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Investment Banking | Healthcare Finance | Consulting

Healthcare Weekly News and Deals –February 7th, 2025

1. ## Teladoc Health (NYSE: TDOC) Acquires Catapult Health for $65 Million

   Teladoc Health has signed a definitive agreement to acquire Catapult Health for $65 million in cash, plus a potential $5 million earnout, to boost its integrated care strategy. Catapult Health, known for its VirtualCheckup program, provides at-home diagnostic testing and virtual consultations with nurse practitioners. This aligns with Teladoc's goals to expand membership, improve healthcare outcomes, and strengthen its mental health services. Catapult Health's VirtualCheckup includes a kit for collecting blood samples and checking blood pressure, followed by a virtual consultation. Their clinicians can enrol members in Teladoc programs for diabetes, hypertension, and weight management, and refer them to mental health therapists. The deal is expected to close in Q1 2025. (Link)

2. ## Veradigm (OTCMKT: MDRX) Ends Strategic Review, Eyes Operational Improvement

   Veradigm's Board of Directors (BoD) concluded its strategic alternatives review, exploring a possible sale after engaging with over 30 parties, including potential strategic partners and financial sponsors. Despite five bidders submitting preliminary, non-binding indications of interest, the company did not receive any final proposals. Veradigm has engaged an independent strategic advisory firm to refine its go-forward plan, aiming to identify operational improvements and enhance organizational alignment to generate profitable growth. The company remains committed to long-term growth, focusing on delivering end-to-end solutions. Veradigm will provide a financial and business update in March 2025, including unaudited financial ranges for 2023 and 2024. (Link)

3. ## Rubicon Founders Invests $130M in Horizon Infusions; BroadOak Capital Remains Minority Investor

   Rubicon Founders, a healthcare investment firm, has acquired Horizon Infusions, Ohio's largest network of ambulatory infusion centers, for approximately $130 million from BroadOak Capital. The deal, announced on February 4, 2025, marks Rubicon's expansion into the growing ambulatory infusion services market. Horizon Infusions operates 21 centers across Ohio, providing critical infusion therapies for patients with chronic conditions. This acquisition aligns with Rubicon's strategy of investing in healthcare services that prioritize high-quality, low-cost, patient-centered care in optimal ambulatory settings. The transaction highlights the continued premium valuations commanded by infusion assets in the private equity market. (Link)

4. ## CoachCare Acquires Assets from an unnamed care management company, Backed by Integrity Growth Partners, Topmark Partners, Catalyst Investors and Other Prominent Investors

   CoachCare, a leading remote patient monitoring and virtual care management company, has continued its aggressive growth strategy with its seventh acquisition. The company has acquired assets, including client accounts and device inventory in primary care and cardiology, from an unnamed care management company. This move further solidifies CoachCare's position in the RPM and virtual care management space. The acquisition aligns with CoachCare's dual-pronged growth strategy, which combines organic expansion and strategic acquisitions. In 2024, CoachCare's funding efforts proved highly successful, with total debt and equity funding surpassing $110 million. This substantial capital injection has enabled the company to pursue its ambitious expansion plans and strengthen its market presence. (Link)

5. Healthmap Solutions Acquires Carium to Boost Kidney Health Management via its financial sponsors Diamond Castle Holdings, GuideWell, Highmark Ventures, Shulman Ventures and WindRose Health Investors

   Healthmap Solutions, a leading kidney population health management company, has acquired Carium, a digital care management and communication platform, to enhance its Kidney Population Health Management program. The acquisition, backed by financial sponsors Diamond Castle Holdings, GuideWell, Highmark Ventures, Shulman Ventures, and WindRose Health Investors, aims to leverage Carium's end-to-end technology solutions to improve patient and provider engagement capabilities. This strategic move will allow Healthmap to expand its ability to support individuals with chronic kidney disease and end-stage renal disease through advanced virtual care coordination. The integration of Carium's platform is expected to augment Healthmap's omnichannel communication tools, including video calling, instant messaging, remote patient monitoring, and more. (Link)

6. PT Solutions Acquires OrthoCarolina PT, via its Financial Sponsors General Atlantic and TowerBrook Capital,Partners with Novant Health

