

Q2-2018 Behavioral Health Update



Market Update

The second quarter of 2018 was a monumental period for the behavioral health industry with the largest independent provider of Autism Services partnering with the largest private equity firm in the US. Within Substance Abuse, this quarter brought three new private equity partnerships, a venture capital equity raise, add-on acquisitions by diversified PE-backed behavioral health companies, and strategic acquisitions of multiple market leading facilities in Florida. We expect the excitement and transaction volume in Behavioral Health to continue through the second half of 2018.

Select Transactions

New Behavioral Health PE-Platforms

Autism Services



Substance Abuse



Autism Services

Month	Acquirer	Target	Headquarters	Locations
June	The Family Treatment Network (Pharos Capital)	CCMC School	New Britain, CT	1
May	Webster Capital	Behavior Development Group	Fort Lauderdale, FL	4
May	The Halifax Group	ChanceLight Behavioral Health, Therapy & Education	Nashville, TN	N/A
April	The Blackstone Group	Center for Autism and Related Disorders	Woodland Hills, CA	201

Substance Abuse

Month	Acquirer	Target	Headquarters	Locations
June	Banyan Treatment Center	Behavioral Health of the Palm Beaches	North Palm Beach, FL	1
June	JourneyPure	Florida Counseling Centers	Melbourne, FL	2
June	Discovery Behavioral Health (Webster Capital)	Cliffside Malibu	Malibu, CA	1
June	BelHealth Investment Partners	Beach House Center for Recovery	Juno Beach, FL	1
May	InTandem Capital Partners	Turning Point Centers	Sandy, UT	3
May	Refresh Mental Health	Comprehensive MedPsych	Sarasota, FL	1
May	HealthQuest Capital and Granite Growth Health Partners	CleanSlate Centers	Northampton, MA	38
April	Clearview Capital	Community Medical Services	Scottsdale, AZ	15
April	Delphi Behavioral Health (The Halifax Group)	Summit Behavioral Health	West Windsor Township, NJ	6

Other Behavioral Health Transactions

Month	Acquirer	Target	Headquarters	Locations
June	Castlewood Treatment Centers	La Ventana Treatment Programs (5 locations)	Thousand Oaks, CA	8
May	Riverside Community Care	Screening for Mental Health	Newton, MA	1

Provident Industry Coverage Team

Justin Hand
Managing Director
jhand@providenthp.com
 (310) 359-6610

Robert Aprill
Associate
raprill@providenthp.com
 (617) 226-4211

Steven Grassa
Analyst
sgrassa@providenthp.com
 (617) 226-4213

Joseph Wisniewski
Analyst
jwisniewski@providenthp.com
 (310) 919-4014