

Q1

2020



RCM, HEALTH IT, DATA & ANALYTICS NEWSLETTER



LAWRENCE, EVANS & CO., LLC

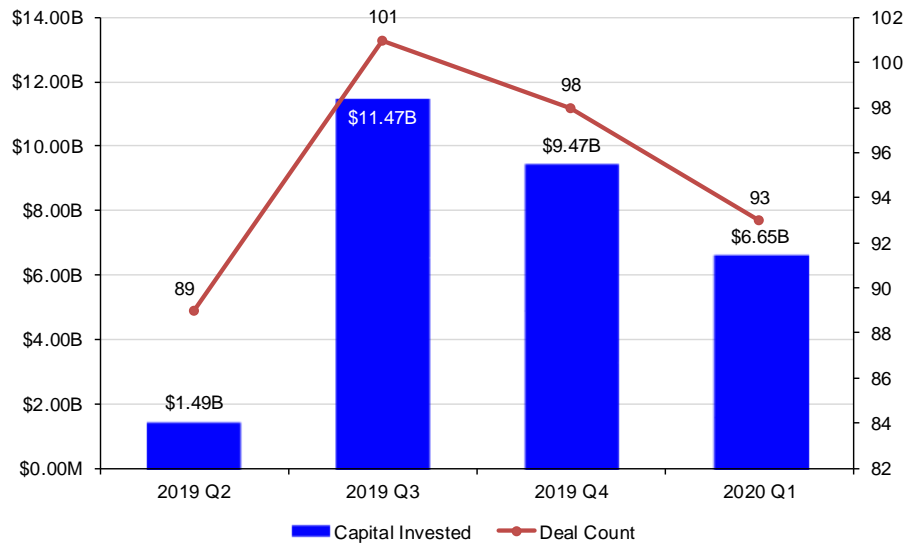
Investment Banking | Healthcare Finance | Consulting

SNAPSHOT OF FOURTH QUARTER

In our last quarterly newsletter that published less than three months ago, we mentioned a wide range of topics including the Democratic primary, the JPMorgan Healthcare Conference in San Francisco, and we mentioned that healthcare would be a hot topic as this next election rolls around.

Well, we ended up being both very right about the general theme, but very wrong about the focus. Never did we expect that 3 months later, a topic that was not even brought up in our quarterly newsletter crafted in January would take the country by storm. Just one quarter later, and we are working remote while watching our healthcare system face potentially its biggest challenge ever.

RCM, HCIT, Data & Analytics PE Capital Invested & Deal Count



Source: PitchBook Data, Inc. & LECO

However, through this storm, Telemedicine has been handed its shot of a lifetime. Quick policy changes have opened the doors for broader applications of Telemedicine. This could change the way we treat checkups, impacting both primary care and hospitals. (Cont. next page: Rapid Changes to Telemedicine)

TOP TRANSACTIONS

Deal activity during the first quarter of 2019 continued the downtrend in both deal size and deal count. However, this comes at no surprise, as COVID-19 continues to put ripples through the economy and a variety of healthcare sectors.

RCM, Health IT, Data & Analytics Top Q1 Transactions

Deal Date	Company Name	Acquirer	Deal Size
17-Jan-2020	Piramal (Healthcare Analytics Business)	Clarivate Analytics	950
20-Jan-2020	Intelerad Medical Systems	HgCapital	849
09-Mar-2020	HealthEdge	The Blackstone Group	730
12-Jan-2020	InTouch Health	Teladoc	600
13-Jan-2020	SCI Solutions	R1 RCM	190
06-Apr-2020	Wellbeing Software Group	Citadel Group	121
10-Mar-2020	YouScript	Invitae	79
03-Feb-2020	NantHealth (Connected Care Solutions)	Masimo	47
08-Jan-2020	CareCloud	MTBC, Inc	39
27-Feb-2020	NeuroVasc Technologies	Shandong Weigao Group	34

For what would be the top transaction this quarter, software company **Imprivata** had their transaction cancelled. It was expected that the total buyout size was around \$2B in total consideration, and it's unclear why the deal was cancelled.

Intelerad Medical Systems, a provider of medical images, workflow and data management software, was acquired by Hg and its management through a LBO in January.

Core Administrative Processing Systems company **HealthEdge** entered into a definitive agreement to be acquired by The Blackstone Group through a \$730 million LBO on March 9, 2020.

Finally, **InTouch Health**, a developer of a virtual care platform designed to provide high-quality, patient centric virtual care was acquired by Teladoc.

RAPID CHANGES TO TELEMEDICINE

Perhaps the biggest winner in all of this is telemedicine, the real-time, audio-visual visits between a clinician and patient. Some doctors and telemedicine experts tell us that the COVID-19 outbreak has spurred a trend that has seen a spike in demand for the technology. But not long ago, the regulatory environment made these easy at-home visits more difficult. But due to the outbreak, these relaxations are more of a necessity than a formality.

