



Healthcare Services

Quarterly Update
First Quarter 2019



CAPITAL PLACEMENTS • MERGERS, ACQUISITIONS & DIVESTITURES • RESTRUCTURINGS

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Q1 2019 Highlights

April, 2019

With approximately 360 healthcare transactions announced, M&A transaction volume in Q1 2019 was down 19% as compared to the same time a year prior, according to preliminary figures from Irving Levin Associates Inc. Deal value in Q1 2019 totaled \$149 billion, up 31% from the year-ago time period; however, three deals (one in the biotechnology, one in biopharma, and one in managed care) had a combined total of \$113 billion, accounting for 75% of the quarter's deal value. Without these three transactions, deal value in Q1 2019 would have totaled just \$36 billion, 68% lower than Q1 2018. Representing 29% of the total transaction volume in Q1 2019, the long-term care sector accounted for the largest share of transaction activity, which is indicative of growing demographic trends across the country.

With 21 M&A transactions, Q1 2019 saw the lowest volume of hospital M&A transactions in almost 10 years, with the fewest acute care hospital transaction announcements since Q4 2009. The slowdown can be attributed to several factors including the decelerated pace of for-profit divestitures from highly levered system providers following significant M&A transaction activity in 2017 and 2018, as well as the process of integration and organization required following a decade of heightened merger activity. However, hospital M&A transaction activity is projected to continue as health systems reevaluate their portfolios, albeit at a slower pace. The drivers for consolidation have not changed, and many high-profile players across the industry are strategically turning to acquisitions and scale to stay competitive.

Along the continuum of care, the home health and hospice sector is poised for consolidation in 2019. In Q1 2019, BioScrip (NASDAQ: BIOS) and Option Care announced they are merging in one of the largest home health transactions of 2019. The merged company will cover 96% of the U.S. population from a geographical perspective, with facilities in 46 states and combined revenue of \$2.6 billion in 2018. Hospice and private duty homecare, both of which are fairly unregulated as compared to home health, are experiencing increased M&A transaction activity as payors are moving patients towards lower-cost post-acute care settings, traditional home health operators are seeking to establish hospice operations, and existing hospice players are seeking greater scale. With approximately \$1 trillion of funds available to allocate toward future initiatives, private equity is expected to drive the majority of M&A activity in the sector followed by publicly-traded companies eager to increase market share, and privately held post-acute providers seeking a competitive edge. Transaction activity could be curtailed by the preparation for CMS' new payment model for the industry, the Patient-Driven Groupings Model (PDGM). Effective January 1, 2020, the new CMS initiative could potentially slow down Q4 2019 transactions, as industry firms may focus on ensuring compliance with new rules during the year's final quarter.

We welcome your comments and hope you find our *SOLICONNECT* report informative.



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 *Recent Representative Transaction*

\$1,500,000,000

 **MISSION HEALTH**

has been acquired by

HCA[®]

Financial Advisor /
Wind-Down Fiduciary

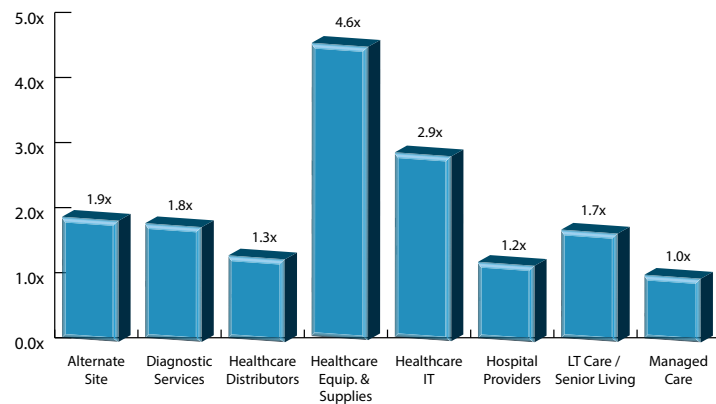
SOLIC Capital Advisors provided transition planning and wind-down oversight to six-hospital Mission Health, based in Asheville, North Carolina, in connection with its sale to Hospital Corporation of America (HCA).

