

Semi-Annual Market Review

HEALTH IT & HEALTH INFORMATION SERVICES

JANUARY 2020

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HEALTH IT EXECUTIVE SUMMARY

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2019's Banner Year in Review

Much like the broader markets, Health IT experienced a banner year in 2019. IPOs, regulatory tailwinds, prolific investor appetite, a rich cross-section of acquirors, and a healthy economy underlie the Health IT investment thesis that seeks to transform the largest and most dysfunctional economy in the US. We view Health IT as a very healthy sector going into 2020, with most of the risk centralized around broader macroeconomic and political considerations rather than specific sector concerns.

	2019 Trend	2020 Indicator
Renewed Health IT IPO Market Activity	After a 2.5-year drought, seven Health IT companies completed successful IPOs in 2019. More detail can be found on Page 18.	At this time in 2019, Change Healthcare was the only company rumored to be contemplating an IPO. Already in the first few days of 2020, we have one IPO filed by One Medical and Accolade is rumored to be exploring conversations with underwriters.
Slight Investment Decline	After 10-years of steady growth, the amount and number of Health IT investments declined in 2019, albeit only by a small amount.	The rate of investment in 2019 did not indicate deceleration so much as a leveling of investment. We view the stabilization of investment as a healthy indicator and see no downtick in the appetite from Health IT investors.
M&A Remains Active and Healthy	M&A activity is increasing at a modest rate when compared to investment over the last five years, but remains vibrant and healthy, perhaps an indicator of where investment is going.	HGP sees indications of an accelerating appetite in Health IT M&A, such that 2020 should be a strong year so long as the political and macro environment hold.
CMS Expands Value-Based Care, Telemedicine, and Data Sharing	CMS continued to evolve its value-based payment models and expanded reimbursement for telemedicine and incentives for data sharing in 2019.	CMS programs should continue into 2020, but the market will be watching the election with close attention on candidates with long-term aspirations to transform healthcare to single-payer.
Cross-Sector Integration of Health IT	As has been the trend, Health IT is increasingly amorphous as it integrates more seamlessly with providers, payers, drug and device companies, and enterprise software. The trend has created a rich cross-section of potential suitors for Health IT M&A transactions.	Besides regulatory incentives, cross-sector integration provided one of the largest boosts to the Health IT market in the last few years. Given the magnitude of healthcare as a share of GDP and the data-driven thesis to manage the quality and cost of care (eg, value), we see this trend continuing for years to come.

KEY PERFORMANCE INDICATORS

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HGP's Target Metrics for Emerging Growth Health IT Software

For emerging growth businesses, the M&A and Private Equity markets provide ample opportunity to achieve liquidity without having to reach the level of scale required to IPO. That said, companies should still prepare for significant financial due diligence and to present key performance indicators to investors. We're often asked about the target financial metrics that a company between \$5mm and \$20mm of revenue should aim to achieve to optimize valuation, which we've outlined in the table below. While we hardly are suggesting that Companies must be in the "Best" category to receive a great valuation during an investment or acquisition transaction, we hope this table will provide directional guidance on targets to aspire towards.

HGP'S TARGET METRICS FOR \$5-20MM REVENUE EMERGING GROWTH HEALTH IT SOFTWARE

	Best 😊	Good 😊	Passable 😐	Avoid 😞
Recurring Revenue	Monthly Subscription Monthly Transaction	Annual Subscription or Prepaid Transactional	1-Year+ Prepaid Subscription	Perpetual License + Maintenance
Revenue Metric	Contracted Annual Recurring Revenue (CARR)	Annual Recurring Revenue (ARR)	Trailing Twelve Month (TTM)	Sum of Parts Revenue Multiples
Revenue Growth	35%+	20-35%	10-20%	<10%
Gross Margin	80%+	70-80%	60-70%	Gross margin <70% for SaaS Lower gross margins for Services
Revenue Retention	95%+	90-95%	Depends on Customer Type	<90%
Customer Concentration	<10%	10-20%	20-30%	A single customer over 30% or a handful of customers over 50%
Profitability	20%+	0-20%	Small Losses	Large Losses
Target Revenue (ARR)	\$8mm+	\$5-8mm	\$3-5mm	\$0-2mm

The key considerations to keep in mind are:

RECURRING REVENUE: High recurring revenue is one of the most basic criteria for driving value. The quality of recurring revenue can't be truly assessed without incorporating some of the other elements in the table, such as revenue retention and customer concentration. However, as a generalization, investors seek and place a higher value on revenue that is diversified and predictable vs lumpy and one-time in nature. Ideally, revenue recognition will mirror cash collections to reduce differences caused by GAAP accounting from policies such as [ASC 606](#).

REVENUE METRIC: All things equal, contracted revenue is of higher value than non-contracted revenue. The higher confidence that one has in the conversion of contracted revenue to recognized revenue, the greater credit will be given for this revenue. In many cases, a buyer will assign full value to contracted (aka, booked) revenue, which means that the same multiple may be applied against recognized and contracted revenue. In cases where contracted revenue involves one large account or implementations that extend over a longer time period, less credit may be given and investors may prefer to subject this revenue to a contingent payout, such as an earnout.

REVENUE GROWTH: There is no stronger corollary to valuation multiples than revenue growth. In each of our biannual investor and corporate surveys, the number one metric that investors seek through acquisition or investment is growth. Like these other criteria, revenue growth may be codependent on other metrics, such as revenue retention. Up until recently, the mindset was “growth at all costs” but investor sentiment recently shifted to “growth at measured costs”. It's worth noting that investors will target a higher growth than strategic buyers because they need the organic growth story while strategic buyers can bring that growth to bear through their strategic value.

GROSS MARGIN: Since most emerging growth companies are not driving significant profitability on the bottom line, gross margin may be the best and only metric to assess scalability and future potential for profitability. For pure SaaS companies, the over/under gross margin tends to be ~80%. In health IT, such a margin may be harder to achieve since many enterprise systems require smaller vendors to pay a “connectivity fee” based on a percentage of revenue to gain access to a provider’s data. For vendors of tech-enabled services, gross margins often land in the 40-60% range.

REVENUE RETENTION: Gross revenue retention only considers starting revenue minus any lost or downsell revenue. In our experience, a reasonable target gross revenue retention rate is 90-95%. When dealing with SMB’s, the acceptable rate of gross retention may be lower (but the valuations may be lower as well). Net retention considers gross retention plus offsetting revenue growth from existing customers. A reasonable target net revenue retention is over 100%. Revenue retention is not just a financial metric – sticky customers are happy customers, and customer churn may indicate a problem that extends far beyond revenue. If there is one metric that is an indicator of the long-term viability of a product, retention is that metric. Unlike other metrics, revenue retention can be more binary in nature – that is, it can make or break a transaction.

CUSTOMER CONCENTRATION: Customer concentration creates risk for investors and acquirors because it exposes a large share of revenue to a single contract – “don’t put all your eggs in one basket” as the saying goes. To the extent that a company has customer concentration, the risk may be mitigated by long-term contracts, and we advise companies with customer concentration to renew or extend contracts leading up to a transaction. Customer concentration can also manifest itself through reseller relationships. Whenever possible, it is best to contract revenue on your paper versus reseller paper.

PROFITABILITY: A challenge that many companies face is how to balance profitability and growth. The higher the growth rate and gross margin, the more forgiveness there is for losses...to a point. More commentary on this topic can be found in our research piece [The Rule of 40 in HIT: Should your Company Prioritize Profitability or Growth.](#)

TARGET REVENUE: We're often asked about revenue thresholds for pursuing an M&A transaction. While we've seen many successful transactions involving targets with less than \$3mm ARR (annual recurring revenue), we typically see ~\$3mm revenue as a reasonable threshold for M&A. At over \$3mm revenue, a company has generally demonstrated its value proposition, scalability, and repeatability to give a buyer comfort that they can acquire and scale the platform within their organization. The de-risking that comes with size translates to a higher valuation, greater interest from buyers, and a justification of the resources required to consummate a transaction. At approximately \$8-10mm ARR, the universe of private equity investors expands to include more growth equity and buyout funds, which give companies greater options to pursue alternatives, and as such, higher valuations.

High quality revenue is generally the #1 metric investors seek when evaluating acquisitions or investments in emerging growth companies. From our table, several metrics converge around quality of revenue, including, based on priority, recurring revenue, revenue growth, revenue retention, customer concentration, and contracted revenue. As companies mature, profitability becomes as important as quality of revenue, and therefore, an eventual path to scalable profitability is critical for companies that intend to grow into mature, larger cap enterprises.

HEALTH IT MARKET TRENDS

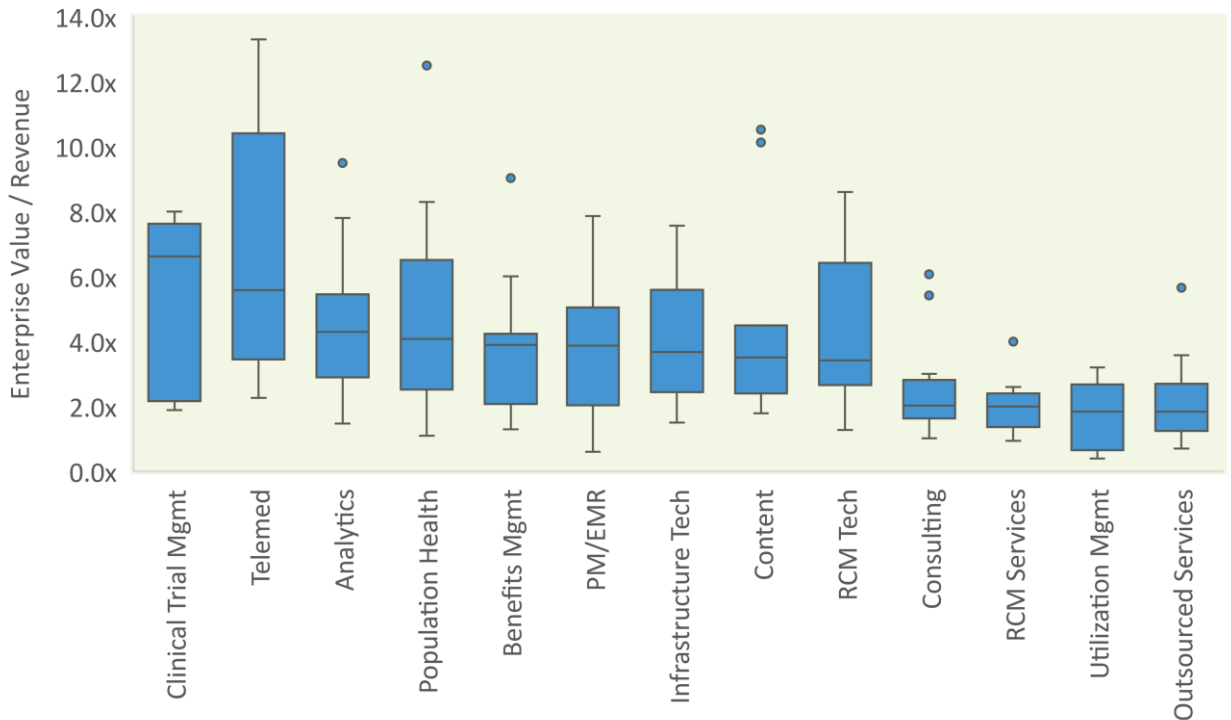
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HGP keeps close tabs on M&A valuations to see how the market evolves over time. While we can only draw data from deals with disclosed multiples, and therefore must be careful to consider bias in any conclusions we draw from this data, we can still get a good sense for how the market values companies within the different subsectors of Health IT. The following table and accompanying box-and-whisker plot show the distributions of revenue multiples in 13 subsectors of Health IT. The sectors were sorted according to median revenue multiple from largest to smallest.

Reported 2015 – 2019	Deals with Disclosed Revenue Multiples	Deals with Disclosed EBITDA Multiples	Revenue Multiple					EBITDA Multiple
			25th %-tile	Median	75 th %-tile	Mean	Std. Deviation	Median
CTMS	6	5	2.2x	6.6x	7.6x	5.5x	3.0x	15.2x
Telemed	9	3	3.5x	5.6x	10.4x	7.1x	4.2x	12.2x
Analytics	17	7	2.9x	4.3x	5.5x	4.7x	2.4x	17.3x
Population Health	38	10	2.5x	4.1x	6.5x	5.6x	5.2x	14.2x
Benefits Mgmt	12	1	2.1x	3.9x	4.2x	3.8x	2.2x	15.0x
PM/EMR	29	15	2.0x	3.9x	5.0x	3.7x	2.0x	14.0x
Infrastructure Tech	20	12	2.4x	3.7x	5.6x	3.9x	1.9x	10.3x
Content	11	3	2.4x	3.5x	4.5x	4.4x	3.1x	8.3x
RCM Tech	18	14	2.7x	3.4x	6.4x	4.2x	2.2x	16.1x
Consulting	16	7	1.6x	2.0x	2.8x	2.5x	1.4x	12.0x
RCM Services	11	9	1.4x	2.0x	2.4x	2.1x	0.8x	9.0x
Utilization Mgmt	6	3	0.7x	1.8x	2.7x	1.8x	1.1x	10.9x
Outsourced Services	18	11	1.2x	1.8x	2.7x	2.1x	1.2x	10.0x

We believe it's important to keep dispersion in mind when assessing valuation data, which is why we include the 25th percentile, 75th percentile, and standard deviation in our summary statistics. While measures of central tendency like the median and mean are certainly indicative of how buyers are valuing assets, the dispersion shows that with higher multiples, we also see higher risk. This becomes especially apparent when we chart the data using a box-and-whisker plot. While clinical trial management, telemedicine, and analytics see the highest median revenue multiples, these sectors also see a large amount of variability and positive skew. For instance, while 25% of the observed population health companies received 6.5x revenue or more in sale transactions during the period, another 25% received less than 2.5x revenue at exit. Companies in these hot spaces cannot forget that they still need to show strong operating metrics in order to recognize premium valuation multiples.

The box-and-whisker plot graphically displays the Median, 25th Percentile, 75th Percentile, Minimum, and Maximum; where points beyond 1.75 times the Inter-Quartile Range are shown as outliers. The Inter-Quartile Range (blue columns) is the 75th Percentile minus the 25th Percentile and serves to describe the variation in the range of outcomes. Note that point estimates such as the mean or median can often be misleading on their own, as they do not convey the level of variability which can be very high such as in the Telemedicine, Population Health, or RCM Technology sectors.



The sectors were sorted according to decreasing median revenue multiple and show a trend of decreasing IQR as median revenue multiple decreases. Thus, while companies that fall within sectors further to the right on the graph can expect a lower revenue multiple in a transaction, the transaction is also much more predictable. A company that falls within a sector on the left, however, cannot have as strong a confidence in their expected outcome. These observations follow a common theme in investment theory: that with greater potential upside, there is also greater risk and volatility.

While the metrics presented here may be used as a guidepost for expected outcomes, the end result often depends on buyer circumstances as much as on seller or market fundamentals, and buyer circumstances tend to be extremely unpredictable. It is not uncommon for the clearing price of a transaction to be significantly higher than the cover bids. This usually occurs when a buyer has unique circumstances that justify a higher price than the rest of the buyer universe. Identifying those buyers and appropriately positioning in relation to them is part of the art of running a successful transaction process.

The following table provides additional context on the valuation trends within each sector as well as a sample of recent transactions within each.

