

U.S. Physician Practice Management
M&A Market Update

CASCADE PARTNERS

Acquisitions | Divestitures | Financings | Restructurings

CASCADE PARTNERS

About Cascade

Cascade Partners is a boutique investment bank focused on healthcare, personal injury, business services, industrials, and manufacturing companies within the middle market. Physician practice management, personal injury, behavioral health, cardiology, and related business services are core areas of specialty for Cascade Partners.

With more than 250 years of combined experience, we work with business owners and shareholders to achieve their objectives and explain the impact and opportunity of their options. Our expertise extends beyond just being transaction advisors; we have been operators, board members, and investors. Cascade's services range from sell-side and buy-side advisory to securing growth financing, restructurings, and recapitalizations. Our expertise and insight go deeper than the economic factors of a deal.

We recognize and respect the long-term impact of transactions on our clients' companies, employees, families, wealth, and personal lives. We are committed to create not only long-term value for companies but also transformative solutions for people.

Table of Contents

1. Cascade Partners Experience 3
2. U.S. M&A Market Overview 5
3. U.S. Physician Practice Management Insights and M&A Activity 11

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1 Cascade Partners Experience

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Cascade Partners Select Experience

Advisor
Utah Spine Center has been acquired by North County Medical

Buy-Side Advisor
First Care Medical has acquired FCCD,LLC Concussion Clinics

Sell-Side Advisor
BVA Better Vision Ahead. Advanced Eye Care has been acquired by Vision Integrated Partners a portfolio company of Firmament

Sell-Side Advisor
Grand Rapids Ophthalmology Eye Care | Surgery | Laser Correction has sold a majority interest to Sterling Partners

Sell-Side Advisor
First Care Medical has been acquired by Excelsia Injury Care

Buy-Side Advisor
First Care Medical has acquired Advanced Spine & Rehabilitation

Sell-Side Advisor
NorthwestEye Be Eye Wise has partnered with Unifeye Vision Partners

Sell-Side Advisor
EMS Emergency Medicine Specialists has merged with TeamHealth

Strategic Advisor
MPC Michigan Pain Consultants, PC
Cascade Partners served as the exclusive advisor to the company

Strategic Advisor
M·I·N·D
Cascade Partners served as the exclusive advisor to the company

Financing
DDPG Dynamic Dental Partners Group a portfolio company of Huron Capital has acquired dental partners Dental Caring Made Easy.

Sell-Side Advisor
MEI Michigan Eye Institute has partnered with Midwest Vision Partners a portfolio company of Alpine

Sell-Side Advisor
Compass Cancer Center has been acquired by The Cancer & Hematology Centers A Partner of OneOncology

Buy-Side Advisor
Cascade Chiropractic Clinic has been acquired by North County Medical

Sell-Side Advisor
BiOtronic NeuroNetwork has been acquired by Great Point Partners

Financing
Providence Group, Inc. has secured senior debt financing from Gemino Healthcare Finance

Sell-Side Advisor
DeGara P.L.L.C. has merged with American Physician Partners

Sell-Side Advisor
Lansing Institute of Urology A Division of Compass Health has been acquired by The Cancer & Hematology Centers A Partner of OneOncology

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2 U.S. M&A Market Overview

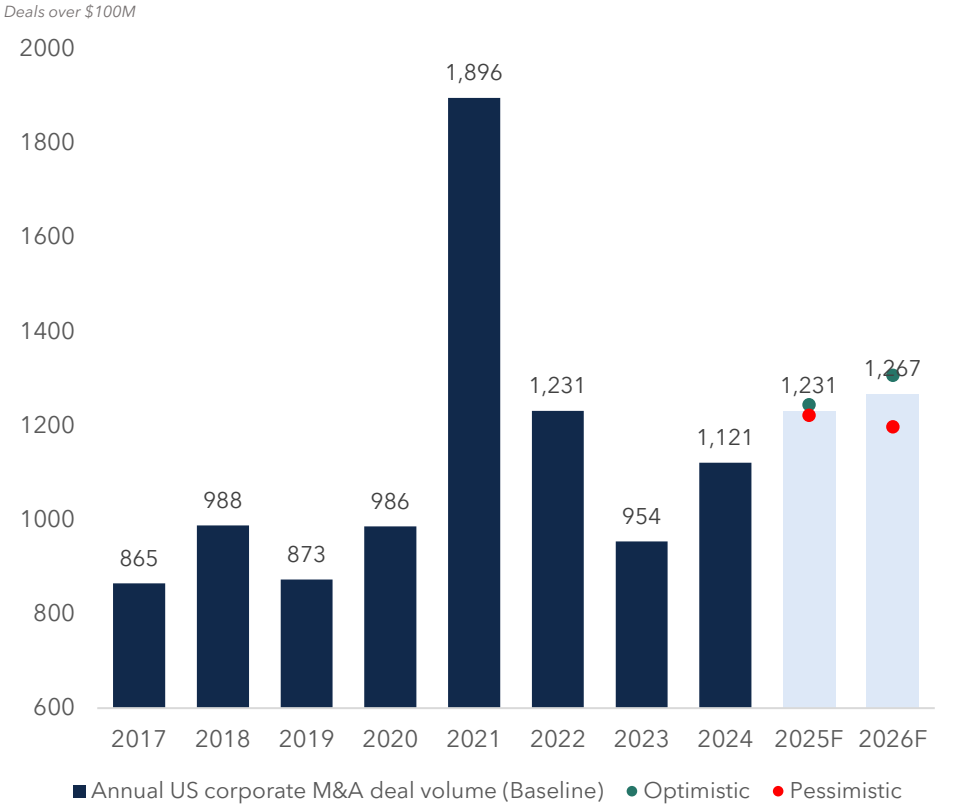
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U.S. M&A Market Overview

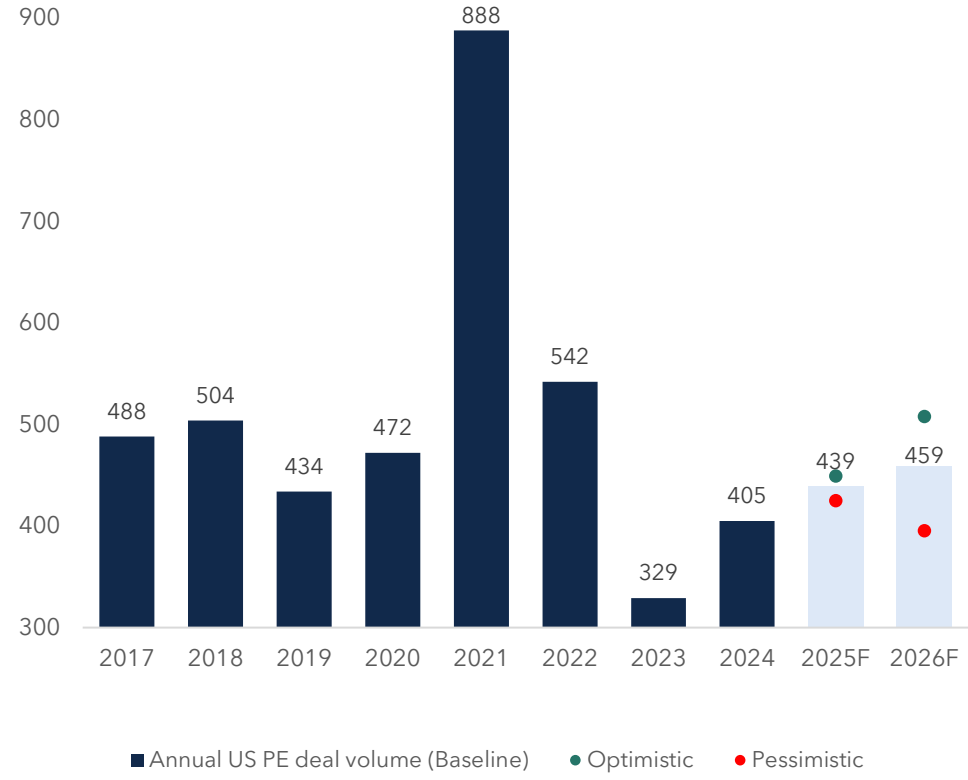
M&A Volume Expected to Strengthen Heading into 2026 Following Up Healthy Deal Flow in 2025

