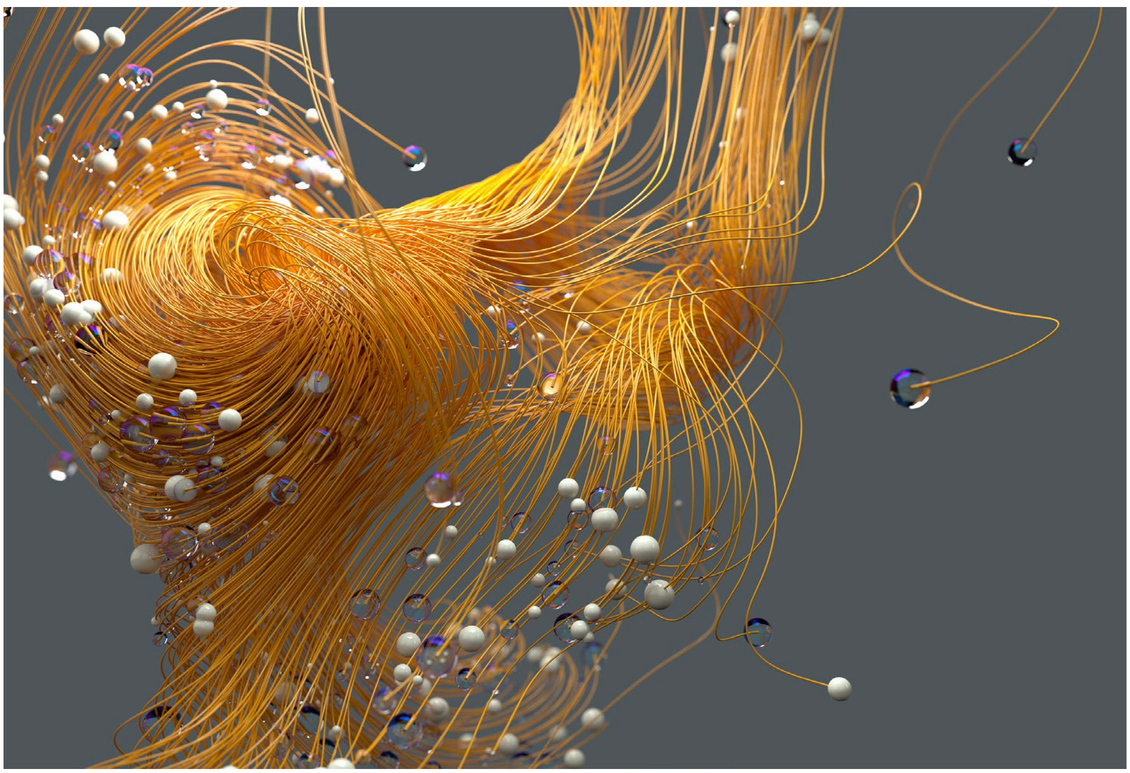
October 20, 2025

Cain Brothers Industry Insights

Healthcare Market Report



Banker commentary:

OBBBA's Potential Impacts on the Behavioral-SUD Industry

Banker Commentary

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OBBBA's Potential Impacts on the Behavioral-SUD Industry

Banker Commentary by James Conahan

The One Big Beautiful Bill Act ("OBBBA") aims to address long-standing challenges and coverage gaps in behavioral health and substance abuse care (collectively referred to as "Behavioral-SUD Health"). It sets forth broad changes to the federal reimbursement model, coupled with an emphasis on parity, integration, and value-based care for the industry. While OBBBA is generally considered supportive of addressing the nation's growing plague of mental illness and substance abuse, there are notable nuances that operators should be aware of that could impact how they structure, finance, and manage facilities.

1. The Elephant in the Room – Medicaid Tightening

Medicaid is the single largest payer of behavioral health services in the U.S., representing roughly a quarter of all Behavioral-SUD Health reimbursements.

OBBBA calls for cutting Medicaid by nearly $911 billion with a combination of programmatic changes rolling out over the next 10 years, primarily related to: 1) eligibility criteria, 2) work requirements, and 3) caps on several state funding programs.

Noteworthy for Behavioral-SUD Health operators, those who suffer from mental health and addiction will be exempt from the Medicaid work requirement under the designation of "medically frail/special medical needs." This designation should largely mitigate Medicaid reimbursement risks associated with the more stringent and cumbersome eligibility and work requirements associated with OBBBA. It remains to be seen how efficient and user-friendly Medicaid will be in validating medical exemptions for qualified patients, however.

Impacts from caps on state funding programs will be geographically unique and difficult to broadly quantify at this early stage. There is always potential that ancillary support sources, such as state and local agencies, will look to backfill any OBBBA programmatic caps that impact providers within their sphere of influence.

2. The Flip Side – Focus on Improved Coverage, Access, and Care

For providers, one of the most immediate impacts of OBBBA is its enhanced enforcement of mental health parity laws, which require that Behavioral-SUD Health benefits and coverage be treated no less favorably than physical health benefits with funding and support for:

- Mandatory coverage of a broader range of Behavioral-SUD Health services, including community-based care and virtual care.
- Integration of Behavioral-SUD Health with physical health services.
- Elimination of non-quantitative treatment limitations (NQTLs) that previously restricted access, such as overly strict prior authorization protocols or arbitrary visit limits.
- Increased access to crisis stabilization and mobile crisis units.
- Prevention, early intervention, and community-based recovery support.

- Increased access to, and availability of, medications for opioid use disorder.
- Expanded medication-assisted treatment (MAT) access, funding for harm reduction programs, and removal of restrictions on providers who prescribe blacklisted medications.

