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Investment Banking | Healthcare Finance | Consulting

Healthcare Weekly News and Deals – April 5th, 2024

1. Johnson & Johnson (NYSE: JNJ) to Acquire Shockwave Medical (Nasdaq: SWAV) for \$13.1 Billion in Major Cardiovascular MedTech Expansion

Johnson & Johnson (NYSE: JNJ) has announced an agreement to acquire Shockwave Medical, Inc. (Nasdaq: SWAV) for \$13.1 billion, or \$335 per share in cash. This acquisition aims to enhance Johnson & Johnson MedTech's position in the cardiovascular market, adding Shockwave's pioneering intravascular lithotripsy technology to its portfolio. The move, expected to close by mid-2024, follows Johnson & Johnson's strategic acquisitions in the cardiovascular space, aiming to address significant unmet patient needs in coronary and peripheral artery diseases. ([Link](#))

2. Vensure Employer Solutions, Provider Of HR/HCM Technology and Services, Acquires Ault International Medical Management to Enhance Healthcare Offerings

Vensure Employer Solutions, a leading provider of HR/HCM technology and services, announced its acquisition of Ault International Medical Management (AIMM), marking its 70th acquisition in six years. AIMM, known for its innovative medical management for self-funded health plans, will bolster Vensure's commitment to improving client operations and healthcare quality. CEO Alex Campos highlighted the move as a reinforcement of Vensure's dedication to its global clientele. AIMM's unique approach to patient-centric healthcare is expected to play a crucial role in expanding Vensure's service portfolio. ([Link](#))

3. Universal Brain, Pioneer in Precision Psychiatry, Expands Executive Team to Advance Precision Psychiatry Platform Following \$3.2M Seed Funding

Universal Brain, a pioneer in precision psychiatry, has announced key additions to its executive team after securing \$3.2 million in seed funding. The company aims to revolutionize the diagnosis and treatment of mental health conditions, including depression, through its innovative platform that utilizes next-generation EEG wearable technology and advanced algorithms for precise neurotyping. Newly appointed Chief Scientific Advisor Greg Hajcak, Chief Product Officer Vangelis Lympouridis, and Head of Operations K.T. Venkateswara-Rao bring extensive expertise to support the development and rollout of this groundbreaking platform, promising better patient outcomes by moving beyond the one-size-fits-all treatment approach. ([Link](#))

4. LTC Properties Inc. (NYSE: LTC) Funds \$12.7 Million Loan to Ignite Medical Resorts for Texas Senior Living Campus

LTC Properties Inc., a real estate investment trust specializing in seniors housing and health care properties, has provided a \$12.7 million senior loan to Ignite Medical Resorts. This loan will support the acquisition of a skilled nursing and assisted living campus in Katy, Texas, featuring 78 units and 104 licensed beds. Structured as an interest-only five-year loan at a 9.15% rate, with an additional \$800,000 for campus improvements, LTC anticipates approximately \$884,000 in 2024 revenue from this venture. The investment marks a continuation of LTC's partnership with Ignite, begun in 2019, aimed at generating significant returns for LTC and its shareholders. ([Link](#))

5. Stay Home Forever and Ohio based Alternative Home Care Announce Merger, Antonio Bautista Appointed as Regional Services Director

Stay Home Forever Inc. and Alternative Home Care have merged, with Antonio Bautista, founder of Alternative Home Care, joining Stay Home Forever as Regional Services Director. With over two decades of experience in project management and customer service, Bautista brings a vast network of home care professionals. The merger aims to enhance Stay Home Forever's services for seniors and their families, following a year of organizational optimization. The move represents a significant step in expanding the company's impact in the home care sector, leveraging Bautista's expertise and dedication to quality care and companionship. ([Link](#))

6. Riddell Acquires Partner Simbex to Boost Smart Helmet Technologies Via Its Financial Sponsor Fenway Partners

Riddell, a leading name in football helmet technology, has acquired its longtime partner, Simbex, a specialist in engineering and health science product development. This move aims to enhance Riddell's position in sports technology, building on their collaboration on the InSite impact response system and InSite Analytics platform. Simbex's extensive experience in SportsTech, MedTech, and HealthTech will advance Riddell's smart helmet technologies and head protection platforms, maintaining its commitment to athlete safety and performance across sports. The partnership promises to drive further innovation in the field of health, protection, and performance technology. ([Link](#))

7. KKR, a Global Investment Firm, Acquires SunFireMatrix, Inc. to Strengthen Its Presence in Healthcare Tech Sector, Stone Point Capital retains a significant minority stake

