing new patients, flexible financing options, insurance eligibility checks and claims submissions.
08-May-2019		Healthcare Engagement Solutions	Harris Healthcare	Developer of an online patient engagement platform designed to connect healthcare professionals. The company's platform securely aggregates and delivers essential information, visualizes data analytics and facilitates collaboration among healthcare professionals, enabling the medical teams to work more effectively and improve outcomes.
08-May-2019	195	Voalte	Hill-Rom Holdings (NYS: HRC)	Developer of hospital point-of-care communications software technology designed to answer any type of healthcare communication challenges. The company's hospital point-of-care communications software technology offers Voalte One, a voice, alarm and text communication technology, enabling nurses and caregivers that facilitates phone calls in the hospital voice over Internet Protocol (VoIP) system and enables text messaging through the user directory, to get a comprehensive mobile communication strategy through which they can access and exchange information securely.
09-May-2019		Cyberheart	Varian Medical Systems (NYS: VAR)	Developer of non-invasive robotic ablation treatment designed to treat cardiac arrhythmias. The company's technology dynamically detects, tracks and compensates for movement of the heart and patient, enabling radiation oncologists, medical physicists, electrophysiologists and cardiac surgeons to non-invasively treat cardiac arrhythmias and ensure accuracy in the delivery of radiation.
09-May-2019		Experity (Formerly DocuTap)	Practice Velocity	Developer of a medical software company. The company's services include revenue cycle management, on-screen documentation and one-screen charting functionality, providing clients software which covers major visits and high speeds.
13-May-2019	130	Medac Inc	Miramed Global Services	Provider of anesthesia revenue cycle management in North Augusta, South Carolina. The company offers anesthesia billing services, practice management, compliance and auditing, education, financial management and patient service center, enhancing clients focus and ability to provide quality anesthesia care, better anesthesia outcomes and greater patient satisfaction.
16-May-2019		Vertical Health	Topspin Partners	Provider of health information services intended to focus on treatment of musculoskeletal diseases and endocrine disorders. The company's services focus on providing comprehensive health content to patients and healthcare professionals, enabling doctors to improve patient outcomes.
17-May-2019	600	InstaMed	JPMorgan Chase	Provider of a payments network designed to connect providers, payers and consumers on one platform. The company's payments network reduces the risks, costs and complexities of working with multiple payment vendors by delivering one platform for all forms of payment in healthcare, designed and developed on one code base and supported by one onshore team of experts in healthcare payments, enabling providers to collect more money from patients and payers while reducing the cost and time to collect.