2025 was not a lost year for U.S. lower-middle and middle-market M&A; it was a reset. Following the extraordinary surge in 2021 and the pronounced pullback through 2023–24, the combination of higher interest rates, tariffs, and fiscal-policy volatility forced buyers, lenders, and sellers to adopt a more disciplined playbook. By late 2025, most market participants adjusted to the higher, yet steadier interest rate environment, real GDP growth of roughly 2%, and unemployment slightly above 4%. Deal activity remained below the 2021 peak; however, both corporate and private equity volumes were tracking modestly higher than 2024 levels, with consensus forecasts, including the EY-Parthenon Deal Barometer, pointing to steady, incremental volume expansion into 2026 rather than another abrupt contraction. The result is a "reset-to-release" phase: more rigorous underwriting, elongated diligence timelines, and a clear, accumulated need to transact.

Annual U.S. Corporate M&A Deal Volume



Annual U.S. PE Deal Volume



Sources: Dealogic; EY-Parthenon; EY M&A Outlook (2025–2026)

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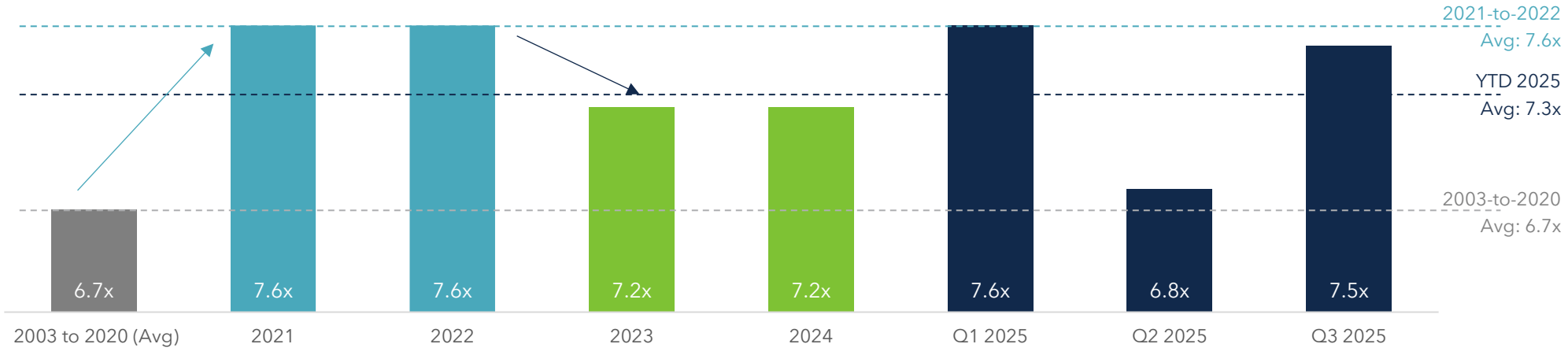
Structural Capital Positioning Fuels a Reaccelerating Environment

Several structural positives continue to support the recovery. Global private capital sources still hold an estimated $2.5T of dry powder, much of it raised before the rate environment shifted and now facing aging investment periods. Private credit is now the reference lender for middle-market transactions, with AUM around $1.7T today and projected to approach the high-$2T range over the next several years. Direct lenders continue to outcompete banks on speed, certainty, and structuring flexibility, particularly for sponsor-backed platforms and scaled founder-owned businesses.

At the same time, U.S. corporates head into 2026 with stronger balance sheets, better leverage metrics, and more disciplined capital allocation after a multi-year period of refinancing, cost rationalization, and selective divestitures. This "balance sheet reset" positions strategic buyers to re-engage in M&A both as a growth lever and as a tool to accelerate portfolio repositioning.

These tailwinds collide with a constrained supply of high-quality assets, particularly in advantaged sectors such as infrastructure, industrials, business services, healthcare, and software-enabled business models. Lower-middle-market data show that EBITDA multiples, while off 2021 highs, remain above long-term averages, with a persistent premium for resilient, recurring-revenue models.

Annual Average EBITDA Multiples for $10M–$500M LBOs



The trend above shows how multiples have normalized from the 2021–22 spike yet remain structurally above pre-2020 levels, what might be called a "quality squeeze," where abundant capital continues to chase a limited pool of A-grade assets.

Sources: GF Data®, CIBC Capital Markets, Preqin, 2025 Global Report: Private Debt; S&P Global Market Intelligence data

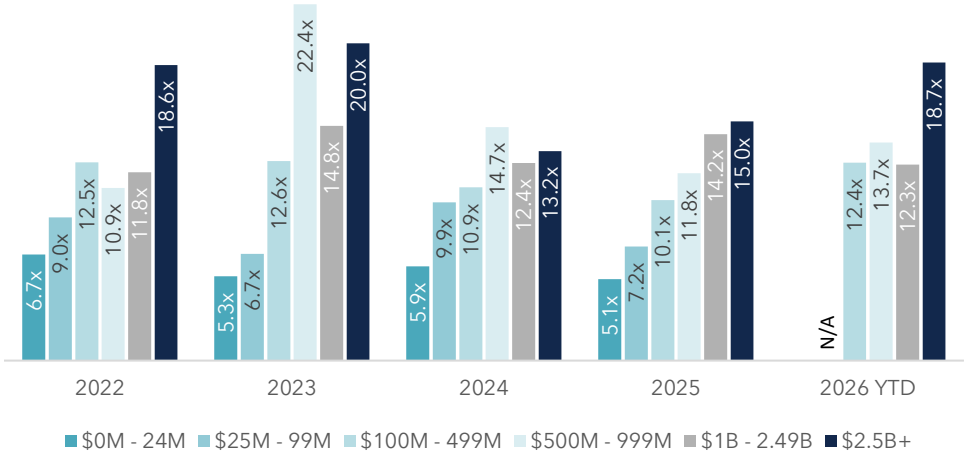
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U.S. M&A Market