   PT Solutions Physical Therapy, supported by General Atlantic, has acquired OrthoCarolina's physical therapy division, encompassing 24 clinics across North Carolina. This acquisition expands PT Solutions' reach and facilitates a collaboration with Novant Health to enhance physical therapy services in the region. The move aims to improve patient access to high-quality rehabilitation. OrthoCarolina sees this as a way to focus on its core orthopaedic services. The acquired clinics offer physical, occupational, and sports rehabilitation. (Link)

7. NeuroFlow Acquires Quartet Health to Expand Behavioral Health Platform

   The acquisition aims to integrate behavioral health into physical health workflows, enhancing care delivery and risk management. Quartet brings a substantial behavioral health provider network and referral management capabilities. NeuroFlow will support Quartet's existing customers, including Independence Blue Cross. This deal follows NeuroFlow's recent acquisition of Intermountain Health's analytics model and Owl Health in 2024. NeuroFlow's platform identifies, triages, and measures behavioral health care while equipping patients with self-guided programs. Quartet recently divested its innovaTel telepsychiatry division to Iris Telehealth. (Link)

8. Triton Pacific, Star Mountain Capital, and Ace & Company Back Already Autism Health's Acquisition of CABS

   Already Autism Health, backed by Triton Pacific Healthcare Partners, has acquired C.A.B.S., Autism and Behaviour Specialists (CABS). This marks Already Autism Health's third deal in a week, following its first round of investment and acquisition of Commonwealth ABA. CABS, founded in 2008, provides ABA therapy in Illinois and Georgia. This acquisition expands Already Autism Health's presence, bringing its clinic count to 28 across six states and strengthening its operations in Georgia. Terms of the deal were not disclosed. (Link)

9. Pittco Invests in RepScrubs to Enhance Healthcare Vendor Compliance

   Pittco Management, LLC has made an equity investment in RepScrubs through a special purpose entity managed by Rockmont Partners Management, LLC. RepScrubs, founded in 2015, offers a closed-loop system used by over 600 hospitals to ensure transparency and streamline management of perioperative vendors. RepScrubs' platform simplifies vendor credentialing and enhances security in healthcare settings. The company's innovative technology helps healthcare systems improve efficiency. The company automates vendor entry, attire distribution, and traffic reporting (Link)

10. Decathlon Capital Partners Invests in HelloHero to Expand Behavioral Health Services
    HelloHero, a tech-enabled mental health and Behavioral care provider, has received a multi-million-dollar investment from Decathlon Capital Partners. Founded in 2017, HelloHero offers services to individuals, families, and schools without waitlists, seven days a week. The company accepts insurance and provides flexible scheduling. The funding will enable HelloHero to broaden its service capabilities and reach new communities. HelloHero utilizes technology and goal-oriented therapy to make behavioral healthcare accessible. The investment is structured as a dilution-free, custom-created funding package. (Link)

11. HCA (NYSE: HCA) Healthcare Finalizes Acquisition of Catholic Medical Centre
    HCA Healthcare's acquisition of Catholic Medical Centre (CMC) finalized, effective midnight, February Discussions between HCA and CMC began in September 2023, leading to an asset purchase agreement in early July 2024. New Hampshire Attorney General's office approved the $110 million acquisition on January 6. CMC was reportedly nearing bankruptcy, with significant operating losses. HCA is committed to maintaining CMC's Catholic identity and has pledged $200 million in capital investments over 10 years to modernize infrastructure and expand clinical services. Over $40 million from the transaction will establish the Catholic Health Care Foundation of Greater Manchester. (Link)

12. Globus Medical (NYSE: GMED) to Acquire Nevro (NYSE: NVRO) for $250 Million
    Globus Medical will acquire Nevro in an all-cash transaction valued at approximately $250 million, or $5.85 per share. The deal, which has been approved by both boards, is expected to close in late Q2 2025. Globus expects the acquisition to expand its musculoskeletal technology offerings into neuromodulation and pain management. Nevro's 2024 worldwide revenue is estimated at $408-409 million. The acquisition will further Globus Medical's mission to become the preeminent musculoskeletal technology company in the world. (Link)

