

Q2-2019 Physician Services Update



Market Update

The second quarter of 2019 maintained momentum with strong consolidation and investment activity throughout the physician services sector. New private equity platforms continued to be established within sectors such as gastroenterology and orthopedics, while existing platforms such as Radiology Partners (a portfolio company of New Enterprise Associates) expanded its existing footprint through acquisitions. Based on this strong quarter of activity, Provident expects consolidation activity to remain heightened throughout the balance of 2019.

Notable Market Transaction



One notable transaction from this quarter is the acquisition of Southeast Gastro by Gastro Health, which is backed by Audax Group. Based in Birmingham, the practice is comprised of 19 board-certified gastroenterologists. This is Gastro Health's first acquisition outside the state of Florida. Provident served as exclusive financial advisor to Southeast Gastro during the transaction.

Select Transactions:

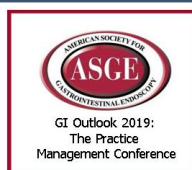
Gastroenterology					
Month	Acquirer	Target(s)	Target – Number of:		
			Physicians	Locations	States
June	Amulet Capital Partners	US Digestive Health	63	12	PA
April	Gastro Health	Southeast Gastro	19	8	AL
Orthopedics					
Month	Acquirer	Target	Target – Number of:		
			Physicians	Locations	States
May	Kohlberg & Company	Orthopaedic & Neurosurgery Specialists	25	3	CT & NY
Radiology					
Month	Acquirer	Target	Target – Number of:		
			Physicians	Locations	States
June	Radiology Partners	Radiology Affiliates Imaging	60	21	NJ, PA, DE
May	Radiology Partners	Canopy Partners	N/A	1	NC
May	Radiology Partners	Greensboro Radiology	66	27	NC
Women's Health					
Month	Acquirer	Target	Target – Number of:		
			Physicians	Locations	States
June	Reproductive Medicine Associates of New York	Long Island IVF	7	6	NY
May	Women's Care Enterprises	North Florida Ob-Gyn	70+	38	FL
April	Women's Health USA	Institute for Women's Health	29	8	TX

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Upcoming Conference:



Members of the Provident Healthcare Partners gastroenterology team will be attending GI Outlook: The Practice Management Conference taking place August 2-4 in Hollywood, CA.