



HEALTHCARE
GROWTH
PARTNERS

Semi-Annual Market Review

HEALTH IT & HEALTH INFORMATION SERVICES

JANUARY 2021

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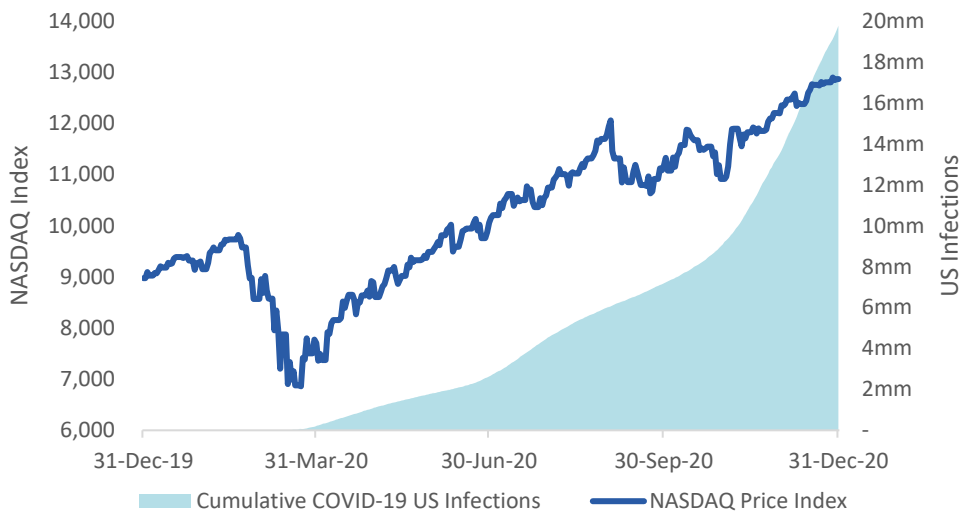
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HEALTH IT EXECUTIVE SUMMARY

A “Healthcare” Crisis Paradox

The paradox of a raging bull market amidst a raging pandemic is a reality nearly impossible to reconcile. While Health IT fundamentals are as strong as ever, it feels cavalier to begin our market discussion without recognizing the toll of this pandemic. After all, we at HGP and readers of our research choose to be in healthcare because we collectively believe in the industry’s responsibility to serve the greater good. We know our industry is fraught with moral hazard, and while a few seek to exploit, most aim to solve. Fueled by low interest rates and stimulus, the pandemic has bolstered the investment thesis in health informatics, yet we know the gains will never atone for the losses.

NASDAQ PERFORMANCE IN THE CONTEXT OF US CV-19 INFECTIONS



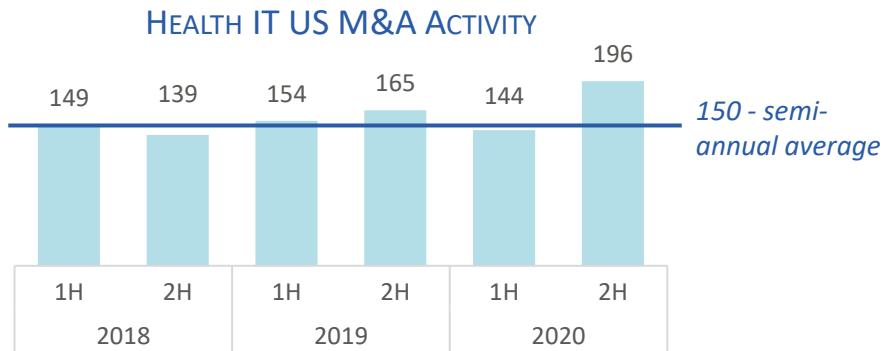
Never has it been more apparent that the market is a forward-looking entity. Not more than a month into the pandemic, the market signaled that vaccines and stimulus would bring brighter days. While the rate of Health IT investment held steady through 2020, Health IT M&A spiked to record levels in Q3 and Q4. All things equal, valuations are higher post-pandemic, and despite surging COVID cases, Health IT sees more tailwinds than headwinds.

In 2020, global Health IT Investment (excluding buyouts) increased 24.8% to \$22.6B meanwhile the number of transactions declined a minimal 2.7% to 814, reflecting larger investment rounds. Global Health IT M&A increased 13.3% to 460 transactions with the total amount of transactions spiking 35.7% to \$60.5B.

We hesitate to prognosticate 2021 because even the best were proven wrong in 2020. Based on what we know at this time, vaccine deployment is underway, valuations are at record highs, M&A is occurring at record levels, the market is awash in liquidity with more stimulus measures to come, the pandemic underscores the need for digital health, and the incoming political administration is healthcare friendly. Barring another unforeseen crisis, market signals are positive going into 2021.

MACRO CATALYST	SUMMARY
FISCAL STIMULUS	The total amount of stimulus, between the \$1.8T CARES Act and December's \$900mm COVID relief bill, is more than 3x the 2009 stimulus package during the financial crisis. Stimulus will follow in 2021, flooding the market with liquidity.
MONETARY POLICY	Interest rates are at record lows and the Fed upped its 2021 real GDP forecast to 4.2% and projects the unemployment rate to fall to 5.0% by the end of 2021. The Fed balance sheet is at an all-time high.
RISK ON (BUYERS) & RISK OFF (SELLERS)	Risk On: Low interest rates and excess market liquidity are pushing valuations to top decile levels. Health IT M&A is at an all-time high. Risk Off: Sellers see tax increases on the horizon and are rattled by volatility, motivating sale transactions and managing valuation expectations. Net Impact: A narrowing of the spread between the bid and the ask, resulting in more transactions.
MACRO RISKS	Inflation: Despite instinct that the flood of liquidity will drive inflation, economists believe slack in the economy will absorb inflation pressure in the foreseeable future. Other: US-China relations, punitive tax policies, cyberattacks, and recession are all risks, but no higher than recent norms.

Macro and Healthcare Forces Converging to Support Health IT Thesis



HEALTHCARE CATALYST	SUMMARY
"HEALTHCARE" CRISIS	The pandemic highlighted the shortcomings of our healthcare system, underscoring the need to invest in virtual care, resource optimization, patient access, drug discovery and clinical trial optimization, cybersecurity, supply chain, behavioral health, and patient safety, among many others.
POST-PANDEMIC VIRTUALIZATION	The world will never return to 2019 behavioral patterns since the pandemic accelerated the inflection and validated the efficacy of virtual models, especially in the workforce.
POLITICS	With Democratic control, expect a more aggressive healthcare agenda in Washington, focusing on retrenching the ACA and targeting drug pricing plus additional healthcare stimulus funding and a likely focus on value-based care models.
HEALTHCARE RISKS	Pandemic: A resurgence of COVID-19 poses the greatest risk to global growth and financial markets. However, scientists remain confident that vaccines will provide protection for near-and medium-term variants.

Expanding on the “healthcare” crisis and the post-pandemic world, COVID-19 is certainly a catalyst for change, accelerating disruption across all facets of the healthcare system.

CV-19 THEME	SYNOPSIS	QUOTABLE
EXPANDING HEALTH INSURANCE	The spike in unemployment highlights the dependency on employer-sponsored insurance, the need to improve ACA insurance marketplaces, a potential to expand Medicaid, and the sensitivity to coverage of preexisting conditions. Expect all to be addressed by the incoming Biden administration with a focus on value-based care models.	<i>“Over the last three quarters of 2020, an estimated 3.5 million people will become uninsured (and not gain coverage through other sources) due to COVID-19-related job losses, a situation that could be worse in states that did not expand Medicaid.”</i> Source: Health Affairs
SUPPORTING FINANCIALLY VULNERABLE PROVIDERS	Already financially vulnerable, physician offices underwent a 60% reduction in patient volumes at the peak of the pandemic and hospitals project a \$323 billion loss, putting further strain on the healthcare system, according to NEJM .	<i>“Visits to ambulatory providers fell nearly 60 percent by early April. Since then visits have rebounded, returning in [September] to pre-pandemic levels. While visits overall have returned to levels prior to the pandemic, they vary by several factors....visits involving children, certain specialties, and behavioral health remain substantially below their baseline.”</i> Source: The Commonwealth Fund
MITIGATING RACIAL DISPARITIES OF CARE	COVID-19 disproportionately impacted racial and ethnic minorities, underscoring shortcomings in the healthcare system to insure, manage chronic conditions, and provide access to a historically underserved population.	<i>“Black and Hispanic/Latino populations comprise 3.7x and 4.1x COVID-19 hospitalizations, respectively, and 2.8x COVID-19 deaths compared to white populations.”</i> Source: CDC
IMPROVING PATIENT SAFETY	Whether providing care in non-acute settings or managing hospital-acquired infections, COVID-19 reinforced the need for healthcare providers to focus on all elements of patient safety.	<i>Patient safety protocols were stressed during COVID-19. Coordinated risk identification, analysis and management encompassing all elements of the clinical journey are required to mitigate such future risks. Even prior to COVID-19, “4 out of 10 patients are harmed in primary and ambulatory care”. Source: WHO</i>
NORMALIZING TELEHEALTH & VIRTUAL CARE MODELS	COVID-19 massively accelerated telehealth adoption by healthcare providers, patients, and payers, including loosening regulations and expanding reimbursement. Behavioral Health has seen the largest increase in Telehealth utilization.	<i>Telehealth visits increased from 0.1% to 14.0% then regressed to near 6.0% of total visits. “The percentage of all visits via telemedicine visits is slowly declining from its April peak. But it continues to be well above the pre-pandemic baseline.”</i> Source: The Commonwealth Fund

CV-19 THEME	SYNOPSIS	QUOTABLE
DECENTRALIZING THE CARE SETTING	Expanding on the telehealth thesis, expanding access to care at the home and alternative sites, such as pharmacies and ambulatory surgery centers, can provide a safer, cost-effective, and high-quality alternative to traditional care models.	<i>“Nationwide, deaths in long-term care facilities account for 40% of all COVID-19 deaths.” Source: Kaiser Family Foundation (KFF)</i>
DIVERSIFYING THE SUPPLY CHAIN	From ventilators, to PPE, to vaccines, to protocols set by regulators, such as the CDC, the healthcare supply was upended during COVID-19.	<i>“There’s been a flood of new entrants making supplies. We probably vetted 500 to 600 new entrants to market and I’d say less than 5 percent were actually viable, highlighting the fact that there’s really a limited amount of actual sources out there that are legitimate.” Source: Cardinal Health</i>
FLEXING CLINICAL RESOURCES	The conundrum of the pandemic is that the healthcare system incurred huge losses and layoffs at the same time it experienced demand far exceeding capacity.	<i>“Health care employment decreased 9.5% from February through April 2020”, meanwhile “65% of physicians indicated that the COVID-19 pandemic has increased their feelings of burnout.” Source: KFF & Medical Economics</i>
ADDRESSING MENTAL AND BEHAVIORAL HEALTH	Stress, isolation, fear, and job loss all contributed to a worsening state of affairs for mental health. The long-term impact of stay-at-home orders and school closures is yet to be fully understood, however data suggests that the majority of the population experienced some degree of mental illness or substance abuse disorders. Behavioral health has seen the most significant increase in telehealth utilization.	<i>“53% of adults in the United States reported that their mental health has been negatively impacted due to worry and stress over the coronavirus.” Source: KFF</i>
ADAPTING TO THE POST-PANDEMIC WORKFORCE	It goes unsaid that the adoption of digitization, on-demand, and virtual models accelerated during COVID-19, including many employer-sponsored healthcare benefits. The question is how much will stick.	<i>“More than 60 percent of workers in the US economy cannot work remotely”, however “at least 16 percent of American workers will switch from office-based settings to working at home at least two days per week after COVID-19 subsides.” Source: McKinsey & HBS research</i>

HEALTH IT MARKET TRENDS

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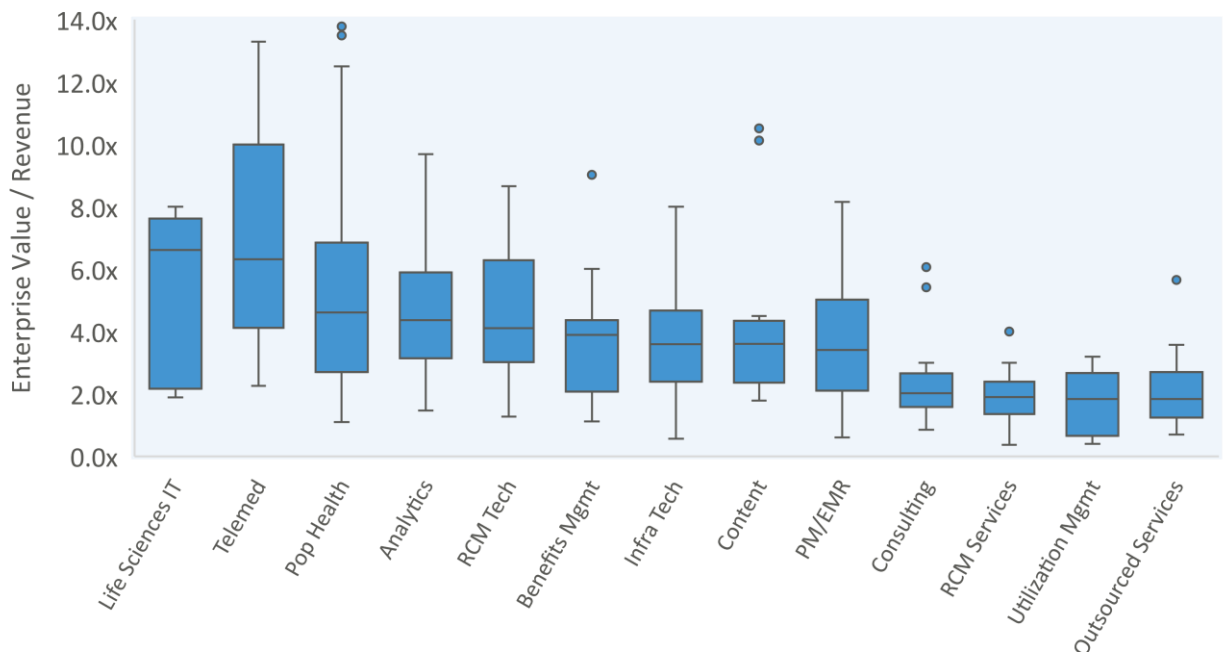
HGP keeps close tabs on M&A valuations to see how the market evolves over time. While we can only draw data from deals with disclosed multiples and therefore must be careful to consider bias in any conclusions we draw from this data, we can still get a good sense for how the market values companies within 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 – 2020	Deals with Disclosed Revenue Multiples	Deals with Disclosed EBITDA Multiples	Revenue Multiple					EBITDA Multiple
			25th %-tile	Median	75 th %-tile	Mean	Std. Deviation	Median
Life Sciences IT	6	5	2.2x	6.6x	7.6x	5.5x	3.0x	15.2x
Telemed	12	5	4.1x	6.3x	10.0x	7.1x	3.9x	14.0x
Analytics	48	13	2.7x	4.6x	6.9x	6.0x	5.0x	14.7x
Population Health	23	9	3.2x	4.4x	5.9x	4.9x	2.3x	18.0x
Benefits Mgmt	24	19	3.0x	4.1x	6.3x	4.5x	2.1x	16.2x
Infrastructure Tech	16	3	2.1x	3.9x	4.4x	3.7x	2.0x	15.0x
PM/EMR	31	16	2.4x	3.6x	4.7x	3.8x	2.0x	9.5x
Content	14	4	2.4x	3.6x	4.3x	4.2x	2.8x	11.3x
RCM Tech	42	25	2.1x	3.4x	5.0x	3.7x	2.0x	15.0x
Consulting	18	7	1.6x	2.0x	2.7x	2.4x	1.4x	12.0x
RCM Services	15	11	1.4x	1.9x	2.4x	1.9x	0.9x	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. Generally speaking, the sectors with highest median revenue multiple also experience large standard deviations and positive skew. For instance, while 25% of the observed telemedicine companies received 10.0x revenue or more in sale transactions during the period, another 25% received less than 4.1x 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.

It is worth noting that the multiples reported here cover the time period from 2015 through 2020. COVID-19 has very quickly changed the global economy, which means that these multiples may not be representative of valuations across Health IT sectors in the future.

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 is represented by the “box” and shows the range between the 75th Percentile and the 25th Percentile. Visually, the inter-quartile range serves to describe the variability of the data. 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 Benefits Management 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 outcome is also 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.

