



Mental Health Market Overview

January 2026





- a. Provident Overview
- b. Mental Health Market Update
- c. Transactions

Experienced Coverage Team with Deep Sector Expertise

Behavioral Health Coverage Team



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Vice President



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Senior Associate



A Trusted Leader in Healthcare M&A



Proven Execution Across Behavioral Health Transactions





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Evolution of Mental Health Platform Investment

Platform Investment Through the Years

Transaction Volume & Themes

Foundational Tailwinds Driving Mental Health Investment

Tailwinds Driving Category Interest



Large and Expanding Total Addressable Market

- 20% of U.S. adults experience symptoms of mental health conditions annually
- 2021 mental health spending was \$20B, growing 10% CAGR through 2026



Structural Health Shifting and Sector Consensus

- 80% of individuals with diagnosable conditions believe treatment access is a priority concern, exceeding physical health
- 2021: 50% of U.S. consumers believe 50% of conditions are treatable



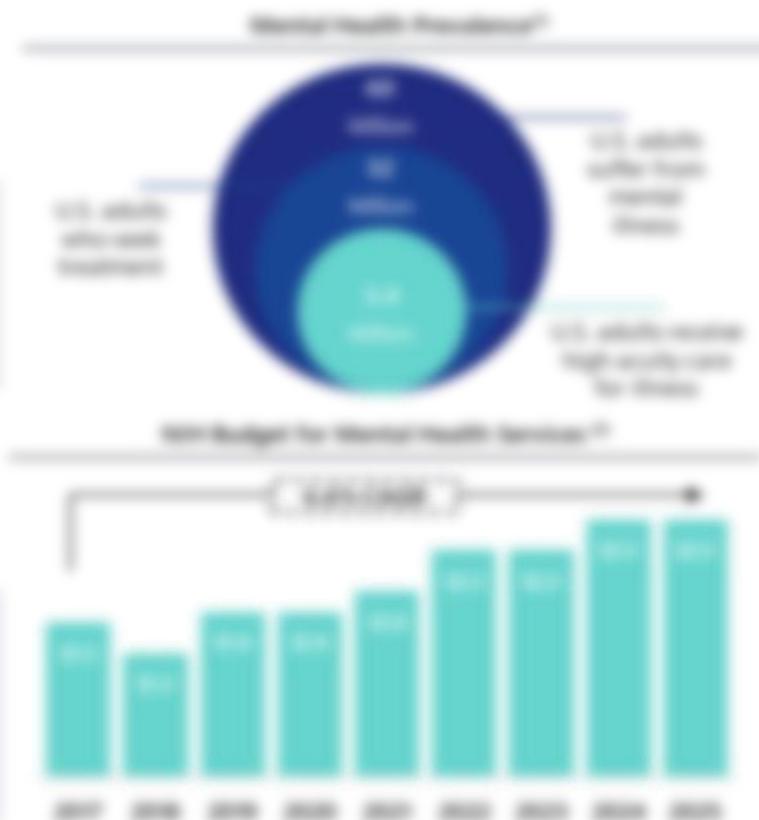
Highly Fragmented Provider Base Creating Consensus

- 100,000 independent providers in mental health treatment services
- New providers enter more than 10,000 additional provider sites



Flexible Payor Options for Care Reducing Provider

- 2021: Payor Options: 40% HMOs in individual, group, and insurance plans
- 2021: Payor Options: 50% non-HMOs in individual, group, and insurance plans

