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Investment Banking | Healthcare Finance | Consulting

## Healthcare Weekly News and Deals – April 12th, 2024

### 1. Castleford Capital, Private Equity Firm, Invests in Rebound Medical Systems to Boost Growth in Healthcare Services

Castleford Capital, a private equity firm specializing in healthcare and pharmaceutical services, has announced a growth investment in Rebound Medical Systems Corp. Rebound provides durable medical equipment (DME) for orthopedic and vascular recovery, helping physician practices by managing insurance verification, patient education, and equipment delivery. This investment aims to expand service territories and enhance physician support, according to Todd Piatnik, Founder of Rebound, and Jeffrey Marlough, Managing Director at Castleford. ([Link](#))

### 2. Grow Therapy, a Mental Health Technology Company, secures \$88 Million in Series C Funding Led by Sequoia Capital with support from Growth Equity at Goldman Sachs Alternatives and PLUS Capital alongside artists and athletes from their collective including Anna Kendrick, Lily Collins, Dak Prescott, Joe Burrow, Jrue Holiday, and Lauren Holiday.

Grow Therapy, a mental health technology company, announced the closure of an \$88 million Series C funding round led by Sequoia Capital with support from Goldman Sachs Alternatives and other investors including high-profile artists and athletes. The company also introduced an enhanced measurement-informed care system aimed at improving care quality for diverse patient populations, including those on Medicaid and Medicare. Since its founding in 2020, Grow Therapy has facilitated over 3 million patient encounters and partners with over 12,000 providers across 20 states. ([Link](#))

### 3. Ascend Plastic Surgery Partners Expands into Florida with Strategic Merger with Ponte Vedra Plastic Surgery

Ascend Plastic Surgery Partners has announced its partnership with Ponte Vedra Plastic Surgery (PVPS), marking its expansion into Florida and adding to its U.S. presence. This merger integrates six new locations and six surgeons into Ascend's network, enhancing its commitment to clinical excellence and patient care. PVPS, known for its 30-year legacy of innovation and quality in aesthetic medicine, aligns with Ascend's mission to set new industry standards. The partnership aims to optimize patient outcomes and continue the strong cultural and operational ethos established by PVPS's founding team. ([Link](#))

#### 4. Behrman Capital Invests in Dental Solutions Leader Vista Apex to Drive Future Expansion

Vista Apex, a prominent provider in the dental sector established in 1997, will maintain its current leadership team, led by CEO Scott Lamerand, as it comes under the ownership of Behrman Capital. The company, known for its innovative research and extensive product offerings, was recently acquired by Behrman Capital, a firm with a strong focus on healthcare and specialty industrials. Financial details were not disclosed. Vista Apex, previously partnered with Inverness Graham, has expanded through strategic acquisitions under this partnership, significantly broadening its market and enhancing its product range. ([Link](#))

#### 5. HealthpointCapital, Private Equity Firm, Acquires Majority Stake in SteriCUBE Holdings to Enhance Surgical Sterilization Efficiency

HealthpointCapital, a private equity firm focused on musculoskeletal healthcare, has acquired a majority stake in SteriCUBE Holdings, Inc. SteriCUBE's patented Multiple Tray Sterilization (MTS) System replaces disposable "blue wraps" with a metal container system for sterilizing surgical instruments. This FDA-cleared technology reduces bio-hazardous waste, cuts costs, and minimizes risks of contamination, providing "surgery-ready" instruments more efficiently. The acquisition includes the introduction of a new leadership team headed by Chris Whitmore, aiming to expand the technology's impact in healthcare facilities. ([Link](#))

#### 6. GTCR, in Partnership with Avryo Healthcare and Local Partner Kelly Mccrann, Expands Texas Footprint with 7to7 Dental Investment Through Avryo Healthcare Platform

GTCR, in partnership with Avryo Healthcare and local partner Kelly McCrann, has chosen San Antonio, Texas, for its anchor investment in 7to7 Dental, aiming to build out a network of dental facilities. The platform, named for its extensive daily operational hours, started in March and plans to expand into the Austin market. With nine current sites, the focus is on organic growth and new site development rather than acquisitions. GTCR's strategy includes bolstering specialties like endodontics and oral surgery while exploring potential add-on acquisitions in the future. ([Link](#))

#### 7. PMD Device Solutions Acquires Coala Life's US Operations and IP Amid Bankruptcy

PMD Device Solutions announced its plan to purchase Coala Life Inc., the US subsidiary of the recently bankrupt Coala Life Group AB, along with its intellectual property and technology portfolio. The acquisition aims to enhance PMDS's US market presence for its RespiraSense products and boost profitability by integrating Coala Life's successful remote patient monitoring operations in the US. Coala Life, struggling with severe liquidity issues and operational challenges, filed for bankruptcy on March 22, 2024. PMDS plans to optimize the US operations, maintain a lean business model, and expand its patient base. ([Link](#))

