

# Q1-2017 Emergency Medical Services Update



## Market Update

The emergency medical services sector continued to experience steady transaction volume in the first quarter of 2017, driven largely by macro-level healthcare trends including a shift to ambulatory care settings, increasing prevalence of freestanding emergency departments, and reimbursement factors that encourage consolidation and collaboration. After the second half of 2016 observed a relative surge of new private equity platforms within emergency department staffing, another investment in the sector was completed in January with Brown Brothers Harriman Capital Partners aligning with American Physician Partners (APP). Another notable private equity investment occurred in emergency medical transport with American Securities recapitalizing Air Methods Corporation, the largest air medical transport provider in the United States. These newly formed partnerships between providers and private equity firms will drive merger & acquisition activity within emergency medical services throughout the remainder of 2017.

## Provident Transaction



## SELECT TRANSACTIONS:

Month	Acquirer	Target Company	Details
<b>Ambulance Services</b>			
March 2017	American Securities	Air Methods Corporation (NASDAQ: AIRM)	American Securities, a U.S. private equity firm, has agreed to acquire Air Methods Corporation for \$43 per share, which equates to an enterprise value of approximately \$2.5 billion and a valuation multiple of approximately 8.6x Year-End 2016 EBITDA. Air Methods Corporation is the largest provider of air medical transport services in the United States, serving 48 states with over 300 bases of operations. The company also provides services in the complementary air tourism business.
March 2017	Air Medical Group Holdings, Inc.	Air Medical LLC	AirMedicalGroup Holdings, Inc. (AMGH), the second largest U.S. provider of air medical transport services and a portfolio company of private equity firm Kohlberg Kravis Roberts & Co., has expanded their market footprint within Texas through the acquisition of San Antonio, Texas-based Air Medical LLC. Provident served as exclusive financial advisor to Air Medical LLC in this transaction.
February 2017	Global Guardian, LLC	Air Ambulance Card, LLC	Global Guardian, a global security and duty-of-care solutions provider, acquired Air Ambulance Card, based in Birmingham, Alabama. Air Ambulance Card provides aeromedical transportation and repatriation services to its members on an annual fee basis and coordinates all aspects of the medical transport process.
<b>Emergency Department Management</b>			
January 2017	Brown Brothers Harriman Capital Partner	American Physician Partners	Private equity firm Brown Brothers Harriman Capital Partners has completed a recapitalization of American Physician Partners (APP), a Tennessee-based emergency medicine and hospitalist provider. APP was formed in 2015 through the acquisition of Align MD and Elite Emergency Services and currently has contracts with 38 hospitals across eight states.
January 2017	Envision Healthcare Corporation (NYSE: EVHC)	Emergency Professional Services	The Physician Services business of Envision Healthcare Corporation has acquired Emergency Professional Services (EPS), based in Phoenix, Arizona. EPS is comprised of a group of more than 50 emergency medicine physicians who provide care at four Banner Health facilities and other sites in the greater Phoenix area.
<b>Urgent Care</b>			
February 2017	Yale New Haven Health	PhysicianOne Urgent Care	Two Connecticut healthcare companies, PhysicianOne Urgent Care and Yale New Haven Health have announced a partnership. PhysicianOne Urgent Care provides walk-in medical care for non-life-threatening illnesses and injuries at 17 locations.
January 2017	Ochsner Health System	Millennium Healthcare Management	Ochsner Health System, Louisiana's largest non-profit, academic, healthcare system, acquired Millennium Healthcare Management. MHM is a holding company that manages 12 Urgent Care and 4 Occupational Health clinic, which treat approximately 135,000 patients annually.