

# Q1-2018 Healthcare IT Update



## Market Update

Transaction activity in the first quarter of 2018 was spurred by both strategic and financial consolidators and spanned a variety of sectors, from EMR companies, to telehealth, and data analytics. The variety of potential partners in the market has created a uniquely competitive environment, indicating an uptick in both valuations as well as creative deal structures for operators seeking to explore the market. As healthcare industry participants continue to seek efficient, integrated solutions, HCIT service providers will remain attractive targets for investors and consolidators seeking to capitalize on a highly growing and fragmented market.

## Select Transactions:

Month	Acquirer	Target	Target :		
			Business Segment	Headquarters	Deal Size
March	Clearlake Capital	ProVation Medical	Procedure Documentation Software	Minneapolis, MN	\$180 million
February	FitBit	Twine Health	Health Coaching Technology	Cambridge, MA	\$17.5 million
February	Parthenon Capital	RedCard	Claims Communications	St. Louis, MO	N/A
February	Roche	Flatiron Health	Oncology Data Analytics	New York, NY	\$2.1 billion
January	AXA Group	Maestro Health	Health Benefit Administration Software	Chicago, IL	\$155 million
January	Change Healthcare	National Decision Support Company	Clinical Decision Support	Madison, WI	N/A
January	Allscripts	Practice Fusion	EHR	San Francisco, CA	\$100 million
January	InTouch Health	TruClinic	Telehealth	Salt Lake City, UT	N/A
January	WestView Capital Partners	Jopari Solutions	Payment & Compliance Services	Concord, CA	\$28.3 million

## HCIT Public Comparable Companies

Select Public Healthcare IT Trading Multiples					
Company	Share Price	Revenue	EBITDA	EV/REV	EV/EBITDA
Cerner	\$58.00	\$5,142,272	\$1,536,931	3.7x	12.4x
Allscripts	\$12.35	\$1,806,342	\$243,246	2.3x	16.9x
Athenahealth	\$143.03	\$1,220,300	\$217,200	4.7x	26.5x

As of 3/31/2018

## Provident Industry Coverage Team

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

AJ Shekar  
Vice President  
Email:  
ashekar@providenthp.com  
(617) 226-4251

## Upcoming Conferences

