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About AMB

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Market Commentary

Continuing its dominance from one of the strongest M&A quarters in past decades, the healthcare sector closed 3Q14 with an impressive 323 transactions¹. Carrying the majority of the M&A momentum, healthcare services contributed to 52 percent of the overall deal volume. Many of the drivers noted in the last quarter held firm in 3Q14.

Macro trends continue to facilitate large deal volume, as favorable capital markets are propelling transactions. As of September 30, the S&P 500 Market Index was 1,972, creating a 17.3 percent rise since the same time last year while the 30 yr bond yield (3.20 percent on September 30) declined 49 basis points YOY. The relatively open credit markets are adding fuel to an already busy healthcare M&A environment. According to Pitchbook Data, the median debt level for private equity backed recapitalizations was 60% in Q214, and we believe this level should hold fairly constant when Q3 data is released.

Today's healthcare challenges are being disrupted by new delivery models supported by bullish investors. Behavioral health continues to be a hot bed of activity, yet aside from Universal Health Services purchase of Cygnet Health Care, very few deals were announced in 3Q14. The provider staffing and hospitalist sectors continued to attract interest. Of note, TeamHealth made several acquisitions in the quarter (Trident Emergency Physicians (9/2/14); Teaneck Emergency Physicians (9/3/14); Heartland Anesthesia Services (9/8/14); Florida Gulf-to-Bay Anesthesiology Associates (9/9/14); Emergency Medicine Specialists, Midwest Emergency Services (9/10/14)). Long-term care racked up the highest number of transactions with a total of 77. However, we see the largest increase in deal making coming out of the healthcare technology sector, with two large and noteworthy acquisitions: i) Cognizant Technology Solution's acquisition of Trizetto Corporation for \$2.7 bb and ii) Conifer Health Solution's acquisition of SPi Healthcare for \$235 mm. We expect this trend to continue into the 4th quarter with tailwinds favoring population management.

In 4Q14, we are excited by the news and recent transaction announcements. The red hot urgent care industry continues to garner interest from both private equity and healthcare system participants. Already we have seen the announcement of CareNow's sale to HCA, and it has been reported that Humana is considering divesting Concentra. In addition, FastMed continued its growth strategy through its acquisition of Carolina Quick Care (AMB advised Carolina Quick Care in the sale).

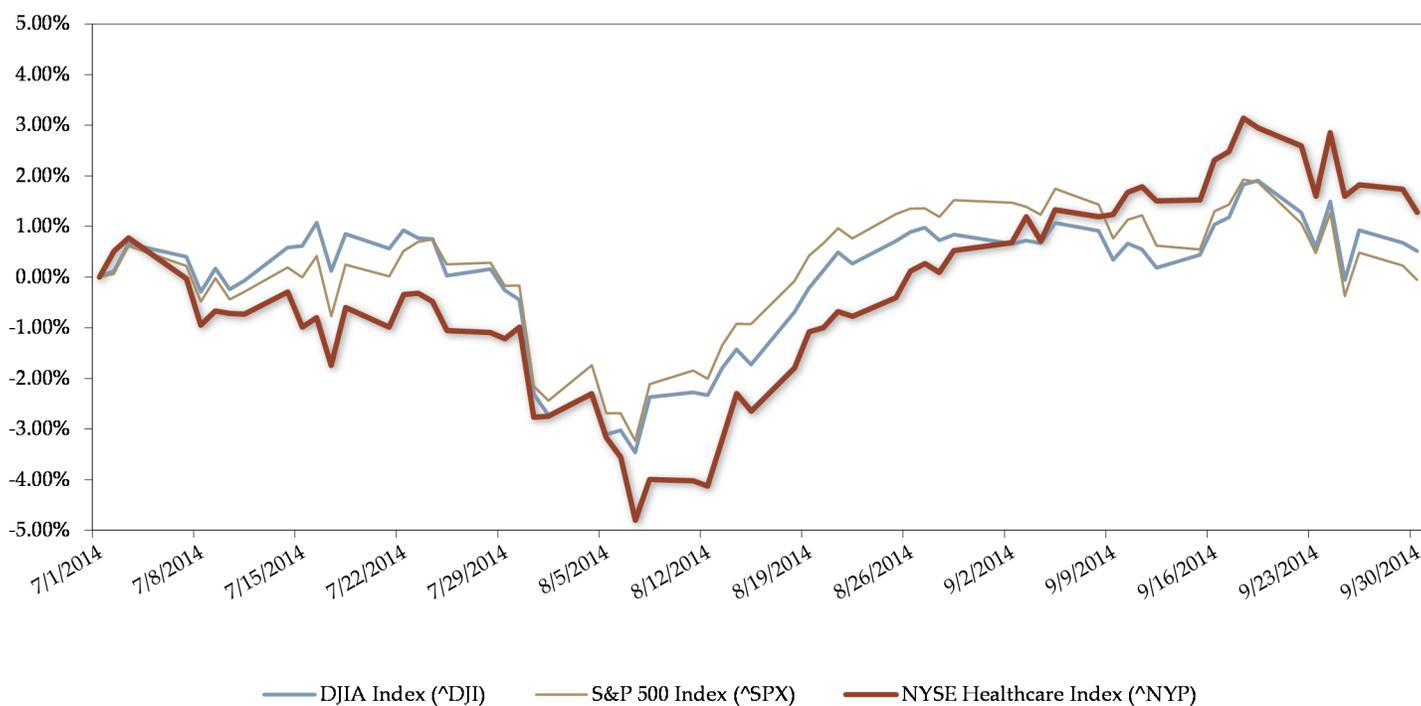
In this quarter's sector insights, we focus on Primary Care which is undergoing rapid change and consolidation. Primary Care sits at the center of care models and its metamorphosis will greatly impact our country's healthcare system. Consequently, AMB believes this to be a burgeoning area of activity for both strategics and private equity investors in the coming years.

