



**Specialty Healthcare Services
M&A Update
Q3 2026**

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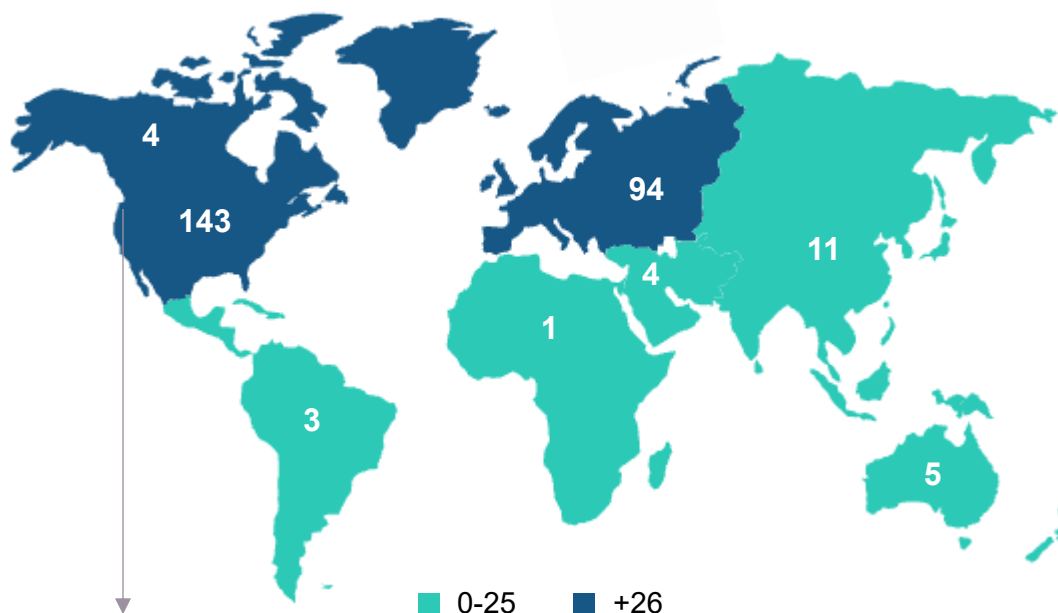
Specialty Healthcare Services M&A Update Q3 2026

REPORT HIGHLIGHTS

- In Q3, the S&P Healthcare Services Select Industry Index decreased 2.6% and was outperformed by a 2.0% increase in the S&P 500 over the same period.
- The median EV/EBITDA multiple for reported private equity deals in the Specialty Healthcare Services sector increased to 15.4x through YTD Q3 2026 from 11.5x in 2025.
- M&A deal volume in the sector increased 44.0% in Q3 to 265 deals from 184 deals in Q2, and increased 11.3% from 238 deals in Q3 of the prior year.
- North America was the most active region in Q3 with 147 deals. The largest deal in Q3 was WCAS's \$3.9 billion acquisition of Select Medical, a Pennsylvania-based post-acute care provider.
- Total capital invested in M&A transactions increased 9.6% in Q3 to \$9.3B from \$8.5B in Q2, driven by several large transactions, including WCAS's \$3.9B acquisition of Select Medical, mentioned above, and Intermountain Health's \$1.4B acquisition of Idaho Falls Community Hospital.



Of the 265 deals in the Specialty Healthcare Services sector in Q3, North America was the most active with 147. A notable North American deal in Q3 was Intermountain Health's \$1.4 billion acquisition of Idaho Falls Community Hospital, an Idaho-based operator of a full-service hospital. Europe was the second most active with 94 transactions and all other regions combined for a total of 24 deals.



Canada: 4

United States: 143

0-25 +26

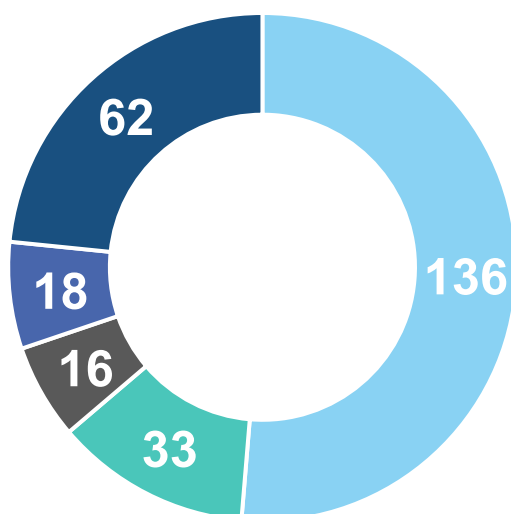
In the U.S., the Southeast region was the most active area in Q3 with 34 deals. A notable Q3 deal in the Southeast region was Sage Dental Management's acquisition of Monticciolo Family and Sedation Dentistry, a Florida-based operator of 11 dental practices in the Tampa Bay region, for an undisclosed amount. The Mid Atlantic and South saw 26 and 15 closed transactions, respectively. The West Coast region had 14 closed transactions, and all other U.S. regions combined for a total of 54 completed deals.

In the Canadian market, 4 transactions closed in Q3, including Canada Diagnostic Centres' buyout of Shift Imaging, an Alberta-based provider of medical imaging and pain management services, for an undisclosed amount.

Southeast:	34
Mid Atlantic:	26
South:	15
West Coast:	14
Others:	54

Of the 265 Specialty Healthcare Services deals in Q3, 136 deals were in the Clinics & Outpatient Services subsector, making it the most active from an M&A volume standpoint. The Elderly/Disabled Care & Inpatient Services and Specialty Healthcare Distributors subsectors saw 33 and 18 closed transactions, respectively, while 16 deals closed in the Practice Management subsector. All other subsectors combined for a total of 62 deals during the quarter.

