



Solganick & Co.

Healthcare IT M&A Update *Q3 2022*

About Solganick & Co.



M&A advisory and investment banking services exclusively for **Software, Tech-Enabled Services and Healthcare IT** companies



Typical Transaction Size Range: **\$25m to \$200m+**



Formed in 2009 by Aaron Solganick, a **28+ year experienced technology-focused investment banker** (Bear Stearns, KPMG, Perot Systems Corp., and B. Riley FBR)



Offices in **Los Angeles and Dallas**

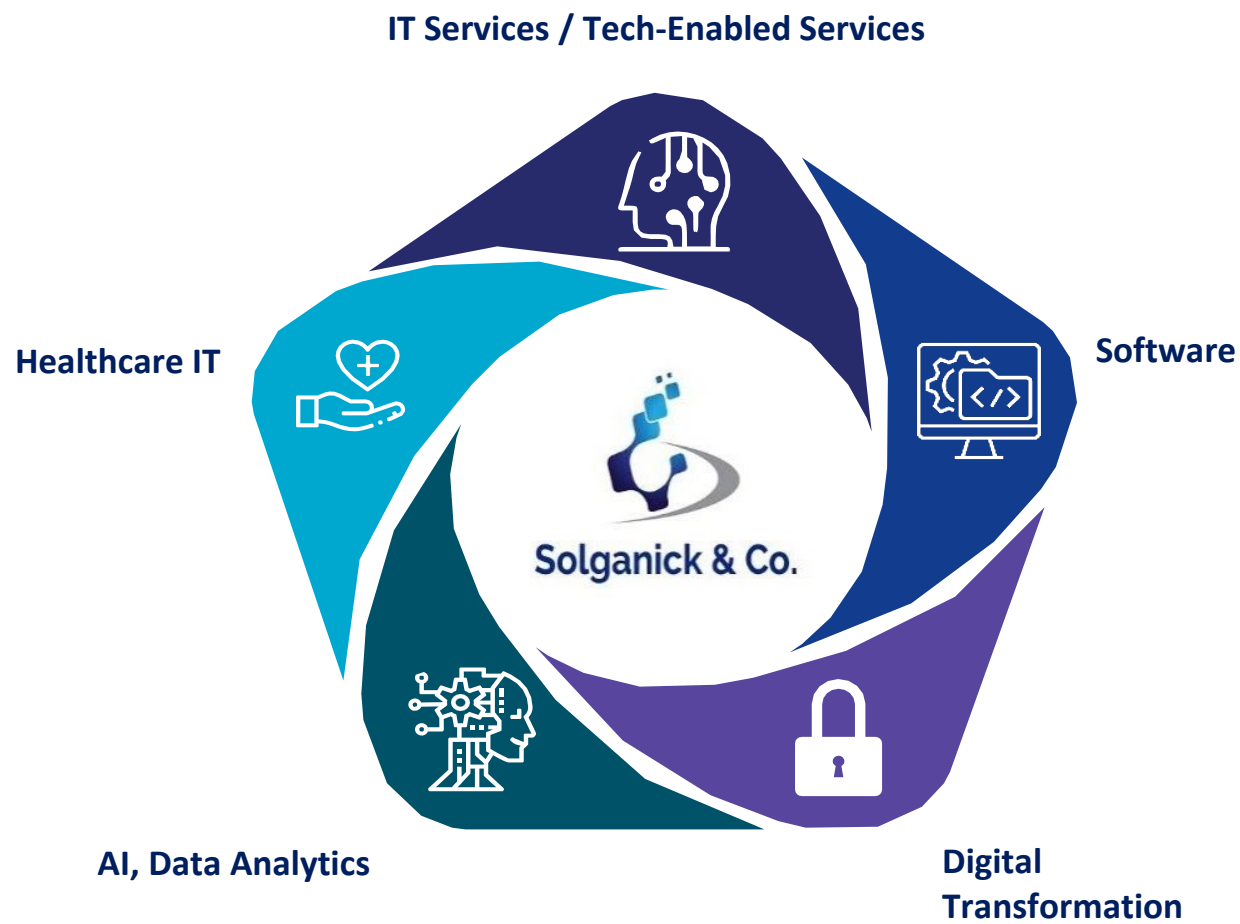


Axial Top Software M&A Advisory Firm, 2022

Solganick & Co. was recognized as a top software M&A advisor by Axial



Solganick & Co.: *Industry Coverage and Expertise*



Sector Experience

Comprehensive and deep-sector expertise
(not generalists)

Active Mandates

Current buyers and sellers actively
seeking transaction partners

Experienced Team

Experienced and dedicated team of
technology focused M&A professionals

Transactions Completed

Over \$20B in Transactions
Completed

Solganick & Co.: *Select Transaction Experience*

Recent Solganick & Co. Transactions

 has been acquired by 	 has been acquired by 	 has acquired 	 has been acquired by 	 has been acquired by 
 has been acquired by 	 has been recapitalized by 	 has merged with 	 has been acquired by 	 has acquired 
 has invested in 	 has invested in 	 has been acquired by 	 has been acquired by 	 has been acquired by 

Highlighted Transaction: *ITelagen Healthcare*

Solganick & Co. Advises ITelagen Healthcare in its Sale to Sheridan Capital Partners

- ITelagen Healthcare provides EHR support, managed cloud hosting, RCM/medical billing services and IT support to hospitals and physician groups nationwide.
- Because of Solganick & Co.'s deep experience with the healthcare technology services buyer universe, valuation drivers and M&A environment, Solganick & Co. was engaged to run a highly targeted, efficient and competitive M&A process.
- The Solganick team worked closely with ITelagen management to attractively position the business and quickly solicit several attractive offers that significantly exceeded initial valuation expectations.
- Solganick & Co. supported the client's selection of Sheridan Capital Partners through a successful close of the transaction.


 has been acquired by


EHR Support

Revenue Cycle
Management

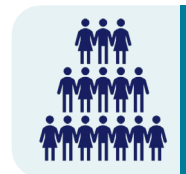
Hosting and
Managed Services

Solganick & Co.: *Healthcare IT Expertise and Coverage*



HCIT Software and Technology

EHR and Practice Management	Utilization Management
Revenue Cycle Management	Benefits Management
Population Health Management	Payer Administrative Software
Digital Health	Health Benefits Delivery
Telemedicine	Clinical Trial Management
Staffing and Operational Support Technology	Healthcare Data, Analytics and AI
	Specialty-focused Solutions



HCIT Services and Consulting

Managed IT	Systems Implementation
Application Hosting	IT Consulting
Cloud / Hybrid Cloud	Staffing
Revenue Cycle Management	Content Providers
	Software Development

Healthcare IT M&A: Q3 2022 Highlights

Market Environment: *Global and United States*

- Economic conditions continued to evolve during Q3. The Federal Reserve's aggressive monetary tightening continued, designed to rein in inflationary pressure but increasing the possibility of recession.
- Equity markets were volatile during the quarter. Market gains early in the quarter were reversed during the month of September, with the S&P 500 dropping over 5% during the quarter.
- M&A deal activity during the quarter returned to pre-pandemic levels, coming off an unprecedented two-year period.

