



# Healthcare Services

*Quarterly Update*  
*Second Quarter 2020*



RESTRUCTURING • INVESTMENT BANKING • DISTRESSED ASSET SUPPORT SERVICES

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## Q2 2020 Highlights

### July, 2020

As the first full quarter following the COVID-19 pandemic, M&A transactions declined precipitously. Compared with Q1 2020, Q2 2020 M&A transaction volume dropped 20%, with 322 transactions, according to preliminary figures from Irving Levin Associates Inc. Compared with Q2 2019 (486 transactions), M&A transaction volume in Q2 2020 declined even further at 34%. The Long-Term Care and Physician Medical Group sectors were among the hardest hit, declining 40% and 50% in M&A transaction volume compared with Q1 2020, respectively. Year-over-year, Long-Term Care M&A transactions declined 50% compared with Q2 2019, and Physician Medical Groups fell 63%.

The eHealth sector remained strong with 50 M&A transactions in Q2 2020, comprising over 15% of all the activity for the quarter. In response to the pandemic and stay-at-home orders, CMS loosened its regulations around telehealth visits causing usage to soar. Buyers looked toward remote patient monitoring (RPM) and patient engagement firms, which are especially suited to help healthcare providers deliver virtual care. Remote patient monitoring accounted for almost 20% of all eHealth transactions in Q2 2020. In late April, CMS announced new reimbursement rules whereby clinicians can be reimbursed for RPM services to treat patients with either acute or chronic conditions. Prior to the pandemic, RPM reimbursement was limited to patients with only chronic conditions.

High-volume urban hospitals have provided a substantial majority of COVID-19-related healthcare services nationally and continue to do so as the virus increases in new hotspots around the country. These hospitals, while experiencing severe adverse impacts, at least have remained at near capacity for much of the last three months, albeit with victims of the pandemic displacing more lucrative elective surgeries. In March, the \$2.2 trillion economic stimulus package was passed, which included \$100 billion to hospitals to help recover lost finances. CMS also expanded its accelerated and advance payment programs that will enable most providers and suppliers to request up to 100% of their Medicare payment amount for a three-month period. In its quarterly earnings report, HCA Healthcare disclosed it received approximately \$700 million in stimulus funds from the first phase of the public health and social services emergency fund and \$4 billion in accelerated Medicare payments. However, hospitals and health systems collectively could lose approximately \$120 billion from July to December of this year, or roughly \$20 billion a month, due to the continued COVID-19 pandemic, according to a new analysis from the American Hospital Association. Coupled with major revenue losses at the onset of the pandemic, hospitals could lose a total of \$323 billion in revenue this year.

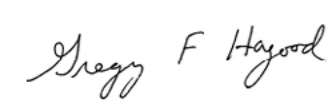
The COVID-19 crisis has strengthened the importance of the healthcare industry's need for transformation and is moving healthcare leaders to assess current care delivery models and reimagine how health systems could be optimized to meet patient needs that the pandemic has exposed. As a result, there will likely be an increase in M&A discussions that began pre-pandemic as well as execution of definitive agreements and/or transaction closures in the remaining quarters of the year.

This is an unprecedented moment in our history. As COVID-19 continues to impact our families and friends around the world, our thoughts and prayers are that you and your family are healthy, safe, and making the best of a reality that is changing daily.

We welcome your comments and hope you find our *SOLICconnect* report informative.



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 *Representative Transaction*



*16 Dental Practices  
in New Jersey*

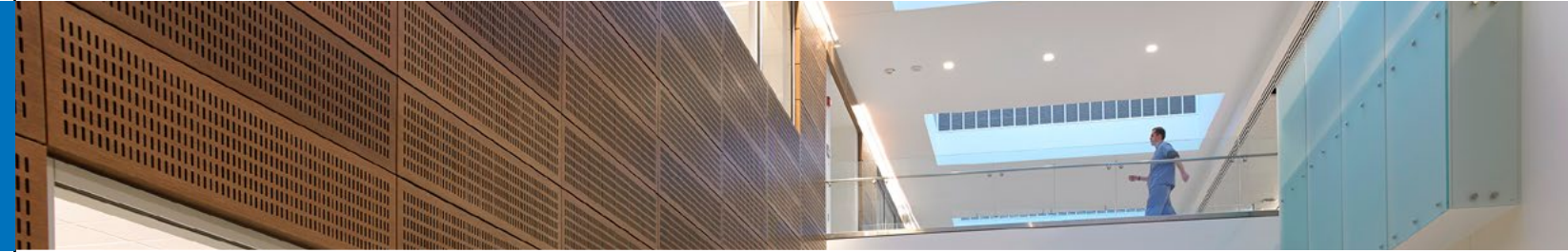
*have been acquired by*

**PG DENTAL  
MANAGEMENT II LLC**

Sell Side Advisor /  
Chief Restructuring Officer

Dimensional Management Corporation (“Dimensional Dental”) is a Dental Services Organization (“DSO”) operating in the East Coast and Michigan. The Company’s network of supported practices offered numerous dental care and dental services, as well as specialized dental treatments.

SOLIC professionals, in connection with serving as Chief Restructuring Officer for Dimensional Dental, orchestrated the sale of 16 Dental Practices in New Jersey to PG DENTAL MANAGEMENT II LLC, a portfolio company of TriSpan LLC. Our professionals developed and implemented a competitive solicitation process, engaged with prospective acquirers, provided valuation support and structured and negotiated the terms of the sale transaction.