Specialty Healthcare Services M&A Volume by Subsector



 Clinics/
Outpatient Services

 Elderly/Disabled
Care

 Specialty Healthcare
Distributors

 Practice
Management

 Other Specialty
Providers





























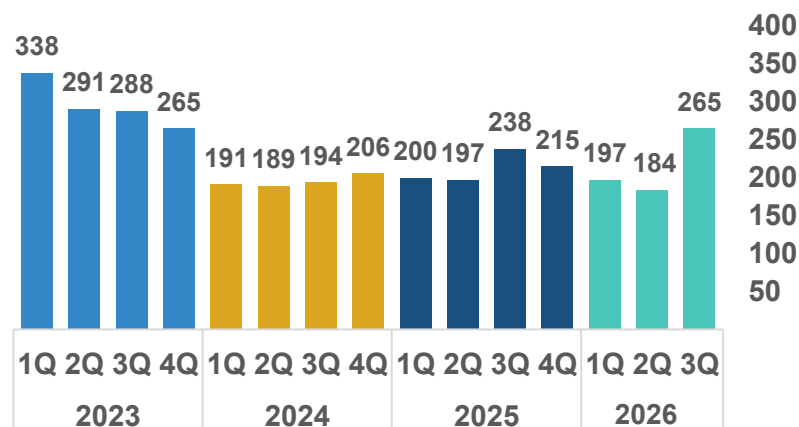


Deal volume in the Specialty Healthcare Services sector increased 44.0% in Q3 to 265 deals from 184 deals in Q2, and increased 11.3% from 238 deals in Q3 of the prior year. Q3 marks the highest quarterly deal volume in the last three years, matching Q4 2023. Year-to-date volume of 646 deals is up 1.7% from 635 over the same period in 2025. The rebound points to renewed buyer demand following two quarters of softer activity.

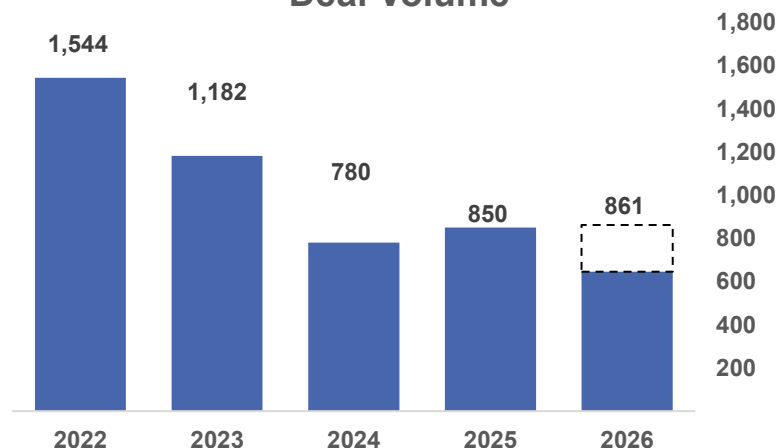
Annual deal volume is on pace to increase 1.3% to 861 deals in 2026 from 850 in 2025. We attribute this projected increase to sustained demand for clinics and outpatient services, which accounted for 136 of the 265 deals in Q3, led by dental, dermatology and physical therapy platforms. We also note that macroeconomic uncertainty and geopolitical volatility remain risks that could temper deal activity through year end.

Total capital invested in M&A deals in the Specialty Healthcare Services sector increased 9.6% in Q3 to \$9.3B from \$8.5B in Q2, and increased 29.8% from \$7.2B in Q3 of the prior year. Both quarters included a \$3.9B deal (the previously mentioned WCAS/Select Medical deal in Q3 and Ascension's acquisition of AmSurg in Q2), so the increase was driven by Intermountain Health's \$1.4B and \$795.0M hospital acquisitions and Universal Health Services' \$835.0M acquisition of Talkspace.

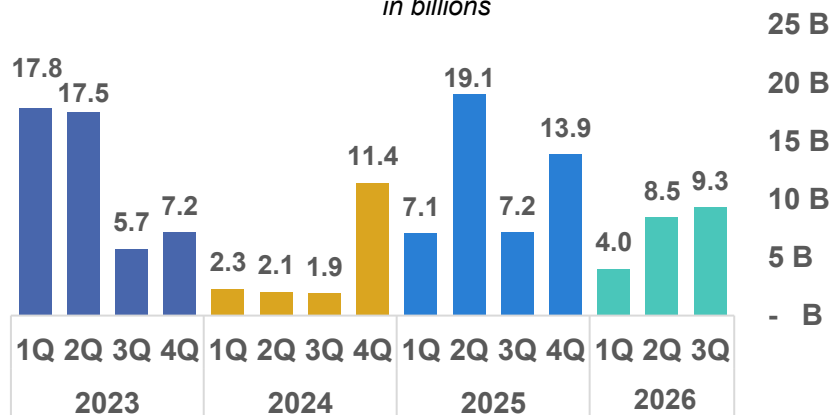
Deal Volume



Deal Volume



Total Capital Invested in billions

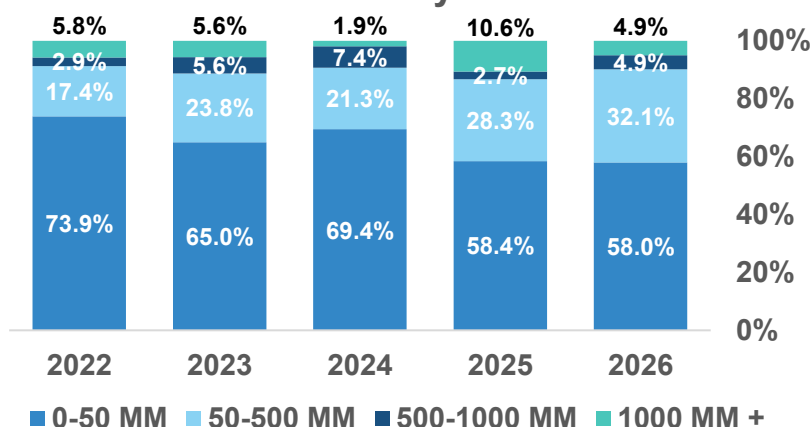


YTD Q3 2026, the middle market (\$50 to \$500 MM) and upper middle market (\$500 to \$1,000 MM) tranches increased to 32.1% and 4.9% from 28.3% and 2.7%, respectively, in 2025. The lower middle market (\$0 to \$50 MM) and large cap (\$1,000+ MM) tranches decreased to 58.0% and 4.9% from 58.4% and 10.6%, respectively, in 2025.

