

Q3

2019

RCM, HEALTH IT, DATA & ANALYTICS NEWSLETTER



LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

SNAPSHOT OF THIRD QUARTER

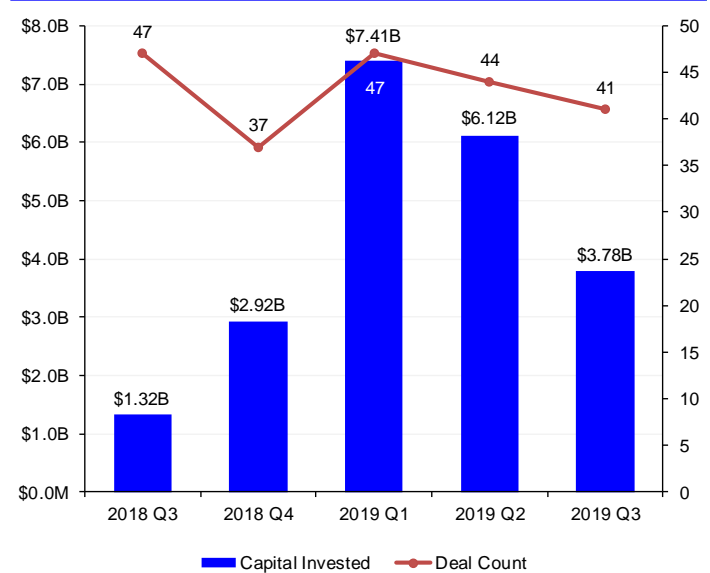
Market activity in the RCM, Health IT, and Data Analytics space is down compared to the prior quarter but still up significantly over the prior year. This comes as the trade war as well as concerns about nearing the peak of the business cycle have investors cautious. Additionally, disciplined approach to the recent sky high valuation multiples are also likely explained in the decrease in deal activity. This is further seen through the selloff of recent IPO's **Health Catalyst Inc. (NASDAQ: HCAT)**, **Livongo Health Inc. (NASDAQ: LVGO)**, and real estate company **WeWork** withdrawing its S-1 to go public.

Notable moves include advanced medical genetics giant **Invitae's (NYSE: NVTA)** purchase of **Jungla** for \$65mm. Jungla is a software platform created to optimize disease diagnostics and treatment. This allows Invitae to add supplemental RNA analysis to deliver deeper and more informative results to patients.

Behavioral health continues to remain a hot target for both strategic and financial buyers. **MYnd Analytics**, a predictive analytics company focusing in developing support tools to help physicians reduce trial and error treatment of mental health patients, has sold to Emmaus Life Sciences. **Lawrence, Evans & Co., LLC** acted as exclusive advisor on the sale of a behavioral health software company to a strategic buyer.

Conversations with private equity groups, family offices, and both strategic and financial buyers express continued interest in revenue cycle, behavioral health, healthcare software with recurring revenue, tech-enabled services, physician practices, and non-emergency and emergency medical transportation companies.

Capital Invested & Deal Count



Source: PitchBook Data, Inc. & LECO

TOP TRANSACTIONS

Deal activity during the third quarter of 2019 still has notable transactions in the face of continued uncertainty in the broad market. Reported deal activity was over \$3.7 billion with at least 41 HCIT transactions.

WageWorks (NYSE: WAGE) a provider of tax advantage plans was acquired by **HealthEquity (NASDAQ: HQY)** for \$2 billion. WageWorks specializes 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.

RCM, Health IT, Data & Analytics Top Q3 Transactions

Deal Date	Company Name	Investors	Deal Size
30-Aug-2019	WageWorks	HealthEquity (NAS: HQY)	2,000.00
31-Jul-2019	Shields Health Solutions Holdings	Walgreens Home Care, Welsh, Carson, Anderson & Stowe	900.00
24-Jul-2019	InstaMed	JPMorgan Chase	600.00
18-Jul-2019	AdvanceCare - Gestão de Serviços de Saúde	Assicurazioni Generali	101.60
11-Jul-2019	Jungla	Invitae (NYS: NVTA)	65.00
16-Sep-2019	VitreosHealth	Hms Holdings (NAS: HMSY)	36.50
30-Jul-2019	Web100T	Medasys (PAR: DEDAL)	29.15
07-Aug-2019	BioSensics (predictive health care technology)	Best Buy (NYS: BBY)	21.00
05-Sep-2019	RMDY Health	OptimizeRx (NAS: OPRX)	16.00
05-Sep-2019	Razor Genomics	OncoCyte (ASE: OCX)	11.00

Source: Pitchbook Data, Inc.

