

February 19, 2018

Leading Private Equity Firms That Invest in Healthcare (Part VI)

Throughout 2016 and 2017, we published a multi-part series highlighting leading private equity funds in healthcare. This publication is Part VI in that series. These investors are primarily funds that focus largely on growth-stage, buyout and platform funding transactions, and the sheer number of investors is a real testament to investors' views of healthcare as a solid investment play. *Note:* The investors discussed in this Part VI and in prior and subsequent parts of this series are listed in no particular order. To recommend a firm to be profiled in a future column or request a change to a profile, please email awalsh@mcguirewoods.com or fill out the form [here](#).

Apple Tree Partners — Founded in 1999, Apple Tree is a private equity and venture capital firm that specializes in startup, early venture and growth capital investments. The firm, based in New York, invests in therapeutics and medical devices. Companies in its portfolio include Braeburn Pharmaceuticals, a developer of solutions for people living with opioid addiction; Stoke Therapeutics, which focuses on gene expression to treat a wide array of diseases caused by genetic insufficiency; and ROX Medical, a late-stage medical device company developing a device treatment of drug resistant hypertension. More information about Apple Tree is available at www.appletreepartners.com.

Petra Capital Partners — Founded in 1996, Petra provides growth capital for middle-market companies. The firm, based in Nashville, targets companies with at least \$10 million in revenue and positive EBITDA at the time of investment and a growth rate in excess of 20% in healthcare services and a few other sectors. Companies in its portfolio include Etairos Health, a provider of non-skilled home-based care for the elderly in select Florida and southeastern markets; Alternative Behavior Strategies, a provider of in-home and center-based applied behavior analysis therapy, speech therapy and occupational therapy services to children with autism spectrum disorder; and Health Essentials, a provider of hospice services throughout the western United States. More information about Petra is available at www.petracapital.com.

BelHealth Investment Partners — Founded in 2011, BelHealth is a healthcare private equity firm focused on lower middle-market companies. Based in New York, the firm seeks to investment between \$20 million and \$50 million in healthcare companies providing services and products and distribution. BelHealth manages approximately \$500 million in assets and is currently investing out of BelHealth II, a \$350 million fund. Companies in its portfolio include American Health Staffing Group, a national staffing platform; Care Advantage, a home healthcare provider in Virginia; and Integrated Care Physicians, a provider of emergency department medical directorship and management services. More information about BelHealth is available at www.belhealth.com.

TripleTree — Founded in 1997, TripleTree an independent merchant bank focused on mergers and acquisitions, financial restructuring and principal investing services (through TT Capital Partners). Based in Minneapolis, the firm targets disruptive healthcare companies. Companies in its portfolio include Forward Health Group, a provider of population health management software; NucleusHealth, a developer of cloud-based medical image management software; and Verge Health, a provider of integrated governance, risk and compliance solutions to hospitals. More information about TripleTree is available at www.triple-tree.com.

Blue Wolf Capital Partners — Founded in 2005, Blue Wolf seeks control investments in middle-market companies. Based in New York, the firm typically invests between \$25 million and \$250 million in companies with annual revenue more than \$50 million within healthcare and several other industries. Companies in its portfolio include StateServ, a provider of durable medical equipment services to hospices; Great Lakes Caring, a provider of home health and hospice care serving the Midwest and Northeastern United States; and ModernMD, a provider of urgent care services. More information about Blue Wolf is available at www.bluewolfcapital.com.

Great Hill Partners — Founded in 1998, Great Hill seeks to invest in middle-market companies in several sectors, including healthcare technology. The firm, based in Boston, typically invests \$25 million to \$200 million in equity in each investment, targeting companies with an enterprise value of \$25 million to \$500 million. Companies in its portfolio include Quantum

Health, a provider of consumer healthcare navigation services; RxBenefits, a healthcare benefits company focused on pharmacy benefit procurement and administration; and Qualifacts Systems, which builds and implements software-as-a-service and web-based electronic health records and billing systems for behavioral health and human services. More information about Great Hill is available at www.greathillpartners.com.

Prairie Capital — Founded in 1997, Prairie targets lower middle-market companies. Based in Chicago, the firm makes market recapitalization or buyout transactions consisting of equity and supportive subordinated debt in aggregate amounts of \$10 million to 30 million per investment in several sectors, including healthcare. Companies in its current portfolio include Swiss-American Products, Inc., a developer and manufacturer of skin and wound care products, and R3 Education, a holding company that controls The Saba University School of Medicine, The Medical University of the Americas and St. Matthew University. More information about Prairie is available at www.prairie-capital.com.

Silversmith Capital Partners — Founded in 2015, Silversmith is a growth equity firm. Based in Boston, the firm seeks to invest \$15 million to \$75 million in healthcare and technology companies with growth greater than 20% and scale greater than \$10 million in revenue. Companies in its current portfolio include Centauri Health Solutions, a provider of risk adjustment and healthcare quality solutions; Nordic Consulting Partners, an Epic consulting company; and LifeStance Health, a behavioral healthcare company focused on providing treatment services for children, adolescents and adults suffering from a variety of mental health issues in care settings that include acute inpatient, partial hospitalization, intensive outpatient, outpatient, community-based and in-home. More information about Silversmith is available at www.silversmithcapital.com.

