



Q4

2022

QUARTERLY and
YEAR END UPDATE

**RCM, HEALTH IT,
DATA & ANALYTICS
MARKET UPDATE**

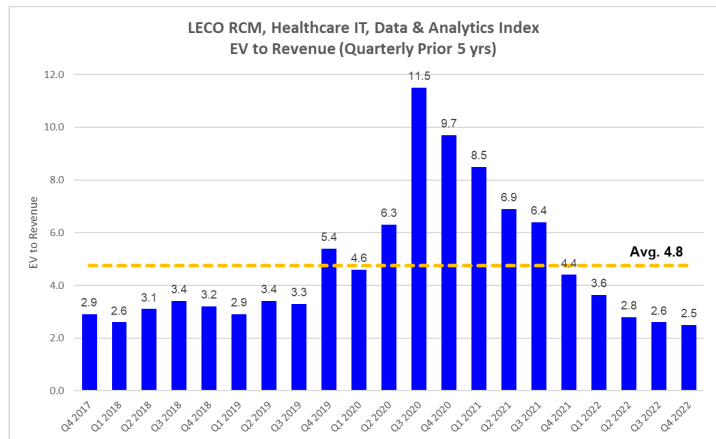
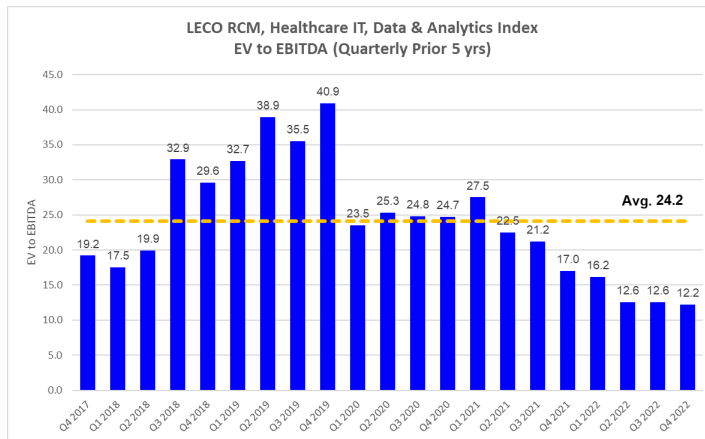
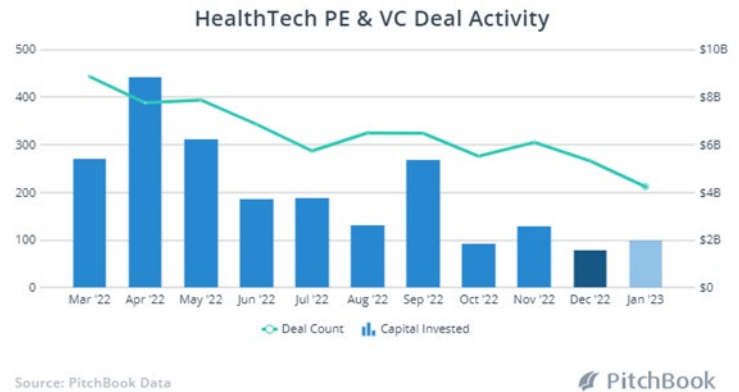


LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

SNAPSHOT OF FOURTH QUARTER AND YEAR END

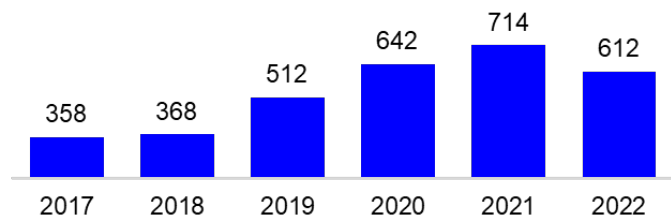
Higher interest rates, labor constraints, supply chain disruptions, the Ukraine war and the ongoing pandemic made 2022 a transformational year in finance. The increased demand for outsourced services in healthcare including revenue cycle management has put the spotlight back on the growing need of RCM and investment into the sector. Despite falling valuations and deal activity by the high-flying health tech software and data companies, outsourced tech enabled businesses remain attractive investments and targets. This is especially true for diversified businesses with specialized niches such as complex claims, dental, senior housing, radiology, fertility and clinical trials. Beyond RCM and related staffing, cybersecurity has also captured the attention of hospitals and healthcare provider boardrooms.



Healthcare Cybersecurity

The average Healthcare data breach now costs over \$10 million and remains the most targeted industry with attacks becoming increasingly frequent over the last 5 years (see chart right). Collecting and transporting data in healthcare is challenging given the complexities of IT systems, aging infrastructure, increasing use of telemedicine, connectivity of various IoT devices and a hybrid workforce. This becomes a recipe for disaster as many lower middle market healthcare organizations underfund their IT and cyber defense. Furthermore, the estimated supply of quality cyber professionals and ethical hackers is currently short by an estimated 600,000 openings and will reach 3.5 million by 2025. The increasing regulatory and industry requirements are forcing organizations (providers and vendors) to adhere to compliance, provide security verification and acquire cyber insurance with ever higher coverage limits. Despite ongoing efforts, there is unfortunately no guarantees to prevent a ransomware attack or other damaging security breach. Read more in our recently released [Healthcare Cybersecurity and Compliance Investment Update January 2023](#).

