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Investment Banking | Healthcare Finance | Consulting

Healthcare Weekly News and Deals –December 9th, 2024

1. ## Orthopedic Care Partners Announces New CEO and $543M in Growth Financing

   Orthopedic Care Partners (OCP), a leading orthopedic practice management platform, has appointed Tim Corvino, MD as its new CEO. The company also secured a significant growth recapitalization, including a $185M hybrid capital raise from Brookfield Asset Management and a $358M senior credit facility refinancing led by TPG Twin Brook Capital Partners. This financing positions OCP for accelerated growth in current and new markets. OCP, backed by Varsity Healthcare Partners, operates in five states with 136 physicians across 42 clinical locations and six ambulatory surgery centers. The company aims to enhance patient care and pursue growth opportunities in the orthopedic care sector. (Link)

2. ## Creach Family Holdings Acquires HealthRev Partners, Expanding Healthcare Tech Solutions for Home Health and Hospice Sector

   Creach Family Holdings, a private investment firm specializing in healthcare technology, has acquired HealthRev Partners, a provider of technology-driven revenue cycle management solutions for the home health and hospice market. This acquisition complements Creach's existing portfolio, which includes Careficient, a leading electronic medical record provider. The move aims to create an integrated suite of solutions that will streamline operations, optimize revenue cycles, and improve patient care for home health and hospice providers. By combining HealthRev Partners' expertise with Careficient's platform, Creach Family Holdings seeks to offer comprehensive technology solutions to this growing healthcare sector. (Link)

3. ## CoachCare, via its financial sponsors Integrity Growth Partners, Kli Capital, Longmont Capital and Topmark Partners, Acquires Revolution Health Solutions, Expanding Virtual Care Management Capabilities

   CoachCare, a provider of remote patient monitoring and chronic care management services, has acquired Revolution Health Solutions, a Texas-based care management company. This marks CoachCare's sixth acquisition, strengthening its position in the virtual care market. The strategic move expands CoachCare's service offerings, enhancing its capabilities in remote patient monitoring, chronic care management, and remote therapeutic monitoring. The acquisition allows CoachCare to broaden its geographic reach, particularly in Texas, while leveraging Revolution Health Solutions' expertise to improve patient outcomes and reduce healthcare costs. Jenn Tompkins, CEO of Revolution Health Solutions, expressed confidence that the partnership will drive innovation and enhance patient experiences. (Link)

4. ## Supreme Group Acquires Amendola Communications, Expanding Healthcare Marketing Portfolio

   Supreme Group has acquired Amendola Communications, a leading healthcare PR and marketing firm. Amendola will continue operating independently under its brand, with Jodi Amendola as president. This marks Supreme Group's fifth agency acquisition, strengthening its platform for healthcare and life sciences marketing services. The move allows Amendola to enhance its offerings by leveraging Supreme Group's expertise in digital marketing, lead generation, and clinical knowledge. Supreme Group, backed by Trinity Hunt Partners, now includes Supreme Optimization, Health+Commerce, Clarity Quest, BioStrata, and Amendola. The acquisition aims to create a powerful entity in healthcare marketing and communications services. (Link)

5. Haemonetics (NYSE: HAE) to Sell Whole Blood Assets to GVS for Up to $67.1 Million
   Haemonetics Corporation (NYSE: HAE) has announced the sale of its whole blood collection and filtration business to GVS, S.p.A for up to $67.1 million, including $44.6 million upfront and potential earn-outs of $22.5 million over four years. The deal includes the transfer of Haemonetics' manufacturing facility in Covina, California, and related assets in Tijuana, Mexico. Expected to close in Q1 2025, this strategic move follows their 2020 agreement with GVS regarding the Fajardo facility. Haemonetics will maintain its apheresis solutions business while focusing on expanding its presence in plasma collection and hospital markets. (Link)

6. Astorg Creates Global ART MedTech Giant with Hamilton Thorne Acquisition and Cook Medical RH Merger
   Pan-European private equity firm Astorg has completed a significant move in the Assisted Reproductive Technology (ART) sector. The firm has taken Hamilton Thorne private and simultaneously acquired Cook Medical's Reproductive Health business. This merger creates a new global ART MedTech company serving over 115 countries with a comprehensive portfolio of fertility products and services. The combined entity aims to address rising fertility challenges worldwide. Wil Boren has been appointed CEO, with Jimmy DeStephens as CFO and COO. Hamilton Thorne has been delisted from the Toronto Stock Exchange, and a new brand identity is planned for 2025. (Link)

7. NationsBenefits Expands Supplemental Benefits Portfolio with Acquisition of General Vision Services
   NationsBenefits, a leading healthcare fintech and supplemental benefits platform, has acquired General Vision Services, a premier Managed Vision Care company. This strategic move enhances NationsBenefits' position as the only single platform for Medicare Advantage supplemental benefits. The acquisition expands their service offerings to include vision care, complementing their existing suite of benefits such as flex cards, over-the-counter products, hearing care, and transportation services. NationsBenefits aims to provide a more comprehensive and integrated benefits experience for health plans and their members. The merger is expected to improve access to vision services and reduce costs for health plans. (Link)