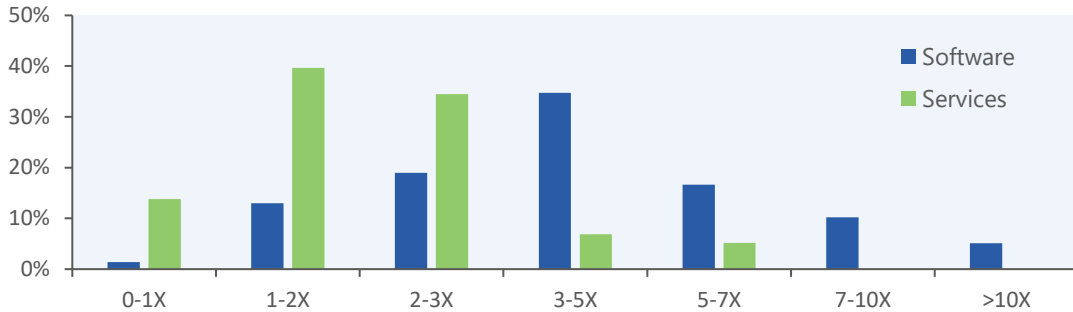
While the metrics presented here may be used as a guidepost for expected outcomes, the end result of any transaction often depends on buyer circumstances as much as on seller or market fundamentals, and buyer circumstances tend to be extremely unpredictable. It is not uncommon for the clearing price 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
Life Sciences IT (6 deals) Median: 6.6x Std. Dev.: 3.0x	Includes traditional CTMS vendors as well as other vendors that deliver value in the drug/device process.	Medidata (Dassault Systemes), Bracket Global (Genstar Capital), Phlexglobal (Vitruvian Partners)
Telemed (12 deals) Median: 6.3x Std. Dev.: 3.9x	Contains a mix of pure telehealth tech, telehealth services, and virtual care models.	AbleTo (United Health), Stratus Video (AMN Healthcare), PillPack (Amazon), Best Doctors (Teladoc)
Population Health (48 deals) Median: 4.6x Std. Dev.: 5.0x	Comprised of patient engagement, provider connectivity, and care management technologies.	BioTelemetry (Philips), Propeller Health (ResMed), Emmi (Wolters Kluwer), Press Ganey (EQT), Wellcentive (Philips)
Analytics (23 deals) Median: 4.4x Std. Dev.: 2.3x	Primarily represents a mix of life sciences and provider analytics, and to a lesser extent, payer analytics.	EPSi (Roper), Central Logic (Rubicon Venture Partners), Truven (IBM), IMS (Quintiles)
RCM Tech (24 deals) Median: 4.1x Std. Dev.: 2.1x	Includes tech-oriented RCM vendors serving hospitals and physicians, and to a lesser extent, payers.	HMS Holdings (Gainwell), eRx Network (Change Healthcare), InstaMed (JPMorgan), ABILITY (Inovalon)
Benefits Management (16 deals) Median: 3.9x Std. Dev.: 2.0x	Includes benefits management and admin software companies serving payers and employers.	OneDigital (Onex Partners), Connecture (Francisco Partners), HealthX (JMI), Benaissance (WEX), bswift (Aetna)
Infrastructure Tech (31 deals) Median: 3.6x Std. Dev.: 2.0x	Compliance and resource management software generally serving provider organizations.	Symplr (Clearlake), Datix (Rothschild), Morrisey (HealthStream), CenTrak (Halma), VendorMate (GHX)
Content (14 deals) Median: 3.6x Std. Dev.: 2.8x	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)
PM/EMR (42 deals) Median: 3.6x Std. Dev.: 2.0x	Includes ambulatory, acute, post-acute, alternate site, and departmental EMR/PM systems.	HST Pathways (Bain Capital), Intelerad (HGCapital), athenahealth (Veritas), Kinser (Mediware)
Consulting (18 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 (15 deals) Median: 1.9x Std. Dev.: 0.9x	Outsourced revenue cycle management services generally serving hospitals and physicians.	MedPartners (AMN), Intermedix (R1), Anthelio (Atos), Cardon (MedData), Equian (New Mountain)
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)

HEALTH IT REVENUE MULTIPLES DISTRIBUTION 2015-2020

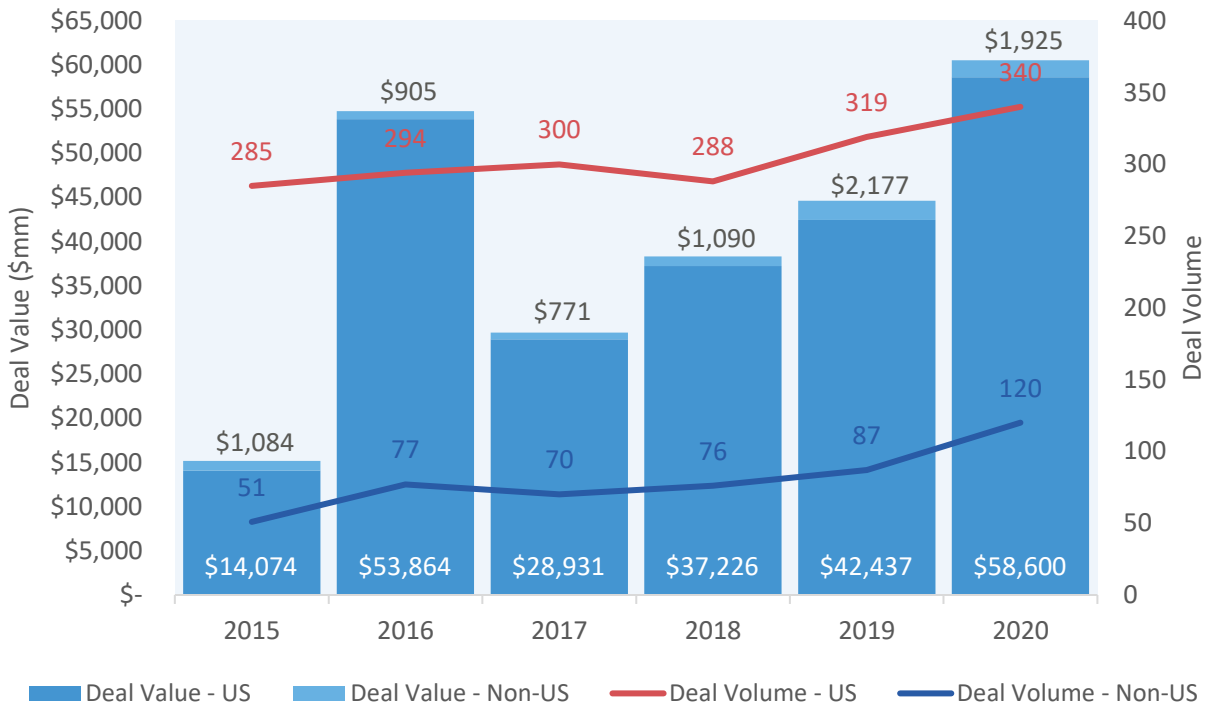


HGP has observed a number of tangible and intangible company and transaction characteristics that typically define where a deal falls on the valuation distribution. Growth, profitability, and recurring revenue are the most commonly identified factors used to justify valuation multiples. Not all health 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.

HGP'S TARGET METRICS FOR EMERGING GROWTH HIT SOFTWARE COMPANIES

	BEST 😊	GOOD 😊	PASSABLE 😐	AVOID 😞
Recurring Revenue	Monthly Subscription or Monthly Transaction	Annual Subscription or Prepaid Transactional	1-Year+ Prepaid Subscription	Perpetual License + Maintenance
Revenue Metric	Contracted Annual Recurring Revenue	Annual Recurring Revenue	Trailing Twelve Month	Sum of Parts Revenue Multiples
Revenue Growth	35%+	20-35%	10-20%	<10%
Gross Margin	80%+	70-80%	60-70%	GM <70% for SaaS Lower for Services
Revenue Retention	95%+	90-95%	Depends on Customer Type	<90%
Customer Concentration	<10%	10-20%	20-30%	1 customer > 30% or a handful of >50%
Profitability	20%+	0-20%	Small Losses	Large Losses

HIT M&A ACTIVITY FROM 2015 THROUGH 2020



The M&A activity in 2020 is striking in the context of the COVID-19 driven economic recession in 2020. As of HGP’s July 2020 Market Review, we were expecting to end the year with at least 8% fewer deals compared to 2019. Instead, we saw an acceleration of M&A in the 2H to yield the most active year for HIT M&A in over a decade. Compared to 405 transactions in 2019, 2020 saw 460 total transactions. In terms of aggregate deal dollar value, HGP observed \$60.5 billion of total transaction value so far in 2020, a significant increase compared to the already healthy \$44.6 billion of transaction value observed in 2019. The Health IT M&A market has clearly thrived this year despite the disruptive impact of COVID-19.

HIT M&A DEALS BY QUARTER



Getting more granular into valuation multiples, it is useful to note that multiples are often somewhat correlated to a target's enterprise value. For instance, HIT Software valuations experience an inflection above \$30mm in value, which steadily climbs until approximately the \$1B valuation mark. HIT Services multiples experience a similar inflection at \$100mm, especially in higher decile 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 as the enterprise value increases.

		HIT Software Companies			HIT Services Companies		
		Revenue Multiple	EBITDA Multiple	Transaction Value	Revenue Multiple	EBITDA Multiple	Transaction Value
All Transactions	# of Transactions	184	79	189	54	31	56
	Median	4.0x	14.5x	\$ 140.00	2.0x	9.6x	\$ 167.36
	Mean	4.7x	15.3x	\$ 500.02	2.1x	10.9x	\$ 711.62
<\$30mm Transactions	# of Transactions	47	10	44	11	7	11
	Median	3.1x	9.8x	\$ 10.21	1.6x	9.0x	\$ 15.90
	Mean	4.1x	10.9x	\$ 12.36	1.6x	8.9x	\$ 14.78
\$30-100mm Transactions	# of Transactions	34	16	34	15	8	15
	Median	3.2x	11.6x	\$ 50.15	1.5x	8.5x	\$ 45.00
	Mean	4.4x	12.4x	\$ 54.82	1.7x	8.1x	\$ 49.01
\$100-500mm Transactions	# of Transactions	66	26	69	18	10	18
	Median	4.3x	14.5x	\$ 195.00	2.0x	11.0x	\$ 287.50
	Mean	4.9x	16.9x	\$ 229.27	2.4x	11.4x	\$ 306.10
\$500mm-\$1B Transactions	# of Transactions	18	11	21	3	0	3
	Median	5.5x	16.2x	\$ 700.00	2.7x	NA	\$ 690.00
	Mean	5.6x	17.5x	\$ 690.03	3.2x	NA	\$ 680.00
>\$1B Transactions	# of Transactions	19	16	21	7	6	9
	Median	5.0x	16.6x	\$ 2,010.00	2.4x	14.9x	\$ 3,200.00
	Mean	5.4x	17.0x	\$ 2,942.17	2.6x	16.0x	\$ 3,489.21

Generally, companies have three valuation inflection points: proof-of-concept, growth scalability, and mature scalability.

- 1. Proof-of-concept** is value created when a company shows that its product can be successfully sold and deployed in a commercial setting.
- 2. 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.
- 3. Mature scalability** takes place after a company has matured to a level where it takes on real corporate and organizational infrastructure and the company begins to show strong profitability.

2015-2020 HIT Software Revenue Multiple Distribution by Target Enterprise Value

Percentile	<\$30mm	\$30-100mm	\$100-500mm	\$500mm-\$1B	>\$1B
90 th Percentile	6.6x	9.2x	8.6x	8.2x	9.3x
75 th Percentile	4.5x	5.4x	6.3x	7.1x	7.4x
50 th Percentile	2.9x	3.7x	4.3x	4.9x	5.0x
25 th Percentile	2.0x	2.7x	2.9x	3.8x	4.2x

2015-2020 HIT Services Revenue Multiple Distribution by Target Enterprise Value

Percentile	<\$30mm	\$30-100mm	\$100-500mm	\$500mm-\$1B	>\$1B
90 th Percentile	2.7x	2.8x	5.4x	nm	nm
75 th Percentile	2.1x	2.3x	2.9x	nm	3.2x
50 th Percentile	1.7x	1.5x	2.1x	2.7x	2.4x
25 th Percentile	1.2x	0.9x	1.6x	nm	2.2x

The above tables clearly demonstrate the valuation inflection points of increasing scale. The growth scalability inflection for Software businesses at enterprise values of around \$30mm results in median revenue multiples increasing from 2.9x to 3.7x in the 2015-2020 data. As those similar software businesses increase to over \$500mm and reach mature scalability, revenue multiples further increase to a median of nearly 5.0x.

The Services business data also exhibits a valuation inflection with size; however, the growth scalability inflection point occurs at a larger value closer to \$100mm, and mature scalability occurs nearer to \$1bn. The result is Services business revenue multiples increasing from a median of 1.5x for growth-stage businesses to greater than 2.5x for mature businesses.

Detailed multiples trends can be found in the following bar charts. 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 2020.

MEDIAN M&A MULTIPLES 2015 THROUGH 2020



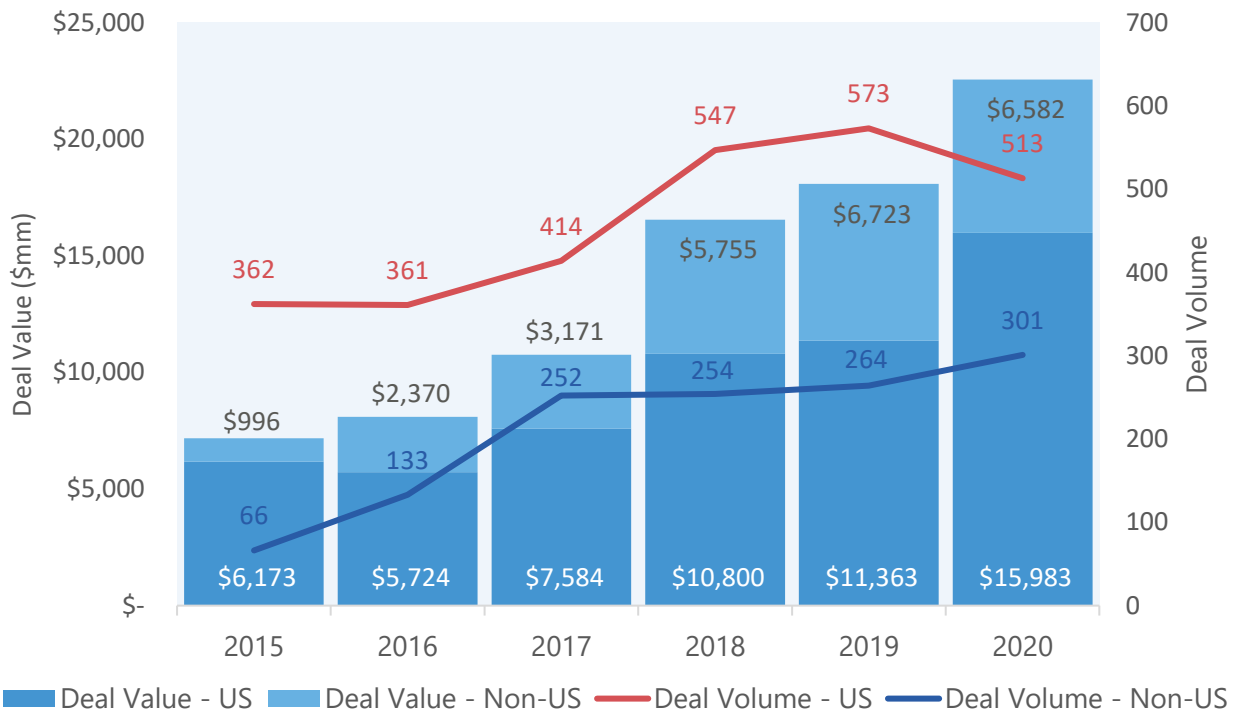
Please note that transaction multiples are based on trailing twelve-month financial information, assume the achievement of all contingent consideration, such as earnouts, and most EBITDA multiples do not include any adjustments for unusual items. It is also important to note that less than one-third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

The median revenue multiple seen in 2020 was 4.5x for HIT Software, between the 4.2x observed in 2019 and the 5.0x high water mark observed in 2018. Overall, interest in Health IT Software was strong in 2020 as COVID-19 drove accelerated digitization. Conversely, Health IT Services businesses saw a slight depression in valuations.