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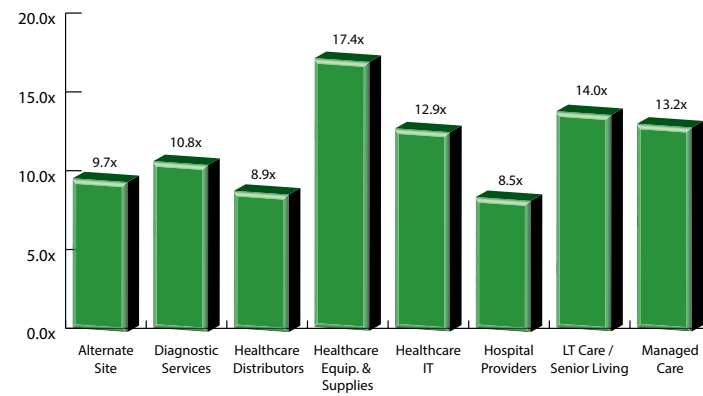
Market Overview



Enterprise Value To Revenue

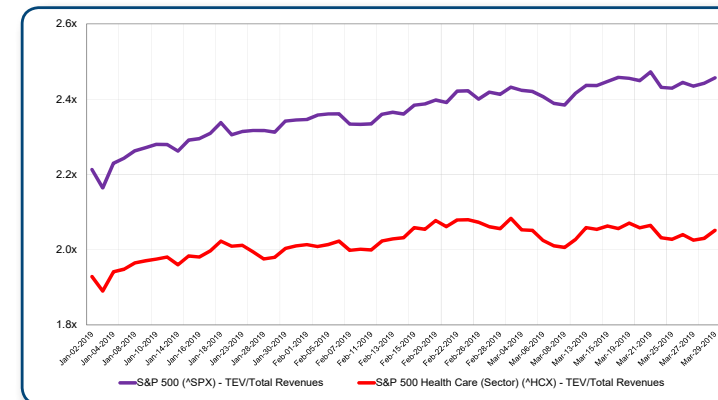


Enterprise Value To EBITDA

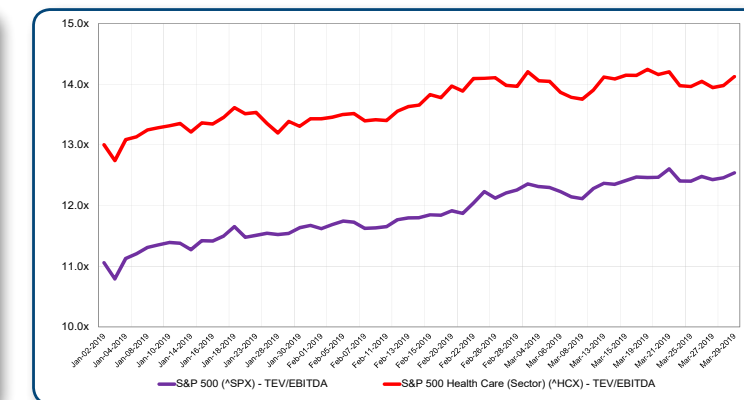


Revenue and EBITDA multiples for the S&P 500 increased by 11% and 13%, respectively, in Q1 2019, while the healthcare sector saw a gain of 6% in revenue multiples and 9% in EBITDA multiples primarily due to overall market outperformance.

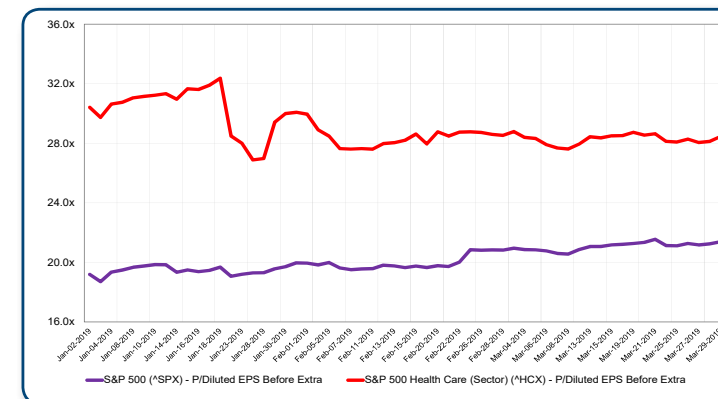
S&P Healthcare Index vs. the S&P 500 Total Enterprise Value / Revenue



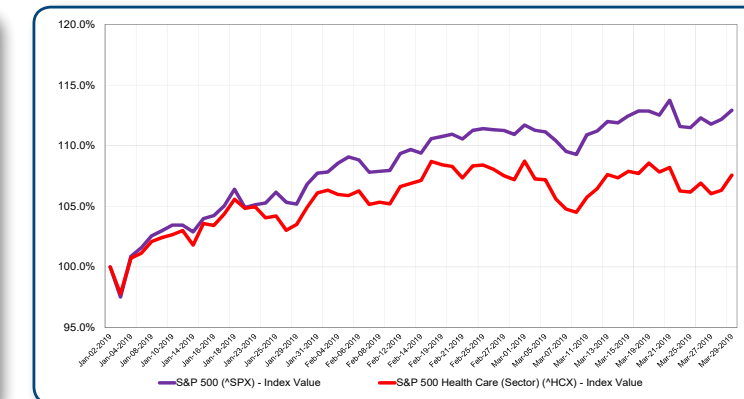
S&P Healthcare Index vs. the S&P 500 Total Enterprise Value / EBITDA



