

# HEALTHCARE SERVICES



Quarterly Update  
Third Quarter 2022

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**Matt Caine**  
Managing Director  
mcaine@soliccapiatal.com



**Mary Missbach Dressler**  
Managing Director  
mdressler@soliccapiatal.com



**Gregory Hagood**  
Head of Investment Banking  
Senior Managing Director  
ghagood@soliccapiatal.com



**Edward R. Casas, MD, MM, MPH**  
Chairman & CEO  
Senior Managing Partner  
ecasas@soliccapiatal.com

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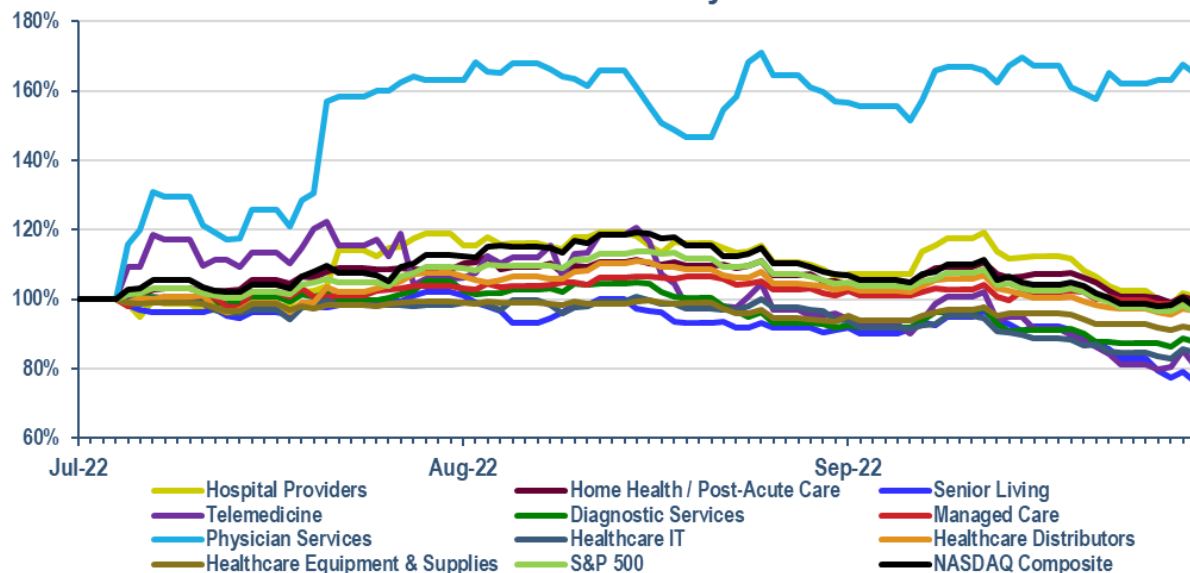
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# KEY HIGHLIGHTS

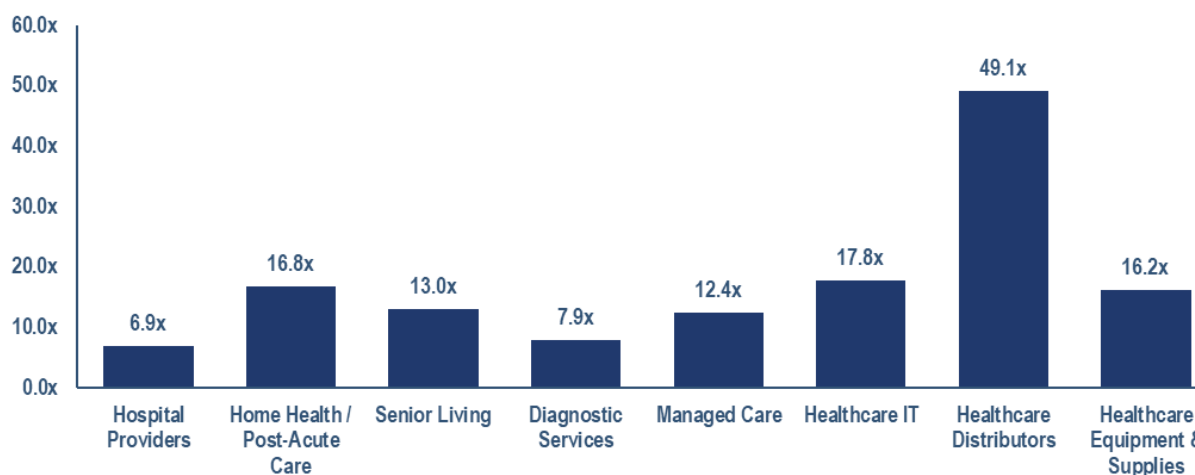
## KEY HIGHLIGHTS

- Despite a volatile stock market, continued labor challenges, inflation, and higher borrowing costs, healthcare M&A transaction volume reached 734 deals in Q3 2022, on par with the prior quarter, and on track to break annual records, according to preliminary figures from Irving Levin Associates Inc.
- M&A transaction dollar volume totaled \$58.2 billion in Q3 2022, in line with the prior quarter, but lower compared to \$145.2 billion in Q3 2021 – publicly traded companies committed only 16% of the transactions in Q3 2022, partially driving this drop in transaction dollar volume
- Across healthcare sectors, M&A activity was led by physician medical groups (PMG) and long-term care with 170 and 133 deals, respectively, accounting for 41% of all Q3 2022 M&A activity
- The largest announced deal of Q3 was CVS Health's (NYSE: CVS) agreement to purchase Signify Health (NYSE: SGFY), a national provider of in-home health evaluation and care management services, for \$8 billion, representing 10.3x Signify's 2021 revenue and 46.7x the company's adjusted 2021 EBITDA - robust multiples reflect the growing demand to enhance the delivery of value-based health and cost management services fueled by demographic and reimbursement changes