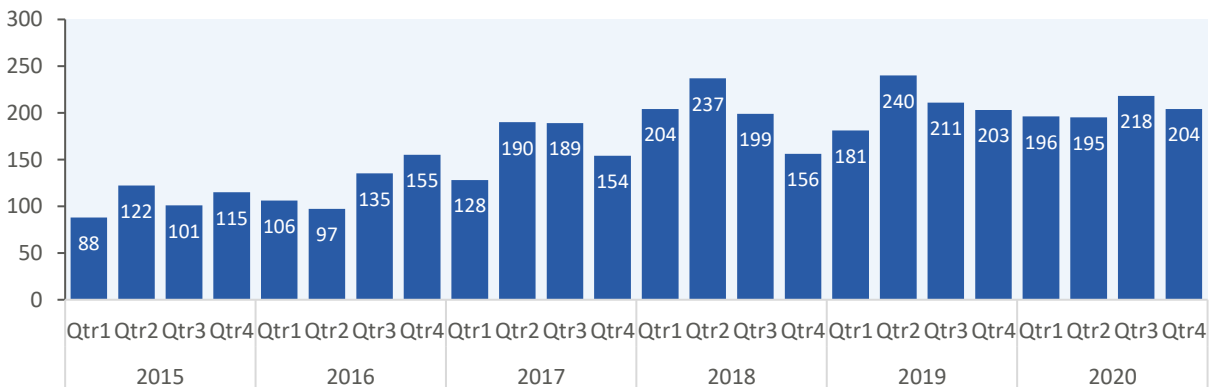
HEALTH IT CAPITAL RAISES (NON-BUYOUT)

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 2020, Healthcare Growth Partners monitored 814 capital raise transactions amounting to \$22.6 billion in value, a 25% increase in total invested capital compared to 2019.

HIT INVESTMENT ACTIVITY FROM 2015 THROUGH 2020



HIT INVESTMENT DEALS BY QUARTER



Refer to Appendix C for a list of notable non-buyout capital raises in 2020.

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 20.

All 6 indices felt the effects of COVID-19 and plunged alongside the S&P 500 in the first quarter of 2020. However, the remarkable recovery seen in Q2 continued through the second half of 2020 as markets continued to rally despite a struggling economy. As the year progressed, the unsettling contrast between the prospering markets and the hardships faced across America became even more striking as deaths continued to tick upwards while the market continued its stunning upward trajectory. Notably, the Health IT Index had a phenomenal year, up 62.4%, while HIT & Payer Services and PBM continued to underperform as compared to the S&P 500. The chart and the table on the following page summarize the performance of the HGP Indices in 2020.

HIT & RELATED INDEX PERFORMANCE 2020

Jan 21 – First case of coronavirus in the U.S reported

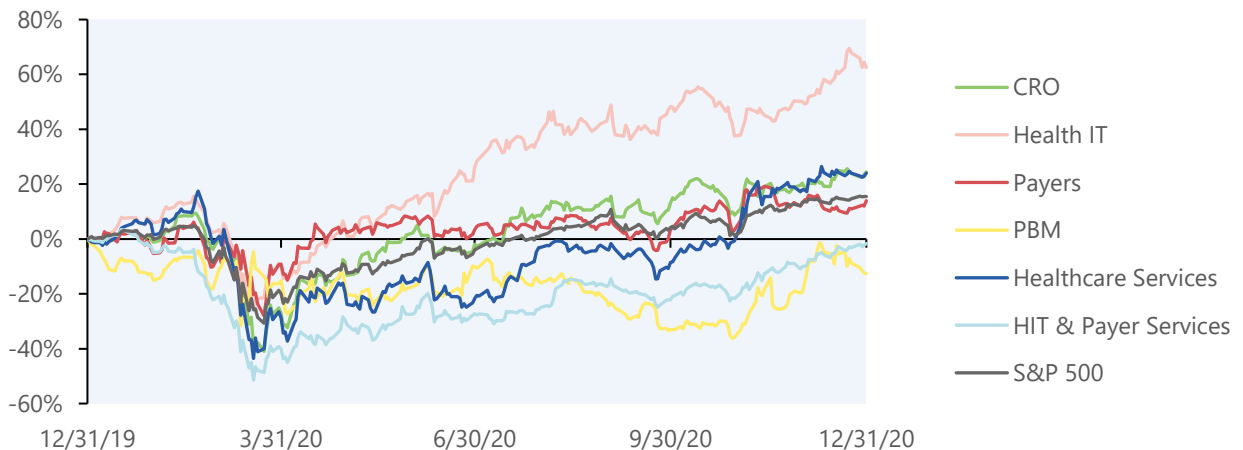
April 19 – CMS recommends opening HC systems with low CV-19 incidence

Nov. 7 – Biden defeats Trump in Presidential Election

March 27 – CARES Act was signed into law in response to CV-19

May 4 – Trump pushes to reopen as virus toll begins to double

Dec. 11 – FDA issues emergency use authorization for 1st COVID vaccine



2020 Index Performance					
S&P 500	15.5%	HIT	62.4%	Healthcare Services	23.9%
NASDAQ	43.4%	Payers	14.0%	HIT & Payer Services	-1.6%
CRO	24.5%	PBM	-12.7%		

HIT INDEX PERFORMANCE DETAIL – AS OF DECEMBER 31, 2020

Company	Share Price % Change	EV/ Rev	EV/ EBITDA	Company	Share Price % Change	EV/ Rev	EV/ EBITDA
Allscripts	47.1%	2.1X	13.1X	Livongo	457.7%	NA	NA
Accolade	13.0%	13.6X	NMF	Model N	1.7%	6.8X	NMF
Amwell	40.7%	18.5X	NMF	MultiPlan	-18.6%	5.3X	6.7X
Benefitfocus	-34.0%	2.2X	14.6X	NantHealth	213.6%	7.0X	NA
Care.com	-0.2%	NA	NA	NextGen Healthcare	13.5%	2.2X	11.8X
Castlight Health	-2.3%	1.3X	NMF	NRC Health	-35.2%	NA	NA
Cerner	6.9%	4.3X	13.3X	Oak Street Health	191.2%	11.3X	NMF
Certara	46.6%	20.4X	NMF	Omnicell	46.9%	4.8X	23.9X
Change Healthcare	13.8%	3.4X	11.7X	One Medical	211.8%	11.6X	NMF
CPSI	1.7%	1.7X	9.1X	Peloton	434.2%	11.0X	NMF
ehealth	-26.5%	2.0X	8.2X	Phreesia	103.7%	14.8X	NMF
Evolent Health	77.1%	1.5X	NMF	Premier	-7.3%	3.4X	10.7X
Fitbit	3.5%	1.1X	NMF	Progyny	54.4%	6.6X	NMF
GoHealth	-35.0%	4.6X	13.7X	Roper Technologies	21.7%	8.7X	23.9X
GoodRx	22.2%	21.0X	NMF	Simulations Plus	147.4%	26.1X	NMF
Health Catalyst	25.4%	7.8X	NMF	SmileDirectClub	36.6%	5.4X	NMF
HealthEquity	-5.9%	8.4X	26.0X	Specialists On Call	-16.4%	8.1X	NMF
HealthStream	-19.7%	2.5X	14.7X	Streamline Health	12.2%	4.4X	NMF
HMS Holdings	24.2%	4.4X	NA	Tabula Rasa	-12.0%	3.6X	NMF
Inovalon Holdings	-3.5%	4.9X	13.7X	Teladoc Health	138.8%	14.7X	NMF
Invitae	159.2%	14.3X	NMF	Veeva Systems	93.6%	27.4X	NMF
IQVIA	16.0%	3.7X	16.7X	Vocera	100.0%	5.8X	NMF
iRhythm Technologies	248.4%	19.0X	NMF				

Multiples based off 2021E Revenue and EBITDA

**INDEX VALUATION
MULTIPLES**

Despite a tumultuous 2020, valuation multiples have increased across all sectors as compared to 1H 2020. Notably, HIT continues to receive the most significant valuation premiums.

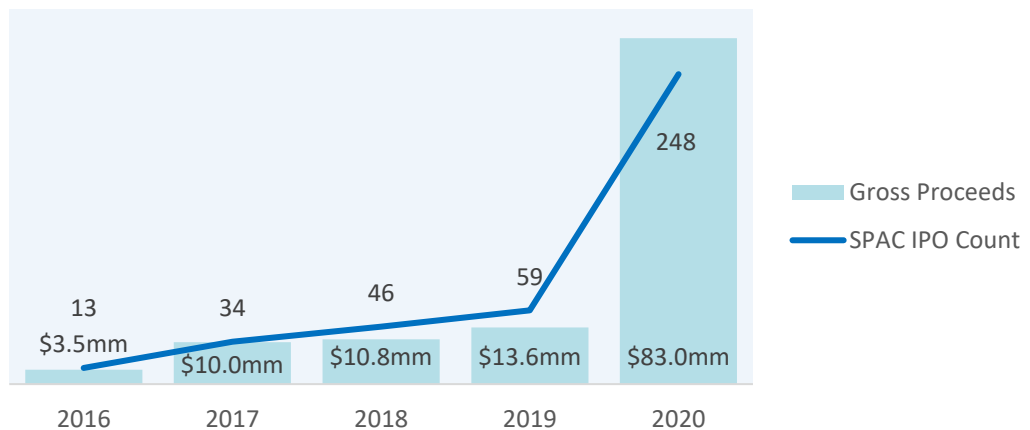
Sector	Revenue Multiples		EBITDA Multiples	
	2020E	2021E	2020E	2021E
Health IT	6.4x	5.6x	12.8x	13.5x
CRO	3.6x	3.2x	19.2x	16.4x
Payers	0.7x	0.7x	10.8x	10.6x
PBM	0.5x	0.5x	11.2x	11.0x
Healthcare Services	1.7x	1.8x	8.4x	8.5x
HIT & Payer Services	1.4x	1.3x	10.3x	12.3x

HEALTH IT IPOs AND SPACs

2020 saw an astonishing boom in special purpose acquisition company (SPAC) transactions, with a record-breaking 248 companies opting for this non-traditional route to hit the public markets, more than 4 times 2019's total. An increase in market volatility and uncertainty fueled by the unprecedented COVID-19 pandemic created a market ripe for SPACs. The enticing promise of greater market certainty and speed in hitting the markets has driven a SPAC craze as more and more companies sidestep the traditional IPO route.

Health IT felt this momentum as well, with 7 out of 11 Health IT go-public transactions in 2H 2020 choosing this newly reemerged option (MultiPlan, SOC Telemed, Accountable Healthcare America, Clover Health, Augmedix, and Cloudbreak Health/ UpHealth). For HIT companies hoping to capitalize on favorable market dynamic, such as the rise in virtual care, the SPAC route has been highly attractive as it offers a streamlined and efficient approach to hitting the market.

SPAC PROCEEDS AND IPO COUNT



2H 2020 IPOs and SPACs Include:

- Primary care startup, **Oak Street Health**, raised \$328 million in its IPO on August 6, selling 15.6 million shares at \$21/ share. Oak Street's model includes striking value-based care agreements to care for Medicare patients and has proved successful in a time when many clinics are struggling with the drop in in-person visits. The Company ended the year 191% up from its IPO date.
- **MultiPlan**, provider of data analytics cost management solutions for payers, became the first HIT company in 2020 to announce its plans to go public via a reverse merger with SPAC Churchill Capital on July 10. The business combination, valued at \$11 billion, closed on October 8 and is the largest US SPAC deal. However, the company had a tumultuous debut, ending the year down 19%.
- Joining MultiPlan in the SPAC trend, **SOC Telemed** announced plans to go public via a reverse merger with Healthcare Merger Corp. on July 29. The merger closed on October 30th and valued the Company at an estimated \$720mm. Despite the surge in telemedicine due to CV-19, shares for SOC Telemed ended the year down 16%.

HEALTH IT IPOs AND SPACs

- Prescription drug online marketplace, **GoodRx**, raised \$1.1 billion in its September 23 IPO, pricing the deal well above the expected range. Fueled by the increasing trend in virtual consultations and online purchases, GoodRx shares jumped 40% on their first day and ended the year up 22%.
- **Hims**, telemedicine and digital pharmacy platform, filed to go public via a reverse merger with Oaktree Acquisition on July 29 valuing the company at approximately \$1.6 billion. Hims continues to experience rapid success amidst the lockdown and quarantine measures and reported 91% year-over-year growth for Q3 2020.
- **Accountable Healthcare America** announced it entered into a definitive agreement to combine with SPAC GreenVision Acquisition Corp on August 27 in a deal valuing the company at \$150 million, 6.6X AHA's projected 2021 EBITDA. AHA is technology-enabled population health company that owns and manages Medicare-focused, risk-bearing provider networks.
- **Clover Health**, an insurtech company for Medicare Advantage plans, announced plans to go public through a reverse merger with SPAC Social Capital on October 6, valuing Clover at \$3.7 billion. The deal, led by former Facebook executive Chamath Palihapitiya is Social Capital's 4th SPAC.
- Google Glass-powered medical scribe service, **Augmedix**, went public via a reverse merger with Malo Holdings and began trading on OTCQB on October 5.
- Drug development services firm, **Certara**, sold 29.1 million shares at \$23/ share on December 11, raising approximately \$670 million in its IPO. The IPO valued the company at \$3.5 billion, which reported revenue of \$178.9 million for the nine months ended September 2020 and profit of \$5.1 million. Shares soared 72% on day 1 of trading and ended the year 47% up from their debut.
- Hoping to capitalize on the telemedicine surge, **UpHealth and Cloudbreak** announced plans to merge with SPAC Gig2Capital on November 23 in a business combination valued at \$1.35 billion. The deal combines UpHealth's integrated care management and digital pharmacy expertise with Cloudbreak's telemedicine and video medical interpretation solutions to create a global digital healthcare company serving an entire spectrum of needs.
- Following a \$140 million funding round, health insurance startup **Oscar**, filed for an IPO on December 21. Oscar has not yet announced details for its IPO, but investors are eyeing insurtech peer Lemonade as an indication of Oscar's potential as the company promises to make health insurance more digital and accessible.



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	
<p><u>Health IT (HIT) – Constituents</u></p> <p>Allscripts – NAS:MDRX Accolade – NAS:ACCD Amwell – NYS:AMWL Benefitfocus – NAS:BNFT Care.com – NYS:CRCM [Acquired 2/11/2020] Castlight Health – NYS:CSLT Cerner – NAS:CERN Certara – NAS:CERT Change Healthcare – NAS:CHNG Computer Programs & Systems – NAS:CPSI ehealth – NAS:EHTH Evolent Health – NYS:EVH Fitbit – NYS:FIT GoHealth – NAS:HCAT GoodRx – NAS:GDRX Health Catalyst – NAS:HCAT HealthEquity – NAS:HQY HealthStream – NAS:HSTM Hms Holdings – NAS:HMSY Inovalon Holdings – NAS:INOV Invitae – NYS:NVTA IQVIA – NYS:IQV iRhythm Technologies – NAS:IRTC Livongo – NAS:LVGO [Acquired 11/4/2020] Model N – NYS:MODN MultiPlan – NYS:MPLN NantHealth – NAS:NH NextGen – NAS:NXGN NRC Health – NAS:NRC Oak Street Health – NYS:OSH Omnicell – NAS:OMCL One Medical – NAS:ONEM Peloton – NAS:PTON Phreesia – NYS:PHR Premier – NAS:PINC Progyny – NAS:PGNY Roper Technologies – NYS:ROP Simulations Plus – NAS:SLP SmileDirectClub – NAS:SDC Specialists on Call – NAS:TLMG Streamline Health Solutions – NAS:STRM Tabula Rasa Healthcare – NAS:TRHC Teladoc – NYS:TDOC Veeva Systems – NYS:VEEV Vocera Communications – NYS:VCRA</p>	<p><u>PBMs – Constituents</u></p> <p>CVS Health – NYS:CVS Rite Aid – NYS:RAD Walgreens Boots Alliance – NAS:WBA</p> <p><u>HIT & Payer Services – Constituents</u></p> <p>Accenture – NYS:ACN CACI International – NYS:CACI CBIZ – NYS:CBZ Conduent – NYS:CNDT Corvel – NAS:CRVL DXC Technology – NYS:DXC Huron Consulting Group – NAS:HURN Kforce – NAS:KFRC Magellan Health – NAS:MGLN Tivity Health – NAS:TVTY</p> <p><u>Healthcare Services – Constituents</u></p> <p>Amedisys – NAS:AMED Brookdale Senior Living – NYS:BKD Community Health Systems – NYS:CYH Encompass Health Corp – NYS:EHC HCA Management Services – NYS:HCA Laboratory Corporation of America Holdings – NYS:LH Mednax – NYS:MD Quest Diagnostics – NYS:DGX Select Medical Holdings – NYS:SEM Tenet Healthcare – NYS:THC Universal Health Services – NYS:UHS</p> <p><u>CROs – Constituents</u></p> <p>Charles River Laboratories International – NYS:CRL Icon – NAS:ICLR IQVIA – NYS:IQV Pharmaceutical Product Development – NAS:PPD PRA Health Sciences – NAS:PRAH Schrodinger – NAS:SDGR Syneos Health – NAS:SYNH</p> <p><u>Payers – Constituents</u></p> <p>Anthem – NYS:ANTM Centene – NYS:CNC Cigna – NYS:CI Humana – NYS:HUM Molina Healthcare – NYS:MOH UnitedHealth Group – NYS:UNH WellCare – NYS:WCG [Acquired 1/23/2020]</p>

