



HEALTHCARE & LIFE SCIENCES

INDUSTRY UPDATE | JANUARY 2021



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HEALTHCARE & LIFE SCIENCES INDUSTRY OVERVIEW

CONSUMER HEALTHCARE: CHECKING THE PULSE OF INVESTORS AND OPERATOR

The Harris Williams Consumer Group and Healthcare & Life Sciences Group surveyed consumer healthcare investors and operators in March 2020 and once again in September. We also maintain open and active dialogues with the sector's leading investors and operators.

Here, senior bankers from both groups team up to discuss how sentiment has changed over that timeframe, how operators have responded to the challenges of the pandemic, and the single-most-important factor for investors seeking high-performing assets in the space.

[Read the article.](#)

M & A ENVIRONMENT ⁽¹⁾

There have been a little over 1,170 M&A transactions in the healthcare and life sciences (HCLS) industry since the beginning of 2020, worth roughly \$1.2 billion, compared with approximately \$233 billion for all of 2019.

Notable recent transactions include the acquisition of Dermira Inc. (NasdaqGS:DERM) by Eli Lilly and Company (NYSE:LLY), InTouch Technologies Inc. by Teladoc Health (NYSE:TDOC) and Decision Resources Inc. by Clarivate Analytics Plc. (NYSE:CCC).

PUBLIC COMPANY PERFORMANCE ⁽¹⁾

Stock prices increased for many healthcare and life sciences companies during the past three months. In fact, the Harris Williams HCLS Composite Index increased 6.9%, while the S&P increased 4.9%. Notable sector increases include contract pharma manufacturing (increased 37.7%), assisted living (increased 30.2%) and specialty pharmacy (increased 26.9%).

Industry-wide stock prices have experienced slight decreases as a whole; however, the HCLS Composite Index showed a mild decrease over the past 12 months of 10.8%. At the category level, products and devices grew by 8.2% on average over the past 12 months, followed by provider-based services declining 8% and payor, provider and pharmacy support stock prices declining 9.6%. Specific stock price growth leaders over the past year include medical devices and products (24.4%), specialty managed care (20.6%), and home care, hospice and home infusion (20.4%).

INDUSTRY NEWS

Amazon.com Inc., JPMorgan Chase & Co. and Berkshire Hathaway Inc. set out three years ago to join and transform healthcare. Instead, they struggled to solve even fundamental challenges, such as understanding what some kinds of care actually cost. Haven, the joint venture they set up together in 2018 to use technology and find new ways to reduce costs for their combined 1.5 million employees, will end operations next month. The project cost the three companies roughly \$100 million combined, people familiar with its budget said. From its inception, Haven faced challenges obtaining data, staff turnover, fuzzy goals and unexpected competition, according to current and former employees and executives at Haven and the partner companies. Those factors doomed the partnership from early on, those people said. Data was a central challenge. ⁽²⁾

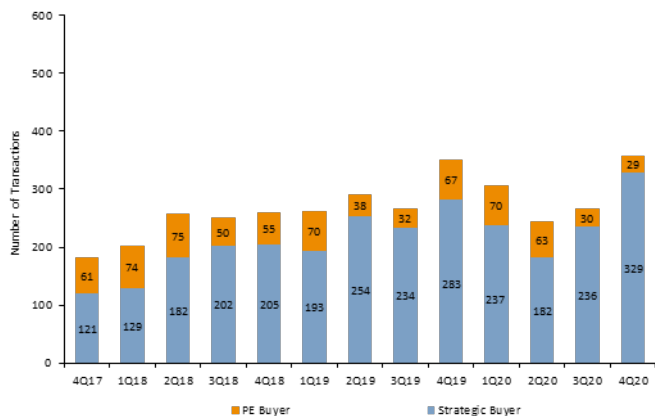
Hospitals face the new year with new requirements to post price information they have long sought to obscure: the actual prices negotiated with insurers and the discounts they offer their cash-paying customers. The move is part of a larger push by the Trump administration to use price transparency to curtail prices and create better-informed consumers. Yet, there is disagreement on whether it will do so. As of Jan. 1, facilities must publicly post on their websites prices for every service, drug and supply they provide. Next year, under a separate rule, health insurers must take similar steps. A related effort to force drugmakers to list their prices in advertisements was struck down by the courts. ⁽³⁾

Providers are the most common targets for cyber criminals leveling attacks against the healthcare industry, with data breaches at provider organizations accounting for 79% of all those reported to the Department of Health and Human Services in the first 10 months of 2020, according to a new report from cybersecurity firm Fortified Health Security. Though the Covid-19 pandemic grabbed most headlines in 2020, patient data breaches, hacking incidents and IT shutdowns continued, providing several cautionary tales for the healthcare industry. From the malware attack that shut down 26-hospital Universal Health Services' IT systems in September and October to an email hacking incident that exposed the information of close to 500,000 Aetna health plan members, stronger cybersecurity defenses are the need of the hour for healthcare entities nationwide. ⁽⁴⁾

M&A OVERVIEW⁽¹⁾

Announced Healthcare & Life Sciences M&A

QUARTERLY M&A ACTIVITY



HEALTHCARE TRANSACTION HIGHLIGHTS

Announced	Target	Buyer
12/22/2020	MRVL Island Ventures Limited	EGF Health Holdings Corp.
12/26/2020	Mon Health Preston Memorial Hospital	Pri Preston Memorial Hospital Corporation
12/23/2020	Product Portfolio of ContacEZ, LLC	Lifco AB (publ) (OM:LIFCO B)
12/22/2020	Bayless Integrated Healthcare	Magellan Health, Inc. (NasdaqGS:MGLN)
12/22/2020	Population Health Division of SPH Analytic	Azara Healthcare, LLC

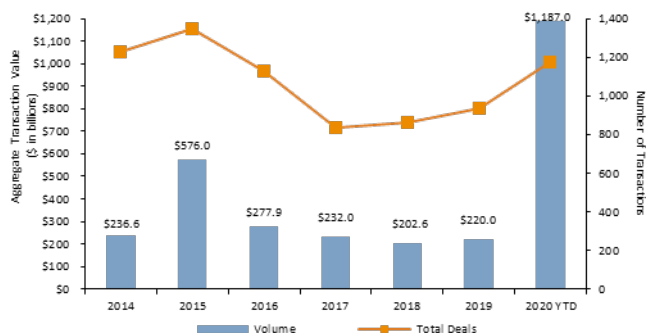
LTM DEAL STATISTICS

Aggregate Value (\$bn)	Number of Deals	Median Transaction Multiples	
		TEV/Rev	TEV/EBITDA
\$2,727.7	1560	4.3x	4.0x

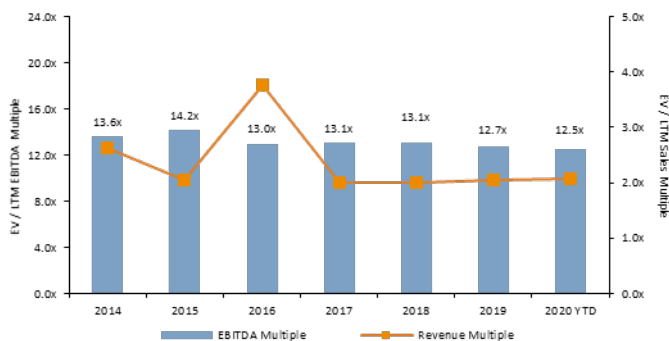
Note: Transactions based on publicly available information

Healthcare & Life Sciences M&A Trends

ANNOUNCED HEALTHCARE & LIFE SCIENCES TRANSACTIONS



MEDIAN HEALTHCARE & LIFE SCIENCES TRANSACTION MULTIPLES

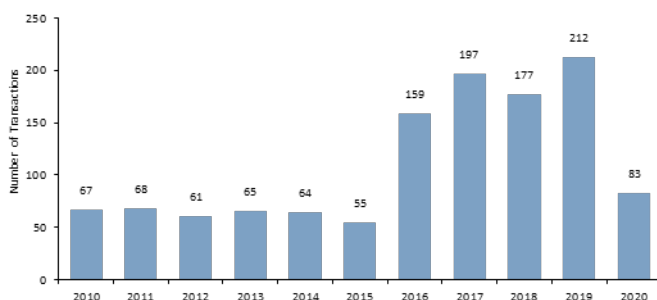


Announced Private Equity M&A Activity

PEG INVESTMENTS BY SEGMENT (LAST 3 YEARS)

HC&LS Industry Segment	Number of Companies
Healthcare Facilities	34
Healthcare Services	31
Healthcare Equipment	24
Pharmaceuticals	28
Healthcare Technology	25
Life Sciences Tools & Services	22
Healthcare Supplies	20
Healthcare Distributors	26
Biotechnology	25
Managed Healthcare	23

