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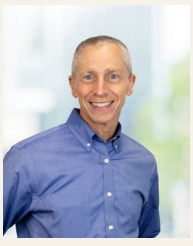
Healthcare Services Insights

Q2 2026

In This Edition ….



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AI in the Physician Practice: Where Is the ROI Actually Showing Up?

Artificial intelligence has moved remarkably quickly from experimentation to everyday use in healthcare. According to the American Medical Association's 2026 Physician Survey on Augmented Intelligence, 81% of physicians now report using AI in some professional capacity—more than double the 38% reported in 2023.[1]

But rapid adoption raises a more important question for physician practice owners and executives: **Is AI actually creating measurable value?**

Increasingly, the answer is yes—but not necessarily in the ways that some of the more ambitious predictions about healthcare AI have suggested.

The strongest applications today generally are not replacing physicians or making autonomous clinical decisions. Instead, AI is beginning to reduce administrative work, improve documentation, assist with coding and revenue-cycle functions, streamline patient communications, and allow physicians and staff to spend more time on higher-value activities.

For physician practices facing persistent labor shortages, increasing operating expenses and reimbursement pressure, that can have meaningful economic value.

Ambient Documentation: The Clearest Early Winner

The most visible—and probably best-supported—AI use case in physician practices is ambient clinical documentation. Rather than requiring physicians to type or dictate a note after an encounter, ambient systems listen to the physician-patient conversation and produce a draft note for physician review. Adoption has accelerated rapidly, with documentation now among the most common physician uses of AI.[1]

The attraction is easy to understand. Documentation is one of the largest nonclinical demands on physicians' time, frequently extending the workday well beyond the last patient encounter. And increasingly, there is evidence that ambient AI actually helps.

A 2025 multicenter study published in JAMA Network Open examined 263 physicians and advanced practice providers across six health systems.

After 30 days of using an ambient AI scribe, the percentage reporting burnout fell from 51.9% to 38.8%. Clinicians also reported lower cognitive workload, less after-hours documentation, greater ability to focus on patients and greater ability to accommodate urgent visits.[2]

More rigorous randomized studies have subsequently supported the conclusion that ambient documentation can reduce documentation time and improve aspects of physician burnout and workload. [3]

The financial implications, however, require some nuance. Saving a physician 15 or 30 minutes a day does not automatically translate into another patient encounter. Some physicians may simply leave the office earlier, spend less time documenting at home or devote more attention to existing patients.

But that does not mean the time has no economic value. Reduced administrative burden can improve physician satisfaction and potentially affect recruitment and retention. For a busy practice, regained time can also create additional capacity, make it easier to accommodate urgent visits or allow growth without requiring physicians to work longer hours.

And there is emerging evidence that the benefits can extend beyond physician satisfaction.

Still, the study was not a randomized trial, and other factors could have contributed to changes in patient volume and revenue.

The lesson is important: **the first economic benefit of ambient AI may be physician time and quality of work life; additional clinical capacity and revenue may follow, but practices should measure rather than assume it.**

(Continued on page 3)

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Scale Returns, Selectivity Persists ….

Q2 2026 healthcare services M&A was active but highly selective. Several large transactions demonstrated that capital remains available for scaled, defensible platforms even as overall dealmaking stayed below prior-cycle peaks. Home-based care produced two of the quarter's largest transactions—General Atlantic's $3.0 billion acquisition of Team Services Group and Kinderhook's $1.1 billion take-private of Enhabit—while Ascension's $3.9 billion acquisition of AmSurg underscored strategic demand for outpatient capacity.

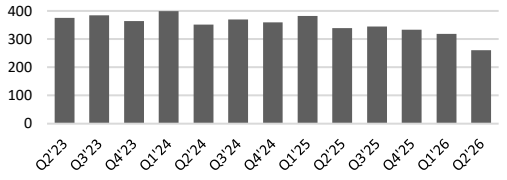
Healthcare IT and revenue-cycle management also remained active. IKS Health's $557 million acquisition of TruBridge, Infosys' $465 million acquisition of Optimum Healthcare IT, Med-Metrix's $147 million acquisition of Vitalware and Innovaccer's $66 million acquisition of CaduceusHealth all reflected demand for technology-enabled infrastructure, data and workflow automation.

Disclosed EBITDA multiples ranged widely—from 6.4x for Vitalware to roughly 10x for Team Services, Enhabit and Family First, 13.4x for TruBridge and 14.2x for AmSurg. Cross Country Healthcare's 16.3x EBITDA multiple is less a premium valuation signal than a reflection of depressed profitability; the transaction represented only 0.4x revenue.

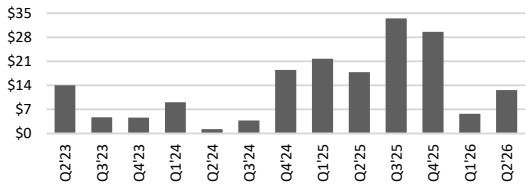
The quarter's clearest takeaway is continued market bifurcation. Scaled platforms with recurring revenue, durable margins and exposure to outpatient, home-based or technology-enabled care continued to attract competition. Smaller or less differentiated businesses faced more disciplined underwriting, with growth visibility, reimbursement exposure and margin durability increasingly determining valuation.

Healthcare Services M&A Activity: Value and Volume

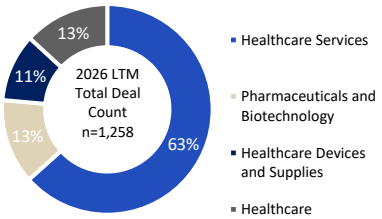
Healthcare Services M&A Activity: Deal Count By Quarter



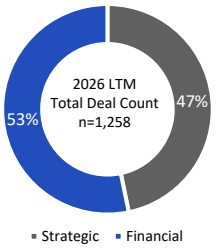
Healthcare Services M&A Activity: Deal Value By Quarter *(in $B)*



Healthcare Services M&A Activity As % of Total Healthcare M&A



Healthcare Services M&A 2026 Strategic vs Financial Buyers



Most Active Physician Practice Management Specialties in 2026

- Dental
- Internal Medicine
- Dermatology
- Orthopaedic
- Cardiology
- Ear, Throat & Nose
- Pain Management
- Radiology
- Eye Care
- Gastroenterology
- OB/GYN
- Pediatrics
- Plastic Surgery

Source: Pitchbook

Q2 2026 Selected Healthcare Services M&A Transactions

Transaction Date	Acquiror	Target	Sector	EV	EV / Revenue	EV / EBITDA	Target Business Description
25-Jun-26	CareRite Centers	The Grand Healthcare System	Elder and Disabled Care	$60.0			Operator of skilled nursing and rehabilitation facilities intended to provide post-hospitalization and long-term care. The company offers short-term rehabilitation, long-term nursing care, amputee therapy, bariatric rehabilitation, medical nutrition therapy and complex medical care, designed to help individuals achieve independence and well-being.
24-Jun-26	Strata Critical Medical (NAS: SRTA)	Heart and Lung Transplant National Recovery Program	Laboratory Services	$21.5			Provider of heart and lung transplant recovery services intended for medical centers in the United States. The company offers surgical organ procurement, perfusion, and preservation services, designed to increase the availability and survival rates of organs for patients awaiting transplantation.
04-Jun-26	Ascension	AmSurg	Clinics/Outpatient Services	$3,900.0	3.3x	14.2x	Provider of ambulatory surgery center management services intended to empower organizations to deliver a patient-focused, physician-centric experience. The company operates and manages outpatient surgery centers, providing comprehensive resources in partnership with physicians who facilitate same-day surgical service, thereby improving operational efficiency through strategic collaboration.
02-Jun-26	Strata Critical Medical (NAS: SRTA)	Louisville Perfusion Services	Other Healthcare Services	$16.0	1.6x	5.3x	Provider of cardiac perfusion services catering to cardiac and heart patients.
01-Jun-26	Aveanna Healthcare Holdings (NAS: AVAH)	Family First Homecare (Florida)	Elder and Disabled Care	$175.5	1.5x	10.3x	Provider of home healthcare services intended for children with serious injuries, illnesses, disabilities, or chronic conditions. The company offers pediatric care and a critical care transition program to facilitate the smooth and safe transition of high-acute patients from the hospital to their homes, reducing the risk of readmission, thereby providing comprehensive home care services and creating a supportive and caring environment for both patients and their families.
01-Jun-26	Freeman Health System	Northwest Medical Center	Hospitals/Inpatient Services	$110.0			Operator of a hospital offering inpatient, outpatient, diagnostic imaging, medical, surgical, and emergency services to the Bentonville, Springdale, Fayetteville, Johnson, and Siloam Springs communities in northwestern Arkansas.
21-May-26	Innovaccer	CaduceusHealth	Practice Management	$66.0			Provider of clinical and revenue cycle management services intended for physicians and healthcare providers. The company's services include MSO services, real-time performance monitoring, complex coding compliance review, claims management, revenue cycle management, revenue cycle staff training, reporting and analytics, and governance model.
19-May-26	BellaMia Technologies	Dominion Aesthetic Technologies	Other Devices and Supplies	$200.0			Developer of laser medical devices designed to create and commercialise disruptive aesthetic technologies to meet the needs of aesthetic physicians. The company's device features multiple applications with technology advancements for improved patient interfaces, safety, convenient use, and services, enabling aesthetic practitioners to access technologies that have many significant advantages over existing devices.
15-May-26	Kinderhook Industries	Enhabit Home Health & Hospice	Elder and Disabled Care	$1,100.0	1.0x	10.1x	Enhabit Inc provides home health and hospice services in the United States. Its reportable segments are Home Health and Hospice. The Home Health segment includes a comprehensive range of Medicare-certified home nursing services for adult patients in need of care. These services include, among others, skilled nursing, physical, occupational, and speech therapy, medical social work, and home health aide services. The Hospice segment focuses on the quality of life for patients who are experiencing a life-limiting illness while treating the person and symptoms of the disease, rather than the disease itself. The company generates a majority of its revenue from the Home Health segment.
15-May-26	Church Home of Hartford	Pomperaug Woods	Hospitals/Inpatient Services	N/D			Operator of a life care retirement community intended for seniors. The company offers independent living, assisted living, memory care, skilled nursing, rehabilitation care, and respite care, providing seniors with a full continuum of care on a single campus.
05-May-26	Infosys (NSE: INFY)	Optimum Healthcare IT	Human Capital Services	$465.0	1.7x		Provider of staffing and consulting services intended to provide professionals to the healthcare industry. The company offers staffing services to fill any need as well as consulting services that encompass advisory, training, activation, community connects, managed services, enterprise resource planning, security, and ancillary services, thereby enabling clients to get reliable manpower.
01-May-26	BrainHealth.net	Durin Life Sciences	Diagnostic Equipment	N/D			Operator of a diagnostic tests development company intended to measure certain autoantibodies in serum associated with neurodegenerative diseases. The company's technology helps in the detection of Alzheimer's disease using blood and is also used for the detection of Alzheimer's and Parkinson's disease, enabling surgeons to detect signs of a particular disease and securely diagnose a patient's illness.
01-May-26	Focus Healthcare Partners	Laural Parke	Elder and Disabled Care	$133.0			Operator of a senior living community intended for senior citizens. The company operates as a not-for-profit retirement community that offers services such as independent living, assisted living, memory care, skilled nursing, rehabilitation, and respite care options, thereby ensuring the well-being of its residents.
28-Apr-26	EQT (STO: EQT), Goldman Sachs Asset Management	Vitrana	Enterprise Systems	N/D			Developer of an integrated technology platform intended to empower humanity with affordable health for all. The company develops a healthcare and life sciences information technology platform to drive major advances in the quality, efficiency and cost of clinical research, development and patient care for the healthcare industry, thereby making the world a better place through innovation in health sciences information management.
20-Apr-26	Pivotal Group, SnapCare	connectRN	Other Healthcare Technology Systen	N/D			Developer of a healthcare staffing platform designed to connect care providers with vacant job openings. The company's platform facilitates communication between nurses and nurse managers and connects healthcare providers with open shifts to credentialed nurses via an alert system that is sent to their mobile devices, enabling healthcare agencies to fill their staff requirements and nurses to find employment.
09-Apr-26	General Atlantic Service	Team Services Group	Elder and Disabled Care	$3,000.0		~10.0x	Provider of household employment and home care services catering to fiduciaries, individuals and programs. The company's caregivers and domestic staff are trained and adhere to required standards and security, enabling clients to choose the people working with them in their homes.
01-Apr-26	Corecivic (NYS: CXW)	Clinical Solutions Pharmacy	Other Healthcare Services	$148.0			Operator of a correctional pharmacy intended to manage medicine distribution and clinical governance within custodial healthcare settings. The company offers mail-order dispensing, on-site pharmacy staffing, formulary review, regulatory oversight, and consultative pharmacy practice, enabling correctional institutions and public detention providers to maintain compliant prescribing and coordinated care delivery.
01-Apr-26	Huntsville Hospital	Crestwood Medical Center	Medical Supplies	$450.0			Provider of acute care hospital services offering advanced medical technology, surgical, and diagnostic procedures intended to serve patients and communities in Huntsville, Alabama. The company delivers coordinated care through its freestanding emergency department, medical group network, and extensive patient support tools, thereby providing accessible, compassionate, and comprehensive healthcare.
01-Apr-26	Pennant Group (NAS: PNTG)	Lavender Lane Senior Living	Elder and Disabled Care	N/D			Operator of a senior living community based in Mesa, Arizona. The company offers services including independent living, assisted living, memory care, and respite care.
01-Apr-26	Florida State University	Tallahassee Memorial Healthcare	Hospitals/Inpatient Services	$109.0			Operator of a healthcare system intended to deliver medical services and clinical treatment to communities. The company offers hospital operations, primary medicine, surgical procedures, oncology programs, cardiovascular services, and behavioral health offerings, enabling patients and medical professionals to access coordinated diagnosis, treatment, and ongoing support.
23-Jun-26	QCF/I, Inc.	Advantage Behavioral Health and Wellness	Behavioral Health Care	$520.0	3.7x	6.7x	Operator of an outpatient behavioral health platform with 48 clinical locations across nine states, providing in-person and telehealth psychiatric and mental health services and serving more than 500,000 annual patient visits.
23-Apr-26	IKS Health	TruBridge, Inc.	RCM / Healthcare IT	$557.0		13.4x	Provider of healthcare technology, EHR and revenue cycle management solutions focused on rural and community hospitals. The combination is expected to support more than 2,000 healthcare organizations and over 150,000 clinicians.
06-May-26	Knox Lane	Cross Country Healthcare, Inc.	Healthcare Staffing	$437.0	.41x	16.3x	Technology-enabled healthcare workforce solutions company providing staffing, workforce management and related services to healthcare organizations nationwide.
04-Jun-26	Med-Metrix, LLC	Vitalware, LLC	RCM / Healthcare IT	$147.0	4.0x	6.4x	Provider of mid-revenue-cycle technology and services, including chargemaster management, coding, charge capture and price transparency solutions for healthcare providers.
02-Jun-26	HPS Investment Partners, LLC	Discovery Behavioral Health	Behavioral Health Care				National behavioral health provider operating more than 100 treatment programs across 12 states, including mental health, substance use and eating disorder treatment services.
23-Jun-26	Deaconess Associations Incorporated	31 HCA Home Health and Hospice Agencies	Home Health & Hospice				Portfolio of 24 home health and seven hospice agencies across eight states acquired from HCA Healthcare, materially expanding Deaconess' home-based care footprint.
03-Jun-26	Huron Consulting Group	RelateCare	Healthcare Services / Patient Access				Provider of AI-enabled patient access, care coordination and healthcare managed services, adding approximately 1,100 professionals and expanding Huron's patient engagement capabilities.
05-May-26	HealthVerity	Symphony Health Solutions Corporation	Healthcare Data & Analytics				Healthcare data and commercial analytics platform serving life sciences and other healthcare organizations; the combination unites real-world clinical data, patient identity and commercial analytics capabilities.
07-May-26	Amulet Capital Partners	TFP Fertility Group	Physician Services / Fertility				Fertility and reproductive health services platform operating 10 clinics and 21 satellite or referral centers across the United Kingdom and Poland.
04-May-26	Clearview Cancer Institute	Alliance Cancer Care	Physician Services / Oncology				Radiation oncology practice with eight physicians and locations in Huntsville, Decatur and Florence, Alabama, delivering more than 58,000 radiation treatments annually.
27-May-26	Privia Health Group, Inc.	Neurology Group of Bergen County	Physician Services / Neurology	$12.7			Large independent neurology practice with 25 adult and pediatric clinicians serving as Privia's anchor practice for entry into New Jersey. Privia acquired a 77% ownership interest in PMG-NJ.
04-May-26	American Oncology Network, LLC	Elkhart Clinic's Hematology and Oncology Practice	Physician Services / Oncology				Community-based medical oncology and hematology practice in Elkhart, Indiana, offering infusion therapy, laboratory and pathology services, specialty pharmacy and care coordination.
22-Apr-26	BGO	United Digestive Surgery Center Portfolio	Outpatient Surgery Centers				Two Class A endoscopy ambulatory surgery centers totaling approximately 29,600 square feet in metropolitan Orlando, fully leased to United Digestive and developed for United Digestive and USPI.

Source: Pitchbook

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AI in the Physician Practice: Where Is the ROI Actually Showing Up?

(Continued from Page 1)

Revenue Cycle: Potentially a Larger Financial Opportunity

While ambient documentation has attracted much of the attention, revenue-cycle management may ultimately represent an even larger economic opportunity for AI.

The revenue cycle contains exactly the kinds of activities for which AI and automation can be well suited: repetitive processes, large volumes of data, standardized rules and the need to identify exceptions requiring human intervention.

Applications increasingly include coding and charge review, eligibility verification, prior authorization, claim scrubbing, denial prediction, underpayment identification, appeal preparation and patient collections.

The potential economics are significant.