## Stock Performance by Subsector



## EV/LTM EBITDA by Subsector (Q3 2022)



Please see pages 9-10 for public companies included in each sector and additional information in the "Notes" section at the end of this report  
Source: Pitchbook

## SUB-SECTOR HIGHLIGHTS: *Physician Services*

### COMMENTARY

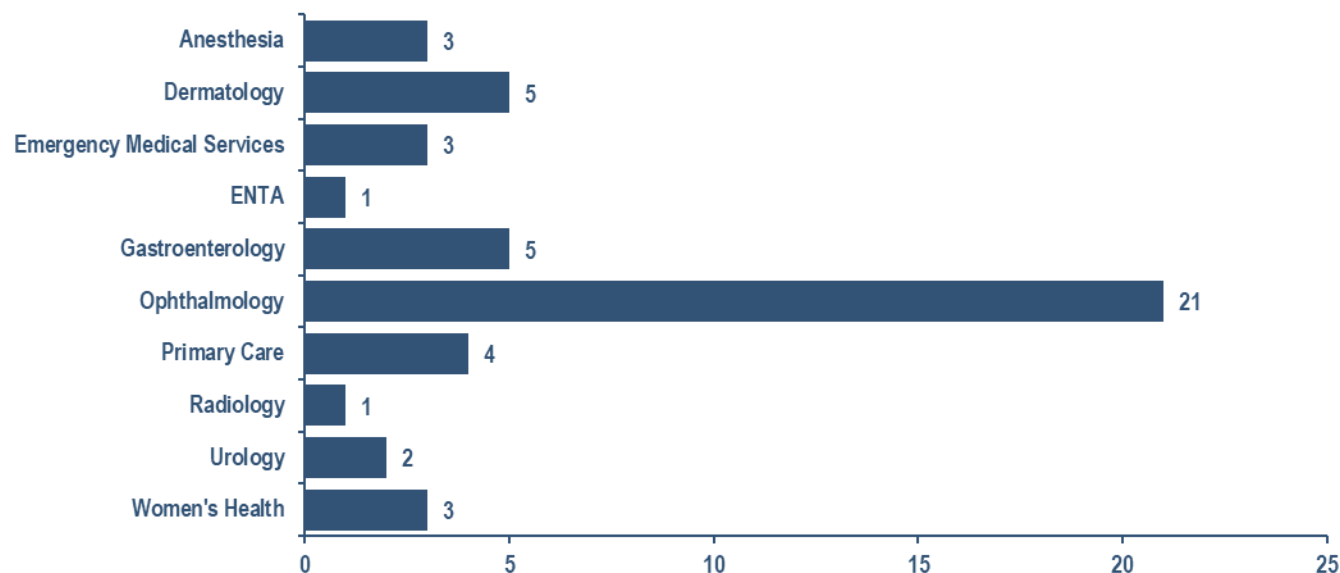
- The PMG sector, the most active healthcare sector over the past two years, saw 450 deals completed YTD through Q3 2022, 25% of this year's approximate 1,800 total transactions reported
- Dental was the most active subsector, with 76 deals (excluding the seven dental services organization deals), accounting for 45% of the PMG deals in Q3 2022 - a 204% increase from Q3 2021, which had 25 dental acquisitions
- Private equity and their portfolio companies, such as Charlesbank Capital Partners, continue to be very acquisitive, representing 72% of the PMG deals in Q3 2022
  - Charlesbank Capital Partners' main portfolio company, MB2 Dental Solutions, had the most activity this quarter with 19 deals
  - Quad-C Management made the second-most acquisitions in the quarter with 11 through its portfolio companies Prism Vision Group and US Endo Partners
- One of the largest PMG transactions of Q3 was Apollo Global Management's acquisition of GI Alliance for \$785 million

### Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/30/2022	EyeSouth Partners	Olympus Partners	Ophthalmology	\$1,000
9/15/2022	GI Alliance	Apollo Global Management	Gastroenterology	\$785
9/20/2022	Eastern Eye Care	US Eye (Pamlico Capital)	Ophthalmology	NA
9/12/2022	Raleigh Ophthalmology	EyeSouth Partners (Shore Capital Partners)	Ophthalmology	NA
8/30/2022	My Dr Now	Kain Capital	Primary Care	NA
8/23/2022	Oral and Facial Surgeons of Michigan	U.S. Oral Surgery Management (Oak Hill Capital Partners)	Dental	NA
8/18/2022	Bienville Orthopaedic Specialists	U.S. Orthopaedic Partners (FFL Partners, Thurston Group)	Orthopedics	NA
7/21/2022	One Medical	Amazon (NAS: AMZN)	Primary Care	\$3,900
7/14/2022	FCDG Management	The Beekman Group	Dental	NA
7/11/2022	West Coast Dental	Court Square Capital Partners	Dental	\$250
7/7/2022	Foot and Ankle Specialists	U.S. Foot & Ankle Specialists (NMS Capital)	Orthopedics	NA
7/6/2022	Southern Surgical & Medical Specialists	Urology America (Gauge Capital)	Urology	NA
7/1/2022	Premier Physician Support Services	Pine Tree Equity Partners	Primary Care	NA

Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### Deal Count by Specialty (Q3 2022)



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## SUB-SECTOR HIGHLIGHTS: *Hospital Providers*

