

Q3

2022

RCM, HEALTH IT,
DATA & ANALYTICS
NEWSLETTER



LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

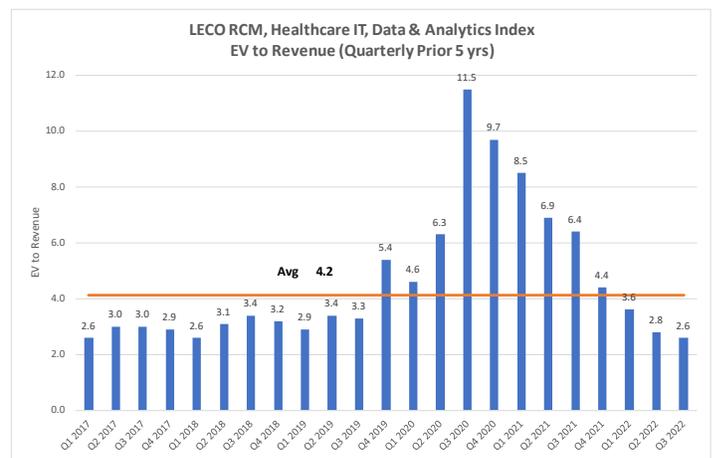
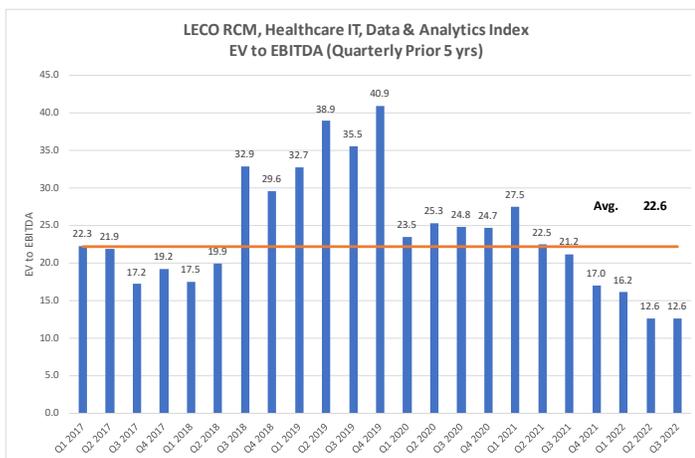
SNAPSHOT OF THIRD QUARTER

After a very challenging first half of 2022 the third quarter remains active with deals albeit a pre-covid pace as the uncertainty piles up with interest rates heading higher, inflation on the run, war in Ukraine without a solution in sight and the mid-term elections and control of Congress (or split party stalemate) in question. The RCM, HCIT, Data & Analytics market has seen smaller private equity and venture deals remain active with several new platforms, many add-ons and a few platforms coming to market. Today's staffing shortages are impacting all hospitals and providers in their revenue cycle and back office operations. This environment has led to only further increases in demand for outsourced services and technology alternatives/automation. This is detailed out in the recently released **HFMA** report *An Analysis of Outpatient Revenue Cycle Management Outsourcing*. Large non-profit hospitals like **Ohio Health** in Columbus Ohio recently laid off 600+ to partner with **Accenture (NYSE: ACN)** on IT and RCM functions¹.

Leading the news to end the 3rd quarter is the **UnitedHealth Group (NYSE: UNH)** completed purchase of **Change Healthcare (NASDAQ: CHNG)** in early Oct, after defeating the Department of Justice in federal court over the agency's attempt to block the \$13 billion deal. The DOJ had sued to block the health giant from buying health technology firm Change Healthcare over allegations UnitedHealth would mine data from billions of healthcare claims including from its health insurance rivals.

The LECO RCM, HCIT, Data & Analytics historical Index is shown in the charts below. The Q3 2022 5 year avg Chart shows that **EV/EBITDA is 12.6x**, and **EV/Revenue is 2.6x**; which is below the **five year average of 22.6x and 4.2x, respectively**. This mirrors the Digital Health Funding volume in Q3 reported by CBInsights in the Chart right. We are seeing dealmaking return to the higher than average pre-Covid19 levels but because many investors still flush with freshly raised funds remain interested in buying everything up, especially the lower middle market (sub \$250M revenues). Nevertheless, we are in a potential purgatory of sellers expecting last year valuations and investor/buyers seeking "value". Lawrence, Evans & Co., LLC tracks over 200 PE platforms in the RCM space.

Digital Health Funding Volumes Quarterly



¹ <https://www.nbc41.com/news/local-news/columbus/ohiohealth-laying-off-more-than-600-workers-for-outsourcing-plan>