8. Abra Health Group Expands to Connecticut with acquired All About Kids Pediatric Dentistry Acquisition and New Location Plans
   Abra Health Group, a leader in dental and healthcare services, has acquired All About Kids Pediatric Dentistry in Connecticut, marking its expansion into a third state alongside New Jersey and Pennsylvania. The practice will operate under Abra’s patient-first model, ensuring continuity of care. Additionally, Abra announced plans to open a new Bridgeport location in 2025 to address the growing need for pediatric dentistry. CEO Dr. Michael Skolnick emphasized Abra’s commitment to underserved communities by providing accessible, high-quality care. Founded in 2008, Abra continues to expand its integrated medical and dental services for families in underserved regions. (Link)

9. Dental365 Expands Connecticut Presence with Acquisition of Brush & Floss Dental Center in Stratford
   Dental365, a leading dental care provider, has acquired Brush & Floss Dental Center in Stratford, Connecticut, marking its fifth location in the state and bringing its total office count to over 140. The well-regarded practice, led by Dr. Jeffrey C. Hoos, is known for its patient-first approach and advanced dental services. Located at 4949 Main Street, Brush & Floss Dental Center offers a range of treatments, including sleep apnea care and dental implants. Dr. Scott Asnis, CEO of Dental365, expressed enthusiasm about the acquisition, highlighting the alignment of values between the two practices. (Link)

10. PAM Health Expands Indiana Presence with Acquisition of Southern Indiana Rehabilitation Hospital
    PAM Health has acquired Southern Indiana Rehabilitation Hospital in New Albany, marking its second location in Indiana. The facility, renamed PAM Health Rehabilitation Hospital of Greater Indiana North, complements the company's existing Clarksville hospital. The acquisition, effective December 3, 2024, strengthens PAM Health's regional services. The CARF and Joint Commission-certified hospital specializes in treating serious illnesses and injuries, offering advanced technologies like an aquatic therapy pool. PAM Health's CEO, Anthony Misitano, emphasized the company's commitment to enhancing patient care and fostering innovation. This acquisition adds to PAM Health's extensive network of over 100 healthcare facilities across 23 states. (Link)

11. Risant Finalizes Acquisition of Cone Health, Expanding Nonprofit Health System Portfolio
    Risant, a nonprofit health system formed by Kaiser, has completed its acquisition of Cone Health. This deal, first announced in June, is one of five planned acquisitions for Risant. Kaiser has committed $5 billion to Risant over five years, with projected revenue of $30-35 billion. Cone Health, which reported $3.1 billion in operating revenue for fiscal year 2024, was chosen for its "longstanding success." The acquisition will give Cone access to Risant's value-based platform, aimed at increasing care access and reducing costs. This platform is already being implemented at Geisinger, Risant's first acquisition. (Link)

Venture and Other News:

1. JPMorgan's Morgan Health Invests $25 Million in Healthcare Data Firm Merative to Boost Employer-Sponsored Insurance Insights
   Morgan Health, a JPMorgan Chase business unit, has invested $25 million in Merative, a healthcare data and analytics provider. The investment aims to improve access to medical data for employers offering sponsored insurance. Merative's solutions, including Truven's Health Insights and MarketScan Databases, help employers understand and compare healthcare costs and services. This partnership addresses the challenge many self-insured employers face in consolidating medical claims data. The funding will accelerate Merative's growth and advance its healthcare data infrastructure. This marks Morgan Health's eighth portfolio investment, bringing its total deployed capital to $215 million. (Link)

2. Aya Healthcare to Acquire Cross Country Healthcare for $615 Million, Reshaping Healthcare Staffing Landscape
   Digital staffing giant Aya Healthcare plans to acquire Cross Country Healthcare for $615 million, or $18.61 per share, representing a 67% premium. The all-cash deal, expected to close in the first half of 2025, will combine complementary tech-enabled workforce solutions across various healthcare

settings. The merger aims to diversify Aya's coverage, enhance client benefits through advanced technology, and provide clinicians with greater flexibility. Upon completion, Cross Country will become private. This acquisition continues the trend of consolidation in the healthcare staffing market, as companies seek to expand their reach and capabilities through strategic M&A deals. (Link)

3. Israeli Startup Droxi Secures $21M Series A Funding by Drive Capital to Revolutionize Medical Administrative Processes

Droxi, an Israeli startup founded in 2022, has raised $21 million in Series A funding, bringing its total funding to $25 million. The round was led by Drive Capital, with participation from other investors. Droxi's software platform aims to reduce administrative burdens for doctors by providing precise information for medical procedures based on millions of cases. Founded by Raveh Ben Simon and Gadi Shenhar, both 8200 unit graduates and Technion alumni, the company employs 40 staff in Israel. Droxi's solution allows doctors to focus on medical reasoning and patient care by streamlining electronic health record interactions. (Link)

Meet with bankers from Lawrence, Evans & Co., LLC at the JPM Healthcare Conference January 13-16th 2025

Members of the Lawrence, Evans & Co., LLC healthcare deal team will be attending this year's JPM Healthcare Conference Jan 13-16th 2025 in San Francisco CA. Contact us today to schedule a meeting if you are in the city.

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