### COMMENTARY

- The number of hospital M&A transactions in Q3 2022 remained well below historical levels largely due to headwinds facing health systems and providers such as labor shortages and increased FTC scrutiny
- There were two “mega” transactions in Q3 2022 (defined as the smaller party annual revenues \$1 billion+) which were driven by financial buyers
  - In September 2022, UAE-based healthcare platform, Pure Health invested \$500 million in Ardent Health Services, giving Pure Health a minority stake in the fourth-largest privately held acute care hospital operator in the U.S.
  - Prime Healthcare Services, Inc. completed the repurchase of nine general acute care hospitals and two related MOBs from Medical Properties Trust, Inc. for approximately \$360 million. Prime Healthcare is the largest physician-founded and led health system in the nation
- The largest strategic transaction in Q3 2022 was University of Chicago Medicine’s planned acquisition of a controlling interest in AdventHealth’s Great Lakes Region, previously part of the Amita Health joint venture
- For-profit health systems continue to realign and rebalance their portfolio of assets to concentrate on core assets and markets
  - In Louisiana, HCA Healthcare announced it is selling three Tulane University hospitals to LCMC Health
  - In West Virginia, Community Health Systems continued the trend of for-profit systems selling specific, stand-alone assets with its announced intention to sell Greenbrier Valley Medical Center to Vandalia Health - Vandalia Health is a new entity formed in September 2022 by the merger of Charleston Area Medical Center Health System and Mon Health

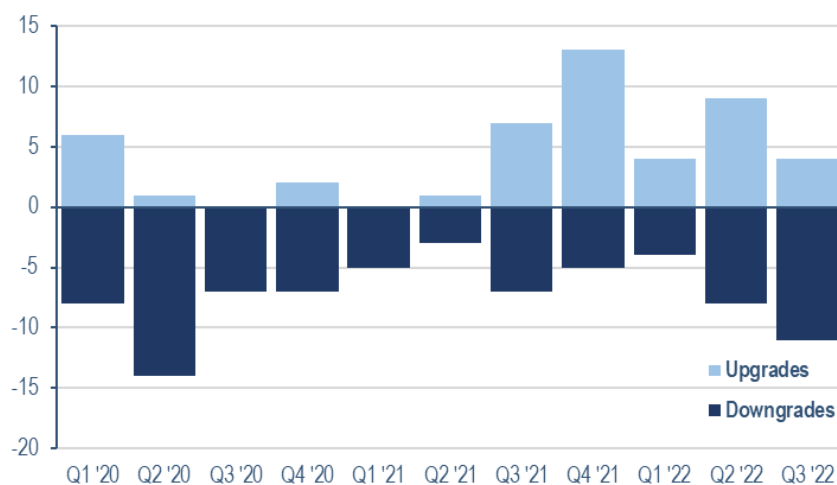
### Notable M&A Transactions

Date	Status	Target	Buyer	Industry	Bed Count	Revenue (\$ Millions)	Deal Value (\$ Millions)
9/14/2022	Announced	Genesis Health System	Mercy One	Health System	591	\$515	NA
9/13/2022	Announced	Four Advent Health hospitals (Great Lakes Region)	University of Chicago Medicine	Hospital	635	\$765	NA
9/8/2022	Closed	Nine Medical Properties Trust hospitals	Prime Healthcare Services	Hospital	NA	NA	\$360
9/7/2022	Announced	Ardent Health Services	Pure Health	Health System	3,355	\$4,331	\$500 <sup>[1]</sup>
9/6/2022	Closed	Mon Health System, CAMC Health System	Vandalia Health	Health System	1,566	\$1,654	NA
9/1/2022	Closed	Watsonville Community Hospital	Pajaro Valley Health Care District	Hospital	130	\$106	\$67
8/8/2022	Announced	Chestnut Hill Hospital	Temple Health, Redeemer Health	Hospital	148	\$127	NA
8/1/2022	Closed	Rush Health Systems	Ochsner Health	Health System	356	\$234	NA
7/29/2022	Closed	AllianceHealth Seminole	SSM Health Oklahoma	Hospital	32	\$15	NA
7/28/2022	Announced	Princeton Community Hospital	WVU Health System	Hospital	107	\$183	NA

[1] Minority investment

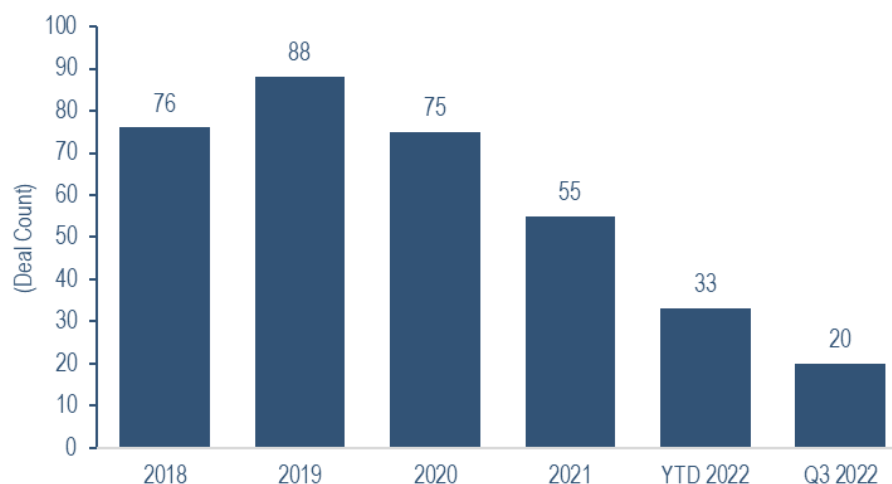
Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### U.S. Not-For-Profit Health Care Rating Actions



