

Semi-Annual Market Review

HEALTH IT & HEALTH INFORMATION SERVICES

JULY 2020

www.hgp.com

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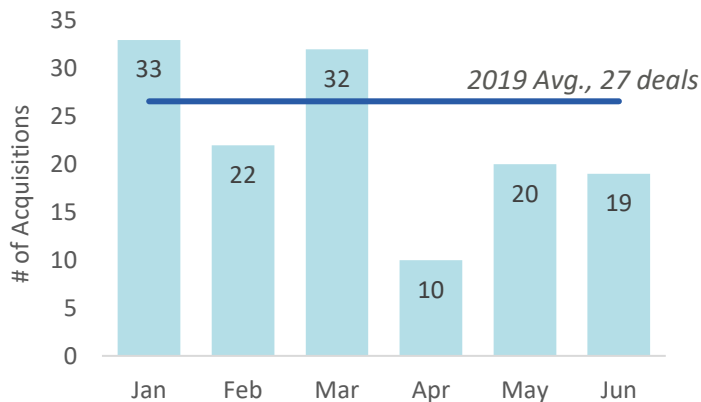
EXECUTIVE SUMMARY

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COVID-19 has quickly and permanently changed the way business is conducted around the world. Health IT was no exception, as providers rapidly shifted to virtual care delivery models enabled by new CMS rules and technology that equips the American healthcare system with maximum flexibility to respond to the COVID-19 pandemic. Together, these innovations accelerated the transformational shift to “hospitals without walls”. While the Health IT and broader Healthcare industry have undoubtedly received renewed attention during this public health crisis and will experience a long-term lift, we have also observed a slowdown in the pace of transaction activity, albeit a more measured slowdown when compared to that of other industries. The underlying sentiment for Health IT is as strong as ever, as evident in our Private Equity Survey (beginning page 5). The following six measures of Health IT activity during the first half of 2020 reflect the challenges of the lockdown but overall reflect how Health IT continues to receive high investor interest due to overwhelmingly strong fundamentals during this tough economic environment.

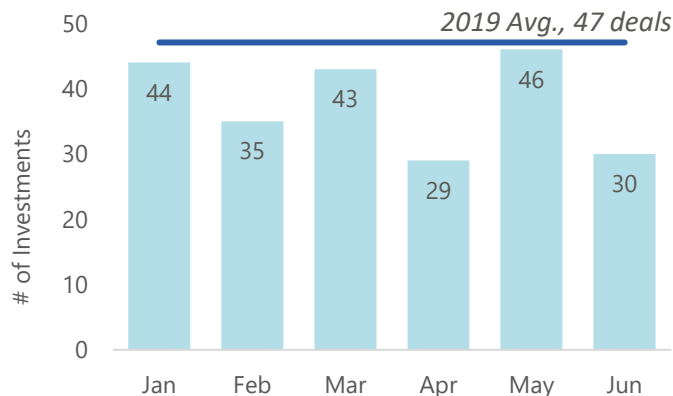
KEY MEASURES: COVID-19 IMPACT ON HEALTH IT

Measure #1: 1H 2020 US M&A Activity



M&A SAW A SHARP DECLINE IN APRIL, FOLLOWED BY A TENTATIVE RECOVERY IN MAY AND JUNE. THE UNIVERSE OF STRATEGICS BIFURCATED BETWEEN PASSIVE AND ACTIVE ACQUIRORS, CONTRACTING THE FIELD OF BUYERS. DUE TO THE LIQUIDITY CRUNCH AND UNCERTAINTIES ABOUT THE REOPENING OF THE ECONOMY, IT IS LIKELY M&A ACTIVITY WILL REMAIN STUNTED THROUGH THE REST OF 2020.

Measure #2: 1H 2020 US Investment Activity



BROADLY-SPEAKING, ACTIVITY IS DOWN ACROSS MOST HEALTH IT INVESTMENT THEMES BECAUSE OF COVID-19. THIS IS IN PART DUE TO A CONTRACTING DEAL PIPELINE AS WELL AS OVERALL RISK-AVERSION. THE PRIMARY EXCEPTION IS THE REMOTE DELIVERY OF CARE, WHICH SWIFTLY GAINED INTEREST AS A RESULT OF CV-19. DEAL PIPELINE ACTIVITY APPEARED TO BE RETURNING IN LATE Q2, INDICATING A STRONGER 2H.

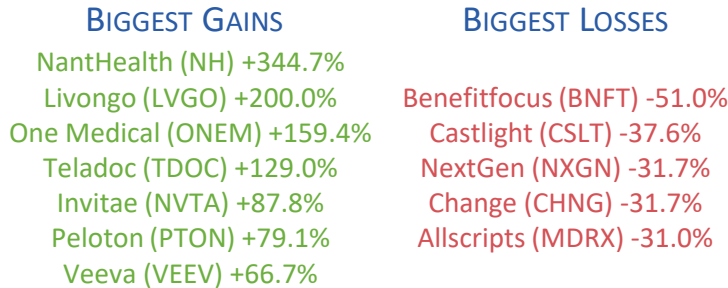
KEY MEASURES: COVID-19 IMPACT ON HEALTH IT

Measure #3: IPO Trends



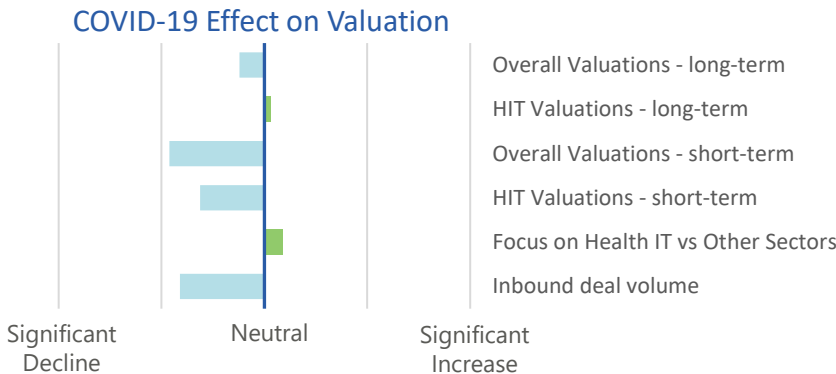
THE SURGE IN HEALTH IT IPOs THAT STARTED IN 2019 CONTINUED INTO 2020, WITH 4 COMPANIES COMPLETING THEIR IPO, AND ANOTHER 2 HOPING TO CAPITALIZE ON THE MARKET'S REBOUND IN 2H 2020. STRONG PUBLIC VALUATIONS ARE ENTICING NEW OFFERS.

Measure #4: Public Equity Valuations



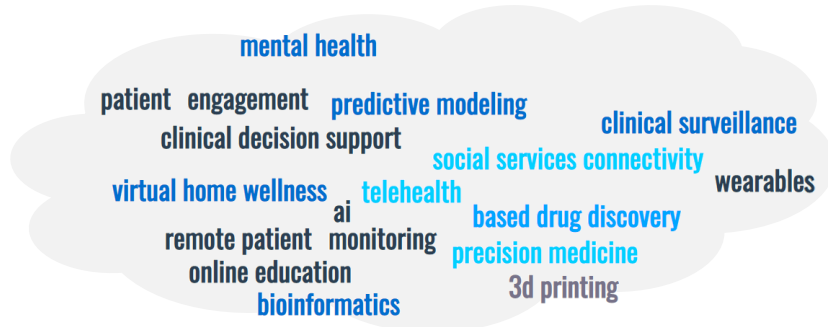
COMPANIES THAT FACILITATE THE REMOTE DELIVERY OF CARE SAW SIGNIFICANT INCREASES IN VALUE, WHILE THOSE SUSCEPTIBLE TO A REPLACEMENT MARKET OR THE RECENT DOWNTURN IN CASE VOLUME SAW VALUE DECLINE. AS EVIDENT BY THE NASDAQ, TECH VALUATIONS ARE AT RECORD HIGHS.

Measure #5: Private Equity Valuations



OVER THE SHORT-TERM, INVESTORS WERE SLIGHTLY BEARISH ON VALUATION AND DEAL FLOW, BUT SEEM TO EXPECT THAT HEALTH IT MAY BE MORE RESILIENT THAN THE OVERALL MARKET IN THE LONG-TERM, WITH BOTH VALUATIONS AND INTEREST EXPECTED TO RISE OVER TIME.

Measure #6: Health IT Sector Interest



PATIENT-FACING SOLUTIONS HAVE GAINED INTEREST IN THE COVID-19 ERA AS WELL THOSE LEVERAGING DATA, INCLUDING AI, TO ENHANCE OUTCOMES AND THE DELIVERY OF CARE. SECTORS DIRECTLY IMPACTED BY THE REDUCTION IN PROCEDURES, SUCH AS RCM, FACED NEAR-TERM CHALLENGES.

