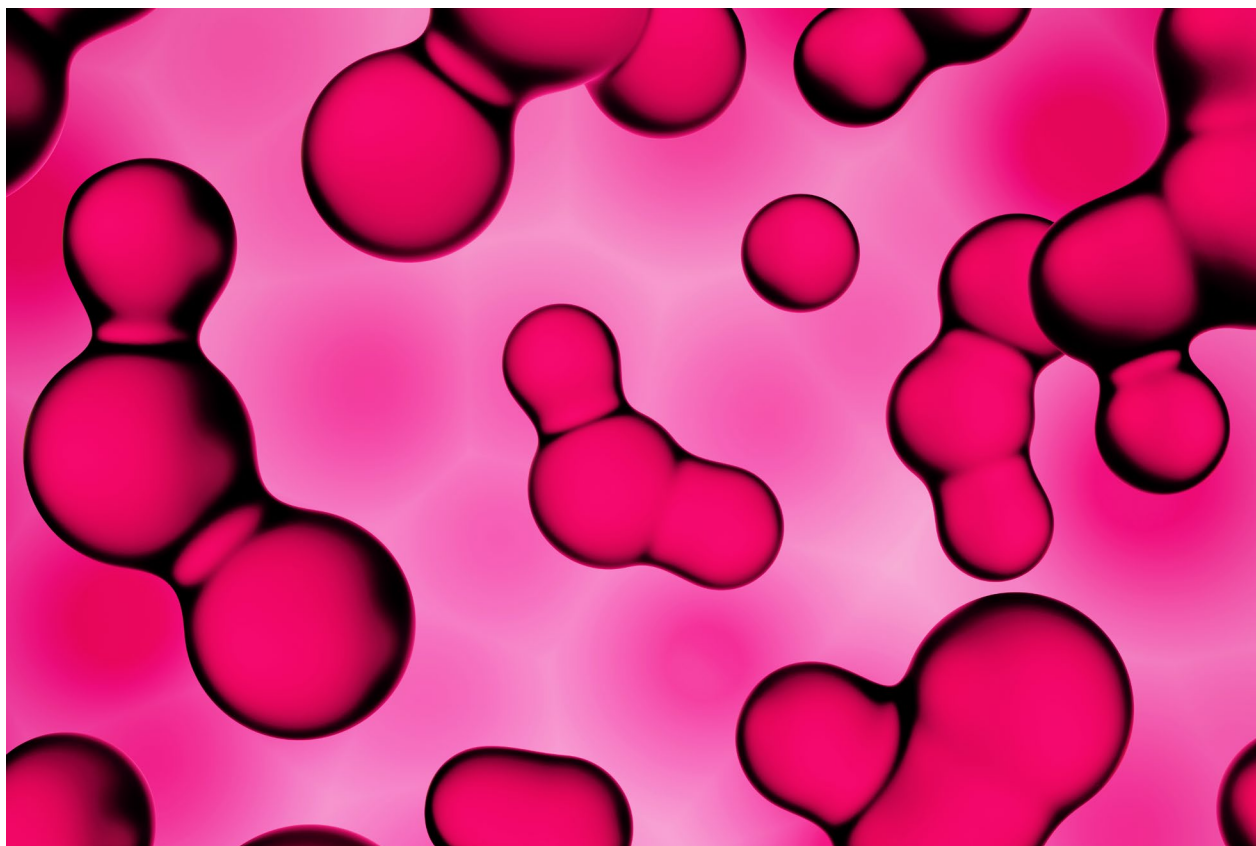


February 20, 2025

Cain Brothers Industry Insights

Healthcare Market Report



Banker commentary:

AI and ML: Compelling Innovation Across the Drug Development and Commercialization Continuum

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AI and ML: Compelling Innovation Across the Drug Development and Commercialization Continuum

Banker Commentary by Roman Rezanowicz

Summary

The biopharmaceutical industry has long been characterized by lengthy, costly, and high-risk drug development cycles. The traditional process of bringing a new drug to market can take more than a decade and cost billions of dollars, with a significant percentage of compounds failing in late-stage clinical trials. Given this reality, artificial intelligence (AI) and machine learning (ML) are reshaping this landscape, offering powerful solutions that accelerate drug discovery, optimize clinical trials, and enhance commercialization strategies. As AI and ML technologies continue to mature, biopharmaceutical companies are increasingly turning to outsourced technology providers to integrate these innovations into their operations:

Drug Discovery & Target Identification

AI-powered platforms analyze vast datasets to identify promising drug candidates more quickly and accurately than traditional methods. Historically, researchers relied on time-consuming laboratory experiments and trial-and-error approaches to determine viable compounds. Now, with ML models trained on genomic, proteomic, and chemical datasets, scientists can predict how different compounds will interact with biological targets, significantly shortening the discovery phase. By incorporating AI-driven computational chemistry, researchers can simulate molecular interactions and prioritize the most promising drug candidates, ultimately reducing the time and cost associated with early-stage research. This approach allows for more targeted drug design, increasing the chances of success in later development stages.

Clinical Trial Optimization

Clinical trials are among the most expensive and time-consuming aspects of drug development. Enrolling the right patients, monitoring trial progress, and analyzing results require substantial resources. AI enhances patient recruitment by analyzing electronic health records and identifying the most suitable patient cohorts for studies. Additionally, AI-driven predictive modeling enables adaptive trial designs, which can dynamically adjust protocols based on real-time data. By leveraging AI, biopharmaceutical companies reduce trial durations and increase the likelihood of success, minimizing financial risks associated with late-stage failures.