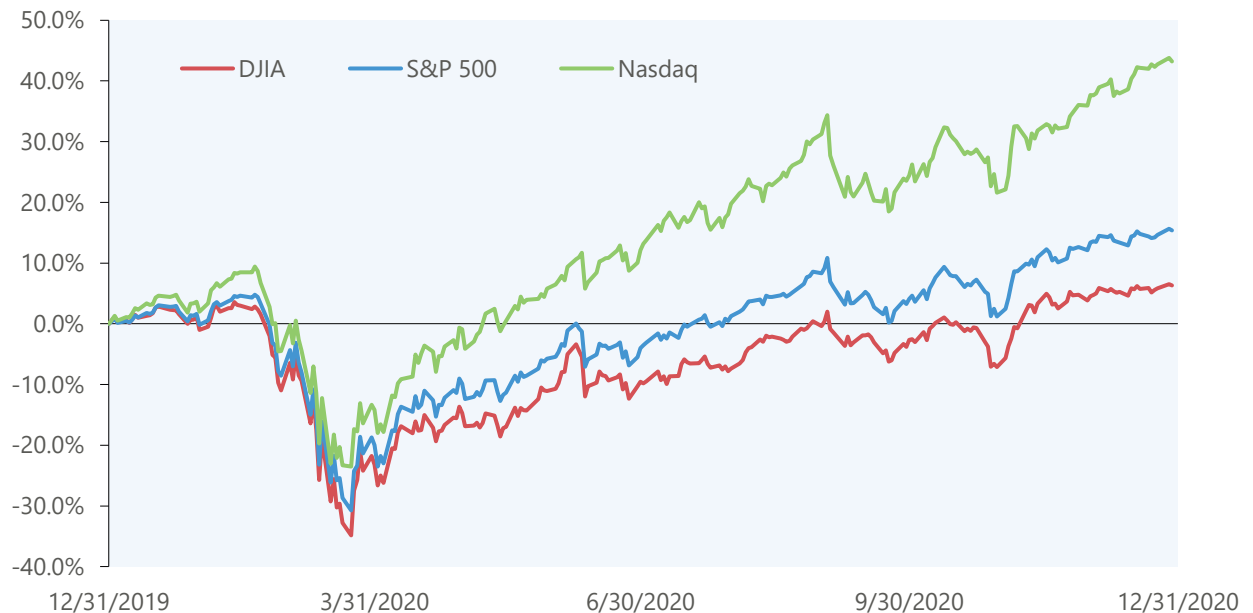
MACROECONOMICS

6

2020 was a rollercoaster year few will forget. During the second half of the year, while COVID-19 continued to wreak havoc around the world, the United States conducted one of the most tense elections for U.S. President in history. In addition to COVID-19, debated topics during the election cycle included the confirmation of Amy Coney Barrett to fill Ruth Bader Ginsburg’s seat in the U.S. Supreme Court as well as the Black Lives Matter movement. Ultimately, former Vice President Joe Biden and incumbent U.S. Senator Kamala Harris won the election with more than 81 million votes, the most votes ever cast for a U.S. Presidential ticket.

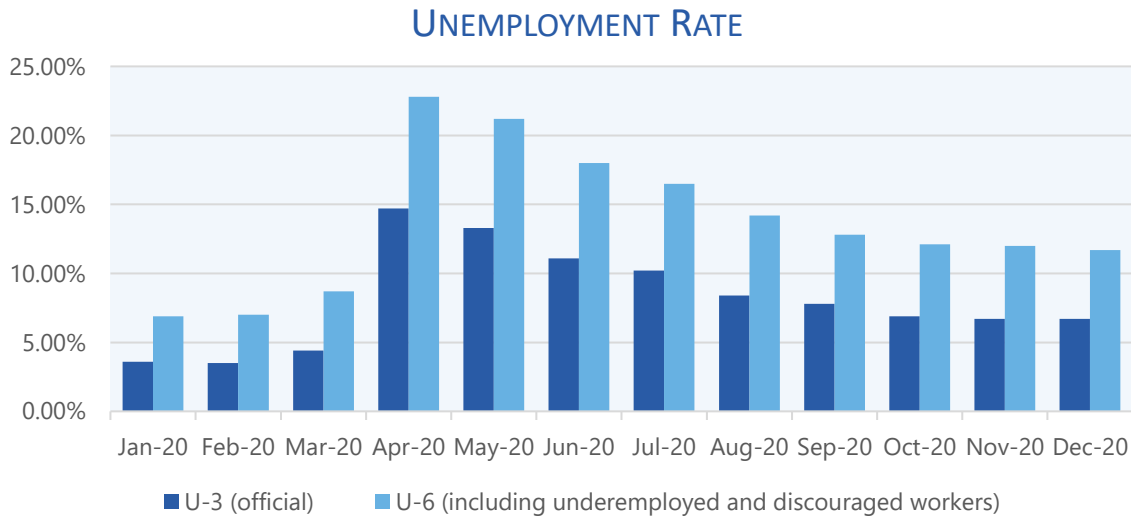
While the election took over news networks and international attention, the stock market regained momentum and ended the year in another bull market, again reaching all-time highs. The S&P 500 ended the year up over 15%, and the NASDAQ up an impressive 43.2%, bolstered by technology stocks benefiting from the new work-from-home world and interest rates at their lowest level in decades.

2020 US STOCK MARKET PERFORMANCE



Similar to the uplift experienced in both the stock market and in the M&A market, IPO activity surged in the second half of the year as low interest rates, federal stimulus, and high valuations combined to create a favorable environment for raising equity. In 2020, there were 494 IPOs raising an aggregate \$174 billion – more than double that of 2019. Special Purpose Acquisition Companies (SPACs) were a favorite this year, providing a faster and less volatile means for an operating company to become publicly listed. On the other hand, only two companies opted to eschew the traditional IPO process and go public via a direct listing this year, likely a result of risk-aversion to direct listing in 2020’s volatile market.

We should celebrate the resilience of the market; however, this success needs to be tempered by the realization that the overall economy has not fared quite as well. Unemployment skyrocketed in April to nearly 14.7% (or nearly 23% if we include underemployed and discouraged workers). By the end of the year, unemployment has improved somewhat but is still at a high 6.7%. Underemployment is a major issue as we enter 2021, both from an economic perspective in a consumer-driven economy and from a humanitarian perspective in making sure that everyone has sufficient access to healthcare and necessities.



Private equity and venture capital velocity slowed in Q2 but saw renewed momentum in the second half of the year. According to CB Insights, venture capital-backed companies raised nearly \$130 billion (14% more compared to 2019) across over 6,000 investments. While investment activity overall continued to thrive despite COVID-19, investors strongly favored larger, established companies, with seed-stage deals declining significantly in the year.

Private equity firms also saw a resurgence of activity in the second half, completing over 2,700 transactions worth over \$200 billion in the United States alone. M&A followed-suit, with \$545 billion in aggregate U.S. transaction value in Q4 alone, compared to just \$77.3 billion in Q2. The second-half set numerous records, both in terms of volume and value of transaction activity, yielding a strong overall year despite the complete halt on almost all activity in Q2 during the onset of the COVID-19 pandemic.

Moving into 2021, the markets have settled into a strong bull-market mentality, fueled by multiple newly approved vaccines for COVID-19 and confidence in continued government stimulus programs. As we enter 2021, we have many reasons to be hopeful for the future. COVID-19 will continue to be a significant drag on the economy in the short-term as it continues to infect and kill thousands every day; however, there is a light at the end of the tunnel, and we expect to see some favorable effects from the vaccines in the coming months.

Notable headlines from 2020 are outlined in the following pages on a quarterly basis. The headlines in 2020 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

Snohomish County man is first U.S. case of new coronavirus

January 21: The first case of Wuhan Coronavirus reported in the United States is a Snohomish County man in his 30s who traveled to China., federal and local officials announced January 21st. At the time, there were 440 cases reported worldwide Tuesday, and the U.S. joined a growing list of places outside mainland China reporting cases, following Thailand, Japan, South Korea and Taiwan.

Epic ramps up campaign against HHS interoperability rules

January 24: Epic CEO Judy Faulkner escalated her campaign against HHS' data sharing rules, triggering backlash from patients and advocates who say she's trying to protect the Wisconsin company's business interests at patients' expense. She argued that the rules don't provide privacy protections for patients, and that once patients send the data into unregulated apps that might sell or exploit it, it's impossible to get it back.

Practice Fusion to pay \$145 million to resolve criminal and civil investigations

January 27: As part of the criminal resolution, Practice Fusion admits that it solicited and received kickbacks from a major opioid company in exchange for utilizing its EHR software to influence physician prescribing of opioid pain medications.

Google-Backed One Medical surges 58% in trading debut

February 1: 1Life Healthcare Inc., a provider of tech-driven primary care clinics under the One Medical brand, closed its first day of trading up 58% after raising \$245 million in an initial public offering. The shares closed Friday at \$22.07, giving the company a value of \$2.7 billion. The company priced them Thursday at the bottom of the \$14 to \$16 target range.

UnitedHealth stock suffers worst day in nearly 9 years as Sanders' Nevada win stokes investor fear

February 25: Shares of UnitedHealth plunged toward their worst day in nearly 9 years, declining 7.8%, as the narrative around a potential Bernie Sanders nomination may have swung to negative from positive following the senator's surprisingly big win in Nevada. Shares of Centene Corp, which provides programs and services to government-sponsored health-care programs, plunged 9.4%.

U.S. stocks tumble 11% in worst week since 2008 crisis

February 28: The spread of the coronavirus rattled global financial markets, sending U.S. stocks to their worst week since the financial crisis more than a decade ago. The S&P 500 plunged 11% in the five days. Treasuries surged, pushing yields on the 10- and 30-year notes to record lows during the period. Oil plunged toward \$45 a barrel in its biggest weekly rout since 2008.

HIMSS cancels conference due to coronavirus

March 5: HIMSS has canceled its annual health information and technology conference in the wake of the COVID-19 outbreak. It marks the first time in 58 years that the event has been canceled. President Donald Trump had been scheduled to speak on March 9, marking the first time a sitting president would have given remarks at the event and leading some to predict HHS planned to release final versions of long-awaited information-blocking and interoperability rules at HIMSS20.

HHS releases final interoperability, data blocking regulations

March 9: The Trump administration released widely anticipated rules that change how providers, insurers and patients exchange health data. The regulations will allow patients to access and download their health records with third-party apps. Putting patients in charge of their health records is a key piece of giving patients more control in healthcare, and patient control is at the center of the Trump administration's work toward a value-based healthcare system, Trump officials said.

CMS lays out regulatory relief for value-based care programs amid COVID-19 pandemic

March 22: The Trump administration has extended the deadlines for quality reporting and applications for providers in value-based care programs. CMS released relief for regulatory requirements as providers face the growing tide of COVID-19 patients. CMS also announced it will not use any quality data on services from Jan. 1 through June 30 in the agency's calculations for quality reporting and value-based purchasing programs.

OCR will ease restrictions on telehealth tech during COVID-19

March 17: The Office for Civil Rights (OCR) announced, effective immediately, that it will exercise its enforcement discretion and will waive potential penalties for HIPAA violations against health care providers that serve patients through everyday communications technologies during the COVID-19 nationwide public health emergency. This exercise of discretion applies to widely available communications apps, such as FaceTime or Skype, when used in good faith for any telehealth treatment or diagnostic purpose, regardless of whether the telehealth service is directly related to COVID-19.

Q2 HEADLINES

Apple and Google partner on COVID-19 contact tracing technology

April 10: Across the world, governments and health authorities are working together to find solutions to the COVID-19 pandemic, to protect people and get society back up and running. Software developers are contributing by crafting technical tools to help combat the virus and save lives. In this spirit of collaboration, Google and Apple are announcing a joint effort to enable the use of Bluetooth technology to help governments and health agencies reduce the spread of the virus, with user privacy and security central to the design.

CMS issues recommendations to re-open health care systems in areas with low incidence of CV-19

April 19: As the US continues to face the unprecedented public health emergency from the COVID-19 pandemic, the tide is turning and some areas throughout the country are seeing a decline in cases. As states and localities begin to stabilize, the Centers for Medicare & Medicaid Services (CMS) is issuing guidance on providing essential non-COVID-19 care to patients without symptoms of COVID-19 in regions with low and stable incidence of COVID-19. This is part of Phase 1 in the Trump Administration's Guidelines for Opening Up America Again.

Hospitals ask Congress for another \$100 billion COVID-19

May 1: In an odd twist to the pandemic, hospitals are actually struggling financially as beds that would have been taken by non-COVID patients sit empty. Health care workers are bearing the brunt of the distress, having their hours and pay cut.

As Trump pushes to reopen, government sees virus toll nearly doubling

May 4: The projections, based on data collected by various agencies, including the Centers for Disease Control and Prevention, and laid out in an internal document obtained Monday by The New York Times, forecast about 200,000 new cases each day by the end of May, up from about 30,000 cases now. There are currently about 1,750 deaths per day, the data shows.

The U.S. death toll has reached 100,000

May 27: One hundred thousand Americans dead in less than four months. The death toll from the coronavirus passed that hard-to-fathom marker on May 27, which slipped by like so many other days in this dark spring, one more spin of the Earth, one more headline in a numbing cascade of grim news.

U.S. health agency reverses Obamacare transgender protections

June 12: The U.S. Department of Health and Human Services issued a rule that would lift anti-discrimination protections under Obamacare for transgender people and women seeking abortions, drawing condemnation from Democratic lawmakers. The rule reverses some provisions of the Affordable Care Act passed during President Barack Obama's administration, also known as Obamacare, that extended civil rights protections in healthcare to cover areas including gender identity and the termination of a pregnancy.

Hospitals lose lawsuit against HHS over price disclosure rule

June 23: Industry groups representing hospitals and health systems across the nation sued HHS last year, challenging a rule that requires hospitals to disclose the rates they negotiate with insurers beginning in 2021. On June 23, a federal judge granted HHS' motion for summary judgement. Under a final rule issued in November, hospitals are required to disclose the standard charges, including payer-specific negotiated rates, for all services beginning next year.

CMS creates new Office of Burden Reduction and Health Informatics

June 24: The CMS has formed the new Office of Burden Reduction and Health Informatics – an outgrowth of its Patients over Paperwork Initiative, whose mission is eliminating red tape in healthcare documentation and, officials say, "permanently embeds a culture of burden reduction across all platforms of CMS agency operations." The new office is meant to bolster CMS's efforts to decrease the hours and costs clinicians and providers incur for CMS-mandated compliance.

Q3 HEADLINES

University of California Health creates centralized data set to accelerate COVID-19 research

July 15: Drawing on electronic health records from across its academic health system, University of California Health has developed a unified, secure data set for use in COVID-19 research. The HIPAA Limited Data Set consisting of clinical information with more than 460 million data points is accessible to researchers across the entire UC system, enabling them to rapidly compare treatment options from previous patients to help future patients.

Virginia first state to fully deploy COVID-19 exposure notification app based on Apple-Google tech

August 6: The Virginia Department of Health says the app, called COVIDWISE, is fully opt-in for residents, includes stringent privacy protections (including not collecting location data or personal information) and will not be used for the state's contact tracing efforts. Instead, app users can notify others and get exposure notifications following positive COVID-19 test results. If they choose to report their result, Virginia residents positive are provided a personal identification number they enter into COVIDWISE to verify their identity and make sure exposure notifications are legitimate. Other app users will then get a notification if their phones were within six feet of the infected individual within the past two weeks, based on the strength and duration of the Bluetooth signal.

HHS chief information officer abruptly resigns

August 14: Arrieta told senior leaders that he would stay on for up to a month to help with the transition, said two individuals with knowledge of his plans. He departs just four months after the department stood up the public data sharing hub HHS Protect, and a little over a year since he took over as chief information officer.

Firm Collecting Virus Data, TeleTracking, Refuses to Answer Senators' Questions

August 14: In a letter dated Aug. 3, a lawyer for TeleTracking Technologies cited the nondisclosure agreement in declining to say how it collects and shares data. The lawyer refused to share the company's proposal to the government, its communications with administration officials and other information related to the awarding of the contract. That contract has come under scrutiny in the wake of an abrupt decision last month by Alex M. Azar II, who ordered hospitals to stop reporting coronavirus patient data to the Centers for Disease Control and Prevention and instead send the information to TeleTracking for inclusion in a new centralized coronavirus database. The order raised alarms about data transparency and the sidelining of C.D.C. experts.

AMA releases 2021 CPT code set

September 1: The first major overhaul in more than 25 years to the codes and guidelines for office and other outpatient evaluation and management (E/M) services was included in September's release of the 2021 Current Procedural Terminology (CPT®) code set published by the AMA. These foundational modifications were designed to make E/M office visit coding and documentation simpler and more flexible, freeing physicians and care teams from clinically irrelevant administrative burdens that led to time-wasting note bloat and box checking.

Judge dismisses data privacy suit against University of Chicago and Google

September 9: Back in 2019, Healthcare IT News reported on a unique privacy case involving Google and the University of Chicago Medical Center – which had been named as defendants in a class action suit alleging that they'd failed to properly de-identify data used for machine learning research and predictive analytics projects. On September 4, Judge Rebecca R. Pallmeyer granted the University of Chicago and Google's motions to dismiss the suit.

