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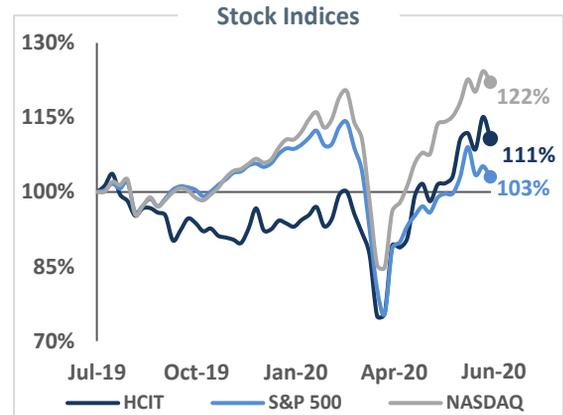
**HEALTHCARE IT
SECTOR UPDATE
2Q20**

July 2020

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BCA Market Commentary & Stock Indices Relative Performance

- Healthcare technology M&A remained muted in 2Q20 as COVID-19 drove uncertainty and the debt markets pulled back significantly.
- High-quality assets with strong growth, recurring revenue and a proven ability to weather the initial COVID-19 storm are beginning to successfully test the market.
- As expected, telemedicine / digital health companies continue to perform well with public companies Livongo and Teladoc up 155% and 35%, respectively in 2Q20.
- Deal activity is expected to pick-up modestly after Labor Day as private equity firms still have capital to put to work and seek the high-quality investment opportunities healthcare technology companies provide.



Select M&A and Financing Transactions

M&A DEALS				TEV Multiple		
Date	Target	Acquirer	Target Business Description	TEV (\$M)	Revenue	EBITDA
6/25/20	Citra Health	Cedar Gate	End-to-end data solution for payers and HCOs.	N/A	N/A	N/A
6/22/20	HealthPlanOne	Lightyear	Online marketplace for health insurance.	N/A	N/A	N/A
6/16/20	CareZone	Walmart	Online healthcare platform and pharmacy delivery service.	\$200	N/A	N/A
6/2/20	Central Logic	Rubicon Tech	SaaS-solution driving improved patient outcomes for providers.	N/A	N/A	N/A
5/18/20	NaviHealth	OptumHealth	Data-driven post-acute care management services.	\$2,500	Confidential	
4/28/20	AbleTo	Optum	Technology-enabled behavioral healthcare platform.	\$470	10.0x	N/A

FINANCING DEALS				Amount (\$M)	Round of Financing
Date	Target	Investor(s)	Target Business Description		
6/22/20	Cedar	Andreessen Horowitz	Patient payment platform.	\$102	Series C
6/10/20	MacroHealth	NewSpring, TTCF	Healthcare network optimization and claims settlement services.	N/A	N/A
6/10/20	Kyruus	Francisco	Information exchange platform for healthcare providers.	\$30	Series D
6/10/20	QGenda	ICONIQ	Physician scheduling software for medical practices.	N/A	N/A
6/9/20	PatientPing	Andreessen Horowitz, Transformation, F-Prime	Real-time medical notification platform for healthcare providers.	\$60	Series C
5/27/20	Higi	Babylon Health	Self-screening health station network.	\$30	Series B

Select Public Trading Multiples

(\$M except share prices)									
Company	Ticker	Stock Price	% of 52-Week		TEV	TEV / Revenue		TEV / EBITDA	
			High	Low		LTM	NTM	LTM	NTM
Allscripts	MDRX	\$6.77	58%	135%	\$2,090	1.2x	1.2x	7.9x	6.9x
Cerner	CERN	\$68.55	86%	137%	22,707	4.0x	3.9x	13.4x	12.4x
Change Healthcare	CHNG	\$11.20	65%	163%	6,113	NM	1.9x	NM	6.8x
Health Catalyst	HCAT	\$29.17	60%	164%	956	5.8x	4.9x	NM	NM
HealthEquity	HQY	\$58.67	67%	145%	5,277	8.3x	7.0x	19.3x	23.3x
HMS Holdings	HMSY	\$32.39	81%	168%	3,013	4.6x	4.2x	17.0x	15.5x
Inovalon	INOV	\$19.26	86%	139%	2,486	3.8x	3.5x	11.6x	10.4x
Livongo Health	LVGO	\$75.19	98%	472%	7,005	NM	17.7x	NM	NM
Phreesia	PHR	\$28.28	83%	170%	575	5.5x	4.0x	NM	NM
Teladoc	TDOD	\$190.84	93%	345%	13,795	30.2x	14.7x	NM	NM
Average						7.9x	6.3x	13.9x	12.5x
Median						5.1x	4.1x	13.4x	11.4x

Note: EBITDA includes add-backs for stock-based compensation and non-recurring expenses. Data per SEC filings and PitchBook.

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Select Recent Healthcare Technology Transactions

