



# LAWRENCE, EVANS & CO., LLC

Investment Banking | Healthcare Finance | Consulting

## Healthcare Weekly News and Deals – May 24<sup>th</sup>, 2024

### 1. Goldman Sachs Acquires Xpress Wellness from Latticework Capital Management to Expand Rural Healthcare Services

Goldman Sachs Alternatives acquired Xpress Wellness, a provider of urgent care and healthcare services to rural communities in Oklahoma, Kansas, and Texas, from Latticework Capital Management. The acquisition aims to expand Xpress's footprint and enhance its services in underserved areas, leveraging Goldman Sachs' global resources. Under Latticework's ownership since 2018, Xpress grew from 10 to 58 clinics, created over 600 jobs, and expanded into behavioral health and post-acute care. Xpress CEO Grant Asay and Latticework's Kyle Bradford expressed enthusiasm for the growth and impact on rural healthcare access. ([Link](#))

### 2. KKR Acquires Significant Minority Stake in Infinx Services Pvt Ltd, Bolstered by Norwest Venture Partners' Further Investment

KKR, through its Asian Fund IV, has acquired a significant minority stake in Infinx Services Private Limited, an AI-driven revenue cycle solutions provider for the U.S. healthcare market. Norwest Venture Partners, who led a 2021 financing round for Infinx, is also making an additional investment. This investment aims to accelerate Infinx's growth and support further acquisitions. ([Link](#))

### 3. InTandem Capital Partners Invests in Adams Clinical to Accelerate Growth and Enhance Clinical Trial Capabilities

InTandem Capital Partners, a healthcare-focused private equity firm, has partnered with Adams Clinical, a leading clinical trial site network specializing in psychiatric and neurologic drug evaluations. Founded in 2011 in Watertown, Massachusetts, Adams Clinical is renowned for its participant recruitment and strong industry relationships. CEO Nelson Rutrick highlighted the benefits of InTandem's expertise in growing the company. Mehran Ahmed of InTandem emphasized the importance of efficient clinical trials and patient access. ([Link](#))

### 4. WearLinq Acquires AMI Cardiac Monitoring and Secures \$6.7M Investment from SpringTide, Social Impact Capital, Amino Capital, Berkeley Catalyst Fund, and Human Longevity to Expand Nationwide Cardiac Diagnostic Services

WearLinq, a leader in wearable health monitoring, has acquired AMI Cardiac Monitoring, LLC, a diagnostic testing facility with 33 years of expertise in ambulatory cardiac monitoring. This acquisition enhances WearLinq's capacity to offer its eWave 6-lead wearable ECG monitor, recently FDA approved, across all 50 states. The partnership aims to improve cardiac

diagnostics with advanced technology and extensive clinical services. This move follows a successful close of \$6.7 million early-stage investment from SpringTide, Social Impact Capital, Amino Capital, Berkeley Catalyst Fund, Human Longevity, and angels from iRhythm and AliveCor. WearLinq also welcomed Joe Knight, co-inventor of iRhythm's ZioPatch, to its Board of Directors. ([Link](#))

## 5. Invidia Capital Management Launches with Backing from GCM Grosvenor

Jo Natauri, former Goldman Sachs partner, has launched Invidia Capital Management in NYC to invest in upper-middle market healthcare companies, supported by GCM Grosvenor. Natauri, with 25 years in healthcare investing, leads a team including Vince Cuticello, Alice Kennon, Jason Dunn, Kieran Storch, and Thomas Ryan. Invidia aims to provide comprehensive solutions to healthcare founders. GCM Grosvenor's Elevate strategy, led by Elizabeth Browne and Kevin Nickelberry, backs the venture. Natauri's leadership and Invidia's strategic vision are expected to impact healthcare investing significantly. GCM Grosvenor manages over \$79 billion in assets. ([Link](#))

## 6. PACS Group Expands with Acquisition of 53 Skilled Nursing and Senior Living Facilities

PACS Group, a leading nursing home operator, announced plans to acquire 53 skilled nursing facilities and senior living communities from Prestige Care and Prestige Senior Living. The Farmington, UT-based company, which went public earlier this month, will add properties across eight western states, including Oregon, Washington, Idaho, and Nevada. The acquisitions, totaling 2,511 skilled nursing beds and 1,334 senior living units, are expected to close in Q3. CEO Jason Murray emphasized the strategic expansion into assisted living, while CFO Derick Apt highlighted the \$15 million investment in a real estate joint venture. ([Link](#))

## 7. Centivo Acquires Eden Health to Enhance Primary Care Access Nationwide

Centivo, dedicated to making healthcare affordable, has acquired Eden Health, a virtual-first medical provider for employers. This acquisition aims to scale Centivo's primary care-focused health plans, integrating Eden Health's advanced technology and clinical services, including mental health and urgent care. Centivo now serves over 160 employers across all 50 states, enhancing patient access and affordability. Ashok Subramanian, CEO of Centivo, highlights this move as crucial for addressing primary care shortages and aligning incentives. Eden Health's CEO, Matt McCambridge, will serve as a Senior Advisor during the transition. ([Link](#))

## 8. Addus HomeCare Corporation(Nasdaq: ADUS) to Sell New York Personal Care Business to HCS-Girling for Up to \$23 Million

Addus HomeCare Corporation (Nasdaq: ADUS) is divesting its New York personal care business and fiscal intermediary services for the state's Consumer Directed Personal Assistance Program (CDPAP) to HCS-Girling for up to \$23 million. The move aims to reduce Addus' revolving credit facility balance and exit a challenging market. CEO Dirk Allison cited limited growth opportunities and significant management resource consumption in New York. The transaction is expected to be immaterial to Addus' earnings and will enable the company to

focus on more strategic markets, expanding its personal care, home health, and hospice services. ([Link](#))

