



## News Healthcare Deals, Investment & Update: Week July 14<sup>th</sup> 2023

**1. Big Health acquires Limbix, maker of mental health app for depression in adolescents ([Link](#))**

Big Health, a leading mental health app producer, has acquired Limbix, the developer of a prescription app for adolescent depression. The terms of the deal were not disclosed. Big Health CEO Arun Gupta stated that there is a growing need for solutions in adolescent mental health, an area where care is difficult to find. Limbix recently completed a clinical trial of its depression treatment, SparkRx, and is also developing a product for adolescent anxiety. Big Health, which raised \$75 million in early 2022, has distribution agreements with Evernorth and CVS Health and plans to offer SparkRx to its customers.

**2. CarePredict Receives Series A-3 Funding to Accelerate Growth in Senior Care ([Link](#))**

CarePredict has secured investment co-led by SV Health Investors' Medtech Convergence Fund and Aspire Healthtech Partners. CarePredict is an innovative company that uses technology to autonomously detect changes in daily activity and behaviors that precede health issues in older adults. This includes conditions such as urinary tract infections, falls, malnutrition, and depression. Their system enables early detection, allowing for preventive care and the preservation of overall wellbeing.

**3. ExoCoBio, A Leader in Exosome Technology, Completes the Acquisition of BENEV, a Global Medical Aesthetic Brand ([Link](#))**

ExoCoBio, a leader in exosome-based regenerative aesthetics, has acquired a majority ownership in BENEV, a global medical aesthetic company. BENEV is known for manufacturing the world's first growth factor-based skincare products and has expanded its offerings to include innovative medical aesthetic solutions. With BENEV's strong growth in the U.S. market and ExoCoBio's expertise in exosome-based regenerative medicine, the acquisition is expected to drive both companies' expansion in the global medical aesthetic market.

**4. Ares injects USD 60m into Great Expressions Dental Centers after takeover (Merger Market Intelligence – ([Link](#)))**

Great Expressions Dental Centers (GEDC) has been acquired by Ares Management, its lender, and received a \$60 million equity injection. Former owner Roark Capital has exited the company. GEDC's debt has been reduced from around \$500 million to \$325 million to \$350 million. Two interim co-CEOs have been appointed until a permanent CEO is chosen. GEDC generates about \$380 million in revenue and has around 300 locations. Ares has experience in the healthcare sector and has invested in other healthcare companies

**5. Roivant Sciences negotiates USD 7bn sale of stomach medication unit to Roche ([Link](#))**

Biotech company Roivant Sciences is in talks to sell its experimental drug for inflammatory bowel diseases to Roche for over \$7 billion. The drug, RVT-3101, is currently undergoing clinical trials and has shown promise in reducing inflammation and ulcers in the colon. While the deal could be announced soon, the discussions are still ongoing and other potential buyers may be interested.

**6. Inogen Expands Its Respiratory Product Portfolio with Acquisition of Physio-Assist ([Link](#))**

Medical technology company Inogen is set to acquire Physio-Assist, a French company known for its airway clearance device called Simeox. This acquisition will expand Inogen's product offering globally, benefiting patients with bronchiectasis and other chronic lung diseases. Simeox has proven efficacy and safety and is currently sold in Europe, Asia, and the Middle East. The deal is expected to enhance Inogen's growth and profitability while providing an innovative solution for respiratory care.

**7. CMS Proposes Policies to Expand Behavioral Health Access and Further Efforts to Increase Hospital Price Transparency ([Link](#))**

CMS has proposed expanding access to behavioral health services and addressing shortages of essential medicines in its calendar year 2024 rule. They aim to cover intensive outpatient services and seek comments on payment adjustments for hospitals. CMS is also working on improving hospital compliance, access to charge information, enforcement, and public understanding of hospital charges. The proposed rule includes measures to promote health equity for tribal communities.

**8. Health Connect America fined more than \$4.6M for alleged Medicaid fraud ([Link](#))**

Health Connect America, based in Franklin, Tennessee, will pay over \$4.6 million to settle allegations of Medicaid fraud. The company billed Virginia Medicaid for services not provided. They will face five years of increased compliance and oversight. The allegations include improper billing for behavioral health services for children, such as services provided to absent students and services provided by untrained individuals using someone else's credentials.

**9. Hospitals will recoup \$9B under HHS' proposed remedy to 340B ruling ([Link](#))**

The federal government will pay \$9 billion to eligible hospitals in the 340B program to offset unlawful payment cuts ruled by the Supreme Court. In 2018, the Department of Health and Human Services reduced prescription drug payments for 340B-covered hospitals by around 30%. The cuts were challenged and deemed unlawful by the Supreme Court due to a lack of proper procedure. The case has been sent back to lower courts, and the Centers for Medicare & Medicaid Services proposed a one-time lump-sum payment to affected hospitals. An estimated \$10.5 billion in missed payments between 2018 and 2022 will be addressed.