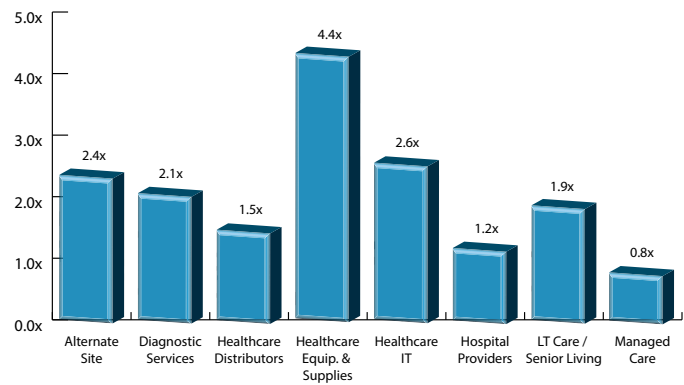


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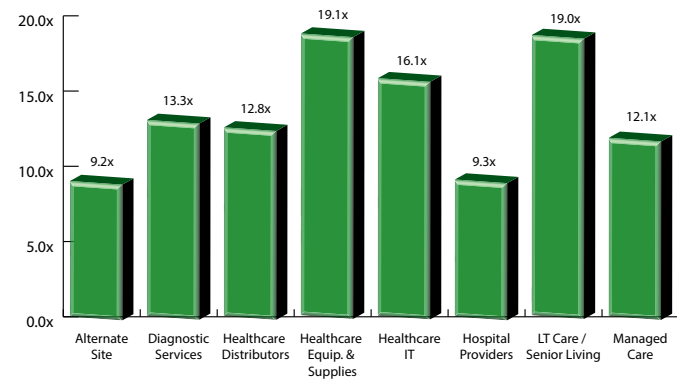
# Market Overview



## Enterprise Value To Revenue

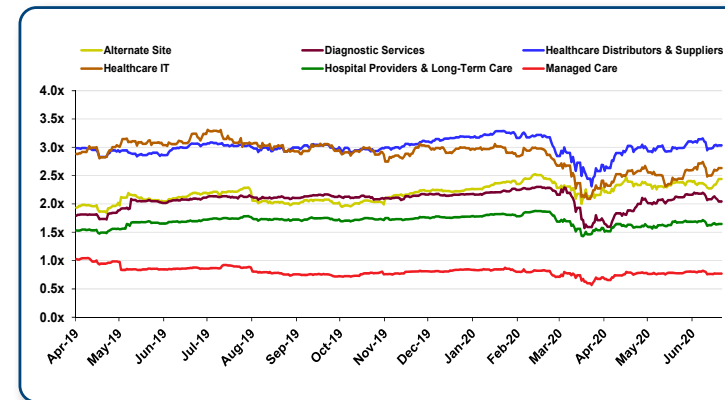


## Enterprise Value To EBITDA

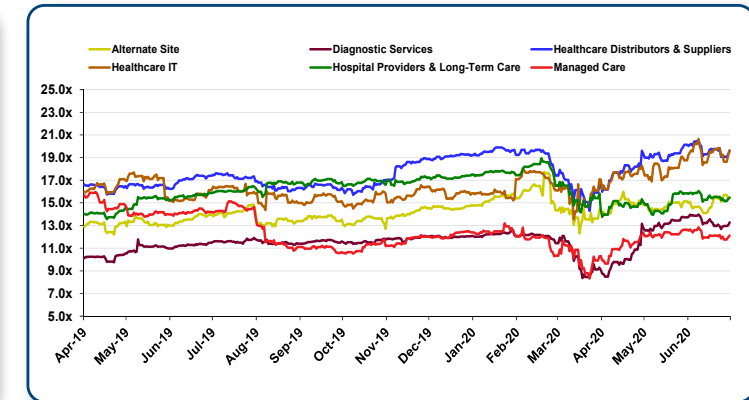


Revenue and EBITDA valuation multiples rose slightly in Q2 2020 from prior quarter, while reported deal volume dropped from Q1 2020 partially due to the COVID-19 global pandemic

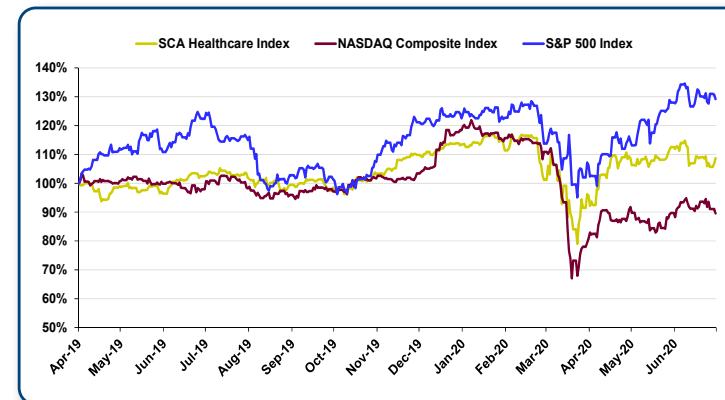
## Healthcare Services Sectors Total Enterprise Value / Revenue