S&P Healthcare Index vs. the S&P 500 Price / Diluted EPS



S&P Healthcare Index vs. the S&P 500 Relative Performance (%)



Notable Industry Developments



New Analysis Shows Worsening Situation for Rural Hospitals

According to a recent report by Navigant Consulting, the financial viability (total operating margin, days cash on hand, and debt-to-capitalization ratio) of rural hospitals nationwide shows 21% or 430 hospitals across 43 states are at high risk of closing unless their financial situations improve. For almost three decades, rural population growth has been significantly lower than urban areas, a factor contributing to the closing of 95 rural hospitals across 26 states since 2010. The factors driving rural hospital closures include payor mix degradation, declining inpatient care driving excess capacity, and inability to leverage innovation.

In Reversal, the Justice Department Now Says Entire Affordable Care Act (ACA) Unconstitutional

The Justice Department now believes the entire ACA is unconstitutional, a reversal from its position this past summer when the government said changes to the individual mandate were unconstitutional but severable from the whole law. U.S. District Judge Reed O'Connor of the Northern District of Texas ruled in December that a congressional tax law passed in 2017 — which zeroed out the penalty imposed by the ACA's individual mandate — rendered the entire healthcare law unconstitutional. The law, however, remains in effect while the ruling is being appealed to the U.S. Court of Appeals for the Fifth Circuit.

Blue Cross North Carolina and Cambia Health Solutions Announce New Strategic Affiliation

The first major merger among Blue insurers in recent years aims to bring a new, different approach to make healthcare simpler, better, more affordable. The two insurers are projecting that despite the 3,000 mile distance between them — and by sharing resources, a corporate backroom and advanced data — they can reduce costs, improve quality and develop new services more efficiently. Blue Cross NC reported \$9.9 billion in revenue last year and covered 3.7 million people, approximately a third of the state's residents. Together with Cambia, the two companies would cover approximately six million people with \$16 billion in combined revenue. If this deal is successful, it could portend additional similar affiliations going forward.

19 Healthcare 'Unicorns' Worth More Than \$1 Billion

So-called "unicorns" — startup companies valued at \$1 billion or more — used to be rare. When Aileen Lee coined the term in 2013, only 39 existed. Today, CB Insights' database tracks 326, including 19 in the U.S. healthcare industry with the potential for a world with better health and less suffering than at any time in history pending the success of new, innovative, outcomes-based payment models.

First Quarter 2019

The Department of Health and Human Services (HHS) May Require Hospitals to Disclose Prices Negotiated with Insurers

In the proposed rule published in March 2019, HHS requested public comments on whether patients should have access to the prices that providers have negotiated with insurers. Regulators state that HHS has the authority to require price disclosures under the 21st Century Cures Act. HHS is accepting public comments on the proposal until May 3.

A Relatively Weak 2018-2019 Flu Season Contributed to Soft 1Q2019 Hospital Utilizations

Based on a recent report by Morgan Stanley, both inpatient and outpatient hospital admissions growth is expected to be lower in 1Q2019 vs 1Q2018: 0.4% year over year inpatient growth is 80 basis point (bps) lower and 1.5% year over year outpatient growth is 30 bps lower. ER volume growth declined, likely a reflection of the significantly weaker 2018-2019 flu season. However, both inpatient and outpatient surgery volume growth improved relative to 1Q2018. Inpatient surgery growth of 0.5% year over year is 10 bps higher sequentially and 90 bps higher than 1Q2018, whereas outpatient surgery growth of 1.1% year over year is 20 bps lower sequentially, but 30 bps higher than 1Q2018.



