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Investment Banking | Healthcare Finance | Consulting

Healthcare Weekly News and Deals – June 28th, 2024

1. [Provana Expands into Healthcare Revenue Cycle Management with Acquisitions of Account Matters, CIS, To the Point Billing Solutions, ACI Therapy Billing, and Central Iowa Medical Billing, Inc. via its financial sponsor Long Ridge Equity Partners. Lawrence, Evans & Co., LLC acted as buyside advisor on a transaction.](#)

Provana, a specialized knowledge process management provider, is expanding into tech-enabled end-to-end revenue cycle management solutions through a strategic growth strategy. By acquiring five specialized revenue cycle companies—Account Matters, CIS, To the Point Billing Solutions, ACI Therapy Billing, and Central Iowa Medical Billing, Inc. (Lawrence, Evans & Co., LLC acted as advisor.)—Provana enhances its expertise in the specialty practice arena. Leveraging advanced analytics and a global workforce, Provana aims to address financial pressures facing private medical practices, such as rising denial rates and labor costs, with enterprise-level, tech-enabled solutions for improved profitability and sustainability. ([Link](#))

2. [Vizient, a Healthcare Data and Improvement Company, Acquires Kaufman Hall from Madison Dearborn Partners](#)

Vizient, a healthcare data and improvement company, announced its acquisition of healthcare financial and strategic advisory firm Kaufman Hall from majority owner Madison Dearborn Partners. The deal, pending regulatory review, is expected to close in the latter half of the year. Kaufman Hall, founded nearly 40 years ago, boasts over 530 professionals and has advised over 800 healthcare organizations and 200 strategic partnerships. Vizient, which acquired a minority stake in Kaufman Hall in 2021, aims to enhance client services and career opportunities through this acquisition. Financial terms were not disclosed. ([Link](#))

3. [BrightSpring Health Services \(NASDAQ: BTSG\) Acquires Haven Hospice in \\$60 Million Deal](#)

BrightSpring Health Services (NASDAQ: BTSG) has signed a definitive agreement to acquire Haven Hospice for \$60 million. The deal includes the acquisition of North Central Florida Hospice Inc. and Haven Medical Group LLC, expanding BrightSpring's hospice services into 18 Florida counties. The transaction involves \$15 million in cash, \$30 million in company equity, and a \$15 million seller note payable in four years. BrightSpring, which went public in January with a \$1 billion IPO, aims to enhance its hospice care offerings in Florida. The acquisition has sparked concerns among nonprofit hospice advocates. ([Link](#))

4. OneOncology Partners, Backed by TPG, with Anderson Area Cancer Center to Enhance Cancer Care in South Carolina

Anderson Area Cancer Center has partnered with OneOncology, a leading national platform for independent oncology practices, to improve cancer services in Anderson, SC. The clinic, staffed by four medical oncologists and three advanced practice providers, offers infusion, clinical trials, in-office drug dispensing, and lab services. This partnership, OneOncology's second in South Carolina, aims to expand cancer care access and affordability. Dr. John Doster, President of Anderson Area Cancer Center, emphasized the benefits of OneOncology's expertise and clinical trial programs. Dr. Jeff Patton, CEO of OneOncology, highlighted the partnership's value to patients and the community. ([Link](#))

5. Strive Medical Acquires ProMed DME, Expanding into Diabetic Supplies with NMS Capital's Backing

Strive Medical, a portfolio company of NMS Capital, has acquired ProMed DME, a provider specializing in diabetic continuous glucose monitoring (CGM) supplies. This strategic move aims to enhance Strive's market presence and expand its offerings into the diabetic supplies sector. Strive plans to operate ProMed DME as a Diabetes Center of Excellence, bolstering its position in the healthcare ecosystem. Luis Gonzalez, Senior Partner at NMS, highlighted the acquisition's potential to increase Strive's urological patient base and product range, solidifying its role as a leading specialty distributor of medical supplies. ([Link](#))

6. NMS Capital's Flourish Research Partners with ENCORE™ Research Group, Expanding Clinical Trial Expertise

Flourish Research, a portfolio company of NMS Capital, has partnered with ENCORE™ Research Group, a clinical research organization with eight locations across Northern Florida. ENCORE™, founded by Dr. Michael Koren, has conducted over 3,200 clinical trials in 50+ therapeutic areas. The partnership, Flourish's eleventh since its formation in 2021, enhances its platform with ENCORE™'s extensive therapeutic expertise and physician network. This collaboration aims to improve clinical trial services and expand Flourish's geographic footprint. Terms of the transaction were not disclosed. ([Link](#))

7. Sensi.AI Secures \$31M Series B Funding Led by Zeev Ventures and Insight Partners to Enhance Senior Care Intelligence

Sensi.AI, a care intelligence company based in Palo Alto, raised \$31M in Series B funding, totaling \$53M to date. The round was led by Zeev Ventures and Insight Partners, with continued support from Entrée Capital, Flint Capital, Jibe Ventures, and Secret Chord Ventures. The funds will expand operations and business reach. Led by CEO Romi Gubes, Sensi.AI aids senior health through timely interventions and personalized care plans, reducing hospitalizations and improving caregiver-client relationships. The AI identifies over 100 types of insights and supports over 80% of home care networks across 41 states in the US. ([Link](#))