SELECTED PRIVATE EQUITY INVESTMENT IN RCM, HCIT, DATA & ANALYTICS

Company	City	State	Website	Private Equity Owner	Summary
<i>Relocated to be heading to market or in market</i>					
GetixHealth	Sugar Land	TX	www.getixhealth.com	Trivest Partners	RCM but also EBO and BPO, billing coding and eligibility
Medusind Solutions, Inc.	Miami	FL	www.medusind.com	HIG	RCM for all providers specialties and sizes
<i>Recent Investments</i>					
ClaimsXten	Nashville	TN	www.changehealthcare.com	TPG	Payment services to documenting and tracking claims.
e4 Services	Wyomissing	PA	www.e4-services.com	The Firmament	Consulting and prof services committed to eliminating waste
Add-on: Intellis	Lake Mary	FL	www.intellisq.com	The Firmament	RCM with focus on coding, HIM, clinical documentation
<i>Active Recently</i>					
National Medical Billing Services	St. Louis	MO	www.nationalascbilling.com	Aquiline	RCM focused on ASCs and affiliated surgeons
Add-on: MedTek	Woodland Hills	CA	www.medtek.net	Aquiline	RCM business providing billing coding collection for ASC
Wakefield & Associates	Aurora	CO	www.wakeassoc.com	McCarthy Capital	Accounts receivable management services
Add-on: Choice Recovery	Columbus	OH	www.choicerecovery.com	McCarthy Capital	Midwest based accounts receivable management organization
Coronis Health	Sykesville	MD	www.coronishealth.com	Veritas	RCM & medical billing
Add-on: Miramed Global	Jackson	MI	www.miramedgs.com	Veritas	RCM & BPO
Knowtion Health fka Rsource	Boca Raton	FL	www.knowtionhealth.com	Sunstone Partners	RCM performance and patient satisfaction
Add-on: Amplus Group	Torrance	CA	www.amplunow.com	Sunstone Partners	RCM for hospitals but also using AI and ML for claims settlement
Alpha II	Tallahassee	FL	www.alphaii.com	WestView Partners	RCM for healthcare, clearinghouse and government
Add-on: Health e-filings	Madison	WI	www.healthefilings.com	WestView Partners	Cloud clinical analytics & automated MIPS reporting software
Revecore	Franklin	TN	www.revecore.com	GrowthCurve Capital	RCM for large hospitals
Add-on: Kemberton	Franklin	TN	www.kemberton.net	GrowthCurve Capital	RCM for hospitals focused on complex claims
Add-on: Cura Revenue Cycle Mgmt	Tampa	FL	www.curarc.com	GrowthCurve Capital	Hospital underpayment recovery services
Imagine Software	Charlotte	NC	www.imagineet.com	Marlin, Stone Point	Billing automation software
Add-on: Exchange EDI	Tallahassee	FL	www.exchangeedi.com	Marlin, Stone Point	Developer of workflow software
<i>Various Slected</i>					
AccessOne	Charlotte	NC	www.accessonemedcard.com	Frontier Growth	Help patients manage healthcare costs while driving hospital
Add-on: Cue Squared	Los Angeles	CA	www.cuesquared.com	AccessOne	Developer of a mobile patient payment software
Health Prime	National Harbor	MD	www.hpiinc.com	GPB Capital	Provider of medical back-office billing service
Add-on: AdvantEdge Healthcare Solutions	Warren	NJ	www.ahsrcm.com	Health Prime Int'l	RCM solutions, including medical billing, coding and analytics
Advantum Health	Louisville	KY	www.advantumhealth.com	Fulcrum	RCM: billing, credentialing, pre-auth, referral mgmt & analytics
Aspiron Health Resources	Columbus	GA	www.aspiron.com	Linden Capital Partners	Hospitals and health systems process complex healthcare claims
EnableComp	Franklin	TN	www.enablecomp.com	Primus/Welsh, Carson	Complex claims reimbursement
Add-on: Argos Health	Dallas	TX	www.complexclaims.com	EnableComp	Billing, follow-up, and collection of complex claims
Ensemble Health Partners	Cincinnati	OH	www.ensemblehp.com	Golden Gate Capital	Focuses on RCM with its suite of technologies
Cantata Health	Austin	Texas	www.cantatahealth.com	GPB	RCM & EHR applications for acute and post-acute care hospitals
Athenahealth	Watertown	MA	www.athenahealth.com	Bain/	EMR, RCM, patient engagement, care coordination & pop health
Azalea Health	Atlanta	GA	www.azaleahealth.com	LLR Partners	Cloud-based healthcare tech and services to rural health clinics
Experity	Machesney Park	IL	www.experityhealth.com	GTCR	Provides integrated technology solutions to urgent care centers
AGS Health	Washington	DC	www.agshealth.com	Baring PE Asia	Technology-enabled healthcare BPO
Add-on: ezDI	Louisville	KY	www.ezdi.com	AGS Health	Health IT: NLP & ML and high-performance cloud computing
GeBBS Healthcare Solutions	Culver City	CA	www.gebbs.com	Chrysalis Capital	Medical coding and medical billing outsourcing
Add-on: Aviacode	Salt Lake City	UT	www.aviacode.com	GEBBS	Medical coding
Greenway Health	Tampa	FL	www.greenwayhealth.com	Vista	Software and services to ambulatory practices
Kemberton	Portsmouth	NH	www.kemberton.net	LLR	RCM: motor vehicle, workers' compensation and complex claims
RevSpring	Nashville	TN	www.revspringinc.com	GTCR	Billing and communication software for healthcare
Add-on: Loyale Healthcare	Lafayette	CA	www.epayhealthcare.com	RevSpring	Provider collections
MedAssist	Louisville	KY	www.medassistgroup.com	Firstsource Solutions	RCM solutions aimed at helping hospitals
Elevate	Spring	TX	www.elevatepfs.com	Frazier/Edgewater	RCM for hospitals and health systems
Add-on: MedData				Elevate	Healthcare technology solutions physicians and hospitals
Add-on: RevClaims				Elevate	RCM motor vehicle accident, workers comp or Veterans Affairs
Modernizing Medicine	Boca Raton	FL	www.modmed.com	Warburg,IBM,Summit	EHR systems for medical specialists and specialty practices
Netsmart	Overland Park	KS	www.ntst.com	GI Partners	EHR behavioral, home, senior living and social services
nThrive	Alpharetta	GA	www.nthrive.comnews	Clearlake	RCM processes and financial performance for hospitals
Rectangle Health	Valhalla	NY	www.rectanglehealth.com	GI Partners, TA Assoc.	Suite of payment and patient engagement solutions
Corro Health	Plano	Texas	corrohealth.com	The Carlyle Group	RCM: global delivery, ER documentation, advanced coding
Add-on: ParaRev	Elgin	IL	www.pararevenue.com	CorroHealth	RCM services catering to hospitals
RevSpring	Livonia	MI	www.revspringinc.com	GTCR	End-to-end integrated patient engagement platform
Vyne	Dunwoody	GA	www.vynecorp.com	The Jordan Company	Integrated platform for end-to-end PHI exchange/communication
Waystar	Louisville	KY	www.waystar.com	Bain Capital	Cloud-based software-as-a-service platform
Add-on: eSolutions	Overland Park	KS	www.esolutionsinc.com	Waystar Health	RCM and workflow management tools
Add-on: Patientco	Atlanta	GA	www.patientco.com	Waystar	Help healthcare systems maximize patient payment
Add-on: RemitDATA	Memphis	TN	www.remitdata.com	eSolutions	Health tech platform for data and analytics
WebPT	Phoenix	AZ	www.webpt.com	Warburg Pincus	EHR for physical therapy
Encoda	Tampa	FL	www.encoda.com	Hughes, Clearwell	Cloud-based medical billing platform
Raintree Systems	Temecula	CA	www.raintreeinc.com	Serent Capital	EHR and RCM for therapy market
CentralReach	Fort Lauderdale	FL	www.centralreach.com	Insight Partners	EHR and PM for behavioral health and ABA market
Therapy Brands	Birmingham	AL	www.therapybrands.com	KKR	PM software for mental and behavioral health market
Qualifacts Systems	Nashville	TN	www.qualifacts.com	Warburg Pincus	EHR and PM for behavioral health and ABA market
Add-on: Credible Behavioral Health	Rockville	MD	www.credibleinc.com	Qualifacts Systems	EHR and PM for behavioral health and ABA market
Revenue Management Solutions	Oklahoma City	OK	www.revmanagementsolutions.com	Thompson Street	RCM Software for healthcare payment and documentation
LTC Ally	Lakewood	NJ	ltcally.com	Clearview	RCM for senior living industry
SOC Telemed	Dallas	TX	www.soctelem.com	Patient Square Capital	Telemedicine provider for hospitals and health systems