The first of these steps came on March 6th when Congress passed the Coronavirus Supplemental Appropriations Act which included a \$500 million authorization to enhance telehealth services. The most important takeaway is that HHS was given the authority to waive or modify telehealth requirements in times of national emergency.

And they did make modifications. To start, HHS waived the established relationship requirement for Medicare recipients. Moreover, they will not conduct audits ensuring a prior relationship existed for claims submitted during the public health emergency. This comes as an effort to make access to healthcare services easier for Medicare recipients.

Additionally, HHS announced that it will exercise enforcement discretion on penalties for HIPAA violations against healthcare providers that serve patients in good faith through everyday communications technologies. This includes the free version of Skype which is non-HIPAA compliant, and Facetime. Of course, this has tradeoffs, with hackers most certainly on the prowl to find ways to exploit this. HHS is also providing flexibility allowing healthcare providers to reduce or waive copays and deductibles paid for by federal healthcare programs.

On March 27th, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act that expanded access to telehealth an reauthorized \$29 million per year for the Telehealth Network and Telehealth Resources Centers, and the Telehealth Network Grant Program. Additionally, it provided \$200 million for the FCC to advance telehealth.

On March 31st, CMS announced many temporary waivers granting healthcare providers and facilities additional flexibility, including permitting physicians to bill out for more services than previously allowed including some Critical Care, Domiciliary and Emergency Department Visit codes. Amongst many other changes was a removal of the frequency limitation on telehealth visits now removing the limits for telehealth visits per patient.

Is this catapult into telemedicine a recipe to forever alter reimbursement and business models to provide care from urgent care, primary care, specialists as well as hospitals, post-acute providers, and other remote patient monitoring? Before the outbreak, telemedicine struggled to take hold, in part because of government regulation and a lack of interest from patients and big companies. Now, companies like **Teladoc Health Inc. (NYSE: TDOC)** and Doctor on Demand Inc. (\$74M Series C April 2018) are racing to add doctors and bandwidth, while big tech firms like Microsoft Corp. add services. Whether the flurry is a short-term response to the crisis, or a more lasting shift in health care is still unknown. A longstanding challenge for the industry has been sometimes-conflicting government rules about the provision of health care and how to protect patient privacy. Insurance and reimbursements for the services vary. Big tech and health-care players, with deep pockets and trusted brands, are swooping in, too, potentially making it harder for pure-play telemedicine companies to benefit. Still, players like Teladoc see a longer-term shift. The company said many of its first-time users have become repeat visitors. A spokesman for Doctor on Demand said the influx of new patients would be a long-term benefit to its business (WSJ 4/1/20)

Various sources have estimated that the global market for telehealth will experience a compound growth rate of 12% reaching \$130 billion by 2025. Telehealth companies globally, including telemedicine and remote monitoring companies, [received \\$1.8 billion in venture funding in 2019](#), which was the largest amount received in any Digital Health technology category in the year. Funding increased by 42% year-over-year compared to \$1.3 billion in 2018. Telemedicine saw \$950 million of venture funding in Q1 of 2020.

Continued on next page

CONT. - RAPID CHANGES TO TELEMEDICINE

The two large funded deals in 2019 were \$550M by Babylon and \$250M by Tencent Trusted Doctors. Other recent notable transactions and announcements include:

1/28/2020 - Wheel, a digital health company building the infrastructure required for virtual care to realize its full potential, launched with a \$13.9 million Series A funding round. The round was led by CRV, with participation from Tusk Venture Partners and Silverton Partners.

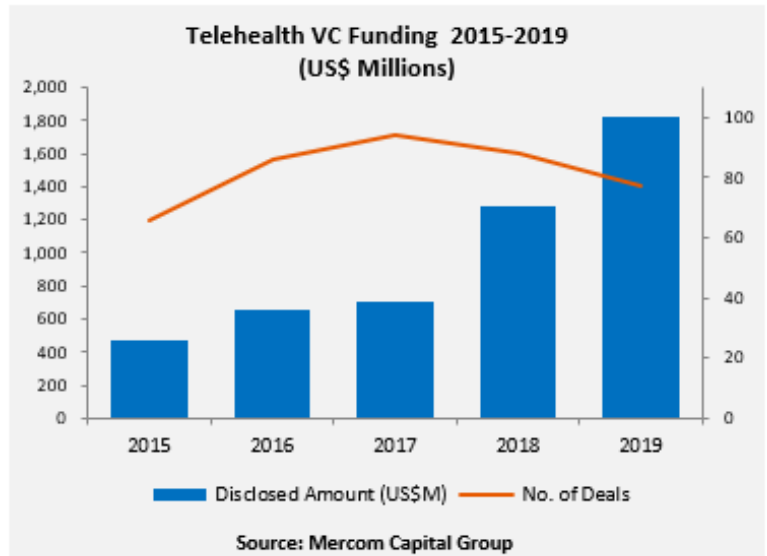
2/10/2020 - Wellin5, an innovative online telehealth counseling platform, announced its acquisition of Therachat, a US-based mental health startup.

