

Behavioral Health Market Update



Summer 2024



Provident
Healthcare Partners



Provident
Healthcare Partners

1. Provident Overview
2. Autism Services
3. Intellectual and Developmental Disabilities
4. Substance Use Disorder
5. Mental Health
6. Adolescent Behavioral Health
7. Select Behavioral Health Transactions

Provident Overview

Areas of Expertise and Coverage

- 1 Mergers & Acquisitions
- 2 Recapitalizations & Growth Capital
- 3 Debt Raises
- 4 Strategic & Shareholder Advisory

Behavioral Health

- Autism Services
- I/DD Services & Support
- Substance Use Disorder
- Mental Health
- Adolescent Behavioral Health

Provider Services

- ASC & Surgical Facilities
- Multi-Specialty
- Primary Care
- Single Specialty

Post-Acute Care

- Home Health
- Hospice & Palliative Care
- Physical Therapy
- Senior Living

Other Sectors

- Healthcare Staffing
- Healthcare Education
- Healthcare Technology
- Outsourced Pharma Services

Select Behavioral Health Experience

To discuss Select Behavioral Health Experience, please contact the Behavioral Health Coverage Team at: behavioralhealth@providenthp.com

Key Statistics

To discuss Key Statistics, please contact the Behavioral Health Coverage Team at: behavioralhealth@providenthp.com

Behavioral Health Coverage Team

Provident’s behavioral health coverage team is comprised of four bankers with 25+ years of healthcare M&A experience



Craig Sager, CPA
Managing Director



Steve Grassa, CFA
Vice President



Tommy Spiegel, CFA
Vice President



Dan O'Brien
Associate

Why Provident is the Most Qualified Advisor

To discuss Provident's Qualifications,
please contact the Behavioral Health Coverage Team at:
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Autism Services: Market Trends

Investment Thesis & Market Growth Drivers⁽¹⁾

- The prevailing thesis in the autism space, which is centered on favorable business fundamentals and demand dynamics, continues to attract outside investor interest
- Outsized demand for services, increased incidence levels, expanded coverage, and heightened awareness all point to sustained future growth in the space

Market Statistics⁽¹⁾

2.0M <i>Est. Number of Children with Autism</i>	\$7.4B <i>Market Value (2023)</i>	4x <i>As Many Boys as Girls Diagnosed</i>	66K <i>BCBAs Nationwide (2023)</i>	160K <i>RBTs Nationwide (2023)</i>
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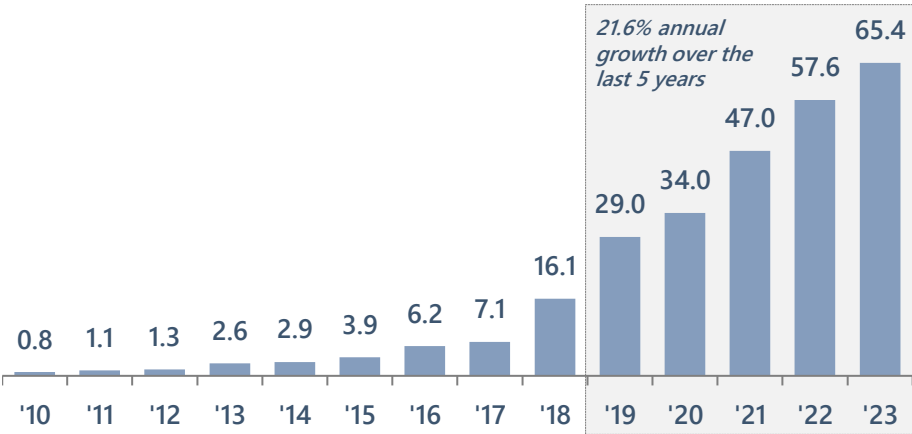
Market Headwinds⁽¹⁾

- Labor challenges, rising wages, and the nationwide provider shortage continues to be the primary headwind facing the autism sector
- The number of BCBAs would have to almost double to meet the current needs of families nationwide

To discuss Investment Thesis,
please contact the Behavioral Health Coverage Team at:
behavioralhealth@providenthp.com

BCBA Job Postings by Year (Thousands)

Demand for BCBAs is the highest in CA, MA, TX, FL, and GA, accounting for 42.8% of total demand



⁽¹⁾ Centers for Disease Control and Prevention, Behavior Analyst Certification Board, and Fortune Business Insights