On July 31st, **Shields Health Solutions Holdings agreed** reached a definitive agreement to be acquired by **Welsh, Carson, Anderson & Stowe**, and **Walgreens** for \$900mm. Shields Health Solutions is a provider of specialty pharmacy integration and care services.

SELECTED TRANSACTIONS

Deal Date	Deal Size	Company Name	Investors	Description
10-Oct-2019		MedData	Frazier Healthcare Partners	MedData is a leading provider of technology-enabled management services for hospitals, health systems and healthcare providers. For four decades, MedData has been providing innovative solutions to the medical community and serving hundreds of millions of patients across numerous medical specialties. MedData currently serves more than 10,000 physicians at a network of 3,000+ facilities nationwide from its headquarters in Brecksville, Ohio, and more than 20 regional offices across the United States.
01-Oct-2019		Skyнет Healthcare Technologies	Quake Global(Polina Braunstein)	Developer of healthcare systems intended to improve workflow efficiencies in elderly care. The company offers emergency call and real-time location system (RTLS), wander management, fall detection, and staff analytics enabling care solutions for the senior care continuum.
27-Sep-2019		Aurora (Application Software)	Schoen Clinic(Christopher Schön)	Provider of an application based interactive screening platform intended to support mental health practitioners in recognizing and treating mental illnesses. The company's platform captures symptoms of depression, unlock training modules as therapy-supporting exercises between sessions, enabling practitioners to support diagnostic, therapeutic and administrative processes related to the treatment of mental health disorders.
26-Sep-2019		emids	New Mountain Capital	emids is a global provider of technology services and solutions for healthcare payers and providers. The company's services include consulting, custom application development, and data solutions that support EHR application deployment and management, analytics, data integration and governance, software development and testing, and business intelligence. emids is headquartered in Nashville.
23-Sep-2019		Rivew s	EMPATHIQ	Developer of an SMS based health care mobile engagement platform designed to improve patient engagement, experience, and health outcomes. The company's platform generates reviews, offers text-message based review surveys, filters complaints and easily tracks, manages and handles poor reviews, enabling healthcare organizations to seamlessly collect patient feedback and transform brand reputation through patient engagement.
17-Sep-2019		Speximo	International Flavors & Fragrances (NYSE: IFF)	Provider of emulsifying technology intended to combine nature and science to provide industry innovation for a future of sustainable consumption. The company's emulsifying technology offers the production of skin creams and pharmaceuticals with organic certification and additional technological benefits, unique expertise and a strong IP portfolio related to particle-based formulation and encapsulation, enabling users to get access to stable formulations, a lush silky feeling thereby protecting the core load, and have controlled release.
16-Sep-2019	36.50	VitreosHealth	Hms Holdings (NAS: HMSY)(William Lucia)	Provider of insights-as-a-Service (IaaS) using on-demand predictive population analytics for population health management. The company helps customers identify and stratify high risk patients, design tailor-made care management programs and measure the financial impact of their care management programs.
05-Sep-2019	16.00	RMDY Health	OptimizeRx (NAS: OPRX)(William Febbo)	Provider of digital therapeutics platform based in East Rockaway, New York. The company offers pharmaceutical patient support programs, medical mobile applications, payers and care management, fitness management and employee wellness programs, enabling consumers, clinicians and patients to design, build and transform their white-label digital health strategies.
05-Sep-2019	11.00	Razor Genomics	OncoCyte (ASE: OCX)	Developer of a genomic mutations detection platform designed to identify cancer and other disease-causing mutations from patient biopsy samples. The company's technology aggregates genomic information, advances the understanding of etiology, detects genomic mutations, providing oncologists with rapid, accurate and actionable information about their patients treat them in an enhanced way.
05-Sep-2019		TruthPoint	TVR Communications	Operator of health patient experience improvement system headquartered in Eden Prairie, Minnesota. The company's platform ensures hospitals can leverage patient-level, unit-level and hospital-level insights to expand the ability of healthcare systems and hospital clients to improve patient experience and satisfaction.
01-Sep-2019		Behavioral Health Software Company	Strategic Acquirer	A strategic purchaser acquired an undisclosed behavioral health software company. More details will come in January 2020.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS - CONT.

