

Behavioral Health

QUARTERLY SECTOR BRIEF | Q2 2026

What's Included:

- 01** **Insights:** Overview of the subsectors and individual companies that are a part of the broader behavioral health landscape, along with recent developments impacting the sector
- 02** **Sector Activity:** Recent notable transactions in the space and stock performance for publicly traded behavioral health companies
- 03** **Connect With Us:** Connect with our team for the latest insights into the growing behavioral health sector

01

BEHAVIORAL HEALTH
Q2 2026

Insights

The demand for behavioral health services remains strong throughout an evolving regulatory environment.



Behavioral Health Market Segments



Autism (ABA)

Facilitate therapy and skill development within centers, home, or school-based environments for individuals with autism

- › Autism spectrum disorder services include diagnostic evaluations, behavioral therapies, and educational programs to promote skill development and independence
- › An imbalance remains between the number of people seeking care and the services available to meet that need
- › Heightened federal scrutiny and concerns of fraud are raising the bar on compliance and documentation, favoring scaled, well-run providers with a track record of operating credibly



Eating Disorders (ED)

Treatments offering nutritional guidance, psychological counseling, and medical oversight to restore healthy eating habits often provided within residential, PHP, IOP, or virtual settings

- › Treatment services specialized in treating conditions such as anorexia, bulimia, and binge eating disorder, offering a range of services from inpatient care to outpatient support
- › Increasing focus on early detection, leveraging screening tools and educational programs



Mental Health (Outpatient)

Structured treatment programs to support mental health in an in-person or virtual outpatient setting

- › Psychiatric services such as therapy, medication management, and crisis intervention tailored to those managing their mental health while integrated into daily life; for treatment-resistant depression, therapy options include psychotherapy, transcranial magnetic stimulation, electroconvulsive therapy, and esketamine
- › The mental health (outpatient) subsector has continued to grow through in-person and remote therapy models

Behavioral Health Market Segments (Cont.)



Mental Health (Inpatient, Residential, PHP, and IOP)

Mental health programs designed to treat diagnoses such as depression, anxiety, trauma, schizophrenia, etc., in a variety of care settings often based on acuity

- › PHP / IOP consists of regimented therapy sessions and treatment programs occurring outside of 24 / 7 care settings
- › Residential settings act as structured environments enabling stabilization while not requiring full hospitalization
- › Inpatient facilities provide intensive care and supervision for the highest acuity mental health crises
- › Growing focus on individualized treatments that incorporate a variety of therapeutic modalities aimed at addressing the diverse needs of patients



Substance Use Disorders (SUD) and Medication Assisted Treatment (MAT)

Evidence-based support for people struggling with addiction, including a combination of pharmacology and behavioral therapy often provided within residential, PHP, IOP, or virtual settings

- › Treatment providers aimed at recovery and rehabilitation for individuals grappling with substance addiction, offering detoxification, counseling, and long-term relapse prevention
- › Services are expanding to include support for co-occurring mental health conditions, recognizing the complex interplay between substance abuse and mental health



Intellectual and Developmental Disabilities (IDD)

Treatment services to bolster quality of life and autonomy of individuals diagnosed with IDD

- › Support for individuals with a range of cognitive or physical disabilities to enhance quality of life and promote autonomy
- › Home- and community-based settings are increasingly the preferred site of care due to their relative cost for payors and higher quality of life for clients compared to institutional care settings



School-Based Services

School-based services for children and adolescents with various learning and development disorders

- › Includes speech therapy, physical and occupational therapy, mental health, psychology, academic assistance, and behavioral health services more broadly for pre-K – 12 students
- › The number of students enrolled in special education services has been increasing nearly every year since data collection began in 1975 due to an increase in prevalence in specific learning disabilities, speech and language impairment, and autism spectrum disorder

Behavioral Health Market Landscape

Autism (ABA)



