

# Q4-2021 Healthcare IT Update

## Market Update

M&A activity in the Healthcare Information Technology (HCIT) sector wrapped 2021 on a high-note headlined by several landmark transactions as the growth tailwinds in the space have attracted continued interest from investors. As healthcare continues its shift towards a more cost-effective, value-based care model, payors and providers alike are actively pursuing technology platforms that can provide real-time patient population analytics while adhering to an increasingly stringent standard of compliance protocols as more services are provided virtually.

Provident expects the HCIT sector to continue its strong growth trajectory into 2022, particularly as the resurgence in COVID cases driven by the Omicron variant generates renewed interest in exploring virtual care-delivery models.

## HCIT Public Comparable Multiples

Select Public Healthcare IT Trading Multiples					
Company	Share Price	Revenue	EBITDA	EV/REV	EV/EBITDA
Allscripts	\$17.92	\$1.50B	\$197.87M	1.61x	12.18x
Evolent Health	\$23.70	\$1.0B	\$38.07M	2.45x	64.61x
Teladoc Health	\$86.72	\$1.86B	\$(410.86)M	8.32x	N/A

As of 1/11/2022

## Select Transactions:

Month	Acquirer	Target	Target :		
			Business Segment	Headquarters	Deal Size
December	Oracle	Cerner	Digital Information Systems	Kansas City, MO	\$28.3B
December	Optum	Change Healthcare	Analytics and Business Intelligence	Nashville, TN	\$13.5B
November	Nordic Capital / Insight Partners	Inovalon	Analytics and Business Intelligence	Bowie, MD	\$7.3B
November	Heldman & Friedman / Bain Capital	Athenahealth	EHR Solutions	Watertown, MA	\$17.0B
November	EverCommerce	DrChrono	Analytics and Business Intelligence	Sunnyvale, CA	N/A
November	Edifecs	Health Fidelity	Risk Adjustment Tools	San Mateo, CA	N/A
November	Dedalus Group	Swiftqueue Technologies Ltd.	Patient Access Solutions	Kildare, Ireland	N/A

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