



Healthcare IT Sector Brief

Harris Williams | Q1 2025

Perspectives on Healthcare IT



What We're Reading

The Tech Shaping Healthcare in 2025

Becker's Healthcare

Healthcare executives believe automated and AI-supported workflows and processes will be key to accelerating the evolution of healthcare by augmenting decision-making, personalizing care, and enabling clinicians to deliver real-time, evidence-based insights. Professionals also cited developments in remote patient monitoring and ambient listening as areas where technological progress is accelerating.

Read the full article [here](#).

Why Interoperability Needs to Balance Innovation, Patient Access and Security

Health Data Management

Despite improvements in data interoperability hurdles remain, including in data standards and user proficiency levels. Innovations, including machine learning and natural language processing, will give healthcare providers swift access to necessary patient details and aid in a more structured approach to data handling in healthcare.

Read the full article [here](#).

3 Digital Health Trends That Are Transforming Patient Care

American Medical Association

The consumerization of healthcare, its delivery to underserved populations, and the role of big data in health outcomes are top of mind across the digital health landscape. An increased emphasis on these trends, along with the promise of digital health, will cause the role of providers to shift and evolve at a rate far outpacing years past.

Read the full article [here](#).

How IoT Is Transforming Remote Patient Monitoring

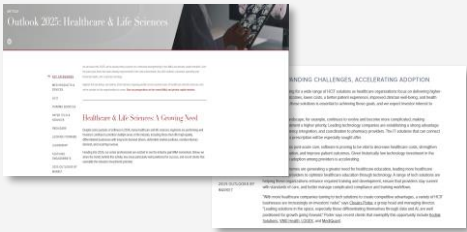
Healthcare IT News

The combination of 5G and IoT could redefine remote healthcare, getting closer to a future in which patients can receive hospital-grade care from anywhere. Although IoT devices collect and transmit vast amounts of health data across various networks, they introduce a potential attack surface for cybercriminals. As these devices become more prevalent, it's imperative that all components of the system be secure.

Read the full article [here](#).

Recent Harris Williams Healthcare / Technology Content

- Outlook 2025: Healthcare & Life Sciences



[Link to Read](#)

- Healthcare IT: Five Capabilities Sparking Investor Interest



[Link to Read](#)

Healthcare Education: Bridging the Healthcare Labor Gap



[Link to Read](#)

Recent Healthcare IT Transactions

Omega Healthcare Received a Strategic Investment From OTPP



Target



Buyer

12/20/24
EV: \$1,750M
EV / LTM Revenue: 0.6x
EV / LTM EBITDA: 5.8x

- Omega Healthcare is a provider of tech-enabled RCM solutions.
- The investment will help Omega accelerate its offerings across the provider, payer, and pharma markets and continue to help healthcare organizations increase revenues, decrease costs, and improve patient experiences.

CorroHealth Received a Strategic Investment From Patient Square Capital



Target



Buyer

10/24/24
EV: \$2,100M
EV / LTM Revenue: NPI
EV / LTM EBITDA: 18.0x

- CorroHealth is a provider of revenue cycle management solutions to health systems and health plans.
- Patient Square's investment bolsters CorroHealth's ability to support both organic and inorganic growth initiatives and to provide industry-leading tech-enabled solutions to its customers.

Nexus AG Taken Private by TA Associates



Target



Buyer

11/5/24
EV: \$1,183M
EV / LTM Revenue: 4.1x
EV / LTM EBITDA: 22.4x

- Nexus AG is a developer of clinical information systems and integrated diagnostic modules designed to cover the functional requirements of hospitals, psychiatric wards, and rehabilitation and diagnostic centers.
- The strategic partnership will aid Nexus in capitalizing on the market potential of the rapidly growing European e-Health market and promote future profitable growth.

Red Nucleus Received a Majority Investment From THL Partners



Target



Buyer

10/17/24
EV: \$750M
EV / LTM Revenue: NPI
EV / LTM EBITDA: NPI

- Red Nucleus is a provider of strategic learning, performance, and process solutions for the life sciences industry.
- The investment will help power Red Nucleus' next phase of growth, assisting its customers move new molecules to market and contributing to lifesaving and life-changing therapies.

