



amb

**INVESTMENT
BANKING**

Weekly Newsletter: September 3rd, 2024

Market Updates

[AI shows 'robust' success in identifying early-life Autism from EHR, background data](#)

Early diagnosis of autism is vital to improving outcomes and typically occurs around age 5 years. A new artificial intelligence system has now been shown to predict autism earlier in life by using minimal health information. Researchers used a machine learning model to correctly identify 79% of children with autism, according to a new study published in JAMA Network Open. The model, which analyzes easily obtainable information from medical records and background history, shows promise as a screening tool for children even younger than 2 years old.

[Tackling the Prior Authorization problem with innovative technologies](#)

Prior authorization (PA) is a balancing act designed to manage utilization on the one hand and ensure that patients receive necessary, cost-effective treatments on the other. In today's health care landscape, though, many providers view the traditional PA process as a necessary hurdle that often causes unnecessary care disruptions. PAs take physicians and their staff ~12 hours each week to complete, creating significant administrative burden.

[Why RCM is a top priority for healthtech investors](#)

Over the past 18 months, healthtech investment volume has decreased as investors have endured inflation, elevated interest rates and greater uncertainty. Healthtech investors have shifted their strategies during this span, prioritizing proven business models that have a "demonstrated track record of healthy liquidity and sustainable revenue and profit." Revenue cycle management is one of the six priority areas due to increased use of AI by payers which has led to more claims denials for health systems and clinicians.

Healthcare Operators

[State AGs greenlight Northwell, Nuvance merger](#)

Attorneys general from Connecticut and New York have given their blessing to a 28-hospital merger proposed by Northwell Health and Nuvance Health that would establish a roughly \$18 billion integrated health system. The two organizations contend that their combined strengths will help to advance the level of care for patients in New York and Connecticut, where, respectively, Northwell and Nuvance are headquartered. The new regional system will boast a network of 14,500 providers and more than 1,000 sites of care, including 28 hospitals.

[Accenture expands healthcare reach across Europe with latest consus.health deal](#)

Tech giant Accenture is set to supercharge its healthcare prowess with the acquisition of consus.health, a German consultancy. Terms were not disclosed, and the deal is pending customary closing conditions. Founded in 2012, consus.health serves more than 600 healthcare providers and hospitals. This move will bolster Accenture's digital transformation and managed services by integrating consus.health's expertise in medical strategy, patient management, and more.

[McKesson spending \\$2.5 billion for majority stake in Florida community oncology](#)

McKesson plans to grow its oncology platform by investing nearly \$2.5 billion into a community oncology clinic operator's business and administrative services arm. The deal sees McKesson picking up a 70% stake in Community Oncology Revitalization Enterprise Ventures, which was launched earlier this year. The Fort Myers, Florida-based institute is a group practice of more than 250 physicians, 280 advanced practice providers and almost 100 Florida locations that will remain independent following the deal's close.

Healthcare Legislative and Legal Updates

[Behavioral health providers push back against PE-focused M&A law](#)

Private equity-backed behavioral health companies are organizing to oppose additional dealmaking oversight in the health care hotbed of California. Since April, Assembly Bill 3129 has passed out of the California State Assembly and has succeeded in two committee votes in the California State Senate. The bill, if enacted, would require private equity or hedge funds to disclose acquisitions 90 days before they close and get permission from the state attorney general to do so. The new coalition of providers says that this proposed law jeopardizes the industry's ability to meet the crushing demand for behavioral health services.

[Healthcare employers must prepare for OSHA to release proposed workplace violence rule by year's end](#)

Federal workplace safety officials plan to release a proposed rule later this year aimed at preventing workplace violence in the healthcare industry, giving you time to prepare for the potential of increased compliance obligations and greater legal exposure. The OSHA will likely propose a new standard in December – which could potentially be finalized and take effect next year – requiring healthcare employers to implement written workplace violence prevention programs and other measures to protect their workers.