Deal Date	Deal Size	Company Name	Investors	Description
30-Aug-2019	2,000.00	WageWorks	HealthEquity (NAS: HQY)(Jon Kessler)	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.
28-Aug-2019		ProKnow Systems	Elekta (STO: EKTA B)(Richard Hausmann)	Provider of big data support services intended for oncology teams based in Stockholm, Sweden. The company's products are aimed to provide high-performance, cloud-based software solutions intended store and manage critical data, provide an online, modular framework, intended to distribute of vital tasks across multiple users and sites.
28-Aug-2019		Synopsis Healthcare	InTouch with Health(Mike Sanders)	Provider of synopsis perioperative platform intended to deliver care and business processes. The company engages in the development of preoperative platform software which helps hospitals inpatient assessments, tracking anesthesia records and measuring its cost against revenue generated, enabling hospitals to maintain proper records.
19-Aug-2019		Venus Concept Canada		Developer of non-surgical aesthetic equipment designed for non-invasive cosmetic procedures. The company's non-surgical aesthetic equipment offers technology for body contouring, skin tightening, cellulite and scar reduction, skin resurfacing, skin rejuvenation, acne reduction, hair removal and more, enabling aesthetic practitioners to enhance their clinics' offerings with safe, painless and profitable treatment services.
15-Aug-2019		Aspiron Health Resources	Specialized Healthcare Partners LLC	Aspiron helps hospitals and physicians recover otherwise lost claims revenue from motor vehicle accidents, workers compensation, the Veteran's Administration, and Tricare as well as out-of-state Medicaid, Medicaid eligibility, underpayments and denials. Aspiron's experienced team of healthcare professionals and claims analysts helps ensure that providers receive the revenue rightly due to them on complex claims so that hospitals and their staff can focus on patient care.
13-Aug-2019		Comprehend	Saama(Suresh Katta)	Developer of a cloud-based clinical intelligence platform intended to improve the speed safety of clinical trials. The company's platform offers a suite of applications to monitor and analyze clinical data across disparate sources in real-time for offering CRO oversight, centralized monitoring, risk monitoring, data review and medical monitoring, enabling clinical operations teams to accelerate and optimize clinical trials in a hassle-free manner.
13-Aug-2019		Qcentive	Apervita(Paul Magelli)	Developer of a value-based contract and alternative payment administration services designed to make it radically easier for healthcare organizations to create, manage and settle value-based relationships of any kind. The company's services help payers, providers and purchasers to manage effective value-based payment programs in commercial and government healthcare, enabling healthcare payers and providers to work together to improve quality and manage costs.
12-Aug-2019		QxMD	WebMD Health(Jeremy Schneider)	Developer of technology solutions intended to serve healthcare professionals as well as hospitals, libraries, scholarly publishers. The company's software applications allow access to full-text research, continuing medical education (CME), and up-to-date tools, enabling healthcare professionals to drive disease recognition and therapy optimization.
09-Aug-2019		Clinigence		Provider of healthcare software intended to provide value-based care and population health management. The company's cloud-based platform offers physician practice, add-on to electronic health records and clinical business intelligence services that aggregates clinical and claims data across multiple settings, information systems and sources to create a holistic view of each patient and provider and virtually unlimited insights into patient populations enabling healthcare organizations to provide value-based care and population health management to drive success in value-based care.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Deal Size	Company Name	Investors	Description
09-Aug-2019		iGambit (PINX: IGMB)	Clinigence(Jacob Margolin)	iGambit, Inc. is a medical technology company. It is focused on the expansion of medical technology business HealthDatix. HealthDatix is an end to end Software-as-a-Service solution managing reports, and analyzing critical data, that enables healthcare organizations to deliver positive patient outcomes. It offers cloud service for healthcare providers to conduct the Medicare Annual Wellness Visit program to their Medicare patients providing the patient with a personalized preventive plan and physician reports.
08-Aug-2019		MyHealthDirect	Experian (LON: EXPN)(Jennifer Schulz)	Developer of a digital care coordination platform to optimize scheduling for providers, payers, and consumers. The company's platform through its technology guides consumers to the right care and the consultative services provides insights and actionable analytics, enables medical professionals to improve outcomes and enhancing the patient experience.
07-Aug-2019	21.00	BioSensics (predictive health care technology)	Best Buy (Minnesota) (NYS: BBY)(Corie Barry)	Developer of predictive healthcare technology based in Watertown, Massachusetts. The company provides wearable sensor technology that can help detect falls and other issues facing seniors.
