

Emergency Medicine Services

Q2 2024

Market Update

M&A activity within the Emergency Medicine Services (EMS) sector was modest this quarter with urgent care as a continued focal area. A potential factor for the decrease in transaction volume could be attributed to the upstart Senate investigation into the operations of PE-backed emergency departments. A Senate committee has asked three PE firms, Apollo Global Management, the Blackstone Group, and KKR for information on operations of their platforms due to concerns regarding quality of patient care.

With increased regulatory scrutiny, PE groups are interested in gaining exposure to the segment through urgent care rather than ER. The urgent care space is continuing to experience calculated investments in suburban and rural providers that enhance care availability in medically underserved communities. Xpress Wellness, an urgent care provider in rural communities, was especially active this quarter, emphasizing the focus on secondary and tertiary markets.

Notable Transaction

Goldman Sachs Alternatives has announced the acquisition of Xpress Wellness, an urgent care provider operating 58 locations across Kansas, Oklahoma, and Texas. The Company focuses on secondary and tertiary markets that have a lack of care options and need for comprehensive convenient care services.

Xpress provides a range of healthcare services in addition to urgent care to medically underserved communities. Since partnering with LatticeWork in 2018, the Company has opened 30 de novos and closed seven acquisitions. The Company plans to utilize Goldman Sachs' global network and resources to further expand in new and existing markets and continue to develop additional, adjacent healthcare services.



Has been acquired by

**Goldman
Sachs
Alternatives**

January 2024

Select Transactions

Month	Investor	Target	Sub-Sector	Deal Description
April			Urgent Care	Xpress Wellness recently acquired Affordacare Urgent Care, a network of three urgent care clinics in Texas. This acquisition marks a strategic investment in suburban healthcare that expands Xpress' footprint beyond Kansas and Oklahoma to North Texas. These locations provide occupational medicine services alongside traditional urgent care offerings.
April			Urgent Care	Saint Alphonsus Regional Medical Center has acquired Saltzer Health. Trinity Health-owned Saint Alphonsus Health System purchased two urgent care centers and an ambulatory surgery center. The clinics are based in Idaho and provide necessary medical care in an area with a shortage of primary care providers.

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