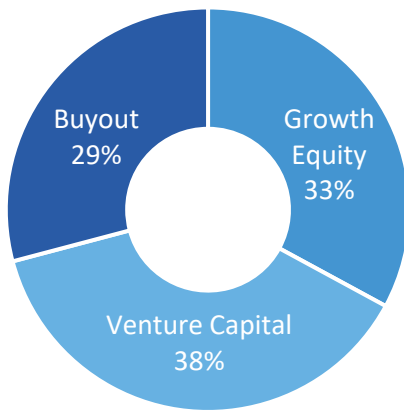
PRIVATE EQUITY SURVEY

Private Equity in the Era of COVID-19: Findings from HGP's PE Survey

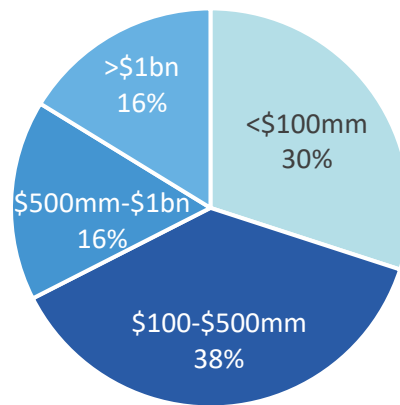
In May, as the U.S. cautiously started to reopen amid intense controversy, HGP polled hundreds of private equity funds across all stages of investment to find out how COVID-19 has impacted deal flow. Eighty respondents provided their perspective on topics ranging from appetite for new investments to access to debt to the impact on portfolio companies.

RESPONDENT DEMOGRAPHICS

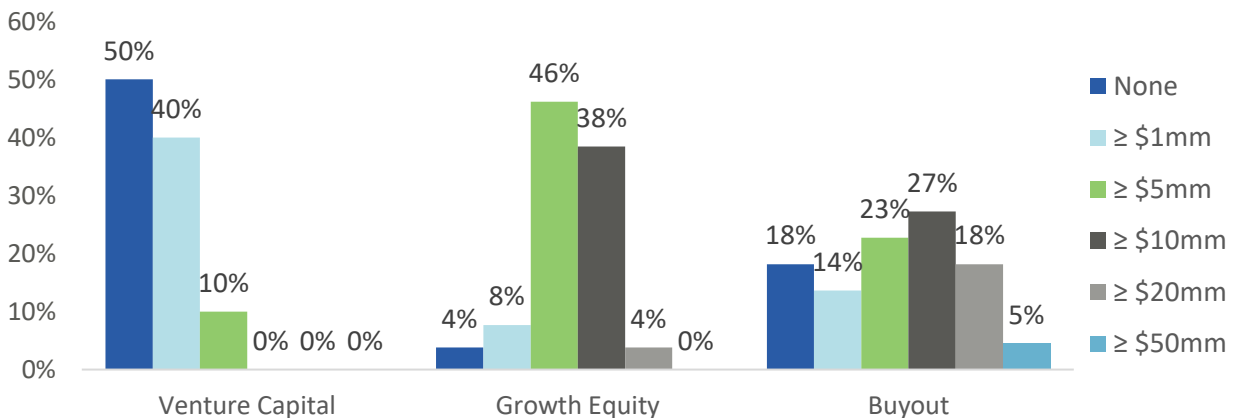
RESPONDENTS BY FUND TYPE



RESPONDENTS BY SIZE OF FUND



REVENUE THRESHOLDS BY FUND TYPE

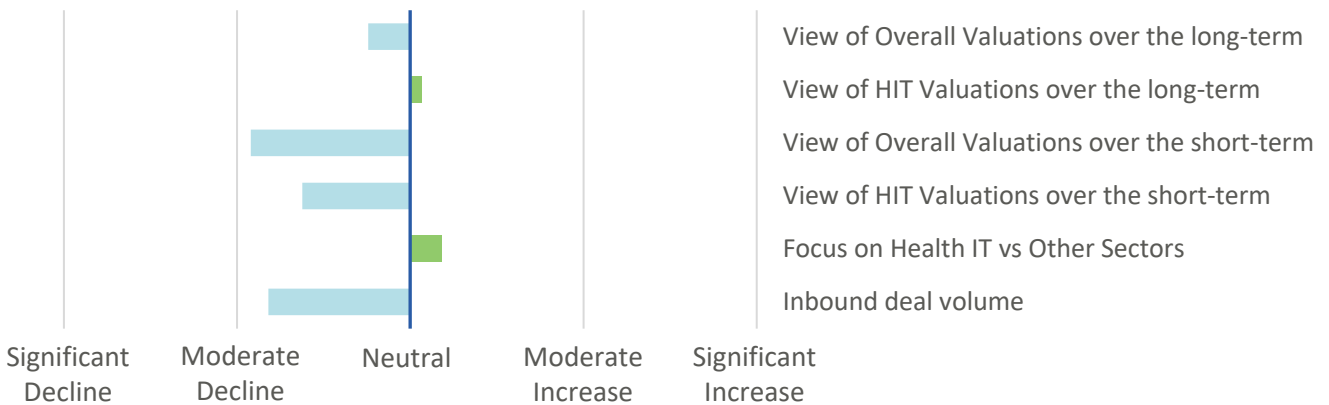


The response to revenue thresholds highlights the key distinction of revenue criteria between each investor category. Notably, thresholds overall seem to have moved slightly up for venture capital and growth equity funds, with 10% and 88% reporting a threshold greater than \$5mm, respectively (figures for 2018 were 0% and 79%). On the other hand, buyout funds appear to have lowered their thresholds, with 73% reporting a threshold of at least \$5mm, down from 82% in 2018.

EFFECT OF COVID-19 ON VALUATIONS

When asked how they expect overall and Health IT valuations to behave in both the short-term and the long-term, investors were largely neutral on average, with only a very slightly bearish perspective in the short-term. Over the long-term, investors indicated a much more neutral impact of COVID-19 on valuations, with a slightly more bullish perspective on Health IT as a sector compared to the overall market.

