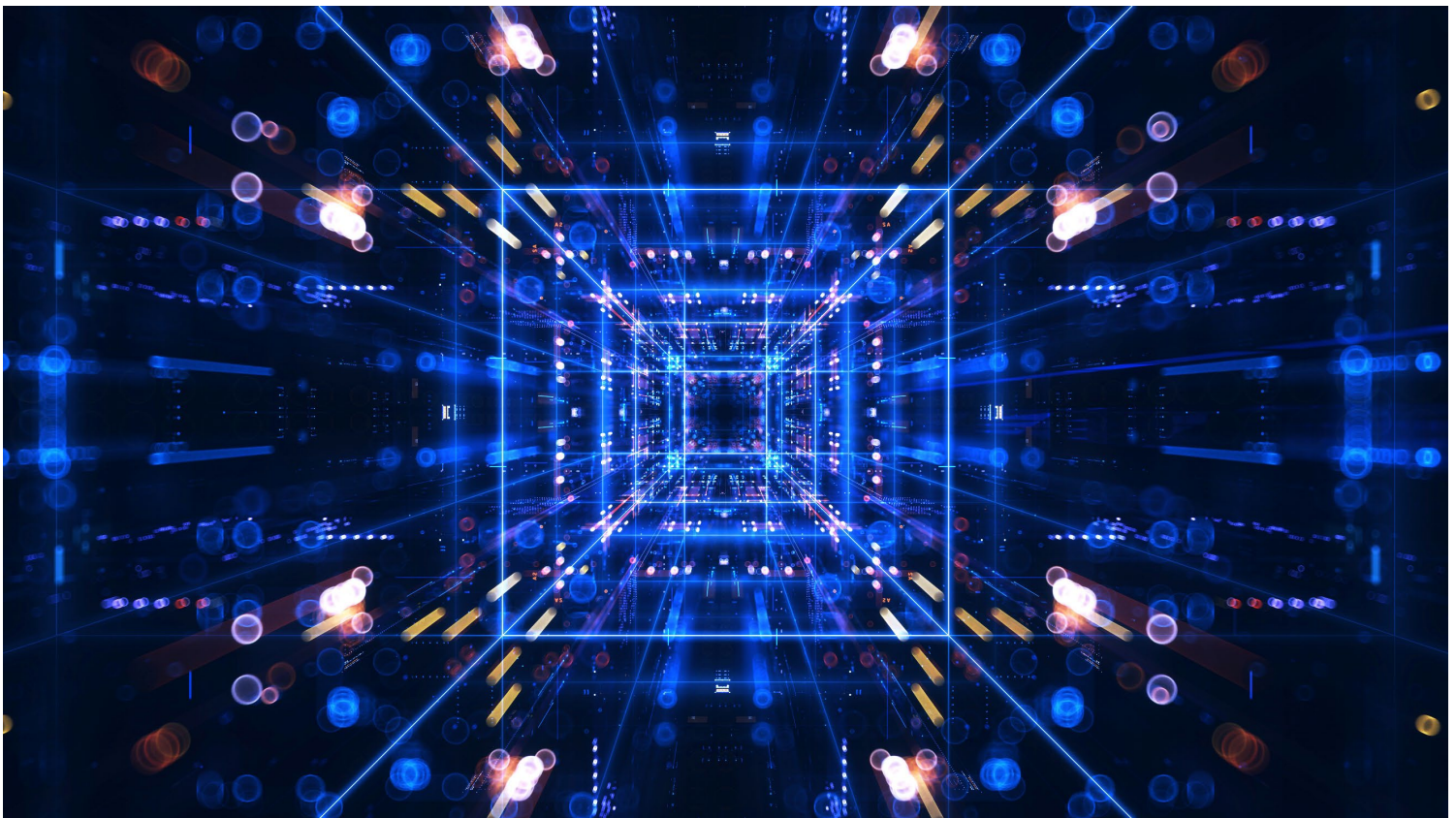


January 23, 2025

Cain Brothers Industry Insights

Healthcare Market Report



Banker commentary:

History Repeats Itself: No Margin, No Mission, Therefore Reality Drives Healthcare M&A

Banker Commentary

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History Repeats Itself: No Margin, No Mission, Therefore Reality Drives Healthcare M&A

Banker Commentary by Todd Rudsenske

There is no shortage of articles, government studies, and papers recently with the false narrative that healthcare has become corrupted by for-profit enterprises that are merging for the purpose of profits rather than quality of care. This is not a new debate. When I joined the healthcare services ecosystem 30 years ago, healthcare was just starting to consolidate “at scale.” Here are just a few of headlines from late 1993 and early 1994, the year in which I completed my first healthcare M&A deal as a banker: United Healthcare to Buy Ramsay HMO for \$500 million; Columbia Healthcare (founded and run by now Senator Richard Scott) and Hospital Corporation of America (HCA) complete \$7.3 billion merger; and Merck & Co. and Medco Containment Services complete \$6 billion merger. (Express Scripts later acquired Medco from Merck in 2012 for \$29 billion, and the company traded again to Cigna in 2018 for \$67 billion.) In those three headlines, again from 30 years ago, are the makings of the largest for-profit Managed Care and Hospital providers in the country today as well as one of the big three PBM providers.