While these programs may increase short-term costs for payers, long-term savings could result from earlier interventions and decreased emergency and inpatient utilization.

3. Be Nice, the World Is a Small Town – Expanding Access to Underserved Populations

One of the most promising impacts of OBBBA lies in its provisions for expanding access to rural and underserved communities. Historically, millions of Americans in rural, low-income, or marginalized communities have lacked access to adequate Behavioral-SUD Health services. OBBBA seeks to fill the gap by funding community mental health centers, expanding virtual care infrastructure, and offering mobile crisis intervention units.

In theory, this expansion will help alleviate emergency room overuse and lower incarceration rates for non-violent offenders. For individuals specifically with substance use disorders, improved access to treatment could mean the difference between long-term recovery and repeated relapses or even fatal overdoses.

4. Doing Nothing Is Not a Plan – Areas for Operator Innovation

Forward-thinking Behavioral-SUD operators will likely find opportunities to drive change and improvement in the following areas:

- Facility Improvements and Bed Expansion: OBBBA provides for capital improvement dollars and grants, which could spur new construction or reactivation of outdated inpatient units.
- Collaborative Integrated Care: OBBBA encourages health systems to implement collaborative care models, blending primary care with behavioral health services. The aim is to assist those who face chronic physical health issues, yet the two systems often operate in silos.
- Workforce Development*:* Like most service industries, Behavioral-SUD Health organizations often suffer from a workforce shortage due to high burnout rates, inadequate compensation, and growing demand for services. OBBBA includes funding for training programs, student loan forgiveness, and career pathways to help increase qualified staff across the industry.
- Embrace Data and Digital Tools*:* OBBBA supports AI-powered early detection systems and upgrading EHRs. These kinds of innovations can support care coordination, reduce administrative burden, and ensure that high-risk patients are identified and supported early in their care journey.

While OBBBA comes with its challenges and opportunities for Behavioral-SUD Health operators, it's important to remember that programmatic implementation will be staggered over 10 years, bridging multiple potential administration changes. As an operator, it's important to be proactive, but like all-hot topic healthcare changes arising from D.C., it should be anticipated that OBBBA will be put to the test and face considerable challenges over its life.

M&A Activity

Selected Recent Healthcare Transactions *($MM)*

Date	Target Name	Acquirer	EV	Enterprise Value / LTM Rev.	Enterprise Value / LTM EBITDA	Description
10/8/2025	GenesisCare d/b/a SunState Medical Specialists	OneOncology (TPG Capital LP)	NA	NA	NA	Medical group with 100+ physicians across urology, oncology, and surgical specialties
10/7/2025	Valkyrie Clinical Trials	Flourish Research (Genstar Capital)	NA	NA	NA	Network of oncology-focused clinical research sites
10/7/2025	Owens & Minor P&HS Unit	Platinum Equity	$375	NA	NA	Medical and surgical supply distribution business
10/2/2025	Precision Practice Management	Vee Healthtek (TA Associates)	NA	NA	NA	Revenue cycle management services company for hospitals and medical practices
10/1/2025	Concord Biomedical Sciences and Emerging Technologies	Arlington Capital Partners	NA	NA	NA	Provider of translational research and product development services for the medical device, pharmaceutical, diagnostic, and biomedical research industries
9/30/2025	Freeport Memorial Hospital	Mercy Health	NA	NA	NA	Not-for-profit Illinois based health system
9/30/2025	Griffin Concierge Medical	Revelstoke Capital Partners	NA	NA	NA	Florida based full-service concierge primary care group
9/30/2025	Pieces Technologies	Smarter Technologies (New Mountain Capital)	NA	NA	NA	AI assistant platform for clinical documentation, revenue enhancement, and utilization management across inpatient and outpatient settings
9/29/2025	DigitalOwl	Datavant (New Mountain Capital)	$200	NA	NA	AI-enabled medical data analysis platform
9/26/2025	Catalyst Medical Group	St. Joseph Regional Medical Center	NA	NA	NA	Idaho based physician-owned, multi-specialty medical clinic
9/26/2025	Dentalcorp	GTCR	$2,300	1.4x	8.8x	Canadian based network of dental practices
9/23/2025	Evolent Care Partners (Evolent Health)	Privia Health Group	$113	NA	11.3x	Value-based primary care business
9/23/2025	Kyruus Health	RevSpring (Frazier Healthcare)	~$430	3.5x	NA	Provider data, search, and scheduling software
9/23/2025	Real Diagnostics (Salt Creek Capital)	HCAP Partners	NA	NA	NA	Clinical laboratory specializing in rapid, accurate testing across key areas including urinary tract infections, toxicology, respiratory conditions, and women's health
9/22/2025	Premier	Patient Square Capital	$2,600	2.6x	8.7x	Technology-driven health care improvement company
9/10/2025	CPS Infusion	Seven Hills Capital	NA	NA	NA	Provider of infusion therapy
9/10/2025	Springbuk	Truven (Francisco Partners)	NA	NA	NA	Health intelligence platform for employers and their advisors
9/9/2025	WestStar Physical Therapy Network	Accord Asset Partners and Paras Capital Partners	NA	NA	NA	Physical therapy provider specializing in workers' compensation and auto injury patients
9/5/2025	Reliant Specialty Infusion	Shore Capital Partners	NA	NA	NA	Provider of ambulatory infusion services

Sources: Capital IQ, Merger market, and press releases
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
Transaction occurred the past week

