

## Orthopedics

Q3 2023

### Market Update

Over the past two years, the pressing demands and staffing challenges within the orthopedic industry have underscored the critical need for more efficient operations and improved clinical effectiveness. In response, practices of all sizes have turned to mergers and acquisitions to enhance their clinical services, obtain supporting capital resources, and gain access to state-of-the-art treatment delivery systems. Furthermore, the ongoing encouragement from payors to embrace value-based care models is intensifying the urgency to invest in infrastructure and data tracking capabilities, ultimately driving further M&A activity.

With several private equity backed orthopedic platforms currently on the market, or forthcoming this quarter, Provident expects to see multiple landmark transactions in Q4-2023 and early 2024. These secondary and tertiary transactions will accelerate the pace of subsequent bolt-on acquisitions, as new investors seek to rapidly expand their portfolios during the early stage of their investment holdings.

### Notable Transaction

InTandem Capital Partners completed its platform acquisition of OrthoNebraska, a 25 specialty-trained physician practice based in Omaha seeking to expand operations throughout the state of Nebraska and Midwest. OrthoNebraska operates as a vertically integrated orthopedic provider serving patients out of multiple outpatient / physical therapy clinics and OrthoNebraska Hospital, a leading ortho focused hospital. The Company excels in the provision of several key ancillary treatment lines, including urgent care, emergency care, physical therapy, advanced imaging, DME, and sports rehabilitation / training. A partnership with InTandem will allow the Company to continue its strong growth trajectory and leverage decades of healthcare operations expertise.



Has been acquired by

InTandem

CAPITAL PARTNERS

August 2023

### Select Transactions

Month	Acquirer	Target	Deal Description
September			Redefine Healthcare has partnered with Mercer-Bucks Orthopaedics to expand its Tri-State presence to 19 total clinics operated by a team of over 70 providers. The partnership also marks Redefine's entrance into the PA market.
August			Health Plus Management, a Long Island-based musculoskeletal clinic network, announced its partnership with Somers Orthopaedic Surgery & Sports Medicine Group. The transaction builds on HPM's recently formed partnership with Advanced Orthopedics and Sports Medicine Institute to solidify it as a key NJ platform.
July			U.S. Orthopaedic Partners continued its rapid Southeastern United States expansion through its acquisition of Orthopaedic Associates of New Orleans and Mid State Orthopaedic & Sports Medicine Center. The joint acquisition is the 11 <sup>th</sup> add-on for USOP and adds eight clinical locations to its national network.
July			Virtua Health's acquisition of New Jersey-based Reconstructive Orthopedics adds over 300 employees and 90 providers to build the largest ortho presence in Southern New Jersey.

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