Healthcare IT: *Trends and News*

- Per RockHealth's quarterly funding report, "a few key themes have emerged throughout Q3: 1) smaller checks across the board, 2) a focus on early-stage funding, 3) reprioritization of technology investments, and 4) an exit market that's beginning to thaw."
- The top three challenges cited by healthcare CIOs in Stoltenberg Consulting's *10th Annual Health IT Industry Outlook Report* were 1) retaining/ budgeting for qualified health resources, 2) demand management while managing multiple IT initiatives and 3) provider burnout related to EHR burden and inefficiency.

Healthcare IT: *Notable M&A and Deal Activity*



- OneMedical, a membership-based primary care services provider, announced an acquisition by Amazon in July for \$3.9 billion. Amazon also announced that it would be closing its existing primary care platform Amazon Care by the end of the year.



- Signify Health, a provider of health risk assessments, value-based care and provider enablement services, including a network of 10,000 providers across all 50 states was acquired by CVS Health (which also owns health insurance company Aetna) for approximately \$8 billion.



- Galen Healthcare, a KLAS-ranked healthcare IT company specializing in implementation, optimization, data migration and archival solutions for HIT systems was acquired by RLDatix in July. RLDatix is backed by private equity firms Five Arrows, TA Associates and Nordic Capital.

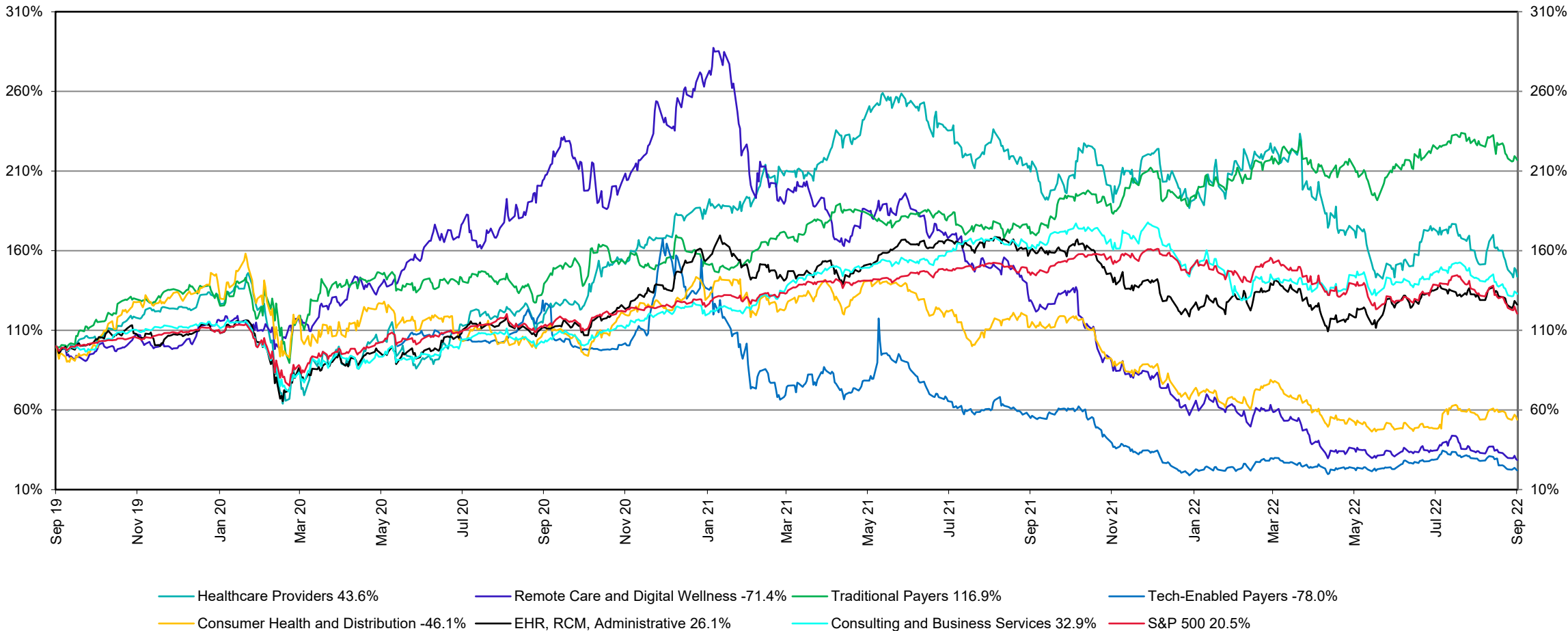


- Incredible Health, a digital nurse staffing platform, raised \$80M at a \$1.65B valuation in a Series B round led by Andreessen Horowitz and Obvious Ventures.

Healthcare IT Public Market Index: *3-Year Stock Performance*



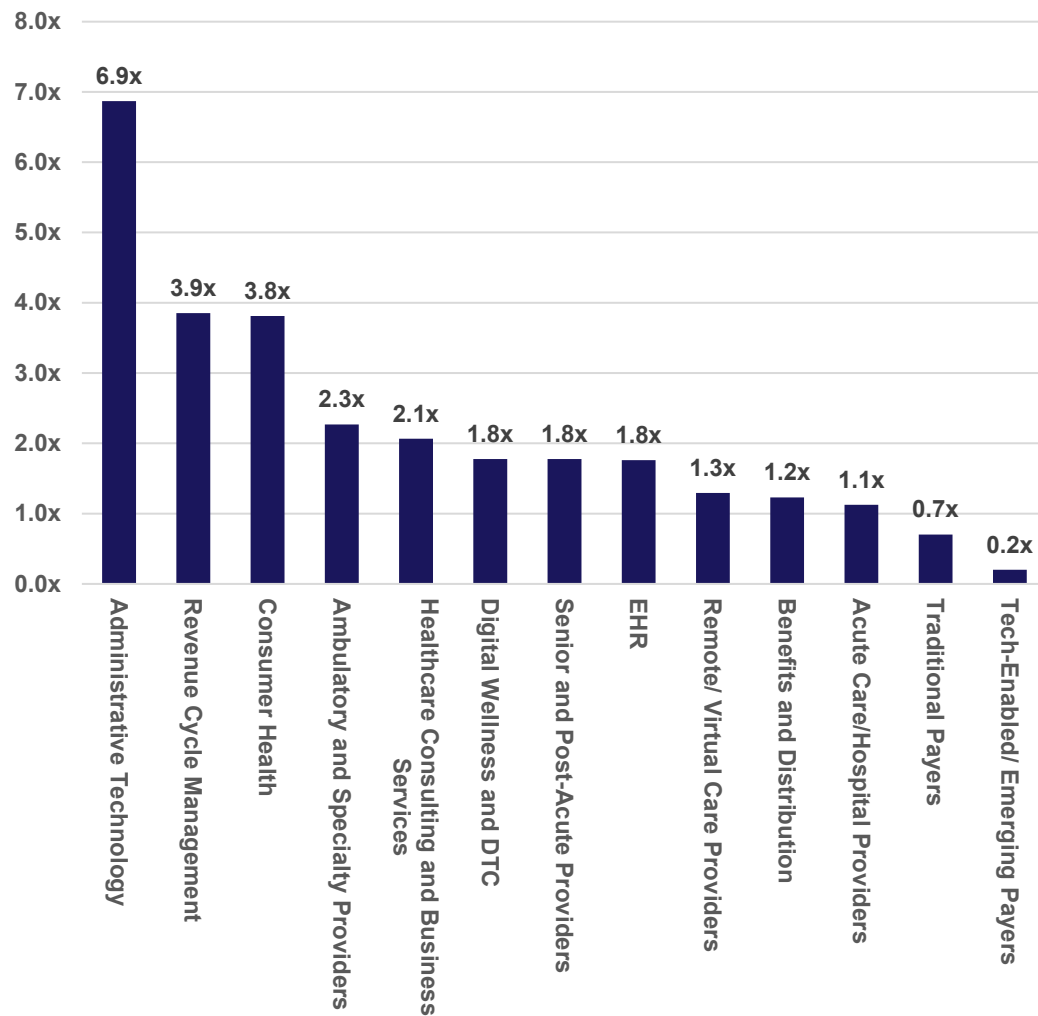
Healthcare IT Index Performance *September 2019 to September 2022*



