

Rehabilitation

Q4 2023

Market Update

M&A activity within the rehabilitation sector remained heightened throughout the fourth quarter with a strong concentration of bolt-on acquisitions and a significant private equity exit in PT Solutions' partnership with ActivePro Rehab Partners. While outpatient physical therapy platforms continue to fight for market share, Provident has also tracked sustained market interest in organizations dedicating services to geriatric and Medicare Part B patient cohorts in the home or facility setting, as evidenced by FOX Rehabilitation's continued transaction activity.

Over the course of 2024, the Provident team expects to see a similar volume of bolt-on acquisitions in addition to several other successful secondary / tertiary exits of scaled private-equity backed platforms. In a highly competitive market with a decreasing number of platform-quality organizations, valuations remain elevated and private equity investors are becoming more flexible regarding structure.

Notable Transaction

PT Solutions, a portfolio company of General Atlantic, announced its acquisition of ActivePro Rehab Partners, a portfolio company of The Beekman Group, in early October. ActivePro Rehab Partners is a leading outpatient physical therapy services provider based in the Mid-Atlantic region and will bring 64 additional clinics to the PT Solutions platform. The Beekman Group partnered with Twin Boro Physical Therapy in Aug-2019, at the time, a 23-clinic practice serving nine counties throughout the New Jersey market. In 2021, Twin Boro Physical Therapy acquired Pro Staff Physical Therapy to form Active Pro Rehab Partners.



Has been acquired by











A portfolio company of



October

Select Transactions

Month	Acquirer	Target	Clinics	State(s)	Deal Description
December			n/a	IL, MO	FOX Rehabilitation added 30 providers to its leading geriatric PT services platform through the acquisition of Rehabilitation Professionals, Inc. FOX Rehabilitation acquired solely the senior-living focused operations of the Company.
December			1	NY	Ivy Rehab further expanded its New York state footprint to 48 clinics with its acquisition of Westchester Sports Physical Therapy, an established PT services provider across the Tri-State area.
December			4	NC	H2 Health announced its year-end acquisition of Greg Ott Center for Physical Therapy. The acquisition adds 4 clinics to the H2 Health outpatient therapy network and marks the platform's entrance into the North Carolina market.
October			3	NY	MOTION PT Group announced its acquisitions of Axiom Physical & Occupational Therapy Plus, PTPC Physical Therapy & Performance Center, and Excellent Choice Physical Therapy. The three NY-based practices will gain access to the MOTION PT Group and greater Confluent Health network of resources.

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