07-Aug-2019		LocalMed	Dental Intelligence(Weston Lunsford)	Developer of an online platform intended to make scheduling online appointments easy for both patients and providers. The company's online dental scheduling platform directly integrates into the existing practice management system and accurately displays all times by appointment type and chair while eliminating double-booking, allowing patients to find and schedule real-time appointments online, 24/7.
07-Aug-2019		Xertecs	ACG Worldwide(Richard Stedman)	Manufacturer of pharmaceutical machinery in Germany. The company offers high shear mixer, fluid bed systems, tablet coater, laboratory fluid bed system, pilot-scale tablet coating system and related services with innovation combined with flexibility in the development and implementation of processes, products and services, enabling international companies to increase efficiency and availability with simplified and cost-optimized maintenance.
06-Aug-2019		Parity Computing	Elsevier(Olivier Dumon)	Developer of artificial intelligence technologies and machine learning algorithms designed to solve difficult analytics challenges in science, technology and medicine (STM). The company's AI technologies transform raw STM content into accurate disambiguation, profiling and recommendation applications for publishers and researchers and machine learning algorithms for multivariate predictors on genomic and clinical data prevent conventional approaches from generalizing to new data, enabling clients to receive quality machine learning, natural language processing and semantic technologies.
01-Aug-2019		MD Insider	Accolade(Rajeev Singh)	Developer of a healthcare technology platform designed to analyze doctor's performance. The company's platform offer web portals where employees can search physicians by health plan that maintains physician performance transparency in the areas of experience, quality and cost, enabling employers to optimize their physician networks, providing lowest cost physicians to their employees.
01-Aug-2019		WRT Specialties	DAS Health(David Schlaifer)	Developer of healthcare software based in Waukesha, Wisconsin. The company offers practice management software, health records development and medical billing services.
31-Jul-2019	900.00	Shields Health Solutions Holdings	Walgreens Home Care, Welsh, Carson, Anderson & Stowe(Thomas Scully)	Provider of specialty pharmacy integration and care services. The company partners with hospital leaders on every aspect of specialty pharmacy creation, growth and management to offer on-site pharmacy and care professionals, a purpose-built specialty pharmacy technology platform, access to nearly all limited distribution drugs (LDDs) and most (health insurance) payors in the nation intended to provide the fastest, lowest-risk model for health systems to create or grow a hospital-owned specialty pharmacy program.
31-Jul-2019		Akira Health	Telus Health	Provider of an online clinic designed to give timely and technology-enabled private healthcare. The company's telemedicine technology and operations platform provides 24/7, French/English, cross-Canada coverage and can diagnose, prescribe, refer to a specialist and give medical advice through technologies like video medicines, chats, prescriptions and online medical records, enabling patients to speak directly to their doctors and access medical consultation in real time.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Deal Size	Company Name	Investors	Description
30-Jul-2019	29.15	Web100T	Medasys (PAR: DEDAL)(Frédéric Vaillant)	Developer and designer of healthcare administration software. The company develops administrative software by using innovative technologies and full web techniques that can be offered in Software-as-a-Service (SaaS) mode as well as offers a healthcare Enterprise Resource Planning (ERP) package, enabling the public and private healthcare institutions to maintain patient records and ensure efficient administrative management in the premises.
30-Jul-2019		Karate Health	Progentec Diagnostics(Mohan Purushothaman)	Developer of a health management platform intended to build engaging mobile products that empower our users to develop and maintain healthy lifestyles. The company's offerings include building various applications from health content to symptom insights, enabling patients with chronic diseases to help interact with people with similar conditions and receive information and support from the community.
29-Jul-2019		Oncolmmunity	NEC Corporation (TKS: 6701)(Osamu Fujikawa)	Developer of a bioinformatics platform designed to address the key knowledge gaps in the prediction of bona fide immunogenic neoantigens for personalized cancer immunotherapy. The company's platform identifies optimal neoantigen targets for truly personalized cancer vaccines and cell therapies in a clinically actionable time frame, enabling health institutions and research organizations to access effective tools to derive optimum results in cancer immunotherapy easily.
24-Jul-2019	600.00	InstaMed	JPMorgan Chase(Takis Georgakopoulos)	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.