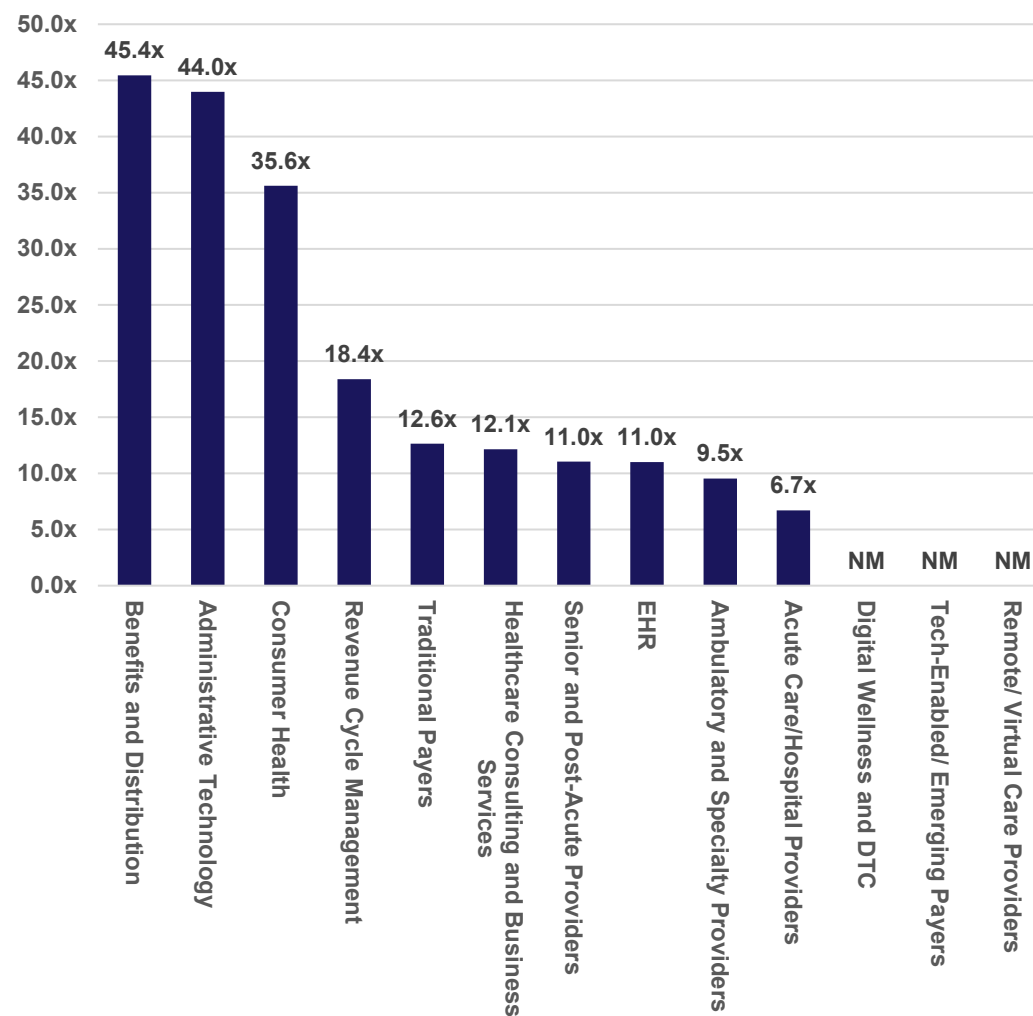
See following slides for constituents of Healthcare IT Subsectors, data per S&P CapitalIQ.

