



# LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

## Healthcare Weekly News and Deals – May 03<sup>rd</sup>, 2024

### 1. Walmart to Close All Health Clinics and Halt Virtual Medical Services Due to Unprofitability

Walmart announced it will shut down its health care clinics and virtual medical services across five states—Arkansas, Florida, Georgia, Illinois, Missouri, and Texas—due to unsustainable operating costs and challenging reimbursement conditions. This decision reverses the retailer's ambitious expansion into health care initiated five years ago. Employees affected by the closures can transfer to other locations or receive 90 days' pay and severance benefits. Walmart will continue to operate its extensive network of pharmacies and vision centers. This move reflects broader challenges faced by retailers attempting to penetrate the health care sector. ([Link](#))

### 2. SightMD, Backed by Chicago Pacific Founders, Pennsylvania Expands with Acquisition of Elkins Park Ophthalmology Practice

SightMD Pennsylvania has acquired an ophthalmology practice in Elkins Park, joining forces with Dr. James Lewis, a specialist in cataract, glaucoma, and LASIK surgery. Announced by Sight Growth Partners on April 28, the acquisition will allow Dr. Lewis to continue his patient care within SightMD's network. This integration offers Dr. Lewis' patients access to additional care locations across Philadelphia, Wyomissing, Pottsville, Shamokin, and Lewisburg. SightMD Pennsylvania now supports six clinical sites and two ambulatory surgery centers, with Sight Growth Partners providing administrative services to SightMD locations in New York, Connecticut, and New Jersey. ([Link](#))

### 3. Council Capital Acquires Stake in OccMD to Expand Workers' Compensation Services

Council Capital, a Nashville-based private equity firm, has partnered with OccMD, a Dallas-based physician-led medical management company. The partnership, which closed on March 20, 2024, aims to enhance medical outcomes for injured workers and reduce costs for employers. OccMD, known for its effective case management in the workers' compensation and Texas injury benefit space, will use the investment to expand services across more states and insurance lines. The deal also strengthens OccMD's board with the addition of two seasoned experts from Council Capital's CEO Council. ([Link](#))

### 4. Dallas IVF Joins Ivy Fertility, backed by InTandem Capital Partners Network, Enhancing Compassionate Care in Family-Building

Dallas IVF, recognized as one of America's top fertility clinics by Newsweek in 2023, has been acquired by Ivy Fertility. The Dallas-based clinic, renowned for its high success rates even with challenging cases, joins a network that includes 52 reproductive endocrinologists across 27

locations in 9 states. Dr. Brian Barnett emphasized the alignment of values between Dallas IVF and Ivy Fertility, highlighting their shared commitment to exceptional patient care and inclusivity. ([Link](#))

## 5. Kain Capital Invests in Essen Health Care to Expand Services in Underserved Bronx

Kain Capital LLC has invested in Essen Health Care to enhance healthcare accessibility in the Bronx, an area notable for its high poverty and low physician count. This partnership will support the opening of new clinics and the expansion of existing services, including a house calls program. Kain's investment will also introduce data analytics to improve early disease detection and management. Essen Health Care, serving a high-needs population, aims to enhance its value-based care model and patient outreach with this new capital infusion. ([Link](#))

## 6. Your Behavioral Health, backed by private equity firm Comvest, Acquires Insight Treatment Programs, Expands Teen Mental Health Services

Your Behavioral Health (YBH), backed by private equity firm Comvest, has acquired Insight Treatment Programs, enhancing its footprint to over 24 facilities across Southern California. Insight specializes in outpatient and partial hospitalization for teens with mental health conditions and substance use disorders. This acquisition strengthens YBH's regional presence and service offerings in teen behavioral health care. Comvest continues to support YBH with strategic investments aimed at fostering growth and enhancing operational efficiency during this critical expansion phase. ([Link](#))

## 7. Carlin Consumer Health, Supported by Hildred Capital, Bourne Partners Strategic Capital, and The Emerson Group, Acquires PENETREX® from Wellbeam Consumer Health to Expand OTC Brand Portfolio

Carlin Consumer Health, supported by Hildred Capital, Bourne Partners Strategic Capital, and The Emerson Group, has acquired the joint and muscle care brand PENETREX® from Wellbeam Consumer Health. This addition aligns with Carlin's strategy of enhancing its portfolio of over-the-counter (OTC) brands. Penetrex, known for its consumer trust and market presence, is expected to be a significant driver of growth for Carlin. ([Link](#))

## 8. Capitol Pain, Supported by Iron Path Capital, Institute Expands in Kentucky with Acquisition of Pain Care Surgery of Louisville