2/20/2020 - Cloudbreak Health, LLC, a leading unified telemedicine and video medical interpretation solutions provider, announced it has secured a \$10 million investment from Columbia Partners Private Capital

4/1/2020 - TeleHealthSolution acquired by New Capital Partners is a Telemedicine technology to support the delivery of medical care in the acute care and post-acute care

4/6/2020 - SteadyMD's Relationship-Focused Telehealth Services Collect \$6M Series A

4/7/2020 - Tyto Care Raises \$50M to Expand Its Telehealth Exam and Diagnosis Offering Globally



What sort of technologies are allowed?

Technologies that MAY be used that do not meet HIPPA requirements:

- Apple FaceTime
- Facebook Messenger video chat
- Google Hangouts video
- Skype

HIPPA compliant providers:

- Skype for Business
- Updox
- VSee
- Zoom for Healthcare
- Doxy.me
- Google G Suite Hangouts Meet

You can NOT use:

- Facebook Live
- Twitch
- TikTok
- Instagram

SELECTED TRANSACTIONS

Deal Date	Company Name	Acquirers	Description
21-Feb-2020	Able Health	Health Catalyst	Developer of a data and analytics software for physician organizations designed to manage value-based programs. The company's software is aimed at physician organizations, that pulls data from electronic health records, enabling outpatient administrators to track and report the quality of work performed by health care professionals and offer value-based reimbursements to them.
27-Feb-2020	AlertMD	EverCommerce	Developer of an all-in-one mobile platform based in Chicago, Illinois. The company provides increased professional fee billings, increased patient visits and faster revenue cycle management through solutions for the front office, care coordination/communication, and the back office.
05-Mar-2020	Ashtons Hospital Pharmacy Services	LDC	Provider of medicine management solutions to the UK independent healthcare sector. The company's services include clinical pharmacy support, the supply of medication and specialty pharmacy services to independent hospitals, hospices, and clinics.
12-Mar-2020	BaseHealth	Genalyte	Developer of a predictive health management platform designed to provide personalized disease risk assessment. The company's predictive health management platform combines genomic data with clinical and behavioral analysis to engage patients with their physicians in a highly-collaborative way, enabling physicians to create a detailed action plan uniquely suited to their patients.
28-Feb-2020	Care Experience	QuestionPro	The company primarily operates in the Business/Productivity Software industry. Care Experience was founded in 2016 and is headquartered in Dallas, TX.
01-Jan-2020	Care Solutions (Belgium)	Malta Informatique	Developer of software for the healthcare sector based in Schelle, Belgium. The company offers URA web, residential care file, residential care management, medication stock and prescription management, zapps, checkout package and inami simulation to its clients.
24-Mar-2020	CareVoice	HTD Health	Provider of healthcare platform intended to streamline healthcare arrangements. The company's platform breaks down complicated medical jargon and walks each user through a series of simple questions about the end of life care while sharing the responses with medical providers, enabling their clients to avail advanced healthcare planning.
31-Mar-2020	Carie	Emerald Organic Products	Developer of a mobile health booking platform designed to connect users with a network of U.S. board-certified doctors round the clock. The company's platform uses open API architecture for easy integration with EHR and practice management that includes patient queue to provide insight into work day, enabling physicians to increase practice revenue and patients to get convenient care who are unable to make it to the office, yet need quality care.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS - CONT.