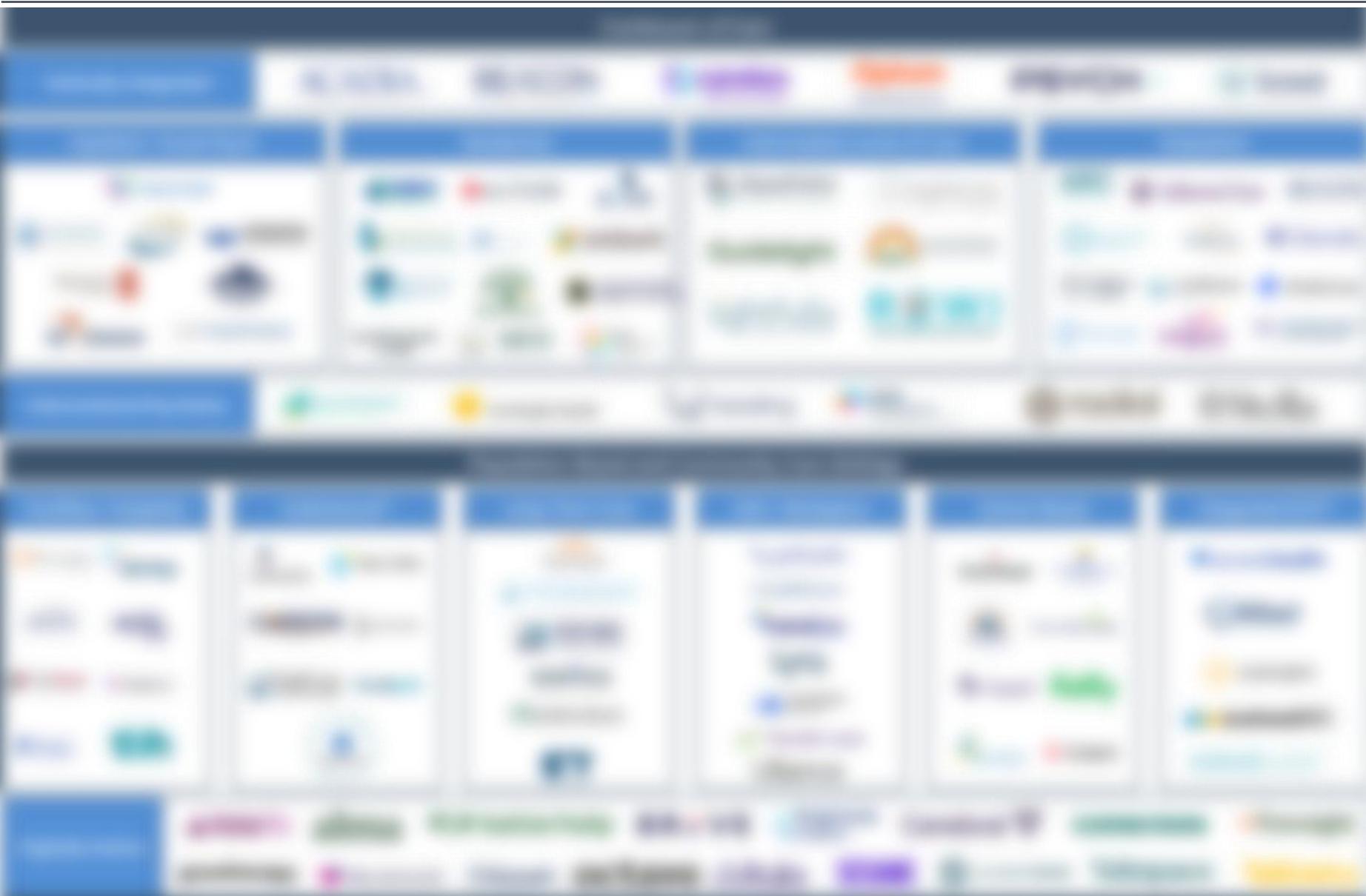


Incremental Drivers Enhancing Market Attractiveness



Digitization of Mental Health Services

Mental Health Care Ecosystem & Platform Landscape



Care Delivery Models Across the Mental Health Continuum

Continuum of Care					
Primary Care	Community	Intermediate Care	Specialized	Outpatient	Inpatient
 Primary Care Model	 Community Model	 Intermediate Care Model	 Specialized Model	 Outpatient Model	 Inpatient Model
<ul style="list-style-type: none">Primary health care servicesCommunity-based servicesCommunity-based mental health servicesCommunity-based mental health services (including community mental health centers)Community-based mental health services	<ul style="list-style-type: none">Community-based servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health services	<ul style="list-style-type: none">Community-based servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health services	<ul style="list-style-type: none">Community-based servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health services	<ul style="list-style-type: none">Community-based servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health services	<ul style="list-style-type: none">Community-based servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health servicesCommunity-based mental health services
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Market Valuation Comps

Highly Competitive Valuation Comps in Mental Health Services

What Makes an Attractive Asset – Key Value Drivers & Positioning Themes

Investment Type	Asset Management	Positioning
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds
 Corporate Bonds Corporate Bonds and Fixed Income	Corporate Bonds	Corporate Bonds

Performance Metrics that Drive Multiple Expansion

Performance Metric	Service Line/Region		Description
	Outpatient	Inpatient	
 Ambulatory	95-100	95%	High patient volume and utilization, reflecting a strong demand for outpatient services.
 Emergency Room	95-100	95-100	Emergency room utilization, reflecting high demand for urgent care services.
 Inpatient	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient services.
 Inpatient Hospital	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient hospital services.
 Inpatient Skilled Nursing Facility	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient skilled nursing facility services.
 Inpatient Rehabilitation Facility	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient rehabilitation facility services.
 Inpatient Home Health	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient home health services.
 Inpatient Hospice	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient hospice services.
 Inpatient Long-Term Care	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient long-term care services.
Inpatient Assisted Living	95-100	95-100	High patient volume and utilization, reflecting a strong demand for inpatient assisted living services.