Private Placement Activity

Selected Recent Healthcare Transactions *($MM)*

Date	Company	Investor(s)	Type	Amount	Description
10/9/2025	DUOS	FTV Capital (lead) and Forerunner Ventures	Strategic	$130	AI-enabled digital health platform focused on the senior population
10/9/2025	Sensi.AI	Qumra Capital (lead), Zeev Ventures, Insight Partners, Entrée Capital, Flint Capital, and Jibe Ventures	Series C	$45	Care intelligence platform that uses audio technology to help older adults age safely at home
10/6/2025	Heidi Health	Point 72 (lead), Blackbird, Headline, and Latitude	Series B	$65	AI-enabled medical scribe platform for clinical documentation
10/3/2025	Midi Health	Advance Venture Partners (lead)	Series C	$50	Virtual menopause and perimenopause care company
9/30/2025	Assort Health	Lightspeed Venture Partners (lead), Felicis, First Round Capital, Chemistry, A*, Liquid2, and Quiet Capital	Series B	$76	AI-enabled patient communications platform focused on specialty healthcare practices
9/29/2025	Inspiren	Insight Partners (lead), Avenir, Primary Venture Partners, Scale Venture Partners, Story Ventures, Third Prime, and Studio VC	Series D	$100	AI-enabled solutions company for senior living
9/25/2025	Sunrise Group	Eurazeo (lead), Amazon's Alexa Fund, WE International, Kurma Partners, Vives Fund, Majycc, Namur Invest, Seventure Partners, Investsud, Sambrinvest, Noshaq, IMBC and Invest.BW	Undisclosed	$29	Digital home based sleep clinic
9/25/2025	Thyme Care	CVS Health® Ventures, Foresite Capital, a16z Bio + Health, Concord Health Partners, Town Hall Ventures, AlleyCorp, and Frist Cressey Ventures	Series D	$97	Value-based cancer care enabler
9/24/2025	AmplifyMD	Forerunner Ventures (lead), F-Prime, Greylock, Tau Ventures, and strategic partner Memorial Hermann Health System	Series B	$20	Integrated virtual care solution
9/23/2025	Judi Health (fka Capital Rx)	Wellington Management and General Catalyst (co-leads), Generation Investment Management, Growth Equity at Goldman Sachs Alternatives, 9Yards Capital, B Capital, Edison Partners, Prime Health Investments, and Transformation Capital	Series F + Additional	$400	Enterprise health technology company and benefit administrator
9/12/2025	Unmind	Trinity Capital	Growth	$20	Workplace mental health platform powered by AI
9/11/2025	Diana Health	HealthQuest Capital (lead), Norwest Venture Partners, .406 Ventures, LRVHealth, AlleyCorp	Series C	$55	Network of women's health practices working in partnership with hospitals
9/9/2025	GEOH	Council Capital	Undisclosed	$30	Providers of practice management software and services for home care agencies
9/9/2025	Harbor Health	General Catalyst, 8VC, and Alta Partners (co-leads), DFO Management	Undisclosed	$130	Primary and specialty care clinic group and health insurance company
9/9/2025	Strive Health	New Enterprise Associates (lead), CVS Health Ventures, CapitalG, Echo Health Ventures, Town Hall Ventures, Redpoint	Series D	$300	Value-based kidney care
9/9/2025	Strive Health	Hercules Capital	Debt	$250	Value-based kidney care
9/3/2025	XiFin	Goldman Sachs External Investing Group and Avista Healthcare Partners	Undisclosed	Undisclosed	Revenue cycle management and billing solutions enhanced with embedded AI
8/27/2025	Assort Health	Lightspeed Ventures (lead)	Series B	$50	AI-assisted patient communications solutions
8/21/2025	Wellth	Mercato Partners (lead), FCA Venture Partners, Comcast Ventures, SignalFire, NY Life, and CD-Venture	Series C	$36	Digital health company helping high-risk populations build lasting healthy habits through daily care motivation
8/18/2025	Medallion	Acrew Capital (lead), Washington Harbour Partners and insiders, including Sequoia Capital, GV, Spark Capital, NFDG, and others	Undisclosed	$43	AI-powered infrastructure platform that automates provider network operations, including credentialing, enrollment, and monitoring

Sources: Capital IQ, Merger market, and press releases
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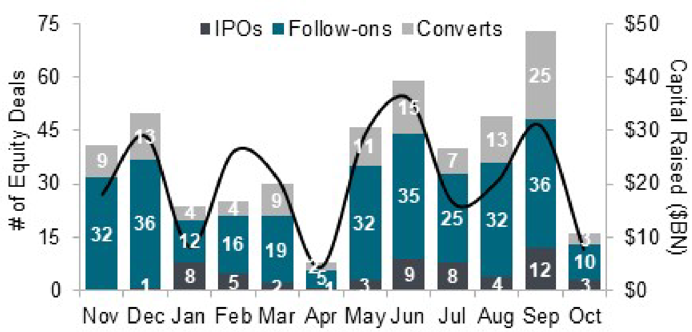
Transaction occurred over the past week

Equity Capital Markets

Market Overview

- Last week, we saw decent ECM issuance as the federal government shutdown continued on and news of AI agreements, a ceasefire in Gaza and trade tensions between the US and China dominated markets:
  - Last week: 2 IPOs; 9 follow-ons; 3 converts
- IPO activity is expected to remain minimal at best until the SEC is back open for business as the lone option to launch & price an IPO in the current state seems to be utilizing the rare "fixed price" structure
- New issue offerings for public companies may dip over the next few weeks considering the shutdown, the swings in equity markets and most importantly, companies entering earnings related blackout periods