Deal Date	Company Name	Acquirers	Description
03-Feb-2020	Centauri Health Solutions	ABRY Partners	Developer of cloud-based data management software solution designed to create custom solutions for health plans and hospitals, optimizing government-sponsored healthcare reimbursement for the care and coverage provided to health plan members and hospital patients. The company's software helps hospitals in medical record retrieval & medical record coding, quality program management, eligibility & enrollment, healthcare data analytics and hospital accounts management & billing.
04-Feb-2020	Clindata (Human Health Biometrics division)	Synteract	Provider of biometrics services solutions based in Bloemfontein, South Africa. The company offers biometrics services solutions to biotech and pharma companies.
03-Jan-2020	Complia Health (Procura Division)	AlayaCare	Developer of a software package to automate and manage the organization. The company's services include clinical, operational and financial capabilities, providing the medical sector with real-time access to information with a range of mobile solutions and comprehensive patient record systems.
06-Mar-2020	Connectyx Technologies	SunMed Advisors	Connectyx Technologies Holdings Group Inc is a Healthcare BPO. The company provides unique products for the healthcare market including MedFlash, the electronic Personal Health Manager (ePHM), Medical Alert US, a Personal Emergency Response Services (PERS) product and Medical Transcription, Disease Management, Revenue Cycle Management and Medical Consulting - Billing. Its consumer product, MedFlash PHM, is an easy to use Personal Health and Lifestyle Manager that is accessible using a powerful web portal suite. The MedFlash, PHM provides member benefits including instant access to members' Emergency Medical Profile and Personal Health Record in the event of an accident or a medical emergency.
31-Jan-2020	Cryogatt	CARE Fertility Group	Developer of cryogenic radio frequency identification systems created to track critical assets under extreme temperature. The company researches and develops box, vapor, multiple straws and pot readers and systems that operate at accepted safe levels for delicate biomedical samples that are cryogenically stored in laboratories, biobanks and fertility clinics, enabling clients to automate audits while preventing cryogenic sample identification and location errors.
20-Jan-2020	Dan Produkte	MediFox	Developer of healthcare security in Germany. The company specializes in developing and offering nursing documentation, billing, personnel scheduling, ambulatory, and other software services.
03-Apr-2020	Datafile Technologies	ScanSTAT Technologies	Provider of health information management services intended to streamline your medical records workflows. The company's health information management service is a turnkey based service such as release of information, incoming faxes and scans filing and indexing, as well as data structuring, enabling health care providers to standardize and centralize clinical workflows.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Company Name	Acquirers	Description
02-Mar-2020	e Coventry Workers' Comp Services	Mitchell International	Provider of compensation cost and care management services intended to enhance network development, clinical integration and operational efficiencies at the client desktop. The company offers network solutions, clinical solutions, specialty solutions, ancillary services, outcomes-based network program and other related services to employers, insurance carriers, and third-party administrators, helping to manage claims cost.
10-Mar-2020	eCaring	EC Acquisition Holding	Developer of an icon-based population health management system designed to offer personal health record management. The company's system provides actionable in-home care data, connecting the home, family and care providers as well as integrates behavioral and clinical data in real-time, enabling hospitals, healthcare providers and families to get round-the-clock home healthcare management and monitoring system for seniors and people with chronic conditions.
07-Jan-2020	Evariant	Healthgrades	Provider of SaaS-based enterprise platform designed to modernize physician alignment strategies with data analysis. The company's enterprise platform brings together robust business intelligence tools, comprehensive and current data and advanced analytics to produce attributable outcomes, enabling leading hospital networks make sense of big data and gives marketers and physician relationship teams actionable insights to drive volume and engagement.
21-Jan-2020	Excel Medical	Hill-Rom Holdings	Provider of medical data based in Jupiter, Florida. The company aggregates data from physiological monitors, medical devices and its surveillance tools enable caregivers to evaluate data from multiple sources and track trends that might point to patient deterioration.
02-Jan-2020	H&S Qualità nel Software	CompuGroup Medical	Developer of healthcare technology software located in Piacenza, Italy. The company provides solutions including patient management, disease and dosage management, blood pressure level, spirometry and pulse oximetry which is linked and can be viewed on a tablet, a laptop or a mobile.
17-Mar-2020	HealthAware	Eruptr	Provider of an online patient engagement platform designed to empower people to live healthier lives through digital therapies. The company's platform takes only take a few minutes to assess and provide immediate feedback on health risks and strategies to improve health, enabling individuals to take control of their health and happiness, everyday.
02-Mar-2020	Horizon Health Fund	Carepayment	Provider of patient financing services based in Durham, North Carolina. The company offers patient financing plans for hospitals and large health systems, providing a variety of accessible and affordable payment options with different terms and interest rates.
30-Jan-2020	iCD. Vertriebs	GUS Group	Provider of laboratory software and programs based in Frechen, Germany. The company offers laboratory software and related advice and services to various industries including pharma, biotechnology, automotive, chemistry, and petrochemicals.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Company Name	Acquirers	Description
09-Jan-2020	InfiniteMD	ConsumerMedical	Developer of an AI software designed to make medical recommendations and records management to increase access to care and medical knowledge. The company's platform connects patients with leading specialists in the United States through second opinion video consultations, enabling patients with written recommendations and answers from specialists along with video consultations.
19-Mar-2020	InnovativeHealth Group	Evonik Industries	Manufacturer of personal medical products based in Madrid, Spain. The company's products include novel skincare products and enabling its users to treat dermatological diseases.
16-Jan-2020	Integrated Dynamic Electron Solutions	Jeol	Developer of electron imaging technologies based in Pleasanton, California. The company's software uses pulsed electron sources to produce images of proteins, thin films and nano-structures at different time scales for their clientele.
13-Jan-2020	Intelligent Insites	Infor Global Solutions	Provider of automation services designed to improve healthcare operations. The company's services include clinics, asset management, healthcare advisory, acute care, patient flow, clinic operations management, environmental monitoring, and more, enabling medical clinics, orthopedic clinics, and urgent care centers to reduce cycle time and wait time, increase patient access and satisfaction, and improve operating margins.
04-Mar-2020	LiveBetter	Ginger.io	Provider of mental health conversational app experience paired with engaging and evidence-based activities. The company's free interactive, conversational app experience paired with engaging, evidence-based activities is proven to decrease stress, boost confidence and support people with challenges including anxiety, stress and self-confidence.
03-Jan-2020	LivingMatrix	Atrium Innovations	Developer of a cloud-based platform designed to streamline and automate the paper intake process. The company's platform maps patient information into the Functional Medicine Timeline and Matrix and makes tracking patients' progress easy to incorporate into daily workflow while enhancing the practitioner's ability to visualize and interact with the data and to share it with their patients, enabling practitioners to save valuable time and focus on restoring patients back to health.
05-Feb-2020	LocumsMart	CHG Healthcare	Provider of locus vendor management systems. The company's platform connects healthcare organizations with healthcare staffing agencies and physicians to fill their locum's needs intended to help them centralize management of vendor firms, automate the processing of staffing requests and provider bids, access decision support tools to select best candidates and reduce administrative costs and time.