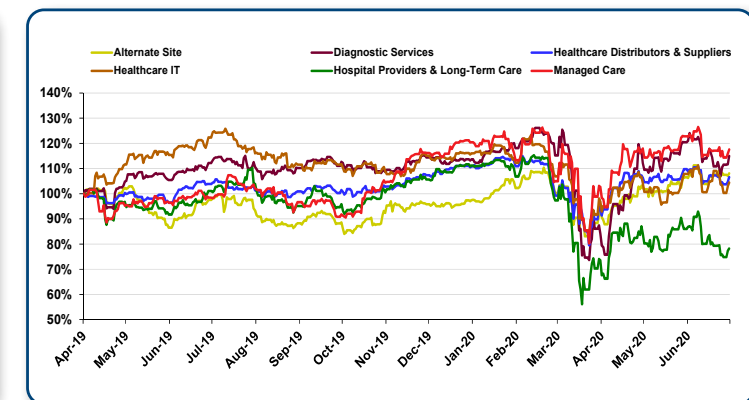
## Healthcare Services Sectors Total Enterprise Value / EBITDA



## SCA Healthcare Index Stock Performance



## Healthcare Services Sectors Stock Performance





# Notable Industry Developments



### Primary Care is Ripe for Disruption

A new crop of healthcare startups are trying to shake up the \$260 billion primary care market. It's an industry that's ripe for disruption, according to a report by Canaccord Genuity. Studies have shown the value of primary care through lower healthcare spending and improved health outcomes. But there has been an underinvestment in primary care in the U.S. compared to other developed countries and there is a shortage of primary care providers. Regulatory and reimbursement changes are paving the way for new primary care models and alignment with payers and the insurance market creates a sizeable opportunity for employer-focused and elderly-focused primary care. Primary care practices are getting hit hard by the loss of revenue during the COVID-19 pandemic and the impact of the health crisis is forcing organizations to rethink how they operate. Many of the new primary care startups focus on value-based care and payment models, which are not as reliant on volume of visits or procedures, and these companies could be in a better position to navigate the evolving COVID-19 pandemic.

### FCC Approves Final Telehealth Fund Applications

The FCC has approved the final batch of telehealth fund applications through the CARES Act COVID-19 Telehealth Program. In March, the legislation gave the FCC \$200 million to go to healthcare providers for remote treatment and diagnostics. In late June, the FCC signaled that it was not accepting any more applications because the ones in the pipeline already would likely more than account for the \$200 million. The FCC has approved 539 applications from 47 states, D.C. and Guam.

### Insurers Remain Profitable, But That Could Change in Long Term

The COVID-19 pandemic has caused financial hardship among the nation's hospitals, but insurers have fared better. A Kaiser Family Foundation analysis found that insurers on the individual market remained profitable during the first three months of the year, due in part to the very things that are negatively impacting providers: declines in routine care and the cessation of elective procedures. Gross profit margins for insurers are up during Q1, but the coronavirus' still-unknown effect on premiums makes the future uncertain. The most significant impacts of the outbreak and economic crisis on the individual market will likely not be known until Q2 and Q3 data is available.

### Hospital Patient Volumes Began to Rebound in June

The steep losses in volumes experienced by hospitals in the early days of the COVID-19 pandemic began to reverse in June, according to a newly released book from TransUnion Healthcare. The analysis from TransUnion of more than 500 hospitals across the U.S. also found outpatient volumes were down 7% during the week of June 21. That represented an 88% recovery of the volumes lost since the week of April 5. Inpatient volumes are down approximately 8% compared to pre-COVID volumes, a 75% rebound from early April.

## Second Quarter 2020

### Q2 Senior Care M&A Falls to Seven-Year Low

COVID-19 and the economic ramifications stemming from social distancing and quarantine measures took a toll on seniors housing and care M&A, leaving the sector with just 59 publicly announced transactions in the second quarter. The decline in activity is made even more stark after an unprecedented level of deal-making in 2019, with 450 total transactions.

### GoHealth Raised \$914 Million in IPO

The company's shares surged 23% on its first day of trading as a public company. It's the largest healthcare IPO in 2020 to date. GoHealth, a Medicare-focused health insurance marketplace, joins a growing list of technology-enabled healthcare companies that are testing the public markets. Health benefits platform, Accolade, raised \$220 million in its public debut July 2, and tech-driven primary care company, One Medical, brought in a \$245 million IPO haul in January.