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

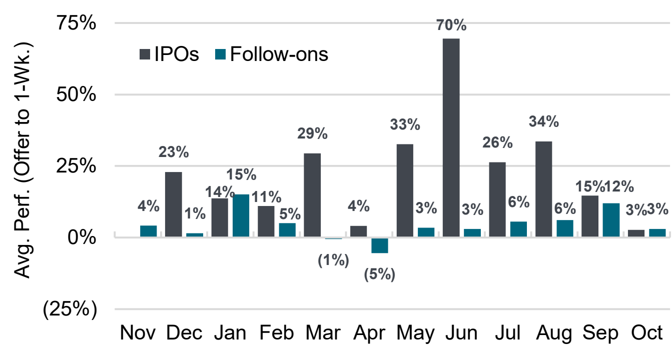


ECM Activity *(Last 4 Weeks & YoY)*

	2025 - Last 4 Weeks			2024 - Last 4 Weeks		
	Vol ($MM)	# Deals	% Share	Vol ($MM)	# Deals	% Share
IPO	5,258	9	25%	3,856	10	21%
CONV	8,641	15	40%	5,853	7	32%
FO	7,462	26	35%	8,594	26	47%
Total	21,361	50	100%	18,303	43	100%

	2025 YTD			2024 YTD		
	Vol ($MM)	# Deals	% Share	Vol ($MM)	# Deals	% Share
IPO	28,695	55	14%	25,368	53	15%
CONV	71,398	93	35%	49,669	72	30%
FO	101,699	222	50%	92,939	275	55%
Total	201,792	370	100%	167,976	400	100%

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
8/7/2025	Heartflow	Medical Products	HTFL	$364.2	$1,531.7	23.8%	100.0%	$19.00	$17.00 - $18.00	51.3%	77.3%
7/30/2025	Shoulder Innovations	Medical Products	SI	$75.0	$303.4	24.7%	100.0%	$15.00	$19.00 - $21.00	0.3%	(12.9%)
7/22/205	Carlsmed	Medical Products	CARL	$100.5	$397.7	25.3%	100.0%	$15.00	$14.00 - $16.00	(3.3%)	(3.3%)
6/17/2025	Caris Life Sciences	Healthcare Technology	CAI	$568.2	$5,836.6	9.7%	100.0%	$21.00	$19.00 - $20.00	33.3%	31.9%
6/5/2025	Omada Health	Healthcare Technology	OMDA	$172.6	$1,059.1	16.3%	100.0%	$19.00	$18.00 - $20.00	21.1%	(9.6%)

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
9/11/2025	Waystar Holding	Healthcare Technology	Bought	WAY	$709.2	$7,056.7	10.1%	0.0%	(2.7%)	(2.7%)	(2.1%)
9/3/2025	Sotera Health	Medical Products	Bought	SHC	$307.0	$4,539.1	6.8%	0.0%	(3.9%)	1.0%	2.5%
8/13/2025	Solventum	Medical Products	Bought	SOLV	$648.1	$12,896.6	5.0%	0.0%	(1.0%)	(0.6%)	(1.1%)
7/24/2025	Absci	Healthcare Technology	Marketed	ABSI	$50.0	$506.2	9.9%	100.0%	(14.5%)	(3.7%)	(5.7%)
6/10/2025	Brightspring Health Services	Services	Marketed	BTSG	$350.2	$3,923.0	8.9%	0.0%	(2.2%)	0.6%	(1.8%)

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
9/16/2025	Oscar Health	Health Insurance	OSCR	$410.0	$4,842.8	8.5%	2.25%	32.50%
8/19/2025	Evolent Health	Services	EVH	$145.0	$1,059.9	13.7%	4.50%	50.00%
6/30/2025	Tempus AI	Healthcare Technology	TEM	$750.0	$10,999.8	6.8%	0.75%	32.50%
5/8/2025	Hims & Hers Health*	Healthcare Technology	HIMS	$1,000.0	$11,504.9	8.7%	0.00%	37.50%
3/13/2025	Integer*	Medical Products	ITGR	$1,000.0	$3,980.3	25.1%	1.88%	27.50%

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 SPACs and fixed price IPOs*