22-Jul-2019		Mobilize Rescue Systems	ZOLL Medical(Elijah White)	Developer of emergency technology designed to assess and manage a variety of medical emergencies. The company's technology provides instructions and supplies to manage severe bleeding, cardiac arrest, seizures, choking, chest trauma, hypothermia and burns, enabling bystanders to save lives by equipping them with the resources necessary to respond to a medical emergency.
22-Jul-2019		Workup (US)	D2 Pharma Consulting(Dean Erhardt)	Developer of patient engagement platform based in the US. The company translates a doctor's plan for a patient into actionable, prioritized checklists builds a calendar of medical events and corresponding tasks which paints a complete picture of the patient's progress.
22-Jul-2019		Mobilize Rescue Systems	ZOLL® Medical Corporation	Mobilize RRS's interactive trauma and first aid systems are designed to help untrained bystanders assess, manage, and help injured people during medical emergencies. There is a universal need to help bystanders play a more active role in responding to emergencies that result from accidents, medical emergencies, and acts of violence.
18-Jul-2019	101.60	AdvanceCare - Gestão de Serviços de Saúde	Assicurazioni Generali (MIL: G)(Jaime Melgarejo)	Provider of health insurance products. The company provides health insurance policies and health insurance management services.
17-Jul-2019		Medumo	Philips (AMS: PHIA)	Provider of a care management platform intended to help in delivering the right instructions to the right patients at the right time. The company's care management platform permits patients to seek medical advice, manage health records and receive automated instructions by connecting them to physicians and medical staffs, enabling healthcare providers to keep track of their patients, reduce staff burden and improve preparedness.
17-Jul-2019		MYnd Analytics	Emmas Life Sciences (PINX: EMMA)	MYnd Analytics Inc is a predictive analytics company. It mainly focuses on developing a decision support tool to help physicians reduce trial and error treatment in mental health and provide more personalized care to patients. The company provides objective clinical decision support to mental health care providers for the personalized treatment of behavioral disorders, including depression, anxiety, bipolar disorder, post-traumatic stress disorder (PTSD) and other non-psychotic disorders. In addition, the company also develops a proprietary neurometric platform, PEER Online to generate Psychiatric EEG Evaluation Registry (PEER) Reports predicting the likelihood of response by an individual to a range of medications prescribed for the treatment of behavioral disorders.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Deal Size	Company Name	Investors	Description
17-Jul-2019		Quantitative Insights	Clarity Imaging	Provider of patient management services intended to harness the power of research and advanced imaging. The company's services offers an intuitive computer-aided diagnosis workstation along with a platform incorporating machine learning for the evaluation of breast abnormalities, enabling radiologists to increase both the efficiency and accuracy of breast cancer diagnosis.
16-Jul-2019		Elite Computer Italia	Henry Schein One(James Harding)	Developer of computer software intended to deliver state-of-the-art practice management solutions to dental clinics. The company offers software for orthodontists, cephalometric analysis, organizing storage, managing appointments including a platform to communicate with patients, providing its clients with prompt and effective technical interventions.
15-Jul-2019		NeuBase Therapeutics (NAS: NBSE)		NeuBase Therapeutics Inc is engaged in the development of gene silencing therapies with its synthetic antisense oligonucleotides. Its Patrol platform is focused on the development of drugs for rare genetic diseases such as Huntington's Disease, Myotonic Dystrophy and Familial Parkinson's Disease among others.
11-Jul-2019	65.00	Jungla	Invitae (NYS: NVT)(Sean George)	Developer of a molecular function software platform created to optimize disease diagnosis and treatment. The company's platform helps in the diagnosis of diseases and optimization of drug development, enabling healthcare providers to accelerate diagnostic development and treatment.
09-Jul-2019		FloCare	@WalmartLabs(Hari Vasudev)	Developer of a healthcare application designed to organize all the work a clinician needs to do in one place. The company's application offers building products and technologies to realize this vision of home health care, enabling healthcare practitioners to manage their sector and get real-time updates about staff visits, route for the day.
08-Jul-2019		PMOD Technologies	Bruker (NAS: BRKR)(Wulf Jung)	Developer of research-use-only medical imaging software based in Zurich, Switzerland. The company offers preclinical and molecular imaging services, with a focus on molecular quantification and pharmacokinetic modeling.
01-Jul-2019		Karen (Care)	FrontPorch (Caregiver Platform)	Provider of a SaaS based healthcare platform intended to offer custom healthcare plans for senior family members. The company's healthcare platform offers tools and actionable healthcare plans to solve the pain points of family care giving, enabling families to provide better and less stressful care for aging parents and relatives.