Source: Pitchbook Data, Inc.

Deal Date	Company Name	Acquirers	Description
03-Mar-2020	Loyale	RevSpring	Developer of a patient financial management platform intended to help healthcare providers improve collections and automate payments for improved care delivery. The company's platform increases patient collections through personalized proactive engagement, drives higher patient satisfaction by delivering financial care and planning that aligns with patients' clinical care and planning, reduces provider and patient stress through affordable, accessible payment schedules and financing and improves financial results with data-driven revenue cycle management insights, enabling healthcare professionals and institutes to improve patient understanding, engagement and satisfaction through automating and securing clinical and financial information.
14-Jan-2020	Lucina Health	Unified Women's Healthcare	Developer of a diagnostic technology platform designed to reduce preterm birth. The company's diagnostic technology platform harnesses the power of aggregated data and deep obstetrics analytics to uncover potential risks and complications, enabling would-be mothers and care managers to make critical health decisions that can make a difference in the health of the baby.
13-Jan-2020	Lumere	Global Healthcare Exchange	Provider of evidence-based data and analytics platform intended to improve patient care. The company's platform provides both physicians and hospital leaders with evidence-based data, information and analytics, they have previously lacked, enabling healthcare industry to eliminate unwarranted clinical variation and cut unnecessary costs, specifically related to device and drug selection and utilization.
31-Mar-2020	MacPractice	Valsoft	Developer of a practice management and clinical software built for doctors who use macs. The company's software provides patient scheduling, medical billing, eclaims, inventory management, electronic health record, data security and patient portal, enabling doctors to access to exceptional software at a reasonable cost, gain patient experience and maximizes their connection with patients.
07-Jan-2020	MD-Reports	ProVation Medical	Provider of electronic medical record (EMR), practice management (PM), and report writing software. The company operates as a medical software services provider that designs, develops, markets and supports software related to image capture and medical reporting with its flagship product which offers specialty-specific, integrated electronic medical record (EMR), practice management (PM) and report writing software to physician offices, ambulatory surgery centers (ASCs) and hospitals, thus enabling them to generate excellent reports in an efficient and economical way.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Company Name	Acquirers	Description
06-Jan-2020	MedTouch	Perficient	Operator of a healthcare marketing and technology consultancy firm. The company operates as an online strategy and technology partner for brands in healthcare with a national client base of hospitals, health plans and integrated delivery networks building integrated digital strategy and technology systems to acquire patients and members, provide successful user experiences, and build healthcare-specific online strategies on a web-based platform across five locations in the United States.
17-Mar-2020	NarrativeDx	Press Ganey Associates	Developer of a cloud-based patient insight analysis platform designed to improve patient experiences. The company's platform uses natural language processing and machine learning to collect, analyze and visualize unstructured patient feedback from internal and external sources and automatically highlight key areas for improvement and provide specific recommendations, enabling the healthcare industry to improve CAHPS scores, increase referrals and reduce nurse turnover.
13-Mar-2020	New York Care Information Gateway	Healthix	Provider of health care information based in New York, United States. The company provides patients' health information electronically among disparate clinicians, other authorized entities, and patients to guide clinical decision and care coordination.
11-Mar-2020	Nexus Practice IT Services	Medicus (Atlanta)	Provider of managed IT services based in Columbus, Ohio. The company offers managed IT, VoIP office phone solutions, and application hosting services to healthcare organizations throughout Ohio and the Midwest.
10-Feb-2020	Orpheus Medical	Intuitive Surgical	Developer of a Clinical Media Platform for capturing, broadcasting and managing video contents of medical procedures. The company develops a system that captures and broadcasts video camera signals produced from scope cameras being used in several medical procedures, thereby allowing physicians to better interact with their patients and collaborate with peers.
04-Feb-2020	OTech Group	HealthMark Group	Provider of patient intake management software and systems based in Jackson, Wisconsin. The company offers pre-check-in, check-in, and electronic form services that can be used in clinics, hospitals, and a variety of other healthcare settings.
01-Apr-2020	PandaLab	Malta Informatique	Developer of an e-health application designed for health professionals to get secure and instant messaging services. The company's application allows for instant and secure sharing of health data between healthcare professionals and meets the criteria of effectiveness, efficiency and satisfaction required by the mHealth quality evaluation methodology, enabling healthcare professionals to communicate at the hospital and between the city and the hospital.
03-Mar-2020	Paradigm Diagnostics	Exact Sciences	Developer of diagnostics technology designed to offer personalized cancer diagnostics. The company's technology develops genomic sequencing that provides information about specific cancer pathways and associations between the pathways and the drugs available that can affect the cancer, enabling clients to get diagnostics and biomarker driven clinical trials to benefit cancer patients.

