amb | investment banking

Weekly Newsletter

February 2nd, 2026

AMB | Investment Banking
677 King Street, Suite 410 | Charleston, SC 29403
www.ambwealth.com

Market Updates

[Health insurers brace for impact in 2026]
The health insurance industry has had a tough few years. But 2026 is poised to be a reset period, where efforts from insurers to stabilize their finances, operations and public images could start to bear fruit, experts said. Margins should begin to improve this year, thanks to reimbursement hikes and payers rejiggering their plans to make them more profitable. Medicare Advantage profits in particular should tick up, offsetting some ongoing volatility in the Affordable Care Act and in Medicaid, experts predict. Still, managed care companies have a ways to go to recover flagging profits, after margins last year hit their lowest point in two decades.

Op-ed: CMS has the opportunity to improve public health data reporting
Quality data is critical to informing public health actions. The Centers for Medicare & Medicaid Services (CMS), the nation's largest health care payer, drives much of this data exchange by giving hospitals and clinicians incentives to electronically send health and disease information to public health agencies. But surprisingly, the quality, timeliness and comprehensiveness of this critical information is largely unknown.

ACA enrollment backslides to 23 million in 2026
Almost 23 million Americans signed up for health insurance coverage on the Affordable Care Act exchanges this year, the CMS said on Wednesday. That's down 5% from last year's record high, but not the nosedive some market watchers predicted given steep premium increases for ACA plans. Some 3.4 million people are new to the marketplaces, while 19.6 million already had ACA coverage and re-enrolled. Enrollment trends differ across the country. Much of the volume was driven by Texas alone.

Healthcare Operators

CHS to sell 5 hospitals for more than $1 billion
Franklin, Tenn.-based Community Health Systems is continuing its portfolio reshaping strategy, with active plans to divest five hospitals across Alabama, Pennsylvania and Tennessee. CHS ended 2025 with its lowest debt levels in more than a decade and generated positive adjusted free cash flow on a 12-month basis for the first time since mid-2022, according to Executive Vice President and CFO Jason Johnson. "Many of the hospitals we've divested didn't fit into our strategy," CHS CEO told Becker's. "Refocusing has allowed us to hone in on our core markets, where we have the full continuum of care and can truly leverage our scale."

Digital health: Sword Health acquires Kaia Health expanding reach to 100 million people
Sword Health, the world's leading AI Health company, today announced the acquisition of Kaia Health, a digital health company focused on musculoskeletal (MSK) and pulmonary care, in a deal valued at $285 million. The acquisition reinforces Sword's position as the fastest-growing AI Care platform in the world, expanding its ability to deliver high-quality, scalable care to new populations in the US while entering the German market.

Spring Health joins forces with Alma, expanding access to precision mental health care
Spring Health, a leading global mental health platform for employers and health plans, today announced it has entered into an agreement to acquire Alma, a membership-based platform that helps independent mental health clinicians accept insurance and build thriving private practices. With Alma, Spring Health can extend the reach of its advanced AI-enabled capabilities. The acquisition is expected to close in Q2 of 2026, subject to customary closing conditions.

Healthcare Legislative and Legal Updates

Senate passes government spending package, including healthcare funding
The Senate on Friday passed legislation that would fund most government departments through the end of September, including the Department of Health and Human Services. The stalled funding package includes $116.6 billion in discretionary funding for the HHS. It also includes several healthcare extenders, among which are extensions of telehealth waivers and virtual care programs, as well as major supplementary funding programs for rural hospitals and those with high proportions of government-covered patients. Other extenders outline policy changes intended to boost transparency and oversight of pharmacy benefit managers

Labor Department proposes rule to force greater PBM transparency
The Department of Labor has issued a proposed rule that aims to inject additional transparency in pharmacy benefit manager relationships. Under the rule, PBMs would be required to disclose key information, such as rebates and other payments from drug companies, to these fiduciaries for the first time. In addition, PBMs must provide details on any compensation they receive if the plan pays more for a drug than was reimbursed to the pharmacy, and any payments they recoup from pharmacies on prescriptions.