## 8. Medical Properties Trust Sells Five Facilities to Prime Healthcare for \$350M; Signs New 20-Year Lease

Medical Properties Trust, Inc. (MPT) has finalized the sale of five medical facilities in California and New Jersey to Prime Healthcare for \$350 million. The payment structure includes \$250 million in cash and a \$100 million interest-bearing mortgage note payable in nine months. Additionally, Prime has entered a new 20-year lease with MPT for four other hospitals, with a purchase option of \$260 million. An early purchase incentive sets the price at \$238 million if exercised by August 26, 2028, after which it increases to \$260 million, with annual price escalations. ([Link](#))

## 9. Steris Sells Dental Division, HuFriedyGroup, to Peak Rock Capital for \$787.5 Million to Reduce Debt

Steris has agreed to sell its dental division, HuFriedyGroup, to Peak Rock Capital for \$787.5 million to help reduce debt from prior acquisitions. The transaction, expected to close by end of June, includes potential additional earnout of \$12.5 million. HuFriedyGroup, with 1,500 employees, produced \$407 million in revenue in 2023. The sale aims to allow Steris to concentrate on its core markets in healthcare, pharma, and medtech. Peak Rock plans to use this acquisition as a foundation for future growth and further acquisitions. ([Link](#))

## 10. Huddle Up Secures Series C Funding to Expand Innovative Child and Adolescent Mental Health Solutions in Schools Nationwide

DotCom Therapy has rebranded as Huddle Up and secured Series C funding led by Kayne Anderson Growth Capital, with participation from other existing investors. This new funding will support the expansion of its digital health services into K-12 schools across the U.S. Huddle Up offers comprehensive mental health solutions, including Individualized Education Programs and all-student mental health support. Their innovative approach transforms traditional education and mental health support, emphasizing collaboration, access, and technology-enhanced care to improve outcomes for children and adolescents. ([Link](#))

## 11. MedCore Partners, in Collaboration With REDICO/American House, Acquires Two Senior Living Communities in Michigan

MedCore Partners, in collaboration with REDICO/American House, has expanded its senior living portfolio by acquiring two communities in Troy and Rochester Hills, Michigan. These communities, now branded as American House Somerset and American House Hampton Village, will be operated by American House. This strategic move into Michigan adds to MedCore's existing portfolio across eight other states, bringing its total to 22 assets with approximately 2,700 beds. MedCore aims to leverage the central locations of these communities to enhance value, focusing on proximity to healthcare and lifestyle amenities. ([Link](#))

## 12. Clare Medical and Ennoble Care Merge to Create Leading Mobile Medical Practice in New Jersey

Clare Medical and Ennoble Care are merging their New Jersey housecall practices, forming a significant mobile medical service for New Jersey seniors. This union aims to enhance in-home medical care access and broaden service offerings. Ron Lipstein of Clare and Kush Das of Ennoble emphasized their commitment to quality, patient-centered care. The merger is expected to improve patient outcomes and healthcare efficiency. Leadership continuity is assured with Clare's Ron Lipstein and Deborah Scott steering the merged operations, ensuring a seamless transition for patients and staff. ([Link](#))

## 13. Cariloop Secures \$20 Million in Series C Funding to Expand Caregiver Support Platform led by ABS Capital, With Participation from Existing Investors

Cariloop, a leading caregiver support platform, has successfully closed its Series C funding round, raising \$20 million. The round was led by ABS Capital, with participation from existing investors. This investment will enhance Cariloop's digital and concierge services, aiming to support working caregivers more effectively. The company has shown remarkable growth, featuring on both the Inc. 5000 and Deloitte Technology Fast 500 lists. With this funding, Cariloop plans to expand its market reach and improve engagement with existing members, supporting the crucial needs of caregivers and their families. ([Link](#))

## 14. Seattle's Volt Athletics Acquires Mental Health Service Provider ZAMA Health to Enhance Wellness Offerings

Seattle-based startup Volt Athletics, known for its strength and conditioning app, has acquired ZAMA Health, a Washington D.C. company focusing on mental health for athletes. ZAMA Health, founded in 2022 by Brendan Sullivan, aims to integrate mental wellness into athletes' routines. Sullivan will join Volt as the general manager of athlete wellbeing, enriching Volt's app with educational and mindfulness features. This move reflects Volt's commitment to providing a holistic solution to support both the physical and mental health needs of athletes and professionals like firefighters and soldiers. ([Link](#))

## 15. Avant Technologies(OTCQB: AVAI) Acquires Wired-4-Health to Enhance Healthcare Data Interoperability with AI

Avant Technologies, Inc. (OTCQB: AVAI) has completed its acquisition of Wired-4-Health, a healthcare technology firm. This merger aims to advance healthcare data interoperability using Avant's AI and high-density compute capabilities. The acquisition is set to improve system interoperability, enhance performance, and ensure cost-effective solutions in healthcare. Avant's CEO, Tim Lantz, stated that this strategic move would strengthen the company's financial profile and expand its growth opportunities in the healthcare sector, addressing pressing challenges like cost reduction and quality improvement in patient care. ([Link](#))