Selected M&A Transactions

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Alternate Site					
03/01/19	3 LTACHs in Florida	Select Medical Corporation (NYSE:SEM)	\$63.0	n/a	n/a
Description:	Select Medical Corporation (NYSE:SEM) has acquired 3 LTACHs in Florida comprised of 160 beds. The 3 LTACHs were founded in 2011 and are based in various parts of Florida.				
02/13/19	New England Geriatrics	HealthDrive Corp.	n/a	n/a	n/a
Description:	HealthDrive Corp. has acquired New England Geriatrics, a provider of mental health services to elders in nursing homes in Massachusetts. New England Geriatrics was founded in 1994 and is based in West Springfield, MA.				
02/04/19	First Choice Physical Therapy	ATI Holdings, Inc.	n/a	n/a	n/a
Description:	ATI Holdings, Inc. has acquired First Choice Physical Therapy, a provider of outpatient orthopedic rehabilitation services. First Choice Physical Therapy was founded in 1994 and is based in Quincy, IL.				
01/22/19	Hughes Center	HealthLynked Corp	\$1.5	n/a	n/a
Description:	HealthLynked Corp. has acquired Hughes Center, a provider of functional medicine. Hughes Center was founded in 2014 and is based in Naples, FL.				
01/16/19	Pediatric Alliance P.C.	Allegheny Health Network, Inc.	n/a	n/a	n/a
Description:	Allegheny Health Network, Inc. has acquired Pediatric Alliance P.C., a provider of pediatric care services for infants, children, and adolescents in Southwestern Pennsylvania. Pediatric Alliance P.C. was founded in 1996 and is based in Carnegie, PA.				
01/09/19	Eventus WholeHealth, PLLC	Enhanced Healthcare Partners	n/a	n/a	n/a
Description:	Enhanced Healthcare Partners has acquired Eventus WholeHealth, PLLC, a provider of on-site, primary care and ancillary services to residents and patients of post-acute care facilities. Eventus WholeHealth, PLLC was founded in 2014 and is based in Charlotte, NC.				



Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Diagnostic Services					
03/04/19	U.S. Renal Care, Inc.	Private investor group	\$0.7	n/a	n/a
Description:	A private investor group has acquired U.S. Renal Care, Inc., a provider of outpatient, home and specialty dialysis centers for serving patients suffering from chronic kidney failures. U.S. Renal Care, Inc. was founded in 2000 and is based in Plano, TX.				
02/11/19	Kern Radiology Medical Group, Inc.	RadNet, Inc.	n/a	n/a	n/a
Description:	RadNet, Inc. has acquired Kern Radiology Medical Group, Inc., a provider of diagnostic imaging services. Kern Radiology Medical Group, Inc. was founded in 1968 and is based in Bakersfield, CA.				
01/09/19	N-of-One, Inc.	QIAGEN N.V. (NYSE:QGEN)	n/a	n/a	n/a
Description:	QIAGEN N.V. (NYSE:QGEN) has acquired N-of-One, Inc., a molecular decision support company. N-of-One, Inc. was founded in 2007 and is based in Lexington, MA.				
01/02/19	Axsun Technologies, LLC	Excelitas Technologies Corp.	n/a	n/a	n/a
Description:	Excelitas Technologies Corp. has acquired Axsun Technologies, LLC, a producer of photonics products based on MEMS and other micro-scale optical devices. Axsun Technologies, LLC was founded in 1998 and is based in Billerica, MA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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Healthcare Distributors

03/02/19	Brammer Bio, LLC	Thermo Fisher Scientific, Inc. (NYSE:TMO)	\$1,700.0	n/a	n/a
Description:	Thermo Fisher Scientific, Inc. (NYSE:TMO) has acquired Brammer Bio, LLC, a supplier of cell and gene therapies for pharmaceutical and biotechnology industries. Brammer Bio, LLC was founded in 2013 and is based in Cambridge, MA.				
01/21/19	Orchid Orthopedic Solutions, LLC	Nordic Capital	n/a	n/a	n/a
Description:	Nordic Capital has acquired Orchid Orthopedic Solutions, LLC, a provider of orthopedic and medical device contract design and manufacturing outsourcing services. Orchid Orthopedic Solutions, LLC was founded in 2005 and is based in Mason, MI.				

Healthcare Equipment & Supplies

03/15/19	DermTech, Inc.	Constellation Alpha Capital	\$15.0	n/a	n/a
Description:	Constellation Alpha Capital has acquired DermTech, Inc., a producer of devices used to detect skin cancers. DermTech, Inc. was founded in 1995 and is based in La Jolla, CA.				
02/27/19	Arrinex, Inc.	Stryker Corporation (NYSE:SYK)	n/a	n/a	n/a
Description:	Stryker Corporation (NYSE:SYK) has acquired Arrinex, Inc., a medical device company for procedures involving refractory chronic rhinitis. Arrinex, Inc. was founded in 2013 and is based in Redwood City, CA.				
01/28/19	Thermo Fisher Scientific Inc. - Anatomical Pathology Business	PHC Holdings Corporation	\$1,140.0	3.3x	n/a
Description:	PHC Holdings Corporation has acquired the Anatomical Pathology Business of Thermo Fisher Scientific Inc., a provider of microscope slides, instruments and consumables. Thermo Fisher Scientific Inc. was founded in 1956 and is based in Waltham, MA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
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Healthcare IT

