

Orthopedics

Q3 2024

Market Update

Orthopedic M&A activity remained stagnant in Q3 2024, with three reported strategic acquisitions, closely mirroring the deal flow of Q2 2023.

Despite a broader downturn in M&A activity, an ongoing payor-incentivized shift towards outpatient procedures is driving acquisition interest from a traditionally less-involved buyer group: ambulatory surgery center (ASC) management companies. Operators such as Surgery Partners are exploring partnership opportunities with orthopedic practices to capitalize on this trend, as evidenced by its recent roll-up of fourteen practices in Wisconsin.

Looking ahead, Provident anticipates accelerated deal volume through the remainder of 2024 and into 2025, as sponsors approach the tail end of PortCo investment holding periods and several sizable orthopedic opportunities near the closing of their sale processes.

Notable Transaction

Fourteen physician-owned orthopedic groups in Wisconsin formed the Midwest Orthopedic and Musculoskeletal Alliance (MOMA) in partnership with Surgery Partners.

The strategic alliance will aim to create a unified musculoskeletal network in an underserved region, significantly enhancing the capabilities and reach of the individual participating entities. By gaining access to a network of shared and expansive resources, MOMA will be well-positioned to capitalize on the increasing demand for orthopedic services in the Midwest and improve patient care throughout Wisconsin.

14 Wisconsin Orthopedic Practices

Have partnered with



Select Transactions

Month	Acquirer	Target	Locations	State(s)	Deal Description
September			1	FL	<p>Orthopedic Center of Florida (OCF) announced that the Indiana Joint Replacement Institute (IJRI) Naples location is joining its musculoskeletal (MSK) platform.</p> <p>OCF, operating under the HOPCo brand, aims to enhance orthopedic care in southwest Florida. Through the partnership, IJRI will benefit from HOPCo's proven practice management services, advanced outcomes analytics, and digital patient engagement tools.</p>
September			1	FL	<p>Modern Foot & Ankle acquired Florida Orthopedic Foot and Ankle Center (FLOFAC) in Sarasota, Florida, expanding its network to nearly 25 locations throughout Florida and Texas. The partnership introduces three unique and advanced orthopedic services to the Modern Foot & Ankle platform: advanced arthroscopic procedures (e.g. Brostrom procedure), total ankle replacement, and regenerative medical services.</p>

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