Source: S&P Global Ratings

### Closed Hospital Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## SUB-SECTOR HIGHLIGHTS: *Senior Living*

### COMMENTARY

- M&A activity in the senior living sector remained robust at 133 transactions, in line with the previous quarter's total and 20% higher than the same period a year ago, according to data from Irving Levin Associates Inc. However, deals are projected to decline in Q4 as bid-ask spreads are historically wide, and many recent deals have reportedly been canceled due to higher capital costs, inflation and prolonged staffing challenges
- Welltower was the most prolific buyer during the quarter, with five deals covering 11 properties in various joint ventures. Other significant deals during the quarter include:
  - Sale of Stonerise Healthcare, a skilled nursing and transitional care provider, for approximately \$650 million to a New York-based real estate investment firm and operating partner, CommuniCare Health Services
  - Dwyer Workforce Development's acquisition of 50 skilled nursing facilities in Texas for \$590 million
- According to quarterly NIC MAP® data from The National Investment Center for Seniors Housing & Care, demand, as measured by the change in occupied units, largely outpaced new supply while marking its sixth consecutive quarter of positive increases, with a net absorption gain from the prior quarter of more than 8,700 units, or 1.6% for the NIC MAP Primary Markets, pushing the share of senior housing units vacated during the pandemic that have been re-occupied to near-full recovery (95%)
- However, the long-term care sector continues to struggle with staffing and compressed margins
- Sector bankruptcies are on the rise with 30 senior care providers declaring bankruptcy during the 18-month period 2021 through June 2022, representing more than half of bankruptcies among large healthcare companies with more than \$10 million in liabilities, according to a recent report by Modern Healthcare

### Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/30/2022	Eden Heights	National Church Residences	Assisted Living	NA
9/23/2022	Vista Lake Assisted Living	Atlantis Senior Living	Assisted Living	NA
9/21/2022	50 Skilled Nursing Facilities in Texas	Dwyer Workforce Development	Skilled Nursing	\$590
9/19/2022	Fieldstone Memory Care	Foundry Commercial	Memory Care	NA
9/17/2022	Grand Villa of Dunedin	Inspired Healthcare Capital	Senior Living	\$27
9/14/2022	Zpira Place of Brenton	Cardinal Senior Management	Senior Living	NA
8/25/2022	Byron Park	Welltower (NYSE: WELL)	Assisted Living	\$101
8/18/2022	Three Senior Living Communities in Michigan	Commonwealth Senior Living	Assisted Living	NA
8/18/2022	Vista Prairie Communities	Walker Methodist	Assisted Living	\$5
8/17/2022	Vista Grande	Tailwind Investment Group	Independent Living	NA
8/1/2022	The Kensington at Walnut Creek	Kisco Senior Living	Senior Living	NA
7/20/2022	Three Senior Living Communities in Texas	Lifespace Communities	Senior Living	NA
7/6/2022	Stonerise	CommuniCare Health Services	Home Health	\$650

Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### Senior Living Utilization

	Seniors Housing			Nursing Care
	Overall	Majority IL	Majority AL	Majority NC
Market Fundamentals 3Q22				
Occupancy	82.2%	84.7%	79.7%	79.3%
Annual Rent Growth	4.4%	4.0%	4.9%	2.8%
Annual Absorption	5.2%	3.5%	7.1%	3.1%
Annual Inventory Growth	1.4%	1.1%	1.8%	-0.8%
Construction vs. Inventory	5.0%	4.7%	5.3%	0.3%
Rolling 4-Quarter Starts vs. Inventory	2.3%	2.3%	2.4%	0.1%
Capital Markets 2Q22				
Transaction Volume (millions)	\$1,350.0			\$498.6
Rolling 4-Quarter Price Per Unit	\$173,767			\$95,629
Rolling 4-Quarter Cap Rate	6.0%			6.0%

Source: NIC Map Vision



## SUB-SECTOR HIGHLIGHTS: *Outpatient Services*

### COMMENTARY

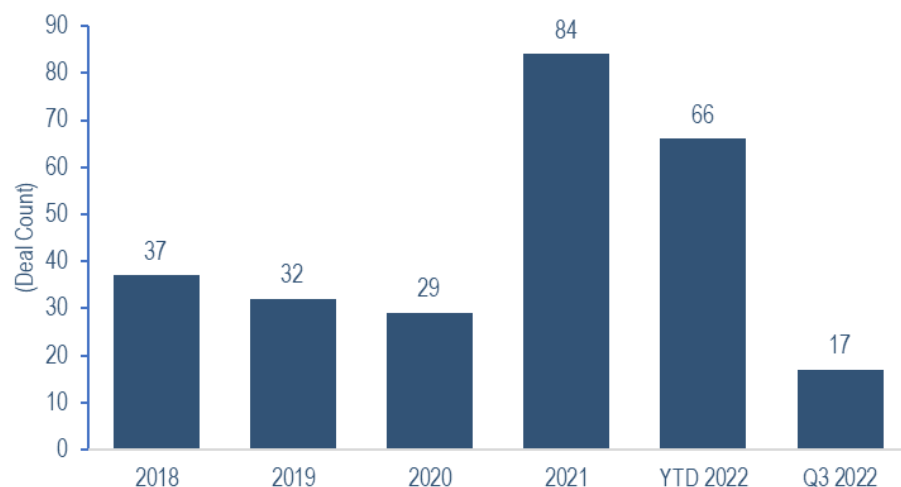
- With 25 home health and hospice transactions in Q3 2022, the sector was down 43% from the year prior and 4% from the previous quarter
- Despite challenges in the current environment from CMS reimbursement changes, staffing, and fluctuating valuations, there is a steady demand for home health services, driven by aging demographics and market demand as both aging and chronically ill patients look to remain at home and avoid high-cost hospitals or skilled nursing facilities
  - Cimarron Healthcare Capital and Tacoma Holdings, announced the recapitalization of Frontpoint Health, a home health and hospice platform focused primarily on servicing Medicare Advantage patients (as opposed to Medicare fee for service – which insulates it from rate cuts in traditional Medicare) just after the close of Q3 2022
  - In August, Care Advantage, Inc., one of the largest privately owned home health companies in Virginia, completed its acquisition of National Home Healthcare, marking the 16th acquisition Care Advantage has completed since 2018, as well as the fourth skilled care company under its ownership
  - The Pennant Group, Inc. (NASDAQ: PNTG) acquired Ardent Hospice and Palliative Care in San Diego
- The final home health payment rule from CMS is expected to be officially released in late October which includes a 4.2% net reduction in aggregate payments totaling an estimated \$810 million which, if passed, could place pressure on home health margins as well as hamper implementation of new programs such as palliative care as home-based health care companies seek to extend business lines across the care continuum
- Staffing shortages, which were exacerbated by the pandemic, are expected to remain the most challenging issue in the home health industry - the U.S. Bureau of Labor Statistics projects openings for these positions to increase almost 37% by 2028

### Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/14/2022	GHC Hospice	Agape Care Group (Ridgemont Equity Partners)	Hospice	NA
9/12/2022	Signify Health	CVS Health (NYS: CVS)	Home Health	\$8,000
8/22/2022	Focus Forward Skilled Care	Sonas Home Health Care (Boyne Capital)	Home Health	NA
8/16/2022	Three Rivers Home Health	LHC Group (NAS: LHCG)	Home Health	NA
8/16/2022	Ardent Hospice and Palliative Care	The Pennant Group (NAS: PNTG)	Hospice	NA
8/2/2022	National Home Healthcare	Care Advantage (Searchlight Capital Partners)	Home Health	NA
7/14/2022	North Texas Home Therapy Professionals	InHome Therapy (NewSpring Capital)	Home Health	NA
7/8/2022	Aamani Healthcare Group	IL2M International (OTC: ILIM)	Home Health	\$52

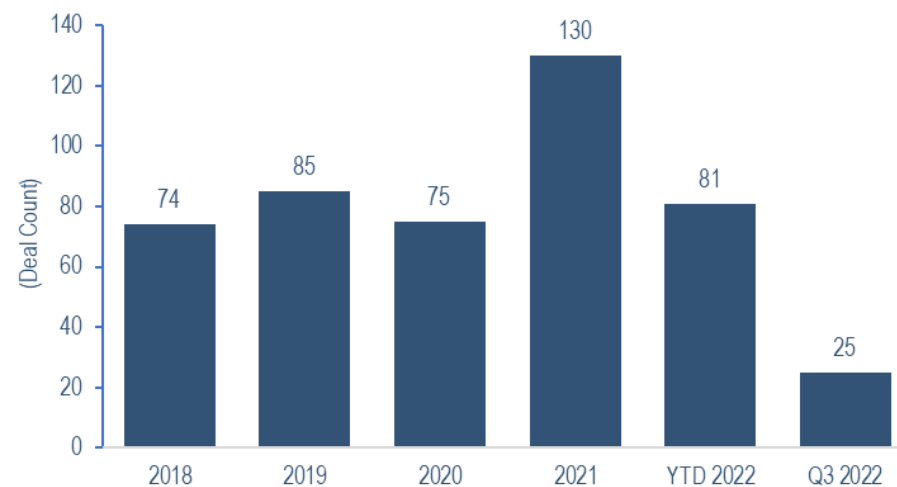
Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### Rehabilitation Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### Home Health & Hospice Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

## SUB-SECTOR HIGHLIGHTS: *Behavioral Health*

### COMMENTARY

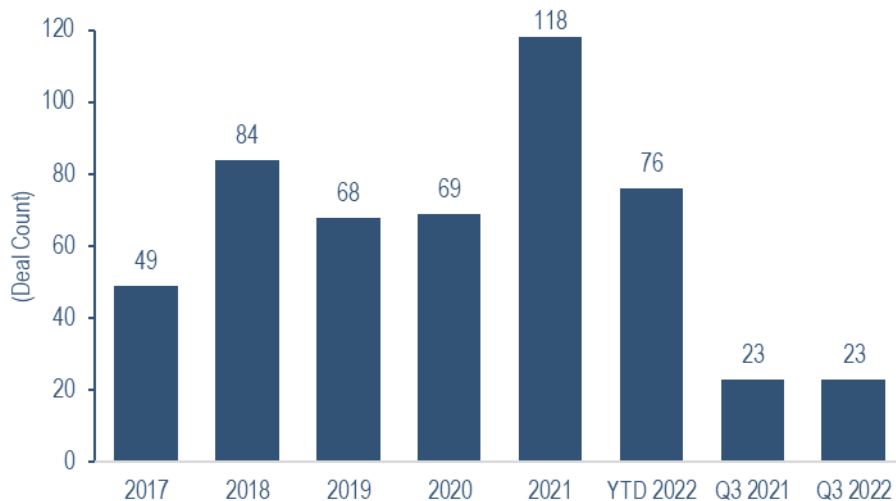
- Demand for behavioral health is increasing as the drug epidemic across the country was only worsened by COVID-19
- For the first three quarters of 2022, there have been 76 deals announced in the behavioral health market (“BHM”), just short of the 81 deals announced the same period last year
- Substance abuse was the most active BHM subsector, comprising approximately 36% of all 2022 BHM acquisitions
- The most active acquirer was BayMark Health Services (backed by Webster Equity), which has made five acquisitions since the start of 2022, all in the substance use subsector
- The largest BHM deal of the year was in Q3 when Charlesbank Capital Partners acquired Action Behavior Centers, which provides applied behavior analysis (ABA) therapy services for children on the autism spectrum, for \$840 million
- Another significant deal of the quarter was Revelstoke Capital Partners’ purchase of Monte Nido & Affiliates from Levine Leichtman Capital Partners - Monte Nido is a leading eating disorder treatment provider with five brands and over 45 facilities across 15 states