(1) Statistics noted for outpatient levels of care

Relevant Industry Publications

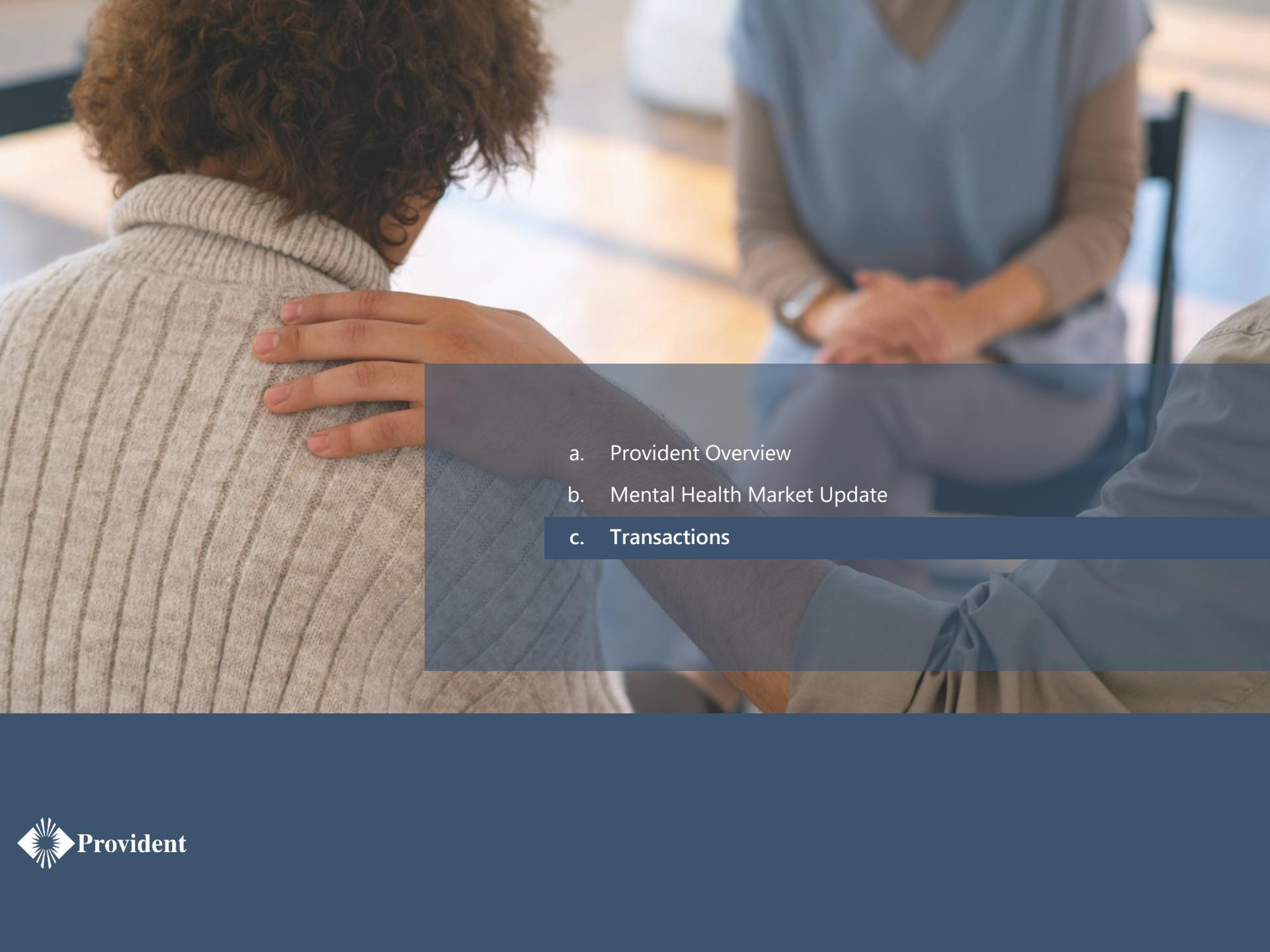


Provident

Relevant News in the Mental Health Space

What the Provident Team is Reading

- [Mental Health in the Future: How Better Mental Health Benefits Business](#)
Mental Health, Corporate Training, 2016, 41(41)
- [Mental Health in the Future: How Better Mental Health Benefits Business](#)
Mental Health, Corporate Training, 2016, 41(41)
- [Private Equity in Mental Health Care](#)
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2025 Select Transactions