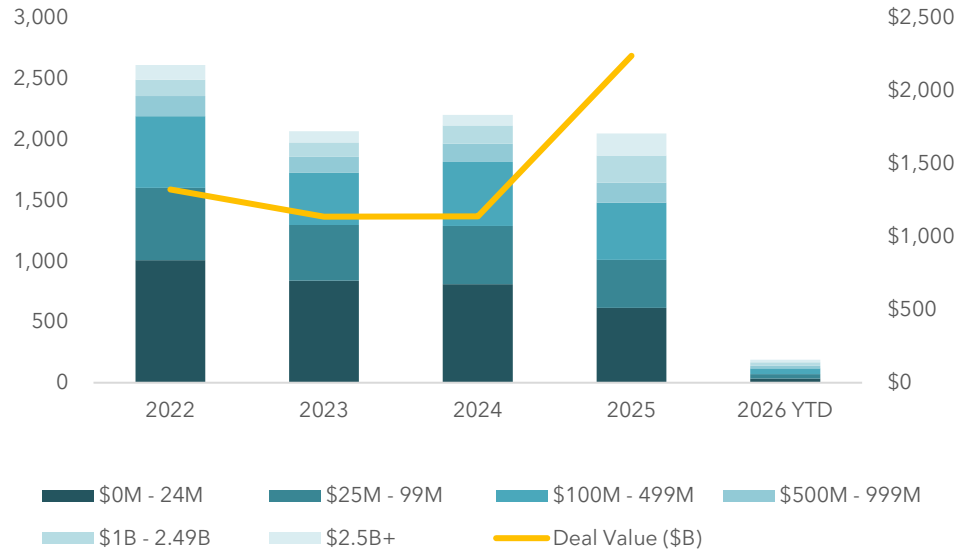
U.S. middle market M&A activity has moderated from the COVID-driven peak in 2021 amid elevated interest rates, inflationary pressures, and recession concerns. While several macro headwinds are easing, uncertainty around U.S. trade policy and potential tariff actions has introduced supply chain volatility and execution risk. Despite this backdrop, buyers and sellers have become increasingly comfortable operating in the current environment. Looking ahead to 2026, activity is positioned to reaccelerate, supported by improving confidence among corporate executives and private equity sponsors following a period of uncertain conditions. Private capital reserves continue to grow, with a meaningful portion now aging, increasing pressure to deploy capital.

- The Consumer Price Index for All Urban Consumers (CPI-U) rose 0.2% on a seasonally adjusted basis in January 2026, with the all-items index up 2.4% year over year, according to the U.S. Bureau of Labor Statistics. Persistent fiscal deficits and elevated government spending, reinforced by the One Big Beautiful Bill Act, may continue to exert upward pressure on prices over the longer term.
- At its January 2026 meeting, the Federal Reserve held the federal funds rate steady at a range of 3.5%–3.75%, in line with expectations, following three consecutive rate cuts in 2025 that pushed borrowing costs to their lowest level since 2022. Policymakers reiterated a cautious, data-dependent stance, citing solid economic activity, labor market stabilization, and still-elevated inflation.
- The Conference Board's Leading Economic Index declined 0.3% in November 2025, bringing the index to 97.9 and reflecting a 1.2% contraction over the past six months. The decline was driven primarily by weaker consumer expectations and softer new orders and continues to point to slowing economic momentum into 2026, despite strong Q3 2025 GDP growth.

U.S. Median EV/EBITDA Multiples



U.S. M&A Activity (Deal Count, Deal Value in $B)



Sources: PitchBook, 2026 YTD as of 01/31/2026, Deal count by value tier includes only transactions with publicly disclosed deal values.

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U.S. PE Deal Activity

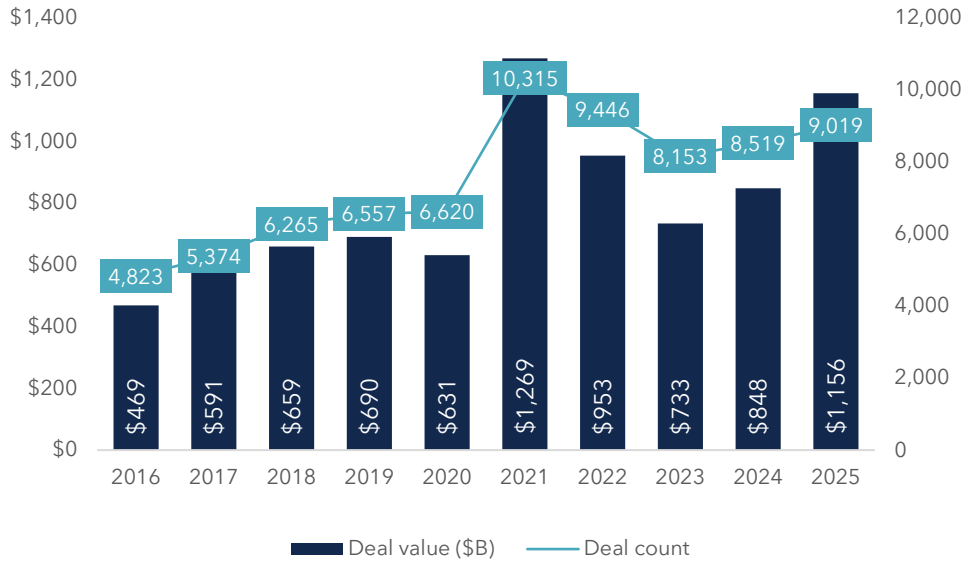
Private equity deal activity is reaccelerating, supported by improving financing conditions, increased market clarity, and a renewed risk-on posture among sponsors, setting a constructive backdrop for middle market M&A.

» Deal volumes and values are stabilizing and trending upward into 2026, as easing borrowing costs and improved underwriting certainty enable sponsors to pursue more scaled middle market platform and add-on transactions.

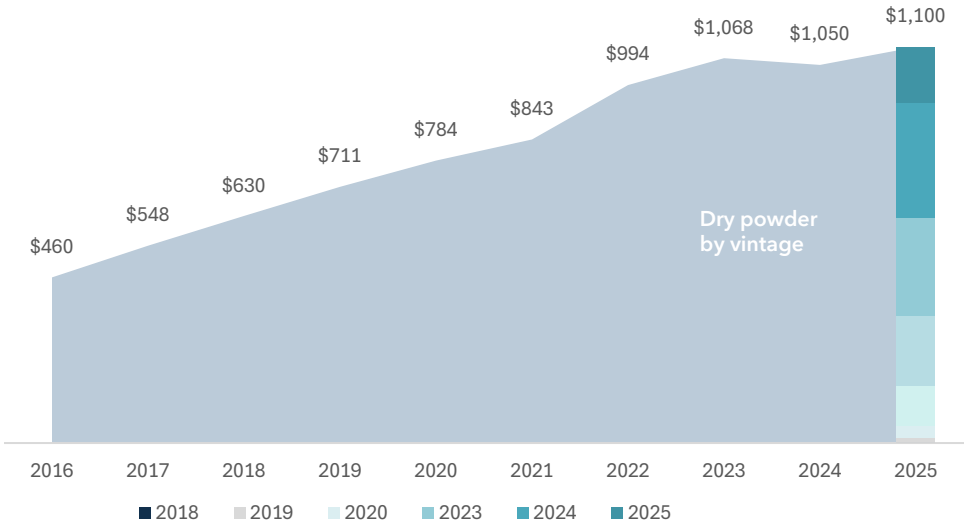
» Add-on acquisitions remain central to PE value creation, consistently representing a majority of transactions as sponsors focus on scaling platforms, enhancing purchasing power, and driving operational efficiencies.