13. Pennant Group (NASDAQ: PNTG) Expands Senior Living Portfolio Amid Growing Demand
    The Pennant Group has acquired three premier senior living facilities in Idaho and Texas, adding 188 units to its portfolio. The move aims to capitalize on the increasing demand for assisted living and memory care services. One facility is under a triple net lease with a purchase option, and two are under long-term triple net leases. With the acquisition of these facilities, the Pennant Group expands its presence in these states to provide even more comprehensive and personalized care for senior residents. (Link)

14. Leonard Green & Partners-owned Prospect to Sell CharterCARE to Centurion Foundation for $160M
    Prospect Medical Holdings has entered an agreement to sell CharterCARE Health Partners, which includes Roger Williams Medical Center and Our Lady of Fatima Hospital, to The Centurion Foundation. This follows Prospect's January bankruptcy filing. While Prospect and Centurion agreed in 2022, Rhode Island regulators placed 40 conditions on the sale. The sale is subject to bankruptcy court approval, with a hearing scheduled for February 12, 2025.Centurion will establish

CharterCARE Health of Rhode Island, Inc., as a 501(c)(3) organization to acquire CCHP from Prospect. (Link)

Venture and Other News

15. Andreessen Horowitz Invests $50M in Chang's Brain Implant Startup, Echo Neurotechnologies

Led by UCSF's Edward Chang, Echo Neurotechnologies, a San Francisco-based startup, is developing brain-machine interfaces. The company has secured approximately $50 million in funding, with potential for more. Chang previously led a team that used AI-driven brain implants to help a paralyzed woman communicate through a digital avatar. Echo Neurotechnologies is joining other companies like Neuralink and Synchron Inc. in the competitive brain-computer interface sector, which aims to allow users to control external devices with their minds. (Link)

16. Pivotal Ventures, Torch Capital, CRV, Next Legacy Partners, Gratitude Railroad and Fiore Ventures and Others Invest $9.5M in Little Otter

Little Otter, a digital mental health company focused on family care, has secured $9.5 million in funding. The company will use the funds to scale its services to reach more families, including those covered by Medicaid and commercial insurance. The funding will also help enhance its AI-powered platform for patient triage and personalized service connections. In 2024, Little Otter achieved 2.5x revenue growth and delivered over 56,000 care visits. The company currently operates in 15 states. (Link)

17. Roivant Health Leads $13M Seed Funding for Zest Health's Virtual Dermatology Care

The funding will enable Zest to scale its partnerships with health plans and employers. Zest's virtual, high-touch approach uses patient data to identify optimal treatment plans, including prescription and over-the-counter medications, lifestyle changes, and preventative interventions, offering patients more convenient, durable relief. Zest aims to reduce reliance on expensive biologics, which account for over $40 billion in annual U.S. spending. Zest reports over 80% of patients see disease improvement, with over 90% preferring Zest to their prior dermatology experiences. The company has a Net Promoter Score (NPS) of 83. Olivia Deitcher is the CEO of Zest Health. (Link)

18. Ballast Point Ventures Leads $5M Series A Funding for Medsender, 450 Ventures, Blue Falcon Capital also Participated

The company's platform leverages artificial intelligence to streamline administrative tasks, automate workflows, and enhance patient communication. Medsender's AI Medical Assistant (MAIRA) reduces call-handling time by up to 80%. The company helps healthcare providers focus on patient care and has integrations for numerous EMR/EHR systems. Medsender plans to invest the funds in expanding its commercial team and accelerating product development. Zain Qayyum and Salman Haque are the Co-CEOs of Medsender. Matt Rice from Ballast Point Ventures will join Medsender's Board of Directors. Jerett Smith will serve as a Board Observer at Medsender. Medsender's platform enables same-day referral processing. (Link)

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- Company presentations from executives seeking capital, partnerships, or to sell.
- ACG Columbus in collaboration with a breakfast event
- Healthcare Venture Studios (top leaders and investors in the space)

Proposed Panels and Speaker Topics

- Private Equity Investment and 2025 Outlook
- New Administration Healthcare Policy
- Growing Interest in Medspas, Injectables and Obesity Drugs
- Value Based Strategy and Update
- Health IT - Digital Health, RCM and Artificial Intelligence
- Behavioral Health
- Women's Health
- Rural and Access for Healthy Communities
- Cybersecurity Threats, Insurance Coverage and Due Diligence
- IPOs back in vogue?
- Bioastronautics (Space Health)
- Healthcare Venture Studio Models and Trends

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