



Investment Banking Weekly Newsletter

Market Updates

[How much health insurers pay for almost everything is about to go public](#)

As of July 1, health insurers and self-insured employers must post on websites just about every price they've negotiated with providers for healthcare services, item by item. About the only thing excluded are the prices paid for prescription drugs, except those administered in hospitals or doctors' offices. The federally required data release could affect future prices or even how employers contract for healthcare. Many will see for the first time how well their insurers are doing compared with others.

[With Cerebral in the spotlight, DOJ, regulators to ramp up scrutiny of telehealth startups, former prosecutor says](#)

The Department of Justice (DOJ) was ramping up its focus on telehealth companies and prescribing practices for controlled substances. The agency's recently launched investigation into mental health startup Cerebral represents a perfect storm of these two enforcement areas, according to a former federal prosecutor. And the DOJ likely won't stop there.

[Aetna rolls back prior authorization requirement for cataract surgery](#)

Aetna is no longer requiring prior authorization for cataract surgeries, a controversial policy the payer adopted a year ago, according to a new provider notice. Aetna is also rolling back prior authorization requirements for video EEGs and home infusion for some drugs. It's adding two new-to-market drugs to the precertification list. The payer said in a statement that it came to its decision after analyzing real-time data from the year the requirement was in place.

Healthcare Operators

[Francisco Partners Completes Acquisition of IBM's Healthcare Data and Analytics Assets; Launches Healthcare Data Company Merative](#)

Francisco Partners announced that it has completed the acquisition of healthcare data and analytics assets that were part of IBM's (NYSE: IBM) Watson Health business, previously announced in January. Under the ownership of Francisco Partners, the new standalone company will be called Merative and will be headquartered in Ann Arbor, Michigan. Merative brings together market-leading offerings that deliver value across the global healthcare ecosystem, serving clients in life sciences, provider, imaging, health plan, employer, and government health and human services sectors.

[Enhabit Home Health & Hospice Completes Spin-off from Encompass Health](#)

Enhabit Home Health & Hospice, a leading national home health and hospice provider, today announces it is now an independent, publicly traded company following the completion of its spin-off from Encompass Health Corporation. Enhabit will begin trading regular way on the New York Stock Exchange this morning, July 1, 2022, under the ticker symbol "EHAB."

[Evolent Health To Acquire IPG](#)

Evolent Health, Inc. (NYSE: EVH) today announced that it has entered into a definitive agreement to acquire IPG, a leading technology and services company providing surgical management solutions for musculoskeletal conditions, from TPG Growth for \$375 million plus additional contingent consideration of up to \$87 million. Upon close the IPG team and platform will be integrated into New Century Health.

[Jobs marketplace Nomad Health nabs \\$105M to help staff hospital tech, physical therapist roles](#)

Nomad Health clinched \$105 million in new financing to expand its online healthcare jobs marketplace to new clinical specialties as the staffing crisis reaches a new high. The startup is going beyond traveling nurses to include lab techs, physical therapists and ultrasound technicians. The latest raise was co-led by Adams Street Partners and Icon Ventures.

Healthcare Legislative and Regulatory Updates

[CMS rolls out new payment model on improving cancer treatments](#)

The Biden administration rolled out a new payment model aimed at improving equity and care coordination for cancer treatments. The Centers for Medicare & Medicaid Services (CMS) announced Monday the Enhancing Oncology Model, a successor to the Oncology Care Model that ends in a few days. The new voluntary model will start in July 2023 and run through 2028.

[HHS buys up 105M Pfizer COVID-19 vaccine doses for fall campaign amid money crunch](#)

The Department of Health and Human Services (HHS) reached a \$3.2 billion deal with Pfizer to purchase 105 million doses of its COVID-19 vaccine in preparation for a fall campaign. The announcement late Wednesday comes as the Biden administration continues to search for dollars to save its place in line to buy vaccines for the fall as a \$10 billion relief package remains stalled in Congress.

[CMS proposal details how to become new rural hospital designation](#)

The Biden administration released a proposed rule that grants more regulatory flexibility for small, rural hospitals in a bid to curb a worrying trend of facility closures. The Centers for Medicare and Medicaid Services' proposed rule released Thursday outlines the conditions of participation for a facility to become a Rural Emergency Hospital, which enables a facility to offer emergency care, observation and other outpatient services.

Transactions Overview

M&A Transactions from 06/27/2022 to 07/05/2022

Date	Target	Buyer/Investor	Description	Status
7/1/2022	Central Naugatuck Valley Help	McCall Center for Behavioral Health	Merger between providers of behavioral health services intended for individuals and families across western Connecticut	Closed
6/30/2022	Merative (Watson Health)	Francisco Partners, Sixth Street Partners, True Wind Capital	A portfolio of healthcare data and analytics assets intended for the health industry	Closed
6/30/2022	NextHealth Technologies	Softheon	Operator of a healthcare analytics AI-platform intended to reduce healthcare costs	Closed
6/30/2022	Vet's Best Friend	Rarebreed Veterinary Partners	Operator of veterinary practices focused on acquiring small animal general practice veterinary hospitals	Closed
6/30/2022	Meleleo	GHR Healthcare	Provider of healthcare advisory services focusing on staff augmentation, streamlining processes and mid-revenue cycle solutions and helping improve the overall health of a healthcare system's revenue cycle	Closed
6/29/2022	Acton (Chelsea)	HealthMark Group, Ridgemont Equity Partners, Saltoun Capital Partners, WSC & Company	Provider of the release of information (ROI) disclosure process services intended to improve workflow and the overall patient experience	Closed
6/29/2022	Hope Network (Neuro Rehabilitation Program)	NeuroRestorative	Provider of neuro-rehabilitation services based out of Michigan, United States	Announced
6/29/2022	IPG	Evolent Health (NYS: EVH)	Technology and services company providing surgical management solutions for musculoskeletal conditions	Announced
6/29/2022	Mercury Healthcare	WebMD Health	Developer of a health system technology and data platform designed to build a connected consumer experience across all physical and digital access points	Closed
6/29/2022	Suny Downstate	The Allure Group	Operator of a medical center intended to improve people's lives. The company offers patient care and education and training for healthcare professionals, advancing research in biomedical science, health care and public health	Closed
6/29/2022	Memomi	Walmart (NYS: WMT)	Provider of technology to enhance virtual optical try-on experiences, helping customers virtually "try on" eyewear in real-time	Announced
6/28/2022	Centrelake Imaging & Oncology	Rezolut Medical Imaging, Sunny River Management	Provider of digital radiology based in Ontario, California	Announced
6/28/2022	Tivity Health (NAS: TVTY)	Stone Point Capital	Tivity Health Inc is a provider of fitness, nutrition, and social connection solutions	Closed
6/27/2022	Goodemote Physical Therapy	Capital Area Physical Therapy and Wellness	Provider of physical therapy services intended to identify the most effective treatments that impact the client's specific condition	Closed
6/27/2022	Helena Dermatology	Epiphany Dermatology	Provider of dermatology services based in Helena, Montana	Closed

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:



Research

New sector insights each month

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Gordon A. Maner
Chief Executive Officer
843-405-1106 Direct
gordon.maner@ambwealth.com

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

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

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

Mike Nisbet
Associate
843-308-1198 Direct
mike.nisbet@ambadvisors.com

Allen Mooney Barnes | Investment Banking

171 Church Street, Suite 140 | Charleston, SC 29401
www.ambwealth.com

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