

# Q3-2022 Primary Care Update

## Market Update

Primary care continued to be one of the most active healthcare services subsectors amidst the flurry of consolidation activity in Q3 spanning private equity investors, strategic acquirers, and other investors seeking to capitalize on the shift towards value-based care.

Amazon's \$3.9 billion acquisition of One Medical, CVS's planned acquisition of Signify Health, and the creation of several new private equity platforms (e.g., Kain Capital's recapitalization of MY DR NOW) demonstrate the growing investor appetite to partner with organizations that are well-positioned to capitalize on growing prevalence of value-based care models, digital health, and other innovative care delivery models. Provident expects M&A activity to continue to accelerate in the sector.

## Notable Transaction



In July 2022, Amazon completed a landmark transaction in the value-based primary care space via its acquisition of One Medical, a provider concierge primary care services, in a \$3.9 billion transaction. The deal represents a milestone in the push towards more convenient, cost-effective value-based care models.

The ripple effects from this transaction have already been felt across the industry as other strategic entities seek to align with value-based care operators to capitalize on the ongoing shift towards risk-based care models.

## Select Transactions:

Month	Acquirer	Target	Transaction Notes
September			CVS announced its acquisition of home health & tech services provider Signify Health in an \$8.0bn landmark transaction
August	 KAIN CAPITAL		Kain Capital acquired MY DR NOW, an Arizona-based primary and specialty care practice with 80+ providers across 13 locations
August			Pine Tree Equity made an investment in Premier Physician Support Services, a Miami, FL-based practice overseeing 30,000+ Medicaid & Medicare members
July			Amazon acquired value-based primary care provider One Medical in a \$3.9bn transaction

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