*Source: Pitchbook Data, Inc.*

**SELECTED TRANSACTIONS – CONT.**

Deal Date	Deal Size (\$M)	Company Name	Investors	Description
20-May-2019		Dymaxium	Xcenda	Developer of scientific information platform based in Toronto, Ontario. The company provides evidence-based, market access-driven and payer utilized-solutions, connecting life sciences companies and payers and facilitating opportunities for communication and collaboration in the formulary, reimbursement and market access ecosystem, helping users maximize access and reimbursement potential.
22-May-2019	1	OSCARpm	WELL Health Technologies (TSX: WELL)	Developer of electronic medical records solutions. The company offers installation of equipment and technical installation of OSCAR software, allowing clients to document and highlight key processes where technology can benefit the needs of their unique medical practice.
29-May-2019	1,200	Ensemble Healthcare Partners	Golden Gate Capital	Provider of revenue cycle management and consulting services. The company offers revenue integrity, managed care/commercial payor strategic contract analysis, denial and underpayment recovery services, cash flow acceleration projects and coding review services.
03-Jun-2019		3Scan	Strateos	Developer of microscopy medical imaging device designed to automate the process of tissue sectioning and imaging. The company's device combines automation, ML and computer vision to extract spatial data from tissue samples and create detailed 3D representations as well as quantitative analysis of complex anatomical structures, enabling researchers and medical practitioners to diagnose diseases like cancer, Parkinson's and Alzheimer's effectively.
03-Jun-2019		Brainlab (Orthopaedic Joint Reconstruction Business)	Smith & Nephew (LON: SN.)	Provider of digital workflow tools, from pre-operative planning to intraoperative navigation to postoperative evaluation and sharing in Germany.
03-Jun-2019		Health Data Link	Datavant	Developer of a medical recording platform intended to link individual patient records. The company's platform secures data exchange in clinical data research networks, federal government health systems and commercially distributed analytics platforms, enabling healthcare providers to share protected health-related information.
03-Jun-2019	11	KAI Innovations	WELL Health Technologies (TSX: WELL)	Developer of a health information system based in Ontario, Canada. The company's electronic medical record system allows clients to access all information on their patients electronically from blood work to hospital reports, even faxes from other healthcare professionals, enabling them to increase efficiency, reduce errors and share records with ease.
03-Jun-2019		The Professional Companies (TPC)	Serent Capital	Provider of home healthcare benefits management services. The company end-to-end management of home healthcare benefits on behalf of leading healthcare payors with a suite of services including home agency network management, utilization review, case management, claims processing and patient communications.
04-Jun-2019		Cytobank	Beckman Coulter Life Sciences	Provider of storage and analysis platform designed to accelerate research productivity. The company's platform manages, analyzes and enables the sharing of high dimensional single cell biological data, enabling scientists to explore multiple hypotheses simultaneously.
04-Jun-2019		ifa systems (ETR: IS8)	Nexus (Germany) (ETR: NXU)	ifa systems AG develops, distributes and installs software solutions and components for ophthalmologists and eye clinics in the fast-growing health IT industry. Its products are divided into the Clinic, Practice, and Language Versions.
06-Jun-2019	15	ChartSpan	Blue Heron Capital	Provider of patient compliance management application designed to organize, request and send patients an entire family's health records. The company's application facilitates patients to organize records such as immunizations, medical, dental, vision, prescriptions, over-the-counter medications, X-rays, laboratory result, enabling medical providers to maximize reimbursements, improve care coordination compliance and increase top-line revenue.
10-Jun-2019		Aleutia	Captec Limited	Provider of computing solutions with thermal management headquartered in Alton, United Kingdom. The company's products include T1 fanless PC, R50 fanless PC, eClinic software, eClinic clinic database and solar container clinic.
10-Jun-2019		Real Life Data	Atrys Health (XMAD: ATRY)	Developer of electronic health database in Spain.
14-Jun-2019		Halfpenny Technologies	Accumen	Developer of a cloud-based clinical data exchange platform designed to help healthcare organizations effectively integrate clinical data. The company's platform provides a secure, vendor-neutral infrastructure that supports care coordination, care management, regulatory requirements and data analysis within and between healthcare organizations, enabling clinicians and care organizations to securely exchange clinical data with their constituents, clients and partners.
17-Jun-2019	55	Singular Bio	Invitae (NYS: NVTA)	Developer of a single molecule detection system intended to meet the needs of high volume, broad population healthcare testing. The company's proprietary system combines the superior performance of genetic analysis with the low cost and fast turnaround time of screening tests and achieves high sensitivity in the detection of individual molecules by combining advanced optics with custom molecular biology and chemistry, enabling broad healthcare screening tests to provide early detection of many common conditions.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Deal Size (\$M)	Company Name	Investors	Description
18-Jun-2019		NexusPharma	Genesis Drug Discovery & Development	Operator of drug discovery company intended for the discovery of innovative anti-cancer treatments. The company is dedicated to the discovery of novel therapeutics by creating and testing patient-derived cancer xenograft models, enabling health professionals to enhance the predictive value of its models for clinical outcomes.
19-Jun-2019		Caid Solutions	Argos Health	Provider of out-of-state Medicaid complex claim services. The company manages provider enrollment, billing, and collection services.
19-Jun-2019		Echo (Application Software)	McKesson UK Group(Toby Anderson)	Provider of a medical platform intended to make medication management easier. The company's platform offers an application to add, order, take and reorder medications and also send the appropriate request to doctor and nominate a pharmacy partner, enabling customers to fulfil thousands of repeat prescriptions every week.
19-Jun-2019		Practice Insight	eSolutions	Provider of EDI (electronic data interchange) services through its proprietary software. The company's software facilitates real-time claim tracking, customize claim edits, create secondary claims, manage their claim workflow, verify patient eligibility, process electronic, printed patient statements and other related activities, enabling the healthcare industry to analyze all EDI transactions and manage their customer support.
24-Jun-2019		Digitech	Pamlico Capital	The company's services include billing software, compliance support and integration services, enabling EMS providers to modernize their billing and maximize collections from their clients.
26-Jun-2019		Nextech	Thomas H. Lee Partners, L.P.	Nextech is a provider of electronic medical record and practice management software. The company services more than 7,000 physicians and over 50,000 office staff members in the clinical specialties of ophthalmology, plastic surgery, dermatology and orthopedics, according to its website.
02-Jul-2019		Change Healthcare (Home Care and Hospice Solution)	Netsmart Technology	The Home Care and Hospice Solutions' business of Change Healthcare was acquired by Netsmart Technologies, via its financial sponsor GI Partners, through a \$167.5 million LBO on July 2, 2018. The acquisition will solidify Netsmart Technologies' position in post-acute technology and services.
10-Jul-2019		Rhapsody	Corepoint Health	Rhapsody, a global leader in healthcare data interoperability, today announced that the company will merge with Corepoint Health, the supplier of the Best in KLAS® healthcare integration platform. The transaction will bring together two companies at the forefront of interoperability and create a dynamic combination of technology, talent, services, and trusted customer relationships to address the most complex healthcare interoperability challenges.
18-Jul-2019		Legal Easy	Ellkay	ELLKAY, LLC, a leader in healthcare connectivity and interoperability solutions, announced its acquisition of the assets of Tampa-based Legal Easy, Inc., including the industry-leading X-Link medical software interfacing solution. With the strategic acquisition, ELLKAY expands its healthcare footprint and empowers providers with an easier, more cost-effective way to achieve Promoting Interoperability (PI) objectives and quality measures. It also strengthens ELLKAY's core mission of extending solutions that provide true interoperability and access to patient data at the point of care.