Healthcare IT Index: *Valuation Metrics by Subsector*

Enterprise Value/ LTM Revenue Multiples



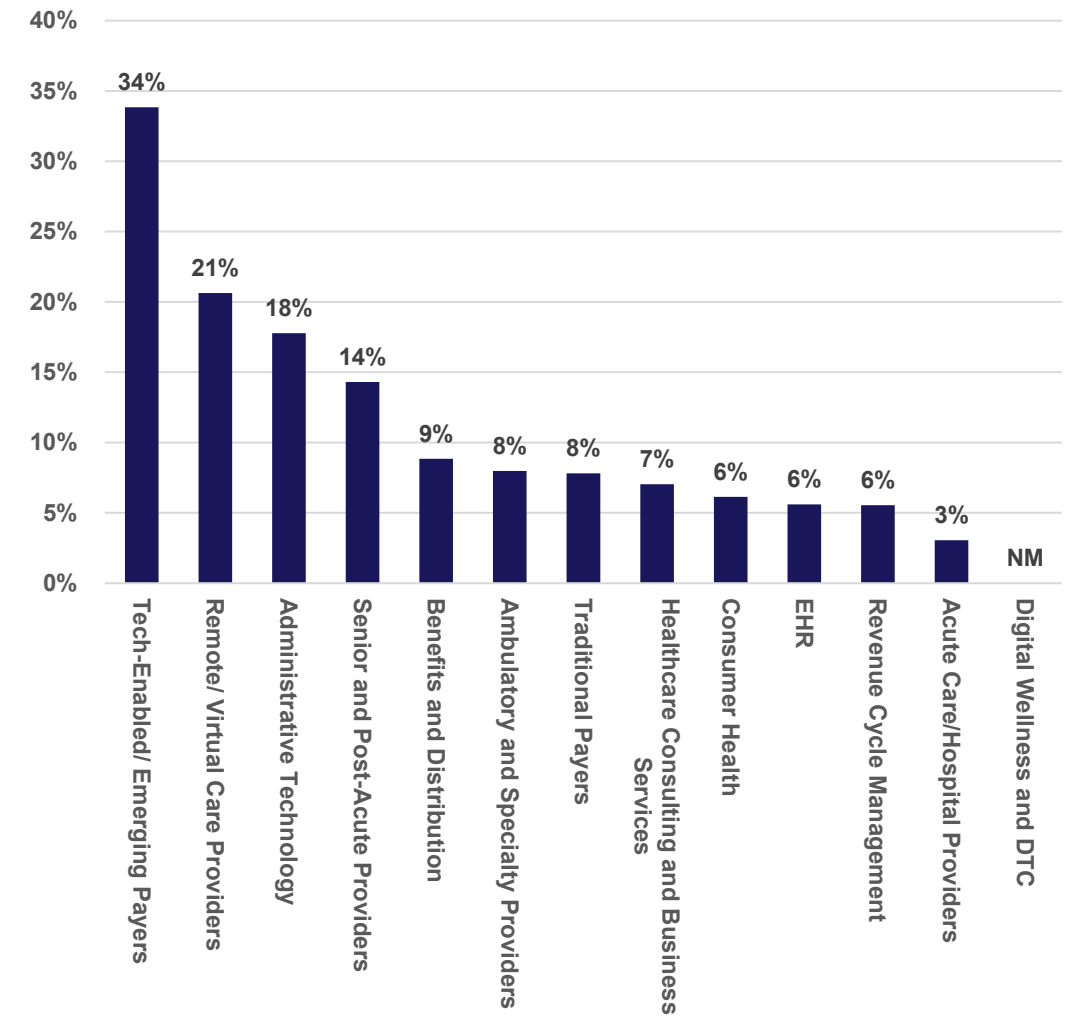
Enterprise Value/ LTM EBITDA Multiples



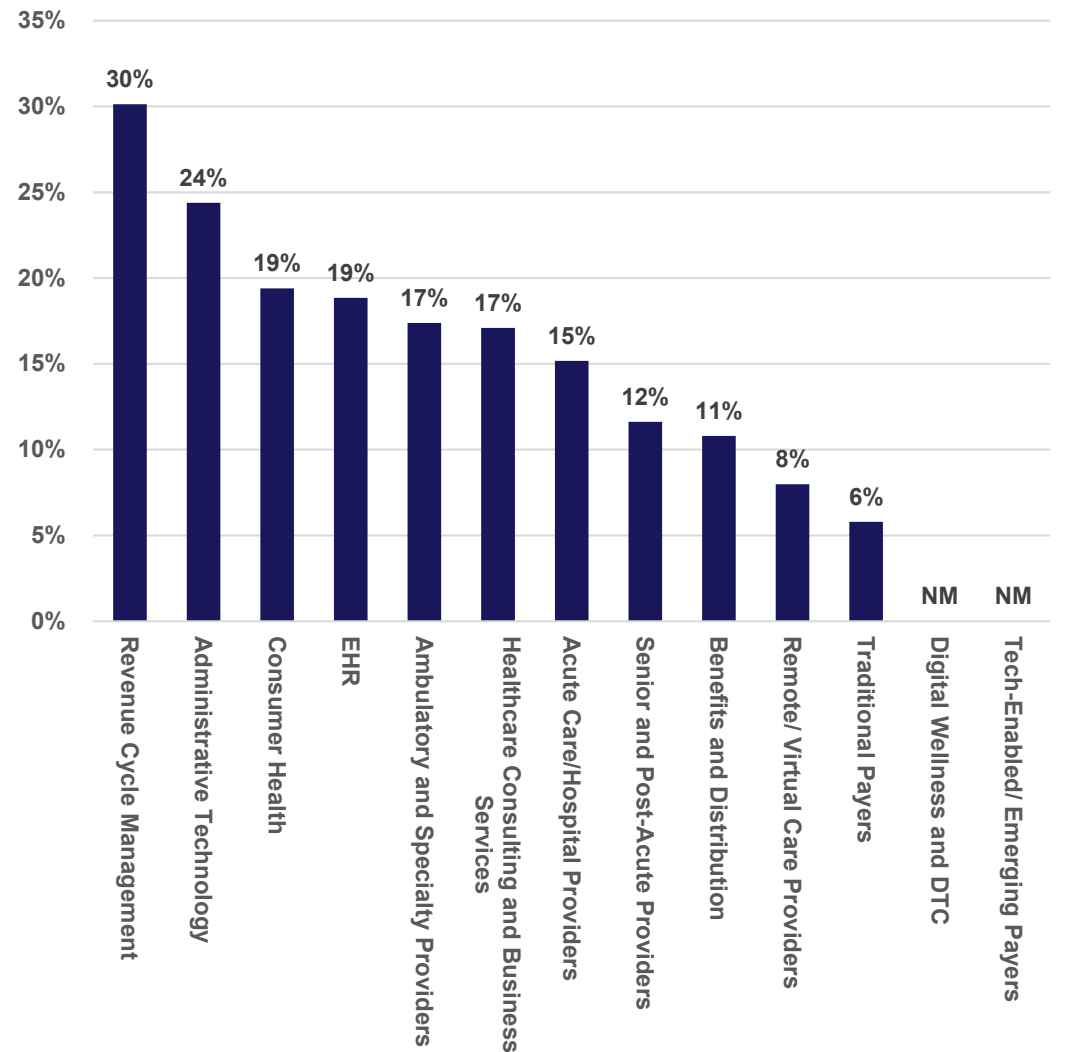
Source: Solganick & Co. Healthcare IT Index and S&P CapitalIQ, data as of September 30, 2022

Healthcare IT Index: *Operational Metrics by Subsector*

Revenue Growth *Next 12 Months Forecasted*



EBITDA Margin



Source: Solganick & Co. Healthcare IT Index and S&P CapitalIQ, data as of September 30, 2022

Healthcare IT Index: *Publicly-Traded Companies and Sectors*

EHR



RCM



Administrative Technology



Digital Wellness and DTC



Consumer Health



Benefits and Distribution



Remote/ Virtual Care



Tech-Enabled/ Emerging Payers



Traditional Payers



Providers: Acute Care



Providers: Senior/ Post-Acute



Providers: Ambulatory/Specialty



Consulting/ Business Services























Strategic Entrants/ Potential Disruptors























M&A Transactions: Q3 2022 Announcements

Date	Target	Acquirer	Target Business Description	Enterprise Value	Revenue Multiple	EBITDA Multiple
September 2022	 ZIPDOCTOR	 COSMOS HOLDINGS <small>Pharmaceutical Holding Company</small>	ZipDoctor, Inc. develops a subscription-based telemedicine platform that provides licensed mental and behavioral health counselors and therapists.	NA	NA	NA
September 2022	 MultiScale	Tegria	MultiScale Health Networks LLC develops and markets a cloud-based data platform and application that extracts, aggregates, and optimizes operational intelligence from emergency department and share patient data across care operations.	NA	NA	NA
September 2022	 intellis	 e4	Intellis provides coding, health information management, clinical documentation integrity, and auditing services to U.S.-based hospitals and healthcare systems.	NA	NA	NA
September 2022	 GrowthPlug	 PracticeTek	GrowthPlug Inc. owns and operates a marketing platform that helps users to acquire customers, raise online reputation, and improve social media listings. The company serves health practitioners.	NA	NA	NA
September 2022	 MedAware System	 Biomed	MedAware Systems, Inc. offers scientific-data-as-a-service (SDaaS) that aggregates, organizes, and standardizes the body of human clinical trials research to provide data for the patient plan of care. Its MedAware system democratizes access to biomedical research information, which allows physicians, researchers, and consumers to access and make decisions based on available research data.	\$18M	NA	NA
September 2022	 HOLLIBLU	 Nurse.com	HolliBlu, Inc. develops a nursing application designed to improve the work and life balance of nurses. The company's application changes the way nurses work and connect with employers such as home health care and pharmacies and streamlines the process for companies while simultaneously creates a qualified nurse database.	NA	NA	NA
September 2022	 RXSS TM Rx Savings Solutions	MCKESSON	Rx Savings, LLC, doing business as RX Savings Solutions, develops healthcare consumerism software solutions that saves employers, employees, and health plans money on prescription medications. The company analyses the prescription uploaded in real time, identifies the possible clinical and financial therapies, and sends alert to the members through email and text messages.	\$875M	NA	NA
September 2022	 PROXIMITY HEALTH TM	HMP Global	Proximity Health, LLC operates as market access information and analysis company providing market access insights, actionable analysis, and guidance for the U.S. cancer drug market.	NA	NA	NA
September 2022	 MyMedicareBot	 INSURANCE TECHNOLOGIES	MyMedicareBot, Inc. develops and markets distribution technology solutions for Medicare field agents.	NA	NA	NA
September 2022	 LifeImage [®]	 Intelera [®] <small>Making a difference in healthcare</small>	Life Image Inc. operates a platform for electronic and secure medical image exchange. It offers a set of solutions that connects hospitals, radiology groups, and physicians to their patients for e-sharing of diagnostic imaging information.	NA	NA	NA















