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Healthcare Deals and News – Week ending September 08, 2023

1. Thoma Bravo acquires Nextgen Healthcare (NXGN.O), healthcare software provider, for \$1.8 billion, expanding healthcare technology investment amid industry growth

Private-equity firm Thoma Bravo has agreed to acquire healthcare software provider NextGen Healthcare for \$1.8 billion, including debt. This deal represents a 46% premium per share, and NextGen's shares surged by nearly 15% in response. Private equity firms are increasingly investing in healthcare technology due to its resilience in economic downturns. Healthcare deals globally reached \$187.8 billion in the first half of 2023, a 43% increase from the previous year. Thoma Bravo has previously invested in healthcare software providers like Bluesight and Logex. NextGen Healthcare's technology platform assists healthcare providers with various operations, and the majority of its revenue is recurring. ([Link](#))

2. Ensign (NASDAQ: ENSG) group acquires two South Carolina skilled nursing facilities - Ashley River Healthcare And The Reserve Healthcare And Rehabilitation

The Ensign Group, Inc. (Nasdaq: ENSG) has expanded its presence in South Carolina by acquiring two skilled nursing facilities, Ashley River Healthcare and The Reserve Healthcare and Rehabilitation, effective September 1, 2023. These additions bring Ensign's portfolio to 295 healthcare operations in 13 states, with 26 including senior living services. The CEO, Barry Port, emphasized the strategic fit in the South Carolina market, while Adam Willits, President of Hopewell Healthcare LLC, expressed enthusiasm for serving residents and families. Ensign is actively seeking opportunities to acquire real estate and lease healthcare-related businesses across the United States. ([Link](#))

3. Medspa Partners, Persistence Capital Partners, acquires practice of Nashville, Tennessee-based Dr Brian Biesman

MedSpa Partners Inc. has announced the addition of renowned oculofacial plastic surgeon, Dr. Brian Biesman, and his team to its esteemed North American medical aesthetics platform. Dr. Biesman, with nearly 35 years of pioneering experience, brings a wealth of innovation to MSP, boasting over 200 clinical studies and numerous accolades. CEO Dominic Mazzone lauds Dr. Biesman's practice for excellence across all aspects, making this partnership an exceptional fit. MedSpa Partners looks forward to further enhancing medical aesthetics in the Southern US. ([Link](#))

4. Enlyte group, family-owned healthcare service provider, finalises acquisition of Therapy Direct from Upstream Rehabilitation, owned by Revelstoke capital, to enhance healthcare services

Enlyte, a leader in cost containment technology and healthcare services, has completed its acquisition of Therapy Direct, a national physical therapy provider network, from Upstream Rehabilitation Inc. This strategic move expands Enlyte's position in provider network access, care management, and workers' compensation services. Therapy Direct's network, offering physical therapy, chiropractic, and acupuncture services in 48 states, will be integrated into Enlyte. The acquisition reinforces Enlyte's commitment to providing quality casualty solutions and services. Financial terms were not disclosed. Enlyte, consisting of Mitchell, Genex, Coventry, and Apricus, aims to streamline property, casualty, and disability claims processes with its 6,000 associates. ([Link](#))

5. Caretrust REIT, inc. (NYSE: CTRE) completes joint venture investment to acquire La Fuente post-acute skilled nursing facility in Vista, California

CareTrust REIT, Inc. (NYSE: CTRE) has successfully completed a joint venture investment to acquire La Fuente Post Acute, a 187-bed skilled nursing facility in Vista, California. The facility will be operated by Bayshire Senior Communities under a new 15-year lease once regulatory approval is obtained. CareTrust invested \$25.5 million in common and preferred equity, yielding an initial rate of approximately 9.7%. The lease includes 3% fixed annual rent escalators and two 5-year extension options. Bayshire's CEO, Scott Kirby, expressed enthusiasm for the partnership, highlighting their focus on patient care. CareTrust's CIO, James Callister, praised Bayshire's operational expertise. ([Link](#))

6. Laborie Medical Technologies, owned by Patricia Industries, acquires Urotronic for \$600 million, expanding its medical device portfolio and investing in GIE Medical Spinout

Laborie Medical Technologies has acquired Urotronic, a prostate balloon treatment maker, in a deal valued at up to \$600 million. The transaction includes an initial cash payment of \$255 million, with the potential for an additional \$345 million based on commercial milestones and reimbursement coverage. Laborie is also investing \$5 million in a Urotronic spinout called GIE Medical, aiming to develop a treatment for benign strictures of the gastrointestinal tract using Urotronic's Optilume drug-coated balloon approach. This acquisition is part of Laborie's ongoing expansion strategy, following several recent additions to its device portfolio, including Novonate and GI Supply. ([Link](#))

7. BVI, TPG portfolio company, expands its ophthalmic surgical business with acquisition of Medical Mix in Spain and Portugal