Regulatory & Compliance Assistance

Navigating the complex regulatory landscape is a critical aspect of drug development. AI-driven automation streamlines regulatory submissions by analyzing historical approval data to predict potential hurdles. This allows biopharmaceutical companies to proactively address compliance issues, reducing the likelihood of delays and rejections. Additionally, AI-powered drug safety monitoring systems can analyze post-market data to detect adverse events earlier, improving overall drug safety. By integrating AI into regulatory processes, drugmakers can

continued...

expedite approvals and bring therapies to market faster while ensuring compliance with evolving regulatory requirements.

Commercialization & Market Strategy

AI also plays an increasingly pivotal role in drug commercialization, enabling biopharmaceutical firms to optimize pricing strategies, personalize marketing efforts, and predict market demand. By analyzing patient behavior, prescription trends, and competitive landscapes, AI-driven solutions allow companies to refine their go-to-market strategies. Through AI-powered analytics, drugmakers can better understand market dynamics, anticipate demand fluctuations, and tailor their sales strategies to target the right healthcare providers and patients. As an example, AI-driven real-world evidence and data platforms analyze patient outcomes and treatment patterns, providing valuable insights that can be used to refine post-market strategies. These insights help biopharmaceutical companies adjust their commercialization tactics in real-time, improving drug adoption rates and ensuring better long-term performance in competitive markets. This leads to improved market penetration and more efficient resource allocation in bringing new therapies to consumers.

In-House AI Capabilities in Biopharma

While many biopharmaceutical companies rely on external AI providers, some biopharma companies have chosen to develop proprietary AI systems in-house to maintain a competitive advantage. These companies integrate AI deeply into their drug development processes, ensuring that their models and insights remain exclusive to their research efforts. These proprietary AI models enable them to develop new drug candidates that may not be discoverable using traditional methods. Because these systems are developed and refined internally, they provide unique intellectual property advantages and differentiation from competitors.

Conclusion

AI and ML are driving a new era of efficiency in biopharmaceutical research, clinical trials, commercialization, and market access. As biopharmaceutical companies increasingly rely on AI-driven innovations, investors, including private equity and venture capital investors have taken notice of companies that provide these technologies and solutions. AI promises to be one of the most compelling investment frontiers as the biopharmaceutical industry catches up with AI and ML utilization.

M&A Activity

Selected Recent Healthcare Transactions (\$MM)

Date	Target Name	Acquirer	EV	Enterprise Value /		Description
				LTM Rev.	LTM EBITDA	
2/14/2025	OrthoNY	Zenyth Partners	NA	NA	~11x	Physician-owned orthopedic and pain management practice
2/14/2025	Charles Pharmacy & Surgical	Strive Medical (NMS Capital)	NA	NA	NA	Pharmacy and diabetes supplies company
2/13/2025	EIDO Healthcare	Marlin Equity Partners	NA	NA	NA	Provider of digital consent and patient information solutions
2/11/2025	Proud Moments (Audax Private Equity)	Nautic Partners	~\$425	NA	NA	Provider of applied behavioral analysis therapy to children with autism
2/10/2025	Edifecs (TA)	Cotiviti (Veritas Capital and KKR)	NA	NA	NA	Healthcare data interoperability
2/10/2025	PTI Health	DocGo	NA	NA	NA	Mobile lab collection and phlebotomy services company
2/6/2025	Carium	Healthmap Solutions (WindRose Health Investors)	NA	NA	NA	Digital care management and communication platform
2/5/2025	Avid Bioservices	GHO Capital Partners and Ampersand Capital Partners	NA	NA	NA	Biologics contract development and manufacturing organization
2/5/2025	Catapult Health	Teladoc Health	\$70	2.3x	NA	Provider of virtual preventive care services
2/4/2025	Horizon Infusions	Rubicon Founders	NA	NA	NA	Network of ambulatory infusion centers
2/3/2025	Western Microsurgical	HealthEdge Investment Partners	NA	NA	NA	Independent service organization and provider of new and refurbished surgical microscopes
1/29/2025	Quartet Health (y Oak HC/FT, GV, F Prime, Polaris Partners, Deerfield, Centene, Independence Health, and Echo Ventures)	NeuroFlow	NA	NA	NA	Value-based behavioral healthcare enablement company
1/28/2025	Already Autism Health	Triton Pacific Healthcare Partners	NA	NA	NA	Autism services provider
1/24/2025	ResiDex Software	Accel-KKR	NA	NA	NA	EHR software platform for assisted living and senior care providers
1/23/2025	Medsurant Health (New Capital Partners) *	MPOWERHealth	NA	NA	NA	Outsourced clinical services provider of comprehensive patient monitoring solutions for complex surgical cases
1/22/2025	Clinilabs	InTandem Capital Partners	NA	NA	NA	CRO focused on central nervous system drug development
1/22/2025	Nova Medical Centers	Concentra	\$265	2.0x	9.4x	Provider of workers' compensation injury care services, physical therapy, drug and alcohol screening, and pre-employment physicals as part of occupational health services
1/22/2025	Recovery Dynamics	Optimal Investment Group	NA	NA	NA	Provider of drug and alcohol addiction treatment services

Private Placement Activity

Sources: Capital IQ, Merger market, and press releases

* Denotes Cain Brothers/KeyBanc Capital Markets participation

Transaction occurred the past week

Selected Recent Healthcare Transactions (\$MM)