Transaction occurred the past week

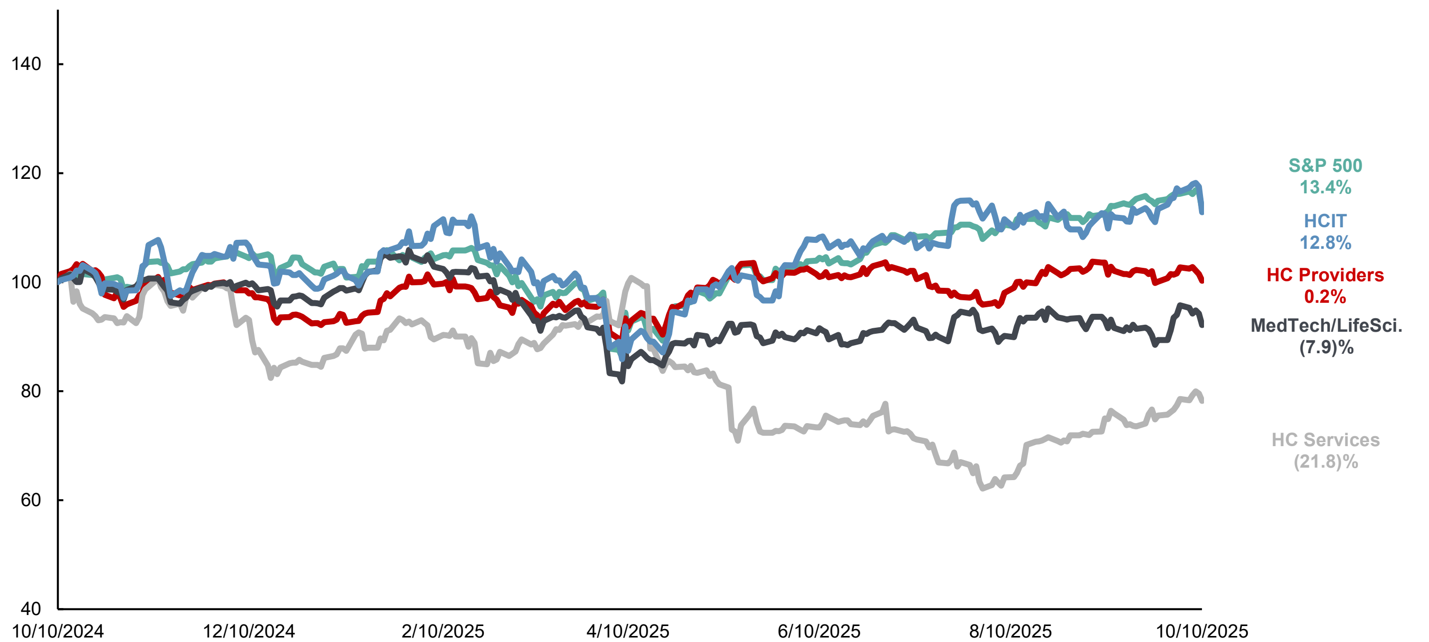
Public Equity Indices

Equity Indices (as of October 10, 2025)

Index	Wk Open	Wk Close	Returns: 52 Week	Returns: Weekly
DJIA	46,758	45,480	7.1%	(2.7%)
S&P 500	6,716	6,553	13.4%	(2.4%)
NASDAQ	22,781	22,204	21.5%	(2.5%)
Russell 2000	2,476	2,395	9.4%	(3.3%)
NYSE Healthcare	23,985	25,156	(10.6%)	4.9%

Cain Brothers Indicies	Returns: 52 Week	Returns: Weekly
Acute Care	(2.1%)	(4.0%)
Alternate Site Services	(10.7%)	(4.3%)
Diagnostics	12.3%	(0.6%)
Distribution	37.1%	3.1%
Healthcare IT	12.8%	(3.3%)
Healthcare REITs	32.9%	(4.5%)
Managed Care	(35.7%)	(1.8%)
Medical Technology	(7.6%)	(3.6%)
Outsourced Services	(31.7%)	(8.3%)
Pharma Services	(11.1%)	(5.1%)
Pharmacy	15.9%	0.4%
Primary Care	(56.2%)	(3.3%)
Post-Acute Care Services	13.5%	(1.3%)
Post-Acute Care Facilities	10.4%	(0.9%)

Cain Brothers Healthcare Indices (1YR Performance)



Sources: Cain Brothers, Bloomberg, Capital IQ

High Grade, High Yield & Leveraged Loan Market

Market Summary

High Grade

- The IG primary market failed to reach expectations for the second consecutive week as issuers navigated headlines out of Washington and a growing number of earnings blackouts; 10 issuers raised $13.7 BN across 19 tranches.

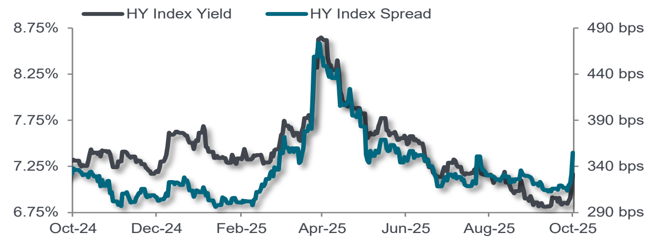
High Yield

- High yield primary market activity took a relative break from the historic issuance levels seen throughout September, with only five issuers tapping the market to price $4.9 BN.

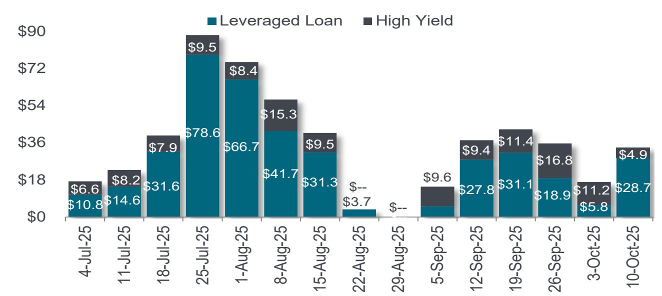
Term Loan B Market

- CLO issuance has been strong throughout 2025, and spreads have come back down and stabilized since disruption in April and May after ticking upwards from 2025 lows reached in February.

HY Index Yield & Spread (YTD)



Weekly New Issue Volume *($BN)*



New-Issue Clearing Yields[1] *($MM)*

Double-B Issuers	1Q25	2Q25	30-Day Rolling Average 10/10/25
Ba1	S+233 / 6.7%	S+265 / 7.1%	S+204 / 6.3%
Ba2	S+199 / 6.4%	S+230 / 6.6%	S+180 / 6.0%
Ba3	S+232 / 6.7%	S+268 / 7.2%	S+225 / 6.5%
Single-B Issuers	**1Q25**	**2Q25**	**30-Day Rolling Average 10/10/25**
B1	S+278 / 7.2%	S+317 / 7.7%	S+287 / 7.1%
B2	S+333 / 7.7%	S+340 / 7.8%	S+306 / 7.3%
B3	S+357 / 7.9%	S+378 / 8.4%	S+367 / 7.9%