SELECTED TRANSACTIONS

Date	Target	Description	Acquirer(s)	Private Equity/ VC Sponsor	Total Raised
25-Oct-2022	MedTek	Provider of healthcare revenue cycle services catering to ambulatory surgery centers, hospitals, clinics and specialty groups. The company offers medical transcription services, coding solutions, billing, chartering, revenue consulting services and other related services to its clients, thereby enabling healthcare facilities with comprehensive, user-friendly, innovative, efficient and cost-saving technology and mobile applications. The company was acquired by National Medical Billing Services.	National Medical Billing Services	Aquiline Capital Partners	
20-Oct-2022	SubjectWell	Developer of a patient recruitment platform designed to deliver highly qualified referrals for clinical trials. The company's risk-free clinical trial marketplace recruits and screens patients to participate in clinical human trials, enabling healthcare clients to find more patients for finishing their studies faster.	N/A	Asset Management Ventures, Bertelsmann Investments, Lontra Ventures, Floodgate Fund, and 9 other investors	52.90
20-Oct-2022	Choice Recovery	Wakefield & Associates an industry-leading collections and healthcare revenue cycle solutions company, announces it has acquired the debt collection business of Choice Recovery, Inc., an Ohio-based nationally recognized collections provider. The acquisition of Choice Recovery will further grow Wakefield's geographical presence in the Great Lakes region and enhance its ability to provide a full suite of revenue cycle management services to a wide scope of healthcare industry clients.	Wakefield & Associates	McCarthy Capital	
20-Oct-2022	Navvis	Provider of healthcare consultancy services intended to offer value-based healthcare with a comprehensive alternative tailored to strategic agenda, a specific population, and market dynamics. The company's services include consulting and advisory, custom networks development, physician leadership development, line optimization, and transformation as well as leadership improvement, enabling users to effectively support enterprises to make a transformative change to create a less complex, sustainable, and connected healthcare market. The Company was acquired by Esse Health.	Esse Health	N/A	123.50
19-Oct-2022	Extended Care Pro	Developer of web-based healthcare software intended to assist living and long-term care communities. The company's software offers electronic health records, electronic medication administration records, a clinical charting system, managing building compliance as well as billing to enterprises in the healthcare segment, thereby enabling clients with software that increases the quality of life and improves clinical, business, compliance and operational performance for their customers.	N/A	SG Credit Partners	
19-Oct-2022	CultHealth	Operator of a healthcare marketing agency for many life sciences brands. The company offers medical strategy, creative and omnichannel planning services as well as delivers creative Direct To Consumer (DTC) campaigns, including numerous campaigns on digital television, enabling clients with deep insight into drug mechanism of action (MOA) and customer behavior to derive insights for superior brand campaigns and creatives. The company was acquired by Indegene.	Indegene	The Carlyle Group and Brighton Park Capital	0.35
14-Oct-2022	Adonis	Operator of a disentangling healthcare payments platform intended to reduce revenue leakage and cost to collect while improving account receivables by using automated workflows and machine learning. The company's platform integrates with existing technology to analyze historic revenue trends and automate future billing transcribes notes into relevant billing codes, validates patient insurance data, and constructs super bills, enabling clients to ensure claims by automating the medical coding, billing, and reimbursement workflows for providers.	N/A	Bling Capital, Homebrew, Soma Capital, Max Ventures, Coalition Operators, The New Normal Ventures, The Fund, Singh Capital Partners, Correlation Ventures and Asymmetric Capital Partners.	5.60
13-Oct-2022	Health in Motion	Operator of a digital healthcare technology company intended to redefine the pharmacy care model with a national network of connected pharmacists and partners. The company offers pharmacists comprehensive, connected data sources including medical records, lab reports, remote monitoring devices and wearables and prescription information, thereby helping clients with medication and disease state management at an affordable cost. The company was acquired by Custom Health.	Custom Health		
12-Oct-2022	Global Genes	Global Genes and RARE-X reached a definitive to form a new company. Provider of rare disease advocacy services intended to serve patients affected by rare diseases. The company specializes in providing information, resources and connections, public and physician education building community through social media and supporting research initiatives, which helps eliminate the challenges of rare diseases and find treatments and cures for rare diseases.	TBD		
12-Oct-2022	Geno.Me	Operator of an electronic health record and genomics platform intended to make clinical data accessible. The company's platform provides efficient ease of access to comprehensive healthcare profiles, streamlines the process of collecting clinical data from the public, and sells it to companies in the healthcare and biotechnology space, enabling clients to give patients autonomy over their personal health profiles.	N/A	Undisclosed investors	2.60
07-Oct-2022	Amplis Group	Provider of healthcare revenue cycle management and accounts receivable management services intended to improve performance and transparency and reduce costs for the healthcare provider community. The company utilizes artificial intelligence and machine learning to innovate revenue cycle consulting and business process management including insurance management, thereby automating claim settlement and system conversion assistance. The company was acquired by Knowtion Health.	Knowtion Health	Sunstone Partners	
05-Oct-2022	Claims Xten, a subsidiary of Change Healthcare	Provider of payment services dedicated to documenting and tracking claims associated with critical healthcare issues. The company pertains to the new procedure codes and diagnosis code, enabling customers to improve payment accuracy, reduce appeals and reap both medical and administrative savings. The previously announced corporate carve out transaction of TPG closed.	TPG	TPG	2,200.00
03-Oct-2022	Aidin	Developer of a patient post-acute care management platform designed to defragment the healthcare ecosystem by connecting providers and patients. The company's platform aids patients to make the right choice post-hospital by providing them with up-to-date ratings and reviews of the available providers in their area, and giving them data on the outcomes of each provider's patients, enabling hospital social workers and case managers to discharge patients fast, decrease readmissions and improve satisfaction.	N/A	Undisclosed lead and FCA Health Innovations also participated	5.02
01-Oct-2022	ModuleMD	Developer of electronic health records and practice management software intended to address clinical, operational and financial efficiencies. The company's software specializes in electronic health records, hospital and revenue cycle management, enabling practicing physicians and office staff to spend less time documenting patient care and more time caring for patients.	N/A	Archipelago Capital Partners and 001 Ventures	
01-Oct-2022	Rx-Precision	Developer of AI-driven precision medical analytical platform designed to tailor and modify treatment based on each member's individual genetics (DNA). The company's platform specializes in duplicating clinical improvements and cost savings in impactful precision medicine and genomic research as well as proactively identifies members who will clinically benefit from a genomic intervention, thereby enabling its clients to improve outcomes and lower costs for high-risk and complex patient populations by personalizing their prescription plan to their DNA.	N/A	Claritas Capital	

SELECTED TRANSACTIONS – CONT.