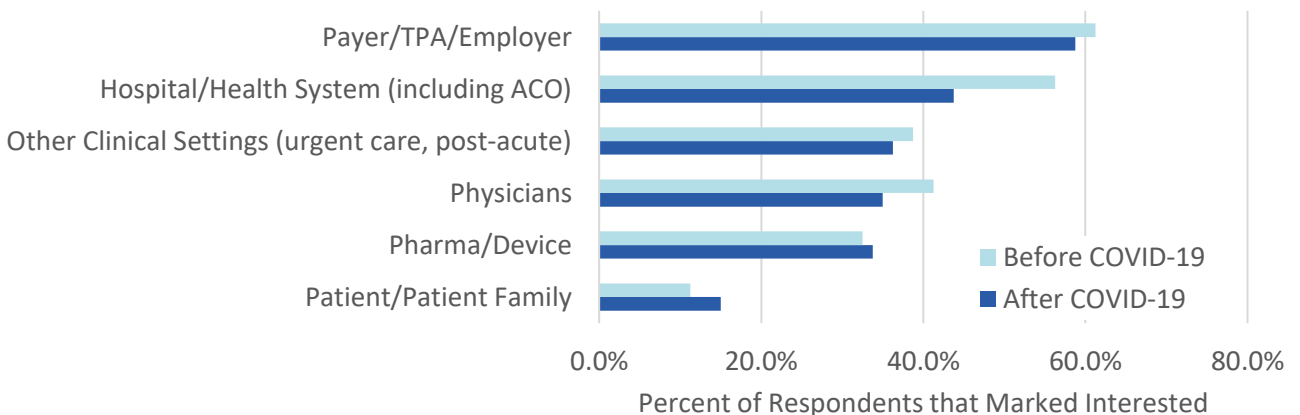
COVID-19 EFFECT ON VALUATION AND DEAL FLOW, HEALTH IT VERSUS OVERALL



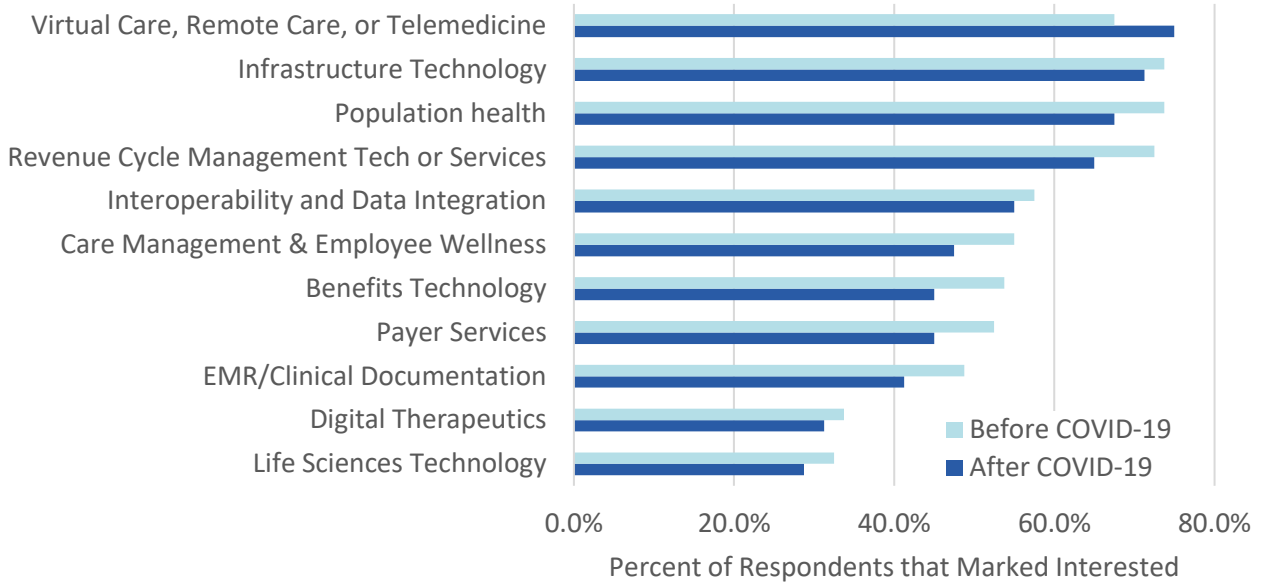
HEALTH IT INTERESTS BY SUBSECTOR AND CUSTOMER SEGMENT

Our survey included a series of questions designed to identify how COVID-19 may have altered investor appetite across the subsectors and end-markets of Health IT. As hypothesized, we saw a rise in interest in telemedicine and remote care delivery, as well as direct-to-patient healthcare solutions. At the other end of the spectrum, solutions such as EMR/clinical documentation and revenue cycle management saw a drop in interest and 12.5% fewer of our respondents were interested in investing in companies serving the hospital and health system end-market after COVID-19 compared to before. These results lead us to conclude that investors are tracking the decline in hospital revenue due to COVID-19 and accordingly expect that sales of new technologies to hospitals will be challenged.

INTEREST BY CUSTOMER SEGMENT BEFORE AND AFTER COVID-19



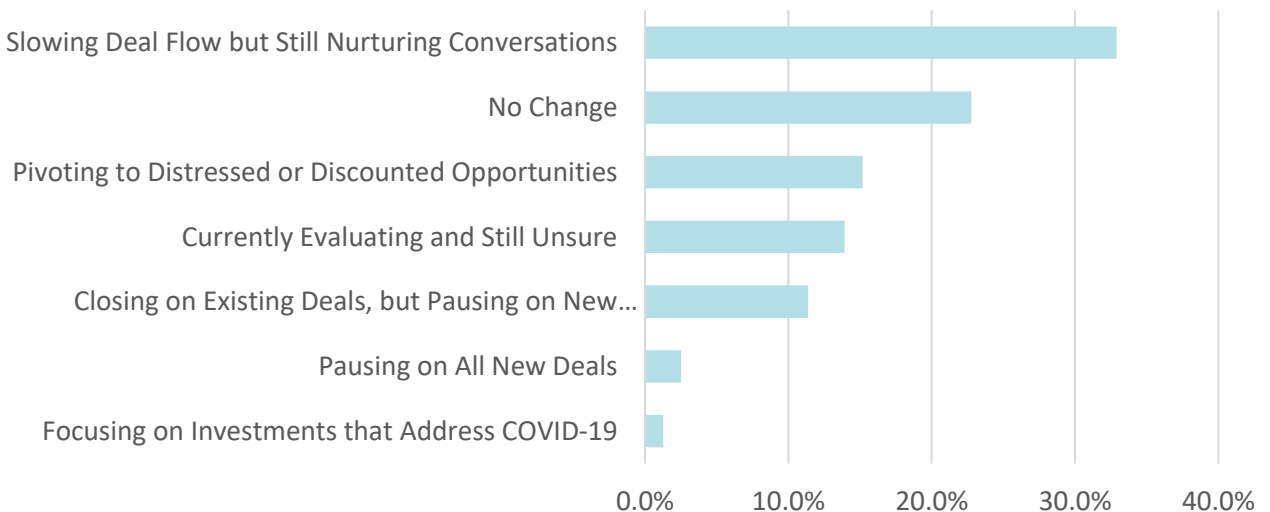
THEMATIC INTEREST WITHIN HEALTH IT BEFORE AND AFTER COVID-19



CHANGE IN PE ACTIVITY AND FOCUS

Overall, investors are seeing reduced deal flow, but continuing to seek out opportunities to invest despite the challenged environment. While some indicated they are looking at more distressed and discounted opportunities, that does not seem to be an overarching focus for our respondents. Given the rapidly evolving situation, approximately 25% of respondents were either still evaluating how to respond to the COVID-19 shutdown or had decided to pause on new deals for the time-being until the market stabilizes.

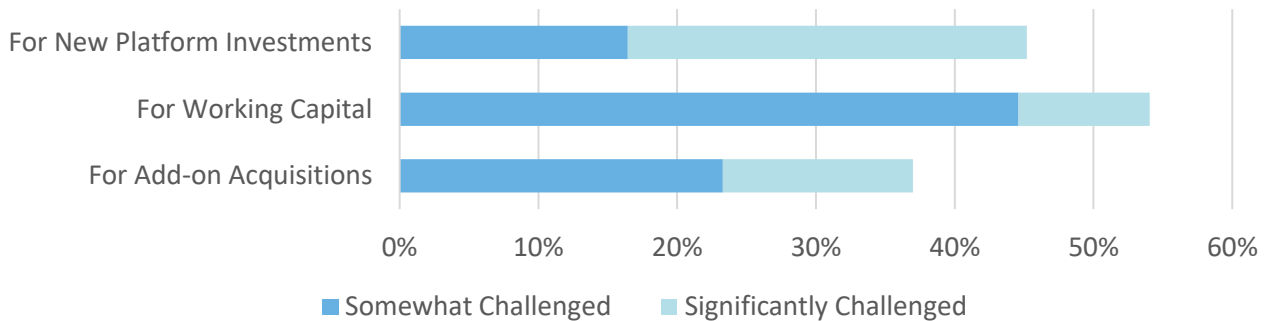
INVESTOR RESPONSE TO THE COVID-19 SHUTDOWN



ACCESS TO DEBT

One of the clearest impacts of COVID-19 is a tightening of the debt markets as investors flee to safer assets. Despite Fed actions to lower interest rates and encourage lending, our respondents from the PE community are seeing challenges in accessing debt. Based on the survey responses, accessing debt for existing platforms for either working capital or add-on acquisitions appears to be less challenging compared to that for new platforms.

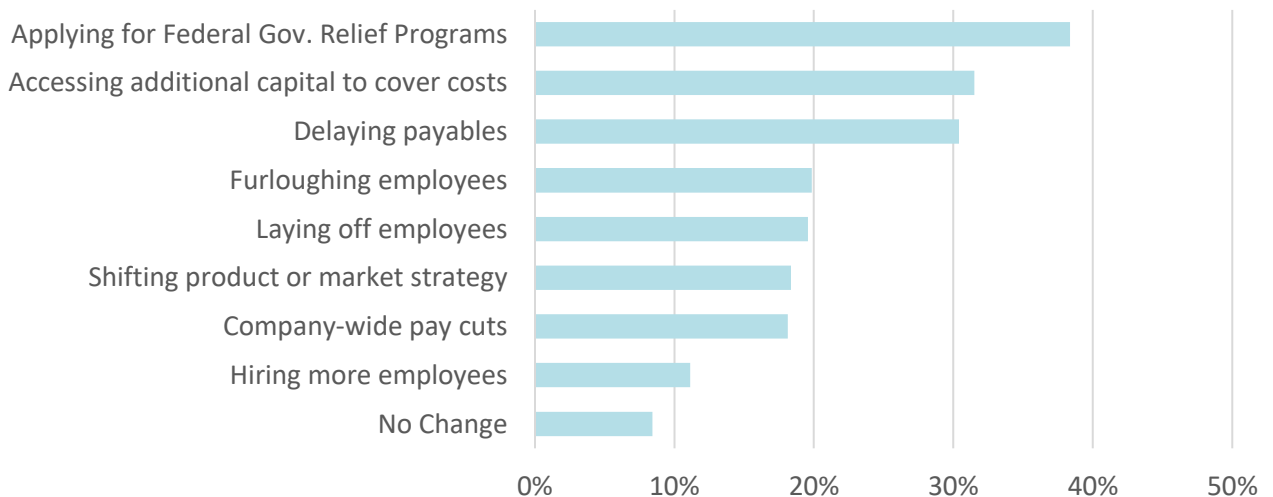
% OF RESPONDENTS REPORTING SOME OR SIGNIFICANT CHALLENGE ACCESSING DEBT



PORTFOLIO COMPANY STRATEGIES

We asked our respondents to estimate the percentage of their portfolio companies employing each of the following strategies. From these responses, we estimated the average percentage of portfolio companies employing each strategy. Fewer than 10% of portfolio companies were estimated to have had no change to operations due to COVID-19, exhibiting the widespread impact COVID has had on businesses. Many companies are applying for federal relief, seeking additional capital to cover costs, reducing payroll, or delaying payables in order to manage until the economy recovers.