Source: Pitchbook Data, Inc.

RECAP: BECKER'S HEALTH IT + RCM CONFERENCE

The takeaways from the recent Becker's Hospital Review 5th annual HCIT & RCM Conference in Chicago are that AI (which really includes bots, RPA, ML, and AI) in workflow along with patient experience and monitoring were active topics of discussion and covered by many vendors. Significant venture dollars continue to flow into companies trying to become leaders in AI niche areas of workflow or clinical insight to reduce cost and improve care. Typically, these new virtual workforce or virtual assistants (most have female names like Ann, Beth, Susy etc), are not making jumps in innovation but appear to be doing the "low hanging fruit" of overlooked tedious process improvements which is seeing tremendous opportunity to make enhancements for health systems and providers and their bottom line. Nevertheless, the ability to gather quality data from multiple systems or devices remains the challenge to gather the insight and provide the right information to the right person at the right time.

Leading health AI company Olive was in attendance, and as a big sponsor of the event. They also happen to be our neighbors in Columbus. The company develops process automation software designed to build an AI system that makes processes easier for humans. To date, the company has raised \$68.25mm. According to CB Insights, funding for healthcare artificial intelligence startups reached a quarter high of \$864 million in Q2 of this year. That was led by a \$200mm round to Tempus in May. Tempus develops AI-enabled precision medicine software on its collection and analysis of clinical and molecular data. Deep Lens, a pathology AI company also in Columbus raised \$14mm in April.