Date	Company	Investor(s)	Type	Amount	Description
2/10/2025	SelectQuote	Bain Capital, Morgan Stanley Private Credit, and Newlight Partners	Strategic	\$350	Distributor of Medicare insurance policies and owner of a healthcare services platform
2/6/2025	HelloHero	Decathlon Capital Partners	Undisclosed	Undisclosed	Provider of technology-powered mental health and behavioral care
1/30/2025	KODE Health	Noro-Moseley Partners (lead), Mercury, FCA Venture Partners, Epsilon Innovation Fund and 111 West Capital	Series B	\$27	On-demand medical coding platform that connects healthcare systems with certified medical coding professionals
1/30/2025	Rad AI	Transformation Capital (lead), Khosla Ventures, World Innovation Lab, UP2398, Kickstart Fund, OCV Partners, and Cone Health	Series C	\$60	Generative AI radiology platform
1/29/2025	Henry Schein	KKR	Strategic	\$250	Provider of health care solutions to office-based dental and medical practitioners
1/28/2025	Hone Health	Tribe Capital, PIF, Republic Capital, Vibe VC, Humbition, Hanwha, Gaingels, Looking Glass Capital, FJ Labs, and Agent Capital	Series A	\$33	Telehealth clinic specializing in preventative and proactive longevity care
1/28/2025	SafelyYou	Touring Capital (lead), Foundation Capital, Omega Healthcare Investors, Founders Fund, Cross Creek, Samsung Next, and Qualcomm Ventures	Series C	\$43	AI-enabled predictive care platform for senior living
1/28/2025	VideaHealth	Emily Melton (lead), Avenir Ventures, BAM Ventures, Spark Capital, Zetta Venture Partners, Pillar VC	Series B	\$40	Dental AI software
1/22/2025	Eleos	Greenfield Partners (lead), F-Prime Capital, Eight Roads, Menlo Ventures, ION Michael & Susan Dell Foundation, Union Tech Ventures and Centerstone	Series C	\$60	AI for behavioral health
1/22/2025	Lindus Health	Balderton Capital (lead), Visionaries Club Creandum, Firstminute, and Seedcamp	Series B	\$55	Tech-enabled clinical trial research services company
1/16/2025	Core Sound Imaging	PSG Equity	Growth	\$80	Provider of medical imaging platform
1/15/2025	Solera Health	Health Care Services Corp (lead), Adams Street, Cobalt Ventures, and Horizon Mutual Holdings	Insider	\$40	Digital health provider with on-benefit solution
1/13/2025	Caidya	Rubicon Founders	Strategic Growth	\$165	Global mid-sized CRO
1/13/2025	Qventus	KKR (lead), Bessemer Venture Partners, Northwestern Medicine, HonorHealth, and Allina Health	Series D	\$105	AI-based care automation software for health systems
1/8/2025	Maudit	Bregal Sagement and Primus Capital	Strategic Growth	Undisclosed	Provider of billing, coding compliance and revenue integrity software for health systems, hospitals, and provider groups
1/13/2025	Labviva	53 Stations (lead), Biospring Partners, B Capital Group, and Glasswing Ventures	Series B	\$25	AI procurement platform for life sciences

Sources: Capital IQ, Merger market, and press releases

* Denotes Cain Brothers/KeyBanc Capital Markets participation

 Transaction occurred over the past week

Equity Capital Markets

Market Overview

- The ECM market saw robust activity across all sectors:
 - Last week: 4 IPOs; 7 follow-ons; 0 converts
- SailPoint (Software) and Karman Holdings (Aerospace) were the most notable issuers to price IPOs last week and have both been well received in the aftermarket
 - The IPO market will slow as the SEC's 2/14 "staleness" deadline requires companies to add Q4 numbers to registration statements going forward
- Focus will return to the follow-market, especially sponsor blocks, now that ~80% of S&P 500 companies have reported Q4 results

ECM Activity (Last 4 Weeks & YoY)

	2025 - Last 4 Weeks			2024 - Last 4 Weeks		
	Vol (\$MM)	# Deals	% Share	Vol (\$MM)	# Deals	% Share
IPO	5,618	11	23%	2,824	8	26%
CONV	1,259	4	5%	755	2	7%
FO	17,484	18	72%	7,169	27	67%
Total	24,361	33	100%	10,749	37	100%

	2025 YTD			2024 YTD		
	Vol (\$MM)	# Deals	% Share	Vol (\$MM)	# Deals	% Share
IPO	6,109	12	24%	3,010	9	18%
CONV	1,259	4	5%	1,820	5	11%
FO	17,795	21	71%	11,991	47	71%
Total	25,163	37	100%	16,821	61	100%

Most Recent Healthcare Initial Public Offerings (\$MM)

Issuer Information				Deal Sizing				Pricing		Performance	
Pricing Date	Company	Sector	Ticker	Deal Value (\$MM)	Market Cap (\$MM)	Deal as % of Mkt. Cap	% Primary	Offer Price	Final Range	1-Day	1-Week
1/29/2025	Beta Bionics	Medical Products	BBNX	\$234.6	\$728.6	32.2%	90.4%	\$17.00	\$16.00 - \$17.00	39.0%	34.4%
10/10/2024	Ceribell	Medical Products	CBLL	\$207.3	\$578.3	35.8%	100.0%	\$17.00	\$14.00 - \$16.00	47.1%	55.9%
7/24/2024	Concentra Group Holdings	Services	CON	\$546.4	\$2,992.6	18.3%	100.0%	\$23.50	\$23.00 - \$26.00	(4.3%)	(0.8%)
7/17/2024	Ardent Health Partners	Services	ARDT	\$220.8	\$2,255.4	9.8%	100.0%	\$16.00	\$20.00 - \$22.00	0.4%	4.7%
6/13/2024	Tempus AI	Healthcare Technology	TEM	\$410.7	\$6,098.8	6.7%	100.0%	\$37.00	\$35.00 - \$37.00	8.8%	(26.3%)

Most Recent Healthcare Follow-on Offerings (\$MM)