Source: Pitchbook Data, Inc.

Q1 2020 M&A Update
RCM, Healthcare IT, Data and Analytics
SELECTED TRANSACTIONS – CONT.

Deal Date	Company Name	Acquirers	Description
13-Jan-2020	PatientFinder	Definitive Healthcare	Operator of a software analytics firm that helps life science companies and healthcare providers find patient clusters who would most benefit from their products and services. The company's technology allows clients to build highly customized cohorts of patients by analyzing their diagnosis and treatment history and align that intelligence with the physicians and facilities who provide care to those patient populations.
17-Mar-2020	Pinnacle Health Partnership	EMIS Group	Provider of healthcare software systems located in Newport, United Kingdom. The company offers cloud based software for managing VAT, automated reporting, finance reporting and automated invoicing to its clients.
09-Jan-2020	RealHealthData	Amplify Health	Provider of medical database intended to create actionable data from medical records. The company's database contains dataset of detailed narrative medical records which provides a unique perspective on patient conditions and their interactions with physicians, enabling clients to get access to customized and unprecedented access to real world healthcare outcomes.
05-Mar-2020	RedSail Technologies	Francisco Partners	Provider of an integrated software suite for municipalities, counties, and utility districts. The company provides property tax management, utility billing, and accounting software services to help provide accurate calculation, collection, and distribution of money, printing and mailing of statements, and effective budget management
20-Feb-2020	Renaissance Electronic Services	Vyne	Developer of dental platform designed to help dental practices. The company's dental platform provides services such as eClaims processing and attachment, merchant services and customer care services, enabling dental offices to stay connected to insurance companies and patients in real-time thereby increasing efficiency and saving cost and money.
11-Feb-2020	RXTransparent	Inmar	Operator of a healthcare platform based in King of Prussia, Pennsylvania. The company's platform allows healthcare providers to put their finger on the pulse of drug supply chain through product inventory transparency, regulatory compliance and supply chain analytics.
06-Jan-2020	RYAH	Prime Blockchain	Developer of an artificial intelligence based data aggregation and technology platform designed to bolster the cannabis industry to higher medical standards. The company's platform aggregates and correlates HIPAA-compliant medical data and gathers insightful data on cannabis from seed to consumption, enabling doctors to personalize cannabis in order to better predict treatment outcomes.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Company Name	Acquirers	Description
13-Feb-2020	Simplee	Flywire	Provider of a healthcare's leading technology platform designed to engage patients and address affordability with personalized paths to payment. The company's platform helps the health systems to reach higher levels of patient satisfaction and achieve better financial performance, enabling patients to get modern billing and payment experience that engage them in a highly personalized way.
30-Jan-2020	Snapwork	Brightree	Developer of software for healthcare firms and patients in Tennessee. The company makes billing requirement easier as it slows down patient management and allows doctors to focus on their patients rather than paperwork providing them with healthier life and profits.
11-Feb-2020	Strand Diagnostics	P4 Diagnostix	Provider of DNA confirmation testing services located in Indianapolis, Indiana. The company offers DNA specimen provenance testing services, including its forensic know error system, along with its UroSeq germline testing offering. The know error system testing system utilizes bar coding, forensic principles and DNA matching to confirm that surgical biopsy samples being evaluated belong exclusively to the patient being diagnosed
25-Feb-2020	Streamline Health Enterprise Content Management	Hyland Software	Provider of enterprise content management services based in Atlanta, United States. The company securely manages patient data and documents online, and facilitate transactions and processes across the enterprise to improve results and reduce costs.
04-Mar-2020	TeraRecon	SymphonyAI	Developer of 3D medical image processing systems intended to impact clinical care across health systems. The company's systems utilize advanced visualization and artificial intelligence that advances the accessibility, performance, clinical functionality and workflow integration of medical images throughout the healthcare ecosystem, enabling physicians to provide solutions that influence clinical care across health organizations.
14-Feb-2020	The Patient Safety Company	Symplr	Provider of cloud-based quality and risk management software focused on patient safety. The company's multi-tenant cloud platform enables healthcare providers to easily configure implementation without any programming knowledge and automate and support processes such as incident management, quality-improvement management, and accreditation
26-Feb-2020	Thread Learning	CentralReach	Developer of data collection software. The company's software can be used offline and provides a centralized platform to streamline and improve clinical service delivery in classrooms and in-center therapy settings, to improve the quality of care and clinical outcomes, enabling clinicians and educators to provide autism therapy services in center-based clinics and schools.

Source: Pitchbook Data, Inc.