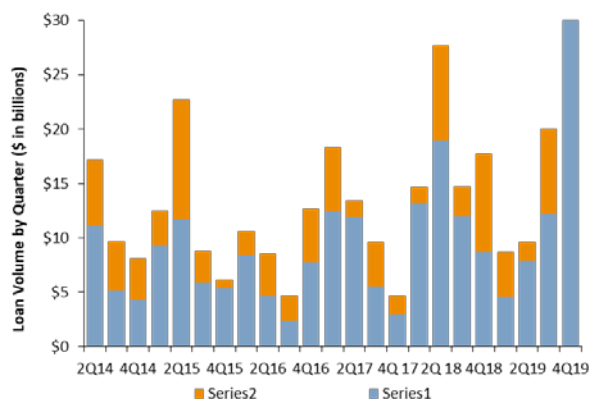
PEG INVESTMENTS



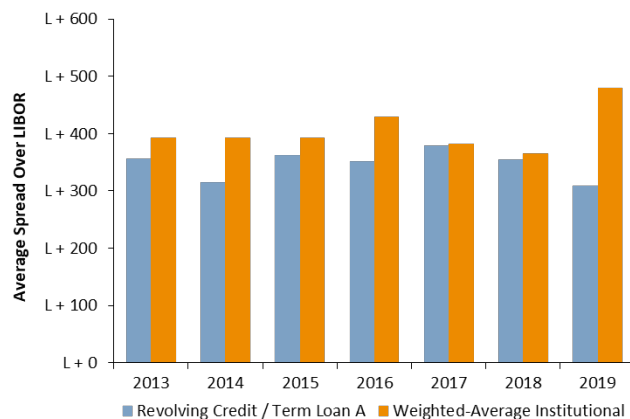
DEBT MARKETS OVERVIEW

Key Credit Statistics⁽²⁾

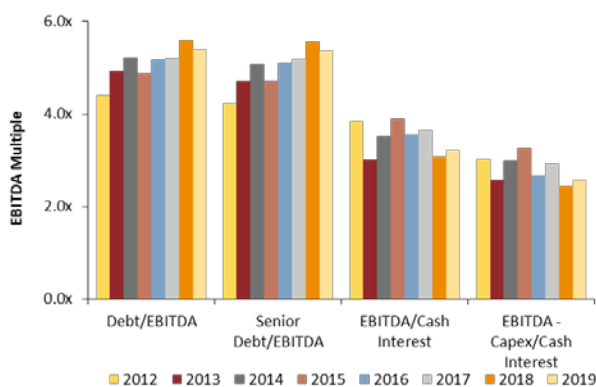
QUARTERLY HEALTHCARE LOAN VOLUME



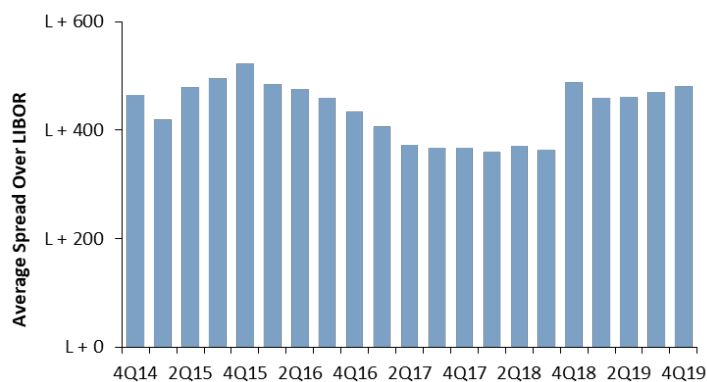
AVERAGE SPREAD ON HEALTHCARE LOANS



CREDIT METRICS



AVERAGE SECONDARY SPREAD



Select Healthcare & Life Sciences Debt Offerings⁽³⁾

(by deal amount)

Date Effective	Borrower Name	Description	Amount (\$ mm)	Tranche	Rating	Spread
12/09/20	Johnson Health Tech Co Ltd	General Purpose/Refinance	\$3,000	Term Loan	NR / NR	L+ 00
12/15/20	Maehara Kousan KK	Working capital	\$2,500	Term Loan	NR / NR	L+ 00
12/31/20	Center Laboratories Inc	General Purpose/Refinance	\$907	Term Loan	NR / NR	L+ 00
12/14/20	China Grand Automotive Services Group Co Ltd	Working capital	\$875	Term Loan	NR / NR	L+ 00
12/17/20	Rotech Healthcare Inc	Dividend Recapitalization	\$335	Term Loan A	NR / NR	L+ 00

PUBLIC MARKETS OVERVIEW⁽¹⁾

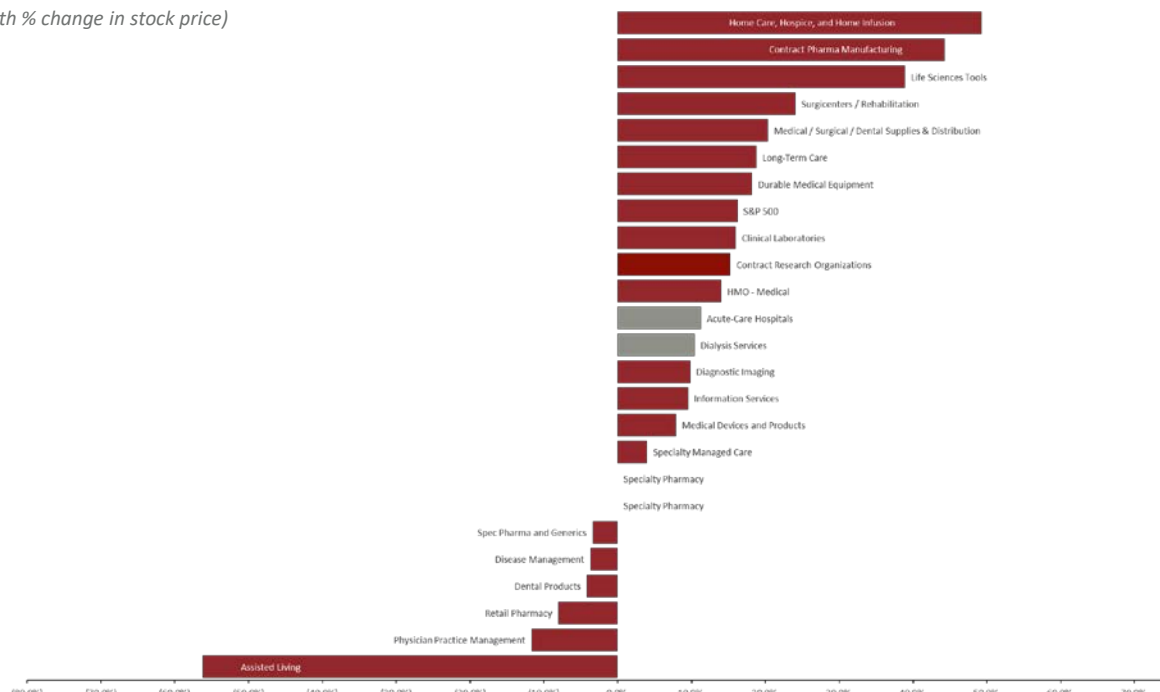
Key Trading Statistics

(detail begins on page 9)

	Sector	Number of Companies	Aggregate Enterprise Value (\$ mm)	Change in Stock Price		Median TEV/ LTM Multiples		Median TEV/ Forward Multiples	
				3 mos.	12 mos.	Revenue	EBITDA	Revenue	EBITDA
Payor, Provider, & Pharmacy Support Services	Clinical Laboratories	2	\$45,939	6.1%	16.0%	2.2x	8.3x	1.9x	7.9x
	Contract Pharma Manufacturing	2	\$21,623	1.5%	44.2%	10.5x	0.0x	9.3x	0.0x
	Contract Research Organizations	6	\$110,359	17.6%	15.3%	4.0x	20.0x	3.5x	18.0x
	Disease Management	1	\$1,947	39.7%	(3.7%)	1.7x	8.5x	2.6x	12.0x
	Healthcare Staffing	3	\$9,888	31.4%	9.5%	1.3x	12.8x	1.3x	13.4x
	HMO - Medical	7	\$683,502	13.1%	14.0%	1.1x	11.7x	1.0x	13.8x
	Information Services	9	\$39,153	18.0%	9.5%	4.4x	19.8x	4.1x	13.4x
	Retail Pharmacy	3	\$247,811	17.0%	(8.1%)	0.5x	7.6x	0.5x	11.1x
	Specialty Managed Care	3	\$15,981	24.1%	3.9%	3.4x	21.3x	4.6x	27.5x
	Specialty Pharmacy	1	\$0	0.0%	0.0%	0.0x	0.0x	0.0x	0.0x
Products & Devices	Dental Products	2	\$129,999	14.4%	(4.2%)	3.7x	15.6x	3.4x	13.8x
	Durable Medical Equipment	4	\$43,287	18.2%	18.2%	2.8x	14.0x	2.7x	13.3x
	Life Sciences Tools	3	\$326,528	7.5%	38.9%	7.0x	23.9x	5.9x	18.2x
	Medical Devices and Products	11	\$1,235,931	3.2%	7.9%	6.3x	26.0x	5.3x	18.3x
	Medical / Surgical / Dental Supplies & Distribution	6	\$94,164	13.9%	20.4%	0.3x	9.0x	0.3x	8.0x
	Spec Pharma and Generics	12	\$123,744	16.5%	(3.4%)	2.9x	9.3x	2.3x	8.1x
	Acute-Care Hospitals	3	\$116,031	62.9%	11.3%	1.1x	8.0x	1.1x	8.0x
Provider-Based Services	Assisted Living	2	\$6,779	52.7%	(56.2%)	2.1x	9.7x	1.8x	17.2x
	Diagnostic Imaging	2	\$18,003	14.6%	9.8%	3.5x	18.4x	3.1x	17.1x
	Dialysis Services	3	\$66,520	37.1%	10.4%	1.9x	8.2x	1.8x	10.7x
	Home Care, Hospice, and Home Infusion	5	\$27,497	13.9%	49.3%	4.2x	25.1x	3.8x	25.7x
	Long-Term Care	2	\$5,990	17.2%	18.8%	1.6x	9.9x	1.9x	16.0x
	Physician Practice Management	1	\$3,486	50.7%	(11.7%)	1.0x	7.0x	1.9x	14.0x
	Behavioral Health / Management	5	\$26,089	9.3%	0.0%	1.3x	9.8x	1.8x	12.0x
	Surgicenters / Rehabilitation	4	\$27,801	30.3%	24.1%	2.6x	12.2x	2.4x	13.9x
	Payor, Provider, & Pharmacy Support Services	37	\$1,176,204	13.5%	13.4%	1.8x	12.5x	1.7x	13.5x
	Products & Devices	26	\$1,953,654	7.5%	17.5%	5.9x	21.1x	5.1x	17.0x
	Provider-Based Services	27	\$298,196	23.5%	21.8%	2.4x	12.2x	2.3x	13.0x
	HW HCLS Composite Index	102	\$3,428,053	21.2%	9.4%	4.3x	17.7x	3.8x	15.6x
	S&P 500			11.7%	16.3%				