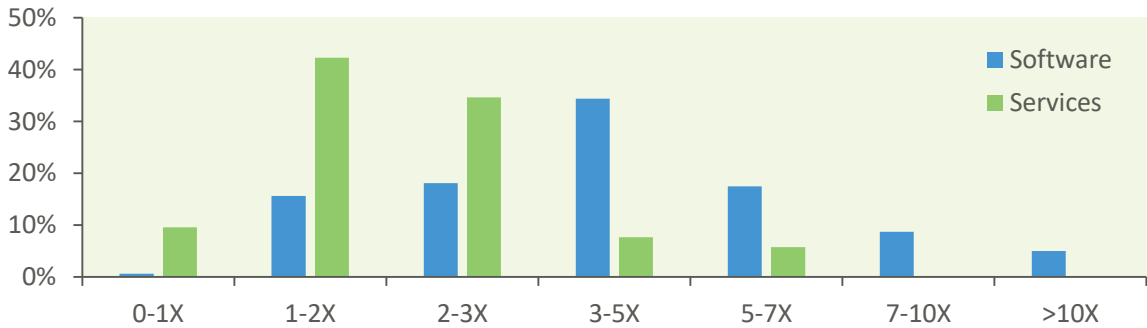
Sector	Description	Representative Deals
Clinical Trial Mgmt (6 deals) Median: 6.6x Std. Dev.: 3.0x	Includes traditional CTMS vendors as well as other vendors that deliver value in the clinical trial process.	Medidata (Dassault Systemes), Bracket Global (Genstar Capital), Phlexglobal (Vitruvian Partners)
Telemed (9 deals) Median: 5.6x Std. Dev.: 4.2x	Contains a mix of pure telemedicine services and connected device transactions.	PillPack (Amazon), Best Doctors (Teladoc), Advance Medical (Teladoc), Healthiest You (Teladoc)
Analytics (17 deals) Median: 4.3x Std. Dev.: 2.4x	Primarily represents a mix of life sciences and provider analytics, and to a lesser extent, payer analytics.	Explorys (IBM), Truven (IBM), Strata (Roper), IMS (Quintiles), MedeAnalytics (Thoma Bravo)
Population Health Mgmt (38 deals) Median: 4.1x Std. Dev.: 5.2x	Comprised of patient engagement, provider connectivity, and care management technologies.	Fitbit (Alphabet), Propeller Health (ResMed), Emmi (Wolters Kluwer), Wellcentive (Philips), Phytel (IBM)
Benefits Management (12 deals) Median: 3.9x Std. Dev.: 2.2x	Includes benefits management and admin software companies serving payers and employers.	Connecture (Francisco Partners), HealthX (JMI), Benaissance (WEX), bswift (Aetna), Matrix (Express Scripts)
PM/EMR (29 deals) Median: 3.9x Std. Dev.: 2.0x	Includes ambulatory, acute, post-acute, alternate site, and departmental EMR/PM systems.	Agfa HIT Division (Dedalus), athenahealth (Veritas), Kinnser (Mediware), Mediware (TPG)
Infrastructure Tech (20 deals) Median: 3.7x Std. Dev.: 1.9x	Compliance and resource management software generally serving provider organizations.	Symplr (Clearlake), Datix (Rothschild), Morrissey (HealthStream), CenTrak (Halma), VendorMate (GHX)
Content (11 deals) Median: 3.5x Std. Dev.: 3.1x	Transactions are a mix of online consumer content and provider-oriented clinical content.	WebMD (Internet Brands), Quantum Health (Great Hill Partners), Everyday Health (j2 Global)
RCM Tech (18 deals) Median: 3.4x Std. Dev.: 2.2x	Includes tech-oriented RCM vendors serving hospitals and physicians, and to a lesser extent, payers.	InstaMed (JPMorgan), Cotiviti (Verscend), ABILITY (Inovalon), Zirmed (Navicare), Brightree (ResMed)
Consulting (16 deals) Median: 2.0x Std. Dev.: 1.4x	Project-based IT consulting and staff augmentation companies generally serving provider organizations.	Kinapse (Syneos), Advisory Board (UnitedHealth), HCI Group (Tech Mahindra), CynergisTek (Auxilio)
RCM Services (11 deals) Median: 2.0x Std. Dev.: 0.8x	Outsourced revenue cycle management services generally serving hospitals and physicians.	MedData (Frazier Healthcare), MedPartners (AMN), Intermedix (R1), Anthelio (Atos)
Utilization Mgmt (6 deals) Median: 1.8x Std. Dev.: 1.1x	Payer-oriented software and services vendors focused on traditional utilization management.	New Century (Evolent), HealthHelp (WNS), Alere (Abbott), HSM & CDMI (Magellan)
Outsourced Services (18 deals) Median: 1.8x Std. Dev.: 1.2x	Includes non-RCM outsourced services primarily serving payers as well as providers.	Sedgwick & MedRisk (Carlyle Group), InVentiv (INC Research), Patriot National (Ebix), HealthPlan Holdings (Wipro)

HEALTH IT M&A (INCLUDING BUYOUT)

4

HGP has observed a number of tangible and intangible company and transaction characteristics that typically define where a deal falls on the valuation distribution. Growth, profitability, and recurring revenue are the most commonly identified factors used to justify valuation multiples. Not all health IT companies capture premium valuations just because they operate in health IT. However, those companies that offer a combination of growth, address an unmet need, and fit into the vision of healthcare reform are seeing valuations significantly higher than historical patterns of activity. Premium value is also created when a seller fulfills the specific needs of a buyer at a specific point in time. Timing and serendipity are external factors that play a large and sometimes unpredictable role in the creation of value.

HEALTH IT REVENUE MULTIPLES DISTRIBUTION



Among the many business and market characteristics that drive superior valuations, the following are core components to healthcare IT businesses that have established themselves as outliers:

1 SaaS Architecture and Delivery

- Single database enabling robust analytics
- Delivery model that creates scale on the cost side, and recurring revenue on the top line

2 Pricing Alignment with ROI

- Pricing methodology that aligns with customer ROI – the vendor wins when the customer wins

3 Scalable Distribution Model

- Efficient distribution model (eg, customer acquisition cost is less than total customer value)

4 Data Rights

- Contract structures that contain explicit rights to data

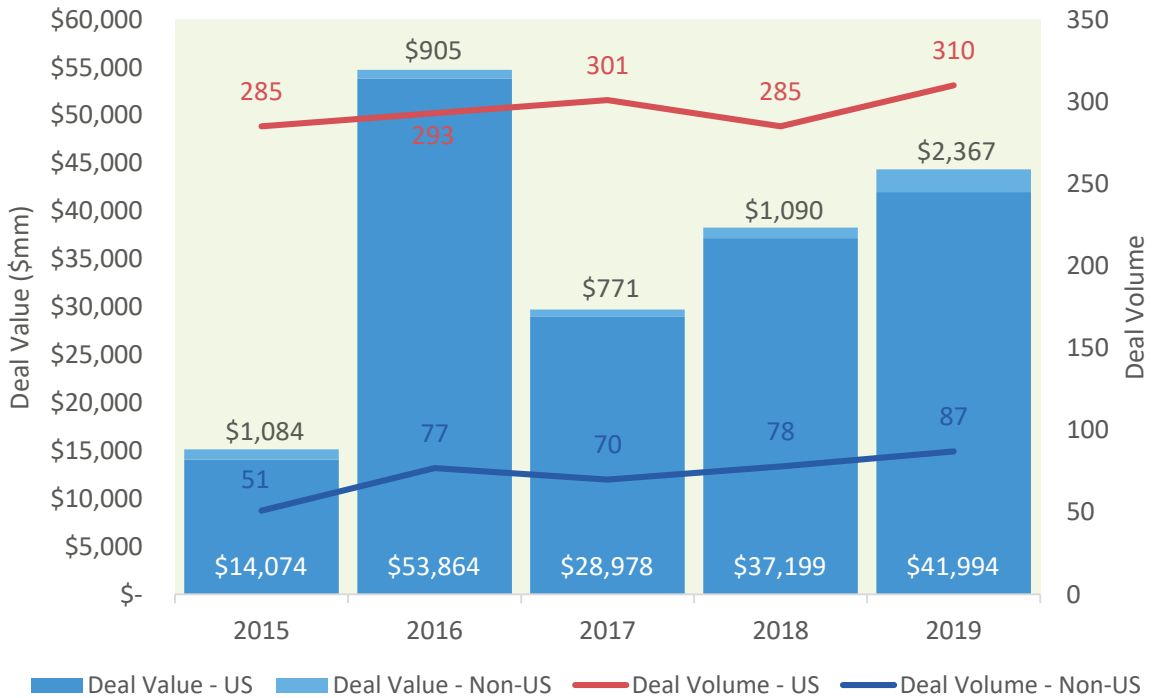
5 Reform-Centric Value Proposition

- Addresses healthcare structural flaws rather than take advantage of them in an effort to deliver sustainable change in a policy-based environment

6 Pricing Alignment with ROI

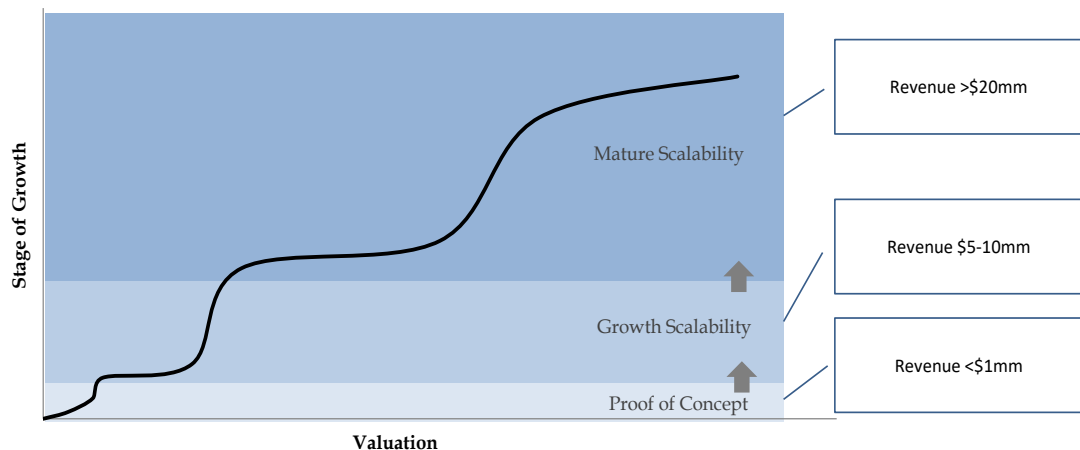
- Market leadership (or opportunity to lead) creates favorable supply/demand characteristics at exit
- Large and growing market opportunity with strong financial characteristics which include recurring revenue and growth, inherent scalability if not profitability, strong management, and size

The following chart summarizes annual M&A activity since 2015, according to the Healthcare Growth Partners database.



2019 saw an acceleration in the pace of M&A activity in the Health IT sector with a total of 397 deals, exceeding the high watermark set in 2017 of 371. Total reported deal value exceeded \$44bn across reported transactions, noting that the majority of M&A deal valuations are not disclosed publicly. Furthermore, total transaction value tends to be much more volatile than deal volume since it only takes one or two very large deals to skew the data and the majority of transactions do not disclose value, thus HGP looks toward transaction volume as a better indicator of deal activity.

Generally, sub \$100 million companies have three valuation inflection points: proof-of-concept, growth scalability, and mature scalability.



Proof-of-concept is value created when a company shows that its product can be successfully sold and deployed in a commercial setting. The proof-of-concept inflection point is generally of more importance to venture investors than it is to acquirers, as companies at this stage tend to be too immature to realize significant value through a sale. Growth scalability occurs when an earlier stage company begins to show profitability or at least scale at high levels of growth, although the organization is still small and lean. Mature scalability takes place after a company has matured to a level where it takes on real infrastructure, and the company begins to show strong profitability after building out a mature corporate organization.

Although the size of a company at each inflection point can vary significantly based on a company's product or services and sector, the general rule of thumb in health IT is that proof of concept occurs at revenue of less than \$1 million, growth scalability occurs in the \$5 to \$10 million revenue range, and mature scalability occurs starting in the \$20 million revenue range.

		HIT Software Companies			HIT Services Companies		
		Revenue Multiple	EBITDA Multiple	Transaction Value	Revenue Multiple	EBITDA Multiple	Transaction Value
All Transactions	# of Transactions	160	70	164	52	31	54
	Median	3.9x	14.2x	\$ 140.00	2.0x	9.6x	\$ 182.50
	Mean	4.6x	15.3x	\$ 534.51	2.2x	10.9x	\$ 736.40
<\$30mm Transactions	# of Transactions	38	9	36	11	7	11
	Median	2.4x	10.0x	\$ 9.50	1.6x	9.0x	\$ 15.90
	Mean	4.1x	11.0x	\$ 11.03	1.6x	8.9x	\$ 14.78
\$30-100mm Transactions	# of Transactions	32	16	32	13	8	13
	Median	3.2x	11.6x	\$ 52.65	2.0x	8.5x	\$ 45.00
	Mean	4.4x	12.4x	\$ 55.71	1.8x	8.1x	\$ 50.01
\$100-500mm Transactions	# of Transactions	57	22	60	18	10	18
	Median	4.3x	14.3x	\$ 195.00	2.0x	11.0x	\$ 287.50
	Mean	4.8x	17.0x	\$ 228.80	2.4x	11.4x	\$ 306.10
\$500mm-\$1B Transactions	# of Transactions	14	8	16	3	-	3
	Median	4.6x	16.1x	\$ 712.50	2.7x	-	\$ 690.00
	Mean	5.0x	16.7x	\$ 688.50	3.2x	-	\$ 680.00
>\$1B Transactions	# of Transactions	19	15	20	7	6	9
	Median	5.0x	17.0x	\$ 2,055.00	2.4x	14.9x	\$ 3,200.00
	Mean	5.4x	17.6x	\$ 3,036.78	2.6x	16.0x	\$ 3,489.21

HIT Software Revenue Multiple Distribution by Target Enterprise Value					
Percentile	<\$30mm	\$30-100mm	\$100-500mm	\$500mm-\$1B	>\$1B
90 th Percentile	6.9x	10.0x	8.0x	7.5x	8.6x
75 th Percentile	4.6x	5.1x	6.2x	6.5x	7.0x
50 th Percentile	2.4x	3.2x	4.3x	4.6x	5.0x
25 th Percentile	1.7x	2.5x	2.8x	3.5x	3.7x

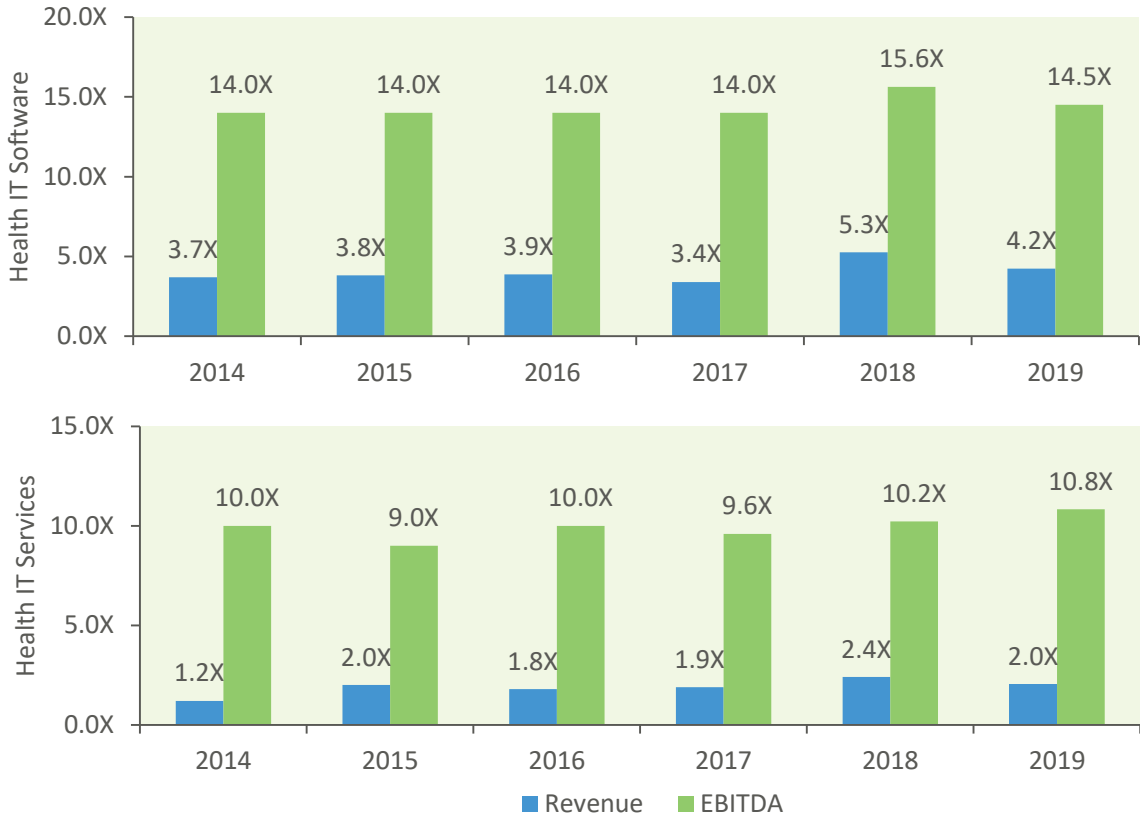
HIT Services Revenue Multiple Distribution by Target Enterprise Value					
Percentile	<\$30mm	\$30-100mm	\$100-500mm	\$500mm-\$1B	>\$1B
90 th Percentile	2.4x	2.9x	5.4x	nm	nm
75 th Percentile	2.1x	2.4x	3.0x	6.1x	3.2x
50 th Percentile	1.6x	2.0x	2.0x	2.7x	2.4x
25 th Percentile	1.2x	1.3x	1.5x	0.7x	2.2x

Continuing the analysis on the prior page, HGP evaluated the distribution of transaction size by target enterprise value. HIT Software valuations experience a nice inflection above \$30mm in value, which steadily climbs until approximately the \$1B valuation mark. HIT Services multiples experience a similar inflection at \$100mm, especially with higher percentile transactions. The inflection points are in part due to a private equity universe that has expanded leverage capacity for larger transactions, which in turn drives up valuation multiples.