Deal Date	Company Name	Acquirers	Description
10-Jan-2020	Tonic	SCI Solutions	Provider of a patient data collection and payments platform designed to collect any information from any patient on any device. The company's platform offers range of different patient data collection applications, including patient Intake and registration, clinical trials and studies, health risk assessments and screeners, patient-reported outcomes, patient payments, patient satisfaction, consent forms, chronic care management, nurse rounding, advance care planning and more, enabling healthcare service providers to seamlessly combine it all on the backend to provide one unified view of the patient and patient population.
13-Feb-2020	Touch Surgery	Medtronic	Provider of cloud-based data analytics systems designed to codify surgical procedures and improve global surgical care. The company's cloud-based data analytics systems use cognitive mapping techniques, cutting edge artificial intelligence and 3D rendering technology, enabling clients to train and support surgeons in gaining detailed clinical procedure knowledge.
13-Jan-2020	Triggr Health	SonarMD	Developer of predictive system of care designed to help in addiction recovery. The company's predictive system of care develops a platform for reducing drinking and drug use through the privacy of their phone with the help of machine learning algorithm measures a person's sleep history, call logs, texting history and general smartphone usage.
10-Jan-2020	Valify	HCA Management Services	Developer of a SaaS-based purchase services intelligence platform designed to streamline purchased hospital services. The company's web-based platform offers proprietary benchmarking analysis to compare monthly purchased services spend against hundreds of peer institutions to evaluate financial performance, prepare for vendor negotiations and reduce costs that typically comprise up to 45% of a hospital's non-labor budget, enabling healthcare organizations to quickly identify, benchmark and track savings in hospital purchased services.
22-Jan-2020	VisionTree	Brainlab	Designer of a modular, cloud-based, patient-centered outcome platform for patient care, engagement and research based in San Diego, California. The company's platform offers patient-centric data management workflow, web-based cloud computing and connects to all clinical systems, improving efficiency and accuracy.
24-Feb-2020	Visualize Health	Sharecare	Developer of a population health and quality measure attainment platform for medical providers to close gaps in patient care and maximize value-based reimbursements. The company serves providers recommended actions for each patient, including prescribed care measures across a broad array of conditions such as asthma/COPD, depression, diabetes and general preventative care and screening.

Source: Pitchbook Data, Inc.

SELECTED TRANSACTIONS – CONT.

Deal Date	Company Name	Acquirers	Description
07-Feb-2020	Ubcare Co. (KRX: 032620)	GC Biotherapeutics	Ubcare Co Ltd is a South Korea based company engages in the provision of healthcare solutions. It provides medical equipment, e-commerce services, and health functional foods online and offline, e-healthcare, mobile healthcare, home healthcare, and other healthcare services.
11-Mar-2020	DeepHealth	RadNet	Developer of an online platform designed to connect doctors with patients. The company's platform utilizes machine learning to match suitable doctors and connects them with patients in need, enabling patients to get proper treatment in time.
01-Apr-2020	Lixoft	Simulations Plus	Developer of a modeling and simulation platform designed to reduce the cost and increase the success rate of new drug development. The company's platform deals in model-based drug development and advances to the modeling and simulation community in user-friendly tools designed to break the preclinical/clinical/vigilance divide for modeling and simulation, enabling drug developers to share information and synthesize them in studies.
24-Jan-2020	Pharma Source	Venture Life Group	Provider of medical solutions for allergy problems and oral care throughout the Netherlands. The company specializes in non-prescription medical devices that can solve physical discomforts and disorders that can be diagnosed and treated by the consumer himself by giving them customized solutions.
26-Mar-2020	Insig (AI engine)	WELL Health Technologies	Developer of an Artificial Intelligence engine designed to bring a patient to diagnosis based on their current medical state, symptoms and past medical history. The company's engine offers intelligent questionnaire system that automates the rendering of medical notes, the collection and organization of medical history, and rendering of any original paperwork, improve access for the patients with a safe and effective virtual visit, enabling clinics and providers maximize their potential by automating administration so they can focus on care.
13-Jan-2020	Livecare Health Canada	Premier Health Group	Provider of telehealth services based in Surrey, Canada. The company engages in giving patients access to quality, real-time healthcare, regardless of where they are located offering digital technologies that connect doctors & health care providers to their patients via secure, encrypted, face-to-face video and messaging.
31-Jan-2020	Nectarine Health	Brighter One	Developer of a remote care monitoring device intended to assist senior living and independent living facilities to deliver more efficient and higher quality care. The company's device leverages artificial intelligence for analyzing the wearer's patterns and automates alerts with greater accuracy, enabling professional caregivers to monitor seniors in need of care, without having to compromise on their privacy and dignity.
19-Mar-2020	Ondoc	Cytomed	Developer of a patient management system based in Saint Petersburg, Russia. The company provides a health monitoring service that allows its customers to analyze data, save their visit history and doctor's recommendations, make an appointment and also serves as a health care ecosystem that includes clinics, doctors, and patients in order to make health more accessible by improving the quality of medical services.

Source: Pitchbook Data, Inc.