Autism Services: Transaction Activity & Key Themes

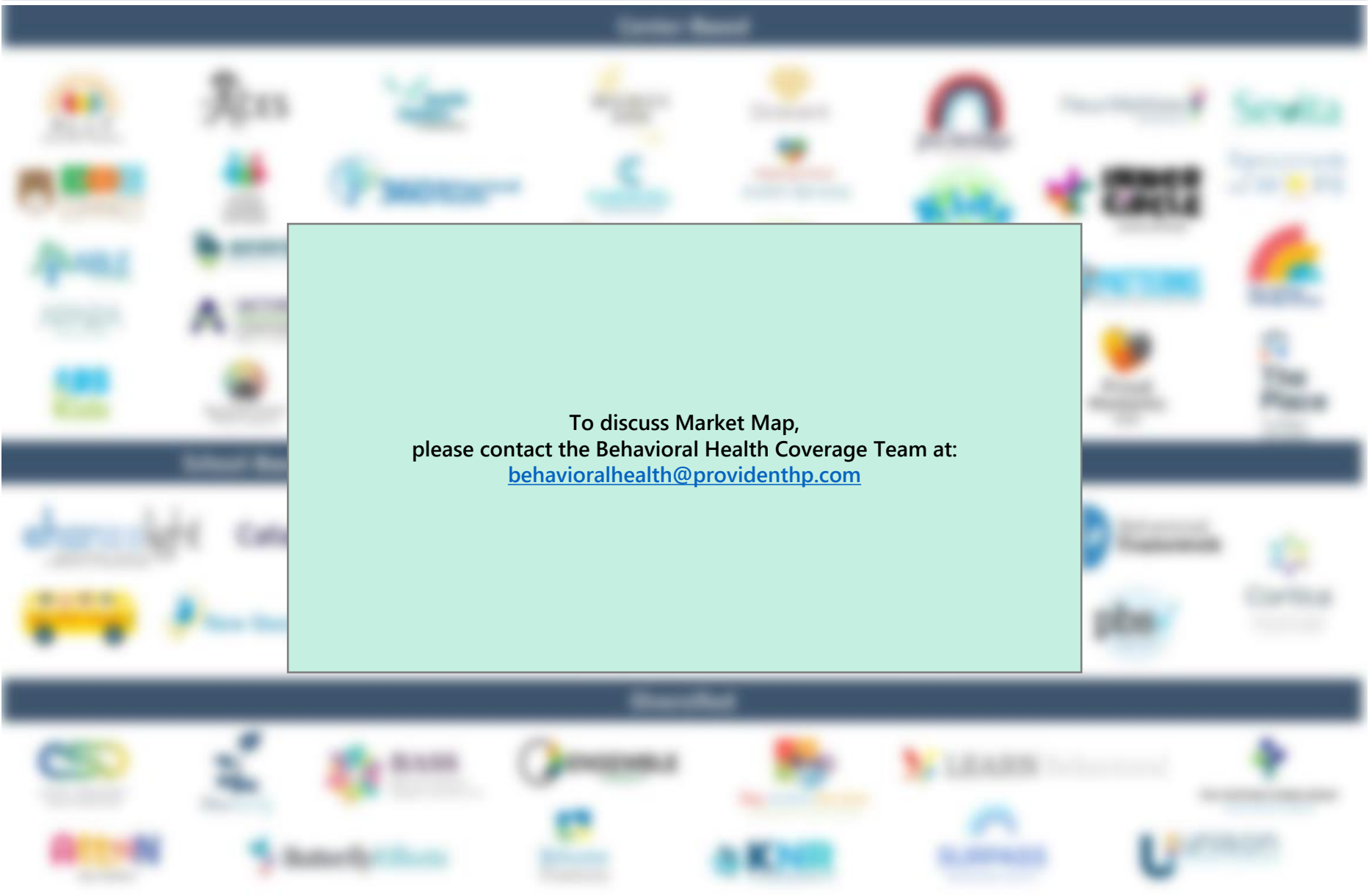
To discuss Transaction Activity,
please contact the Behavioral Health Coverage Team at:
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Key Themes & Industry Outlook

To discuss Key Themes and Industry Outlook,
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Autism Services: Select Competitive Landscape



To discuss Market Map,
please contact the Behavioral Health Coverage Team at:
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Note: Companies bucketed based on their primary service line

To discuss Competitive Landscape,
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Favorable Industry Tailwinds

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I/DD Services: Transaction Activity & Key Themes

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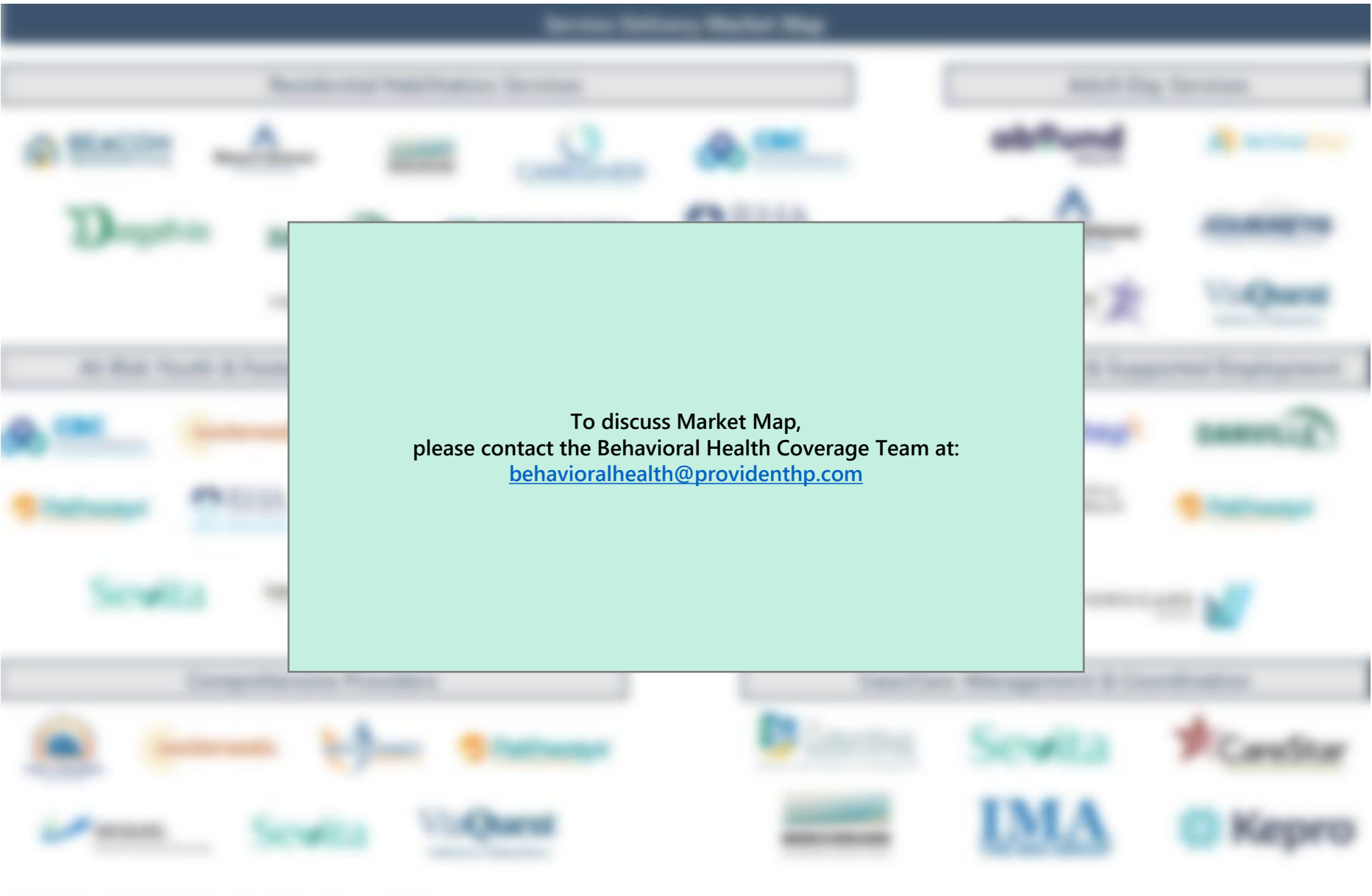