AdvancedMD Acquired by Francisco Partners



Target



Buyer

10/30/24
EV: \$1,125M
EV / LTM Revenue: NPI
EV / LTM EBITDA: 10.7x

- AdvancedMD is a provider of medical billing and practice management software, primarily for ambulatory organizations.
- The acquisition supports AdvancedMD in continuing to deliver solutions that help healthcare providers operate their practices more efficiently.

VisiQuate Acquired by Accel-KKR



Target



Buyer

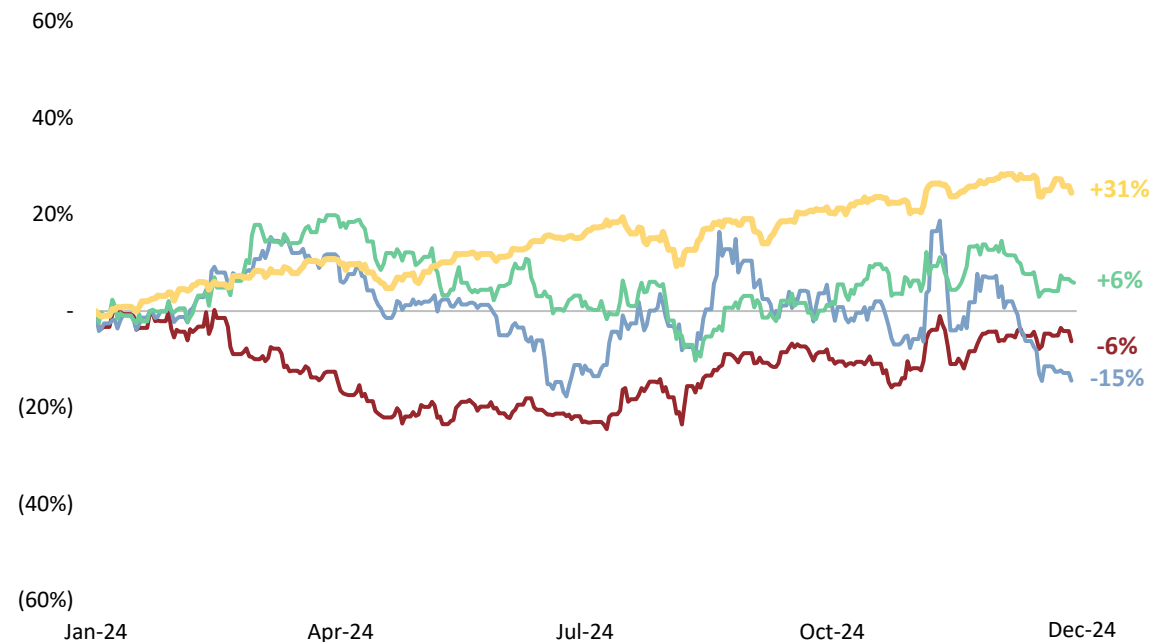
10/1/24
EV: NPI
EV / LTM Revenue: NPI
EV / LTM EBITDA: NPI

- VisiQuate is a provider of SaaS-based revenue cycle management, data management, and analytics solutions for healthcare providers.
- Accel-KKR's acquisition will help VisiQuate continue to pursue solutions that drive meaningful change; elevate management, staff and C-suite objectives; and deliver increased ROI.