We look forward to closing an historic year in healthcare M&A. As always, if we can be helpful in capital or transactional advice across the healthcare sector, or strategizing on opportunities or challenges, I encourage you to Discover the Difference of AMB!

Gordon Maner
President / Head of Investment Banking

Source: ¹Irvin Levin Associates

S&P 500 Index, DJIA Index and NYSE Healthcare Index for 3rd Quarter 2014



Source: Market data provided by Capital IQ

Market Insights— Noteworthy Healthcare News

As 4th Quarter ACA Enrollment Approaches, Questions and Facts Still Linger

As another ACA enrollment period approaches, the administration announced in September approximately 7.3 million enrollees were enrolled in health insurance plans through “Obamacare” exchanges. Questions still remain regarding how many previously uninsured now hold health plans. Additionally, September enrollment numbers have dropped significantly (approximately 1 million) since April and the Department of Health and Human Services is currently revising its 2015 expectations.

Forbes; Los Angeles Times; Modern Healthcare; Fierce Health Payer

CMS Mandate and Clarification Regarding Medicaid and Autism Treatments

In a statement released during July, CMS stipulated Medicaid programs must cover a full range of autism services under the “early and periodic screening, diagnostic and treatment services” provision (a provision covering any services medically necessary to address physical/behavioral conditions in children up to 21). With early intervention programs potentially costing \$70 thousand per patient annually, states are currently addressing ways to implement while conceptually controlling these unknown and substantial costs.

Modern Healthcare

Walmart Enters the Primary Care Sector

As the retailization and consumerization of healthcare continues to take shape, Walmart establishes itself as an accessible provider of primary care services.

Forbes; New York Times

Wall Street Continues Covering the Urgent Care Sector

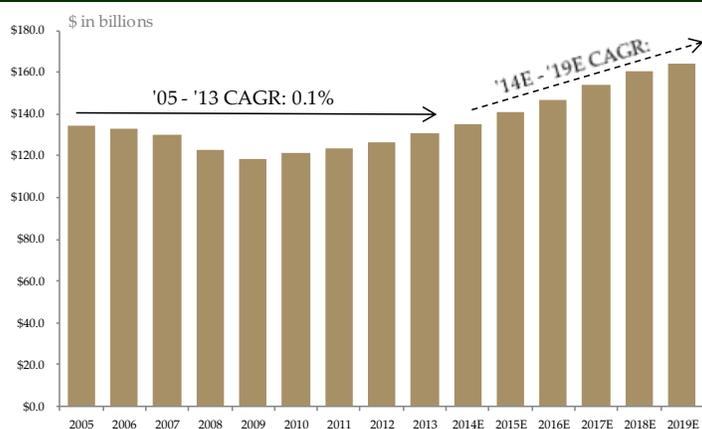
Coinciding with high levels of M&A activity in the urgent care sector in recent years, Wall Street continues to turn its attention to the sector in 2014.

New York Times; Forbes; Take Part

Overview of the Primary Care Sector

Typically known as the “gate keepers” to the healthcare sector, primary care operators are trained for comprehensive first contact and continued care for individuals with undiagnosed health concerns. Primary care was a \$135 billion industry during FY13 with growth expectations exceeding \$163 billion by 2019¹. The primary care sector’s anticipated challenges and opportunities are facilitated by the growing cost of healthcare, limited access and initiatives associated with the implementation of the Patient Protection and Affordable Care Act (“PPACA”). AMB continually sees opportunities, around common themes like “volume-to-value,” alignment strategies, targeted population management, and the continued “retailization” of primary care by players in and out of the healthcare industry.

U.S. Primary Care Revenue¹



Transformations Impacting Primary Care

During FY13, healthcare spending represented 17.9 percent of the U.S.’s gross domestic product (“GDP”). Studies suggest that healthcare costs are growing at twice the rate of inflation in the US while national health expenditures are anticipated to exceed \$5 trillion by 2020 (representing greater than 20 percent of GDP). The PPACA was enacted in an effort to address increasing US healthcare costs. It is a widely-known fact that approximately 25 percent of healthcare consumers account for 80 percent of US healthcare consumption (often referred to as the “at-risk” population). A significant portion of these costs are the result of unnecessary medical procedures and/or preventable health issues. While not a new concept, the PPACA’s focus on controlling costs places significant attention on a “patient first” methodology, commonly referred to as a patient center medical home (“PCMH”). The PCMH concept was adopted by early disruptive care models but has transformed into primary care physicians (“PCP”) being responsible for all patient health care needs

or arranging care with other qualified professionals.

In today’s climate, a patient-centered focus is more than a concept, it’s a necessity. Healthcare enterprises are dealing with a fundamental shift in reimbursement from fee for service to risk-based value and capitation models. The “volume to value” concept is forcing the healthcare landscape to redesign itself. In this new model, PCPs are compensated for results and for prevention of unnecessary ER visits and rehospitalizations versus traditional episodic treatment. AMB believes the risk-based concept will continue to be an underlying force in M&A activity as businesses like CareMore continue to demonstrate results in improved care, healthier outcomes and reduced long-term costs.

Identifying the “at-risk” population is a recurring ideology in today’s managed care marketplace. Determining the proper channels to identify, address and ultimately reduce complications associated with chronic conditions (leading factors in the unsustainable increase in the cost of care conundrum) is one of the biggest challenges, and opportunities, in healthcare’s reformation. Population management is driving revolutionary changes in healthcare delivery with the incorporation of mobile health, telemedicine, and predictive analytic technologies. Additionally, population management continues to drive joint ventures and consolidations within the primary care sector. AMB noted during the 3Q14, Tandigm Health, a primary care network formed through a joint venture between Independence Blue Cross and DaVita’s physician practice arm, HealthCare Partners, announced it was close to its year-end goal of signing on 300 physicians. In exchange for experimenting with cost reduction strategies and utilizing predictive analytics for determining high risk scenarios, participating Tandigm Health physicians receive built-in incentives, primarily through higher reimbursements in exchange for reducing chronic condition costs. Population management and risk-based healthcare delivery were prevalent in 3Q14 deal activity, and AMB expects a continuation of these forces to drive the healthcare services market.