Issuer Information					Deal Sizing				Pricing	Performance	
Pricing Date	Company	Sector	Deal Type	Ticker	Deal Value (\$MM)	Market Cap (\$MM)	Deal as % of Mkt. Cap	% Primary	Discount to File	1-Day	1-Week
2/14/2025	NeuroPace	Medical Products	Marketed	NPCE	\$65.0	\$439.4	14.8%	100.0%	(17.3%)	23.1%	-
1/29/2025	Butterfly Network	Medical Products	Marketed	BFLY	\$75.6	\$832.1	9.1%	100.0%	(10.1%)	29.8%	42.9%
12/12/2024	Anteris Technologies	Medical Products	Marketed	AVR	\$88.8	\$378.8	23.4%	100.0%	(11.5%)	(6.7%)	(3.7%)
11/19/2024	QuidelOrtho	Medical Products	Bought	QDEL	\$294.1	\$2,594.8	11.3%	0.0%	(7.7%)	5.3%	15.1%
11/7/2024	GE HealthCare Technologies	Medical Products	Bought	GEHC	\$1,173.1	\$40,355.6	2.9%	0.0%	0.0%	(2.7%)	(6.1%)

Most Recent Healthcare Convertible Debt Offerings (\$MM)

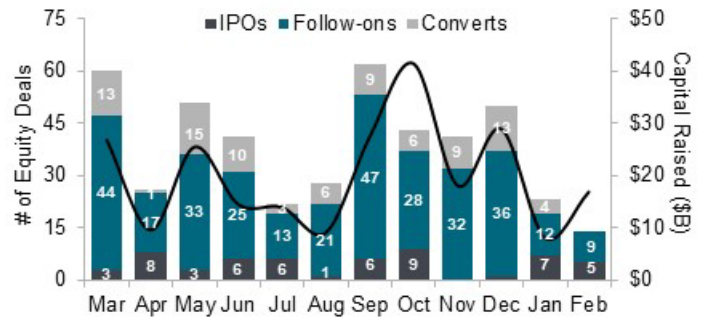
Issuer Information				Deal Sizing			Pricing	
Pricing Date	Company	Sector	Ticker	Deal Value (\$MM)	Market Cap (\$MM)	Deal as % of Mkt. Cap	Coupon	Premium
1/24/2025	Semler Scientific	Medical Products	SMLR	\$100.0	\$566.7	17.6%	4.25%	25.00%
12/16/2024	LeMaitre Vascular*	Medical Products	LMAT	\$172.5	\$2,070.8	8.3%	2.50%	30.00%
5/23/2024	HAEMONETICS	Medical Products	HAE	\$700.0	\$4,580.3	15.3%	2.50%	30.00%
3/6/2024	Tandem Diabetes Care	Medical Products	TNDM	\$316.3	\$1,778.9	17.8%	1.50%	27.50%
3/4/2024	iRhythm Technologies	Medical Products	IRTC	\$661.3	\$3,378.2	19.6%	1.50%	35.00%

Sources: Bloomberg, Capital IQ, Dealogic, and Press Releases

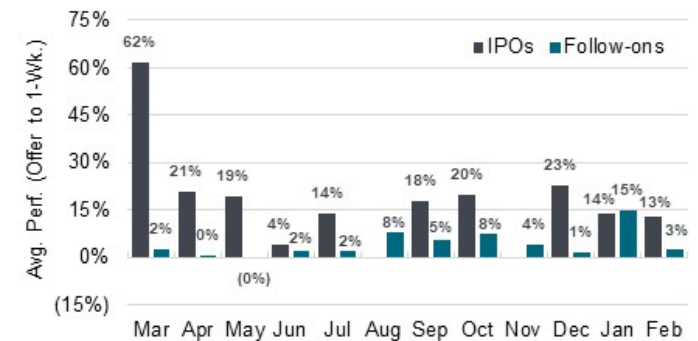
Note: Transactions include IPOs, follow-ons (including bought deals) and convertible offerings of \$25mm or more priced on a U.S.-based exchange; Price performance includes both marketed and bought deal follow-ons; * denotes Cain Brothers / KBCM transaction; excludes fixed price IPOs

Transaction occurred the past week

U.S. ECM Offerings (LTM; IPOs, Follow-ons & Converts)



IPO & Follow-on 1-Week Performance (LTM)