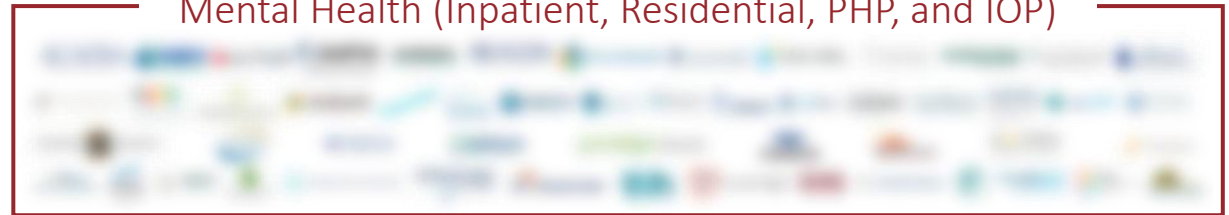
Eating Disorders (ED)



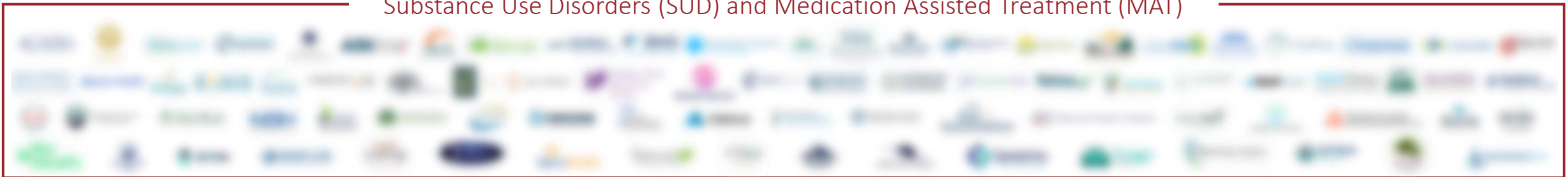
Mental Health (Outpatient)



Mental Health (Inpatient, Residential, PHP, and IOP)



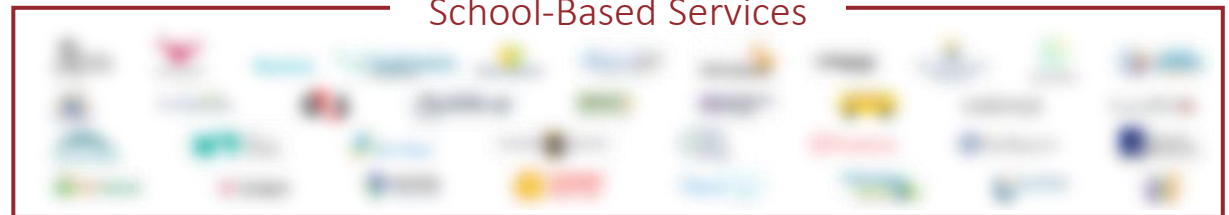
Substance Use Disorders (SUD) and Medication Assisted Treatment (MAT)



Intellectual and Developmental Disabilities (IDD)



School-Based Services



To view the full market map, please contact BehavioralHealth@harriswilliams.com

What We're Reading

Relevant behavioral health news.

Despite Behavioral Health Prescription Volume Growth, the Behavioral Health Treatment Gap Has Widened –
Trilliant Health

[READ HERE](#)

Autism Therapy Leaders Forecasting Revenue Growth Despite Payer Pressures, Regulatory Scrutiny –
Behavioral Health Business

[READ HERE](#)

Early Participants of CMS ACCESS Model See Program as Accelerant for Value-Based Care –
Behavioral Health Business

[READ HERE](#)

Behavioral Health Utilization Is Up With Anxiety Disorders Leading Demand –
Fierce Healthcare

[READ HERE](#)

“The rise in patients who are not receiving treatment for their behavioral health conditions, now representing more than one in five individuals with anxiety and/or depression, is particularly concerning given the well-documented consequences of delayed or absent care.”

Key takeaway: Treatment demand continues to outpace access – more patients with anxiety and depression are going untreated even as prescription volumes rise, highlighting the existing opportunity for providers that can expand capacity and deliver integrated care models

“About 83% said they expected revenue to increase by 11% or more in 2026... About 68% said they were considering service-line diversification or expansion in the next year.”