In 2019, Healthcare Growth Partners monitored 397 health IT and related services M&A transactions, compared to 363 transactions in 2018. In terms of aggregate deal dollar value, HGP observed \$44.4 billion of total transaction value so far in 2019, a value that easily exceeded the \$38.2 billion of total transaction value reported in 2018. The median revenue multiple in 2019 was 4.2x for HIT Software, falling from the high of 5.3x we saw in 2018, but still above the historical average of ~4x. HIT Services revenue multiples appear to be relatively flat compared to prior years as well, hovering just above 2.0x revenue.

Detailed annual trends can be found in the following bar chart. It should be noted that valuation multiple trends can be very volatile given the limited availability of data. Refer to Appendices A and B for a list of notable M&A and Buyout transactions in 2019.

MEDIAN M&A MULTIPLES 2014-2019



It is important to note that transaction multiples are based on trailing-twelve-month financial information, assume the achievement of all contingent consideration, such as earnouts, and that most EBITDA multiples do not include any adjustments for unusual items. It is also important to note that less than one-third of transactions contain a disclosed multiple, therefore the multiple data represents only a portion of the overall transaction activity.

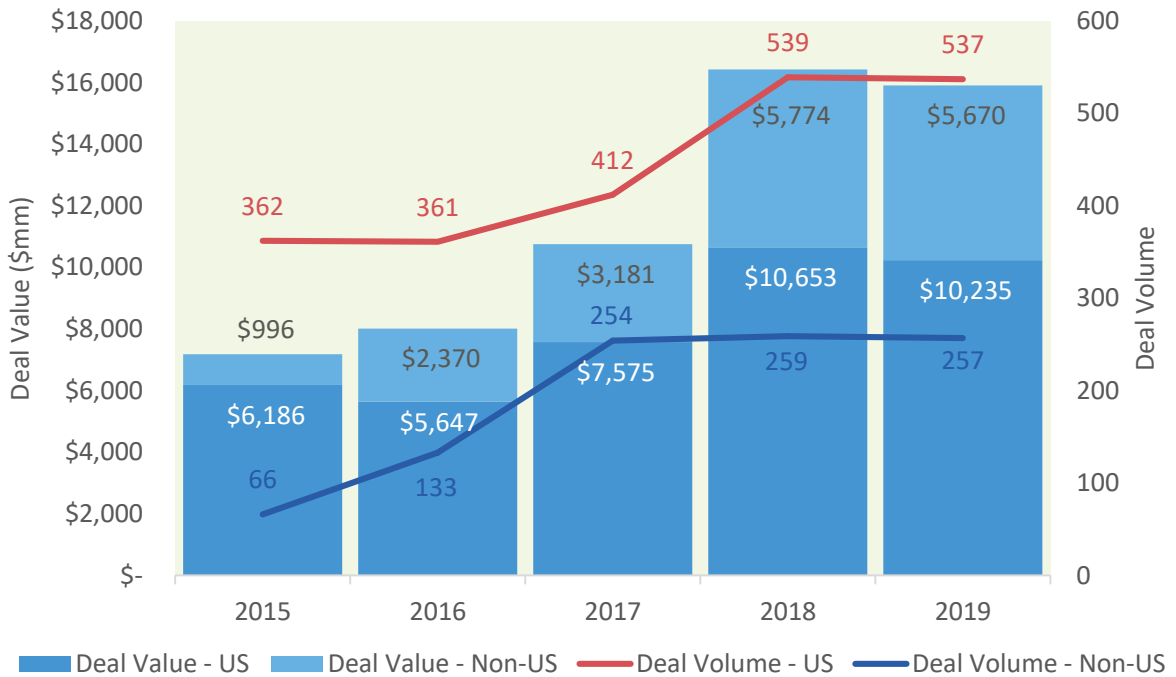
HIT M&A DEALS BY QUARTER



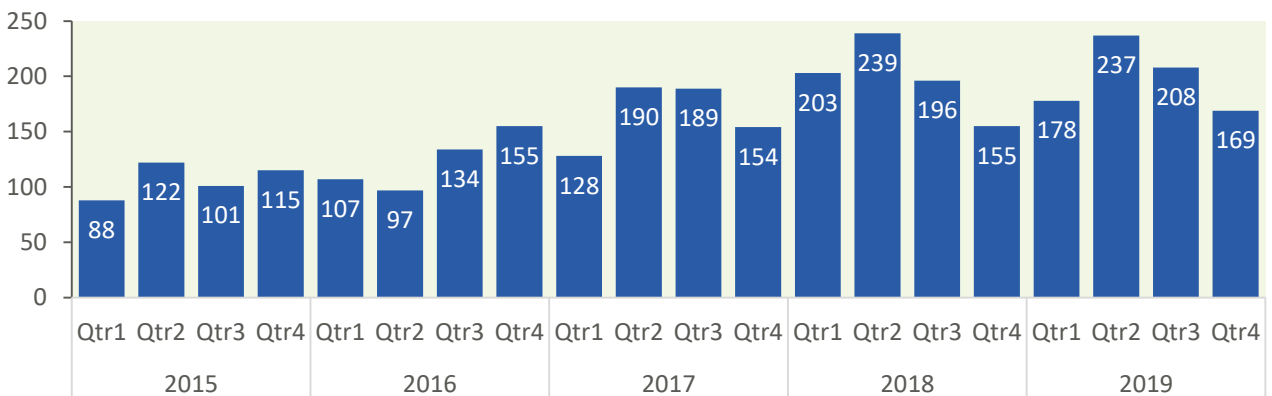
HEALTH IT CAPITAL RAISES (NON-BUYOUT)

The chart below summarizes quarterly private-equity and venture capital activity in Health IT and related services since 2015 according to the Healthcare Growth Partners database. The data below and in this section do not include buyout private equity activity. In 2019, Healthcare Growth Partners monitored 794 capital raise transactions amounting to \$15.9 billion in value, falling just slightly below 2018's \$16.4 billion and 798 transactions.

HIT INVESTMENT ACTIVITY



HIT INVESTMENT DEALS BY QUARTER



Refer to Appendix C for a list of notable non-buyout capital raises in 2019.

HEALTHCARE CAPITAL MARKETS

HGP tracks a basket of stock indices within health IT and closely related sectors. It is important to consider sectors outside of pure “HIT” because the universe of health IT and related services encompasses many companies that share similar characteristics to other healthcare sectors. What classifies a company in the universe of health IT and related services, and ideally creates a valuation premium, is a strong information technology and data component that creates scalability and competitive strength. This is particularly relevant to services organizations that use technology and data analytics to streamline their operations. With this in mind, HGP considered six sectors when evaluating the performance of publicly traded companies – details of the components of these sectors can be found on page 19.

Despite a backdrop of negative headlines and political tensions, 2019 was a strong year for the market, marked by constant record highs. The CRO, Health IT, Healthcare Services, and HIT & Payer Services Indices performed closely to the S&P 500, with CRO and Healthcare Services outperforming the S&P 500. The Payer and PBM Indices experienced a year of volatility due to a series of regulatory moves surrounding drug pricing. However, both indices saw a rebound in 2H 2019, though the PBM Index still ended the year significantly underperforming as compared to the others. The chart and the table on the following page summarize the performance of the HGP Health IT and Services indices in 2019.

HIT & RELATED INDEX PERFORMANCE 2019

Jan 31. – Trump administration pitches an end to certain drug rebates

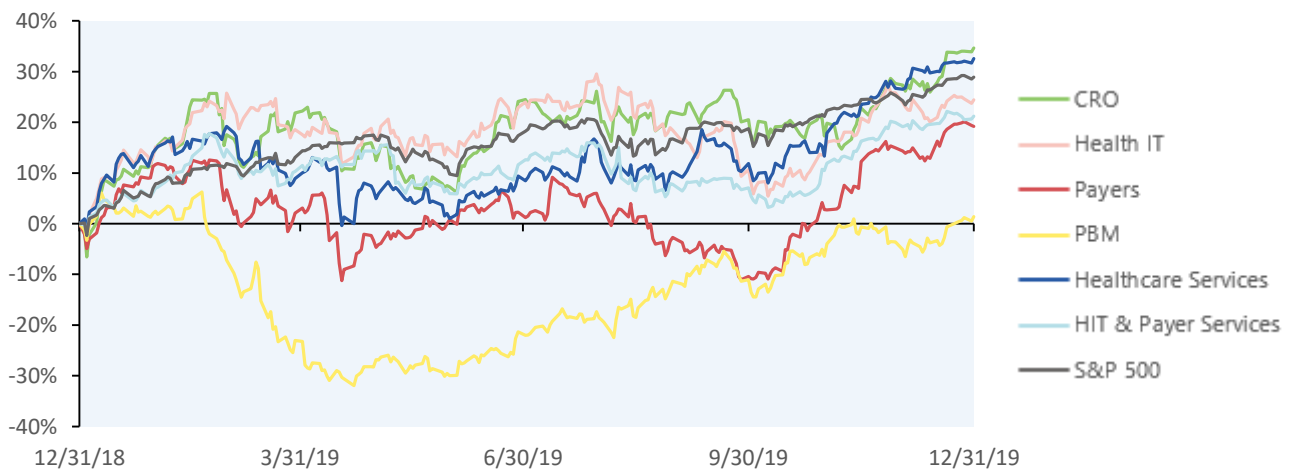
May 15 – White House announces plans to increase healthcare price transparency

Nov. 15 – CMS releases rules to make hospitals and payers post prices

April 7 – CMS expands Medicare Advantage coverage to telehealth

Oct. 9 – HHS Stark overhaul prompts optimism for value-based care models

Dec. 18 – Appeals court strikes down individual mandate in ACA case



2019 Index Performance					
S&P 500	28.9%	HIT	24.4%	Healthcare Services	32.5%
NASDAQ	35.2%	Payers	19.2%	HIT & Payer Services	21.2%
CRO	34.7%	PBM	1.4%		

HIT INDEX PERFORMANCE DETAIL – AS OF DECEMBER 31, 2019

Company	Share Price % Change	EV/2020E Rev	EV/2020E EBITDA	Company	Share Price % Change	EV/2020E Rev	EV/2020E EBITDA
Allscripts Healthcare Solutions	1.8%	1.3X	7.6X	Livongo	-10.5%	7.1X	NMF
Benefitfocus	-52.0%	2.6X	NMF	Model N	165.1%	7.4X	NMF
Care.com	-22.2%	2.0X	20.3X	NantHealth	89.3%	3.2X	NMF
Castlight Health	-38.7%	1.2X	NMF	NextGen Healthcare	6.1%	2.0X	10.9X
Cerner	40.0%	4.0X	12.5X	NRC Health	72.9%	NA	NA
Change Healthcare	26.1%	0.6X	2.1X	Omnicell	33.4%	3.5X	17.5X
Computer Programs & Systems	5.2%	1.8X	9.9X	Peloton	-2.1%	4.7X	NMF
ehealth	150.1%	4.3X	22.2X	Phreesia	48.0%	7.3X	NMF
Evolent Health	-54.6%	1.1X	26.9X	Premier	1.4%	3.4X	7.4X
Fitbit (US)	32.2%	0.9X	NMF	Progyny	111.2%	6.0X	NMF
Health Catalyst	33.5%	5.8X	NMF	Roper Technologies	32.9%	7.4X	20.8X
Health Insurance Innovations	-27.8%	1.0X	4.8X	Simulations Plus	46.1%	12.8X	NA
HealthEquity	24.2%	12.2X	NMF	SmileDirectClub	-62.0%	2.7X	NMF
HealthStream	12.6%	3.0X	17.3X	Streamline Health Solutions	71.6%	2.6X	15.8X
Hms Holdings	5.2%	3.8X	13.1X	Tabula Rasa Healthcare	-23.7%	3.7X	25.8X
Inovalon Holdings	32.7%	5.4X	16.1X	Teladoc	68.9%	8.8X	NMF
Invitae	45.8%	4.4X	NMF	Veeva Systems	57.5%	17.8X	NMF
IQVIA	33.0%	3.5X	15.8X	Vocera Communications	-47.2%	2.9X	24.3X
iRhythm Technologies	-2.0%	6.3X	NMF				

Index Valuation Multiples Sector	Revenue Multiples		EBITDA Multiples	
	2019E	2020E	2019E	2020E
Health IT	4.1x	3.6x	14.3x	15.8x
CRO	3.3x	3.0x	15.8x	14.3x
Payers	0.8x	0.7x	11.6x	10.0x
PBM	0.6x	0.6x	10.3x	12.1x
Healthcare Services	1.7x	1.6x	11.2x	11.1x
HIT & Payer Services	1.6x	1.4x	10.8x	9.9x

Valuation multiples across the healthcare sector remain strong. The HIT and CRO sectors receive the most significant valuation premiums over the rest of the market.