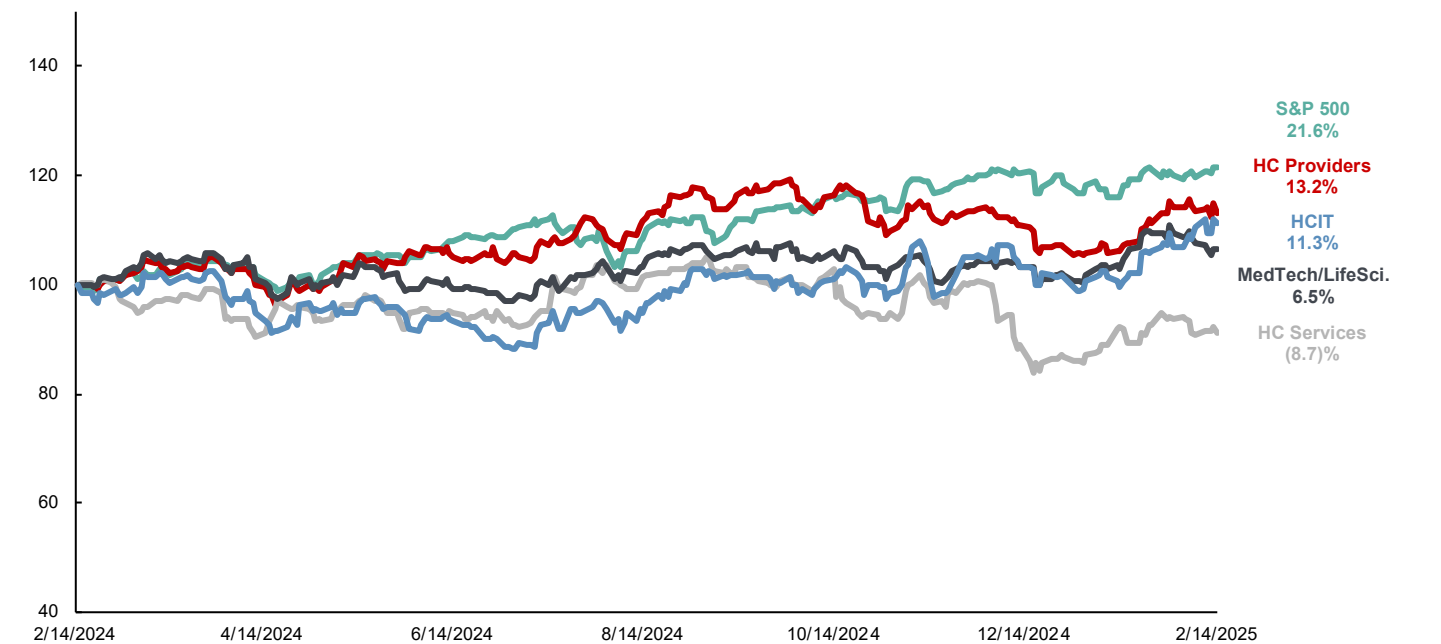
Public Equity Market Activity & Indices

Equity Indices (as of February 14, 2025)

Index	Wk Open	Wk Close	Returns	
			52 Week	Weekly
DJIA	44,303	44,546	14.9%	0.5%
S&P 500	6,026	6,115	21.6%	1.5%
NASDAQ	19,523	20,027	25.9%	2.6%
Russell 2000	2,280	2,280	10.6%	0.0%
NYSE Healthcare	25,697	25,245	(2.9%)	(1.8%)

Cain Brothers Indices	Returns	
	52 Week	Weekly
Acute Care	0.5%	(3.9%)
Alternate Site Services	4.7%	(4.7%)
Diagnostics	22.7%	2.3%
Distribution	7.9%	(1.2%)
Healthcare IT	11.3%	0.6%
Healthcare REITs	61.9%	7.5%
Managed Care	(9.8%)	(0.9%)
Medical Technology	9.1%	(0.7%)
Outsourced Services	(31.0%)	(1.4%)
Pharma Services	(11.9%)	(3.7%)
Pharmacy	(20.4%)	18.0%
Primary Care	(25.1%)	6.8%
Post-Acute Care Services	20.4%	0.3%
Post-Acute Care Facilities	13.4%	0.1%

Cain Brothers Healthcare Indices (1YR Performance)



High Grade, High Yield & Leveraged Loan Market

Market Summary

High Grade

- IG Bond markets saw 11 issuers tap the market for \$19.45 BN in volume throughout last week.

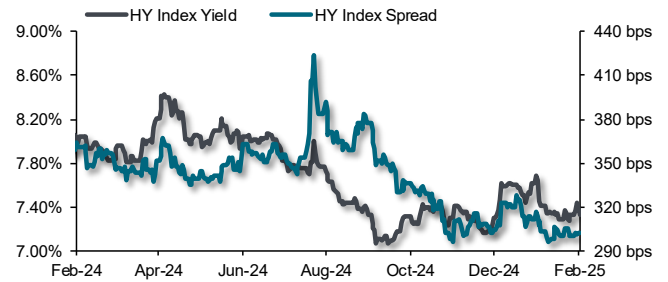
High Yield

- High yield new issue pace is moderating in the face of tariff and inflation concerns, with a few issuers on hold pending inflation data that came in mostly higher than expectations; four issuers tapped the market to raise \$3.3 BN, with deals receiving significant investor interest.

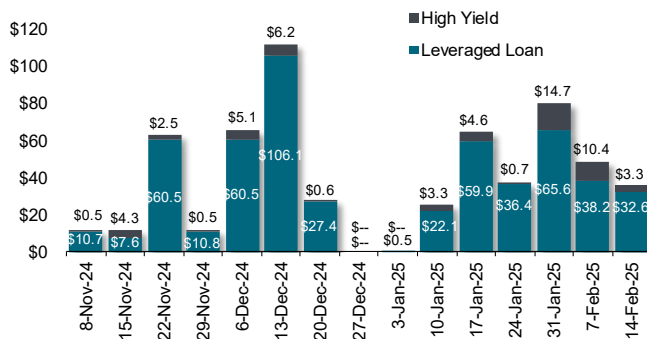
Term Loan B Market

- While YTD 2025 CLO new issue volume currently trails 2024's record setting pace, spreads have tightened significantly in 2025, as the average AAA coupon YTD sits at S+121.

HY Index Yield & Spread (YTD)



Weekly New Issue Volume (\$BN)



New-Issue Clearing Yields¹ (\$MM)

Double-B Issuers	3Q24	4Q24	30-Day Rolling Average
			02/14/25
Ba1	S+192 / 7.0%	S+192 / 6.6%	S+230 / 6.7%
	S+192 / 7.0%	S+198 / 6.6%	S+200 / 6.3%
	S+268 / 7.9%	S+252 / 7.1%	S+227 / 6.6%
Single-B Issuers	3Q24	4Q24	30-Day Rolling Average
			02/14/25
B1	S+333 / 8.6%	S+303 / 7.6%	S+288 / 7.2%
B2	S+363 / 8.9%	S+357 / 8.2%	S+328 / 7.7%
B3	S+394 / 9.3%	S+383 / 8.5%	S+348 / 7.6%

Most Recent Healthcare High-Grade Issuances (\$MM)