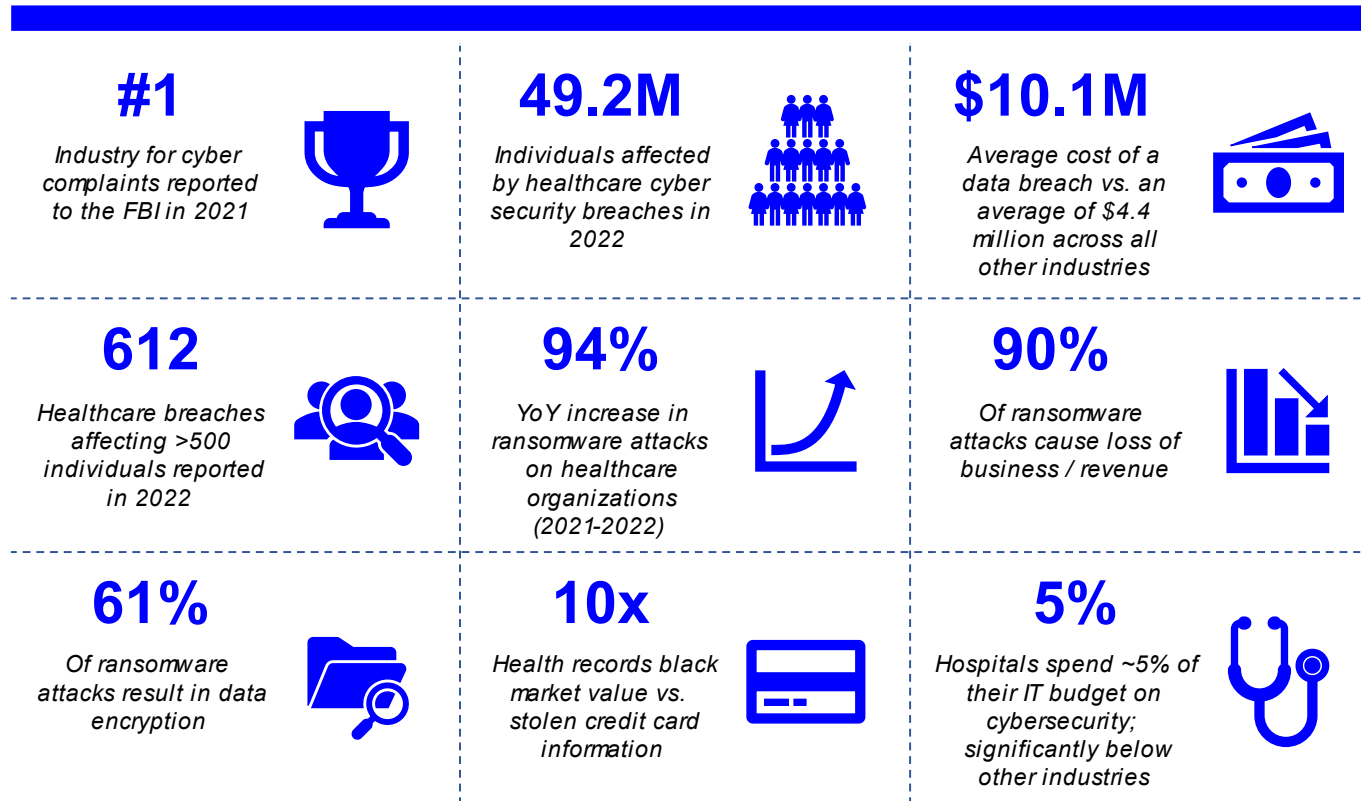
Healthcare Data Breaches of >500 Records



Healthcare Top Data Breaches (All Time)

- 1) 78.8M patient files Anthem (Health Plan) 2015
- 2) 26.1M patient files American Medical Collection Agency 2019
- 3) 11.0M patient files Premera Blue Cross (Health Plan) 2015

Healthcare Cybersecurity by the Numbers



*Data per the U.S. Department of Health and Human Services, FBI's Internet Crime Complaint Center and Sophos' State of Ransomware in Healthcare

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Cyber Considerations

- The pandemic accelerated U.S. healthcare companies transition from physical storage to online / cloud-based storage for medical records and patient data. This data migration will certainly continue in 2023.
- The war in Ukraine briefly disrupted cyber threat activity from Eastern Europe in 2022, causing a slight decrease in overall volume for the year. However, with an impending recession and rising geopolitical tensions, 2023 will likely continue the trend of attacks becoming more frequent and sophisticated.
- Ransomware has become the most prevalent form of healthcare data breaches and have quadrupled since the onset of the pandemic.
- Ransomware is likely to continue to be the most prevalent form of attack in 2023. Threat actors will continue to focus on shutting down systems for ransom payment and extracting data for resale.
- Data from the U.S. Department of Health & Human Services indicates attackers are shifting away from large hospital systems to focus on the types of companies PE firms invest in, like smaller and mid-sized healthcare entities and third-party vendors.
 - This is partially a result of larger healthcare players bolstering cyber security frameworks in recent years, making them more difficult targets for potential hackers.

