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Investment Banking | Healthcare Finance | Consulting

Healthcare Weekly News and Deals- February 23, 2024

1. UT Health East Texas Expands Urgent Care Network with Acquisition of Five QuickVisit Clinics and Full Ownership of Canton Facility

UT Health East Texas has significantly expanded its urgent care services by acquiring five QuickVisit Urgent Care clinics in Carthage, Henderson, Jacksonville, Kilgore, and Mabank, as well as fully acquiring UT Health East Texas Urgent Care in Canton. This move increases their urgent care facilities to six, enhancing healthcare accessibility and convenience in the region. These clinics provide walk-in care for minor illnesses and injuries, including diagnostics for flu, strep, and COVID-19. The integration ensures a seamless patient experience with options for follow-up care within the UT Health East Texas network. The completion of this expansion is expected this spring. ([Link](#))

2. Advanced Reconstructive Surgery Alliance Welcomes Vanguard Aesthetic Plastic Surgery to Its Network, Enhancing Reconstructive Care in Florida

The Advanced Reconstructive Surgery Alliance (ARSA) has recently announced the inclusion of Vanguard Aesthetic Plastic Surgery in its network. Located in Fort Lauderdale, Florida, Vanguard, under Dr. George Dreszer and Dr. James Fletcher, is renowned for its cosmetic and reconstructive surgery. This partnership aims to enhance Vanguard's reach and capability in providing advanced reconstructive care for conditions like post-traumatic injuries and congenital abnormalities. ARSA, a collaborative hub for reconstructive surgery innovation, will support Vanguard in maintaining high standards of patient care. Vanguard will retain its brand while benefiting from ARSA's extensive resources and network to improve patient outcomes and services. ([Link](#))

3. Apollo Intelligence, A Leader in Real-Time Data and Insights for the Healthcare, and life science industries Acquires GlocalMind to Enhance Global Healthcare Market Research

Apollo Intelligence, a leader in real-time data and insights for the healthcare and life science industries, has acquired GlocalMind, a technology-driven market research firm. This acquisition enables Apollo to expand its global reach and capabilities, particularly in accessing healthcare professionals (HCPs) and key opinion leaders (KOLs) across multiple geographies. GlocalMind, known for its vast network and innovative use of technology in market research, will retain its brand and leadership. The integration strengthens Apollo's research delivery and operational capacity, enhancing its ability to provide high-quality, timely research to its healthcare and life science clients worldwide. ([Link](#))

4. Oula, a Modern Maternity Clinic, Secures \$28M in Series B Funding to Expand Maternity Care Beyond NYC

NYC-based Oula, a modern maternity clinic, has raised \$28 million in Series B funding, led by Revolution Ventures and Maverick Ventures, with GV and others participating. The investment will fuel its expansion beyond New York City and introduce new services for reproductive care. Oula, led by Adrienne Nickerson, Elaine Purcell, and Joanne Schneider, blends midwifery with obstetrics, supported by proprietary software. It accepts insurance, including Medicaid. With two clinics in Brooklyn and Manhattan, Oula is set to open a third in Morningside Heights in partnership with Mount Sinai West in July 2024. ([Link](#))

5. HealthSnap, a Miami-Based Healthcare Technology Firm, secures \$25 Million in Series B Funding Led by Sands Capital to Advance Remote Patient Monitoring (RPM) and Chronic Care Management (CCM)

HealthSnap, a Miami-based healthcare technology firm specializing in Remote Patient Monitoring (RPM) and Chronic Care Management (CCM), announced a \$25 million Series B funding round led by Sands Capital. The round, which brings HealthSnap's total funding to \$48.5 million, also saw participation from Comcast Ventures, Acronym Venture Capital, Florida Opportunity Fund, and existing investors. The funding will enhance HealthSnap's clinical team, accelerate product development, and build AI-driven health solutions. The company's growth is marked by successful partnerships and a focus on improving outcomes for chronic conditions, aiming to transform care delivery from reactive to proactive. ([Link](#))

6. 3M (NYSE: MMM) to Spin Off Healthcare Business 'Solventum', Facing Operational and PFAS Liability Challenges

3M is spinning off its healthcare division, Solventum, following a delay in the separation process initially planned for 2023. The new entity, encompassing 22,000 employees, will focus on four key areas, with Medsurge being the largest. Despite potential growth opportunities, Solventum faces challenges in transitioning from 3M's infrastructure and managing potential liabilities linked to PFAS, a controversial chemical used in some medical products. 3M, planning to cease PFAS production by 2025, will cover certain liabilities but not for Solventum's post-separation PFAS use. This follows 3M's \$10.3 billion settlement over PFAS contamination allegations in the U.S. ([Link](#))