Even then, there was a raging debate going on against for-profit hospitals because Richard Scott through Columbia, which he founded in 1988, began acquiring tax-exempt hospitals from counties and faith-based institutions that had determined that in their markets they needed be part of “a network” to survive. There was also much debate about the then up-and-coming for-profit payers, with names like U.S. Healthcare and Oxford, that operated as either Staff Models (HMOs that employed physicians) or Group Models (HMOs that contracted with physicians). Something else interesting happened in 1992 when not-for-profit Blue Cross of California became the largest IPO of a health insurance firm at that time with a \$400 million offering for its for-profit subsidiary, WellPoint Health Networks, which later became known as Anthem in 2014 before changing its name again to Elevance in 2022. These are but just a few of the stories of stories of healthcare consolidation and not-for-profit conversions over the past 30 years. It’s incredible to me how little the headlines have changed in that time, except for the need to have scale and to be “part of a network” has gone beyond hospitals and payers and now includes nearly every type of healthcare services provider.

And the reasons still hold as to why: there is financial efficiency at scale. And with financial efficiency, comes survivability. Without duplicative costs coming out of much smaller and less efficient operators, financial margins would not exist to invest back into the system to provide the services that are needed by an ever-growing number of people

continued...

with ever more complex healthcare needs who access their care via the U.S. healthcare system. Reasonable margins are required to access the capital needed to fund the growth in these services. As I learned from nonprofit hospital providers 30 years ago, without a margin, there can be no mission. For those who seek via their rhetoric to steer investors and capital away from the healthcare sector by imposing heavy handed regulation and approval processes for mergers done by both for-profit and tax-exempt organizations, my belief is that, should they be successful, they will cause access to become more limited to those that are most in need of it. That would be a tragedy.

M&A Activity

Selected Recent Healthcare Transactions (\$MM)

Date	Target Name	Acquirer	EV	Enterprise Value /		Description
				LTM Rev.	LTM EBITDA	
1/20/2025	ResCare Community Living (BrightSpring Health Services)	Sevita	\$835	0.7x	6.5x	Provider of home and community-based specialty health care
1/17/2025	Spine & Sport Physical Therapy (Great Point Partners)	Physical Rehabilitation Network (Gryphon Investors)	NA	NA	~13.0x	Provider of physical therapy services
1/17/2025	Family Tree Private Care (Firmament)	Choice Health at Home (Trive Capital)	NA	NA	NA	Provider of private caregiving, nursing, and care management services
1/17/2025	13 skilled nursing facilities	CareTrust REIT	\$176	NA	NA	13 skilled nursing facilities in Tennessee
1/17/2025	FlexCare Infusion (River Cities Capital)	Optum (UnitedHealth)	NA	NA	~10.0x	Ambulatory infusion network
1/15/2025	Alumni Staffing	Harvest Ascend Management	NA	NA	NA	Locum tenens staffing firm
1/15/2025	Associated Urologists of North Carolina	Solaris Health (Lee Equity)	NA	NA	NA	Comprehensive urology practice
1/15/2025	Health First (Ardent Health)	Imagine360	NA	NA	NA	Third-party administrator: Medical Management Solutions and Risk Funding Alternatives
1/14/2025	Access Healthcare	New Mountain Capital	NA	NA	NA	Technology-enabled platform for revenue cycle management
1/13/2025	ComplexCare Solutions	Vesey Street Capital Partners	NA	NA	NA	Independent provider of health assessments and member engagement services to health plans
1/13/2025	Greenphire (Thoma Bravo)	Suvoda (LLR Partners)	Merger	NA	NA	Technology-enabled clinical trial services
1/13/2025	Pediatrics Plus	Leavitt Equity Partners and Fulcrum Equity Partners	NA	NA	NA	Provider of pediatric therapy
1/13/2025	Regional Medical Center (HCA)	Santa Clara County *	\$150	NA	NA	Emergency healthcare provider for East San Jose
1/13/2025	StrideCare	Webster Equity Partners	NA	NA	NA	Provider of vascular and podiatry services
1/13/2025	Turnbridge (North Castle Partners)	A&M Capital Partners	NA	NA	NA	Provider of mental health and substance abuse treatment
1/13/2025	Upfront Healthcare Services (Baird Capital, LRVHealth, Echo Health Ventures, Nashville Capital Network and Hyde Park Venture Partners)	Health Catalyst	NA	NA	NA	Next-generation patient engagement platform provider
1/10/2025	Eastern Dental Management (Staple Street)	Branford Castle	NA	NA	NA	Dental services organization
1/10/2025	Machinify	New Mountain Capital	NA	NA	NA	Provider of AI-powered software transforming healthcare payments

