

Q1-2023 Revenue Cycle Management Update

Market Update

Despite an overarching hesitancy to most software investments, RCM acquisition activity rebounded from both strategic partners and financial sponsors in the first quarter of 2023. Strategic partners continue to prefer RCM companies with a specific niche end-user sector, while private equity investors have acquired platforms intended to serve multiple specialties.

In the first quarter of the year, two new private equity platforms were formed, leading Provident to believe there will be continued appetite for acquisitions, especially as these newly created entities will evaluate potential add-on acquisitions.

Notable Transaction









February 2022

Alpine investors, a private equity firm focusing on lower middle market businesses, has invested in Medusind, an RCM services provider to physician groups including dental, anesthesia, radiology and other specialties.

In the past year, Medusind has processed over \$2 billion in claims, supported over 30K physicians and 30+ EMR platforms. With a 96% clean claims rate, Medusind will continue to deliver best-in-class RCM solutions and explore new specialties under the partnership with Alpine.

Select Transactions:

Month	Acquirer	Target	Deal Description
March			Enhanced Healthcare Partners, a middle-market healthcare private equity firm, has made a growth investment in Janus, a leading provider of RCM technology. The realized synergies will enhance Janus's market expansion and product development efforts
February			GeBBS Healthcare Solutions, a portfolio company of ChrysCapital and a provider of tech-enabled RCM services, has acquired CPa Medical Billing, a regional leading revenue cycle services provider for FQHCs
January			RSi, LLC, a national revenue cycle services provider for hospitals and large physician practices, has announced the acquisition of Invicta Health Solutions, LLC, a leader in providing specialized revenue cycle services to hospitals and health systems

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