

Mental Health Services

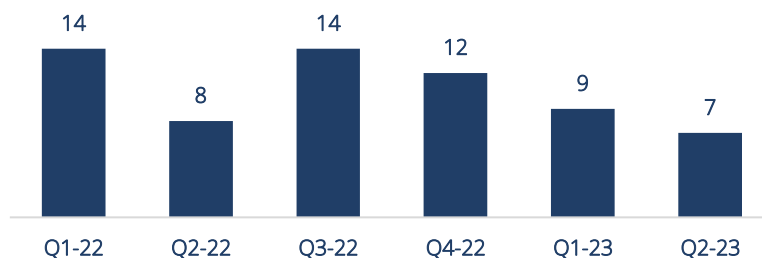
Q2 2023

Market Update

The mental health space continues to be one of the most sought-after subsectors within healthcare services as demand for all levels of care continue to grow. Investor interest has spanned the entire continuum, ranging from acute psychiatry to general outpatient mental health, and everything in between. Given the attractive supply and demand dynamics, macro level tailwinds, and fragmented nature of the space, Provident expects deal activity to remain robust, especially as lending markets improve over the back half of the year.

Deal volume in 2023 has tailed off slightly from record highs in 2022, driven primarily by tighter debt markets and access to capital. Large industry consolidators are prioritizing organic growth initiatives such as de novo clinic builds, service line expansion, and provider recruitment over M&A.

Mental Health Quarterly Transaction Volume



Select Transactions

| Month | Acquirer | Target | Deal Description |
|-------|---|---|---|
| June |  |  | Private equity firm Comvest Partners has announced a capital partnership with Your Behavioral Health |
| June |  |  | Soaak Technologies has completed the acquisition of RenuYou Clinics, which specializes in personalized neurological therapy |
| June |  |  | Stella announced its acquisition of, psychedelic therapy provider, Field Trip's US operations |
| June |  |  | Provident Behavioral Health announced its acquisition of Care and Counseling, building density in the St. Louis market |
| June |  |  | ARC Health, a Thurston Group company, has acquired Silver Lake Psychology, a mental health provider serving CA, CO, TN, and VA |
| May |  |  | ARC Health announced its acquisition of Denver Wellness Associates, a mental healthcare provider located in CO's capital |
| May |  |  | The Graham Family Office has partnered with Quince Orchard Psychotherapy, an outpatient behavioral health provider serving the DMV region |
| April |  |  | Delic Holdings Corp. announced its signed LOI to acquire Ketamine Wellness Centers |

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Publications & Events

Whitepaper

[Analyzing Key Developments in the Behavioral Health Space](#)

Conference

PHP will be speaking on the Acute Psych panel at BHB INVEST in Chicago in October