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Key Themes & Industry Outlook

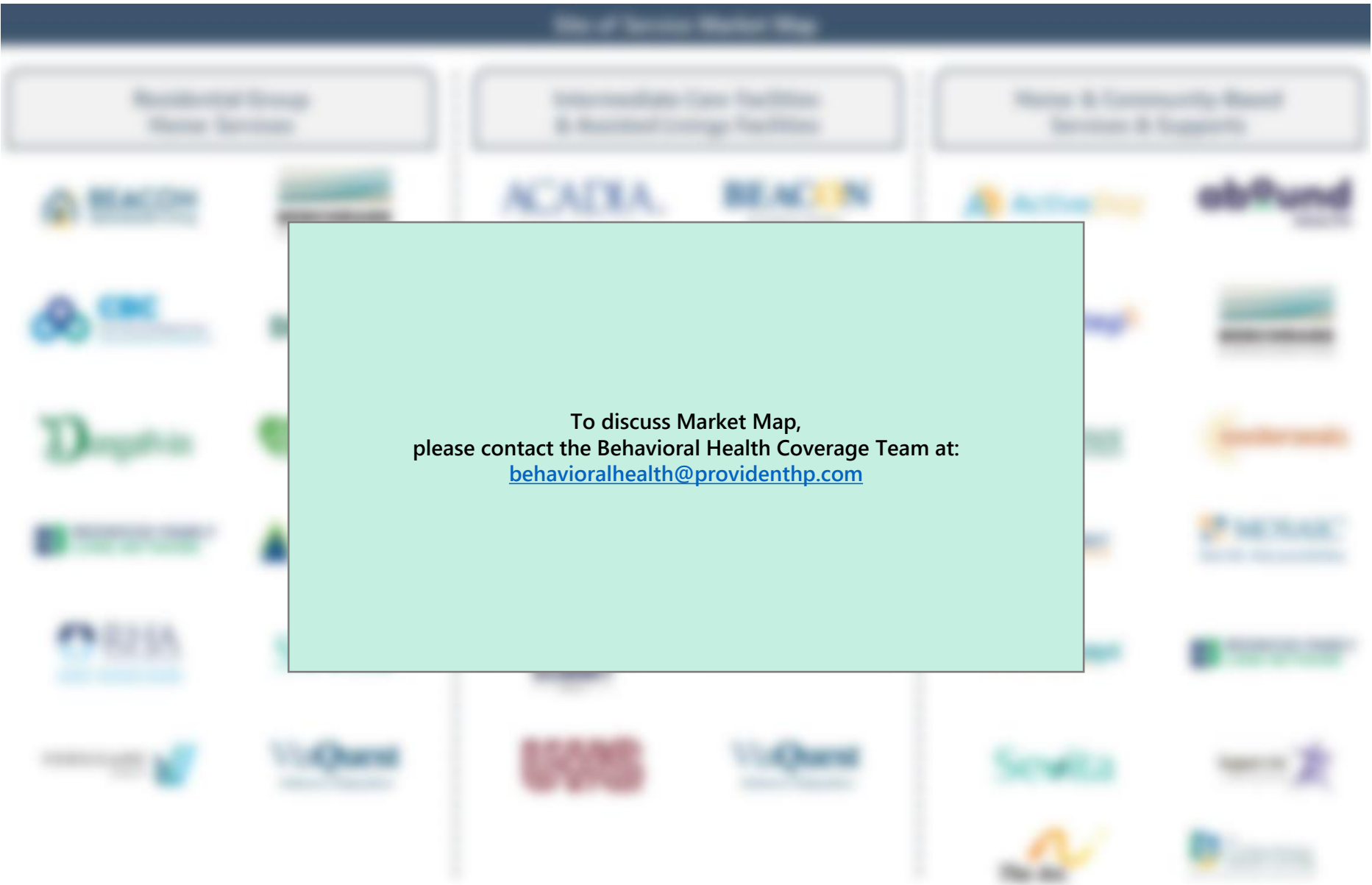
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I/DD Services: Select Competitive Landscape



