

Q1-2019 Healthcare Staffing Update



Market Update

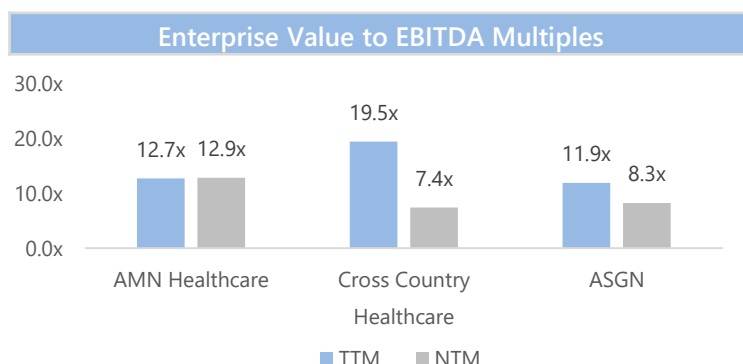
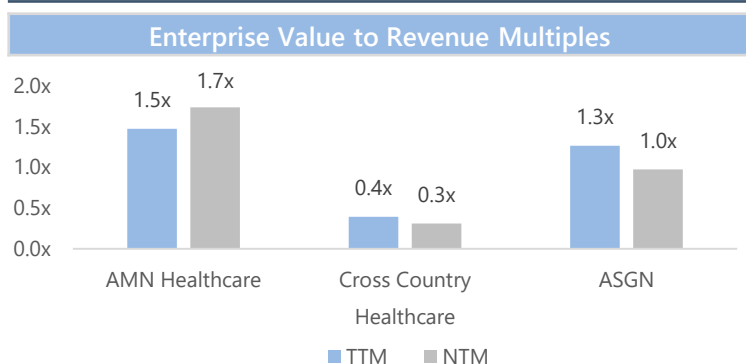
In the first quarter of 2019, M&A transaction volume was relatively quiet in the staffing sector as consolidators work to integrate acquisitions made over the last 18 months. A common theme throughout the healthcare staffing marketplace has been the interest in locums tenens businesses, both as platforms and add-on acquisitions, to diversify an established healthcare staffing service mix. The acquisition of Onyx M.D. by Health Carousel marks the fifth locums tenens-focused acquisition in the last twelve months and is a sign of staffing players looking to diversify operations to drive stability of earnings in a macroeconomic environment that has been growing for nearly a decade.

Provident expects the remainder of 2019 to include multiple new private equity platform investments as well as strategic add-on acquisitions into service lines such as locum tenens, among others.

Trailing Twelve Month Locums Tenens Transactions



Industry Multiples



Source: Pitchbook, as of March 31st 2019

Select Transactions

Month	Acquirer	Target	Service Lines	Presence
March	Compunnel Healthcare	Alternative Solutions	Healthcare Staffing	4 states, UK, Denmark
February	Health Carousel	Onyx M.D.	Locum Tenens	Colorado and Texas

Upcoming Conference Sponsorship



Provident will be attending the annual SIA Healthcare Staffing Summit, which will be held on November 6-8 2019 at the Red Rock Resort in Las Vegas, NV. Members of the Provident staffing coverage team will be attending the event.

Provident Industry Coverage Team

Steve Aguiar
 Managing Director
 saguiar@providenthp.com
 (310) 359-6620

Joseph Wisniewski
 Senior Analyst
 jwisniewski@providenthp.com
 (310) 919-4014