

Q3-2019 Behavioral Health Update



Market Update

Autism Services continued to see unprecedented consolidation activity driven by both strategic and sponsor-led transaction volume. The third quarter was fraught with both types of deals as strategic consolidators and private equity firms without an investment in the space looked to gain or bolster exposure to the macroeconomic tailwinds driving volume growth within the sector. One notable transaction was Invo Healthcare's recapitalization by Golden Gate Capital which marked the fourth time in six years that the company switched private equity hands. Provident was active in the third quarter as well, representing New England ABA in their partnership with Stepping Stones Group, giving the school-based therapy provider an established presence in the in-home ABA therapy space.

Provident Transaction



Select Transactions

Autism Services			
Month	Acquirer	Target	Headquarters
October	Kadiant Partners	Capitol Autism Services	Sacramento, CA
September	Golden Gate Capital	Invo Healthcare	Jamison, PA
September	Family Treatment Network	Alpine Academy and Interventions Unlimited	Orlando, FL
September	The Stepping Stones Group	New England ABA, Inc.*	Boston, MA
September	Carroll Capital	Easy Speech Pathology, Inc.	Palm Desert, CA
August	Morgan Stanley Expansion Capital	Alternative Behavior Strategies	Salt Lake City, UT
July	Norwest Venture Partners	Autism Specialist Gateway Learning	San Francisco, CA

Substance Abuse			
Month	Acquirer	Target	Headquarters
September	SCB Global Healthcare	Gallus Detox Centers	Scottsdale, AZ
August	Blue Wolf Capital Partners	RHA Health Services	Ashville, NC

Psychiatry			
Month	Acquirer	Target	Headquarters
August	Community Psychiatry Management, LLC	Calabasas Behavioral Health	Calabasas, CA
August	Community Psychiatry Management, LLC	Gelbert and Associates	Torrance, CA

Note: Provident served as exclusive financial advisor to New England ABA in its transaction with The Stepping Stones Group

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Conference Attending

Members of the Provident Healthcare Partners behavioral healthcare coverage team will be attending the 14th Annual Autism Conference in Miami in February 2020