Date	Issuer	Security	Size	Ratings	Coupon	Maturity	Spread	IPT-Pricing
2/11/2025	Zimmer Biomet Holdings Inc	Sr Notes	\$600	Baa2/BBB/BBB	4.700%	2/19/2027	+45	25 bps
2/11/2025	Zimmer Biomet Holdings Inc	Sr Notes	\$550	Baa2/BBB/BBB	5.050%	2/19/2030	+72	23 bps
2/11/2025	Zimmer Biomet Holdings Inc	Sr Notes	\$600	Baa2/BBB/BBB	5.500%	2/19/2035	+97	23 bps
2/10/2025	Eli Lilly & Co	Sr Notes	\$1,000	Aa3/A+/-	4.550%	2/12/2028	+27	23 bps
2/10/2025	Eli Lilly & Co	Sr Notes	\$1,250	Aa3/A+/-	4.750%	2/12/2030	+42	23 bps
2/10/2025	Eli Lilly & Co	Sr Notes	\$1,000	Aa3/A+/-	4.900%	2/12/2032	+50	25 bps
2/10/2025	Eli Lilly & Co	Sr Notes	\$1,250	Aa3/A+/-	5.100%	2/12/2035	+60	25 bps

Most Recent Healthcare High-Yield Issuances (\$MM)

Date	Issuer	Security	Size	Ratings	Coupon	Maturity	Spread	Price Talk
1/14/2025	Lifepoint Health	Sr. Sec. Notes	\$700	B2/B/NR	8.375%	2/15/2032	368 bps	8.375% area
12/16/2024	Varex Imaging (add-on) *	1st Lien Notes	\$125	B2/BB-/NR	7.875%	10/15/2027	271 bps	101.00%-101.50%
12/3/2024	US Acute Care (add-on) *	Sr. Sec. Notes	\$200	B3/B-/NR	9.750%	5/15/2029	460 bps	102.50%-103.00%

Most Recent Healthcare Leveraged Loan Issuances (\$MM)

Date	Issuer	Ownership	Corp. Ratings	Use of Proceeds	Size	Pricing	Yield
2/14/2025	Cotiviti Corp	KKR	B2 / B	Acquisition	\$2,000	SOFR+275, 0% @ 99	7.310%
2/7/2025	Ivirma	KKR	B2 / B	Repricing	\$498	SOFR+375, 0% @ 100	8.070%

Most Recent Healthcare Pro Rata Issuances (\$MM)

Date	Issuer	Ownership	Ratings	Use of Proceeds	Size	Pricing (in bps)	Financial Covenants
1/16/2025	Definitive Healthcare	Public	NR / NR	Refinancing	\$50mm 5-year Revolver \$175mm 5-year TLA	Leverage-based grid Opens at S+200	Max. Total Net Leverage Ratio: 3.50x

Sources: Capital IQ, Mergermarket, and press releases

* Denotes Cain Brothers/KeyBanc Capital Markets participation

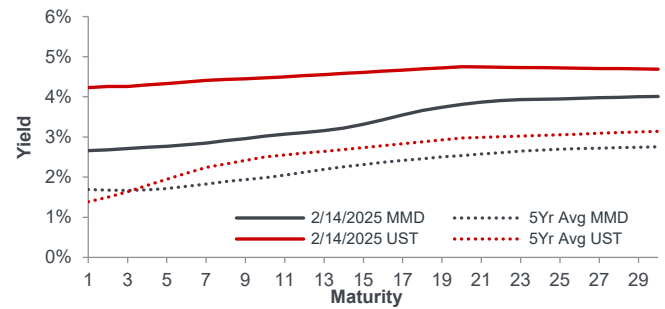
Transaction occurred over the past week

Public Finance Market

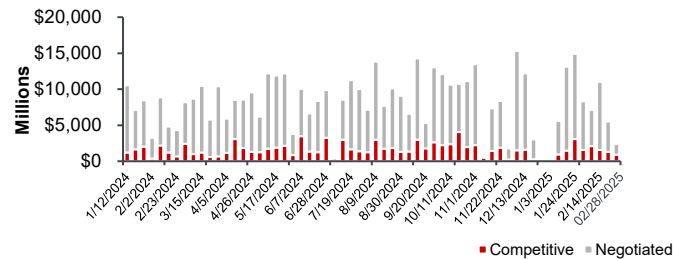
Market Overview

- The yield on the benchmark 10-year U.S. Treasury Note decreased 2 bps week-over-week, closing at 4.47% on Friday. 10-year MMD increased 11 bps week over week
- Healthcare Public Issuance in 2024 issuance increased 143% vs 2023. YTD 2025 Issuance is ~20% lower than YTD 2024 Issuance through February.
- Muni bond funds gained \$239 MM of inflows while high yield funds gained \$313 MM for the week February 14th.

MMD & UST Yield Curve



Weekly New Issue Volume (\$MM)

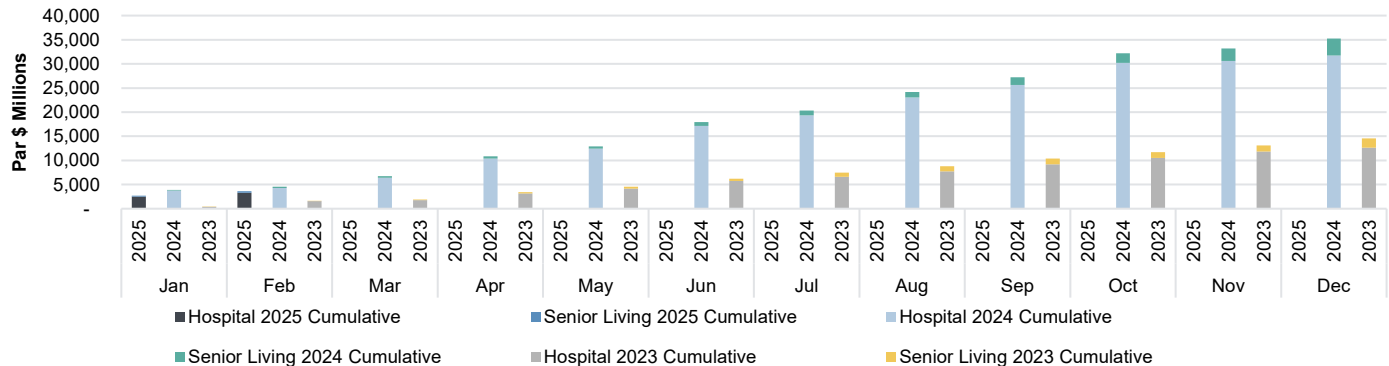


Benchmark Yields

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Treasury Yields			MMD Yields			Ratio
Yr	Yield	Δ (W/W)	Yr	Yield	Δ (W/W)	MMD/UST
2	4.26%	(3 bps)	2	2.68%	8 bps	63%
10	4.47%	(2 bps)	10	3.02%	11 bps	68%
30	4.69%	0 bps	30	4.01%	8 bps	86%