### Notable M&A Transactions

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/12/2022	Corebella Health & Wellness	BrightView Health (Shore Capital Partners)	Substance Abuse	NA
8/29/2022	Springstone	LifePoint Health (Apollo Global Management)	Psychiatry	NA
8/25/2022	Monte Nido & Affiliates	Revelstoke Capital Partners	Psychiatry	\$725
8/17/2022	Southeast Psych	ARC Health (Thurston Group)	Mental Disorders	NA
8/17/2022	Action Behavior Centers	Charlesbank Capital Partners	Applied Behavior Analysis	\$840
8/10/2022	Brookdale Premier Addiction Recovery	Discovery Behavioral Health (Webster Equity Partners)	Substance Abuse	NA
8/4/2022	Column Health	BrightView Health (Shore Capital Partners)	Substance Abuse	NA
7/28/2022	Center for Behavioral, Educational, & Social Therapies	The Stepping Stones Group (Leonard Green & Partners)	Applied Behavior Analysis	NA
7/18/2022	Anew Era TMS & Psychiatry	Discovery Behavioral Health (Webster Equity Partners)	Substance Abuse	NA
7/14/2022	Teen Line	Didi Hirsch Mental Health Services	Suicide Prevention	NA
7/1/2022	Greenbriar Treatment Center	Gateway Rehab	Substance Abuse	NA

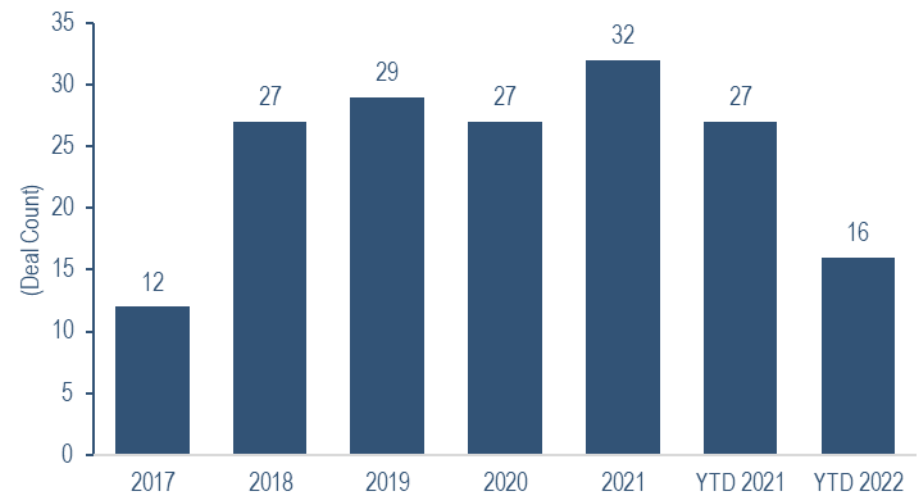
Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### Behavioral Health Transactions



Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research

### PE Investment in Autism



Source: Pitchbook and SOLIC Research

## SUB-SECTOR HIGHLIGHTS: *Other Sectors*

### Notable M&A Transactions: *Managed Care*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
8/30/2022	CareCentrix	Walgreens Boots Alliance (NAS: WBA)	Managed Care	\$600
8/16/2022	KS Plan Administrators	UnitedHealth Group (NYS: UNH)	Managed Care	NA
8/12/2022	Inclusa	Humana (NYS: HUM)	Managed Care	NA
8/4/2022	Maestro Health	Marpai Health	Managed Care	\$22
7/29/2022	IPG	Evolent Health (NYS: EVH)	Managed Care	\$375
7/13/2022	Choice Wisconsin	Molina Healthcare (NYS: MOH)	Managed Care	\$150
7/8/2022	Compass Insurance Services	Hub International Limited (Apax Partners)	Managed Care	NA
7/1/2022	Cigna (NYSE: CI) - A&H Insurance	Chubb (NYS: CB)	Managed Care	\$5,360

### Notable M&A Transactions: *Diagnostic Services*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/30/2022	iuvo BioScience	Ampersand Capital Partners	Laboratory Testing	NA
9/19/2022	Gailbraith Laboratories	Bureau Veritas (PAR: BVI)	Laboratory Testing	NA
8/24/2022	XRA Medical Imaging	Rhode Island Medical Imaging	Medical Imaging	NA
8/16/2022	PenRad Technologies	Intelerad Medical Systems	Medical Imaging	NA
8/5/2022	Dascena Labs	Cirrus Dx	Laboratory Testing	NA
8/3/2022	Curiosity Diagnostics	Bio-Rad Laboratories (NYS: BIO)	Molecular Diagnostics	\$170
7/25/2022	Pro Diagnostics Group	Vivalto Sante (Vivalto Partners)	Radiology	NA
7/7/2022	Meridian Bioscience	SD Biosensor (KRX: 137310), SJL Partners	Diagnostic Testing	\$1,530
7/5/2022	Allied Mobile X-Ray & Ultrasound	TridentCare	Diagnostic Testing	NA