SELECTED PRIVATE EQUITY INVESTMENT IN RCM, HCIT, DATA & ANALYTICS

Company	City	State	Website	Private Equity Owner	Summary
<u>Remained to be heading to market or in market</u>					
GetixHealth	Sugar Land	TX	www.getixhealth.com	Trivest Partners	RCM but also EBO and BPO, billing coding and eligibility
<u>Active Recently</u>					
Medusind Solutions, Inc.	Miami	FL	www.medusind.com	Alpine Investors	RCM for all providers specialties and sizes
ClaimsXten	Nashville	TN	www.changehealthcare.com	TPG	Payment services to documenting and tracking claims.
e4 Services	Wyomissing	PA	www.e4-services.com	The Firmament	Consulting and prof services committed to eliminating waste
Add-on: Intellis	Lake Mary	FL	www.intellisq.com	The Firmament	RCM with focus on coding, HIM, clinical documentation
Health Prime	National Harbor	MD	www.hpiinc.com	GPB Capital	Provider of medical back-office billing service
Add-on: AdvantEdge Healthcare Solutions	Warren	NJ	www.ahsrcm.com	Health Prime Int'l	RCM solutions, including medical billing, coding and analytics
Add-on: ALN Medical	Centennial	CO	www.alnmm.com	GPB Capital	RCM services
National Medical Billing Services	St. Louis	MO	www.nationalascbilling.com	Aquiline	RCM focused on ASCs and affiliated surgeons
Add-on: MedTek	Woodland Hills	CA	www.medtek.net	Aquiline	RCM business providing billing coding collection for ASC
Wakefield & Associates	Aurora	CO	www.wakeassoc.com	McCarthy Capital	Accounts receivable management services
Add-on: Choice Recovery	Columbus	OH	www.choicerecovery.com	McCarthy Capital	Midwest based accounts receivable management organization
Coronis Health	Sykesville	MD	www.coronishealth.com	Veritas	RCM & medical billing
Add-on: Miramed Global	Jackson	MI	www.mirameds.com	Veritas	RCM & BPO
Knowtion Health fka Rsource	Boca Raton	FL	www.knowtionhealth.com	Sunstone Partners	RCM performance and patient satisfaction
Add-on: Amplus Group	Torrance	CA	www.amplusnow.com	Sunstone Partners	RCM for hospitals but also using AI and ML for claims settlement
Alpha II	Tallahassee	FL	www.alphaii.com	WestView Partners	RCM for healthcare, clearinghouse and government
Add-on: Health e-filings	Madison	WI	www.healthefilings.com	WestView Partners	Cloud clinical analytics & automated MIPS reporting software
Revecore	Franklin	TN	www.revecore.com	GrowthCurve Capital	RCM for large hospitals
Add-on: Kemberton	Franklin	TN	www.kemberton.net	GrowthCurve Capital	RCM for hospitals focused on complex claims
Add-on: Cura Revenue Cycle Mgmt	Tampa	FL	www.curarcm.com	GrowthCurve Capital	Hospital underpayment recovery services
Imagine Software	Charlotte	NC	www.imagineeam.com	Marlin, Stone Point	Billing automation software
Add-on: Exchange EDI	Tallahassee	FL	www.exchangeedi.com	Marlin, Stone Point	Developer of workflow software
ReviveHealth	Ponte Vedra Beach	FL	www.revive.health	Eir Partners	Provider of healthcare services that improve consumer access
Add-on: SwiftMD	Exton	PA	www.swiftmd.com	Eir Partners	Provider of telemedicine services to connect for non emergency
The Corridor Group	Overland Park	KS	www.corridorgroup.com	HealthEdge Investor	Coding, RCM and education solutions to the post-acute industry
Add-on: SelectData	Anaheim	CA	www.selectdata.com	HealthEdge Investor	Provider of post acute healthcare artificial intelligence solutions
<u>Various Slected</u>					
AccessOne	Charlotte	NC	www.accessonemedcard.com	Frontier Growth	Help patients manage healthcare costs while driving hospital
Add-on: Cue Squared	Los Angeles	CA	www.cuesquared.com	AccessOne	Developer of a mobile patient payment software
Advantum Health	Louisville	KY	www.advantumhealth.com	Fulcrum	RCM: billing, credentialing, pre-auth, referral mgmt & analytics
Aspirion Health Resources	Columbus	GA	www.aspirion.com	Linden Capital Partners	Hospitals and health systems process complex healthcare claims
EnableComp	Franklin	TN	www.enablecomp.com	Primus/Welsh, Carson	Complex claims reimbursement
Add-on: Argos Health	Dallas	TX	www.complexclaims.com	EnableComp	Billing, follow-up, and collection of complex claims
Ensemble Health Partners	Cincinnati	OH	www.ensemblehp.com	Golden Gate Capital	Focuses on RCM with its suite of technologies
Cantata Health	Austin	Texas	www.cantatahealth.com	GPB	RCM & EHR applications for acute and post-acute care hospitals
Athenahealth	Watertown	MA	www.athenahealth.com	Bain/	EMR, RCM, patient engagement, care coordination & pop health
Azalea Health	Atlanta	GA	www.azaleahealth.com	LLR Partners	Cloud-based healthcare tech and services to rural health clinics
Experity	Machesney Park	IL	www.experityhealth.com	GTCR	Provides integrated technology solutions to urgent care centers
AGS Health	Washington	DC	www.agshealth.com	Baring PE Asia	Technology-enabled healthcare BPO
Add-on: ezDI	Louisville	KY	www.ezdi.com	AGS Health	Health IT: NLP & ML and high-performance cloud computing
GeBBS Healthcare Solutions	Culver City	CA	www.gebbs.com	ChrysCapital	Medical coding and medical billing outsourcing
Add-on: Aviacode	Salt Lake City	UT	www.aviacode.com	GeBBS	Medical coding
Greenway Health	Tampa	FL	www.greenwayhealth.com	Vista	Software and services to ambulatory practices
Kemberton	Portsmouth	NH	www.kemberton.net	LLR	RCM: motor vehicle, workers' compensation and complex claims
RevSpring	Nashville	TN	www.revspringinc.com	GTCR	Billing and communication software for healthcare
Add-on: Loyale Healthcare	Lafayette	CA	www.epayhealthcare.com	RevSpring	Provider collections
MedAssist	Louisville	KY	www.medassistgroup.com	Firstsource Solutions	RCM solutions aimed at helping hospitals
Elevate	Spring	TX	www.elevatepfs.com	Frazier/Edgewater	RCM for hospitals and health systems
Add-on: MedData				Elevate	Healthcare technology solutions physicians and hospitals
Add-on: RevClaims				Elevate	RCM motor vehicle accident, workers comp or Veterans Affairs
Modernizing Medicine	Boca Raton	FL	www.modmed.com	Warburg,IBM,Summit	EHR systems for medical specialists and specialty practices
Netsmart	Overland Park	KS	www.ntst.com	GI Partners	EHR behavioral, home, senior living and social services
nThrive	Alpharetta	GA	www.nthrive.comnews	Clearlake	RCM processes and financial performance for hospitals
Rectangle Health	Valhalla	NY	www.rectanglehealth.com	GI Partners, TA Assoc.	Suite of payment and patient engagement solutions
Corro Health	Plano	Texas	corrohealth.com	The Carlyle Group	RCM: global delivery, ER documentation, advanced coding
Add-on: ParaRev	Elgin	IL	www.pararevenue.com	CorroHealth	RCM services catering to hospitals
RevSpring	Livonia	MI	www.revspringinc.com	GTCR	End-to-end integrated patient engagement platform
Vyne	Dunwoody	GA	www.vynecorp.com	The Jordan Company	Integrated platform for end-to-end PHI exchange/communication
Waystar	Louisville	KY	www.waystar.com	Bain Capital	Cloud-based software-as-a-service platform
Add-on: eSolutions	Overland Park	KS	www.esolutionsinc.com	Waystar Health	RCM and workflow management tools
Add-on: Patientco	Atlanta	GA	www.patientco.com	Waystar	Help healthcare systems maximize patient payment
Add-on: RemitDATA	Memphis	TN	www.remitdata.com	eSolutions	Health tech platform for data and analytics
WebPT	Phoenix	AZ	www.webpt.com	Warburg Pincus	EHR for physical therapy