Consider a physician practice generating $50 million of annual net revenue. A 50-basis-point improvement in collections **represents $250,000 of additional annual revenue**. A 100-basis-point improvement represents **$500,000**. That can be considerably more valuable than eliminating a handful of administrative positions.

AI-assisted documentation may contribute here as well. In the McLeod Health study, the proportion of established-patient visits coded at Level 4 increased by 3.8 percentage points during the pilot. The authors found that changes in coding and patient volume contributed to the estimated $2,629 per-provider monthly revenue increase.[4] This illustrates an important distinction for practice leaders.

There are at least two ways AI can improve revenue-cycle economics:

- **Efficiency:** performing the same administrative work with fewer human touches.
- **Yield:** identifying revenue that otherwise would have been missed, undercoded, denied or underpaid.

For many larger physician groups, the second opportunity could ultimately be more valuable than the first.

It also deserves careful compliance oversight. Better documentation can appropriately capture services that were previously undercoded. But practices should distinguish legitimate improvements in documentation and coding accuracy from technology that simply encourages greater coding intensity.

Administrative Staffing: Doing More Without Adding People

AI's impact on the administrative workforce is also becoming clearer—and it looks considerably less dramatic than predictions that AI would rapidly eliminate large numbers of healthcare jobs.

A June 2026 Medical Group Management Association poll found **that 68% of medical groups had not redesigned a role or adjusted staffing because of AI during the preceding year. Only 26% had done so**.[5]

That does not mean AI is having little impact. Rather, early experience suggests that practices often use automation to avoid adding positions, leave vacancies unfilled, or reassign employees from repetitive work to activities requiring judgment and human interaction.

Among practices reporting AI-driven staffing changes, MGMA found much of the activity concentrated in front-office, revenue-cycle and call-center functions, including scheduling, registration, prior authorization, billing and routine correspondence.[5]

Consider the administrative friction involved in dealing with payers alone. An April 2026 MGMA survey found that **61% of medical practices had employees accessing at least seven payer portals each week; 26% reported using eleven or more**. Eligibility checks and prior authorizations were among the most frequently cited reasons, along with appeals and claim or payment-status inquiries.[6] These are precisely the workflows in which intelligent automation can create operating leverage.

The more realistic near-term objective may therefore not be to dramatically reduce a practice's existing workforce. It may be to **allow patient volume and revenue to grow without administrative headcount growing at the same rate**.

For a growing physician organization, that difference can have a meaningful impact on margins.

Patient Access: An Opportunity Beyond Cost Reduction

Another emerging opportunity is patient access.

Medical practices devote substantial resources to answering phones, scheduling appointments, managing referrals, responding to portal messages, confirming appointments and answering routine questions. AI can increasingly perform or assist with many of these activities.

The potential return is broader than labor savings. A patient who cannot get through to schedule an appointment represents lost revenue. An incomplete referral can delay care. An unanswered portal message consumes physician or staff time later. A poorly managed reminder process can contribute to no-shows and unused clinical capacity.

AI-enabled scheduling, voice systems, referral intake and patient communications therefore have the potential to affect both sides of the income statement**: lower administrative cost and improved utilization of clinical capacity.**

The financial evidence in this area is still developing, however, and practices should be wary of treating every automated interaction as a successful one. Patient satisfaction, abandoned-call rates, scheduling conversion, no-show rates and escalation to human staff should all be measured.

Not Every AI Investment Is Producing an ROI—Yet

One of the most useful findings from the emerging research is that AI adoption itself should not be confused with productivity.

In May 2026, MGMA asked practice leaders whether AI tools introduced during the previous two years had made their providers more productive. **Only 46% said yes**. Another 27% reported no productivity improvement, 14% were unsure, and 13% were not using AI.[3]

Among practices reporting gains, ambient documentation was by far the most commonly cited source of improvement. Practices that had not seen gains frequently cited poor workflow integration, inconsistent adoption, training requirements, cost and difficulty integrating AI with existing EHR systems.[3]

Perhaps more importantly, emerging research suggests that the evidence for improved physician well-being is currently stronger than the evidence for increased patient throughput.

A review of recent research cited by MGMA concluded that ambient scribes generally **save approximately seven to 22 minutes per provider per day**. That is meaningful, particularly when multiplied across hundreds of working days, but may not automatically create enough capacity for another patient visit.[3]

There are also legitimate concerns around accuracy and oversight. AI-generated documentation still requires physician review, and emerging research has identified potential risks from omissions, transcription errors and other inaccuracies.

Physicians themselves appear to understand this distinction. Although AI use has become widespread, the AMA's 2026 survey found that **86% of physicians identified data privacy and 88% identified robust safety and efficacy validation as important prerequisites for broader AI adoption**. Eighty-eight percent also expressed concern about potential erosion of physician skills.[1]

The near-term opportunity, therefore, is less about autonomy than augmentation: allowing physicians and staff to perform existing work more efficiently while retaining human judgment and accountability.

Measuring AI Like Any Other Investment

For physician practices, perhaps the biggest change needed in 2026 is not another AI implementation. It is better measurement of the implementations already underway.

An AI investment should begin with a clearly identified problem and a baseline against which results can be measured.

For ambient documentation, practices can track documentation time, after-hours EHR. time, same-day note completion, physician satisfaction and patient capacity.

For revenue-cycle applications, the measures might include denial rates, days in accounts receivable, net collection rates, coding accuracy, underpayments and cost to collect.

For patient access, practices can measure call abandonment, scheduling conversion, no-show rates, time to appointment and staff cost per encounter.

And for administrative automation, the most revealing metric may simply be administrative FTEs per physician or per 10,000 patient encounters over time.

The objective should not be to demonstrate that the practice is "using AI." It should be to determine whether a particular application improves the economics or delivery of care.

The Bottom Line

AI is already creating real value in physician practices, but its most compelling near-term economics are considerably more practical than the futuristic vision of autonomous medicine. Today, the strongest evidence supports AI as a tool for reducing documentation burden, assisting revenue-cycle activities, automating repetitive administrative work and helping physicians and staff use their time more effectively.

The financial payoff will vary considerably by practice and application. In some cases, the return will appear directly as increased revenue or reduced labor expense. In others, it may appear as additional capacity, slower growth in administrative headcount, reduced physician burnout or improved recruitment and retention.

Those distinctions matter.

The most successful physician practices will not necessarily be those that adopt AI fastest. They will be the ones that identify the right problems for AI to solve, integrate the technology effectively into existing workflows, and rigorously measure whether it is actually creating value.

(Continued on page 5)

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Healthcare IPO Market Reopens — Selectively

The U.S. IPO market gained significant momentum during the second quarter, but the reopening of the healthcare market remained decidedly uneven.

Biotechnology led the resurgence, with 13 biotech companies completing IPOs during Q2 alone, compared with just seven during all of 2025. The quarter also produced two record-setting biotech offerings, including Kailera Therapeutics' $625 million IPO in April and Parabilis Medicines' $670 million offering in June.

Healthcare services activity was more limited. One of the quarter's notable offerings was GMR Solutions, parent of Global Medical Response, which raised approximately $479 million in May. GMR's offering is illustrative of what public-market investors appear willing to support outside of biotech: large, established healthcare businesses with significant scale, revenue and operating infrastructure.

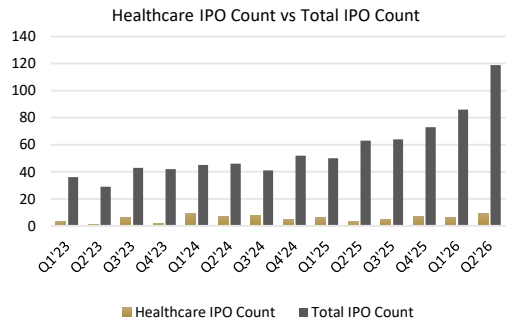
Healthcare technology remained quieter still. Despite the successful 2025 IPOs of Hinge Health and Omada Health and a substantial pipeline of potential candidates, core digital-health companies were largely absent from the IPO market during the first half of 2026.

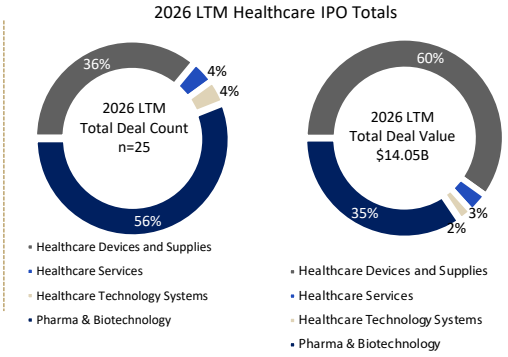
The takeaway is not simply that the healthcare IPO window has reopened. Rather, public investors remain highly selective. In biotech, compelling clinical data and identifiable catalysts are attracting capital; in healthcare services and technology, scale, growth, credible unit economics and a demonstrated path to profitability increasingly appear to be prerequisites.

For private healthcare companies and their investors, that selectivity may be healthy. The market is again providing an exit path for high-quality companies—but it is not yet rewarding growth at any cost.

Note: IPO statistics reflect traditional operating-company IPOs and exclude SPAC transactions, direct listings, and offerings with gross proceeds below $50 million.

Financing Activity: Initial Public Offerings





Source: Pitchbook

Healthcare IPOs By Subsector By Quarter (2023-2026)

Deal Count

	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Healthcare Devices and Supplies	1							1	2		2	4	1	2
Healthcare Services					1	1	3	1		2				1
Healthcare Technology Systems						2					1			
Pharmaceuticals and Biotechnology	2	1	6	2	8	3	5	3	4	1	2	2	4	6
Total	**3**	**1**	**6**	**2**	**9**	**6**	**8**	**5**	**6**	**3**	**5**	**6**	**5**	**9**

Amounts Raised

($ in millions)	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Healthcare Devices and Supplies	$2,000							$180	$406		$176	$7,720	$150	$370
Healthcare Services					$693	$946	$833	$295		$653				$479
Healthcare Technology Systems						$1,378					$317			
Pharmaceuticals and Biotechnology	$377	$540	$1,130	$393	$1,466	$476	$1,174	$661	$741	$568	$363	$401	$1,355	$2,723
Total	**$2,377**	**$540**	**$1,130**	**$393**	**$2,159**	**$2,800**	**$2,007**	**$1,136**	**$1,147**	**$1,221**	**$856**	**$8,121**	**$1,505**	**$3,572**

Q2 2026 Healthcare IPOs

Source: Pitchbook

Company	Deal Date	Deal Size	Description	Primary Vertical	HQ Location	Deal Synopsis
Parabilis Medicines (NAS: PBLS)	10-Jun-2026	770.50	Parabilis Medicines Inc s a clinical-stage biopharmaceutical company. It is focused on the development of medicines targeting protein interactions associated with human diseases. It uses a proprietary platform to develop stabilized helical peptide therapeutics, referred to as Helicons, designed to bind and modulate specific proteins. Its flagship product candidate, zoticatetide, targets the interaction between β-catenin and the T-cell factor (TCF) family of transcription factors within the Wnt/β-catenin signaling pathway, which is associated with cell proliferation and differentiation in multiple cancer types.	Drug Discovery	Cambridge, MA	The company raised $770.5 million in its initial public offering on the Nasdaq stock exchange under the ticker symbol of PBLS on June 10, 2026. A total of 38,525,000 shares were sold at $20 per share. After the offering, there was a total of 121,589,570 outstanding shares (including the over-allotment option) priced at $20 per share, valuing the company at $2.36 billion. The underwriters were granted an option to purchase up to an additional 5,025,000 shares from the company to cover over-allotments, if any. The over-allotment option was exercised in full by the underwriter.
Kailera Therapeutics (NAS: KLRA)	17-Apr-2026	718.75	Kailera Therapeutics Inc is a clinical-stage biotechnology company. The company focuses on developing a diversified pipeline to provide options for people living with obesity. The company is progressing four clinical-stage product candidates, leveraging multiple GLP-1 based mechanisms of action and routes of administration. The company's obesity-first approach seeks to advance product candidates with the potential to maximize weight loss and address critical needs in the current therapeutic landscape.	Drug Discovery	Waltham, MA	The company raised $718.75 million in its initial public offering on the Nasdaq stock exchange under the ticker symbol of KLRA on April 17, 2026. A total of 44,921,875 shares (including the over-allotment option) were sold at $16 per share. After the offering, there was a total of 129,537,314 outstanding shares (including the over-allotment option)at $16 per share, valuing the company at $2.07 billion. The underwriters were granted an option to purchase up to an additional 5,859,375 shares from the company to cover over-allotments, if any. The over-allotment options were exercised in full by the underwriters.
Global Medical Response (NYS: GMRS)	13-May-2026	478.72	GMR Solutions Inc is a holding company, along with its various subsidiaries, that delivers compassionate, quality medical care, meeting a patient's unplanned and planned care needs. The group provides emergent, non-emergent, disaster response, and event medical services across the healthcare ecosystem, serving local communities, health systems, payors, public health, and local, state, and federal agencies within the United States.	Other Healthcare Services	Lewisville, TX	The company raised $478.72 million in its initial public offering on the New York Stock Exchange under the ticker symbol of GMRS on May 13, 2026. A total of 31,914,893 class A shares were sold at a price of $15 per share. After the offering, there was a total of 223,145,036 outstanding shares (excluding the over-allotment option) priced at $15 per share, valuing the company at $3.35 billion. The underwriters were granted an option to purchase up to an additional 4,787,233 class A shares from the company to cover over-allotments,
Kardigan (NAS: KARD)	18-Jun-2026	400.00	Kardigan Inc is a clinical-stage therapeutics company focused on developing medicines for cardiovascular diseases. Its activities include the research and development of targeted therapies for cardiovascular conditions for which no approved treatments currently exist. The company's clinical-stage programs include Danicamtiv, Ataciguat, and Tonlamarsen, which are being developed for cardiovascular disease indications. The company operates and manages its business as a single operating and reportable segment, focused on the discovery and development of novel therapeutic products to treat cardiovascular disease.	Drug Discovery	South San Francisco, CA	The company raised $400 million in its initial public offering on the Nasdaq stock exchange under the ticker symbol of KARD on June 18, 2026. A total of 25,000,000 (excluding the overallotment option) shares were sold at $16 per share. After the offering, there was a total of 89,339,121 outstanding shares (excluding the overallotment option) at $16 per share, valuing the company at $1.43 billion. The underwriters were granted an option to purchase up to an additional 3,750,000 shares from the company to cover over-allotments, if any.
Avalyn Pharma (NAS: AVLN)	30-Apr-2026	300.00	Avalyn Pharma Inc is a clinical-stage biopharmaceutical company developing inhaled medicines to treat rare respiratory diseases, including pulmonary fibrosis and other interstitial lung diseases (ILDs). Its current pipeline is focused on treating pulmonary fibrosis, a life-threatening disease with a median survival of three to five years, which is a significantly shorter prognosis than that observed for many forms of cancer. Its flagship programs include AP01 and AP02, which are inhaled formulations of pirfenidone and nintedanib being developed for conditions such as progressive pulmonary fibrosis and idiopathic pulmonary fibrosis. The company has one operating and reportable segment, which is the business of developing and commercializing targeted therapies for rare lung diseases.	Drug Discovery	Boston, MA	The company raised $300 million in its initial public offering on the Nasdaq stock exchange under the ticker symbol of AVLN on April 30, 2026. A total of 16,666,667 shares were sold at $18 per share. After the offering, there was a total of 41,812,047 outstanding shares (excluding the over-allotment option) priced at $18 per share, valuing the company at $752.62 million. The underwriters were granted an option to purchase up to an additional 2,500,000 shares from the company to cover over-allotments, if any.
Odyssey Therapeutics (NAS: ODTX)	07-May-2026	279.00	Odyssey Therapeutics Inc is a clinical-stage biopharmaceutical company seeking to transform the standard of care for patients suffering from autoimmune and inflammatory diseases. The Company is developing medicines that are designed to precisely target disease pathology with an initial emphasis on the innate immune system. Its programs include OD-07656, a small molecule scaffolding inhibitor of receptor-interacting protein kinase 2, or RIPK2, a small molecule scaffolding inhibitor of interleukin-1 receptor-associated kinase 4, or IRAK4, and OD-00910, an agonistic protein therapeutic targeting tumor necrosis factor receptor 2, or TNFR2, built from camelid heavy chain variable regions, or VHH, domains.	Biotechnology	Boston, MA	The company raised $279 million in its initial public offering on the Nasdaq stock exchange under the ticker symbol of ODTX on May 7, 2026. A total of 15,500,000 shares were sold at $18 per share. After the offering, there was a total of 47,174,156 outstanding shares (excluding the over-allotment option) priced at $18 per share, valuing the company at $849.14 million. The underwriters were granted an option to purchase up to an additional 2,330,000 shares from the company to cover over-allotments, if any.
Seaport Therapeutics (NAS: SPTX)	01-May-2026	254.88	Seaport Therapeutics Inc is a clinical-stage therapeutics company. The company focuses on invention and development of new medicines for patients with depression, anxiety, and other debilitating neuropsychiatric disorders. The company identified clinically validated mechanisms with established efficacy and safety profiles, historically limited by high first-pass metabolism, low bioavailability, and side effects. The company's pipeline products are based on Glyph, company's lymphatic-targeting prodrug technology is designed to bypass first-pass metabolism and thereby enhance a drug's oral bioavailability and reduce side effects.	Drug Discovery	Boston, MA	The company raised $254.88 million in its initial public offering on the Nasdaq Stock Exchange under the ticker symbol of SPTX on May 1, 2026. A total of 14,160,000 shares were sold at a price of $18 per share. After the offering, there was a total of 53,027,817 outstanding shares (excluding the over-allotment option) priced at $18 per share, valuing the company at $954.50 million. The underwriters were granted an option to purchase up to an additional 2,124,000 shares from the company to cover over-allotments, if any.
Alamar Biosciences (NAS: ALMR)	17-Apr-2026	219.94	Alamar Biosciences Inc is a proteomics company engaged in protein detection and analysis. The company has developed its own NULISA (NUcleic Acid Linked Immuno-Sandwich Assay) technology as the foundation of its Precision Proteomics platform enabling the detection and quantification of protein biomarkers in a single sample with ultra-high sensitivity and high specificity, even from very small volumes of biofluid. The company operates in single segment and focuses on developing a good sensitive proteomic liquid biopsy platform and sells instruments, consumables, and services based on this platform to enable early detection of diseases. The products of the company includes NULISAseq Panels, NULISAqpcr Assays, and others.	Diagnostic Equipment	Fremont, CA	The company raised $219.93 million in its initial public offering on the Nasdaq stock exchange under the ticker symbol ALMR on April 17, 2026. A total of 12,937,500 (including the over-allotment option) shares were sold at $17 per share. After the offering, there were a total of 68,208,925 outstanding shares (including the overallotment option) priced at $17 per share, valuing the company at $1.16 billion. The underwriters were granted an option to purchase up to an additional 1,687,500 shares from the company to cover over-allotments, if any. The underwriters exercised the over-allotment options in full.
Mobia Medical (NAS: MOBI)	08-May-2026	150.00	Mobia Medical Inc is a commercial-stage medical device company redefining stroke recovery for survivors living with life-altering motor impairments. The company develops, markets and sells devices for the treatment of medical conditions. Its flagship device is the Vivistim Paired Vagus Nerve Stimulation system, which is used to support motor function rehabilitation in patients with chronic ischemic stroke. The company generates all of its revenue from the sale of the Vivistim System to customers, mainly primary and comprehensive stroke centers, in the United States.	Therapeutic Devices	Austin, TX	The company raised $150 million in its initial public offering on the Nasdaq Stock Exchange under the ticker symbol of MOBI on May 8, 2026. A total of 10,000,000 shares were sold at a price of $15 per share. After the offering, there was a total of 33,085,391 outstanding shares (excluding the over-allotment option) priced at $15 per share, valuing the company at $496.28 million. The underwriters were granted an option to purchase up to an additional 1,500,000 shares from the company to cover over-allotments, if any.