HEALTH IT IPOs

As anticipated at the end of 1H 2019, seven venture-backed health IT companies completed IPOs in 2H 2019, ending an almost three-year drought of health IT IPOs. Following nine IPOs in 2014 (Care.com, IMS, Castlight, Everyday Health, Medical Transcription Billing, Imprivata, HealthEquity, Connecture, Orion), eight IPOs in 2015 (Inovalon, Press Ganey, Teladoc, Evolent, Invitae, Fitbit, Mindbody, Adherium) and five IPOs in 2016 (Tabula Rosa, Oneview, Cotiviti, NantHealth, iRhythm), not a single health IT IPO issued in 2017 or 2018. The table below outlines key metrics for 2019's IPOs:

	CHNG	HCAT	LVGO	PTON	PHR	PGNY	SDC
ISSUE DATE	June 27	July 25	July 25	Sept. 26	July 19	October 25	Sept. 12
OFFERING PRICE	\$13.00	\$26.00	\$28.00	\$29.00	\$18.00	\$13.00	\$23.00
2019 HIGH	\$16.39	\$48.63	\$44.25	\$36.84	\$29.96	\$30.49	\$23.00
1ST DAY PERFORMANCE	15%	51%	36%	-11%	39%	23%	-28%
2019 PERFORMANCE	26%	33%	-10%	-2%	48%	111%	-62%
FY 2020E REVENUE	\$3,304.9mm	\$186.0mm	\$275.8mm	\$1,485.9mm	\$122.3mm	\$398.4mm	\$1,170.5mm
FY2018-2020E CAGR	0.1%	29%	101%	85%	24%	94%	66%
ENTERPRISE VALUE	\$2.07B	\$1.08B	\$1.97B	\$6.97B	\$888mm	\$2.41B	\$3.21B
2020E REV MULTIPLE	0.6x	5.8x	7.1x	4.7x	7.3x	6.0x	2.7x



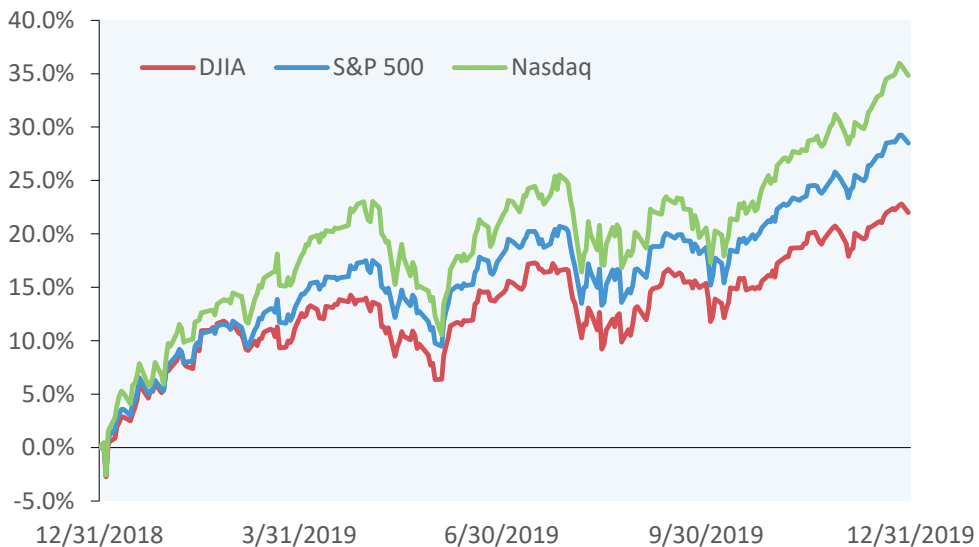
As discussed previously, HGP tracks six indices across the health IT and services sectors. The components of each index are listed below. Each index is based on an equal-weighted portfolio.

Sector Components	
<u>Health IT (HIT) – Constituents</u>	<u>Payers – Constituents</u>
Allscripts Healthcare Solutions – NAS:MDRX	Anthem – NYS:ANTM
Benefitfocus – NAS:BNFT	Centene – NYS:CNC
Care.com – NYS:CRCM	Cigna – NYS:CI
Castlight Health – NYS:CSLT	Humana – NYS:HUM
Cerner – NAS:CERN	Molina Healthcare – NYS:MOH
Change Healthcare – NAS:CHNG	UnitedHealth Group – NYS:UNH
Computer Programs & Systems – NAS:CPSI	WellCare Health Plans – NYS:WCG
ehealth – NAS:EHTH	
Evolent Health – NYS:EVH	<u>HIT & Payer Services – Constituents</u>
Fitbit (US) – NYS:FIT	Accenture – NYS:ACN
Health Catalyst – NAS:HCAT	CACI International – NYS:CACI
Health Insurance Innovations – NAS:HIQ	CBIZ – NYS:CBZ
HealthEquity – NAS:HQY	Conduent – NAS:CNDT
HealthStream – NAS:HSTM	Corvel – NAS:CRVL
Hms Holdings – NAS:HMSY	DXC Technology – NYS:DXC
Inovalon Holdings – NAS:INOV	Huron Consulting Group – NAS:HURN
Invitae – NYS:NVTA	Kforce – NAS:KFRC
IQVIA – NYS:IQV	Magellan Health – NAS:MGLN
iRhythm Technologies – NAS:IRTC	Tivity Health – NAS:TVTY
Livongo – NAS:LVGO	
Model N – NYS:MODN	<u>Healthcare Services – Constituents</u>
NantHealth – NAS:NH	Amedisys – NAS:AMED
NextGen Healthcare – NAS:NXGN	Brookdale Senior Living – NYS:BKD
NRC Health – NAS:NRC	Community Health Systems – NYS:CYH
Omniceil – NAS:OMCL	Encompass Health Corp – NYS:EHC
Oneview Healthcare – ASX:ONE	HCA Management Services – NYS:HCA
Peloton – NAS:PTON	Laboratory Corporation of America Holdings – NYS:LH
Phreesia – NYS:PHR	Mednax – NYS:MD
Premier – NAS:PINC	Quest Diagnostics – NYS:DGX
Progyny – NAS:PGNY	Select Medical Holdings – NYS:SEM
Roper Technologies – NYS:ROP	Tenet Healthcare – NYS:THC
Simulations Plus – NAS:SLP	Universal Health Services – NYS:UHS
SmileDirectClub – NAS:SDC	
Streamline Health Solutions – NAS:STRM	<u>CROs – Constituents</u>
Tabula Rasa Healthcare – NAS:TRHC	Charles River Laboratories International – NYS:CRL
Teladoc – NYS:TDOC	Icon – NAS:ICLR
Veeva Systems – NYS:VEEV	IQVIA – NYS:IQV
Vocera Communications – NYS:VCRA	PRA Health Sciences – NAS:PRAH
	Syneos Health – NAS:SYNH
<u>PBMs – Constituents</u>	
BioScrip – NAS:BIOS	
CVS Health – NYS:CVS	
Rite Aid – NYS:RAD	
Walgreens Boots Alliance – NAS:WBA	

2019 saw the best annual return the market has seen since 2013. Despite 2018's drastic sell-off ending and worries about the U.S.-China trade war, yield curve inversion, and global economic slowdown, positive contributors like lower interest rates, easing of trade tensions, and booming technology helped the markets prosper.

The year ended with the S&P 500 up 28.9%, close to topping 2013's 29.6% return, and tech-heavy NASDAQ up 35%, in contrast to when S&P 500 was just 0.2% from officially hitting a bear market in December 2018. 1H 2019 yielded the best performance in the first six months of the year in more than two decades. In May, the inversion of the yield curve sent some scrambling in fear of an oncoming recession, and throughout the year heated trade war developments and tweets from President Trump caused unpredictable fluctuations in the market. Tensions have been easing, though, as an initial trade agreement has been reached. Much credit for the market's continued success is given to the Fed, who lowered interest rates three times later in the year. In 2018 the Fed had raised interest rates four times; for 2020 it expects to leave them unchanged.

2019 US STOCK MARKET PERFORMANCE



For Q4 2019, 72 S&P companies issued negative EPS guidance and 35 issued positive EPS guidance according to FactSet's Earnings Insight report. Q4 2019 is the 15th quarter in the past 20 quarters where the bottom-up EPS estimate decreased and simultaneously the index value increased. If the estimated earnings decline for the S&P 500 is true, this would be the first time the index reports four straight quarters of YoY declines since Q3-2015 through Q2 2016.

Despite a decline in global M&A volume by 5.6% from 2018, U.S. M&A volume reached a record high for the first nine months of the year at \$1.67 trillion. This is mostly attributed to the increase in US-targeted megadeals (deal value above \$10 billion) to 28 total in 2019, according to the data provider Dealogic. Furthermore, the total volume of \$319.3 billion of mergers of equals for F9M 2019 is a 20-year high, compared to F9M 1998 at \$333 billion.

The U.S. IPO count dropped to 159, down from 192 in 2018, though proceeds remained relatively flat at \$46 billion raised. The top 10 IPOs (based on percent gain from 1st day opening price to December 20) were dominated by relatively unknown biotech startups. In general, biotech was, as in previous years, the most active sector, according to Renaissance Capital's Annual IPO Review. Technology was the second with \$21.9 billion raised, though the count was 42, lower than 52 in 2018.

Notably, the high anticipation and valuation of big-name tech unicorns that went public in 2019 only led to disappointment and general public reevaluation of new tech business models. On average, shares of Uber, Lyft, and Slack ended the year down 40% from opening day prices, reflecting growing public reluctance to accept private overvaluations, in particular for fast-growing, cash-burning high-tech companies. A defining debacle was the failed IPO attempt of office-sharing firm WeWork when it pulled its planned listing in September due to investors' scathing displeasure at sloppy financial disclosures and management concerns.

IPOs to look out for in 2020 include travel-booking platform Airbnb, food delivery service Doordash, and e-commerce platform Wish. Airbnb is at the top of the list with a private market valuation of \$31 billion. While anticipation still buzzes for these upcoming tech IPOs, after what happened in 2019, a more grounded and anti-unicorn sentiment can be expected from onlooking investors.

The transition from 2019 to 2020 has already presented some global and geopolitical headlines to take note of, namely President Trump's impeachment and skyrocketing Middle East Tensions after Trump ordered a strike that killed a powerful Iranian general. Immediately the latter has caused crude prices to spike, and with the presidential election coming this year, fluctuations and other effects on economic markets due to political developments are inevitable.

Notable headlines from 2019 are outlined in the following pages on a quarterly basis. The headlines in 2019 illustrate the significant influence that policy and regulatory intervention has on the incentives that dictate health IT investment and innovation trends, the increasing vertical integration across healthcare, and the expanding presence of non-traditional companies in the health IT market.

Q1 HEADLINES

In bold new proposal, Trump administration pitches an end to certain drug rebates

The Trump administration on Thursday put forth a long-awaited proposal to eliminate certain rebates drug makers pay insurance companies in Medicare, a move it says will ultimately lower prescription drug prices — and one that stands to upend the complicated structure for how drugs are priced in the U.S.

Greenway to Pay \$57.25M for False EHR Certification Allegations

Greenway Health LLC has agreed to pay \$57.25 million to resolve complaints that its “Prime Suite” EHR product caused users to submit false information to the EHR Incentive Programs. The federal government has also accused the company of falsely obtaining 2014 Edition Certified EHR Technology (CEHRT) status. The allegations claimed that Greenway misrepresented the capabilities of its product to customers and provided unlawful remuneration to users for positive recommendations to peers, violating the Anti-Kickback Statute.

CVS unveils HealthHub store design

CVS Health has unveiled three redesigned health-focused concept stores in the Houston market. The pilot stores, called HealthHubs, have space for services to help customers manage such chronic conditions as diabetes, hypertension and asthma. Each store also has an expanded health clinic with a lab for blood testing and health screenings. The stores will have respiratory specialists and dietitians on staff. Beyond those services, there are also wellness rooms equipped to handle yoga classes and seminars. The stores, part of the company's vision in acquiring health insurer Aetna, are designed to help the pharmacy chain become more of a convenient healthcare provider.

HHS unwraps long-awaited new information blocking rule

The rule issued by the Office of the National Coordinator for Health Information Technology involves the patient, not as a person being “acted upon,” said Elise Sweeney Anthony, director of Office of Policy for the ONC, but as someone in control of his or her electronic health records. If a patient requests their record, and it's not given to them electronically and for free, that's information blocking, Sweeney said during HIMSS19. The Centers for Medicare and Medicaid Services would also require that healthcare providers and plans implement open data sharing technologies to support transitions of care as patients move between these plan types. For instance, the records must be able to be transferred between providers when a patient requests that service when changing physicians.

HHS unveils new payment model for ambulance service providers

HHS unveiled a payment model that will reimburse ambulance services for transporting patients to facilities such as urgent care centers or physician's offices instead of emergency departments, as well as enabling them to work with a health care provider to use telemedicine for onsite care. The model, called Emergency Triage, Treat and Transport, or ET3, is designed to reduce unnecessary hospitalizations and is expected to run for five years starting next year.

Q2 HEADLINES

CMS expands Medicare Advantage coverage of telehealth services

As part of efforts by CMS to increase technological innovation and boost competition among Medicare Advantage plans, the agency is moving to expand the range of beneficiaries eligible for telemedicine benefits. The new rule, which will go into effect in the 2020 plan year, will allow Medicare Advantage to offer telehealth services as part of their basic benefits package, providing patients more options to receive healthcare services from locations like their home.

CMS to launch new direct-contracting pay models in 2020

HHS Secretary Alex Azar announced a new initiative to transition primary care practices from fee-for-service payments to a voluntary, value-based model. The CMS Primary Cares Initiative, which will be piloted next year, will offer providers five payment models under two paths that focus on chronically and seriously ill beneficiaries.

HHS to cap HIPAA fines based on 'culpability'

HHS updated the maximum it will penalize providers, health plans and their business associates in the wake of HIPAA violations, in some cases dropping the upper limit by more than \$1 million. The new system sets annual limits for these fines based on the organization's "level of culpability" associated with the HIPAA violation, according to the department's notice of enforcement discretion. That means organizations that have taken measures to meet HIPAA's requirements will face a much smaller maximum penalty than those who are found neglectful.

HHS White House Wants Patients to Know Health-Care Prices Up Front

The Trump administration has been working behind the scenes for months on a strategy to force greater price disclosure across much of the \$3.5 trillion health-care industry. The Administration wants to require up-front disclosure of prices patients will pay for treatment as well as rates insurers negotiate with providers.

House Hearing Outlines Competing Solutions to Surprise Medical Bills

Legislation to address surprise medical bills must center on the patient, protecting patients from having to take part in mitigating extraordinarily high medical bills. Such was the conclusion of a House Ways and Means Committee hearing on the matter, although little other consensus was reached.

Q3 HEADLINES

Tenet announces plan for tax-free spinoff of revenue cycle business Conifer

Tenet Healthcare Corp. will spin off its \$1.5 billion revenue cycle subsidiary Conifer Health Solutions as a separate, publicly-traded company, it announced July 24. At the same time, it was announced Conifer's CEO Stephen M. Mooney stepped down from his position and Kyle Burnett, who has been Conifer's chief operating officer, was appointed interim CEO. Tenet is conducting a national search for a permanent CEO of Conifer. The announcement is the culmination of a years-long process for the Dallas-based health system giant to divest itself from Conifer.

HHS and FDA release drug importation plan to lower prices

HHS and the Food and Drug Administration released a plan on July 31 to lay the foundation for safe importation of certain drugs intended for foreign markets. HHS Secretary Alex Azar said that the plan represents a shift in agency thinking regarding importation from foreign countries. HHS has long been resistant to importation due to concerns about drug safety, however President Trump has been pushing for importation.

Mercy's Tech Arm Launches a Nationwide Real-World Evidence Network to Pool Clinical Data for Advanced Analysis

Mercy Technology Services (MTS), the information backbone of St. Louis-based Mercy health system, has launched a nationwide data orchestration and insights network designed to make better use of clinical data and leading-edge analytics for cultivating a new model of patient care. Developed in partnership with global tech giant SAP, MTS' new network aims to tap into the vast amounts of clinical data generated by health systems every year. By creating a consortium of providers, MTS will facilitate the pooling of data between health systems for the purpose of conducting more advanced analytics. Partnering with hospitals around the country, MTS will build on its current repository of de-identified patient data from electronic health records (EHRs) and other sources, establishing what has the potential to be the world's largest database of Real-World Evidence (RWE).