Public Company Sector Performance

(12-month % change in stock price)



EQUITY MARKETS OVERVIEW

Healthcare & Life Sciences Industry Stock Performance⁽¹⁾



Top Equity Offerings⁽⁴⁾

(by proceeds)

Closing Date	Issuer	Ticker	Transaction Type	Gross Proceeds (\$ mm)
12/03/20	Kinnate BioPharma Inc.	NASDAQ:KNTE	IPOs	\$240
12/04/20	Silverback Therapeutics	NASDAQ:SBTX	IPOs	\$242
12/04/20	Sigilon Therapeutics, Inc	NASDAQ:SGTX	IPOs	\$126
12/04/20	Seer, Inc	NASDAQ:SEER	IPOs	\$175
12/11/20	Vivos Therapeutics	NASDAQ:VVOS	IPOs	\$15
12/11/20	AbCellera Biologics	NASDAQ:ABCL	IPOs	\$80
12/11/20	4D Molecular Therapeutics	NASDAQ:FDMT	IPOs	\$193
12/16/20	BioAtla, Inc	NASDAQ:BCAB	IPOs	\$189
12/17/20	Virios Therapeutics	NASDAQ:VIRI	IPOs	\$30
12/18/20	908 Devices Inc.	NASDAQ:MASS	IPOs	\$130
12/23/20	Inhibikase Therapeutics	NASDAQ:IKT	IPOs	\$18

M&A TRANSACTIONS

Announced U.S. Healthcare & Life Sciences M&A⁽¹⁾

Announced	Target	Seller	Buyer	Enterprise Value (\$mm)	Enterprise Value / LTM			Private Equity Involvement
					Sales	EBITDA	EBIT	
12/31/2020	Phitonex, Inc.	-	Thermo Fisher Scientific Inc. (NYSE:TMO)	\$48.3	-	-	-	No
12/31/2020	OrthoBanc, LLC	-	OrthoFi, Inc.	\$365.0	-	-	-	No
12/29/2020	Fort Myers Men's Clinic, LLC	-	Men's Health Partners	-	-	-	-	No
12/29/2020	Greenville Men's Clinic	-	Men's Health Partners	\$224.0	-	-	-	No
12/29/2020	Indianapolis Men's Clinic, LLC	-	Men's Health Partners	-	-	-	-	No
12/29/2020	Altruista Health, Inc.	Martis Capital Management, LLC	HealthEdge Software, Inc.	-	-	-	-	Yes
12/29/2020	Louisville Men's Clinic	-	Men's Health Partners	\$721.0	-	-	-	No
12/29/2020	OptiExpress, Inc.	-	Quigley Eye Specialists, LLC	-	-	-	-	No
12/29/2020	Between Dandelions Inc.	-	Between Dandelions Inc. (OTCPK:HOPS)	\$44.0	-	-	-	No
12/28/2020	Pacific Stem Cells, LLC	-	Dalrada Health Products Corporation	-	-	-	-	No
12/28/2020	ONsite Mammography, LLC	Revelstoke Capital Partners LLC	Olympus Partners	-	-	-	-	Yes
12/28/2020	Prosperity Counseling & Treatment Services Inc.	-	Discovery Behavioral Health	-	-	-	-	No
12/26/2020	Mon Health Preston Memorial Hospital Primary Care Kingwood	-	Preston Memorial Hospital Corporation	-	-	-	-	No
12/24/2020	Udbox LLC	Rev1 Ventures; TT Capital Partners, LLC; Tamarind Hill Fund LLC	EverCommerce	-	-	-	-	No
12/23/2020	Product Portfolio of ContacEZ, LLC	ContacEZ, LLC	Lifco AB (publ) (OM:LIFCO B)	-	-	-	-	No
12/22/2020	Green Leaf Medical, LLC	-	Columbia Care Inc. (CNSX:CCHW)	\$0.8	-	-	-	No
12/22/2020	Medolife International, Inc.	-	Quanta, Inc. (OTCPK:QNTA)	-	-	-	-	No
12/22/2020	Garden State Dispensary LLC	-	Ayr Strategies Inc. (CNSX:AYR.A)	-	-	-	-	No
12/22/2020	Bayless Integrated Healthcare	-	Magellan Health, Inc. (NasdaqGS:MGLN)	-	-	-	-	Yes
12/22/2020	PatientMatters Holdings, LLC	Century Equity Partners LLC	Firstsource Solutions Limited (BSE:532809)	\$0.1	-	-	-	Yes
12/22/2020	MRVL Island Ventures Limited	-	EGF Health Holdings Corp.	-	-	-	-	No
12/22/2020	Alta at Regency Crest	-	Livingston Street Capital, LLC	-	-	-	-	Yes
12/22/2020	Population Health Division of SPH Analytics	SPH Analytics	Azara Healthcare, LLC	-	-	-	-	No
12/22/2020	Health Management Concepts, Inc.	-	IBH Population Health Solutions	-	-	-	-	No
12/22/2020	TruFamily Dental	-	Heartland Dental, LLC	-	-	-	-	No
12/22/2020	Asparia, Inc.	-	Intrado Corporation	\$60.0	-	-	-	No
12/22/2020	Liberty Health Sciences Inc. (CNSX:LHS)	Delavaco Group; Serruya Private Equity Inc.	Ayr Strategies Inc. (CNSX:AYR.A)	-	-	-	-	Yes
12/21/2020	Oncology Business of Agios Pharmaceuticals, Inc.	Agios Pharmaceuticals, Inc. (NasdaqGS:AGIO)	Servier Pharmaceuticals LLC	-	-	-	-	No
12/21/2020	HMS Holdings Corp. (NasdaqGS:HMSY)	-	Gainwell	-	-	-	-	No
12/21/2020	Cytel Inc.	New Mountain Capital, L.L.C	Nordic Capital; Astorg Partners	\$460.0	-	-	-	Yes
12/21/2020	The Bay at St. Ann Health and Rehabilitation Center	Dominican Sisters Immaculate Conception Province	Champion Care LLC	-	-	-	-	No
12/21/2020	NantKwest, Inc. (NasdaqGS:NK)	-	ImmunityBio, Inc.	-	-	-	-	No
12/18/2020	Frisco Eye Associates, PLLC/ Assets of Woodlands Eyecare, LLP	-	ECP Ophthalmology Services, LLC	\$140.0	-	-	-	No
12/18/2020	Physicians Exclusive, LLC	-	Novozymes A/S (CPSE:NZYM B)	\$60.0	-	-	-	No
12/18/2020	BioTelemetry, Inc. (NasdaqGS:BEAT)	-	Philips Holding USA Inc.	-	-	-	-	No
12/18/2020	Biological Laboratory, Inc.	-	Innova Medical Group, Inc.	\$17.3	-	-	-	No
12/18/2020	Urgent care platform of United Surgical Partners International Inc.	United Surgical Partners International Inc.	FastMed Urgent Care, P.C.	\$4.5	-	-	-	No
12/18/2020	Echo Treatment Center, LLC	-	BayMark Health Services Inc.	\$8.0	-	-	-	No
12/18/2020	Behavior Pioneers, LLC	-	Apara Autism Center	-	-	-	-	Yes
12/17/2020	Cadent Therapeutics, Inc.	Atlas Venture L.P.; Clal Biotechnology Industries Ltd. (TASE:CBI); Access Industries, Inc.; Slater Technology Fund; Qiming Weichuang Venture Capital Management (Shanghai) Company Limited; Cowen Healthcare Investments; Novartis Corporate	Novartis AG (SWX:NOVN)	-	-	-	-	Yes
12/17/2020	HealthiPASS Inc.	Clayton Associates, LLC; OCA Venture Partners, LLC; QED Investors; Beverly Capital LLC; Fifth Third Capital Holdings, LLC; Waterline Ventures, LLC; HealthX Ventures; Healthy Ventures, Inc; MPG Equity Partners LLC	SphereCommerce, LLC	-	-	-	-	Yes
12/17/2020	Assets of Naturaleaf	Slam Enterprises, LLC	American Cannabis Company, Inc. (OTCPK:AMMJ)	-	-	-	-	No
12/17/2020	SolmeteX, Inc.	Gemini Investors; Riveria Investment Group	Avista Capital Holdings, L.P.	\$1.0	-	-	-	Yes