Access To Care

Fundamental supply and demand imbalances are also impacting the primary care sector. As primary care demand increases, the supply of PCP continues to decline. Currently, it is anticipated there is a ~9,000 PCP shortage in the US. On one end, the share of single physician primary care practices is dwindling as the “baby boomer” generation enters retirement, while on the other hand, medical schools are seeing a reduction in the number of medical students seeking a focus in the profession. The shortage is only to be exacerbated by a potential flood

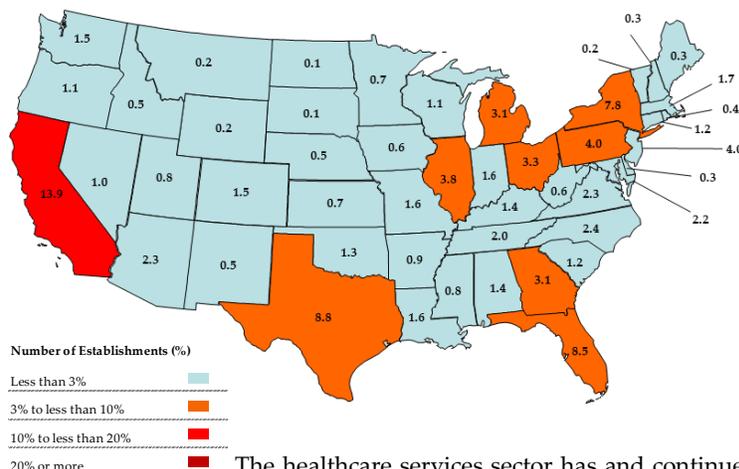
Source: ¹ IBISWorld; ² Capital IQ

of newly insured patients to the market. Although public data is not yet available regarding the PPACA’s impact on the uninsured population, more than 7.3 million people have enrolled through exchanges implemented by the Act. With the projected expansion of healthcare coverage to ~32 million newly covered lives over the next ten years, analysts anticipate the PCP shortage to rise to 65 thousand by 2025. Long-term strategies addressing these issue include increasing acceptance percentages for medical school graduates, growing primary-care focused provider schools, and expanding the authority of nurse practitioners and physician assistants. In fact, many states are proactively addressing shortages now. For example, California will soon allow select doctors to practice with only three years of medical school compared to the traditional four years (Texas, Georgia and New York all have comparable three-year medical school curriculums). Additionally, Missouri recently passed a law that allows medical school graduates to work under an "assistant physician" title in underserved rural areas without the proper residency training program.

“Retailization” of Primary Care

One of the more pressing headlines impacting primary care today is the entrance of “big box” retailers. During the 3rd quarter, Walmart, the nation’s largest retailer, announced the opening of six primary care clinics, Walmart Care Clinic, across South Carolina and Texas (at the time of this article Walmart Care Clinics numbered twelve and had expanded into Georgia). The retailization of healthcare is a natural progression in our post PPACA era and a solution to limited access. With the onset of consumers looking for affordable care in a convenient setting, Walmart, along with other retailers including CVS, Walgreens and Rite-Aid, began offering basic episodic medical services to its customer base. Walmart Care Clinics takes this episodic model further by addressing patients’ advanced medical needs like chronic disease management. It is too early to assess if Walmart’s model will be successful, in both the eyes of its patients as well as the medical community; however, given its vast rural footprint, this could be a necessary means for providing care to overlooked/underserved areas. AMB anticipates Walmart’s announcement to be a foreshadowing event in the easement of physician oversight regulations for non-physicians providers.

Primary Care: Practices by Geographic Location (2014)¹



The healthcare services sector has and continues to be a hot bed for M&A activity. Its interesting that a \$135 billion sector like primary care has not traditionally been in the limelight of capital markets activity. The enactment of the PPACA is shining new focus on the profession and bringing the sector to the forefront of investor interest. AMB looks forward to continuing to track primary care’s rebirth and anticipates future M&A opportunities through disruptive models, innovative partnerships and evolving technologies that expand the focus of patient care and cost containment.

Recent Activity and Transactions Impacting Primary Care

Date	Description
April 2014	One Medical Group raises an additional \$40.0 million in growth capital
May 2014	Summits Partners acquisition of MDVIP
May 2014	WhiteGlove Health raises \$15.8 million in private placement funding
July 2014	Endeavour Capital invests an undisclosed amount in Zoom Care, P.C.
August 2014	Walmart announces foray into primary care
September 2014	Teledoc raises \$50.0 in private placement funding