Date	Target	Description	Acquirer(s)	Private Equity/ VC Sponsor	Total Raised
01-Oct-2022	Recora Health	Developer of healthcare platform designed to assist with cardiac rehabilitation. The company's healthcare application helps people recover confidence, community, and motivation following a cardiac event through coaching, guided exercise, and personalized care, enabling patients to recover on time and also addressing barriers in their life that make it difficult to stay healthy.		Valor Equity Partners	20.00
28-Sep-2022	Parsons Medical Communications	Operator of a scientific agency based in Brookline, Massachusetts. The company provides scientific strategy and communications, including bespoke peer-to-peer education, advocacy development, content creation, conference/association planning, market landscape assessments and other support services, enabling clients with integrated commercial services across the life cycle of therapeutic development. The company was acquired by Fingerprint.	Fingerprint	Knox Lane and Apollo Investment Corporation BDC	
25-Sep-2022	Intellis	Developer of revenue cycle management software designed to address the issues that hospitals, outpatient providers and physician practices rely on to improve quality and outcomes. The company's platform offers coding, health information management and clinical documentation integrity along with auditing services, thereby enabling hospitals and healthcare systems to overcome the challenges and capitalize on the opportunities within the healthcare business continuum. The company was acquired by e4 Services.	e4 Services	The Firmament Group	
23-Sep-2022	RxLive	Provider of online concierge telehealth services intended to connect patients and expert pharmacists in a secure, private and personal way. The company's services include physician services over video chat or talk over the phone, enabling patients to consult with their own personal pharmacist and save money, avoid unnecessary side effects, and adverse events, eliminate prescriptions and improve adherence.	N/A	SpringTide Investments, Cardinal Health and other undisclosed investors	8.95
22-Sep-2022	Claro Healthcare	Provider of healthcare consulting services dedicated to helping hospitals and health systems navigate the unique challenges they face through collaboration, depth of knowledge and singular focus on healthcare. The company offers services such as line reconfiguration, clinical variation reduction, outpatient facility management, professional billing administration, medical record supervision, case alerts and prioritization services, enabling clients to reduce costs and increase revenues. The company entered into a definitive agreement to be acquired by Kaufman, Hall and Associates.	Kaufman, Hall and Associates	Madison Dearborn Partners	
22-Sep-2022	SpendMend	Provider of spend visibility and audit recovery services intended to help healthcare organizations identify, shrink and prevent financial leakage. The company utilizes its tech-enabled platform to generate cost savings by identifying instances of payment errors and contract non-compliance within clients' operating expenses, thereby enabling them to optimize cost cycle management and eliminate control gaps leading to over-payments. The company received funding from Specrum and Memorial Hermann	Spectrum Health Ventures and Memorial Hermann Foundation	Morgan Stanley Capital Partners, Sheridan Capital Partners, Varagon Capital Partners and Churchill Asset Management	
22-Sep-2022	Surge2Surgery	Developer of an immune profiling platform intended to enable precision medicine before surgery. The company's platform utilizes an immunological model using a proprietary machine-learning algorithm to combine single-cell assessment of the immune system before surgery with clinical data available through electronic health records to predict post-operative infections with higher accuracy, enabling surgeons to predict the patient's readiness and risk for surgical complications.	N/A	Boutique Venture Partners and HCVC	2.60
20-Sep-2022	Progressive Dental Concepts	Operator of the dental practice network intended to help dental practitioners provide superior patient care and grow financially. The company provides administrative support, human resource management, business development, marketing, facility, and insurance benefits to dental doctors, enabling healthcare providers to manage and expand their practice.	N/A	Undisclosed	1.32
16-Sep-2022	Rx Redefined	Developer of medical supply and billing management platform intended to create transparency between patients and physicians. The company's platform allows physicians to directly manage the distribution of medical supplies to their patients, thereby helping patients receive improved quality and access to care, and reducing costs.	N/A	Undisclosed	14.16
14-Sep-2022	Vitalskin	Provider of dermatology and aesthetics practice management services intended to offer the clients a network of like-minded people with whom to collaborate and expand. The company focuses on aligning with the clinical, financial, and lifestyle priorities of physicians to support their growth, thereby helping to minimize operational aggravations, enabling dermatologists to focus on patient care and practice growth.	N/A	Undisclosed	1.15
12-Sep-2022	Jupiter Life Science Consulting	Provider of healthcare consulting services intended to navigate market access for pharmaceutical and biotechnology innovators. The company specializes in commercial areas including portfolio optimization, commercial analysis, payer research, analytics, business development and insights generation and shaping and communicating value, business development, pricing and access strategy, commercial planning, navigating payer behaviors and general end-to-end commercial and market access support, enabling clients to effectively sift through global payer attitudes, behaviors and beliefs.	Red Nucleus Solutions	The Riverside Company and Maranon Capital	
12-Sep-2022	Renal Care 360	Provider of nephrology practice and chronic care management services intended for health systems, physician groups and local communities. The company offers proprietary and digital health technology to identify and predict chronic disease, as well as, a kidney care program that provides kidney health management and renal services including inpatient, outpatient and home care, helping physicians with technology and empowering patients.	Pharos Capital Group	Pharos Capital Group	30.00
09-Sep-2022	Kalderos	Developer of medicine management platform designed to analyze the complex coordination of drug discount programs. The company's platform offers data management, provides clear and customizable views into the data available in the cloud with immediate access to targeted insights, and offers claims verification, dispute resolution, and discount monitoring, enabling clients to get a streamlined process for communicating, verifying, and payment.	N/A	Undisclosed	49.93
08-Sep-2022	Dyania Health	Developer of a regulatory compliant platform designed for empowering clinical research by algorithmically analyzing unstructured electronic medical record data for life-endangering conditions. The company's platform leverages artificial intelligence and machine learning to facilitate faster and more accurate identification of potential candidates for clinical drug trials, enabling pharma companies and hospital systems to improve the productivity and efficiency of clinical research teams.	N/A	Innospark Ventures, T-Life Capital, Outsiders Fund, Wild Basin Investments, Big PI Ventures, Tau Ventures and Genesis Ventures (Greece)	7.25
06-Sep-2022	Wellsheet	Developer of a cloud-based electronic health record software designed to prioritize clinical content within physician workflow. The company's platform leverages artificial intelligence and machine learning and uses the FHIR API standards to work within an existing EHR to surface the most relevant content for physicians in a view that is contextualized and prioritized for their needs, enabling healthcare providers to improve efficiency and accuracy at the point of care.	N/A	Newark Venture Partners, BioAdvance and SpringTide Investments	2.20

SELECTED TRANSACTIONS – CONT.