03/11/19	Digital Pharmacist, Inc.	K1 Investment Management	\$100.0	n/a	n/a
Description:	K1 Investment Management has acquired Digital Pharmacist, Inc., a digital health company that provides web-based solutions for pharmacies. Digital Pharmacist, Inc. was founded in 2010 and is based in Austin, TX.				
03/11/19	Voalte, Inc.	Hill-Rom Holdings, Inc. (NYSE:HRC)	\$195.0	4.9x	n/a
Description:	Hill-Rom Holdings, Inc. (NYSE:HRC) has acquired Voalte, Inc., a provider of smartphone software solutions for the healthcare industry. Voalte, Inc. was founded in 2008 and is based in Sarasota, FL.				
03/05/19	PrescribeWellness	Tabula Rasa HealthCare, Inc. (NASDAQ:TRHC)	\$150.0	n/a	n/a
Description:	Tabula Rasa HealthCare, Inc. (NASDAQ:TRHC) has acquired PrescribeWellness, a cloud-based patient relationship management solutions company. PrescribeWellness was founded in 2010 and is based in Irvine, CA.				
01/28/19	Geneva Healthcare, Inc.	BioTelemetry, Inc. (NASDAQ: BEAT)	\$45.0	10.8x	n/a
Description:	BioTelemetry, Inc. (NASDAQ: BEAT) has acquired Geneva Healthcare, Inc., a provider of proprietary cloud-based data solutions for leading device manufacturer systems. Geneva Healthcare, Inc. was founded in 2010 and is based in Pasadena, CA.				
01/08/19	Receivables Solutions Specialists, Inc.	Kriya Capital, LLC	n/a	n/a	n/a
Description:	Kriya Capital, LLC has acquired Receivables Solutions Specialists, Inc., a provider of revenue cycle management services to health care organizations. Receivables Solutions Specialists, Inc. was founded in 2007 and is based in Natchez, MS.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Hospital Providers					
03/28/19	Health Quest Systems, Inc.	Western Connecticut Health Network, Inc.	n/a	n/a	n/a
Description:	Western Connecticut Health Network, Inc. has acquired Health Quest Systems, Inc., a Hudson Valley-based family of integrated hospitals and healthcare providers. Health Quest Systems, Inc. was founded in 1984 and is based in LaGrangeville, NY.				
03/20/19	Panola Medical Center	Vizion Health Services	n/a	n/a	n/a
Description:	Vizion Health Services has acquired Panola Medical Center, a 112-bed hospital in Mississippi. Panola Medical Center was founded in 2001 is based in Batesville, MS.				
03/01/19	4 hospitals in South Carolina	Medical University of South Carolina	\$176.0	n/a	n/a
Description:	Medical University of South Carolina has acquired 4 hospitals in South Carolina totaling 747 beds. The 4 hospitals are located in Chester, Florence and Mullins, SC.				
02/22/19	Jellico Community Hospital	Rennova Health, Inc.	\$0.7	n/a	n/a
Description:	Rennova Health, Inc. has acquired Jellico Community Hospital, 54-bed acute care facility in Tennessee. Jellico Community Hospital was founded in 1974 and is based in Jellico, TN.				
02/01/19	Mission Health System, Inc.	HCA Healthcare, Inc. (NYSE:HCA)	\$1,500.0	n/a	n/a
Description:	HCA Healthcare, Inc. (NYSE:HCA) has acquired Mission Health System, Inc., a not-for-profit community hospital system in Western North Carolina and the adjoining region. Mission Health System, Inc. was founded in 1981 and is based in Asheville, NC. SOLIC Capital Advisors provided transition planning and wind-down oversight to Mission Health in connection with this transaction.				
02/01/19	Catholic Health Initiatives	Dignity Health	n/a	n/a	n/a
Description:	Dignity Health has acquired Catholic Health Initiatives, a healthcare system in Colorado. Catholic Health Initiatives was founded in 1996 and is based in Englewood, CO.				
01/23/19	Bay Area Medical Center	Advocare Aurora Health	n/a	n/a	n/a
Description:	Advocare Aurora Health has acquired Bay Area Medical Center, a 99-bed general acute care hospital. Bay Area Medical Center was founded in 1985 and is based in Marinette, WI.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
01/08/19	Success Healthcare 2, LLC	Americore Health, LLC	\$10.0	n/a	n/a
Description:	Americore Health, LLC has acquired Success Healthcare 2, LLC, an operator of community-based short-term acute-care hospitals. Success Healthcare 2, LLC was founded in 2008 and is based in Boca Raton, FL.				
01/07/19	Scenic Mountain Medical Center	Steward Health Care	\$22.0	n/a	n/a
Description:	Steward Health Care has acquired Scenic Mountain Medical Center, a 146-bed hospital in Texas. Scenic Mountain Medical Center was founded in 1992 and is based in Big Springs, TX.				
01/01/19	4 hospitals in Florida	Cleveland Clinic	\$750.0	n/a	n/a
Description:	Cleveland Clinic has acquired 4 hospitals in Florida, Indian River Medical Center and Martin Health System. Both acquisitions will broaden Cleveland Clinic's presence in Florida, as Martin Health includes three hospitals with 521 beds, a 150-member employed physician group, and outpatient services that reach across southeast Florida.				
Long-Term Care / Senior Living					
03/29/19	Somerby of Sandy Springs	Bridge Investment Group	\$75.5	n/a	n/a
Description:	Bridge Investment Group has acquired Somerby of Sandy Springs, a 200-unit senior living community with 128 IL units, 48 AL units and 24 memory care units. Somerby at Sandy Springs was founded in 2017 and is based in Sandy Springs, GA.				
03/29/19	Tribute at Heritage Village	LCS	\$72.0	n/a	n/a
Description:	LCS has acquired Tribute at Heritage Village, an 128-unit AL/MC facility. Tribute at Heritage Village was founded in 2016 and is based in Gainesville, VA.				
03/29/19	3 senior living communities	Kayne Anderson Real Estate	\$104.0	n/a	n/a
Description:	Kayne Anderson Real Estate has acquired 3 senior living communities with 254 AL/MC units. The 3 senior living communities were founded in 2006 and are based in various parts of California.				
03/20/19	14 senior care properties	Joint venture	\$125.0	n/a	n/a
Description:	A joint venture has acquired 14 senior care properties located throughout Indiana. The 14 skilled nursing/assisted living facilities were founded in 2006 and include 1,100 total licensed beds.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
02/26/19	4 assisted living communities	MedCore Partners	\$98.0	n/a	n/a
Description:	MedCore Partners has acquired 4 assisted living communities in Arizona and Utah. The portfolio consists of three communities in AZ and the 97-unit Summit Senior Living in Kearns, UT.				
02/07/19	3 assisted living communities	Atlas Senior Living	\$48.4	n/a	n/a
Description:	Atlas Senior Living has acquired 3 assisted living communities each comprised of 66 units, including 48 AL and 18 MC units. The 3 AL/MC communities were founded in 2014 and are located in various parts of South Carolina.				
02/06/19	2 Brinton Woods facilities	Autum Lake Healthcare	\$43.8	n/a	n/a
Description:	Autum Lake Healthcare has acquired 2 Brinton Woods senior care facilities comprised of 307 beds. The 2 Brinton Woods facilities were founded in 2014 and are based in Baltimore, MD.				
02/04/19	Isles of Vero Beach	National Health Investors, Inc. (NYSE:NHI)	\$38.0	n/a	n/a
Description:	National Health Investors, Inc. (NYSE:NHI) has acquired Isles of Vero Beach, a senior living community comprised of 157 IL and 75 AL units. Isles of Vero Beach was founded in 1989 and is based in Vero Beach, FL.				
02/04/19	15 Skilled Nursing Facilities	Next Healthcare Capital	\$204.0	n/a	n/a
Description:	Next Healthcare Capital has acquired 15 skilled nursing facilities comprised of 2,147 beds. The facilities are located in PA (6), NJ (4), CT (3), WV and MD.				
01/18/19	Ashton Senior Living	Mainstay Senior Living	\$15.8	n/a	n/a
Description:	Mainstay Senior Living has acquired Ashton Senior Living, a senior living community comprised of two facilities. Ashton Senior Living was founded in 1992 and is based in Lawrenceville, GA.				
01/15/19	Wingate at Silver Lake	National Health Investors, Inc. (NYSE:NHI)	\$50.3	n/a	n/a
Description:	National Health Investors, Inc. (NYSE:NHI) has acquired Wingate at Silver Lake, a senior living community comprised of 34 IL, 69 AL and 164 skilled nursing units/beds. Wingate at Silver Lake was founded in 1997 and is based in Kingston, MA.				
01/07/19	Madrona Park Assisted Living	Harrison Street Real Estate	\$16.6	n/a	n/a
Description:	Harrison Street Real Estate has acquired Madrona Park Assisted Living, an AL/MC community comprised of 104 beds in 87 units. Madrona Park Assisted Living was founded in 1997 and is based in Federal Way, WA.				

