



Healthcare Services

Quarterly Update
First Quarter 2020



RESTRUCTURING • INVESTMENT BANKING • DISTRESSED ASSET SUPPORT SERVICES

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Q1 2020 Highlights

May, 2020

With 359 healthcare M&A transactions in Q1 2020, there was a 25% drop in transaction activity compared with the prior quarter and a 12% decline from the same period a year ago, according to preliminary figures from Irving Levin Associates Inc. Physician Medical Groups and Hospitals experienced the largest declines in M&A transaction activity. Physician Medical Groups M&A transactions in Q1 2020 declined precipitously, falling 57% compared with Q4 2019 and 39% from the same period a year prior and Hospital M&A transactions dropped 38% quarter-over-quarter, as well.

Beginning in Mid-March, health systems across the country were required to stop all elective medical and surgical procedures — important sources of higher margin revenue — which resulted in significantly weaker operating income in the first half of 2020. Combined with increased cost pressures of treating COVID-19 patients, health systems and medical practices alike have had to enact major workforce furloughs with further disruptions to their operations likely. While several states have begun easing restrictions on elective procedures, it is projected to take several quarters for health care volumes to return to historical levels. As a result, even many of the most historically financially stable health systems are experiencing significant distress. During March and April 2020, S&P took 29 negative credit actions related to healthcare issuers, Fitch has placed 15 health systems on negative CreditWatch, and Moody's downgraded 10 health systems.

Over the past several years, private equity firms invested billions of dollars into physician practice management companies to support and scale the operational aspects of doctors' offices. However, lockdowns across the country have resulted in plummeting patient visits among providers of nonessential medical care, putting added pressure on some providers already facing heavy debt loads. Healthcare-focused sponsors and their portfolio companies are facing immense challenges as they seek to maintain continuity of critical healthcare service delivery, support their workforces, manage revenue erosion and financial risk, and ultimately, position their platforms for recovery.

Further, many private-equity backed companies are currently excluded from the paycheck protection program offered under the \$2 trillion Cares Act. The Cares Act, passed in late March, includes the Paycheck Protection Program, which empowers the Small Business Administration to provide \$350 billion in funding to struggling companies. The agency will forgive the loans if the companies keep their staff on the payroll until June. The Association for Corporate Growth, a professional association that represents middle-market companies, is asking Congress to waive rules that prevent companies owned by private-equity firms from accessing this Small Business Administration funding program. Without access to these funds, there will be a coming liquidity crisis for a wide array of healthcare service providers.

We anticipate a significant decline in announced transaction volume over the next three to six months given the organizational focus needed to address the coronavirus pandemic. However, we believe as hospitals emerge from this period and move forward into 2021, there will be pent-up activity potentially amplified by the financial pressures related to the virus impact. Additionally, the impact of the pandemic is revealing a new set of positive attributes for larger systems. The importance of intellectual capital, deployable and re-assignable resources, and a large base of clinical staff and supporting human capital are providing larger health systems some flexibility to help address the current state.

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*

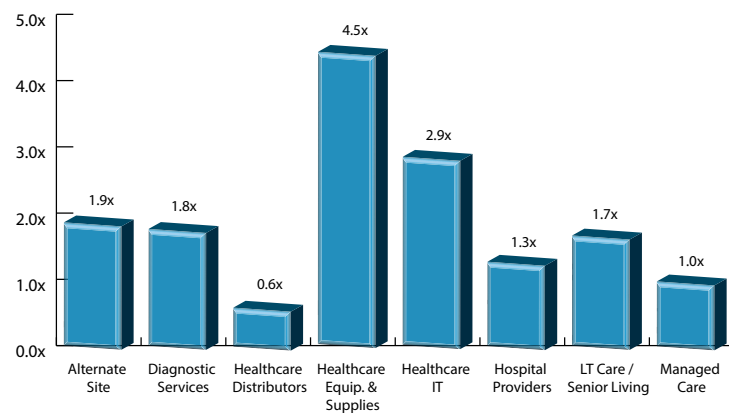
SOLIC Capital Advisors recently acted as financial advisor for the recapitalization of a leading health and wellness business. The SOLIC team implemented an initial review of the business, an assessment of the range of strategic alternatives, led the transaction process which entailed orchestrating a solicitation process to strategic and institutional investors, as well as assisted in structuring and negotiating the terms of the sale transaction.