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

Date	Issuer	Security	Size	Ratings	Coupon	Maturity	Spread	IPT-Pricing
10/1/2025	180 Medical Inc	Sr Notes	$500	Baa3/BBB-/BBB-	5.300%	10/8/2035	+125	35 bps
9/30/2025	Thermo Fisher Scientific Inc	Sr Notes	$500	A3/A-/A-	420.000%	3/1/2031	+50	20 bps
9/30/2025	Thermo Fisher Scientific Inc	Sr Notes	$750	A3/A-/A-	447.300%	10/7/2032	+55	25 bps
9/30/2025	Thermo Fisher Scientific Inc	Sr Notes	$750	A3/A-/A-	479.400%	10/7/2035	+65	25 bps
9/30/2025	Thermo Fisher Scientific Inc	Sr Notes	$500	A3/A-/A-	489.400%	10/7/2037	+75	25 bps

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

Date	Issuer	Security	Size	Ratings	Coupon	Maturity	Spread	Price Talk
9/10/2025	Global Medical Response	Sr. Sec. Notes	$1,000	B2/B/NR	7.375%	10/1/2032	360 bps	7.375%-7.50%
7/28/2025	CHS/Community Health Systems	Sr. Sec. Notes	$1,790	Caa1/B-/NR	9.750%	1/15/2034	533 bps	9.50% area
7/24/2025	Patterson Cos	Sr. Sec. Notes	$500	B2/B/NR	8.750%	4/17/2032	572 bps	8.75% cpn @ 93-94

Most Recent Healthcare Leveraged Loan Issuances *($MM)*

Date	Issuer	Ownership	Corp. Ratings	Use of Proceeds	Size	Pricing	Yield
10/10/2025	Certara	Not Sponsored	B1 / BB-	Repricing	$296	SOFR+275, 0% @ 100	6.782%
10/9/2025	Opella	Clayton, Dubilier & Rice	B1 / B+	Repricing	$3,800	SOFR+300, 0% @ 100	7.048%
10/6/2025	ImageFIRST Healthcare Laundry Specialists LLC*	Calera Capital	B2 / B	Repricing	$500	SOFR+300, 0% @ 100	7.088%

Most Recent Healthcare Pro Rata Issuances *($MM)*

Date	Issuer	Ownership	Ratings	Use of Proceeds	Size	Pricing (in bps)	Financial Covenants
9/17/2025	SANUWAVE Health	Public	NR / NR	GCP	$5mm 3-year Revolver $28mm 5-year Term Loan A	Fixed Spread SOFR+350	Max. Leverage Ratio: 2.50x Min. Fixed Charge Coverage Ratio: 1.25x
9/17/2025	Aveanna Healthcare	Public	B3 / B-	Refinancing	$200mm 5-year Revolver	Leverage-based Grid SOFR+325-375 Opens at SOFR+375	Springing Max. First Lien Net Leverage Ratio: 8.00x

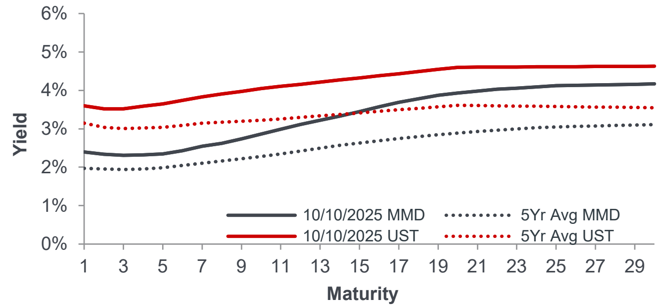
Sources: Capital IQ, Mergermarket, and press releases
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
Transaction occurred over the past week

Public Finance Market

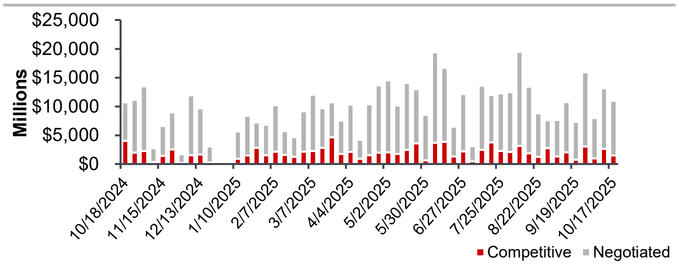
Market Overview

- The yield on the benchmark 10-year U.S. Treasury Note decreased 8 bps week-over-week, closing at 4.05% on Friday. 10-year MMD decreased 5 bps week over week
- Healthcare Public Issuance in 2024 increased 143% vs 2023. YTD 2025 Issuance through October 10th was 25% higher than YTD 2024 through October 31st
- Muni bond funds gained $966 MM and high yield funds gained $269 MM for the week ended October 10th.