M&A Transactions: Q3 2022 Announcements

Date	Target	Acquirer	Target Business Description	Enterprise Value	Revenue Multiple	EBITDA Multiple
September 2022			SRX, LLC operates a technology platform for skilled nursing homes and long-term care facilities that accesses data, including eligible rebates, drug databases, formularies, and regulatory/compliance determinations and integrates them with each facility's processes, systems, and personnel.	NA	NA	NA
September 2022			Epion Health, Inc. provides various mobile health applications and content using a cloud-based application and content management solution to patients and physicians.	NA	NA	NA
September 2022			Health Improvement Solutions, Inc. designs and develops health improvement solutions (HIS) platform for employee that offers health and wellness program planning, evaluation, and program services.	NA	NA	NA
September 2022			Real Patient Solutions, Inc., doing business as HelloPatients, operates an online intelligent patient engagement platform that automates payments.	\$0.3M	18x	NA
September 2022			Wellteq Digital Health Inc. provides digital corporate wellness solutions that offers data-driven personalized health and wellness coaching to engage its users in healthier behaviors. It develops its Internet of Medical Things platform for virtual care applications that offer preventative wellness and virtual healthcare. The company serves employers and insurance companies.	NA	NA	NA
September 2022			Forefront TeleCare, Inc. develops HIPAA-compliant Telehealth Platform which provides behavioral telehealth services to healthcare providers and facilities in the United States. The company offers in-facility equipment, training, scheduling, technical and logistical support, and high-quality, secure, worry-free audio/video connections between providers and their patients. Its services include Telepsychiatry, Telepsychology and Telepsychotherapy.	NA	NA	NA
September 2022			Mindleap Health Inc. develops Mindleap, a virtual platform for inner wellness and psychedelic treatments. It enables users to sleep better, meditate, explore psychedelics, and learn about psychedelic therapy from researchers and therapists. The company was founded in 2019 and is based in Vancouver, Canada. Mindleap Health Inc. operates as a subsidiary of Mydecine Innovations Group Inc.	\$3.3M	NA	NA
September 2022			Coding Services Group is a medical coding business based in the United States.	NA	NA	NA
August 2022			Occam Technologies, LLC designs and develops software and algorithms for healthcare organizations to track and update patient information from disparate sources. The company was founded in 2006 and is based in Wheaton, Illinois.	NA	NA	NA
August 2022			Holliday & Associates/First Healthcare Compliance represents the combined operation of Holliday & Associates and First Healthcare Compliance in their sale to Panacea Healthcare Solutions, Inc.	NA	NA	NA













M&A Transactions: Q3 2022 Announcements

Date	Target	Acquirer	Target Business Description	Enterprise Value	Revenue Multiple	EBITDA Multiple
August 2022	 MediMatrix	 ASG	MediMatrix develops web applications, as well as provides services for the healthcare industry in the United States.	NA	NA	NA
August 2022	 PatientBond	 UPFRONT	PatientBond, Inc. provides patient and member engagement solutions for reminders, medication adherence, disease management, appointment reminders, patient payment reminders, and more.	NA	NA	NA
August 2022	 Health eFilings <small>Clinical Data Analytics and Reporting</small>	 ALPHA	Health eFilings, LLC provides integrated software solutions for the healthcare industry.	NA	NA	NA
August 2022	 PenRad Technologies, Inc.	 Intelerad <small>Making a difference in healthcare</small>	PenRad Technologies, Inc. offers information management solutions for productivity and revenue optimization in mammography, general radiology, and vascular workflow. Its products include a Web-based multi-modality reading workstation; computer-aided visualization and analysis for MRI and CAD for ultrasound; and information systems for interpretive reporting, tracking, and management of clinical data. The company also offers integrations with various cancer risk analysis algorithms, breast density software, CAD, BMD analysis, softcopy synchronization, and RIS/HIS/PACS systems.	NA	NA	NA
August 2022	 COMPETITIVE HEALTH	 RECURO HEALTH	Competitive Health, LLC designs and develops automated patient payment and network identification software solutions for the healthcare marketplace.	NA	NA	NA
August 2022	 QSIDental <small>A NextGen Healthcare Solution</small>	 planet DDS	QSIDental offers cloud-based dental practice management software, and was formerly owned by NextGen Healthcare.	NA	NA	NA
August 2022	 iSelectMD <small>Get well soon.</small>	 REVIVE HEALTH	iSelectMD LLC offers health software tool that specializes in telemedicine employee benefits.	NA	NA	NA
August 2022	 DIAMETER HEALTH	 Availity	Diameter Health, Inc. designs and develops software solutions for healthcare organizations. It offers Fusion, a data exchange, normalization, and integration solution for electronic health records; Data Dashboard, a solution that creates instant data quality ratings, and dashboards for clinical document completeness, accuracy, and error severity; and Quality, a solution that provides certified quality reporting of selected e-measures as designed by the National Center for Quality Assurance.	NA	NA	NA
August 2022	 ToothFairy Software	 Cloud 9 Software	ToothFairy, LP develops and operates a customer experience management (CXM) software for the orthodontic industry in the United States. The company was founded in 2016 and is based in Amarillo, Texas.	NA	NA	NA
August 2022	 CORE analytics	 Netsmart	Z-CORE Analytics, LLC develops a claims data analytics platform designed for the skilled nursing facility sector. The company's platform applies proprietary intelligence to peer-group data to produce meaningful and actionable insights and offers comparative analysis, risk management support, and reimbursement and optimization services.	NA	NA	NA