Private Placement Activity

Selected Recent Healthcare Transactions (\$MM)

Date	Company	Investor(s)	Type	Amount	Description
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	Mdaudit	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
12/30/2025	Royal Health	HealthQuest Capital	Minority	Undisclosed	Provider of advanced radiology software and workflow solutions
12/19/2024	Remodel Health	Oak HC/FT and Hercules Capital	Growth	\$100	Individual coverage health reimbursement arrangement provider
12/19/2024	U.S. Oral Surgery Management	Existing lenders	Credit Expansion	\$175	Physician practice management company focused exclusively on the oral and maxillofacial surgery specialty
12/17/2024	Pearl	American Dental Association	Strategic	Undisclosed	Dental AI solutions
12/11/2024	SpinSci	Aldrich Capital Partners	Majority	\$53	SaaS-based healthcare technology company
12/9/2024	Orthopedic Care Partners	Brookfield Asset Management	Recap	\$185	Orthopedic practice management platform
12/9/2024	Orthopedic Care Partners	TPG Twin Brook Capital Partners	Senior Credit Facility Refinancing	\$358	Orthopedic practice management platform
12/5/2024	Sollis Health	Foresite Capital (lead), Torch Capital, Montage Ventures, Freedom Partners, Read Capital, and One Eight Capital	Series B	\$33	Concierge medicine provider offering its members 24/7 access to ER-level diagnostics and capabilities
12/2/2024	Rock Dental	TPG Twin Brook Capital Partners (senior debt) and Audax Private Debt (mezzanine)	Debt	\$90	Dental service organization
11/26/2024	Sirona Medical	Avidity Partners (lead), 8VC, GreatPoint Ventures	Series C	\$42	Cloud-native radiology workflow software

Equity Capital Markets

Market Overview

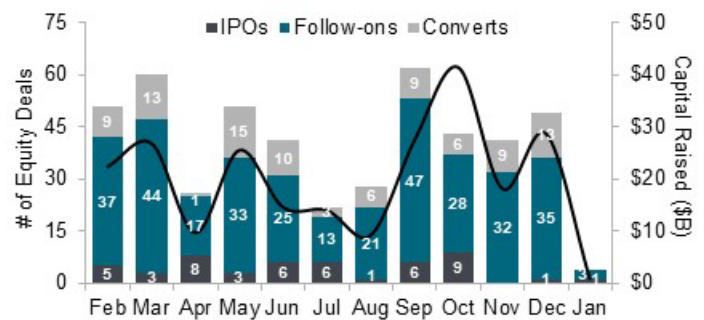
- The new issue market was muted amidst a robust conference slate across multiple sectors (Healthcare: JPM & Consumer: ICR)
 - Last week: 1 IPO; 1 follow-on; 0 converts
- The expectation for meaningful issuance in the IPO market remains as potential issuers may look to launch and price a deal before financial statements go stale on February 14th
 - Both Infinity Natural Resources (Upstream O&G) and Smithfield Foods (Meat Products) launched their IPOs on Tuesday January 21st signaling they plan to beat the looming financial staleness deadline
- The follow-on market should see increased activity as companies get through their respective earnings releases

ECM Activity (Last 4 Weeks & YoY)

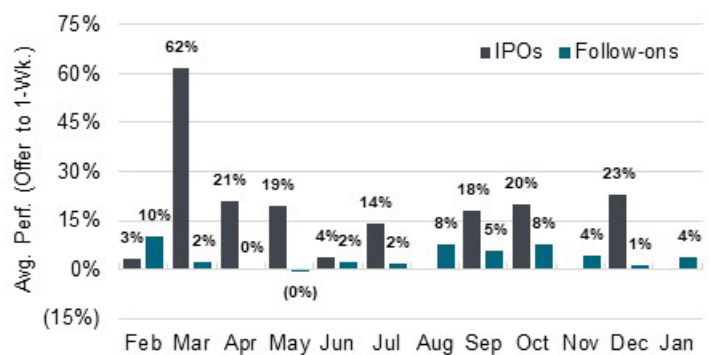
	2025 - Last 4 Weeks			2024 - Last 4 Weeks		
	Vol (\$MM)	# Deals	% Share	Vol (\$MM)	# Deals	% Share
IPO	491	1	61%	186	1	3%
CONV	0	0	0%	1,065	3	15%
FO	311	3	39%	5,741	22	82%
Total	802	4	100%	6,991	26	100%