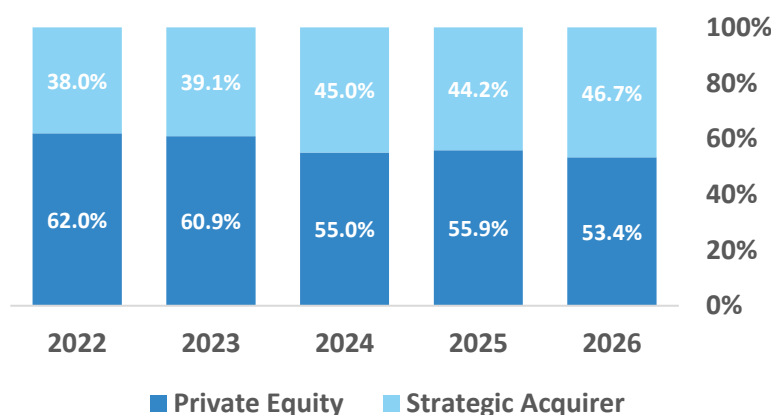
As a % of total deal volume, PE buyers trended lower YTD Q3 2026 relative to strategic buyers, representing 53.4% of deal volume in the sector compared to 55.9% in 2025. Strategic acquirers' YTD Q3 2026 share of 46.7% is the highest in the last five years.

Despite deal volume trends, total capital invested by PE investors (as a % of overall capital invested) increased YTD Q3 2026 to 65.9% from 37.5% in 2025. The increase was primarily driven by a handful of large-scale PE acquisitions, including the previously mentioned \$3.9 billion WCAS/Select Medical deal, GTCR's \$2.4 billion buyout of Dentalcorp Health Services in Q1 and Kinderhook Industries' \$1.2 billion buyout of Enhabit Home Health & Hospice in Q2.

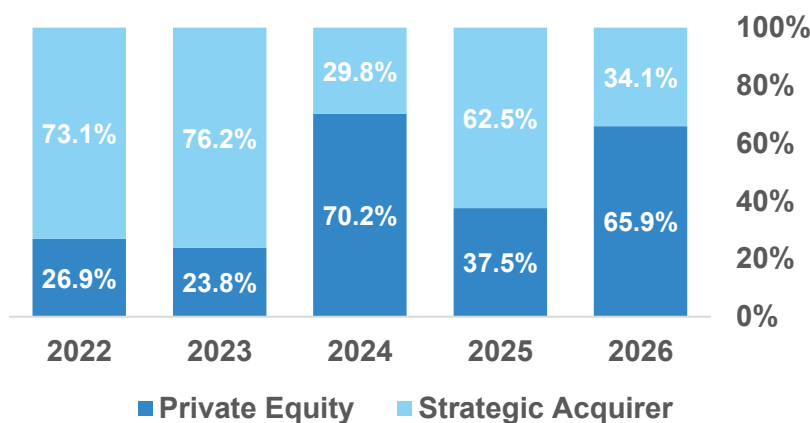
Deal Volume by Deal Size



Deal Volume by Acquirer



Total Capital Invested by Acquirer

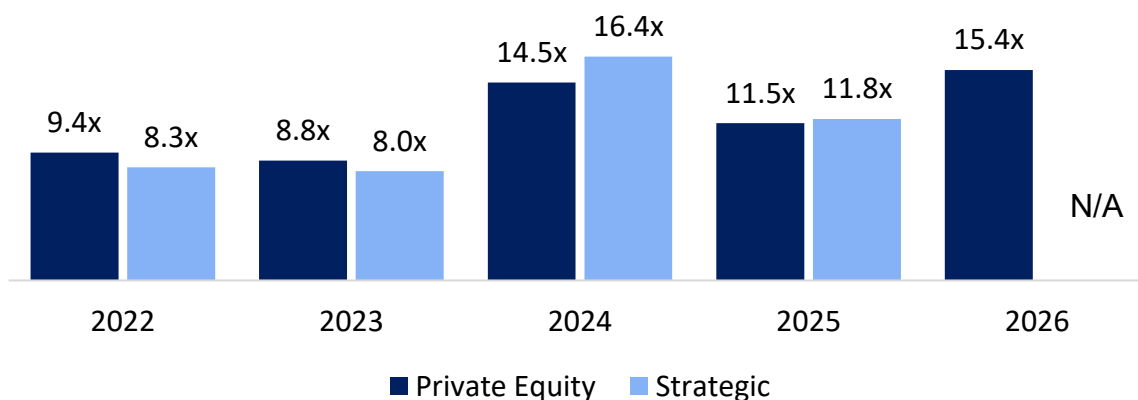


The median EV/EBITDA multiple for reported private equity deals in the Specialty Healthcare Services sector increased to 15.4x through YTD Q3 2026 from 11.5x in 2025, while no EV/EBITDA multiples for strategic deals were reported during this period.

