

Market Update

In Q1, the Behavioral Health M&A market saw an uptick in M&A activity from previous quarters as several large industry leaders made sizeable acquisitions in light of strong market conditions, including The Stepping Stone Group and The Mentor Network

Even with the initial rolling out of the COVID-19 vaccine, the pandemic has proved both a physical and mental health crisis due to prolonged lockdowns, job losses, and social isolations. Additionally, adults and children have faced unique health challenges with stay-in-place orders and remote learning environments which have led to increased anxiety and depression.

Provident expects 2021 to see increased deal flow in this sector for the remainder of the year with private equity firms alongside key market players continuing to consolidate the industry.

Transaction Spotlight:



Has been acquired by



- The Mentor Network, the premier home and community based provider of specialized health care, acquired D&S Community Services, a leading provider of residential services for individuals with intellectual and developmental disabilities
- This acquisition allows The Mentor Network to expand on its availability of critical services that support overall health and well-being of people with intellectual and developmental disabilities across the country

Select Transactions:

Autism Services & General Mental Health Services

Month	Acquirer	Target	Location(s)	State(s)
January	Apara Autism Center	Behavior Pioneers	4	TX
January	Broadstep Behavioral Health	Excalibur Youth Services	undisclosed	NC, SC
January	Summit BHC	Peak Valley Behavioral Health	1	CO
February	Lighthouse Autism Center	Access Behavior Analysis	4	IN
February	Acadia Healthcare	Adventist Health Vallejo	4	CA
February	The Mentor Network	D&S Community Services, LP	27 Service Areas	TX, TN, KY
February	ACES	Center for Language and Autism Support	1	OK
March	LEARN Behavioral	Behavior Analysis Center	1	IN
March	Community Psychiatry	Harbor Psychologist, Inc.	1	CA
March	The Stepping Stones Group	EBS Healthcare	19	13 States
March	Acorn Health	Sandcastle Centers	1	FL

Addiction & Medication-Assisted Treatment (MAT)

Month	Acquirer	Target	Location(s)	State(s)
January	Odyssey Behavioral Healthcare LLC	Shoreline Center for Eating Disorder Treatment	2	CA
January	Brightview Health	Renew Recovery LLC	4	KY
February	Veritas Collaborative	The Emily Program	15	MN, OH, PA, WA
February	AppleGate Recovery	Redemption Recovery	5	TN
March	Sierra Health and Wellness Group	Beacon House	8	CA

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