# **Trusted Advisor to Healthcare IT Providers**

### **Commentary:**

- The Healthcare industry is shifting to a value-based care model, which aims to deliver more effective care at a lower cost.
   We expect that providers will continue to pursue acquisitions of healthcare IT (HCIT) targets to decrease costs while maintaining a high standard of care.
- A shortage of labor and rapidly rising wages remain as the main pain points for providers. Private equity has identified this dynamic and invested in provider IT solutions that optimize operations and improve margins.
- Revenue cycle management (RCM) and ancillary companies that improve collections rates and lower the costs of complex reimbursement collections remain highly desirable acquisition candidates by both strategic and financial buyers.
- Outside of provider-focused HCIT, biopharma IT solutions that aim to improve workflow productivity, project management and a reduction in clinical trial timelines continue to remain a bright spot for deal activity.

### Sell-Side M&A Healthcare IT Case Study: Imagenet Acquired by BV Investment Partners

#### Situation:

- Imagenet, LLC was founded in 2000 and is a premier healthcare solutions company that provides a comprehensive suite of technology-enabled business process outsourcing and staff augmentation services to a diverse client base of healthcare payors. Imagenet's solutions span three main business lines which encompass document imaging, data validation, workflow automation, claims process, claims adjudication, data entry, and on-demand retrieval of documents and data. Based in Seattle, Washington, the Company operates from nine domestic, regional processing centers as well as a wholly-owned subsidiary in Manilla, Philippines.
- Hexagon Capital's professionals had built a long-standing consultative relationship with Imagenet over a number of years and worked with the company through two important transactions which helped the company and its Founder/CEO achieve important strategic goals.

#### Solution:

- Our first engagement with the Company was to assist Imagenet in completing a debt financing in order to recapitalize the Company's
  existing funded debt as well as to enable the Founder to take a significant dividend at closing. Our healthcare team ran a formal debt capital
  raise process, approaching a hand-picked list of lenders with relevant healthcare experience. Ultimately, we were able to close the debt
  financing in less than 3 months, with a unitranche funding package provided by Caltius Structured Capital and co-funded by Cadence Bank.
- Five years following our debt financing engagement with Imagenet, our second engagement with the company was to assist the Founder/CEO in a formal sale process. The company had achieved significant growth in the preceding years and was an attractive acquisition candidate for both strategic and private equity buyers. After running a formal competitive process which included numerous interested parties, Hexagon was able to assist Imagenet in its sale to BV Investment Partners, a well-regarded private equity firm based in Boston, MA.

## **Contact Us**



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With 300+ Completed Transactions In The Firm's 22-Year History, Hexagon Capital Alliance's Investment Bankers Know The Appropriate Industry-Specific Strategic Buyers, Private Equity Groups, And Family Offices To Approach On Behalf Of Our Clients.

### **Select Healthcare Services Transactions**







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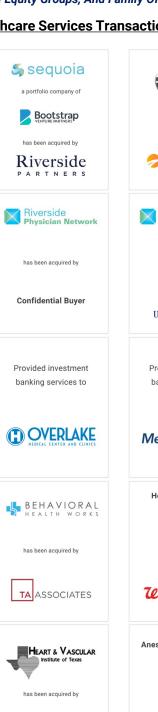
a portfolio company of

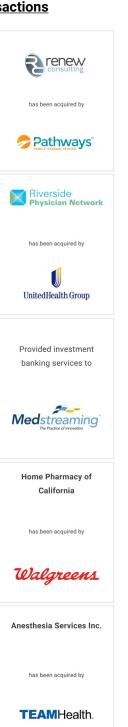
LGP & PARTNERS

**The Everett Clinic** 

has been acquired by

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