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Investment Banking | Healthcare Finance | Consulting

Healthcare Deals and News – Week ending October 20, 2023

1. Eli Lilly (NYSE: LLY) Bolsters European ADC Footprint with Acquisition of Mablink Bioscience, Enhancing Cancer Therapeutics Portfolio Through Cutting-Edge Linker Technology

Eli Lilly is expanding its presence in the European antibody-drug conjugate (ADC) market by acquiring Mablink Bioscience, following its earlier purchase of Emergence Therapeutics. Mablink, based in France, focuses on ADC technology with its PSARLink linker, aiming to reduce toxicity and enhance therapeutic payload delivery in cancer treatment. The move aligns with Lilly's renewed interest in ADCs after prior partnerships with ImmunoGen. Mablink's lead candidate, MBK-103, is designed to target FR α -expressing cells. With competition from players like ImmunoGen, Bristol Myers Squibb, and various biotechs, Mablink anticipates clinical entry in the coming year, pending French regulatory approval. ([Link](#))

2. Havencrest Capital Management Expands Avid Health at Home with Acquisition of Well Care Home Care, Bolstering Patient-Centric Home Care Services in North Carolina

Havencrest Capital Management, a Dallas-based healthcare private equity firm, has announced its second acquisition under the Avid Health at Home platform by acquiring Well Care Home Care (WCHC), the home care division of Well Care Health in North Carolina. WCHC, a leading provider of patient-centric home care with operations in five cities and 23 counties, will serve as Avid's flagship operation in North Carolina, facilitating expansion in the southeastern United States. Avid aims to provide innovative, value-based home care services and is actively exploring further acquisition opportunities in various geographic markets. Havencrest manages healthcare-focused private equity funds with approximately \$600 million in assets under management. ([Link](#))

3. Atlantic Street Capital Expands Medical Imaging Holdings with Acquisition of Midwest's Brown's Medical Imaging, medical imaging service and solutions provider in the Midwest US

Atlantic Street Capital (ASC), a private equity firm, has acquired Brown's Medical Imaging, the largest independent medical imaging service and solutions provider in the Midwest US. ASC had previously acquired Prestige Medical Imaging in 2021. Brown's Medical Imaging, founded in 1995 and based in Omaha, NE, offers medical imaging equipment and services to hospitals,

physician practices, and ambulatory centers. The partnership aims to broaden Brown's geographic footprint, create a national market leader, and enhance service offerings. Chad Brown will continue to lead the company, collaborating with ASC Medical Imaging Platform CEO Larry Hicks to optimize service and sales. ([Link](#))

4. Memorial Hermann Health System Invests in Reimagine Care, Pioneering Virtual and At-Home Cancer Care Services, to revolutionize patient experience and expand access to high-quality oncology care

Memorial Hermann Health System has invested in Reimagine Care, a pioneering provider of virtual and at-home cancer care services. Founded in 2020, Reimagine Care focuses on improving the cancer treatment experience by enabling patients to receive care at home, integrating clinical oncology specialists, data analytics, and artificial intelligence. Their patient-centric approach, supported by experienced clinicians and advanced technology, has achieved high patient satisfaction and a 95% success rate in avoiding emergency room visits. This investment by Memorial Hermann aligns with their commitment to delivering compassionate and cost-effective care, contributing to a more convenient and positive healthcare landscape for cancer patients. ([Link](#))

5. Pair Team, a virtual and community-based primary care solution, Raises \$9 Million in Series A Funding Led by NEXT VENTURES, with participation from PTX Capital, Kapor Capital, Kleiner Perkins, Y Combinator, and Healthcare Angel Investors for Medicaid high-risk patient care expansion in California

Pair Team, a virtual and community-based primary care solution, has secured \$9 million in Series A funding, led by NEXT VENTURES, with participation from other investors. The company is dedicated to connecting Medicaid's highest-risk patients with high-quality care by partnering with local health centers and community-based organizations. This funding will support Pair Team's expansion across California, where it addresses social barriers to healthcare, like housing and food access, by offering a shared care management platform. The company's approach has shown promising results, engaging a significant percentage of eligible high-needs patients and reducing emergency department utilization while improving mental health and chronic care management. ([Link](#))

6. Medline, healthcare solutions provider, enhances surgical supply efficiency with acquisition of PrefConnect™ Cloud , a cloud-based technology aimed at optimizing surgical preference cards