Source: Pitchbook

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AI in the Physician Practice: Where Is the ROI Actually Showing Up?

(Continued from page 3)

Five Questions to Ask Before Investing in an AI Tool

1. What specific problem are we trying to solve?

2. How will we measure whether it actually works?

3. Does it eliminate work—or simply add another layer to the workflow?

4. What is the full economic return—not just the labor savings?

5. What new risks are we assuming—and who remains accountable?

AI Scorecard

Functional Area	Current Maturity	Primary Source of Value	What Practices Should Measure
Ambient documentation	High	Physician time, reduced administrative burden, retention	Documentation time, after-hours EHR time, provider satisfaction, visit capacity
Coding & charge review	High–Moderate	Revenue capture, accuracy, staff efficiency	Coding distribution, missed charges, collections, audit accuracy
RCM & denials	Moderate–High	Revenue recovery, lower cost to collect	Denial rate, appeal success, days in A/R, net collection rate
Scheduling & call center	Moderate	Staff productivity, patient access, capacity utilization	Abandoned calls, scheduling conversion, no-shows, cost per call
Prior authorization	Moderate	Staff time, faster access to treatment	Staff minutes per authorization, approval rate, turnaround time
Patient messaging	Moderate	Physician/ staff productivity	Response time, staff touches, escalation rate, patient satisfaction
Clinical decision support	Emerging	Clinical efficiency and quality	Accuracy, utilization, outcomes, physician acceptance
Autonomous clinical care	Early	Potential future capacity	Safety, accuracy, outcomes—and considerable caution

Featured Insight: The Growing Cash-Pay Healthcare Economy: When Insurance Isn't Always the Cheapest Way to Buy Healthcare

For decades, Americans have been conditioned to believe that one of the principal benefits of health insurance is access to prices negotiated by large insurance companies. An insurer representing millions of members should, intuitively, be able to negotiate a better price than an individual patient.

Increasingly, however, the healthcare market is demonstrating that this assumption can be wrong.

For a growing range of routine, elective and shoppable healthcare services—from laboratory tests and imaging to primary care, prescription drugs and outpatient surgery—patients can sometimes purchase care directly at transparent prices that are substantially lower than the prices available through traditional insurance networks.

This does not mean cash payment is always cheaper. Nor does it mean insurance is unnecessary. Insurance remains enormously valuable for precisely what insurance is designed to address: large, unpredictable financial risks.

But it does expose a peculiar feature of the American healthcare system:

A negotiated price is not necessarily a competitive price.

Commercial reimbursement rates are the product of negotiations between insurers and providers. Those negotiations reflect much more than the underlying economic cost of delivering care. Provider market concentration, bargaining leverage, network participation, site of service and historical contracting relationships can all materially affect the resulting price.

As consumers assume more of the cost of their healthcare through deductibles and coinsurance, that distinction increasingly matters.

Three Different Prices for the Same Healthcare Service

Understanding the emerging cash-pay market begins with recognizing that healthcare frequently has multiple prices for exactly the same service.

There is the **billed charge**—often derived from a hospital's chargemaster or another provider fee schedule.

There is the **commercially negotiated or allowed amount**—the amount an insurer and provider have contractually agreed will be recognized for a covered service.

And increasingly, there is a third price: the **competitive direct-pay price** that a provider is willing to accept from a purchaser paying directly for a defined service.

Those prices can be dramatically different.

The common assumption is that the commercially negotiated amount represents something approximating a market price because a sophisticated insurer has negotiated it.

The evidence suggests otherwise.

RAND's most recent nationwide study of prices paid by private health plans found that commercial plans paid hospitals an average of **254% of Medicare rates in 2022** for the same services at the same hospitals. For hospital outpatient services, commercial payments averaged **263% of Medicare**.[1]

And the gap has continued to grow. A May 2026 KFF analysis found that private insurance prices for hospital care increased **30% between April 2019 and April 2026, compared with 21% for Medicare**. Commercial hospital prices therefore grew approximately 47% faster than Medicare rates during the seven-year period.[2]

Provider bargaining power is an important part of the explanation.

KFF found that one or two health systems controlled at least 75% of the inpatient hospital market in **83% of U.S. metropolitan areas in 2024**.[2] MedPAC and a substantial body of economic research have similarly found that hospitals with greater market power generally are able to command higher commercial reimbursement.[3]

In other words, commercial allowed amounts are not cost-based prices. They are **negotiated prices**, and those negotiations are heavily influenced by the relative bargaining power of the provider and insurer.

That is fundamentally different from a competitive market in which multiple suppliers disclose prices and compete directly for a purchaser's business.

The "Discount" Can Be Misleading

The distinction becomes particularly important when considering how health insurance discounts are presented to consumers.

Suppose a hospital establishes a $3,000 charge for an imaging study and an insurer negotiates an allowed amount of $1,500.

The insurer can accurately tell its member that its network discount reduced the charge by 50%.

But what does that actually tell us about whether $1,500 is a good price?

Very little.

If an independent imaging center is willing to perform the same study for $500, the economically meaningful comparison for the consumer is not $3,000 versus $1,500.

It is **$1,500 versus $500.**

And for millions of Americans enrolled in plans with substantial deductibles, this is not merely an academic distinction.

Before a deductible has been satisfied, an insured patient receives the benefit of the insurer's contracted rate but may be responsible for paying that entire allowed amount herself.[4] The insurance company may pay nothing toward the service.

That creates an unusual result. A patient can pay substantial monthly premiums for insurance, use an in-network provider as instructed, and then personally pay an insurer-negotiated price that is higher than the amount another provider would willingly accept for the same service in a competitive direct-pay transaction.

There is an important tradeoff: a service purchased outside the insurance plan may not count toward the patient's deductible or annual out-of-pocket maximum. For a patient who expects significant medical expenses during the year, that can make using insurance advantageous even when the immediate price is higher.

But for relatively healthy consumers who expect to remain below their deductible, the comparison can be compelling.

The relevant question is no longer simply, "What did my insurer negotiate?" It is, "What can I actually buy this service for?"

Site of Service Exposes the Problem

Some of the clearest evidence comes from site-of-service differences.

In a 2025 analysis, the Health Care Cost Institute examined 57 services identified as potentially appropriate for site-neutral payment because they can be provided in either a physician office or a hospital outpatient department.

The result was striking.

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Venture & Growth: Capital Concentrates in Drug Development and Proven Platforms

Healthcare venture and growth investment remained substantial in Q2 2026, but capital continued to concentrate among a smaller number of larger, higher-conviction investments. PitchBook data show LTM healthcare venture and growth financing value increasing modestly to $62.6 billion even as deal count declined 14%—consistent with a broader shift toward fewer, larger rounds.

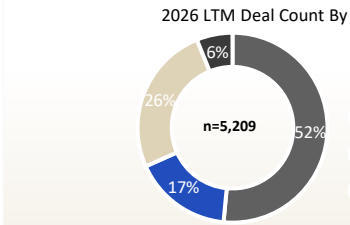
Drug development attracted a disproportionate share of capital. Large Q2 financings included Beeline Medicines ($426 million), Anagram Therapeutics ($250 million), Celea Therapeutics ($180 million), Syncromune ($145 million) and Glycomine ($115 million), among others. The trend extends beyond the transactions shown here: biopharma remained healthcare's largest venture category during the first half of 2026, with investors increasingly concentrating capital in later-stage or clinically validated programs. Stronger biotech M&A and IPO markets have also improved the potential exit environment for venture investors.

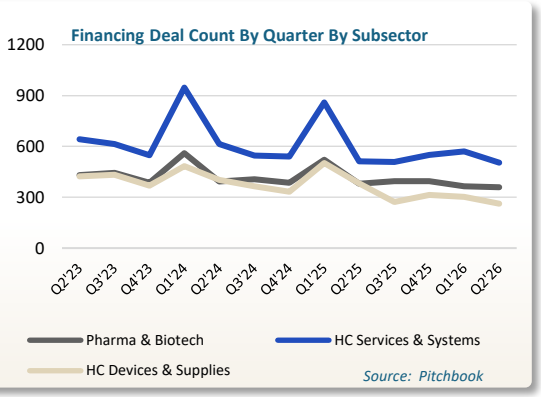
Healthcare services and technology continued to attract capital as well, particularly around scaled care-delivery models and technology embedded in healthcare workflows. Zarminali Pediatrics raised $110 million, Nourish raised $100 million, and healthcare technology companies Forus, Athelas and Commure raised significant rounds. AI remains an important investment theme, but increasingly appears to be a capability rather than a sufficient investment thesis on its own.

The broader takeaway is a more selective healthcare venture market rather than a weak one. Investors continue to deploy substantial capital, but increasingly toward companies that can demonstrate clinical validation, differentiated technology, commercial traction or a credible path to durable economics.

Venture & Growth Equity Investing Activity: Healthcare

	2023	2024	2025	2026 Q2 LTM	% Change
Deal Value ($B)	$52.05	$56.14	$61.66	$62.63	1.58%
Deal Count	6,987	6,529	6,086	5,209	-14.41%