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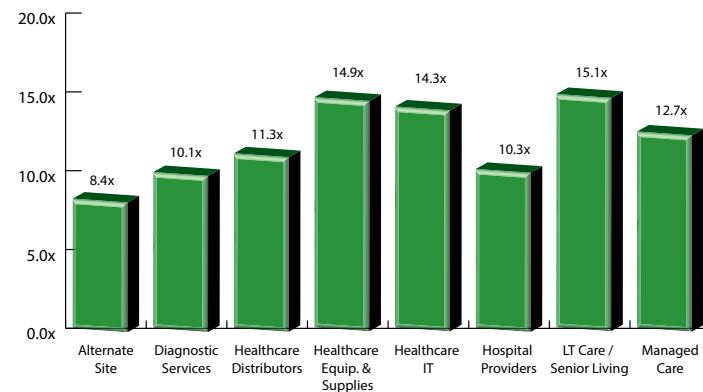
Market Overview



Enterprise Value To Revenue

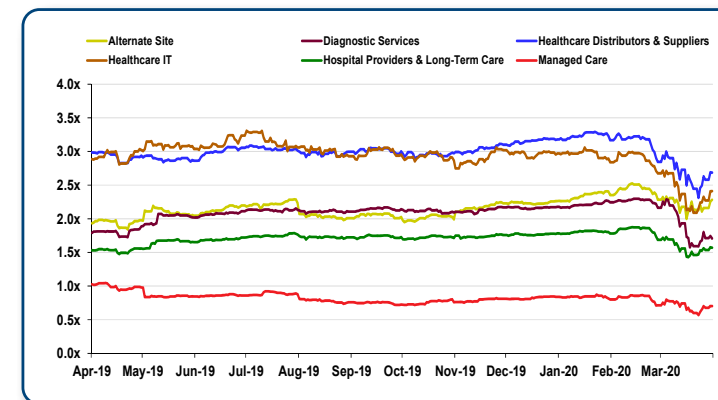


Enterprise Value To EBITDA

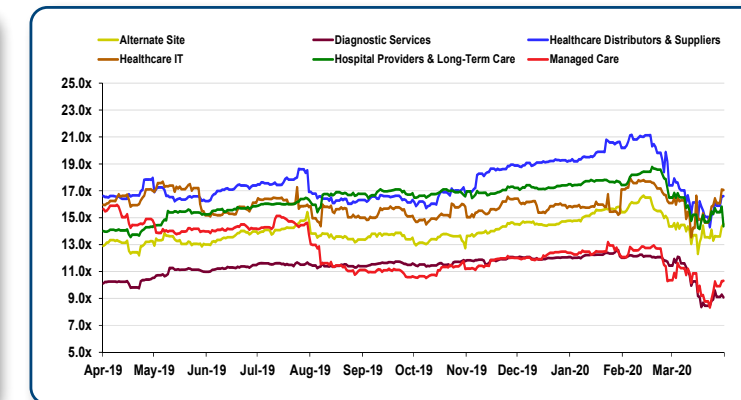


Revenue and EBITDA valuation multiples fell in Q1 2020, while reported deal volume dropped from Q4 2019 due to the COVID-19 global

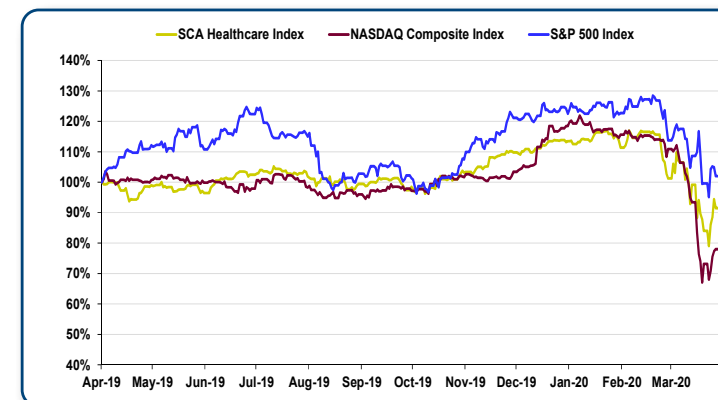
Healthcare Services Sectors Total Enterprise Value / Revenue