BVI, a prominent surgical ophthalmic company, has acquired Medical Mix, a specialized medical device supplier for ophthalmic surgery in Spain and Portugal. This strategic move enhances BVI's position as a leading innovator in cataract, retinal, and glaucoma disease solutions. BVI's European presence has grown significantly in recent years, now covering all

major Western European markets. Medical Mix, founded in 1982, is a major provider of ophthalmic products in Spain and Portugal, primarily featuring BVI products. The acquisition solidifies their enduring partnership and enables them to offer comprehensive ophthalmic solutions. This development aligns with BVI's mission to advance eye surgery and improve patient vision worldwide. ([Link](#))

8. Blooming health, digital engagement platform for aging care providers, secures \$4.2 million in oversubscribed seed round investors include Afore Capital, Crossbeam Venture Partners, and Chelsea Clinton's Metrodora

Blooming Health, a digital engagement and referral solution for aging care providers, has successfully closed a \$4.2 million seed round, with investors including Afore Capital, Crossbeam Venture Partners, Chelsea Clinton's Metrodora, and Evan Moore. The platform offers personalized engagement with older adults and caregivers, addressing social needs through text, voice calls, and more, in over 30 languages. Utilizing AI and data analytics, Blooming Health enhances access to vital services, improving social engagement and reducing healthcare costs. The company has already seen success in multiple states and plans to expand further, aiming to reach 1 million older adults by 2024. ([Link](#))

9. Televox acquires Odeza patient engagement business from Ensemble Health Partners

TeleVox, a prominent provider of omnichannel digital patient engagement technology, has acquired Odeza's patient engagement business from Ensemble Health Partners, a leading revenue cycle management company in the healthcare sector. This strategic move aims to offer comprehensive solutions to healthcare providers, spanning from patient acquisition to post-discharge care. TeleVox also plans to provide its technology to Ensemble's extensive customer base. The acquisition aligns with TeleVox's commitment to enhancing the patient experience through tailored communication solutions. This development follows TeleVox's recent growth, including the launch of an AI-enabled virtual assistant and a reputation management solution. Ensemble Health Partners' CEO sees this partnership as mutually beneficial, strengthening their positions in the healthcare industry and delivering added value to customers. ([Link](#))

10. Eden Capital acquires leading Phlebotomy Training Provider - PTS to propel healthcare education expansion

New York-based private equity firm Eden Capital has acquired Phlebotomy Training Specialists (PTS), a prominent provider of phlebotomy professional training in the U.S. PTS, founded in 1993, has trained over 100,000 graduates in practical phlebotomy skills. Eden Capital's expertise in professional training aligns with PTS' mission to expand its reach nationally, broaden its educational offerings, and collaborate with industry partners. This acquisition aims to address the growing healthcare labor shortage by training the next generation of healthcare professionals. Legal advisors for Eden Capital were Willkie Farr & Gallagher LLP and Hogan Marren Babbo & Rose, Ltd., and financing was provided by Byline Bank and Graycliff Partners. ([Link](#))

11. PracticeTek, Lightyear Capital and Greater Sum Ventures (GSV) owned company, and Integrated Practice Solutions, Waud Capital Partners company, a healthcare software providers, Merge to Create One of the Nation's Largest Retail Healthcare Solutions Providers

PracticeTek, a prominent provider of software and payment solutions for the retail healthcare sector, has merged with Integrated Practice Solutions (IPS) to become one of the largest retail healthcare solutions providers in the U.S. and Canada. The merged entity, still operating under the PracticeTek brand, will offer a comprehensive suite of healthcare software solutions to over 40,000 providers, including electronic health records, practice management, digital marketing, and patient engagement tools. George Ahn, former CEO of IPS, will lead the new PracticeTek as CEO, while Eric Leaver transitions to an advisory role. Lightyear Capital and Greater Sum Ventures will maintain their investments. ([Link](#))

12. Harvest Integrated Research Organization (HiRO) successfully acquires Courante Oncology, strengthening global clinical trial capabilities

Harvest Integrated Research Organization (HiRO), a global Clinical Research Organization (CRO), has successfully acquired Courante Oncology, a US-based clinical research provider specializing in oncology product development. This strategic move strengthens HiRO's global expansion efforts and enhances its capabilities in managing global clinical trials. Courante Oncology brings over 25 years of expertise in phase 1-3 clinical trials, further enriching HiRO's offerings. The synergy between the two companies, with extensive clinical research networks in Asia-Pacific and the US, aims to deliver exceptional cross-border clinical trial solutions. HiRO aims to accelerate the delivery of innovative medicines through this acquisition. ([Link](#))

13. CMS announces transformative model to give states incentives and flexibilities to redesign health care delivery, improve equitable access to care

The Centers for Medicare & Medicaid Services (CMS) has introduced the States Advancing All-Payer Health Equity Approaches and Development Model (AHEAD Model) to enhance healthcare management at the state level. AHEAD focuses on addressing chronic diseases, behavioral health, and healthcare costs, promoting health equity, and improving access to primary care. CMS will partner with up to eight states, offering financial support of up to \$12 million each for implementation. The model will prioritize primary care, employ hospital global budgets, reduce healthcare disparities, and increase referrals to community resources. The pre-implementation phase begins in 2024, with a performance period starting in 2026 or 2027. ([Link](#))