# Selected M&A Transactions

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Alternate Site</b>					
6/30/2020	<b>Chevy Chase Cosmetics and Dermatology</b>	<b>Anne Arundel Dermatology</b>	n/a	n/a	n/a
Description:	Anne Arundel Dermatology has acquired Chevy Chase Cosmetics and Dermatology, a full-service dermatology practice specializing in non-surgical cosmetic treatments and general dermatology. Chevy Chase Cosmetics and Dermatology was founded in 1992 and is based in Chevy Chase, MD.				
6/29/2020	<b>St. Louis Specialty Surgery Center</b>	<b>Surgical Care Affiliates</b>	n/a	n/a	n/a
Description:	Surgical Care Affiliates has acquired St. Louis Specialty Surgery Center, a provider of procedures in a variety of specialty areas including ophthalmology, orthopedic, plastic, etc. St. Louis Specialty Surgery Center is based in Kirkwood, MO.				
6/23/2020	<b>Arizona Eye Institute and Cosmetic Laser Center</b>	<b>EyeCare Partners</b>	n/a	n/a	n/a
Description:	EyeCare Partners has acquired Arizona Eye Institute and Cosmetic Laser Center, a private organization that provides eye exams, surgical procedures and other specialties. Arizona Eye Institute and Cosmetic Laser Center was founded in 1989 and is based in Phoenix, AZ.				
6/22/2020	<b>Metro Orlando Anesthesia Associates, LLC</b>	<b>CRH Medical Corporation</b>	n/a	n/a	n/a
Description:	CRH Medical Corporation has acquired Metro Orlando Anesthesia Associates, LLC, a provider of pain relief and maintenance during or immediately following an operation or diagnostic procedure. Metro Orlando Anesthesia Associates was founded in 2020 and is based in Orlando, FL.				
6/8/2020	<b>Oconee River Anesthesia Associates</b>	<b>CRH Medical Corporation</b>	n/a	n/a	n/a
Description:	CRH Medical Corporation has acquired Oconee River Anesthesia Associates, a provider of anesthesia services. Oconee River Anesthesia Associates is based in Athens, GA.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
6/8/2020	<b>Lake Lanier Anesthesia Associates</b>	<b>CRH Medical Corporation</b>	n/a	n/a	n/a
Description:	CRH Medical Corporation has acquired Lake Lanier Anesthesia Associates, a provider of anesthesia services. Lake Lanier Anesthesia Associates is based in Gainesville, GA.				
6/1/2020	<b>2 behavioral health hospitals in Texas</b>	<b>Kindred Healthcare, LLC</b>	n/a	n/a	n/a
Description:	Kindred Health, LLC has acquired 2 behavioral health hospitals in Texas, WellBridge Greater Dallas and WellBridge Fort Worth, which both provide inpatient and outpatient behavioral health services to senior and adult populations. WellBridge Greater Dallas and WellBridge Fort Worth are both based in the Dallas-Forth Worth metropolitan area.				
6/17/2020	<b>2 urology groups</b>	<b>Lee Equity Partners</b>	\$240.0	n/a	n/a
Description:	Lee Equity Partners has acquired 2 urology groups, comprised of leading independent groups of urologists with 39 physicians on staff.				
5/19/2020	<b>Physera, Inc.</b>	<b>Omada Health</b>	\$37.0	n/a	n/a
Description:	Omada Health has acquired Physera, Inc, a private organization that delivers interventions and remote consultations with physical therapists. Physera, Inc was founded in 2015 and is based in San Francisco, CA.				
5/6/2020	<b>American Anesthesiology (NYSE: MD)</b>	<b>NAPA Management Services</b>	\$50.0	n/a	n/a
Description:	NAPA Management Services has acquired American Anesthesiology (NYSE: MD), a leading anesthesia service provider. American Anesthesiology was founded in 2007 and is based in Sunrise, FL.				
4/8/2020	<b>Gastro One</b>	<b>Webster Equity Partners</b>	\$80.0	n/a	n/a
Description:	Webster Equity Partners has acquired Gastro One, a private organization that specializes in treating patients with digestive diseases and symptoms. Gastro One was founded in 1996 and is based in Germantown, TN.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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### Diagnostic Services

6/26/2020	<b>Inui Health</b>	<b>Healthy.io</b>	<b>\$9.0</b>	<b>n/a</b>	<b>n/a</b>
Description:	Healthy.io has acquired Inui Health, a digital diagnostic services and testing company that has developed a unique data platform to help patients and physicians monitor a patient's health. Inui Health was founded in 2013.				
6/22/2020	<b>ArcherDX</b>	<b>Invitae Corporation (NYSE:NVTA)</b>	<b>\$888.3</b>	<b>25.0x</b>	<b>n/a</b>
Description:	Invitae Corporation has acquired ArcherDX, an organization that offers genomic sequencing services and testing solutions in the field of oncology. ArcherDX was founded in 2013 and is based in Boulder, CO.				
5/29/2020	<b>UrSure, Inc.</b>	<b>OraSure Technologies, Inc. (NASDAQ:OSUR)</b>	<b>\$3.0</b>	<b>n/a</b>	<b>n/a</b>
Description:	OraSure Technologies, Inc. (NASDAQ:OSUR) has acquired UrSure, Inc., a private organization that administers patient-friendly diagnostic tests that measure and improve adherence to medications. UrSure, Inc. was founded in 2015 and is based in Boston, MA.				

### Healthcare Distribution

6/8/2020	<b>High Standard Health Care</b>	<b>Global Care Capital</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Global Care Capital has acquired High Standard Health Care, a supplier and procurer of personal protective equipment such as masks, hand sanitizer and gowns to front line workers. High Standard Health Care was founded in 2020.				
6/1/2020	<b>Suppleyes</b>	<b>Hilco Vision</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Hilco Vision has acquired Suppleyes, a distributor and supplier of eye care accessory products. Suppleyes was founded in 1997 and is based in Madison, MS.				
5/1/2020	<b>IlluminOss Medical, Inc.</b>	<b>Healthpoint Capital, LLC</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Healthpoint Capital, LLC has acquired IlluminOss Medical, Inc., a privately-held medical device company focused on designing, developing, and marketing orthopedic fracture repair products. IlluminOss Medical, Inc. was founded in 2007 and is based in East Providence, RI.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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4/22/2020	<b>Cole Medical</b>	<b>Federated Healthcare Supply</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Federated Healthcare Supply has acquired Cole Medical, a supplier of surgical supplies and capital equipment to physician offices and ambulatory surgery centers. Cole Medical was founded in 1979 and is based in Sykesville, MD.				