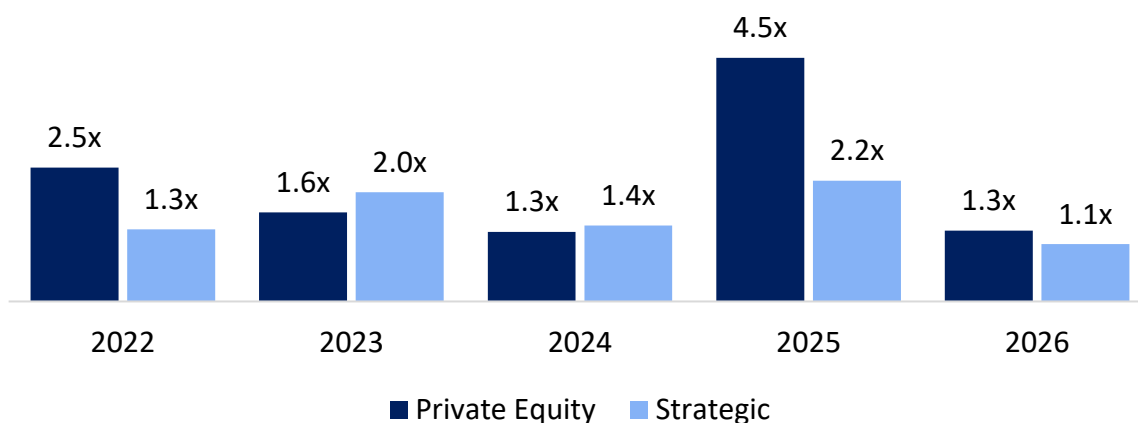
The median EV/Revenue multiple for reported private equity deals decreased to 1.3x through YTD Q3 2026 from 4.5x in 2025 and decreased for strategic deals to 1.1x from 2.2x in the prior year.

YTD Q3 2026 marks the highest reported median EV/EBITDA multiple for PE buyers in the last 5 years.

Reported EV/EBITDA Multiples



Reported EV/Revenue Multiples



Active Strategic Investors – Specialty Healthcare Services

Investor	2026 Investments	Select Targets
 <p>GRUPA LUXMED Jesteśmy częścią Bupa</p>	3	  
	2	 
	2	 

Active Private Equity Investors – Specialty Healthcare Services

Investor	2026 Investments	Select Targets
	4	   
	4	   
	3	  

Largest Deals (Disclosed)

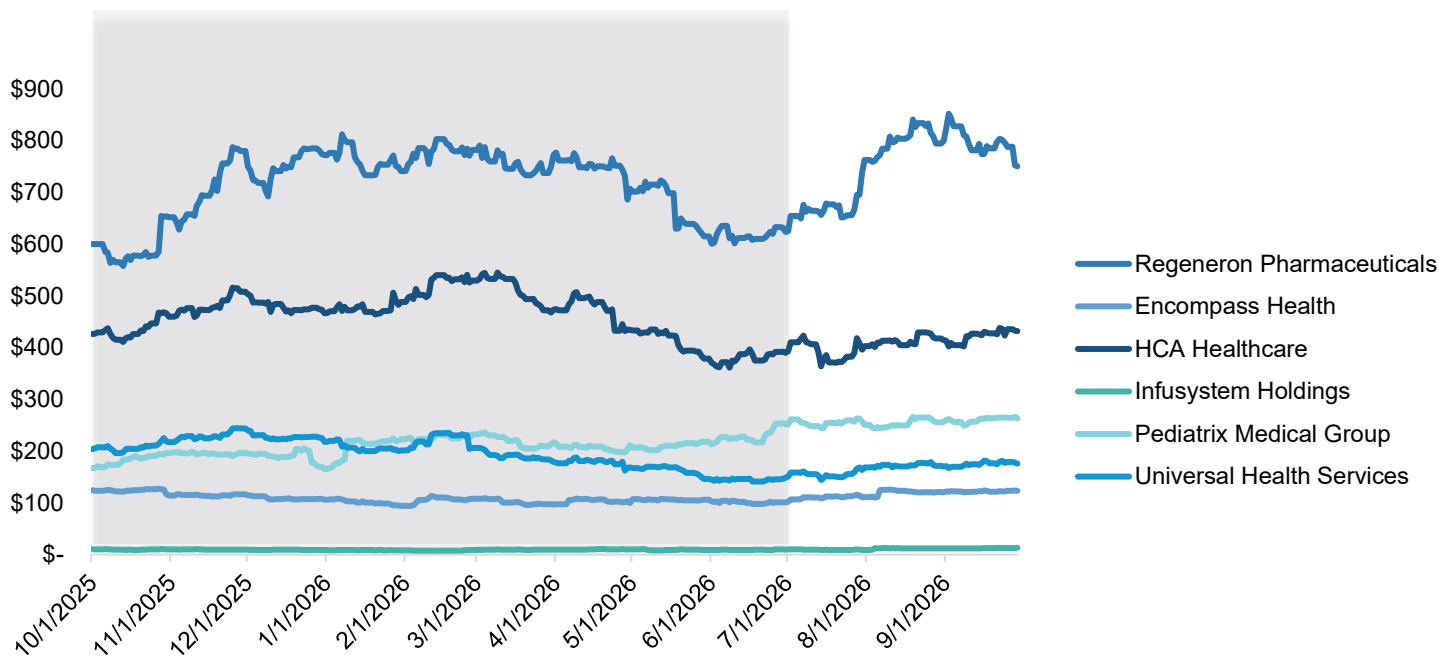
Deal Date	Company	Investor	Deal Type	Deal Size (\$mm)	EV		Target Business Description
					Revenue	EBITDA	
15-Sep-2026	Assim Saúde	Undisclosed Investor	Merger/ Acquisition	\$ 300.0			Operator of health insurance services intended to provide medical and dental coverage.
14-Sep-2026	Idaho Falls Community Hospital	Intermountain Health	Merger/ Acquisition	1,384.0	1.87x	12.30x	Operator of a full-service hospital intended to provide emergency and acute care in Southeastern Idaho.
14-Sep-2026	Mountain View Hospital	Intermountain Health	Merger/ Acquisition	795.0			Operator of a general care hospital intended for patients of all ages.
14-Sep-2026	Nexus Enterprises	Alaris Equity Partners Income	PE Growth/ Expansion	95.0			Provider of clinical review and utilization management services intended to ensure timely, accurate medical decisions for various related claims.
10-Sep-2026	Vheda Health	Agora Capital	PE Growth/ Expansion	47.0			Developer of an integrated healthcare platform designed to manage risk related to chronic conditions through remote monitoring and live outreach.
02-Sep-2026	Thyme Care	AlleyCorp	PE Growth/ Expansion	125.0			Provider of care navigation and coordination services intended for people with cancer.
01-Sep-2026	MatrixCare Holdings	Frazier Healthcare Partners	Buyout/ LBO	490.0	2.23x		Developer of cloud-based long-term post-acute care software for senior citizens.
31-Aug-2026	National Capital Hospital	Ramsay	Merger/ Acquisition	178.2			Operator of a private hospital based in Canberra, Australia.
17-Aug-2026	Talkspace	Universal Health Services	Merger/ Acquisition	835.0	3.56x		Provider of virtual behavioral healthcare services intended to increase access to mental health support.
09-Aug-2026	Akdital (CAS: AKT)	Arab Investment	PIPE	37.5			Akdital is a private hospital operator based in Morocco.
23-Jul-2026	Paradigm Oral Surgery	Goldman Sachs Asset Management	Buyout/ LBO	603.6			The company's services feature practice management, proprietary data analytics through the Paragon platform.
23-Jul-2026	Fyeo Europe	EuroEyes Deutschland	Merger/ Acquisition	154.1			Provider of vision correction services intended to serve individuals seeking improved eyesight.
22-Jul-2026	GenesisCare (Spain)	Vithas Sanidad	Merger/ Acquisition	51.4			Operator of a network of cancer care centers intended to provide medical assistance to cancer patients.
20-Jul-2026	Vision One	International Finance Corporation	PE Growth/ Expansion	50.0			Operator of a network of specialized hospitals and clinics intended to promote assistance, accessibility, and care in ophthalmology for patients.
01-Jul-2026	Select Medical (Pennsylvania)	Welsh, Carson, Anderson & Stowe	Buyout/ LBO	3,900.0	0.37x	3.94x	Operator of a national network of post-acute care facilities intended to provide rehabilitation and recovery services.
01-Jul-2026	Naveris	CareDx	Merger/ Acquisition	160.0	4.57x		Developer of a blood test technology designed to detect specific subtypes of cancer and improve patient outcomes.
Mean				575.4	2.52x	8.12x	
Median				169.1	2.23x	8.12x	
High				3,900.0	4.57x	12.30x	
Low				37.5	0.37x	3.94x	

