

# Q3-2019 Healthcare IT Update



## Market Update

Evident by the flurry of M&A activity and venture-capital funding so far in 2019, digital health investment is not likely to slow down any time soon, especially considering the entrance by tech giants such as Amazon, Uber, and Apple, amongst several others. While strategic buyers have been primarily responsible for the bulk of 2019 deal flow, more non-healthcare organizations and investors have been utilizing M&A as a way to enter the market or build upon existing competencies. The result is greater flexibility and opportunities for healthcare IT companies in a deal process. Provident Healthcare Partners expects healthcare IT space to see further consolidation and investment activity throughout the remainder of 2019.

## Select Transactions:

Month	Acquirer	Target	Target :		
			Business Segment	Headquarters	Deal Size
August	Press Ganey	NextPlane Solutions	Cloud Solutions	Fort Worth, TX	N/A
August	Apertiva	Qcentive	Cloud Solutions	Boston, MA	N/A
August	Clinigence Holdings	iGambit, Inc.	Cloud Solutions	Smithtown, NY	N/A
August	Experian Health	MyHealthDirect	Cloud Solutions	Nashville, TN	N/A
August	Perspecta	Knight Point Systems	IT Consulting and Outsourcing	Reston, VA	\$250M
July	Progentec Diagnostics	Karate Health	Disease Management Solutions	Washington, D.C.	N/A
July	Exact Sciences	Genomic Health	Diagnostics & Research	Redwood City, CA	\$2.8B
July	Anju Software, Inc.	Omnicom Systems, Inc.	Electronic Data Capture & Analytics	Fort Lauderdale, FL	N/A
July	Royal Philips	Medumo	Patient Management	Boston, MA	N/A

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## HCIT Public Comparable Companies

Select Public Healthcare IT Trading Multiples					
Company	Share Price	Revenue	EBITDA	EV/REV	EV/EBITDA
Allscripts	\$10.39	\$1.75B	\$116.35mm	1.48x	22.25x
Castlight Health	\$1.37	\$153.5mm	(\$24.3)mm	2.71x	N/A
Cerner	\$67.72	\$5.53B	\$1.4B	4.28x	15.98x

As of 10/14/2019

## Industry Conferences

The Provident Healthcare Partners investment banking team regularly attends conferences and other events related to the Healthcare IT sector. We invite industry executives and shareholders to reach out for a confidential meeting to gain a more detailed perspective on valuations and transaction activity within the sector.