Source: ¹ IBISWorld; ² Capital IQ

Date Announced	Acquirer	Target	Target Description
9/30/2014	Optum (UnitedHealth)	MedSynergies (FTV Capital, Catholic Health Initiatives)	Provides practice and revenue management services to physician groups associated with large health systems
9/30/2014	US Community Behavioral	Integrated Development Services	Owner and operator of mental health clinics that treat autism and other developmental disorders
9/29/2014	Interim HealthCare (Halifax Group)	Just Better Care	Franchisor of in-home non-medical and medical care services
9/29/2014	Civitis Solutions (Nasdaq: CIVI)	Mass Adult Day Health Alliance	Provides adult health programs in Massachusetts
9/26/2014	North American Partners in Anesthesia	Total Anesthesia	Provides anesthesia services to acute care hospitals and ambulatory surgery centers in the Richmond Virginia metropolitan area
9/26/2014	PharMerica Corporation (NYSE:PMC)	Millennium Pharmacy Systems	Seven institutional pharmacies in the Mid-Atlantic
9/24/2014	Meridian Health	Raritan Bay Medical Center	NFP health care systems based in New Jersey
9/24/2014	The Riverside Company	Medical Payment Exchange	Reimbursement claims management company that work with providers to bundle claims into manageable cash flow streams
9/24/2014	HealthPort (ABRY Partners)	One Source Document Management	Provides customized medical record scanning and copying services
9/24/2014	WIRB-Copernicus (Arsenal Capital Partners)	ePharmaSolutions	Cloud based clinical trial workflow application
9/23/2014	HCA	PatientKeeper (Frazier Healthcare Ventures, J.H. Whitney, Mediphase Venture Partners, Mosaix Ventures, Saints Capital, Pacific Venture Group, Flybridge)	IT solutions applications that integrate physician and hospital IT systems
9/23/2014	Conifer Health Solutions	Spi Healthcare	Provider of revenue cycle management, health information and software solutions to physician practices
9/18/2014	Providence Service (Nasdaq: PRSC)	Matrix Medical Network (Welsh, Carson, Anderson & Stowe)	Provider of health risk assessments for Medicare Advantage health plans and risk bearing providers with a national footprint across 33 states
9/17/2014	Geisinger Health System	PrimeMed P.C.	The company offers healthcare services in diagnostic imaging, nuclear medicine, outpatient medical lab services, physical therapy and diagnostic sleep studies
9/16/2014	University of Pittsburgh Medical Center	Jameson Health System	Health System based in Pennsylvania which includes inpatient acute care and outpatient hospital services including emergency services; surgical and ambulatory care; outpatient diagnostics; long-term care; adult and geriatric behavioral health; in-hospital transitional care and acute rehabilitation; inpatient and outpatient rehabilitation and physician-based clinic and office services
9/16/2014	American CareSource Holdings	Express Family Care	Three urgent care centers in Alabama
9/16/2014	RestorixHealth (Sverica International)	Paradigm Medical Management	Operates wound care management centers under several names
9/15/2014	Elements Behavioral Health (Frazier Healthcare and NEA)	COPAC	Rehabilitation treatment program in Mississippi
9/15/2014	Cognizant Technology Solutions	TriZetto Corporation	Provider of information technology and service solutions to health plans, benefit administrators, care providers/physicians, payer clients, hospitals and health care systems
9/12/2014	Nautic Partners	All Metro Health Care Services (BBH Capital Partners)	Home care agency providing services like homemaking, bathing and grooming to seniors and high needs individuals
9/11/2014	Advocate Health Care	NorthShore University Health System	A network of hospitals, physicians and outpatient care sites
9/10/2014	HCP	Freedom Village (Brookdale Senior Living)	Florida based CCRC that offers independent living, assisted living and skilled nursing care
9/10/2014	TeamHealth	Emergency Medicine Specialists and Midwest Emergency Services	Manages and staffs emergency departments for Ascension Health and McLaren Health Care and affiliated revenue cycle management and back office support
9/9/2014	TeamHealth	Florida Gulf-to-Bay Anesthesiology Associates (MTS Health Investors)	Group of 200 physicians and registered nurses anesthetists that manage approximately 160,000 cases/year through services across eight hospitals and 11 ASC's
9/9/2014	Ochsner Health System	River Parishes Hospital (LifePoint)	80 bed acute-care hospital in Louisiana
9/9/2014	IPC The Hospitalist Company	East Coast Hospitalist Inpatient Specialists	Staffing company that offers inpatient staffing solutions through providing physicians and mid-level providers

Source: Capital IQ



Date Announced	Acquirer	Target	Target Description
9/8/2014	Alignment Healthcare (General Atlantic)	Citizens Choice Health Plan	California Medicare Advantage Plan
9/8/2014	Five Points Healthcare	Willowbrook Health Systems	Offers home health and hospice services in Nashville and the surrounding Middle Tennessee areas
9/8/2014	TeamHealth	Heartland Anesthesia Services	Provides anesthesia management services to hospitals
9/3/2014	Best Doctors (Brown Brothers Harriman)	Rise Health	Population health management company that helps payors and providers manage the transition from fee for service to population management
9/3/2014	TeamHealth	Teaneck Emergency Physicians	Manages and staffs the emergency department for Holy Name Medical Center and provides care for approximately 53,000 patients/year
9/2/2014	TeamHealth	Trident Emergency Physicians (HCA)	Physician practice that manages and staffs four emergency departments (two free-standing)
9/2/2014	Advanced Dermatology and Cosmetic Surgery (Audax Group, Brentwood)	Fort Collins Skin Clinic	Provides general and cosmetic dermatology as well as skin cancer diagnosis and treatment
9/2/2014	Chicago Growth Partners	ScribeAmerica	Provides managed medical scribe services
8/29/2014	Thoughtful Care	Kansas City Home Care	Provides home healthcare services for all ages in the metropolitan areas of Kansas and Missouri surrounding Kansas City
8/28/2014	Adventist Health	Lodi Health	191 bed hospital with 15 medical practices and outpatient services
8/28/2014	Medytox Diagnostics	Epinex Diagnostics Laboratories	Develops innovative rapid tests in healthcare sectors with major timing deficiencies
8/27/2014	Interventional Spine and Pain Management Center	Comprehensive Pain Management	Operates pain management centers in the Metro Atlanta area including imaging and pharmacy services
8/27/2014	ProHEALTH Circle Urgent Care	Heartland Medical Services	Operates urgent care centers on Staten Island
8/26/2014	Vendor Credentialing Service	Medkinetics	Provider of compliance and credentialing solutions
8/26/2014	Cressey & Company	Gulf Coast Dermatology	Provides dermatology services through 22 locations in Florida, Alabama and Georgia
8/22/2014	IPC The Hospitalist Company	Eddin Medical Services and TriCounty Hospitalists	Provides post-acute medical staffing services
8/20/2014	California Pain Network	Advanced Pain Management	Provides pain management and care services
8/18/2014	Genesis HealthCare	Skilled Healthcare Group (NYSE: SKH)	The Company owns and operates skilled nursing facilities, assisted living facilities, hospices, home health providers, and rehabilitation therapy businesses
8/18/2014	Consonance Capital; Enclara Health	excelleRX and PBM Holding Company	Provides hospice and palliative care medication management and pharmacy services
8/11/2014	Molina Healthcare	First Coast Advantage's	Provide health care coverage to approximately 65,000 individuals in Florida
8/7/2014	IPC the Hospitalist	GeriCare	Post-acute medical group practice in Connecticut
8/6/2014	Practice Fusion	Ringadoc	Advanced patient-doctor communication tool
8/5/2014	Cerner	Health IT Unit (Siemens')	Clinical and financial health care IT systems and population health care coordination
8/5/2014	Polaris Partners	Strata Health Solutions	Develop software applications that help healthcare organizations conduct patient flow analysis and provide solutions
8/5/2014	TractManager (Arsenal Capital Partners)	MD Buyline (SFW Capital Partners)	Provides health care analytics and supply chain intelligence to healthcare providers and vendors
8/4/2014	US Physical Therapy Inc. (NYSE:USPH)	Three Clinic Physical Therapy Practice	Operator of three physical therapy clinics
8/4/2014	RCM Acquisition, Inc.	Himagine Solutions, Inc.	Provides staffing, consulting, outsourcing, and medical coding services for health information technology, health information management, and revenue life cycle improvement
8/4/2014	Advanced Home Care, Inc.	Central Georgia Health Systems, Inc.	Owns and operates medical healthcare facilities
8/4/2014	PIVOT Physical Therapy	Maryland SportsCare & Rehab; Professional Physical Therapy & SportsCare; Southern Delaware Physical Therapy; Littlestown Physical Therapy & SportsCare	Provides physical therapy, occupational therapy, aquatic therapy and sports medicine therapy services
8/1/2014	PharMerica Corporation (NYSE:PMC)	Rx Advantage, Inc.	Prescription benefit management company providing pharmacy benefit management services to its plan sponsors and plan members
8/1/2014	PopHealthCare	Educerus Health, LLC	Clinical services organization providing targeted risk adjustment solutions to the Medicare Advantage industry
8/1/2014	Generational Equity, LLC	Caregiver Services, Inc.	Provides caregivers and caregiving services to hospitals, nursing homes, assisted and independent living facilities, hospice care facilities and home health agencies in Florida and Tennessee

