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Healthcare Deals and News – Week ending December 08, 2024

1. The Pennant Group (NASDAQ: PNTG) Expands Arizona Presence with Acquisition of Southwestern Palliative Care & Hospice, Bolstering Commitment to End-of-Life Care in Yuma Region

The Pennant Group Inc. (NASDAQ: PNTG) has acquired Arizona-based Southwestern Palliative Care & Hospice, expanding its presence in the state. The home health, hospice, and senior living company aims to enhance end-of-life care in Yuma, Arizona, citing Southwestern's strong community ties as a key factor. Pennant, operating in 13 states, including Arizona, prioritizes strategic growth and recently completed several acquisitions, reinforcing its commitment to quality healthcare services. The financial details of these transactions, including the Southwestern acquisition, remain undisclosed. Seniors aged 65 and older constitute 18.8% of Arizona's population, contributing to the demand for end-of-life care services. ([Link](#))

2. Tygon Peak Capital Forms Innovative Healthcare Platform through Strategic Investment in Doctors of Internal Medicine (DIM) and Internal Medicine Associates of Plano (IMAP) in Dallas, TX, Pioneering Value-Based Primary Care for Dallas Metro Area and Beyond

Tygon Peak Capital has established a healthcare platform by investing in primary care businesses Doctors of Internal Medicine (DIM) and Internal Medicine Associates of Plano (IMAP) in Dallas, TX. The platform, led by Co-CEOs Dr. Ladan Bakhtari and Dr. Arash Tirandaz, will offer services like primary care, geriatrics, cardiology, and more. Tygon Peak aims to create a value-based, patient-focused primary care platform, expanding services, recruiting talent, and investing in technology. The move aligns with the national shift towards value-based care. Sunflower Bank provided senior debt financing, and McGuireWoods and CohnReznick LLP served as legal and accounting advisors. ([Link](#))

3. ARC Health, Thurston Group's Mental Health Portfolio, Acquires APG Health, Central Florida's Largest Outpatient Behavioral Healthcare Clinic

ARC Health, part of Thurston Group, has successfully acquired Advanced Psychiatric Group (APG Health), a prominent mental health practice in Central Florida. APG Health, founded in 1992, has grown into the largest outpatient behavioral healthcare clinic in the region, serving

over 20,000 patients with a focus on psychiatric care, mental health counseling, ADHD testing, and research studies. The partnership aims to expand mental health services in the community. Dr. Heidi Maboudi, the founder of APG Health, is enthusiastic about the collaboration, emphasizing ARC Health's commitment to supporting the growth of mental health organizations. Vince Morra, CEO of ARC Health, anticipates ongoing benefits for patients. The acquisition was facilitated by Bayshore Growth Partners, a healthcare-focused M&A advisory firm based in Tampa, FL. ARC Health, a premier group of mental healthcare practices under Thurston Group, operates with a provider-centric approach, fostering collaboration and clinical autonomy. Thurston Group, a private equity firm specializing in healthcare and related business services, has a successful history of building industry-leading companies. ([Link](#))

4. Platinum Dermatology Partners Expands Network with Strategic Merger with Skin & Cancer Associates of Florida, Creating a Robust Dermatology Alliance of Nearly 400 Providers Across Five States

Platinum Dermatology Partners announces a strategic partnership with Skin & Cancer Associates of Florida (SCA), expanding its network to nearly 400 providers across 130 clinics in five states. SCA, a respected South Florida dermatology group, brings 34 locations and over 50 years of experience. The merger, driven by a shared commitment to exceptional patient care, is hailed as a significant milestone by Platinum's CEO, Michael Pennington. Sun Capital Partners, expressing enthusiasm for this landmark event, recognizes the vision and leadership of Platinum Dermatology Partners. The partnership aims to enhance medical practices and optimize patient experiences in the dermatology specialty. ([Link](#))

5. National HME Expands Hospice Services Nationwide with Acquisition of Hospice Source, Strengthening Capabilities through Innovative Technology and Dedicated Team

National HME has acquired Hospice Source, expanding its reach in providing durable medical equipment solutions to hospice and care facilities across the U.S. The move enhances National HME's service capabilities through its Hospice Cloud Pro technology. Jeffrey Waldman, National HME's CEO, expressed gratitude for new healthcare relationships and emphasized the commitment to delivering compassionate patient experiences. The acquisition aims to bring immediate value and efficiency to Hospice Source customers, leveraging a skilled medical service team and operational expertise. National HME, based in Irving, Texas, operates over 50 locations nationwide, offering technology-enabled hospice medical equipment management solutions. ([Link](#))

6. R1 RCM (NASDAQ: RCM) to Acquire Acclara for \$675 Million, Secures 10-Year Partnership with Providence Health System for Comprehensive Revenue Cycle Management