Source: Pitchbook

Q2 2026 Venture & Growth Financings: Healthcare Services

Financing Date	Company	Financing Round	Deal Stage	Healthcare Sector	Deal Size	Description	Investors
30-Jun-2026	Celea Therapeutics		Early Stage VC	Drug Discovery	180.00	Operator of a healthcare company intended for the treatment of respiratory conditions. The company leverages a deuterated small-molecule approach to enhance tolerability and facilitate oral administration, enabling healthcare providers to address the limitations of existing treatments through stabilized lung function, reduced adverse effects, and optimized dosing for chronic disease management.	Leaps by Bayer, PureTech Health (LON: PRTC), Qatar Holding, RA Capital Management
30-Jun-2026	Flare Therapeutics	Series C	Later Stage VC	Drug Discovery	85.00	Developer of a health-tech platform designed to offer small-molecule precision medicine for cancer patients. The company's platform specializes in transcription factors to discover precision medicines and treatments for neurology, rare genetic disorders, immunology, and inflammation, enabling medical professionals to change the trajectory of how to treat diseases.	Agent Capital, Boxer Capital, Casdin Capital, Eli Lilly and Company Foundation, Eventide Asset Management, GordonMD Global Investments, Invus Financial Advisors, Nextech Invest, Novartis (SWX: NOVN), Pfizer Ventures, Third Rock Ventures
30-Jun-2026	Xenter	Series B	Later Stage VC	Other Healthcare Technology Systems	58.25	Developer of medical device technology designed to promote and optimize modern cardiac care.	Black Mountain Investment Group
25-Jun-2026	Oblenio Bio	Series B	Early Stage VC	Biotechnology	62.00	Operator of a biotechnology company intended to transform the treatment of severe autoimmune diseases. The company is focused on realizing the significant potential of T-cell engagers as a novel therapeutic approach that addresses underlying disease pathophysiology and enables immune reset, enabling clients to target these therapies across various diseases.	Aditum Bio, Deep Track Capital, GV, Pfizer Ventures
24-Jun-2026	Ollin	Series B	Early Stage VC	Drug Discovery	330.00	Developer of ophthalmic therapeutics designed to treat vision-threatening eye diseases and preserve patient vision. The company offers bispecific antibody drug candidates, translational research capabilities, and insights-driven development programs, enabling patients with retinal and ophthalmic disorders to access therapies aimed at improving disease control and treatment outcomes.	Andreessen Horowitz, ARCH Venture Partners, Blackstone (NYS: BX), Commodore Capital, CPP Investments, Mubadala Capital, RA Capital Management, TCG Crossover Management
24-Jun-2026	Aidoc	Series E	Later Stage VC	Decision/Risk Analysis	150.00	Developer of a decision support platform designed to empower physicians to enhance patient care outcomes. The company's platform processes medical imaging and patient data using advanced artificial intelligence algorithms to detect critical anomalies and activate the appropriate care pathway within the health system, enabling radiology, cardiology, neurovascular and vascular physicians to get comprehensive clinical data for patient outcomes.	Alpha Intelligence Capital, Amazon Web Services, General Catalyst, Goldman Sachs Asset Management, Hartford HealthCare, Mercy, NVentures (Santa Clara), SoftBank Investment Advisers, Spotlight! Ventures, Square Peg Capital, Sutter Health, TCV, WellSpan Health
24-Jun-2026	Assort Health	Series C	Later Stage VC	Other Healthcare Technology Systems	120.00	Developer of a healthcare automation platform designed to manage administrative tasks throughout the patient journey. The company offers call handling, form intake, referral management, document processing, patient outreach, and payment processing, enabling healthcare providers to coordinate patient care and administrative tasks.	Apolo Ohno, Chemistry Ventures, Constellation (VC), Felicis, First Round Capital, Joseph Montana, Lightspeed Venture Partners, Menlo Ventures, Quiet Capital, Tau Ventures
24-Jun-2026	Quanta Therapeutics	Series D	Later Stage VC	Drug Discovery	76.19	Developer of therapeutic drugs designed to treat RAS-driven cancers.	AbbVie Ventures, Avidity Partners, BVF Partners, Finchley Healthcare Ventures, Longitude Capital, QB3, Sofinnova Investments, Surveyor Capital, Vida Ventures (Los Angeles)
24-Jun-2026	Saturnus Bio		Early Stage VC	Drug Discovery	50.00	Developer of therapeutic pharmaceuticals and biological therapies intended to prevent and treat cardiovascular and muscle diseases.	Merck (ETR: MRK)
23-Jun-2026	Radiology Partners		PE Growth/Expansion	Practice Management (Healthcare)	268.51	Operator of multi-state onsite radiology centers intended to transform radiology for radiologists, radiology practices, hospitals, health systems, patients and families. The company offers diagnostic and interventional radiology services, investments and support, enabling clients to grow their practices without sacrificing autonomy.	N/A
23-Jun-2026	Osanni Bio	Series B	Early Stage VC	Drug Discovery	190.00	Operator of a biotechnology company intended to deliver therapies to prevent and reverse blindness caused by retinal diseases. The company utilizes design thinking for drug development and ocular disease therapy to prevent and reverse blindness, enabling physicians to save patients' eyesight.	Horowitz Group, Invus Opportunities, Patient Square Capital, Retinal Degeneration Fund
23-Jun-2026	Cadence (Enterprise Systems (Healthcare))	Series C	Later Stage VC	Enterprise Systems (Healthcare)	100.00	Operator of a digital healthcare company intended to help physicians improve the treatment of the most prevalent disease. The company offers an AI-based platform with remote patient monitoring, clinical intelligence tools, care coordination workflows, medication management support, and electronic health record integration, enabling health systems, clinicians, and care teams to identify health risks earlier, manage patient care between visits, and improve chronic disease treatment outcomes.	8 Capital Group, Coatue Management, Corewell Health Ventures, Duke University Health System, General Catalyst, Memorial Hermann Health System, Roar Ventures, Spark Capital, Thrive Capital
22-Jun-2026	Nura Bio	Series B	Later Stage VC	Drug Discovery	73.50	Developer of transformative neuroprotective therapies designed to prevent and protect against neuronal loss and related neuroimmune dysregulation.	Euclidean Capital, Samsara BioCapital, Sanofi Ventures, The Column Group
18-Jun-2026	Dren Bio	Series A	Later Stage VC	Drug Discovery	173.00	Developer of antibody therapeutics intended for the treatment of cancer and autoimmune diseases.	General Catalyst
18-Jun-2026	Memento Medicines	Series A	Early Stage VC	Drug Discovery	93.00	Developer of antibody-based therapeutics designed to treat retinal and vascular diseases.	Avego Management, Forbion, RA Capital Management, Samsara BioCapital, Sanofi Ventures
18-Jun-2026	Cellanome	Series C	Later Stage VC	Discovery Tools (Healthcare)	75.93	Developer of an integrative multi-omics platform designed to link live-cell behavior with single-cell transcriptomics. The company's platform utilizes automated, light-guided hydrogel micro-enclosures to isolate, culture, and track the morphological changes of individual live cells over time before performing terminal genetic sequencing, enabling biomedical researchers to capture dynamic cellular interactions and accelerate therapeutic discovery for oncology and immunology.	N/A
18-Jun-2026	Cour	Series B	Later Stage VC	Drug Discovery	50.00	Developer of an immune-modifying platform intended to achieve antigen-specific tolerance for immune-mediated disease.	Alpha Wave Global, Angelini Ventures, Lumira Ventures, Pfizer Ventures, Roche Venture Fund, Sanofi (PAR: SAN), T1D Fund
17-Jun-2026	Contraline	Series B	Later Stage VC	Drug Discovery	92.50	Developer of a male contraceptive product designed to provide non-surgical and reversible birth control procedures.	Adage Capital Management, Aurum Venture Partners, BVF Partners, Cleo Capital, Convergent Ventures (San Francisco), Evolution VC Partners, Forbion, Freya Ventures, Gaingels, GV, Helium-3 Ventures, JourneyOne Ventures, Lumira Ventures, Milky Way Investments Group, MVM Holding, Myelin VC, Octant Ventures, One One Five Group of Companies, RA Capital Management, Samsarik Capital, ShangBay Capital, The Invus Group, Venrock, Virginia Innovation Partnership Corporation, Warren Point Capital, Xuanzhu Biopharm (HKG: 02575)
17-Jun-2026	Triveni Bio	Series C	Later Stage VC	Drug Discovery	65.00	Operator of a clinical-stage biotechnology company designed to create antibody-based therapies targeting immunological and inflammatory diseases.	Ascenta Capital, Deep Track Capital, Janus Henderson Investors
12-Jun-2026	Lycia Therapeutics	Series D	Later Stage VC	Drug Discovery	75.00	Developer of novel therapeutics designed to eliminate disease-causing extracellular proteins. The company uses the lysosomal tar=M63geting chimeras platform to develop therapeutics that degrade extracellular and membrane-bound proteins that drive a range of difficult-to-treat diseases, including cancers and autoimmune conditions, enabling medical practitioners to provide drugs to cure diseases and to improve patients' lives.	Adage Capital Management, Balyasny Asset Management, Eli Lilly and Company Foundation, Franklin Templeton Investments United Kingdom, HBM Healthcare Investments (SWX: HBMN), Janus Henderson Investors, OrbiMed, RTW Investments, The Invus Group, Venrock
11-Jun-2026	Abridge	Series E	Later Stage VC	Enterprise Systems (Healthcare)	315.93	Developer of an AI-powered conversation analysis application designed to bring context and understanding to every medical conversation. The company's application uses machine learning to offer an audio-based system to record and summarize medical conversations, give insights and meaning to them, enabling users to follow through with the doctors' recommendations and to reduce administrative burden.	7Rock Ventures, Alpha Square Group, Andreessen Horowitz, Archerman Capital, California Health Care Foundation, Catalio Capital Management, Eli Lilly and Company Foundation, Emerson Collective, Harper Ventures, Human Capital Development, Khosla Ventures, Soma Capital, WndrCo
11-Jun-2026	Beren Therapeutics		Later Stage VC	Drug Discovery	300.00	Developer of cyclodextrin-based therapeutics designed to discover, develop, and deliver novel therapies for conditions characterized by defective cholesterol trafficking while integrating the needs of patients, caregivers, clinicians, and health systems throughout the development process.	Advection Growth Capital, Athos Capital (Hong Kong), Eisai (TKS: 4523), Founders Fund, Gaingels, Horizon Capital (London), JC Venture Growth Investments, Narya, Octave Ventures, Presight Capital, UTokyo Innovation Platform Company, Wellington Partners
10-Jun-2026	Ethyreal Bio	Series B	Early Stage VC	Biotechnology	60.00	Developer of a biotechnology research platform intended for precision targeting of the causal disease process underlying both conditions.	Atlas Venture, Avoro Capital, Checkpoint Capital, Medicxi, Nandi Life Sciences
09-Jun-2026	CeQur Simplicity	Series E	Later Stage VC	Therapeutic Devices	101.47	Developer of an insulin patch designed to simplify insulin delivery and improve the lives of diabetes patients. The company's device consists of a simple and discreet wearable insulin delivery holder that delivers both basal and bolus insulin, enabling patients to easily experience the benefits of intensive insulin therapy while remaining free from the burdens of daily insulin injections.	N/A
09-Jun-2026	GT Medical Technologies	Series E	Later Stage VC	Therapeutic Devices	100.00	Developer of a medical therapeutic device designed to overcome the limitations of current treatments by placing it after the tumor removal. The company's device features a bioresorbable, conformable, collagen tile and a uniform radiation source that utilizes advanced brachytherapy techniques, minimizing radiation exposure to healthy tissue, reducing side effects, and decreasing treatment burden, enabling medical practitioners to prevent disease progression and improving the quality of life for their patients.	Evidity Health Capital, FemHealth Ventures, Gilde Healthcare, Medical Technology Venture Partners, MVM Partners, Viking Global Investors
09-Jun-2026	Proxima (Drug Discovery)	Seed Round	Seed Round	Drug Discovery	91.45	Developer of precision-engineered bioreactor systems intended to enable sustainable protein production through cellular agriculture. The company designs and builds modular bioprocessing equipment with integrated control systems, scalable architecture, monitoring capabilities and compatibility with diverse cell lines, offering automated nutrient delivery, real-time data analytics and optimized growth environments, enabling cultivated meat and alternative protein producers to achieve consistent yields, reduce operational complexity and accelerate commercialization while meeting stringent food safety and regulatory standards.	AIX Ventures, Alexandria Venture Investments, Braidwell, DCVC, Magnetic Ventures, Modi Ventures, nVentures, Roivant Sciences (NAS: ROIV), Yosemite
08-Jun-2026	SonoThera	Series B	Later Stage VC	Drug Discovery	125.45	Developer of a nonviral gene therapy platform designed to provide ultrasound-mediated genetic medicines.	Alexandria Venture Investments, ARCH Venture Partners, ARK Investment Management, CureDuchenne Ventures, Duquesne Family Office, Illumina Ventures, Johnson & Johnson JDC, Leaps by Bayer, Medical Excellence Capital, Otsuka BioVentures, RA Capital Management, SymBiosis (Bentonville), UCB Ventures, Vertex Ventures HC, Vida Ventures (Los Angeles), Vivo Capital
04-Jun-2026	City Therapeutics	Series B	Early Stage VC	Drug Discovery	99.50	Operator of a biotechnology company intended to develop next-generation RNA interference (RNAi) medicines.	AN Ventures, ARCH Venture Partners, Casdin Capital, Fidelity Management & Research Company, NYBC Ventures, Regeneron Ventures, Rock Springs Capital, Slate Path Capital, Sofinnova Investments, The Invus Group, Viking Global Investors
04-Jun-2026	CereVasc	Series C	Later Stage VC	Therapeutic Devices	84.58	Operator of a medical device company intended to treat patients with neurological diseases. The company's products comprise an endovascularly implantable CSF shunt and associated delivery componentry designed to avoid the need for invasive surgery, general anesthesia, extended hospitalization, and post-procedure pain management, enabling doctors to treat various neurological brain disorders efficiently with minimally invasive treatments.	Bain Capital Life Sciences, Johnson & Johnson JDC, Medtronic (NYS: MDT), Perceptive Advisors, Piper Sandler (NYS: PIPR)
03-Jun-2026	Collate	Series A	Early Stage VC	Other Healthcare Technology Systems	95.00	Developer of an AI-based documentation platform designed to support life sciences product development workflows.	Conviction Partners, CRV, First Round Capital, Redpoint Ventures, Y Combinator
02-Jun-2026	NewLimit	Series C	Later Stage VC	Biotechnology	435.00	Developer of precision medicines designed for epigenetic reprogramming to restore youthful function in aging cells.	8VC, Abstract Ventures, Age 1, Black Box Ventures (New York), Daniel Gross, Founders Fund, Greenoaks, Human Capital, Kleiner Perkins, Lilly USA (NYS: LLY), Nat Friedman(Nat Friedman), Octant Ventures, Perridon Ventures, Quiet Capital, SciFounders, Shorewind Capital, Thrive Capital, Valor Equity Partners

Source: Pitchbook

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Selected Q2 2026 Venture & Growth Financings

Financing Date	Company	Financing Round	Deal Stage	Healthcare Sector	Deal Size	Description	Investors
02-Jun-2026	Adaptive Innovations	Series A	Early Stage VC	Clinics/Outpatient Services	50.00	Provider of artificial intelligence-native healthcare services designed to transform care delivery, beginning with home health. The company's platform integrates artificial intelligence with clinical operations, combining digital workflows, real-time data, and clinician support to deliver consistent, personalized care, enabling healthcare providers and families to access scalable home health services, reduce inefficiencies, improve patient outcomes, and strengthen accessibility through technology aligned with everyday medical needs.	Bain Capital Ventures, BoxGroup, Conviction Partners, Dorm Room Fund, Felicis, Optum Ventures, Sunflower Capital, SV Angel
01-Jun-2026	BioIntelliSense	Series C	Later Stage VC	Monitoring Equipment	58.35	Developer of a remote patient monitoring device designed to enhance healthcare delivery. The company's device provides continuous, passive monitoring of vital signs and biometrics through medical-grade wearable devices with actionable health insights and supporting early intervention, enabling healthcare providers to improve patient outcomes, streamline clinical workflows and reduce hospital readmissions.	N/A
28-May-2026	Ingenovis Health		PE Growth/Expansion	Human Capital Services	405.00	Provider of nurse staffing services intended to drive growth across multiple staffing end-markets, including travel nurse, allied health, rapid response, labor dispute and physician outsourced services.	Cornell Capital, Thomas H. Lee Partners, Trilantic North America
28-May-2026	Garner	Series E	Later Stage VC	Other Healthcare Technology Systems	100.00	Developer of a healthcare data analytics platform designed to improve healthcare quality and affordability. The company's platform compiles a vast database of medical records to identify top-performing doctors, offers a concierge service to find in-network providers, and reimburses out-of-pocket medical costs, enabling healthcare providers to access care with reduced financial burden.	Founders Fund, Index Ventures, Kaiser Permanente Ventures, Kleiner Perkins, Redpoint Ventures, Sequoia Capital, Thrive Capital
27-May-2026	ClearNote Health	Series D	Later Stage VC	Drug Discovery	52.00	Developer of a proprietary epigenomic technology designed to detect high-mortality cancers at an early, more treatable stage through a standard blood draw. The company's technology offers non-invasive, cell-free DNA-based assays that track dynamic biological changes using biomarkers and artificial intelligence, enabling high-risk individuals, such as those with newly diagnosed type 2 diabetes or predisposition to pancreatic and ovarian cancers, to access early detection and improved treatment outcomes.	Mattias Westman, Sanford Weill
26-May-2026	Magnus Medical	Series B	Later Stage VC	Diagnostic Equipment	89.33	Developer of a brain stimulation technology designed to treat neurological and psychiatric disorders. The company's technology is a novel treatment that has demonstrated profound and rapid results caused by identifiable changes in brain networks, enabling patients to manage their symptoms acutely and restore and sustain mental health.	Khosla Ventures, Mubadala Investment Company, Red Tree Venture Capital
19-May-2026	Vi Labs		Later Stage VC	Other Healthcare Technology Systems	145.00	Developer of an enterprise AI platform designed for health to drive results at scale. The company's technology stack and extensive household-level data leverage predictive and personalized engagement frameworks, reducing cost per acquisition, maximizing member lifetime value, and ultimately improving member health outcomes, enabling organizations to maximize member health outcomes and financial returns.	General Atlantic Service, ISFM (Israel), Island Green Capital, Revelstoke Capital Partners, Savano Capital Partners, Square Peg Capital, The Pritzker Organization, Tivity Health
19-May-2026	Nourish	Series C	Later Stage VC	Clinics/Outpatient Services	100.00	Developer of a telehealth platform designed to promote healthier lifestyles and address chronic health issues. The company's platform connects users with registered dietitians for personalized care and offers features such as comprehensive nutrition assessments, tailored treatment plans, ongoing support, and insurance coverage, enabling individuals to achieve sustainable health improvements and long-term well-being.	Atomico (UK) Partners, BoxGroup, Constellation (VC), Daybreak Ventures, Index Ventures, JP Morgan Asset Management, Kamerra, Maverick Ventures, Menlo Ventures, Operator Partners, Reference Capital, Relentless (Venture Capital), Thrive Capital, Y Combinator
19-May-2026	Athelas (Enterprise Systems)		Later Stage VC	Enterprise Systems (Healthcare)	70.00	Developer of an AI-driven healthcare operating platform designed to automate clinical documentation, billing, and administrative operations.	General Catalyst, Kirkland & Ellis, Morgan Stanley (NYS: MS), Sequoia Capital, The Pay It Forward Company
19-May-2026	Commure		Later Stage VC	Enterprise Systems (Healthcare)	70.00	Developer of a cloud-based interoperable platform designed to focus on accelerating healthcare software innovation. The company's platform unifies disparate datasets, surfaces meaningful insights, accelerates performance through a suite of applications, and enables seamless innovation across the healthcare industry, enabling healthcare providers, clinicians, and staff across care facilities to advance care through collaboration.	General Catalyst, Kirkland & Ellis, Morgan Stanley (NYS: MS), Sequoia Capital
19-May-2026	Bamf Health		Later Stage VC	Clinics/Outpatient Services	59.65	Provider of a theranostics platform designed to diagnose and treat various diseases. The company offers imaging technologies for treatment monitoring and radiopharmaceutical-based targeted therapies for precise delivery to diseased cells, enabling patients to receive improved disease management and treatment outcomes.	N/A
18-May-2026	MiRus		Later Stage VC	Surgical Devices	1,500.00	Developer of implantable medical devices designed to support cardiovascular and orthopaedic surgical procedures.	Boston Scientific (NYS: BSX)
15-May-2026	Nabla Bio	Series B	Later Stage VC	Drug Discovery	70.00	Developer of wet-lab technologies designed for the rational design of developable, selective, and functional drugs. The company offers integrated AI-driven modeling, high-throughput multiplex screening, and wet-lab validation, enabling pharmaceutical companies to create drugs against previously undruggable targets with enhanced precision and efficacy.	BluePointe Ventures, Braidwell
14-May-2026	Glycomine	Series C	Later Stage VC	Drug Discovery	115.00	Developer of orphan drugs designed to treat rare disorders of metabolism and protein misfolding.	Aberdeen Investments (Scotland) (LON: ABDN), Abingworth, Advent Life Sciences, Asahi Kasei Corporate Venture Capital, Chiesi Ventures, CTI Life Sciences Fund, Novo Holdings, Remiges Ventures, RiverVest Venture Partners, Sanderling Ventures, Sanofi Ventures, Tekla World Healthcare Fund (NYS: THW)
12-May-2026	Forus (Healthcare Technology Systems)	Series B	Early Stage VC	Other Healthcare Technology Systems	160.00	Developer of an AI-powered platform designed to connect doctors, pharmacies, payers, and biopharma to bring new science to patients. The company's platform allows doctors to send prescriptions and check insurance coverage, coupons, and prices across pharmacies, enabling patients to get medicines at a low price and doctors to treat their patients consistently.	Accel, Bain Capital Ventures, BoxGroup, Constellation (VC), General Catalyst, HAX, New Jersey Commission on Science, Innovation and Technology, Pear (California), Redpoint Ventures, SOSV, Thrive Capital
12-May-2026	Tecomet		PE Growth/Expansion	BPO/Outsource Services	51.66	Provider of precision medical devices and aerospace components manufacturing services intended to serve medical technology, aerospace and defense industries worldwide.	N/A
11-May-2026	Syncromune	Series A	Later Stage VC	Drug Discovery	144.83	Developer of intratumoral immunotherapy designed to treat metastatic solid tumor cancers.	Wasatch Health
07-May-2026	Anagram Therapeutics		PE Growth/Expansion	Drug Discovery	250.00	Developer of orally-delivered enzyme therapeutics designed for the treatment of rare, life-threatening diseases.	Blackstone (NYS: BX)
04-May-2026	Latus	Series A	Early Stage VC	Drug Discovery	97.00	Developer of gene therapy technology designed to treat central nervous system and peripheral disorders through precision delivery of novel AAV capsid variants.	8VC, Ben Franklin Technology Partners of Southeastern Pennsylvania, Benjamin Franklin Technology Partners, BioAdvance Capital (Conshohocken), Calm Ventures, DCVC Bio, Gaingels, Hatch Biofund Management, Helen Pink Sky Foundation, Korea Development Bank, Modi Ventures, Samsung Venture Investment, The Childrens Hospital Of Philadelphia Foundation
01-May-2026	Zarminali Pediatrics	Series A	Early Stage VC	Clinics/Outpatient Services	110.00	Provider of pediatric care services designed for integrated, family-centered healthcare delivery.	General Catalyst, Healthier Capital, K2 HealthVentures
29-Apr-2026	Axoft	Series A	Later Stage VC	Therapeutic Devices	55.00	Developer of an ultrasoft, minimally invasive brain implant technology designed to record neural activity and support diagnosis and treatment of severe neurological conditions. The company offers high-resolution single-neuron brain interfaces capable of accessing cortical and deep brain regions, enabling patients with disorders of consciousness to gain improved prognosis and communication while supporting future neuromodulation therapies.	Alumni Ventures, Charoen Pokphand Group, Gaorong Ventures, Hillhouse Investment Group, Stanford President's Venture Fund
28-Apr-2026	Aureka Biotechnologies	Series A	Early Stage VC	Drug Discovery	58.27	Developer of a therapeutic discovery platform intended to digitalize therapeutic design at scale. The company's platform leverages cutting-edge machine learning and artificial intelligence to identify and design potential drug candidates, enabling the pharmaceutical industry to develop novel treatments to reduce cost and time.	SY Capital, Agentic Ventures, Boyuan Capital, HSG (Hong Kong), MPC (Beijing), Newley Capital, Qiming Venture Partners
27-Apr-2026	Revel Communities	Recapitalization	PE Growth/Expansion	Elder and Disabled Care	540.00	Operator of independent living communities intended to provide resort-style housing for active seniors.	Ventas (NYS: VTR)
27-Apr-2026	Covera Health		Later Stage VC	Decision/Risk Analysis	73.10	Developer of artificial intelligence-powered clinical quality intelligence software designed to improve patient diagnostic outcomes. The company's platform integrates across the healthcare ecosystem to assess and rank the quality of imaging centers, deliver actionable quality insights throughout the diagnostic process, and support prior authorization and claims administration workflows, enabling health employers and care providers to reduce diagnostic errors and improve the overall standard of patient care.	N/A
27-Apr-2026	Nervonik	Series B	Later Stage VC	Therapeutic Devices	52.50	Developer of a neuro-modulation device designed for therapeutic applications.	Amzak Health, Ehsan Jabbarzadeh, Elevage Medical Technologies, Foothill Ventures, Lumira Ventures, ShangBay Capital, U.S. Venture Partners
24-Apr-2026	Mass Medicines	Series A	Early Stage VC	Drug Discovery	152.00	Developer of antibody-peptide conjugates (APCs) designed for chronic obesity and metabolic disorders. The company is currently operating in Stealth mode.	venBio
24-Apr-2026	Life Biosciences	Series D	Later Stage VC	Drug Discovery	80.00	Developer of drug therapies designed to improve the lives of people as they age. The company's therapies help to combat the eight pathways of age-related decline, and its work addresses health decline due to aging as a systemic breakdown of the body, rather than a series of isolated events and conditions, enabling senior citizens to tackle age-related diseases to extend healthy life spans.	N/A
23-Apr-2026	Concept Medical		PE Growth/Expansion	Drug Delivery	60.71	Operator of a research center intended for developing technologies for drug-delivery medical devices with an emphasis on intellectual property.	N/A
22-Apr-2026	Courier Health	Series B	Later Stage VC	Enterprise Systems (Healthcare)	50.00	Developer of a patient engagement platform intended for biopharma commercial organizations to manage and streamline the end-to-end patient journey.	Norwest, Oak HC/FT, WorkBench (US)
21-Apr-2026	Ray Therapeutics	Series B	Later Stage VC	Drug Discovery	125.00	Developer of optogenetic gene therapies designed to restore visual function in individuals affected by degenerative retinal diseases.	4BIO Capital, Adage Capital Management, Deerfield Management, Franklin Templeton (Asia Pacific), Janus Henderson Investors, Marshall Wace, MRL Ventures Fund, Norwest, Novo Holdings, Platanus, The Invus Group
21-Apr-2026	Asto CT	Series D	Later Stage VC	Diagnostic Equipment	83.10	Developer of a computed tomography device designed to provide standard whole-body scanning of animals.	Alumni Ventures
21-Apr-2026	Serif (Biotechnology)		Early Stage VC	Biotechnology	50.00	Developer of chemically and structurally altered genetic therapeutics designed to treat and prevent disease. The company's platform modifies the form of DNA to minimize immune response during cellular delivery, after which it reverts to its natural state inside the nucleus to enable transcription into therapeutic proteins, and pairs this with messenger RNA co-factors that transiently enhance nuclear entry and gene expression, enabling researchers and clinicians targeting rare diseases and immune disorders to achieve durable, repeatable, and cell-specific therapeutic outcomes.	Flagship Pioneering, Modi Ventures
20-Apr-2026	Cala Health		Later Stage VC	Therapeutic Devices	50.00	Developer of neuromodulation devices designed to optimize the standard of care for chronic diseases. The company's wearable device merges innovations in neuroscience and technology to deliver individualized peripheral nerve stimulation, enabling patients to reduce tremors and ensure relief.	Trinity Capital (Phoenix) (NYS: TRIN)
17-Apr-2026	Parsley Health		Later Stage VC	Clinics/Outpatient Services	100.00	Operator of a functional medicine healthcare practice intended to provide personalized, root-cause medical care. The company offers physician-led functional medicine programs, advanced diagnostic testing, virtual and in-person clinical consultations, nutrition coaching, chronic condition management, and longitudinal care plans, enabling patients to address complex health conditions and improve long-term wellness through personalized healthcare services.	N/A
16-Apr-2026	Tortugas Neuroscience	Series A	Early Stage VC	Drug Discovery	106.00	Developer of neurological therapeutics intended for the identification of efficacy and impact. The company focuses on identifying and advancing novel drug candidates through a scientific approach that integrates expertise in neurology and neuropsychiatry, enabling patients suffering from brain disorders to access treatments to improve quality of life.	AN Ventures, The Column Group
15-Apr-2026	Cellares	Series D	Later Stage VC	Biotechnology	327.00	Operator of an integrated development and manufacturing organization intended to support cell therapy development. The company offers an automated cell therapy and quality control platform that integrates cell processing, testing, monitoring, and production workflows, enabling biotechnology and pharmaceutical companies to develop, scale, and commercialize cell therapies.	ARK Ventures (US), Baillie Gifford (LON: BGS), BlackRock Private Equity Partners, DC Global Ventures, Decheng Capital, DFJ Growth, Duquesne Family Office, Eclipse Capital, EDBI, Gates Frontier, Intuitive Ventures, Prime Radiant Partners, SG Growth Capital, T. Rowe Price Group (NAS: TROW), Willett Advisors
15-Apr-2026	Terremoto Biosciences	Series C	Later Stage VC	Drug Delivery	108.00	Developer of a drug development platform designed for small-molecule medicines.	BeOne Medicines (HKG: 06160), Cormorant Asset Management, Deep Track Capital, Novo Holdings, OrbiMed, Osage University Partners, RA Capital Management, Third Rock Ventures
13-Apr-2026	Rakuten Medical	Series F	Later Stage VC	Drug Discovery	111.52	Developer of precision-targeted cancer therapies designed to treat solid tumors.	Abies Capital, Daiwa Securities Group, Lotte Holdings (Japan), Mitsui Sumitomo Insurance, Nexus CVC, Orient Europharma Company (ROCO: 4120), Rakuten Group (TKS: 4755), SBI Holdings (TKS: 8473), Sumitomo Mitsui Banking, TaiAx Capital, Taiwania Capital Management
10-Apr-2026	Vivatides Therapeutics	Series A	Early Stage VC	Drug Discovery	54.00	Developer of ribonucleic acid (RNA) therapeutics intended to benefit patients' lives. The company's research focuses on antibody conjugates that allow for more targeted delivery of therapeutic payloads, enabling physicians to prescribe more effective treatments to patients.	Apricot Capital (Shanghai), Highlight Capital, Qiming Venture Partners, TF Capital
09-Apr-2026	Chapter Medicare	Series E	Later Stage VC	Managed Care	100.00	Provider of digital advisory and health care plan services intended to improve the way seniors choose health coverage.	8VC, Addition, Fifth Down Capital, Generation Investment Management, Maverick Ventures, Morrison Seger, Narya, Stripes, Susa Ventures, XYZ Venture Capital
09-Apr-2026	Click Therapeutics	Series D	Later Stage VC	Discovery Tools (Healthcare)	50.00	Developer of software as a medical treatment prescription platform designed to deliver safe digital treatments to patients in need. The company's platform personalizes user experiences to drive cognitive and behavioral outcomes, enabling the medical community to optimally treat individuals with brain disorders and neuropsychiatric conditions.	Boehringer Ingelheim, Flatiron Venture Partners, HSBC Holdings (LON: HSBA), Laurel Touby, Silicon Valley Bank, Supernode Ventures
07-Apr-2026	Endovascular Engineering	Series C	Later Stage VC	Surgical Devices	80.00	Developer of a minimally invasive thrombectomy system designed to remove pulmonary embolisms efficiently while minimizing patient risk. The company offers a small-profile catheter that combines a self-expanding funnel for wide distal clot engagement, dual-action technology that simultaneously agitates and aspirates clots, and integrated navigation controls that allow physicians to maneuver safely through complex vascular pathways, providing precise, controlled, and efficient clot removal during a single procedure, enabling interventional physicians to achieve effective large-bore clot engagement and safe, single-pass procedures through complex vascular anatomies.	415 Capital, Gilde Healthcare, M&L Group, Norwest, Panakes Partners, S3 Ventures, Santé Ventures
07-Apr-2026	Perimeter (Discovery Tools (Healthcare))	Series A	Early Stage VC	Discovery Tools (Healthcare)	60.00	Developer of biosecurity infrastructure and intelligence software designed to detect and analyze biological threats in real time. The company provides platforms that integrate biosurveillance data, sequencing, and analytics, enabling governments and healthcare systems to monitor pathogens and support response planning.	Four Cities Capital, Goldcrest Capital, Kanders & Company, Safe Artificial Intelligence Fund, SCS Financial
02-Apr-2026	SpectronRx		PE Growth/Expansion	Other Pharmaceuticals and Biotechnology	85.00	Operator of a contract development and manufacturing platform intended to support the production and supply of radiopharmaceuticals and isotopes for nuclear medicine applications.	OrbiMed