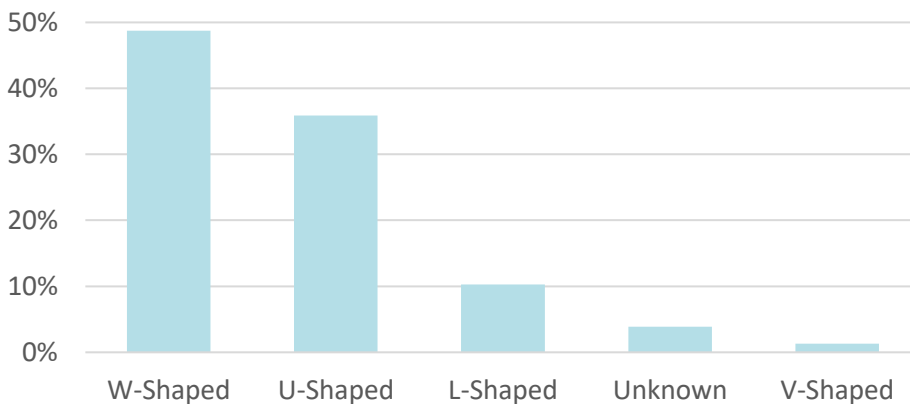
ESTIMATED % OF PORTFOLIO COMPANIES:



EXPECTATIONS FOR THE RECOVERY

Overwhelmingly, our respondents expect the economic recovery to be either W-shaped or U-shaped, essentially meaning that an economic recovery will be delayed, but that it will be relatively quick once it occurs. Now over 2 months into the downturn, there appears to be consensus that a V-shaped recovery is unlikely as consumers will continue to social distance until there is an effective vaccine or treatment for COVID-19. A few respondents expect a drawn-out L-shaped recovery, reflecting a general sentiment that the recovery probably won't begin in earnest until late 2020 and beyond.

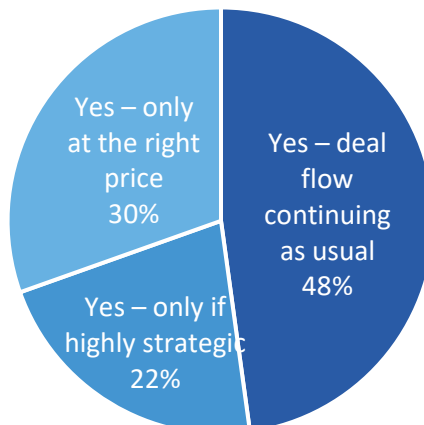
EXPECTED SHAPE OF THE ECONOMIC RECOVERY



WILL PRIVATE EQUITY CLOSE DEALS?

To conclude our survey, we asked the question on everyone’s mind – will private equity investors close deals over the next few months before the Fall / Winter? Overwhelmingly, our respondents indicated that they intend to continue to operate, with no respondents choosing “not likely.” Nearly 50% of respondents expect to continue with new deals as usual, with the remaining 50% indicating that they intend to continue with new deals, but that there may be restrictions on valuation or need to be highly strategic.

INTENT TO CLOSE DEALS BEFORE THE FALL/WINTER



HEALTH IT MARKET TRENDS

3

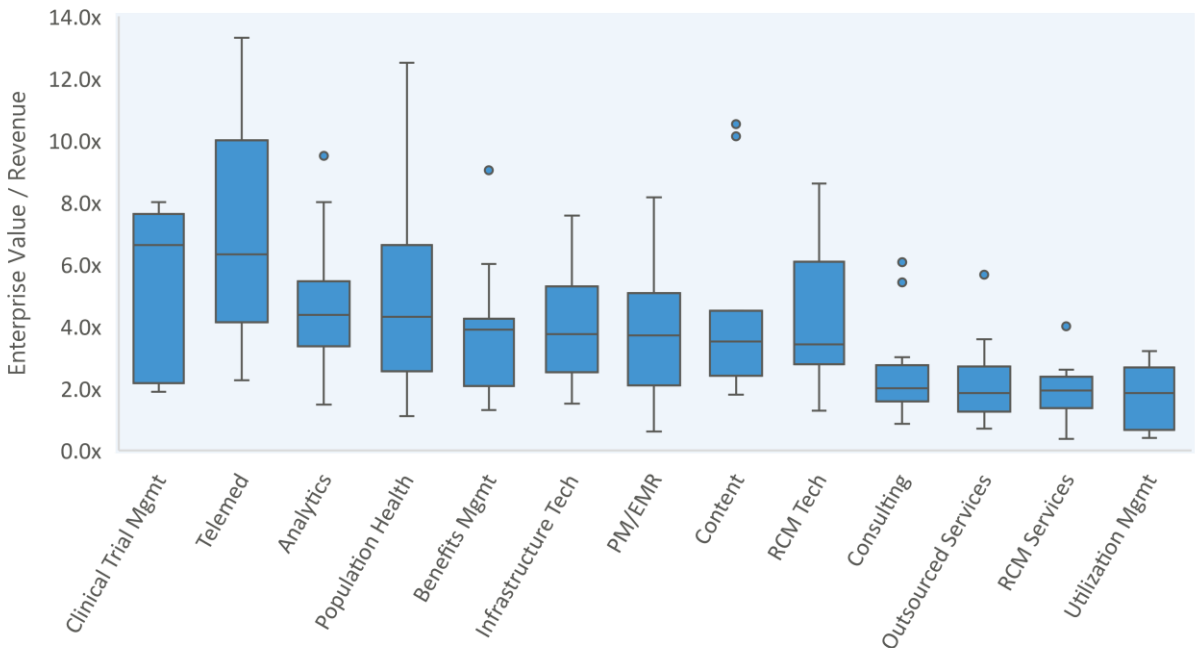
HGP keeps close tabs on M&A valuations to see how the market evolves over time. While we can only draw data from deals with disclosed multiples and therefore must be careful to consider bias in any conclusions we draw from this data, we can still get a good sense for how the market values companies within 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 – 1H 2020	Deals with Disclosed Revenue Multiples	Deals with Disclosed EBITDA Multiples	Revenue Multiple					EBITDA Multiple
			25 th %-tile	Median	75 th %-tile	Mean	Std. Deviation	Median
Clinical Trial Mgmt	6	5	2.2x	6.6x	7.6x	5.5x	3.0x	15.2x
Telemed	12	4	4.1x	6.3x	10.0x	7.1x	3.9x	13.1x
Analytics	21	8	3.4x	4.4x	5.5x	4.8x	2.3x	17.7x
Population Health	41	10	2.5x	4.3x	6.6x	5.7x	5.1x	14.2x
Benefits Mgmt	12	1	2.1x	3.9x	4.2x	3.8x	2.2x	15.0x
Infrastructure Tech	25	12	2.5x	3.8x	5.3x	4.0x	1.8x	10.3x
PM/EMR	36	21	2.1x	3.7x	5.1x	3.8x	2.0x	15.0x
Content	11	3	2.4x	3.5x	4.5x	4.4x	3.1x	8.3x
RCM Tech	20	15	2.8x	3.4x	6.1x	4.2x	2.1x	16.0x
Consulting	17	7	1.6x	2.0x	2.7x	2.4x	1.4x	12.0x
RCM Services	12	9	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. While telemedicine, population health, and analytics see the highest median revenue multiples, these sectors also see a large amount of variability and positive skew. For instance, while 25% of the observed 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 the first half of 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 (blue columns) is the 75th Percentile minus the 25th Percentile and serves to describe the variation in the range of outcomes. Note that point estimates such as the mean or median can often be misleading on their own, as they do not convey the level of variability which can be very high such as in the Telemedicine, Population Health, or 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 is also much more predictable. A company that falls within a sector on the left, however, cannot have as strong a confidence in their expected outcome. These observations follow a common theme in investment theory: that with greater potential upside, there is also greater risk and volatility.

While the metrics presented here may be used as a guidepost for expected outcomes, the end result 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.

