

Q3-2018 Healthcare Staffing Update



Market Update

The diversity of transaction activity within healthcare staffing continued in the third quarter of 2018, with transactions successfully closed across technology, nursing, allied, locum tenens, rehabilitation, and home care sub-verticals.

The most notable transaction of the quarter, which will likely be the flagship platform investment by a private equity firm for the year, was Beecken Petty O'Keefe & Company re-entering the healthcare staffing space through their partnership with the team at Medicus Healthcare Solutions, one of the largest providers of locum tenens staffing services in the country.

Beecken's prior experience building Medical Solutions into a national leader before selling their majority share to TPG Growth positions the firm to leverage its relationships in the sector and with the financial expertise to partner with management and scale the reach of the organization.

With an increasing shortage of physicians across specialties throughout the United States, locum tenens platforms remain attractive to private equity firms who are looking to scale these organizations to a level where the shareholders can exit to another private equity firm, or as an add-on for the strategic players to expand their presence into the locums segment.

Experienced and respected investors such as Beecken Petty O'Keefe and Webster Capital continuing to invest capital into the healthcare staffing space reiterates our estimate that transaction activity and valuation levels will continue through the fourth quarter and beyond.

Select Transactions

Month	Acquirer	Target	Service Lines	States
July	RSC Healthcare LLC	Assisted Home Care Services (AHCS)	Healthcare staffing and home care	Florida
July	HealthLink Dimensions	Alert Services Corporation (Practice Alert and RMS)	Talent management system	National
July	W3global, Inc.	Pro-Touch Nurses, Inc.	Nurse and allied healthcare staffing	Texas and Illinois
September	H.I.G. Capital	Reliant Rehabilitation	Contract therapy to skilled nursing facilities	40 states
September	Beecken Petty O'Keefe & Company	Medicus Healthcare Solutions	Locum tenens	New Hampshire, Colorado, Texas
September	Epic Healthcare Staffing (Webster Capital)	Guardian Healthcare Providers	Allied health staffing	Tennessee
September	DW Healthcare Partners	Aequor Healthcare Services	Nurse, allied, and locum tenens healthcare staffing	National

Upcoming Conference Sponsorship



Provident is a Signature Sponsor of the Healthcare Staffing Summit on November 5-7 at the Hyatt Regency at Colorado Convention Center in Denver, CO. Members of the Provident staffing coverage team will be attending the event.

Notable Private Equity Platform Investment



Provident Industry Coverage Team

Steve Aguiar Managing Director saguiar@providenthp.com (310) 359-6620	Joseph Wisniewski Analyst jwisniewski@providenthp.com (310) 919-4014
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