Date	Target	Buyer	Enterprise Value (\$ mm)	Enterprise Value / Revenue	Enterprise Value / EBITDA
Managed Care					
03/27/19	WellCare Health Plans, Inc. (NYSE:WCG)	Centene Corporation (NYSE:CNC)	\$17,397.9	n/a	n/a
Description:	Centene Corporation (NYSE:CNC) has acquired WellCare Health Plans, Inc. (NYSE:WCG), a provider of government-sponsored managed care services. WellCare Health Plans, Inc. (NYSE:WCG) was founded in 1985 and is based in Tampa, FL.				
03/14/19	The Dental Care Plus Group	DentaQuest	\$41.5	n/a	n/a
Description:	DentaQuest has acquired The Dental Care Plus Group, a provider of dental insurance offering 246 provider locations nationwide. The Dental Care Plus Group was founded in 1986 and is based in Sharonville, OH.				
01/04/19	QualChoice Holdings, Inc.	Centene Corporation (NYSE:CNC)	n/a	n/a	n/a
Description:	Centene Corporation (NYSE:CNC) has acquired QualChoice Holdings, Inc., a health management organization offering health insurance in Arkansas. QualChoice Holdings, Inc. was founded in 1994 and is based in Little Rock, AK.				
01/02/19	EyeMax Vision Plan	Western Dental Services	n/a	n/a	n/a
Description:	Western Dental Services has acquired EyeMax Vision Plan, Inc., a provider of specialized healthcare service plans for vision. EyeMax Vision Plan, Inc. was founded in 2013 and is based in Watsonville, CA.				