M&A Transactions: Q3 2022 Announcements

Date	Target	Acquirer	Target Business Description	Enterprise Value	Revenue Multiple	EBITDA Multiple
August 2022	 maestro health		Maestro Health, an employee benefits company, provides integrated “one stop shopping” along with private labeled exchange solutions, and employee health and benefits management solution for brokers, small employers, and Fortune 1000 organizations. It combines private exchange, benefits administration, enrollment, self-insurance, healthcare savings account administration, and components on its integrated mobile and Web platform—maestroEDGE. The company owns and operates a proprietary private exchange and medical TPA, which allows the streamlined integration of care management to drive down costs for employers.	NA	NA	NA
August 2022			CitiusTech Inc. provides healthcare technology services and solutions to medical technology companies, providers, payers, health plans, and life sciences organizations worldwide.	NA	NA	NA
August 2022			Safe & Reliable Healthcare, LLC develops outcomes-predictive and validated survey platform for the healthcare sector in the United States.	NA	NA	NA
July 2022		PERFORMANT CAPITAL	DavLong Business Solutions designs and develops a platform for the medical industry that helps to practice manage claims, payments, and revenue generation. It provides solutions, such as revenue cycle management solutions, billing services, point of service patient balance estimator, integrated credit card processing, advanced claim scrubber, recall management, referral management, reputation management, patient reminder system, patient retention, lab and radiology interfaces, data mining, cloud and hosting services, and support and training.	NA	NA	NA
July 2022			Medkeeper comprises software applications based on web and mobile platforms for hospital pharmacy. The asset is located in the United States.	\$93M	NA	NA
July 2022			Galen Healthcare Solutions, Inc operates in the health care technology industry. The company offers products, such as archival, ecalcs, enginuity, vitalcenter, and noteforms reporting.	NA	NA	NA
July 2022			One Healthcare Solution Inc provides chronic care management, remote patient monitoring, and patient engagement services by its software and expertise in EMR integration that supports practice owners and physicians.	NA	NA	NA
July 2022			Exchange EDI, LLC operates a healthcare cash management platform. Its platform offers prior authorization, patient portal, patient estimation, and integration solutions.	NA	NA	NA
July 2022			Health Data Specialists, LLC, a healthcare information services company, provides consulting services that include IT staff augmentation and interoperability services; specialists; and advisors services to healthcare organizations nationwide.	NA	NA	NA
July 2022			Stratasan, LLC provides actionable market intelligence and data analytics for hospitals and healthcare systems.	NA	NA	NA

Financing Activity: Q3 2022 Announcements

Date	Company	Company Description	Series	Amount Raised
July 2022		Cleerly is a digital healthcare company that offers heart disease diagnosis solutions.	Series C	\$223M
July 2022		Kry helps patients to make active choices about their health in partnership with public and private healthcare professionals.	Series D	\$160M
August 2022		Alma is a membership-based network for mental health care providers.	Series D	\$130M
August 2022		Incredible Health is a medical and health platform that connects health systems with nurses.	Series B	\$80M
September 2022		Grow Therapy bridges the gap between therapists and people seeking mental health care to get more people into therapy.	Series B	\$75M
July 2022		Tebra provides independent healthcare practices with digital tools and support to thrive in a new era of healthcare.	Series B	\$72M
September 2022		Redesign Health is a healthcare startup creator that builds tech-enabled healthcare businesses	Series C	\$65M
August 2022	 Happy Health	Happy Health fosters mental health awareness via a wearable ring.	Series A	\$60M
August 2022		Homeward is focused on improving access to high-quality, affordable primary and specialty care in rural communities.	Series B	\$50M
July 2022		Elation Health is a technology platform designed for independent primary care, delivering clinical-first solutions.	Series D	\$50M
September 2022		PurpleLab is a healthcare provider profiling company serving the broader healthcare industry.	Series B	\$40M
September 2022		Kyruus provides health systems with search and scheduling solutions to connect patients with the right providers across all access points.	Venture	\$35M



Healthcare IT M&A Coverage

Aaron Solganick

CEO

(310) 713-4764

aaron@solganick.com

Sam DiSalvo

Senior Vice President

(614) 506-6677

sdisalvo@solganick.com

Cameron O'Leary

Senior Vice President

(508) 726-9387

coleary@solganick.com

Office Locations

Los Angeles

1240 Rosecrans Ave., Suite 120
Manhattan Beach, CA 90266

Dallas

1920 McKinney Ave., Suite 700
Dallas, TX 75201

Sources, and Disclosures and Limitations

Sources

- Crunchbase
- S&P CapitalIQ
- West End Advisors Economic and Market Commentary 2022 Q3
- Stoltenberg Consulting: 10th Annual Healthcare IT Industry Outlook Survey
- Rock Health: Q3 2022 digital health funding: The market isn't the same as it was

Disclosures and Limitations

This industry research report is for informational and discussion purposes only. Information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any securities nor interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from third party sources and direct research that Solganick & Co. believes to be reliable. Solganick & Co. has accurately reflected such information in this research report; however, Solganick & Co. makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. All forward-looking statements in this report may not be achieved and thus there is no guarantee of such statements.

Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of Solganick & Co. Solganick & Co.'s research is as of the date reported herein. Solganick & Co. has no direct client affiliation with any of the companies used as a basis for research in this report, nor does Solganick & Co. hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that Solganick & Co. performs for you in the future at the sole discretion of Solganick & Co.

Appendix



Healthcare IT Index: *Subsector Medians*

Median Metrics and Multiples

	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
Acute Care/Hospital Providers	\$6,000	\$17,880	\$16,090	\$2,943	1.1x	1.1x	6.7x	7.1x	3%	15%
Senior and Post-Acute Providers	\$3,570	\$6,742	\$2,473	\$426	1.8x	1.8x	11.0x	13.6x	14%	12%
Ambulatory and Specialty Providers	\$4,811	\$13,760	\$7,004	\$1,771	2.3x	2.1x	9.5x	12.4x	8%	17%
Remote/ Virtual Care Providers	\$446	\$305	\$683	(\$94)	1.3x	1.1x	116.8x	18.6x	21%	8%
Digital Wellness and DTC	\$1,224	\$931	\$458	(\$226)	1.8x	1.5x	NM	NM	(7%)	NM
Traditional Payers	\$73,032	\$91,869	\$139,688	\$8,241	0.7x	0.7x	12.6x	10.4x	8%	6%
Tech-Enabled/ Emerging Payers	\$935	\$347	\$2,773	(\$531)	0.2x	0.1x	NM	NM	34%	NM
Consumer Health	\$2,636	\$2,564	\$799	\$46	3.8x	3.0x	35.6x	22.2x	6%	19%
Benefits and Distribution	\$217	\$527	\$429	(\$122)	1.2x	1.1x	45.4x	16.7x	9%	11%
EHR	\$1,204	\$1,181	\$604	\$49	1.8x	1.9x	11.0x	9.0x	6%	19%
Revenue Cycle Management	\$1,583	\$2,376	\$676	(\$13)	3.9x	2.9x	37.6x	18.7x	16%	40%
Administrative Technology	\$2,677	\$2,808	\$355	\$34	6.9x	5.4x	44.0x	27.0x	18%	24%
Healthcare Consulting and Business Services	\$5,627	\$9,608	\$4,462	\$825	2.1x	1.9x	12.1x	12.2x	7%	17%
Strategic Entrants and Potential Disruptors	\$1,151,194	\$1,154,553	\$306,933	\$62,554	4.2x	3.8x	12.8x	11.6x	8%	32%
Median	\$2,656	\$2,686	\$1,636	\$48	1.8x	1.8x	12.7x	13.0x	8%	17%