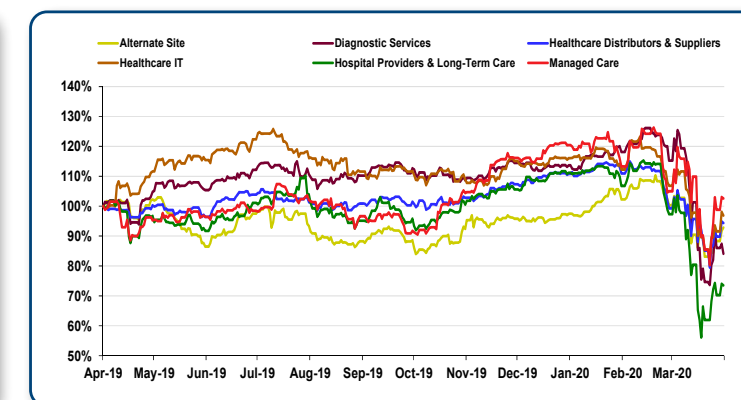
Healthcare Services Sectors Total Enterprise Value / EBITDA



SCA Healthcare Index Stock Performance



Healthcare Services Sectors Stock Performance





Notable Industry Developments



Medicare Advantage Gets 2021 Pay Bump Amid COVID-19 Rule Changes
CMS announced a 1.66% average increase for 2021 Medicare Advantage (MA) rates, but this announcement may be less important to health plans than ways the agency is handling quality reporting and enforcement issues in light of the ongoing COVID-19 crisis. This was higher than the proposed rate of 0.93%, but less than the increase MA plans received in 2020. Already, CMS has waived rules to allow historic expansion of telehealth services and relaxed reporting requirements for the Quality Payment Program. This latest announcement brought more of the same, including a promise to provide “maximum flexibility” to make sure health systems have “continuous and predictable payments.”

Staffing Shortages, Lack of PPE Strain Home Health Agencies
Most home health agencies in New York have seen their workforce decline by up to 20% due to COVID-19, a new survey revealed. More than 80% of 176 home health and hospice providers surveyed March 31 said the virus has reduced up to a fifth of their workforce, a Home Care Association of New York State poll found.

Fitch Puts 15 Non-profit Hospitals on its Watch List for Ratings Downgrade Due to Coronavirus
Fitch Ratings put 15 non-profit hospitals and health systems on Rating Watch Negative as the coronavirus pressures their operating margins. The action by Fitch impacts \$3.7 billion of total outstanding debt. Fitch said the disruption of the equities market resulted in double-digit reductions over a very short period of time. The hospitals on the Negative Watch have comparatively light levels of liquidity, or are smaller in terms of net patient revenue, reflecting greater vulnerability to the risks associated with added expenses and reduced elective revenue associated with the coronavirus pandemic.

Hospitals are Receiving \$30 Billion in CARES Act Funding by Direct Deposit
CMS has announced the release of \$30 billion of the \$100 billion earmarked for hospitals in the Coronavirus Aid, Relief and Economic Security Act. This money is separate from the \$34 billion in advance payment loans to providers previously announced. CMS later increased the amount in the Accelerated and Advance Payment Program to \$51 billion. Hospital and provider groups are calling for the release of all of the funding, and those representing essential hospitals and research organizations are concerned the money does not target these needs. Providers will receive a portion of the initial \$30 billion based on their share of total Medicare fee-for-service reimbursements in 2019. Total FFS payments were approximately \$484 billion in 2019.

One-in-Four U.S. Rural Hospitals at High Financial Risk of Closing as Patients Leave Communities for Care
A quarter of U.S. rural hospitals are at a high risk of closing unless their financial situations improve, according to an annual Guidehouse (formerly Navigant) analysis of publicly available data conducted prior to the COVID-19 pandemic. The 354 at-risk rural hospitals span 40 states and represent more than 222,350 annual discharges, 51,800 employees, and \$8.3 billion in total patient revenue. Of these hospitals, 81%, or 287 hospitals, are considered highly essential to the health and economic well-being of their communities. Thirty-four states have at least half of their financially distressed rural hospitals considered highly essential, with 16 states having all hospitals in this situation. Southern and Midwestern states, including Tennessee, Oklahoma, Mississippi, Alabama, and Kansas, are projected to be impacted the most by hospital closures, the study shows.