### Healthcare Equipment & Supplies

6/1/2020	<b>Clarion Medical Technologies</b>	<b>Richards Packaging</b>	<b>\$64.4</b>	<b>n/a</b>	<b>n/a</b>
Description:	Richards Packaging has acquired Clarion Medical Technologies Inc., which provides medical, aesthetic equipment, and consumables to hospitals, clinics, and private medical practices. Clarion Medical Technologies Inc. was founded 1989 and is based in Cambridge, Ontario.				
5/13/2020	<b>Access Scientific, Inc.</b>	<b>Smiths Medical</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Smiths Medical has acquired Access Scientific, a broad-spectrum vascular access and infection prevention company that manufactures POWERWAND catheters. Access Scientific was founded in 2012 and is based in San Diego, CA.				
5/5/2020	<b>Water-Jel Technologies</b>	<b>Safeguard Medical</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Safeguard Medical has acquired Water-Jel Technologies, an organization that offers burn care products for the pre-hospital treatment of burn injuries. Water-Jel Technologies was founded in 1999 and is based in Carlstadt, NJ.				
5/4/2020	<b>Precept Medical Products</b>	<b>Aspen Surgical Products, Inc.</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Aspen Surgical Products, Inc. has acquired Precept Medical Products, an organization that designs, manufactures, and markets disposable protective medical apparel. Precept Medical Products was founded in 1991 and is based in Arden, NC.				
4/29/2020	<b>Breethe</b>	<b>Abiomed</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Abiomed has acquired Breethe, a developer of medical devices designed to offer wearable ambulatory artificial lungs which is based in Baltimore, Maryland.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
4/16/2020	Gaido Health	Biofourmis	n/a	n/a	n/a
Description:	Biofourmis has acquired Gaido Health, an organization that utilizes an AI platform for continuous monitoring of post-discharge oncology patients. Gaido health was founded in 2018 and is based in Los Angeles, CA.				

## Healthcare IT

6/22/2020	Artegraft, Inc.	LeMaitre Vascular, Inc.	\$72.5	n/a	n/a
Description:	LeMaitre Vascular, Inc. has acquired Artegraft, Inc., an organization that manufactures appliances and supplies biologic vascular grafts. Artegrat was founded in 1993 and is based in North Brunswick, NJ.				
6/17/2020	Meridian Medical Management	MTBC	\$19.8	n/a	n/a
Description:	MTBC has acquired Meridian Medical Management, an organization that delivers advanced healthcare information technology solutions and revenue cycle management services. Meridian Medical Management was founded in 1996 and is based in Windsor, CT.				
6/1/2020	Clinigence Health	Accountable Healthcare	\$15.0	n/a	n/a
Description:	Accountable Healthcare has acquired Clinigence Healthcare, a provider of clinical data integration, clinical quality reporting and population health analytics. Clinigence Health was founded in 2010 and is based in Atlanta, GA.				
6/1/2020	PDX, Inc.	Change Healthcare, Inc.	\$208.0	n/a	n/a
Description:	Change Healthcare has acquired PDX, Inc., a developer of pharmacy management software and services intended to offer innovative and patient care. PDX, Inc. was founded in 1985 and is based in Forth Worth, Texas.				
5/4/2020	Change Healthcare - Connected Analytics business	Kaufman Hall	\$55.0	n/a	n/a
Description:	Kaufman Hall has acquired Connected Analytics, a business unit of Change Healthcare that includes products such as a Performance Manager, Analytics Explorer, as well as Data Platform & Solutions, HIE, and Orders and Results. Connected Analytics business was founded in 2018 and is based in Nashville, TN.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
5/4/2020	eRx Network, LLC	Change Healthcare, Inc.	\$212.9	n/a	n/a
Description:	Change Healthcare, Inc. has acquired eRx Network, LLC, a provider of third-party claims management and analysis services to the U.S. retail pharmacy industry. eRx Network was founded in 2001 and is based in Fort Worth, Texas.				
4/8/2020	Insig Corporation	WELL Health Technologies	\$4.23	n/a	n/a
Description:	WELL Health Technologies has acquired Insig Corporation, a private organization that develops telemedicine platforms and clinical automation software. Insig Corporation was founded in 2015 and is based in Toronto, ON.				