Source: Capital IQ



Date Announced	Acquirer	Target	Target Description
7/25/2014	OneBlood, Inc.	The Institute for Transfusion Medicine Inc.	Specializing in transfusion medicine and related services
7/25/2014	CommuniCare Health Services, Inc.	Wood Glen Alzheimer's Community and Riverside Healthcare Center	Nursing home care centers located in Dayton, Ohio and Missoula, Montana
7/24/2014	Omega Healthcare Investors Inc. (NYSE:OHI)	Skilled Nursing Facilities in Georgia and South Carolina	Skilled nursing facilities in Georgia and South Carolina comprises nursing care facilities with a total of 213 beds
7/22/2014	Tenet Healthcare (NYSE: THC)	Carondelet Health Network	Operates as a non-profit healthcare system in Arizona
7/22/2014	Integrated Dermatology Group	Integrated Dermatology of Groton, LLC	Dermatology practice in Groton, Connecticut
7/22/2014	Carle Foundation Hospital	Presence United Samaritans Medical Center	Comprehensive medical center providing quality health care to Danville, Illinois and surrounding communities
7/18/2014	Sound Inpatient Physicians, Inc.	Inpatient Specialists Medical Group, Inc.	Provides consultation to hospitals or physician groups to assist with the processes from concept to implementation
7/18/2014	Surgical Care Affiliates, Inc. (NasdaqGS:SCAI)	Surgical Specialty Hospital of Arizona, LLC	Owns and operates a surgical specialty hospital for inpatient and outpatient procedures in Arizona
7/18/2014	Formation Capital, L.L.C.; SAFANAD Limited	Fourteen Skilled Nursing Facilities in the Mid-Atlantic Region	Fourteen skilled nursing facilities in the Mid-Atlantic region
7/17/2014	Ares Private Equity Group	National Veterinary Associates, Inc.	Owns and operates various veterinary hospitals for pets throughout the United States
7/16/2014	Illumina Inc. (NasdaqGS:ILMN)	Myraqa, Inc.	Offers in vitro diagnostic and companion diagnostic consulting services
7/16/2014	United Surgical Partners International Inc.; Mercy Health Services-Iowa, Corp.	Siouxland Surgery Center Limited Liability Partnership	Specialty hospital for same-day surgical patients and patients requiring extended surgical hospital care
7/15/2014	LHC Group, Inc. (NasdaqGS:LHCG)	Life Care Home Health, Inc.	Provider of home health services in Tennessee
7/15/2014	Sports Physical Therapy of New York, PC	Championship Physical Therapy, PC	Provider of physical therapy services in New York
7/15/2014	Cornerstone Healthcare, Inc.	Namaste Care Group, LLC	Provides nursing, hospice aide, palliative care, social work, chaplain, and volunteer services for patients at their homes, assisted living facilities, nursing homes, residential care and other patients' locations
7/15/2014	Lake Region Healthcare Corporation	The Barnesville Area Clinic, Inc.	Provider of primary care services in Minnesota
7/14/2014	Advanced Dermatology & Cosmetic Surgery Inc.	Steven K. Grekin, D.O., P.C.	Dermatology practice in Wyandotte, Michigan
7/11/2014	Source One Healthcare Professionals, Inc.	Metz&Baum Healthcare Professionals	Offers healthcare staffing services in Dallas-Fort Worth and throughout North Texas
7/9/2014	BiologicTx, Inc.	Injectable Therapy Services, Inc.	Offers solid organ transplant and other specialty pharmacy services nationally, including biologic, oral and outpatient therapies through their infusion center as well as the patient's home
7/8/2014	Resolute Anesthesia and Pain Solutions, LLC	Perth Amboy Anesthesiology. P.C. and St. Lucie Anesthesia Associates, LLC	Two provider of anesthesia services at Raritan Bay Medical Center, St. Lucie's Medical, six ambulatory care surgery centers, two ASC with locations in Perth Amboy and Old Bridge, New Jersey and Port St. Lucie, Florida
7/8/2014	Tenet Healthcare (NYSE: THC)	Saint Mary's Health System Inc.	Offers healthcare services and operates various healthcare facilities throughout the United States
7/8/2014	Accountable Healthcare Staffing, LLC	MedAscend LLC	Offers medical staffing services in various medical specialties
7/8/2014	ProMedica	Mercy Memorial Hospital System	Provides inpatient and outpatient healthcare services in Michigan
7/7/2014	The Ensign Group, Inc. (NasdaqGS:ENSG)	Beacon Hill Healthcare, Inc.	Operator of a 67-bed nursing facility in Longview, Washington
7/7/2014	@Home Care	Senior Solutions Home Care	Nursing home care center located in Tampa, Florida
7/3/2014	Graham Holdings Company (NYSE: GHC)	Residential Home Health	Provides home nursing and physical therapy services in Michigan and Illinois
7/1/2014	U.S. Healthworks, Inc.	Choice Care Occupational Medicine, L.L.C.	Operator of five occupational and orthopedic clinics in Atlanta, Georgia
7/1/2014	Amerita, Inc.	Altius Healthcare	Offers pharmacy and nursing services for infusion therapy outside the hospital throughout Arizona