Case Number	Case Type	Reporting Month	Reporting Year	Nonviolent Crime	Violent Crime
001-001	Domestic	February	2023	120	10
001-002	Domestic	February	2023	110	15
001-003	Domestic	February	2023	130	10
001-004	Domestic	February	2023	140	10
001-005	Domestic	February	2023	150	10
001-006	Domestic	February	2023	160	10
001-007	Domestic	February	2023	170	10
001-008	Domestic	February	2023	180	10
001-009	Domestic	February	2023	190	10
001-010	Domestic	February	2023	200	10
001-011	Domestic	February	2023	210	10
001-012	Domestic	February	2023	220	10
001-013	Domestic	February	2023	230	10
001-014	Domestic	February	2023	240	10
001-015	Domestic	February	2023	250	10
001-016	Domestic	February	2023	260	10
001-017	Domestic	February	2023	270	10
001-018	Domestic	February	2023	280	10
001-019	Domestic	February	2023	290	10
001-020	Domestic	February	2023	300	10
001-021	Domestic	February	2023	310	10
001-022	Domestic	February	2023	320	10
001-023	Domestic	February	2023	330	10
001-024	Domestic	February	2023	340	10
001-025	Domestic	February	2023	350	10
001-026	Domestic	February	2023	360	10
001-027	Domestic	February	2023	370	10
001-028	Domestic	February	2023	380	10
001-029	Domestic	February	2023	390	10
001-030	Domestic	February	2023	400	10
001-031	Domestic	February	2023	410	10
001-032	Domestic	February	2023	420	10
001-033	Domestic	February	2023	430	10
001-034	Domestic	February	2023	440	10
001-035	Domestic	February	2023	450	10
001-036	Domestic	February	2023	460	10
001-037	Domestic	February	2023	470	10
001-038	Domestic	February	2023	480	10
001-039	Domestic	February	2023	490	10
001-040	Domestic	February	2023	500	10
001-041	Domestic	February	2023	510	10
001-042	Domestic	February	2023	520	10
001-043	Domestic	February	2023	530	10
001-044	Domestic	February	2023	540	10
001-045	Domestic	February	2023	550	10
001-046	Domestic	February	2023	560	10
001-047	Domestic	February	2023	570	10
001-048	Domestic	February	2023	580	10
001-049	Domestic	February	2023	590	10
001-050	Domestic	February	2023	600	10
001-051	Domestic	February	2023	610	10
001-052	Domestic	February	2023	620	10
001-053	Domestic	February	2023	630	10
001-054	Domestic	February	2023	640	10
001-055	Domestic	February	2023	650	10
001-056	Domestic	February	2023	660	10
001-057	Domestic	February	2023	670	10
001-058	Domestic	February	2023	680	10
001-059	Domestic	February	2023	690	10
001-060	Domestic	February	2023	700	10
001-061	Domestic	February	2023	710	10
001-062	Domestic	February	2023	720	10
001-063	Domestic	February	2023	730	10
001-064	Domestic	February	2023	740	10
001-065	Domestic	February	2023	750	10
001-066	Domestic	February	2023	760	10
001-067	Domestic	February	2023	770	10
001-068	Domestic	February	2023	780	10
001-069	Domestic	February	2023	790	10
001-070	Domestic	February	2023	800	10
001-071	Domestic	February	2023	810	10
001-072	Domestic	February	2023	820	10
001-073	Domestic	February	2023	830	10
001-074	Domestic	February	2023	840	10
001-075	Domestic	February	2023	850	10
001-076	Domestic	February	2023	860	10
001-077	Domestic	February	2023	870	10
001-078	Domestic	February	2023	880	10
001-079	Domestic	February	2023	890	10
001-080	Domestic	February	2023	900	10
001-081	Domestic	February	2023	910	10
001-082	Domestic	February	2023	920	10
001-083	Domestic	February	2023	930	10
001-084	Domestic	February	2023	940	10
001-085	Domestic	February	2023	950	10
001-086	Domestic	February	2023	960	10
001-087	Domestic	February	2023	970	10
001-088	Domestic	February	2023	980	10
001-089	Domestic	February	2023	990	10
001-090	Domestic	February	2023	1000	10

2025 Select Transactions (Continued)

(1) Minnesota operations; (2) Consonance Capital Partners was the majority owner prior to The Carlyle Group

2025 Select Transactions (Continued)

Item Type	Category	Quantity	Unit Price	Total Cost	Supplier
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier A
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier B
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier C
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier D
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier E
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier F
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier G
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier H
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier I
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier J
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier K
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier L
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier M
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier N
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier O
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier P
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier Q
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier R
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier S
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier T
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier U
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier V
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier W
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier X
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier Y
1000000000	1000000000	1000000000	1000000000	1000000000	Supplier Z

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.

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