## Hospital Providers

6/25/2020	Bayfront Health St. Petersburg	Orlando Health	n/a	n/a	n/a
Description:	Orlando Health has acquired Bayfront Health St. Petersburg, a for-profit teaching hospital that provides comprehensive services in trauma, emergency care and many other disciplines. Bayfront Health was founded in 1968 and is based in St. Petersburg, FL.				
6/23/2020	Holy Spirit Health System	Penn State Health	n/a	n/a	n/a
Description:	Penn State Health has acquired Holy Spirit Health System, a non-profit Catholic community hospital that provides comprehensive healthcare services. Holy Spirit Health System is based in Camp Hill, PA.				
6/15/2020	Garden ParkMedical Center	Singing River Health System	n/a	n/a	n/a
Description:	Singing River Health System has acquired Garden ParkMedical Center, a 130-bed acute care facility that provides an extensive array of inpatient and outpatient services. Garden ParkMedical Center was founded in 2000 and is based in Gulfport, MS.				
6/2/2020	Steward Health Care System	Private buyout group	n/a	n/a	n/a
Description:	A private buyout group has acquired Steward Health Care System, a for-profit healthcare network with hundreds of urgent care, skilled nursing, and primary and specialty care medical practice locations. Steward Health Care System was founded in 2010 and is based in Dallas, TX.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
5/18/2020	<b>East Ohio Regional Hospital</b>	<b>East Ohio Hospital LLC</b>	n/a	n/a	n/a
Description:	East Ohio Hospital LLC has acquired East Ohio Regional Hospital, a 140-bed health care facility. East Ohio Regional Hospital was founded in 1906 and is based in Martins Ferry, OH.				
5/1/2020	<b>RC Hospital &amp; Clinics</b>	<b>HealthPartners</b>	n/a	n/a	n/a
Description:	HealthPartners has acquired RC Hospital & Clinics, a medical center that contains 16 beds and three outpatient clinics dedicated to providing quality patient care and patient safety. RC Hospitals & Clinics is based in Olivia, MN.				
5/1/2020	<b>Mendocino Coast District Hospital</b>	<b>Adventist Health</b>	n/a	n/a	n/a
Description:	Adventist Health has acquired Mendocino Coast District Hospital, a medical facility that provides a variety of services including diagnostic, procedural, as well as rehabilitation and recovery services. Mendocino Coast District Hospital was founded in 1971 and is located in Fort Bragg, CA.				
4/23/2020	<b>Washington Regional Medical Center</b>	<b>Affinity Health Partners</b>	\$3.5	n/a	n/a
Description:	Affinity Health Partners has acquired Washington Regional Medical Center, a not-for-profit 425-bed acute care hospital. Washington Regional Medical Center was founded in 1950 and is based in Fayetteville, AR.				
4/10/2020	<b>St. Vincent Medical Center</b>	<b>Chan Soon-Shiong Foundation</b>	\$135.0	n/a	n/a
Description:	Chan Soon-Shiong Foundation has acquired St. Vincent Medical Center, comprised of a 473-bed community teaching hospital and a 76-bed inpatient psychiatric facility. St. Vincent Medical Center was founded in 1856 and is based in Bridgeport, CT.				
4/9/2020	<b>St. Francis Medical Center</b>	<b>Prime Healthcare Services</b>	\$262.0	n/a	n/a
Description:	Prime Healthcare Services has acquired St. Francis Medical Center, a 384-bed regional hospital. St. Francis Medical Center was founded in 1945 and is based in Lynwood, CA.				
4/1/2020	<b>Williamson Memorial Hospital</b>	<b>Williamson Health Center</b>	\$3.68	n/a	n/a
Description:	Williamson Health Center has acquired most of the assets of Williamson Memorial Hospital, a 76-bed regional hospital. Williamson Memorial Hospital was founded in 1924 and is based in Williamson, WV.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Long-Term Care / Senior Living</b>					
6/17/2020	<b>Hopkins Manor</b>	<b>Tryko Partners, LLC</b>	\$14.5	n/a	n/a
Description:	Tryko Partners, LLC has acquired Hopkins Manor, a 200-bed SNF that provides short-term rehab and long-term care, Alzheimer's and dementia programs, and other services. Hopkins Manor is based in North Providence, RI.				
6/9/2020	<b>Kennington Point</b>	<b>Elevation Financial Group</b>	\$2.2	n/a	n/a
Description:	Elevation Financial Group has acquired Kennington Point, an IL community with 155 units and 118,265 square feet. Kennington Point was founded in 1989 and is based in Memphis, TN.				
6/4/2020	<b>Federation Sunrise Apartments</b>	<b>Fairstead</b>	\$29.5	n/a	n/a
Description:	Fairstead has acquired Federation Sunrise Apartments, an affordable senior apartment complex with 123 units and 84,336 square feet. Federation Sunrise Apartments was founded in 1992 and is based in Sunrise, FL.				
6/1/2020	<b>6 senior living communities</b>	<b>Joint venture</b>	\$300.0	n/a	n/a
Description:	A joint venture has acquired 6 senior living communities formally owned by Welltower. The portfolio of facilities are located in the Midwest.				
6/1/2020	<b>7 senior housing communities</b>	<b>Kayne Anderson</b>	\$500.0	n/a	n/a
Description:	Kayne Anderson has acquired 7 senior housing communities comprised of 2,000+ units located in various parts of Florida.				
5/12/2020	<b>The Stilley House</b>	<b>Arcadia Communities</b>	\$12.1	n/a	n/a
Description:	Arcadia Communities has acquired The Stilley House, a 73-unit retirement community. The Stilley House was founded in 1997 and is located in Benton, KY.				
5/7/2020	<b>Buena Vida Cont. Care &amp; Rehab Center</b>	<b>TL Management</b>	\$58.8	n/a	n/a
Description:	TL Management has acquired Buena Vida Continuing Care & Rehabilitation Center, a residential healthcare center providing short-term rehabilitation and long-term care. Buena Vida Continuing Care and Rehabilitation Center was founded in 2001 and is located in Brooklyn, NY.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
5/7/2020	<b>Cascadia of Boise</b>	<b>CareTrust REIT, Inc. (NASDAQ:CTRE)</b>	<b>\$18.7</b>	<b>n/a</b>	<b>n/a</b>
Description:	CareTrust REIT, Inc. (NASDAQ:CTRE) has acquired Cascadia of Boise, a private organization that consists of luxury skilled nursing facilities and rehabilitation centers. Cascadia of Boise is located in Boise, ID.				
5/6/2020	<b>2 skilled nursing facilities</b>	<b>Undisclosed buyer</b>	<b>\$26.0</b>	<b>n/a</b>	<b>n/a</b>
Description:	An undisclosed buyer has acquired 2 SNFs formally owned by Welltower.				
5/4/2020	<b>The Pointe at Ocean Boulevard</b>	<b>Waypoint Residential</b>	<b>\$22.2</b>	<b>n/a</b>	<b>n/a</b>
Description:	WayPoint Residential has acquired The Pointe at Ocean Boulevard, a senior living apartment and facility with 150 units. The Pointe at OceanBoulevard was built in 1986 and is based in Stuart, FL.				
4/29/2020	<b>Cinnamon Ridge</b>	<b>Private Investor</b>	<b>\$15.5</b>	<b>n/a</b>	<b>n/a</b>
Description:	Private Investor has acquired Cinnamon Ridge, a 101-unit affordable senior housing community . Cinnamon Ridge was built in the 1980s and is based in Ontario, CA.				
4/27/2020	<b>AsceraCare Hospice</b>	<b>Amedisys, Inc. (NASDAQ:AMED)</b>	<b>\$203.0</b>	<b>1.7x</b>	<b>n/a</b>
Description:	Amedisys, Inc. (NASDAQ:AMED) has acquired AseraCare Hospice, a provider of hospice care services to over 540 patients daily across eight locations. AseraCare Hospice was founded in 1990 and is based in Fort Worth, TX.				
4/15/2020	<b>3 skilled nursing facilities</b>	<b>Joint venture</b>	<b>\$67.0</b>	<b>n/a</b>	<b>n/a</b>
Description:	A newly formed joint venture has acquired 3 skilled nursing facilities, the first facility containing 101 skilled beds and a total of 90,820 square feet, the second facility containing 150 beds and 61,500 square feet, and the third facility containing 179 beds and 66,500 square feet. These facilities are based in Delaware.				
4/2/2020	<b>Preferred Care Portfolio (NYSE: LTC)</b>	<b>Joint venture</b>	<b>\$77.9</b>	<b>n/a</b>	<b>n/a</b>
Description:	A joint venture has acquired Preferred Care Portfolio, a portfolio that consists of 22 skilled nursing facilities previously owned by LTC Properties (NYSE: LTC) and operated by Preferred Care, Inc.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
<b>Managed Care</b>					
6/18/2020	<b>Push Wellness</b>	<b>Bravo Wellness</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Description:	Bravo Wellness has acquired Push Wellness, a provider of a corporate wellness incentive program. Push Wellness was founded in 2011 and is based in Chicago, IL.				
4/30/2020	<b>Magellan Complete Care (NASDAQ: MGLN)</b>	<b>Molina Healthcare, Inc. (NYSE:MOH)</b>	<b>\$820.0</b>	<b>0.34x</b>	<b>n/a</b>
Description:	Molina Healthcare, Inc. (NYSE:MOH) has acquired Magellan Complete Care (NASDAQ: MGLN), a managed care organization providing Medicare and Medicaid plans. Magellan Complete Care is based in Scottsdale, AZ.				
4/16/2020	<b>LifeStance Health Providers, Inc.</b>	<b>TPG Capital</b>	<b>\$1,200.0</b>	<b>n/a</b>	<b>n/a</b>
Description:	TPG Capital has acquired LifeStance Health Providers, a provider of outpatient behavioral health services. LifeStance Health Providers was founded in 2015 and is based in Bellevue, WA.				