Source: Capital IQ



Date Announced	Acquirer	Target	Target Description
7/1/2014	Trihealth, Inc.	Tristate Orthopedic Treatment Center, Inc.	Operator of a chain of healthcare centers that provide surgical and non-surgical care for injuries, deformities and diseases of bones, joints, spine, muscles, and ligaments
7/1/2014	Dynamic Dental Partners Group	Celebrity Smiles Dental Care; Comfortable Care Dental; Restore The Harmony	The combined operations of Dr. Angel Reyes, provides dental care services in Florida
7/1/2014	Amerita, Inc.	Altius Healthcare	Provides pharmacy and nursing services for infusion therapy outside the hospital
7/1/2014	Tryko Partners, LLC	Rock Glen Healthcare, Inc.	Provides short term treatment and long term care services to residents in Baltimore, Maryland and surrounding areas

Market Insights— Select Private Placements

Date Announced	Acquirer	Target	Target Description	Funding
9/29/2014	Noro-Mosley Partners, Vocap Investment Partners	Array Health	Provider of private insurance exchange technology Undisclosed	\$13 Million
9/26/2014	Canada Pension Plan Investment Board	21 Century Oncology (Vestar Capital)	Operates radiation treatment centers Undisclosed	\$325 Million
9/24/2014	Martin Ventures, Merk, Grotech Ventures, Harbert Venture Partners, 7Wire Ventures, Blue Heron Capital	WiserTogether	Healthcare treatment software provider Series B	\$9 Million
9/23/2014	Jafo Ventures, Flag Capital, Greenspring Associates, Mellon, QuestMark Partners, Cardinal Partners, HLM Venture Partners, Kleiner Perkins, New Capital Partners, Trident	Teladoc	Provider of telehealth solutions Undisclosed	\$50 Million
9/22/2014	Xiaomi Ventures (QUALCOMM)	iHealth	Provider of mobile health care products Strategic Funding	\$25 Million
9/16/2014	Goldman Sachs Group, Pamplona Capital Management, Cardinal Partners, Health Enterprise Partners, Morgan Noble Healthcare Partners	Privia Health	Physician practice management and population health technology company Undisclosed	\$400 Million
9/11/2014	General Catalyst Partners	Livongo Health	Operates a consumer digital health platform Series A	\$10 Million
9/4/2014	Spring Mountain Capital	Activate Healthcare	Next generation workplace health clinics Growth Equity	Undisclosed
8/26/2014	Gary and Mary West Health Investment Fund (lead), Sequoia Capital, Welcome Trust, Leerink Partners, HCA, Qualcomm	AirStrip	Provider of mobile healthcare applications that drive clinical transformation Strategic Funding	\$25 Million
8/20/2014	MeriTech Capital Partners, OrbiMed Advisors, NeoMed, Fjord Ventures, SEB Asset Management	Sonendo	Provider of root canal therapy services Growth Equity	\$35 Million
8/12/2014	ABC Capital Partners	Bravo Wellness	Provider of innovative outcomes-based wellness programs Series A	\$22 Million

Source: Capital IQ

Date Announced	Acquirer Target Transaction Details	Funding
8/6/2014	Venrock, Shasta Ventures Doctor On Demand Telemedicine company that facilitates quick video consultations with physicians Series A	\$21 Million
7/24/2014	Unidentified Investor VantagePoint Laboratory Partners, LLC Medical laboratory testing company providing esoteric and clinical test services in the United States. Membership units in Company	\$20 million
7/21/2014	Unidentified Investor IHC Group, Inc. Operates as a health maintenance organization. Undisclosed	Undisclosed
7/18/2014	Unidentified Investor Activate Healthcare, LLC Provides healthcare staffing and workforce solutions Membership units in Company	\$5.6 million
7/18/2014	Two Unidentified Investors NextCare, Inc. Urgent care operator in Arizona, Colorado, North Carolina, Ohio, Oklahoma, Texas, and Virginia Undisclosed	\$10 million
7/17/2014	Seacoast Capital Walden Behavioral Care, LLC Operates hospitals for treating patients with eating and psychiatric disorders in Massachusetts. Undisclosed	Undisclosed
7/16/2014	Unidentified Investor Informed Medical Decisions, Inc. Provides genetic counseling for cancer, hereditary conditions and other family health history concerns. Undisclosed	\$5 million
7/8/2014	Endeavour Capital, Inc. Zoom Care, P.C. Operates clinics in Oregon, Washington, and Idaho providing non-appointment healthcare across a range of specialties. Minority Investment	Undisclosed
7/1/2014	Multiple Investors Integrated Physicians Management Services, Inc. Offers medical billing and collections services. Announced that it will raise \$5.94 million in a round of funding. The minimum investment accepted from any outside investor is \$33,750 (actual). To date, the company has raised \$3,645,000 in first tranche from 37 investors	\$5.94 million

