

Q1-2020 Pharmacy & Infusion Services Update

Market Update

The pharmacy services and infusion sectors saw an uptick in transaction activity in the first quarter of 2020. CVS Health, which has been focused on integrating Aetna for the past year, made two retail acquisitions in the Southeastern and Midwestern United States, two regions where it lacks concentration relative to competitors. The infusion therapy market continues to consolidate around a few national players such as KabaFusion, which acquired Lincare's infusion therapy business in February. Provident expects some level of consolidation activity to continue, despite the macro-economic headwinds present in this current transaction environment.

Select Transactions

Month	Acquirer	Target	Pharmacy Sub-Sector	Deal Significance
March	MJH Life Sciences	Pharmacy Benefit Management Institute	Pharmacy Benefit Management	Pharmaceutical Strategies Group successfully divested its interest in the Pharmacy Benefit Management Institute via its sale to MJH Life Sciences, a medical media and research company.
March	CVS Health	Long's Drugs	Retail Pharmacy	South Carolina based Long's Drugs, an owner-operated retail pharmacy chain, exited to CVS Health. The historical locations will become inactive and the pharmacy files will be transferred to current CVS Pharmacy locations.
March	CVS Health	Schnucks Pharmacies	Retail Pharmacy	CVS Health expanded its retail footprint in the Midwest via its acquisition of 90+ Schnucks Pharmacy locations. CVS will continue to operate most of the current locations, which are focused in the grocery setting.
March	EMIS Group	Pinnacle Health & Pinnacle Systems	Pharmacy Services	Pinnacle Health & Pinnacle Systems, the owners of the broadly utilized PharmaOutcomes software management platform, have been acquired by the EMIS Group, a UK leader in healthcare systems and software.
February	KabaFusion	Lincare	Infusion Therapy	Lincare has divested its infusion therapy business to KabaFusion, a nationally recognized home infusion provider to specialty acute and chronic patients.
February	Guardian Pharmacy	Orange Park Pharmacy	LTC Pharmacy	Guardian Pharmacy, a member of Guardian Pharmacy Services, has acquired LTC provider Orange Park Pharmacy. The acquisition will double Guardian's employee base throughout Georgia and Florida.
January	PromptCare	Premier Specialty Infusion	Infusion Therapy	In an effort to expand its geographic footprint in the Midwest, PromptCare acquired Premier Specialty Infusion, an Illinois-based infusion provider focused on IVIG and neuroimmunology conditions.

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Upcoming Conference

NASP
**NATIONAL ASSOCIATION OF
 SPECIALTY PHARMACY**

*National Association of Specialty
 Pharmacy (NASP)
 Annual Meeting
 September 14 – 17, Washington,
 D.C.*