Capitol Pain Institute (CPI), supported by Iron Path Capital, has acquired Pain Care Surgery of Louisville, enhancing its pain management services in Kentucky. This strategic move adds advanced procedures like spinal cord stimulation and increases CPI's ambulatory surgical centers' presence to every core market they serve. The acquisition is part of CPI's ongoing commitment to providing comprehensive, state-of-the-art care and facilitating access to advanced pain treatments across multiple states. ([Link](#))

## 9. UptimeHealth Acquires Dental Whale to Launch UptimeServices and Expand Healthcare and Dental Solutions

Boston-based UptimeHealth has acquired Dental Whale, a leading provider of dental practice solutions in North America. The acquisition includes Dental Whale subsidiaries such as Dental Fix, Florida Dental Repair, and Front Office Rocks. This strategic expansion marks the launch of UptimeServices, a new subsidiary aimed at offering specialized service solutions in the healthcare and dental sectors. The move broadens UptimeHealth's capabilities in asset management, staff training, and equipment repair, extending its reach across thousands of dental practices and enhancing its service offerings and operational efficiencies. ([Link](#))

## 10. The Ensign Group (NASDAQ:ENSG) Ensign Group Expands Operations with Multiple Acquisitions of Healthcare Facilities Across the US

Ensign Group has acquired several healthcare and nursing facilities in the US, effective from May 1. These acquisitions include skilled nursing and assisted living facilities, with some real estate purchased by Standard Bearer Healthcare REIT, an Ensign subsidiary. The expansion increases Ensign's total to 310 facilities across 14 states. Notable acquisitions include Hillside Village in Kansas and Creekview Health in Tennessee. Ensign reported a net income of \$68.83 million for Q1 2024, a 15% increase from the previous year, with revenue rising to \$1.01 billion. ([Link](#))

## 11. Medical Guardian, Backed by Water Street Healthcare Partners, Acquires MobileHelp, Expanding Care Solutions for Aging Adults

Medical Guardian, a leader in health solutions for aging adults, has acquired MobileHelp to enhance its service offerings across all market segments. The integration will bolster Medical Guardian's MGEEngage360, transforming it into a more effective at-home wellness and care tool. This acquisition allows Medical Guardian to provide a comprehensive suite of solutions for members at home, on the go, and in senior living communities. MobileHelp, recognized as the top medical alert system by U.S. News & World Report, will maintain its brand within the direct-to-consumer space. ([Link](#))

## 12. Radformation, a leader in automation solutions for cancer care backed by BVP Forge, Acquires Limbus AI to Enhance AI-Driven Cancer Care Solutions Globally

Radformation, Inc. has acquired Limbus AI, enhancing its AI-driven capabilities in radiation therapy. Kurt Sysock, CEO of Radformation, emphasized the merger's role in advancing software solutions for efficient, quality patient care. The integration will combine the strengths of both companies, aiming to provide the most advanced AI contouring solution and spur further innovations in radiation therapy. With Radformation's global presence in 1,600 clinics across 28 countries and Limbus' impact on 500,000 patients in 400 centers, this acquisition is set to accelerate innovation, expand reach, and improve patient outcomes worldwide. ([Link](#))

### 13. The Pennant Group [NASDAQ: PNTG] Expands Utah Presence with Acquisition of South Davis Home Health and Hospice

The Pennant Group, Inc. (NASDAQ: PNTG) has acquired South Davis Home Health and Hospice, bolstering its network in Davis County, Utah. This acquisition enhances Pennant's offerings in central and northern Utah and aligns with their strategy to grow their home health, hospice, and senior living services nationwide. CEO Brent Guerisoli highlighted the addition as a step to reinforce Pennant's position as a preferred provider in the region, while COO John Gochnour praised the skilled and compassionate team of South Davis for their impact on the community. ([Link](#))

### 14. The Pennant Group (NASDAQ: PNTG) Acquires Veranda Senior Living, Expanding Services in Idaho

The Pennant Group, Inc. (NASDAQ: PNTG) announced acquisitions of Veranda Senior Living at Paramount in Idaho. ([Link](#))

### 15. Integrated Oncology Network, Backed by Silver Oak Services Partners, Acquires Urology Partners, Uniting Cleveland's Leading Urology Providers

Integrated Oncology Network, LLC ("ION"), backed by Silver Oak Services Partners, LLC, has acquired Urology Partners, LLC, integrating it with Southwest Urology to enhance urologic care in Cleveland. This merger expands ION's regional footprint and services, combining over 50 years of Urology Partners' expertise with the capabilities of Southwest Urology and Northern Ohio Regional Cancer Center. The partnership aims to deliver comprehensive care and advanced prostate cancer treatment across Ohio. ION now operates over 60 centers nationwide, providing a full spectrum of oncology, urology, and ancillary services. ([Link](#))