Source: Capital IQ



IPO

Filing Date	Offer Date	Issuer		Shares	Price per Share	Gross Offering
		Issuer Description	Transaction			
9/19/2014	TBA	The Joint Corp.	Franchisor of chiropractic clinics with 215 locations in 25 states. The Joint Corp. intends to use the proceeds from the offering to develop new company-owned clinics and to acquire existing franchisees and select regional developer licenses.	3 million	\$9 - \$11	\$33 million
7/11/2014	10/1/2014	AAC Holdings	Provides substance abuse treatment services and behavioral health services. AAC Holdings intends to use the proceeds for general corporate purposes, repayment of debt and acquisitions	5 million	\$15	\$75 million
12/20/2013	7/22/2014	Medical Transcription Billing	The Company provides web-based electronic medical records, practice management and eHealth solutions. MTBC intends to use the proceeds of this offering to fund the cash portion and associated fees of acquisitions.	4.1 million	\$5	\$20.4 million
6/10/2014	7/30/2014	HealthEquity	The Company provides a range of solutions for managing health care accounts. HealthEquity intends to use part the proceeds to pay dividends.	9.1 million	\$14	\$127.4 million
5/27/2014	9/16/2014	Civitas Solutions	The Company provides healthcare services to individuals with special needs. Civitas Solutions intends to use the proceeds to redeem all of the \$212 million in senior notes issued by NMHL.	11.7 million	\$17	198.9 million

Fixed-Income

Filing Date	Offer Date	Issuer		Coupon Rate	Principal Amount	Maturity Date	Net Proceeds
		Issuer Description	Transaction				
9/24/2014	9/24/2014	Tenet Healthcare	The Company provides healthcare services through its network of hospitals and affiliated physicians. General corporate purposes, repayment of debt, acquisitions.	5.5%	\$500 million	2019	\$500 million
9/17/2014	9/25/2014	Community Health Systems	The Company owns, leases and operates acute care hospitals in the US. Community Health Systems is offering to exchange \$1 billion of registered 5.125% senior secured notes due 2021 for \$1 billion of unregistered 5.125% senior secured notes due 2021, and \$3 billion of registered 6.875% senior notes due 2022 for \$3 billion of unregistered 6.875% senior notes due 2022.	Various	\$4 billion	2021/2022	\$4 billion
9/16/2014	9/16/2014	Humana	The Company offers a range of insurance products, and health and wellness services. Humana intends to use the proceeds for general corporate purposes, repayment of debt, repurchase/redemption of securities.	4.95%	\$750 million	2044	\$746.4 million
9/4/2014	9/4/2014	HealthSouth	The Company owns and operates inpatient rehabilitation hospitals in the US. HealthSouth intends to use the proceeds for repayment outstanding principle of existing 7.25% senior notes due 2018.	5.75%	\$175 million	2024	\$178.3 million
8/7/2014	8/7/2014	WellPoint Inc.	Offers a spectrum of network-based managed care health benefit plans to large and small employer, individual, Medicaid, and senior markets Offering notes due 2019, 2024, 2044 and 2054 to repay or redeem all of 5.000% notes due 2014 and to redeem or otherwise repurchase all or a portion of 5.250% notes due 2016.	Various	\$2.7 billion	Various	\$2.7 billion
7/29/2014	7/29/2014	Universal Health Services	Owns and operates acute care hospitals, behavioral health centers, surgical hospitals, ambulatory surgery centers, and radiation oncology centers. Concurrently offered two \$300 million aggregate principal amount of 3.750% & 4.750% Senior Secured Notes due 2019 and 2022, respectively.	Various	\$600 million	2019/2022	\$600 million
7/11/2014	9/19/2014	LifePoint Hospitals	Operates general acute care hospitals in non-urban communities in the US. LifePoint is offered \$1.1 billion of unregistered 5.5% senior notes due 2021, for \$1.1 billion registered 5.5% senior notes due 2021.	5.5%	\$1.1 billion	2021.00	\$1.1 billion

Follow-On

Filing Date	Offer Date	Issuer		Shares	Price per Share	Gross Offering
		Issuer Description	Transaction			
9/8/2014	9/9/2014	Brookdale Senior Living	The Company owns and operates senior living communities. Brookdale Senior Living intends to use the proceeds for general corporate purposes and repayment of debt	9 million	\$33.50	\$300 million
6/25/2014	7/10/2014	Envision Healthcare Holdings	The Company provides physician-led, outsourced medical services.	27.5 million	\$34.00	\$935 million