MMD & UST Yield Curve



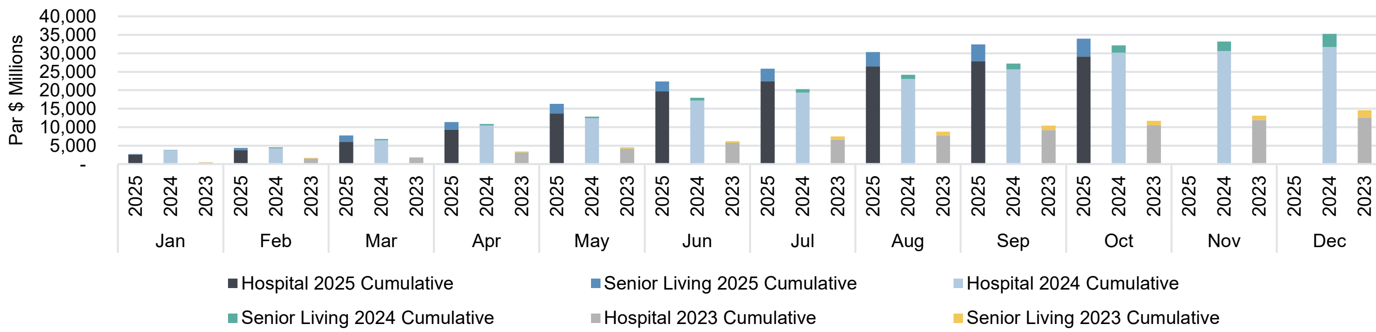
Weekly New Issue Volume *($MM)*



Benchmark Yields

Treasury Yields			MMD Yields			Ratio
Yr	Yield	Δ (W/W)	Yr	Yield	Δ (W/W)	MMD/ UST
2	3.52%	(6 bps)	2	2.34%	2 bps	66%
10	4.05%	(8 bps)	10	2.86%	(5 bps)	71%
30	4.63%	(8 bps)	30	4.17%	(4 bps)	90%

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 10/6										
Albany Med. Cent. Hosp. Project*	**375,405**	**NY**	**CACRC**	**TE**	**A2 / A / NR**	**2055**	**2035(C)**	**5.50%**	**4.71%**	**5.10%**
Albany Med. Cent. Hosp. Project*	**24,805**	**NY**	**CACRC**	**TAX**	**A2 / A / NR**	**2034**	**MWC**	**5.10%**	**5.10%**	**N/A**
Wellspan Health Obligated Group	300,000	PA	GASCP	TE	Aa3 / NR / AA-	2032	NC	5.00%	3.00%	N/A
University Hospitals Health System	185,270	OH	SO	TE	A3 / A / NR	2036	2035(C)	5.00%	3.64%	3.75%
Carilion Clinic Obligated Group	148,575	VA	EDACRV	TE	Aa3 / AA- / NR	2037	2035(C)	5.00%	3.59%	3.78%
Connexion Communities Project	113,490	SC	SCJEDA	TE	NR / NR / NR	2060	2035(C)	6.75%	6.85%	N/A
Friendship Village of Tempe Project	69,475	AZ	IDACTA	TE	NR / NR / NR	2060	2035(C)	5.63%	5.65%	N/A
Friendship Village of Tempe Project	25,325	AZ	IDACTA	TE	NR / NR / NR	2030	2027(C)	3.50%	3.50%	N/A
Friendship Village of Tempe Project	12,725	AZ	IDACTA	TE	NR / NR / NR	2031	2027(C)	3.75%	3.88%	N/A
Tel Hai Retirement Comm. Project	53,465	PA	CCHEFA	TE	NR / NR / BBB	2055	2035(C)	5.25%	5.26%	N/A
Frashier(h)	41,400	CO	CHFA	TE	NR / NR / BBB-	2048	2035(C)	5.25%	5.20%	5.22%
Exp. Pricings, Week of 10/13										
CommonSpirit Health	2,335,705	CO	CH	TAX	A3 / A- / A-	-	-	-	-	-
CommonSpirit Health	518,760	WA	WHCFA	TE	A3 / A- / A-	-	-	-	-	-
CommonSpirit Health	495,975	CO	CHFA	TE	A3 / A- / A-	-	-	-	-	-
Ben. Sen. Liv./Wind. Way Project	54,540	MN	CSM	TE	NR / NR / NR	-	-	-	-	-
Carol Woods Project	34,000	NC	NCMCC	TE	NR / A / NR	-	-	-	-	-

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

Relevant News

Behavioral Health Visits Eclipsed Primary Care Visits In 2024[1]

Healthcare Dive | October 10, 2025

The U.S. is currently in the second week of a government shutdown, after Republicans and Democrats in Congress failed to reach an agreement over the future of enhanced subsidies for Affordable Care Act plans. Stakes were high for a shutdown, with President Donald Trump and Russell Vought, the director of the Office of Management and Budget, promising to use a lapse in funding to terminate more federal employees along with "Democrat" programs. "HHS employees across multiple divisions have received reduction-in-force notices as a direct consequence of the Democrat-led government shutdown," HHS spokesman Andrew Nixon told Healthcare Dive over email, blaming the Biden administration for creating a "bloated bureaucracy."

House Sends AI-Powered VA Claims Automation Bill To Senate[2]

Healthcare IT News | September 18, 2025

The U.S. House of Representatives has passed a bill to modernize the Veterans Affairs' claims process. The bill calls for developing an artificial intelligence system that will retrieve data, provide decision support, share information and generate claim-related correspondence. The U.S. Senate received the proposed Modernizing All Veterans and Survivors Claims Processing Act and referred it to its Committee on Veterans' Affairs. If the bill passes in its current form, an agentic artificial intelligence tool will be developed for use by the VA's Compensation Service of the Veterans Benefits Administration to automatically retrieve service records, compile evidence, provide decision support, share data between agencies and generate claim-related correspondence on its own. Among other things, the VA claims the modernization bill directs the Secretary of Veterans Affairs to submit a plan for using automation tools that harness AI to the House and Senate VA committees after one year of enactment.

Private Equity In Pediatrics: Why Leaders Should Pay Attention Now[3]

Becker's Hospital Review | October 11, 2025

More than half of children's hospital patients rely on Medicaid or CHIP, yet private equity is moving steadily into pediatrics, a sector that has received far less attention than adult care. While headlines focus on nursing homes, physician groups, and adult hospitals, the risks in pediatrics may be greater and the margin for error much smaller. Children's hospitals already operate on razor thin margins, with Medicaid reimbursement rarely covering the cost of care. Pediatric systems also carry a wide range of essential but unprofitable services, including community prevention programs, NICU follow up, and pediatric behavioral health.

