



LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

Healthcare Deals and News – Week ending December 15, 2024

1. The Facilities Group (TFG), Backed by Greenbriar Equity Group and Revolent Capital Solutions, Strengthens Healthcare Support Arm with Expanded Partnership, Launches TFG National Healthcare Resources, Furthering Rapid Growth in Facilities Maintenance Industry

The Facilities Group (TFG), backed by Greenbriar Equity Group and Revolent Capital Solutions, has expanded its partnership with National Healthcare Resources, forming TFG National Healthcare Resources. TFG, led by CEO Bryson Raver, is a rapidly growing facilities maintenance company with 18 service brands across the U.S. The collaboration with National Healthcare Resources, specializing in healthcare janitorial services, aims to enhance TFG's offerings to the healthcare industry. TFG, based in Tampa, operates 47 offices nationwide and plans further acquisitions in Q1 2024. The move aligns with TFG's strategy for organic and acquisition-driven growth, supported by scale, technology, and operational prowess. ([Link](#))

2. Integra LifeSciences (NASDAQ: IART) to Acquire Acclarent, Inc. from Johnson & Johnson for \$275 Million, Cementing Leadership in ENT Procedures and Neurosurgery; Strategic Move Expands Portfolio with Groundbreaking Balloon Technologies

Integra LifeSciences (Nasdaq: IART) is set to acquire Acclarent, Inc. from Johnson & Johnson MedTech for \$275 million in cash plus an additional \$5 million based on regulatory milestones. The move positions Integra as a major player in ENT procedures, capitalizing on Acclarent's innovative balloon technologies for sinus and eustachian tube dilation. The acquisition aligns with Integra's goal to lead in neurosurgery and ENT, creating opportunities for collaborative care. The deal is expected to close in Q2 2024, with Goldman Sachs advising. ([Link](#))

3. Atria Wealth Solutions Expands Portfolio with Acquisition of OPOC, which stands for "One Point of Care," is a firm based in Worthington, Ohio Bolstering Cadaret Grant Subsidiary and Enhancing Client-Centric Approach in Wealth Management

Atria Wealth Solutions has acquired OPOC.US, a Worthington-based firm managing \$350 million in client assets, into its subsidiary Cadaret Grant. OPOC, transitioning from Osaic's

Securities America, specializes in holistic "One Point of Care" services, aligning with Atria's client-centric philosophy. Atria, a wealth management solutions holding company headquartered in NYC, emphasizes technology and tailored solutions for financial professionals. Kevin Beard, Atria's Chief Growth Officer, welcomes OPOC, highlighting the success of financial professionals choosing Atria for its unique support. Atria's subsidiaries collectively serve 2,700 financial professionals with nearly \$120 billion in assets under administration. ([Link](#))

4. Accel-KKR., a global private equity firm, Injects Significant Capital into Ntracts, Empowering Healthcare Contract Lifecycle Management Innovator to Propel Market Leadership and Drive Digital Transformation

Accel-KKR, a global private equity firm, has made a substantial capital investment in Ntracts, a leading contract lifecycle management solution for healthcare organizations. The funding aims to expedite Ntracts' go-to-market strategies and enhance product innovations. With a focus on healthcare IT, Accel-KKR's investment aligns with Ntracts' goal to address the healthcare industry's challenges, such as regulatory compliance costs and revenue loss due to contract mismanagement. Ntracts' Contract Lifecycle Management solution provides visibility, workflow automation, reporting, and compliance risk mitigation. The partnership reflects Accel-KKR's commitment to supporting innovative software companies driving digital transformation in healthcare. ([Link](#))

5. Great Point Partners Drives Growth Recapitalization for Ludi, Inc., Pioneer in Physician Payment Automation

Greenwich-based private investment firm Great Point Partners (GPP) has announced a growth recapitalization of Ludi, Inc., a leading physician payment automation company based in Nashville. Ludi's DocTime Suite, trusted by numerous hospitals, optimizes physician payment processes, enhancing financial performance and reducing administrative burden. Gail Peace, Ludi's founder, will continue on the board, while Danielle O'Rourke, former COO, becomes CEO. Steven Lefar joins the board. The partnership aims to expand Ludi's innovative solutions. GPP's Senior VP, Alex Gulotta, expresses commitment to advancing efficient healthcare solutions. Financial advisor Ziegler assisted in the transaction. ([Link](#))