Key takeaway: ABA operators remain growth-oriented despite reimbursement pressure and regulatory scrutiny, with most surveyed providers still expecting double-digit revenue growth and many pursuing service-line expansion

“ACCESS model participants will be reimbursed for outcomes-based patient improvements. Providers say the model is a big step toward making value-based care arrangements more attainable for the field...”

Key takeaway: CMS’s new ACCESS model is a first step in pushing behavioral health toward outcomes-based reimbursement and favors scaled, tech-enabled providers that can manage Medicare populations effectively. The ACCESS model covers both virtual care and in-person primary care; eligible patients must be Medicare beneficiaries with chronic conditions including depression and anxiety within behavioral health specifically, and providers must be Medicare enrolled

“Behavioral health utilization increased substantially from 2018 to 2024, with anxiety disorder care fueling much of that growth... latest report outlines a 62.6% jump in behavioral health utilization... anxiety disorders accounted for the highest visit volume and experienced the fastest growth, up 89% from 2018 to 2024.”

Key takeaway: Behavioral health demand continues to outpace supply, with anxiety disorder care needs fueling rising utilization

02

BEHAVIORAL HEALTH
Q2 2026

Sector Activity

The behavioral health sector continues to experience ongoing M&A activity, with several notable transactions occurring recently.



Select Behavioral Health Transactions

May 27, 2026



Sector: Mental Health (Outpatient)

Nora Mental Health Acquired by Curio Digital Therapeutics

Nora Mental Health is an outpatient therapy franchisor with 24 open locations in 16 states. The acquisition by Curio Digital Therapeutics reflects continued interest in hybrid behavioral health models that pair clinic-based care with telehealth and digital engagement tools, as Curio's telehealth-focused service offerings will now be made available to those receiving in-person services, and Nora Mental Health's services are now supplemented by telehealth and other technology-enabled offerings.

May 11, 2026



Sector: Autism (ABA)

Little Leaves Acquired by LEARN Behavioral

Little Leaves Behavioral Services provides ABA therapy services across a multi-state footprint and was previously owned by FullBloom, a provider of behavioral health services including special education services and which is backed by American Securities. The acquisition enables LEARN Behavioral to broaden its geographic footprint of ABA therapy services and build density in attractive markets.

April 22, 2026



Sector: Mental Health (Inpatient, Residential, PHP, and IOP), SUD and MAT

South Community Acquired by Primary Health Solutions

South Community Behavioral Health is an Ohio-based provider of substance use disorder and mental health treatment, including outpatient, youth, and school-based services and employee assistance programs. South Community Behavioral Health will be structurally integrated into Primary Health Solutions' primary care system and act as an important component of its comprehensive set of service offerings.

April 16, 2026



Sector: SUD and MAT, Mental Health (Inpatient, Residential, PHP, and IOP)

Widespread Wellness Acquired by Recover Now

Widespread Wellness is a mental health and substance use disorder treatment provider with facilities based out of Florida, Georgia, and Tennessee. The merger allows Recover Now to expand into residential primary mental health care and reflects SUD platforms' continued focus on diversifying service capabilities and their geographic footprint.

March 9, 2026



Sector: Mental Health (Outpatient)