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Q2 2026 News & Developments / Legal & Regulatory Update

States Tighten Oversight of Physician Practice M&A

State regulation of healthcare transactions continued to expand during the second quarter, with lawmakers increasingly focusing not only on transaction notice requirements but also on the relationships among physician practices, private equity investors and management services organizations.

In Illinois, lawmakers approved HB 5000 on May 28, legislation that would significantly expand the state's existing healthcare transaction notice requirements. The bill broadens the types of transactions potentially subject to notice to the Illinois Attorney General and is designed in part to capture transactions and MSO arrangements that may not involve a conventional change in ownership.[1]

Other states are going further. Vermont advanced legislation during the quarter addressing healthcare financial transactions and clinical decision-making, including restrictions intended to protect physicians' independent clinical judgment from interference by private equity firms, hedge funds and other non-clinical investors.[2]

These developments are part of a much broader trend. California, Oregon, Massachusetts and other states have enacted or expanded healthcare transaction oversight and corporate-practice-of-medicine restrictions during the past several years.

Why It Matters: Physician groups contemplating a sale, recapitalization, MSO partnership or other strategic transaction increasingly need to evaluate state regulatory requirements early in the process. These laws can affect not only filing requirements and closing timelines, but also transaction structure, governance rights, management agreements and the degree of control that non-physician investors may exercise following a transaction.

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Medicare Advantage Payments to Increase 2.48% in '27

On April 6, CMS released its final 2027 Medicare Advantage and Part D Rate Announcement, projecting a 2.48% average increase in payments to Medicare Advantage plans, or more than $13 billion, before taking into account underlying risk-score trends.[3]

The final increase was considerably higher than the 0.09% change CMS initially proposed. Including CMS's projected 2.5% increase in risk scores attributable to coding and population trends, MA plan revenues are expected to increase approximately 4.98%.

CMS also finalized several policy changes affecting risk adjustment, including exclusion of most diagnoses reported through unlinked chart reviews that are not associated with an actual patient encounter.

The announcement followed CMS's April 2 final rule for the 2027 MA and Part D programs, which included changes to Star Ratings and other program requirements.[4]

Why It Matters: With more than half of eligible Medicare beneficiaries enrolled in Medicare Advantage, MA plan economics increasingly influence physician reimbursement, network participation, prior authorization and value-based contracting. The final rate announcement provides plans with substantially more funding than initially proposed, while CMS's continued scrutiny of coding and risk adjustment will remain particularly important to physician groups participating in capitated and other risk-based arrangements.

Ransomware Keeps Cybersecurity at the Center of HIPAA Enforcement

Healthcare cybersecurity remained an active enforcement priority during Q2.

On April 23, HHS's Office for Civil Rights announced settlements arising from four separate ransomware investigations affecting more than 427,000 individuals.[11] The investigations involved potential deficiencies under the HIPAA Security Rule, including requirements relating to risk analysis, risk management, access controls and protection of electronic protected health information.

OCR continued ransomware-related enforcement later in the quarter, including a June settlement involving a health plan following a breach that affected tens of thousands of individuals.[12]

The enforcement actions reinforce OCR's longstanding position that regulated entities are expected to identify and address cybersecurity vulnerabilities before an attack occurs—not merely respond appropriately after a breach.

Why It Matters: Cybersecurity increasingly is more than an IT issue for physician practices. It is an enterprise-risk, compliance and transaction-readiness issue. Buyers and investors routinely evaluate security policies, HIPAA risk assessments, breach histories, cyber insurance, business-associate arrangements and incident-response procedures during diligence. A practice that has not performed and documented a current enterprise-wide security risk analysis may face both regulatory exposure and potential transaction risk.

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3. Centers for Medicare & Medicaid Services. *2027 Medicare Advantage and Part D Rate Announcement.* April 6, 2026. CMS projects the finalized policies will increase MA payments by 2.48%, or more than $13 billion, in 2027.
4. Centers for Medicare & Medicaid Services. *Contract Year 2027 Medicare Advantage and Part D Final Rule.* April 2, 2026.
5. Centers for Medicare & Medicaid Services. *Hospital Price Transparency.* Enforcement of new and updated requirements finalized under the CY 2026 OPPS/ASC final rule began April 1, 2026.
6. Departments of Health and Human Services, Labor and Treasury. *Federal Independent Dispute Resolution Operations Final Rule.* May 28, 2026.
7. Centers for Medicare & Medicaid Services. *Federal Rule Takes Aim at Health Care Bureaucracy, Reducing Dispute Fees, and Boosting Transparency.* May 28, 2026. Updated IDR administrative fee effective for disputes initiated beginning June 11, 2026.
8. Centers for Medicare & Medicaid Services. *ACCESS Model Request for Applications and Application Update.* CMS extended the application deadline for the initial cohort to May 15, 2026.
9. CMS Innovation Center. *ACCESS (Advancing Chronic Care with Effective, Scalable Solutions) Model.* 2026.
10. CMS Innovation Center. *WISeR (Wasteful and Inappropriate Service Reduction) Model.* Updated April 2026. Six-year model operating in Arizona, New Jersey, Ohio, Oklahoma, Texas and Washington.
11. U.S. Department of Health and Human Services, Office for Civil Rights. *HHS' Office for Civil Rights Settles Four HIPAA Security Rule Ransomware Investigations.* April 23, 2026.
12. U.S. Department of Health and Human Services, Office for Civil Rights. *HHS Office for Civil Rights Settles Ransomware Investigation with Health Plan.* June 18, 2026.

ACCESS Model Targets Tech-Enabled Chronic Care

During the second quarter, the CMS Innovation Center completed preparations for the initial cohort of its new **Advancing Chronic Care with Effective, Scalable Solutions (ACCESS) Model**, including extending the first-cohort application deadline to May 15.[8]

ACCESS is a voluntary, 10-year national model designed to test whether technology-supported care can improve outcomes for Medicare beneficiaries with chronic conditions. The model initially focuses on conditions including diabetes, hypertension, musculoskeletal disorders and behavioral health.

Rather than simply paying for individual telehealth encounters, ACCESS creates recurring, outcome-aligned payments for participating organizations that deliver defined technology-enabled care programs. Participants are expected to coordinate with beneficiaries' existing clinicians rather than replace their primary or specialty care relationships.

The model's first performance period begins in July 2026, with additional opportunities for organizations to join through future cohorts.[9]

Why It Matters: ACCESS represents an important evolution in Medicare's treatment of digital health. CMS is moving beyond reimbursement for individual virtual encounters toward payment for technology-supported longitudinal care tied to measurable outcomes. Physician practices may have opportunities to partner with ACCESS participants, incorporate these capabilities into existing chronic-care programs or eventually compete with technology-enabled providers for portions of chronic disease management.

CMMI Tests Tech-Enabled Prior Authorization in Traditional Medicare

A second CMMI initiative deserves attention for a very different reason.

The **Wasteful and Inappropriate Service Reduction (WISeR) Model** is testing technology-supported prior authorization and pre-payment review for selected services provided to Original Medicare beneficiaries in **Arizona, New Jersey, Ohio, Oklahoma, Texas and Washington**.[10]

The six-year model began in 2026 and focuses on services CMS believes are particularly susceptible to fraud, waste, abuse or inappropriate utilization. Examples include certain skin and tissue substitutes, electrical nerve stimulator implants and knee arthroscopy for knee osteoarthritis.

Of particular significance, CMS has explicitly identified **artificial intelligence and machine learning** among the technologies that participating organizations may use to help expedite reviews. Medicare Administrative Contractors continue to make coverage determinations, and CMS states that AI cannot be the final decision-maker for denials.

Why It Matters: WISeR could represent an important policy development for physicians. Prior authorization historically has been associated much more closely with Medicare Advantage and commercial insurance than with Original Medicare. The model tests whether technology-enabled utilization management can be introduced more broadly into traditional Medicare—and could provide a template for future expansion if CMS concludes that it reduces inappropriate utilization without adversely affecting access to care.

Price Transparency Enters a New Enforcement Phase

On April 1, CMS began enforcing enhanced hospital price-transparency requirements finalized as part of the 2026 Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center rule.[5]

The revised requirements are intended to make payer-negotiated pricing data more accurate and useful. Among other changes, hospitals must report additional information for services reimbursed through percentages, algorithms and other methodologies rather than simple fixed-dollar rates. Hospitals also must attest to the completeness and accuracy of their machine-readable pricing files.

The changes build upon existing federal requirements that hospitals publicly disclose standard charges, including discounted cash prices and payer-specific negotiated rates.

