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Investment Banking | Healthcare Finance | Consulting

## Healthcare Weekly News and Deals –November 11<sup>th</sup>, 2024

- 1. Trump's 2024 Presidential Re-Election Poised to Reshape US Healthcare: ACA Overhaul, Medicaid Changes, and Controversial Appointments on the Horizon**  
President-elect Donald Trump's 2024 win signals major shifts in US healthcare. The Affordable Care Act faces potential modifications, including the expiration of enhanced subsidies, which could double premiums for some Americans. Medicaid may see work requirements and funding restructures. Medicare could lean further towards privatization. The appointment of vaccine skeptic Robert F. Kennedy Jr. to a key healthcare role raises concerns about public health policies. Reproductive rights may face new restrictions. These changes could increase the uninsured rate and alter healthcare costs. Will the federal healthcare anti-PE oversight continue? The extent of reforms will likely depend on Congressional support and specific administration priorities – yet to be determined.
- 2. General Catalyst's HATCo Acquires Summa Health for \$485M, Aims to Revolutionize Healthcare Delivery**  
General Catalyst's Health Assurance Transformation Corporation (HATCo) has signed a definitive agreement to acquire Summa Health, an Ohio-based healthcare system, for \$485 million. The deal will eliminate Summa Health's \$850 million debt and transform it into a for-profit entity. HATCo has committed an additional \$550 million for capital improvements and strategic investments over the next seven years. The acquisition aims to create a more proactive, affordable, and equitable healthcare system. Summa Health will maintain its current services and workforce while benefiting from new technologies and opportunities. The transaction, subject to regulatory approval, is expected to close by the end of 2024. ([Link](#))
- 3. Cigna Group not pursuing combination with Humana ([Link](#))**
- 4. Southern Vet, Mission Vet owner Shore Capital agrees deal with Silver Lake to create USD 8.6bn merged veterinary group ([Link](#))**
- 5. Cencora to Acquire Retina Consultants of America for \$4.6 Billion, Expanding Specialty Healthcare Portfolio**  
Cencora (COR) has announced a definitive agreement to acquire Retina Consultants of America (RCA) from Webster Equity Partners for \$4.6 billion in cash. The deal includes a potential additional \$500 million contingent on meeting specific business objectives. Cencora will hold an 85% stake in RCA, with affiliated practices retaining a minority interest. The acquisition is expected to be 35 cents accretive to Cencora's adjusted diluted EPS in the first year. Funding will come from existing cash and new debt. The transaction, subject to regulatory approvals, aligns with Cencora's strategy to strengthen its position in specialty healthcare management services. ([Link](#))

**6. ElevatePFS Acquires NYX Health Eligibility Services, Bolstering RCM Capabilities in Strategic Move**

Elevate Patient Financial Solutions (ElevatePFS), a leading provider of technology-enabled specialty revenue cycle management (RCM) solutions, has acquired NYX Health Eligibility Services. This strategic move strengthens ElevatePFS' front-end complex claims offerings, particularly in eligibility verification and enrollment services. The acquisition aligns with ElevatePFS' commitment to delivering comprehensive revenue cycle solutions for healthcare providers. NYX, founded in 2023 and based in Alpharetta, GA, specializes in Medicaid eligibility verification and enrollment for hospitals and health systems. ElevatePFS CEO Michael Shea emphasized the value of NYX's patient and client advocacy, while NYX leadership expressed enthusiasm about leveraging ElevatePFS' technology and experience to enhance services for their clients. ([Link](#))

**7. Forian (Nasdaq: FORA) Acquires Kyber Data Science, Expanding Healthcare Analytics Capabilities and Entering Financial Services Market**

Forian Inc., a healthcare and life sciences data analytics provider, has acquired Kyber Data Science LLC from TD Cowen. This strategic move strengthens Forian's position in the healthcare information marketplace and expands its reach into the financial services industry. Kyber specializes in advanced healthcare data analytics and machine learning solutions for financial organizations. The acquisition combines Forian's extensive data resources with Kyber's innovative analytics capabilities, enhancing services for both healthcare and financial industry clients. Forian CEO Max Wygod and Kyber CEO Jeff Forringer expressed enthusiasm about the merger, anticipating accelerated growth and increased innovation in the market. ([Link](#))

**8. Headlands Research Expands Southeast Presence with Acquisition of Trial Management Associates via Kohlberg Kravis Roberts**

Headlands Research, a leading multinational clinical trial network, has acquired Trial Management Associates (TMA), a multi-site clinical research company with locations in North and South Carolina. This strategic move expands Headlands' network to 21 sites across the US and Canada, strengthening its southeastern US presence. TMA brings expertise in vaccines and endocrinology, complementing Headlands' existing focus areas. The acquisition aims to provide sponsors with more geographic options, diverse participant pools, and enhanced knowledge in core clinical areas. Both companies share a mission to advance innovative medical therapies and improve patient outcomes through high-quality clinical research. ([Link](#))