Medline has successfully acquired PrefConnect™, a cloud-based technology aimed at optimizing surgical preference cards, which are vital in managing operating room supplies. As the exclusive distributor for the past five years, Medline now fully integrates PrefConnect to reduce waste, errors, and time spent on supplies. The proprietary algorithm in PrefConnect continuously updates preference cards based on actual supply usage during surgeries. Over 50 U.S. hospitals already benefit from this technology. Medline aims to expand PrefConnect into

various healthcare settings, enhancing operational efficiency across the continuum of care. This strategic move strengthens Medline's position as a leading healthcare solutions provider. ([Link](#))

7. ACU-Serve Corp., revenue cycle management for healthcare providers in post-acute and home-based care, Secures Majority growth investment from Lovell Minnick Partners

ACU-Serve Corp., a leader in revenue cycle management for healthcare providers in post-acute and home-based care, has secured a majority growth investment from private equity firm Lovell Minnick Partners LLC (LMP). The partnership will allow ACU-Serve to expand its services and accelerate technology innovation while maintaining its independence and existing leadership. ACU-Serve offers a comprehensive suite of solutions, including a proprietary business intelligence platform, ACU-Insight. Former President of Experian Health, Scott Bagwell, and former CEO of Savista, Brenda Cline, have joined ACU-Serve's Board of Managers. The financial terms of the transaction remain undisclosed. ([Link](#))

8. Allara Raises \$10 Million in Series A Funding to Revolutionize Care for Women with Hormonal Conditions, Fueled by Google Ventures Supported by Great Oaks Venture Capital, Humbition, Vanterra, and Others.

Allara, a New York-based telehealth startup, has secured \$10 million in a Series A funding round led by Google Ventures. The company aims to address the underdiagnosis and inadequate treatment of common chronic hormonal conditions such as PCOS and endometriosis in women. Allara's platform offers a monthly subscription service connecting patients with a care team of medical practitioners and registered dietitians specializing in hormonal and metabolic care. The company has expanded its services and partnered with major insurers. The funding will help extend insurance coverage, launch health system partnerships, conduct clinical research, and scale its operations. ([Link](#))

9. JPA Health Enhances Healthcare Offerings with Acquisition of True North Solutions, Bolstering AI and Data-Driven Capabilities for Clients

JPA Health, a global integrated agency, has acquired True North Solutions, a consulting firm based in Cambridge, Massachusetts. True North specializes in commercial, clinical, and medical affairs, with a focus on digital acceleration, predictive analytics, and AI-driven solutions. This acquisition expands JPA Health's capabilities, allowing them to offer end-to-end integrated medical affairs, clinical development, commercial strategy, marketing, public relations, and patient advocacy services. Colin Baughman, the founder of True North Solutions, with over 20 years of life science industry experience, will join JPA Health as an executive vice president. The acquisition aims to enhance data-driven insights and creative solutions for clients in the healthcare industry. ([Link](#))

10. Michigan's Procerus Skin Care, Medical Spa, Acquired by Cosmetic Skin & Laser Center, aesthetic and regenerative service provider and portfolio company of Incline Equity Partners

Procerus Skin Care, a well-established Medical Spa in Ann Arbor, Michigan, known for innovative skin and body care, has been successfully acquired by Cosmetic Skin & Laser Center (CSLC), a company specializing in aesthetic and regenerative services. This transaction was completed with the support of Incline Equity Partners, a private equity firm based in Pittsburgh, Pennsylvania. PSC offers non-invasive cosmetic laser treatments, injectables, and medical-grade skincare. CSLC, headquartered in Petoskey, Michigan, takes a consultative, medical approach to patient care. The acquisition highlights the growing interest in the cosmetic and skincare industry. ([Link](#))

11. Hallmark Health Care Solutions , NYC-based healthcare technology firm, Secures Growth Investment Led by Summit Partners with participation from Enhanced Healthcare Partners and Hallmark management

NYC-based healthcare technology firm Hallmark Health Care Solutions has secured an undisclosed growth investment in a funding round led by Summit Partners, featuring participation from existing investor Enhanced Healthcare Partners and Hallmark's management. Ross Stern, Managing Director of Summit Partners, has joined Hallmark's Board of Directors. The funds will bolster the company's vendor-neutral stance and support the expansion of innovative workforce management solutions for healthcare organizations. Hallmark Health Care Solutions offers a SaaS platform that aids over 85 healthcare organizations and 750 staffing agencies in addressing labor-related challenges by enhancing access to talent, operational efficiency, and cost savings. ([Link](#))

