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Investment Banking | Healthcare Finance | Consulting

Healthcare Deals and News – Week ending January 05, 2024

1. Thurston Group's ARC Health Expands Mental Healthcare Reach with Acquisition of Exult Healthcare, Pioneering Integrated Behavioral Health Services in Texas

ARC Health, part of Thurston Group, has acquired Exult Healthcare, a distinguished mental health practice in Texas. Founded by Dr. Deepika Bhargava, Exult offers comprehensive behavioral healthcare with an integrated model, featuring qualified professionals and personalized treatment plans. The recent introduction of services like on-site medical treatment and holistic approaches enhances their capabilities. Partnering with ARC Health aims to boost accessibility and patient care, revolutionizing mental healthcare. Vince Morra, ARC Health's CEO, sees the collaboration as groundbreaking, emphasizing accessibility and superior patient outcomes. Thurston Group, a private equity firm, focuses on building industry-leading healthcare companies. ([Link](#))

2. Ensign Group (Nasdaq: ENSG) Expands Presence with Acquisition of TriState Health and Rehabilitation Center in Tennessee and Hearthstone Health and Rehabilitation in Nevada, Marking Entry into New States

The Ensign Group, Inc. (Nasdaq: ENSG) has acquired TriState Health and Rehabilitation Center in Harrogate, Tennessee, a 116-bed skilled nursing facility, effective January 1, 2024. Ensign's CEO, Barry Port, expresses excitement about the milestone, marking their entry into Tennessee. Simultaneously, they acquired Hearthstone Health and Rehabilitation, a 125-bed facility in Sparks, Nevada. Ensign's growing portfolio now comprises 299 healthcare operations, spanning fourteen states. The company remains actively engaged in acquiring real estate and leasing both successful and struggling skilled nursing, senior living, and healthcare businesses throughout the United States. ([Link](#))

3. RoundTable Healthcare Partners, Healthcare Focused Private Equity, Successfully Completes Sale of TIDI Products, a Leading Medical Product Manufacturer, to TJC, middle-market private equity firm, in a Strategic Private Equity Transaction

RoundTable Healthcare Partners has completed the sale of TIDI Products, a Wisconsin-based medical product manufacturer, to TJC, LP, a New York-based private equity fund. The terms of the transaction were not disclosed. TIDI specializes in medical products supporting caregivers and patient protection, with a focus on falls prevention and safety. RoundTable, which

acquired a majority interest in TIDI in 2015, facilitated the company's growth through strategic initiatives. TJC expressed excitement about the partnership, emphasizing TIDI's trusted legacy. ([Link](#))

4. Renovus Capital Partners, Knowledge and Talent industries focused Private Equity, Invests in Behavioral Framework, a Leading Autism Services Provider, to Accelerate Growth and Expand ABA Therapy Reach for Children with Autism Spectrum Disorder

Renovus Capital Partners has invested in Behavioral Framework, a prominent provider of applied behavior analysis (ABA) therapy for children with autism spectrum disorder. Founded in 2017, Behavioral Framework, based in Rockville, Maryland, focuses on fostering functional, productive lives for children with autism through ABA therapy. Renovus aims to support the organization's growth and extend its impact on families affected by autism. Behavioral Framework's leadership, Kyle and Angela West, express enthusiasm for the collaboration, emphasizing shared values. Renovus, a private equity firm specializing in the Knowledge and Talent industries, manages over \$1 billion across its funds. ([Link](#))

5. American Pain Consortium (APC) Secures Strategic Growth Investment from Cresset Partners, Cedar Pine, and American Discovery Capital to Propel Advanced Interventional Pain Management Services Expansion

Interventional Pain Management provider, American Pain Consortium (APC), has secured a strategic growth investment from Cresset Partners, Cedar Pine, and American Discovery Capital, alongside increased support from current lender J.P. Morgan. Founded in 1993, APC operates pain-focused ambulatory surgical centers and practices across Indiana and Ohio. The investment will fuel APC's growth in offering state-of-the-art pain management services, including minimally invasive procedures. Chronic pain affects millions in the U.S., and APC aims to advance beyond opioid-related treatments. The November 2023 transaction involved undisclosed financial terms. APC's mission is to empower physicians and enhance patient care through its purpose-built care delivery platform. ([Link](#))

