



Investment Banking Weekly Newsletter

Market Updates

[Most rural hospitals no longer deliver babies, report finds](#)

Fewer than half of rural hospitals in the U.S. still offer labor and delivery care and hundreds more may shutter services due to financial challenges, according to a new report from the policy firm Center for Healthcare Quality and Payment Reform.

The cost of providing care at rural hospitals can surpass reimbursement from payers — particularly private insurers — which pressures rural hospitals' rail-thin operating margins, according to the report.

[Autism one-stop shops improve patient care, but can't cover everything](#)

Many health services are designed for neurotypical people, which can make it difficult for people with autism and other neurodiverse conditions to access offerings. But more autism providers are looking to tackle this issue by integrating specialized medical care under their roofs. Creating a "one-stop shop" for autism treatment, including medical services for co-occurring conditions, could improve access to care and make for smoother experiences for patients as well as clinicians. However, some specialties may always need to be referred out.

[US outpaces other wealthy nations in cost-related care deferment, with wide gaps between income levels](#)

Another international survey has painted Americans' access to care in a poor light when compared to those living in other wealthy countries, particularly when looking at disparities in residents' income levels. Forty-six percent of surveyed U.S. adults with average or lower incomes said they had a cost-related reason for skipping medical care during the prior 12 months, well above the next-highest 34% of New Zealand or the 16% reported in the U.K., Netherlands, Germany, and France.

Healthcare Operators

[Tenet Healthcare selling 3 South Carolina hospitals to Novant Health for \\$2.4 billion cash](#)

Tenet Healthcare has cut a deal with Novant Health to sell off three South Carolina hospitals and their related operations for roughly \$2.4 billion. "Our three hospitals on the coast in South Carolina are well regarded by the communities they serve for the high-quality specialty services they deliver," Saum Sutaria, M.D., chairman and CEO of Tenet Healthcare, said in a release. "Novant is an innovative healthcare organization with a deep commitment to patient-centric care. Integration of these three hospitals into their network will bring benefits for generations to come."

[Humana's plans for value-based care, home health M&A](#)

Humana released its annual "Value-Based Care Report," which affirms why it has been crucial to the company's Medicare Advantage beneficiaries. Overall, MA members who are getting care through value-based arrangements received more time with their primary care physician. These individuals were also more likely to receive preventive care and have less hospitalizations. The company has roughly 5.8 million MA members. Its health care services arm, CenterWell, includes pharmacy, home health care and primary care.

[Amazon's One Medical partners with employer group for primary care](#)

Amazon's One Medical will serve as primary care provider for employers who participate in Health Transformation Alliance, the partners announced. The HTA is a cooperative of nearly 60 employers — including companies like Coca-Cola, American Express, Marriott, Boeing and JPMorgan — that aims to combine resources and develop value-based care tools to lower the cost of employees' care. The partnership marks the latest deal for the primary care chain, which also announced this week it would stand up new clinics in New Jersey through a partnership with Hackensack Meridian Health.

Healthcare Legislative and Legal Updates

[FTC blocks Tenet Healthcare, John Muir Health's California hospital deal](#)

The Federal Trade Commission has stepped in to block a California hospital deal it said will result in less competition and higher healthcare costs. Near the beginning of the year, nonprofit John Muir Health had unveiled a definitive agreement to purchase Tenet Healthcare's majority stake in San Ramon Regional Medical Center for \$142.5 million. John Muir Health has held a 49% interest in the hospital since 2013 and with the deal would be taking on full ownership and operation of the 123-bed facility.

[Lawsuit claims UnitedHealth AI wrongfully denies elderly extended care](#)

UnitedHealth Group Inc uses an artificial intelligence algorithm that systematically denies elderly patients' claims for extended care such as nursing facility stays, according to a proposed class action lawsuit. Ryan Clarkson, founder of the law firm representing the plaintiffs, said in an interview the class could include tens of thousands of people, and that claims for damages could reach billions of dollars. The lawsuit centers on an AI algorithm known as nH Predict developed by NaviHealth Inc, a company acquired by UnitedHealth in 2020.

[Biden administration finalizes rule requiring nursing homes disclose ownership](#)

Nursing homes that accept Medicare or Medicaid will be required to disclose their owners to the public and federal agencies, in a bid by the Biden administration to increase transparency in the industry, according to a final rule. The new regulation, first proposed in February, is in response to growing concerns about the role of private equity firms in the industry, according to the final rule. PE firms have been purchasing long-term care facilities at an increased rate since 2016, often to the detriment of patient care, according to the agency.