Leading M&A Deals (Completed)

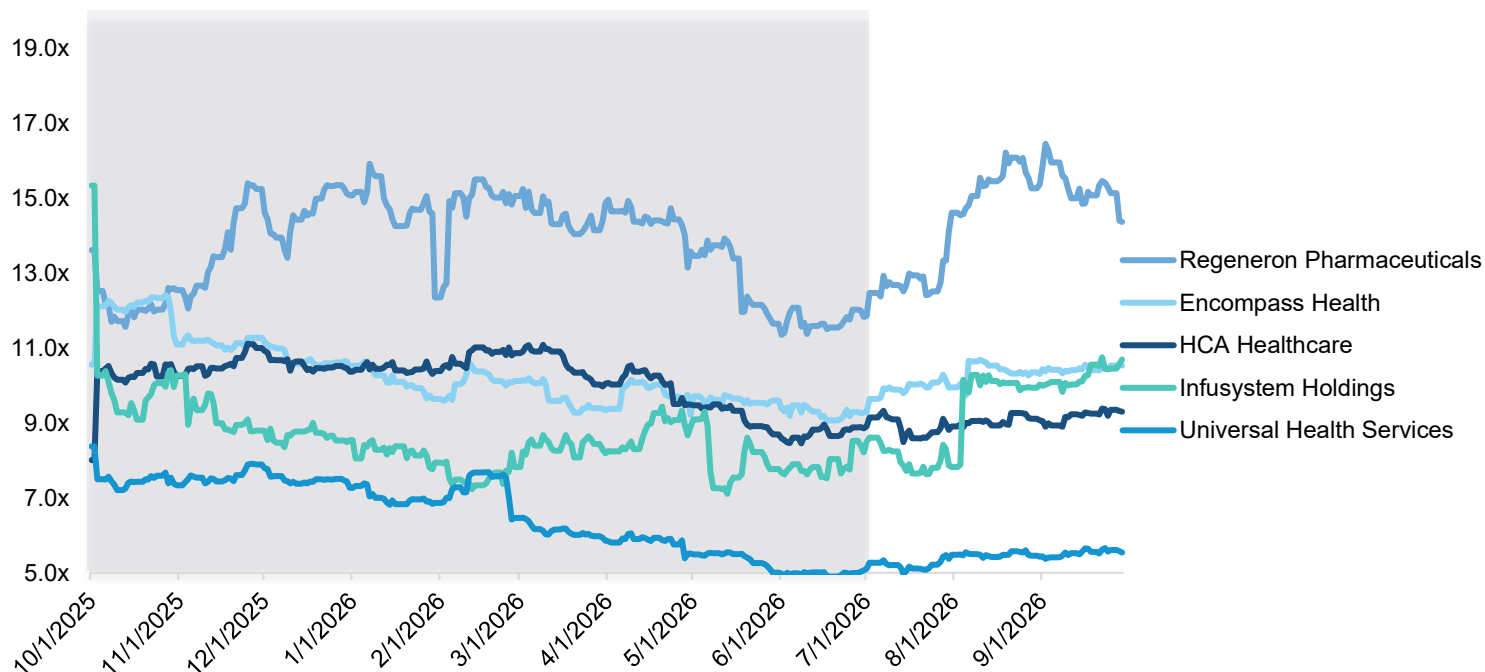


Target	Investor	Driver	Deal Synopsis
		Buyout/LBO	Welsh, Carson, Anderson & Stowe and members of Select Medical's management acquired Select Medical, a Pennsylvania-based operator of critical illness recovery hospitals, rehabilitation hospitals and outpatient rehabilitation clinics, for approximately \$3.9 billion in July 2026. The transaction takes the post-acute care provider private and supports its long-term growth under its founding leadership team.
	 Universal Health Services, Inc.	Merger/ Acquisition	Universal Health Services acquired Talkspace, a New York-based provider of virtual behavioral health services, for approximately \$835 million in August 2026. The acquisition expands UHS's behavioral health platform into virtual care and broadens patient access to mental health services.
		Buyout/LBO	Paradigm Oral Health, an oral and maxillofacial surgery partnership platform, completed a surgeon-led buyback backed by a Warburg Pincus-led investor group including Goldman Sachs Asset Management for approximately \$603.6 million in July 2026. The transaction returns majority control to Paradigm's surgeon partners and provides capital for continued growth.