### Notable M&A Transactions: *Telemedicine*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/1/2022	Forefront TeleCare	Access Telecare (Patient Square Capital)	Virtual Behavioral Health	NA
8/29/2022	Psych360	MindCare Solutions Group	Telepsychiatry	NA
8/22/2022	Competitive Health	Recuro Health (Ropart Asset Management)	Digital Health Solutions	NA
8/10/2022	IselectMD	Revive	Telemedicine	NA
8/3/2022	KetaMD	Braxia Scientific (CNQ: BRAX)	Telemedicine	\$6
7/26/2022	Allyhealth	PES Enrollments	Telemedicine	NA

### Notable M&A Transactions: *Pharmacy / PBM*

Date	Target	Buyer	Industry	Deal Value (\$ Millions)
9/1/2022	Levolta Pharmaceuticals	CRG Capital Partners	Pharmaceuticals	NA
8/23/2022	Aerie Pharmaceuticals	Alcon (SWX: ALC)	Pharmaceuticals	\$720
8/22/2022	Wellspring Pharmaceuticals	Avista Capital Partners	Pharmaceuticals	NA
8/17/2022	Turning Point Therapeutics	Bristol-Myers Squibb (NYS: BMY)	Biotechnology	\$2,927
8/15/2022	Radius Health	Patient Square Capital, Gurnet Point Capital	Biotechnology	\$818
8/8/2022	Global Blood Therapeutics	Pfizer (NYSE: PFE)	Pharmaceuticals	\$5,400
8/4/2022	ChemoCentryx	Amgen (NAS: AMGN)	Pharmaceuticals	\$3,700
7/20/2022	Theravance Respiratory Company	Royalty Pharma (NAS: RPRX)	Pharmaceuticals	\$1,500
7/11/2022	ViaCyte	Vertex Pharmaceuticals (NAS: VRTX)	Biotechnology	\$320
7/11/2022	La Jolla Pharmaceutical Company	Innoviva (NAS: INVA)	Pharmaceuticals	\$149

Source: Pitchbook, Irving Levin Healthcare M&A, and SOLIC Research



# 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	NTM EBITDA	
Hospital Providers									
CYH	Community Health Systems	\$2.15	14.1%	\$289.6	\$13,462.6	1.1x	7.8x	8.3x	NA
HCA	HCA Management Services	\$183.79	65.9%	\$52,752.3	\$95,131.3	1.6x	6.9x	7.6x	8.8x
THC	Tenet Healthcare	\$51.58	55.7%	\$5,564.9	\$22,309.9	1.2x	6.1x	6.1x	6.4x
UHS	Universal Health Services	\$88.18	55.7%	\$6,434.6	\$11,424.9	0.9x	7.0x	6.5x	9.0x

Mean	1.2x	6.9x	7.1x	8.1x
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<b>Home Health / Post-Acute Care</b>									
AMED	Amedisys	\$96.79	51.2%	\$3,140.2	\$3,728.6	1.7x	13.4x	12.4x	22.6x
ADUS	Addus HomeCare	\$95.24	88.1%	\$1,531.5	\$1,656.0	1.8x	20.3x	14.5x	34.6x
EHC	Encompass Health	\$45.23	75.2%	\$4,512.9	\$8,399.3	1.6x	8.5x	9.3x	13.8x
ENSG	The Ensign Group	\$79.50	84.4%	\$4,395.5	\$5,531.7	2.0x	16.7x	12.9x	22.1x
LHCG	LHC Group	\$163.66	96.4%	\$5,078.2	\$6,024.9	2.6x	30.5x	22.5x	69.1x
SEM	Select Medical Holdings	\$22.10	59.7%	\$2,782.7	\$7,970.2	1.3x	11.5x	8.9x	12.8x

Mean	1.8x	16.8x	13.4x	29.2x
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<b>Physician Services</b>									
OSH	Oak Street Health	\$24.52	50.2%	\$5,926.1	\$6,623.0	3.6x	NA	NA	NA
ONEM	One Medical	\$17.15	69.7%	\$3,358.2	\$3,649.4	4.1x	NA	NA	NA
CANO	Cano Health	\$8.67	63.6%	\$2,094.4	\$3,579.2	1.5x	NM	14.5x	NA

Mean	3.1x	NA	14.5x	NA
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<b>Senior Living</b>									
BKD	Brookdale Senior Living	\$4.27	55.5%	\$799.6	\$5,556.0	2.1x	12.6x	17.4x	NA
SNDA	Sonida Senior Living	\$16.24	44.5%	\$110.7	\$788.8	3.4x	9.1x	NA	NM
VTR	Ventas	\$40.17	62.7%	\$16,056.5	\$28,825.1	7.1x	17.2x	15.5x	NM

Mean	4.2x	13.0x	16.5x	NA
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<b>Telemedicine</b>									
TDOC	Teladoc Health	\$25.35	16.2%	\$4,098.0	\$4,805.2	2.2x	NA	16.7x	NA
BBLN	Babylon Health	\$0.47	3.0%	\$199.9	\$305.1	0.4x	NA	NA	NA
HIMS	Hims & Hers Health	\$5.58	60.7%	\$1,155.8	\$965.7	2.6x	NA	225.9x	NA
AMWL	Amwell	\$3.59	37.0%	\$982.1	\$388.9	1.5x	NA	NA	NA
LFMD	LifeMD	\$1.97	30.4%	\$61.0	\$54.1	0.5x	NA	4.8x	NA