SELECTED TRANSACTIONS

Date	Deal Type	Target	Primary Acquiror (Other Investors)	Target Description	Value (US\$ Ms)
1/26/2023	M&A	NVOLVE	CoachCare	Developer of medication adherence, monitoring, and intervention system designed to track the consumption of pills and send alerts when a medication is not taken or is taken improperly.	n/a
1/23/2023	M&A	Coyote Software	VitalHub	Developer of a software solution platform intended to provide software solutions to health and social service organizations.	n/a
1/19/2023	Buyout/LBO	Activated Insights	Home Care Pulse (Cressey & Company, Upside Growth Partners)	Developer of an employee and customer analytics platform intended for assisted living and senior care providers.	n/a
1/19/2023	Buyout/LBO	Pinnacle Quality Insight	Home Care Pulse (Cressey & Company, Upside Growth Partners)	Developer of customer surveys and employee retention software designed for assisted living and senior care providers.	n/a
1/16/2023	M&A	Boncura Health Solutions	Ares Management	Provider of practice management services intended to offer value-based care, revenue cycle management, analytics, and risk continuum.	n/a
1/12/2023	Corporate	ModoHealth	VieMed	Developer of personalized care management technology intended to optimize patient quality of care.	n/a
1/12/2023	Buyout/LBO	Afia	Simione Healthcare Consultants (Sheridan Capital Partners)	Operator of a healthcare consulting firm serving behavioral health organizations, human service agencies, physician groups, health systems and other medical practices.	n/a
1/10/2023	M&A	CrossBridge Health	Scipher Medicine	Developer of a cloud-based medical technology designed to improve the outcomes of treating chronic inflammatory disease.	n/a
1/9/2023	Buyout/LBO	Hospital IQ	LeanTaaS (Bain Capital)	Developer of operations management software designed to provide hospitals and health systems with visibility and actionable insights.	n/a
1/9/2023	Buyout/LBO	Invicta Health Solutions	Receivable Solutions (WestView Capital Partners)	Provider of healthcare technology, professional and human capital services intended to resolve critical issues within the healthcare industry.	n/a
1/9/2023	M&A	Picwell	Jellyvision	Developer of enterprise software designed to assist consumers in selecting the ideal package of benefits for them and their families.	n/a
1/6/2023	Buyout/LBO	MediSked	CaseWorthy (STG Partners)	Developer of healthcare software solutions designed to support clients within the home and community-based services industry with an integrated, person-centered technology model.	n/a
1/5/2023	Buyout/LBO	Medusind Solutions	Alpine Investors	Developer of revenue cycle management platform designed to serve physicians and clients in the healthcare industry.	n/a
1/5/2023	Buyout/LBO	Xtract Solutions	Modernizing Medicine (Mayson Capital Partners, Sands Capital, Summit Partners, Warburg Pincus)	Developer of allergen immunotherapy software system designed to help with mixing, preparation and injections.	n/a
1/4/2023	Buyout/LBO	Cloud 9 Software	Planet DDS (Aquiline Capital Partners, Level Equity)	Developer of cloud-based practice management software designed for orthodontics, pediatric dentistry and group practice.	\$4
1/4/2023	IPO	GE Healthcare (NAS: GEHC)	Public Investors	GE HealthCare Technologies Inc is a global medical technology, pharmaceutical diagnostics, and digital solutions innovator company.	n/a
1/3/2023	M&A	EEDS	HealthStream	Developer of a medical education tracking system designed for healthcare workers.	n/a

SELECTED TRANSACTIONS – CONT.

Date	Deal Type	Target	Primary Acquiror (Other Investors)	Target Description	Value (US\$ Ms)
12/20/2022	Buyout/LBO	Swellbox	Datavant (Cigna Ventures, Flex Capital, Johnson & Johnson, Mubadala Investment Company, Sixth Street Partners, Goldman Sachs)	Developer of a digital health record platform intended to offer lifetime health accounts.	\$68
12/15/2022	Buyout/LBO	Fortified Health Security	Health Velocity Capital, Nordic Consulting Group, Silversmith Capital Partners, Camden Partners, Vineyard Capital Group	Developer of cyber privacy and security software intended to protect patient data and reduce risk throughout the healthcare ecosystem.	\$2
12/14/2022	M&A	RxCompli	CIMSS	Developer of caregiving solutions and products intended to serve patients and healthcare.	n/a
12/12/2022	M&A	Get A-Head	Vector Health Labs	Developer of mental healthcare management platform created to combat and support people seeking physic problems.	n/a
12/7/2022	M&A	Medicus Laboratory Information Systems	CompuGroup Medical	Developer of Information software catering to physician office laboratories.	n/a
12/1/2022	M&A	Stericycle Communication Solutions	Carenet Healthcare Services	Provider of patient engagement services located in Northbrook, Illinois.	n/a
12/1/2022	Buyout/LBO	Brightech International	Everest Clinical Research (Arlington Capital Partners)	Developer of a clinical information management suite intended to offer a compliant and fully customizable web-based clinical trial platform.	n/a
11/30/2022	M&A	TSI Healthcare	NextGen Healthcare	Provider of healthcare monitoring services intended to streamline operations, optimize billing strategy and elevate the patient experience.	n/a
11/29/2022	Buyout/LBO	The Echo Group	Therapy Brands (Kohlberg Kravis Roberts, SIG Capital (US))	Developer of enterprise software catering to behavioral health organizations across the United States.	n/a
11/29/2022	M&A	Adaptrack Platform	AMS Management	Developer of practice management platform created to track, learn and earn from impactful practice habits.	n/a
11/27/2022	M&A	Equium Intelligence	Rad AI (Enterprise Systems (Healthcare))	Developer of an artificial intelligence automated report generation platform designed to automate repetitive tasks for radiologists.	n/a
11/23/2022	Buyout/LBO	Focus Software (Alabama)	Cloud 9 Software (Accel-KKR)	Developer of a practice management platform intended to serve the orthodontist industry.	n/a
11/21/2022	Buyout/LBO	Pregistry	CorEvitas (Ardan Equity, Audax Group, Oaktree Specialty Lending BDC)	Provider of healthcare information services intended to empower pregnant people and healthcare providers with the instructions they need to have healthy pregnancies and healthy babies.	n/a
11/15/2022	Buyout/LBO	Commonwealth Informatics	Qinecsa (Stanley Capital)	Developer of cloud-based analytics platform intended to serve biotechnology companies, government agencies and healthcare providers.	n/a
11/9/2022	Buyout/LBO	PaySpan	Zelis Healthcare (Bain Capital, BPEA Private Equity, Edison Partners, Parthenon Capital Partners, Twin Bridge Capital Partners)	Provider of healthcare reimbursement and payment automation services intended to simplify the complicated world of healthcare payments.	\$7
11/9/2022	Buyout/LBO	Wilco Source	CitiusTech (Bain Capital, BPEA EQT)	Provider of IT consulting and implementation services catering specifically to the healthcare and life sciences industries.	n/a
11/9/2022	M&A	Coburn Technologies	SDC Technologies	Provides computer integrated lens processing systems based out of Connecticut, United States.	n/a

SELECTED TRANSACTIONS – CONT.