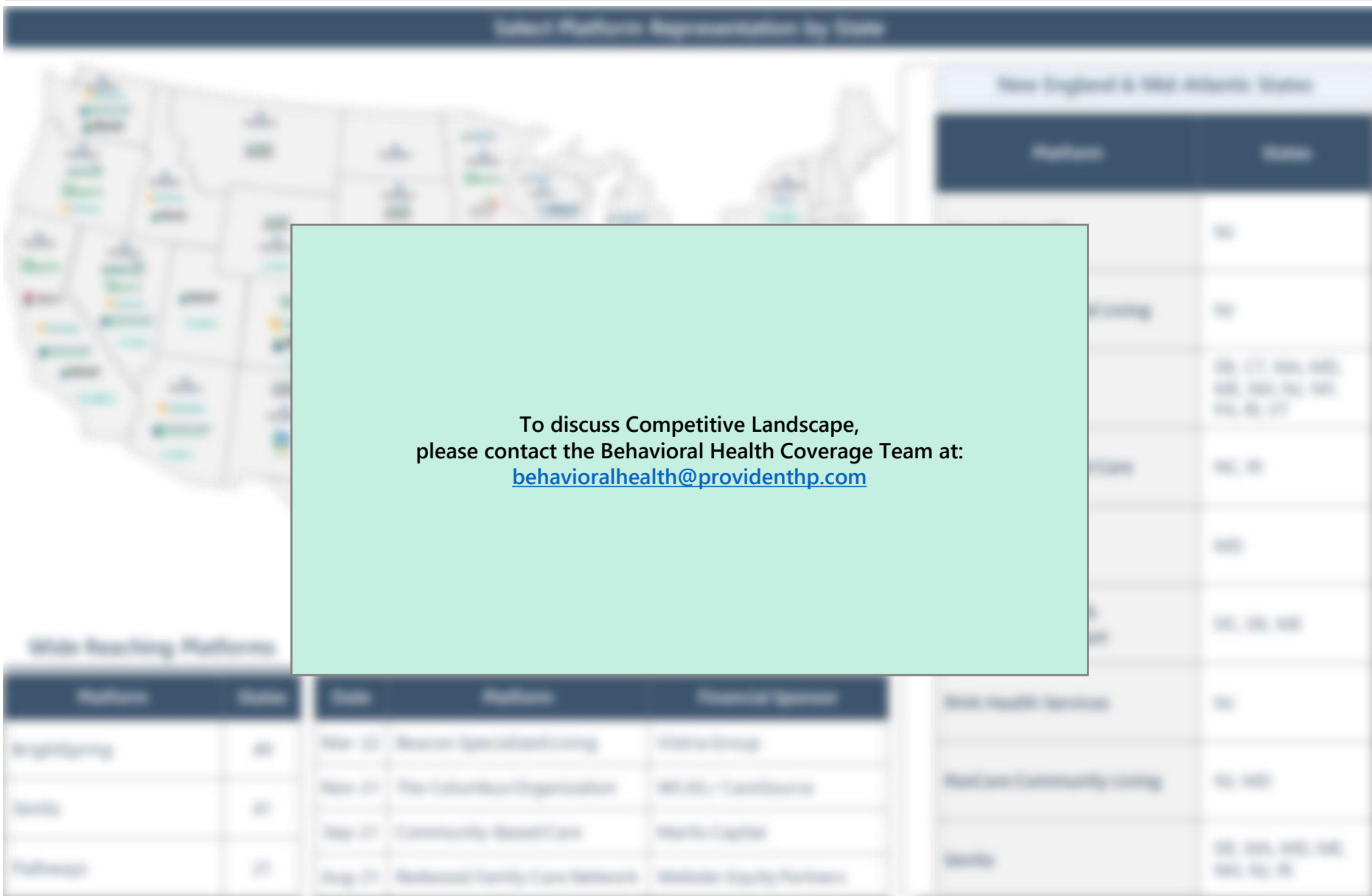
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I/DD Services: Select Competitive Landscape (Continued)



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I/DD Services: Major Competitor Geographic Presence





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Substance Use Disorder: Market Trends

Favorable Industry Tailwinds

Increasing Treatment Demand

- 1. Rising rates of substance use disorders across all age groups, particularly among young adults
- 2. The use of health technology and digital health tools is accelerating the delivery of care across all demographics

Key statistics and trends:

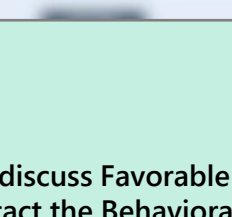


70% increase in treatment demand

Readiness of the Insurance Industry

- 1. Increased awareness of substance use disorders and the need for treatment
- 2. Increased willingness to pay for evidence-based treatment of these co-occurring conditions


Key statistics and trends:



Improving Patient Outcomes

- 1. Early diagnosis and intervention from the primary care and behavioral health teams
- 2. Greater use of integrated care models, including telehealth and digital health tools


Key statistics and trends:



Policy Favoring Integration of Care

- 1. The implementation of integrated care models is accelerating the delivery of care across all demographics
- 2. The use of health technology and digital health tools is accelerating the delivery of care across all demographics


Key statistics and trends:



Readiness of the Insurance Industry

- 1. Increased awareness of substance use disorders and the need for treatment
- 2. Increased willingness to pay for evidence-based treatment of these co-occurring conditions


Key statistics and trends:



Improving Patient Outcomes

- 1. Early diagnosis and intervention from the primary care and behavioral health teams
- 2. Greater use of integrated care models, including telehealth and digital health tools

Key statistics and trends:



To discuss Favorable Industry Tailwinds,
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Substance Use Disorder: Transaction Activity & Key Themes

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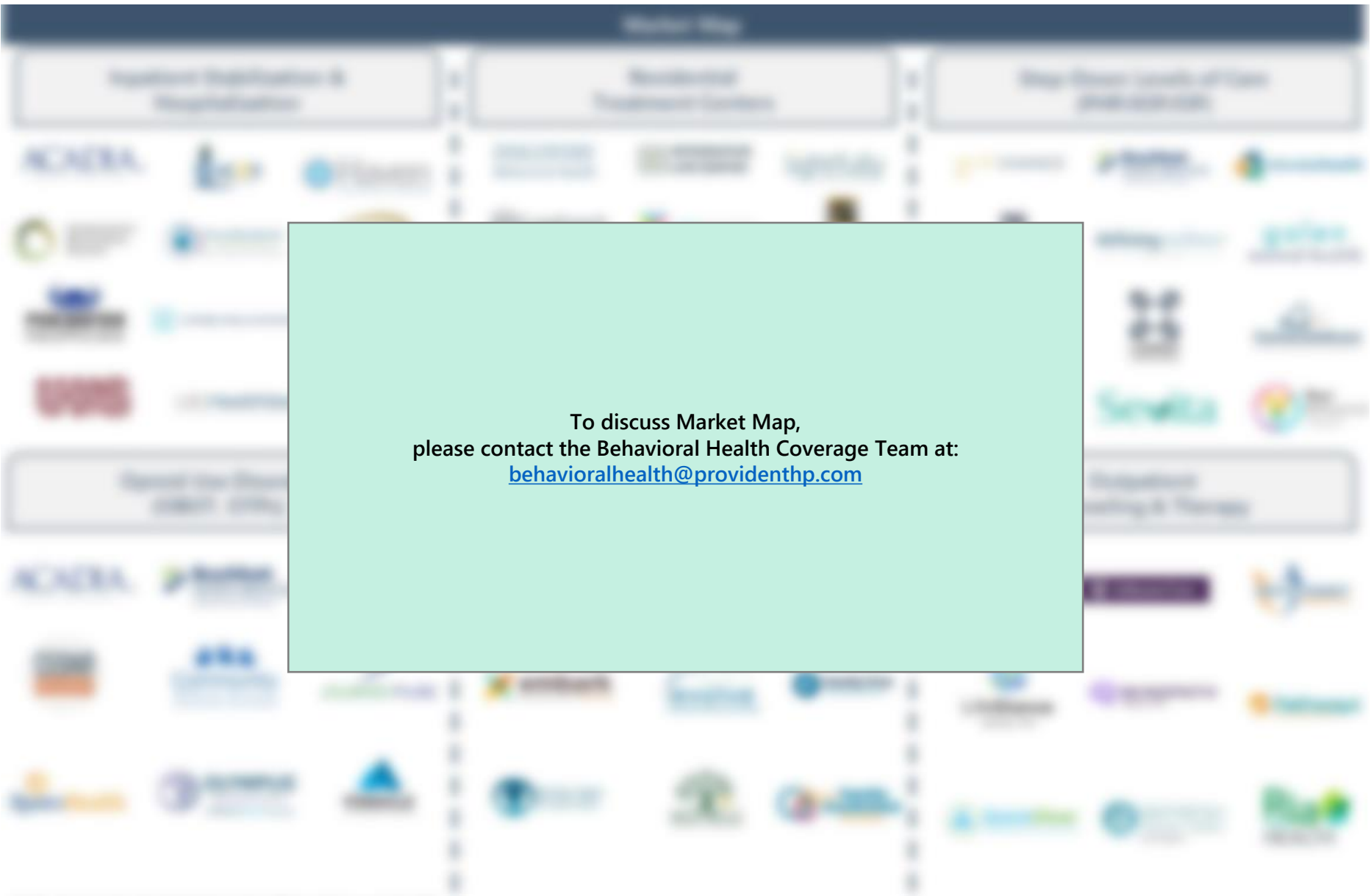