R1 RCM, a healthcare technology solutions provider, is set to acquire Acclara, a revenue cycle management company, from Providence for \$675 million. The deal includes a 10-year agreement for R1 to provide comprehensive revenue cycle services to Providence. The

acquisition strengthens R1's position as a leader in revenue cycle management, enhancing its ability to streamline billing processes and improve financial performance for healthcare providers. The partnership signifies confidence from Providence, a major health system, in R1's technology and services. The transaction is expected to be completed in early 2024, subject to regulatory approvals. ([Link](#))

7. Fountain Life, Advanced diagnostics and preventative health firm, Acquires LifeOmic, healthcare technology company, to Propel Advanced Diagnostics and Data-Driven Preventative Health Services Globally

Advanced diagnostics and preventative health firm Fountain Life has acquired health data technology company LifeOmic, gaining control of LifeOmic's intellectual property, including the LifeOmic Platform and related apps. The acquisition enhances Fountain Life's data-driven preventative care membership services, utilizing LifeOmic's platform for data storage, genomic analysis, EHR integration, AI, machine learning, wearables, and telehealth. The move aligns with Fountain Life's mission to transform healthcare into a proactive and data-driven system, addressing the growing interest in optimizing health for longevity. The financial terms of the transaction remain undisclosed. Fountain Life aims to make advanced diagnostics and personalized therapeutics available globally. ([Link](#))

8. Vaso Corporation, a diversified medical technology, Announces Nasdaq Uplisting Plan via \$176 Million Business Combination with Achari Ventures Holdings, Expanding Presence in Medical Technology and IT Services

Vaso Corporation intends to uplist from OTCQX to Nasdaq through a business combination with Achari Ventures Holdings Corp. The diversified medical technology firm, led by CEO Jun Ma, operates in IT systems, diagnostic imaging sales, and proprietary medical device manufacturing. The transaction values Vaso at approximately \$176 million, set at \$10.00 per share. The deal is subject to customary closing conditions and is expected to conclude in Q1 2024. Vikas Desai, Achari's CEO, will be Chairman of the combined company. ([Link](#))

9. Resurgens Technology Partners Backs Valant, Seattle's Behavioral Health EHR Provider, in Unspecified Investment for Enhanced Services and Expansion

Seattle-based Valant, a provider of cloud-based EHR for behavioral health practices, has secured an undisclosed investment from Resurgens Technology Partners. The funds will support Valant in expanding customer services and accelerating new client acquisition. Valant's software streamlines administration for behavioral health providers, ensuring compliance with regulations. Resurgens, joined by Operating Partner Trey Carter, who has extensive experience in the behavioral health industry, will collaborate with Valant's management to drive the company's growth. Carter will also join Valant's board as part of the investment. ([Link](#))

10. Digital Health Strategies Secures Series A Funding Led by MediaLogic Founder David Schultz and Backed by Healthcare Industry Leaders Including Former Tenet Healthcare Executives Michael H. Focht, Sr. and T. Dennis Jorgensen

Digital Health Strategies, Inc. (DHS) has successfully closed a Series A funding round to expand its Share of Health™ patient loyalty platform. The healthcare-focused company, founded in 2014, recently made the Inc. 5000 list of fastest-growing private companies. Led by industry veterans, the funding will enhance DHS's data and technology solutions, aiding clients like Geisinger and Hackensack Meridian Health. Key investors include David Schultz of MediaLogic, and Michael H. Focht, Sr., former President of Tenet Healthcare. DHS aims to strengthen patient loyalty, improve care coordination, and address care gaps through personalized communications and data-driven strategies. ([Link](#))

11. CVS Health (NYSE: CVS) Unveils "CVS Healthspire" in Strategic Integration Move, Announces New Drug Cost Models for 2025 and Projects \$366 Billion in Revenue by 2024.

CVS Health introduces "CVS Healthspire," a rebranding of its health services segment, encompassing Caremark, Cordavis, Oak Street Health, Signify Health, and MinuteClinic. The initiative aims at strategic business integration, emphasizing a patient-centric ecosystem. New drug cost models for 2025, "CostVantage" and "CVS TrueCost," are announced. Recent acquisitions of Signify Health (\$8 billion) and Oak Street Health (\$10.6 billion) position CVS to address the aging demographic's healthcare needs. 2024 projections target a revenue exceeding \$366 billion and an operating income of at least \$15 billion. CVS continues to strengthen its position in the evolving healthcare landscape. ([Link](#))

12. Sanofi (EPA: SAN) Accelerates Drug Discovery with \$140M Investment in Aqemia's AI-Powered Platform, Paving the Way for a Revolutionary Shift in Pharmaceutical Innovation

Sanofi has entered a \$140m partnership with Aqemia, an AI-driven pharmaceutical company, signaling a major commitment to AI in drug discovery. The collaboration aims to revolutionize the drug development process by leveraging Aqemia's advanced AI algorithms to identify and optimize therapeutic compounds efficiently. Sanofi's investment underscores the industry's recognition of AI's potential to accelerate drug discovery, reducing time and costs associated with traditional methods. This strategic move signifies a broader industry shift towards integrating AI into drug development, positioning Sanofi as a frontrunner in technological innovation for faster and more efficient therapies. ([Link](#))