Date	Deal Type	Target	Primary Acquiror (Other Investors)	Target Description	Value (US\$ Ms)
11/8/2022	IPO	DiagnaMed (CNQ: DMED)	Public Investors	Engaged in developing a platform of software-based prescription digital therapeutic products with the potential to improve early detection of neurological disorders, overall patient health and lower costs.	n/a
11/4/2022	Buyout/LBO	Rees Scientific	AEA Investors	Provider of automated environmental monitoring solutions intended to serve biopharma, biotech, hospital, blood bank, academic and contract research organizations.	n/a
11/2/2022	Buyout/LBO	ePACT Network	Clubessential (Battery Ventures, Silver Lake)	Developer of an emergency and health forms automation platform designed to help keep community programs safe and compliant while reducing costs.	n/a
11/1/2022	M&A	Juno EMR	WELL Health Technologies	Provider of a patient management platform intended to simplify patient care and medical practice.	n/a
11/1/2022	M&A	Nordic Consulting Group	Accrete Health Partners	Operator of a healthcare consulting firm intended to guide organizations to a stronger business with better patient outcomes.	n/a
11/1/2022	M&A	Rx Savings Solutions	McKesson	Developer of a SaaS-based healthcare platform intended to save employers, employees and health plan money on prescription medications.	n/a
11/1/2022	M&A	Adaptalogix	BDO	Provider of NetSuite-based ERP and MRP solutions catering to the pharmaceutical, biotechnology, CDMO, and GMP manufacturing sectors.	n/a
10/31/2022	Buyout/LBO	Catalyst UX	Unosquare (Trivest Partners)	Operator of a UX design and development firm committed to providing on digital solutions for medical and life sciences.	n/a
10/31/2022	M&A	Valenz	Great Point Partners	Operator of a single platform designed for medical cost reduction and claims flow management.	n/a
10/31/2022	M&A	GenoSpace	McKesson	Developer of precision medicine platform designed to harness molecular data.	n/a
10/28/2022	Buyout/LBO	HealthEdge	Ardan Equity, Blackstone, Horizon Technology Finance BDC	Developer of an integrated financial, administrative and clinical software platform designed for healthcare payors.	\$13,000
10/27/2022	Buyout/LBO	Enquire Solutions	Rubicon Technology Partners	Developer of customer relationship management (CRM), marketing automation and contact center solutions to support senior living, post-acute, primary and specialty care, behavioral health and home care	\$0
10/26/2022	M&A	Sound Life Sciences	Alphabet	Developer of clinically validated software designed for phones and smart speakers.	n/a
10/24/2022	M&A	ART Compass	AIVF	Developer of digital technology platform intended to simplify and automate IVF data management.	n/a
10/19/2022	IPO	BullFrog AI	Johns Hopkins Technology Ventures, TEDCO	Bullfrog AI Holdings Inc is a clinical-phase Biotechnology company using machine learning to advance medicine and improve human health.	n/a
10/18/2022	M&A	AlertWatch	BioIntellisense	Developer of a patient monitoring software platform intended to provide clinical decision support systems for hospitals.	\$165
10/17/2022	Buyout/LBO	Porzio Life Sciences	Porzio, Bromberg & Newman (Five Arrows Capital Partners, Five Arrows Principal Investments, Nordic Capital, RLDataix, Stags Participations, Susquehanna Growth	Provider of regulatory and compliance services serving the life sciences industry.	n/a

SELECTED TRANSACTIONS - CONT.

Date	Deal Type	Target	Primary Acquiror (Other Investors)	Target Description	Value (US\$ Ms)
10/17/2022	M&A	Reliefband	Anthony Gellert, Delaware Crossing Investor Group, JVC Investment Partners, PathoCapital, Tivic Health	Developer of a digital therapeutic device designed to treat nausea, retching, and vomiting.	n/a
10/13/2022	Buyout/LBO	Health in Motion Network	Custom Health	Operator of a digital healthcare technology company intended to redefine the pharmacy care model with a national network of connected pharmacists and partners.	n/a
10/11/2022	Buyout/LBO	OnCall Health	Qualifacts Systems (Martis Capital, Warburg Pincus)	Developer of healthcare software designed to launch and scale virtual care programs.	n/a
10/11/2022	Buyout/LBO	TouchMD	NexTech (Strathspey Crown, Thomas H. Lee Partners)	Developer of a software system committed to supporting doctors in delivering the most engaging consultations possible.	\$18
10/11/2022	M&A	Caregiver	Delta Dental of Iowa	Operator of a caregiver engagement platform intended to guide families to the appropriate end-of-life support and services.	n/a
10/10/2022	M&A	Prognos Health (Analytics Business)	Gradient AI	Provider of underwriting analytics services for the healthcare sector.	n/a
10/10/2022	M&A	Rose Health	West Coast Behavioral Healthcare	Developer of a digital mental health platform designed to keep care providers and patients connected.	n/a
10/7/2022	M&A	OneRecord	Milliman IntelliScript	Developer of digital health platform designed for patients to retrieve their own digital records using healthcare industry standards and modern APIs.	n/a
10/6/2022	Buyout/LBO	Bloodhub	InVita Healthcare Technologies (Saratoga Partners, The Riverside Company)	Developer of healthcare software intended to serve the blood center and hospitals.	n/a
10/5/2022	Buyout/LBO	Rendia	PatientPoint Health Technologies (Balance Point Capital, L Catterton, Littlejohn & Co., Silver Point Capital, Transformation Capital)	Developer of engagement software designed for doctors to have conversations with their patients every day.	n/a
10/4/2022	Buyout/LBO	AutoCruitment	QHP Capital	Developer of an online patient screening platform intended to recruit qualified patients for clinical trials and research studies.	n/a
10/4/2022	M&A	MDBilling	Royal Bank of Canada	Developer of OHIP billing software designed to support the increasing demands for fast, accurate and reliable medical billing.	n/a
10/4/2022	M&A	GoodVisit	Wave HDC	Developer of a doctor scheduling platform intended to offer real-time out-of-pocket medical cost estimates.	n/a
10/3/2022	M&A	Change Healthcare	Optum	Change Healthcare is a spinoff of various healthcare processing and consulting services acquired by McKesson over numerous years.	n/a
10/3/2022	M&A	StoCastic	Beckman Coulter	Developer of a healthcare enterprise software intended to provide value for patients and healthcare systems.	\$34
10/3/2022	M&A	Arterys	Tempus Labs	Developer of medical imaging analytics technology designed to offer improved patient care.	n/a
10/1/2022	Buyout/LBO	PREMEDEX	SCP Health (Onex)	Developer of patient engagement and communications platform intended for hospitals ranging from one location to multi-location systems.	n/a

SELECTED TRANSACTIONS - CONT.