PUBLICLY TRADED RCM & HCIT COMPANIES

Selected Publicly Traded RCM and Healthcare IT Companies

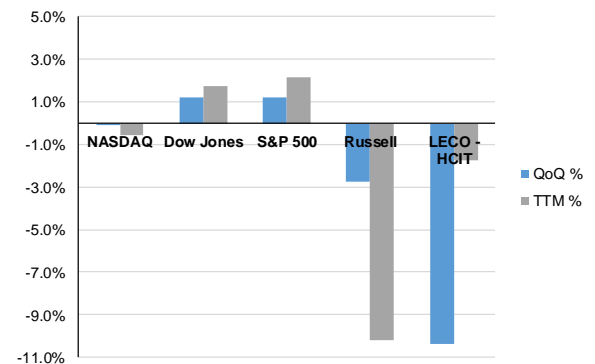
Company Name	Ticker Symbol	Stock Price 9/30/2019	% Change Prior Quarter	% Change TTM	Price 52 Week High	Price 52 Week Low	Market Cap	EV	Diluted EPS	Price To Earnings	LTM Revenue	EBITDA	EV to EBITDA	EV to Revenue
Allscripts Healthcare Solutions, Inc.	NAS:MDRX	10.98	-5.59%	-22.95%	14.34	8.54	1,830	2,653	2.0	109.8	1,587	256.4	10.3x	1.5x
Cerner Corporation	NAS:CERN	68.17	-7.00%	5.84%	76.47	48.78	21,705	21,790	1.9	36.1	5,527	1,417.2	15.4x	4.1x
Computer Programs & Systems Inc.	NAS:CPSI	22.61	-18.64%	-15.79%	34.00	20.72	325	454	1.3	17.9	277	38.0	12.0x	1.6x
eHealth, Inc.	NAS:ETHH	66.79	-22.43%	136.34%	112.22	27.15	1,523	1,447	0.0	6,679.0	310	10.1	143.6x	5.8x
HealthStream, Inc.	NAS:HSTM	25.89	0.12%	-16.51%	31.21	23.06	838	709	1.0	62.8	249	40.8	17.4x	3.1x
HMS Holdings Corp.	NAS:HMSY	34.47	6.41%	5.04%	40.67	26.21	3,011	3,006	0.6	53.9	626	120.8	24.9x	5.0x
McKesson Corporation	NYS:MCK	136.66	1.69%	3.02%	150.82	106.11	25,269	34,785	0.2	803.9	217,440	1,784.0	19.5x	0.2x
Medidata Solutions Inc.	NAS:MDSO	91.50	1.09%	24.81%	98.60	60.10	5,715	5,702	0.9	107.6	685	93.6	60.9x	9.0x
Quality Systems, Inc.	NAS:NXGN	15.67	-21.26%	-21.96%	21.12	13.60	1,025	1,056	0.4	41.2	528	75.0	14.1x	2.0x
Streamline Health Solutions Inc.	NAS:STRM	1.08	-28.17%	-8.08%	2.09	0.57	23	35	(0.3)	N/A	21	(2.9)	N/A	1.6x
Medical Transcription Billing, Corp.	NAS:MTBC	3.78	-25.15%	-27.31%	5.65	3.25	45	40	(0.6)	N/A	65	0.9	46.3x	0.8x
Inovalon	NAS:INOV	16.39	12.96%	63.08%	17.80	9.19	2,528	3,411	(0.3)	N/A	585	91.9	37.1x	6.5x
R1 RCM Inc.	NAS:RCM	8.93	-29.01%	-12.11%	13.19	7.10	1,002	1,618	(0.6)	N/A	1,084	8.4	192.7x	1.9x
Change Healthcare Inc.	NAS:CHNG	14.60	0.00%	N/A	15.50	11.24	1,508	1,505	(0.4)	N/A	0	(70.6)	N/A	N/A
Average			-10.38%	-1.76%					0.5	154.2			35.5x	3.3x

Source: © PitchBook Data, Inc. 2019

Index Performance

Index Name	Index Price 9/30/2019	QoQ %	TTM %
NASDAQ	7,999.34	-0.1%	-0.6%
Dow Jones	26,916.83	1.2%	1.7%
S&P 500	2,976.74	1.2%	2.2%
Russell	1,523.37	-2.8%	-10.2%
LECO - HCIT	N/A	-10.4%	-1.8%

