

Q4-2018 Anesthesia Services Update



Market Update

Consolidation within the anesthesia services sector remained steady in the fourth quarter of 2018, as large national consolidators continued to deploy capital in an effort to expand geographic presence and combat the everchanging healthcare landscape. Fourth quarter transaction activity kicked off with the merger between USA Pain Clinics and the Quadra Health Institute. Phymed Healthcare Group added 17 new providers to their network after acquiring Grand Canyon Anesthesia. CRH Medical Corporation completed their second acquisition in the state of Tennessee with Tennessee Valley Anesthesia Associates. North American Partners in Anesthesia backed by American Securities, acquired Aisthesis Partners in Anesthesia Care. As market consolidation remains steady within the anesthesia, Provident expects to see consistent transaction activity throughout 2019, as national platforms continue to expand via acquisition.

Notable Market Trends

A Southwestern Anesthesia Practice

Has been recapitalized by

A National Physician Services Consolidator

A Southwestern Anesthesia Practice recently completed their partnership with A National Physician Services Consolidator. With the resources and backing of a national physician services platform, The Practice will be able to leverage the capital and resources of a national platform that has extensive experience

servicing thousands of anesthesia providers in over 40 U.S. markets. This transaction will allow the Practice to expand its market share in the Southwestern U.S. while continuing to focus on clinical outcomes. Provident Healthcare Partners advised The Practice through a competitive process.

Select Transactions:

Month	Acquirer	Target	Target – Number of:		
			Locations	Providers	States
December 2018	North American Partners in Anesthesia	Aisthesis Partners in Anesthesia Care	31	N/A	4
December 2018	CRH Medical Corporation	Tennessee Valley Anesthesia Associates	1	N/A	1
November 2018	Phymed Healthcare Group	Grand Canyon Anesthesia	1	17	1
November 2018	USA Pain Clinics	Quadra Health Institute	1	5	1
October 2018	Envision Healthcare Corporation	Nova Anesthesia Professionals	1	N/A	1

Provident Industry Coverage Team

Ajeya Shekar
Vice President

ashekar@providenthp.com
(617) 226-4251

Abe M'Bodj
Analyst

ambodj@providenthp.com
(310) 359-6630

Kyle Daly
Analyst

kdaly@providenthp.com
(617) 226-4299