6. ACU-Serve, Backed by Lovell Minnick Partners, Strategizes Aggressive Expansion to Achieve \$100m ARR and \$30m EBITDA in 3 Years, Focusing on M&A in Healthcare Revenue Cycle Management

ACU-Serve, an Akron-based revenue cycle management solutions provider for healthcare, is expanding through mergers and acquisitions (M&A) following a Lovell Minnick Partners investment. With \$34m in annual recurring revenue, ACU-Serve aims to reach \$100m ARR and \$30m EBITDA in three years through organic growth and M&A, targeting technology-focused services in home health, hospice, and post-acute care markets. CEO Jim Knight, retaining a 30% stake, cites a 20% annual organic growth plan but envisions a 40% growth with acquisitions. ACU-Serve, having secured a majority growth investment from Lovell Minnick in

October, plans to consolidate RCM services in related healthcare markets. (Merger market - www.mergermarket.com)

7. Certainly Health, a NYC-based healthcare marketplace, Secures \$2.3M Funding Round Led by Pacific 8 Ventures and Y-Combinator, with Participation from Notable Institutional and Angel Investors

Certainly Health, a NYC-based healthcare marketplace, has secured \$2.3M in funding in a round led by Pacific 8 Ventures and Y-Combinator, along with other institutional and angel investors. The funds will be utilized to expand the team and enhance platform offerings. CEO Kevin Chiu leads the company, providing a marketplace for medical and cosmetic care bookings with insurance coverage to prevent surprise bills. Leveraging machine learning, Certainly predicts and guarantees patients' out-of-pocket costs across local providers, covering any discrepancies for platform users. The service facilitates easy cost comparison, provider reviews, and appointment scheduling for various healthcare services in NYC. ([Link](#))

8. ConcertAI, Real-World Evidence (RWE) and Generative AI technology solutions provider for Healthcare and Lifesciences, Acquires CancerLinQ from ASCO in \$250M Deal to Elevate Global Oncology Real-World Data Platform: Collaboration Aims to Boost Clinical Trials, Precision Medicine, and Quality Care Innovations

ConcertAI has acquired CancerLinQ from the American Society of Clinical Oncology (ASCO), maintaining a multi-year cooperation agreement. CancerLinQ, a leading oncology real-world data platform, with data from seven million patient records and 100 cancer centers, will leverage ConcertAI's \$250M commitment to enhance its impact. The collaboration aims to expand real-world data for research, support clinical trials, and advance precision medicine. ConcertAI plans to improve SmartLinQ, facilitate clinical trials through its DACT platform, enhance decision support, and automate EMR integration. ASCO sees this as an unprecedented opportunity to sustain and increase CancerLinQ's impact for oncology practices and patients. ([Link](#))

9. Hanley Foundation, a nonprofit addiction provider, Expands Reach with Acquisition of Origins Behavioral Healthcare, Reclaiming Nonprofit Roots and Ownership of Hanley Center for Comprehensive Addiction Treatment Services across Texas and Florida

The Hanley Foundation, a nonprofit addiction provider, has acquired Origins Behavioral Healthcare, allowing it to expand residential and outpatient services across Texas and Florida. Regaining ownership of the Hanley Center in West Palm Beach, the foundation, which initially sold to Caron Treatment Centers in 2011, completes a unique trajectory from nonprofit to for-profit and back. Origins, previously owned by private equity firm TRT Holdings, will now be a

nonprofit. The move aims to create a comprehensive care continuum, addressing addiction and mental health while also offering prevention and training programs. ([Link](#))

10. PursueCare, Virtual SUD Provider, Raises \$20M in Series B Round Led by T.Rx Capital and Yamaha Motor Ventures, Acquires Pear Therapeutics' Digital Therapeutics, Plans to Expand Services and Foster Value-Based Care with Seyen Capital and OCA Ventures Participation