Valuation Metrics by Sector



Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Alternate Site ^[1]								
AMED	Amedisys, Inc.	\$123.26	87.5%	\$3,945.6	\$3,933.8	2.4x	22.3x	34.7x
DVA	DaVita Inc.	54.29	68.6%	9,033.2	20,139.0	1.8x	9.7x	15.2x
DB:FME	Fresenius Medical Care AG & Co.	71.80	70.0%	24,660.2	31,870.8	1.7x	9.6x	NM
					Mean	1.9x	9.7x	15.2x
Diagnostic Services								
LH	Laboratory Corporation of America Holdings	\$152.98	80.4%	\$15,083.8	\$20,739.0	1.8x	10.8x	17.8x
DGX	Quest Diagnostics Incorporated	89.92	77.2%	12,072.8	16,149.8	2.1x	10.2x	17.0x
RDNT	RadNet, Inc.	12.39	74.9%	620.4	1,352.0	1.4x	11.5x	18.8x
					Mean	1.8x	10.8x	17.8x

[1] AMED has been excluded from mean EBITDA and PE multiple calculations.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare Distributors ^[2]								
ABC	AmerisourceBergen Corporation	\$79.52	83.7%	\$16,785.9	\$19,034.9	0.1x	8.8x	14.6x
CAH	Cardinal Health, Inc.	48.15	72.5%	14,349.5	21,216.5	0.1x	7.4x	NM
HSIC	Henry Schein, Inc.	60.11	65.8%	9,100.9	11,877.6	0.9x	10.6x	17.2x
MCK	McKesson Corporation	117.06	72.8%	22,455.1	32,063.1	0.2x	8.0x	NM
OMI	Owens & Minor, Inc.	4.10	21.4%	258.4	1,812.5	0.2x	8.0x	NM
SRCL	Stericycle, Inc.	54.42	76.2%	4,936.1	7,694.5	2.2x	10.8x	NM
TMO	Thermo Fisher Scientific Inc.	273.72	99.9%	109,215.3	126,231.3	5.2x	20.5x	37.8x
					Mean	1.3x	8.9x	15.9x

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare Equipment & Supplies ^[3]								
ABT	Abbott Laboratories	\$79.94	99.3%	\$140,412.2	\$156,090.2	5.1x	21.7x	61.0x
BAX	Baxter International Inc.	81.31	99.9%	41,558.9	43,225.9	3.9x	16.6x	27.2x
BDX	Becton, Dickinson and Company	249.73	93.9%	67,193.2	87,318.2	5.1x	17.2x	76.9x
BEAT	BioTelemetry, Inc.	62.62	77.4%	2,113.7	2,233.1	5.9x	21.4x	52.2x
BSX	Boston Scientific Corporation	38.38	93.6%	53,367.4	60,321.4	6.1x	23.0x	32.3x
JNJ	Johnson & Johnson	139.79	93.8%	372,228.9	384,123.9	4.7x	13.6x	24.9x
MDT	Medtronic plc	91.08	90.9%	122,152.0	138,155.0	4.5x	14.3x	25.7x
SIE	Siemens	96.11	79.2%	77,105.3	102,939.3	1.2x	11.6x	17.6x
					Mean	4.6x	17.4x	23.9x

[2] TMO has been excluded from mean EBITDA and PE multiple calculations.

