




Q3-2022 Healthcare IT Update

Market Update

Despite recent macro conditions affecting the overall market, Healthcare IT continues to demonstrate robust M&A activity as investors seek to align with businesses offering health solutions to support provider groups and take advantage of increased focus on digital health, trends towards population health management, and implications for VBC. The space will further benefit as macro conditions cause further consolidation, sophisticating infrastructure and positioning organizations for enhanced VBC capabilities.

Provident in the News: Dustin Thompson was quoted in Middle Market Growth "[Finding Value in Healthcare](#)" which discussed the increased attention investors have been placing on opportunities within the value-based care and healthcare IT verticals.

HCIT Public Comparable Multiples

Select Public Healthcare IT Trading Multiples					
Company	Share Price	Revenue	EBITDA	EV/REV	EV/EBITDA
 Allscripts™	\$14.28	\$1.05B	\$386.47M	1.24x	3.95x
 evolent HEALTH	\$30.40	1.09B	\$93.03M	3.06x	35.74x
 Teladoc HEALTH	\$24.71	\$2.23B	\$14.98M	2.12x	316.24x

As of 10/11/2022

Select Transactions:

Month	Acquirer	Target	Target:	
			Business Segment	Headquarters
July			Project Management	Luling, LA
July	 LSWR GROUP		Digital Information Systems	New York, NY
July		 semanticbits Proudly part of ICF	Analytics and Business Intelligence	Herndon, VA
August			Consumer Health Engagement	New York, NY
August		 OCCAM	Analytics and Business Intelligence	Wheaton, IL
August	 PANACEA®		Project Management	Incline Village, NV
September	 Pay for care, with care.	 PayerCompass	Healthcare Reimbursement Management	Plano, TX
September			Revenue Cycle Management	Lake Mary, FL
September			Project Management	Chicago, IL

Provident Industry Coverage Team

Kevin Palamara
Managing Director
kpalamara@providenthp.com
(617) 226-4221

AJ Shekar
Director
ashekar@providenthp.com
(617) 226-4251

Rich Sciretta
Vice President
rsciretta@providenthp.com
(617) 226-4215