	2025 YTD			2024 YTD		
	Vol (\$MM)	# Deals	% Share	Vol (\$MM)	# Deals	% Share
IPO	491	1	61%	186	1	3%
CONV	0	0	0%	1,065	3	15%
FO	311	3	39%	5,741	22	82%
Total	802	4	100%	6,991	26	100%

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



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



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
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%)
6/6/2024	Waystar Holding	Healthcare Technology	WAY	\$1,076.3	\$3,583.2	30.0%	100.0%	\$21.50	\$20.00 - \$23.00	(3.7%)	3.0%

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
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%)
10/29/2024	PROCEPT BioRobotics	Medical Products	Marketed	PRCT	\$201.2	\$5,231.5	3.8%	100.0%	0.0%	2.2%	4.9%
10/2/2024	Pennant Group	Services	Marketed	PNTG	\$124.8	\$1,097.8	11.4%	100.0%	(13.2%)	9.1%	9.4%

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
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%
12/6/2023	Merit Medical Systems	Medical Products	MMSI	\$747.5	\$3,784.4	19.8%	3.00%	32.50%

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

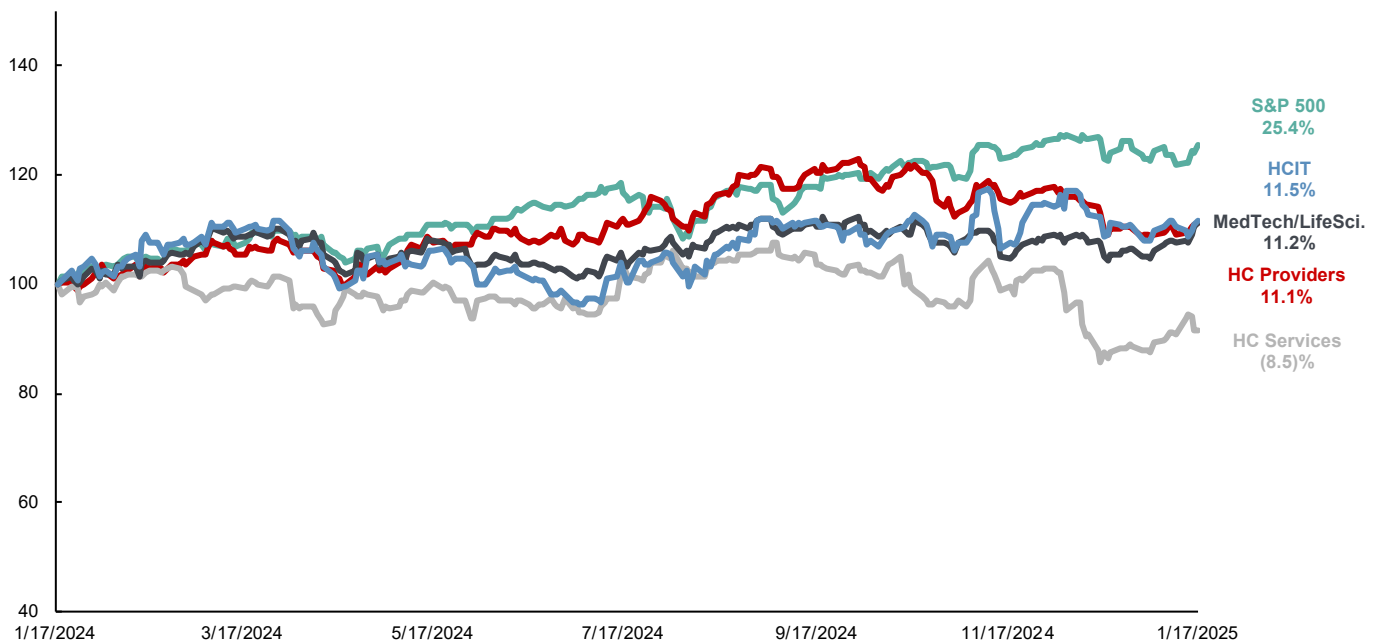
Public Equity Market Activity & Indices

Equity Indices (as of January 17, 2025)

Index	Wk Open	Wk Close	Returns	
			52 Week	Weekly
DJIA	41,938	43,488	16.1%	3.7%
S&P 500	5,827	5,997	25.4%	2.9%
NASDAQ	19,162	19,630	30.4%	2.4%
Russell 2000	2,189	2,276	18.3%	4.0%
NYSE Healthcare	24,669	24,494	(0.8%)	(0.7%)

