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Investment Banking | Healthcare Finance | Consulting

Healthcare Deals and News – Week ending July 21, 2023

1. Pyx Health to Accelerate Growth with Strategic Investment from TT Capital Partners

TT Capital Partners invests in Pyx Health, a tech-enabled services company that combats loneliness and social isolation in health plans. The app-based solution improves patient outcomes, reduces healthcare costs, and serves over 6 million lives in 70 markets across the US. The investment aims to enhance health equity and engagement while tackling the loneliness crisis. ([Link](#))

2. Ventra Health Expands Services Through ArcMed Acquisition

Ventra Health, a leading business solutions provider for hospital-based clinicians, acquires ArcMed, an India-based billing and automation services organization. This move aims to enhance service performance, operational efficiencies, and automation capabilities, while also focusing on client-facing areas. The integration will enable Ventra Health to deliver market-leading results and support their mission of optimizing patient care. ([Link](#))

3. Torch Dental Secures \$28M to Digitize Dental Supply Chain

Torch Dental, a dental supply provider, raised \$28 million in funding to digitize the dental supply chain, with a total funding of \$40 million. Their goal is to streamline and digitize supply orders and operations for dental practices in the US. They offer custom dashboards and use AI to improve supply chain efficiency. The dental sector is also adopting buy now, pay later solutions for patient financing. ([Link](#))

4. Darby Dental Supply, has announced a strategic investment in American Nitrile, the largest US manufacturer of nitrile gloves, based in Columbus, Ohio.

Darby Group Companies, the parent company of Darby Dental Supply, has announced a strategic investment in American Nitrile, the largest US manufacturer of nitrile gloves, based in Grove City, Ohio. Darby will be the first dental supplier to distribute the highly anticipated DenTouch™ Gloves — a new glove designed to meet the unique needs of the dental market with patented compression tip technology that improves dexterity and simplifies handling of small, intricate instruments used by dentists and dental hygienists. This technology is the biggest innovation in nitrile gloves in over a decade. ([Link](#))

5. Teladoc doubles down on Microsoft partnership to bring AI, voice tech into telehealth visits

Telehealth giant Teladoc is teaming up with Microsoft to integrate AI and ambient clinical documentation technology into its Solo virtual care platform for hospitals. The move aims to reduce administrative burden and physician burnout by automating clinical note-taking during virtual and in-patient care. Leveraging Microsoft's acquisition of Nuance, Teladoc plans to enhance patient care and improve the doctor-patient relationship by utilizing AI-driven solutions in its virtual health services. ([Link](#))

6. TPG strikes \$1.4B deal to buy EHR, practice management software firm Nextech

Asset management firm TPG is acquiring healthcare IT company Nextech for \$1.4 billion from Thomas H. Lee Partners. Nextech offers electronic medical record and practice management software to specialty physician

practices, with a customer base of over 11,000 physicians and 60,000 office staff. TPG's investment aims to expand their presence in the healthcare services market, focusing on healthcare IT solutions that enhance provider productivity and patient care. The deal is set to close in Q3 2023. Nextech's CEO is optimistic about the partnership and aims to strengthen their position as a leading technology platform for specialty care providers. ([Link](#))

7. AI chatbot K Health picks up \$59M in fresh funding, inks partnership with Cedars-Sinai

K Health, a digital primary care startup, raised \$59 million from investors and California's Cedars-Sinai medical center. They offer AI-powered remote healthcare services through smartphones, suggesting diagnoses and connecting patients with doctors if needed. Over 10 million people have interacted with their AI, and 3.1 million had doctor or nurse chats. The company focuses on building hospital and health system partnerships. K Health's valuation is \$800 million, and they have raised \$330 million to date. ([Link](#))

8. WELL Health Announces the Acquisition of CarePlus Management and Increases Annual Revenue Guidance

WELL Health Technologies' subsidiary, CRH Medical, has acquired CarePlus Management, a Georgia-based company offering staffing and billing services for healthcare providers. The acquisition expands CRH's services and revenue potential. WELL Health has increased its 2023 annual revenue guidance to \$740 million - \$760 million with over 10% Adjusted EBITDA growth. ([Link](#))

9. Lilly to Acquire Versanis to Improve Patient Outcomes in Cardiometabolic Diseases

Eli Lilly is acquiring Versanis Bio, a biopharmaceutical company focusing on cardiometabolic diseases. The deal will explore the potential benefits of combining Versanis' bimagrumab, a monoclonal antibody, with Lilly's incretin therapies for obesity treatment. The agreement includes up to \$1.925 billion in cash payments, pending customary closing conditions.

10. Philip Morris To Acquire Israeli Cannabis Inhaler Company Syqe Medical For Up To \$650 Million

Tobacco giant Philip Morris plans to acquire Israeli cannabis inhaler company Syqe Medical for up to \$650 million. Syqe's innovative inhaler uses raw cannabis and offers precise dosage measurements. The deal is part of Philip Morris' move into the cannabis industry, and if successful, Syqe will become one of the top ten largest cannabis companies worldwide. ([Link](#))

11. CMS Approves California & Kentucky Requests to Provide Essential Behavioral Health Services Through Mobile Crisis Intervention Teams

The Centers for Medicare & Medicaid Services (CMS) approved California and Kentucky's proposals for community-based mobile crisis intervention teams to provide Medicaid crisis services. This expansion is part of President Biden's American Rescue Plan, focusing on improving access to mental health and substance use crisis care. The mobile crisis teams will offer 24/7 support, connecting individuals to behavioral health providers. This initiative aims to integrate behavioral health services into Medicaid programs and reduce the need for costly inpatient services, aligning with the Biden-Harris Administration's commitment to addressing the nation's mental health crisis. ([Link](#))