Moody's: Coronavirus Stimulus will Lessen Economic Pain, but Credit Climate will Remain Difficult
The \$2.3 trillion CARES Act follows other fiscal and monetary measures that the U.S. government has taken to address the COVID-19 crisis and the resulting economic fallout. While the federal aid package will provide some relief to households, businesses, states and local governments, Moody's Investors Service expects credit conditions will likely remain difficult for many public and private debt issuers over the coming months. State and local governments will continue to experience budgetary strains, despite additional funding, the report found. Meanwhile, support for the healthcare sector will provide only modest relief for hospitals under strain. The CARES Act allocates \$100 billion to support hospitals' operations and help them access critical supplies. Yet the funding is unlikely to fully compensate providers for the material decline in revenue caused by the cancellation in elective surgeries and the cost of labor and protective equipment needed to treat coronavirus patients.

Selected M&A Transactions

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Alternate Site					
3/16/2020	Cobalt Rehab Hospital	The Sanders Trusts	\$29.0	n/a	n/a
Description:	The Sanders Trusts has acquired Cobalt Rehab Hospital, a 60-bed Class A facility. Cobalt Rehab Hospital is based in New Orleans, LA.				
3/5/2020	Florida Autism Center	Blue Spring Pediatrics, Inc.	\$120.0	n/a	n/a
Description:	Blue Spring Pediatrics, Inc. has acquired Florida Autism Center, a provider of Applied Behavior Analysis therapy services. Florida Autism Center was founded in 2009 and is based in Orlando, FL.				
3/2/2020	Retina Consultants of America	Webster Equity Partners	\$350.0	n/a	n/a
Description:	Webster Equity Partners has acquired Retina Consultants of America. Retina Consultants of America was founded in 1999 and is based in Southlake, TX.				
2/28/2020	Brookfield Properties MOB	Nan Fung Life Sciences	\$115.0	n/a	n/a
Description:	Nan Fung Life Sciences has acquired Brookfield Properties MOB, a two-story, 152k sqft medical office building. Brookfield Properties MOB is located in Cambridge, MA.				
2/27/2020	4-clinic PT practice	U.S Physical Therapy, Inc. (NYSE:USPH)	\$12.2	n/a	n/a
Description:	U.S Physical Therapy, Inc. (NYSE:USPH) has acquired a 4-clinic PT practice located in Minnesota.				
2/20/2020	The Medical Pavilion	Seavest Healthcare Properties	\$57.0	n/a	n/a
Description:	Seavest Healthcare Properties has acquired The Medical Pavilion, a 95k sqft. medical office building located in National Harbor, MD.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
2/12/2020	West Dermatology	Sun Capital Partners	n/a	n/a	n/a
Description:	Sun Capital Partners has acquired West Dermatology, an operator of dermatology clinics in Nevada, Arizona, and California. West Dermatology is based in Newport Beach, CA.				
1/12/2020	InTouch Health	Teladoc Health, Inc. (NAS:RCM)	\$600.0	7.1x	n/a
Description:	Teladoc Health, Inc. has acquired InTouch Health, a provider of telehealth services to over 3,600 locations. InTouch Health was founded in 2002 and is based in Santa Barbara, CA.				
Diagnostic Services					
3/18/2020	Core Medical Imaging	Shimadzu Medical Systems US	n/a	n/a	n/a
Description:	Shimadzu Medical Systems US has acquired Core Medical Imaging, a provider of medical diagnostic imaging equipment. Core Medical Imaging is based in Kenmore, WA.				
3/17/2020	MockV Solutions	Cygnus Technologies	n/a	n/a	n/a
Description:	Cygnus Technologies has acquired MockV Solutions, a provider of analytical testing kits. MockV Solutions is based in Rockville, MD.				
2/11/2020	Strand Diagnostics	P4 Diagnostix Laboratory	n/a	n/a	n/a
Description:	P4 Diagnostix Laboratory has acquired Strand Diagnostics, a provider of DNA confirmation testing services. Strand Diagnostics is located in Indianapolis, IN.				
1/9/2020	Provista Diagnostics, Inc.	Todos Medical	n/a	n/a	n/a
Description:	Todos Medical has acquired Provista Diagnostics, Inc., a provider of blood-based proteomic diagnostic, prognostic and monitoring tests for cancer screening. Provista Diagnostics, Inc. was founded in 2006 and is based in Alpharetta, GA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Healthcare Distribution & Equipment					
2/21/2020	Maxtec, LLC	Halma PLC	\$20.0	n/a	n/a
Description:	Halma PLC has acquired Maxtec, LLC, a distributor of oxygen analysis and delivery products for medical application. Maxtec, LLC is based in Salt Lake City, UT.				
2/13/2020	Touch Surgery	Medtronic, PLC	n/a	n/a	n/a
Description:	Medtronic, PLC has acquired Touch Surgery, a provider of data analytics systems designed to codify surgical procedures. Touch Surgery is based in New York, NY.				
2/13/2020	Exact Diagnostics	Bio-Rad Lab, Inc.	\$60.0	n/a	n/a
Description:	Bio-Rad Lab, Inc. has acquired Exact Diagnostics, a developer and manufacturer of diagnostic products. Exact Diagnostics is located in Fort Worth, TX.				
1/6/2020	Parcus Medical, LLC	Anika Therapeutics, Inc. (NAS:ANIK)	\$35.0	7.3x	n/a
Description:	Anika Therapeutics, Inc. (NAS:ANIK) has acquired Parcus Medical, LLC, a producer of implant and instruments for surgeons. Parcus Medical, LLC was founded in 2017 and is based in Sarasota, FL.				
1/6/2020	Arthrosurface	Anika Therapeutics, Inc. (NAS:ANIK)	\$60.0	2.1x	n/a
Description:	Anika Therapeutics, Inc. (NAS:ANIK) has acquired Arthrosurface, a producer of orthopedic devices. Arthrosurface was founded in 2002 and is based in Franklin, MA.				