		Merger/ Acquisition	Frazier Healthcare Partners acquired MatrixCare, a provider of cloud-based electronic health record software for long-term and post-acute care providers, from ResMed for approximately \$490 million in September 2026. The transaction carves MatrixCare out of ResMed as a standalone company and positions Frazier to expand the platform across skilled nursing, senior living, and home-based care settings.

Stock Price

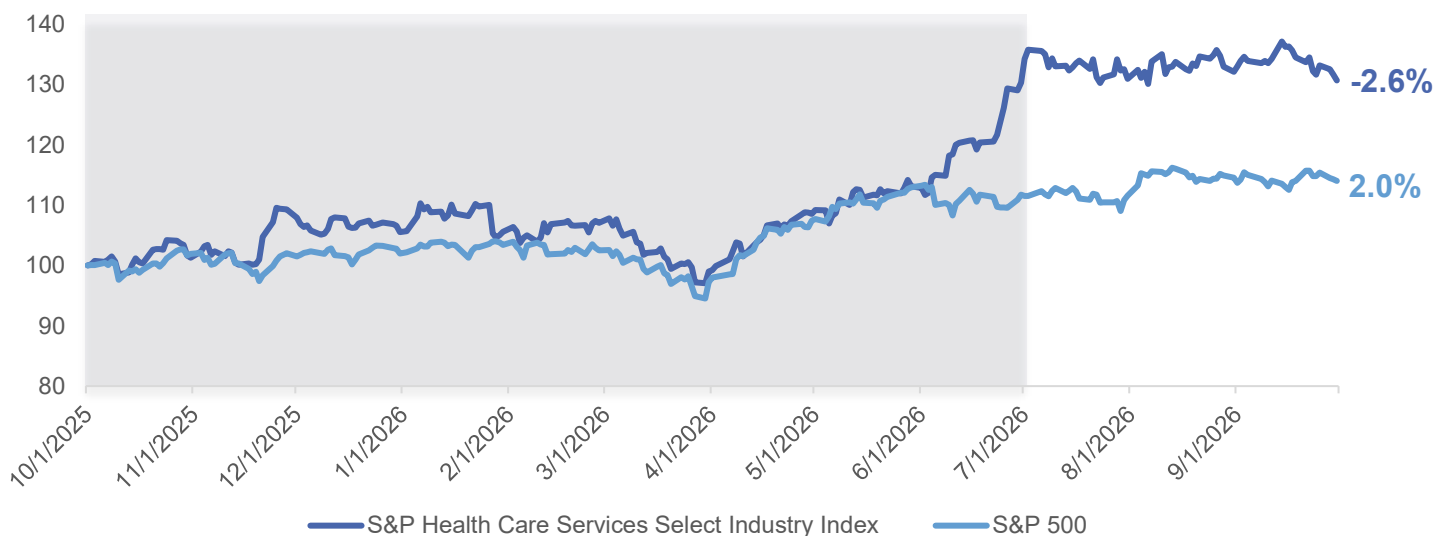


EV/EBITDA



Index Performance

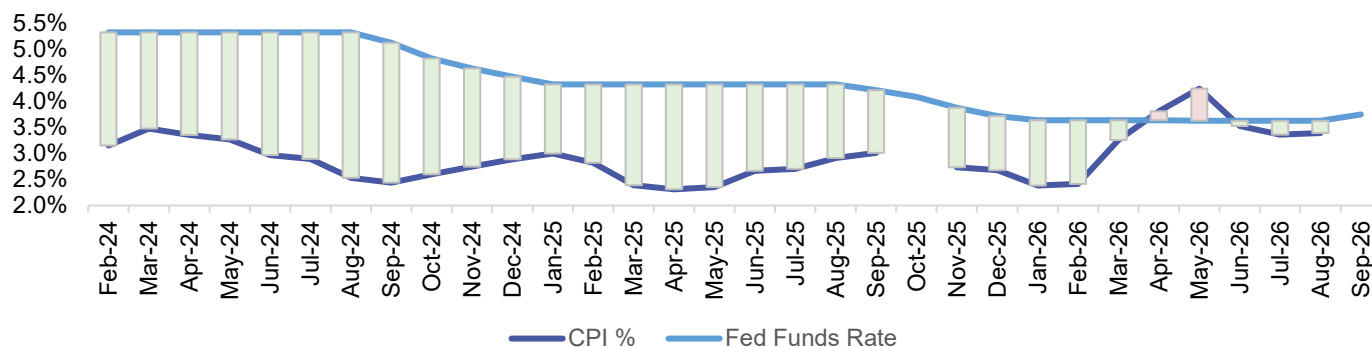
In Q3, the S&P Healthcare Services Select Industry Index decreased 2.6% and was outperformed by a 2.0% increase in the S&P 500 over the same period.



Key External Drivers

The specialty healthcare sector's momentum this quarter rested on a narrow set of themes, with outpatient migration, physician- and provider-services roll-ups, and digital health platforms drawing steady strategic and PE interest.