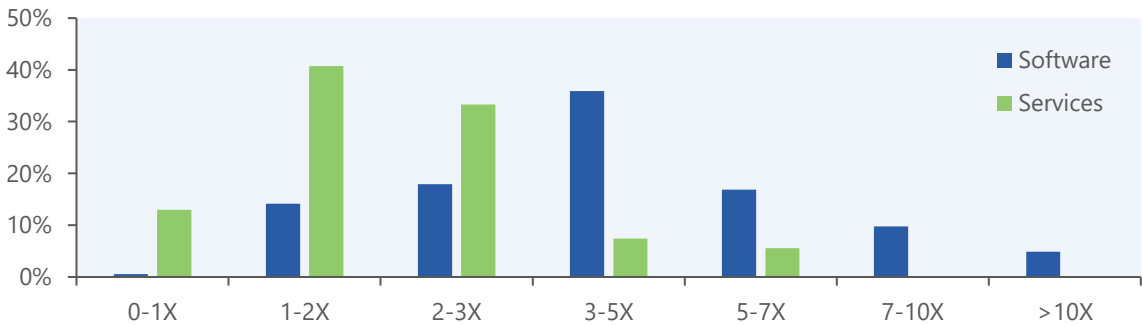
Sector	Description	Representative Deals
Clinical Trial Mgmt (6 deals) Median: 6.6x Std. Dev.: 3.0x	Includes traditional CTMS vendors as well as other vendors that deliver value in the clinical trial process.	Medidata (Dassault Systemes), Bracket Global (Genstar Capital), Phlexglobal (Vitruvian Partners)
Telemed (12 deals) Median: 6.3x Std. Dev.: 3.9x	Contains a mix of pure telemedicine services and connected device transactions.	AbleTo (United Health), Stratus Video (AMN Healthcare), PillPack (Amazon), Best Doctors (Teladoc)
Analytics (21 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.	Central Logic (Rubicon Venture Partners), Truven (IBM), IMS (Quintiles), MedeAnalytics (Thoma Bravo)
Population Health (41 deals) Median: 4.3x Std. Dev.: 5.1x	Comprised of patient engagement, provider connectivity, and care management technologies.	Propeller Health (ResMed), Emmi (Wolters Kluwer), Press Ganey (EQT), Wellcentive (Philips), Phytel (IBM)
Benefits Management (12 deals) Median: 3.9x Std. Dev.: 2.2x	Includes benefits management and admin software companies serving payers and employers.	Connecture (Francisco Partners), HealthX (JMI), Benaisance (WEX), bswift (Aetna), Matrix (Express Scripts)
Infrastructure Tech (25 deals) Median: 3.8x Std. Dev.: 1.8x	Compliance and resource management software generally serving provider organizations.	Simplr (Clearlake), Datix (Rothschild), Morrissey (HealthStream), CenTrak (Halma), VendorMate (GHX)
PM/EMR (36 deals) Median: 3.7x Std. Dev.: 2.0x	Includes ambulatory, acute, post-acute, alternate site, and departmental EMR/PM systems.	Intelerad (HGCapital), athenahealth (Veritas), Kinnser (Mediware), Netsmart (Allscripts/GI), Merge (IBM)
Content (11 deals) Median: 3.5x Std. Dev.: 3.1x	Transactions are a mix of online consumer content and provider-oriented clinical content.	WebMD (Internet Brands), Quantum Health (Great Hill Partners), Everyday Health (j2 Global)
RCM Tech (20 deals) Median: 3.4x Std. Dev.: 2.1x	Includes tech-oriented RCM vendors serving hospitals and physicians, and to a lesser extent, payers.	eRx Network (Change Healthcare), InstaMed (JPMorgan), ABILITY (Inovalon), Zirmed (Navicure)
Consulting (17 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 (12 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)

4

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

HEALTH IT REVENUE MULTIPLES DISTRIBUTION



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

1 SaaS Architecture and Delivery

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

2 Pricing Alignment with ROI

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

3 Scalable Distribution Model

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

4 Data Rights

- Contract structures that contain explicit rights to data

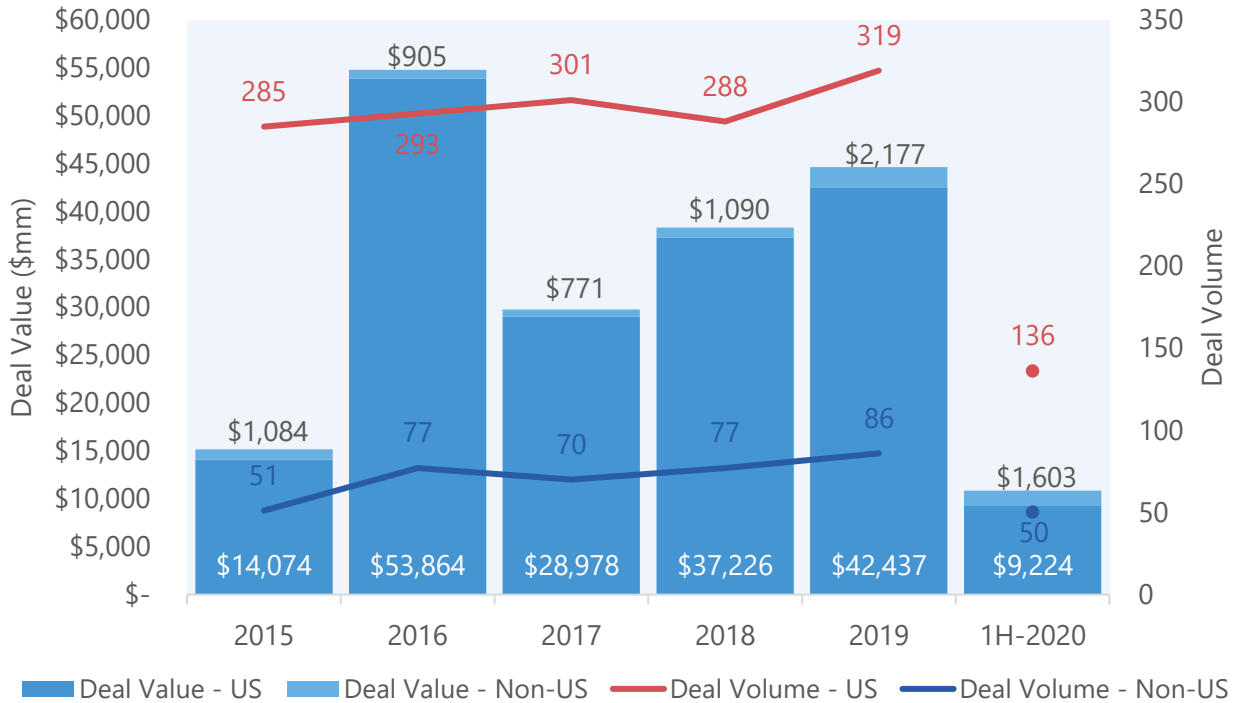
5 Reform-Centric Value Proposition

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

6 Pricing Alignment with ROI

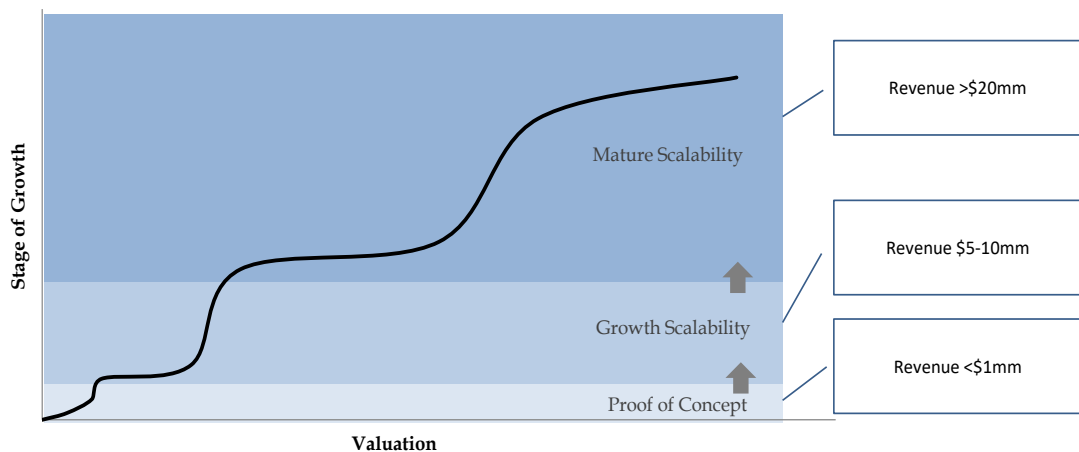
- Market leadership (or opportunity to lead) creates favorable supply/demand characteristics at exit
- Large and growing market opportunity with strong financial characteristics which include recurring revenue and growth, inherent scalability if not profitability, strong management, and size

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



2020 saw a reversal of the trend over the last few years, with deal value and volume down during the first half of the year, no doubt because of the COVID-19 driven economic recession. After 365 transactions in 2018 and 405 transactions in 2019, we have seen 186 transactions so far in 2020 which equates to 372 when annualized. Most of the slowdown appears to be in the U.S. market, with international M&A activity generally on track to match prior years. Overall, the Health IT M&A market has fared remarkably well during the first half of the year considering the disruptive impact of COVID-19.