Date	Target	Description	Acquirer(s)	Private Equity/ VC Sponsor	Total Raised
01-Sep-2022	Triyam	Provider of data management services intended to help healthcare facilities decommission legacy electronic health records (EHR) by extracting patient data and archiving it in a secure cloud. The company's data conversion services help hospitals and clinics to freely migrate electronic health records vendors without losing historical patient data, thereby enabling hospitals and clinics to archive patient data from legacy electronic health records and save money while meeting state-mandated retention requirements.	N/A	Futaleufu Partners	
01-Sep-2022	Coding Services Group	Provider of outsourced overflow and fully outsourced medical coding services for hospitals and healthcare providers nationwide. The company solves staffing challenges and improve cash flow for inpatient, outpatient and ambulatory healthcare providers through remote and onsite coding services. The company was acquired by Aquity Solutions.	Aquity Solutions	Blackstone, Blackstone Credit, Brigade Capital Management, Fidelity Investments, Frontline Strategy Funds, RBC Capital Markets and Ares Credit Group	
01-Sep-2022	Prosperity Behavioral Health	Provider of outsourcing services intended to specialize in providing financial solutions to healthcare organizations. The company offers billing and collections, accounting, utilization review, data and analytics, back-office, due diligence, patient responsibility, tax consulting, managed care negotiation and other related services, serving behavioral health companies with several financial solutions.	N/A	New Spring Capital	
01-Sep-2022	Supero Healthcare Solutions	PayrHealth announced that it has acquired Supero Healthcare Solutions, an Austin, TX-based provider enrollment and credentialing company founded in 2009. This acquisition deepens PayrHealth's credentialing offerings and strengthens its integrated, proactive approach to payor relationship management.	PayrHealth	Osceola Capital	
26-Aug-2022	RevOps Health	Developer of an end-to-end billing platform designed for transparency, automation and advanced analytics and anomaly detection. The company's AI-powered platform automates payments, transaction tracking, revenue data monitoring, identifying and reviewing anomalies, helping healthcare professionals to find lost revenue, automating manual processes and measurably improving patient outcomes and care delivery.	N/A	Undisclosed	1.36
23-Aug-2022	OneSource Regulatory	Provider of medical regulatory services intended to serve the healthcare industry. The company provides pre and post-approval regulatory, medical and marketing operations services across the product development and commercial lifecycle, thereby enabling clients to maintain and grow their brand. The company was acquired by ProPharma Group.	ProPharma Group	Odyssey Investment Partners, Churchill Asset Management and Crescent Capital Group	
22-Aug-2022	C2 Healthcare	Impact Advisors, a Naperville, Illinois-based healthcare technology consulting firm backed by Chicago Pacific Founders, has acquired Chicago-based C2 HEALTHCARE, a healthcare business intelligence consulting firm specializing in delivering bottom-line savings to healthcare organizations through a cost-based planning and productivity system. Press release: Impact Advisors, a leading healthcare consultancy providing strategy, operations, revenue cycle, and technology services, announced it has acquired Chicago-based C2 HEALTHCARE, a healthcare business intelligence consulting firm specializing in delivering bottom-line savings to healthcare organizations through a cost-based planning and productivity system. The strategic partnership will allow Impact Advisors to continue to grow and enhance its workforce innovations service line.	Impact Advisors	Chicago Pacific Founders	
19-Aug-2022	Arcadia Healthcare Solutions	Developer of business intelligence platform intended for the healthcare sector. The company's software specializes in data integration of healthcare plans, healthcare groups, healthcare employers, life sciences groups and healthcare IT into a single platform, enabling care and research organizations to use data and tools to get to insights fast in pursuit of better outcomes. The company is rumored to be in talks regarding a potential acquisition.		Oigna Ventures, Peloton Equity, Revelation Partners	72.50
18-Aug-2022	Health eFilings	Operator of a cloud-based clinical data analytics and automated MIPS reporting software intended to make actionable decisions for the healthcare industry. The company's software is an end-to-end enterprise tool that analyzes data for population health management initiatives, enabling healthcare organizations to focus on providing care for patients by avoiding costs and administrative tasks and successfully transition from a traditional fee-for-service to a value-based care model. The company was acquired by Alpha II.	Alpha II	WestView Capital Partners	0.93
17-Aug-2022	Bonafide Medical Group	Developer of business workflow management software based in Thousand Oaks, California. The company's durable medical equipment (DME) and medical home equipment (HME) is a cloud-based healthcare software that integrates enterprise resource planning (ERP) workflow which includes patient intake, revenue cycle management, documentation management, inventory management, order to cash processing and supply chain management, enabling clients with maximizing the work efficiency, productivity and profitability of the business.	N/A	CVF Capital Partners and DCA Partners	
16-Aug-2022	VAIRKKO	VAIRKKO, a Raleigh, North Carolina-based leader in workforce and operations management software has been acquired by EMS Management & Consultants the leading provider of revenue cycle management and technology solutions	EMS Management & Consultants		
16-Aug-2022	Syra Health	Operator of healthcare consulting company intended to leverage the industry expertise to offer forward-thinking solutions. The company assists public and private sector healthcare and life science organizations by providing expertise in behavioral health, population health management, health equity solutions, value-based care solutions, health analytics, and healthcare education, helping clients to improve the quality of clinical care and individuals reach their highest potential for health.	N/A	Undisclosed	2.32
12-Aug-2022	Dendi	Developer of cloud-based laboratory information management software designed to optimize operations, accelerate growth, and support clinical workflows. The company's system specializes in revenue cycle management, analytics, data administration, multi-facility supports, and instrument integration, helping clinical laboratories with the tools needed to move forward with speed and confidence.	N/A	Teamworthy Ventures	2.00
10-Aug-2022	VIE Healthcare	Operator of healthcare consulting firm intended for hospitals, healthcare institutions, and other providers of patient care. The company specializes in healthcare costs, the hospital purchased services, healthcare benchmarking, supply chain management and performance improvement, helping healthcare organizations non-labor expense reduction and offers the industry's only cost savings strategy that is a proven framework for mining every cost-saving opportunity. Company was acquired by SpendMend.	SpendMend	Morgan Stanley Capital Partners, Sheridan Capital Partners, Varagon Capital Partners and Churchill Asset Management	

SELECTED TRANSACTIONS - CONT.