Why It Matters: Better pricing data have implications well beyond hospital compliance. Employers, benefit advisers, technology companies and providers increasingly can use these data to compare commercial reimbursement across facilities and sites of care. More usable transparency data also could accelerate development of the direct-pay and bundled-pricing markets—and create additional opportunities for independent physician practices, ASCs, imaging centers and other lower-cost providers to compete on price.

No Surprises Act Dispute Resolution Gets an Overhaul

On May 28, HHS, Labor and Treasury finalized significant changes to the Federal Independent Dispute Resolution process established under the No Surprises Act.[6]

The scale of the IDR program has vastly exceeded initial expectations. **More than five million disputes have been submitted since the federal process opened in April 2022**, creating substantial administrative challenges for providers, payers and certified IDR entities.

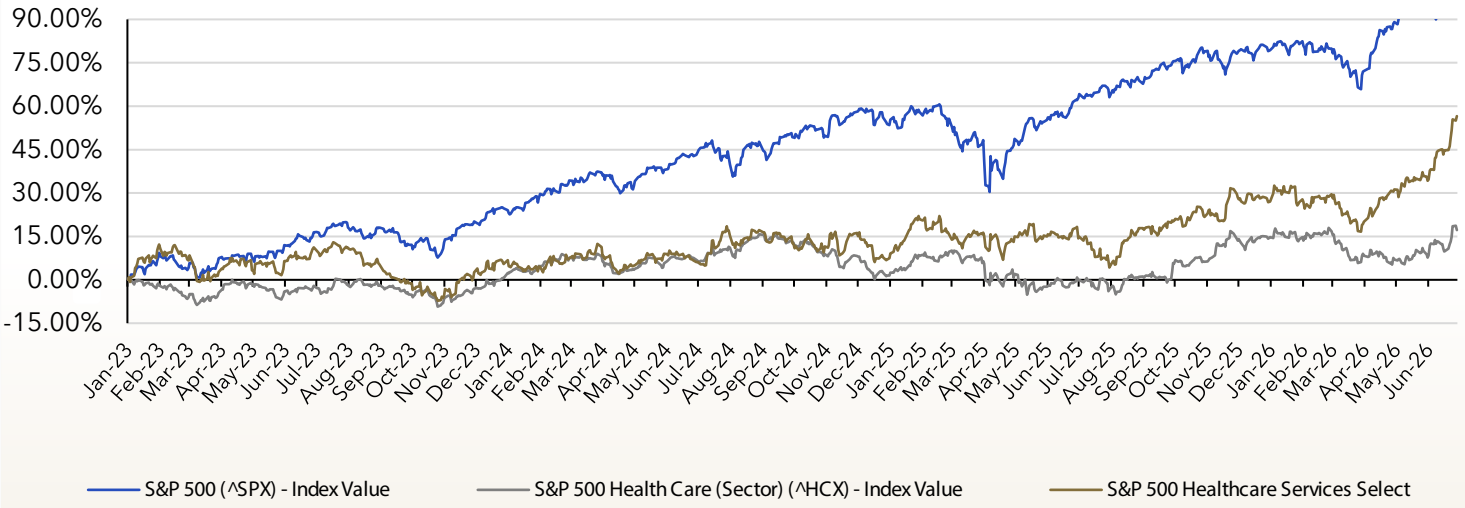
The final rule seeks to streamline the process by improving the information exchanged between plans and providers, clarifying open-negotiation and dispute-initiation procedures, modifying rules governing batched claims and requiring plans and issuers to register in the federal IDR portal.

CMS also reduced the federal administrative fee from **$115 to $15 per party per dispute** for disputes initiated beginning June 11, 2026.[7]

Why It Matters: The changes are particularly important for anesthesia, emergency medicine, radiology and other facility-based specialties with significant out-of-network exposure. More broadly, the extraordinary volume of IDR disputes demonstrates how consequential the No Surprises Act has become to the economics of physician practices and how far the actual implementation has diverged from what policymakers originally anticipated.

The S&P Health Care Services Select Industry Index comprises stocks in the S&P Total Market Index that are classified in the GICS Health Care Distributors, Health Care Facilities, Health Care Services and Managed Health Care sub-industries.

The S&P 500® Health Care comprises those companies included in the S&P 500 that are classified as members of the GICS® health care sector.



Source: Pitchbook

Provider Services & Physician Practice Management

Company	Share price	% of 52-week high	Market cap	Net debt	Enterprise value	LTM Revenue	LTM GP (%)	LTM EBITDA	3-yr growth CAGR	EV/LTM Revenue	EV/LTM EBITDA
agilon health	$107.18	85.3%	$1,788.2	($152.2)	$1,590.2	$5,920.0	0.2%	($215.5)	22.9%	0.3x	NM
Concentra	$29.75	98.0%	$3,806.9	$1,985.8	$5,897.1	$2,287.5	29.3%	$454.6	8.4%	2.6x	13.0x
USPH	$68.68	73.5%	$1,024.9	$360.9	$1,693.5	$812.2	18.7%	$100.5	11.8%	2.1x	16.8x
PRIVIA HEALTH	$25.73	98.8%	$3,242.3	($403.5)	$2,884.6	$2,358.1	10.0%	$60.2	16.1%	1.2x	47.9x
SURGERY PARTNERS	$16.80	69.7%	$2,197.2	$3,841.4	$7,836.2	$3,366.3	22.5%	$561.0	8.1%	2.3x	14.0x

Home Health, Hospice & Post-Acute Services

Company	Share price	% of 52-week high	Market cap	Net debt	Enterprise value	LTM Revenue	LTM GP (%)	LTM EBITDA	3-yr growth CAGR	EV/LTM Revenue	EV/LTM EBITDA
Encompass Health	$101.08	79.0%	$9,972.0	$2,734.6	$13,551.4	$6,206.1	95.8%	$1,500.0	10.7%	2.2x	9.0x
VENTAS	$88.80	98.9%	$45,855.0	$12,720.0	$56,166.0	$6,441.6	40.2%	$2,388.2	14.7%	8.7x	23.5x
adapthealth	$10.42	77.6%	$1,390.0	$2,021.8	$3,377.8	$3,156.7	19.1%	$265.6	1.1%	1.1x	12.7x
ENSIGN GROUP	$160.30	73.5%	$9,264.0	$1,929.5	$11,021.7	$5,486.7	16.0%	$597.7	17.4%	2.0x	18.4x
ADDUS	$100.47	80.7%	$1,838.0	$9.3	$1,910.9	$1,476.4	32.4%	$164.9	13.9%	1.3x	11.6x

Source: Pitchbook
As of 30-Jun-2026

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Value-Based Care & Risk-Bearing Services

Company	Share price	% of 52-week high	Market cap	Net debt	Enterprise value	LTM Revenue	LTM GP (%)	LTM EBITDA	3-yr growth CAGR	EV/LTM Revenue	EV/LTM EBITDA
agilon	$107.18	85.3%	$1,788.2	($152.2)	$1,590.2	$5,920.0	0.2%	($215.5)	22.9%	0.3x	NM
evolent	$5.42	44.9%	$613.0	$854.7	$1,453.0	$2,097.0	17.2%	($328.2)	8.7%	0.7x	NM
Alignment Health	$23.81	99.3%	$4,939.0	($371.2)	$4,526.0	$4,577.3	12.5%	$86.5	41.3%	1.0x	52.3x
GoodRx	$2.88	49.6%	$982.0	$242.8	$1,281.0	$785.2	90.8%	$164.2	1.8%	1.6x	7.8x
PRIVIA HEALTH	$25.73	98.8%	$3,242.3	($403.5)	$2,884.6	$2,358.1	10.0%	$60.2	16.1%	1.2x	47.9x

Outsourced Clinical & Specialty Services

Company	Share price	% of 52-week high	Market cap	Net debt	Enterprise value	LTM Revenue	LTM GP (%)	LTM EBITDA	3-yr growth CAGR	EV/LTM Revenue	EV/LTM EBITDA
cencora	$282.98	75.0%	$54,001.0	$8,908.0	$65,453.3	$332,771.3	4.0%	$5,106.6	9.4%	0.2x	12.8x
RadNet	$61.67	71.8%	$4,853.0	$1,456.4	$6,600.6	$2,268.9	11.5%	$337.3	14.1%	2.9x	19.6x
DaVita Kidney Care	$222.48	99.2%	$14,190.0	$12,717.6	$28,637.8	$14,009.6	32.4%	$2,771.8	6.1%	2.0x	10.3x
IQVIA	$193.22	78.2%	$31,804.0	$14,161.0	$46,338.4	$16,983.0	33.0%	$3,487.0	5.0%	2.7x	13.3x
option care	$20.97	57.0%	$3,141.0	$1,074.3	$4,385.7	$5,693.5	19.1%	$411.1	11.3%	0.8x	10.7x

Diagnostics & Laboratory Services

Company	Share price	% of 52-week high	Market cap	Net debt	Enterprise value	LTM Revenue	LTM GP (%)	LTM EBITDA	3-yr growth CAGR	EV/LTM Revenue	EV/LTM EBITDA
labcorp	$280.00	95.3%	$22,708.0	$6,624.3	$29,236.4	$14,348.0	28.9%	$2,157.2	6.5%	2.0x	13.6x
GUARDANT	$150.03	97.5%	$20,134.0	$643.5	$20,495.8	$1,183.1	65.0%	($450.0)	32.4%	17.3x	NM
QuidelOrtho	$17.52	44.9%	$1,195.0	$2,952.0	$3,928.7	$2,674.2	44.6%	($381.4)	(5.4%)	1.5x	NM
natera	$271.45	98.6%	$38,876.0	($853.0)	$38,028.0	$2,707.1	65.2%	($223.9)	42.7%	14.0x	NM

Revenue Cycle Management & Tech-Enabled Services

Company	Share price	% of 52-week high	Market cap	Net debt	Enterprise value	LTM Revenue	LTM GP (%)	LTM EBITDA	3-yr growth CAGR	EV/LTM Revenue	EV/LTM EBITDA
hims & hers	$34.67	53.1%	$7,798.0	$705.2	$8,405.8	$2,578.1	68.4%	($76.4)	53.7%	3.3x	NM
omada	$21.95	81.5%	$1,330.0	($221.7)	$1,093.1	$309.8	68.2%	$3.1	43.6%	3.5x	352.6x
TEMPUS	$57.93	55.5%	$10,442.0	$628.2	$11,081.6	$1,432.0	64.0%	($108.4)	48.3%	7.7x	NM
WAYSTAR	$20.53	49.5%	$3,940.0	$1,290.1	$5,265.2	$1,205.7	69.1%	$432.4	17.3%	4.4x	12.2x

Company	Description
Agilon Health	Agilon health, inc. provides healthcare services for seniors through primary care physicians in the communities of the United States. It offers a platform that manages the total healthcare needs of the patients by subscription-like per-member per-month. The company was founded in 2016 and is based in Westerville, Ohio
Concentra Group	Concentra Group Holdings provides occupational health services in the United States. The company offers occupational health services, including workers compensation, employer, and consumer health services; and employer-sponsored primary care services at workplace, including mobile health and episodic specialty testing services. It also operates Concentra Telemed, a telemedicine platform for the treatment of work-related injuries and illnesses; Concentra Pharmacy for distributing repackaged medications; and Concentra Medical Compliance Administration, a third-party administrator that helps to manage abuse testing programs for employers with regulated or non-regulated workforces. In addition, the company provides injury care, primary care, urgent care, preventive care, clinical testing, physical examinations and evaluations, drug and alcohol screenings, clinical testing, vaccinations and other preventive care, and a range of consultative services designed to protect employees from workplace hazards. The company was founded in 1979 and is based in Addison, Texas.
U.S. Physical Therapy	U.S. Physical Therapy, Inc. operates and manages outpatient physical therapy clinics. The company operates through two segments, Physical Therapy Operations and Industrial Injury Prevention Services. The company provides pre-and post-operative care and treatment for orthopedic-related disorders, sports-related injuries, preventative care, rehabilitation of injured workers, and neurological-related injuries. It offers industrial injury prevention services, including onsite injury prevention and rehabilitation, performance optimization, post-offer employment testing, functional capacity evaluations, and ergonomic assessments through physical therapists and specialized certified athletic trainers for Fortune 500 companies, and other clients comprising insurers and their contractors. U.S. Physical Therapy, Inc. was founded in 1990 and is based in Houston, Texas
Encompass Health	Encompass Health Corporation provides post-acute healthcare services in the United States and Puerto Rico. It owns and operates inpatient rehabilitation hospitals that provide medical, nursing, therapy, and ancillary services. The company provides specialized rehabilitative treatment on an inpatient basis to medical conditions, such as strokes, hip fractures, and various debilitating neurological conditions. It offers services through the Medicare program to federal government, managed care plans and private insurers, state governments, and other patients. The company was formerly known as HealthSouth Corporation and changed its name to Encompass Health Corporation in January 2018. Encompass Health Corporation was incorporated in 1984 and is based in Birmingham, Alabama
Ventas	Ventas, Inc. is a leading S&P 500 real estate investment trust enabling exceptional environments that benefit a large and growing aging population. With approximately 1,400 properties in North America and the United Kingdom, Ventas occupies an essential role in the longevity economy. The Company's growth is fueled by its more than 850 senior housing communities, which provide valuable services to residents and enable them to thrive in supported environments. Ventas aims to deliver outsized performance by leveraging its operational expertise, data-driven insights from its Ventas OI platform, extensive relationships and strong financial position. The Ventas portfolio also includes outpatient medical buildings, research centers and healthcare facilities.