As insurers move this week to stop waiving telehealth copays, patients may have to pay more for virtual care

September 29: Starting Oct. 1, several private health insurers will no longer fully pay for virtual visits under certain circumstances — effectively reinstating costs for patients reliant on the virtual care that has been heralded as a lifeline at a time when Covid-19 is still killing more than 700 Americans each day.

Q4 HEADLINES

House Lawmakers Condemn Big Tech's 'Monopoly Power' and Urge Their Breakups

October 6: House lawmakers who spent the last 16 months investigating the practices of the world's largest technology companies said that Amazon, Apple, Facebook and Google had exercised and abused their monopoly power and called for the most sweeping changes to antitrust laws in half a century. To amend the inequities, the lawmakers recommended restoring competition by effectively breaking up the companies, emboldening the agencies that police market concentration and throwing up hurdles for the companies to acquire start-ups. They also proposed reforming antitrust laws, in the biggest potential shift since the Hart-Scott-Rodino Act of 1976 created stronger reviews of big mergers.

Trump Administration Finalizes Rule Requiring Health Insurers to Disclose Price and Cost-Sharing Information

October 29: The rule requires that almost all health insurance companies and self-insured plans disclose pricing and cost-sharing information. Under this final rule, more than 200 million Americans with private-sector insurance (both individual-market and employer-based) will have access to a list of real-time price information, including cost-sharing, enabling them to know how much care will cost them before going in for treatment.

Teladoc finalizes blockbuster deal with Livongo in less than 3 months

October 30: Teladoc announced Aug. 5 it planned to pay \$18.5 billion in cash and stock for Livongo, which provides diabetes monitoring and remote monitoring. The combination of two of the largest publicly-traded virtual care companies will create a health technology giant just as the demand for virtual care soars. The deal was wrapped up quickly, in under three months, as the companies likely look to leverage the current financial tailwinds of the telehealth boom and investor interest in digital health spurred by the COVID-19 pandemic.

Biden defeats Trump for White House, says 'time to heal'

November 7: Democrat Joe Biden defeated President Donald Trump to become the 46th president of the United States on Saturday and offered himself to the nation as a leader who "seeks not to divide, but to unify" a country gripped by a historic pandemic and a confluence of economic and social turmoil. Trump refused to concede, threatening further legal action on ballot counting. But Biden used his acceptance speech as an olive branch to those who did not vote for him, telling Trump voters that he understood their disappointment but adding, "Let's give each other a chance."

HHS finalizes rules to nix Part D rebate safe harbor, tie Part B prices to foreign countries

November 20: The Trump administration finalized a rule that gets rid of the safe harbor shielding Medicare Part D rebates from the anti-kickback statute and a rule that will tie certain Medicare Part B drug prices to those paid by countries overseas. Trump called for both rules to be published during a flurry of executive orders back in September. The rebate rule is expected to generate significant pushback from providers, payers and pharmacy benefit managers (PBM) that say it will harmfully impact seniors' access to cheaper drugs. The so-called most-favored-nation rule will also change how providers get paid for administering and storing Part B drugs. The rebate rule will replace the safe harbor for Part D rebates, meaning they could be targeted under the federal anti-kickback law, with a new safe harbor that applies only to discounts offered at the point of sale.

FDA Takes Key Action in Fight Against COVID-19 By Issuing Emergency Use Authorization for First COVID-19 Vaccine

December 11: The emergency use authorization allows the Pfizer-BioNTech COVID-19 Vaccine to be distributed in the U.S. “The FDA’s authorization for emergency use of the first COVID-19 vaccine is a significant milestone in battling this devastating pandemic that has affected so many families in the United States and around the world,” said FDA Commissioner Stephen M. Hahn, M.D.

Trump signs stimulus and government spending bill into law, averting shutdown

December 27: President Trump unexpectedly capitulated Sunday night and signed the stimulus bill into law, releasing \$900 billion in emergency relief funds into the economy and averting a Tuesday government shutdown. He had demanded changes to the stimulus and spending package for a week, suggesting he would refuse to sign it until these demands were met. This continued defiance caused lawmakers from both parties to panic, worried about the implications of a government shutdown during a pandemic. It was unclear what prompted him to change his mind late Sunday, but he was under tremendous pressure from Republicans to acquiesce.

Drugmakers to hike prices for 2021 as pandemic, political pressure put revenues at risk

December 31: Drugmakers including Pfizer Inc, Sanofi SA, and GlaxoSmithKline Plc plan to raise U.S. prices on more than 300 drugs in the United States on Jan. 1, according to drugmakers and data analyzed by healthcare research firm 3 Axis Advisors. The hikes come as drugmakers are reeling from effects of the COVID-19 pandemic, which has reduced doctor visits and demand for some drugs. They are also fighting new drug price cutting rules from the Trump administration, which would reduce the industry’s profitability.

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 120 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, CBS, CNBC, CNN, company press releases, company SEC filings, Dealogic, EY Global, FactSet, FierceHealthcare, Forbes, FRED, Health Data Management, Healthcare Growth Partners database, HealthLeaders Media, Hlstalk, Mercom Capital Group, Mergermarket, Modern Healthcare, NVCA, Pitchbook, PwC, Reuters, Rock Health, SIFMA, StartUp Health, The New York Times, and The Wall Street Journal.

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HGP TRANSACTION EXPERIENCE

<p>RCM Vendor</p> <p>has been acquired by</p> <p>C R O N I S HEALTH</p> <p>SELL-SIDE</p>	<p>HIPAAOne</p> <p>has been acquired by</p> <p>Intrprise HEALTH</p> <p>SELL-SIDE</p>	<p>patient matters</p> <p>has been acquired by</p> <p>firstsource</p> <p>SELL-SIDE</p>	<p>DIGISONICS Accelerating the art of compliance</p> <p>has been acquired by</p> <p>Intelerad The Gold Standard in Radiology</p> <p>SELL-SIDE</p>	<p>ontellus</p> <p>has acquired</p> <p>INTERTEL</p> <p>BUY-SIDE</p>	<p>ePreop</p> <p>has been acquired by</p> <p>provation</p> <p>SELL-SIDE</p>
<p>symplr</p> <p>has acquired</p> <p>Wolters Kluwer ComplyTrack®</p> <p>BUY-SIDE</p>	<p>symplr</p> <p>has acquired</p> <p>the patient safety company</p> <p>BUY-SIDE</p>	<p>alertmd</p> <p>has been acquired by</p> <p>Evercommerce</p> <p>SELL-SIDE</p>	<p>IMPACT APPLICATIONS, INC.</p> <p>has been acquired by</p> <p>Riverside Insights</p> <p>SELL-SIDE</p>	<p>ACCUMEN</p> <p>has acquired</p> <p>SPX ASSOCIATES</p> <p>BUY-SIDE</p>	<p>OmniSYS</p> <p>has acquired</p> <p>STRAND</p> <p>BUY-SIDE</p>
<p>clearwave The patients' choice!</p> <p>received funding from</p> <p>FrontierCapital</p> <p>CAPITAL RAISE</p>	<p>Diameter Health</p> <p>received funding from</p> <p>OPTUM</p> <p>GROWTH STRATEGY</p>	<p>ChartSwap</p> <p>has been acquired by</p> <p>ontellus</p> <p>SELL-SIDE</p>	<p>RPA</p> <p>has been acquired by</p> <p>JENSEN HUGHES Member of the Division of Software</p> <p>SELL-SIDE</p>	<p>ontellus</p> <p>has acquired</p> <p>Record Retrieval Service</p> <p>BUY-SIDE</p>	<p>Kognito</p> <p>has been acquired by</p> <p>ascend Labs</p> <p>SELL-SIDE</p>
<p>PROGRESS INNOVATION HEALTH CARE</p> <p>has been acquired by</p> <p>Azalea HEALTHCARE TECHNOLOGY</p> <p>SELL-SIDE</p>	<p>callpointe</p> <p>has been acquired by</p> <p>west</p> <p>SELL-SIDE</p>	<p>symplr</p> <p>has acquired</p> <p>VISTAR</p> <p>BUY-SIDE</p>	<p>ClockwiseMD</p> <p>has been acquired by</p> <p>DocuTAP</p> <p>SELL-SIDE</p>	<p>OmniSYS</p> <p>has acquired</p> <p>voiceTech Healthcare Communication Solutions</p> <p>BUY-SIDE</p>	<p>essette</p> <p>has been acquired by</p> <p>hms</p> <p>SELL-SIDE</p>
<p>Array Health</p> <p>has been acquired by</p> <p>GetInsured</p> <p>SELL-SIDE</p>	<p>HIGH LINE HEALTH</p> <p>has been acquired by</p> <p>onecallcare MANAGEMENT</p> <p>SELL-SIDE</p>	<p>vivify health.</p> <p>received funding from</p> <p>LabCorp Laboratory Corporation of America</p> <p>CAPITAL RAISE</p>	<p>livongo health</p> <p>received funding from</p> <p>7 vivo ventures</p> <p>CAPITAL RAISE</p>	<p>Keais RECORDS RETRIEVAL</p> <p>has acquired</p> <p>second IMAGE HEALTH CARE</p> <p>BUY-SIDE</p>	<p>Lightbeam Health Solutions</p> <p>has acquired</p> <p>Browsersoft</p> <p>BUY-SIDE</p>
<p>symplr</p> <p>has acquired</p> <p>cactus by symplr</p> <p>BUY-SIDE</p>	<p>INFORMEDDNA Healthcare, Pharmaceutical</p> <p>received funding from</p> <p>Anthem</p> <p>CAPITAL RAISE</p>	<p>docbookMD</p> <p>has been acquired by</p> <p>script</p> <p>SELL-SIDE</p>	<p>Lightbeam Health Solutions</p> <p>received funding from</p> <p>HEARST CORPORATION</p> <p>CAPITAL RAISE</p>	<p>vivify health.</p> <p>received funding from</p> <p>UPMC LIFE SCIENCE INNOVATIONS</p> <p>CAPITAL RAISE</p>	<p>Nextech The patient's new partner</p> <p>has acquired</p> <p>SupraMed Pharmaceuticals Supports Software at a Higher Level</p> <p>BUY-SIDE</p>

 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 received funding from CAPITAL RAISE	 has been acquired by SELL-SIDE
 received funding from CAPITAL RAISE	 has acquired BUY-SIDE	 has been acquired by SELL-SIDE	 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	 received funding from CAPITAL RAISE	 has been acquired by SELL-SIDE	 received funding from CAPITAL RAISE
 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 received funding from CAPITAL RAISE	 has been acquired by SELL-SIDE	 has acquired BUY-SIDE	 has acquired BUY-SIDE
 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 has been acquired by SELL-SIDE	 received funding from CAPITAL RAISE	 has been acquired by SELL-SIDE

 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 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	 has been acquired by  SELL-SIDE	 received funding from  CAPITAL RAISE	 received funding from  CAPITAL RAISE
 has acquired  BUY-SIDE	 has acquired  BUY-SIDE	 received funding from  CAPITAL RAISE	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 received funding from  CAPITAL RAISE
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 received funding from  CAPITAL RAISE	 has acquired  BUY-SIDE	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE	 has acquired  BUY-SIDE
 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE	 has been acquired by  SELL-SIDE	 has been acquired by Undisclosed SELL-SIDE	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE

APPENDIX A

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Strategic M&A Highlights

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	CompuGroup Medical	H&S Qualita	Provides solutions including patient management, disease and dosage management, blood pressure level, spirometry and pulse oximetry which is linked and can be viewed on a tablet, a laptop or a mobile.	na
Q1	ResMed	Snapworx	Software built on artificial intelligence that automates the outdated, manual processing that slows down patient management.	na
Q1	Nestle Health Sciences	LivingMatrix	Developer of a cloud-based application for Functional Medicine Practitioners that streamlines and automates the paper intake process, maps patient information into the Functional Medicine Timeline and Matrix and makes tracking patients' progress easy.	na
Q1	Healthgrades	eVariant	Provider of SaaS-based enterprise platform designed to modernize physician alignment strategies with data analysis.	\$150
Q1	HCA Healthcare	Valify	Develops a Web-based solution that allows healthcare organizations to identify, benchmark, and track savings in purchased services.	na
Q1	SCI Solutions	Tonic Solutions	Provider of a patient data collection and payments platform designed to collect any information from any patient on any device.	na
Q1	Teladoc	InTouch Health	Provides comprehensive telemedicine solutions and expertise that enable physicians to perform real-time consults with patients.	\$600
Q1	R1	SCI Solutions	The company offers PATIENT REFERRALS, a solution to connect and expand reach to referring providers, capture and grow outpatient volumes, streamline operations, and increase revenues; and PATIENT SCHEDULING, an access management healthcare scheduling solution.	\$190
Q1	Global Healthcare Exchange	Lumere	Provider of data-driven technology platform intended to improve patient care. The company's platform provides both physicians and hospital leaders with evidence-based data, information, and analytics.	\$135
Q1	Infor Global Solutions	Intelligent Insites	Provides healthcare organizations with a single system capable of locating patients, staff, equipment, and inventory via information derived through various wireless locating technologies.	na
Q1	Evive	WiserTogether	Treatment-guidance tool that helps people find the right treatment.	na
Q1	Clarivate Analytics	Decision Resources Group	Provides analytics and consulting services to help vendors identify, assess and forecast medical-device and drug utilization trends and market opportunities.	\$950
Q1	Hill-Rom	Excel Medical	The company aggregates data from physiological monitors, medical devices and its surveillance tools enable caregivers to evaluate data from multiple sources and track trends that might point to patient deterioration.	\$19.2
Q1	Imprivata	GroundControl	Provider of automation software for managing mobile devices in modern enterprises.	na
Q1	AMN Healthcare Services	Stratus Video	Provider of interpreting, video and telecommunication services designed to change the way limited English proficiency patients communicate with their healthcare providers.	\$475
Q1	HealthMark	Otech	Provider of patient intake management software and systems.	na
Q1	CompuGroup Medical	Cerner - Germany & Spain Assets	The products include medico and Soarian Integrated Care, which are health information systems in Germany; Selene, a leading health information system for public hospitals in Spain; and Soarian Health Archive, a system for digitizing and storing health information.	\$248