Healthcare Public Issuance Overview



Recent Healthcare Public Issuance

Healthcare Public Issuance										
Borrower/Enhancement	Par (000s)	State	Issuer	Tax Status	LT Ratings (M/S/F)	Final Mat.	Call, Put or Reprice*	Final Mat. Cpn.	YTW	YTM
Recent Pricings, Week of 2/10										
University of Maryland Medical Sys	75,000	MD	MHHEFA	TE	Aa3 / AA / NR	2055	2025(C)	3.55%	N/A	N/A
University of Maryland Medical Sys	75,000	MD	MHHEFA	TE	Aa2 / AA / NR	2055	2025(C)	3.13%	N/A	N/A
Baptist Healthcare System OG	100,000	KY	KBDC	TE	NR / NR / NR	2055	2026(C)	6.38%	6.38%	N/A
Emerson Hospital	47,995	MA	MDFA	TE	NR / NR / NR	2041	NC	5.75%	5.75%	N/A
Exp. Pricings, Week of 2/17										
Superior Living Foundation Project	248,075	TX	NHCEFFC	TE	NR / NR / NR	-	-	-	-	-
Aspirus, Inc. Obligated Group	235,020	WI	WHEFA	TE	A1 / AA- / NR	-	-	-	-	-
Westminster Project	85,045	TX	NHCEFFC	TE	NR / NR / BBB	-	-	-	-	-

Relevant News

The AI-Driven Revolution In Healthcare Staffing Recruitment¹

Staffing Industry Analysts | February 11, 2025

The rise of AI from experimental processes to a productive technology has further accelerated the long-term trend of automation within recruitment. The nature of recruitment for healthcare staffing firms is quickly evolving as hospitals lean on contingent workers to improve overall efficiency and help meet increased patient demand. To maximize value for healthcare clients and minimize waste in business processes, healthcare staffing firms are leveraging technology to replace tasks in recruiting. The emergence of staffing platforms is a current example of the more theoretical predictions of automation. The staffing platform model offers a self-service experience with minimal human mediation along with intuitive features that simplify client ordering. Platforms are also bolstered by technology-led automated matching, skills assessment/testing, onboarding, scheduling, time tracking and even payroll benefits.

Healthcare Lobbying 2025: Here Are The Top Policy Issues For Hospitals, Payers, Docs And Tech²

Fierce Healthcare | February 12, 2025

2025 promises to be a year of particular policy upheaval, and few know that better than healthcare associations caught in the crossroads of funding battles, regulatory upheaval and intense public scrutiny. Large swaths of the industry are looking to Congress and the newly active Trump administration for relief from macroeconomic pain points like inflation or more novel developments like tariffs. As Republican lawmakers begin poring over spending lines to tackle the deficit and offset promised tax cuts ahead of March's budget reconciliation, healthcare lobbyists are hoping they'll be able to extend favorable spending policies and fend off potential program cuts. Opposing industry segments will rehash longstanding conflicts, such as prior authorization, amid a new landscape of shifting public interests. Amid an ideological effort to pull back on regulatory red tape, others will petition for rule withdrawals and more concrete flexibilities. Many of the industry's biggest lobbying groups have already outlined their biggest priorities for policymakers—here's a primer of what to expect this year in D.C.

Early Telepalliative Care Can Reduce Caregiver Burden, Improve Quality³

Hospice News | February 12, 2025

Wider utilization of telepalliative services could help ease family caregiver burdens and improve quality among seriously ill patient populations, research has found. Researchers have increasingly dug into the quality impacts of virtual palliative care delivery and how telehealth outcomes compare to in-person care. Telepalliative care models helped to improve experiences among lung cancer patients' family caregivers in similar ways to in-person services, according to a recent study published by the Journal of the American Medical Association (JAMA) Network. The study found no differences in caregiver satisfaction when receiving virtual versus in-person palliative services. The findings could indicate that telepalliative care could be an effective avenue for caregiver support, according to researcher Joseph Greer, psychologist and associate professor of psychology at Massachusetts General Hospital (MGH), an affiliate of Harvard Medical School.

1. <https://www.staffingindustry.com/editorial/healthcare-staffing-report/the-ai-driven-revolution-in-healthcare-staffing-recruitment>

2. <https://www.fiercehealthcare.com/regulatory/healthcare-lobbying-2025-here-are-top-policy-issues-hospitals-payers-docs-and-tech>

3. <https://hospicenews.com/2025/02/12/2025-02-12-early-telepalliative-care-can-reduce-caregiver-burden-improve-quality/>

Autism Providers Forecast 'More Stability In The Workforce' In 2025 ¹

Behavioral Health Business | February 10, 2025

Autism therapy providers have described workforce trends with out-of-character positivity when analyzing the year that was in 2024. That's not to say that it was all peaches and cream. Sky-high turnover and workforce-driven margin degradation keep their dominating positions as the industry's chief concerns. However, several executives Autism Business News contacted for this story described varied improvements via workforce initiatives launched and reiterated since the onset of COVID-19 and its world-changing impact. But beyond specific initiatives, environmental factors have lent a touch of breathing room to the industry to allow such initiatives to have an effect in the first place.

