



# LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

## Healthcare Deals and News – Week ending November 10, 2023

### 1. Health Catalyst Inc. (NASDAQ: HCAT), a healthcare technology and data analytics company, Acquires Electronic Registry Systems, Enhancing Cancer Data Analytics and Patient Outcomes

Health Catalyst, Inc. (NASDAQ: HCAT), a healthcare technology and data analytics company, has successfully acquired Electronic Registry Systems (ERS), a prominent provider of cancer registry solutions. The deal is in line with addressing the increasing \$200 billion annual spend on cancer in the U.S. ERS, known for its cloud-based cancer data and analytics solutions, brings over 750 cancer center partnerships and extensive longitudinal patient data to Health Catalyst. The acquisition aligns with Health Catalyst's strategic goals of enhancing data analytics solutions to improve patient outcomes. ERS's CEO, Rohit Nayak, acknowledges the support received throughout the process. ([Link](#))

### 2. ARC Health, Backed by Thurston Group, Strengthens Mental Health Services with Strategic Acquisition of GROW Counseling and Expansion into U.S. and Canadian Markets

ARC Health, part of Thurston Group, has acquired GROW Counseling, expanding its mental health services in the U.S. and Canada. GROW, led by Dr. Wendy Dickinson Ragland, offers diverse therapeutic services since 2007. The acquisition includes GROW Counseling Network, a unique mental health support platform partnering with employers. The GCN's network spans 46 states, providing clinically driven care solutions. ARC Health's CEO, Vince Morra, highlights the commitment to enhancing mental health care. Mertz Taggart facilitated the transaction. Thurston Group, a private equity firm, specializes in building industry-leading healthcare companies. The deal aligns with ARC Health's provider-centric model, promoting clinical autonomy. ([Link](#))

### 3. Cathay Capital Makes Inaugural North American Investment, Partnering with Dental Service Organization Parkview Dental Partners for Accelerated Expansion in Florida's \$9 Billion Market

Cathay Capital, a global private equity firm, has invested in dental service organization Parkview Dental Partners, marking its first North American investment from the Growth Private Equity Fund. Parkview, based in Sarasota, Florida, manages 22 dental practices and plans to expand in the \$9 billion dental services market in Florida. Cathay's partnership aims to accelerate Parkview's growth through acquisitions and additional services. The company has achieved a 50% revenue growth since 2019, and with Cathay's support, aims to become a

market leader in the Southeast. Parkview's management team, alongside Cathay, will drive the expansion with a focus on clinical excellence. ([Link](#))

#### 4. York Private Equity Invests Strategically in Comprehensive Rehab Consultants (CRC), Boosting Growth for Leading Physiatry and Psychiatry Care Group in the U.S.

York Capital Management's private equity group, York Private Equity, has made a strategic growth investment in Comprehensive Rehab Consultants (CRC), a major physiatry and psychiatry care group in the U.S. CRC, founded in 2020, offers specialized medical services to skilled nursing facilities nationwide. The partnership aims to enhance CRC's services and expand its reach, with founders Dr. Omar Osman and Rehan Azhar remaining at the helm. York's investment aligns with their healthcare services strategy, supporting founders and businesses in the sector. CRC, serving over 32 states, is the eighth platform investment by York Special Opportunities Fund III. ([Link](#))

#### 5. Walmart Health Forges Groundbreaking Patient Care Partnership with Orlando Health to Enhance Coordination and Outcomes Across 23 Florida Centers, Marking a Significant Step in the Retail Giant's Ambitious Healthcare Expansion Plans by 2024.

Walmart Health is partnering with Orlando Health in Florida to enhance patient care coordination, focusing on referral management and engagement. This marks Walmart's first patient care agreement with a health system. The collaboration aims to streamline patient experiences and improve outcomes by aligning services and communication between Walmart Health centers and Orlando Health providers. Walmart Health, with 23 centers in Florida, plans to nearly double its health clinic footprint by 2024, expanding into Missouri, Arizona, Oklahoma, and Texas. The retailer is also extending virtual care benefits and collaborating with Ambetter from Sunshine Health to enhance community healthcare access in Florida. ([Link](#))

#### 6. Choice Health at Home, a multi-state provider of healthcare services, Expands Presence with Strategic Acquisition of Lumicare Hospice in Colorado, Texas, and Arizona, Marking Entry into Colorado and Strengthening Commitment to Exceptional End-of-Life Care Across the Southwestern United States

Choice Health at Home, a multi-state provider of healthcare services, has announced the acquisition of Lumicare Hospice in Colorado, Texas, and Arizona. This expansion marks Choice's entry into Colorado and strengthens its presence in the Southwestern United States. Lumicare is renowned for providing excellent hospice care. Kevin Peay, Lumicare's founder, will join Choice as the President of Hospice Operations in Colorado. The move aligns with Choice's mission to enhance end-of-life care. The company, operating in seven states, aims to provide comprehensive post-acute care at home. The acquisition reflects Choice's commitment to expanding its footprint and improving patient lives. ([Link](#))