Cain Brothers Indicies	Returns	
	52 Week	Weekly
Acute Care	8.5%	2.3%
Alternate Site Services	15.2%	4.0%
Diagnostics	11.7%	(1.1%)
Distribution	10.8%	2.6%
Healthcare IT	11.5%	0.8%
Healthcare REITs	45.3%	3.3%
Managed Care	(8.6%)	(0.6%)
Medical Technology	11.9%	4.3%
Outsourced Services	(21.6%)	2.8%
Pharma Services	3.9%	(3.5%)
Pharmacy	(31.6%)	9.8%
Primary Care	(27.4%)	19.3%
Post-Acute Care Services	29.1%	4.9%
Post-Acute Care Facilities	21.0%	4.7%

Cain Brothers Healthcare Indices (1YR Performance)



High Grade, High Yield & Leveraged Loan Market

Market Summary

High Grade

- IG Bond markets saw another busy week with 28 issuers tapping the market for \$58.5 BN in total issuance; "Big Six" bank issuance drove volume totals, with five bulge bracket banks tapping bond markets on Thursday.

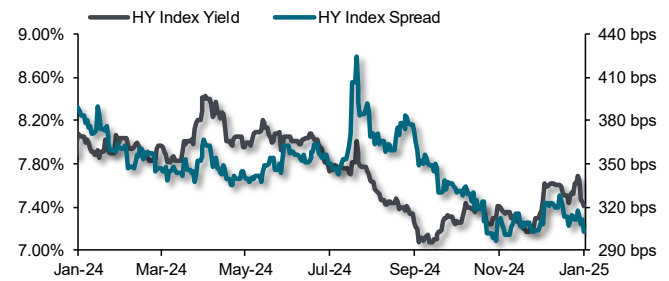
High Yield

- The new issue market picked up last week with the year's highest new issue volume of \$4.6 BN.

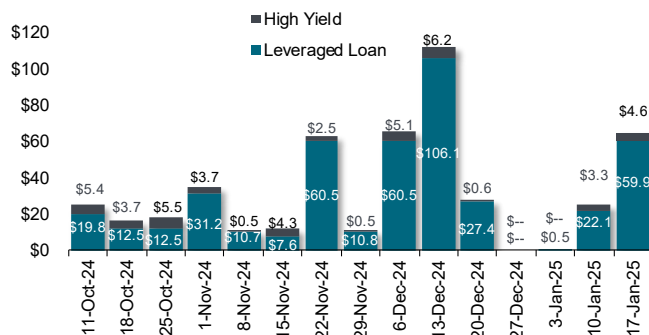
Term Loan B Market

- New issue CLO volume had a very strong 2024, with more than \$85 BN more in issuance for the year as opposed to 2023.

HY Index Yield & Spread (YTD)



Weekly New Issue Volume (\$BN)



New-Issue Clearing Yields¹ (\$MM)

Double-B Issuers	3Q24	4Q24	30-Day Rolling Average
			01/17/25
Ba1	S+192 / 7.0%	S+192 / 6.6%	--
Ba2	S+192 / 7.0%	S+198 / 6.6%	S+215 / 6.5%
Ba3	S+268 / 7.9%	S+252 / 7.1%	S+235 / 6.7%
Single-B Issuers	3Q24	4Q24	30-Day Rolling Average
			01/17/25
B1	S+333 / 8.6%	S+303 / 7.6%	S+284 / 7.2%
B2	S+363 / 8.9%	S+357 / 8.2%	S+325 / 7.6%
B3	S+394 / 9.3%	S+383 / 8.5%	S+357 / 7.9%

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

Date	Issuer	Security	Size	Ratings	Coupon	Maturity	Spread	IPT-Pricing
12/3/2024	CVS Health Corp *	Sub-Notes	\$2,250	Baa3/BB+/--	700.000%	3/10/2055	--	43 bps
12/3/2024	CVS Health Corp *	Sub-Notes	\$750	Baa3/BB+/--	675.000%	12/10/2054	--	55 bps
12/2/2024	Cencora Inc	Sr Notes	\$500	Baa2/BBB+/A-	462.500%	12/15/2027	+55	30 bps
12/2/2024	Cencora Inc	Sr Notes	\$600	Baa2/BBB+/A-	485.000%	12/15/2029	+77	28 bps
12/2/2024	Cencora Inc	Sr Notes	\$700	Baa2/BBB+/A-	515.000%	2/15/2035	+97	28 bps
11/13/2024	Cardinal Health Inc	Sr Notes	\$500	Baa2/BBB/BBB	4.700%	11/15/2026	+45	20 bps
11/13/2024	Cardinal Health Inc	Sr Notes	\$750	Baa2/BBB/BBB	5.000%	11/15/2029	+70	20 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
1/10/2025	CHG Healthcare Services Inc	Leonard Green	B2 / B	Refinancing	\$945	SOFR+300, 0.50% @ 100	7.303%
1/6/2025	Parexel	Goldman Sachs Asset Management	B1 / B+	Refinancing	\$3,095	SOFR+250, 0.50% @ 100	6.803%