Date	Target	Description	Acquirer(s)	Private Equity/ VC Sponsor	Total Raised
04-Aug-2022	MiraMed Global Services	Provider of business process outsourcing solutions to healthcare organizations intended to uncover and capitalize on hidden financial opportunities, improve productivity and, ultimately, increase profits. The company's offerings include HIM coding, risk adjustment and HCC solutions, accounts receivable management, oncology data management, that employs assessment analysis and diagnostics and cross-functional benchmarking, as well as six sigma and lean operational processes, enabling clients with revenue cycle management solutions, devised to meet their own unique financial and organizational needs.	Coronis Health	Veritas Capital	150.00
04-Aug-2022	Atropos Health	Developer of a clinical analytics platform designed to transform health data into usable real-world evidence. The company's platform leverages electronic medical record (EMR) data to derive digital evidence for individual patients, enabling healthcare institutions to create value from previously siloed EMR data.	N/A	Breyer Capital, Boston Millennia Partners and Emerson Collective	14.00
04-Aug-2022	Itiliti Health	Developer of a health data and decision automation platform designed to accelerate communication between payers and providers. The company's platform implements connections between EMR (electronic medical record) systems providers and health plan operations, enabling clients to remove friction, reduce administrative costs and improve health and quality outcomes.	N/A	Excelerate Health Ventures and other undisclosed investors	4.39
03-Aug-2022	Cura Revenue Cycle Management	Provider of underpayment recovery services intended to serve hospitals and healthcare providers. The company offers a comprehensive approach to the identification of recovery opportunities and minimizing revenue leakage and provides scale and accuracy in identifying and enabling recoveries across the account population, thereby helping hospitals to deploy multiple internal teams, software applications and external vendors to support their revenue cycle efforts. The company was acquired by Revecore.	Revecore	GrowthCurve Capital, Riverside Partners and Northleaf Capital Partners	
03-Aug-2022	Kemberton Healthcare Services	Provider of revenue cycle management (RCM) services intended to serve hospitals for complex claims settlements. The company's services cover denial claims, motor vehicle accident claims and workers' compensation claims to lower conversion days while maximizing reimbursement cost, helping hospitals and physician groups to benefit from the simplified resolution of their complex and denied insurance claims. The company was acquired by Revecore.	Revecore	GrowthCurve Capital, Northleaf Capital Partners and Riverside Partners	
02-Aug-2022	Aspiration Health Resources	Developer of a healthcare revenue cycle management (RCM) platform focused on assisting hospitals and health systems process complex healthcare claims. The company specializes in complex claims and revenue integrity and offers a broad array of technology-driven solutions to efficiently seek reimbursement in the area such as medical liens, medical payments as well as workers' compensation, enabling clients to track progress on claims and meet their revenue recovery needs. The company was acquired by Linden Capital Partners and Varsity Healthcare Partners.	Linden Capital Partners and Varsity Healthcare Partners	Linden Capital Partners and Varsity Healthcare Partners	
02-Aug-2022	HealthMed	Developer of a cloud-based medical technology platform designed to provide telemedicine services to underserved populations. The company's platform helps patients to have a telemedicine visit with their doctor and their pharmacist from their home, enabling patients to save money and time and also deal with emergency cases.	N/A	Undisclosed	2.89
02-Aug-2022	XpertDox	Developer of a medical coding platform designed to improve access to clinical trials and automate the coding process. The company's platform uses advanced data analytics and proprietary natural language processing to structure, parse and map information from multiple diverse data sources, enabling healthcare providers to accelerate the revenue cycle so they can focus on providing great healthcare service.	N/A	TN3	2.95
01-Aug-2022	Core Mobile	Developer of AI-based analytics tool designed to improve hospital proficiency and patient satisfaction. The company's tools use AI and machine learning to offer real-time access to patient information from multiple clinical systems, enabling physicians to improve healthcare quality and productivity.	N/A	TIE Silicon Valley	
01-Aug-2022	Florida Cancer Specialists & Research Institute	Provider of cancer treatment intended to provide medical oncology and hematology. The company's innovative clinical research, cutting-edge technologies, and advanced treatments, including targeted therapies, genomic-based treatment, and immunotherapy enabling to provide treatment options available, and personalized for each patient's unique needs.	N/A	Oxeon Partners	
30-Jul-2022	DavLong Business Solutions	Developer of business software catering to the medical industry. The company's platform offers integrated electronic health records, enterprise practice management, billing services, reputation management and an advanced claim scrubber, helping physicians run their practice effectively. Performant Capital has formed Provider Technology through the acquisitions of DavLong Business Solutions and its affiliate Administrative Advantage (collectively, "DBS") and On Demand Solutions ("ODS"). DBS is based in Savannah, Georgia, and it provides turnkey IT solutions for physician practices by fully hosting, maintaining, and supporting all software needs for the medical office, from cloud hosting to cybersecurity.	Provider Technology	Performant Capital	
30-Jul-2022	On Demand Solutions	ODS is a provider of practice management services intended to serve hospitals and health care centers. The company specializes in offering revenue cycle management, practice management, staffing support, business advisory and other related services, ensuring practitioners have transparency into their business. ODS is a Boise, Idaho-based company. Now part of Provider Technology.	Provider Technology	Performant Capital	
25-Jul-2022	Galen Healthcare Solutions	Provider of healthcare information technology services intended to partner with health systems, hospitals and specialty practices and offer professional and technical services. The company deploys a suite of products and offers a full range of transition services including system support, implementation and optimization as well as data migration and cloud-based legacy system retirement, thus complementing vendor applications, standing on their own to support end-users, patients and administrative functions and making accessing and interacting with clinical data easy and efficient. The company was acquired by RLDatix.	RLDatix	Five Arrows Principal Investments, Nordic Capital, Susquehanna Growth Equity, TA Associates Management and Five Arrows Capital Partners	
25-Jul-2022	Elation Health	Developer of a secured healthcare application designed to strengthen the physician-patient relationship. The company's application connects patients to their doctors in a health information network and help practice start, grow, communicate and succeed in delivering personalized care to patients, enabling primary care providers to uphold the craft of medicine, while thriving in an evolving healthcare landscape.	N/A	Ascension Ventures and Generation Investment Management, Ascend Partners (Healthcare), Threshold Ventures, Jonathan Bush, Fay Rotenberg and other undisclosed investors	108.50

SELECTED TRANSACTIONS - CONT.