6. HMP Global Strengthens Position as a Leader in Healthcare Market Analysis with Definitive Acquisition of Drug Channels Institute, Bolstering Pharmaceutical Landscape Insight and Services

Healthcare education and events company HMP Global has finalized an agreement to acquire Drug Channels Institute (DCI), a prominent source of market intelligence in the \$1.5tn pharmaceutical landscape. The undisclosed deal reinforces HMP Global's commitment to delivering enhanced value and solidifies its standing as a key provider of pharmaceutical market access and regulatory insight. The acquisition aligns with HMP Global's strategy to diversify its portfolio and follows the 2022 acquisition of Proximity Health. DCI will become a

new division within HMP Global, providing clients with an expanded range of services and deeper insights into sector dynamics. DCI leadership will remain in place. ([Link](#))

7. Forum Health, a Leading Integrative Medicine Provider, Bolsters Position in Hormone Health and Anti-Aging Industries with Acquisition of Birken Medical Aesthetics in Texas

Forum Health, LLC, a leading integrative medicine network, has acquired Birken Medical Aesthetics in The Woodlands, TX, strengthening its presence in the hormone health and anti-aging industries. This positions Forum Health to tap into the growing menopause care market, valued at USD 16.9 billion in 2022, with an expected 5.33% CAGR from 2023 to 2030. Forum Health President Adam Puttkammer emphasizes the commitment to transforming aging healthcare. Birken Medical Aesthetics, known for innovative anti-aging treatments, joins forces to expand health offerings. ([Link](#))

8. Healthcare Outcomes Performance Company (HOPCo) Enhances Musculoskeletal Care Platform with MoonlightOrtho Acquisition, Revolutionizing Remote Patient Engagement and Treatment through Asynchronous Video Encounters

Healthcare Outcomes Performance Company (HOPCo) expands its musculoskeletal care platform through the acquisition of MoonlightOrtho. The digital health addition enables patients to send video messages to specialized providers for remote assessment and evidence-based treatment plans, reducing ER visits and streamlining care. HOPCo's unified platform, incorporating MoonlightOrtho's capabilities and recent acquisition of MyACTome, offers a comprehensive solution for patient engagement, outcomes tracking, and fall risk assessment. The move aligns with the post-pandemic rise in on-demand care adoption, enhancing convenience and health equity. HOPCo remains a leader in integrated musculoskeletal value-based outcomes management. ([Link](#))

9. Thurston Group's ARC Health Enhances Mental Healthcare Network with Acquisition of Mindsoother Therapy Center in Livingston, New Jersey

ARC Health, a Thurston Group company, has acquired Mindsoother Therapy Center in Livingston, New Jersey. Established in 2011, Mindsoother specializes in behavioral healthcare, offering individual, family, and group therapy services. Led by Danna Markson, LCSW, the center provides evidence-based therapies for various mental health issues. The partnership with ARC Health aims to expand services and positively impact the community. Vince Morra, ARC Health CEO, emphasizes the collaboration's dedication to advancing mental health care. Thurston Group, a private equity firm, focuses on building leading healthcare companies. ARC Health operates with a unique provider-centric approach, fostering clinical autonomy. ([Link](#))

10. Acentra Health Strengthens Mental Health Services Portfolio with Acquisition of Espyr, Enhancing Employee Assistance Programs to Tackle U.S. Mental Health Crisis

Acentra Health has acquired workplace mental health leader Espyr, enhancing its Employee Assistance Program (EAP) solutions. The move aims to address the U.S. mental health crisis, with over 1 in 5 adults affected. The combined companies will offer comprehensive EAP services for government and commercial clients, including counseling, legal, financial, and critical incident support. The strategic alignment leverages over 30 years of experience from both entities, providing customizable solutions with predictive analytics and technology-enabled tools. The acquisition reflects a growing trend among employers to enhance EAP offerings in response to rising mental health challenges in the workforce. ([Link](#))