Most Recent Healthcare Pro Rata Issuances (\$MM)

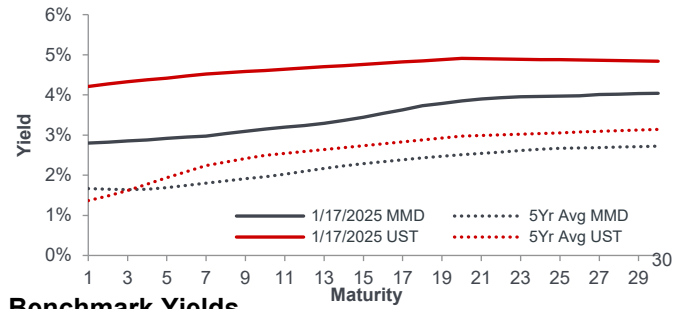
Date	Issuer	Ownership	Ratings	Use of Proceeds	Size	Pricing (in bps)	Financial Covenants
12/19/2024	LifeStance Health	Public	NR / NR	Refinancing	\$100mm 5-year Revolver \$290mm 5-year TLA	Leverage-based Step-downs Opens at S+300	Unknown

Public Finance Market

Market Overview

- The yield on the benchmark 10-year U.S. Treasury Note decreased 16 bps week-over-week, closing at 4.61% on Friday. 10-year MMD decreased 2 bps week over week
- Healthcare Public Issuance in 2024 outpaced 2023. 2024 issuance increased 143% vs 2023.
- Muni bond funds saw \$251 MM of outflows while high yield funds gained \$244 MM for the week ended January 17th.

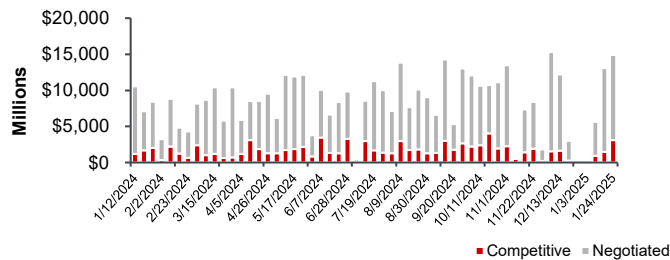
MMD & UST Yield Curve



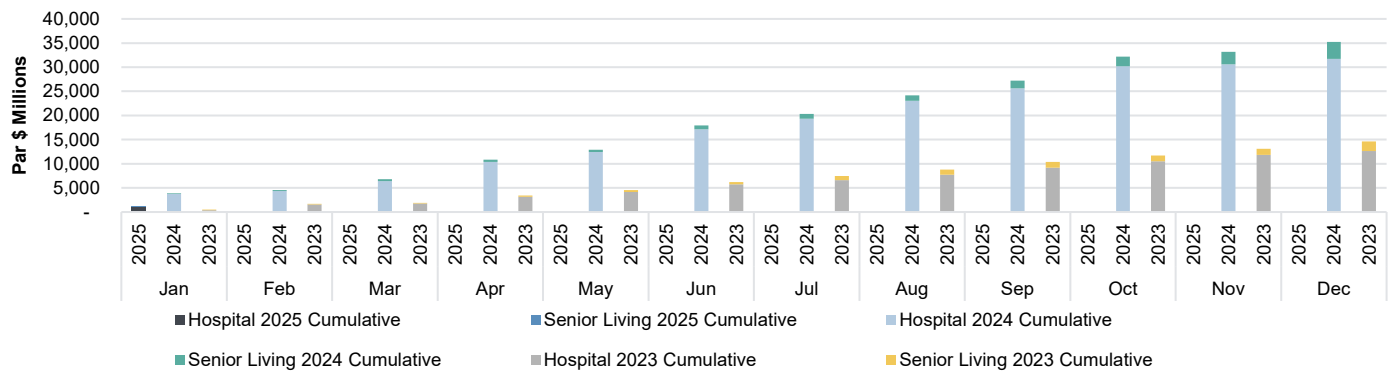
Benchmark Yields

Treasury Yields			MMD Yields			Ratio
Yr	Yield	Δ (W/W)	Yr	Yield	Δ (W/W)	MMD/UST
2	4.27%	(13 bps)	2	2.82%	(2 bps)	66%
10	4.61%	(16 bps)	10	3.15%	(2 bps)	68%
30	4.84%	(12 bps)	30	4.04%	(2 bps)	83%