Date	Deal Type	Target	Primary Acquiror (Other Investors)	Target Description	Value (US\$ Ms)
9/30/2022	M&A	Epion Health	Kyrus	Developer of a patient engagement platform designed to provide a variety of mobile health applications and content using cloud-based applications and content management services.	n/a
9/29/2022	M&A	Ketamine Media	(Irwin Naturals)	Operator of marketing agency platform catering to ketamine and psychedelic-wellness industry.	n/a
9/27/2022	M&A	Acumen Physician Solutions	InterWell Health	Developer of EHR and management software for nephrology practices based in Nashville, Tennessee.	n/a
9/25/2022	Buyout/LBO	Intellis	e4 Services (The Firmament Group)	Developer of revenue cycle management software designed to address the issues that hospitals, outpatient providers and physician practices rely on to improve quality and outcomes.	n/a
9/22/2022	Buyout/LBO	GrowthPlug	PracticeTek (Greater Sum Ventures, Lightyear Capital)	Developer of a practice marketing platform intended to help healthcare practices become contemporary, efficient and grow online by delivering a patient-first experience.	\$13
9/22/2022	Buyout/LBO	Providerflow	Data Dimensions (BSC Capital Partners, Sandbox Industries, Thompson Street Capital Partners)	Developer of cloud-based, document scanning and faxing solutions intended for the healthcare sector.	n/a
9/21/2022	Buyout/LBO	Payer Compass	Zelis Healthcare (Bain Capital, Bain Capital Ventures, BPEA Private Equity, Edison Partners, Parthenon Capital Partners, Twin Bridge Capital Partners)	Developer of healthcare technology platform intended to offer healthcare reimbursement technology and price transparency services to its clients.	n/a
9/21/2022	M&A	MedAware Systems	FasterCapital (Biomed Industries)	Operator of a medicine delivery company intended to solve the problem of accessing and analyzing all available data from clinical trial research.	n/a
9/19/2022	M&A	Advantasure	Blue Cross Blue Shield of Michigan (UST Global)	Developer of a health management platform designed to solve the complex issue of value-based care and plan coordination.	n/a
9/15/2022	Buyout/LBO	Life Image	Intelrad Medical Systems (Ardan Equity, HgCapital, ST6 Partners, TA Associates Management)	Developer of a medical evidence and image exchange platform designed to help users access the right information at the right time and in the right context for optimal patient care.	n/a
9/13/2022	Buyout/LBO	SRX (New York)	Third Wave Recovery Systems (WindRose Health Investors)	Provider of healthcare technology focused on addressing the complexity involved in managing pharmacy spending.	n/a
9/12/2022	Buyout/LBO	Clinical Support Services	Clarest Health (Sverica Capital Management)	Provider of medication management services that deliver a measurable return on investment to health plans, pharmacies, self-insured businesses, pharmacy benefit managers and third-party administrators.	n/a
9/7/2022	Buyout/LBO	Amplion	Bioinformatics (Sunwater Capital)	Developer of a business intelligence platform designed to accelerate the realization of precision medicines.	n/a
9/6/2022	Buyout/LBO	Help Desk Dental	IT Voice (Baymark Partners, Portman Ridge Finance Corp. BDC)	Provider of dental-focused information technology products and services intended for specialty dental and oral healthcare providers.	n/a
9/5/2022	M&A	HelloPatients	Jumpstart Health Investors, Right Side Capital Management, Aurionpro Fintech	Developer of a patient engagement platform designed to automate payments.	n/a
9/1/2022	M&A	Shine	Headspace	Developer of a self-care communication application designed to make wellbeing accessible.	\$37
9/1/2022	M&A	Forefront TeleCare	Access TeleCare	Provider of virtual behavioral health care intended to serve seniors with telepsychiatry and teletherapy care.	n/a