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Key Themes & Industry Outlook

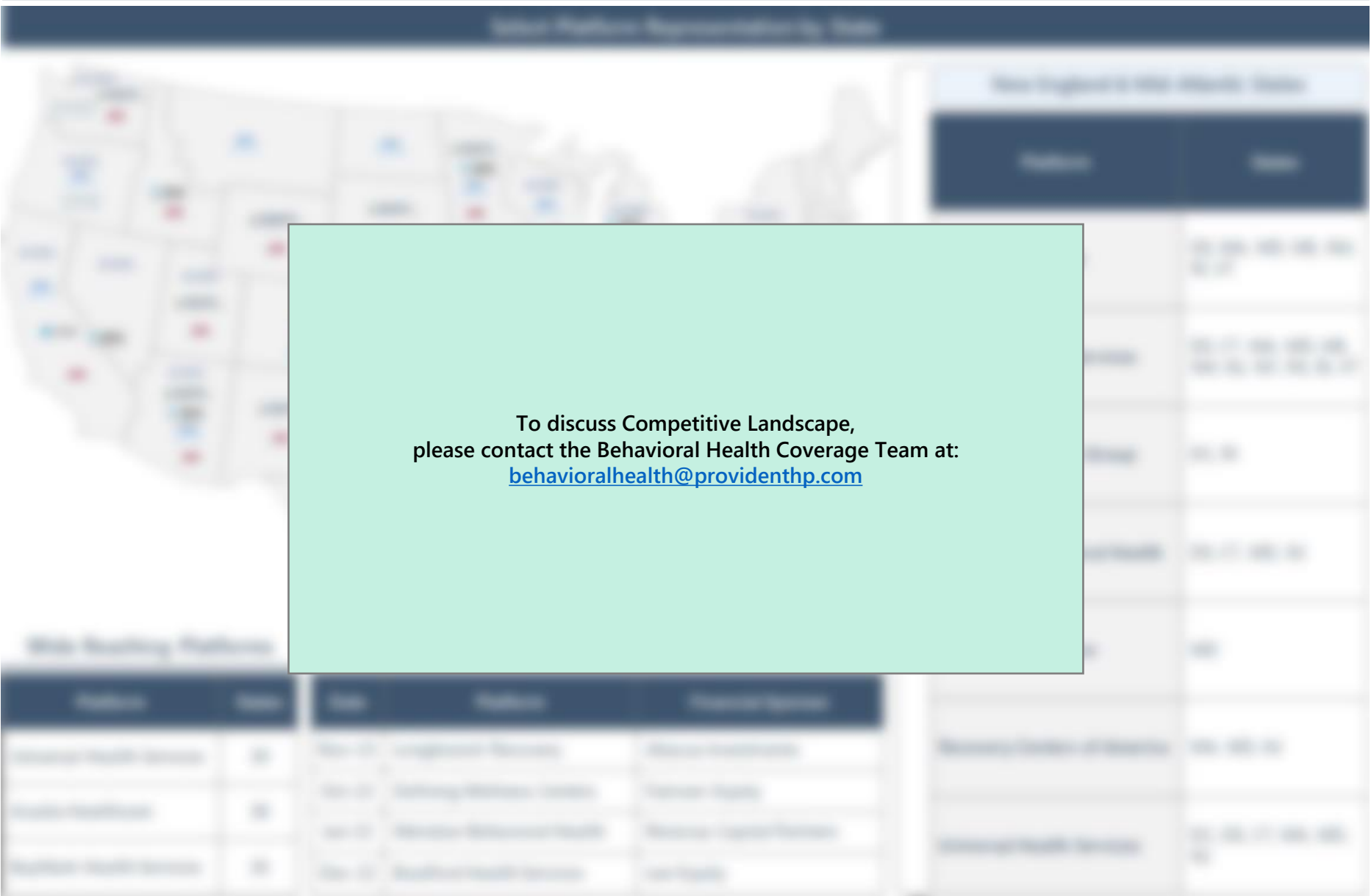
To discuss Key Themes and Industry Outlook,
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Substance Use Disorder: Select Competitive Landscape



Note: Companies bucketed based on their primary service line

Substance Use Disorder: Major Competitor Geographic Presence



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Favorable Industry Tailwinds

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Mental Health: Transaction Activity & Key Themes