[HHS appeals ruling on hospital website tracking](#)

HHS has appealed a court ruling that disallowed the agency from prohibiting hospital websites' use of consumer-tracking technology. Attorneys with the Justice Department's civil division filed the appeal in federal appeals court following a judge's June order striking down HHS' guidance to hospitals on the tracking technology. With the appeal comes controversy as The American Hospital Association and two health systems originally sued to overturn the rule, calling it "unlawful" and a "gross overreach."

Transactions Overview

M&A Transactions from 8/25/2024 to 9/1/2024

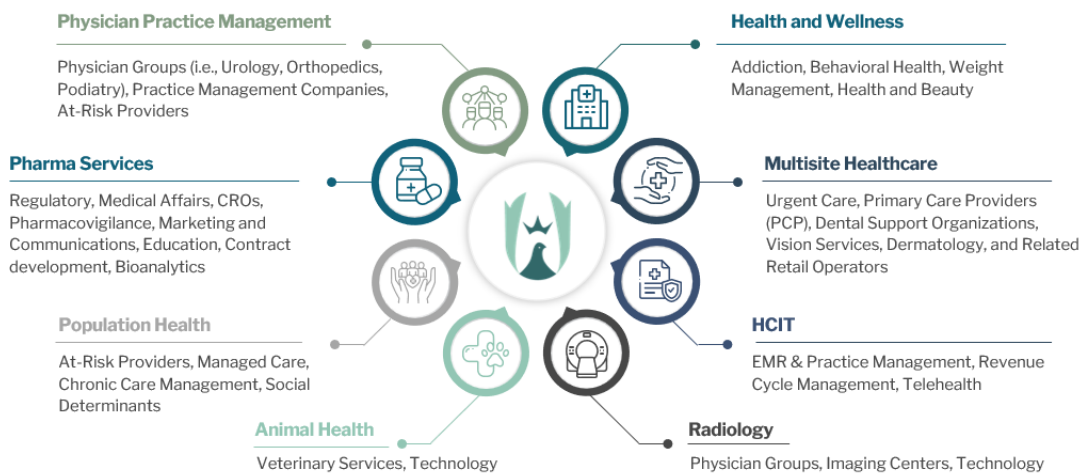
Date	Target	Buyer/Investor	Description	Status	Healthcare Vertical
8/26/2024	Community Oncology Revitalization Enterprise Ventures	McKesson (NYSE: MCK)	Provider of oncology services based in FL.	Announced	Oncology
8/26/2024	Eyecare Associates of Southern Oregon	VSP Ventures	Provider of eyecare services based in Medford, OR.	Closed	Eye Care
8/26/2024	Florham Park Dental Excellence	Dental365, The Jordan Company	Provider of dental services based in Florham Park, NJ.	Closed	Dental
8/29/2024	Anju Software	Valsoft Corporation, Viking Global Investors, Coatue	Developer of integrated life sciences software platform intended for pharma, biotech, medical device, and contract research organization companies.	Closed	Digital Health, IT, & Software
8/29/2024	Berk Eye Care Center	VSP Ventures	Operator of optometry practices providing comprehensive eye exams, contact lens exams, and pediatric eye care.	Closed	Eye Care
8/29/2024	Monte Vista Optometry	VSP Ventures	Provider of eye care services intended for patients in Turlock, CA and the surrounding areas.	Closed	Eye Care
8/29/2024	Riize	IMD Companies	Provider of healthcare services, based out of Houston, TX.	Closed	Telehealth
8/29/2024	RTG Medical	Triage Staffing	Provider of healthcare staffing services intended for traveling professionals.	Closed	Healthcare Staffing & Education
8/29/2024	Saint Anne's Hospital	Lifespan	Operator of a hospital intended to provide healthcare services.	Announced	Hospital
8/29/2024	Trajectory Revenue Cycle Services	MedHQ	Provider of a revenue cycle management service intended to serve healthcare businesses.	Closed	Revenue Cycle Management
8/30/2024	Allure Medspa	Northrim Horizon	Provider of medspa services catering to clients requiring skin and beauty enhancement.	Closed	MedSpa / Medical Aesthetics

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:



Research

New sector insights each month

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