Source: Pitchbook Data, Inc.

RUMOR ON THE STREET

**Waystar** is taking final round bids with an agreement expected before August. Bain last year rebranded revenue cycle management (RCM) companies Navicure and ZirMed as Waystar after merging the firms in 2017. Waystar's 2018 EBITDA between USD 100m - 125m, and projecting USD 150m for this year.

**Qualifacts Systems**, a provider of electronic health record and related services to the behavioral health market generates around USD 15m of EBITDA and is in the midst of a sale process backed by Great Hill Partners.

**Credible Behavioral Health**, the provider of electronic health record and related services backed by Goldman Sachs, has been exploring a sale for the last several months, said four sources familiar with the matter.

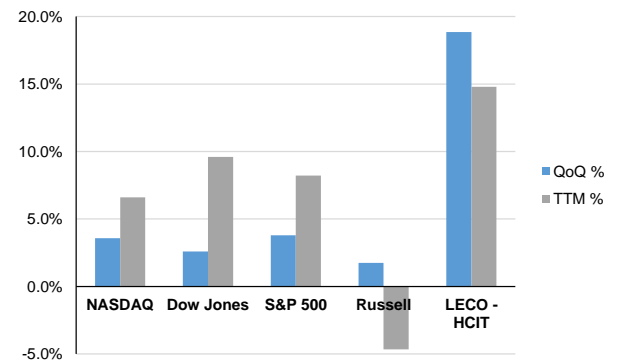
Bain Capital is near a deal to buy a minority stake of the combined **Zelis Healthcare** and **RedCard**, Bloomberg reported. Parthenon Capital is merging Zelis and Redcard, the story said. The deal would value the combined Zelis-RedCard at \$6 billion.

