

# Q3-2020 Pharmacy & Infusion Services Update

## Market Update

The pharmacy services market observed healthy deal activity across infusion and LTC pharmacy. Large consolidators such as PharMerica (backed by Walgreens) and UnitedHealth Group completed acquisitions of medium-sized providers. Peak Rock Capital also invested in Paragon Healthcare, forming the newest platform to emerge in the infusion space. In the past 3 years, Provident has observed over five platform private equity investments in the infusion therapy space. The sector is well positioned to consolidate further in the coming years, much like we observed in the specialty pharmacy space over the past decade.

## Select Transactions

Month	Acquirer	Target	Pharmacy Sub-Sector	Deal Significance
September	Anthem	CareCentrix	Pharmacy Services	Anthem is in the process of closing an acquisition of CareCentrix, a pharmacy benefit manager to the home health industry. CareCentrix is currently backed by Summit Partners, a healthcare-focused private equity investor.
September	Peak Rock Capital	Paragon Healthcare	Infusion Services	Peak Rock Capital has completed a recapitalization of Paragon Healthcare, an infusion therapy provider in the ambulatory and home health settings for chronic patients. The business serves multiple states in the Southeast, Midwest, and Mountain West regions.
September	UnitedHealth	DivvyDose	Pharmacy Services	UnitedHealth has acquired DivvyDose, a competitor to PillPack that targets chronic patients, for over \$300 million. The company, which packages and distributes medications for patients, offers a similar patient experience to Amazon, and is believed to be a strong potential competitor in the direct-to-consumer pharmacy space.
September	PharMerica	OnePoint Patient Care	LTC Pharmacy	OnePoint Patient Care has been acquired by Pharmerica, one of the largest LTC pharmacy providers in the country. The two largest players in the LTC pharmacy market, Pharmerica and Omnicare, together have 50%+ market share.

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## Upcoming Conference



*Asembia Specialty Pharmacy Summit*  
*Annual Meeting (Tentative)*  
 May 2 – 5 Las Vegas, N.V.