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	OnShift	Avesta Systems	The company's CandidateCare and AssociateCare applications streamline the process of attracting, identifying and building a skilled workforce and provide services such as background checks and drug screening, employee engagement surveys as well as HR support and consulting.	na
Q1	Medtronic	Digital Surgery	A pioneer in surgical artificial intelligence (AI), data and analytics, and digital education and training.	na
Q1	symplr	The Patient Safety Company	Offers cloud-based solutions that provide healthcare event reporting, incident management, audit process control, management of clinical governance, performance management, and quality improvement	na
Q1	Health Catalyst	Able Health	Developer of a software platform for physician organizations designed to manage value-based programs.	\$27
Q1	ShareCare	Visualize Health	Developer of a population health and quality measure attainment platform for medical providers to close gaps in patient care and maximize value-based reimbursements.	na
Q1	Smith & Nephew	MiJourney	Developer of a patient management software that enables coordination across the entire episode of care by administrators, physicians, and patients.	na
Q1	CentralReach	Thread Learning	Provider of an educational platform intended to facilitate learning management of autism students.	na
Q1	Navihealth	Innovative Healthcare Delivery	Specializes in identifying and addressing social determinants of health in order to improve quality of life and clinical outcomes for patients.	na
Q1	Roche Diagnostics	OBI Medical	Developer of a software intended to accurately measure gas values in the bloodstream.	na
Q1	RevSpring	Loyale Healthcare	Provides solutions to develop financial relationships between providers and their patients through financing options, balance notification, online payment options, and secure digital communications..	na
Q1	Ginger	LiveBetter	App for better mental health and well-being.	na
Q1	HealthStream	NurseGrid	Developer of staffing, communication and schedule management tools designed to modernize staffing processes for nurses.	\$21.4
Q1	WebMD Health Corp.	StayWell Company	Provider of patient education and population health management services. The company focuses on health engagement though health information and education programs.	na
Q1	Press Ganey Associates	NarrativeDx	The company's platform uses natural language processing and machine learning to collect, analyze and visualize unstructured patient feedback from internal and external sources and automatically highlight key areas for improvement and provide specific recommendations.	na
Q1	Fresenius Medical Care North America	DGG	Developer of digital and scalable disease management programs for patients with chronic diseases. The company is engaged in developing disease management software for health insurance providers and global pharmaceutical companies.	na
Q1	Thomson Reuters Corporation	Pondera Solutions	Provider of fraud detection as a service intended to combat fraud, waste and abuse in large government programs and health systems.	na
Q1	Valsoft	MacPractice	Developer of a practice management and clinical software built for doctors who use macs.	na
Q2	Integrichain Incorporated	Cumberland Life Sciences	Life Sciences Division specializes in advisory services, business process outsourcing, analytics solutions and systems implementation around contracts, pricing and compliance for pharma manufacturers of all sizes..	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q2	UnitedHealth Group	AbleTo	Provider of technology-enabled behavioral health care platform designed to integrate behavioral and medical health care.	\$470
Q2	Change Healthcare	eRx Network	Provider of comprehensive, innovative, and secure data-driven claims processing solutions for pharmacies.	\$212.9
Q2	Kaufman Hall	Change Healthcare - Connected Analytics Business	Provider of enterprise performance management (EPM) software, data, and management consulting services.	\$55
Q2	Optum	NaviHealth	Provides post-acute care support solutions, including Advantage Navigator, which helps Medicare Advantage plans to manage their post-acute care spending, Post-Acute Compass, which helps hospitals for developing and managing a network of providers to better assess and manage patients following hospital discharge, and SeniorMetrix that provides a suite of functional assessment and clinical decision-support technology	\$2,950
Q2	Omada	Physera	The company's health tracking mobile application provides guided exercises, track progress and connect with a therapist, enabling users to seamlessly recover from injuries and get fit again.	\$30
Q2	Ontario Systems	SwervePay	Provides cloud-based payment and customer service solutions to pay medical bills via text.	na
Q2	Change Healthcare	PDX	Provider of pharmacy management software and services intended to offer innovative and patient care, medical accounting services and reporting tools for operational management.	\$208
Q2	R1	Cerner RevWorks	Cerner RevWorks consists of an array of revenue cycle management (RCM) services ranging from discrete services related to claims processing and denial management for both physician practices and health systems to larger outsourcing agreements.	\$30
Q2	Walmart	CareZone Prescription Management Tech	CareZone's prescription management technology and related patents.	na
Q2	Cedar Gate Technologies	Citra Health Solutions	The company engages in delivering comprehensive, technology-powered, people-driven applications which aggregates clinical, financial, and patient data from multiple sources to create a holistic perspective of a provider's panel and individual patient touch points within the healthcare system.	na
Q2	Syntellis	Kaufman Hall & Associates – Software Division	Provides financial and capital advisory services to the healthcare sector.	na
Q2	Lululemon	Mirror	Developer of a connected fitness platform designed to bring the essential components of a great studio workout in-home.	\$500
Q3	Dedalus	DXC Healthcare	Developer of healthcare software based in Tysons, Virginia. The open digital health platform helps to improve care outcomes by delivering contextual and actionable insights across the healthcare ecosystem.	\$525
Q3	HealthEdge Software	The Burgess Group	Developer of a claims reimbursement management software designed to streamline medical claims reimbursement. The company's SaaS-based claims reimbursement management software offers network contract modeling, historical claims payment analytics, CMS rate research and forecasting as well as claims pricing and editing.	na



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	Roper Technologies	EPSi	Financial decision support tool.	\$365
Q3	GENEX Services	Coventry Workers Comp Services	Provider of compensation cost and care management services intended to enhance network development, clinical integration and operational efficiencies at the client desktop.	\$850
Q3	Teladoc Health	Livongo Health	Develops and operates a consumer digital health platform for people with diabetes.	\$18,500
Q3	Providence Services Group	Navin, Haffty & Associates	Offers a full range of consulting services that are strategically aligned with MEDITECH's solutions and future direction.	na
Q3	Health Catalyst	VitalWare	Developer of a cloud-based SaaS platform designed to easily document, code, and audit healthcare records.	\$120
Q3	Waystar	eSolutions	Offers revenue cycle solutions - products assist healthcare providers in automating and enhancing workflow with regard to claims review, editing, and denials/appeals management, as well as eligibility verification and payor connectivity.	\$1,350
Q3	Omnicell	Pharmaceutical Strategies Group	340B Link combines industry-leading software, deep knowledge of the 340B program, and software-enabled services.	\$225
Q3	Qualifacts Systems	Credible Behavioral Health	Developer of electronic health record and practice management software for behavioral health clinics.	na
Q3	Bayer AG	Care/of	Provider of an online healthcare platform designed to recommend personalized vitamins and supplements.	\$157.5
Q3	GoodRx	Scriptcycle	The company partners with regional retail pharmacy chains to provide discount offerings, control costs and comprehensively manage their prescription business.	\$60.1
Q3	Verisk Analytics	Franco Signor	The company offers comprehensive Medicare secondary payer (MSP) compliance solutions to the largest employers, insurers, and third-party administrators enabling them to mitigate exposures for primary plans and offers services like insurer reporting, conditional payment resolution, Medicare set-aside allocations, and post-settlement administration.	\$160
Q3	Provation	ePreop	The company offers patient engagement and surgical case management software that enables document management, quality outcome reporting, coordinate perioperative care, billing support, readmission prevention and other functions.	na
Q3	CorroHealth	TrustHCS	Provider of outsourced coding and health information management consulting services to the medical sector.	na
Q3	CorroHealth	Visionary RCM	Based in India, provides revenue cycle management solutions.	na
Q3	CorroHealth	T-System	Provider of clinical documentation and coding services. The company's emergency department information system services include physician and nurse paper documentation systems and document management.	na
Q4	WellSky	CarePort Health	Provider of software to facilitate post-acute hospital care. The company offers a web-based platform enabling hospitals, patients and post-hospital care providers to coordinate and manage care across the post-acute care continuum.	\$1,350
Q4	Netsmart Technologies	Tellus	Developer of an electronic visit verification and care management platform intended to improve patient outcomes and management.	na
Q4	sympplr	TractManager	The company's software suite offers business intelligence, compliance and contract management tools to healthcare professionals and hospitals, enabling them to create, oversee and effectively manage their contractual agreements in compliance with regulations.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	RLDatix	Verge Health	Provider of risk management platform designed to leverage technology to create meaningful improvements in regard to protecting patients and protecting margins.	na
Q4	Teleperformance USA	Intrado Health Advocate Business	Provider of health advocacy, navigation, and well-being and integrated benefits programs.	\$690
Q4	ExamWorks	Sedgwick (Peer Review and IME)	The group health peer review and independent medical examination assets of Sedgwick.	na
Q4	Centene Corp.	Apixio	Offers CKX Platform, a cloud-based clinical knowledge exchange platform that imports and reconciles patient data, and Patient Analyzer, which provides a view of an integrated patient record comprised of coded data, narrative text, and scanned documents	na
Q4	MultiPlan	HSTechnology Solutions	Developer of an innovative healthcare technology platform intended to reduce healthcare costs. The platform uses sophisticated data analytics and tools to engage members and providers on both the front and back end of healthcare.	\$140
Q4	CompuGroup Medical	eMDs	Provider of electronic health record and practice management software and services to ambulatory care organizations.	\$240
Q4	Cloudbreak Health	UpHealth	The company's platform improves patient access to timely and personalized digital care by delivering care management tools, remote monitoring applications, ePharmacy delivery, behavioral health solutions and tech-enabled primary care.	na
Q4	HealthStream	ANSOS Staff Scheduling	Enterprise productivity management solution for healthcare providers that want to anticipate workload requirements, meet staffing variations in real time, and balance clinical needs with staff's professional goals.	\$67.5
Q4	DuvaSawko	Abeo Management	The company's software specializes in revenue cycle management, practice management, med suite billing and offers medical transcription services to private practices, hospitals and surgery centers.	na
Q4	Imprivata	FairWarning	Provider of software to protect the health, wealth, and personal information for healthcare, financial services, and other businesses.	na
Q4	Intelerad Medical Systems	Digisonics	Provider of cardiovascular and obstetrics/gynecology information and structured reporting systems. The company's platform consolidates multiple systems to optimize the physician workflow, enabling cardiologists, obstetricians and gynecologists to improve patient care.	na
Q4	Cedar Gate Technologies	Deerwalk	The company's healthcare analytics platform offers actionable insights, intelligent reporting and administrative solutions serving the needs of payers, providers, employers and ASOs, including health plans, TPAs, brokers and consultants.	na
Q4	Kyruus	Healthsparq	Offers a platform that provides members with cost and quality information about doctors, hospitals and medical services, based on their individual benefits.	na
Q4	Philips	BioTelemetry	Provides monitoring services and digital population health management for healthcare providers, medical device manufacturing, and centralized core laboratory services for clinical research.	\$2,800
Q4	Gainwell Technologies	HMS Holdings	Provider of health care revenue enhancement, accounts receivable management and third-party electronic claims services.	\$3,400
Q4	Zipari	HealthX	SaaS technology platform that delivers online healthcare portals to 12.8 million health plan members and 425,000 physicians, providing them with a central data repository for key, real-time information.	na
Q4	Firstsource Solutions	PatientMatters	Developer of patient registration and medical billing software intended to reduce the stress of care, drive brand loyalty and improve and accelerate cash collections.	\$13

APPENDIX B

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Financial Sponsor Buyout Highlights

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	ABRY Partners	Centauri Health Solutions	Developer of cloud-based data management software solution designed to create custom solutions for health plans and hospitals, optimizing government-sponsored healthcare reimbursement for the care and coverage provided to health plan members and hospital patients.	na
Q1	HGCapital	Intelerad Medical Systems	Provider of medical images, workflow and data management software. The company's software specializes in medical imaging, distributed radiology services, distributed architecture and workflow orchestration, radiology and workflow modules.	\$849.5
Q1	Ridgemont Equity Partners	Healthmark	Provider of health information management services for medical clinics and hospitals. The company's services involve the release of information process creating a patient-centric experience with advanced management and technology services.	na
Q1	Astorg	eResearch Technology	Provider of health outcomes research services to biopharma sponsors and contract research organizations.	na
Q1	Windjammer Capital	Compex Legal Services	Provider of litigation support services to the legal and insurance communities designed to help clients to meet their minority purchasing goals.	na
Q1	Arsenal Capital Partners	BresMed Health Solutions	Provider of health economics and outcomes research consultancy service based in Sheffield, England.	na
Q1	SymphonyAI Group	TeraRecon	Developer of 3D medical image processing systems intended to provide solutions that impact clinical care across health systems.	na
Q1	Francisco Partners	Smith Technologies	Provider of software suite for community and long-term care (LTC) pharmacies, local government agencies, and utility districts.	na
Q1	Record Reproduction Services, Graue Mill, TPE Boulder, Iron Creek, Milk Street, Search Fund Partners	Quest HIMMS	Provider of medical record retrieval and medical record disclosure management services for hospitals and medical groups based in Illinois, United States. The company specializes in quality review, delivery method verification, invoicing, delivery, and collection services for healthcare organizations.	na
Q1	SunMed Advisors	Connexityx Technologies	The company provides unique products for the healthcare market including MedFlash, the electronic Personal Health Manager (ePHM), Medical Alert US, a Personal Emergency Response Services (PERS) product and Medical Transcription, Disease Management, Revenue Cycle Management and Medical Consulting - Billing.	na
Q1	Genstar Capital	ConnectiveRx	Provider of patient prescription medication assistance and payment reimbursement services.	na
Q1	The Blackstone Group	HealthEdge Software	Provider of next-generation claims and benefit administration, business intelligence and portal software products for healthcare payors.	\$730
Q1	Parthenon Capital Partners	RxSense	Provider of pharmacy benefit management services, health savings programs, and pharmacy technology services throughout the United States.	na
Q1	Marlin Equity Partners	SmartLinx Solutions	Developer of end-to-end workforce management and human capital management software.	na
Q1	Main Capital Partners	Alfa Kommun & Landsting	The company's broad offering includes both complete information systems and niche products, such as solutions for journaling, electronic prescription, medication management and care planning.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q2	Verdane Capital	Conscriptor	Developer of medical journal documentation services and dictation software based in Henan, Sweden. The company offers journal writing, Medspeech hybrid dictation and dictation analysis to hospitals, clinics and public primary care facilities.	na
Q2	Glide Buy Out Partners	Corilus	Offers practice management systems, communication tools, electronic patient records, data exchange and billing systems.	na
Q2	Summit Partners, TPG Capital, Silversmith Capital Partners	Lifestance	Provider of behavioral healthcare and evidence-based treatment services. The company offers psychiatry and medication management, psychological testing and evaluation, Intensive Outpatient Programs (IOPs) as well as child and adolescent services to patients suffering from addiction, substance abuse and eating disorders.	\$1,200
Q2	Nautic Partners	ProHealth Medical	ProHealth Medical, Inc. enables health systems to service its home infusion patients rather than sending them to outside providers. The service generates a new revenue source from existing patients and resources in the rapidly-growing area of infusion services.	na
Q2	Nautic Partners	Bioplus	The company's service specialize at providing comprehensive benefit investigations, financial and co-pay assistance, drug list review, outcome reports for REMs and LDD reporting, timely patient status update, financial savings and therapeutic outcomes and patient status reports, enabling patients to enjoy 24/7 access to pharmacists.	na
Q2	Rubicon Venture Partners	Central Logic	Leading provider of transfer center and on-call scheduling technology solutions for healthcare systems.	\$100
Q2	Sunstone Partners	Med Tech Solutions	The company offers all-encompassing healthcare IT installation, deployment and maintenance from in-office devices to cloud-based applications, assess, implement and maintain compliant environments to meet healthcare regulations.	na
Q2	Fusion Capital	Kalos	The company provides pharmacy software programs and hardware systems that are used in a variety of settings such as retail pharmacies, universities, and correctional facilities, and also engages in custom designing and printing of promotional products and corporate apparel.	na
Q2	LLR Partners	TrueLearn	Provider of test preparation software for medical examinations. The company's platform enables medicine students in preparing with SaaS-based outcome-driven exam preparation techniques while making the learning process fun, impactful and permanent.	na
Q2	Trinity Hunt Partners	Juris Medicus	Provider of medical expert sourcing and case management services. The company offers a team of professionals with extensive experience as paralegals, legal assistants, litigation clerks, nurses, and medical records specialists to make the medical expert process as efficient and effective as possible for all involved.	na
Q2	Lightyear Capital	HealthPlanOne	Provider of an online marketplace for health insurance. The company engages in offering health insurance sales and distribution through its digital marketing, proprietary technology and call center operations, enabling health insurance carrier and broker customers to research and select health insurance plans in an efficient and compliant manner.	na
Q2	Nordic Healthcare Group	Health Innovation Institute	Provider of health and social services and analytics intended to build a better social and healthcare system. The company specializes in health innovation, health IT, and medical equipment and governance in healthcare, delivering clients with a high-quality product or service in an efficient manner.	na
Q2	Hublo	MedGo SAS	An online platform for health care facilities to manage and solicit its network of replacements, including over-time and on-call replacements.	na
Q2	ArchiMed	Actigraph	Developer of physical activity and sleep or wake monitoring device designed to facilitate users to configure and initiate data collection.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q2	Thomas H. Lee Partners	Seniorlink	Provider of in-home elder-care advice and care management services. The company offers professional advice, education, in-home geriatric care assessments and ongoing care management for elders and individuals with disabilities while also offering a platform to connect caregivers with the users.	\$400
Q2	EXA Capital	eBenefits Network	Developer of HR tool intended for employee benefits management. The company's tool provides premium and deduction management, billing and reconciliations, claims integration, insurance enrollment, payroll contributions and COBRA processing.	na
Q3	ABRY Partners	HealthEZ	Independent third-party administrator helping businesses of all sizes design plans that work for them.	na
Q3	Francisco Partners Management	MyFitnessPal	Operates an online nutrition and calorie counter database that allows users to record their food intake, and track calorie counting and food plans	\$345
Q3	Madison Dearborn Partners	Benefytt Technologies	Health insurance technology company engaged in the development and operation of private e-commerce health insurance marketplaces, consumer engagement platforms, agency technology systems, and insurance policy administration platforms.	\$410
Q3	Renovus Capital Partners	Futura Mobility	The company's services include advisory services, clinical mobility, strategic planning and telemedicine, helping businesses to focus on their core operations.	\$13.5
Q3	TPG Capital, Leonard Green & Partners	WellSky	The company is a supplier of performance management and information software systems for acute, non-acute, community-based care, healthcare providers, accountable care organizations and governments across the globe thus helping them to improve cost controls, productivity, quality and meet the challenges of their rapidly changing industries.	\$3,000
Q3	Parthenon Capital Partners	Nuvm Health	Provider of pharmacy claims administration.	na
Q3	Parthenon Capital Partners	340Basics	Developer of cloud-based pharmacy claims administration system.	na
Q3	TA Associates Francisco Partners	Edifecs	Serves as a data exchange, data sharing, and data infrastructure platform between health insurance companies and outside parties including physicians, clearinghouses, and other insurers.	\$1,420
Q3	Vesey Street Capital Partners	QualityMetric	Developer of patient-reported outcomes and clinical outcomes assessment products and provider of scientific consulting and translation services for the healthcare and life sciences companies.	na
Q3	GI Partners	Clinical Ink	Offers SureSource, a clinical trials solution that allows users to record comments, explanations, and validated source data.	na
Q3	The Blackstone Group	Ancestry	Provider of online genealogical services intended to discover the family history of individuals.	\$4,700
Q3	K1 Capital	Rethink First	Developer of a web-based autism treatment platform designed to place evidence-based treatment services in the hands of every educator, clinician or parent working with a child with special needs.	na
Q3	Reliance Industries	Netmeds.com	Operates an online pharmacy chain and sells prescription and over-the-counter (OTC) drugs.	\$83
Q3	BID Equity	CareCenter Software	Developer of healthcare facility management software offering complete software solution for inpatient, disability, rehabilitation and spa facilities and outpatient services. The company's software specializes in management of administration, billing, therapy, medicine and nursing documentation.	na
Q3	Sunstone Partners	Rsource Healthcare	Provider of revenue cycle management services to hospitals and health systems.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	FTV Capital	6 Degrees	Developer of healthcare reimbursement technology designed to enhance health care cost containment solutions.	na
Q3	The Carlyle Group	TriNetx	Operator of a global health research network intended to optimize clinical trial design and recruitment processes.	na
Q3	Kohlberg Kravis Roberts & Co.	1-800 Contacts	Offers contacts and supplies through phone, Internet, mail, or fax orders, as well as customer service agents.	\$3,100
Q3	The Chernin Group	SketchyMedical	Online education company that teaches concepts through visual memory techniques.	\$30
Q3	JLL Partners	MedeAnalytics	Provide cloud-based analytics to hospitals to determine how clinical performance impacts financial performance.	\$225
Q4	Odyssey Investment Partners	ProPharma Group	Provider of outsourced medical information, pharmacovigilance and compliance consulting services to the life sciences industry.	na
Q4	Veritas Capital	DXC Social Health Division	The company offers technology-enabled, mission-critical solutions that are fundamental to the administration and operations of health programs which leads to reliable delivery of highly complex systems for public sector clients.	\$5,000
Q4	Gridiron Capital	Cubii	Maker of a stationary exercise peddler.	\$85
Q4	Onex Partners	OneDigital Health and Benefits	Employee benefits agency, provides employee benefits insurance products and services to small and mid-sized businesses, and individuals.	\$2,650
Q4	Accel-KKR	Surgical Information Systems	Provides perioperative software to ASCs and hospitals.	na
Q4	Providence Equity Partners	PatientNow	The company's management tool offers appointment scheduling, before-and-after photos, a point of sale (POS), inventory management and reputation management, along with providing an online patient portal.	na
Q4	Kainos Capital	Nutrisystem	Provider of weight-management products and services. The company offers weight-management programs through pre-packaged food deliveries and online or telephone diet counseling.	\$575
Q4	ABRY Partners	Benefit Recovery Group	Provider of healthcare subrogation services serving health plan administrators and employers. The company offers subrogation and compensation recovery services thereby saving costs for its clients by recovering dollars.	\$40
Q4	Frazier, 22C Capital, WindRose Health, Adams Street Partners	Accuity Delivery Systems	Provides clinical documentation, coding, and client education services for the healthcare sector.	na
Q4	Morgan Stanley	US HealthConnect	Operator of a holding company providing education through a digital platform for healthcare providers. The company focuses on diversified areas such as oncology, cardiology and women's health using its unique, data-driven strategic and consultative approach to help pharmaceutical clients meet the information needs of healthcare providers.	na
Q4	Bindley Capital Partners	DentalWorks USA	Operator of dental claim management and consulting agency. The company focuses exclusively on managing workers' compensation dental claims and serves self-insured employers, third-party administrators and insurance carriers active in the workers' compensation industry.	na
Q4	OpenGate Capital	Aurotech	Provider of digital and business services for the US federal healthcare and adjacent civilian agencies. The company offers creative and actionable business solutions in the areas of work management, program & portfolio management, litigation & eDiscovery, business transformations, drug lifecycle tracking and healthcare data archiving services.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	Great Hill Partners, Advent International	RxBenefits	Provider of pharmacy benefit procurement and administration services intended for employee benefits consultants and self-insured employers.	na
Q4	Northwestern Mutual, HarbourVest Partners, Mubadala Investment, GHO Capital	Envision Pharma Group	Provider of technology and scientific communication that serves pharmaceutical, biotechnology and medical device companies.	na
Q4	New Mountain Capital	HealthComp	A full-service TPA providing medical, dental, vision, COBRA, and HIPAA services. The company also provides flexible benefit plans, utilization review, wellness, case management and other medical management services.	na
Q4	Bain Capital	HST Pathways	Developer of cloud-based ambulatory surgery center (ASC) software for single and multi-specialty ASCs, corporate management companies, hospital outpatient and same-day surgical facilities.	\$215
Q4	DW Healthcare Partners	CareXM	Provider of virtual care and patient engagement solutions for post-acute and non-acute healthcare providers.	na
Q4	Stone Point Capital	Allied Benefit System	The company designs creative self-insurance services for organizations that choose to take control of their healthcare in collaboration with clients and benefits consultants, enabling them to institute the right plan to support the best options for employees and their families.	\$475
Q4	Clearlake Capital Group	nThrive Technology Division	The business unit's end-to-end software-as-a-service (SaaS) platform offers patient access, charge integrity, claims management, contract management, machine learning and robotic process automation, data and analytics and education software solutions to hospitals and health systems.	\$1,000
Q4	Novacap, Investissement Quebec	Logibec	The company develops administrative and clinical software tools as well as health care information management software that integrates medical and clinical content with administrative management functions	na
Q4	Serent Capital	Procurement Partners	The company's platform provides an automated end-to-end purchasing solution, encompassing the full purchasing cycle from product selection to vendor payment also offering a compliance audit feature that helps to reduce bottom-line vendor spend for its customers.	na
Q4	Linden Capital Partners	Specialty Networks Consulting	The company offers technical advisory services, taking into consideration various changes in outcomes related to the effectiveness, delivery and costs, enabling clients in the healthcare industry to strategize the vast amount of information data analytics that can create actionable steps with a proven outcome.	na
Q4	Thoma Bravo	Zipari	Designs and develops technology solutions for the health insurance industry, including a CRM solution and a consumer experience platform.	\$500
Q4	Nordic Capital	Cytel	Provider of analytical software and services for the life sciences sector.	\$1,000
Q4	Hughes & Company, STG	Azara Healthcare	Developer and provider of data-driven reporting and analytics software designed for the community health marketplace.	na