# Valuation Metrics by Sector



Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
<b>Alternate Site <sup>[1]</sup></b>								
AMED	Amedisys	\$198.54	90.9%	\$6,428.6	\$6,728.2	3.4x	27.9x	51.7x
DVA	DaVita	79.14	87.8%	9,639.3	21,340.5	1.9x	9.0x	13.9x
FME	Fresenius Medical Care	85.81	96.5%	25,172.5	41,105.2	2.1x	9.4x	19.2x
					Mean	2.4x	9.2x	16.5x
<b>Diagnostic Services</b>								
LH	Laboratory Corporation of America	\$166.11	84.6%	\$16,145.9	\$22,958.4	2.0x	17.1x	51.6x
DGX	Quest Diagnostics	113.96	91.2%	15,240.1	19,610.1	2.6x	13.2x	20.1x
RDNT	RadNet	15.87	67.7%	799.8	2,029.6	1.7x	9.5x	na
					Mean	2.1x	13.3x	35.9x

[1] AMED has been excluded from mean EBITDA & P/E multiple calculations.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
<b>Healthcare Distributors <sup>[2]</sup></b>								
ABC	AmerisourceBergen	\$100.77	97.5%	\$20,496.9	\$21,064.7	0.1x	13.2x	13.3x
CAH	Cardinal Health	52.19	86.0%	15,238.8	20,174.8	0.1x	na	na
HSIC	Henry Schein	58.39	78.9%	8,335.5	10,204.9	1.0x	11.2x	12.0x
MCK	McKesson	153.42	89.1%	24,871.8	31,876.8	0.1x	14.1x	na
OMI	Owens & Minor	7.62	78.6%	480.1	1,981.5	0.2x	na	na
SRCL	Stericycle	55.98	82.4%	5,117.5	8,110.1	2.5x	na	na
TMO	Thermo Fisher Scientific	362.34	99.6%	143,106.6	160,094.6	6.2x	23.6x	39.8x
					Mean	1.5x	12.8x	12.7x