1. https://www.healthcaredive.com/news/hhs-layoffs-government-shutdown-trump-rif/802643/
2. https://www.healthcareitnews.com/news/house-sends-ai-powered-va-claims-automation-bill-senate
3. https://www.beckershospitalreview.com/finance/private-equity-in-pediatrics-why-leaders-should-pay-attention-now/

Relevant News

4 Reasons Why Clinical Management Is Essential For Controlling Pharmacy Costs[1]

Fierce Healthcare | October 13, 2025

Prescription drug costs continue to spiral upward, leaving employers scrambling to offer robust pharmacy benefits while keeping costs sustainable. Every year, tens of billions of dollars flow into high-cost therapies. Treatments like GLP-1s, originally approved for diabetes and obesity-related weight loss, are seeing a surge in utilization – often for lifestyle-related reasons – and new specialty drugs with hefty price tags continue to be developed and launched.While effective, given their cost, these treatments have the potential to cripple employer healthcare budgets. Without effective strategies to ensure the right patients get the right drugs at the right time, employers risk pouring money into inefficiencies, over-prescribing, and even misuse while missing critical opportunities to improve health outcomes.

How Optimized ePA Is Changing The Game For Health Systems[2]

Fierce Healthcare | October 13, 2025

Prior authorization (PA) was introduced as a patient safety mechanism, a check to ensure that the right medications are prescribed for the right patients at the right cost. Over time, that safety barrier has turned into a brick wall, delaying therapy, increasing administrative burden, and frustrating patients and providers alike. For years, health systems have looked to prospective electronic prior authorization (ePA) as the solution. The idea was simple: Trigger the PA before a prescription reaches the pharmacy, resolve it early, and eliminate the last-minute surprises that leave patients waiting at the counter. But prospective PA hasn’t lived up to expectations.

CDRH Shares Regulatory Guidance Priorities For The Coming 12 Months[3]

MedTech Dive | October 2, 2025

The list covers the documents that the FDA’s Center for Devices and Radiological Health will prioritize in the next 12 months, as well as guidelines that it will develop and publish if it has the resources. Officials named four final guidance topics as priorities for 2026. In addition to the RWE and PCCP documents, the FDA will prioritize the finalization of texts on validating diagnostics for emerging pathogens and incorporating voluntary patient preference information over the total product lifecycle. The diagnostics document was on the list of priorities that the FDA published one year ago. The patient preference guidance was among the texts being developed as resources permitted.

1. https://www.fiercehealthcare.com/sponsored/4-reasons-why-clinical-management-essential-controlling-pharmacy-costs
2. https://www.fiercehealthcare.com/sponsored/how-optimized-epa-changing-game-health-systems
3. https://www.fiercehealthcare.com/sponsored/how-optimized-epa-changing-game-health-systems

Recent Cain Brothers Transactions

HonorHealth
to acquire
Evernorth Care Group℠
Buy-Side Advisor

ChristianaCare
acquired
CrozerHealth
(ASCs and Outpatient Centers in PA)
assets owned by
Prospect Medical
Buy-Side Advisor

Elevate Patient Financial Solutions®
a portfolio company of
Audax
&
Parthenon Capital
Senior Secured Credit Facilities
Joint Lead Arranger & Joint Bookrunner

Beacon Health System
acquired
Ascension Borgess
from
Ascension
Buy-Side Advisor

radiology partners
a portfolio company of
NEA & Whistler Capital Partners
Senior Secured Credit Facilities
Joint Lead Arranger & Joint Bookrunner

Allied OMS
Power through Partnership
received an investment from
65 Equity Partners
Financial Advisor

Allied OMS
Power through Partnership
a portfolio company of
65 Equity Partners
Senior Secured Credit Facilities
Exclusive Debt Advisor

Western Washington Medical Group
formed and capitalized a joint venture with
IKS Health
Quality Practice. Quality Care.
Financial Advisor

WCAS
acquired
Constitution Surgery Alliance
25 Years
Buy-Side Advisor

AdventHealth
acquired
ShorePoint Health
Port Charlotte · Punta Gorda
a subsidiary of
CHS Community Health Systems
Buy-Side Advisor

Spectrum Vascular
a portfolio company of
SK Capital
Senior Secured Credit Facilities
Left Lead Arranger

Integer®
Convertible Senior Notes Due 2030
Co-Manager

ImageFIRST®
Healthcare Laundry Specialists
a portfolio company of
Calera Capital
Senior Secured Credit Facilities
Joint Lead Arranger & Joint Bookrunner

Eversana™
a portfolio company of
JLL Partners & Water Street
Senior Secured Credit Facilities
Left Lead Arranger, Joint Bookrunner & Administrative Agent

Collage Rehabilitation Partners
a portfolio company of
Baird Capital & Deerfield
acquired by
Renovus Capital
Sell-Side Advisor

Theoria Management
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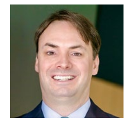

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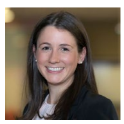

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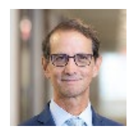

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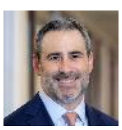

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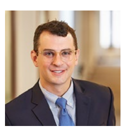

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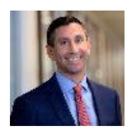

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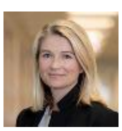

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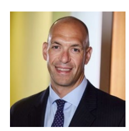

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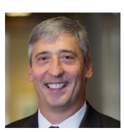

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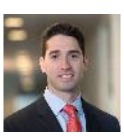

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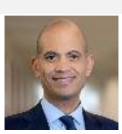

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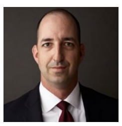

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