PUBLICLY TRADED RCM & HCIT COMPANIES

Selected Publicly Traded RCM and Healthcare IT Companies

Company Name	Ticker Symbol	Stock Price 6/28/2019	% Change Prior Quarter	% Change TTM	Price 52 Week High	Price 52 Week Low	Market Cap	EV	Diluted EPS	Price To Earnings	LTM Revenue	EBITDA	EV to EBITDA	EV to Revenue
Allscripts Healthcare Solutions, Inc.	NAS:MDRX	11.63	21.91%	-3.08%	14.97	8.54	1,936	2,585	2.0	116.3	1,668	256.4	10.1x	1.5x
Cerner Corporation	NAS:CERN	73.30	28.12%	22.60%	73.36	48.78	23,852	23,387	1.9	38.8	5,463	1,417.2	16.5x	4.4x
Computer Programs & Systems Inc.	NAS:CPSI	27.79	-6.40%	-15.53%	34.65	23.81	399	519	1.3	22.1	279	38.0	13.7x	1.8x
eHealth, Inc.	NAS:EHTH	86.10	38.11%	289.59%	86.30	21.90	1,950	1,815	0.0	8,610.0	277	10.1	180.1x	7.2x
HealthStream, Inc.	NAS:HSTM	25.86	-7.84%	-5.31%	31.86	23.06	838	691	1.0	62.7	242	40.8	16.9x	3.0x
HMS Holdings Corp.	NAS:HMSY	32.39	9.39%	49.81%	38.15	21.46	2,821	2,841	0.6	50.6	605	120.8	23.5x	4.7x
McKesson Corporation	NYS:MCK	134.39	14.80%	0.74%	139.86	106.11	25,047	31,247	0.2	790.5	214,319	1,784.0	17.5x	0.1x
Medidata Solutions Inc.	NAS:MDSO	90.51	23.58%	12.35%	98.60	60.10	5,639	5,631	0.9	106.5	660	93.6	60.2x	8.9x
Quality Systems, Inc.	NAS:NXGN	19.90	18.24%	2.05%	23.73	13.89	1,290	1,268	0.4	52.4	529	75.0	16.9x	2.4x
Streamline Health Solutions Inc.	NAS:STRM	1.51	43.81%	7.09%	2.09	0.57	32	42	(0.3)	N/A	21	(2.9)	N/A	1.9x
Medical Transcription Billing, Corp.	NAS:MTBC	5.05	14.51%	30.49%	5.65	3.25	61	49	(0.6)	N/A	57	0.9	56.0x	1.0x
Inovalon	NAS:INOV	14.51	16.73%	46.20%	15.57	9.19	2,224	3,066	(0.3)	N/A	580	91.9	33.4x	5.8x
R1 RCM Inc.	NAS:RCM	12.58	30.09%	44.93%	12.64	7.10	1,391	1,846	(0.6)	N/A	997	8.4	219.8x	2.1x
Change Healthcare Inc.	NAS:CHNG	14.60			15.30	13.53								
<b>Average</b>			<b>18.85%</b>	<b>14.80%</b>					<b>0.5</b>	<b>155.0</b>			<b>38.9x</b>	<b>3.4x</b>

LECO Index vs. Broad Market



Index Performance

Index Name	Index Price 6/28/2019	QoQ %	TTM %
NASDAQ	8,006.24	3.6%	6.6%
Dow Jones	26,599.96	2.6%	9.6%
S&P 500	2,941.76	3.8%	8.2%
Russell	1,566.57	1.7%	-4.7%
LECO - HCIT	N/A	18.9%	14.8%

The equity markets during Q2 saw a weak return with the indexes returning less than 4% QoQ. The weak performance can be attributed to a pull-back in May, and a subsequent recovery in June to the continued trade war between the US and China as well as the Mueller investigations conclusion. Rates remain suppressed, with the 10 year dipping below the 2% mark in June. The yield curve remains inversed a bearish sign that first appeared in December.

The LECO Index has added Change Healthcare (NASDAQ: CHNG) with its IPO on June 27<sup>th</sup>, where the company raised more than \$550mm. Change Healthcare is largely a RCM company with a heavy technology component. The company's offerings include analytics, and network platform featuring artificial intelligence driven automation, among others. Also in the news, MTBC rang the closing bell celebrating its five year anniversary.