## 7. Eleos Health Secures \$40M in Series B Funding to Advance AI-Powered Behavioral Health Solutions, Bringing Total Funding to \$68M

Boston and Tel Aviv-based AI behavioral health company Eleos Health raised \$40M in a Series B funding round led by Menlo Ventures, with participation from F-Prime Capital, Eight Roads, Arkin Digital Health, SamsungNEXT, and ION. The funding, bringing the total to \$68M, will accelerate product development, expand hiring efforts, and strengthen strategic partnerships for wider adoption of AI in behavioral health. Eleos Health utilizes proprietary language models to transform behavioral health conversations into actionable insights, reducing operational burdens for providers and enhancing evidence-based care. The company plans to hire over 50 people by end-2024. ([Link](#))

## 8. Niterra Co. and Pegasus Tech Ventures Propel Vivalink Medical's Global Impact with Strategic Investment in Advanced Remote Patient Monitoring and Wearable Technology

Niterra Co., in collaboration with Pegasus Tech Ventures, has invested in Vivalink Medical, Inc., a leader in remote patient monitoring services and wearable technology. The strategic partnership aims to advance healthcare through Vivalink's IoT platform and sensors, detecting conditions like Cardiology, Oncology, Neurology, and Hypertension. Niterra, transitioning from internal combustion engines, focuses on Healthcare in its 2030 Long-Term Management Plan. Vivalink's technology, operational in 45 countries, holds 20 patents and collaborates with 250+ partners. The investment accelerates Vivalink's global growth, aligning with Niterra's vision to enhance life quality through innovative healthcare solutions. ([Link](#))

## 9. Nordic Capital Acquires Majority Stake in IntegriChain, Fueling Growth for Leading Pharmaceutical Technology Provider in Strategic Move from Accel-KKR

Swedish private equity investor Nordic Capital has acquired a majority stake in Philadelphia-based pharmaceutical technology provider IntegriChain from Accel-KKR. The deal, set to close by year-end pending regulatory approvals, aims to propel IntegriChain's growth and strengthen its position as a platform for pharmaceutical manufacturers. IntegriChain, led by Josh Halpern, offers a data-driven commercialization platform, the ICyte Platform, facilitating the management of drug access and profitability throughout the commercial process. With over 400 pharmaceutical clients, IntegriChain plans to utilize the funds to advance its growth objectives and enhance its role in bringing scientific innovations to market. Financial terms remain undisclosed. ([Link](#))

## 10. Therapy iQ Secures \$1.5M Seed Funding Led by Valor Ventures to Propel Revolutionary Mental Health Practice Management Platform, Transforming Workflows for Therapists and Clients Alike

Husband-and-wife founders Nate and Amy are reshaping the mental health landscape with their VC-backed venture, Therapy iQ. Recently securing \$1.5 million in seed funding led by Valor Ventures, the health tech company offers a transformative practice management platform. Therapy iQ addresses common challenges in therapy practices, streamlining workflows, enhancing visibility, and providing a customizable interface. Nate and Amy's firsthand experience as practice owners inspired a holistic approach, empowering therapists and clients alike. The platform's success lies in its adaptability, addressing gaps in Electronic Health Records for group therapy via telehealth. Therapy iQ's pillars emphasize client engagement, user-friendly automation, and personalized solutions. ([Link](#))

## 11. Comprehensive Prosthetics & Orthotics Secures Strategic Investment from Northcreek Mezzanine Fund IV and Parkway Capital

Comprehensive Prosthetics & Orthotics (CPO) has completed an investment from Northcreek Mezzanine Fund IV and Parkway Capital, with financial advisory support. CPO, a Midwest-based prosthetic and orthotic service provider, founded in 2006, serves the adult and pediatric markets. The terms of the transaction were not disclosed. Northcreek Mezzanine focuses on mezzanine debt and equity investments, and Parkway Capital specializes in mezzanine debt and minority equity investments in lower middle-market companies. CPO's CEO expressed enthusiasm for the partnership, emphasizing growth. CPO has been backed by Indian private equity investors, InvAscent and Ventureast. ([Link](#))

## 12. Instacart, Door Dash now allowing users to buy health items using HSAs, FSAs

DoorDash and Instacart have announced that customers can now use health savings accounts (HSA) and flexible spending accounts (FSA) to purchase health and wellness items through their platforms. This initiative aims to help people maximize their FSA funds, which typically expire at the year-end. Instacart is launching an HSA and FSA shop with tags indicating eligible products, while DoorDash offers a dedicated Health section with FSA- and HSA-labeled items. Instacart is also introducing a Health Wallet tool, allowing users to use benefits from Medicare Advantage, Medicaid plans, and Supplemental Nutrition Assistance Program funds. Both platforms aim to ease access to essential health products. ([Link](#))