KKR, a global investment firm, has announced its acquisition of SunFireMatrix, Inc., a leading provider of SaaS technology in the healthcare market, particularly for the Medicare segment. The investment, from KKR's Health Care Strategic Growth Fund II, aims to accelerate SunFire's growth and enhance its services. Stone Point Capital, the previous majority owner, retains a significant minority stake. Financial details were not disclosed. The partnership is set to leverage SunFire's innovative solutions for Medicare Advantage and Supplement plans, emphasizing the company's mission-driven approach to senior care. ([Link](#))

8. Clario, a Leading Healthcare Research and Technology Company, Acquires AI Firm ArtiQ to Enhance Respiratory Clinical Trials and Global AI Strategy

Clario, a leading healthcare research and technology company, has announced the acquisition of ArtiQ, an innovative AI software company specializing in respiratory condition diagnosis and monitoring. This strategic move enhances Clario's Respiratory Solutions portfolio by incorporating advanced AI technologies, aimed at improving clinical trial quality and efficiency. The acquisition aligns with Clario's vision of leveraging AI to optimize clinical trials globally. Marko Topalovic from ArtiQ will lead Clario's AI strategy, furthering the company's mission in transforming patient care. This follows Clario's recent acquisition of Inofab Health, amplifying its capabilities in respiratory healthcare solutions. ([Link](#))

9. Aligned Marketplace Raises \$8 Million in Seed Funding from A* Capital, Maverick Ventures, and Others to Reinvent Employer-Sponsored Primary Care

Aligned Marketplace, a transformative healthtech startup, has announced an \$8 million seed funding round led by A* Capital and Maverick Ventures, with contributions from other notable investors. Founded in 2023, the company is reshaping primary healthcare for American workers by offering personalized care through a nationwide network of advanced primary care providers. With over 3,000 clinics, Aligned Marketplace aims to foster long-lasting, high-quality care relationships, integrating services like mental health and ensuring access to culturally competent care. The platform promises significant savings for employers while enhancing healthcare quality and accessibility for employees. ([Link](#))

10. UCLA Health Acquires West Hills Hospital to Expand Inpatient Capacity

UCLA Health has officially taken over West Hills Hospital from HCA Healthcare, now renamed UCLA West Valley Medical Center, in a move to enhance its inpatient services. The acquisition adds 260 beds and includes facilities such as seven operating rooms and a free-standing ambulatory surgical center on a 14-acre lot. The transition promises to retain the majority of current staff and plans for facility upgrades. This strategic expansion aims to improve patient access and care in the San Fernando Valley, amidst UCLA's broader efforts to address capacity challenges across its medical centers. ([Link](#))

11. Press Ganey Partners with Charge Health to Enhance Caregiver Retention Through Mobile Gaming, via its financial sponsors Abu Dhabi Investment Authority, Ares Management, Leonard Green & Partners, British Columbia Investment Management and GIC

Press Ganey announces a strategic investment in Charge Health, innovating caregiver retention in healthcare through a mobile social game that fosters positivity and belonging. This partnership aims to tackle the industry's high turnover by connecting caregivers to their work's purpose, boosting job satisfaction and retention. Charge Health's game has already shown promising results in major U.S. health systems, with significant increases in caregiver recommendations and reductions in retention costs. The collaboration underscores Press Ganey's commitment to improving the caregiver experience by leveraging data and technology to create a supportive workplace culture. ([Link](#))

12. H.I.G. Capital Acquires ZimVie (NYSE: ZIMV) Spine Division, Launches Highridge Medical to Lead Global Spinal Device Market

H.I.G. Capital, a prominent global investment firm with \$60 billion in assets, has acquired the Spine division of ZimVie, Inc., establishing Highridge Medical as an independent entity focused on spine health solutions. Highridge, based in Westminster, CO, aims to expand its market presence through R&D and product innovation under the leadership of Glen Kashuba (CEO) and Rebecca Whitney (President), with significant investments in technology and growth strategies. The move positions Highridge as a major player in the spinal device industry, enhancing care for patients worldwide. ([Link](#))

13. Ethos Risk Services, Via Its Financial Sponsor Carousel Capital, Acquires Claims Eval to Expand Peer and Utilization Review Services