**9. Nektar Therapeutics (Nasdaq: NKTR) Sells Huntsville Facility to Ampersand Capital for \$90 Million**

Nektar Therapeutics has announced a definitive agreement to sell its Huntsville, Alabama manufacturing facility and reagent supply business to Ampersand Capital Partners for \$90 million. The deal includes \$70 million in cash and a \$20 million equity stake for Nektar in a new Ampersand portfolio company. The 124,000 square foot facility specializes in PEGylated therapeutics and will continue to support existing commercial contracts. Nektar aims to streamline operations and focus on its immunology pipeline while ensuring employee retention at the Huntsville site. The transaction is expected to close by December 2, 2024. ([Link](#))

**10. Comvest Private Equity Acquires Majority Stake in Riccobene Associates Family Dentistry, Expanding Healthcare Portfolio**

Comvest Private Equity has announced a majority investment in Riccobene Associates Family Dentistry, a leading dental services organization based in Cary, N.C. Founded in 2000, Riccobene

operates 62 multi-specialty dental clinics across North Carolina, Virginia, and South Carolina, supporting over 150 providers. Dr. Michael Riccobene, the founder and CEO, will retain a significant stake and continue leading the company. This marks Comvest's 14th healthcare services platform investment. The partnership aims to accelerate Riccobene's expansion in the Southeast, leveraging Comvest's experience in scaling multi-site healthcare services platforms. Financial terms were not disclosed. ([Link](#))

#### 11. [StarFish Medical Expands MedTech Footprint with Strategic Acquisition of California-Based Omnica Corporation](#)

StarFish Medical, a leading North American medical device development company, has acquired Omnica Corporation, a Southern California medical device design and engineering firm. This strategic move expands StarFish's presence into California, a top state for MedTech innovation. The acquisition includes Omnica's 25,000-square-foot facility in Irvine and its expert team. StarFish CEO Scott Phillips emphasized the complementary nature of the businesses and the enhanced support they can now offer to medical technology companies. With this acquisition, StarFish now has 250 full-time staff across Victoria, Toronto, and Irvine, serving the entire North American market. ([Link](#))

#### 12. [Ensign Group \(NASDAQ: ENSG\) Expands Wisconsin Footprint with Strategic Acquisitions of Senior Care Facilities](#)

The Ensign Group has significantly expanded its presence in Wisconsin through multiple acquisitions effective November 1, 2024. The company's real estate subsidiary, Standard Bearer Healthcare REIT, acquired four assisted living facilities in Green Bay and Appleton, which will be operated by The Pennant Group under long-term leases. Additionally, Ensign acquired an 82-bed skilled nursing facility in Wausau. These acquisitions bring Ensign's portfolio to 325 healthcare operations across fourteen states, including 128 owned real estate assets. The move strengthens Ensign's Midwest presence and aligns with its growth strategy in the senior care sector. ([Link](#))

#### 13. [Choice Health at Home Expands Oklahoma Presence with Accentra Acquisition, Secures \\$260 Million for Future Growth via its financial sponsors Coltala Holdings and Trive Capital](#)

Choice Health at Home has acquired Accentra Home Health and Hospice, significantly expanding its Oklahoma coverage to 90% of the state. The deal strengthens Choice's presence in both urban and rural areas, aligning with its strategy to provide comprehensive home-based care across the Southwest. Accentra, serving approximately 500 patients, will eventually rebrand under the Choice name. Simultaneously, Choice secured \$260 million in new leveraged capital, including a \$190 million senior credit facility and a \$70 million subordinated credit agreement. This financial boost positions the company for further acquisitions, with a focus on home health assets in 2025. ([Link](#))

#### 14. [Astrana Health \(NASDAQ: ASTH\) to Acquire Prospect Health in \\$745 Million Deal, Expanding Healthcare Network Across Four States](#)

Astrana Health has announced a definitive agreement to acquire Prospect Health for \$745 million, significantly expanding its healthcare network across California, Texas, Arizona, and Rhode Island. The acquisition includes Prospect's health plan, medical groups, and Foothill Regional Medical Center. With approximately 610,000 members and a network of 13,000 providers, this move will strengthen Astrana's position in the healthcare market. The deal, expected to close by mid-2025, will be funded through cash and a \$1.095 billion bridge loan. Prospect is projected to generate \$1.2 billion in revenue with \$81 million in adjusted EBITDA for 2024. The acquisition aims to enhance access and quality of care for patients in local communities. ([Link](#))

## 15. Versiti Expands Ohio Presence with Acquisition of Solvita Blood Center, Bolstering Regional Healthcare Services

Versiti Blood Center of Ohio has acquired Solvita Blood Center, formerly Community Blood Center, in a strategic move to enhance blood health services in the Dayton area and surrounding communities. The acquisition, effective November 5, 2024, aims to strengthen Versiti's capacity to meet critical healthcare needs in Ohio. Versiti will maintain Solvita's donation center in Dayton and continue mobile blood drives across the region. The deal excludes Solvita's global tissue services, which will remain under its operation. Both organizations emphasize their commitment to preserving jobs and maintaining strong community relations. This expansion builds on Versiti's existing role as a major blood supplier to The Ohio State University Wexner Medical Center. ([Link](#))