M&A TRANSACTIONS

Announced U.S. Healthcare & Life Sciences M&A⁽¹⁾

Announced	Target	Seller	Buyer	Enterprise Value (\$mm)	Enterprise Value / LTM			Private Equity Involvement
					Sales	EBITDA	EBIT	
12/17/2020	Orizon360, Inc.	-	DataLink LLC	-	-	-	-	No
12/17/2020	HealthSparq, Inc.	Cambia Health Solutions, Inc.	Kyruus, Inc.	-	-	-	-	No
12/17/2020	THC cultivation center and related assets	-	Cannabis Capital Partners Inc.	\$18.5	-	-	-	No
12/17/2020	NovelCath, Inc.	-	Cirtec Medical Corp.	-	-	-	-	No
12/17/2020	Foothill Village senior living community in Angels Camp	-	Auerbach Funds; Mello Group LLC	-	-	-	-	No
12/17/2020	Lake Health, Inc.	-	University Hospitals Health System, Inc.	-	-	-	-	No
12/17/2020	FossilLabs, LLC	-	Curiteva, Inc.	\$40.0	-	-	-	No
12/17/2020	Urgent Care Specialists, LLC	-	WellNow Urgent Care, P.C.	-	-	-	-	No
12/16/2020	Ikon Supplies LLC	-	Hawkeye Systems, Inc. (OTCPK:HWKE)	-	-	-	-	No
12/16/2020	Substantially All Of the Assets of BioTek Services, Inc	BioTek Services, Inc.	Transcat, Inc. (NasdaqGM:TRNS)	-	-	-	-	No
12/16/2020	Kantar Health LLC	-	Cerner Corporation (NasdaqGS:CERN)	-	-	-	-	No
12/16/2020	Tangible and intangible assets of CureDash, Inc.	CureDash, Inc.	EHAVE, Inc. (OTCPK:EHVV.F)	-	-	-	-	No
12/16/2020	Deerwalk Inc.	-	Cedar Gate Technologies, LLC	-	-	-	-	No
12/16/2020	Assets of Benvenue Medical, Inc	Benvenue Medical, Inc.	Spinal Elements Inc.	-	-	-	-	No
12/16/2020	ABS Vaccines LLC	-	Sterling Healthcare Logistics, LLC	\$260.0	-	-	-	No
12/16/2020	ACell, Inc.	-	Integra LifeSciences Holdings Corporation (NasdaqGS:IART)	\$20.9	-	-	-	No
12/16/2020	Main assets of Novogy, Inc.	Novogy, Inc.	Ginkgo Bioworks, Inc.	-	-	-	-	No
12/16/2020	Health-Pro Physical Therapy, Inc.	-	Physical Rehabilitation Network, LLC	-	-	-	-	No
12/16/2020	Choices of Louisiana, Inc.	-	BayMark Health Services Inc.	-	-	-	-	No
12/16/2020	Digisonics, Inc.	-	Intelerad Medical Systems Incorporated	-	-	-	-	No
12/15/2020	Prevail Therapeutics Inc. (NasdaqGM:PRVL)	OrbiMed Advisors LLC; Pontifax Ltd.; RA Capital Management, L.P.; Omega Fund Management, LLC; Boxer Capital LLC; Alexandria Venture Investments, LLC	Eli Lilly and Company (NYSE:LLY)	-	-	-	-	Yes
12/15/2020	Assets of New River Labs, LLC	New River Labs, LLC	Frontier Diagnostics, LLC	\$26.0	-	-	-	No
12/15/2020	Anchiano Therapeutics Ltd. (NasdaqCM:ANCN)	Clal Biotechnology Industries Ltd. (TASE:CBI); Shavit Capital	ChemomAb Ltd.	-	-	-	-	No
12/15/2020	Chalgren Enterprises, Inc.	-	RhythmLink International, LLC	-	-	-	-	No
12/15/2020	Liberty Bay Recovery Center, LLC	-	BayMark Health Services Inc.	-	-	-	-	No

WHAT WE'VE BEEN READING

HEALTH | WHY THE AMAZON, JPMORGAN, BERKSHIRE VENTURE COLLAPSED: 'HEALTHCARE WAS TOO BIG A PROBLEM' ⁽¹⁾

Amazon.com Inc., JPMorgan Chase & Co. and Berkshire Hathaway Inc. set out three years ago to join and transform healthcare. Instead, they struggled to solve even fundamental challenges, such as understanding what some kinds of care actually cost. Haven, the joint venture they set up together in 2018 to use technology and find new ways to reduce costs for their combined 1.5 million employees, will end operations next month. The project cost the three companies roughly \$100 million combined, people familiar with its budget said. From its inception, Haven faced challenges obtaining data, staff turnover, fuzzy goals and unexpected competition, according to current and former employees and executives at Haven and the partner companies. Those factors doomed the partnership from early on, those people said. Data was a central challenge. Haven struggled to aggregate and analyze information on healthcare costs for the three companies' employees. Data concerns from the partners and resistance from insurers stymied Haven's efforts to determine how much the companies paid for medical care, and why, the people said. Haven isn't the first venture to struggle with the lack of transparency in healthcare costs and data, an issue that has long complicated government reform efforts and technology solutions. A new Trump administration rule, effective this year, is supposed to force greater disclosure of the rates negotiated between hospitals and insurers. As of Jan. 1, hospitals are required to publish the prices negotiated privately with each payer for 300 common services for easy use by consumers, and make public the same information for all their procedures in a format that can be read and analyzed by computers.

[Read the article.](#)

POLICY | HOSPITAL PRICES JUST GOT A LOT MORE TRANSPARENT. WHAT DOES THIS MEAN FOR YOU? ⁽²⁾

Hospitals face the new year with new requirements to post price information they have long sought to obscure: the actual prices negotiated with insurers and the discounts they offer their cash-paying customers. The move is part of a larger push by the Trump administration to use price transparency to curtail prices and create better-informed consumers. Yet, there is disagreement on whether it will do so. As of Jan. 1, facilities must publicly post on their websites prices for every service, drug and supply they provide. Next year, under a separate rule, health insurers must take similar steps. A related effort to force drug makers to list their prices in advertisements was struck down by the courts. With the new hospital rule, consumers should be able to see the tremendous variation in prices for the exact same care among hospitals, and get an estimate of what they will be charged for care — before they seek it. The new data requirements go well beyond the previous rule of requiring hospitals to post their "chargemasters," hospital-generated list prices that bear little relation to what it costs a hospital to provide care and that few consumers or insurers actually pay. Instead, under the new rule put forward by the Trump administration, "these are the real prices in healthcare," said Cynthia Fisher, founder and chairman of Patient Rights Advocate, a group that promotes price transparency. Here's what consumers should know: What's the Scope of the Intel? Each hospital must post publicly online — and in a machine-readable format easy to process by computers — several prices for every item and service they provide: gross charges; the actual, and most likely far lower, prices they've negotiated with insurers, including de-identified minimum and maximum negotiated charges; and the cash prices they offer patients who are uninsured or not using their insurance.

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PROVIDERS | VAST MAJORITY OF DATA BREACHES REPORTED TO HHS OCCUR AMONG PROVIDERS ⁽³⁾

Providers are the most common targets for cyber criminals leveling attacks against the healthcare industry, with data breaches at provider organizations accounting for 79% of all those reported to the Department of Health and Human Services in the first 10 months of 2020, according to a new report from cybersecurity firm Fortified Health Security. Though the Covid-19 pandemic grabbed most headlines in 2020, patient data breaches, hacking incidents and IT shutdowns continued, providing several cautionary tales for the healthcare industry. From the malware attack that shut down 26-hospital Universal Health Services' IT systems in September and October to an email hacking incident that exposed the information of close to 500,000 Aetna health plan members, stronger cybersecurity defenses are the need of the hour for healthcare entities nationwide. From January to October last year, 513 healthcare organizations reported a breach of 500-plus patient records to the HHS' Office for Civil Rights, which impacted about 23.5 million individuals, according to the Fortified Health Security report. The number of reported breaches jumped 18% from 435 breaches reported in the same period in 2019. The report gathered data and information from several sources, including the Office for Civil Rights. Of the 513 reported breaches, 404 occurred among providers, affecting approximately 13.5 million patients. This represents a 20% jump from January to October 2019, during which time 338 providers had reported breaches.