11. Veradigm (NASDAQ: MDRX) Expands Ambulatory Healthcare Market Presence with Strategic Acquisition of Koha Health, Bolstering Revenue Cycle Services and Musculoskeletal Medicine Expertise

Healthcare data and technology solutions provider Veradigm Inc. (NASDAQ: MDRX) has acquired full-service revenue cycle management (RCM) company Koha Health. The move enhances Veradigm's revenue cycle services in the ambulatory healthcare market, adding Musculoskeletal Medicine (MSK) specialty expertise. The acquisition aims to provide a comprehensive end-to-end revenue cycle services portfolio, offering increased value to clients and unlocking market opportunities. Veradigm seeks to leverage Koha Health's capabilities and resources for improved service delivery, growth, and client satisfaction. The deal aligns with Veradigm's mission of transforming health through advanced insights, technology, and data-driven solutions. ([Link](#))

12. ClinicMind™ Bolsters Leadership in Chiropractic Software with Acquisition of Genesis Chiropractic Software, Enhancing Suite of Services and Global Expansion

ClinicMind™ has announced its acquisition of Genesis Chiropractic Software, a move that solidifies ClinicMind's position as the leading EHR software in the chiropractic space. Dr. Brian Capra, formerly President of Genesis, now leads ClinicMind's Professional Services Division. This strategic merger expands the suite of services available to Genesis clients, incorporating revenue cycle management (RCM) services like Credentialing, Prior Authorization, and Coding. ClinicMind's CEO, Dr. Yuval Lirov, highlights the acquisition as the final step in a planned series of five for 2023. The collaboration aims to enhance patient experience, practice revenue, and global expansion while emphasizing shared values of Excellence, Teamwork, and Learning. ([Link](#))

13. Arbutus Health Raises \$10M in Series A Led by Transformation Capital, Acquires Santa Barbara Actuaries for

Accelerating Value-Based Care; Investors Include Shaper Capital, Healthy Ventures, Flex Capital, and Underdog Labs

Health tech startup Arbital Health has acquired Santa Barbara Actuaries and secured \$10 million in Series A financing led by Transformation Capital. Arbital Health, founded by Travis May and Brian Overstreet, aims to accelerate the healthcare industry's shift to value-based care. The acquisition brings Santa Barbara Actuaries' expertise in value-based care actuarial services to Arbital Health, strengthening its position as a neutral third-party adjudicator for outcome-based contracts. The funding round included participation from Shaper Capital, Healthy Ventures, Flex Capital, and Underdog Labs. Arbital Health plans to be a key player in the \$1 trillion transition to value-based care in the U.S. healthcare system. ([Link](#))

14. BrightSpring Health Services, Backed by KKR, Revives \$1 Billion IPO Plans; Files with Top-Tier Banks for Nasdaq Listing under BTSG

BrightSpring Health Services, backed by KKR, filed for a \$1 billion US IPO, listing Goldman Sachs, Morgan Stanley, and others as underwriters. The home and community-based health-care services provider, which had put IPO plans on hold in 2021, aims to trade on Nasdaq under BTSG. The filing follows a challenging year for US IPOs, with only \$26 billion raised. KKR acquired BrightSpring in 2019, merging it with PharMerica Corp., creating a diversified health-care platform. After the IPO, KKR and Walgreens Boots Alliance will control BrightSpring. The IPO climate may see more activity in 2024, with companies like Reddit exploring listings. ([Link](#))

15. CVS Health (NYSE: CVS) Appoints Tom Cowhey as Permanent CFO, Mike Pykosz Confirmed as Permanent Leader of Health Delivery Business

CVS Health has appointed Tom Cowhey as its permanent Chief Financial Officer, succeeding Shawn Guertin who took a leave of absence. Mike Pykosz, CEO of Oak Street Health, has also been confirmed as the permanent leader of CVS Health's health delivery business. Cowhey, who joined CVS in 2022, brings extensive healthcare finance experience, having served as CFO of Surgery Partners and spending over ten years at Aetna. CVS's pharmacy benefit manager, Caremark, announced adjustments to its formularies, prioritizing biosimilars over Humira to lower costs and increase customer choice. Guertin will depart CVS on May 31, 2024. ([Link](#))