» Sustained dry powder levels above $1T reinforce forward deal momentum, reflecting strong fundraising, investor confidence, and ample capacity to deploy capital into high-quality middle market targets.

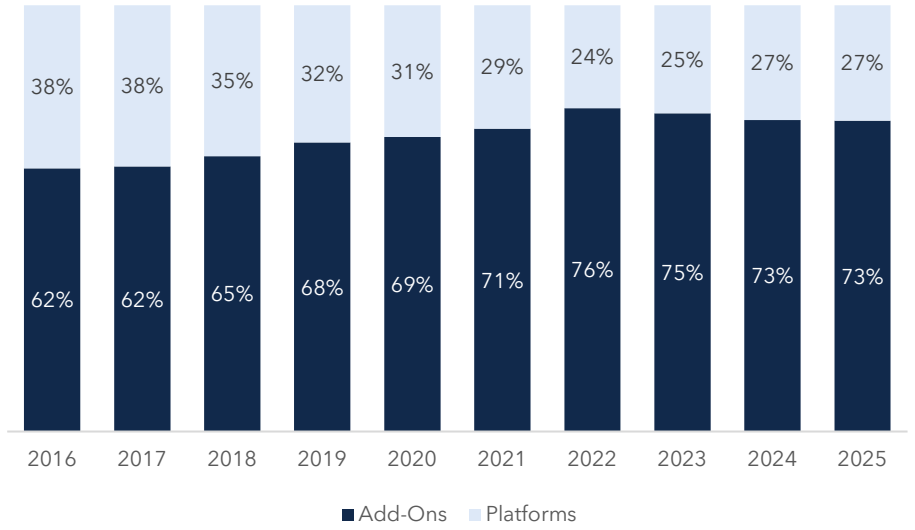
PE Deal Count and Deal Value ($B)



PE Dry Powder ($B)



Add-ons as a Share of PE Buyouts



Sources: PitchBook as of 12/31/2025 except for PE Dry Powder which is as of 3/31/2025

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U.S. Debt Activity

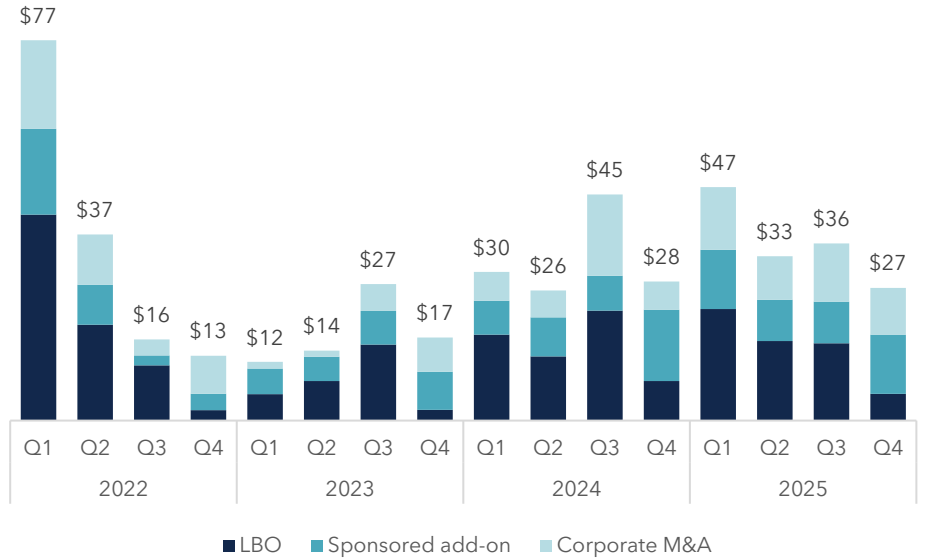
U.S. middle market deal activity remains financeable, with open credit markets, stable underwriting, and sufficient lender appetite supporting transaction execution despite a measured pace of new deals.

» M&A-related loan volumes are recovering from 2023 lows, reflecting continued lender support for sponsor-backed and corporate transactions mid selective new issuance.

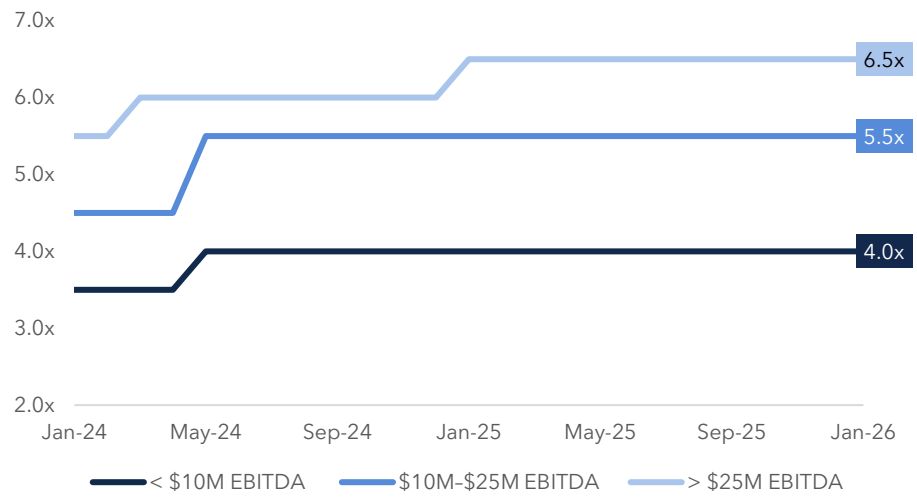
» Syndicated Loan LBO financings have remained disciplined, with leverage multiples broadly stable, reinforcing rational pricing and executable capital structures amid ongoing macro uncertainty.

» Leverage capacity has improved across size bands, with Total Debt/EBITDA stepping up from early-2024 levels and holding steady through 2025, supported by strong lender competition, tight spreads, and expectations for incremental interest rate cuts, supportive of higher transaction volumes, though well below post-COVID peak conditions.