Weekly New Issue Volume (\$MM)



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 1/13										
Orlando Health Obligated Group	853,080	FL	OCHFA	TE	NR / A+ / AA-	2056	2035(C)	5.25%	4.61%	4.93%
Children's Health Care	182,620	MN	CMHRA	TE	NR / AA- / AA	2044	2035(C)	5.00%	4.19%	4.49%
Memorial Hospital at Gulfport	71,285	MS	CGM	TE	Baa2 / NR / BBB	2055	2035(C)	5.50%	4.77%	5.11%
Exp. Pricings, Week of 1/20										
St. Luke's Health System Project	572,090	ID	IHFA	TE	NR / A / A+	-	-	-	-	-
UMass Memorial Health Care	337,825	MA	MDFA	TE	NR / BBB+ / A-	-	-	-	-	-
University of Maryland Medical System	300,960	MD	MHHEFA	TE	A2 / A / NR	-	-	-	-	-
Fred Hutchinson Cancer Center	172,075	WA	WHCFA	TE	A2 / NR / A+	-	-	-	-	-

Sources: Bloomberg, TM3

* Denotes Cain Brothers/KeyBanc Capital Markets participation

NC = No Call, MWC = Make Whole Call, (C) = Par Call, (P) = 1st Put, (R) = Reprice Date

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Relevant News

ACA Enrollment Breaks Records Again In 2025¹

Healthcare Dive | January 21, 2025

About 24.2 million people signed up for Affordable Care Act plans during the open enrollment period for 2025 — an all-time high, blowing past last year's previous record of 21.3 million. The enrollment figures were announced by the Biden administration on Friday, three days before President Donald Trump was sworn into office, ushering in a Washington notably less friendly to the ACA. The Trump administration is expected to chip away at the 15-year-old law, including by introducing alternative plans and reducing funding for programs that help people navigate the exchanges. Still, much of the enrollment growth was in Republican states, including Florida, Texas and Georgia, which makes it more difficult for Trump to take drastic action targeting the ACA without angering conservative voters, according to experts. Enrollment for 2025 got off to a slow start at the beginning of the open sign-up period in the fall. Some Americans who put off insurance elections said they were concerned how the Trump administration might affect their coverage.

Survey: Opportunities For Tech Investments In Behavioral Health²

Fierce Healthcare | January 15, 2025

Staffing shortages, administrative burdens and opportunities for technology are top of mind for behavioral health organizations, a new survey reveals. The survey, done by Kipu Health, reached more than 750 people across leadership, clinical and nonclinical roles. It included Kipu clients and non-clients. Kipu makes software for behavioral health and addiction treatment centers and serves 4,000 facilities. Many clinicians (68%) also report that tech positively impacts their ability to connect with patients, like through video conferencing, mobile check-ins and other digital tools that enable tracking of patient progress. All of these tools enable clinicians to maintain supportive, ongoing contact, even outside sessions, a report on the survey's findings said. Many also believe tech is crucial to addressing the addiction crisis, the survey found. Most (84%) of leaders and 77% of clinicians agree that tech can aid in these efforts, with three-quarters of leaders and two-thirds of clinicians believing it can reduce relapse rates.

Top Ambulatory Surgery Center Trends For 2025³

Ambulatory Surgery Center News | January 14, 2025

One of the most significant, sector-shaping trends in health care is the migration of care out of the traditional hospital and into lower-cost outpatient settings. Ambulatory surgery center (ASC) market growth reflects this idea. In light of this overarching theme of care shifting into non-traditional settings, the ASC industry has entered into a period of rapid change and fast-paced growth that's certain to extend into 2025. More private equity investors will turn their attention to surgery centers, with more hospitals investing in ASCs, too. And because the U.S. health system is seeking to move care into more cost-effective models, the list of approved procedures for ASCs will likely continue to expand. As this happens, technology will redefine what's possible, more consumers will demand a better experience, and new payment arrangements will gain traction, especially those that fall under the broad umbrella of value-based care.

Relevant News

Republicans Outline Trillions In Healthcare Cuts¹

Modern Healthcare | January 17, 2025

Republicans who hope to cut spending and extend expiring tax cuts are considering a lengthy list of budgetary offsets that includes more than \$3 trillion in healthcare cuts. Most, if not all, of these policies outlined in a document circulating among lawmakers are not new to the GOP. They include eliminating nonprofit status for hospitals, banning hospital facility and telehealth fees, instituting "site-neutral" Medicare payments for outpatient services, boosting Medicare physician reimbursements, cutting graduate medical education funding, repealing a staffing mandate on nursing homes, tightening access to health insurance exchange subsidies, and slashing Medicaid by about \$1.4 trillion. House Majority Leader Steve Scalise (R-La.) said a number of such lists exists, and they serve as tools to kick off the new Republican Congress's efforts to carry out President-elect Donald Trump's agenda, which starts with extending tax policies from Tax Cuts and Jobs Act of 2017 that will expire at the end of the year.

