

Mental Health

Q3 2024

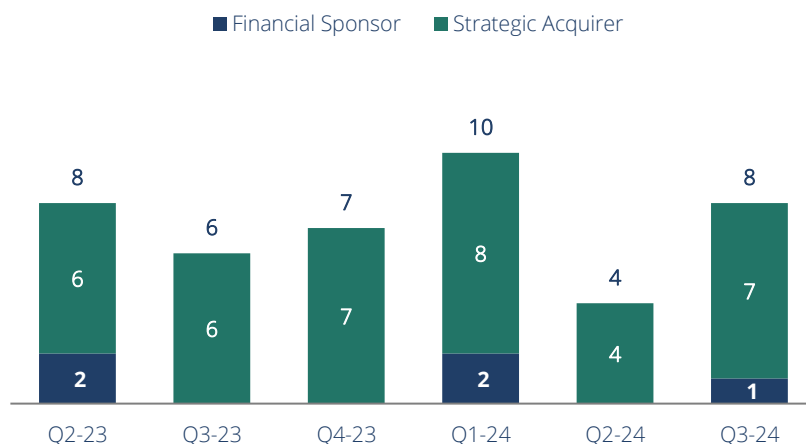
Market Update

Transaction activity within the mental health space rebounded considerably from the prior quarter, although there continued to be a lull in private equity and PE-backed deal volume as most transactions in the space involved independent, VC-backed, or non-profit buyers.

The slowdown in private equity activity can be attributed to most platforms turning inward to prioritize organic growth initiatives and operational efficiency improvement over M&A. Provident expects this trend to persist for some time, but anticipates increased deal flow in 2025 due to multiple expected sale processes as well as rate relief from the Fed.

PHP, IOP, and adolescent-focused mental health have come to the forefront as some of the most sought-after categories within the mental health vertical. Provident expects those spaces to see the most activity in the quarters to come.

Quarterly Transaction Volume



Select Transactions

Month	Investor	Target	Deal Description
September			Parker Health Group, a Piscataway-based provider of aging services, on Thursday announced it completed the acquisition of Senior Care Options Inc., an Atlantic Highlands-based organization specializing in geriatric care management, counseling and therapy services.
August			Pneuma Behavioral Health announced its partnership with Crossroads Counseling Center, an outpatient mental health practice in Hickory, North Carolina.
August			Vibrant Emotional Health, a leading non-profit organization dedicated to mental health and emotional well-being, announced its acquisition of Stars of HOPE, a renowned program of the New York Says Thank You Foundation.
August			Beacon Behavioral Partners, a leading provider of support services for behavioral health practices, announced its first partnership in Pennsylvania with the acquisition of Pittsburgh-based outpatient mental health facility, Nexus Group.
August			Lightyear Capital, a New York-based private equity firm, completed a strategic investment in CuraLinc Healthcare, a provider of employee assistance (EAP) mental health programs.
July			Boston-based Uwill, a mental health platform for colleges and students, announced it has acquired Virtual Care Group, a fellow student-focused telehealth and wellness support platform.

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Publications & Conferences

Market Update

[Behavioral Health Market Update](#)

Conference

Members of the Provident Mental Health coverage team recently attended the BHB INVEST conference in Dallas in October