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



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

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

		HIT Software Companies			HIT Services Companies		
		Revenue Multiple	EBITDA Multiple	Transaction Value	Revenue Multiple	EBITDA Multiple	Transaction Value
All Transactions	# of Transactions	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

HIT Software Revenue Multiple Distribution by Target Enterprise Value					
Percentile	<\$30mm	\$30-100mm	\$100-500mm	\$500mm-\$1B	>\$1B
90 th Percentile	6.6x	9.9x	8.3x	8.5x	8.6x
75 th Percentile	4.7x	5.4x	6.2x	7.1x	7.0x
50 th Percentile	3.1x	3.2x	4.3x	5.5x	5.0x
25 th Percentile	2.0x	2.5x	2.9x	3.8x	3.7x

HIT Services Revenue Multiple Distribution by Target Enterprise Value					
Percentile	<\$30mm	\$30-100mm	\$100-500mm	\$500mm-\$1B	>\$1B
90 th Percentile	2.4x	2.8x	5.4x	nm	nm
75 th Percentile	2.1x	2.3x	3.0x	nm	3.2x
50 th Percentile	1.6x	1.5x	2.0x	2.7x	2.4x
25 th Percentile	1.2x	0.9x	1.5x	nm	2.2x

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

In the first half of 2020, Healthcare Growth Partners monitored 186 health IT and related services M&A transactions, compared to 405 transactions in 2019. In terms of aggregate deal dollar value, HGP observed \$10.8 billion of total transaction value so far in 2020, a decline compared to the \$19.9 billion of transaction value observed during the six months of 2019. The median revenue multiple in 2020 so far is 4.7x for HIT Software, between the 4.2x observed in 2019 and the 5.0x high water mark observed in 2018.

Detailed annual 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 1H 2020.

MEDIAN M&A MULTIPLES 2015 THROUGH 1H-2020



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

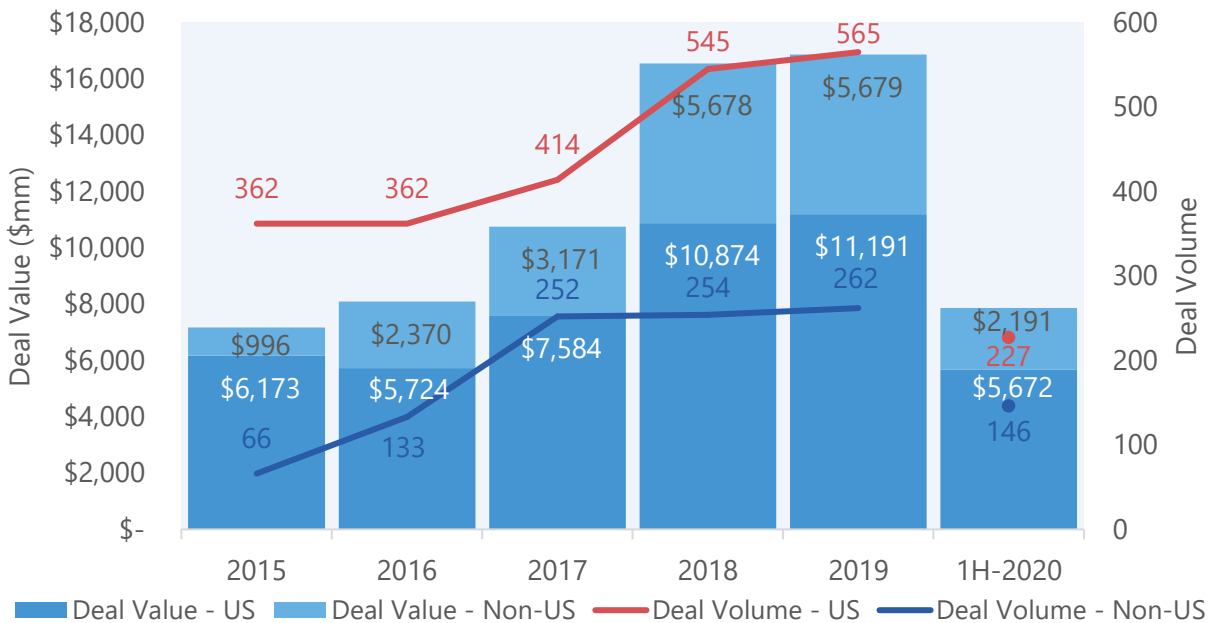
HIT M&A DEALS BY QUARTER



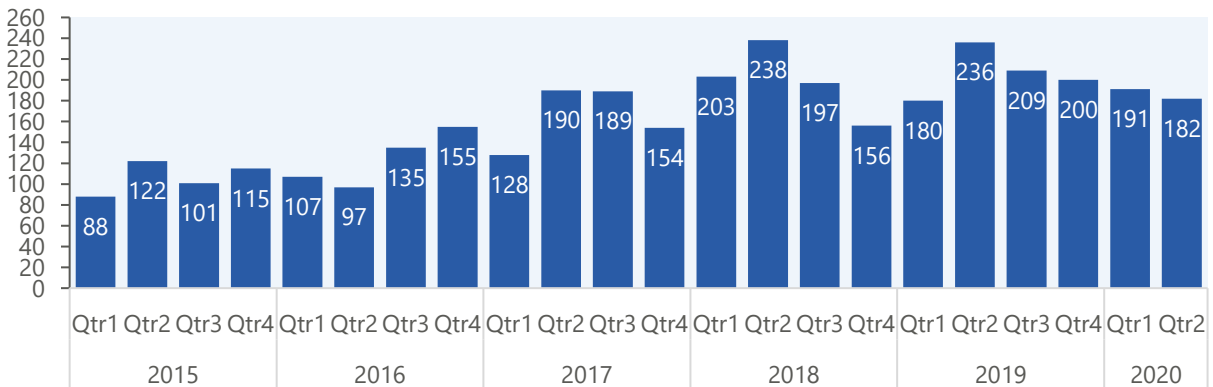
HEALTH IT CAPITAL RAISES (NON-BUYOUT)

The chart below summarizes quarterly private-equity and venture capital activity in Health IT and related services since 2015 according to the Healthcare Growth Partners database. The data below and in this section do not include buyout private equity activity. In the first half of 2020, Healthcare Growth Partners monitored 373 capital raise transactions amounting to \$7.9 billion in value, a declining trend compared to the \$16.9 billion raised across 827 transactions in 2019.

HIT INVESTMENT ACTIVITY



HIT INVESTMENT DEALS BY QUARTER



Refer to Appendix C for a list of notable non-buyout capital raises in 1H 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 22.

All 6 indices felt the effects of COVID-19 and plunged alongside the S&P 500 in the first quarter of 2020. Fueling the flames on the healthcare front was the increasing sentiment that Bernie Sanders, with the most disruptive Medicare for All plan on the ticket, could lead the democratic ballot in November. Remarkably, all indices rebounded in Q2, with the Health IT, Payers, and CRO Indices all exceeding the S&P 500 in their recovery. The 3 indices most focused on services (PBM, Healthcare services, and HIT & Payer Services) have not fully recovered and continue to feel the pressure from COVID-19 as hospitals continue to struggle amidst the halt of elective procedures. The chart and the table on the following page summarize the performance of the HGP Indices in 1H 2020.

HIT & RELATED INDEX PERFORMANCE 1H 2020

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

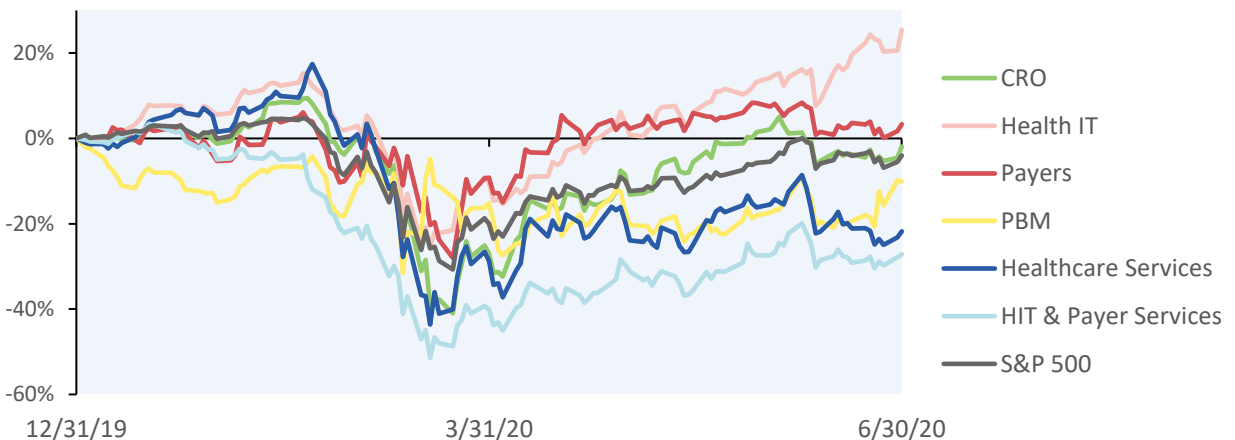
March 17 – OCR eases restrictions on telemedicine tech

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

Feb. 25 – Bernie Sanders sees a big win in Nevada, plunging payer stock

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

June 23 – Hospitals lose lawsuit against HHS over price disclosure rule



1H 2020 Index Performance					
S&P 500	-4.0%	HIT	25.4%	Healthcare Services	-21.8%
NASDAQ	12.1%	Payers	3.3%	HIT & Payer Services	-27.2%
CRO	-1.9%	PBM	-10.1%		