Source: Solganick Health IT Public Comps per CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

Healthcare Providers

	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
Acute Care/Hospital Providers										
HCA Healthcare, Inc.	\$52,752	\$95,016	\$60,105	\$13,381	1.6x	1.5x	7.1x	7.7x	3%	20%
Tenet Healthcare Corporation	\$5,565	\$22,310	\$19,133	\$4,077	1.2x	1.1x	5.5x	6.4x	4%	17%
Community Health Systems, Inc.	\$278	\$13,451	\$12,392	\$1,781	1.1x	1.1x	7.6x	9.1x	1%	12%
Universal Health Services, Inc.	\$6,435	\$11,425	\$13,048	\$1,810	0.9x	0.8x	6.3x	6.5x	4%	13%
Median	\$6,000	\$17,880	\$16,090	\$2,943	1.1x	1.1x	6.7x	7.1x	3%	15%
Senior and Post-Acute Providers										
agilon health, inc.	\$9,624	\$8,726	\$2,245	(\$81)	3.9x	2.7x	NM	264.1x	44%	1%
Acadia Healthcare Company, Inc.	\$7,102	\$8,626	\$2,449	\$579	3.5x	3.2x	14.9x	13.7x	10%	23%
Encompass Health Corporation	\$4,513	\$8,399	\$5,268	\$1,072	1.6x	1.9x	7.8x	9.6x	(16%)	20%
Select Medical Holdings Corporation	\$2,783	\$7,931	\$6,278	\$1,009	1.3x	1.2x	7.9x	9.9x	3%	12%
Brookdale Senior Living Inc.	\$798	\$5,554	\$2,497	\$354	2.2x	1.9x	15.7x	17.4x	17%	11%
The Ensign Group, Inc.	\$4,356	\$5,493	\$2,808	\$497	2.0x	1.7x	11.0x	13.5x	12%	13%
Cano Health, Inc.	\$2,011	\$3,496	\$2,385	(\$6)	1.5x	1.1x	NM	16.9x	36%	6%
CareMax, Inc.	\$620	\$733	\$532	(\$13)	1.4x	1.1x	NM	10.8x	29%	10%
Median	\$3,570	\$6,742	\$2,473	\$426	1.8x	1.8x	11.0x	13.6x	14%	12%
Ambulatory and Specialty Providers										
DaVita Inc.	\$7,557	\$21,017	\$11,627	\$3,004	1.8x	1.8x	7.0x	9.0x	3%	20%
Surgery Partners, Inc.	\$2,066	\$6,502	\$2,381	\$538	2.7x	2.4x	12.1x	15.9x	13%	15%
Median	\$4,811	\$13,760	\$7,004	\$1,771	2.3x	2.1x	9.5x	12.4x	8%	17%
Median	\$4,435	\$8,513	\$4,038	\$794	1.6x	1.6x	7.8x	10.4x	7%	13%

Source: S&P CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

Remote Care & Digital Wellness

Company	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
Remote/ Virtual Care Providers										
Teladoc Health, Inc.	\$4,098	\$4,825	\$2,234	\$21	2.2x	1.9x	231.3x	18.6x	16%	10%
LifeStance Health Group, Inc.	\$2,490	\$2,599	\$776	(\$302)	3.3x	2.7x	NM	32.6x	25%	8%
American Well Corporation	\$982	\$389	\$264	(\$223)	1.5x	1.3x	NM	NM	13%	NM
Babylon Holdings Limited	\$200	\$305	\$726	(\$353)	0.4x	0.2x	NM	NM	78%	NM
UpHealth, Inc.	\$77	\$177	\$159	(\$29)	1.1x	0.9x	NM	11.6x	26%	8%
Cue Health Inc.	\$446	\$142	\$683	\$61	0.2x	0.5x	2.3x	NM	(58%)	NM
Talkspace, Inc.	\$163	(\$4)	\$116	(\$94)	NM	NM	NM	NM	NM	NM
Median	\$446	\$305	\$683	(\$94)	1.3x	1.1x	116.8x	18.6x	21%	8%
Digital Wellness and DTC										
Peloton Interactive, Inc.	\$2,345	\$3,465	\$3,582	(\$1,233)	1.0x	1.1x	NM	NM	(15%)	NM
Hims & Hers Health, Inc.	\$1,156	\$966	\$374	(\$81)	2.6x	1.8x	NM	NM	46%	NM
23andMe Holding Co.	\$1,291	\$896	\$277	(\$235)	3.2x	3.2x	NM	NM	1%	NM
SmileDirectClub, Inc.	\$110	\$368	\$541	(\$216)	0.7x	0.8x	NM	NM	(15%)	NM
Median	\$1,224	\$931	\$458	(\$226)	1.8x	1.5x	NM	NM	(7%)	NM
Median	\$982	\$389	\$541	(\$216)	1.3x	1.2x	116.8x	18.6x	15%	8%

Source: CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

Healthcare Payers

Company	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
Traditional Payers										
UnitedHealth Group Incorporated	\$472,406	\$507,492	\$306,561	\$28,769	1.7x	1.5x	17.6x	15.5x	10%	10%
Elevance Health Inc.	\$109,018	\$127,123	\$149,134	\$10,185	0.9x	0.8x	12.5x	10.6x	7%	8%
Cigna Corporation	\$84,661	\$114,246	\$179,183	\$10,422	0.6x	0.6x	11.0x	10.1x	2%	6%
Humana Inc.	\$61,403	\$69,492	\$90,512	\$5,090	0.8x	0.7x	13.7x	13.3x	7%	5%
Centene Corporation	\$44,475	\$53,542	\$130,241	\$6,296	0.4x	0.4x	8.5x	9.9x	9%	4%
Molina Healthcare, Inc.	\$19,164	\$17,243	\$29,435	\$1,346	0.6x	0.5x	12.8x	10.3x	9%	5%
Median	\$73,032	\$91,869	\$139,688	\$8,241	0.7x	0.7x	12.6x	10.4x	8%	6%
Tech-Enabled/ Emerging Payers										
Alignment Healthcare, Inc.	\$2,217	\$1,923	\$1,304	(\$108)	1.5x	1.3x	NM	NM	16%	NM
Clover Health Investments, Corp.	\$812	\$514	\$2,564	(\$510)	0.2x	0.1x	NM	NM	42%	NM
Bright Health Group, Inc.	\$659	\$179	\$5,453	(\$1,460)	0.0x	0.0x	NM	NM	34%	NM
Oscar Health, Inc.	\$1,059	(\$928)	\$2,983	(\$552)	NM	NM	NM	NM	NM	NM
Median	\$935	\$347	\$2,773	(\$531)	0.2x	0.1x	NM	NM	34%	NM
Median	\$31,819	\$35,392	\$59,974	\$3,218	0.6x	0.6x	12.6x	10.4x	9%	6%