Ethos Risk Services has acquired Claims Eval, a renowned provider of Peer and Utilization Review Services, enhancing its offerings in the Workers' Compensation, Disability, Group Health, and Behavioral Health markets. This strategic move, celebrated by CEOs Micah Smith of Ethos and Michael Hamby of Claims Eval, aims to integrate Claims Eval's extensive physician network and advanced software into Ethos' service portfolio. The acquisition, marking Ethos' tenth since 2019, reinforces its commitment to innovation and client satisfaction, positioning the company for further excellence in medical claims management. ([Link](#))

14. Spurwink, Portland-Based Mental Health Provider, Acquires Tri-County Mental Health Services to Prevent Closure, Seeks Legislative Support for \$2 Million Deal

Spurwink, a Portland-based mental health provider, has taken over Tri-County Mental Health Services in Lewiston amidst its fiscal crisis, preventing its closure. Spurwink President Eric Meyer states the \$2 million acquisition aligns with their service offerings, seeking legislative one-time funding to mitigate financial risks. He assures that the transition will not disrupt the services for Tri-County's 2,000 clients, and nearly all of Tri-County's 185 staff members will retain their jobs under Spurwink, with 20 requiring reapplication for different roles within the organization. ([Link](#))

15. [US Physical Therapy, Operator of Outpatient Physical Therapy Clinics, Expands with \\$16.4M Acquisition of 50% Stake in Nine-Clinic Practice](#)

US Physical Therapy (USPh), a prominent operator of outpatient physical therapy clinics, has strategically acquired a 50% equity stake in an undisclosed physical and hand therapy practice for \$16.4 million. This acquisition introduces nine new clinic locations into USPh's expansive network, which already includes 678 clinics across 42 states. The partnership aims to bolster USPh's presence in a key market, leveraging the practice's \$11.4 million in annual revenues and 65,000 patient visits. The move is in line with USPh's growth strategy, focusing on private practice partnerships, acquisitions, and new developments. ([Link](#))

16. [Aterian Investment Partners Announces Recapitalization of Contract Pharmaceuticals Limited](#)

Aterian Investment Partners has declared its affiliate's plan to recapitalize Contract Pharmaceuticals Limited (CPL), a foremost contract development and manufacturing organization in North America. Specializing in non-sterile liquid and semi-solid products, CPL is known for its long-term partnerships with major global pharmaceutical firms. The recapitalization, awaiting approval from the Ontario Superior Court of Justice, aims to bolster CPL's product development, manufacturing capabilities, and market position. Aterian, a private equity firm with over \$2 billion in raised equity, collaborates closely with its portfolio companies, emphasizing innovation, partnership, and growth. ([Link](#))

17. [Praia Health, a Digital Health Company, Secures \\$20 Million in Series A led by Frist Cressey Ventures](#)

Praia Health, a digital health company, has successfully raised \$20 million in an oversubscribed Series A financing round. The round was led by Frist Cressey Ventures, with contributions from SignalFire, Epsilon Health Investors, and Providence Ventures. This funding will support Praia Health's mission to revolutionize health system transformation through its platform, which offers personalized health solutions. The platform, incubated at Providence, is led by industry veteran Justin Dearborn and has been adopted by Community Health Network. It aims to improve patient care by enabling seamless integration of third-party consumer solutions into health systems. ([Link](#))

18. [Biolinq, Specialized in Precision Wearable Biosensors, Secures \\$58 Million for Innovative Glucose Monitoring Patch led by Alpha Wave Ventures](#)

Biolinq, specializing in precision wearable biosensors for metabolic health, has secured \$58 million in funding led by Alpha Wave Ventures. The investment round includes participation from various venture capital funds and aims to advance Biolinq towards completing pivotal US clinical trials and FDA submission for its novel continuous glucose monitoring (CGM) patch. The Biolinq patch, notable for its simplicity, discretion, and intradermal sensor technology, represents a significant advancement in glucose monitoring by eliminating the need for finger pricking and promising broader metabolic health insights in the future. ([Link](#))

19. Senator Ed Markey Proposes "Health Over Wealth Act" to Regulate Private Equity in Healthcare

Senator Ed Markey (D-Mass.) has introduced the "Health Over Wealth Act" aimed at increasing transparency and federal oversight of private equity investments in healthcare services, such as hospitals and dialysis centers. The proposed legislation requires detailed disclosures of financial and operational data by such entities, mandates the creation of escrow accounts for essential services, and introduces licensing requirements for private equity firms investing in healthcare. This move seeks to protect public health and ensure the sustainability of healthcare facilities, amidst concerns over the impact of private equity on healthcare quality and accessibility. ([Link](#))