Mayo Clinic, Google Partner On Digital Health Analytics

The Mayo Clinic and Google are partnering to accelerate the delivery of healthcare "through digital technologies." Mayo said its selection of "Google Cloud" is designed to be "the cornerstone of its digital transformation" as part of a 10-year partnership with Google, a unit of Alphabet. Financial terms of the deal announced Tuesday weren't disclosed but Google will be making a sizable investment in the relationship by opening a new office in Rochester, where Mayo is based, so its engineers can work closely with Mayo researchers, doctors and data scientists. "Health care is one of the most important fields that technology will help transform over the next decade, and it's a major area of investment for Google," Google CEO Sundar Pichai said in a statement. "By pairing the Mayo Clinic's world-class clinical expertise with our capabilities in AI and cloud computing, we have an extraordinary opportunity to develop services that will significantly improve lives."

Federal Law Enforcement Action Involving Fraudulent Genetic Testing Results in Charges Against 35 Individuals Responsible for Over \$2.1 Billion in Losses in One of the Largest Health Care Fraud Schemes Ever Charged

The defendants are being charged for alleged participation in one of the largest health care fraud schemes ever charged. According to the charges, these defendants fraudulently billed Medicare more than \$2.1 billion for these cancer genetic tests. Among those charged are ten medical professionals, including nine doctors.

Q4 HEADLINES

HHS' massive Stark overhaul prompts optimism for value-based care models

Many of the top health system and provider groups lauded the Department of Health and Human Services' (HHS') proposed regulations aimed at updating the decades-old Stark Law saying they believe it is the start to removing major regulatory headaches stymying the shift to value-based care models. The Centers for Medicare & Medicaid Services (CMS) and HHS' Office of Inspector General proposed rules October 9 introducing new safe harbors to the anti-kickback statute and reforms to the 1989 Stark Law that bans physician self-referrals. The proposed rules would create new exceptions to Stark and safe harbors to shield value-based care arrangements between doctors and healthcare facilities.

Centra (VA) resumes billing and collections after a three-month hiatus caused by glitchy Cerner software

Hospital officials say the glitches led to rejected claims, delayed billing, incorrect bills, and prematurely sending patients to collections for lack of payment. According to the article, health care systems in Missouri, Kansas, North Dakota, Canada, New York, Wisconsin and Virginia all have reported billing problems following the implementation of Cerner in recent years, with some providers taking legal action to recoup losses. In Centra's financial disclosure statement for the six months ending in June, right before billing was temporarily halted, Centra reported Cerner, "slowed the billing cycle," and "drove an increase in days in accounts receivable and reduced cash reserves."

Fitbit, Inc. (NYSE: FIT) announced that it has entered into a definitive agreement to be acquired by Google LLC

The company will be acquired for \$7.35 per share in cash, valuing the company at a fully diluted equity value of approximately \$2.1 billion. "With Google's resources and global platform, Fitbit will be able to accelerate innovation in the wearables category, scale faster, and make health even more accessible to everyone. I could not be more excited for what lies ahead," said James Park, co-founder and CEO of Fitbit.

CMS releases proposed and final rules to make hospitals and insurers post prices, cost-sharing information

The Trump administration released a final rule to require hospitals to publish payer-negotiated prices and a proposal to mandate insurers post online real-time cost-sharing information. Under the rule, hospitals will have to post in a searchable and convenient format the payer-negotiated rates for 300 shoppable services. The hospitals also have to post a single data file with negotiated rates for all services that can be used by consumers, researchers and app providers.

Appeals court strikes down individual mandate in ACA case, but punts on severability

In a blow to the ACA, federal appeals judges have ruled 2-1 that the landmark healthcare law's individual mandate is unconstitutional but punted on the question of whether that mandate can be excised from the remainder of the law. The Fifth Circuit Court of Appeals issued its long-awaited ruling December 18 and chose to remand the question of "severability" which is central to the case back to the District Court for further consideration. "The individual mandate is unconstitutional because it can no longer be read as a tax, and there is no other constitutional provision that justifies this exercise of congressional power," the judges wrote in their opinion.

ABOUT HEALTHCARE GROWTH PARTNERS

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Healthcare Growth Partners (HGP) is an exceptionally experienced Investment Banking & Strategic Advisory firm exclusively focused on the transformational Health IT market. We unlock value for our clients through our Sell-Side Advisory, Buy-Side Advisory, Capital Advisory, and Pre-Transaction Growth Strategy services, functioning as the exclusive investment banking advisor to over 100 health IT transactions representing over \$2 billion in value since 2007.

Our passion for healthcare inspires us to not only create value for our clients, but to also generate broad, overarching improvements to the functionality and sustainability of health. With our focus, we deliver knowledgeable, honest and customized guidance to select clients looking to execute high value health IT, health information services, and digital health transactions.

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Sources of Information:

CMS, CNBC, company press releases, company SEC filings, Dealogic, Ernst and Young, FactSet, FierceHealthcare, Health Data Management, Healthcare Growth Partners database, HealthLeaders Media, HlStalk, Mercom Capital Group, Modern Healthcare, The New York Times, Mergermarket, NVCA, Pitchbook, Rock Health, StartUp Health, and The Wall Street Journal.

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HGP TRANSACTION EXPERIENCE

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 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE	 has acquired  BUY-SIDE	the publicly traded  received funding from  CAPITAL RAISE	 received funding from  GROWTH STRATEGY	 has been acquired by  SELL-SIDE
 has been acquired by  SELL-SIDE	 has acquired Record Retrieval Service BUY-SIDE	 has been acquired by  SELL-SIDE	PROGRESSIVE  has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE
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 received funding from Strategic Investor CAPITAL RAISE	 has invested in  CAPITAL RAISE	 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE	 has been recapitalized by  CAPITAL RAISE	HSM Inc. has been acquired by  SELL-SIDE
 has been acquired by  SELL-SIDE	 received funding from  CAPITAL RAISE	 received funding from  CAPITAL RAISE	 has acquired  BUY-SIDE	 has acquired  BUY-SIDE	 has been acquired by  SELL-SIDE
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 has acquired  BUY-SIDE	 has acquired  BUY-SIDE	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE	 has acquired  BUY-SIDE

<p>IntraNexus</p> <p>has been acquired by</p> <p>QSI</p> <p>SELL-SIDE</p>	<p>myhealthdirect</p> <p>received funding from</p> <p>ARBORETUM VENTURES</p> <p>CAPITAL RAISE</p>	<p>CARDON Healthcare Network, Inc.</p> <p>received funding from</p> <p>Serent CAPITAL</p> <p>CAPITAL RAISE</p>	<p>SXC Health Systems, Inc.</p> <p>has acquired</p> <p>AssuranceRX, LLC</p> <p>BUY-SIDE</p>	<p>SXC Health Systems, Inc.</p> <p>has acquired</p> <p>MedfusionRx Specialty Pharmacy Services</p> <p>BUY-SIDE</p>	<p>MED SOLUTIONS HEALTHCARE SOFTWARE GROUP, INC.</p> <p>received funding from</p> <p>TA ASSOCIATES</p> <p>CAPITAL RAISE</p>
<p>fletcherflora Health Care Systems, Inc.</p> <p>has been acquired by</p> <p>MERGE Healthcare</p> <p>SELL-SIDE</p>	<p>Satori Labs</p> <p>has been acquired by</p> <p>QSI</p> <p>SELL-SIDE</p>	<p>INNOVATION MEDICAL</p> <p>received funding from</p> <p>openview</p> <p>CAPITAL RAISE</p>	<p>MERGE Healthcare</p> <p>has acquired</p> <p>OLIVIA Greetz</p> <p>BUY-SIDE</p>	<p>MERGE Healthcare</p> <p>has acquired</p> <p>stryker</p> <p>BUY-SIDE</p>	<p>DOCUSYS</p> <p>has been acquired by</p> <p>MERGE Healthcare</p> <p>SELL-SIDE</p>
<p>eWebHealth A Division of Hyland</p> <p>has been acquired by</p> <p>Hyland</p> <p>SELL-SIDE</p>	<p>OPUS</p> <p>has been acquired by</p> <p>QSI</p> <p>SELL-SIDE</p>	<p>MEDHOST</p> <p>has been acquired by</p> <p>HEALTHTECH MEDICAL SYSTEMS, INC.</p> <p>SELL-SIDE</p>	<p>myhealthdirect</p> <p>received funding from</p> <p>Chrysalis VENTURES</p> <p>CAPITAL RAISE</p>	<p>TeleTracking</p> <p>has acquired</p> <p>AIONEX</p> <p>BUY-SIDE</p>	<p>ANS</p> <p>has been acquired by</p> <p>inMediata</p> <p>SELL-SIDE</p>
<p>HIKOE</p> <p>has been acquired by</p> <p>VARIAN medical systems</p> <p>SELL-SIDE</p>	<p>SXC Health Systems, Inc.</p> <p>has acquired</p> <p>JASCORP</p> <p>BUY-SIDE</p>	<p>TeleTracking</p> <p>has acquired</p> <p>Hill-Rom</p> <p>BUY-SIDE</p>	<p>eko systems</p> <p>has been acquired by</p> <p>MERGE Healthcare</p> <p>SELL-SIDE</p>	<p>SXC Health Systems, Inc.</p> <p>has acquired</p> <p>ZinChros</p> <p>BUY-SIDE</p>	<p>Gesellschaft für PATIENTEN-HILFE</p> <p>has been acquired by</p> <p>inverness medical</p> <p>SELL-SIDE</p>
<p>Health Directions</p> <p>has been acquired by</p> <p>Undisclosed</p> <p>SELL-SIDE</p>	<p>prompte PROVIDER OF PERFORMANCE IMPROVEMENT TECHNOLOGY</p> <p>has been acquired by</p> <p>DOCUSYS</p> <p>SELL-SIDE</p>	<p>VIVALOG TECHNOLOGIES</p> <p>has been acquired by</p> <p>MCKESSON</p> <p>SELL-SIDE</p>	<p>OPT/O HEALTHCARE</p> <p>has been acquired by</p> <p>Bottomline Technologies</p> <p>SELL-SIDE</p>	<p>SXC Health Systems, Inc.</p> <p>has acquired</p> <p>NMHC</p> <p>BUY-SIDE</p>	<p>HILGRAEVE</p> <p>has been acquired by</p> <p>covisint</p> <p>SELL-SIDE</p>
<p>AcerMed</p> <p>has been acquired by</p> <p>OIS</p> <p>SELL-SIDE</p>	<p>NetRegulus</p> <p>has been acquired by</p> <p>ptc</p> <p>SELL-SIDE</p>	<p>EVOLVED</p> <p>has been acquired by</p> <p>SHIMADZU</p> <p>SELL-SIDE</p>	<p>VantageMed</p> <p>has been acquired by</p> <p>Nightingale</p> <p>SELL-SIDE</p>	<p>mezzia</p> <p>has been acquired by</p> <p>VFA an accruent company</p> <p>SELL-SIDE</p>	

APPENDIX A

Strategic M&A Highlights

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	AMN Healthcare Services	Silversheet	Provider of a healthcare credentialing platform intended to help healthcare facilities and medical professionals connect and work together more efficiently.	na
Q1	Medsphere Systems	HealthLine Solutions	Provider of Healthcare inventory and supply chain management services.	na
Q1	Healthgrades	Influence Health	A comprehensive consumer-centric patient engagement and healthcare collaboration portal.	na
Q1	Cisive	PreCheck	Provider of background investigation services including healthcare background screening, credentialing and program integrity.	na
Q1	Everyday Health	Castle Connolly Top Doctors	Provider of a medical platform designed to help patients find information regarding physicians, hospitals, and medical care centers.	na
Q1	WEX	Discovery Benefits	Provider of employee benefits administration services. The company's products include health savings accounts, flexible spending accounts, health reimbursement arrangements, commuter benefits, and other tax advantage accounts.	\$425
Q1	NexTech Systems	SRS Health	Provider of electronic health record technology and services to the healthcare industry.	na
Q1	BioTelemetry	Geneva Health Solutions	Developer of remote monitoring platform designed to facilitate remote cardiac patient care and monitoring.	\$65
Q1	Connect America	Tunstall Americas	Provider of remote health monitoring and response solutions. The company's integrated care platform offers a suite of remote patient monitoring software.	na
Q1	eMDs	Aprima Medical Software	Provider of electronic health record, practice management, and revenue cycle management solutions for medical practices.	na
Q1	Livongo Health	myStrength	Provider of mobile and web-based behavioral health solutions for prevalent health conditions that include depression, anxiety, stress, substance use disorder, chronic pain, and sleep disorders.	\$10
Q1	PerfectServe	Lightning Bolt Solutions	Developer of an artificial intelligence optimized physician shift scheduling technology.	na
Q1	N. Harris Computer Corporation	Collain Healthcare	Provider of electronic health record, virtual care, and interoperability solutions for the long-term and post-acute care industry.	na
Q1	symplr	API Healthcare Corporation	Developer of a labor resource management software intended for healthcare organizations.	\$300
Q1	WellSky	Health Care Software	Provider of clinical and financial software for long-term care settings.	na
Q1	Medsphere Systems Corporation	Wellsoft	Developer and provider of information management software for the Emergency Department.	na
Q1	Tabula Rasa Healthcare	PrescribeWellness	Developer of a cloud-based patient relationship management software designed to collect data for pharmacies.	\$150
Q1	AbleTo	Joyable	Developer of a digital mental therapy platform intended to treat anxiety and depression.	na
Q1	Hill-Rom	Voalte	Developer of hospital point-of-care communications software technology designed to answer any type of healthcare communication challenges.	\$195