Source: CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

Consumer Health and Benefit Distribution

Company	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
Consumer Health										
HealthEquity, Inc.	\$5,678	\$6,503	\$795	\$183	8.2x	7.3x	35.6x	22.7x	12%	32%
Progyny, Inc.	\$3,413	\$3,298	\$617	\$20	5.3x	3.7x	162.6x	23.0x	44%	16%
GoodRx Holdings, Inc.	\$1,859	\$1,829	\$803	\$73	2.3x	2.3x	25.2x	10.0x	0%	23%
GoHealth, Inc.	\$47	\$1,101	\$1,091	(\$76)	1.0x	1.1x	NM	21.8x	(10%)	5%
Median	\$2,636	\$2,564	\$799	\$46	3.8x	3.0x	35.6x	22.2x	6%	19%
Benefits and Distribution										
Accolade, Inc.	\$813	\$798	\$336	(\$122)	2.4x	2.2x	NM	NM	10%	NM
SelectQuote, Inc.	\$120	\$724	\$764	(\$272)	0.9x	0.8x	NM	NM	15%	NM
Sharecare, Inc.	\$670	\$527	\$429	(\$96)	1.2x	1.1x	NM	22.8x	9%	5%
Benefitfocus, Inc.	\$217	\$446	\$255	\$10	1.7x	1.8x	45.4x	10.6x	(1%)	17%
eHealth, Inc.	\$107	\$259	\$463	(\$122)	0.6x	0.6x	NM	NM	(11%)	NM
Median	\$217	\$527	\$429	(\$122)	1.2x	1.1x	45.4x	16.7x	9%	11%
Median	\$670	\$798	\$617	(\$76)	1.7x	1.8x	40.5x	22.2x	9%	16%

Source: CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

EHR, RCM and Administrative Technology

Company	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
EHR										
Allscripts Healthcare Solutions, Inc.	\$1,687	\$1,407	\$1,522	\$134	0.9x	2.2x	10.5x	7.6x	(58%)	29%
NextGen Healthcare, Inc.	\$1,204	\$1,181	\$604	\$35	2.0x	1.9x	34.1x	9.8x	6%	19%
Computer Programs and Systems, Inc.	\$402	\$536	\$305	\$49	1.8x	1.6x	11.0x	9.0x	12%	17%
Median	\$1,204	\$1,181	\$604	\$49	1.8x	1.9x	11.0x	9.0x	6%	19%
Revenue Cycle Management										
MultiPlan Corporation	\$1,828	\$6,392	\$1,175	\$860	5.4x	5.4x	7.4x	7.5x	0%	72%
Evolent Health, Inc.	\$3,487	\$3,643	\$1,088	\$54	3.3x	2.3x	67.8x	29.9x	43%	8%
Phreesia, Inc.	\$1,339	\$1,110	\$245	(\$160)	4.5x	3.6x	NM	NM	27%	NM
Health Catalyst, Inc.	\$531	\$376	\$265	(\$80)	1.4x	1.3x	NM	NM	6%	NM
Median	\$1,583	\$2,376	\$676	(\$13)	3.9x	2.9x	37.6x	18.7x	16%	40%
Administrative Technology										
Veeva Systems Inc.	\$25,603	\$22,747	\$2,001	\$523	11.4x	9.9x	43.5x	25.2x	15%	39%
Doximity, Inc.	\$5,846	\$5,082	\$362	\$114	14.1x	11.3x	44.5x	26.3x	25%	43%
Privia Health Group, Inc.	\$3,792	\$3,534	\$1,176	(\$43)	3.0x	2.5x	NM	56.1x	20%	4%
Definitive Healthcare Corp.	\$1,562	\$2,083	\$194	\$32	10.7x	8.3x	64.6x	27.7x	29%	30%
HealthStream, Inc.	\$650	\$635	\$259	\$36	2.4x	2.3x	17.9x	12.1x	8%	19%
Tabula Rasa HealthCare, Inc.	\$115	\$483	\$348	(\$38)	1.4x	1.6x	NM	36.4x	(12%)	4%
Median	\$2,677	\$2,808	\$355	\$34	6.9x	5.4x	44.0x	27.0x	18%	24%
Median	\$1,562	\$1,407	\$362	\$36	3.0x	2.3x	34.1x	25.2x	12%	19%

Source: CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

Healthcare Consulting and Business Services

Company	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
International Business Machines Corporation	\$107,307	\$153,191	\$59,680	\$13,553	2.6x	2.5x	11.3x	9.2x	1%	28%
Accenture plc	\$162,755	\$158,827	\$61,594	\$12,224	2.6x	2.5x	13.0x	13.3x	4%	19%
Cognizant Technology Solutions Corporation	\$29,742	\$28,993	\$19,253	\$3,809	1.5x	1.4x	7.6x	7.6x	7%	19%
EPAM Systems, Inc.	\$20,778	\$19,635	\$4,462	\$825	4.4x	3.7x	23.8x	21.9x	18%	17%
DXC Technology Company	\$5,627	\$9,608	\$15,831	\$3,510	0.6x	0.7x	2.7x	4.2x	(8%)	16%
FTI Consulting, Inc.	\$5,594	\$5,904	\$2,857	\$395	2.1x	1.9x	14.9x	14.4x	10%	13%
Thoughtworks Holding, Inc.	\$3,264	\$3,537	\$1,225	(\$62)	2.9x	2.4x	NM	13.1x	20%	18%
Huron Consulting Group Inc.	\$1,290	\$1,676	\$1,006	\$123	1.7x	1.5x	13.6x	12.2x	9%	12%
CRA International, Inc.	\$636	\$820	\$569	\$92	1.4x	1.3x	9.0x	11.6x	7%	12%
Median	\$5,627	\$9,608	\$4,462	\$825	2.1x	1.9x	12.1x	12.2x	7%	17%

Source: CapitalIQ, data as of 9/30/2022

Healthcare IT Index: *Company Detail*

Strategic Entrants and Potential Disruptors

Company	Market Data (\$ millions)				EV/ Revenue Multiples		EV/ EBITDA Multiples		Revenue Growth	EBITDA Margin
	Market Cap	Enterprise Value	LTM (A) Revenue	NTM (E) EBITDA	LTM (A)	NTM (E)	LTM (A)	NTM (E)	NTM (E)	LTM (A)
Apple Inc.	\$2,220,978	\$2,161,361	\$387,542	\$144,157	5.6x	5.3x	15.0x	16.9x	4%	32%
Microsoft Corporation	\$1,736,943	\$1,710,594	\$198,270	\$100,444	8.6x	7.8x	17.0x	15.7x	11%	49%
Alphabet Inc.	\$1,250,740	\$1,154,553	\$278,139	\$100,512	4.2x	3.8x	11.5x	9.7x	8%	39%
Amazon.com, Inc.	\$1,151,194	\$1,248,044	\$485,902	\$62,554	2.6x	2.2x	20.0x	15.5x	15%	14%
Walmart Inc.	\$352,037	\$413,600	\$587,824	\$37,530	0.7x	0.7x	11.0x	11.6x	3%	6%
Oracle Corporation	\$164,655	\$245,438	\$44,157	\$19,171	5.6x	4.9x	12.8x	11.1x	14%	44%
CVS Health Corporation	\$125,204	\$184,705	\$306,933	\$22,028	0.6x	0.6x	8.4x	9.2x	3%	6%
Median	\$1,151,194	\$1,154,553	\$306,933	\$62,554	4.2x	3.8x	12.8x	11.6x	8%	32%

Source: CapitalIQ, data as of 9/30/2022