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PUBLIC COMPARABLES

PAYOR, PROVIDER, & PHARMACY SUPPORT SERVICES⁽¹⁾

Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months			LTM Period	Latest FYE Date	Forward Twelve Month			TEV/ LTM Multiples		TEV/ Fwd Multiples				
	12/31/2020	% Change		52 Week						(LTM)					Estimate		Revenue		Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low					Revenue	EBITDA	EBIT			Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA	
Clinical Laboratories																								
Laboratory Corporation of America Holdings	\$203.55	8.1%	20.3%	\$218.77	\$98.02	\$19,826	\$6,684	\$667	\$25,909	\$12,442	\$3,204	\$2,054	Sep-20	Dec-19	\$14,314	\$3,431	\$2,966	2.1x	8.1x	1.8x	7.6x			
Quest Diagnostics Incorporated	119.17	4.1%	11.6%	131.81	73.02	16,060	5,149	1,605	20,030	8,361	2,352	1,623	Sep-20	Dec-19	10,088	2,434	2,212	2.4x	8.5x	2.0x	8.2x			
Number of Companies	2	Median:	6.1%	16.0%	Total	\$35,886			\$45,939	\$20,803					\$24,403			2.2x	8.3x	1.9x	7.9x			
Market Cap. Weighted Average:			6.3%	16.4%														2.2x	8.3x	1.9x	7.9x			
Contract Pharma Manufacturing																								
Cleantech Building Materials Plc	\$3.67	0.0%	0.0%	\$0.00	\$0.00	\$267	\$1	\$0	\$277	\$1	(\$3)	(\$4)	Jun-20	Dec-19	NA	NA	NA	NM	NM	NA	NA			
West Pharmaceutical Services, Inc.	283.31	3.1%	88.5%	305.00	124.53	20,944	330	519	21,347	2,037	510	386	Sep-20	Dec-19	2,303	583	461	10.5x	NM	9.3x	NM			
Number of Companies	2	Median:	1.5%	44.2%	Total	\$21,212			\$21,623	\$2,038					\$2,303			10.5x	#NUM!	9.3x	#NUM!			
Market Cap. Weighted Average:			3.0%	87.3%														10.5x	NM	9.3x	NM			
Contract Research Organizations																								
Catalent, Inc.	\$104.07	21.5%	84.8%	\$120.48	\$31.04	\$17,140	\$3,063	\$1,007	\$19,802	\$3,275	\$722	\$460	Sep-20	Jun-20	\$3,805	\$960	\$729	6.0x	27.4x	5.2x	20.6x			
Charles River Laboratories International, Inc.	249.86	10.3%	63.6%	257.88	95.58	12,429	2,188	244	14,619	2,824	741	478	Sep-20	Dec-19	3,111	764	631	5.2x	19.7x	4.7x	19.1x			
ICON Public Limited Company	194.98	2.0%	13.2%	215.29	104.28	10,290	437	710	10,067	2,762	500	405	Sep-20	Dec-19	3,097	540	472	3.6x	20.1x	3.3x	18.7x			
Syneos Health, Inc.	68.13	28.2%	14.6%	74.25	30.02	7,080	2,846	249	9,717	4,489	662	336	Sep-20	Dec-19	4,979	743	658	2.2x	14.7x	2.0x	13.1x			
PRA Health Sciences, Inc.	125.44	23.7%	12.9%	126.66	58.67	8,047	1,482	336	9,428	3,110	473	290	Sep-20	Dec-19	3,399	575	516	3.0x	20.0x	2.8x	16.4x			
IQVIA Holdings Inc.	179.17	13.7%	16.0%	180.99	81.79	34,352	13,060	1,543	46,726	10,956	1,973	711	Sep-20	Dec-19	12,281	2,696	2,283	4.3x	23.7x	3.8x	17.3x			
Number of Companies	6	Median:	17.6%	15.3%	Total	\$89,337			\$110,359	\$27,417					\$30,672			4.0x	20.0x	3.5x	18.0x			
Market Cap. Weighted Average:			15.4%	35.1%														4.4x	22.4x	3.9x	17.9x			
Disease Management																								
Tivity Health, Inc.	\$19.59	39.7%	(3.7%)	\$26.07	\$1.92	\$952	\$1,050	\$56	\$1,947	\$1,128	\$229	\$150	Sep-20	Dec-19	\$757	\$162	\$121	1.7x	8.5x	2.6x	12.0x			
Number of Companies	1	Median:	39.7%	(3.7%)	Total	\$952			\$1,947	\$1,128					\$757			1.7x	8.5x	2.6x	12.0x			
Market Cap. Weighted Average:			39.7%	(3.7%)														1.7x	8.5x	2.6x	12.0x			
Healthcare Staffing																								
AMN Healthcare Services, Inc.	\$68.25	16.7%	9.5%	\$89.22	\$36.65	\$3,210	\$1,001	\$58	\$4,153	\$2,349	\$309	\$181	Sep-20	Dec-19	\$2,337	\$310	\$182	1.8x	13.4x	1.8x	13.4x			
Cross Country Healthcare, Inc.	8.87	36.7%	(23.7%)	13.42	4.50	333	81	3	412	836	38	15	Sep-20	Dec-19	773	30	13	0.5x	10.9x	0.5x	13.6x			
ASGN Incorporated	83.53	31.4%	17.7%	87.48	29.04	4,419	1,134	230	5,323	3,964	415	316	Sep-20	Dec-19	4,026	438	322	1.3x	12.8x	1.3x	12.2x			
Number of Companies	3	Median:	31.4%	9.5%	Total	\$7,962			\$9,888	\$7,150					\$7,137			1.3x	12.8x	1.3x	13.4x			
Market Cap. Weighted Average:			25.7%	12.7%														1.5x	13.0x		12.7x			

PUBLIC COMPARABLES

PAYOR, PROVIDER, & PHARMACY SUPPORT SERVICES⁽¹⁾

Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months (LTM)			LTM Period	Latest FYE Date	Forward Twelve Month Estimate			TEV/ LTM Multiples		TEV/ Fwd Multiples	
	12/31/2020	% Change		52 Week						Revenue	EBITDA	EBIT			Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low																
<u>HMO - Medical</u>																					
Commercial:																					
Anthem, Inc.	321.09	19.5%	6.3%	338.20	171.03	79,856	22,852	29,766	99,668	117,449	9,762	8,745	Sep-20	Dec-19	127,386	8,957	8,097	0.8x	10.2x	0.8x	11.1x
Cigna Corporation	208.18	22.9%	1.8%	224.96	118.50	75,209	36,607	6,668	107,361	157,009	11,552	9,178	Sep-20	Dec-19	164,894	10,904	8,731	0.7x	9.3x	0.7x	9.8x
Humana Inc.	410.27	(0.9%)	11.9%	474.70	208.25	54,296	7,997	20,726	54,387	74,388	6,029	5,776	Sep-20	Dec-19	80,724	3,409	2,891	0.7x	9.0x	0.7x	16.0x
UnitedHealth Group Incorporated	350.68	12.5%	19.3%	367.95	187.72	332,732	43,794	20,809	369,606	252,575	27,139	23,983	Sep-20	Dec-19	272,961	23,587	20,347	1.5x	13.6x	1.4x	15.7x
Number of Companies	4	Median:	16.0%	9.1%	Total	\$542,093			\$631,022	\$601,421					\$645,966			0.8x	9.8x	0.7x	13.4x
Market Cap. Weighted Average:			13.6%	14.2%														1.2x	12.1x	1.1x	14.2x
Government:																					
Centene Corporation	\$60.03	2.9%	(4.5%)	\$74.70	\$43.96	\$34,805	\$18,063	\$13,695	\$40,824	\$95,748	\$5,586	\$4,247	Sep-20	Dec-19	\$115,163	\$4,800	\$4,008	0.4x	7.3x	0.4x	8.5x
Molina Healthcare, Inc.	212.68	16.2%	56.7%	224.00	102.85	12,612	2,039	4,965	11,564	17,657	1,287	1,235	Sep-20	Dec-19	22,538	1,153	1,057	0.7x	9.0x	0.5x	10.0x
Webcentral Group Limited	0.31	179.3%	6.6%	0.38	0.05	48	41	2	92	40	(6)	(12)	Jun-20	Dec-19	48	6	(5)	2.3x	NM	1.9x	15.9x
Number of Companies	3	Median:	16.2%	6.6%	Total	\$47,466			\$52,480	\$113,445					\$137,749			0.7x	8.1x	0.5x	10.0x
Market Cap. Weighted Average:			6.6%	11.8%														0.5x	7.8x	0.4x	8.9x
<u>Information Services</u>																					
Data/Analytics:																					
Castlight Health, Inc.	\$1.30	15.0%	(2.3%)	\$1.63	\$0.60	\$200	\$17	\$47	\$170	\$146	(\$11)	(\$22)	Sep-20	Dec-19	\$128	(\$0)	(\$3)	1.2x	NM	1.3x	NM
Inovalon Holdings, Inc.	18.17	(31.3%)	(3.5%)	27.93	13.39	2,824	1,040	120	3,747	651	190	65	Sep-20	Dec-19	726	258	109	5.8x	19.7x	5.2x	14.5x
National Research Corporation	42.75	(13.1%)	(35.2%)	71.35	34.00	1,080	34	22	1,107	131	48	42	Sep-20	Dec-19	NA	NA	NA	8.4x	22.9x	NA	NA
Number of Companies	3	Median:	(13.1%)	(3.5%)	Total	\$4,103			\$1,107	\$928					\$854			5.8x	21.3x	3.2x	14.5x
Market Cap. Weighted Average:			(24.3%)	(11.7%)														6.2x	20.6x	4.9x	14.5x
<u>Hospital/Physician:</u>																					
Hospital/Physician:																					
Allscripts Healthcare Solutions, Inc.	\$14.44	77.4%	47.1%	\$14.91	\$4.56	\$2,281	\$1,196	\$219	\$3,274	\$1,676	\$112	\$21	Sep-20	Dec-19	\$1,583	\$269	\$156	2.0x	29.1x	2.1x	12.2x
Cerner Corporation	78.48	8.6%	6.9%	80.90	53.08	24,061	1,502	892	24,896	5,553	1,284	792	Sep-20	Dec-19	5,648	1,834	1,180	4.5x	19.4x	4.4x	13.6x
Computer Programs and Systems, Inc.	26.84	(2.8%)	1.7%	35.78	16.93	378	97	12	463	268	36	25	Sep-20	Dec-19	276	51	30	1.7x	12.7x	1.7x	9.1x
HMS Holdings Corp.	36.75	53.4%	24.2%	36.95	18.20	3,254	258	211	3,341	643	123	79	Sep-20	Dec-19	732	203	130	5.2x	27.2x	4.6x	16.5x
Premier, Inc.	35.10	6.9%	(7.3%)	38.10	27.11	4,286	658	120	4,836	1,344	536	377	Sep-20	Jun-20	1,379	465	307	3.6x	9.0x	3.5x	10.4x
NextGen Healthcare, Inc.	18.24	43.2%	13.5%	19.40	5.10	1,217	111	103	1,236	545	44	22	Sep-20	Mar-20	557	98	26	2.3x	28.1x	2.2x	12.6x
Number of Companies	6	Median:	25.9%	10.2%	Total	\$35,478			\$38,046	\$10,029					\$10,174			2.9x	23.3x	2.9x	12.4x
Market Cap. Weighted Average:			18.0%	9.5%														4.2x	19.7x	4.1x	13.3x

