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Investment Banking | Healthcare Finance | Consulting

Healthcare Deals and News – Week ending September 15, 2023

1. Havencrest Capital Management, a Dallas-based healthcare private equity firm, invests in clinical trial network Tekton Research

Havencrest Capital Management, a Dallas-based healthcare private equity firm, has announced a majority investment in Tekton Research, LLC, a clinical trial site network with 23 sites across several states. Tekton conducts trials in various therapeutic areas, emphasizing a patient-centric approach. Tekton's Founder and CEO, Kip McKenzie, aims to expand their network, improve trial access for underrepresented patients, and maintain data quality. Havencrest's Principal, Dylan C. Erdle, praised Tekton's leadership and patient access capabilities. Jones & Spross and Edgemont Partners advised Tekton, while Bass, Berry & Sims and Lincoln International advised Havencrest. The financial terms remain undisclosed. ([Link](#))

2. Quipt Home Medical Corps. (NASDAQ:QIPT) Expands Operations with \$9 Million Acquisition in Southern U.S.

Quipt Home Medical Corp. has successfully acquired a business operating in Mississippi, Texas, and Louisiana, with unaudited annual revenues of approximately \$9 million ending June 30, 2023, and anticipated post-integration Adjusted EBITDA of \$2 million. The acquisition brings ten additional locations, 17,500 active patients, 1,900 referring physicians, and valuable insurance contracts. This expansion aligns with regions having a high prevalence of Chronic Obstructive Pulmonary Disease (COPD), furthering Quipt's position as a leader in clinical respiratory care. The company now serves 287,500 active patients across 125 locations in 26 U.S. states, with plans for organic growth and potential tuck-in acquisitions. ([Link](#))

3. DirectMed, a medical imaging parts and service company under NMS Capital, acquires Technical, a prominent provider of parts, training, and support for medical imaging equipment, prospects to expand medical imaging support services

DirectMed Parts & Service, a medical imaging parts and service company under NMS Capital, has acquired Technical Prospects, a prominent provider of parts, training, and support for medical imaging equipment. Technical Prospects specializes in Siemens equipment and has served customers in the US and internationally for nearly 30 years. The partnership aims to enhance Technical Prospects' offerings and extend the life of medical imaging equipment, providing a broader range of parts and support. The company will maintain its brand and

operations in Appleton, WI. The acquisition aligns with DirectMed's goal to become a trusted resource in aftermarket diagnostic imaging equipment. ([Link](#))

4. Phorcys Capital Partners, alternative asset manager, acquires The Glen Senior Housing Property in Greensboro, Georgia. Deal is financed by Stride Bank.

Phorcys Capital Partners, LLC (PCP) has acquired "The Glen at Lake Oconee Village," a senior housing property in Greensboro, Georgia, for \$26.45 million in August 2023. PCP, previously a supermajority creditor for its municipal bonds, focuses on distressed senior living properties financed by municipal bonds in the US. The Glen, with 114 units, offers independent living, assisted living, and memory care services in a prime location near Reynolds Lake Oconee. PCP's strategy centers on value-add potential in markets with strong demographics. The acquisition marks PCP's growth in the senior living sector and continues its commitment to top-quality care with SRI Management. ([Link](#))

5. Life Sciences industry Veteran, Philip Borden, and Investor group, Pacific Lake Partners, acquire majority stake in LabShares, paving the way for expansion

Philip Borden and investor Pacific Lake Partners have acquired a majority stake in LabShares, a leading provider of shared laboratory facilities and services for life science and biotech companies. Philip Borden, a seasoned industry veteran, will become the CEO, while LabShares founder Jeff Behrens joins the Board of Directors. LabShares offers cost-effective shared lab spaces and equipment, particularly benefiting early-stage biotech firms. The investment will facilitate LabShares' expansion in the greater Boston area and beyond, catering to the growing interest from domestic and international companies. This move underscores the importance of shared lab spaces in nurturing biotech startups. ([Link](#))

6. Investors including Rethink Impact and Samsung Next Back Bold, Los Angeles based healthy aging platform, with \$17M in Series A funding. Other investors include Andreessen Horowitz (a16z) Bio + Health, Khosla Ventures, GingerBread Capital, and Primetime Partners.