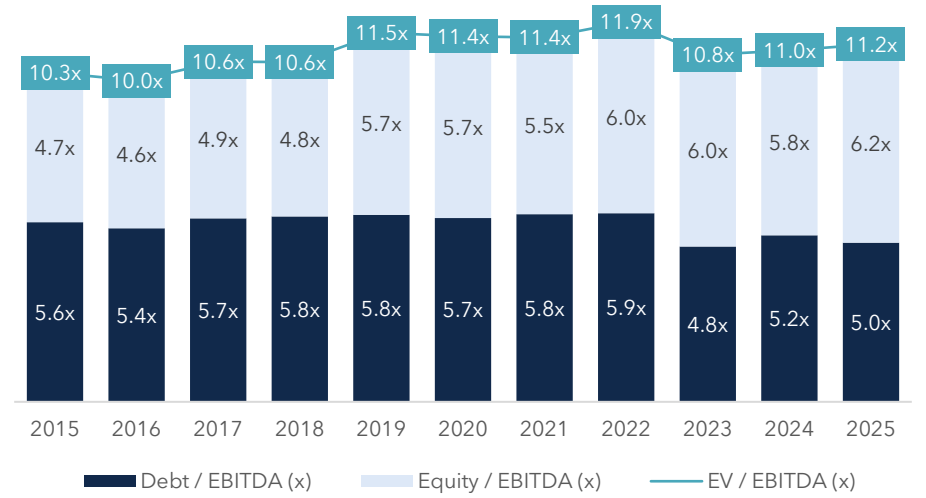
M&A-Related Loan Volume ($B)



Recent Total Debt (x EBITDA) Limit*



Multiples on Syndicated Loan LBOs



Sources: PitchBook as of 12/31/2025 except for Historical Total Debt Limit (x EBITDA) Limit which is as of 01/31/2026 sourced from SPP

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3 U.S. Physician Practice Management M&A Market Activity

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U.S. PPM Market Activity - Executive Summary



Scale winners are pulling away

The market is not returning to the 2021–2022 peak; it is separating into scaled, institutional-grade platforms and subscale practices. Platforms with centralized RCM, ancillary integration, and multi-specialty density are earning premium valuations and attracting the strongest buyer interest. As buyers underwrite durability overgrowth, valuation dispersion between scaled and subscale assets is widening.



Reimbursement pressure is structural, not cyclical

Physician reimbursement is the only healthcare segment that has declined in real terms since 2000. Insurance premiums, hospital receipts, and pharmaceutical pricing have all outpaced inflation. Physician fees have not. This is not a temporary imbalance; it is a structural feature of the U.S. healthcare reimbursement system that consolidation partially addresses.



Capital is plentiful, but timing matters

Over $1.1T in PE dry powder is available, and a meaningful portion of it is aging into forced deployment. This creates a finite window of strong seller pricing. When that capital is deployed or returned to LPs, the marginal buyer becomes less aggressive, not more.



Medicare advantage is reshaping economics

Medicare Advantage has crossed 50% penetration of Medicare-eligible beneficiaries. This is not simply a payor mix shift it fundamentally restructures practice economics. Practices that have not built value-based care infrastructure will see margin compression accelerate regardless of whether they transact.



Physician ownership is entering transition

The physician workforce is in a generational transition. By 2030, over 30% of practicing physicians will be within 10 years of typical retirement age. The largest cohort of physician practice liquidity events in U.S. history is beginning. Supply of seller-ready practices will increase. Buyers who can afford to be selective will become more selective.

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U.S. Physician Practice Management Insights and M&A Activity

Market Overview

The Physician Practice Management industry comprises medical group practices of three or more physicians operating as a unified legal entity, sharing administrative infrastructure, facilities, and personnel across primary care and specialty disciplines.

That definition understates the transformation underway. PPM is no longer primarily a physician employment model; it is an institutional investment thesis built on four structural premises:

- Reimbursement is permanently disadvantaged at the individual physician level
- Scale is the only durable solution to payor negotiating asymmetry
- Ancillary integration (ASC, imaging, PT, infusion) captures a margin that fee schedules cannot
- Operational infrastructure with centralized RCM, compliance, and recruiting is a defensible competitive moat

Surgical specialties carry the highest multiple premiums due to ASC reimbursement tailwinds and procedure-driven, recurring revenue models. Medical specialties are growing alongside chronic disease prevalence and diagnostic capture. Primary care anchors platform density but is no longer the primary value creation drive

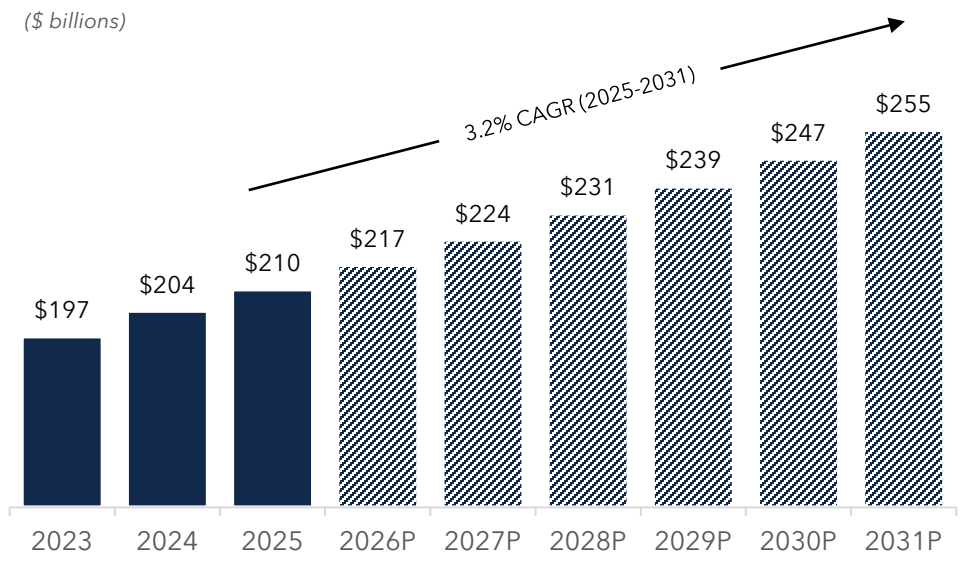
The Medicare Advantage Inflection

Medicare Advantage (MA) has achieved a 50% penetration among Medicare-eligible members for the first time. This is not a payor mix footnote; instead, it is a fundamental restructuring of practice economics.

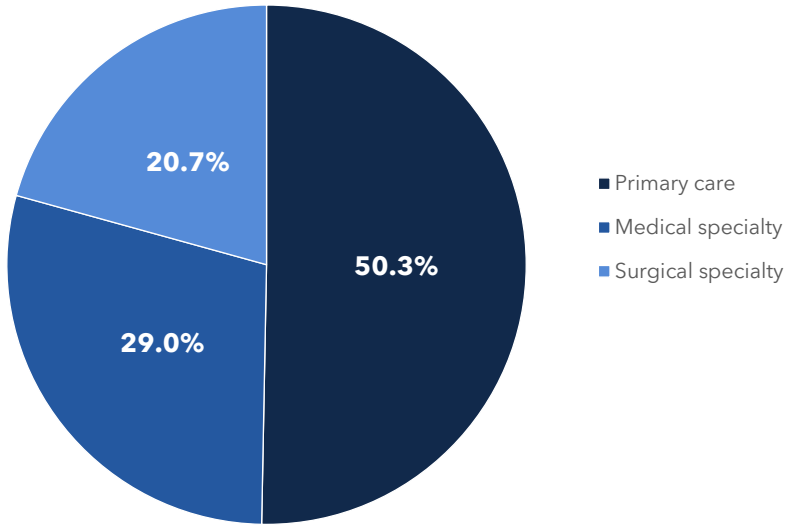
MA reimburses 8–12% below traditional Medicare on average, but value-based contracts can generate $500–$2,000 in shared savings per member per year for high performers.

The practices that have built the infrastructure to capture that upside are valued at 2–3x premiums relative to fee-for-service-only operators. This performance gap will widen regardless of transaction timing.