MedPAC Votes To Recommend Hospital Pay Increases For 2026 ²

Fierce Healthcare | January 17, 2025

The Medicare Payment Advisory Commission (MedPAC) will recommend Congress bump Medicare pay rates for hospitals in 2026. In a public meeting held Thursday, the group's commissioners voted in favor of draft recommendations to increase general acute care hospitals' base payment rates by the amount specified in current law plus an additional 1%. Such an increase would apply to inpatient and outpatient services reimbursed by Medicare. MedPAC also voted to again recommend that Congress redistribute existing safety-net payments, or those for disproportionate share hospitals and uncompensated care, and add \$4 billion to that pool of funds. The commission's preferred approach, outlined back in 2023, would use a proposed mechanism called Medicare Safety-Net Index that would direct higher payments to hospitals with relatively more fee-for-service Medicare patients—which would mean that some hospitals could lose some Medicare revenue.

Outpatient Utilization Rates In Cancer Care Reflect Procedure-Specific Shifts³

Trilliant Health | January 14, 2025

The U.S. healthcare system is increasingly shifting toward lower-cost outpatient care settings, driven by efforts to reduce reliance on resource-intensive inpatient settings. Outpatient cancer care exemplifies this trend, influenced by shifts in patient demographics (e.g., younger patients), evolving treatment paradigms (e.g., in-home and virtual care) and advancements in treatment options (e.g., cell and gene therapies). Patients now have a growing number of options for receiving specialty care, including alternate site infusion therapy providers for chemotherapy treatments.⁶ As cancer prevalence continues to grow, outpatient care settings increasingly offer efficient and accessible care at a lower cost than inpatient settings, resulting in more value for money. The transition of cancer care to ambulatory settings mirrors care delivery trends for other service lines. For instance, orthopedic and ophthalmologic care is more often delivered in outpatient settings, reflecting significant advancements in minimally invasive surgical techniques that offer equivalent or better quality at a lower price.

Recent Cain Brothers Transactions

Pending  has entered into an affiliation agreement with  Sell-Side Advisor	December 2024  Indiana University Health has sold its health plan business to  Sell-Side Advisor	December 2024  has partnered with  Sell-Side Advisor	Pending  has agreed to acquire  a subsidiary of  Buy-Side Advisor
November 2024  has been acquired by  Sell-Side Advisor	November 2024  a subsidiary of  has been acquired by  Sell-Side Advisor	October 2024  a portfolio company of  \$855,000,000 Senior Secured Credit Facilities Joint Lead Arranger & Joint Bookrunner	October 2024  a subsidiary of  has been acquired by  Buy-Side Advisor
October 2024  has acquired  Buy-Side Advisor	October 2024  a portfolio company of  \$635,000,000 Senior Secured Credit Facilities Left Lead Arranger, Joint Bookrunner & Administrative Agent	October 2024  has completed an affiliation agreement with  Buy-Side Advisor	September 2024  has been acquired by  Sell-Side Advisor
September 2024  has acquired  Buy-Side Advisor	September 2024  Senior Secured Credit Facilities provided by  	August 2024  \$33,785,000 Adjustable-Rate Hospital Revenue Refunding Bonds (Tax Exempt) Sole Manager	Pending  a subsidiary of  has agreed to be acquired by  Financial Advisor

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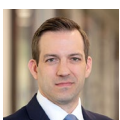


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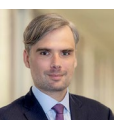


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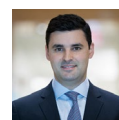
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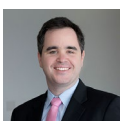
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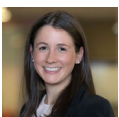


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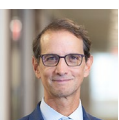


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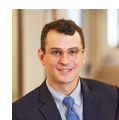
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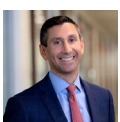
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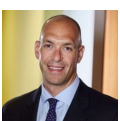
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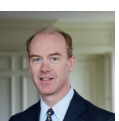
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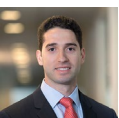
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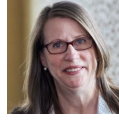
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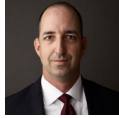
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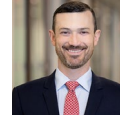
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