HIT INDEX PERFORMANCE DETAIL – AS OF JUNE 30, 2020

Company	Share Price % Change	EV/ Rev	EV/ EBITDA	Company	Share Price % Change	EV/ Rev	EV/ EBITDA
Allscripts	-31.0%	1.2X	7.4X	Model N	-0.9%	7.6X	NMF
Benefitfocus	-51.0%	2.0X	19.4X	NantHealth	344.7%	9.1X	NMF
Care.com	-0.2%	NA	NA	NextGen Healthcare	-31.7%	1.4X	8.0X
Castlight Health	-37.6%	0.7X	NMF	NRC Health	-11.7%	NA	NA
Cerner	-6.6%	3.9X	12.8X	Omniceil	-13.6%	3.3X	19.5X
Change Healthcare	-31.7%	2.4X	8.0X	One Medical	159.4%	14.7X	NMF
CPSI	-13.7%	1.7X	10.6X	Peloton	79.1%	8.7X	NMF
ehealth	2.2%	3.7X	17.8X	Phreesia	6.2%	8.2X	NMF
Evolent Health	-21.3%	0.9X	NMF	Premier	-9.5%	3.3X	7.4X
Fitbit (US)	-1.7%	1.3X	NMF	Progyny	-6.0%	6.1X	NMF
Health Catalyst	-15.9%	5.3X	NMF	Roper Technologies	9.6%	8.3X	23.8X
HealthEquity	-20.8%	10.1X	27.6X	Simulations Plus	105.8%	26.4X	NA
HealthStream	-18.6%	2.5X	16.2X	SmileDirectClub	-9.6%	5.2X	NMF
Hms Holdings	9.4%	4.3X	16.4X	Streamline Health	-4.3%	2.0X	18.0X
Inovalon Holdings	2.3%	5.7X	17.1X	Tabula Rasa Healthcare	12.4%	4.4X	NMF
Invitae	87.8%	14.8X	NMF	Teladoc Health	128.0%	18.2X	NMF
IQVIA	-8.2%	3.6X	17.5X	Veeva Systems	66.7%	31.0X	NMF
iRhythm Technologies	70.2%	13.3X	NMF	Vocera Communications	2.1%	3.2X	NMF
Livongo	200.0%	23.2X	NMF				

INDEX VALUATION MULTIPLES

Multiples based off 2020E Revenue and EBITDA

Sector	Revenue Multiples		EBITDA Multiples	
	2020E	2021E	2020E	2021E
Health IT	4.4X	3.7X	13.1X	16.8X
CRO	3.3X	2.9X	16.5X	17.1X
Payers	0.7X	0.6X	12.5X	9.4X
PBM	0.6X	0.5X	9.7X	10.7X
Healthcare Services	1.5X	1.4X	9.9X	11.4X
HIT & Payer Services	1.3X	1.2X	8.4X	12.6X

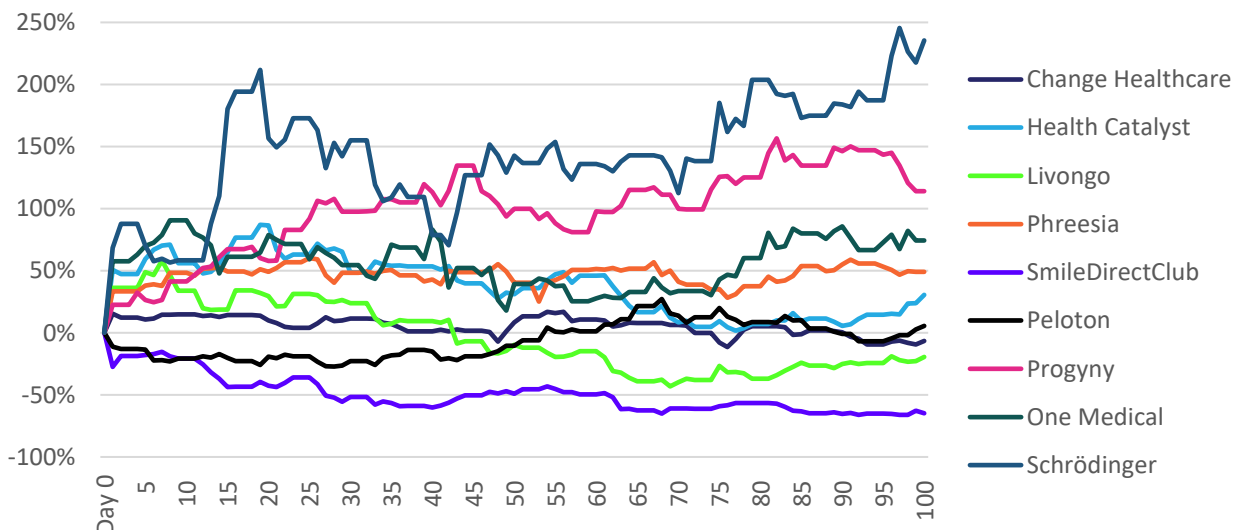
Valuation multiples across the healthcare sector remain strong. The HIT and CRO sectors receive the most significant valuation premiums over the rest of the market.

HEALTH IT IPOs

Despite the immense turbulence and uncertainty experienced in 1H 2020, the surge in Health IT IPOs that started in 2019 continued into 2020. In the past 12 months, 9 HIT companies have gone public, with an additional 3 gearing up to hit the market. This new class performed well in 1H 2020, led by Schrodinger (up 439%), Livongo (up 200%), Peloton (up 103%), and One Medical (up 159%) which have been able to capitalize on COVID-19 trends.

- Direct primary-care provider **One Medical** made its public debut on January 31, selling 17.5 million shares at \$14 per share. Shares jumped 60% on the first day of trading, valuing the company at \$2.7 billion. One Medical’s focus on transforming primary care with a mix of digital and in-office care has led to a surge in revenue amidst the pandemic, and the company ended the Q2 up 149%.
- Drug discovery software company **Schrödinger** raised \$232 million in its February 6th IPO. The Company sold 13.6 million shares of common stock at \$17 per share, which surged to \$27.22 on the first day of trading and was up 439% at the end of Q2.
- Health benefits platform **Accolade** filed for its IPO in late February and made its debut on July 2nd, offering 10 million shares of its common stock at \$22 per share, valuing the company at \$1.2 billion. The Company says the COVID-19 pandemic has increased the need for its technologies and was well received in the market which opened trading at \$35, nearly 60% higher than its IPO price.
- Amid surging demand for telehealth, telehealth giant **Amwell** confidentially filed for IPO in early June. The Company raised \$194 million in a Series C round in May and has reported a 4,000% uptick in patient visit volume in recent months.
- **GoHealth**, a medicare-focused health insurance marketplace, raised \$914 million in its July 15th IPO of 42.5 million shares priced at \$21. Despite the upsized offering above the initially stated range, GoHealth shares dipped on their first day of trading to \$19/ share. The IPO values the company at \$6.7 billion.

FIRST 100 DAY PERFORMANCE



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

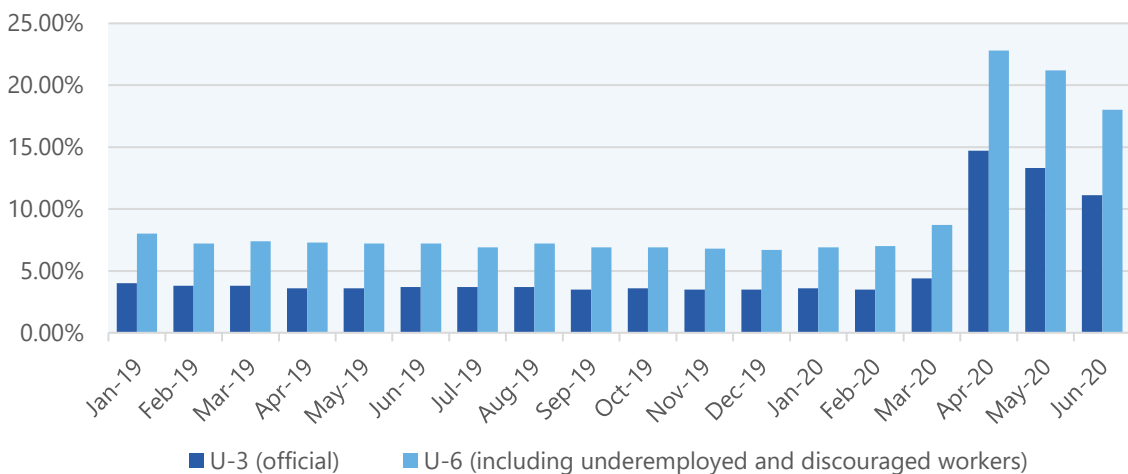
Sector Components	
<u>Health IT (HIT) – Constituents</u> Allscripts – NAS:MDRX Benefitfocus – NAS:BNFT Care.com – NYS:CRCM [Acquired 2/11/2020] Castlight Health – NYS:CSLT Cerner – NAS:CERN Change Healthcare – NAS:CHNG Computer Programs & Systems – NAS:CPSI ehealth – NAS:EHTH Evolut Health – NYS:EVH Fitbit – NYS:FIT 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 Model N – NYS:MODN NantHealth – NAS:NH NextGen – NAS:NXGN NRC Health – NAS:NRC 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 Streamline Health Solutions – NAS:STRM Tabula Rasa Healthcare – NAS:TRHC Teladoc – NYS:TDOC Veeva Systems – NYS:VEEV Vocera Communications – NYS:VCRA <u>PBMs – Constituents</u> CVS Health – NYS:CVS Rite Aid – NYS:RAD Walgreens Boots Alliance – NAS:WBA	<u>HIT & Payer Services – Constituents</u> 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 <u>Healthcare Services – Constituents</u> 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 <u>CROs – Constituents</u> 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 <u>Payers – Constituents</u> 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]