Healthcare IT Public Company Trended Stock Performance¹

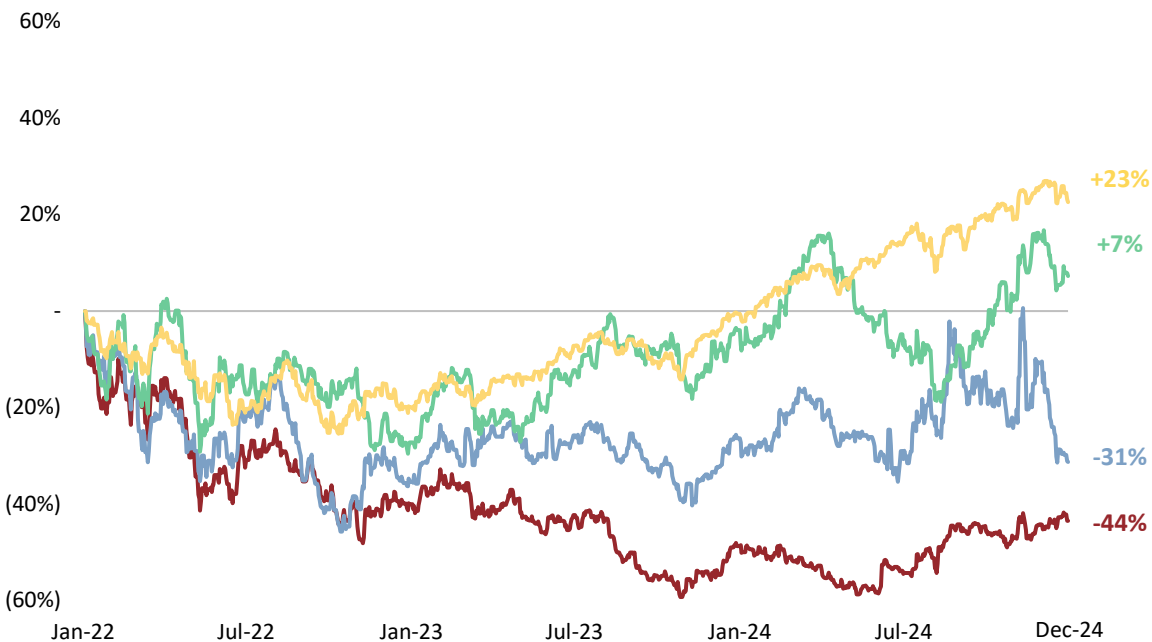
Public Company Stock Performance – Past 12 Months

Indexed Stock Price Performance for the Period January 2024 – December 2024



Public Company Stock Performance – 3 Years

Indexed Stock Price Performance for the Period January 2022 – December 2024



Clinical & Administrative

DEFINITIVE HEALTHCARE, doximity, evolent, HealthCatalyst, HealthStream, Omnicell, OptimizeRx, Phreesia, PREMIER, Teladoc HEALTH, veradigm, WAYSTAR