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	Signify Health	TAVHealth	Developer of a collaboration platform that provides a unique privacy architecture, enabling community and healthcare partners to collaborate, coordinate services, keep track of patients and create longitudinal social records together.	na
Q1	Philips	Direct Radiology	Teleradiology practice comprising more than 70 radiologists and 60 support staff working in close partnership with 300+ facilities across the country.	na
Q2	Practice Velocity	DocuTAP	Developer of healthcare software which fully integrates practice management and EMR functionality and offers valuable interface and health information exchange capabilities in order to connect patient data with other software systems.	na
Q2	EverCommerce	CollaborateMD	Provider of a practice management and medical billing software intended to digitize medical practices, process medical claims, manage health data, speed up and secure the payment cycle.	na
Q2	HealthEquity	WageWorks	Operates as an on-demand provider of tax-advantaged programs for consumer-directed health, commuter, and other employee spending account benefits.	\$2,010
Q2	CPSI	Get Real Health	Provider of patient engagement and care management solutions to healthcare organizations worldwide.	\$11
Q2	Cardinal Health	mscripts	Provider of a mobile pharmacy and digital patient engagement platform designed to offer innovative, easy-to-use mobile and web health management services.	na
Q2	Netsmart Technologies	McBee Associates	Operator of a health care-focused consulting firm. The company is focused on providing outsourced nurse chart review, billing, cash collection, revenue cycle turnaround, data mining and analysis, and other ancillary outsourced services to acute and post-acute providers.	na
Q2	N. Harris Computer Corporation	Uniphy Health	Offers clinical communications and collaboration, physician engagement, patient engagement, high risk patient management, and health assessment solutions.	na
Q2	Datix	iContracts	Provides contract management solutions for pharmaceutical and life sciences industries.	\$210
Q2	Remedy Health Media	Vertical Health	Publisher serving patients and healthcare professionals in the diabetes, mental health, back pain, and pain management areas.	na
Q2	JPMorgan Chase	InstaMed	Provider of a payments network designed to connect providers, payers and consumers on one platform.	\$600
Q2	Apple	Tueo Health	Developer of a system to helps parents monitor asthma symptoms in sleeping children.	na
Q2	Best Buy	Critical Signal Technologies	Provider of personal emergency response systems to healthcare industry.	na
Q2	Beckman Coulter	Cytobank	Provider of a storage and analysis platform designed to accelerate research productivity. The company's platform manages, analyzes, and enables the sharing of high dimensional single cell biological data.	na
Q2	Waystar	PARO	Provider of a financial assistance predictive analytics solution.	na
Q2	Health Insurance Innovations	TogetherHealth	Operator of a prescription assistance company for individuals who need help affording their medications. The company's direct-to-consumer platform connects individuals with U.S. insurance carriers using consumer acquisition and engagement to primarily serve the over 65 age group insurance market.	\$50
Q2	Dassault Systemes SA	Medidata Solutions	Provider of cloud-based solutions for the clinical development programs of life sciences companies.	\$5,800
Q2	Allscripts Healthcare Solutions	ZappRx	Developer of a prescription management system that allows healthcare providers, patients, and pharmacists to interact and communicate.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q2	eSolutions	Practice Insight	Provider of SaaS claims management tools to healthcare providers.	na
Q2	McKesson	Metabolic Healthcare (dba Echo)	Provider of a medical platform intended to make medication management easier. The company's platform offers an application to add, order, take and reorder medications.	na
Q2	UnitedHealth Group	Equian (Aeneas Buyer Corp.)	Provider of healthcare reimbursement analysis and payment integrity solutions for healthcare, workers' compensation, and property and casualty industries in the United States and internationally.	\$3,200
Q2	UnitedHealth Group	PatientsLikeMe	Provider of a clinical research platform designed to provide real-time insight into thousands of diseases and conditions. The company's platform is a health information sharing website for patients to share both personal stories and health data about the conditions.	na
Q2	Net Health Systems	Optima Healthcare Solutions	Developer of therapy management software intended for post-acute care providers.	na
Q3	Walmart	FloCare	Developer of home clinician assistant app.	na
Q3	Zelis Healthcare Corp	RedCard Systems	Provider of claims communications, payments and enrollment services.	\$6,000
Q3	Best Buy	BioSensics (predictive tech business)	Developer of predictive healthcare technology. The company provides wearable sensor technology that can help detect falls and other issues facing seniors.	\$21
Q3	Experian	MyHealthDirect	Developer of a digital care coordination platform to optimize scheduling for providers, payers, and consumers.	na
Q3	Signify Health	Remedy Partners	Delivers software and services that enable payers, employers and at-risk providers to organize and finance health care delivery around a patient's episode of care.	na
Q3	Press Ganey Associates	NextPlane Solutions	Developer of SaaS-based health care measurement applications and learning systems to improve patient safety, workplace safety, the experience of care and clinical quality.	na
Q3	TrialCard	Mango Health	Developer of consumer-focused mobile health apps. It offers a patient engagement platform that provides medication information, refill time, and peer comparison to users.	na
Q3	HMS Holdings Corp.	VitreosHealth	Provider of insights-as-a-Service (IaaS) using on-demand predictive population analytics for population health management.	\$36.5
Q3	Veeva Systems	Crossix	Provider of cloud-based platform, that allows real-time measurement and optimization of complex, cross-channel media campaigns aimed at patients and healthcare professionals.	\$550
Q3	WebMD Health Corp.	Aptus Health	Provider of online clinical content targeted at physicians and patients. The company offers the life science industry multi-channel marketing content that can be used to supplement currently promoted products, as well as non-promoted and orphaned products.	na
Q3	Siemens Healthineers	ECG Management Consultants	Provider of healthcare management consulting services. The company provides strategic, financial, operational, technical and political issues related consulting services to healthcare providers.	\$300
Q4	Ally Financial	Health Credit Services	Provider of health credit services. The company focuses on offering end to end and point of sale financing services.	\$190
Q4	Express Scripts	Verity Solutions	Provider of 340B software and services intended to help healthcare organizations in saving costs.	na
Q4	NextGen Healthcare	Topaz Information Solutions	Offers EHR solution for behavioral health and social services organizations.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	N. Harris Computer Corporation	Connecture	Provider of a Web-based sales, service and process automation platform designed to streamline health insurance distribution.	na
Q4	RLDatix	Quantros - Patient Safety Business	Provider of safety, quality and compliance software services to the healthcare industry.	na
Q4	WellSky	ClearCare	Provider of a SaaS all-in-one home care platform designed to help private duty home care agencies manage their entire business. The company's software includes scheduling, billing, payroll, senior-to-caregiver matching, CRM, HR, reporting and point-of-care management.	na
Q4	Cerner	AbleVets	Strategic IT consulting and engineering firm.	na
Q4	Ettain Group	Leidos EHR Consulting	Provider of EHR Implementation, Optimization and Go-Live services.	na
Q4	Amazon	Health Navigator	Provides online symptom checking and triage tools to companies that are looking to route patients to the right place	na
Q4	Alphabet	Fitbit	Provides wearable health and fitness tracking devices.	\$2,100
Q4	MEDecision	GSI Health	Developer of a health management platform designed to provide a personalized healthcare experience for patients.	na
Q4	Premier	MedPricer	Provider of a medical management platform intended to reduce operating margin through superior visibility, savings and control over unmanaged spending.	na
Q4	UnitedHealth Group	Vivify Health	Developer of a digital health platform that provides automatic remote biometric data collection and delivers prescriptive care plans and patient interaction, enabling patients to have access to remote care in support of lowering acute care and costs.	na
Q4	Invitae Corporation	Clear Genetics	Develops a conversational chatbot to guide a user through their genetics test results, collect information and review options for genetic testing.	\$50
Q4	Fortive	Censis Technologies	SaaS-based surgical instrument tracking and workflow solutions for sterile processing departments of hospitals and ambulatory surgical centers	na
Q4	NextGen Healthcare	Medfusion	Provider of patient experience platform designed to facilitate the relationship between physicians and patients. The platform focuses on the optimal patient experience for paying a bill, requesting a prescription renewal, or asking a question.	\$43
Q4	Health Prime International	Kareo (RCM Services)	Provider of revenue cycle management services.	na
Q4	Biofourmis	Biovotion	Developer of wearable sensing technology, that allows for medical-quality Vital Sign Monitoring (VSM) in daily life.	na
Q4	HMS Holdings Corp.	Accent (Cost Containment)	Provides cost-containment solutions that improve claims payment accuracy and seek mispayment recovery.	\$155
Q4	Dedalus	Agfa (Healthcare IT Business)	Developer of imaging IT solutions and information system technologies for the healthcare industry.	\$1,080
Q4	Waystar	Recondo Technology	Market leader in cloud-based single-platform revenue cycle management solutions.	na
Q4	Optum	Diplomat Pharmacy	Provider of specialty pharmacy and infusion services, including pharmacy solutions for chronic diseases. The company has two main segments: specialty pharmacy and pharmacy benefit management.	\$300
Q4	NextGen Healthcare	OTTO Health	Developer of a telehealth platform designed to deliver virtual communication experience between patients and healthcare providers.	na
Q4	IAC/InterActive Corp	Care.com	Operates an online marketplace for finding and managing family care.	\$500

APPENDIX B

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Financial Sponsor Buyout Highlights

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	Health Enterprise Partners, Health Velocity Capital, JMI Equity	Jvion	Developer of a software designed to predict and prevent patient-level disease and financial losses. The company's software application uses Eigen Sphere engine to deliver a comprehensive patient view amplified beyond the risk of an event to the clinical actions that will improve outcomes and drive engagement.	na
Q1	Spectrum Equity, Health Enterprise Partners	Payer Compass	Provider of healthcare reimbursement solutions. The company's core software platform helps to manage complex healthcare reimbursement and pricing strategies.	na
Q1	Kriya Capital	Receivable Solutions Specialist	Provider of technology, consulting, onsite staffing and outsourcing services to improve the financial success of your enterprise.	na
Q1	Arsenal Capital Partners	Accumen	Provider of clinical laboratory services for hospitals and health systems. The company offers consulting on strategic growth and execution, utilization enhancements and performance measurement.	na
Q1	Morgan Stanley	Clarity Software	Developer of document management solutions for the healthcare industry.	na
Q1	Investcorp	Health Plus Management	Provider of physician practice management services for outsourcing non-medical functions.	na
Q1	Investcorp	Cambio Healthcare Systems	Provider of healthcare information and management systems focused on providing electronic health services with the help of skilled and experienced consultants.	na
Q1	ABRY Partners	Sermo	Offers an online network for physicians to collaborate on cases and exchange observations to improve patient care, discuss drugs and devices, and share information on new therapies and innovations.	na
Q1	Francisco Partners Management	CapsuleTech	Provider of services for medical device integration. The company integrates with clinical information systems to capture more data, reduce manual efforts and cost, and improve patient care.	na
Q1	Beecken Petty OKeefe & Company	Health-E Commerce	Parent company of pre-tax health and wellness shopping sites.	na
Q1	Frazier Healthcare Ventures	Comprehensive Pharmacy Services	Provider of pharmacy support services including inpatient pharmacy management, telepharmacy, consulting, and outpatient pharmacy management.	na
Q1	ABRY Partners	Anju Software	Developer of integrated life sciences software platform for pharma, biotech, medical device, and contract research organization (CRO) companies.	na
Q1	Aldrich Capital Partners	eHealth Technologies	Provider of medical record retrieval and organization services and image-enabled HIEs.	\$41
Q1	EMV Capital	Wanda	Developer of a cloud-based remote patient monitoring platform that features proactive care management to deliver insights on pending adverse events to the point of care in real-time.	na
Q1	Primus Capital	Harmony Healthcare IT	Developer of HealthData Archiver, a healthcare information technology that extracts demographic, financial, clinical and administrative data from healthcare systems.	na
Q1	LLR Partners	CareATC	Developer of a health management platform intended to offer more accurate, relevant, and actionable employee health data.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	Vista Equity Partners	PlanSource Benefits Administration	Provider of a platform that automates various benefit transactions and connects with insurance carriers.	na
Q1	Frontier Capital	Clearwave Corporation	Developer of healthcare authentication network software. The company's software has features such as digital check-in, insurance eligibility and patient payments.	na
Q2	Blue Sea Capital, Five Points Capital	SignatureMD	Provider of practice management services based on a concierge medicine model.	na
Q2	H.I.G Growth Partners	Jenny Craig	Provider of weight management programs designed to help members lose weight.	na
Q2	Gemspring Capital	Valant Medical Solutions	Developer of a web-based EMR system with integrated practice management that enables psychiatrists and other behavioral health professionals to manage billing and maintain electronic medical records.	na
Q2	H.I.G Growth Partners	Medusind Solutions	Provider of revenue cycle management technology and services.	na
Q2	Activa Capital	Medisys (France)	Provider of software to maintain better information sharing and coordination between services that primarily focus in the medico-social sector, home-care field and intervention planning for daycare, institutions for the disabled or dependent elderly people, and health homes.	na
Q2	The Riverside Company	HemaTerra	Developer of software used for collection and integration of blood, plasma, platelets and other biologics.	na
Q2	M3	DailyRounds	Developer of a medical education platform designed to focus on a case-based and problem-solving approach to learning. The company's platform allows doctors to see, share, review and learn clinical cases.	na
Q2	Bow River Capital	AbsenceSoft	Provider of software solutions for employers to manage FMLA, disability, ADA, and other forms of absence leave.	na
Q2	Audax Group	The Chartis Group	Operator of a comprehensive advisory and analytics services company. Through expertise in strategic planning, performance excellence, informatics, and health analytics, the company enables academic medical centers, integrated delivery networks, children's hospitals, and healthcare service organizations to achieve transformative results.	\$247.5
Q2	Great Point Partners	Axiom Real-time Metrics	Developer of e-Clinical trial software. The company's e-Clinical suite delivers a powerful range of end-user focused, unified functionality and modules for clinical study data and operational needs.	na
Q2	Littlejohn & Co	Contextmedia Health (Outcome Health)	Provider of a platform that offers exam room technologies that engage patients and caregivers as they wait to see their provider.	na
Q2	AnaCap Financial Partners	Sundhedsgruppen	Provider of health insurance and claims management services to businesses.	na
Q2	The Riverside Company	Naturally Slim	Operator of a digital health platform intended to provide health and lifestyle improvement services.	na
Q2	WindRose Health Investors	Healthmap Solutions	Provider of clinical and data analytics services. The company's offerings include medical cost management, quality reporting, risk adjustment, and revenue optimization.	\$85
Q2	Verdane Capital	Komplett Apotek	Operator of a full-service online pharmacy, based in Norway.	na
Q2	Thoma Bravo	Cority	Developer of an environmental, health and safety (EHS) software designed to measure environmental impact and mitigate workplace injuries and illnesses.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q2	Golden Gate Capital	Ensemble Health Partners	Provider of revenue cycle management and consulting services.	na
Q2	New Mountain Capital	W2O Group	Provider of marketing communications services specializing in analytics and market research driven public relations communications, and digital and social media services to a blue-chip client roster.	na
Q2	HIG Capital, Goldman Sachs	MedPro Advantage	Provider of medical management services. The company provides medical billing & insurance, operations support, lab support and coding & training services to dermatology clinics, plastic surgery practices, spas, and surgical centers in Illinois and Iowa.	na
Q2	Ares Capital Management, Leonard Green & Partners	Press Ganey Associates	Provider of strategic advisory services for healthcare organizations. The company is a provider of patient-experience measurement, performance analytics and strategic advisory services for health care organizations across the continuum of care.	\$4,200
Q2	Nordic Capital	Aris Global	Provider of cloud-based software solutions for Pharmacovigilance & Drug Safety, Clinical Development, Regulatory, and Medical Affairs.	\$800
Q2	Thomas H. Lee Partners	NexTech Systems	Develops medical practice management, marketing, and electronic medical records (EMR) software for plastic surgeons, dermatologists, medical spas, refractive surgeons, gastroenterologists, urologists, and bariatric surgeons	\$500
Q2	Pamlico Capital	Digitech Computer	The company's services include billing software, compliance support, and integration services, enabling EMS providers to modernize their billing and maximize collections from their clients.	na
Q2	The Jordan Company	Vyne	Operator of a healthcare information exchange platform intended for secure transmission, presentation, and storage of medical documents and management of healthcare communication.	na
Q3	Baring Private Equity Asia	CitiusTech	Provider of healthcare technology services. The company builds applications, deploys enterprise-level software for healthcare analytics and provides a wide range of services.	\$1,000
Q3	TPG Capital	Convey Health Solutions	Provider of healthcare platforms including billing, enrollment, back-office support services, and reconciliation for government-sponsored health plans and PBMS.	na
Q3	Accel-KKR	Sandata	Provider of Electronic Visit Verification (“EVV”) and home health technology solutions intended to integrate payers and providers.	na
Q3	EQT Equity, Canada Pension Plan Investment Board	Waystar	Developer of medical claims management and patient payment software intended to reduce costs associated with managing insurance claims.	\$2,700
Q3	Walgreen Co., Welsh, Carson, Anderson & Stowe	Shields Health Solutions Holdings	Provider of specialty pharmacy integration and care services. The company offers a purpose-built specialty pharmacy technology platform, access to nearly all limited distribution drugs (LDDs,) and most payors in the nation intended to provide the fastest, lowest-risk model for health systems to create or grow a hospital-owned specialty pharmacy program.	\$900
Q3	The Capstreet Group	Surgical Notes	Provider of a comprehensive and integrated suite of products and services designed to streamline the reimbursement process, reduce administrative costs, and better manage information for US ambulatory surgical centers.	na
Q3	BC Partners	Advanced Computer Software Group	Offers It services and clinical software solutions, including patient care management and clinical support software to urgent and unscheduled healthcare providers and social care providers.	\$2,000
Q3	Centerbridge Partners	GoHealth	Provider of technology-based health insurance services. The company operates a health insurance portal offering a variety of health insurance plans and allows customers to compare numerous insurance plans.	\$1,500