The bigger story this quarter was the Fed's shift from holding to hiking. At its July 29 meeting, the committee held rates at 3.50%–3.75% for a fifth straight meeting, but three officials dissented, and the minutes showed members saw the need for a hike if inflation didn't cool. It didn't: August CPI came in at 3.4% year-over-year, above forecasts, as gas prices surged. On September 16, the Fed raised rates by 25 bps to 3.75%–4.00% and signaled one more hike before year-end. Energy remained the catalyst. Brent climbed back above \$100/barrel in mid-September, with Strait of Hormuz throughput at roughly one-fifth of pre-war levels, and spiked again in late September after President Trump rejected Iran's plan to reopen the strait. With a hawkish Fed and elevated energy prices, higher-for-longer financing costs remain the key headwind for deal activity heading into Q4.



Note: The U.S. Bureau of Labor Statistics did not publish an official CPI reading for October 2025 due to the federal government shutdown, which disrupted data collection. As a result, no official year-over-year CPI figure is available for that month.

Emerging trends in the Specialty Healthcare Services sector



Mental Health Therapy Platform Consolidation

Acute-care operators push into virtual and outpatient behavioral health

Acute-care operators are buying virtual platforms to build a full outpatient continuum. Universal Health Services' \$835 million acquisition of Talkspace links virtual therapy to its intensive outpatient and inpatient programs, and Sword closed its acquisition of Headspace on October 1. Buyers favor platforms with in-network payor contracts and measurable outcomes, which keeps competition high for scaled assets.



Autism & Developmental Services Scale-Up

A flight to quality reshapes ABA dealmaking

Demand for applied behavior analysis remains strong, but buyers are increasingly selective as states cut Medicaid rates and tighten oversight. Top platforms command mid-to-high-teens EBITDA multiples, versus 6–8x for the broader market. Diligence now centers on clinical quality, staffing stability and audit history. Massachusetts' Medicaid accreditation mandate, which starts in 2027, raises the bar for smaller operators.



AI-Driven Diagnostics & Data Platforms

Digital pathology becomes the next diagnostic battleground

Strategic acquirers are targeting AI-enabled diagnostic platforms that automate lab workflows and generate proprietary data. Roche's agreement to acquire PathAI, for \$750 million upfront plus up to \$300 million in milestones, shows the premium on digital pathology for cancer diagnosis and biomarker discovery. Buyers increasingly value companies whose data assets also serve biopharma customers.



Substance Use Disorder Treatment Pressure

Medicaid headwinds drive rescue deals and restructurings

Addiction treatment providers face mounting Medicaid pressure from proposed limits on state provider taxes and from work requirements that take effect January 1, 2027. Spero Health's acquisition of CleanSlate Centers, a network of more than 65 locations, closed July 1 and averted a shutdown. BayMark Health Services restructured, with control passing to its lenders. Buyers favor operators with a diversified payor mix and disciplined leverage.



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About

R.L. Hulett is a middle-market investment bank based in St. Louis, Missouri, providing M&A and financial advisory services to middle-market companies. Since its founding in 1981, the firm has advised in over 300 transactions in a variety of industries including Healthcare, Transportation & Logistics, Packaging, Food & Consumer, Industrials, Business Services, and Software/Tech-Enabled Services. The firm has an experienced team of M&A advisors consisting of former business owners, seasoned corporate executives, professional service firm partners, CPAs and MBAs. Our ability to deliver customized solutions to meet or exceed our clients' expectations is what sets us apart from our competitors.

Our Clients

\$10 - 250MM
Revenue

\$2 - 20MM
EBITDA

Middle Market
Privately
Owned

Industries Served



Healthcare



Tech-Enabled
Services



Plastics &
Packaging



Industrials



Transportation
& Logistics



Food &
Consumer



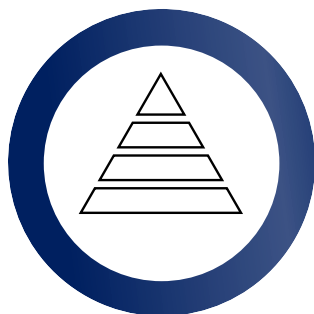
Sell-Side Advisory: Sell your business

Sell your business for the highest price and for the best terms. At R.L. Hulett, communicating the value of your business to targeted buyers and finding the best fit for your team is our forte. We strive to maintain your company's culture and heritage even as you transition out of your business.



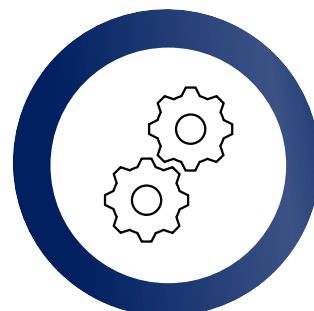
Buy-Side Advisory: Buy a business

Searching for acquisition targets can be a challenging and time-consuming task when trying to run your own business at the same time. Navigating the risks and pitfalls in negotiating valuation and deal structure can also be a daunting task for many business owners. Let our team help you minimize your risk and reduce time wasting efforts with our decades of experience in advising in both buy and sell-side M&A transactions. We utilize industry-leading M&A databases to scout for opportunities and pre-screen for "real" actionable targets so you can stay focused on what matters.



Capital Raise: Gain financial support

With over 45 years of experience in middle-market M&A advisory, we know how to package up your deal and put you in front of the right kind of investors who have the capital and the industry expertise you need to grow your business. Our team will develop a go-to-market strategy and advise on deal structure, valuation, due diligence and transition issues. Whether you are seeking capital for growth or trying to buy out other shareholders, we have the tools, expertise, and experience to execute a strategic process and find the optimal outcome to meet your objectives.



Restructuring: reorganization of your business

In today's uncertain economic times, more and more companies are finding themselves in unfamiliar, and unwanted, positions. Many business owners are hoping recovery is just around the corner; however, proactive measures are often required to maximize the remaining value of the business. Our team can aid banking institutions with workout situations by implementing internal controls over cash management and performing on-going cash flow modeling for their clients. We can also help business owners avoid having trouble making payments on their debts and avoid the cumbersome and low-value asset liquidation process.

Below are two recent transactions facilitated by R.L. Hulett, showcasing our expertise in the Healthcare Services sector. Each transaction exemplifies our commitment to delivering exceptional value and strategic growth for our clients.