The LECO Index outperformed the Dow Jones by a staggering 16.3% and the S&P 500 by a similar margin of 15.1%. On a Trailing Twelve Month ("TTM") basis our index is leading the pack both on a QoQ and TTM basis at 18.9% and 14.8% respectively. Multiples within the HCIT space saw an uptick in EBITDA multiples from 32.7x to 38.9x. Revenue multiples also saw a slight increase from 2.9x to 3.4x. The average Earnings Per Share (EPS) remained stagnant at \$0.50.

**Streamline Health Solutions (NASDAQ: STRM):** Streamline Health Solutions continued to be among our top performers yielding an impressive 43.81% QoQ. While the company missed on earnings estimates of \$0.02 per share, reporting \$0.0137 and saw a 14% decline in revenue QoQ, the huge return was largely due to company's new management, sales representatives and seemingly successful new product launch. This strong performance was enough to pull STRM's TTM performance positive. STRM is a provider of integrated solutions, technology-enabled services, and analytics intended to drive reimbursement.

**eHealth Inc. (NASDAQ: EHTH):** eHealth a provider of online health insurance for individuals, families and small businesses, was the second best performing asset of our index, returning 38.11% QoQ and astonishing 289.59% return on a TTM basis. This is following its Q1 reported earnings of \$0.33 which crushed of \$-0.27.

Lawrence, Evans & Co., LLC. is a boutique healthcare financial advisory and investment banking firm comprised of senior level professionals who provide lead advisory services to private companies, lenders, and other parties-in-interest that are executing financial and strategic transactions. Founded in 2003, the firm provides a wide array of services such as finance and capital raising, mergers and acquisitions, management consultancy services, turnaround management and restructuring, and real estate finance and development. The firm caters to the healthcare providers and service companies (senior housing, hospital, physician services, dental, dermatology, ophthalmology, physical therapy, behavioral health, RCM, HCIT, Population Health, etc.), transportation and logistics, and select niche manufacturing sectors. Transactions are typically under \$250 million or \$10 million EBITDA.

**INVESTMENT BANKING  
&  
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**CONSULTING**

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&  
RESTRUCTURING**

- Private Company Sales
- Division/Subsidiary Divestitures
- Distressed Transaction Advisory
- Strategic Options Analysis
- Valuations & Financial Assessments
- Interim CEO/CFO
- Turnaround Management
- Debt Restructuring/Refinancing
- Orderly Liquidations
- Acquisition Advisory Services
- Private Market Financings
- LBO's and Recapitalizations
- Strategic Planning
- Organizational Reviews
- Expert Testimony & Opinions
- Chief Restructuring Officer (CRO)
- Bankruptcy Planning / 363 Sales
- Receivership / Trustee

**Represented Healthcare Transactions**

 <p><b>ACQUIRED</b></p> <p><b>MULTI SPECIALTY MEDICAL BILLING COMPANY</b></p> <p><b>LE</b> ACTED AS ADVISOR</p>	 <p><b>GROWTH CAPITAL RAISE</b></p>  <p><b>LE</b> ACTED AS ADVISOR</p>	 <p><b>GROWTH CAPITAL RAISE</b></p> <p><b>LE</b> ACTED AS ADVISOR AND INVESTOR</p>	 <p><b>ACQUIRED BY</b></p>  <p><b>LE</b> ACTED AS ADVISOR</p>
 <p><b>ACQUIRED BY A STRATEGIC BUYER</b></p> <p><b>LE</b> ACTED AS ADVISOR</p>	<p><b>MEDICAL BILLING AND TECHNOLOGY COMPANY</b></p> <p><b>\$8,000,000</b></p> <p><b>ACQUIRED BY A STRATEGIC BUYER</b></p> <p><b>LE</b> ACTED AS ADVISOR</p>	<p><b>MULTI SPECIALTY MEDICAL BILLING COMPANY</b></p> <p><b>MIDWEST</b></p> <p><b>ACQUIRED BY A STRATEGIC BUYER</b></p> <p><b>LE</b> ACTED AS ADVISOR</p>	 <p><b>DENTAL PRACTICE MANAGEMENT AND EDUCATION SOFTWARE</b></p> <p><b>LE</b> ACTED AS ADVISOR</p>

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