Mean	1.4x	NA	82.5x	NA
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# VALUATION METRICS BY SECTOR

		Stock Price	% of 52 Week High	Market Cap (\$ mm)	Enterprise Value (\$ mm)	Enterprise Value to:			P/E
Ticker	Company Name					LTM Revenue	LTM EBITDA	NTM EBITDA	
Diagnostic Services									
LH	Laboratory Corporation of America	\$204.81	64.6%	\$18,514.8	\$23,781.8	1.5x	6.9x	8.6x	9.8x
DGX	Quest Diagnostics	\$122.69	70.4%	\$14,306.4	\$18,269.4	1.7x	7.3x	9.8x	10.2x
RDNT	RadNet	\$20.35	58.7%	\$1,166.3	\$2,651.3	1.9x	9.4x	12.8x	NM
Mean						1.7x	7.9x	10.4x	10.0x
Managed Care									
ANTM	Aneka Tambang	\$0.13	58.1%	\$3,062.0	\$3,111.2	1.1x	9.9x	7.7x	19.8x
CI	Cigna	\$277.47	93.6%	\$84,660.6	\$120,672.6	0.7x	10.9x	10.7x	16.5x
CNC	Centene	\$77.81	79.0%	\$44,474.7	\$51,747.7	0.4x	11.4x	9.2x	24.7x
CVS	CVS Health	\$95.37	85.7%	\$125,204.5	\$184,705.5	0.6x	10.6x	8.8x	15.5x
HUM	Humana	\$485.19	94.2%	\$61,402.6	\$69,491.6	0.8x	13.7x	12.4x	19.8x
UNH	UnitedHealth Group	\$505.04	91.3%	\$472,405.7	\$504,139.7	1.7x	17.7x	14.7x	26.4x
Mean						0.9x	12.4x	10.6x	20.5x
Healthcare IT									
MDRX	Allscripts Healthcare Solutions	\$15.23	65.5%	\$1,687.4	\$1,407.1	1.3x	5.6x	7.5x	15.7x
CPSI	Computer Programs & Systems	\$27.88	74.1%	\$409.6	\$543.9	1.8x	11.3x	8.4x	21.1x
BNFT	Benefitfocus	\$6.35	48.6%	\$217.4	\$445.6	1.7x	NM	10.0x	NA
NXGN	NextGen Healthcare	\$17.70	80.9%	\$1,203.9	\$1,181.3	2.0x	26.6x	10.7x	NM
OMCL	Omnicell	\$87.03	46.5%	\$3,854.5	\$4,217.5	3.4x	27.6x	14.0x	NM
Mean						2.0x	17.8x	10.1x	18.4x
Healthcare Distributors									
ABC	AmerisourceBergen	\$135.33	80.9%	\$28,048.2	\$31,369.3	0.1x	9.6x	8.5x	15.5x
CAH	Cardinal Health	\$66.68	92.3%	\$17,471.1	\$18,072.1	0.1x	251.0x	7.7x	NA
HSIC	Henry Schein	\$65.77	71.0%	\$8,952.3	\$11,271.3	0.9x	10.3x	9.6x	14.1x
MCK	McKesson	\$339.87	90.6%	\$48,849.7	\$54,580.7	0.2x	16.9x	10.9x	36.2x
OMI	Owens & Minor	\$24.10	49.1%	\$1,837.6	\$4,567.3	0.5x	11.4x	6.5x	11.9x
SRCL	Stericycle	\$42.11	59.4%	\$3,881.7	\$5,911.0	2.2x	25.5x	11.7x	NA
TMO	Thermo Fisher Scientific	\$507.19	75.4%	\$198,711.4	\$227,261.4	5.3x	18.9x	18.2x	27.0x
Mean						1.3x	49.1x	10.4x	20.9x
Healthcare Equipment & Supplies									
ABT	Abbott	\$96.76	67.9%	\$169,448.0	\$177,144.0	3.9x	12.8x	15.9x	20.2x
BAX	Baxter International	\$53.86	60.0%	\$27,124.5	\$42,472.5	3.0x	16.3x	11.4x	26.9x
BDX	Becton, Dickinson and Company	\$222.83	80.4%	\$63,550.0	\$77,345.0	4.0x	17.7x	14.6x	42.0x
BSX	Boston Scientific	\$38.73	81.5%	\$55,446.4	\$64,497.4	5.2x	23.6x	16.1x	NM
JNJ	Johnson & Johnson	\$163.36	87.5%	\$429,502.8	\$429,531.8	4.5x	15.6x	12.1x	23.8x
MDT	Medtronic	\$80.75	62.7%	\$107,329.1	\$121,836.1	3.9x	13.5x	12.0x	20.9x
SIE	Siemens	\$99.47	55.8%	\$79,808.9	\$118,770.2	1.5x	13.7x	10.6x	33.5x
Mean						3.7x	16.2x	13.2x	27.9x
OVERALL HEALTHCARE SECTOR					Mean	2.1x	17.5x	18.9x	19.3x

Source: Pitchbook

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*has been acquired by*



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PHYSICIANS<sup>SM</sup>  
a subsidiary of  
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Sell Side Advisor

**\$46,500,000**



*A majority interest in  
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*has been acquired by*



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*has sold  
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*has sold assets to*



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*has been acquired by*



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*A majority interest  
has been acquired by*



Sell Side Advisor

**\$87,000,000**



*has been acquired by*



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# NOTES

## SOURCES

PitchBook, Bond Buyer, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, and others as indicated. Public companies included in this report 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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