PUBLIC COMPARABLES

PAYOR, PROVIDER, & PHARMACY SUPPORT SERVICES⁽¹⁾

Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months (LTM)			LTM Period	Latest FYE Date	Forward Twelve Month Estimate			TEV/ LTM Multiples		TEV/ Fwd Multiples			
	12/31/2020	% Change		52 Week						Revenue	EBITDA	EBIT			Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low																		
<i>Specialty Managed Care</i>																							
Assurant, Inc.	\$136.22	12.3%	3.9%	\$142.61	\$76.27	\$8,004	\$2,009	\$2,453	\$7,816	\$10,108	\$946	\$803	Sep-20	Dec-19	\$9,183	NA	\$865	0.8x	8.3x	0.9x	NA		
CorVel Corporation	106.00	24.1%	21.3%	106.86	44.67	1,897	96	106	1,934	561	91	53	Sep-20	Mar-20	NA	NA	NA	3.4x	21.3x	NA	NA		
HealthEquity, Inc.	69.71	35.7%	(5.9%)	88.78	34.40	5,367	1,092	299	6,231	747	233	107	Oct-20	Jan-20	751	227	54	8.3x	26.8x	8.3x	27.5x		
Number of Companies	3	Median:	24.1%	3.9%	Total	\$15,268			\$15,981	\$11,415					\$9,934			3.4x	21.3x	4.6x	27.5x		
Market Cap. Weighted Average:			22.0%	2.6%														3.8x	16.4x	3.8x	27.5x		
<i>Retail Pharmacy</i>																							
CVS Health Corporation	\$68.30	17.0%	(8.1%)	\$76.44	\$52.04	\$89,399	\$87,273	\$12,087	\$164,890	\$265,285	\$21,786	\$14,117	Sep-20	Dec-19	\$275,601	\$17,058	\$14,914	0.6x	7.6x	0.6x	9.7x		
Walgreens Boots Alliance, Inc.	39.88	11.0%	(32.4%)	59.78	33.36	34,533	41,220	516	75,735	139,537	9,079	3,373	Aug-20	Aug-20	143,594	6,813	5,267	0.5x	8.3x	0.5x	11.1x		
Rite Aid Corporation	15.83	66.8%	2.3%	22.45	8.86	846	6,391	51	7,186	23,854	1,427	297	Nov-20	Feb-20	24,234	504	118	0.3x	5.0x	0.3x	14.2x		
Number of Companies	3	Median:	17.0%	(8.1%)	Total	\$124,778			\$247,811	\$428,676					\$443,430			0.5x	7.6x	0.5x	11.1x		
Market Cap. Weighted Average:			15.6%	(14.7%)														0.6x	7.8x	0.6x	10.1x		
<i>Specialty Pharmacy</i>																							
Diplomat Pharmacy, Inc.	\$0.00	0.0%	0.0%	\$0.00	\$0.00	\$0	\$587	\$8	\$0	\$5,206	\$61	(\$6)	Sep-19	Dec-18	NA	NA	NA	0.0x	0.0x	NA	NA		
Number of Companies	1	Median:	0.0%	0.0%	Total	\$0			\$0	\$5,206					\$0			0.0x	0.0x	0.0x	NM		
Market Cap. Weighted Average:			0.0%	0.0%														NM	NM	NM	NM		

PUBLIC COMPARABLES

PRODUCTS & DEVICES ⁽¹⁾

Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months			LTM Period	Latest FYE Date	Forward Twelve Month			TEV/ LTM Multiples		TEV/ Fwd Multiples				
	12/31/2020	% Change		52 Week						(LTM)					Estimate			Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low					Revenue	EBITDA	EBIT			Revenue	EBITDA	EBIT							
<u>Dental Products</u>																								
3M Company	\$174.79	9.1%	(0.9%)	\$182.55	\$114.04	\$100,823	\$20,455	\$4,566	\$117,478	\$31,712	\$9,001	\$6,720	Sep-20	Dec-19	\$33,510	\$9,227	\$7,293	3.7x	13.1x	3.5x	12.7x			
DENTSPLY SIRONA Inc.	52.36	19.7%	(7.5%)	60.87	31.58	11,444	2,332	1,272	12,521	3,371	687	294	Sep-20	Dec-19	3,718	844	693	3.7x	18.2x	3.4x	14.8x			
Number of Companies	2	Median:	14.4%	(4.2%)	Total	\$112,266			\$129,999	\$35,083					\$37,228			3.7x	15.6x	3.4x	13.8x			
Market Cap. Weighted Average:			10.2%	(1.6%)														3.7x	13.6x	3.5x	12.9x			
<u>Durable Medical Equipment</u>																								
Arjo AB (publ)	\$7.65	13.3%	39.5%	\$8.16	\$4.63	\$2,084	\$733	\$97	\$2,778	\$1,016	\$205	\$103	Sep-20	Dec-19	\$1,139	\$248	\$127	2.7x	13.6x	2.4x	11.2x			
Hill-Rom Holdings, Inc.	97.97	17.3%	(13.7%)	117.68	72.29	6,546	2,002	297	8,263	2,881	605	396	Sep-20	Sep-20	2,778	591	515	2.9x	13.7x	3.0x	14.0x			
Invacare Corporation	8.95	19.0%	(0.8%)	9.67	3.90	308	323	87	544	860	38	11	Sep-20	Dec-19	864	43	15	0.6x	14.4x	0.6x	12.7x			
ResMed Inc.	212.56	24.0%	37.2%	224.24	108.85	30,803	1,189	421	31,703	3,028	981	837	Sep-20	Jun-20	3,215	1,081	912	10.5x	32.3x	9.9x	29.3x			
Number of Companies	4	Median:	18.2%	18.2%	Total	\$39,741			\$43,287	\$7,785					\$7,996			2.8x	14.0x	2.7x	13.3x			
Market Cap. Weighted Average:			22.3%	28.6%														8.7x	28.1x	8.3x	25.7x			
<u>Life Sciences Tools</u>																								
Agilent Technologies, Inc.	\$118.49	17.4%	38.9%	\$120.24	\$61.13	\$36,359	\$2,537	\$1,441	\$37,525	\$5,339	\$1,413	\$1,044	Oct-20	Oct-20	\$5,741	\$1,518	\$1,387	7.0x	26.6x	6.5x	24.7x			
Becton, Dickinson and Company	250.22	7.5%	(8.0%)	286.72	197.75	72,777	18,373	2,845	88,833	17,117	4,805	2,520	Sep-20	Sep-20	19,012	5,645	4,894	5.2x	18.5x	4.7x	15.7x			
Thermo Fisher Scientific Inc.	465.78	5.5%	43.4%	532.57	250.21	184,605	21,107	7,540	200,170	28,497	8,361	6,062	Sep-20	Dec-19	33,848	10,990	10,273	7.0x	23.9x	5.9x	18.2x			
Number of Companies	3	Median:	7.5%	38.9%	Total	\$293,740			\$326,528	\$50,953					\$58,602			7.0x	23.9x	5.9x	18.2x			
Market Cap. Weighted Average:			7.5%	30.1%														6.6x	22.9x	5.7x	18.4x			
<u>Medical Devices and Products</u>																								
Abbott Laboratories	\$109.49	0.6%	26.1%	\$115.14	\$61.61	\$187,600	\$18,563	\$4,731	\$203,231	\$32,221	\$7,823	\$4,606	Sep-20	Dec-19	\$38,632	\$11,079	\$9,886	6.3x	26.0x	5.3x	18.3x			
Baxter International Inc.	80.24	(0.2%)	(4.0%)	95.19	69.10	40,988	7,156	4,359	44,415	11,531	2,967	1,938	Sep-20	Dec-19	11,958	2,665	2,175	3.9x	15.0x	3.7x	16.7x			
Boston Scientific Corporation	35.95	(5.9%)	(20.5%)	46.13	24.10	51,478	9,592	2,022	59,439	10,108	2,205	996	Sep-20	Dec-19	11,446	3,133	2,845	5.9x	27.0x	5.2x	19.0x			
Conformis, Inc.	0.66	(21.2%)	(56.0%)	1.62	0.50	57	30	33	61	72	(17)	(23)	Sep-20	Dec-19	75	(26)	(27)	0.8x	NM	0.8x	NM			
Danaher Corporation	222.14	3.2%	44.7%	248.32	119.60	157,803	22,761	5,688	178,156	20,392	5,813	4,042	Oct-20	Dec-19	24,819	7,389	5,487	8.7x	30.6x	7.2x	24.1x			
Hologic, Inc.	72.83	9.6%	39.5%	77.49	26.49	18,718	3,170	701	21,339	3,776	1,561	1,157	Sep-20	Sep-20	5,081	2,556	2,472	5.7x	13.7x	4.2x	8.3x			
Johnson & Johnson	157.38	5.7%	7.9%	157.66	109.16	414,310	37,758	30,781	427,063	80,856	27,264	20,157	Sep-20	Dec-19	87,382	29,752	26,919	5.3x	15.7x	4.9x	14.4x			
Medtronic plc	117.14	12.7%	3.3%	122.15	72.13	157,673	30,008	14,279	174,569	27,868	6,556	4,077	Oct-20	Apr-20	31,853	10,276	8,780	6.3x	26.6x	5.5x	17.0x			
Penumbra, Inc.	175.00	(10.0%)	6.5%	277.00	121.80	6,354	78	269	6,168	539	(0)	(24)	Sep-20	Dec-19	612	38	2	11.4x	NM	10.1x	NM			
Stryker Corporation	245.04	17.6%	16.7%	245.34	124.54	92,084	13,537	7,161	100,149	14,220	3,982	3,073	Sep-20	Dec-19	16,211	4,758	4,298	7.0x	25.2x	6.2x	21.0x			
Teleflex Incorporated	411.57	20.9%	9.3%	412.99	221.27	19,165	2,219	373	21,342	2,507	687	430	Sep-20	Dec-19	2,759	801	734	8.5x	31.1x	7.7x	26.6x			
Number of Companies	11	Median:	3.2%	7.9%	Total	#####			\$1,235,931	\$204,090					\$230,829			6.3x	26.0x	5.3x	18.3x			
Market Cap. Weighted Average:			5.9%	14.8%														6.3x	22.4x	5.5x	17.7x			
<u>Medical / Surgical / Dental Supplies & Distribution</u>																								
AmerisourceBergen Corporation	\$97.76	0.9%	15.0%	\$111.25	\$72.06	\$19,967	\$4,598	\$4,598	\$20,212	\$189,894	\$2,610	\$2,068	Sep-20	Sep-20	\$200,585	\$2,640	\$2,327	0.1x	7.7x	0.1x	7.7x			
Cardinal Health, Inc.	53.56	14.1%	5.9%	60.69	39.05	15,716	6,740	2,746	19,713	154,646	2,683	1,799	Sep-20	Jun-20	163,340	2,897	2,488	0.1x	7.3x	0.1x	6.8x			
Henry Schein, Inc.	66.86	13.7%	0.2%	73.99	41.85	9,546	1,396	533	11,340	9,622	863	588	Sep-20	Dec-19	10,882	933	739	1.2x	13.1x	1.0x	12.2x			
McKesson Corporation	173.92	16.8%	25.7%	187.67	112.60	27,925	9,709	3,091	36,034	234,194	4,774	3,297	Sep-20	Mar-20	245,907	4,564	3,898	0.2x	7.5x	0.1x	7.9x			
Owens & Minor, Inc.	27.05	7.7%	423.2%	31.68	3.63	1,989	1,469	77	3,380	8,309	293	157	Sep-20	Dec-19	8,683	416	351	0.4x	11.5x	0.4x	8.1x			
Patterson Companies, Inc.	29.63	22.9%	44.7%	33.47	12.93	2,820	801	139	3,485	5,542	339	223	Oct-20	Apr-20	5,918	323	281	0.6x	10.3x	0.6x	10.8x			
Number of Companies	6	Median:	13.9%	20.4%	Total	\$77,963			\$94,164	\$602,207					\$635,314			0.3x	9.0x	0.3x	8.0x			
Market Cap. Weighted Average:			11.8%	26.7%														0.3x	8.4x	0.3x	8.2x			