Bold, a Los Angeles-based healthy aging platform, has secured \$17 million in Series A funding, bringing its total raised to \$27 million. Rethink Impact led the round, with participation from Samsung Next and existing investors including Andreessen Horowitz (a16z) Bio + Health, Khosla Ventures, GingerBread Capital, and Primetime Partners. As part of this funding, Jenny Abramson from Rethink Impact will join Bold's Board of Directors. The company plans to use the capital to expand its partnerships with national and regional Medicare plans and provides, as well as enhance its clinical exercise programs tailored to the physical and mental health needs of older adults. ([Link](#))

7. HealthEdge, United Western Group, and Advantage Capital Join Bow River Capital in a recapitalization of Veridian Healthcare, a leader in in-home diagnostic and pain care products.

Denver-based alternative asset manager Bow River Capital's Private Credit Team has provided funding to support the recapitalization of Veridian Healthcare by HealthEdge Investment Partners, United Western Group, and Advantage Capital Holdings. Veridian is known for distributing private label and branded in-home diagnostic, pain care management, and personal care products. Bow River Capital's Eli Muraidekh expressed excitement about the partnership and Veridian's growth potential. The company recently formed its Private Credit Team, emphasizing its focus on private credit, private equity, real estate, and software growth equity investments in the lower and middle markets. ([Link](#))

8. Walmart's (NYSE: WMT) exploring majority stake acquisition in ChenMed, a primary care clinic operator, move in Line with Amazon (NASDAQ: AMZN) and CVS (NYSE: CVS) healthcare expansion

Walmart is reportedly in talks to acquire a majority stake in ChenMed, a primary care clinic operator, as part of its healthcare expansion efforts. The deal could value ChenMed at several billion dollars. ChenMed operates 125 primary care clinics across 15 states, primarily serving low-to-moderate-income seniors with complex chronic conditions. Walmart has been expanding its healthcare services, including Walmart Health clinics and telehealth through its acquisition of MeMD. This move follows similar healthcare expansions by competitors like Amazon and CVS Health. Walmart also has a 10-year partnership with UnitedHealth Group to promote value-based care and launch a Medicare Advantage plan. ([Link](#))

9. SUMO Medical Staffing, a Utah-based locum tenens agency, has been acquired by Acacium Group, a global healthcare and life science partner

SUMO specializes in placing qualified physicians and advanced practice providers across a range of medical specialties throughout the US. This strategic partnership significantly expands SUMO's resources and opportunities, allowing it to enhance its services to both clients and healthcare professionals. The agency will continue to operate independently within Acacium Group's US Healthcare Staffing Division, ensuring its commitment to excellence and quality service remains unwavering while benefiting from increased support and expertise. ([Link](#))

10. Concord Health Partners , healthcare focused healthcare firm, invests in NeuroFlow, behavioral health SaaS platform.

Concord Health Partners has announced an undisclosed investment in NeuroFlow, a leading behavioral health SaaS platform. The investment will help NeuroFlow meet growing demand for its solutions in hospitals, health systems, payor, and government agency segments. NeuroFlow's platform utilizes AI-driven analytics and care collaboration tools to identify, manage, and monitor complex behavioral health conditions. It integrates this data into

workflows for care providers, enhancing patient adherence to treatment. Concord's investment aims to bolster the healthcare ecosystem with innovative technology and expand access to quality care. This investment was made through Concord Innovation Fund II, which focuses on advancing healthcare technologies. ([Link](#))

11. Walgreens (NASDAQ: WBA) expands primary care presence through partnership with Pearl Health, health technology firm

Walgreens is expanding its presence in primary care through a partnership with Pearl Health, a provider enablement company. This collaboration aims to promote value-based care by offering healthcare services like prescription fulfillment, medication adherence, immunizations, and diagnostic testing. Pearl Health brings personalized treatment insights through its Urgency Score algorithm, utilizing health and demographic data. The partnership intends to improve patient outcomes, medication management, and healthcare affordability while reaching more regions and patients. Walgreens has been making strategic moves in healthcare, including investments in VillageMD and CareCentrix, as it competes with CVS, Amazon, and others in primary care services. ([Link](#))

12. Navina, an AI-powered primary care platform, teams up with Privia Health, physician enablement company, to enhance patient care with AI-powered platform

Navina, an AI-powered primary care platform, is partnering with Privia Health Group, a physician enablement company. This collaboration aims to provide Privia's network of providers with Navina's AI technology to streamline workflows, improve patient care, and support value-based initiatives. Navina's platform integrates with Privia's systems and external clinical data sources to interpret patient data, generating concise clinical summaries and evidence-based recommendations. The goal is to empower clinicians with actionable insights during patient interactions. Navina also focuses on educating physicians about the value of AI in their workflow. The platform has already shown promise in reducing chart review time and improving diagnosis accuracy. ([Link](#))