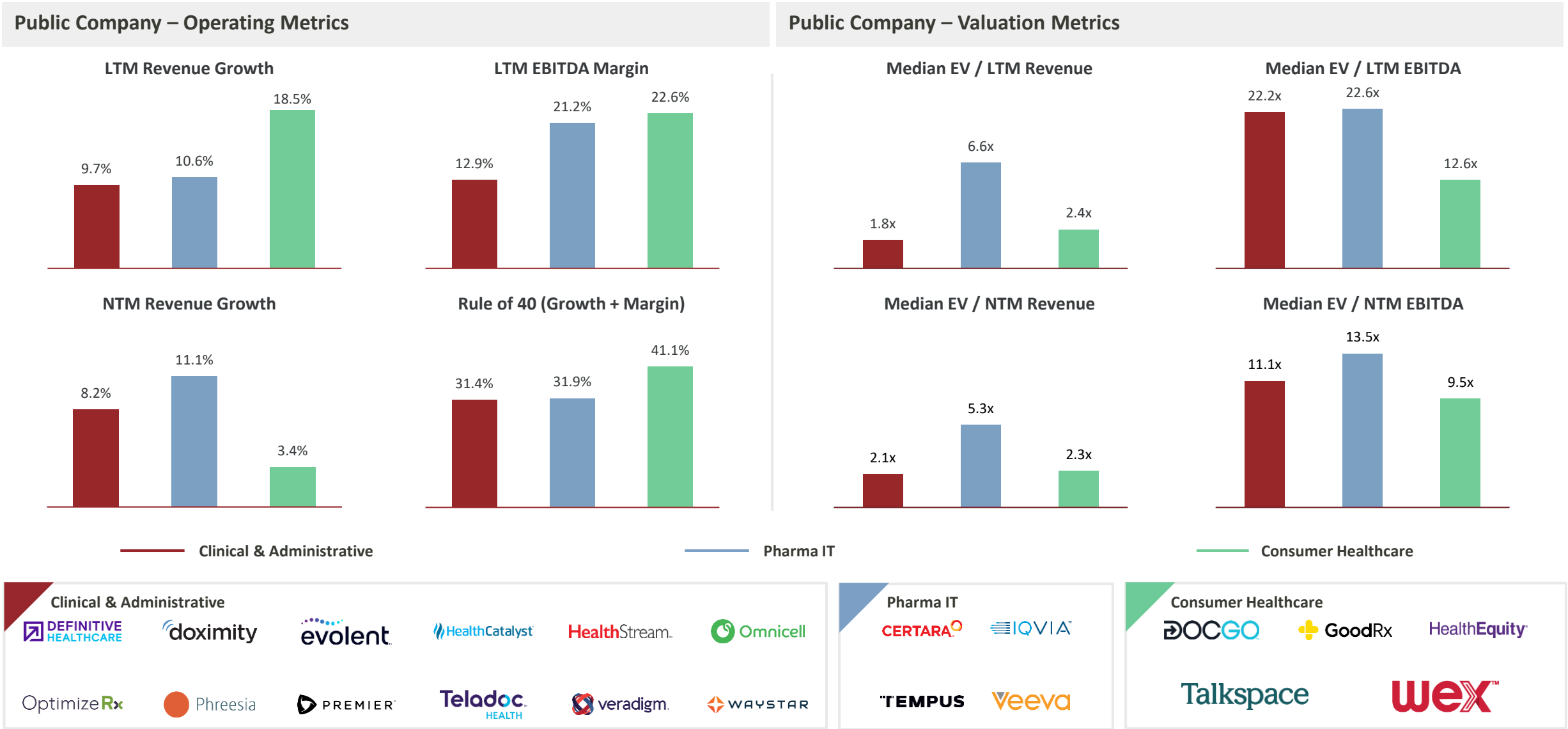
Pharma IT

CERTARA, IQVIA, TEMPUS, Veeva



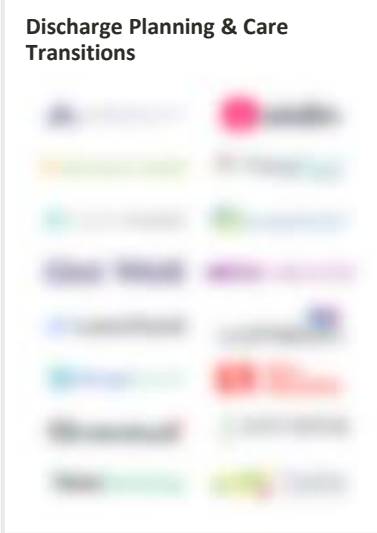
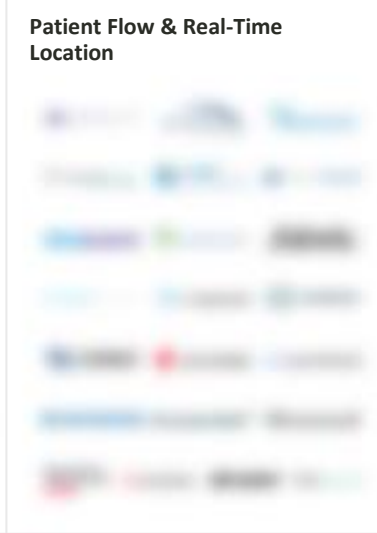
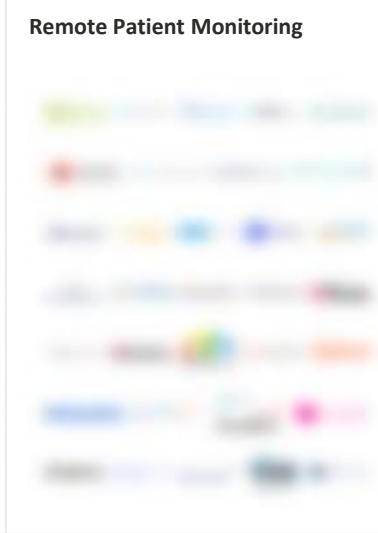