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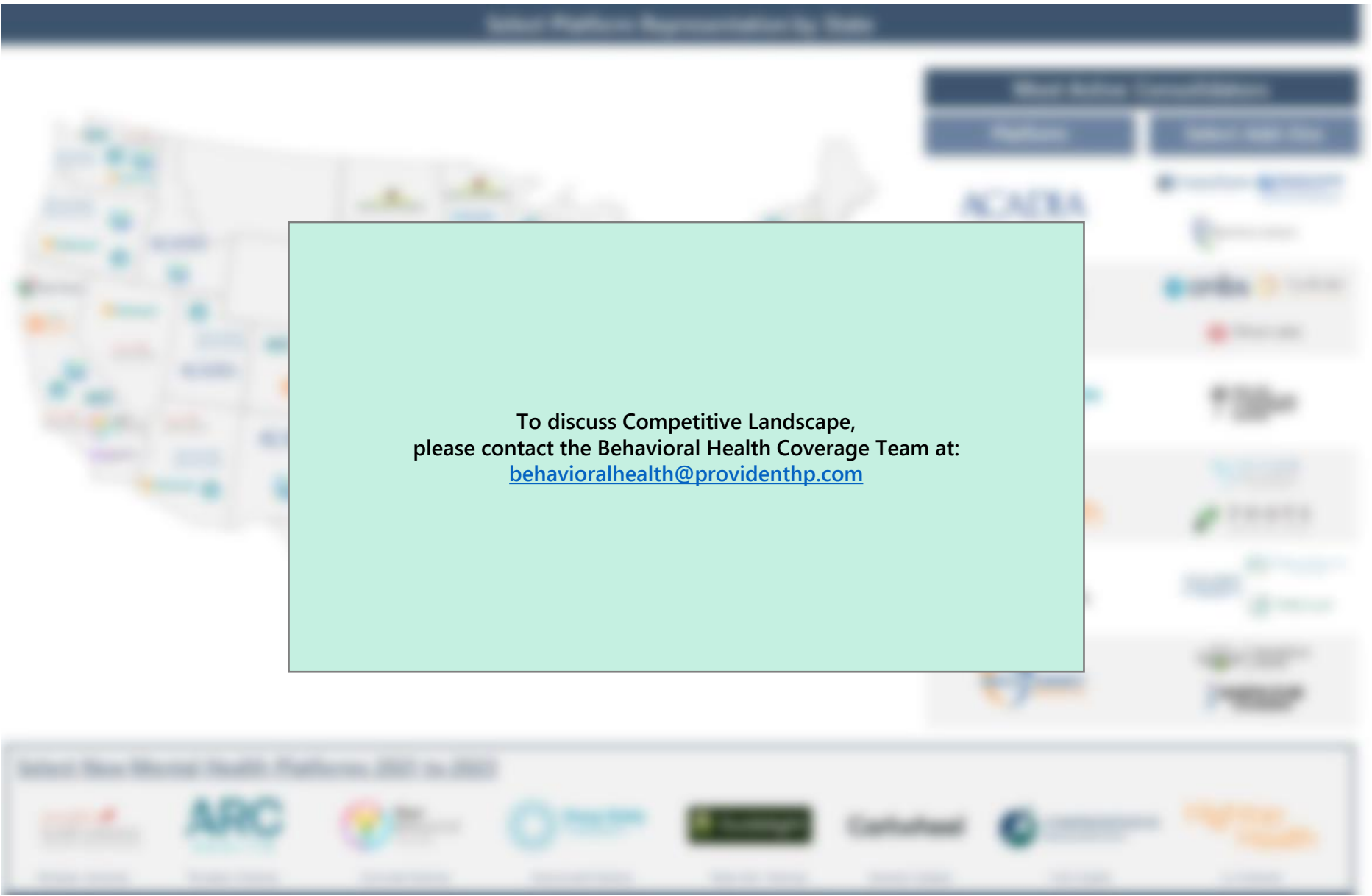
Key Themes & Industry Outlook

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Mental Health: Select Competitive Landscape

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Mental Health: Major Competitor Geographic Presence



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Adolescent Behavioral Health: Market Trends

Favorable Industry Tailwinds

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Adolescent Behavioral Health: Transaction Activity & Key Themes

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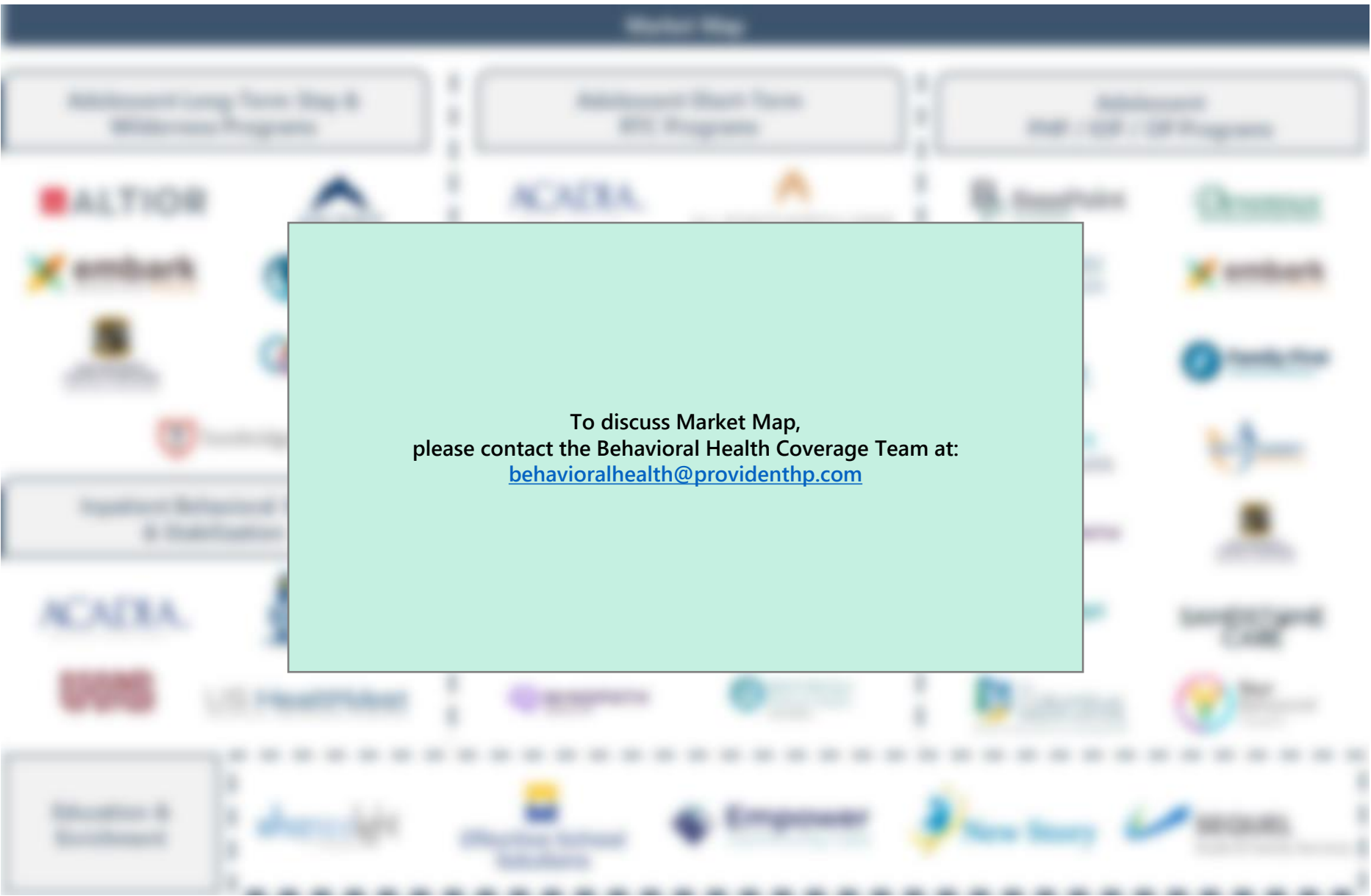
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Key Themes & Industry Outlook