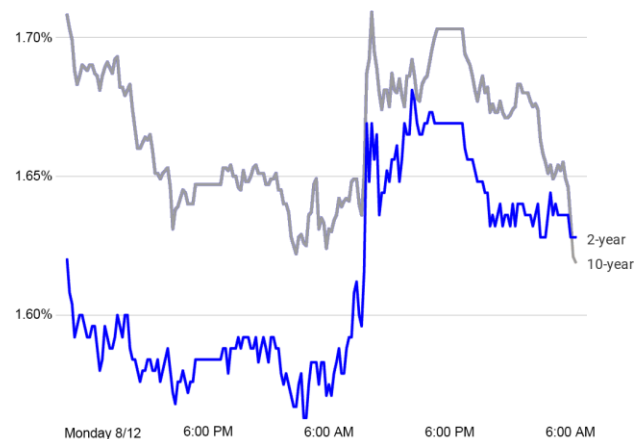
LECO Index vs. Broad Market



The publicly traded equity markets during Q3 saw a weak return with the indexes returning less than 1.2% QoQ. The markets plunged with the Dow tanking 3.05% points on August 14th, the biggest intraday trading loss of the year and the fourth-largest point drop of all time. This came as a result of concerns over the bond market, as the yield on the 10-year Treasury had briefly fell below the two-year rate, and briefly signaled recession warnings for investors.

The LECO Index underperformed the Dow Jones and S&P 500 by 11.6%. On a Trailing Twelve Month (“TTM”) basis our index is trailing both the DJIA and S&P 500 by 3.5% and 4% respectively. Multiples within the HCIT space were down this quarter with an EV over EBITDA average multiple of 35.5x, down from 38.9x the prior quarter. Revenue multiples are also down slightly this quarter from 3.5x to 3.4x.

Yield Curve Inversion - 8/12 through 8/14



Source: CNBC

Inovalon (NASDAQ: INOV): Inovalon was our top performer this quarter yielding 12.96% QoQ. This came as the company beat EPS estimates by \$0.04, ending the quarter with a Non-GAAP EPS of \$0.13. Revenue beat estimates by \$1.26M, bringing the company’s total revenue for Q2 to \$156.98mm. Inovalon is a cloud-based platform that provides data-driven decisions in the healthcare space.

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
&
CORPORATE FINANCE**

- Private Company Sales
- Division/Subsidiary Divestitures
- Distressed Transaction Advisory
- Acquisition Advisory Services
- Private Market Financings
- LBO's and Recapitalizations

CONSULTING

- Strategic Options Analysis
- Valuations & Financial Assessments
- Interim CEO/CFO
- Strategic Planning
- Organizational Reviews
- Expert Testimony & Opinions

**TURNAROUND
&
RESTRUCTURING**

- Turnaround Management
- Debt Restructuring/Refinancing
- Orderly Liquidations
- Chief Restructuring Officer (CRO)
- Bankruptcy Planning / 363 Sales
- Receivership / Trustee

Represented Healthcare Transactions



ACQUIRED

**MULTI SPECIALTY
MEDICAL BILLING
COMPANY**



ACTED AS ADVISOR



GROWTH CAPITAL RAISE




ACTED AS ADVISOR



GROWTH CAPITAL RAISE



ACTED AS ADVISOR
AND INVESTOR



ACQUIRED BY




ACTED AS ADVISOR



**ACQUIRED BY A
STRATEGIC BUYER**



ACTED AS ADVISOR

**MEDICAL BILLING AND
TECHNOLOGY COMPANY**

\$8,000,000

**ACQUIRED BY A
STRATEGIC BUYER**



ACTED AS ADVISOR

**MULTI SPECIALTY
MEDICAL BILLING
COMPANY**

MIDWEST

**ACQUIRED BY A
STRATEGIC BUYER**



ACTED AS ADVISOR



**DENTAL PRACTICE
MANAGEMENT AND
EDUCATION SOFTWARE**



ACTED AS ADVISOR

Neil Johnson
Managing Partner
njohnson@lawrenceevans.com

Dave Opalek
Director
dopalek@lawrenceevans.com

Darin Soat
Analyst
dsoat@lawrenceevans.com

Tel: 614-448-1304