APPENDIX C

12

Private Equity Highlights (non-buyout)

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	Accel Partners, Index Ventures, Teachers Innovation Platform, Creandum	KRY	Provider of an application designed to provide video consultation to doctors.	\$155.8
Q1	Khosla Ventures, Magnetic Ventures, Amplitude Ventures, True Ventures, Future Ventures	Deep Genomics	Develops a machine learning technology to understand how genetic variations lead to diseases	\$40
Q1	L Catterton, Temasek Holdings, Apax Partners	ClassPass	Offers an online subscription service that provides access to fitness classes.	\$285
Q1	Mayo Clinic, NTT Venture Capital	Nference	Developer of an artificial intelligence powered life sciences software platform designed to synthesize the exponentially growing biomedical knowledge.	\$60
Q1	Venrock, Fidelity Management and Research Company, JS Capital, Foresite Capital Management	Element Biosciences	Element Biosciences is a multi-disciplinary startup focused on innovating genetic analysis tools for the research and diagnostic markets.	\$80.3
Q1	Prism VentureWorks, Insight Venture Partners	Covera Health	Provider of analytics-based programs intended to reduce medical misdiagnoses and improve quality of care. The company's services include analyzing clinical datasets in unique ways to drive the emerging science of quality.	\$23.5
Q1	Smile Group, Cormorant Asset Management, Senvest, Janus Henderson Group, Quadrant Capital, Abbott Ventures	Bigfoot Biomedical	Developer of an end-to-end Type 1 diabetes management system using simple design, cloud connectivity, and human centered automation.	\$55
Q1	Oak HC/FT Partners, GV	CareBridge	The company's technology provides services such as electronic visit verification, data aggregation, 24/7 member support and benefit management.	\$40
Q1	Orix Growth Capital	drchrono	Provides Web and mobile based electronic health record (EHR) solutions	\$20
Q1	AllianceBernstein PCI, Declaration Partners, SymphonyAI Group, Maverick Ventures	Concerto HealthAI	Provider of a multifaceted oncology research platform intended to design and deliver care based oncology research and data analytics.	\$150
Q1	TPG Sixth Street Partners	Medsphere Systems	Provider of an open-source electronic health-record system intended to offer inspired IT systems for every healthcare provider.	\$40
Q1	T. Rowe Price, Viking Global Investors	Color Genomics	Personalized genomics startup. The Color Test is physician-ordered and comes with complimentary board-certified genetic counseling for clients and healthcare providers.	\$75
Q1	Kleiner Perkins Caufield & Byers, The Founders Fund, Afore Capital	Modern Health	Developer of a health benefits platform intended to help companies care for their employees' emotional well-being. The company's platform helps companies increase employee productivity and reduce turnover as well as dives into the data to provide actionable insights.	\$31
Q1	Bessemer Venture, Lead Edge, Insight Partners, Atomico Investments, 11.2 Capital, Quadrille Capital, Heuristic	Hinge Health	Designs and develops healthcare solutions for employees to recover from musculoskeletal disorders at workplace.	\$90

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	GV, Bain Capital, Casdin Capital, Define Ventures	Verana Health	Provider of a data insights platform intended to accelerate healthcare innovation and optimize drug and device development.	\$100
Q1	Flare Capital, Devonshire Investors, Cox Enterprises, F-Prime, Temasek Holdings, Polaris Partners, Khosla Ventures, .406 Ventures	Iora Health	Provider of primary health care services intended to deliver high impact, relationship-based care. The company offers a team-based approach with a doctor or nurse practitioner, nurse, behavioral health specialist and health coach for each patient.	\$126
Q1	Blisce, Advancit Capital, Times Bridge, Waverley Capital, Spectrum Equity, The Chernin Group	Headspace	Provides online meditation products and services	\$93
Q1	Icon Ventures, Individual Investors	Maven Clinic	Provides a telemedicine platform for women.	\$45
Q1	Endeavour Vision SA, Kaiser Permanente Ventures, Generator Ventures	IntelyCare	Provider of an on-demand nurse staffing application designed to assist hospitals and clinics in hiring nursing and healthcare staff.	\$45
Q1	GV, Deerfield Management, Qiming Venture Partners, The Invus Group, Third Rock Ventures, Cormorant Asset Management	Element Science	The company's device uses a patch-based Wearable Cardioverter Defibrillator (WCD) that monitors a patient's heart, providing medical practitioners with a tool to address leading causes of death and hospitalization in patients with heart disease, primarily as they transition from the hospital-to-home.	\$145.6
Q1	Durable Capital Partners, T. Rowe Price, Fidelity Management and Research Company	Alignment Healthcare	Provides new model for health care delivery that cuts costs and improves lives by unraveling the inefficiencies of the current system to drive patients, providers and payers toward a common goal of wellness.	\$135
Q1	Declaration Partners, Redesign Health, Tiger Global Management, The Carlyle Group	Vault Health	Provider of healthcare services intended for males. The company offers identification and treatment services for men with low testosterone levels to members by providing safe patient treatments and quality care.	\$30
Q1	Sandbox Industries, BlueCross BlueShield Venture Partners	eMids Technologies	The company's business process outsourcing services offer business intelligence, analytics, package implementation, application development and maintenance, product engineering and independent verification for different healthcare functions.	na
Q1	IVP, Tenaya, Greylock Partners, Glynn Capital, Meritech Capital, Venrock, Casdin, Crown Ventures, Providence Ventures	Lyra Health	Provides analytics and screening tools to identify people who can benefit from behavioral health care	\$75
Q1	Allianz X, Takeda Ventures, SV Health Investors	Amwell	Operates as a telehealth services company. Operates an online marketplace that offers software, services, and access to clinical services.	\$194
Q1	New Enterprise Associates, Novo Holdings, Franklin Templeton Investments	Tempus	Develops a software platform that uses data to provide doctors information about treatment options for individual patients, showing how other patients with similar genetic profiles have responded to particular therapies.	\$100
Q1	McGovern Capital, Temasek, Unilever Ventures, Ascent Equity Group, Epiq Capital, GableHorn Investments, Satyadharma Investments, Chiratae Ventures	CureFit	Developer of a fitness based online platform created to address preventative healthcare techniques.	\$113

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q1	General Catalyst Partners	Olive	An identity management system that creates patient ID for verification in hospitals.	\$51
Q1	Avalon Ventures, The CU Healthcare Innovation Fund, MemorialCare Innovation Fund, Cigna Ventures, Stanford Hospital & Clinics	AristaMD	Digital health company that provides a platform for electronic consults and referrals.	\$18
Q1	Mosaik Partners	PatientPay	Develops paperless billing and electronic patient payment processing solutions.	\$6.2
Q1	New Capital Partners	TeleHealth Solution	The business provides virtual medical and healthcare support for patients in hospitals and senior living facilities.	na
Q2	Council Capital	Physician Housecalls	The company is a Medicare enrolled primary clinic providing chronic care management, care plan oversight, transition management services, wellness visits and behavioral health integration services to patients in post-acute facilities.	\$12.3
Q2	Goldman Sachs	98point6	Operator of a healthcare platform intended to receive personalized chat-based consultation from board-certified physicians.	\$43
Q2	Echo Health Ventures, Teuza Management and Development, Olive Tree Capital, Qualcomm, Insight V, OrbiMed, Qure Ventures	Tyto Care	The company's device seamlessly connects people to clinicians and offers a hand-held modular examination tool and a telehealth platform, enabling healthcare professionals to provide the best remote home examination and diagnosis solutions.	\$50
Q2	Barings, M&G Investments	Tunstall Group	The company's telecare systems combine a range of unobtrusive alarms and sensors which detect smoke and gas as well as a person falling, alerting the monitoring center for emergency assistance.	na
Q2	meritec, California Medical Association, Echo Health Ventures, OMERS Private Equity, GV	Aledade	Offers services to primary care physicians to form accountable care organizations. This allows doctors to stay independent, practice medicine like they've always wanted to, and thrive financially by keeping people healthy.	\$64
Q2	Index Ventures, Temasek Holdings	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, enabling users to get more details about their coverage easily.	\$54.5
Q2	GSR Ventures, Pharmaceutical Product Development	Medable	The company offers an end-to-end, cloud-based platform with a flexible suite of tools for clinical trials and transforms clinical care and research by enabling direct to patient (D2P) healthcare, providing medical practitioners with more efficient clinical research, effective healthcare delivery and accurate precision and predictive medicine.	\$41.8
Q2	Longitude Capital, Euclidean Capital, Frazier Healthcare Ventures	Dascena	The company's technology utilizes machine learning and intensive clinical research leading to a suite of AlgoDiagnostics for predicting acute decompensation, sepsis and acute kidney injury, helping patients per year to make early, accurate, and often life-saving interventions.	\$50
Q2	Newlight Capital Partners	Zing Health	Physician-led Medicare Advantage HMO plan designed for Medicare-eligible beneficiaries.	\$150
Q2	Perceptive Advisors	Omada Health	Provides group-based programs for chronic disease prevention. It helps employers and health plans to identify the people within their population at risk for developing preventable chronic conditions, such as type 2 diabetes or heart diseases; and engages participants to lose weight.	\$57