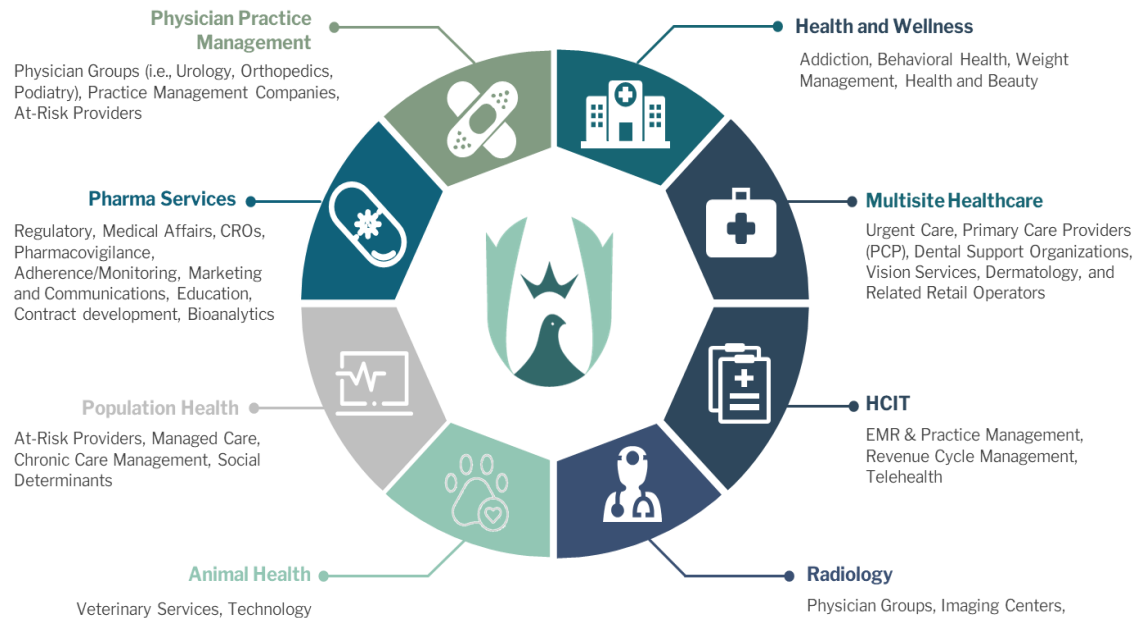
Transactions Overview

M&A Transactions from 11/13/2023 to 11/19/2023

Date	Target	Buyer/Investor	Description	Status	Healthcare Vertical
11/17/2023	Tenet Healthcare (Three SC Hospitals)	Novant	Provider of medical services intended to encourage community members to stay healthy and lead an active lifestyle.	Announced	Health Systems
11/16/2023	Davis Medical	Probo Medical, Avista Capital Partners	Distributor of heart monitoring equipment designed to keep people up to date on the latest medical device technologies.	Closed	Medical Devices
11/16/2023	Defining Wellness Centers	Fulcrum Equity Partners	Operator of medical detox, inpatient rehab and outpatient addiction treatment in Mississippi	Closed	Behavioral Health
11/16/2023	Cloudbreak Health	GTCR	Provider of language access and telehealth services intended to transform telehealth and humanize healthcare for patients and organizations.	Announced	Digital Health, IT, & Software
11/16/2023	PathologyWatch	Sonic Healthcare	Developer of a digital pathology platform designed to detect and characterize cancers from biopsy samples.	Closed	Digital Health, IT, & Software
11/16/2023	YouScript, subsidiary of Invitae (NYSE:NVTA)	Aranscia	Provider of comprehensive software services designed for safer, more targeted prescribing for health patients.	Closed	Digital Health, IT, & Software
11/15/2023	Minded	UpLift	Provider of comprehensive telepsychiatry services with specialized care for women	Closed	Digital Health, IT, & Software
11/14/2023	MD Imaging	Dignity Health Advanced Imaging	Provider of medical imaging services based in Redding, California.	Announced	Imaging
11/14/2023	Sitka	Environmental Science Associates	Developer of a telehealth platform intended to offer personalized one-on-one consultation on individual MRI results.	Closed	Digital Health, IT, & Software
11/13/2023	4ever Young Anti-aging Solutions	Highmount Madison	Provider of anti-aging treatment and medical spa services intended to offer health and wellness therapy.	Closed	MedSpa / Medical Aesthetics
11/13/2023	Eye Q Vision Center	Thomas Eye Group	Provider of eye care services based out of Georgia, United States.	Closed	Eye Care
11/13/2023	Tequesta Family Medical Center	Medical Specialists of the Palm Beaches	Provider of concierge medicine services based in Tequesta, Florida.	Closed	Multispecialty Group

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

For our recent sector insights, click below

[Learn More](#)

Select AMB Contacts:

Mikel Parker
Managing Director
678-524-6632 Cell
mikel.parker@ambadvisors.com

Ryan Loehr, CPA
Managing Director
706-394-9848 Cell
ryan.loehr@ambadvisors.com

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

Josh Hall
Analyst
317-750-8866 Cell
josh.hall@ambadvisors.com

Allen Mooney Barnes | Investment Banking

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

Securities Offered Through Allen Mooney & Barnes Brokerage Services, LLC (Member FINRA / SIPC)