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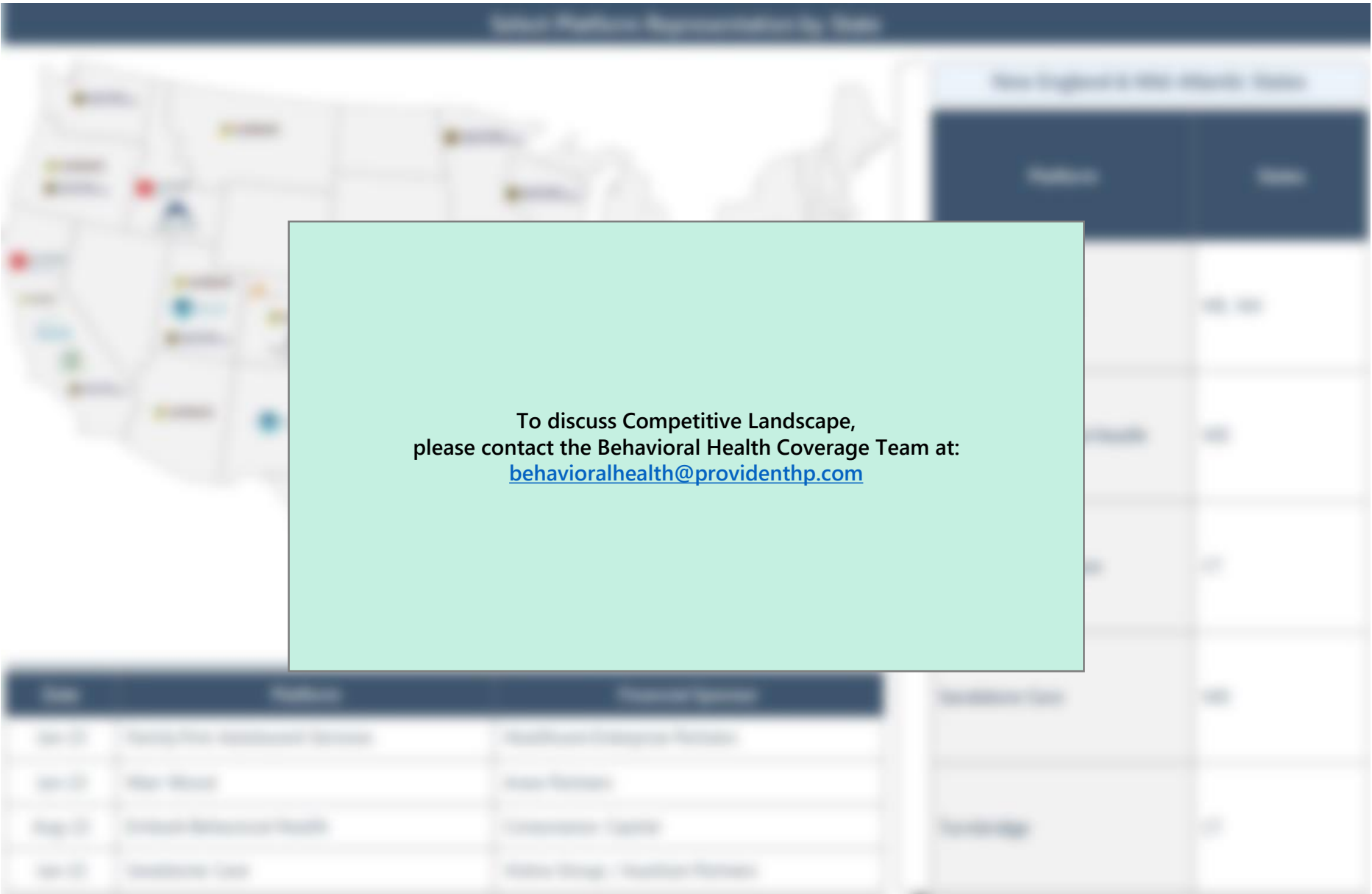
Note: Includes all deals with an adolescent component

Adolescent Behavioral Health: Select Competitive Landscape



Note: Companies bucketed based on their primary service line

Adolescent Behavioral Health: Major Competitor Geographic Presence





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Select Behavioral Health Transaction Activity

[illegible]

Select Behavioral Health Transaction Activity *(Continued)*

Plan	Plan ID	Plan Name	Plan Type	Plan ID	Plan Name	Plan Type
Health Plan	HP-001	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-002	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-003	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-004	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-005	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-006	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-007	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-008	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-009	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-010	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-011	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-012	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-013	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-014	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-015	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-016	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-017	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-018	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-019	Health Plan	HP	Health Plan	HP	Health Plan
Health Plan	HP-020	Health Plan	HP	Health Plan	HP	Health Plan