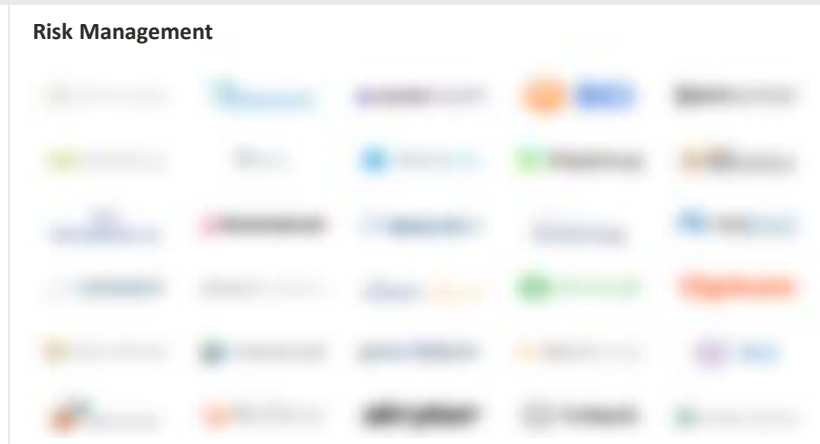
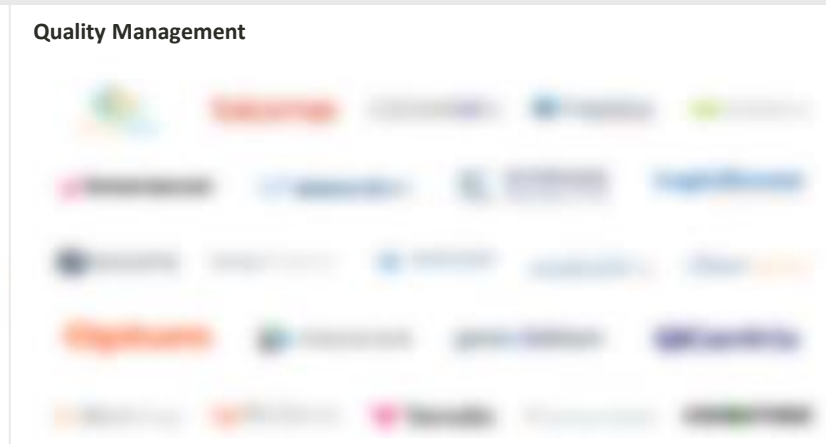
Consumer Healthcare

DOC GO, GoodRx, HealthEquity, Talkspace, wex

Healthcare IT Public Company Operating and Valuation Metrics¹









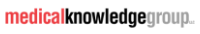










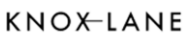

















Inpatient and Clinical Analytics

EMR Suite		Clinical Workflow Solutions			
General		Discharge Planning & Care Transitions	Patient Flow & Real-Time Location	Remote Patient Monitoring	Clinical Communications
Specialty					
Clinical Analytics					
Decision Support		Risk Management		Quality Management	
					

Harris Williams: Healthcare IT Experience

Select Healthcare IT Transaction Experience

 <i>a portfolio company of</i>  <i>has received a significant growth investment from</i> 	 <i>a portfolio company of</i>  <i>has been acquired by</i> 	 <i>a division of</i>  <i>has received a majority investment from</i> 	 <i>has acquired</i>  <i>a portfolio company of</i> 	 <i>has acquired</i>  <i>a portfolio company of</i> 	 <i>has recapitalized</i> 	 <i>has acquired</i> 
 <i>a portfolio company of</i>  <i>has been acquired by</i> 	 <i>a portfolio company of</i>  <i>has been acquired by</i>  	 <i>has invested in</i> 	 <i>a portfolio company of</i>  <i>has been acquired by</i> 	 <i>has acquired</i>  <i>a portfolio company of</i> 	 <i>a portfolio company of</i>  <i>has been acquired by</i> 	 <i>a portfolio company of</i>   <i>has acquired</i> 
 <i>a portfolio company of</i>  <i>has been acquired by</i> 	 <i>has made a strategic investment in</i> 	 <i>a portfolio company of</i>  <i>has been acquired by</i>  <i>a portfolio company of</i>  	 <i>a portfolio company of</i>  <i>has been acquired by</i> 	 <i>a portfolio company of</i>  <i>has been acquired by</i>  <i>a portfolio company of</i>  	 <i>a portfolio company of</i>  <i>has acquired</i>  <i>a portfolio company of</i> 	 <i>a portfolio company of</i>  <i>has been recapitalized by</i> 