[3] ABT, BDX, BEAT & BSX have been excluded from mean PE multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E
						LTM Revenue	LTM EBITDA	
Healthcare IT ^[4]								
MDRX	Allscripts Healthcare Solutions, Inc.	\$9.54	63.7%	\$1,634.5	\$2,158.9	1.2x	30.8x	97.7x
CERN	Cerner Corporation	57.21	84.7%	18,556.7	18,225.0	3.4x	15.1x	30.3x
CPSI	Computer Programs and Systems, Inc.	29.69	85.7%	411.5	536.8	1.9x	15.7x	23.6x
HMSY	HMS Holdings Corp.	29.61	77.6%	2,524.9	2,586.0	4.3x	19.6x	46.3x
NXGN	NextGen Healthcare, Inc.	16.83	70.9%	1,088.8	1,086.9	2.1x	27.9x	113.5x
OMCL	Omniceil, Inc.	80.84	93.1%	3,298.2	3,366.4	4.3x	40.4x	86.9x
Mean						2.9x	12.9x	27.0x
Hospital Providers ^[5]								
CYH	Community Health Systems, Inc.	\$3.73	69.7%	\$421.2	\$14,399.2	1.0x	9.8x	NM
HCA	HCA Healthcare, Inc.	130.38	88.4%	44,787.0	79,091.0	1.7x	8.8x	12.2x
QHC	Quorum Health Corporation	1.40	14.0%	43.9	1,251.9	0.7x	13.7x	NM
THC	Tenet Healthcare Corporation	28.84	72.6%	2,968.6	19,609.6	1.1x	6.7x	27.7x
UHS	Universal Health Services, Inc.	133.77	94.1%	12,144.0	16,114.2	1.5x	9.6x	16.1x
Mean						1.2x	8.5x	14.2x

[4] MDRX, NXGN & OMCL have been excluded from mean EBITDA multiple calculation, and MDRX, HSMY, NXGN & OMCL have been excluded from mean PE multiple calculation.

[5] QHC has been excluded from mean EBITDA multiple calculation, and THC has been excluded from mean PE multiple calculation.

Ticker	Company Name	Stock Price	% of 52 Week High	Market Cap (\$mm)	Enterprise Value (\$mm)	Enterprise Value to:		P/E	
						LTM Revenue	LTM EBITDA		
Long-Term Care / Senior Living ^[6]									
ADUS	Addus HomeCare Corporation	\$63.59	81.7%	\$828.5	\$775.4	1.5x	19.8x	14.7x	
BKD	Brookdale Senior Living Inc.	6.58	65.1%	1,227.8	5,328.9	1.5x	10.1x	19.4x	
CSU	Capital Senior Living Corporation	3.99	33.4%	125.0	1,116.2	2.4x	18.2x	19.4x	
EHC	Encompass Health Corporation	58.40	70.8%	5,766.6	8,753.8	2.0x	9.8x	20.0x	
ENSG	The Ensign Group, Inc.	51.19	93.8%	2,697.5	2,912.4	1.4x	15.9x	30.1x	
GEN	Genesis Healthcare, Inc.	1.44	50.3%	151.4	4,335.7	0.9x	9.9x	NM	
LHCG	LHC Group, Inc.	110.86	95.9%	3,481.7	3,798.2	2.1x	23.1x	48.4x	
Mean						1.7x	14.0x	20.7x	
Managed Care									
ANTM	Anthem, Inc.	286.98	90.2%	\$73,826.6	\$89,707.6	1.0x	14.1x	20.2x	
CNC	Centene Corporation	53.10	71.3%	21,940.4	23,485.4	0.4x	8.9x	23.5x	
CI	Cigna Corporation	160.82	71.0%	61,121.1	99,788.1	2.1x	19.2x	15.3x	
CVS	CVS Health Corporation	53.93	65.6%	69,951.6	137,117.6	0.7x	11.0x	NM	
HUM	Humana Inc.	266.00	74.7%	36,079.6	39,976.6	0.7x	11.9x	21.9x	
UNH	UnitedHealth Group Incorporated	247.26	85.9%	237,255.5	267,474.5	1.2x	14.0x	20.3x	
Mean						1.0x	13.2x	20.2x	
OVERALL HEALTHCARE SECTOR						Mean	2.0x	11.9x	19.4x

[6] LHCG has been excluded from mean EBITDA and PE multiple calculations.



NOTES

Notes

- Sources: Capital IQ, Bond Buyer, Bloomberg, company 10-K, 10-Q and 8-K SEC filings, annual reports, press releases, and others as indicated.
- Any public companies chosen for the “SCA Healthcare Services Universe” are companies commonly used for industry information to show performance within a sector. They do not include all public companies that could be categorized within the sector and were not created as benchmarks; they do not imply benchmarking and do not constitute recommendations for a particular security and/or sector. The charts and graphs used in this report have been compiled by SOLIC Capital Advisors solely for purposes of illustration.

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