Select Behavioral Health Transaction Activity *(Continued)*

Year	Month	Day	Event Name	Time	Location	Notes
2020	Jan	15	Winter Festival	10:00	Community Center	Free admission
2020	Jan	20	New Year's Eve	11:00	City Hall	Free admission
2020	Jan	25	Winter Festival	10:00	Community Center	Free admission
2020	Feb	10	Valentine's Day	12:00	City Hall	Free admission
2020	Feb	15	Winter Festival	10:00	Community Center	Free admission
2020	Feb	20	Winter Festival	10:00	Community Center	Free admission
2020	Feb	25	Winter Festival	10:00	Community Center	Free admission
2020	Mar	10	Spring Festival	10:00	Community Center	Free admission
2020	Mar	15	Spring Festival	10:00	Community Center	Free admission
2020	Mar	20	Spring Festival	10:00	Community Center	Free admission
2020	Mar	25	Spring Festival	10:00	Community Center	Free admission
2020	Apr	10	Spring Festival	10:00	Community Center	Free admission
2020	Apr	15	Spring Festival	10:00	Community Center	Free admission
2020	Apr	20	Spring Festival	10:00	Community Center	Free admission
2020	Apr	25	Spring Festival	10:00	Community Center	Free admission
2020	May	10	Spring Festival	10:00	Community Center	Free admission
2020	May	15	Spring Festival	10:00	Community Center	Free admission
2020	May	20	Spring Festival	10:00	Community Center	Free admission
2020	May	25	Spring Festival	10:00	Community Center	Free admission
2020	Jun	10	Summer Festival	10:00	Community Center	Free admission
2020	Jun	15	Summer Festival	10:00	Community Center	Free admission
2020	Jun	20	Summer Festival	10:00	Community Center	Free admission
2020	Jun	25	Summer Festival	10:00	Community Center	Free admission
2020	Jul	10	Summer Festival	10:00	Community Center	Free admission
2020	Jul	15	Summer Festival	10:00	Community Center	Free admission
2020	Jul	20	Summer Festival	10:00	Community Center	Free admission
2020	Jul	25	Summer Festival	10:00	Community Center	Free admission
2020	Aug	10	Summer Festival	10:00	Community Center	Free admission
2020	Aug	15	Summer Festival	10:00	Community Center	Free admission
2020	Aug	20	Summer Festival	10:00	Community Center	Free admission
2020	Aug	25	Summer Festival	10:00	Community Center	Free admission
2020	Sep	10	Autumn Festival	10:00	Community Center	Free admission
2020	Sep	15	Autumn Festival	10:00	Community Center	Free admission
2020	Sep	20	Autumn Festival	10:00	Community Center	Free admission
2020	Sep	25	Autumn Festival	10:00	Community Center	Free admission
2020	Oct	10	Autumn Festival	10:00	Community Center	Free admission
2020	Oct	15	Autumn Festival	10:00	Community Center	Free admission
2020	Oct	20	Autumn Festival	10:00	Community Center	Free admission
2020	Oct	25	Autumn Festival	10:00	Community Center	Free admission
2020	Nov	10	Winter Festival	10:00	Community Center	Free admission
2020	Nov	15	Winter Festival	10:00	Community Center	Free admission
2020	Nov	20	Winter Festival	10:00	Community Center	Free admission
2020	Nov	25	Winter Festival	10:00	Community Center	Free admission
2020	Dec	10	Winter Festival	10:00	Community Center	Free admission
2020	Dec	15	Winter Festival	10:00	Community Center	Free admission
2020	Dec	20	Winter Festival	10:00	Community Center	Free admission
2020	Dec	25	Winter Festival	10:00	Community Center	Free admission

Select Behavioral Health Transaction Activity *(Continued)*

Year	Month	Day	Event Name	Topic	Speaker	Location	Time
2024	01	15	Annual Meeting	Healthcare Industry Trends	John Doe	Grand Ballroom	9:00 AM
2024	02	01	Workshop	Project Management	Jane Smith	Conference Room A	10:00 AM
2024	03	10	Workshop	Customer Relationship Management	Michael Johnson	Conference Room B	11:00 AM
2024	04	20	Workshop	Marketing Strategy	Sarah Lee	Conference Room A	12:00 PM
2024	05	05	Workshop	Financial Analysis	David Kim	Conference Room B	1:00 PM
2024	06	15	Workshop	Human Resources	Emily White	Conference Room A	2:00 PM
2024	07	25	Workshop	Operations	Robert Brown	Conference Room B	3:00 PM
2024	08	10	Workshop	Technology	Lisa Green	Conference Room A	4:00 PM
2024	09	20	Workshop	Legal	James Black	Conference Room B	5:00 PM
2024	10	01	Workshop	Compliance	Amanda Gray	Conference Room A	6:00 PM
2024	11	15	Workshop	Security	Christopher Blue	Conference Room B	7:00 PM
2024	12	31	Workshop	Year-End Review	Michelle Red	Conference Room A	8:00 PM

Select Behavioral Health Transaction Activity *(Continued)*

[illegible]

Select Behavioral Health Transaction Activity *(Continued)*

[illegible]

Select Behavioral Health Transaction Activity *(Continued)*

LINE	DATE	DESCRIPTION	AMOUNT	CURR	DEBIT	CREDIT	DATE
1000	2023	PROVIDENT	1000.00				2023
1000	2023	PROVIDENT	1000.00				2023
1000	2023	PROVIDENT	1000.00				2023
1000	2023	PROVIDENT	1000.00				2023
1000	2023	PROVIDENT	1000.00				2023

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Partners In Value

Provident is the leading investment bank offering mergers and acquisition advisory services for high growth, middle market companies in the healthcare industry.

Boston:
260 Franklin Street, 16th Floor
Boston, Massachusetts 02110
617-742-9800

Minneapolis
601 Carlson Parkway
Minnetonka, Minnesota 55305
612-361-5500

New York:
800 Third Avenue, 27th Floor
New York, New York 10022
212-580-4500

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