SELECTED VENTURE TRANSACTIONS

Last Financing	Companies	Description	Active Investors	Last Financing Size	Last Financing Valuation	# Active Investors
1/25/23	Twill	Developer of software-enabled healthcare platform designed to improve mental and physical health.	Benjamin Arbib, Blue Fund Consulting & Invest, Brian Bedol, Bridge Builders Collaborative, btov Partners, Craig Kallman, Daniel Gutenberg, David Kleinhändler, Deerfield Management, Eric Aroesty, Founder Collective, Hills Capital, Ion Asset Management, Jonathan Bulkeley, Mangrove Capital Partners, Marketplace Fund II, Marmora Capital, Maywic Select Investments, Omega Advisors, TA Ventures, The K Fund, Thylacine Capital, TT Capital Partners	\$36	n/a	23
1/5/23	Salucro	Developer of a payment processing software designed to help healthcare providers collect more patient payments.	Undisclosed	\$3	n/a	n/a
12/27/22	Carbon Health	Operator of mobile-based healthcare networks and clinics intended to offer simple, convenient, and accessible healthcare.	500 Global, 500 Istanbul, 515 Ventures, Aaron Patzer, ACT Venture Partners, Akkadian Ventures, Alder Companies, Alex Smith, Altun Capital, Amanda Fairey, Atreides Management, BlackRock, Blackstone Alternative Asset Management, Brookfield Growth, Builders VC, Bullpen Capital, CVS Health Ventures, Darian Shirazi, David Clark, DCVC, Dragoneer Investment Group, Edouard Tabet, Elad Gil, Evolution VC Partners, Fifth Wall, FoundersGuild, Gaingels, Green Meadow Ventures, Hercules Capital BDC, Homebrew, Hudson Bay Capital Management, Intersect Capital, Ion Pacific, Javelin Venture Partners, Karim Tamsamani, Khris Middleton, Klay Thompson, Lawrence Braitman, Lux Capital, Magdalena Yesil, Matthew Chapman, Meyer Keith Ventures, Noah Hayes, Nolan Arenado, Parker Harris, PROOF Fund, Red Hook Capital, Sand Hill Angels, Shepard Fairey, Silver Lake, Tectonic Capital, The K Fund, The Living Fund, Two Sigma Ventures, W Ventures, Weston McKinnie, Wormhole Capital, Zag Capital	\$100	\$1,400	58
12/23/22	Orbita	Developer of an AI-based conversational platform designed for healthcare organizations to engage patients, improve outcomes, and reduce costs.	Cultivation Capital, Deloitte, HealthX Ventures, Manatt Phelps & Phillips, Manatt Venture Fund, MassChallenge, Newark Venture Partners, Philips Health Technology, SAP.iO, 4100 Group	\$4	\$34	10
12/1/22	Censinet	Developer of a third-party risk management platform designed to manage threats that exist within an expanding ecosystem of vendors.	Ballad Ventures, Cedars-Sinai, Excelerate Health Ventures, HLM Venture Partners, LRVHealth, MemorialCare Innovation Fund, Rex Health Ventures, Schooner Capital	\$12	\$38	8
11/15/22	DispatchHealth	Provider of on-demand mobile and virtual healthcare services intended to offer definitive and quality care.	Adams Street Partners, Alta Partners, Blue Shield of California, Echo Health Ventures, EMP Holdings, Humana, K2 Health Ventures, MultiCare Health System, Oak HC/FT, Optum Ventures, Pegasus Tech Ventures, Questa Capital, Silicon Valley Bank, Spark Growth Ventures, The Olayan Group, Tiger Global Management, US Acute Care	\$330	n/a	17
11/14/22	Maven	Developer of a digital health platform designed to improve care for women and families, delivering improved outcomes and low costs for everyone.	14W, 8VC, Able Partners, Aletta Angels, Anne Wojcicki, Anthro Ventures, Astarte Ventures, Bond Capital (San Francisco), Bond Growth+Equity, BoxGroup, Brent Hoberman, Chrysanthos Chrysanthou, City Light Capital, Colle Capital Partners, Company Ventures, CSC UpShot Ventures, CVS Health Ventures, David Chan, DGNL Ventures, Dragoneer Investment Group, Female Founders Fund, Fine Day Ventures, FuturePerfect Ventures, Gaingels, General Catalyst, GingerBread Capital, Great Oaks Venture Capital, Harmony Partners, Icon Ventures, Intermountain Ventures, Jeremy Yap, La Famiglia, Loric Ventures, Lux Capital, Martin Mignot, Matthew Mullenweg, Mindy Kaling, Natalie Portman, Neville Point Ventures, NextGen Venture Partners, Oak HC/FT, Portfolia, Quadia, Reese Witherspoon, Robert Dighero, Ruca, Sax Capital, Sequoia Capital, SGH Capital, Spring Mountain Capital, Susan Lyne, Thomas Lehrman, Venrex Investment Management	\$90	\$1,350	53
11/1/22	Komodo Health	Operator of a healthcare technology company intended to create a new standard for real-world data and analytics through its platform and healthcare map.	Andreessen Horowitz, Casdin Capital, CLF Partners, Coatue Management, Dragoneer Investment Group, Felicis Ventures, IA Ventures, ICONIQ Growth, Oak HC/FT, Silicon Valley Bank, SVB Capital, Tiger Global Management	\$200	n/a	12
11/1/22	Deep Lens (Acquired by Paradigm in Q4 2022)	Developer of a healthcare data platform designed to match patients to suitable clinical trials and precision therapies.	AIX Ventures, Northpond Ventures, Rev1 Ventures, Sea Purity Investments, Service Provider Capital, Sierra Ventures	n/a	n/a	6
10/19/22	Electronic Caregiver	Developer of virtual care and health technologies created to provide remote care to patients.	Undisclosed	\$34	n/a	n/a
10/13/22	Tegria	Operator of a virtual care platform intended to improve healthcare delivery.	Undisclosed	\$230k	n/a	n/a
10/7/22	Valera Health	Developer of behavioral healthcare software designed to offer personalized mental health services.	Alsora Capital, Aquiline Capital Partners, AXA Venture Partners, Cigna Ventures, Divergent Investments, Figure Eight Investments, Gaingels, GreyMatter Capital, Heritage Group, Horizon Blue Cross Blue Shield of New Jersey, MultiCare Health System, StartUp Health, Texas Medical Center, Thomas Insel, Watershed Collective, Watershed VC, Windham Venture Partners	\$45	\$169	17
9/22/22	Tempus Labs	Operator of a healthcare data analytics platform intended to make precision medicine a reality by applying artificial intelligence in healthcare.	Alphabet, Baillie Gifford, Franklin Templeton, Illinois Growth and Innovation Fund, Kilmahew Ventures, Kinship Trust Company, Lightbank, New Enterprise Associates, Novo Holdings, Revolution Group, Revolution/ROTR, T. Rowe Price	\$346	\$10,250	12
9/15/22	Kyruus	Developer of a SaaS-based administrative data management platform built for healthcare organizations.	Adam Goulburn, Bon Secours Mercy Health, Carl Byers, Dustin Moskovitz, Echo Health Ventures, Ed Park, Eight Roads, F-Prime Capital, Francisco Partners, Gerson Lehrman Group, Highland Capital Partners, John Goldsmith, Jonathan Bush, Lux Capital, McKesson Ventures, New Leaf Venture, Providence Ventures, Salesforce Ventures, Swedish Health Services, Transformation Capital, UPMC Enterprises, Venrock	\$35	\$450	22

PUBLICLY TRADED RCM & HCIT COMPANIES

Selected Publicly Traded RCM and Healthcare IT Companies

Company Name	Ticker Symbol	Stock Price 12/31/2022	% Change Prior Quarter	% Change TTM	Price 52 Week High	Price 52 Week Low	Market Cap	EV	EV to EBITDA	EV to Revenue
Veradigm Inc (formerly Allscripts)	NAS:MDRX	17.64	15.82%	-4.39%	23.25	13.59	1,927	1,654	7.4x	2.0x
Computer Programs & Systems Inc.	NAS:CPSI	27.22	-2.37%	-7.10%	35.50	25.33	395	528	10.6x	1.7x
NextGen Healthcare	NAS:NXGN	18.78	6.10%	5.56%	21.99	16.13	1,270	1,211	17.2x	2.0x
GE Healthcare Technologies Inc	NAS: GEHC	58.38	N/A	N/A	59.00	57.00	26,546	26,308	8.2x	1.5x
HealthStream, Inc.	NAS:HSTM	24.84	16.84%	-5.77%	26.78	18.51	759	732	14.8x	2.8x
**Veeva Systems Inc.	NYSE:VEEV	161.38	-2.12%	-36.83%	260.37	151.02	25,125	22,164	42.5x	10.7x
**McKesson Corporation	NYS:MCK	375.12	10.37%	50.91%	401.78	237.61	53,190	58,004	14.5x	0.2x
Oracle	NYS:ORCL	81.74	33.85%	-6.27%	89.58	60.78	220,392	304,431	17.2x	6.6x
Streamline Health Solutions Inc.	NAS:STRM	1.58	32.77%	6.04%	2.05	1.04	91	89	N/A	3.7x
*CareCloud (formerly MTBC)	NAS:CCLD	2.81	-32.78%	-55.54%	6.98	2.72	43	45	1.8x	0.3x
**R1 RCM Inc.	NAS:RCM	10.95	-40.91%	-57.04%	27.86	6.71	4,561	6,327	34.0x	3.8x
Teladoc Health Inc	NYS:TDOC	23.65	-6.71%	-74.24%	96.13	22.35	3,830	4,518	N/A	1.9x
Phreesia, Inc.	NYSE:PHR	32.36	27.00%	-22.32%	43.47	13.19	1,707	1,508	N/A	5.7x
Health Catalyst Inc	NAS:HCAT	10.63	9.59%	-73.17%	41.15	6.40	582	450	N/A	1.7x
Amwell	NYS:AMWL	2.83	-21.17%	-53.15%	6.34	2.52	779	234	N/A	0.9x
CloudMD	TSX:DOC	0.14	-24.33%	-84.32%	0.94	0.13	42	45	N/A	0.5x
Multiplan	NYS:MPLN	1.15	-59.79%	-74.04%	6.19	1.07	735	5,213	6.3x	4.6x
Accolade	NAS:ACCD	7.79	-31.79%	-70.45%	27.74	4.61	560	549	N/A	1.6x
eHealth, Inc.	NAS:EHTH	4.84	23.79%	-81.02%	27.89	2.67	133	326	N/A	0.7x
EverCommerce Inc.	NAS:EVCN	7.44	-31.93%	-52.76%	16.24	5.87	1,437	1,886	24.4x	3.2x
*adj for pref ** Outliers Removed										
Average			-4.09%	-36.63%					12.2x	2.5x