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	Great Hill Partners	Pareto Captive Services	Organizes health coverage for groups of businesses that pay medical bills directly.	\$80
Q3	New Mountain Capital	Ontario Systems	Provider of revenue cycle management and accounts receivable management services for outsourced accounts receivable management and healthcare industries.	na
Q3	Warburg Pincus	WebPT	Provides Web-based electronic medical record (EMR) solutions for physical therapists.	na
Q3	JLL Partners, Water Street Healthcare Partners	THREAD Research	Developer of a remote patient research platform designed to conduct clinical trials and virtual trials.	na
Q3	Renovus Capital Partners	RxStrategies	Provider of comprehensive pharmacy services designed to offer and implement customized 340B pharmacy.	na
Q3	Warburg Pincus	Qualifacts Systems	Provider of a SaaS-based behavioral health record platform.	\$300
Q3	New Mountain Capital	eMids Technologies	Provider of business process outsourcing services including business intelligence, analytics, package implementation, application development and maintenance, product engineering and independent verification for different healthcare functions.	\$225
Q3	Francisco Partners Management	Orchard Software	Provider of a laboratory information system software. The company's software tool utilizes process automation, billing, host system and reference laboratory interfaces.	na
Q4	General Atlantic	Marathon Health	Offers a proven solution for helping employers reduce the total cost of healthcare.	na
Q4	Frazier Healthcare Ventures	MedData (MEDNAX)	Provider of medical billing, coding and data management services. The company offers personalized coding, training, feedback and claims processing for emergency medical physicians and facilities, hospitalists and anesthesiologists.	\$300
Q4	Parthenon Capital Partners	MRO Corporation	Provider of health information exchange services designed to standardize and safeguard the handling of confidential patient-identifiable information.	na
Q4	Apax Partners	Lexitas	The company offers expert court reporting, real-time and internet deposition services, and specialized medical records retrieval services for workers' compensation cases, plaintiff counsel, defense counsel, corporations and insurance companies.	na
Q4	BV Investment Partners	EDCO (Solarity)	Provides a combination of software, services, and process knowledge to optimize the management of health information in acute and ambulatory setting.	na
Q4	Brighton Park Capital	Relatient	Provider of an online patient engagement platform designed to improve the patient experience. The company's Relatient Patient Relationship Manager (PRM) automates patient-centered outreach and messaging.	na
Q4	Arsenal Capital Partners, Novo Holdings, Leonard Green & Partners	WIRB-Copernicus Group	Provider of regulatory and ethical review services for human research intended to measurably improve the quality and efficiency of clinical research.	\$3,100
Q4	Providence, Primus Capital, Noro-Moseley, Nashville Capital Network, Martin Ventures	Trilliant Health (formerly Aegis Health Group)	Provider of healthcare technology, data and marketing services intended to help hospitals to increase their market share through intelligent patient acquisition	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	NextGen Growth Partners	RecordConnect	Delivers client-driven records management services including Release of Information and scanning-digitizing projects.	na
Q4	Renovus Capital Partners	ClinicalMind	Developer of clinical management software suite designed to track key engagements with healthcare professionals. The company's products include speaker resource center, nomination portal, and clinician database.	na
Q4	Kinderhook Industries	PharMedQuest	Operator of a healthcare management company intended to deliver the highest cost-effective care to patients.	na
Q4	Court Square	Medical Knowledge Group	Provider of medical communications, healthcare consulting, and data analytics solutions serving marketing, medical affairs, and stakeholder relations teams at biopharmaceutical companies throughout the entire product lifecycle.	na
Q4	LLR Partners	Suvoda	Developer and provider of software for randomization and trial supply management. The company's interactive response technology system offers IRT deployment using a proprietary modular architecture and insights and data visualization on trial performance using KPIs, metrics, and trends for clinical trials.	\$40
Q4	Thompson Street Capital Partners	Data Dimensions	Provider of healthcare-related business process outsourcing and automation services, including imaging and storage retrieval services	na
Q4	Audax Group	The Consortium of Rheumatology Researchers of North America (aka Corrona)	Provider of clinical registry data and consulting services. The company focuses on collection and analysis of clinical data as well as it also conducts quality control for data accuracy and completeness before storing it in a secure data warehouse for access to biopharmaceutical companies.	na

APPENDIX C

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Private Equity Highlights (non-buyout)

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	Silver Lake	Verily Life Sciences	Developer of tools and platforms designed to better understand ways to predict and prevent disease onset and progression.	\$1,000
Q1	General Catalyst Partners	Mindstrong Health	Developer of innovative preemptive brain healthcare designed to improve clinical outcomes and reduce hospital visits.	\$45
Q1	Oak HC/FT Partners	WithMe	Developer of a pharmacy benefit platform intended to provide medication guidance solutions.	\$20
Q1	Alychlo NV, Balderton Capital, IDInvest Partners, Generation Investment Management	Sophia Genetics	Developer of a clinical genomics analysis platform designed to perform routine diagnostic testing. The company's clinical genomics analysis platform combines genomics, machine learning, and clinical diagnostics.	\$77
Q1	EDBI, Blue Water Life Science Fund, Bridge Builders Collaborative, Jazz Venture Partners, 5AM Venture Management, TrustBridge Partners, Novartis, Temasek Holdings, Arboretum Ventures	Pear Therapeutics	Developer of a software-based digital therapeutics platform designed to treat disease and enhance the efficacy of pharmaceuticals.	\$64
Q1	JK&B Capital, Pitango Venture Capital, Hotung Capital, Argos Capital, Israel Innovation Fund, BlueRed Capital, Wells Fargo & Company, Hill-Rom	EarlySense	Developer of patient monitoring systems that provide continuous patient monitoring for heart rate, respiratory rate, and motion, enabling clinicians to manage early detection of patient deterioration and to verify timely responses and protocol compliance.	\$39
Q1	Merck GHIF, TT Capital Partners	Clinithink	Provider of clinical data insights designed to transform existing unstructured clinical narrative into structured data.	na
Q1	CLP Fund, CDH Investments	Medbanks	Provider of a medical database intended to offer oncology related information.	\$59
Q1	Ascension Ventures, Echo Health Ventures, Town Hall Ventures, New Enterprise Associates	Strive Health	Developer of care delivery models designed to improve chronic kidney disease care. The company's offerings include leveraging comparative and predictive data and analytics to identify patients at risk.	na
Q1	Section 32, Verily Life Sciences, Andre	Ciitizen	Developer of a platform created to help patients securely collect and share their personal health data.	\$17
Q1	Launchpad Digital Health, Principal Life, AXA Venture Partners, MassMutual Ventures, Aflac Corporate Ventures, Transamerica Ventures, Wells Fargo & Company, Wanxiang Healthcare Investments	Limelight Health	Provider of cloud-based enterprise software designed to re-imagine the employee benefits quoting experience. The company's software offers a range of microservices that are highly configurable for business needs including quoting, rating, proposal generation, renewals, automated processing for pre-sales, underwriting, enrollment support, and data analysis.	\$33.5
Q1	ACME Investments, Shasta Ventures, VMG, GV, Base10	The Pill Club	Provider of a telemedicine service designed to simplify the process of getting birth control, from prescription to delivery.	\$51
Q1	Undisclosed	Hims	Provider of wellness products intended to offer hair loss prevention medicines for men.	\$100
Q1	SoftBank Capital, Tiger Global Management, Shenzhen Cowin Venture Capital	MobileMD	Provider of cloud-based mobile technology-based products that help in software design, production, implementation, and consultation.	\$80
Q1	Greenoaks Capital Partners	Clover Health	Operator of a Preferred Provider Organization (PPO) intended to improve the quality of life for members and physicians.	\$500

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	RTI International	SPH Analytics	Provider of quality management services. The Company connects and integrates claims and clinical data, analytics, and consulting to deliver a comprehensive perspective on the dynamics that drive business in the payer and provider markets.	na
Q1	MPM Capital, Merck GHIF, ITOCHU Technology Ventures, ITOCHU Corporation, Mitsui & Co., Deerfield Management Company, F2 Ventures	TriNetx	Operator of a global health research network intended to optimize clinical trial design and recruitment processes.	\$40
Q1	Flare Capital Partners, Amgen Ventures, Horizon Healthcare Services, McKesson, Sanofi Ventures, New Enterprise Associates, UCB, Lakestar Advisors	Aetion	Provider of analytics and essential evidence to support value-based healthcare. Serves payers, biopharma, and medical device customers.	\$27
Q1	Flexpoint Ford, Ballast Point Ventures	Yprime	Developer of digital analytics applications to advance critical data functions for clinical research. The company offers patient data collection, clinical supplies, patient management, real-time reporting, and document management applications, as well as related consulting services.	na
Q1	Insight Venture Partners, CAA Ventures, TPG Growth, Sound Ventures	Calm.com	Provider of a relaxation therapy application designed to reduce anxiety, sleep better and feel happier.	\$88
Q1	Varsity Healthcare Partners, BlueCross BlueShield Venture Partners	Ideal Option	Provider of addiction treatment programs including addiction medicine and counseling, behavioral therapies, and other related educational services, enabling customers to get out of opioids overdoses.	na
Q1	TPG Biotech, Innovatus Capital Partners, Claremont Creek Ventures, Foresite Capital Management, GV, WuXi NextCODE	DNAexus	Developer of a biomedical informatics and data management platform designed to analyze DNA-sequencing data.	\$68
Q1	Amazon	Hatch Baby	Developer of smart wireless parenting devices designed to coordinate with your child's bedroom, enabling parents to get insight into their babies' growth and health overtime.	na
Q1	Sequoia Capital, Norwest Venture Partners, Sands Capital Management, UPMC Enterprises, Kaiser Permanente Ventures, OrbiMed	Health Catalyst	Developer of a healthcare data warehousing and analytics platform intended for massive and sustained healthcare improvements. The company's platform improves geriatric care, diabetes self-management, and risk-stratified care management.	\$100
Q1	DST Global, Index Ventures	Alan (Life and Health Insurance)	Provider of an online digital insurance platform designed to provide health insurances. The company's platform offers simple, seamless coverage with reimbursements.	\$47.2
Q1	Undisclosed	Roman Health Medical	Provider of a cloud pharmacy for erectile dysfunction, handling everything from online diagnosis to prescription delivery.	\$85
Q1	Korea Investment Partners, Singtel Innov8, UOB Venture Management, WuXi AppTec	HaloDoc	Developer of an online medical consultation platform designed to help people to keep a check on health.	\$65
Q1	Aetna	MAP Health Management	Provider of a cloud based behavioral health population management platform intended to improve outcomes for patients treated for addictions and other behavioral health illnesses.	\$25



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	K1 Capital	Digital Pharmacist	Operates as a digital health company that powers the digital communication, connectivity, and adherence solutions for pharmacies, national pharmacy wholesalers, hospitals systems, and pharmaceutical brands.	\$125
Q1	Bessemer Venture Partners, Rose Park Advisors, Hearst Health Ventures, F-Prime Capital Partners, Maverick Ventures	Artemis Health Inc.	Developer of a healthcare analytics platform designed to optimize benefit programs and minimize spending.	\$25
Q1	Omidyar Network, Define Ventures, Oak HC/FT Partners, Scout Ventures, New York Ventures, Town Hall Ventures	Unite Us	Developer of a SaaS platform designed to build coordinated care networks for connecting health and social service providers together.	\$35
Q1	Individual Investors, New Enterprise Associates	Instacare Group (dba Cleo, fka LUCY)	Provider of an online family support platform designed to build trust and connection with families, guiding them on their journeys through life as parents.	\$27.5
Q1	Perceptive Advisors	Saama Technologies	Provider of a unified AI-enabled clinical data analytics platform designed to help pharmaceutical and biotechnology companies to access previously unattainable, enterprise-level views of the raw data across their disparate business silos.	\$40
Q1	Tencent Holdings, IDG Capital Partners, Gaorong Capital	Shuidichou	Operator of a crowdfunding platform intended to serve the healthcare sector in China. The company's platform offers to raise fund for the treatment and other healthcare services.	\$74
Q2	Undisclosed	Cardinal Analytx	Provider of healthcare analytical services intended to predict healthcare spending by leveraging machine learning.	\$22
Q2	BVC, Town Hall Ventures, StartUp Health, Sidewalk Labs, Redpoint Ventures, Thrive Capital, Maverick Ventures, EmblemHealth, Echo Health Ventures	Cityblock Health	Developer of healthcare technology solutions that enable low-income urban residents to get personalized care, including preventative visits, mental health coverage, and access to appropriate social service programs.	\$65
Q2	General Catalyst Partners, General Atlantic	PathAI	Developer of artificial intelligence technology for pathology. The platform provides end-to-end data-driven pathology analysis and standardized pathologic diagnoses.	\$60
Q2	Square Peg Capital, TLV Partners, Magma Venture Partners, Emerge	Aidoc (formerly TailorMed)	Provider of an artificial intelligence (AI) medical imaging platform intended to analyze medical scans easily.	\$27
Q2	Intermountain Ventures, .406 Ventures, Battery Ventures, RRE Ventures	Redox	Provider of an information technology platform designed to eradicate technical barriers in healthcare systems.	\$33
Q2	Khosla Ventures, Physician Partners, Hembrecht Healthcare Growth Venture Fund, Bold Capital Partners	Viome	Provider of wellness as a service intended to help people track their microbiome health.	\$25
Q2	NEC Corporation	BostonGene	Developer of biomedical software designed for advanced patient analysis and personalized therapy.	\$50
Q2	Country Garden Holdings, Tencent Holdings, Sequoia Capital	Tencent Trusted Doctors	Provider of health management services for individuals and families. The company combines traditional medical service and advanced Internet technology, linking health data on online platforms and making a multidimensional analysis of patient's physical status.	\$250

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Q2	Highland Capital Partners, Goodwater Capital, NextG, Next Coast Ventures, SoGal Ventures	EverlyWell	Provider of a next-generation laboratory testing platform designed to empower people to have access to their own personalized health and wellness information.	\$50
Q2	Colorado Impact Fund, Drive Capital	CirrusMD	Provider of a platform which facilitates patients to send secure messages and images, schedule a video chat, access health information, and gain 24/7 access to local doctors.	\$15
Q2	Red Badge Management and Undisclosed Investors	CareCloud	Provider of cloud-based software and services for medical offices management.	\$33.2
Q2	Accel-KKR	OrthoFi	Developer of a software and technology platform designed to aid orthodontists in acquiring, financing and managing new patients, flexible financing options, insurance eligibility checks and claims submissions.	na
Q2	Aglae Ventures, Sequoia Capital, Samsung Ventures	Noom	Developer of mobile health coaching software designed to provide intelligent nutrition and exercise coaching.	\$58
Q2	Piper Jaffray, Noro-Moseley Partners, Hatteras Venture Partners, Shumway Capital	Elligo Health Research	Provider of a clinical research platform intended to revolutionize the clinical research industry with a novel approach to common trial challenges including patient participation, enrollment, and physician participation.	\$20
Q2	IDG Ventures India, IDG Ventures, Pratithi Investment Trust, Accel Management, Anand Piralal Trust, Kalaari Capital	CureFit	Developer of a fitness based online platform created to address preventative healthcare techniques.	\$120
Q2	Hanwha Asset Management, Greenspring Associates, Andreesen Horowitz, Aquiline Capital Partners	Health IQ	Provider of a health insurance platform designed to offer lower rates for health-conscious people such as cyclists, runners, and vegans.	\$55
Q2	Questa Capital Management, Alta Partners, Echo Health Ventures	DispatchHealth	Provider of on-demand mobile and virtual healthcare services intended to offer definitive and quality care.	\$33
Q2	Centene, GV, Polaris Partners, Oak HC/FT, F-Prime Capital	Quartet Health	Provider of a cloud based behavioral healthcare platform designed to enable every person to thrive by building a collaborative mental and physical health ecosystem.	\$60
Q2	Undisclosed	Jawbone Health	Provider of proprietary wearable technology with clinically relevant signals that will connect patients and physicians based on data-driven dialogue, enabling individuals to catch lifestyle diseases early and manage these new conditions as well as pre-existing ones.	\$65.4
Q2	One Peak Partners, Goldman Sachs, Piton Capital, Enern	DocPlanner	Developer of a medical appointment scheduling platform designed to improve patient flow and help digitize healthcare practices.	\$93.2
Q2	HCSC Ventures, SJF Ventures, Adams Street Partners, Blue Cross and Blue Shield Association	Solera (Healthcare Ecosystem)	Provider of integrated chronic disease prevention services intended to connect patients, payers, and physicians with community organizations and digital therapeutics providers simply and securely.	\$42
Q2	Silversmith Capital Partners, Leerink Transformation Partners	BHE Health Analytics	Provider of software and custom research solutions for life science companies looking to answer the toughest healthcare questions.	\$78
Q2	GreatPoint Ventures, CrossLink Capital, Uncork Ventures, Tarsadia Investments	Phil	Provider of a prescription refill service aimed at recurring prescriptions.	\$25