Market Size (US)



Products & Services Segmentation (2025)



Sources: IBISWorld, CMS and Health Affairs of National Health Expenditure projections

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Market Trends and Demand Drivers

Multi-Specialty Convergence

- Multi-specialty platforms are consistently outperforming single-specialty peers on revenue growth, payor contract renewal rates, and EBITDA margins.
- Integrated clinical pathways improve referral capture, centralized RCM infrastructure eliminates redundant cost, and cross-specialty revenue optimization captures more of each patient's total healthcare spend.
- Platforms that have built a true multi-specialty model with shared infrastructure are commanding 1.5–2.5x EBITDA premiums over single-specialty comparables.

Chronic Disease Creates a Structural Demand Floor

- Chronic and mental health conditions underpin the majority of healthcare spending and support recurring physician services utilization.
- Aging demographics and rising cardiovascular, orthopedic, neurological, and behavioral health needs are driving durable volume growth.

AI-Enabled RCM Margin Recapture

- Platforms that have deployed AI-assisted prior authorization, denial management, and coding optimization are demonstrating 1.5–3.0% of EBITDA margin improvement on a like-for-like basis versus peers.
- For PE sponsors underwriting a new platform, RCM tech stack quality is a Day 1 diligence item. For physician sellers, an outdated billing infrastructure depresses value.

Workforce Dynamics Favor Institutional Platforms

- Physician shortages and changing career preferences are accelerating the shift toward larger, better-supported platforms.
- Younger physicians increasingly prioritize work-life balance, culture, and reduced administrative burden over ownership. Platforms with strong recruiting, retention, and operational support are better positioned to win talent.

Industry Headwinds and Constraints

Reimbursement Pressure is Compounding
CMS finalized a 2.9% physician fee schedule cut in 2025, a fifth consecutive year of real-dollar decline. For practices with greater than 20% Medicaid exposure like behavioral health, pediatrics, and OB-GYN this is an immediate margin event not a future risk

Physician Dissatisfaction with PE Ownership is Rising
Physicians Foundation survey shows declining satisfaction rates in PE-backed settings, with autonomy loss and admin burden cited as primary factors. For platforms, culture-fit and retention of selling physicians post-close is increasingly a deal underwriting risk.

Over-Consolidation Has Created Distressed Assets
Derm. And ophthalmology platforms that consolidated aggressively in 2019-22 are now experiencing increased physician attrition and payor pushbacks on rate increases.

Systems Fragmentation is a Real Integration Risk
Disparate technology systems and non-standardized clinical infrastructure hinder data visibility and operational scalability PE-backed platforms need; immature systems lead to 1.0-1.5x EBITDA multiple haircuts

Growth Opportunities

Platform Consolidation & Roll-Up Strategy
Highly fragmented specialty markets, particularly cardiology, pain, orthopedics, behavioral health, and neurology, present durable consolidation opportunities for scaled PPM platforms leveraging centralized RCM and contracting capabilities

Value-Based Care & Outcomes Alignment
The shift toward outcomes-based reimbursement rewards platforms that deliver coordinated, KPI-driven care with measurable quality, cost, and chronic condition management performance

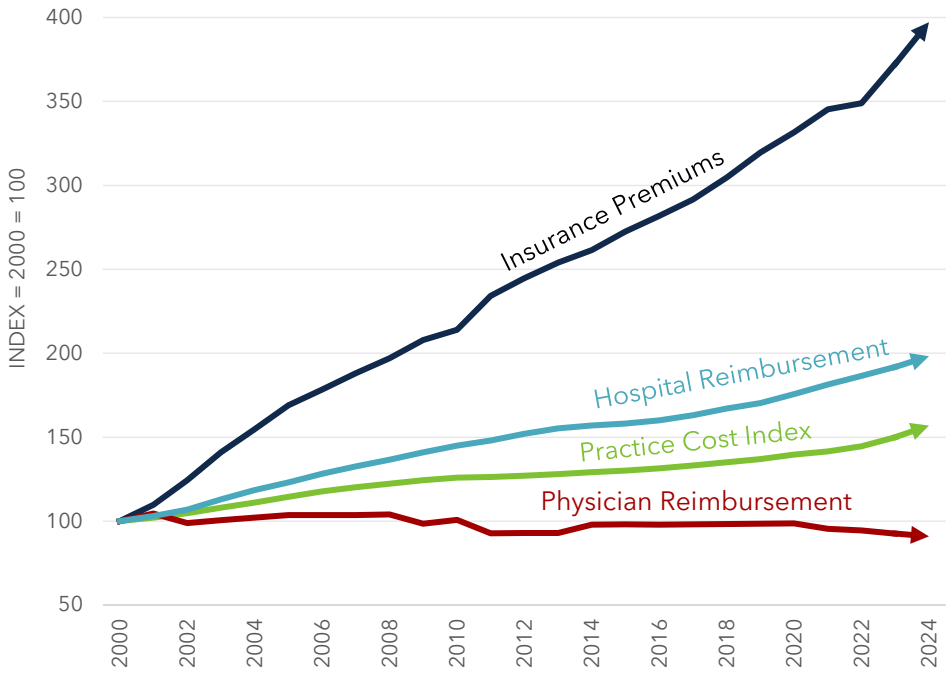
Preventative & Personalized Care Expansion
Growth into preventative services and remote monitoring enables recurring revenue streams, stronger patient engagement, and improved long-term clinical outcomes

Sources: Zanda Health, IBISWorld, Association of American Medical Colleges, Grand View Research, U.S. Centers for Disease Control and Prevention

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Rising Costs, Consolidation, and Workforce Shifts Are Reshaping Physician Economics

Physician Margin Compression



39%
increase in Medicare practice cost index, 2001–2025

-17%
real-dollar decline in physician reimbursement since 2000

35.4%
of physicians hold an ownership stake in 2025, vs. 53.2% in 2012

Metric	2012	2025
Physicians owning a stake	53.2%	35.4%
Practices with ≤10 physicians	61.4%	<50%
Physicians under 45 who own	44.0%	31.7%
Residents planning private practice	~30%	~9%

Sources: Cascade Research, AMA, Association of American Medical Colleges

Rising Costs Across the Healthcare System

» Family premiums are up 24% over the past 5 years, while hospital receipts have nearly doubled over the past 25 years.

» Physician reimbursement has lagged both trends, widening the cost/revenue gap for independent practices..

Consolidation Driving Reimbursement Advantage

» The Medicare practice cost index increased 39% from 2001 to 2021, while real physician reimbursement declined 17% since 2000.

» Consolidated hospitals and payors have gained leverage; independent practices are absorbing higher costs with less pricing power.

» Despite rising costs, physician reimbursement has remained flat to declining, making it the only segment not keeping pace with broader healthcare inflation.

Structural Shift in Physician Economics & Ownership Model

» 35.4% of physicians owned a stake in 2025, down from 53.2% in 2012; practices with ≤10 physicians fell from 61.4% to below 50%.

» New physicians graduate with $200K+ of debt; only ~9% of residents plan to enter private practice.

Declining Independence & Generational Shift

» By 2030, an estimated 30%+ of practicing physicians will be within 10 years of typical retirement age. This represents the largest cohort of physician practice liquidity events in U.S. healthcare history, occurring simultaneously with record PE dry powder.