Connecticut-based virtual substance use disorder (SUD) provider PursueCare secured \$20 million in a series B funding round. The company also acquired three digital therapeutics developed by Pear Therapeutics after Pear filed for bankruptcy. These therapeutics, FDA-authorized for SUD, opioid use disorder, and alcohol use disorder, are now integrated into PursueCare's offerings. PursueCare plans to keep costs low through a 12-week curriculum with a reward system, aiming for free treatment with patient adherence. The company, having treated 10,000 patients in 2023, intends to expand its services, integrate with health systems, and establish value-based care arrangements with managed Medicaid and other payers. ([Link](#))

11. EXA Capital Bolsters HealthTech Portfolio with Acquisition of Prista Corporation, Unveiling ActionCue CI's Clinical Intelligence Platform for Long-Term Healthcare Quality Solutions

EXA Capital has acquired Prista Corporation, known for its flagship SaaS product 'ActionCue CI,' a clinical intelligence platform for healthcare organizations. EXA CEO Omer Sajid praised Prista's robust solution addressing crucial healthcare quality issues. Prista founders, Don Jarrell and Billie Anne Schoppman, highlighted EXA's genuine interest, culture, and resources. Operating autonomously under EXA, Prista plans to leverage EXA's platform for growth and collaboration. This marks EXA's sixth acquisition, emphasizing their long-term strategy in enterprise software, with Prista being their second venture in HealthTech. The move aligns with EXA's commitment to legacy protection and sustainable business growth. ([Link](#))

12. 28 Leading Healthcare Providers and Payers Commit to Safe and Responsible AI Implementation Under President Biden's Executive Order, Prioritizing Equitable Healthcare Delivery and Adherence to Rigorous Principles

Twenty-eight healthcare providers and payers, including CVS Health, Mass General Brigham, and Premera Blue Cross, commit to safe and trustworthy use of AI technology under President Biden's Executive Order. The Department of Health and Human Services outlines their commitments, emphasizing AI solutions for equitable healthcare delivery, adherence to fair principles, deployment of trust mechanisms, risk management, and responsible AI development. This marks a shift in voluntary commitments, focusing on the "demand-side" of healthcare providers and payers, ensuring safe and responsible AI deployment in healthcare activities. President Biden's executive order prioritizes safety, security, and trust in artificial intelligence development and usage. ([Link](#))

13. [Google Unveils MedLM: Advanced AI Models for Precision Healthcare Tasks, Partnerships with Augmedix, BenchSci, Accenture, and Deloitte Accelerate Industry Adoption](#)

Google has unveiled MedLM, derived from Med-PaLM 2, with two models for medical tasks. The large model addresses complex tasks, while the medium model is versatile for various tasks. Augmedix employs MedLM to convert data into medical notes, BenchSci uses it for drug discovery, and Accenture collaborates for enterprise adoption. Deloitte and healthcare providers aid in obtaining information for contact center agents. Med-PaLM 2 demonstrated 92.6% accuracy in answering medical questions, showcasing rapid improvement. MedLM is available to select Google Cloud customers via Vertex AI, marking a significant stride in AI-driven healthcare solutions for 2023. ([Link](#))

14. [US Healthcare Spending Hits \\$4.5 Trillion in 2022 with 4.1% Growth: Medicaid and Private Insurance Offset Decline in Public Health Support, Per Capita Spending Rises by 3.7% amidst Slower Hospital and Physician Cost Increases](#)

In 2022, US healthcare spending surged to \$4.5 trillion, marking a 4.1% growth, faster than 2021 but slower than the pandemic-induced 2020 spike. Government-funded COVID-19 support decreased, impacting national spending, but Medicaid and private insurance growth offset the decline. Healthcare's share of GDP was 17.3%, down from 18.2% in 2021. Per capita spending rose by 3.7%. Hospital care spending slowed (2.2%), as did physician services (2.7%), while retail drug prices increased by 1.2%. Historic highs included 92% insured population and Medicare enrollment growth. Medicaid spending rose 9.6%, and private insurance spending increased 5.9%. Out-of-pocket spending grew 6.6%. ([Link](#))