Source: Capital IQ



Filing Date	Offer Date	Issuer Description Transaction	Shares	Price per Share	Gross Offering
9/23/2014	9/23/2014	Envision Healthcare Provider of physician-led, outsourced medical services Clayton, Dubilier & Rice divested equity position	17.5 Million	Undisclosed	NA
9/19/2014	9/19/2014	BioScrip Provider of home infusion and other home care services and pharmacy benefit management Filing pursuant to amended and restated 2008 equity incentive plan	2.5 Million	\$7.82	\$19.6 Million
9/16/2014	9/16/2014	Civitas Solutions Provider of home and community based health and human services Filing pursuant to 2014 stock incentive plan	3.3 Million	\$17	\$56.5 Million
8/28/2014	8/28/2014	MedBox Provider of healthcare logistics for procurement, inventory management, delivery and sourcing Filing pursuant to 2014 equity incentive plan	2 Million	\$10.80	\$21.6 Million
8/6/2014	8/6/2014	The Ensign Group Provider of skilled nursing and rehabilitative care services Undisclosed	2.1 Million	\$33.53	\$69.4 Million
8/1/2014	8/1/2014	Community Health Systems Provider of general and specialized hospital healthcare services Filing pursuant to 2009 stock option and award plan	4 Million	\$47.70	\$190.8 Million
7/31/2014	7/31/2014	Kindred Healthcare Provider of hospital, nursing, rehabilitation and care management healthcare services Filing pursuant to amended and restated 2011 incentive plan	2.7 Million	\$24.25	\$65.5 Million
7/31/2014	7/31/2014	HealthEquity Provider of solutions for the managing health care accounts to health plans, insurance companies and third-party administrators Filing pursuant to various equity incentive plans	7.3 Million	\$14	\$101.5 Million
7/30/2014	7/30/2014	Centene Corporation Provider of managed care and specialty services healthcare programs Filing pursuant to 2012 stock incentive plan	1.9 Million	\$74.78	\$144.7 Million
7/29/2014	7/29/2014	Aetna Provider of healthcare benefits through insurance and pension programs Filing pursuant to 2010 stock incentive plan	5.3 Million	\$84.82	\$448.4 Million
7/29/2014	7/29/2014	Brookdale Senior Living Owns and operates senior living communities Filing pursuant to stock incentive plan	7.4 Million	\$35.72	\$264.3 Million
7/25/2014	7/25/2014	HCA Holdings Owns, operates and manages hospitals, freestanding surgery centers, rehabilitation centers and various other facilities Filing pursuant to employee stock purchase plan	12 Million	\$61.50	\$738 Million
7/15/2014	7/15/2014	Amsurg The Company acquires, develops and operates ambulatory surgery centers Filing pursuant to 2014 equity and incentive plan	2.1 Million	\$47.24	\$98.8 Million
7/14/2014	7/14/2014	USMD Holdings Early-stage physician-led integrated health system Filing pursuant to 2010 compensation and deferred salary plans	1.7 Million	\$10.36	\$17.2 Million
7/2/2014	7/2/2014	Centene Corporation Provider of managed care and specialty services healthcare programs Pursuant to the resale of common stock by undisclosed shareholders	0.7 Million	\$77.89	\$58.1 Million

Source: Capital IQ



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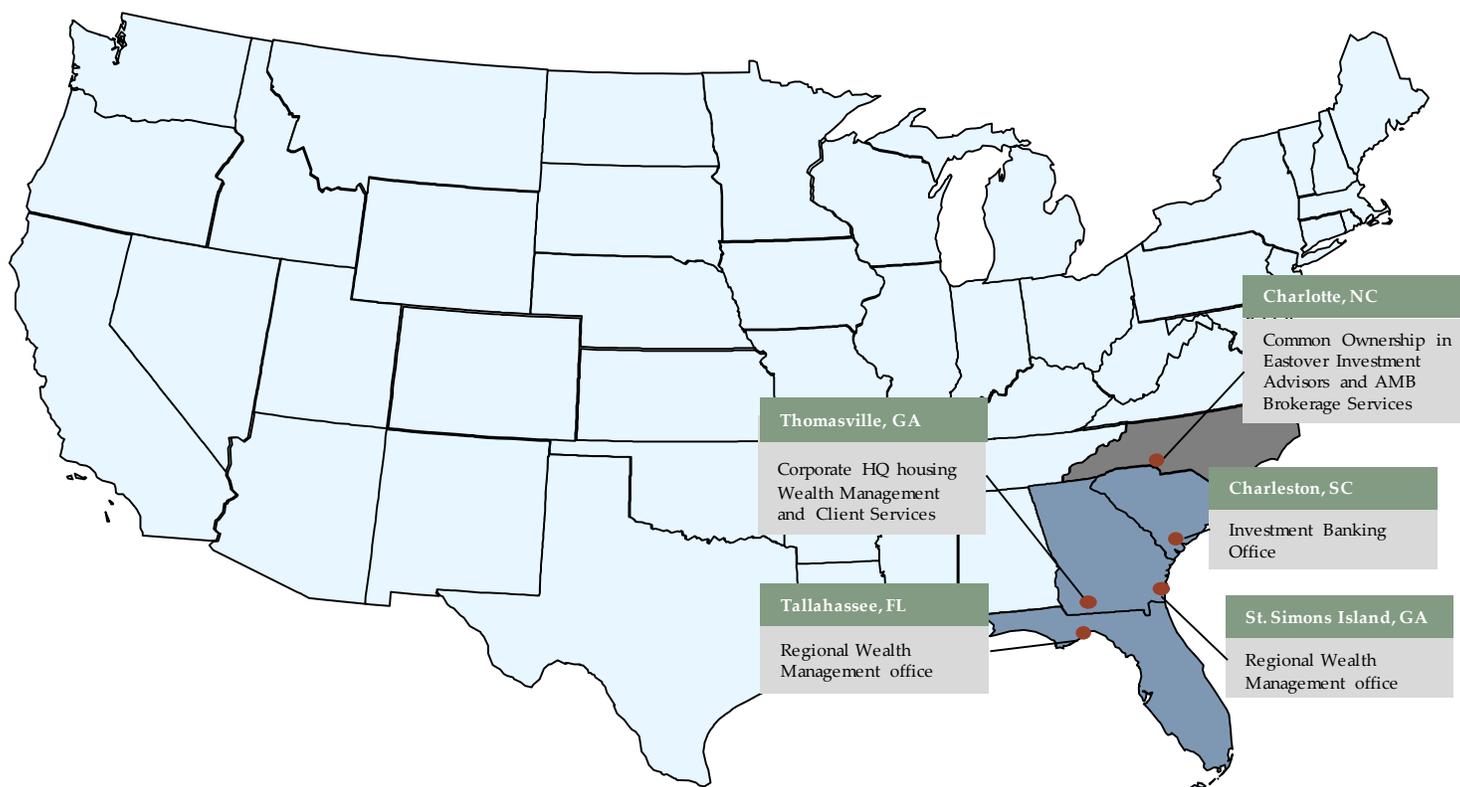
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