» The confluence of motivated sellers and available capital creates a structurally favorable environment today. As more practices come to market over the next 5–7 years, buyer selectivity will increase and the marginal multiple will compress.

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Physician Practice Management: Valuation Framework & Key Value Drivers

Practice Scale & Valuation Benchmarks

Small Practice

- Typically small, locally concentrated practices (1–3 locations; 3–6 physicians) with limited back-office infrastructure and EBITDA below $4M
- Primarily targets for add-on acquisitions by established platform companies

3.0 - 5.0x

Medium Practice

- Mid-sized, statewide platforms (5–6 locations; 7–15 physicians) with some ancillary service offerings and EBITDA of $4M–$7M
- Attractive as either a new platform investment for financial sponsors or tuck-in acquisitions for strategic buyers

5.0 - 8.0x

Large Practice

- Large, regional platforms (8+ locations; 15+ physicians) with full-scale back-office infrastructure, strong ancillary revenue streams, and EBITDA above $7M
- Well-positioned for platform investments or buyouts by larger strategic acquirers

8.0 - 12.0x

Critical Valuation Drivers

- **Ancillary revenue capture** (ASC, imaging, PT, infusion) materially enhances revenue per patient and supports 25–40% multiple premiums
- **Procedure-driven, recurring treatment models** (pain, ortho, GI, ophthalmology) increase revenue visibility
- **Diversified payor mix** reduces reimbursement volatility and supports underwriting confidence
- **Platform scale and density** improve payor leverage and referral capture
- **Operational infrastructure** (centralized RCM, procurement, compliance, physician recruiting engines) increasingly differentiates premium assets
- **Physician partnership alignment and retention** strong partnership alignment and physicians that span age categories to support continuity of the practice

Key Takeaways on Valuation

- Valuation is ultimately driven by Normalized EBITDA × Multiple, where multiples are a function of scale, ancillary integration, and infrastructure maturity
- Following the 2021–2022 peak, multiples have normalized but remain resilient for high-quality platforms, with premium assets continuing to command double-digit valuations
- Increasingly, buyers are underwriting to quality of earnings, margin durability, and integration readiness, driving wider dispersion between scaled platforms and subscale assets

Sources: Cascade Research, PitchBook, FOCUS Investment Banking

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M&A Landscape: U.S. Physician Practice Management

Physician practice consolidation remains a durable secular transformation theme, with scale-driven economics reshaping one of healthcare's most fragmented sectors and nearly three-quarters of U.S. physicians now operating within corporate entities.

Transaction activity peaked at 1,214 deals in 2021 before normalizing to 742 transactions in 2025 amid higher cost of capital and tighter underwriting, reflecting cyclical recalibration rather than structural contraction, with early 2026 trends indicating stabilization. Private equity continues to represent the dominant buyer cohort despite moderation from peak levels, while strategic acquirers have remained steady and increasingly active as valuation expectations reset.

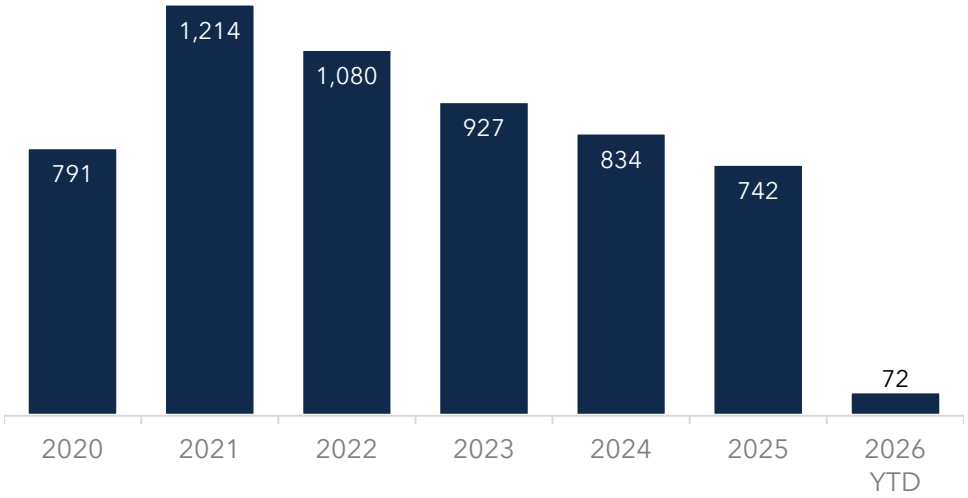
Overall, PPM has demonstrated relative resilience within healthcare services, though not entirely insulated from post-2022 capital markets tightening.

Key dynamics shaping 2026 activity include:

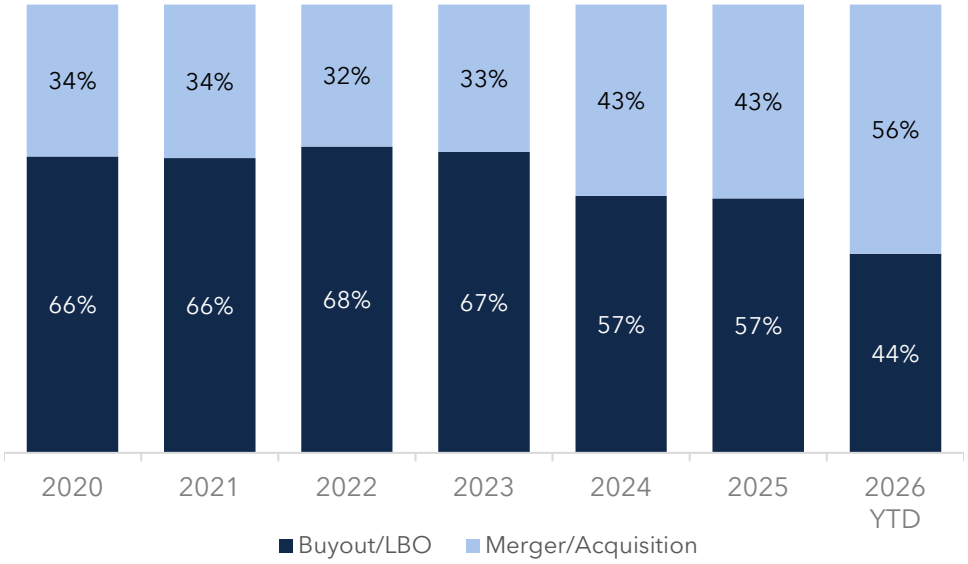
- Stabilizing interest rates and normalizing cost of capital following 2022–2024 headwinds
- Measured sponsor deployment, with buyout activity declining from 798 transactions in 2021 to 421 in 2025, though still representing the majority of deals
- Relative stability in strategic M&A, including health systems and ASC operators pursuing integration opportunities
- Narrowing bid-ask spreads, though buyers remain disciplined and selective
- Alternative liquidity solutions (minority sales, preferred equity, continuation vehicles) supplementing traditional exit pathways

Capital remains available for high-quality assets; however, execution standards are elevated, with buyers emphasizing operational durability, reimbursement visibility, and scalable infrastructure over purely growth-driven narratives

U.S. PPM Acquisitions (Number of Deals)



U.S. PPM Acquisitions By Transaction Type



Sources: PitchBook data as of 2/27/26

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Key M&A Drivers: U.S. Physician Practice Management

As consolidation enters a more mature phase, transaction activity is being driven by platform scalability, regional density strategies, and value-accretive integration rather than pure multiple expansion.