Source: Pitchbook

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Company	Description
Alignment Healthcare	Alignment Healthcare, Inc. operates a consumer-centric healthcare platform for seniors in the United States. It delivers customized healthcare experience to meet the needs of seniors through its Medicare Advantage plans. The company was founded in 2013 and is based in Orange, California
Evolent Health	Evolent Health, Inc., through its subsidiary, provides specialty care management services in oncology, cardiology, and musculoskeletal markets in the United States. The company offers integrated platform for health plan administration and value-based business infrastructure. It also provides administrative services, such as health plan services, pharmacy benefits management, risk management, analytics and reporting, and leadership and management; and Identifi, a proprietary technology system that aggregates and analyzes data, manages care workflows, and engages patients. In addition, the company provides holistic total cost of care management; and Machinify Auth, a software platform that leverages advances in artificial intelligence. Evolent Health, Inc. was founded in 2011 and is headquartered in Arlington, Virginia
Cencora	Cencora, Inc. sources and distributes pharmaceutical products in the United States and internationally. The company's U.S. Healthcare Solutions segment distributes generic and injectable pharmaceuticals, over-the-counter healthcare products, home healthcare supplies and equipment, and related services to acute care hospitals and health systems, independent and chain retail pharmacies, mail order pharmacies, medical clinics, long-term care and alternate site pharmacies, and other customers; distributes plasma and other blood products, vaccines, and other specialty pharmaceutical products; provides pharmacy management, staffing, and other consulting services; supply management software to retail and institutional healthcare providers; packaging solutions to institutional and retail healthcare providers; clinical trial support, product post-approval, and commercialization support services; data analytics, outcomes research, and other services for biotechnology and pharmaceutical manufacturers; pharmaceuticals, vaccines, parasiticides, diagnostics, micro feed ingredients, and other products to the companion animal and production animal markets; sales force services to manufacturers; and offers other services to physicians who specialize in various disease states, such as oncology, as well as to other healthcare providers, including hospitals and dialysis clinics. Its International Healthcare Solutions segment provides international pharmaceutical wholesale and related service, and global commercialization services; distributes pharmaceuticals, other healthcare products, and related services to pharmacies, doctors, health centers, and hospitals; and offers specialty transportation and logistics services for the biopharmaceutical industry. The company was formerly known as AmerisourceBergen Corporation and changed its name to Cencora, Inc. in August 2023. Cencora, Inc. was founded in 1871 and is headquartered in Conshohocken, Pennsylvania
Guardant Health	Guardant Health, Inc., a precision oncology company, provides blood and tissue tests, and data sets in the United States and internationally. The company provides precision oncology testing services comprising Guardant360, a panel of genetic tests; Guardant360 LDT that measures 730+ genes and supports all guideline-recommended biomarkers; Guardant360 CDx Test, a liquid biopsy test; Guardant360 Response Test, a blood-only liquid biopsy; Guardant360 TissueNext Test, a tissue-based test with AI-powered PD-L1 detection; GuardantINFINITY Test that provides insights into the complexities of tumor molecular profiles and immune response to advance cancer research and therapy development; GuardantConnect, an integrated software-based solution designed for clinical and biopharmaceutical customers to connect patients tested with assays with actionable alterations with potentially relevant clinical studies; GuardantOMNI blood test for advanced stage cancer; and GuardantINFORM, an in-silico research platform for tumor evolution and treatment resistance across various biomarker-driven cancers. It also offers Shield Test; Guardant Reveal Test for adjuvant treatment and surveillance settings in early-stage cancer patients; and Smart Liquid Biopsy Platform. In addition, the company provides development services, including companion diagnostic development and regulatory approval, clinical study setup, monitoring and maintenance, testing development and support, technologies licensing, and kit fulfillment and delivery of Shield screening tests. The company was incorporated in 2011 and is headquartered in Palo Alto, California
DaVita	DaVita Inc. provides kidney dialysis services for patients suffering from chronic kidney failure in the United States. The company operates kidney dialysis centers and provides related lab services in outpatient dialysis centers. It also offers outpatient, hospital inpatient, and home-based hemodialysis services; operates clinical laboratories that provide routine laboratory tests for dialysis and other physician-prescribed laboratory tests for ESRD patients; and management and administrative services to outpatient dialysis centers. In addition, the company offers integrated care and disease management services to patients in risk-based and other integrated care arrangements; clinical research programs; physician services; and comprehensive kidney care services. Further, it engages in the provision of inpatient dialysis services and related laboratory services; and transplant software business. The company was formerly known as DaVita HealthCare Partners Inc. and changed its name to DaVita Inc. in September 2016. DaVita Inc. was incorporated in 1994 and is headquartered in Denver, Colorado
IQVIA	IQVIA Holdings Inc. provides clinical research services, commercial insights, and healthcare intelligence to the life sciences and healthcare industries in the Americas, Europe, Africa, and the Asia-Pacific. It operates through three segments: Technology & Analytics Solutions, Research & Development Solutions, and Contract Sales & Medical Solutions. The Technology & Analytics Solutions segment offers a range of cloud-based applications and related implementation services; real world solutions that enable life sciences and provider customers to generate and disseminate evidence, which informs health care decision making and improves patients' outcomes; and strategic and implementation consulting services, such as advanced analytics and commercial processes outsourcing services. This segment also provides country level performance metrics related to sales of pharmaceutical products, prescribing trends, medical treatment, and promotional activity across various channels, including retail, hospital, and mail order; and measurement of sales or prescribing activity at the regional, zip code, and individual prescriber level. The Research & Development Solutions segment offers project management and clinical monitoring; clinical trial support; strategic planning and design services; and patient and site centric solutions, as well as central laboratory, genomic, bioanalytical, ADME, discovery, and vaccine and biomarker laboratory services. The Contract Sales & Medical Solutions segment provides health care provider and patient engagement services, and scientific strategy and medical affairs services. It serves pharmaceutical, biotechnology, device and diagnostic, and consumer health companies. It has a strategic collaboration with Sarah Cannon Research Institute to enhance clinical trial processes. The company was formerly known as Quintiles IMS Holdings, Inc. and changed its name to IQVIA Holdings Inc. in November 2017. The company is based in Durham, North Carolina
Labcorp	Labcorp Holdings Inc. provides laboratory services. It operates through two segments, Diagnostics Laboratories and Biopharma Laboratory Services. The company offers various tests, such as blood chemistry analyses, urinalyses, blood cell counts, thyroid, PAP, hemoglobin A1C, prostate-specific antigens, sexually transmitted diseases, hepatitis C, vitamin D, microbiology cultures and procedures, and alcohol and other substance-abuse tests. It also provides specialty testing services comprising gene-based and esoteric testing; advanced tests target specific diseases; services related to anatomic pathology/oncology, cardiovascular disease, coagulation, diagnostic genetics, endocrinology, infectious disease, women's health, pharmacogenetics, parentage and donor testing, occupational testing services, medical drug monitoring services, chronic disease programs, and kidney stone prevention tests; and health and wellness services to employers and managed care organizations (MCOs). In addition, the company offers online and mobile applications that enable patients to check offerings, schedule PSC visits, check-in upon PSC arrival, complete documentation, access tests and test results, and manage their accounts; online applications for providers, MCOs, and accountable care organizations; specimen collection services; and drug development, medical device, and companion diagnostic development solutions, as well as support for crop protection and chemical testing. It serves pharmaceutical, biotechnology, medical device, and diagnostics companies; and MCOs, employer plans, other health insurance providers, governments, physician, large provider organizations, other healthcare providers, hospitals and health systems, patients and consumers, crop protection and chemical companies, academic institutions, independent clinical laboratories, and retailers. The company was founded in 1995 and is headquartered in Burlington, North Carolina
QuidelOrtho	QuidelOrtho Corporation provides diagnostic testing solutions. The company operates through Labs, Transfusion Medicine, Point of Care, and Molecular Diagnostics business units. The Labs business unit provides clinical chemistry laboratory instruments and tests that measure target chemicals in bodily fluids for the evaluation of health and the clinical management of patients; immunoassay laboratory instruments and tests, which measure proteins as they act as antigens in the spread of disease, antibodies in the immune response spurred by disease, or markers of proper organ function and health; testing products to detect and monitor disease progression across a spectrum of therapeutic areas; and specialized diagnostic solutions. The Transfusion Medicine business unit offers immunohematology instruments and tests used for blood typing to ensure patient-donor compatibility in blood transfusions; and donor screening instruments and tests used for blood and plasma screening for infectious diseases. The Point of Care business unit provides instruments and tests to provide rapid results across a continuum of POC settings. The Molecular Diagnostics business unit offers polymerase chain reaction thermocyclers; amplification systems; and sample-to-result molecular instruments and tests for syndromic infectious disease diagnostics. The company sells its products directly to end users through a direct sales force; and through a network of distributors for professional use in physician offices, hospitals, clinical laboratories, reference laboratories, urgent care clinics, universities, retail clinics, pharmacies, wellness screening centers, blood banks, and donor centers, as well as for individual, non-professional, and over-the-counter use. It operates in North America, Europe, the Middle East, Africa, China, and internationally. The company was incorporated in 1979 and is headquartered in San Diego.
Natera	Natera, Inc., a diagnostics company, provides molecular testing services worldwide. Its products include Panorama, a non-invasive prenatal test that screens for chromosomal abnormalities of a fetus, as well as in twin pregnancies; Horizon carrier screening test for individuals and couples determine if they are carriers of genetic variations that cause certain genetic conditions; Vistara single-gene NIPT screens for 25 single-gene disorders; Spectrum, preimplantation genetic tests for couples undergoing IVF; Anora that analyzes miscarriage tissue from women; Empower, a hereditary cancer screening test; and non-invasive prenatal paternity product, which allows a couple to establish paternity without waiting for the child to be born. The company also provides Signatera molecular residual disease test for assessment and surveillance of disease recurrence in patients previously diagnosed with cancer; Altera, a tissue based genomic profiling test, that provides insight into genomic alterations and biomarkers; Prospera to assess active rejection in patients who have undergone kidney, heart, and lung transplantation; and Renasight, a kidney gene panel test. In addition, it offers Constellation, a cloud-based software product. It serves independent laboratories, national and regional reference laboratories, medical centers and physician practices, research laboratories, and pharmaceutical companies through its direct sales force, and a network of laboratory and distribution partners. It has a partnership agreement with BGI Genomics Co., Ltd. to develop, manufacture, and commercialize NGS-based genetic testing assays; and Foundation Medicine, Inc. to develop and commercialize personalized circulating tumor DNA monitoring assays. The company was formerly known as Gene Security Network, LLC and changed its name to Natera, Inc. in January 2012. Natera, Inc. was founded in 2003 and is headquartered in Austin, Texas
Addus HomeCare	Addus HomeCare Corporation, together with its subsidiaries, provides personal care services to elderly, chronically ill, disabled persons, and individuals who are at risk of hospitalization or institutionalization in the United States. It operates through three segments: Personal Care, Hospice, and Home Health. The Personal Care segment provides non-medical assistance with activities of daily living. This segment offers services that include assistance with bathing, grooming, oral care, feeding and dressing, medication reminders, meal planning and preparation, housekeeping, and transportation services. The Hospice segment provides palliative nursing care, social work, spiritual counseling, homemaker, and bereavement counseling services for people who are terminally ill, as well as related services for their families. The Home Health segment offers skilled nursing and physical, occupational, and speech therapy for the individuals who requires assistance during an illness or after hospitalization. The company serves federal, state, and local governmental agencies; managed care organizations; commercial insurers; and private individuals. Addus HomeCare Corporation was founded in 1979 and is headquartered in Frisco, Texas
Hims & Hers Health	Hims & Hers Health, Inc. operates a telehealth platform that connects consumers to licensed healthcare professionals in the United States, the United Kingdom, Canada, and internationally. The company offers a range of curated prescription and non-prescription health and wellness products and services available to purchase on its websites and mobile application directly by customers. It also provides prescription medication on a recurring basis and ongoing care from healthcare providers; and over-the-counter drug and device products, cosmetics, and supplement products primarily focusing on general wellness, sexual health and wellness, skincare, and hair care. In addition, the company's curated non-prescription products include melatonin and biotin in the wellness specialty category; moisturizers, creams, sunscreen, serum, face oil, and face wash in the skincare specialty; condoms, climax delay spray and wipes, vibrators, and lubricants in the sexual health and wellness specialty; and shampoos, conditioners, scalp scrubs, and topical treatments, such as minoxidil in the hair care specialty category. Further, it offers medical consultation and post-consultation support services, as well as health and wellness products through wholesale partners. The company also provides Labs which measures key markers over time and provides doctor-developed action plans. Hims & Hers Health, Inc. is based in San Francisco
Omada	Omada Health, Inc. provides a range of virtual care programs in the United States. The company offers cardiometabolic programs for prediabetes, diabetes, and hypertension; a physical therapy program to address musculoskeletal conditions; other support programs for members taking glucagon-like peptide-1 agonists in its cardiometabolic program; and weight management programs, as well as various behavioral health support programs. It also delivers virtual care. The company offers its programs for employers, health plans and systems, and pharmacy benefits managers through its direct sales force and channel partners. Omada Health, Inc. was incorporated in 2011 and is headquartered in San Francisco, California
Tempus AI	Tempus AI, Inc. operates as a healthcare technology company. It engages in providing next generation sequencing diagnostics, polymerase chain reaction profiling, molecular genotyping, and other anatomic and molecular pathology testing to healthcare providers, pharmaceutical companies, biotechnology companies, researchers, and other third parties. The company offers Insights, a license library of linked clinical, molecular, and imaging de-identified data, as well as a suite of analytical services to analytic and cloud-and-compute tools to pharmaceutical and biotechnology companies; and Trials that provides clinical trial matching services to pharmaceutical companies. In addition, it operates Next; Algos, a suite of algorithmic tests in oncology; Hub, a desktop and mobile platform for ordering, managing, and receiving tests and patient results; and Lens, a platform for researchers and scientists to find, access, and analyze Tempus data. The company has a strategic collaboration agreement with AstraZeneca and Pathos AI, Inc. to develop therapeutic programs in oncology, as well as strategic collaboration with Personalis, Inc. and Whitehawk Therapeutics, Inc. The company was formerly known as Tempus Labs, Inc. and changed its name to Tempus AI, Inc. in January 2023. Tempus AI, Inc. was incorporated in 2015 and is headquartered in Chicago, Illinois
Waystar	Waystar Holding Corp. develops a cloud-based software solution for healthcare payments. Its platform offers financial clearance, patient financial care, claim and payment management, denial prevention and recovery, revenue capture, and analytics and reporting solutions. It primarily serves healthcare industry. The company was founded in 2017 and is headquartered in Lehi, Utah
Option Care Health	Option Care Health, Inc. offers home and alternate site infusion services in the United States. The company provides anti-infective therapy and services; home infusion services to treat heart failures; home parenteral nutrition and enteral nutrition support services for numerous acute and chronic conditions, such as stroke, cancer, and gastrointestinal diseases; immunoglobulin infusion therapies for the treatment of immune deficiencies; and treatments for chronic inflammatory disorders, including crohn's disease, plaque psoriasis, psoriatic arthritis, rheumatoid arthritis, ulcerative colitis, and other chronic inflammatory disorders. It also offers treatments to manage the progression of neurological disorders, such as Duchenne muscular dystrophy, multiple sclerosis, Alzheimer's disease, and other neurological disorder; infusion therapies for bleeding disorders, such as hemophilia and von Willebrand diseases; therapies for women with high-risk pregnancies; and other infusion therapies to treat various conditions, including pain management, chemotherapy, and respiratory medications, as well as nursing services. The company markets its services through patient referrals, including physicians, hospital discharge planners, hospital personnel, health maintenance organizations, and preferred provider organizations. Option Care Health, Inc. is headquartered in Bannockburn, Illinois
GoodRx	GoodRx Holdings, Inc., together with its subsidiaries, offers information and tools that enable consumers to compare prices and save on their prescription drug purchases in the United States. The company operates a price comparison platform that provides consumers with curated, geographically relevant prescription pricing, and access to negotiated prices. It also offers other healthcare products and services, including subscriptions and pharma manufacturer solutions, as well as telehealth services through the GoodRx Care platform. In addition, the company provides healthcare products and solution for dogs, cats, and other pets. It serves pharmacy benefit managers who manage formularies and prescription transactions, including establishing pricing between consumers and pharmacies. The company was founded in 2011 and is headquartered in Santa Monica, California
Privia	Privia Health Group, Inc. operates as a national physician-enablement company in the United States. The company collaborates with physician practices, health plans, and health systems. It offers technology and population health tools to enhance providers' workflows; management services organization that enable providers to focus on their patients by reducing administrative work; and single-TIN medical group that facilitates negotiating power, clinical integration, and alignment of financial incentives. The company also operates accountable care organization, which engage patients, reduce inappropriate utilization, and enhance coordination and patient quality metrics to drive value-based care; and network for purchasers and payers that enable providers to connect with new patient populations and create custom contracts. The company was founded in 2007 and is headquartered in Arlington, Virginia
AdaptHealth	AdaptHealth Corp., together with its subsidiaries, distributes home medical equipment (HME), medical supplies, and home and related services in the United States. The company offers sleep therapy equipment, supplies, and related services, such as CPAP and bi-PAP services to individuals suffering from obstructive sleep apnea; medical devices and supplies, including continuous glucose monitors and insulin pumps for the treatment of diabetes; HME to patients discharged from acute care and other facilities; oxygen and related chronic therapy services in the home; and other HME devices and supplies on behalf of chronically ill patients with wound care, urological, incontinence, ostomy, and nutritional supply needs. It also provides wheelchairs, hospital beds, oxygen concentrators, insulin pumps, CPAP masks and related supplies, diabetes management and wound care supplies, wheelchair cushion accessories, orthopedic bracing, breast pumps and supplies, walkers, commodes and canes, and nutritional and incontinence supplies. The company services beneficiaries of Medicare, Medicaid, and commercial insurance payors. AdaptHealth Corp. was founded in 2012 and is headquartered in Plymouth Meeting, Pennsylvania
RadNet	RadNet, Inc., together with its subsidiaries, provides outpatient diagnostic imaging services in the United States and internationally. The company operates in two segments, Imaging Centers and Digital Health. Its services include magnetic resonance imaging, computed tomography, positron emission tomography, nuclear medicine, mammography, ultrasound, diagnostic radiology, fluoroscopy, and other related procedures, as well as multi-modality imaging services. The company also develops and sells computerized systems that distribute, display, store, and retrieve digital images; picture archiving communications systems and related services; and develops and deploys AI suites to enhance radiologist interpretation of breast, lung, and prostate images, as well as solutions for prostate cancer screening. In addition, it develops and delivers AI-powered health informatics solutions to drive quality, efficiency, and outcomes in imaging and radiology; informatics designed for outpatient radiology; and DeepHealth OS, a cloud-native operating system that helps in the operations of the radiology service. RadNet, Inc. was founded in 1981 and is headquartered in Los Angeles, CA
The Ensign Group	The Ensign Group, Inc. provides skilled nursing, senior living, and rehabilitative services. It operates through two segments: Skilled Services and Standard Bearer. The Skilled Services segment provides short and long-term nursing care services for patients with chronic conditions, prolonged illness, and the elderly; specialty care, such as on-site dialysis, ventilator care, cardiac, and pulmonary management; and standard services, such as room and board, special nutritional programs, social services, recreational activities, entertainment, and other services. The Standard Bearer segment leases post-acute care properties to healthcare operators. In addition, the company operates senior living units; and provides ancillary services consisting of digital x-ray, ultrasound, electrocardiograms, sub-acute services, dialysis, respiratory, and long-term care pharmacy and patient transportation to people in their homes or at long-term care facilities, as well as mobile diagnostics. The company operates healthcare facilities in Alabama, Alaska, Arizona, Colorado, Idaho, Iowa, Kansas, Oregon, Nebraska, Nevada, South Carolina, Tennessee, Texas, Utah, Washington and Wisconsin. The company was incorporated in 1999 and is based in San Juan Capistrano, California
Surgery Partners	Surgery Partners, Inc., together with its subsidiaries, owns and operates a network of surgical facilities and ancillary services in the United States. The company provides ambulatory surgery centers and surgical hospitals that offer non-emergency surgical procedures in various specialties, including orthopedics and pain management, ophthalmology, gastroenterology, and general surgery. It offers emergency departments; and ancillary services, such as multi-specialty physician practices, urgent care facilities, and anesthesia services. In addition, it offers single- and multi-specialty facilities. Surgery Partners, Inc. was founded in 2004 and is headquartered in Brentwood, Tennessee

Source: Pitchbook

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Featured Insight: The Growing Cash-Pay Healthcare Economy: When Insurance Isn't Always the Cheapest Way to Buy Healthcare

(Continued from page 5)

For all 57 services, in every year studied, the commercially insured price was higher in the hospital outpatient department than in the physician office. In 2022, the hospital price differential ranged from **1.27 times to 13.5 times** the physician-office price, depending on the service.[5]

These were not comparisons between different diseases or fundamentally different procedures. The analysis compared prices for the same services based on where they were delivered.

Laboratory testing provides another particularly clear example. HCCI found that employer-sponsored health plans paid hospital outpatient departments, on average, approximately **three times as much for common laboratory tests as independent laboratories**.[6] Hospital outpatient departments accounted for roughly one-third of utilization but approximately **60% of total spending** on the laboratory services studied.[6]

The blood test did not become three times more complex because it was performed in a hospital outpatient department. The difference was largely the economics of the delivery setting.

Imaging shows a similar pattern.

An April 2026 HCCI analysis found imaging to be the second-most-common category of hospital outpatient care for commercially insured patients and a significant source of outpatient spending.[7] Previous HCCI work examining services that can be performed in either setting has repeatedly found materially higher commercial prices when imaging is delivered in hospital outpatient departments rather than physician offices.[5] The implications extend beyond imaging and laboratory testing.

If purchasers can identify clinically appropriate lower-cost settings, enormous price differences can potentially be avoided without reducing the amount of healthcare received. And this creates an important competitive opportunity for independent physician practices, laboratories, imaging facilities and ambulatory surgery centers.

57 out of 57: In HCCI's analysis of 57 services that could be performed in either a physician office or hospital outpatient department, **every service was more expensive in the hospital outpatient setting in every year studied.**

Illustrative national comparisons. Actual prices vary by procedure, provider, payer and geography. Lower-cost sites are not clinically appropriate for every patient or service.