CMS finalizes rule cracking down on Medicaid provider taxes
The CMS on Thursday finalized a rule cracking down on provider taxes that critics argue states use to unfairly inflate their federal Medicaid reimbursement. The regulation, first proposed in May, prohibits states from levying higher tax rates on healthcare providers and managed care companies participating in the safety-net program. It also bans strategies that states use to disguise the taxes, such as "vague language or complex designs," the CMS said.

Transactions Overview

Select M&A Transactions from 01/26/2026 to 02/01/2026

Date	Target	Buyer/Investor	Description	Status	Healthcare Vertical
01/28/2026	Kaia Health	Sword Health	Operator of a digital health company focused on musculoskeletal (MSK) and pulmonary care	Closed	Digital Health
01/28/2026	Crossover Health / Premise Health	Crossover Health / Premise Health	Providers of comprehensive Advanced Primary Health and Occupational Medicine services for employers, unions, tribes, and health plans.	Announced	HS: Employer | Self Insured Services
01/28/2026	Spring Health / Alma	Spring Health / Alma	Operators of mental health platforms, serving mental health providers, employers and health plans.	Announced	Digital Health: Behavioral
01/28/2026	National Radiology Solutions	Premier Radiology Services	Provider of diagnostic imaging and teleradiology services for outpatient healthcare organizations including imaging centers, urgent care facilities, and hospital outpatient departments.	Closed	HS: Imaging
01/27/2026	Diligent Robotics	Serve Robotics (NAS: SERV)	Developer of AI-based robotic assistants that support healthcare workers with routine tasks to allow more time for direct patient care.	Closed	HCIT: Provider Focused Solutions
01/27/2026	InteropX	Onyx Technology	Developer of an EHR-agnostic data and interoperability platform that aggregates health data into actionable insights for business and clinical decisions.	Closed	HCIT: Provider Focused Solutions
01/27/2026	Precision Stability Storage	Astoriom	Provider of off-site stability storage services with environmental and humidity control for temperature-sensitive pharmaceutical products.	Closed	Storage and Logistics
01/27/2026	Rebound Health	NOCD	Developer of a mobile treatment platform providing accessible therapy for trauma and PTSD through symptom tracking, psychoeducation, and exposure therapy.	Closed	Digital Health: Behavioral
01/27/2026	TBD Health	Wisp	Developer of a sexual health platform offering STD/STI testing, PrEP, contraceptive care, and telehealth consultations through at-home tests and clinic services.	Closed	Digital Health: Sexual Wellness

Based on publicly available information
The transactions featured in this week's newsletter represent a collection of notable deals, and unless stated otherwise, ambwealth was not involved in these transactions.

AMB at a Glance

AMB focuses on healthcare niches where consumerism and fragmentation meet to disrupt traditional healthcare channels. We are currently most active in the following segments:

Physician Practice Management
Physician Groups (i.e., Urology, Orthopedics, Podiatry), Practice Management Companies, At-Risk Providers

Health and Wellness
Addiction, Behavioral Health, Weight Management, Health and Beauty

Pharma Services
Regulatory, Medical Affairs, CROs, Pharmacovigilance, Marketing and Communications, Education, Contract development, Bioanalytics

Multisite Healthcare
Urgent Care, Primary Care Providers (PCP), Dental Support Organizations, Vision Services, Dermatology, and Related Retail Operators

Population Health
At-Risk Providers, Managed Care, Chronic Care Management, Social Determinants

HCIT
EMR & Practice Management, Revenue Cycle Management, Telehealth

Animal Health
Veterinary Services, Technology

Radiology
Physician Groups, Imaging Centers, Technology

Research

New sector insights each month

For our recent sector insights, click below

Learn More

AMB
Investment Bank
229-225-1500
info@ambwealth.com

AMB Investment Banking | Key Contacts

Ryan Loehr, Managing Director
843-405-1108
ryan.loehr@ambadvisors.com

Mikel Parker, Managing Director
843-501-2183
mikel.parker@ambadvisors.com

Johnny Cross, Vice President
843-371-8596
johnny.cross@ambadvisors.com