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Q2	Westview Capital Partners	Health Monitor Network	Developer of a marketing platform designed to facilitate dialogue between patients and their healthcare professionals.	na
Q2	Goldman Sachs, Design to Improve Life Fund, GV, Toyota Tsusho, Oakhouse Partners, Katalyst Ventures, The Rise Fund, Temasek Holdings, Bright Success Capital	Zipline International Inc.	Builds drones and runs delivery services, dropping crucial medical supplies to clinics or hospitals in areas that aren't accessible by land.	\$190
Q2	Hanaco Ventures, Qumra Capital, Norwest Venture Partners, Compound, Spark Capital Partners, Nomura Capital Partners, Revolution Health Group	Talkspace	Operator of an online platform that connects users and therapists for one-on-one discussions, chats, and video interfaces.	\$50
Q2	Georgian Partners, Drive Capital	Beam Dental	Provider of group dental insurance and smartphone-connected toothbrushes that are designed to collect data about a user's daily hygiene and use it to determine the rate of insurance plans.	\$50
Q2	Novo Holdings, New Enterprise Associates, T. Rowe Price, Franklin Templeton Investments, Revolution Growth	Tempus	Developer of a software platform that uses data to provide doctors with information about treatment options for individual patients and showing how other patients with similar genetic profiles have responded to particular therapies.	\$200
Q2	Joyance Partners, New Capital Partners, King River Capital	Lark Technologies	Developer of a health management application designed to monitor and manage chronic diseases.	\$45.7
Q2	Two Sigma Ventures, Javelin Venture Partners, Bullpen Capital, Builders VC, DCVC, Brookfield Asset Management	Carbon Health Medical Group	Operator of a healthcare network through which doctors are accessible online through a mobile application and in-person at its clinic in downtown San Francisco.	\$30
Q2	Advent International Corporation	Definitive Healthcare Solutions	Provider of a database to hospitals, physician groups, ambulatory surgery centers, skilled nursing facilities and physicians with accompanying analytics and insight needed to effectively segment and research the provider market.	na
Q2	NEA, DFJ Growth, PSP Investments, The Founders Fund, GV, Maverick Ventures, Sun Life Financial, SoftBank Capital	Collective Health	Developer of a cloud-based self-insurance platform that offers integrated administration of all health plans through a single portal, giving access to clear guidance, live concierge support, and other digital tools.	\$205
Q2	Andreessen Horowitz, US Venture Partners, Cigna Corp., Civilization Ventures, Kaiser Permanente Ventures, Norwest Venture Partners, Providence Ventures, Sanofi Genzyme BioVentures, Wellington Management Company	Omada Health	Provider of a digital therapeutics program based on a diabetes prevention program clinical trial designed to pioneer digital behavior change.	\$73
Q2	Peloton Capital Management, Royal Bank of Canada, Bank of Montreal	123Dentist	Operator of a dental care information platform. The company's platform helps customers search for new dentists or to solve any emergency dental problem.	\$425
Q2	Mitsui & Co.	GOQii	Developer of a fitness platform designed to offer virtual fitness coaching services.	\$60



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	Caisse de Depot et Placement du Quebec, Investissement Quebec, iNovia Capital	AlayaCare	Developer of a cloud-based software platform intended to improve the innovation and efficiencies of home care agencies.	\$39.1
Q3	Monkfish Equity, Sound Ventures, Insight Venture Partners, CAA Ventures, TPG Growth, Lightspeed Venture Partners	Calm.com	Provider of a relaxation therapy application designed to reduce anxiety, sleep better and feel happier. The company's relaxation therapy application allows to explore mindfulness themes from different perspective, enabling users to get a healthier life.	\$27
Q3	Frist Cressey Ventures, Blue Heron Capital, Bridge Bank, Fulcrum Equity Partners	Stratasan	Provider of data management software designed to provide market intelligence. The company provides a visual intelligence platform that transforms demographic and market data into straightforward insights, helps create presentation-ready decks, automate quarterly updates, and more.	\$26
Q3	Lowercase Capital, Kleiner Perkins Caufield & Byers, Union Square Ventures, Y Combinator, Dreamers VC, Reproductive Health Investors Alliance, TriplePoint Capital Fund	Nurx	Develops a mobile health platform that provides access to a range of everyday medications from contraceptives to travel meds and refills. The company provides doctor prescription and review services.	\$52
Q3	Bayer AG	Pyxis	Developer of drug-dispensing and control equipment for hospitals.	\$22
Q3	Icahn School of Medicine	Renalytix AI	Provider of renal analytics artificial intelligence data. The company's platform is used to detect and manage advanced kidney disease and taking steps to treat them.	\$18.3
Q3	Lead Edge, Menlo Ventures, Benchmark Capital, Thrive Capital, Y Combinator	Benchling	Provider of an electronic lab collaboration platform intended to give scientists and management the software to access research from big pharma and other leaders in the space.	\$34.5
Q3	Merck GHIF, New Mountain Capital	CIOX Health (formerly HealthPort)	Developer of medical information management platform. The company's platform acquires, digitizes and gives shape to structured and unstructured records.	\$30
Q3	Goldcrest Investments, Maveron, Amplo Venture	Two Chairs	Provider of a mental health therapy platform intended to find and receive personalized therapy. The company's platform offers data-driven therapist matching, customized treatment plans, on-demand consulting and concierge services.	\$22.5
Q3	Accel Partners, GV, Goldman Sachs, Sequoia Capital	Ethos (Life Insurance)	Provider of an online platform intended to make life insurance simple for everyone.	\$60
Q3	Blackstone Valley Group, Section 32, Decheng Capital, Oak HC/FT Partners, Connecticut Innovations	Sema4	Developer of platform that provides advanced genomic testing and merges big data analytics with clinical diagnostics, enabling physicians and consumers to seamlessly engage in the digital universe of data from genome test results and clinical records to wearable sensor metrics.	na
Q3	GreatPoint Ventures, Sequoia Capital India, Premera Blue Cross, Optum Ventures	Vim	Developer of an appointment booking platform designed to connect companies with healthcare service providers. The company's platform allows organizations to book medical appointments with doctors for their employees.	\$24
Q3	Martis Capital	Credible Behavioral Health	Developer of electronic health record and practice management software for behavioral health clinics.	na
Q3	Thrive Capital, Glade Brook Capital Partners, TCV	Capsule (Pharmacy)	Developer of a digital platform designed to provide home delivery of prescription medication.	\$200
Q3	Bayer AG	OneDrop	Developer of a digital diabetes care and self-management platform designed to analyze and monitor diabetes.	\$40

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Q3	Temasek Holdings	BenevolentAI	Provider of AI technology intended to transform the process of pharmaceutical research and development.	\$90
Q3	TrustBridge Partners, WeDo Capital, Sheares Healthcare Group, Tencent Holdings	AllinMD	Digital orthopaedic hospital platform and online medical education company.	\$100
Q3	LLR Partners	Corestream	Developer of employee health benefits platform designed to make it easy for companies to connect their employees with voluntary benefits and discounts.	na
Q4	F-Prime Capital Partners, Eight Roads Ventures, Accel Partners, Delta Dental of California, Steadview Capital Management	Good Methods Global (CareStack)	Developer of CareStack, a powerful practice management solution on the cloud for growing dental practices.	\$28
Q4	Globis Capital Partners, Sony Innovation Fund, World Innovation Lab	AI Medical Service Inc	Developer of endoscopy technology designed for the digestive tract including the esophagus, stomach, and intestines.	\$42.9
Q4	Westview Capital Partners	Receivable Solutions LLC	Provider of revenue cycle management services to hospitals and health systems.	
Q4	Intermountain Ventures	Omada Health	Provides group-based programs for chronic disease prevention. The platform helps employers and health plans identify the people within their population at risk for developing preventable chronic conditions.	na
Q4	Alumni Ventures Group, M12, Two Sigma Ventures, Forte Ventures, The Westly Group, Highland Capital Partners, Playground Global, Energy Impact Partners, Avanta Group	RapidSOS	Offers a smart phone application that gives people the ability to call police, fire, or an ambulance with one touch of the screen.	\$55
Q4	Humana	Accolade	Provider of a personalized health and benefits platform designed to improve the experience, outcomes and cost of healthcare.	\$20
Q4	Streamlined Ventures, Teamworthy Ventures, PJC Capital, Liquid 2 Ventures, Ally Ventures, Costanoa Ventures, Y Combinator	Lively (HSA)	Developer of a free HSA account for individuals that helps employers administer an HSA for their employees, enabling consumers and businesses to optimize their healthcare spending, maximize their savings and better their livelihood.	\$27
Q4	Oreilly AlphaTech Ventures, Windham Venture Partners, Collaborative Fund, Union Square Ventures, Norwest Venture Partners, Merrick Ventures	Science Exchange	Provider of a scientific research marketplace created to make scientific research faster, more effective and more accessible to researchers everywhere.	\$20
Q4	Amadeus Capital Partners, btov Partners, Global Brain Corporation, Atomico Investment Holdings, Intel Capital, Balderton Capital	Healx	Provider of research and development services intended to identify drug applications for rare diseases.	\$56
Q4	Heritas Capital Management, Golden Gate Ventures, Dayli Partners, Philips, Sequis Life, SoftBank Capital	Alodokter	Provider of a healthcare-information platform intended to offer quality content and interaction with qualified doctors.	\$33
Q4	Redmile Group, McKesson, DCM Ventures, Wanxiang Healthcare Investments	Augmedix	The company's platform gives clinicians a team of real-time, quality-controlled and customized remote scribes that take on documentation and administrative tasks.	\$19

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Q4	Kleiner Perkins Caufield & Byers, Threshold Ventures, GV, Greenoaks Capital Partners, CRV	viz.ai	Developer of a medical imaging technology designed to bring the right patient to the right doctor at the right time. The company's technology leverages deep learning to communicate time-sensitive information about stroke patients direct to a specialist.	\$50
Q4	First Trust Capital Partners	AVIA	Provider of innovation accelerator intended to help healthcare providers innovate and transform through digital strategy.	\$22
Q4	Pelion Venture Partners, CrossLink Capital, Lead Edge, Bessemer Venture Partners, Catalyst Investors	Weave Communications	Provider of CRM and ERP-integrated communications services for dentists and other small businesses.	\$70
Q4	Pegasus Tech, Mojo Partners, Aflac Corporate Ventures, NMC Healthcare, Nippon Life Insurance, Silicon Valley Bank, Sojitz Corporation, Susquehanna Growth Equity, Chengwei Ventures	Sensely	Developer of avatar and chatbot-based platforms designed to assist insurance plan members and patients. The company's platforms provide virtual assistant solutions to insurance companies, pharmaceutical clients and hospital systems worldwide.	\$15
Q4	MemorialCare Innovation Fund, Health Enterprise Partners	Twistle	Developer of a healthcare platform designed to help medical practitioners deliver the information patients need at the right time.	\$16
Q4	Aflac Corporate Ventures	ShareCare	Provides an online health and wellness engagement platform that gives consumers a personal results-oriented experience by connecting them to health resources and programs.	na
Q4	Spark Capital Partners, LionTree LLC, Lululemon, Point72 Ventures	Mirror	Developer of a connected fitness platform designed to bring the essential components of a great studio workout in-home.	\$34
Q4	Merck GHIF, Bristol-Myers Squibb	PathAI	Develops artificial intelligence technology for pathology. The platform provides end-to-end data-driven pathology analysis and standardized pathologic diagnoses.	\$15
Q4	BlueCross BlueShield Venture Partners, SV Health Investors	Healthify	A platform that helps organizations manage the social determinants of health for better population health management.	\$16
Q4	Bayer AG, Healthbox, NWS Holdings	Medopad	Offers a mobile health operating system (mHOS) – a patient data access platform that delivers patient information and clinical applications to doctors.	\$25
Q4	Khosla Ventures, Y Combinator, Craft Ventures, The Founders Fund, 8VC	Eight Sleep	Offers a smart mattress cover that manages the temperature of a bed for optimal sleep.	\$40
Q4	Emerging Technology Partners	Human Longevity	Provider of technology that addresses age-related decline in endogenous stem cell function and concentrates on cancer, diabetes and obesity, heart and liver diseases and dementia by combining DNA sequencing and expert analysis with machine learning.	\$30
Q4	Boston Millennia Partners	Revealer	Healthcare software and services company that empowers health insurance companies to take control of their risk adjustment and quality improvement programs.	na
Q4	Promus Ventures, Silicon Valley Bank, Thursday Ventures, Accomplice, Two Sigma, Foundry Group	Whoop	Developer of an online health and fitness analytics tool for athletes. The company's systems offer a continuous understanding of strain and recovery to balance training, reduce injuries and predict performance.	\$55
Q4	Thorney Investment Group, Capitol Health, Marubeni, Jagen Group, Regal Funds Management, Amplify	Enlitic	Developer of a deep-learning software designed to improve diagnostic healthcare. The company's deep-learning software offers clinical information, such as the patient's history, symptoms, lab tests and medical images.	\$25



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	Threshold Ventures, F-Prime Capital Partners, BlueCross BlueShield Venture Partners	Wellframe	Offers a mobile app that feeds a daily to-do list to the patient with items such as medication reminders, questionnaires to monitor for symptoms, and an exercise tracker	\$20
Q4	Eight Roads Ventures, Wu Capital, Tencent Holdings, F-Prime, China International Capital, IDG Capital Partners	Medbanks	Provider of a medical database intended to offer oncology related information.	\$142.2
Q4	GSR Ventures, Point72 Ventures	Deep 6 AI	Developer of clinical trials acceleration software designed to expedite the process of finding patients for clinical trials	\$17
Q4	B-to-V Partners, Debeka Group, HV Holtzbrinck Ventures, SevenVentures, Vorwerk Ventures	OTTOnova	Developer of an online health insurance platform designed to make the complex issue of health care simple and transparent.	\$66.4
Q4	Breyer Capital, HealthCare Ventures	PAIGE.AI	Engages in clinical diagnosis and treatment oncology through use of artificial intelligence (AI) for treating cancer.	\$45
Q4	General Public	Limeade	Developer of corporate wellness technology that provides employees well-being assessments, goal setting and tracking, coaching programs, and incentive-based rewards, enabling employers and health benefit providers to deliver turnkey wellness services.	\$69
Q4	Goldman Sachs	LeanTaaS	Developer of a hospital management platform intended to transform healthcare operations with data science and machine learning.	\$40
Q4	Pamplona Capital Management	iFit	Developer of an online fitness information platform designed to offer fitness guidance and tips.	\$200
Q4	Flare Capital Partners, Redpoint Ventures, Greenspring Associates, Cross Creek Advisors, Bessemer Venture Partners, NEA, Meritech Capital, Declaration Partners	Bright Health	Provider of a health insurance service platform designed to deliver the best healthcare experience.	\$635
Q4	General Catalyst Partners, Polaris Partners, Scale Venture Partners, 7wire Ventures	OM1	Provider of outcomes measurement and predictive analytics created to provide stakeholders with an analytics platform to have a holistic view and better understanding of real-world healthcare outcomes for better decision-making.	\$50