

Q3-2017 Emergency Medical Services Update



Market Overview

The emergency medical services sector witnessed several landmark transactions in the third quarter of the year. The Ambulance Services sub-sector also experienced a significant ramp up in transaction volume, facilitated by strategic consolidators looking to utilize acquisitions as a means to obtain contracts in new geographies. The most noteworthy transaction was Envision's \$2.4 billion divestiture of American Medical Response to private equity firm and investor in Air Medical Group Holdings, KKR & Co. The acquisition creates the largest provider of emergency air and ground services in the United States. KKR will plan to complete several add-on acquisitions to both divisions. Specific to the Urgent Care sector, American Development Partners, a private equity and real estate investment firm, completed a \$1 billion investment in American Family Care, the largest franchisor of urgent care centers in the United States. The investment will assist in the development of an additional 300 urgent care franchises which will more than double its current footprint. Given the significant acquisitions completed this quarter, Provident expects several add-on acquisitions and platform investments to be completed in the fourth quarter of this year and the first half of 2018.

SELECT TRANSACTIONS:

Month	Acquirer	Target Company	Details
Ambulance Services			
August 2017	KKR & Co.	American Medical Response	KKR & Co., a private equity firm and investor in Air Medical Group Holdings, has announced the \$2.4 billion acquisition of American Medical Response, the ambulance service unit of Envision Healthcare Corporation. The acquisition creates the largest provider of emergency air and ground services in the United States.
August 2017	American Medical Response	McCormick Ambulance	American Medical Response has acquired McCormick Ambulance, a provider of ambulance services in Torrance, California. McCormick was recently awarded a Torrance city contract to provide transportation services to local hospitals. Financial terms of the transaction were not disclosed.
July 2017	Cataldo Ambulance Service	Lyons Ambulance	Cataldo Ambulance Service, an emergency transportation provider based in Somerville, Massachusetts, has announced the acquisition of local peer Lyons Ambulance, a provider of 911 services in Massachusetts. Both organizations are family-owned and operated and cover similar communities in the Massachusetts market. Financial terms of the transaction were not disclosed.
July 2017	Mohawk Ambulance Service	Capital District Ambulance Service and Doctors Ambulance Service	Mohawk Ambulance Service, the largest privately-owned ambulance service in upstate New York, has acquired Capital District Ambulance Service and Doctors Ambulance Service, two family-owned ambulance providers in the upstate New York market. Mohawk operates more than 40 vehicles and provides both non-emergency and emergency services. Financial terms of the transaction were not disclosed.
Emergency Department Management			
July 2017	Envision Healthcare Corporation (NYSE:EVHC)	Infinity Healthcare	Envision Healthcare Corporation (NYSE:EVHC) announced the acquisition of Infinity Healthcare, a multispecialty physician group with more than 340 physicians and midlevel providers delivering emergency medicine, hospitalist, anesthesia, and radiology services to patients in Wisconsin and Illinois. The acquisition will increase Envision's coverage in the Midwest. Financial terms of the transaction were not disclosed.
Urgent Care			
July 2017	American Development Partners	American Family Care	American Development Partners, a private equity and real estate investment firm, completed a \$1 billion investment in American Family Care, the largest franchisor of urgent care centers in the United States. The investment will assist in the development of an additional 300 urgent care franchises which will more than double its current footprint.
July 2017	AllBetterCare	PinnacleHealth	AllBetterCare Urgent Care Centers, an operator of urgent care centers in Central Pennsylvania, has announced the planned affiliation with PinnacleHealth, a Harrisburg based health system. AllBetterCare employs 19 providers serving patients 7 days a week. Financial terms of the transaction were not disclosed.