

Mental Health

Q1 2024

Market Update

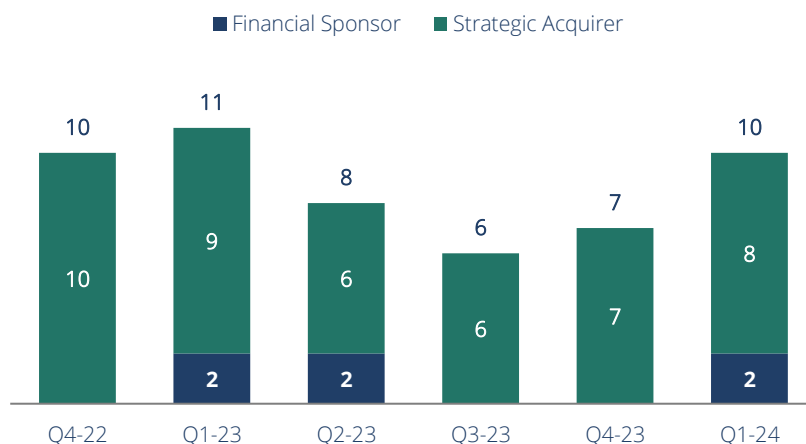
The mental health space experienced a rebound in M&A activity in the first quarter of 2024, which saw a mix of private equity platform transactions as well as add-on deals.

The quarter was characterized by investments into providers with unique and differentiated service delivery models, including interventional psychiatry, worker's compensation, as well as post-acute and sub-acute mental health services.












The diversity in service setting, acuity scale, and population within the mental health space, has contributed to much of the sustained investment activity as funds look for unique ways to invest in the highly attractive sector.

Provident expects 2024 to be a year of recovery within the mental health space as legacy and new platforms continue to grow through acquisitions.

Quarterly Transaction Volume



Select Transactions

Month	Investor	Target	Deal Description
March			Beacon Behavioral Partners expanded into Florida with its acquisition of The Neuropsychiatry & TMS Group based in Tampa, marking a move into its fifth state in the Southeast U.S.
March			HCAP Partners established PAX Health, a platform comprised of Behavioral Medicine Associates, Reservoir Health, and Workers Compensation Psychological Network.
February			Blended Health was formed through a merger of Connections Wellness Group, Integrated Addiction Care and Vertava Health of Tennessee to offer comprehensive mental health services.
February			Hightop Health has acquired Roots Behavioral Health, a mental health services provider offering ketamine therapy, psychotherapy, and medication management in the Austin area.
February			Ketamine Wellness Clinic of Orange County has completed the acquisition of Mind Space Ketamine Infusion Clinic in a move to expand servicing offerings to greater Orange County.
January			Thurston Group-backed ARC Health announced the acquisition of Mindsoother Therapy Center in New Jersey and partnered with Shelter of Hope, a 501(c)(3) homeless shelter in Kentucky.
January			Madison River Capital has made an investment into Senior Care Therapy, a provider of psychology and mental health services to geriatric patients in post-acute and sub-acute settings.
January			Uwill, a rapidly expanding on-campus mental health provider, continued its growth through the acquisition of Christie Campus Health, a mental health service provider for universities.

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Publications & Conferences

Conference

Members of the Provident Mental Health coverage team will be attending the PPM & ASC Symposium 2024 in Nashville in May and the BHB INVEST conference in Dallas in October