Date	Target	Description	Acquirer(s)	Private Equity/ VC Sponsor	Total Raised
21-Jul-2022	Exchange EDI	Developer of workflow software intended for healthcare professionals. The company's software offers solutions including patient portal, estimation and payments, enabling clients to streamline the process of cash management, reduce labor efforts and eliminate lost revenue from rescheduled or missed authorizations. The company was acquired by ImagineSoftware.	ImagineSoftware	Marlin Equity Partner	
21-Jul-2022	One Healthcare Solution	Developer of a chronic care software intended to allow physicians to provide more services to patients in their homes. The company manages electronic medical record system and enable physicians to create automated, customized care plans for a host of chronic illnesses and conditions. The company was acquired by Verustat.	Verustat	N/A	
18-Jul-2022	MedtoMarket	Operator of a bio-skills training and cadaver laboratory intended to bridge the gap from concept to market for medical innovations. The company's laboratory offers turn-key services including unbiased validation of ideas, methods, products, or concepts that will increase return on investment and handles clinical aspects of a potential medical investment while allowing the investor to focus on the financial and managerial elements and also provides a fostering environment to help inventors bring ideas to market, enabling medical industry, investors, and inventors to connect with the actual end-users in the medical specialties.	N/A	Undisclosed	6.13
15-Jul-2022	Coronis Health	Provider of revenue cycle management (RCM) services intended for healthcare practices and facilities. The company focuses on reducing redundant operations, streamlining the medical billing processes and keeping the practices up to date with ever-changing government regulations, enabling healthcare organizations to be relieved of administrative and non-clinical burdens and become more profitable, productive and efficient.	Veritas Capital	Veritas Capital	3.05
15-Jul-2022	Sift Healthcare	Developer of an advanced decision support system designed to manage the increasingly complex healthcare revenue cycle. The company's system offers insights necessary to accelerate insurance payments, reduces overall denials, increases patient responsibility collections, monitors payer contracts, and drives smarter workflows, enabling healthcare organizations to forecast payments and manage risk.	N/A	Allos Ventures and First Trust Capital Partners, Winnebago Seed Fund, Rock River Capital Partners, and other undisclosed investors.	16.04
14-Jul-2022	Gradia Health	Provider of a health information application intended to send timely information to patients' phones. The company's application sends patients custom content for upcoming appointments and procedures to help them arrive prepared and informed and uses diagnosis information in electronic health records to send post-visit content that can help them manage their condition and the necessity, helping clinics to improve their outcomes by educating patients.	N/A	Soma Capital, Rough Draft Ventures and MaC Venture Capital	2.63
14-Jul-2022	Health Data Specialists, LLC	Provider of information technology consulting services catering to healthcare organizations. The company offers project management, optimization, legacy system support, managed services as well as compliance and reporting, thereby allowing organizations to maximize their technical investments.	Hpgresources	N/A	
12-Jul-2022	CareStack	Developer of an all-in-one cloud-based dental practice management system designed to manage the administrative and clinical needs of growing enterprises via centralization, automation, insights, and consultancy. The company's platform offers different products and services to improve operational efficiency, patient and staff safety, new patient growth, reimbursement, and collections and includes patient engagement, scheduling, telehealth conferencing, charting, automated two-way reminders, claims and billing, and business insights, enabling dentists to manage their practice in a clean, easy-to-use interface.	N/A	Institut Straumann & Callapina Capita	74.05
11-Jul-2022	Harmony Healthcare (Tampa)	Provider of healthcare staffing and consultancy services intended to serve academic health centers, hospitals, physician practices and payers. The company offers expert consultants that specialize in population health, reimbursement and health information technology, enabling clients to achieve peak performance in their clinical and financial outcomes.	Addison Group	Trilantic North America and Neuberger Berman	
06-Jul-2022	Tebra (Healthcare)	Operator of healthcare platform intended to drive practice success and modernize every step of the patient journey. The company offers a wide range of services including modern websites, messaging and scheduling, telehealth, care delivery, practice management, payments and analytics, thereby connecting patients to the best providers in seconds and delivering a modern, digital-first patient experience.	N/A	Golub (debt), OpenView Ventures, Greenspring Assoc, Stripes, Montreux Growth Partners	171.22
01-Jul-2022	Cerbo	Provider of electronic health records (EHR) and practice management services intended to streamline healthcare industries' operations. The company's platform offers prescription management, patients' medication summary, inventory management and subscription billing, thereby helping doctors to spend more time caring for their patients.	N/A	Anacapa Partners and Miramar Equity Partners	
01-Jul-2022	Cherry Labs	Developer of remote home monitoring system intended to take care of elderly people. The company's system uses artificial intelligence, computer vision, and machine learning to monitor videos, provide an analytic context in real-time and send notifications whenever normal patterns change or if there is a dangerous event such as a fall or a significant stumble, enabling senior care facilities to provide emergency help when needed.	N/A	National Institutes of Health	19.04

PUBLICLY TRADED RCM & HCIT COMPANIES

Selected Publicly Traded RCM and Healthcare IT Companies

Company Name	Ticker Symbol	Stock Price 9/30/2022	% 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	15.23	2.70%	13.91%	23.25	13.05	1,687	1,407	5.6x	1.3x
Computer Programs & Systems Inc.	NAS:CPSI	27.88	-12.79%	-21.38%	37.62	26.11	410	544	11.3x	1.8x
eHealth, Inc.	NAS:EHTH	3.91	-58.09%	-90.35%	47.21	3.79	107	259	N/A	0.6x
HealthStream, Inc.	NAS:HSTM	21.26	-2.07%	-25.61%	29.60	18.51	650	635	13.9x	2.4x
**Veeva Systems Inc.	NYS:VEEV	164.88	-16.74%	-42.78%	327.78	152.04	25,603	22,747	43.7x	11.4x
**McKesson Corporation	NYS:MCK	339.87	4.19%	70.46%	375.23	193.89	48,850	54,581	16.9x	0.2x
NextGen Healthcare	NAS:NXGN	17.70	1.49%	25.53%	21.87	13.64	1,204	1,181	26.6x	2.0x
Streamline Health Solutions Inc.	NAS:STRM	1.19	-6.30%	-32.00%	1.88	1.04	58	62	N/A	2.6x
CareCloud (formerly MTBC)	NAS:MTBC	4.18	22.04%	-45.14%	8.61	2.92	63	67	2.6x	0.5x
**R1 RCM Inc.	NAS:RCM	18.53	-11.59%	-15.81%	27.86	18.28	7,749	9,502	55.2x	6.1x
Teladoc Health Inc	NYS:TDOC	25.35	-23.67%	-80.01%	156.82	25.33	4,098	4,805	N/A	2.2x
Phreesia, Inc.	NYSE:PHR	25.48	1.88%	-58.70%	76.10	13.19	1,339	1,110	N/A	4.5x
Health Catalyst Inc	NAS:HCAT	9.70	-33.06%	-80.60%	54.27	9.03	531	376	N/A	1.4x
Amwell	NYS:AMWL	3.59	-16.90%	-60.59%	9.70	2.52	982	389	N/A	1.5x
CloudMD	TSX:DOC	0.19	-37.19%	-84.15%	1.39	0.18	56	61	N/A	0.5x
Multiplan	NYS:MPLN	2.86	-47.91%	-49.20%	6.19	2.83	1,828	6,392	7.0x	5.4x
Accolade	NAS:ACCD	11.42	54.32%	-72.92%	43.10	4.61	813	798	N/A	2.4x
*Change Healthcare Inc.	NAS:CHNG	27.49	19.21%	31.28%	27.59	18.97	9,025	13,491	17.0x	3.9x
EverCommerce Inc.	NAS:EVCM	10.93	20.91%	-33.72%	21.69	7.73	2,127	2,566	51.1x	4.5x
*pending sale ** Outliers Removed										
Average			-7.35%	-34.30%					12.6x	2.6x