The difference isn't necessarily the healthcare. It is often how—and where—it is purchased.

From Individual Prices to Bundled Healthcare

The direct-pay market becomes even more interesting when providers stop pricing individual components and begin pricing an entire episode of care.

The Surgery Center of Oklahoma is perhaps the best-known example. The physician-owned ambulatory surgery center publicly posts bundled prices for a broad range of surgical procedures.

A current example illustrates how different this purchasing model can be. The center advertises a total knee replacement for **$17,679**, with the posted bundle including the surgeon, facility and anesthesia as well as five days of home health, 30 days of physical therapy, certain medications and durable medical equipment.[8] A knee arthroscopy is currently posted at **$4,458**, including the surgeon, facility, anesthesia and routine follow-up.[9]

These examples are not offered to suggest that these prices will always be lower than every commercially negotiated price in every market. They illustrate something arguably more important: **a complex healthcare episode can be turned into a defined product with a known price.**

A patient purchasing surgery through the conventional insurance system might receive separate claims from the surgeon, anesthesiologist, facility, laboratory or pathology provider and potentially other participants.

The direct-pay model turns that fragmented billing process into something much more familiar to consumers:

This is the procedure. This is what is included. This is the price.

That change is more consequential than it initially appears. Traditional healthcare reimbursement starts with the services that were delivered and determines afterward what they cost. A bundled direct-pay market starts with the product and price.

That makes comparison shopping possible.

It also gives providers a reason to redesign care delivery around the total cost of an episode rather than the reimbursement available for its individual components.

Direct Primary Care Applies the Same Logic to Routine Care

Direct Primary Care, or DPC, applies a similar concept to primary care.

Instead of submitting an insurance claim for every office visit, participating patients or employers pay a predictable periodic membership fee for access to a defined set of primary-care services. The model effectively separates routine primary care from the insurance claims system.

That has several potential advantages. The physician receives predictable recurring revenue. The practice eliminates much of the coding, billing and collection infrastructure associated with individual encounters. And the patient generally knows the cost before receiving care.

Federal policy has now made the model considerably more attractive. Beginning January 1, 2026, an otherwise eligible individual participating in a qualifying DPC arrangement can remain eligible to contribute to a Health Savings Account. HSA funds also may be used tax-free to pay qualifying DPC membership fees, subject to statutory monthly limits.[10]

The same legislation also expanded HSA eligibility to bronze and catastrophic plans beginning in 2026.[10]

Conceptually, the pairing makes sense: use predictable dollars to purchase predictable primary care while retaining insurance for larger and less predictable medical expenses.

Consumers Are Beginning to Learn to Shop

Prescription drugs provide another example of consumers discovering that presenting an insurance card is not necessarily synonymous with getting the best available price.

Transparent pharmacies and discount platforms increasingly allow patients to compare their insurance cost with a cash or direct-purchase alternative. Cash will not always win that comparison. In fact, insurance will remain the better alternative for many prescriptions and services. The more important development is behavioral.

Consumers increasingly can see both prices before deciding how to purchase the service.

Once a consumer learns to ask whether a generic prescription costs less outside insurance, asking the same question about an MRI, laboratory test, physical therapy course or colonoscopy is not a large conceptual leap. Healthcare begins to behave—at least for some services—more like other markets.

Why Can Direct-Pay Healthcare Cost Less?

Several economic factors help explain why a competitive direct-pay price can be lower than an insurer-negotiated price.

Lower administrative expense. Providers can avoid some of the expense associated with eligibility verification, prior authorization, coding, claims submission, rejected claims, denials, appeals and patient collections.

Payment certainty. The provider knows what it will receive and can often collect payment at or near the time the service is delivered.

Lower collection risk. There is less uncertainty about whether the insurer or patient ultimately will pay the bill.

Lower-cost sites of care. Independent physician offices, laboratories, imaging centers and ASCs can operate with very different cost structures from hospital outpatient departments.

Price competition. Perhaps most importantly, a provider explicitly offering a cash-pay service must determine a price at which a purchaser will actually choose to buy it.

That last factor is largely absent from much of traditional healthcare contracting.

A dominant health system does not necessarily need to offer the lowest price to an insurer. If its physicians and facilities are essential to the insurer's network, its negotiating leverage may allow it to command substantially higher rates.

A provider trying to attract a patient—or an employer—that can compare several prices faces a very different economic discipline.

Price Transparency Could Accelerate the Market

Until recently, one of the largest obstacles to healthcare competition was straightforward: nobody knew the prices. That is gradually changing.

Federal hospital price-transparency rules require hospitals to disclose their standard charges, including discounted cash prices and payer-specific negotiated charges, in standardized machine-readable files.[11]

The rules became more consequential in 2026. CMS finalized additional requirements intended to improve the completeness, accuracy and comparability of hospital pricing data, including an attestation regarding the accuracy and completeness of reported information. CMS began enforcing the new and updated requirements on **April 1, 2026**.[12]

Raw pricing data alone will not create an efficient market. Hospital machine-readable files can contain millions of data points and remain nearly impossible for an ordinary consumer to interpret.

The more important development is what can now be built **on top of those data.**

Technology companies, employers, benefit advisers and healthcare providers can increasingly turn previously inaccessible pricing information into searchable services, comparisons, bundles and purchasing tools.

Transparency becomes economically powerful when it stops being merely a disclosure requirement and becomes a **shopping tool**.

Insurance Still Has an Essential Role

None of this means insurance is obsolete.

A healthy consumer can shop for an MRI. She cannot realistically shop for trauma care after an automobile accident. A patient can compare colonoscopy prices. She cannot reasonably self-finance a complicated cancer diagnosis or an extended ICU admission.

Insurance remains essential for low-frequency, high-cost events that individuals cannot reasonably predict or absorb. But insurance and healthcare purchasing are not the same economic function.

One protects against **risk**.

The other purchases **services**.

For much of the history of American healthcare, the two have been bundled together. Insurance became not only the mechanism for financing catastrophic medical expenses but also the payment mechanism for routine physician visits, laboratory tests, imaging, prescriptions and relatively predictable outpatient procedures.

The emerging direct-pay market challenges the assumption that everything must flow through the same financing mechanism.

The future may increasingly involve **insuring the unpredictable while shopping for the predictable.**

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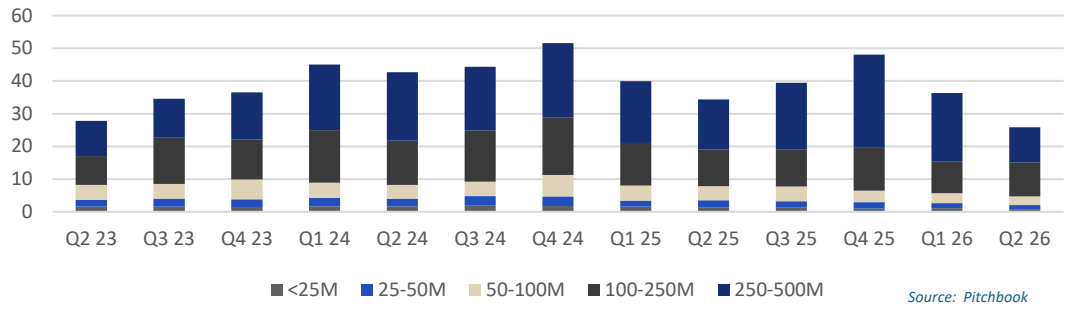
Experience Powers Success

Middle-market M&A remained uneven during Q2 2026, with activity varying considerably by transaction size. While overall deal count in the sub-$500 million market declined from Q1, the weakness was concentrated disproportionately among smaller transactions. Other market measures showed considerably greater resilience: GF Data reported PE-sponsored deal volume essentially unchanged from Q1, while transactions valued at $100 million or more increased meaningfully from the prior-year period.Valuations also remained relatively stable. GF Data reported an average purchase-price multiple of 7.0x EBITDA in Q2, compared with 7.3x in Q1, with much of the decline attributable to a greater mix of smaller transactions. The broader picture remains one of market bifurcation rather than broad-based deterioration: scaled, high-quality businesses with durable earnings and clear strategic value continue to attract buyers, while smaller or less differentiated companies face more selective underwriting and, in many cases, longer transaction processes.

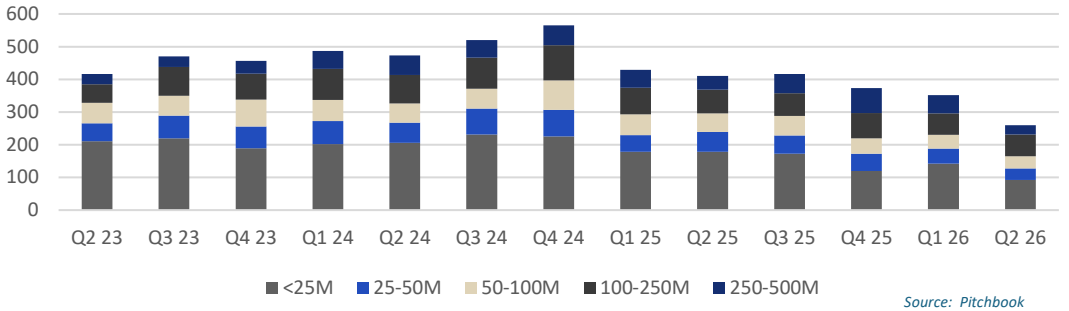
Financing conditions tell a similar story. Capital remains plentiful, but lenders became more selective during the quarter. Average leverage on new PE platform acquisitions declined, borrowing costs increased modestly, and U.S. direct-lending volume fell sharply as fewer buyouts came to market. At the same time, substantial private-credit fundraising and continued competition among lenders suggest that capital availability itself is not the primary constraint.
For middle-market business owners, the takeaway is encouraging but increasingly company-specific. The market is open, and attractive companies continue to transact. But earnings quality, recurring revenue, defensible market position, growth visibility and transaction preparedness increasingly determine both buyer interest and access to financing.

2026 Broader Middle-Market M&A Deal Value by Deal Size (in $bn)



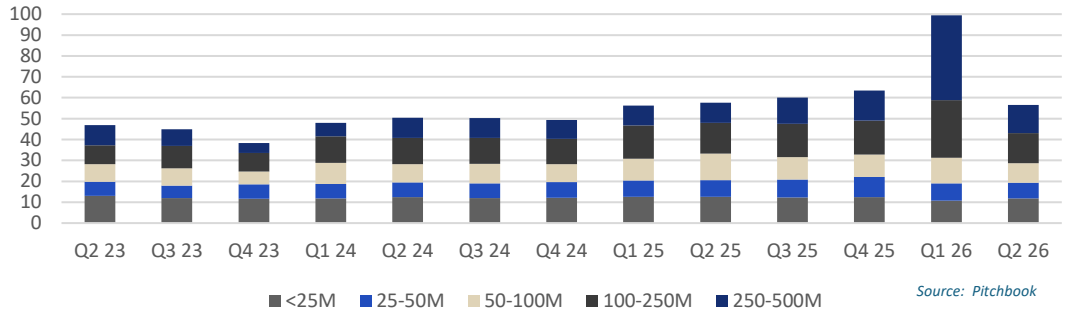
Source: Pitchbook

2026 Broader Middle-Market M&A Deal Count by Deal Size



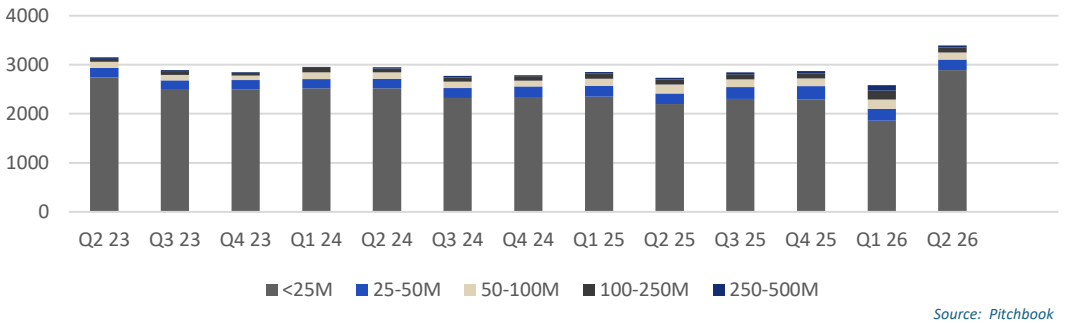
Source: Pitchbook

2026 Broader Middle-Market Private Financing Value by Deal Size (in $bn)



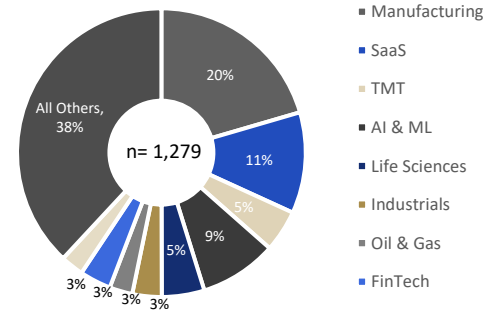
Source: Pitchbook

2026 Broader Middle-Market Private Financing Deal Count by Deal Size

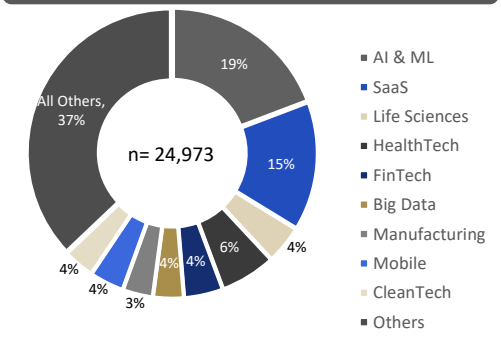


Source: Pitchbook

2026 LTM M&A by Sector



2026 LTM Private Financings by Sector



Source: Pitchbook

Global Healthcare Services M&A and Private Capital Raising

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Recent City Capital Healthcare Services Transactions

interwell health
Expect more.
CITY CAPITAL PROVIDED CONSULTING SERVICES TO IWH'S MEDICAL ADVISORY COMMITTEE IN CONNECTION CERTAIN INVESTOR TRANSACTIONS

A controlling interest of
Carolina Kidney Partners
HAS BEEN ACQUIRED BY
an affiliate of
MUSC Health
Medical University of South Carolina

CRA Compliance Risk Analyzer
A BUSINESS UNIT OF
DOCTORS MANAGEMENT
HAS BEEN ACQUIRED BY
VMG HEALTH
a portfolio company of
NCP NORTHLANE CAPITAL PARTNERS

GREENSPRING MEDICAL AESTHETICS
HAS BEEN ACQUIRED BY
PRINCETON MEDSPA PARTNERS
a portfolio company of
PRINCETON EQUITY GROUP

THE AFFILIATED DIALYSIS OPERATIONS OF
KRU Medical Ventures, LLC
HAS BEEN ACQUIRED BY
DaVita.

ARBOR CENTERS FOR EYECARE
HAS BEEN ACQUIRED BY
MoonSail Capital
and
PLENARY PARTNERS

Sun Health, Inc.
HAS BEEN ACQUIRED BY
DaVita.

Beaumont Health
HAS ENTERED INTO A JOINT VENTURE WITH
FRESENIUS MEDICAL CARE
TO OWN AND OPERATE THE COMPANY'S OUTPATIENT DIALYSIS BUSINESS

KRU MEDICAL VENTURES
NEW SMYRNA BEACH ARTIFICIAL KIDNEY CENTER
HAS BEEN ACQUIRED BY
RENAL

Pacific Interventional Vascular Access Center
HAS ENTERED INTO A JOINT VENTURE TRANSACTION WITH
Fresenius Vascular Care

ASSOCIATES IN NEPHROLOGY
HAS ACQUIRED A NON-CONTROLLING OWNERSHIP INTEREST IN 26 CHICAGO AREA DIALYSIS CENTERS FROM
Fresenius Medical Care

$ CONFIDENTIAL
FISHER solutions
HAS BEEN ACQUIRED BY
NovaMed

Other Recent City Capital Transactions

LIST INDUSTRIES INC.
HAS ACQUIRED
DEBOURGH lockers that work.
DeBourgh Manufacturing Company

Mechanical Solutions, Inc.
Test • Analyze • Solve • Design • Products
HAS BEEN ACQUIRED BY
UNIVERSAL PLANT SERVICES
a portfolio company of
NEW STATE CAPITAL PARTNERS

LIBERTY ADVISOR GROUP
HAS BEEN ACQUIRED BY
Resultant

proveris SCIENTIFIC
HAS BEEN ACQUIRED BY
Investindustrial

LINDHOLM CONSTRUCTION, INC. ROOFING
HAS BEEN ACQUIRED BY
PINNACLE Home Improvements
a portfolio company of
BOYNE CAPITAL

Indiana Sugars
HAS ACQUIRED
D&I PURE SWEETENERS
a division of
MANN LAKE
a portfolio company of
Grey Mountain PARTNERS

J&J SNACK FOODS CORP
(NASDAQ:JJSF)
HAS ACQUIRED
THINSTERS
from
Hain Celestial

general rubber
HAS BEEN ACQUIRED BY
EFFOX FLEXTOR MADER
a joint venture owned by
CECO ENVIRONMENTAL (NASDAQ : CECE)
Chartwell Investments

QUALITY PASTA COMPANY
HAS BEEN ACQUIRED BY
WINLAND FOODS
a portfolio company of
Investindustrial

DOUBLE B FOODS
HAND-HELD FOOD INNOVATIONS
HAS BEEN ACQUIRED BY
The Anderson Group

TAFCO Corp.
HAS BEEN RECAPITALIZED BY
JPMorgan Chase

THE EDGEWATER
The Edgewater Hotel
HAS COMPLETED A REFINANCING OF SENIOR DEBT WITH
WINTRUST
WINTRUST FINANCIAL CORPORATION

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