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
<b>Healthcare Equipment &amp; Supplies <sup>[3]</sup></b>								
ABT	Abbott	\$91.43	91.4%	\$161,725.5	\$176,538.5	5.5x	22.9x	46.2x
BAX	Baxter International	86.10	90.5%	43,810.8	46,749.8	4.1x	25.1x	43.7x
BDX	Becton, Dickinson and Company	239.27	83.5%	70,555.1	89,366.1	5.1x	23.5x	71.2x
BEAT	BioTelemetry	45.19	80.9%	1,543.0	1,669.7	3.7x	17.6x	65.5x
BSX	Boston Scientific	35.11	75.3%	50,162.8	60,396.8	5.6x	42.5x	11.5x
JNJ	Johnson & Johnson	140.63	89.6%	370,750.2	380,309.2	4.6x	14.4x	21.9x
MDT	Medtronic	91.70	75.1%	122,997.1	136,981.1	4.7x	17.5x	25.9x
SIE	Siemens	117.82	88.0%	95,760.6	127,368.6	1.5x	12.5x	19.6x
					Mean	4.4x	19.1x	19.7x

[2] TMO has been excluded from mean EBITDA & P/E multiple calculations.

[3] ABT, BAX, BDX & BEAT have been excluded from mean P/E multiple calculation, and BSX has been excluded from mean EBITDA multiple calculation.



Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
<b>Healthcare IT <sup>[4]</sup></b>								
MDRX	Allscripts Healthcare Solutions	\$6.77	57.0%	\$1,100.5	\$2,077.3	1.2x	37.1x	na
CERN	Cerner	68.55	84.7%	20,863.1	21,802.7	3.8x	16.4x	42.6x
CPSI	Computer Programs & Systems	22.79	63.7%	330.7	435.7	1.6x	10.0x	15.5x
HMSY	HMS Holdings	32.39	79.6%	2,863.7	2,976.1	4.6x	19.2x	35.2x
NXGN	NextGen Healthcare	10.98	53.1%	725.8	766.3	1.4x	14.3x	99.8x
OMCL	Omniceil	70.62	74.5%	3,009.8	2,964.6	3.2x	20.7x	44.1x
Mean						2.6x	16.1x	25.4x
<b>Hospital Providers</b>								
CYH	Community Health Systems	\$3.01	40.3%	\$360.2	\$14,886.2	1.2x	12.8x	na
HCA	HCA Management Services	97.06	63.9%	32,769.3	70,655.3	1.4x	7.8x	11.0x
THC	Tenet Healthcare	18.11	46.0%	1,896.4	18,917.4	1.0x	8.9x	na
UHS	Universal Health Services	92.89	58.9%	7,887.1	12,055.4	1.1x	7.5x	11.4x
Mean						1.2x	9.3x	11.2x

[4] MDRX has been excluded from mean EBITDA multiple calculation, and CERN, NXGN & OMCL have been excluded from mean P/E multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
<b>Long-Term Care / Senior Living <sup>[5]</sup></b>								
ADUS	Addus HomeCare	\$92.56	88.5%	\$1,440.2	\$1,279.3	2.1x	34.1x	61.3x
BKD	Brookdale Senior Living	2.95	33.5%	540.3	5,974.1	1.5x	8.1x	na
CSU	Capital Senior Living	0.71	12.6%	21.8	959.7	2.2x	22.3x	na
EHC	Encompass Health	61.93	74.3%	6,156.2	10,076.6	2.2x	10.8x	18.0x
ENSG	The Ensign Group	41.85	71.0%	2,246.2	3,533.2	1.7x	17.6x	18.9x
GEN	Genesis HealthCare	0.69	37.1%	114.7	4,054.6	0.9x	11.6x	na
LHCG	LHC Group	174.32	99.6%	5,506.5	5,990.3	2.9x	28.7x	55.2x
Mean						1.9x	19.0x	18.4x
<b>Managed Care <sup>[6]</sup></b>								
ANTM	Anthem	\$262.98	84.2%	\$66,301.5	\$82,639.5	0.8x	10.3x	14.2x
CNC	Centene	63.55	85.1%	36,803.7	43,531.7	0.5x	17.4x	32.1x
CI	Cigna	187.65	83.5%	69,239.3	101,316.3	0.7x	9.0x	14.4x
CVS	CVS Health	64.97	84.3%	84,921.7	164,861.7	0.6x	9.6x	na
HUM	Humana	387.75	94.0%	51,262.9	53,332.9	0.8x	12.5x	19.9x
UNH	UnitedHealth Group	294.95	93.4%	279,724.5	311,513.5	1.3x	13.8x	20.6x
Mean						0.8x	12.1x	17.3x
<b>OVERALL HEALTHCARE SECTOR</b>					Mean	2.1x	13.9x	19.6x

[5] ADUS & LHCG have been excluded from mean P/E multiple calculation.

[6] CNC has been excluded from mean P/E multiple calculation.



# NOTES

## Notes

- Sources: PitchBook, Bond Buyer, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, and others as indicated.
- Any public companies chosen for the “SCA Healthcare Services Universe” are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

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