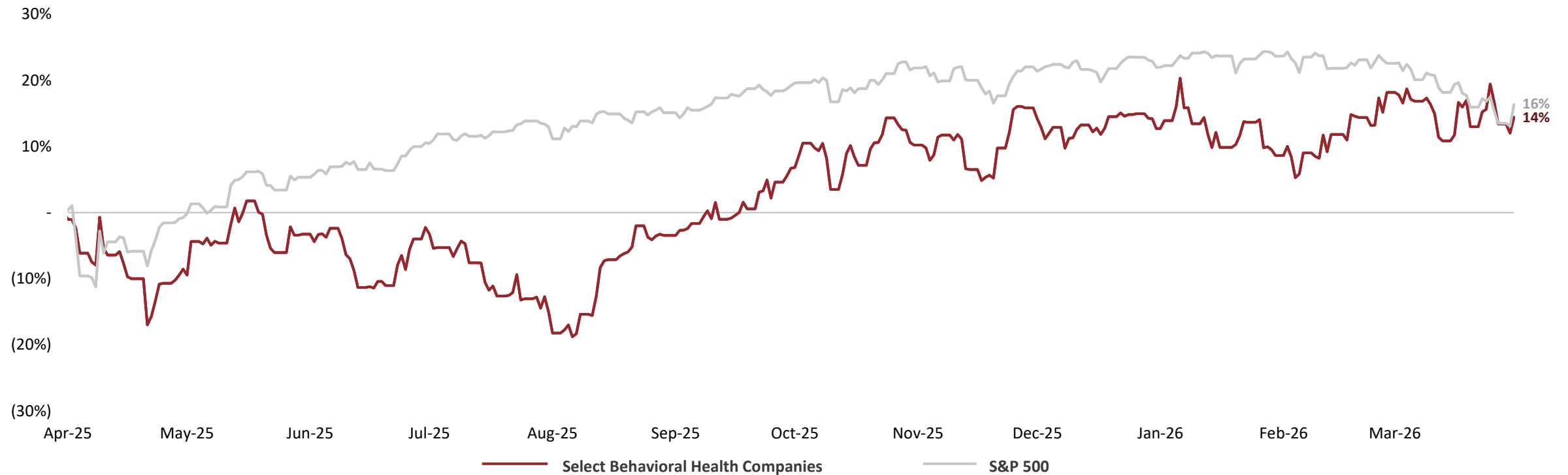
Talkspace to Be Acquired by Universal Health Services

Talkspace is a leading virtual behavioral health provider with a favorable payer mix and national reach. The transaction provides Universal Health Services with a scaled, technology-enabled platform, diversifies its payer mix, and aligns with the strategic focus on outpatient and telehealth behavioral services.

Behavioral Health Trended Stock Performance

Public Company Stock Performance – Past 12 Months

Indexed Stock Price Performance for the Period April 2025 – Q1 2026⁽¹⁾



Select Behavioral Health Companies

ACADIA
HEALTHCARE

BRIGHTSPRING
HEALTH SERVICES

LifeStance
HEALTH

UHS

Teladoc
HEALTH

Harris Williams Has Robust Experience Advising Behavioral Health Clients

Select Behavioral Health Client Engagements



03

BEHAVIORAL HEALTH
Q2 2026

Connect With Us



Our Team

Select Transactions in the Behavioral Health Sector:

 — a portfolio company of —  — has been acquired by — 	 — a portfolio company of —  — has been acquired by — A PRIVATE INVESTOR	 — a portfolio company of —  — has been acquired by — ASCEND PARTNERS	 — a portfolio company of —  — has been acquired by — 	 — a portfolio company of —  — has been acquired by — GTCR	 — a portfolio company of —  — has been acquired by — 
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Connect With Our Team

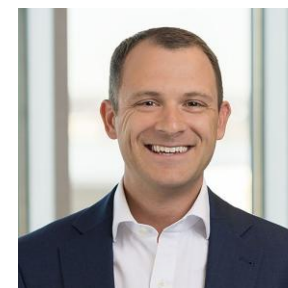
Learn more about our experience in the space:



James Clark
Managing Director
Healthcare & Life Sciences
jclark@harriswilliams.com
(804) 915-0119



Andy Dixon
Managing Director
Healthcare & Life Sciences
adixon@harriswilliams.com
(415) 217-3419



Taylor Will
Director
Healthcare & Life Sciences
twill@harriswilliams.com
(804) 887-6068

Additional Contacts

Cheairs Porter
Managing Director
Healthcare & Life Sciences
cporter@harriswilliams.com
(804) 915-0130

Geoff Smith
Managing Director
Healthcare & Life Sciences
gsmith@harriswilliams.com
(804) 915-0195

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