

Q2-2017 Emergency Medical Services Update



Market Overview

The emergency medical services sector continued to consolidate in the second quarter of the 2017, particularly within emergency department management and urgent care. Emergency department management transactions were dominated by large public strategies completing add-on acquisitions of independent physician groups in the market, while consolidation among urgent care providers consisted of both strategies and private equity firms executing small add-on deals and large buyouts. Provident expects transaction volume to remain strong throughout the remainder of 2017, particularly given the capital available for investment in the space. Envision Healthcare Corporation, one of the largest national providers of emergency department management services, recently announced a new \$500 million credit facility that will be used to fund acquisition opportunities currently in its pipeline that are expected to close in the third and fourth quarters of 2017. Both the ambulance and urgent care markets have a number of private equity-backed platforms, which will continue to use their financial sponsor's capital to fund add-on acquisitions.

SELECT TRANSACTIONS:

Month	Acquirer	Target Company	Details
Ambulance Services			
May 2017	Priority Ambulance / Enhanced Equity Fund	Puckett EMS	Priority Ambulance, a portfolio company of Enhanced Equity Fund and provider of emergency and non-emergency medical care, acquired Puckett EMS. Puckett EMS is an emergency and non-emergency ambulance service based in Austell, Georgia that serves approximately 52,000 patients each year with 340 employees and 66 vehicles. Financial terms of the deal were not disclosed.
May 2017	Quantum Medical Transport Inc. (OTC PINK: DRWN)	United Ambulance, LLC	Quantum Medical Transport, a non-emergency medical services transportation company, has acquired United Ambulance. United ambulance is a medical emergency and non-emergency medical transport company operating in Texas. Financial terms of the deal were not disclosed.
Emergency Department Management			
May 2017	TeamHealth (NYSE: TMH)	Synergy Emergency Physicians, Inc.	TeamHealth, a physician services organization, has acquired the clinical operations of Synergy Emergency Physicians. Synergy Emergency Physicians provides care to approximately 40,000 patients each year through the staffing and management of the emergency department at the Mercy Health – St. Anne Hospital in Toledo, Ohio. This transaction facilitates TeamHealth's continued expansion into the Ohio market. Financial terms of the deal were not disclosed.
May 2017	Envision Physician Services / Envision Healthcare Corporation (NYSE: EVHC)	Gwinnett Emergency Specialists, P.C.	Envision Physician Services (Envision), a division of Envision Healthcare Corporation and a provider of physician-led services, post-acute care, and ambulatory surgery services, acquired Gwinnett Emergency Specialists, P.C. (GES). GES is an emergency medicine physician group consisting of more than 40 physicians and 30 advanced practitioners who provide care at two hospitals in Gwinnet County, Georgia with an annual patient volume of 150,000 encounters. The deal allows Envision to expand its footprint into the Atlanta metropolitan area. Financial terms of the deal were not disclosed.
Urgent Care			
June 2017	Warburg Pincus, LLC	CityMD	Warburg Pincus, LLC, a global private equity group focused on growth investing has acquired CityMD for \$600 million. CityMD is an urgent care provider with a large presence in the New York metropolitan area. CityMD offers a wide range of comprehensive care solutions such as, aftercare services to assist patients with follow-up treatment, pre-approvals and other appointments. The company has over one million patient visits per year and operates 68 locations in New York, New Jersey and Washington State with a team of over 300 medical professionals. Financial terms of the deal were not disclosed.
May 2017	Concentra / Select Medical Holdings Corporation (NYSE: SEM)	Chicago Clearing Clinic of MacNeal Hospital	Concentra, a division of Select Medical Holdings Corporation and provider of occupational medicine, urgent care, physical therapy, and wellness services from medical centers, acquired Chicago Clearing Clinic of MacNeal Hospital (Chicago Clearing Clinic). Chicago Clearing Clinic is an occupational health and urgent care center. This acquisition further strengthens Concentra's footprint in the Chicago market expanding its presence to 13 locations in the area. Financial terms of the deal were not disclosed.