2020 started with a bang and has proven within only the first six months to already be a year of immense global impact. The year began with the killing of Qasem Soleimani on January 3rd, leading to weeks of tension between the United States and Iran. Almost immediately afterward, the impeachment trial of President Trump began, causing the world to listen as the United States debated the Constitution and Presidential powers. Almost as soon as Trump was acquitted on February 5th, an even greater global threat began to make headlines – COVID-19 was beginning its spread outside of China despite efforts to contain it. COVID-19 quickly changed the global economic landscape in ways unprecedented for generations as countries around the world were forced to shutdown non-essential business activities to slow the spread of the disease.

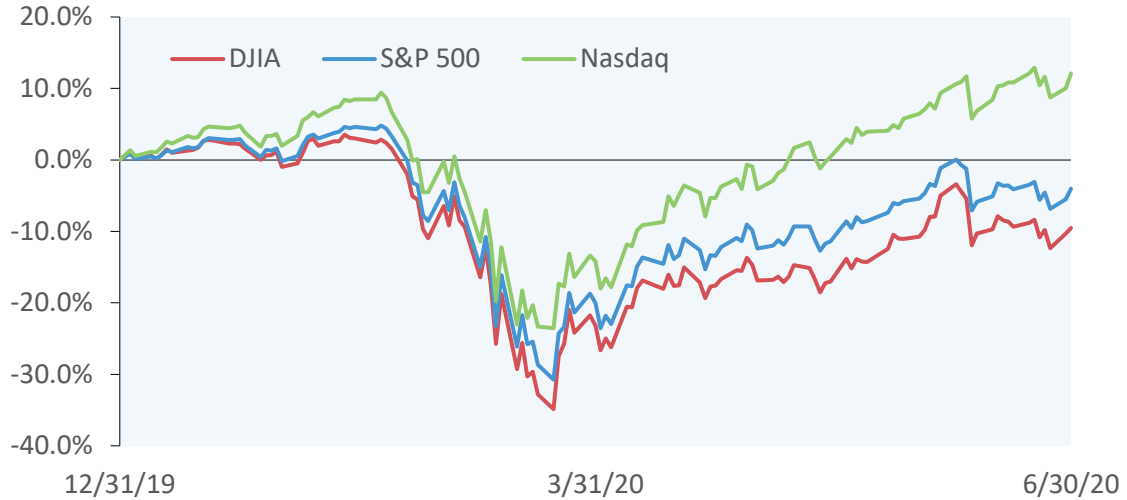
While COVID-19 made headlines due to its economic impact and threat to public health, another paradigm-shifting movement gained global attention after the deaths of Ahmed Arbery and George Floyd initiated worldwide protests calling for justice and police reform. While the Black Lives Matter movement had been growing for nearly a decade since the acquittal in 2013 of George Zimmerman in the fatal shooting of Trayvon Martin, the videos of George Floyd’s death in broad daylight while in the custody of the Minneapolis Police Department provided an unequivocal event to rally around. It is only against this background of pandemic spread of COVID-19 and global civil rights activism that we can assess the 2020 macroeconomic landscape.

The first quarter of 2020 saw the end of a decade-long bull run with the emergence of COVID-19. After reaching a record high in February, the S&P 500 plunged 34% within just a month before finally reaching a bottom on March 23rd. Unemployment in the United States also skyrocketed to a reported high of 14.7% in April as tens of millions of jobs were lost within only a handful of weeks. Even this staggering reported unemployment rate is widely considered to understate the full extent of jobs lost as a result of COVID-19, with the true rate of unemployment estimated to be between 20% and 30% after accounting for those unemployed workers that were misclassified as “temporarily unemployed”, that are now underemployed, or that have decided to leave the labor force as a result of the lack of available jobs. Since April, the unemployment rate has fallen, but it will likely take years for the labor market to recover fully.

UNEMPLOYMENT RATE



1H-2020 US STOCK MARKET PERFORMANCE



The equity markets rebounded in Q2 to post the biggest quarterly gain since 1998, with the S&P 500 rising 20 percent and regaining nearly all the ground lost during the first quarter. This meteoric rise is particularly remarkable in the context of the continuing elevated worry and uncertainty associated with the COVID-19 pandemic. Most companies have ceased to provide earnings guidance, citing uncertainties of the pandemic and how consumer demand will be affected. One of the clearest illustrations of uncertainty is the variability of forecasts for the second half of the year. Analysts at Goldman Sachs, for instance, have indicated that during the second half of 2020 the S&P 500 could either gain 14% in a “vaccine upside” scenario or lose 30% in a “virus downside” scenario, with their baseline forecast hovering somewhere around a 5% gain. At the moment, it’s truly anyone’s guess how and when the economy will be able to return to something resembling normal.

IPOs over the first six months of 2020 followed a similar pattern to that of the stock market. The months leading up to COVID-19 saw steady IPO and transaction volume as the mature bull market continued from 2019. During the initial shock of COVID-19 and the broad shutdown of the US economy, IPOs slowed considerably while companies waited for market volatility to subside. After the United States began a phased reopening in May, transactions and IPOs resumed at a relatively normal pace in June amid renewed investor confidence. In total, the US saw 93 IPOs which raised \$32 billion during the first half of 2020.

Private equity and venture capital velocity slowed but did not stop as a result of the recession during the first half of the year. According to data from PitchBook and NVCA’s Venture Monitor, venture capital deal activity slowed in the second quarter to \$34.3 billion across 2,197 deals, a 23% decline in the number of deals compared to the first quarter of 2020 and a 29% decline in the number of deals compared to the second quarter of 2019. Private Equity activity slowed even more drastically in the second quarter to an estimated \$144 billion of deal value across 783 deals, a decline of 42% in the number of deals compared to the second quarter of 2019. Similarly, global M&A deals plummeted 55% YoY to \$485.3 billion in Q2, its lowest level since Q3 2009, based on 8,272 deals, the lowest quarterly total since Q3 2004, according to Refinitiv data. Notably, the drop in M&A activity was the most dramatic in the U.S., sinking 85% YoY to \$94.3 billion.

As we enter the second half of 2020, the markets appear to be cautiously optimistic about the future, but that optimism is tempered by continued high unemployment and concern over COVID-19.

Notable headlines from 1H 2020 are outlined in the following pages on a quarterly basis. The headlines in 1H 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

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.

ABOUT HEALTHCARE GROWTH PARTNERS

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

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

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Sources of Information:
























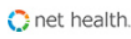















CMS, CNBC, CNN, company press releases, company SEC filings, Dealogic, EY Global, FactSet, FierceHealthcare, Forbes, FRED, Health Data Management, Healthcare Growth Partners database, HealthLeaders Media, HlStalk, Mercom Capital Group, Modern Healthcare, PwC, SIFMA, The New York Times, Mergermarket,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





































These statistics are presented for informational purposes only. While the information presented has been obtained from sources deemed to be reliable, no representation or warranty, express or implied, is made as to the accuracy or completeness of such information.

HGP TRANSACTION EXPERIENCE

10

 has acquired  BUY-SIDE	 has been acquired by Evercommerce SELL-SIDE	 has been acquired by  SELL-SIDE	 has acquired  BUY-SIDE	 has acquired  BUY-SIDE	 received funding from FrontierCapital CAPITAL RAISE
 received funding from  GROWTH STRATEGY	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE	 has acquired Record Retrieval Service BUY-SIDE	 has been acquired by  SELL-SIDE	 has been acquired by  SELL-SIDE
 has been acquired by  SELL-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  SELL-SIDE
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 has acquired  BUY-SIDE	 has been acquired by  SELL-SIDE	 received funding from Strategic Investor	 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	OptiLink Division of  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
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 has acquired  BUY-SIDE	 has been acquired by  SELL-SIDE	AcerMed has been acquired by  SELL-SIDE	NetRegulus has been acquired by  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	Mitchell International	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.	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 through 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	ArchiMed	Actigraph	Developer of physical activity and sleep or wake monitoring device designed to facilitate users to configure and initiate data collection from a mobile device.	na
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, enabling clients to strategically expand market opportunity, diversify revenue streams and reduce the cost of care.	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

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

APPENDIX C

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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