Healthcare IT

3/10/2020	YouScript	Invitae Corporation (NYSE:NVTA)	\$79.3	n/a	n/a
Description:	Invitae Corporation (NYSE:NVTA) has acquired YouScript, a clinical decision support platform. YouScript was founded in 2005 and is based in Seattle, WA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
3/10/2020	DXC Technology - State & Local HHS Business	Veritas Capital Management	\$5,000.0	n/a	n/a
Description:	Veritas Capital Management has acquired the state and local health and human services business of DXC Technology, an end-to-end provider of technology solutions to health programs. DXC Technology is located in Portland, OR.				
3/9/2020	NurseGrid	HealthStream, Inc. (NASDAQ:HSTM)	\$25.0	n/a	n/a
Description:	HealthStream, Inc. (NASDAQ:HSTM) has acquired NurseGrid, a provider of staffing, communication and schedule management tools. NurseGrid was founded in 1999 and is based in Portland, OR.				
2/5/2020	Cerner - IT portfolio	CompuGroup Medical AG	\$247.6	n/a	n/a
Description:	CompuGroup Medical AG has acquired an IT portfolio from Cerner (NASDAQ:CERN) comprised of four different entities. The IT portfolio is based in North Kansas, MO.				
2/4/2020	Acurity, Inc.	Premier, Inc. (NASDAQ:PINC)	\$291.5	n/a	n/a
Description:	Premier, Inc. (NASDAQ:PINC) has acquired Acuity, Inc., a provider of consulting services for the healthcare industry based in New York, NY.				
1/17/2020	Decision Resources Group	Clarivate Analytics PLC (NYSE:CCC)	\$950.0	5.9x	n/a
Description:	Clarivate Analytics PLC (NYSE:CCC) has acquired Decision Resources Group, a provider of analytics and insights to the pharmaceutical and life science industry. Decision Resources Group was founded in 1995 and is based in Burlington, MA.				
1/14/2020	NantHealth (NAS:NH) - Connected Care assets	Masimo Corp. (NAS:MASI)	\$47.3	n/a	n/a
Description:	Masimo Corp. (NAS:MASI) has acquired the Connected Care assets from NantHealth (NAS:NH), a provider of medical device interoperability to hospitals and health systems. The Connect Care assets are located in Culver City, CA.				
1/13/2020	SCI Solutions	R1 RCM	\$190.0	n/a	n/a
Description:	R1 RCM has acquired SCI Solutions, a marketplace provider of EHR-agnostic care coordination and patient scheduling based in Seattle, WA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Hospital Providers					
3/25/2020	Ridgeline Medical Campus	Ridgeline Medical, LLC	n/a	n/a	n/a
Description:	Ridgeline Medical, LLC has acquired the Ridgeline Medical Campus from Bancroft Capital. The Ridgeline Medical Campus is located in Highlands Ranch, CO.				
3/25/2020	Fairfax Community Hospital	Rural Wellness Fairfax, Inc.	n/a	n/a	n/a
Description:	Rural Wellness Fairfax, Inc. has acquired Fairfax Community Hospital, a general medical and surgical facility. Fairfax Community Hospital was founded in 1976 and is based in Fairfax, MO.				
3/3/2020	Huntsville Memorial Hospital	Huntsville Community Hospital	\$7.8	n/a	n/a
Description:	Huntsville Community Hospital has acquired the Huntsville Memorial Hospital from the Walker County Hospital District. Huntsville Memorial Hospital was founded in 1992 and is based in Huntsville, TX.				
2/26/2020	Unity Medical and Surgical Hospital	Local physician investor	\$4.1	n/a	n/a
Description:	A local physician investor has acquired the Unity Medical and Surgical Hospital, a 29-bed surgical hospital based in Mishawaka, IN.				
1/27/2020	St. Christopher's Hospital	Iron Stone Real Estate Partners	\$65.0	n/a	n/a
Description:	Iron Stone Real Estate Partners has acquired St. Christopher's Hospital, a 496-bed academic medical center based in Philadelphia, PA.				
1/6/2020	Summa Health	Beaumont Health System	n/a	n/a	n/a