Platform Acquisition Drivers

- Establish scaled MSOs in specialties with durable procedural demand
- Capture full patient journey economics through ancillary integration
- Build regional density to enhance payor contracting leverage
- Deploy operational infrastructure to standardize performance
- Recruit and retain physicians amid intensifying labor competition

Add-On / Strategic Drivers

- Geographic expansion within fragmented markets
- Increase referral capture and procedural throughput
- Integrate specialty care with ASC ownership and outpatient models
- Strengthen competitive positioning in high-growth Sunbelt markets

Outlook & Forward View

We believe consolidation will continue as a structural healthcare shift, though value creation in the next phase will require greater operational sophistication. The industry remains fragmented, with meaningful white space across specialties; however, buyers are prioritizing disciplined integration and realistic margin improvement over rapid multiple expansion.

With capital markets stabilizing and private equity hold periods maturing, 2026 is positioned for sustained platform expansion, selective recapitalizations, and continued specialty focused consolidation, albeit under tighter underwriting frameworks than in the prior cycle.

Select M&A Activity

Deal Date	Target	Buyer Platform	Buyer Owner	Transaction Type
Jan-26	Consulting Cardiologists, PC	Hartford HealthCare	N/A	M&A
Dec-25	Evernorth Care Group	HonorHealth	N/A	M&A
Nov-25	TÜKA pediatrics	Pediatrica Health Group	M33 Growth	Add-on
Nov-25	SolarisHealth	CardinalHealth	N/A	M&A
Oct-25	OneOncology	cencora	N/A	M&A
Aug-25	HMG Holston Medical Group	Optum	UnitedHealth Group	Add-on
Aug-25	Sunvera	EyeSouth Partners	MoonSail Capital, Olympus Partners	Add-on
Jul-25	Bond Clinic, P.A.	AdventHealth	N/A	M&A
May-25	Emergency Care Partners	N/A	MidOcean Partners	New Platform
Mar-25	Summit Spine & Joint Centers	N/A	MSouth Equity Partners, Revelar Capital, Revelation Partners	New Platform
Jan-25	GI Alliance	CardinalHealth	N/A	M&A
Jan-25	U.S. digestive health	SCA Health	Optum, UnitedHealth Group	Add-on

Sources: PitchBook data as of 2/27/26

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Experienced PE have Scaled Across Specialties

SHORE Capital Partners

Platform	Year	Specialty	# Add-ons
partnercare	2020	Pain Management	5
Transformations Care Network	2020	Behavioral Health	7
Therapy Partners Group	2019	Orthopedics	25
SENTA	2019	ENT	14

VARSITY HEALTHCARE PARTNERS

Platform	Year	Specialty	# Add-ons
United Aesthetics Alliance	2023	MedSpa	2
Gastro Care Partners	2019	Gastroenterology	3
Emergency Care Partners	2018	Emergency Medicine	8
Orthopedic Care Partners	2017	Orthopedics	7

Webster Equity Partners

Platform	Year	Specialty	# Add-ons
Oceans Healthcare	2022	Behavioral Health	2
Cardiovascular Associates of America	2021	Cardiology	24
medrina	2018	Rehabilitation	7
Discovery Behavioral Health	2011	Behavioral Health	13

FRAZIER HEALTHCARE PARTNERS

Platform	Year	Specialty	# Add-ons
caretria	2025	Healthcare Technology	2
BIOMATRIX Infusion Pharmacy	2024	Infusion Services	9
Vatica Health	2023	Healthcare Technology	2
United DermPartners	2016	Dermatology	6

Audax Private Equity

Platform	Year	Specialty	# Add-ons
panoramic health	2020	Nephrology	25
Elevate ENT Partners	2019	ENT	22
HOPCo	2019	Orthopedics	15
Phoenix Physical Therapy	2018	Orthopedics	12

BainCapital

Platform	Year	Specialty	# Add-ons
Legacy Hospice	2025	Hospice	2
convenientMD Primary Care	2021	Urgent Care	-
FCM First Care Medical / Excelsia Injury Care	2020	Personal Injury	1
broadstep	2019	Behavioral Health	3

Sources: Cascade Research, CapIQ, PitchBook;

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Select PPM Public Comparables

Company Name	Enterprise Value ($M)	TTM Revenue ($M)	TTM EBITDA ($M)	Gross Margin	EBITDA Margin	Unadjusted EV / Revenue	Unadjusted EV / EBITDA	Company Description
Astrana Health (Astrana Health)	$1,574	$3,182	$124	10.7%	3.9%	0.5x	12.7x	Astrana Health, Inc. is a U.S.-based healthcare management company that provides medical care and care coordination through a network of physicians and healthcare providers.
pediatrix & obstetrix (Pediatrix Medical Group)	$1,735	$1,914	$253	25.8%	13.2%	0.9x	6.9x	Pediatrix Medical Group, Inc. is a U.S.-based healthcare provider specializing in newborn, maternal-fetal, and pediatric subspecialty care, primarily delivered through hospital-based units such as NICUs.
PRIVIA HEALTH (Privia Health Group)	$2,363	$2,123	$44	9.9%	2.1%	1.1x	53.5x	Privia Health Group, Inc. is a U.S.-based physician enablement company that partners with physician practices, health plans, and health systems to provide technology, management services, and population health tools.
RadNet (RadNet)	$6,079	$2,040	$235	17.8%	11.5%	3.0x	25.8x	RadNet, Inc. is a provider of outpatient diagnostic imaging services, offering procedures such as MRI, CT scans, mammography, and ultrasound through its imaging center network.
SURGERY PARTNERS (Surgery Partners)	$7,273	$3,309	$656	23.1%	19.8%	2.2x	11.1x	Surgery Partners, Inc. owns and operates ambulatory surgery centers and surgical hospitals in the United States, providing non-emergency procedures across multiple specialties including orthopedics, ophthalmology, gastroenterology, and general surgery.
ENSIGN GROUP (The Ensign Group)	$13,728	$5,058	$529	16.3%	10.5%	2.7x	26.0x	The Ensign Group, Inc. provides skilled nursing, senior living, and rehabilitative services, along with ancillary healthcare services such as diagnostics, dialysis, and pharmacy support across the United States.
USPh ONE PARTNER (U.S. Physical Therapy)	$1,782	$773	$103	22.1%	13.3%	2.3x	17.3x	U.S. Physical Therapy, Inc. operates and manages outpatient physical therapy clinics, providing rehabilitation services for orthopedic, sports, and neurological injuries, along with industrial injury prevention services for employers and insurers.
Median	**$2,363**	**$2,123**	**$235**	**17.8%**	**11.5%**	**2.2x**	**17.3x**	
Mean	**$4,933**	**$2,628**	**$278**	**18.0%**	**10.6%**	**1.8x**	**21.9x**	

Source: S&P Capital IQ as of March 10, 2026

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