8. Arcadia Acquires CareJourney, Enhancing Healthcare Data and AI Insights with \$125M Financing from Vista Credit Partners

Arcadia has acquired CareJourney, expanding its customer base to nearly 200 entities, including top healthcare brands. This acquisition combines Arcadia's advanced data platform with CareJourney's extensive cost, quality, and benchmark data, covering over 300 million beneficiaries and 2 million providers. The integration offers unmatched data depth and actionable insights, empowering payers, providers, and employers to optimize patient care and financial performance. Key appointments include Aneesh Chopra as Chief Strategy Officer and Dan Ross as President of CareJourney by Arcadia. Arcadia's CEO, Michael Meucci, emphasizes the strategic growth and platform innovation funded by \$125 million from Vista Credit Partners. ([Link](#))

9. Vista Equity Partners Acquires Model N for \$1.25 Billion

Model N, a leader in revenue optimization and compliance for pharmaceutical, medtech, and high-tech innovators, has been acquired by Vista Equity Partners for \$30.00 per share in a \$1.25 billion deal. With this transaction, Model N's common stock has ceased trading on the New York Stock Exchange. CEO Jason Blessing expressed optimism about future growth as a privately-held company under Vista's ownership. Vista's Michael Fosnaugh highlighted Model N's critical solutions for complex commercialization processes. ([Link](#))

10. CipherHealth Receives Capital Investment from Atalaya Capital Management for Growth and Expansion

CipherHealth, Inc., a leader in patient-centered communication solutions, announced a capital investment from Atalaya Capital Management to support its continued growth and expansion. Since 2009, CipherHealth has been enhancing patient engagement through scalable and omnichannel communications, improving patient experience and outcomes. The investment will enable CipherHealth to further develop its award-winning solutions and deliver industry-leading service across the healthcare continuum. CEO Jake Pyles expressed excitement about the partnership, while Atalaya's Mark Schachter praised CipherHealth's comprehensive offering. ([Link](#))

11. Walgreens (NASDAQ: WBA) to Cut Pharmacy Stores and Reduce Stake in VillageMD Amid Profit Outlook Slash

Walgreens' stock fell 24% as it lowered its 2024 profit outlook to \$2.80-\$2.95 per share, citing difficult pharmacy trends and a weak U.S. consumer environment. Third-quarter adjusted earnings per share dropped 37% to 63 cents, missing analyst expectations. CEO Tim Wentworth announced plans to close underperforming stores and reduce its stake in VillageMD. Despite U.S. healthcare segment revenue growing by 7.6% to \$2.1 billion, the company faces ongoing regulatory and reimbursement pressures. Walgreens is strategizing for a turnaround, emphasizing value-based care and a remodel of its core retail pharmacy business. ([Link](#))

12. Heyday Health Expands In-Home and Telehealth Primary Care for Seniors with \$12.5M Funding from Gradient Ventures, Lionbird, Great Oaks Capital, and Kate Ryder

Heyday Health, launched three years ago, provides primary care to seniors through a blend of house calls and telehealth. The startup raised \$12.5 million from Gradient Ventures, Lionbird, Great Oaks Capital, Kate Ryder, and a national payer partner. Founded by Bobby Shady, Nupur Mehta, and Sarafina Midzik, Heyday Health has expanded from Ohio to Kentucky, aiming to democratize high-quality care. The model combines in-home assessments with 24/7 virtual access, reducing ER visits and hospital admissions while maintaining high patient satisfaction and care quality. ([Link](#))

13. Ardent Health Partners Files for IPO, Aiming to Raise \$400M

Ardent Health Partners has filed for an IPO with the US SEC, planning to list on the NYSE under 'ARDT'. Operating 30 acute care hospitals, the company aims to raise \$400 million, valuing it at around \$5 billion. Financial performance shows a net income of \$45.9 million on \$1.4 billion revenue for Q1, up from \$23.8 million on \$1.3 billion last year. EGI-AM Investments LLC will retain control post-IPO. Proceeds will repay debts and support corporate purposes. JP Morgan, BofA Securities, and Morgan Stanley are leading the offering. This is Ardent's second IPO attempt after a 2020 withdrawal. ([Link](#))

14. Supreme Court Overrules Chevron Deference, Curtailing Federal Regulatory Power

In a landmark 6-3 decision, the Supreme Court overruled the 40-year-old Chevron v. National Resources Defense Council precedent, which mandated federal courts to defer to agencies' interpretations of ambiguous laws. This ruling, stemming from two cases involving the Atlantic herring fishery, restricts the regulatory power of federal agencies and requires courts to exercise independent judgment on agency authority under the Administrative Procedure Act. The decision is a significant win for the conservative legal movement and is expected to impact regulations in areas such as the environment, healthcare, and the workplace. ([Link](#))