Description:	Beaumont Health System has acquired Summa Health, a provider of healthcare delivery systems. Summa Health was founded in 1989 and is based in Akron, OH.				
1/2/2020	Union Hospital of Cecil County	ChristianaCare Health System	n/a	n/a	n/a
Description:	ChristianaCare Health System has acquired Union Hospital of Cecil County, a 75-bed community hospital. Union Hospital of Cecil County was founded in 1908 and is based in Elkton, MD.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Long-Term Care / Senior Living					
3/13/2020	Atia Farmington	AEW Capital Management	\$40.0	n/a	n/a
Description:	AEW Capital Management has acquired Atia Farmington, a 134-unit senior living community with 89 AL and 45 memory care units. Atia Farmington was founded in 2015 and is based in Farmington, CT.				
3/13/2020	2 AL communities	Waypoint Residential	\$48.9	n/a	n/a
Description:	Waypoint Residential has acquired 2 AL communities comprised of 89 AL and memory care units. The 2 AL communities were founded in 2015 and are based in Pensacola and Tampa, FL.				
3/13/2020	6 SNFs	Undisclosed buyer	\$55.0	n/a	n/a
Description:	An undisclosed buyer has acquired 6 SNFs, a portfolio consisting of seven facilities with 426 operational beds. The 6 SNFs are located throughout the Midwest.				
3/3/2020	King Management Portfolio	Real estate investment group	\$32.3	n/a	n/a
Description:	A real estate investment group has acquired the King Management Portfolio, a portfolio consisting of three SNFs (286 beds) and two AL communities (97 units) on three sites. The King Management Portfolio is based in Illinois.				
3/2/2020	9 SNFs	Undisclosed buyer	\$74.0	n/a	n/a
Description:	An undisclosed buyer has acquired 9 skilled nursing facilities previously owned by Diversified Healthcare Trust. The 9 skilled nursing facilities are located in Colorado (7) and Wyoming (2).				
2/14/2020	28 SNFs	Preservation Freehold Corp.	\$555.7	n/a	n/a
Description:	Preservation Freehold Corp. has acquired 28 SNFs from WR Investments. The portfolio of SNFs is located across Oklahoma and Texas.				
2/12/2020	Welltower - Seniors housing portfolio	Undisclosed buyer	\$740.0	n/a	n/a
Description:	An undisclosed buyer has acquired a seniors housing portfolio from Welltower consisting primarily of AL communities. The seniors housing portfolio is located across California, Nevada and Washington.				
2/12/2020	1 SNF	Undisclosed buyer	\$56.0	n/a	n/a
Description:	An undisclosed buyer has acquired a skilled nursing facility comprised of 400 beds located in Harrisburg, PA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
1/29/2020	Hanover Place	Livingstone Street Capital	\$29.0	n/a	n/a
Description:	Livingstone Street Capital has acquired Hanover Place, consisting of 7 senior living communities totaling 566 units. Hanover Place is located in Tinley Park, IL.				
1/15/2020	Crestwood Village East	Elevation Financial Group	\$20.0	n/a	n/a
Description:	Elevation Financial Group has acquired Crestwood Village East, a senior living facility comprised of 425 IL and 71 AL units. Crestwood Village East was founded in 1966 and is based in Indianapolis, IN.				
1/9/2020	The Pines at Rocklin	Harbert Management Corp.	\$50.0	n/a	n/a
Description:	Harbert Management Corp. has acquired The Pines at Rocklin, a senior living community comprised of 134 units and 142 beds. The Pines at Rocklin was founded in 2015 and is based in Rocklin, CA.				
1/7/2020	Timber Ridge at Talus	National Health Investors, Inc. (NYSE:LNHI)	\$133.0	n/a	n/a
Description:	National Health Investors, Inc. (NYSE:LNHI) has acquired Timber Ridge at Talus, a senior care facility comprised of 184 IL units and 36 SNF beds. Timber Ridge at Talus was founded in 2008 and is based in Issaquah, WA.				