Has been acquired by

Bain Capital *Ventures*



The Seller: The Corner Pharmacy operates retail pharmacies located in hospitals to provide a convenient resource for hospital in-patient and outpatient discharges, hospital-affiliated Ambulatory Surgery Centers (ASCs), and clinical visits to hospital-affiliated physician offices located in Medical Office Buildings.

The Buyer: Bain Capital Ventures is the Boston-based venture capital affiliate of Bain Capital. Founded in 1984, Bain Capital Ventures has made investments in over 110 early and growth-stage companies. Bain Capital Ventures currently has \$2 billion under management and invests in business services, consumer, healthcare, internet & mobile, and software companies.

Transaction Rationale: The Corner Pharmacy will use the investment proceeds to fund the continued expansion of its business and for general corporate purposes.



Has been acquired by



The Seller: All-Staff Nursing, Inc. ("ASN"), located in the St. Louis metropolitan area, is a specialized provider of supplemental staffing services for long-term care facilities. Since its establishment in September 1990, All-Staff Nursing has been dedicated to addressing the temporary staffing needs of healthcare organizations, particularly nursing homes. Their primary focus is on supplying highly qualified healthcare professionals, including Registered Nurses, Licensed Practical Nurses, and Certified Nurse Assistants.

The Buyer: Founded in 1986, Cooperative Home Care ("CHC") is a trusted provider of healthcare staffing and home care services in St. Louis, Missouri. The company provides nurse staffing and palliative home care services under Medicaid, Medicare and private pay programs.

Transaction Rationale: The acquisition of ASN expands CHC into the Illinois market.

Over the years, R.L. Hulett has completed hundreds of transactions in a variety of industries. Below are several representative transactions highlighting the firm's experience in the sector.



Has been acquired by



Has sold substantially all of
its assets to



Has been acquired by



Has sold substantially all of
its assets to



Has been acquired by

MONTIEL ENTERPRISES



Has been acquired by

Gateway Dental
Laboratory





R. Trevor Hulett, CPA
Managing Director
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Mr. Hulett has led M&A transactions in a variety of industries including manufacturing/industrial, software development/IT, business services and value-added distribution for over 15 years. Prior to joining the firm, he held senior level accounting and financial management positions in both public accounting and large corporations. Mr. Hulett began his career as a Certified Public Accountant with MPP&W, a St. Louis-based public accounting firm specializing in middle market companies. He then held various management positions in internal audit and corporate accounting with a Fortune 1000 industrial manufacturing company and also spent nine years with Enterprise Rent-A-Car Company as a department manager in the Corporate Accounting group. Mr. Hulett holds his Series 62, 63 and 79 securities registration. Mr. Hulett earned a Bachelor's Degree in Accounting from the University of Missouri, Columbia.



Jim Goebel
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Mr. Goebel has spent most of his career as an owner/operator of several successful businesses in the technology and distribution space. He was the sole founder of a cloud software/VoIP company built from scratch, scaled, and eventually acquired by Private Equity. He has been on both sides of the M&A table, leading myriad acquisitions and drove and oversaw several successful exits. He has extensive experience working with banking, private equity, deal structure, corporate finance and capital structure, and post deal company assimilations. Mr. Goebel has served on several industry as well as community nonprofit boards in both financial and advisory capacities. He holds a Bachelor's Degree from the University of Southern Indiana in Evansville, Indiana.



Christopher Riley
Senior Advisor
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Mr. Riley has owned, operated, and sold multiple businesses spanning five decades in the technology, fabrication, hospitality, real estate, social media, financial services, automotive, private equity and business services industries. He owns multiple companies, United Cutwater and Cutwater Advisory Partners, that focus on identifying, funding, growing, and exiting businesses at their Optimum Value. Prior to joining the firm, he worked in New York in the investment banking industry for 10 years. He began his career with American Express as an Estate and Tax Planning Specialist. With degrees in Finance and Philosophy and a Master's in Organizational Psychology, Chris was educated at Santa Clara University, the London School of Economics and the Harvard Business School. Chris is Series 79 and Series 63 licensed, has seven board certifications in cyber intelligence, and is a licensed forensic investigator.



Dax Kugelman
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Mr. Kugelman provides analytical support for senior-level deal managers and prepares confidential memorandums, financial models and industry research reports. He graduated from The University of Missouri with a Bachelor of Science degree in Finance from The Trulaske College of Business. Prior to joining the firm, Dax worked as a financial planning intern for Haribo of America, where he developed an automated sales report, utilized data to create an updated price costing model, and converted their outsourced payroll ledger to a more accurate format. During his time at the University of Missouri, Columbia, Dax was involved with the Financial Planning Association and the University of Missouri Investment Group.



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Mrs. Hulett leads the firm's marketing, administrative and communication efforts. She maintains the firm's proprietary CRM database, manages outbound firm communications and provides administrative support to senior deal managers. Prior to joining R.L. Hulett, Lynda spent the previous ten years in various marketing and administrative functions. Most recently, she worked as a client liaison providing administrative support for a CPA firm. Prior to that, she was employed by Moneta Group, a financial services advisory firm, where she provided marketing and administrative support to the client managers. Lynda graduated from the University of Missouri, Columbia, receiving her business degree with an emphasis in Marketing.



Robert L. Hulett
In Memoriam:
1943-2024

Mr. Hulett founded the firm in 1981 and has negotiated and completed more than 200 transactions throughout his career. He began his career as a Certified Public Accountant and practiced with Peat, Marwick, Mitchell & Co. in St. Louis as an Audit Manager and in New York as the Director of Training for Private Business. Mr. Hulett has also served as Chief Executive & Board Member for various middle market companies. As an educator, he was an adjunct professor at New York University and a tenured faculty member at Lindenwood University in St. Louis. He conducted training sessions for middle market CPA firms throughout the country for more than ten years. Mr. Hulett earned his BS/BA Cum Laude in Accounting from the University of Missouri, Columbia, and an MBA from Lindenwood University.



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Advocates.***

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