PUBLIC COMPARABLES

PRODUCTS & DEVICES ⁽¹⁾

Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months			LTM Period	Latest FYE Date	Forward Twelve Month			TEV/ LTM Multiples		TEV/ Fwd Multiples			
	12/31/2020	% Change		52 Week						Revenue	EBITDA	EBIT			Estimate		Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low										Revenue	EBITDA							
<i>Spec Pharma and Generics</i>																							
Aegon N.V.	\$3.96	45.7%	(20.5%)	\$5.10	\$1.90	\$7,998	\$12,649	\$32,423	\$8,150	\$39,425	\$1,537	\$1,447	Jun-20	Dec-19	\$24,485	NA	\$1,959	0.2x	5.3x	0.3x	NA		
Amneal Pharmaceuticals, Inc.	4.57	17.8%	(5.2%)	5.68	2.40	675	3,019	282	3,471	1,880	405	149	Sep-20	Dec-19	2,018	476	381	1.8x	8.6x	1.7x	7.3x		
Eagle Pharmaceuticals, Inc.	46.57	9.6%	(22.5%)	60.67	33.80	607	39	90	556	186	31	26	Sep-20	Dec-19	221	30	NA	3.0x	18.1x	2.5x	18.3x		
Endo International plc	7.18	117.6%	53.1%	7.31	2.08	1,653	8,405	1,680	8,379	2,908	364	674	Sep-20	Dec-19	2,650	1,293	1,081	2.9x	23.0x	3.2x	6.5x		
Horizon Therapeutics Public Limited Company	73.15	(5.8%)	102.1%	86.67	23.81	16,145	1,051	1,725	15,852	1,819	334	306	Sep-20	Dec-19	2,469	974	NA	8.7x	NM	6.4x	16.3x		
Jazz Pharmaceuticals plc	165.05	15.8%	10.6%	166.00	86.88	9,196	2,247	1,917	9,726	2,280	1,023	669	Sep-20	Dec-19	2,493	1,197	1,176	4.3x	9.5x	3.9x	8.1x		
Lannett Company, Inc.	6.52	6.7%	(26.1%)	10.34	4.89	263	679	109	834	545	108	47	Sep-20	Jun-20	539	108	74	1.5x	7.7x	1.5x	7.7x		
Montauk Holdings Limited	6.92	120.4%	166.9%	7.10	1.74	957	71	12	1,036	99	27	6	Dec-19	Dec-19	NA	NA	NA	10.5x	NM	NA	NA		
Myanmar Metals Limited	0.07	17.3%	106.5%	0.09	0.02	139	0	8	132	0	(10)	(10)	Jun-20	Jun-20	NA	NA	NA	NA	NM	NA	NA		
Perrigo Company plc	44.72	(2.6%)	(13.4%)	63.86	40.01	6,104	3,699	853	8,950	5,097	966	532	Sep-20	Dec-19	5,135	940	842	1.8x	9.3x	1.7x	9.5x		
Teva Pharmaceutical Industries Limited	9.65	7.1%	(1.5%)	13.76	6.25	10,576	26,093	1,827	35,841	16,673	4,922	3,163	Sep-20	Dec-19	16,924	4,949	4,343	2.1x	7.3x	2.1x	7.2x		
Bausch Health Companies Inc.	20.80	33.8%	(30.5%)	30.39	11.15	7,385	24,343	977	30,819	8,038	3,119	1,230	Sep-20	Dec-19	8,361	3,302	3,107	3.8x	9.9x	3.7x	9.3x		
Number of Companies	12	Median:	16.5%	(3.4%)	Total	\$61,699			\$123,744	\$78,948					\$65,295			2.9x	9.3x	2.3x	8.1x		
Market Cap. Weighted Average:			17.1%	24.3%														4.3x	8.8x	3.5x	10.8x		