Managed Care

2/24/2020	Mutual of Omaha	Essence Healthcare	n/a	n/a	n/a
Description:	Essence Healthcare has acquired Mutual of Omaha, a Medicare Advantage business. Mutual of Omaha is based in Omaha, NE.				
1/8/2020	New Day Health Plan	Bright Health	n/a	n/a	n/a
Description:	Bright Health has acquired New Day Health Plan, a provider of Medicare, healthcare plans, covered medication and health education. New Day Health Plan was founded in 1983 and is based in Long Beach, CA.				
1/6/2020	NextLevel Health Partners, Inc.	Molina Healthcare, Inc. (NYSE:MOH)	\$50.0	n/a	n/a
Description:	Molina Healthcare, Inc. (NYSE:MOH) has acquired NextLevel Health Partners, Inc., a managed care health plan for Cook County (IL) residents. NextLevel Health Partners, Inc. is based in Chicago, IL.				

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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	
Alternate Site ^[1]								
AMED	Amedisys	\$123.26	87.5%	\$3,945.6	\$3,934.1	2.4x	21.9x	34.7x
DVA	DaVita	54.29	68.6%	9,033.9	20,139.7	1.8x	9.5x	15.0x
FME	Fresenius Medical Care	80.72	75.5%	24,771.9	32,143.8	1.6x	7.2x	10.6x
Mean						1.9x	8.4x	12.8x
Diagnostic Services								
LH	Laboratory Corporation of America	\$152.98	80.4%	\$15,095.8	\$20,747.9	1.8x	10.0x	17.8x
DGX	Quest Diagnostics	89.92	77.2%	12,072.8	16,056.8	2.1x	11.5x	17.0x
RDNT	RadNet	12.39	74.9%	620.4	1,355.3	1.4x	8.8x	18.8x
Mean						1.8x	10.1x	17.8x

[1] AMED is excluded from mean calculation of EBITDA & PE multiples.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare Distributors ^[2]								
ABC	AmerisourceBergen	\$79.52	83.7%	\$16,785.9	\$18,683.7	0.1x	9.5x	14.5x
CAH	Cardinal Health	48.15	72.5%	14,349.5	21,216.5	0.1x	12.2x	na
HSIC	Henry Schein	60.11	83.9%	9,100.9	11,877.6	0.9x	12.4x	17.2x
MCK	McKesson	117.06	72.8%	22,455.1	31,998.1	0.1x	23.8x	na
OMI	Owens & Minor	4.10	21.4%	258.4	1,805.6	0.2x	na	na
SRCL	Stericycle	54.42	76.2%	4,936.1	7,694.5	2.2x	89.0x	na
TMO	Thermo Fisher Scientific	273.72	99.9%	109,215.3	126,102.3	5.2x	20.8x	37.8x
Mean						0.6x	11.3x	15.9x

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare Equipment & Supplies ^[3]								
ABT	Abbott	\$79.94	99.3%	\$140,412.2	\$156,090.2	5.1x	22.7x	61.0x
BAX	Baxter International	81.31	99.9%	41,558.9	43,225.9	3.9x	17.1x	27.2x
BDX	Becton, Dickinson and Company	249.73	93.9%	67,193.2	87,318.2	5.1x	18.4x	77.6x
BEAT	BioTelemetry	62.62	77.4%	2,113.7	2,233.1	5.6x	24.5x	52.2x
BSX	Boston Scientific	38.38	93.6%	53,367.4	60,277.4	6.1x	23.6x	32.3x
JNJ	Johnson & Johnson	139.79	93.8%	372,228.9	383,021.9	4.7x	15.1x	24.9x
MDT	Medtronic	91.08	90.9%	122,152.0	138,152.0	4.5x	15.0x	25.2x
SIE	Siemens	107.71	75.4%	87,251.8	105,998.1	1.1x	8.8x	16.7x
Mean						4.5x	14.9x	23.5x

[2] TMO is excluded from mean calculation of Revenue multiple; MCK, OMI, SRCL, and TMO are excluded from mean calculation of EBITDA & PE multiples.