## 9. Caravel Autism Health Nears Deal with GTCR Amid Industry Shakeup

Caravel Autism Health, based in Green Bay, Wisconsin, is reportedly nearing a deal with private equity firm GTCR. This move would mark GTCR's entry into the behavioral health sector, following its \$180 million acquisition of Cloudbreak Health earlier this year. Caravel, backed by Frazier Healthcare Partners since 2018, operates 62 locations in eight states. The autism therapy industry saw a significant decline in deal volume in 2023, but recent acquisitions by Optimal Investment Group and Opya Care indicate a potential market rebound. The terms of the Caravel-GTCR deal remain undisclosed. ([Link](#))

## 10. CRIO, Inc. Secures Major Investment from The Riverside Company to Advance eClinical Technology

CRIO, Inc., a leading provider of eSource and eClinical technologies, has received a significant investment from The Riverside Company. CRIO's integrated platform streamlines clinical research with solutions like eSource, eConsent, and remote monitoring, enhancing data quality and reducing trial costs. Co-CEOs Raymond Nomizu and Jonathan Andrus highlight the investment's role in expanding CRIO's capabilities and global reach. The Riverside Company's Joe Manning emphasizes CRIO's value in automating and centralizing data capture. The investment aims to accelerate product development and international expansion, enhancing CRIO's customer support and industry impact. ([Link](#))

## 11. Balance Point Capital Invests in SG Homecare, a portfolio Company of Sverica Capital, Supports Acquisition of Western Drug

Balance Point Capital, through its affiliated funds, invested in SG Homecare, a portfolio company of Sverica Capital, to facilitate the acquisition of Western Drug, retire existing debt, and provide future working capital. SG Homecare, founded in 2001, operates 16 locations in California, offering durable medical equipment and supplies. Western Drug, established in 1977, has 9 locations in Southern California. This acquisition aims to enhance SG's position as a leading DME provider in California, leveraging synergies and operational efficiencies. SG's CEO Jay Wendt and Sverica's Vice President Doug Patrican expressed enthusiasm for the partnership. ([Link](#))

## 12. Amino Health Secures \$10M to Enhance AI-Powered Healthcare Navigation Platform led by Transformation Capital

Amino Health raised \$10 million in a funding round led by Transformation Capital to enhance its AI product roadmap, aiming to build personalized patient care journeys. The platform simplifies healthcare navigation by recommending high-quality providers based on clinical data and integrating employer benefit programs. This funding follows a \$30M investment by Transformation Capital in May 2023. Amino's AI-driven approach improves user experience with personalized care recommendations, covering diverse care needs including primary, women's, LGBTQ+ health, and complex diseases. ([Link](#))

### 13. Videra Health Raises \$5.6M in Seed II Funding Led by Peterson Ventures to Revolutionize AI-Powered Mental Health Screening

Videra Health, specializing in AI-driven mental health assessments, raised \$5.6M in Seed II funding led by Peterson Ventures, with contributions from Mercato Partners, Epic Ventures, and Philo Ventures. Videra's innovative AI technology analyzes video data to detect subtle changes in facial expressions, body language, and speech, aiding in the screening and monitoring of conditions like anxiety and postpartum depression. This technology aims to address delayed diagnoses and untreated cases, which impact millions globally. CEO Loren Larsen emphasizes their mission to enhance mental health accessibility and effectiveness through advanced, real-time tracking and personalized treatment plans. ([Link](#))

### 14. Wayspring Secures Funding from CVS Health Ventures to Expand SUD Home Program

Wayspring, focused on value-based care for substance use disorder (SUD) populations, announced a capital raise led by CVS Health Ventures, with participation from existing investors Valtruis, HLM Venture Partners, and .406 Ventures. The investment will expand Wayspring's SUD Home program within current states and into new markets. This program integrates clinical care with social determinants of health (SDOH) to provide comprehensive, value-based care. CEO Carter Paine expressed optimism about the partnership, emphasizing the mission to enhance lives through advanced, compassionate care strategies. Wayspring partners with health plans across eight states, planning to launch services in two new states in 2024. ([Link](#))

### 15. Resurgia Health Solutions Merges with Ennoble Care to Enhance Home-Based Primary Care Services

Resurgia Health Solutions has merged with Ennoble Care, integrating Ennoble's Georgia-based housecall practice into Resurgia's operations and expanding their national reach. This merger enhances Resurgia's capabilities in delivering home-based primary, hospice, and palliative care, particularly in Georgia. The partnership aims to improve patient care across the in-home medicine continuum. Previously, Ennoble Care merged with Clare Medical in New Jersey, forming a major house call organization in New England. The combined expertise is expected to significantly enhance in-home medical care access and patient outcomes across their service regions. ([Link](#))

### 16. Epic Launches Open-Source AI Validation Tool for Healthcare on GitHub

Epic has released an open-source AI validation software suite on GitHub, enabling healthcare organizations to test and monitor AI models integrated with EHR systems. This tool, Epic's first open-source offering, automates data collection and mapping to provide real-time metrics, ensuring AI equity and performance across various demographics. The Health AI Partnership (HAIP), including Duke Health and Mayo Clinic, will use this suite for local validation studies. Epic plans to expand the tool to more AI models in the future, supporting responsible AI use in healthcare. ([Link](#))