PUBLIC COMPARABLES

PROVIDER-BASED SERVICES⁽¹⁾

Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months (LTM)			LTM Period	Latest FYE Date	Forward Twelve Month Estimate			TEV/ LTM Multiples		TEV/ Fwd Multiples				
	12/31/2020	% Change		52 Week						Revenue	EBITDA	EBIT			Revenue	EBITDA	EBIT	Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low																			
<i>Acute-Care Hospitals</i>																								
Community Health Systems, Inc.	\$7.43	76.1%	156.2%	\$11.04	\$2.25	\$855	\$13,533	\$1,823	\$13,106	\$11,955	\$1,389	\$610	Sep-20	Dec-19	\$12,242	\$1,567	\$1,013	1.1x	9.4x	1.1x	8.4x			
HCA Healthcare, Inc.	164.46	31.9%	11.3%	166.87	58.38	55,649	32,654	6,684	83,892	50,763	10,517	6,904	Sep-20	Dec-19	54,042	10,480	7,664	1.7x	8.0x	1.6x	8.0x			
Tenet Healthcare Corporation	39.93	62.9%	5.0%	42.78	10.00	4,213	15,716	3,300	19,033	17,531	2,520	1,673	Sep-20	Dec-19	19,136	2,818	1,957	1.1x	7.6x	1.0x	6.8x			
Number of Companies	3	Median:	62.9%	11.3%	Total	\$60,717			\$116,031	\$80,249					\$85,421			1.1x	8.0x	1.1x	8.0x			
Market Cap. Weighted Average:			34.7%	12.9%														1.6x	8.0x	1.5x	7.9x			
<i>Assisted Living</i>																								
Brookdale Senior Living Inc.	\$4.43	74.4%	(39.1%)	\$8.57	\$1.47	\$812	\$5,518	\$491	\$5,842	\$3,145	\$703	\$73	Sep-20	Dec-19	\$3,277	\$339	(\$8)	1.9x	8.3x	1.8x	17.2x			
Capital Senior Living Corporation	12.34	31.0%	(73.4%)	51.15	6.75	26	925	14	937	397	84	(25)	Sep-20	Dec-19	NA	NA	NA	2.4x	11.2x	NA	NA			
Number of Companies	2	Median:	52.7%	(56.2%)	Total	\$838			\$6,779	\$3,542					\$3,277			2.1x	9.7x	1.8x	17.2x			
Market Cap. Weighted Average:			73.1%	(40.1%)														1.9x	8.4x	1.8x	17.2x			
<i>Long-Term Care</i>																								
National HealthCare Corporation	66.41	6.6%	(23.2%)	88.35	55.88	1,020	201	296	929	985	135	52	Sep-20	Dec-19	NA	NA	NA	0.9x	6.9x	NA	NA			
The Ensign Group, Inc.	72.92	27.8%	60.7%	77.27	24.06	3,912	1,117	193	5,060	2,334	389	207	Sep-20	Dec-19	2,608	317	257	2.2x	13.0x	1.9x	16.0x			
Number of Companies	2	Median:	17.2%	18.8%	Total	\$4,932			\$5,990	\$3,319					\$2,608			1.6x	9.9x	1.9x	16.0x			
Market Cap. Weighted Average:			23.4%	43.4%														1.9x	11.7x	1.9x	16.0x			
<i>Diagnostic Imaging</i>																								
RadNet, Inc.	\$19.57	27.5%	(3.6%)	\$23.45	\$5.81	\$1,011	\$1,166	\$90	\$2,190	\$1,090	\$242	\$49	Sep-20	Dec-19	\$1,214	\$177	\$82	2.0x	9.1x	1.8x	12.3x			
Varian Medical Systems, Inc.	175.01	1.8%	23.2%	176.19	89.62	15,988	495	801	15,814	3,168	569	422	Sep-20	Oct-20	3,545	723	603	5.0x	27.8x	4.5x	21.9x			
Number of Companies	2	Median:	14.6%	9.8%	Total	\$16,999			\$18,003	\$4,259					\$4,759			3.5x	18.4x	3.1x	17.1x			
Market Cap. Weighted Average:			3.3%	21.6%														4.8x	26.7x	4.3x	21.3x			
<i>Dialysis Services</i>																								
American Renal Associates Holdings, Inc.	\$11.45	65.9%	10.4%	\$11.98	\$5.57	\$396	\$725	\$127	\$1,258	\$814	\$155	\$79	Sep-20	Dec-19	\$832	\$91	\$71	1.5x	8.1x	1.5x	13.8x			
DaVita Inc.	117.40	37.1%	56.5%	117.65	62.20	13,149	11,106	730	25,378	11,544	3,103	1,827	Sep-20	Dec-19	11,692	2,375	1,746	2.2x	8.2x	2.2x	10.7x			
Fresenius Medical Care AG & Co. KGaA	83.43	(5.3%)	3.4%	99.20	65.44	24,433	15,327	1,877	39,885	21,182	4,730	2,892	Sep-20	Dec-19	22,351	4,930	2,973	1.9x	8.4x	1.8x	8.1x			
Number of Companies	3	Median:	37.1%	10.4%	Total	\$37,977			\$66,520	\$33,540					\$34,875			1.9x	8.2x	1.8x	10.7x			
Market Cap. Weighted Average:			10.1%	18.1%														2.0x	8.3x	1.9x	9.0x			
<i>Home Care, Hospice, and Home Infusion</i>																								
Home Care / Hospice:																								
Addus HomeCare Corporation	\$117.09	23.9%	20.4%	\$117.99	\$43.13	\$1,834	\$104	\$170	\$1,767	\$761	\$74	\$53	Sep-20	Dec-19	\$836	\$86	\$67	2.3x	23.8x	2.1x	20.5x			
Amedisys, Inc.	293.33	24.1%	75.7%	298.54	132.95	9,624	404	113	10,131	2,021	272	208	Sep-20	Dec-19	2,265	311	277	5.0x	NM	4.5x	32.6x			
Chemed Corporation	532.61	10.9%	21.3%	543.81	330.01	8,496	133	113	8,853	2,069	410	300	Sep-20	Dec-19	2,163	448	381	4.3x	21.6x	4.1x	19.8x			
LHC Group, Inc.	213.32	0.4%	54.8%	236.81	100.00	6,739	122	254	6,718	2,062	225	160	Sep-20	Dec-19	2,192	270	NA	3.3x	29.9x	3.1x	24.9x			
Number of Companies	4	Median:	17.4%	38.1%	Total	\$26,693			\$27,469	\$6,913					\$7,457			3.8x	23.8x	3.6x	22.7x			
Market Cap. Weighted Average:			13.9%	1.6%														4.2x	25.1x	3.8x	25.7x			
Home Infusion:																								
Bioservo Technologies AB (publ)	\$2.10	40.2%	23.2%	\$2.36	\$0.78	\$33	\$0	\$5	\$28	\$2	(\$3)	(\$3)	Sep-20	Dec-19	NA	NA	NA	15.7x	NM	NA	NA			
Number of Companies	1	Median:	40.2%	23.2%	Total	\$33			\$28	\$2					\$0			15.7x	NM	NM	NM			
Market Cap. Weighted Average:			40.2%	23.2%														15.7x	NM	NM	NM			

*DaVita Medical Group to be acquired by UnitedHealth in a \$4.9 billion deal announced on January 20216th, 2017.

PUBLIC COMPARABLES

PROVIDER-BASED SERVICES⁽¹⁾

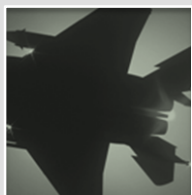
Company Name	Stock Price					Equity Mkt. Value	Total Debt	Cash and Equiv.	Total Ent. Value (TEV)	Latest Twelve Months (LTM)			LTM Period	Latest FYE Date	Forward Twelve Month Estimate			TEV/ LTM Multiples		TEV/ Fwd Multiples				
	12/31/2020	% Change		52 Week						Revenue	EBITDA	EBIT			Revenue	EBITDA	EBIT	Revenue	EBITDA	EBIT	Revenue	EBITDA	Revenue	EBITDA
		3 mos.	12 mos.	High	Low																			
Physician Practice Management																								
Specialty:																								
MEDNAX, Inc.	\$24.54	50.7%	(11.7%)	\$27.90	\$7.37	\$2,058	\$1,804	\$376	\$3,486	\$3,510	\$502	\$379	Sep-20	Dec-19	\$1,841	\$250	\$214	1.0x	7.0x	1.9x	14.0x			
Number of Companies	1	Median:	50.7%	(11.7%)	Total	\$2,058			\$3,486	\$3,510					\$1,841			1.0x	7.0x	1.9x	14.0x			
Market Cap. Weighted Average:			50.7%	(11.7%)														1.0x	7.0x	1.9x	14.0x			
Behavioral Health / Management																								
Australian Agricultural Company Limited	\$0.85	1.9%	0.0%	\$1.03	\$0.73	\$512	\$286	\$10	\$808	\$212	(\$106)	(\$119)	Sep-20	Mar-20	\$193	\$15	\$5	3.8x	NM	4.2x	NM			
Acadia Healthcare Company, Inc.	50.26	70.5%	51.3%	50.99	11.09	4,473	3,676	339	7,885	3,147	646	394	Sep-20	Dec-19	3,373	655	464	2.5x	12.2x	2.3x	12.0x			
Civitas Solutions, Inc.	0.00	0.0%	0.0%	0.00	0.00	0	706	10	0	1,613	173	83	Dec-18	Sep-18	NA	NA	NA	0.0x	0.0x	NA	NA			
Magellan Health, Inc.	82.84	9.3%	5.9%	87.52	30.60	2,121	675	119	2,690	7,120	200	112	Sep-20	Dec-19	4,626	188	79	0.4x	13.4x	0.6x	14.3x			
Universal Health Services, Inc.	137.50	28.5%	(4.2%)	148.27	65.20	11,684	3,941	1,101	14,706	11,368	2,000	1,383	Sep-20	Dec-19	11,898	1,832	1,321	1.3x	7.4x	1.2x	8.0x			
Number of Companies	5	Median:	9.3%	0.0%	Total	\$18,790			\$26,089	\$23,460					\$20,090			1.3x	9.8x	1.8x	12.0x			
Market Cap. Weighted Average:			35.6%	10.3%														1.5x	9.2x	1.5x	9.7x			
Surgicenters / Rehabilitation																								
Surgery Centers ^(*) :																								
Surgery Partners, Inc.	\$29.01	32.5%	85.3%	\$29.46	\$4.00	\$1,442	\$3,232	\$450	\$5,697	\$1,829	\$380	\$201	Sep-20	Dec-19	\$2,081	\$304	\$299	3.1x	15.0x	2.7x	18.7x			
Number of Companies	1	Median:	32.5%	85.3%	Total	\$1,442			\$5,697	\$1,829					\$2,081			3.1x	15.0x	2.7x	18.7x			
Market Cap. Weighted Average:			32.5%	85.3%														3.1x	15.0x	2.7x	18.7x			
Rehabilitation:																								
Encompass Health Corporation	\$82.69	27.3%	19.4%	\$87.11	\$48.01	\$8,222	\$3,852	\$450	\$12,056	\$4,614	\$938	\$621	Sep-20	Dec-19	\$4,944	\$971	\$722	2.6x	12.8x	2.4x	12.4x			
Select Medical Holdings Corporation	27.66	32.9%	18.5%	28.61	10.00	3,728	4,470	640	8,279	5,446	1,016	489	Sep-20	Dec-19	5,783	749	517	1.5x	8.2x	1.4x	11.1x			
U.S. Physical Therapy, Inc.	120.25	38.4%	5.2%	134.11	45.13	1,545	112	30	1,768	423	111	53	Sep-20	Dec-19	465	72	NA	4.2x	15.9x	3.8x	24.5x			
Number of Companies	3	Median:	32.9%	18.5%	Total	\$13,495			\$22,104	\$10,483					\$11,192			2.6x	12.8x	2.4x	12.4x			
Market Cap. Weighted Average:			30.1%	17.5%														2.5x	11.9x	2.3x	13.4x			

*Figures are adjusted for minority interest.

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Aerospace, Defense & Government Services



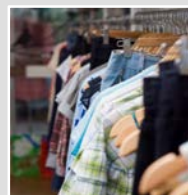
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Business Services



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SOURCES

1. FactSet.
2. S&P.
3. PNC Debt Capital Markets.
4. Company Filings.

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