HW Harris Williams / GLOBAL INVESTMENT BANK

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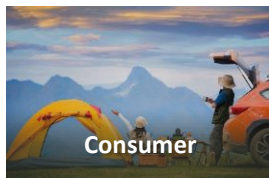
Deep Industry Experience



Aerospace, Defense & Government Services



Business Services



Consumer



Energy, Power & Infrastructure



Healthcare & Life Sciences



Industrials



Technology



Transportation & Logistics

Proven Expertise

MERGERS & ACQUISITIONS

PRIVATE CAPITAL SOLUTIONS

PRIMARY FUND PLACEMENT

Core Values That Drive Success



75%

Revenue from repeat clients

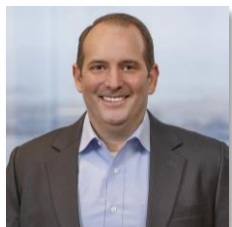
87%

Managing Directors promoted from within

30+

Year history

Our Technology Group and Healthcare & Life Sciences Group collaborate to advise leading HCIT companies worldwide.



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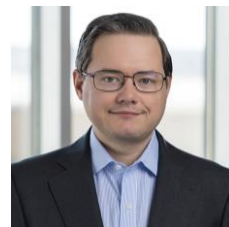


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Sources and Disclosures

Sources

- 1. S&P

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Appendix

Public Market Operational and Valuation Metrics¹

As of January 1, 2025

\$ in Thousands

Company	Capitalization	Value	High	Gross Margin	EBITDA Margin	LTM Revenue	NTM Revenue	LTM EBITDA	NTM EBITDA
Clinical / Administrative									
EMR									
Veradigm Inc.	\$1,653,116	\$1,379,326	82.6%	50.6%	7.5%	0.9x	2.2x	12.0x	8.4x
Definitive Healthcare Corp.	474,799	614,220	38.7%	84.7%	12.9%	2.4x	2.5x	18.6x	9.3x
OptimizeRx Corporation	89,526	109,115	29.2%	62.6%	NM	1.2x	1.1x	NM	10.6x
Median	\$474,799	\$614,220	38.7%	62.6%	10.2%	1.2x	2.2x	15.3x	9.3x
RCM / Performance									
Waystar Holding Corp.	6,315,561	7,453,544	95.7%	66.5%	32.1%	8.2x	7.6x	25.6x	19.3x
Premier, Inc.	2,037,502	2,046,845	90.0%	65.1%	28.7%	1.5x	2.1x	5.4x	8.2x
Evolent Health, Inc.	1,294,046	2,019,835	32.1%	16.0%	5.0%	0.8x	0.7x	16.4x	10.7x
Median	\$2,037,502	2,046,845	90.0%	65.1%	28.7%	1.5x	2.1x	16.4x	10.7x
Other Administrative									
Doximity, Inc.	9,967,473	9,175,406	86.5%	89.9%	40.2%	17.8x	16.3x	44.1x	32.1x
Omniceil, Inc.	2,062,025	2,105,533	79.9%	41.4%	2.5%	2.0x	1.8x	79.4x	14.6x
Teladoc Health, Inc.	1,564,995	1,910,007	41.0%	70.8%	2.6%	0.7x	0.8x	28.9x	6.0x
Phreesia, Inc.	1,462,402	1,401,681	86.3%	67.1%	NM	3.5x	3.0x	NM	19.5x
HealthStream, Inc.	967,193	890,244	94.9%	66.4%	13.9%	3.1x	3.0x	22.2x	13.0x
Health Catalyst, Inc.	430,193	407,269	62.0%	46.2%	NM	1.3x	1.2x	NM	11.4x
Median	\$1,513,699	1,655,844	83.1%	66.8%	8.2%	2.5x	2.4x	36.5x	13.8x
Clinical / Administrative Median	\$1,513,699	\$1,655,844	81.2%	65.8%	12.9%	1.8x	2.1x	22.2x	11.1x
Pharma									
IQVIA Holdings Inc.	\$35,666,565	\$47,906,565	75.1%	35.2%	18.5%	3.1x	3.0x	16.9x	12.6x
Veeva Systems Inc.	34,134,161	29,142,876	81.2%	73.9%	25.7%	11.0x	9.8x	42.8x	23.8x
Tempus AI, Inc.	5,315,366	5,320,588	42.5%	53.2%	NM	8.3x	6.2x	NM	NM
Certara, Inc.	1,714,382	1,789,989	53.6%	59.7%	21.2%	4.8x	4.3x	22.6x	13.5x
Pharma Median	\$19,724,764	\$17,231,732	64.3%	56.4%	21.2%	6.6x	5.3x	22.6x	13.5x
Consumer Healthcare									
HealthEquity, Inc.	\$8,315,282	\$9,128,308	90.7%	65.3%	31.4%	7.9x	7.2x	25.3x	17.7x
WEX Inc.	6,974,810	7,275,710	71.8%	72.4%	35.4%	2.7x	2.7x	7.7x	6.0x
GoodRx Holdings, Inc.	1,789,303	1,910,093	50.2%	94.1%	13.9%	2.4x	2.3x	17.4x	7.0x
Talkspace, Inc.	521,971	402,977	78.8%	43.6%	NM	2.2x	1.8x	NM	26.9x
DocGo Inc.	430,474	397,692	81.7%	34.5%	9.4%	0.6x	0.9x	6.1x	9.5x
Consumer Healthcare Median	\$1,789,303	\$1,910,093	78.8%	65.3%	22.6%	2.4x	2.3x	12.6x	9.5x
Total Comp Set Median	\$1,714,382	\$1,910,093	78.8%	65.1%	16.2%	2.4x	2.5x	20.4x	12.0x