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q2	8VC, Optum Ventures, Foresite Capital, General Catalyst, What If Ventures, Arch Venture Partners	Mindstrong Health	Designs and develops a system for assessment of cognitive function based on mobile device usage.	\$100
Q2	Alexandria Venture, Two Sigma, Third Rock Ventures, GV, Foresite Capital, Arch Venture, Canada Pension Plan, Andreessen Horowitz	Insitro	Operator of a data-driven drug discovery and development company that uses machine learning and high-throughput biology to transform the way that drugs are discovered and delivered to patients.	\$143
Q2	Bain Capital	Kalderos	The company's platform offers data management, provides clear and customizable views into the data available in the cloud with immediate access to data and targeted insights as well as offers claims verification, dispute resolution and discount monitoring.	\$126
Q2	ICONIQ Partners, Alkeon, Spark Capital Partners, Lux Capital Management	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.	\$50
Q2	FirstMark Capital	Ezra	The company's device incorporates the use of AI to run MRI scans that are analyzed by expert radiologists to help screen for prostate cancer, enabling radiologists and medical professionals to make their medical analysis more accurate and productive.	\$18
Q2	BuildGroup	Benefitfocus	Cloud-based benefits management platform for consumers, employers, insurance carriers, and brokers.	\$80
Q2	GV, F-Prime, Andreessen Horowitz, Transformation Capital Partners	PatientPing	Develops a national care coordination network that connects healthcare providers with real-time notifications wherever patients receive care.	\$60
Q2	Perceptive Advisors, Regeneron Pharmaceuticals, Foresite Capital, TPG, First Round Capital, Northpond Ventures, GV	DNAnexus	Developer of a biomedical informatics and data management platform designed to analyze DNA-sequencing data.	\$100
Q2	ICONIQ Partners	QGenda	Designs and develops automated physician scheduling software.	na
Q2	Francisco Partners Management	Kyruus	Provides physician network optimization software solutions	\$30
Q2	Blue Venture Fund, Horizon Healthcare Services, CRV, Echo Health, .406 Ventures	Abacus Insights	Provider of data management platform intended to offer services that alleviates traditional pain points.	\$35
Q2	Andreessen Horowitz, Kaiser Permanente, The Founders Fund, Thrive Capital, Investment AB Kinnevik, Lakestar Advisors	Cedar, Inc.	Provider of payment solutions for multi-specialty medical groups, community hospitals, and academic medical centers to improve the patient billing experience.	\$102
Q2	Insight Partners, New Leaf Venture Partners, Eclipse Ventures	BrightInsight	IoT platform that captures, transmits, and analyzes data from connected medical devices and apps.	\$40
Q2	Oak HC/FT, Echo Health, Questa Capital, Humana, Optum Ventures, Alta	Dispatch Health	Provider of on-demand mobile and virtual healthcare services intended to offer definitive and quality care.	na
Q2	Strategic Swiss Partners, Fincasa Ventures	MediSponsor	Provider of practice management solutions for hospitals.	\$50
Q2	Khosla Ventures, Lakestar Advisors, General Catalyst Partners, Alphabet, Thrive Capital	Oscar	Provides health insurance services, a patient communication platform, and a patient portal to manage their health.	\$225



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	General Atlantic	Doctor on Demand	Operates an online platform that enables patients to connect with doctors from computers, smart phones, and tablets.	\$75
Q3	RRE Ventures, Rock Springs Capital, NFP Ventures, Claritas Capital, GV, Goodgrower, Perceptive Advisors, Freemark Partners	Kindbody	Provider of women's fertility and wellness services intended to offer egg freezing and In vitro fertilization. The company offer the full range of fertility services and treatments, including IUI, IVF, donor support, egg freezing and embryo freezing.	\$32
Q3	Walgreens Boots Alliance, Investment AB Kinnevik	VillageMD	Provider of value-based contracting services, data-driven decision-making, and ancillary development to help healthcare communities' growth through a new primary care model.	\$275
Q3	Horsley Bridge, Lerer Hippeau Ventures, Greycroft Partners, Volition Capital	Medly Pharmacy	Developer of an online pharmacy platform intended to deliver prescription and medication. The company's online medicine platform offers a wide range of prescription medicines, drugs and other health products, enabling people to avail medicine at a cheaper rate.	\$100
Q3	DCVC, Khosla Ventures, Atlantic Bridge Capital, Edwards Lifesciences	Caption Health	Developer of a medical imaging software designed to help in the diagnosis and management of heart disease. The company's software combines deep learning with cardiovascular imaging to simplify the process of recording, editing and sharing of videos.	\$53
Q3	Samsung Catalyst Fund, Novo Holdings, Merck GHIF, Boston Scientific Corporation, Vivo Capital	Preventice	Develops mobile health applications and patient monitoring systems that connect mobile, home-based, and on-premise technologies for continuous patient care.	\$137
Q3	Accel-KKR	Forcura	Forcura is a technology company focused on streamlining communication for post-acute healthcare providers.	na
Q3	Flare Capital Partners, Define Ventures	Cohere Health	Enables physicians who practice evidence-based medicine to eliminate administrative burden.	\$20
Q3	Torch Capital, 3L Capital, TQ Ventures, Signalfire, FirstMark Capital, Initialized Capital, BoxGroup, General Catalyst Partners, The Chernin Group	Ro	Developer of a direct-to-consumer telehealth platform intended to handle everything from diagnosis to the convenient delivery of medication. The company's platform allows people to get in touch with physicians and has two end-to-end services, one for erectile dysfunction and the other to help people quit smoking.	\$200
Q3	BNP Paribas Développement SA, Adeline Capital, Bpifrance, IDInvest Partners, Gilde Healthcare Partners	Withings	Offers Internet connected Wi-Fi body scale products that automatically record the users' weight, fat mass, and BMI, which the users can view from their computers or smartphones	\$60
Q3	GPI Capital, JPMorgan Chase	Pharmapacks	e-commerce company for health and beauty products.	\$150
Q3	Oak HC/FT, Section 32, Decheng Capital, Deerfield, Moore Venture Partners, The Blackstone Group, Mount Sinai Ventures, BlackRock, Connecticut Innovations	Sema4	Operator of a health information company intended to improve the diagnosis, treatment, and prevention of disease through deep data analysis. The company's Natalis provides advanced genomic testing and merge big data analytics with clinical diagnostics.	\$121
Q3	Humana	Heal	Provider of an on-demand primary health platform intended to offer application-based physician house calling services.	\$100
Q3	The Founders Fund, DCM Ventures, Bling Capital, Signalfire, Norwest Venture, General Catalyst, Y Combinator, Tishman	Tempo	Developer of smart at-home fitness platform designed to improve the quality of workout movement and techniques.	\$60
Q3	Sierra Ventures, Hikma, Correlation Ventures, Olive Tree Capital, Artis Ventures	Lemonaid Health	Provides an online platform and application that allows users to get answers for health questions and select pharmacies to receive their doctors' prescription electronically.	\$33

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	Advance Venture Partners, Kaiser Permanente Ventures, Bessemer Venture Partners, Cigna Ventures	Ginger.io	Provider of a behavioral health analytics platform designed to offer health-based insights and advice in real-time. The company's platform utilizes historic health records, assess current health parameters and analyzes changes in behaviour to offer support from professional coaches, licensed therapists and psychiatrists.	\$50
Q3	B Capital Group, Y Combinator, AME Cloud Ventures, Dolby Family Ventures, DCVC, Tencent Holdings, Sanabil Investments, Baidu Venture	Atomwise	Develops artificial intelligence solutions for drug discovery.	\$123
Q3	Battery Ventures	Reify Health	Developer of cloud-based software designed to help accelerate the development of new, life-saving therapies.	\$30
Q3	Water Street Healthcare Partners, JLL Partners	THREAD Research	Developer of a remote patient research platform designed to conduct clinical trials and virtual trials.	\$50
Q3	PJC Capital, Max Ventures, Stone Point Capital, Flare Capital Partners, Greycroft Partners, Aspect Ventures	Eden Health	The company's platform combines a private primary care practice that facilitates online appointment booking, 24/7 integrated telemedicine that lets employees get diagnoses, prescriptions and treatment plans without ever seeing a provider in person and personalized insurance navigation.	\$25
Q3	Polaris Partners, Johnson & Johnson Innovation - JJDC, Maveron, Northzone Ventures	Thirty Madison	Offers online health portals for treatment of hair loss, migraines, and acid reflux.	\$47
Q3	US Venture Partners, Uncork Capital, Uncork Ventures (fka SoftTech VC), Maven Ventures, Precursor Ventures, CRV, F-Prime Capital Partners	Carrot Fertility	The company's modern fertility platform keeps track of the industry's budget and thereby plans comprehensive fertility care plans, enabling clients with optimum employee benefits package which is beneficial both for the employer and the employee both.	\$24
Q3	Glynn Capital, Redmile Group, Mubadala Investment Company, LifeSci Venture Partners, Sanofi Ventures, Amgen Ventures, Lux Capital, Novartis, PPD, GV	Science 37	Technology-enabled clinical research company, creating a new clinical trial operating model.	\$40
Q3	Google	Amwell	Enables care delivery across the full healthcare continuum - from primary and urgent care in the home to high acuity specialty consults, such as telestroke and telepsychiatry, in the hospital. It provides both on-demand and scheduled consultations.	\$100
Q3	Greylock Partners, Tenaya Capital, Providence Ventures, Meritech Capital, Glynn Capital, Casdin Capital, Adams Street Partners, IVP	Lyra Health	Provides analytics and screening tools to identify people who can benefit from behavioral health care	\$110
Q3	Commonfund, Leerink Transformation Partners, Silicon Valley Bank, HLM Venture Partners, Vivo Capital, Toba Capital	PatientPop	Develops a Web based set of marketing tools for medical practices, including tools for patient acquisition, retention marketing, reputation management, and analytics	\$50
Q3	SoftBank Capital, MassMutual Ventures, Openspace Ventures, EDBI, Sequoia Capital India	Biofourmis	Provider of a health analytics platform intended to analyze physiology data from clinical grade wearables.	\$100

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q3	Y Combinator, Oak HC/FT, Sound Ventures, Optum Ventures, Trusted Insights	Truepill	Developer of an online on-demand pharmacy delivery platform created to revolutionize pharmacy.	\$75
Q3	The Carlyle Group	Grand Rounds	Services include remote second opinions and in-person visits to local medical offices, and handles activities ranging from medical records collection to appointment scheduling.	\$175
Q3	Causeway Media Partners, Permira, Zone 5, Novator Partners, Highland Europe, Kohlberg Kravis Roberts & Co., True., Amazon Alexa Fund	Zwift	Develops a multiplayer video game which caters to indoor cyclists.	\$450
Q3	MemorialCare Innovation Fund, Ascension Ventures, SVB Capital, General Catalyst Partners, Drive Capital, Oak HC/FT Partners	Olive	The company's software acts as a router between systems and data by automating repetitive, high-volume tasks and workflows to eliminate denials for no coverage as well as improve cash collections, enabling healthcare organizations to improve efficiency and patient care while reducing administrative errors.	\$106
Q3	Mayfield, Sapphire Ventures, TechNexus, L Catterton, Amazon Alexa Fund, Delta-v Capital, Shasta Ventures	Ript Labs (dba Tonal)	Developer of an online platform designed to offer fitness programs. The company's online platform uses data and medical science to deliver workouts.	\$110
Q3	Tiger Global Management, T. Rowe Price, New Enterprise Associates, The Blackstone Group	Bright Health	Provider of a health insurance service platform designed to deliver the best healthcare experience.	\$500
Q3	Silversmith Capital Partners, Insight Partners	Within3	The company's digital collaboration services leverage social technologies to build private, regulatory compliant programs for advisory boards, clinical trials and speakers bureaus, enabling biopharmaceutical companies and life sciences organizations to compliantly engage large or small groups of physicians, nurses, payers and patients.	\$100
Q3	Accel-KKR	Blue Mountain Quality Resources	Developer of industry-standard asset management products and services designed exclusively for the life sciences industry.	na
Q4	Alychlo NV, Famille C, Endeavour Vision SA, ACE & Company, Eurazeo, aMoon Partners, Hitachi Ventures, Credit Suisse, Swisscom, Generation	Sophia Genetics	The company's clinical genomics analysis platform combines genomics, machine learning and clinical diagnostics to simplify and optimize the use of clinical genomics tests, enabling healthcare providers to access improved diagnosis through shared knowledge.	\$110
Q4	Deerfield Management Company, WindRose Health Investors	Curatio Health	Operator of an advanced clinical decision support platform intended to help navigate and scale from fee-for-service to value-based care.	na
Q4	8VC, Coatue, D1 Capital, Sonder Capital, Lux Capital Management	Avail Medsystems	Developer of a telemedicine platform intended to improve the cost and quality of healthcare. The company's platform remotely connects healthcare experts to medical practitioners according to the need.	\$100
Q4	TT Capital Partners, ABS Capital	Audacious Inquiry (AI)	Developer of a software as a service platform that is the catalyst for secure and smart health information exchange among physicians, hospitals, health plans, ACOs, MCOs, and public health agencies.	na

Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	Activant Capital, Goldman Sachs, L Catterton	98point6	Operator of a healthcare platform intended to receive personalized chat-based consultation from board-certified physicians.	\$118
Q4	Ascension Ventures	Bind (Health Plans)	Provider of health insurance services intended to offer personalized health plans as per customer needs. The company's platform focuses on preventive care, primary care, specialty care, and chronic care-related insurance services.	\$105
Q4	Serent Capital	Employer Direct Healthcare (SurgeryPlus)	Provider of healthcare services for self-funded employers and their members.	na
Q4	Rock Springs Capital, Prosus Ventures, 8VC, Baillie Gifford & Co., Andreessen Horowitz, Thrive Capital	Honor	Provider of home-care services intended to offer expert and professional in-home care services for elders.	\$140
Q4	Promus Ventures, Cavu Ventures, NextView Ventures, Thursday Ventures, Collaborative Fund, SoftBank Group, Two Sigma Ventures, IVP, D20 Capital	Whoop	A 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, enabling athletes to understand their bodies and inner potential to avoid over-training.	\$100
Q4	TPG Sixth Street Partners	DrFirst.com	Developer of e-prescribing and secure messaging services to pharmacies, hospitals, and post-acute care facilities. The company through its software offers real-time access to patient data by improving communication and collaboration at the point of care and across the patient's circle of caregivers.	na
Q4	Housatonic Partners, The Cambria Group	Aymira	Offers platform for behavioral health professionals for tracking integrated clinical, accounting and EHR information, thereby providing clients with specialized consultative services, developmental therapies and other specific interventions targeted to helping those with IDD and related conditions.	na
Q4	Data Collective, Builders VC, Dragoner Investment Group, Brookfield Asset Management	Carbon Health Medical Group	Operates a healthcare network through which doctors are accessible online through a mobile application and in-person at its clinic in downtown San Francisco.	\$100
Q4	The Carlyle Group	Pharmapacks	e-commerce company for health and beauty products.	\$250
Q4	Warburg Pincus	Quantum Health	Operates as a consumer navigation and care coordination company that serves the healthcare needs of self-funded public and private sector employers in the United States.	na
Q4	Silversmith Capital Partners	Market Access Transformation	Operator of an on-demand global platform for gathering critical payer insights. The company specializes in technology that automates and modernizes life sciences companies that capture mission-critical insights that drive decision-making across the product lifecycle.	\$30
Q4	Varsity Healthcare Partners	Healthcare Billing Systems (DuvaSawko)	Provides emergency billing, coding, accounts receivable management, and data analytics solutions and services.	na
Q4	Sequoia, Silicon Valley Bank, Drive Capital, Transformation Capital, Dragoner Investment Group, GV, Tiger Global, General Catalyst Partners	Olive	The company's software acts as a router between systems and data by automating repetitive, high-volume tasks and workflows to eliminate denials for no coverage as well as improve cash collections, enabling healthcare organizations to improve efficiency and patient care while reducing administrative errors.	\$225.5



Quarter	Acquiror	Seller	Seller Description	Deal Size (\$mm)
Q4	Goodwater, BlackRock, Next Coast Ventures, Highland Capital, Portfolia, Morningside Ventures, Lux Capital, Greenspring Associates, The Chernin Group, Foresite Capital Management	EverlyWell	Provider of a next-generation laboratory testing platform designed to empower people to have access to their own personalized health and wellness information.	\$175
Q4	New Capital Partners	Healthfuse	Developer of revenue cycle vendor management platform for hospitals and health systems intended to reduce cost and increase collection performance of revenue cycle vendors.	na
Q4	Permian Bank Capital, Lightspeed Venture Partners, Morgan Brook Capital, Goldman Sachs, Giant Ventures, Powerhouse Ventures, TPG Growth, Insight Partners, Saltwater Capital	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.	\$75
Q4	Insight Partners, Goldman Sachs	LeanTaaS	Developer of a hospital management platform intended to transform healthcare operations with data science and machine learning.	\$130
Q4	Advent International Corporation, Steadview Capital Management, Tiger Global Management, Sunley House	Zenoti Software	Developer of a cloud based booking platform designed for the spa and salon industry. The company's platform uses AI predictive analytics and communication tools to manage reporting and analytics, inventory management, marketing and employee management.	\$160
Q4	Battery Ventures, The Founders Fund, C3 Ventures, Kleiner Perkins Caufield & Byers, Felicis Ventures, 01 Advisors, Afore Capital	Modern Health	Developer of a health benefits platform intended to help companies care for their employees' emotional well-being. The company's platform helps companies increase employee productivity and reduce turnover as well as dives into the data to provide actionable insights and systems tailored to the needs of the workforce.	\$51
Q4	Vostok New Ventures	Babylon Health	Offers a platform allows users to book a virtual general practitioner (GP) consultation with clinicians, have a remote consultation, and collect relevant prescriptions.	\$100
Q4	Silver Lake, Ontario Teachers Pension, Alphabet, Temasek Holdings	Verily Life Sciences	Develops tools to collect and organize health data, then create interventions and platforms that put insights derived from that health data to use for more holistic care management.	\$700
Q4	Lakestar Advisors, Khosla Ventures, The Founders Fund, Tiger Global Management, Coatue, Pioneer Venture Partners, Reinvent	Oscar	Provides health insurance services, a patient communication platform, and a patient portal to manage their health.	\$140