12. Leucine , B2B SaaS start-up Secures \$7 Million Series A Funding Led by Ecolab Inc. participation from Pravega Ventures, Axilor Ventures, Techstars, and angel investors

B2B SaaS start-up Leucine has secured \$7 million in Series A funding, led by Ecolab Inc., with participation from Pravega Ventures, Axilor Ventures, Techstars, and angel investors. The funding will bolster Leucine's Compliance Cloud platform, integrating AI-driven tools to transform pharmaceutical manufacturing processes. The company also unveiled Leucine 10x, an AI framework designed to enhance manufacturing processes. The investment will be used to refine AI capabilities and expand Leucine's presence. The platform, which acts as a digital twin of manufacturing shop floors, offers real-time monitoring, compliance management, and proactive insights, setting it apart from legacy solutions. Leucine is already operational in 30+ companies and 300+ manufacturing facilities across 10 countries, with a 2X increase in adoption over the last year. ([Link](#))

13. EngagedMD, a leading platform for automating patient education and administration, Expands Global Presence with Acquisition of UK-Based MD Consents, the parent company of Fertility Consent

EngagedMD, a leading platform for automating patient education and administration, has acquired UK-based MD Consents, the parent company of Fertility Consent, to enhance their global presence in the fertility sector. The acquisition aims to improve patient understanding and engagement throughout the complex fertility treatment process. Both companies share a vision of informed decision-making to enhance patient experiences. Fertility Consent is known for simplifying complex medical information and the consent process. The acquisition promises expanded services and customer support for existing clients. ([Link](#))

14. CPSI (NASDAQ: CPSI) Completes Acquisition of Viewgol, a provider of ambulatory revenue cycle management, Expanding offshoring initiatives in ambulatory revenue cycle management

CPSI (NASDAQ: CPSI), a community healthcare solutions company, has successfully completed its acquisition of Viewgol, a provider of ambulatory revenue cycle management (RCM) analytics and outsourcing services. This strategic move accelerates CPSI's offshoring efforts, leveraging Viewgol's offshore workforce. Viewgol offers RCM services and analytics software solutions to 38 clients across 15 states, primarily in ambulatory care, expanding CPSI's RCM business. The acquisition is expected to bring greater efficiency, scalability, and synergies. Viewgol is projected to generate GAAP net income of around \$1.5 million and Adjusted EBITDA of approximately \$4.5 million in 2024. Full 2024 impact and guidance will be disclosed later. ([Link](#))

15. Amazon Pharmacy introduces drone delivery for medications, Offering 1-Hour Service in College Station, Texas, amid growing healthcare industry interest in timely and efficient supply deliveries

Amazon Pharmacy is launching a drone delivery service for medications in College Station, Texas, promising delivery within an hour. This move reflects the healthcare industry's increasing interest in using drones for efficient and timely medicine and supply deliveries, especially in congested or rural areas. Various health systems, including Intermountain Health, have tested or adopted similar programs. Amazon, with FAA approval for advanced drone operations, is well-positioned to provide this service, utilizing drones to bypass traffic and deliver time-sensitive drugs and medical supplies. This innovation also garners interest from pharmaceutical companies, with Pfizer partnering with drone company Zipline during the pandemic. ([Link](#))

16. Henry Ford Health System and Ascension Michigan Join Forces in \$10.5 Billion healthcare joint venture, aiming to enhance quality, access, and coordination of care

Henry Ford Health System and Ascension Michigan have formed a joint venture, creating a healthcare system valued at \$10.5 billion. This partnership combines Ascension's southeast Michigan and Genesys healthcare assets with Henry Ford's, covering 50,000 team members at over 550 sites of care. The health system will be headquartered in Detroit, and its facilities will be rebranded under Henry Ford. The deal is expected to close in the summer of 2024, subject to regulatory reviews. The collaboration aims to enhance healthcare services, improve coordination, lower costs, and adapt to post-pandemic needs, prioritizing high-quality care accessible to all. It faces rigorous antitrust reviews. ([Link](#))