Fewer Clinicians Entering Primary Care: 5 Report Card Findings²

Becker's Clinical Leadership | February 18, 2025

Investments in primary care are declining and fewer clinicians are entering the field at a time when chronic disease rates are rising, according to a new report from researchers at the American Academy of Family Physicians. The report, "The Health of US Primary Care: 2025 Scorecard Report — The Cost of Neglect," points to underlying challenges contributing to a lack of access to primary care in the U.S., including insufficient funding and reimbursement rates. This marks the third edition of the scorecard report, led by researchers at the AAFP's Robert Graham Center for Policy Studies in Primary Care. The report is co-funded by the Milbank Memorial Fund and The Physicians Foundation and is based on national and state-level data tracking primary care performance, workforce trends and reimbursement patterns.

Primary Care Doctors Concerned About Telehealth GLP-1 Boom: Survey³

Fierce Healthcare | February 13, 2025

As demand remains high for GLP-1 drugs, primary care physicians are concerned about the risks of patients using third-party telehealth prescribers to get their hands on these medications, a new survey found. One in eight Americans have used a GLP-1, according to data from KFF back in May. Public awareness of GLP-1 drugs has increased in the past year, with about one-third (32%) of adults now saying they have heard "a lot" about these drugs, up from 19% in July 2023. Most adults who have taken GLP-1 drugs say they took them to treat a chronic condition including diabetes or heart disease (62%), while about four in ten say they took them primarily to lose weight, the KFF survey found. Researchers estimate that more than 137 million U.S. adults are eligible for semaglutide, mainly for weight loss, diabetes, or cardiovascular prevention, according to study published in JAMA Cardiology. As demand soars, there's been a sharp increase in third-party telehealth providers offering GLP-1 prescriptions to patients. A STAT investigation identified more than 100 telehealth sites marketing GLP-1 medications such as semaglutide and tirzepatide. But, just a handful of networks of doctors, nurse practitioners and physician assistants are writing the prescriptions, STAT reported.

1. <https://bhbusiness.com/2025/02/10/autism-providers-forecast-more-stability-in-the-workforce-in-2025/>

2. <https://www.beckershospitalreview.com/public-health/fewer-clinicians-entering-primary-care-5-report-card-findings.html>

3. <https://www.fiercehealthcare.com/providers/primary-care-doctors-concerned-about-patient-risks-telehealth-prescribers-glp-1s-survey>

Recent Cain Brothers Transactions

February 2025 ConnectiCare a subsidiary of EmblemHealth has been acquired by MOLINA HEALTHCARE Financial Advisor	Pending Central Maine Healthcare has entered into an affiliation agreement with Prime Healthcare Foundation Sell-Side Advisor	December 2024 INDIANA HEALTH Indiana University Health has sold its health plan business to Elevance Health Sell-Side Advisor	December 2024 THEORIA MEDICAL has partnered with AMULET CAPITAL PARTNERS LP Sell-Side Advisor
Pending Advent Health has agreed to acquire ShorePoint HEALTH PORT CHARLOTTE · PUNTA GORDA a subsidiary of CHS Community Health Systems Buy-Side Advisor	November 2024 Health Monitor NETWORK has been acquired by GRIDIRON CAPITAL Sell-Side Advisor	November 2024 WellSpark a subsidiary of EmblemHealth has been acquired by Vitality Sell-Side Advisor	October 2024 Steward Financial Advisor
October 2024 VIAANT WE'RE IN IT FOR LIFE. a portfolio company of JLL Partners WATER STREET \$855,000,000 Senior Secured Credit Facilities Joint Lead Arranger & Joint Bookrunner	October 2024 FOUNTAINVIEW AT CONDA WESTSIDE a subsidiary of LAJHealth LOS ANGELES JEWISH HEALTH has been acquired by SRG SENIOR RESOURCE GROUP Buy-Side Advisor	October 2024 PLG ProductLifeGroup has acquired Halloran Buy-Side Advisor	October 2024 USFertility a portfolio company of AMULET CAPITAL PARTNERS LP \$635,000,000 Senior Secured Credit Facilities Left Lead Arranger, Joint Bookrunner & Administrative Agent
October 2024 MultiCare has completed an affiliation agreement with OVERLAKE MEDICAL CENTER & CLINICS Buy-Side Advisor	September 2024 LAKEVIEW HEALTH Addiction Treatment and Recovery has been acquired by BRADFORD HEALTH SERVICES Sell-Side Advisor	September 2024 AMULET CAPITAL PARTNERS LP has acquired GENETICS & IVF Institute Buy-Side Advisor	September 2024 GENETICS & IVF Institute Senior Secured Credit Facilities provided by KeyBanc Capital Markets BEACH POINT

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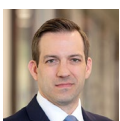


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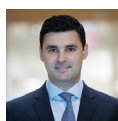
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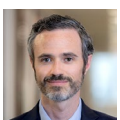


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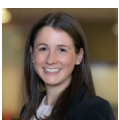


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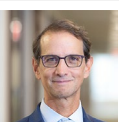


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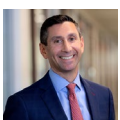
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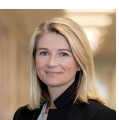
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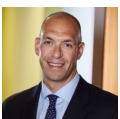
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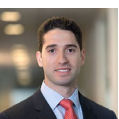
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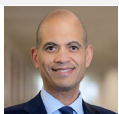


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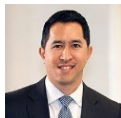


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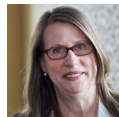
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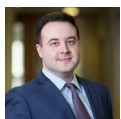
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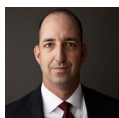
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