7. Hightop Health, an Atlanta-Based Outpatient Mental Health Platform, Acquires Roots Behavioral Health to Expand Holistic Mental Health Services in Texas

Hightop Health, an Atlanta-based outpatient mental health platform, has announced its acquisition of Roots Behavioral Health (RBH), a company renowned for its comprehensive and holistic approach to mental healthcare in Austin. Founded in 2016, RBH, notable for its diverse treatment options including ketamine therapy and a unique Brain Health Assessment, aligns with Hightop's clinician-centric and patient-focused ethos. The acquisition, guided by Brentwood Capital Advisors and Polsinelli P.C., aims to enhance mental health services in Texas

and beyond, leveraging RBH's strong community ties and recognition as a top workplace in Austin. ([Link](#))

8. Pozitivf, an Expanding Fertility Clinic Network, Secures \$20 Million in Growth Funding from MonCap to Expand Accessible and Affordable Fertility Treatments Nationwide

Pozitivf, an expanding fertility clinic network, announced a \$20 million growth funding led by MonCap from its fertility fund. Pozitivf offers affordable IVF services at \$7,995, emphasizing high safety and success standards. The funding will support expanding affordable fertility care in the U.S. and beyond. Co-founders Dr. Francisco Arredondo and Dr. Tony Anderson bring extensive experience in fertility treatments. MonCap, investing from its dedicated fertility fund, supports Pozitivf's mission to make fertility care accessible and simplifies procedures. Pozitivf aims to democratize fertility care with transparency and affordability, contributing to reproductive justice and the right to parenthood. ([Link](#))

9. Advanced MedAesthetic Partners Acquires LivingYoung Center, Expands Reach in Medical Aesthetics

Advanced MedAesthetic Partners (AMP) has strategically acquired LivingYoung Center for Health & Anti-Aging, enhancing its presence in the medical aesthetics industry. LivingYoung, known for its anti-aging and wellness services across three Tampa locations, aligns with AMP's commitment to exceptional patient experiences. The acquisition, celebrated by both AMP CEO Nicole Chiamonte and LivingYoung founder Katie Kaffai, promises to integrate LivingYoung's expertise with AMP's operational support and clinical training. This partnership aims to strengthen patient care and service diversity, bolstering AMP's leadership in medical aesthetics while maintaining LivingYoung's high standards of care. ([Link](#))

10. Abridge Secures, specializing in AI-Enhanced Medical Note-Taking, \$150 Million in Series C Funding to Expand AI-Powered Medical Documentation Across U.S. Health Systems

Pittsburgh-based startup Abridge, specializing in AI-enhanced medical note-taking, recently raised \$150 million in a Series C funding round. Co-founded by Shivdev Rao, the company aims to improve healthcare communication and efficiency. Its technology, which converts patient-clinician conversations into structured clinical notes, is currently used by 5,000 doctors. Abridge's AI tools are integrated with major EHR systems like Epic and are operational in various healthcare settings. With a total of \$212.5 million raised, the firm focuses on research and development to expand its AI capabilities and alleviate clinician burnout. ([Link](#))

11. Sunrise, a Pioneer in Sleep Diagnostics, Acquires Dreem Health, Telemedicine Platform in Sleep Care, to Revolutionize Sleep Diagnostics and Treatment

Sunrise, a pioneer in sleep diagnostics, has acquired Dreem Health, known for its telemedicine platform in sleep care. Laurent Martinot, CEO of Sunrise, emphasized the importance of this merger in enhancing patient experiences in sleep medicine. This acquisition, which combines

Sunrise's advanced diagnostic technologies with Dreem Health's telemedicine services, aims to make sleep disorder diagnosis and treatment more accessible. Dreem Health's partnerships with major insurers and Sunrise's FDA-approved technologies are expected to significantly improve health outcomes. This union marks a significant advancement in the field of sleep health, offering comprehensive and effective solutions for sleep disorders. ([Link](#))

12. Physician's Weekly, Premier Healthcare Content Provider, Acquires Figure 1, Expanding Digital Reach and Enhancing HCP Collaboration

Physician's Weekly (PW), a premier healthcare content provider, has acquired Figure 1, a unique peer-to-peer networking platform for healthcare professionals (HCPs). This strategic move enhances PW's digital capabilities, offering over 100,000 HCP-generated patient cases. The acquisition expands PW's reach to over 900,000 HCPs in the US, providing a mobile-first engagement platform and robust clinical content. It also offers pharma brands new opportunities for messaging and engagement. The collaboration aims to empower HCPs with resources for improved patient care, uniting PW's clinical insights with Figure 1's innovative technology. ([Link](#))