Recent Sector Transactions Detail¹

Announced Date	Target	Acquirer	Business Description	Enterprise Value (\$M)	Implied EV / Revenue	Implied EV / EBITDA
12/27/24	Trimetra Limited	Instem (ARCHIMED)	Provider of software development and consultancy services specializing in business process optimization.	*	*	*
12/20/24	Omega Healthcare Management Services	Ontario Teachers' Pension Plan	Provider of tech-enabled healthcare management solutions.	\$1,750	0.6x	5.8x
12/05/24	Zelis Healthcare	Mubadala	Provider of technology and payments solutions for the healthcare industry.	\$17,000	*	24.3x
12/03/24	Merative	Morgan Health	Developer of healthcare data analytics software for healthcare and government social services.	*	*	*
11/25/24	Galen Data	Lauxera Capital Partners	Developer of a cloud-based software system for medical device connectivity, data visualization, and analytics.	*	*	*
11/20/24	Twiage Solutions	TigerConnect	Provider of pre-hospital communication and care coordination software solutions.	*	*	*
11/06/24	Intraprise Health	Health Catalyst	Provider of a tech-enabled cybersecurity risk management platform.	\$43	*	*
11/05/24	Nexus AG	TA Associates Management	Developer of clinical information systems and integrated diagnostic modules designed to cover the functional requirements of hospitals, psychiatric wards, and rehabilitation and diagnostic centers.	\$1,183	4.1x	22.4x
10/30/24	AdvancedMD	Francisco Partners	Provider of medical billing and practice management software for healthcare organizations.	\$1,125	*	10.7x
10/29/24	Dedica Health	CoachCare	Provider of an RPM platform intended for primary care and cardiology.	*	*	*
10/28/24	Movemedical	Resurgens Technology Partners	Provider of software solutions for medical device inventory management.	*	*	*
10/24/24	CorroHealth	Patient Square Capital	Provider of revenue cycle management solutions to health systems and health plans.	\$2,100	*	18.0x
10/17/24	Red Nucleus	Thomas H. Lee Partners	Provider of strategic learning, performance, and process solutions for the life sciences industry.	\$750	*	*
10/15/24	Epiconcept	Softway	Provider of an online platform designed to combine skills in e-health, data sciences, and epidemiology as applied to public health.	*	*	*
10/01/24	Surescripts	TPG Capital	Provider of a health information network to connect the community of care partners in the U.S.	\$1,800	4.4x	28.0x
10/01/24	VisiQate	Accel-KKR	Provider of SaaS-based revenue cycle management, data management, and analytics solutions for healthcare providers.	*	*	*