



Investment Banking Weekly Newsletter

Market Updates

[Inflation-dogged health systems confident payers will concede higher rates in 2023 contract negotiations](#)

Executives from some of the country's largest for-profit health systems say it's likely their organizations will be able to pass rising cost pressures along to commercial insurers during the next round of contract negotiations. Speaking to investors during earnings calls this past week, the hospital chains each reported limited non-COVID volumes, supply chain interruptions and pricey contract labor rates that are expected to persist through the end of the year.

[Major payers including Aetna, UHC sign on to California primary care initiative](#)

Major payers and providers are joining forces in California to back advanced primary care. Six organizations in the state have signed a memorandum of understanding, agreeing to invest in boosting access to advanced primary care, a model that emphasizes whole-person care for high-quality outcomes. The goal is to strengthen primary care access in the Golden State by making it easier for practices to switch to a high-performing, value-based model.

[Dollar General eyes bigger presence in health care](#)

In what could be a competitive shot across the bow for drugstores, Dollar General has formed a committee to explore ways to expand its health care offerings. The discount store giant said yesterday that it has created the Healthcare Advisory Panel, a body of health care industry subject-matter experts who will serve as "thought partners" and strategists in helping Dollar General develop its strategy and best invest its resources in the health and wellness arena.

Healthcare Operators

[Inova Health System and GoHealth Urgent Care Partner to Rapidly Expand Access to On-Demand Care in Northern Virginia](#)

Inova Health System, Northern Virginia's leading non-profit healthcare provider, and GoHealth Urgent Care, one of the country's fastest growing, consumer-centric healthcare companies, today announced a new joint-venture to operate urgent care centers and support employers and communities across Northern Virginia. Seven existing Inova Urgent Care locations will transition to new Inova-GoHealth Urgent Care centers later this year, with many additional Inova-GoHealth Urgent Care centers planned to open over the next several years.

[Zipline, MultiCare partner for medical deliveries to hospitals, doctors by drone](#)

Zipline added MultiCare to its list of partners using drone delivery for medical shipments to hospitals, labs and doctors' offices. The partnership marks the state of Washington's first use of commercial drone delivery. Zipline's autonomous aircrafts will transport an array of medical supplies including lab samples, medications and test kits to facilities within the MultiCare network. In November, Zipline teed off a first-of-its-kind partnership with Intermountain Healthcare to deliver prescriptions and medical supplies to patients in the Salt Lake City metro area.

[3M Announces Plans to Create Long Term Value Through Spin-Off of Health Care Business](#)

3M (NYSE: MMM) announced its intent to spin off its Health Care business, resulting in two world-class public companies well positioned to pursue their respective growth plans. The New 3M will remain a leading global material science innovator serving customers across a range of industrial and consumer end markets, and Health Care will be a leading global diversified healthcare technology company focused on wound care, healthcare IT, oral care, and biopharma filtration.

[Caption Health and Heartbeat Health partner to provide unprecedented access to cardiac care](#)

Caption Health, the leader in providing services and AI to improve heart ultrasound access, and Heartbeat Health, the nation's largest Virtual Cardiology company, today announced a partnership that will enable providers to offer their patients earlier access to cardiovascular care than ever before possible.

Healthcare Legislative and Regulatory Updates

[House overwhelmingly passes key telehealth extension bill](#)

The House overwhelmingly passed legislation on late Wednesday that would extend key telehealth reimbursement flexibilities through the end of 2024. The chamber voted 416 to 12 to pass the Advancing Telehealth Beyond COVID-19 Act, sending the legislation to the Senate. If the legislation is signed into law, then key waivers that have been barriers to Medicare telehealth reimbursement will run through Dec. 2024.

[New York AG: CVS blocked safety-net hospitals from millions in 340B discounts](#)

New York's attorney general is suing CVS Health, alleging that the company prevented some safety net hospitals from receiving millions in 340B discounts. AG Letitia James' suit contends that the healthcare giant required safety net hospitals and clinics across the state to contract with one of its subsidiaries, Wellpartner, to obtain federal 340B subsidies on prescriptions filled at its pharmacies. The suit alleges that these business practices deprived hospitals of key funding they could have used to improve patient care.

Transactions Overview

M&A Transactions from 07/25/2022 to 08/01/2022

Date	Target	Buyer/Investor	Description	Status
7/28/2022	Action Physical Therapy and Rehabilitation	Athletico Physical Therapy, BDT Capital Partners	Provider of physical therapy services for orthopedic, sports injuries and post-surgical rehabilitation	Closed
7/28/2022	Crossroads Rehabilitation Physical and Occupational Therapy Services	Athletico Physical Therapy, BDT Capital Partners	Provider of physical therapy and rehabilitation service located in Tupelo, Mississippi	Closed
7/28/2022	MedKeeper	Becton, Dickinson and Company (NYS: BDX)	Developer of mobile and web-based software applications designed to improve efficiency and compliance in hospital pharmacy operations.	Closed
7/27/2022	MCM Solutions for Better Health	Great Point Partners, Valenz	Provider of managed care and population health management programs to meet the population health management needs	Closed
7/27/2022	NXC Imaging	Canon Medical Systems	Distributor of medical imaging equipment and software intended to serve the radiology and cardiology communities	Closed
7/27/2022	SyTrue	ClaimLogiq	Developer of system software specializing in storing and managing healthcare databases	Closed
7/27/2022	Inova Health System	GoHealth Urgent Care	Joint venture partnership between northern Virginia's leading non-profit healthcare provider and operator of 200+ urgent care locations nationwide	Closed
7/26/2022	Allyhealth	PES	Operator of a virtual care platform intended to offer people easy access to medical care	Closed
7/26/2022	Dr. Nutan Parikh	The Oncology Institute (NAS: TOI)	Provider of oncology healthcare services based out of Las Vegas, Nevada	Closed
7/26/2022	Galen Healthcare Solutions	Five Arrows Capital Partners, Five Arrows Principal Investments, Nordic Capital, RLDatix, Susquehanna Growth Equity, TA Associates Management	Provider of healthcare information technology services intended to partner with health systems, hospitals and specialty practices and offer professional and technical services	Closed
7/26/2022	Monte Nido & Affiliates	Revelstoke Capital Partners	Provider of treatment programs and services intended to serve adults and adolescents suffering from eating disorders	Closed
7/26/2022	Rockpointe	Clinical Education Alliance, Renovus Capital Partners, The Riverside Company	Operator of a science-based medical education company intended to provide certified educational services	Closed
7/26/2022	San Antonio Recovery Center	BayMark Health Services, BPEA Private Equity, Webster Equity Partners	Operator of an independent drug & alcohol treatment center based in San Antonio, Texas	Closed
7/25/2022	Nutrimey	Femtec Health	Developer of novel online wellness platform designed to focus on evidence-based clinical nutrition	Closed
7/25/2022	Elation Health	Ascension Ventures, Generation Investment Management	Developer of EMR software that connects patients to their in a health information network and help practice start, grow, communicate and succeed in delivering personalized care to patients, enabling primary care providers to uphold the craft of medicine, while thriving in an evolving healthcare landscape	Closed
7/25/2022	Everside Health	Endeavor Catalyst, New Enterprise Associates, Oak HC/FT, Alta Partners	Provider of primary care services, chronic condition management, mental health services, urgent care, occupational health and care coordination	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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