Source: © PitchBook Data, Inc. 2022

Pending Index Addition										
Kovo HealthTech Corporation	TSXV:KOVO	0.09	-48.43%	-72.61%	0.47	0.07	3	8	N/A	0.9x
Clover Health	NAS:CLOV	1.70	-20.56%	-77.00%	8.58	1.69	812	330	N/A	0.1x
Hims & Hers Health	NYS:HIMS	5.58	23.18%	-25.99%	9.19	2.72	1,156	966	N/A	2.6x

Our LECO RCM & HCIT Index continues to slide after a rough year, 7.35% for the quarter and -34.3% for the trailing twelve months (TTM). The broader market held up better with the NASDAQ only slightly negative for the quarter (-1.9%) and -25.1% for the year. Dow Jones was down 6.7% and 15.1%, while the S&P dropped 5.3% and 16.8%, respectively.

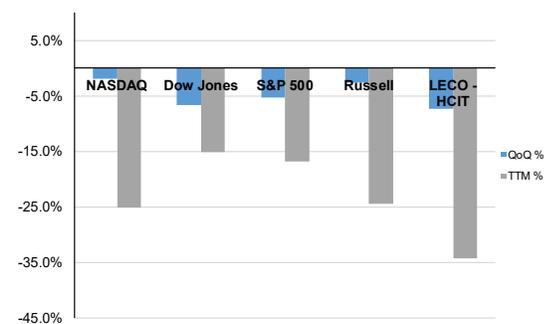
The LECO RCM & HCIT Index top performing companies going against the general negative trend are **NextGen Healthcare (NAS: NXGN)** with a 1.49% quarterly gain and 25.53% TTM overall gain, **Allscripts (NAS: MDRX)** with a 2.7% and 13.91% TTM, **Change Healthcare Inc. (NAS: CHNG)** with a 19.21% and 31.28% TTM, primarily due to the court approval and close of its pending transaction with UnitedHealth (finalized October 3rd and delisting of CHNG). **McKesson Corporation (NAS: MCK)** continues its positive climb with a 4.2% gain and 70%+ TTM.

Valuations of many telemedicine, software, and SPAC stocks are looking attractive compared to their private competitors. This is drawing attention from institutional funds with flexible mandates to invest in the rarely cheaper public comparable (LECO Index 5 yr Avg 4.2x) when reviewed on revenues, **TDOC (2.2x)**, **HCAT (1.4x)**, and **AMWL (1.5x)**. Regardless, the tech heavy index EV to Revenue LECO benchmark has fallen back below its 5-year average.

Indices Performance

Index Name	Index Price 9/30/2022	QoQ %	TTM %
NASDAQ	10,815	-1.9%	-25.1%
Dow Jones	28,725	-6.7%	-15.1%
S&P 500	3,586	-5.3%	-16.8%
Russell	1,665	-2.5%	-24.5%
LECO - HCIT	N/A	-7.3%	-34.3%

LECO HCIT Index vs Broad Market Indices



LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

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M&A Advisory: Buy-Side/Sell-Side	<ul style="list-style-type: none"> • Private Company Sales • Division/Subsidiary Divestitures • Buy-side search for proprietary 	<ul style="list-style-type: none"> • Acquisition Advisory Services • Private Market Financings • LBO's and Recapitalizations
Capital Raising: Debt/Equity	<ul style="list-style-type: none"> • Strategic Capital Options • Valuations & Financial Assessments • Bridge Financing, Real Estate, Bonds 	<ul style="list-style-type: none"> • Private Equity, Family Office • Lines of Credit, Senior Debt • Debt Mezzanine, Unitranche
Turnaround & Restructuring	<ul style="list-style-type: none"> • Turnaround Management • Debt Restructuring/Refinancing • Orderly Liquidations 	<ul style="list-style-type: none"> • Chief Restructuring Officer (CRO) • Bankruptcy Planning/ 363 Sales • Receivership / Trustee

Represented Transactions

 HealthCell <small>Discover. Simplify. Perform.</small> ACQUIRED MULTI SPECIALTY MEDICAL BILLING COMPANY  ACTED AS ADVISOR	 MedWorx GROWTH CAPITAL RAISE  Grenville <small>STRATEGIC ROYALTY CORP.</small>  ACTED AS ADVISOR	 MINGLE <small>ANALYTICS</small> GROWTH CAPITAL RAISE  ACTED AS ADVISOR AND INVESTOR	 GLOBALNET SOLUTIONS <small>Protein Solids</small> ACQUIRED BY  MTBC <small>A Unique Healthcare IT Company .com</small>  ACTED AS ADVISOR
 RANAC <small>Optimizing Performance & Profit For Healthcare Professionals</small> ACQUIRED BY A STRATEGIC BUYER  ACTED AS ADVISOR	MEDICAL BILLING AND TECHNOLOGY COMPANY \$8,000,000 ACQUIRED BY A STRATEGIC BUYER  ACTED AS ADVISOR	 KOVO ACQUIRED  MIDWEST Medical Billing service inc. <small>We partner with you.</small>  ACTED AS ADVISOR	 ICE <small>redefining Health Care</small> DENTAL PRACTICE MANAGEMENT AND EDUCATION SOFTWARE  ACTED AS ADVISOR

Neil Johnson – Managing Partner | Michael Goletz – Director