

Healthcare IT

Q4 2023

Market Update

M&A activity in the Healthcare Information Technology (HCIT) sector ended 2023 on a high note, with deal volume up 44% from the previous quarter and 12% year-over-year. The growing transition towards value-based care models has reinforced the need for companies to maintain strong infrastructure solutions and technology platforms that provide real-time patient population analytics while complying with stringent privacy protocols. Additionally, CFOs are increasingly leveraging tech and SaaS solutions to monitor reimbursement pressures, labor and supplies, and procurement price increases, in turn keeping investor interest in the space strong.

With credit markets stabilizing, Provident expects deal activity to remain elevated in the HCIT sector heading into 2024.

Notable Transaction

Ntracts, a leading contract lifecycle management solutions for healthcare organizations, received a significant investment from Accel-KKR, a global private equity firm with significant experience investing in the Healthcare IT sector. Accel-KKR's investment will enable Ntracts to accelerate its go-to-market strategies as the Company enters a new phase of growth.

Ntracts' contract management software is designed to help healthcare organizations streamline their contract management processes, minimize regulatory exposure, and identify cost savings.



Select Transactions

Month	Acquirer	Target	Deal Description
December	 Great Point Partners	 LUDI	Ludi, a leader in physician payment automation, received a growth investment from Great Point Partners
November	 SONIC HEALTHCARE	 PATHOLOGY WATCH	Salt Lake City-based Pathology Watch, a digital pathology platform designed to detect and characterize cancers from biopsy samples, was acquired by Sonic Healthcare for \$150 million
November	 THOMABRAVO	 nextgen healthcare	NextGen Healthcare was acquired by Thoma Bravo through a \$1.8 billion public-to-private LBO
October	 SUMMIT PARTNERS	 Hallmark Health Care Solutions	Hallmark Healthcare Solutions, a leading healthcare technology company specializing in workforce management solutions, received a significant investment from Sumit Partners
October	 PRIMUS	 PRENDIO BioProcure	Prendio, the leading provider of cloud-based eProcurement software, and sister company BioProcure, the leader in procure-to-pay support services for biotech, received a significant growth equity investment from Primus Capital

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