Source: © PitchBook Data, Inc. 2022

Pending Index Addition

Kovo HealthTech Corporation	TSXV:KOVO	0.09	0.76%	-71.00%	0.31	0.05	4	8	N/A	0.7x
Clover Health	NAS:CLOV	0.93	-45.32%	-75.01%	4.11	0.86	444	(241)	N/A	N/A
Hims & Hers Health	NYS:HIMS	6.41	14.87%	-2.14%	7.45	2.72	1,332	1,139	N/A	2.6x
Doximity, Inc.	NYS: DOCS	33.56	11.05%	-33.05%	64.95	22.91	6,460	5,726	45.1x	14.9x

Our LECO RCM & HCIT Index finishes off a rough year with another decline of 4.09% for the quarter and -36.6% for the full fiscal year. The broader market held up better with the NASDAQ only slightly negative for the quarter (-1.0%) and -33.1% for the year. Dow Jones was up for the quarter (15.3%) and -8.7% for the year, while the S&P was up for the quarter (7.1%) and -19.5% for the year, respectively.

The big news for the quarter and possibly the year is the spinout of **GE Healthcare Technologies (NAS: GEHC)**. We immediately added this to the index. The LECO RCM & HCIT Index top performing companies going against the general negative trend are **NextGen Healthcare (NAS: NXGN)** with a 6.1% quarterly gain and 5.6% TTM overall gain, **Streamline Health Solutions (NAS: STRM)** with a 32.7% quarterly gain and 6.0% TTM, **Change Healthcare Inc. (NAS: CHNG)** outperformed due to the court approval and close of its pending transaction with UnitedHealth (finalized October 3, 2022 with CHNG subsequently being delisted). **McKesson Corporation (NAS: MCK)** continues its positive climb with a 10.3% gain and 50%+ TTM.

Notable acquisitions include the following: **HealthStream (NAS: HSTM)** acquisition of EEDS a medical education tracking system for workers, **NextGen Healthcare (NAS: NXGN)** acquisition of TSI Healthcare a provider of monitoring services intended to streamline operations, billing strategy and elevate the patient experience.

Valuations of many telemedicine, software, and SPAC stocks are looking attractive compared to their private competitors. This is drawing attention from institutional funds with flexible mandates to invest in the rarely cheaper public comparable (LECO Index 5 yr Avg 4.8x) when reviewed on revenues, **TDOC (1.9x)**, **HCAT (1.7x)**, and **AMWL (0.9x)**. Regardless, the tech heavy index EV to Revenue LECO benchmark has fallen back below its 5-year average. The January effect has already started and we should see a more favorable return in stocks in Q1.



LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

Lawrence, Evans & Co. LLC “LECO” is a national boutique advisory firm. LECO provides a full range of capital raising (debt & equity), mergers & acquisitions including buy-side/sell-side, as well as financial and operational restructuring services. Since 2003, we have offered advice and support for every process and structure – from short-term solutions to long-term goals. The firm caters to the **Healthcare Providers and Service Companies** (senior housing, hospital, physician services, home health, hospice, behavioral health, RCM, HCIT, CCM, RPM, SDOH, etc.), **Transportation and Logistics** (trucking, warehouse, supply-chain), **Business Services** (managed IT and cyber), and **Real Estate**. Typical clients are up to \$250 million or \$15 million EBITDA, no minimum.

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- Private Company Sales
- Division/Subsidiary Divestitures
- Buy-side search for proprietary
- Acquisition Advisory Services
- Private Market Financings
- LBO's and Recapitalizations

Capital Raising: Debt/Equity

- Strategic Capital Options
- Valuations & Financial Assessments
- Bridge Financing, Real Estate, Bonds
- Private Equity, Family Office
- Lines of Credit, Senior Debt
- Debt Mezzanine, Unitranche

Turnaround & Restructuring

- Turnaround Management
- Debt Restructuring/Refinancing
- Orderly Liquidations
- Chief Restructuring Officer (CRO)
- Bankruptcy Planning/ 363 Sales
- Receivership / Trustee

Represented Transactions

 HealthCell Discover. Simplify. Perform. ACQUIRED MULTI SPECIALTY MEDICAL BILLING COMPANY ACTED AS ADVISOR	 MedWorx GROWTH CAPITAL RAISE Grenville STRATEGIC ROYALTY CORP. ACTED AS ADVISOR	 MINGLE ANALYTICS GROWTH CAPITAL RAISE ACTED AS ADVISOR AND INVESTOR	 GLOBALNET SOLUTIONS Problem Solver ACQUIRED BY MTBC A Unique Healthcare IT Company .com ACTED AS ADVISOR
 RANAC Optimizing Performance & Profit For Healthcare Professionals ACQUIRED BY A STRATEGIC BUYER ACTED AS ADVISOR	MEDICAL BILLING AND TECHNOLOGY COMPANY \$8,000,000 ACQUIRED BY A STRATEGIC BUYER ACTED AS ADVISOR	 KOVO ACQUIRED MIDWEST Medical Billing service inc. We partner with you. ACTED AS ADVISOR	 ICE redefining Health Care DENTAL PRACTICE MANAGEMENT AND EDUCATION SOFTWARE ACTED AS ADVISOR

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