[3] ABT, BEAT & BSX are excluded from mean calculation of EBITDA multiple; ABT, BDX, BEAT & BSX are excluded from mean calculation of PE multiple.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare IT ^[4]								
MDRX	Allscripts Healthcare Solutions	\$9.54	63.7%	\$1,634.5	\$2,158.9	1.2x	8.4x	95.4x
CERN	Cerner	57.21	84.7%	18,556.7	18,225.0	3.4x	12.9x	30.3x
CPSI	Computer Programs & Systems	29.69	85.7%	425.6	550.9	2.0x	14.5x	23.6x
HMSY	HMS Holdings	29.61	77.6%	2,524.9	2,586.0	4.3x	21.4x	46.3x
NXGN	NextGen Healthcare	16.83	70.9%	1,088.8	1,086.3	2.0x	22.3x	112.2x
OMCL	Omniceil	80.84	93.1%	3,298.2	3,366.4	4.3x	35.2x	86.9x
Mean						2.9x	14.3x	33.4x
Hospital Providers								
CYH	Community Health Systems	\$3.73	69.7%	\$433.5	\$14,409.5	1.0x	15.0x	na
HCA	HCA Healthcare	130.38	88.4%	44,787.0	79,138.0	1.7x	8.4x	12.2x
THC	Tenet Healthcare	28.84	72.6%	2,968.6	19,609.6	1.1x	8.0x	27.7x
UHS	Universal Health Services	133.77	94.1%	12,141.8	16,116.0	1.5x	9.8x	16.1x
Mean						1.3x	10.3x	18.7x

[4] NXGN and OMCL are excluded from mean calculation of EBITDA multiple; MDRX, NXGN and OMCL are excluded from mean calculation of PE multiple.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Long-Term Care / Senior Living ^[5]								
ADUS	Addus HomeCare	\$63.59	81.7%	\$838.0	\$784.8	1.5x	23.8x	45.4x
BKD	Brookdale Senior Living	6.58	65.1%	1,227.8	5,328.9	1.2x	36.0x	na
CSU	Capital Senior Living	3.99	33.4%	125.0	1,116.2	2.4x	19.3x	na
EHC	Encompass Health	58.40	70.8%	5,766.6	8,753.8	2.0x	10.4x	20.0x
ENSG	The Ensign Group	47.87	93.8%	2,697.5	2,912.4	1.4x	16.6x	30.1x
GEN	Genesis HealthCare	1.44	50.3%	233.0	4,381.6	0.9x	14.1x	na
LHCG	LHC Group	110.86	95.9%	3,481.7	3,798.2	2.1x	29.8x	48.4x
Mean						1.7x	15.1x	25.1x

Managed Care ^[6]								
ANTM	Anthem	\$286.98	90.2%	\$73,826.6	\$89,103.6	1.0x	12.8x	20.2x
CNC	Centene	53.10	71.3%	21,940.4	22,668.4	0.4x	10.3x	23.5x
CI	Cigna	160.82	71.0%	61,058.9	107,731.9	2.2x	22.6x	15.3x
CVS	CVS Health	53.93	65.6%	69,951.6	137,117.6	0.7x	20.3x	na
HUM	Humana	266.00	74.7%	36,079.6	39,976.6	0.7x	14.2x	21.9x
UNH	UnitedHealth Group	247.26	85.9%	237,255.5	264,016.5	1.2x	13.4x	20.3x
Mean						1.0x	12.7x	20.2x

OVERALL HEALTHCARE SECTOR						
Mean				2.0x	12.3x	20.9x

[5] ADUS, BKD, and LHCG are excluded from mean calculation of EBITDA and P/E multiples.
 [6] CI and CVS are excluded from mean calculation of EBITDA multiple.



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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