PUBLICLY TRADED RCM & HCIT COMPANIES

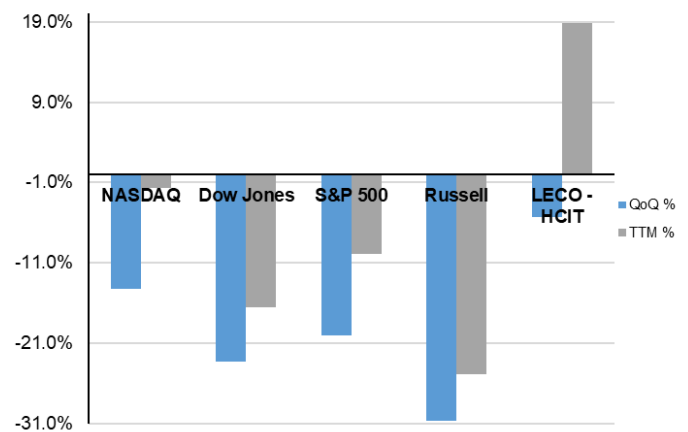
Selected Publicly Traded RCM and Healthcare IT Companies

Company Name	Ticker Symbol	Stock Price 3/31/2020	% Change Prior Quarter	% Change TTM	Price 52 Week High	Price 52 Week Low	Market Cap	EV	EV to EBITDA	EV to Revenue
Allscripts Healthcare Solutions, Inc.	NAS:MDRX	7.04	-28.27%	-26.21%	12.02	4.56	1,145	2,050	30.9x	1.2x
Cerner Corporation	NAS:CERN	62.99	-14.17%	10.10%	80.90	53.08	19,649	20,146	15.3x	3.5x
Computer Programs & Systems Inc.	NAS:CPSI	22.25	-15.72%	-25.06%	35.78	16.93	319	426	10.0x	1.6x
eHealth, Inc.	NAS:EHTH	140.82	46.57%	125.89%	152.19	49.19	3,595	3,610	39.0x	7.1x
HealthStream, Inc.	NAS:HSTM	23.95	-11.95%	-14.65%	29.78	20.03	775	633	13.8x	2.5x
HMS Holdings Corp.	NAS:HMSY	25.27	-14.63%	-14.66%	40.67	18.20	2,226	2,349	15.2x	3.7x
McKesson Corporation	NYS:MCK	135.26	-2.21%	15.55%	172.18	111.71	21,845	33,383	74.0x	0.1x
NextGen Healthcare	NAS:NXGN	10.44	-35.03%	-37.97%	21.12	5.10	686	746	11.5x	1.4x
Streamline Health Solutions Inc.	NAS:STRM	0.85	-38.85%	-19.05%	2.09	0.53	26	28	N/A	1.3x
MTBC, Inc.	NAS:MTBC	5.50	35.47%	24.72%	7.75	3.25	68	52	11.8x	0.8x
Inovalon	NAS:INOV	16.66	-11.48%	34.03%	22.99	11.50	2,583	3,457	19.4x	5.4x
R1 RCM Inc.	NAS:RCM	9.09	-29.97%	-6.00%	13.99	7.12	1,040	1,627	17.2x	1.4x
Teladoc Health Inc	NYS:TDOC	155.01	85.15%	178.79%	176.40	48.57	11,317	11,270	N/A	20.4x
Health Catalyst Inc	NAS:HCAT	26.15	-24.64%	N/A	49.85	17.48	974	799	N/A	5.2x
Livongo	NAS:LVGO	28.53	13.85%	N/A	45.68	15.12	2,740	2,348	N/A	13.8x
Change Healthcare Inc.	NAS:CHNG	9.99	-39.05%	N/A	15.30	13.53	3,031	3,051	N/A	N/A
Average			-5.31%	18.88%					23.5x	4.6x

Index Performance

Index Name	Index Price 3/31/2020	QoQ %	TTM %
NASDAQ	7,700	-14.2%	-1.6%
Dow Jones	21,917	-23.2%	-16.5%
S&P 500	2,585	-20.0%	-9.9%
Russell	5,855	-30.6%	-24.8%
LECO - HCIT	N/A	-5.3%	18.9%

LECO Index vs. Broad Market



The publicly traded equity markets during Q1 suffered due to the COVID-19 outbreak. The Russell 2000 had the worst performance reporting -30.6% QoQ. The NASDAQ remains the most resilient with only a -1.6% TTM performance.

Unless, of course, you consider the LECO HCIT Index which outperformed all indices last quarter. This quarter seems to be no different. QoQ our index is still down -5.3% but is still up YoY with an impressive 18.88%. This, though, is primarily due to the performance in Teladoc and eHealth.

In Q1, **Teladoc (NYSE: TDOC)** was our best performer with a 85.15% QoQ return. This in part due to the expansion of telehealth services due to the virus. Additionally, they acquired InTouch health in the first quarter.

Healthstream, Inc (NAS: HSTM) acquired staffing, communication, and scheduling management company **NurseGrid** for \$25mm.

MTBC, Inc (NAS: MTBC) acquired **CareCloud** for \$39mm. CareCloud is a developer of a platform designed to drive performance to patients.

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 business services sectors. Transactions are typically under \$250 million or \$10 million EBITDA.

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&
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- 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



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