13. ISHI Health, AI-powered Virtual Clinic Focusing on Heart Failure, Secures \$4M Funding to Revolutionize Heart Failure Care with AI-Driven Virtual Clinic

San Diego-based ISHI Health, an AI-powered virtual clinic focusing on heart failure and complex cardiac diseases, has raised \$4 million in funding led by Takeda Digital Ventures. Founded by Dr. Ajay Srivastava, the company plans to expand its product range and enter new markets. ISHI Health collaborates with Mayo Clinic to offer precision care through its platform that analyzes data from cardiac sensors. The initiative aims to enhance patient care and outcomes by integrating technology, AI, and collaborative efforts with local cardiologists. ([Link](#))

14. Axle Health, Los Angeles-Based Tech Firm Specializing in Home Healthcare, Secures \$4.4M in Seed Funding to Enhance Home Healthcare Software Solutions

Axle Health, a Los Angeles-based tech firm specializing in home healthcare scheduling and workforce management, has raised \$4.4 million in seed funding. The initial \$4.2 million was led by Pear VC, followed by an additional \$200,000 from TRAC VC and existing investors. This funding will support the recruitment of software and machine learning engineers to expand their platform. CEO Adam Stansell's company offers a comprehensive solution, including a mobile app for clinicians, an operations dashboard, advanced logistics algorithms, and patient engagement tools, all integrated with various EMRs and accessible via API. ([Link](#))

15. DarioHealth Acquires Twill, Aiming to Bolster Mental Health Offerings and Revenue Growth

DarioHealth is purchasing Twill for \$10 million in cash and over \$20 million in stock, aiming to enhance its digital health services, particularly in mental well-being and chronic condition

management. This acquisition, expected to nearly double DarioHealth's 2023 revenue, will expand its customer base to include top health plans and Fortune 100 employers. The deal also includes a \$22.4 million private stock placement. DarioHealth anticipates significant revenue growth, improved gross margins, and cost synergies, accelerating its profitability. Twill, a wellness app rebranded from Happify Health, offers a digital platform integrating various health solutions, enhancing DarioHealth's AI and treatment optimization capabilities. ([Link](#))

16. Aptar Digital Health Acquires Healint to Enhance Neurology Portfolio and AI Precision Medicine Capabilities

Aptar Digital Health, a division of AptarGroup, Inc., has acquired Singapore's Healint, a leader in virtual clinical studies and patient registries. This move is in line with Aptar Digital's strategy to expand its neurology offerings. Healint, known for its AI-powered precision medicine and the popular Migraine Buddy app, will bolster Aptar Digital's capabilities in digital diagnostics, patient community management, and treatment outcome improvement through sensor and machine learning technologies. The deal's details remain undisclosed, but the integration of Healint into Aptar Digital's operations begins immediately. ([Link](#))

17. Avatar Medical Secures €5M in Seed Funding to Expand Real-Time Surgical Engagement Solution in US and Europe

Paris and Mountain View-based Avatar Medical, specializing in real-time engagement solutions for surgeons and patients, has successfully raised €5M in a seed funding round. The investment was led by GO Capital, with contributions from Acorn Pacific Ventures, Plug and Play, Rives Croissance, Cenitz, and fifteen surgeons and radiologists. The funding will be utilized to commercialize their AvatarCloud product in the US and Europe, and to further its development. The company, a spin-off from Institut Pasteur and Institut Curie, is led by CEO Xavier Wartelle. Its FDA-cleared technology enhances surgical planning and patient consultations using 3D and XR renderings, aiming to improve patient satisfaction and reduce outmigration. ([Link](#))

18. Brightside Health Expands Telemental Healthcare Access with New Partnerships in Medicare and Medicaid

Brightside Health is expanding its telemental healthcare services for Medicare and Medicaid beneficiaries through new and expanded partnerships with major healthcare providers including Blue Shield of California, CareOregon, and Centene. These agreements enhance access to comprehensive mental health services, including psychiatry, therapy, and crisis care. This initiative responds to the high prevalence of mental health issues among Medicare and Medicaid recipients, aiming to serve over 100 million people. The move comes amid broader financial challenges in the health insurance sector, as insurtech firms strive to adapt to the unchanged fundamentals of the insurance business. ([Link](#))