Guidon Partners — Founded in 2014, Guidon makes co-investments in growth companies and management buyouts. Based in Reston, Va., the firm specializes in the healthcare services industry. Companies in its portfolio include Performance Health, a specialty distributor of rehabilitation supplies and equipment; Physicians Endoscopy, a developer, owner and manager of endoscopic surgery centers; and DuPage Medical Group, an independent, multi-specialty physician group. More information about Guidon is available at www.guidonpartners.com.

Avista Capital Partners — Founded in 2005, Avista makes middle market control buyout investments. Based in New York, the firm focuses exclusively on the healthcare sector. Companies in its portfolio include Inform Diagnostics, an independent anatomic pathology provider; National Spine & Pain Centers, which provides administrative services to interventional pain management clinics focused on chronic back and neck pain; OptiNose, a specialty pharmaceutical company; and Osmotica Pharmaceutical, a specialty pharmaceutical and generics company. More information about Avista is available at www.avistacap.com.

InTandem Capital Partners — InTandem focuses on acquiring and accelerating growth of middle-market companies. Based in New York, the firm targets companies within healthcare and insurance services, primarily those with \$5 million to \$15 million EBITDA. Companies in its portfolio include Cano Health, an operator of “primary care plus” healthcare centers, and Comfort Health, an operator of Medicare HMO and Medicaid healthcare centers. More information about InTandem is available at www.intandemcapital.com.

Latticework Capital — Founded in 2015, Latticework makes control equity investments in the lower middle-market. Based in Dallas, the firm focuses exclusively on healthcare, specifically providers, pharmaceutical services, medical components and equipment, and business services to providers with \$1 million to \$10 million in EBITDA. Companies in its portfolio include Restoration Behavioral Health Group, which specializes in treating the chemical and mental health needs of individuals transitioning from the criminal justice system back into their communities; American Veterinary Group, an acquirer and operator of animal hospitals in the Southeastern United States; Liberty Dialysis, a dialysis services company providing dialysis to patients who have been diagnosed with end-stage renal disease; and Chronic Care Solutions, a provider of products and disease management services predominantly serving diabetic patients. More information about Latticework is available at www.latticeworkcapital.com.

HarbourVest Partners — Founded in 1982, HarbourVest is a global private markets investment firm specializing in primary fund investments, secondary investments and direct co-investments. With U.S. operations based in Boston, the firm targets companies in healthcare and several other sectors. Companies in its portfolio include Press Ganey, a provider of patient satisfaction surveys, management reports and databases for health providers; United Surgical Partners International, a manager and developer of acute-care hospitals and surgery centers; and MedOptions, a provider of post-acute behavioral health services. More information about HarbourVest is available at www.harbourvest.com.

GI Partners — Founded in 2001, GI Partners seeks to invest in North American middle-market companies. Based in San Francisco, the firm is active in several sectors, including healthcare, making initial equity investments of up to \$500 million. Companies in its portfolio include Access, a provider of records and information management services and Netsmart, a

human services and integrated care technology provider. More information about GI Partners is available at www.gipartners.com.

Primus Capital — Founded in 1984, Primus is a growth-oriented private equity firm which takes a flexible approach to its investment. With offices in Cleveland and Atlanta, the firm targets companies in healthcare, specifically services and information technology, and a few other sectors with enterprise values up to \$250 million for investments of \$15 million to \$70 million. Companies in its portfolio include EnableComp, a provider of workers' compensation reimbursement solutions; Healthcare Bluebook, a provider of cost and quality transparency solutions; and Steris, a provider of infection prevention and sterilization products and services. Learn more about Primus at www.primuscapital.com.

Health Evolution Partners — Health Evolution specializes in direct and fund of funds investments. Based in San Francisco, the firm focuses exclusively on healthcare, seeking opportunities in areas including hospitals, physicians, managed care, pharmaceutical developers, device makers and consumer products and services. Companies in its portfolio include Prolacta Bioscience, a developer of products derived from human milk to meet the needs of premature infants in the NICU, and Foundation Radiology Group, a provider of diagnostic imaging services to community hospitals.

Pouschine Cook Capital Management — Found in 1999, Pouschine Cook invests in private middle-market companies. Based in New York, the firm targets companies with revenues of \$20 million to \$250 million, minimum EBITDA of \$5 million and an equity need of \$5 million to \$25 million in healthcare services and several other sectors. Companies in its portfolio include Golden State Dermatology, which provides physician practice management services to dermatology providers; Southern Dental Alliance, a dental services organization that provides business and non-clinical support services to dental practices; and Griswold Home Care, a national franchisor of non-nursing, home care services for seniors. More information about Pouschine Cook is available at www.pouschinecook.com.

For more information, please contact:



[Amber McGraw Walsh](#)
+1 312 750 3596
awalsh@mcguirewoods.com



[Geoffrey C. Cockrell](#)
+1 312 849 8272
gcockrell@mcguirewoods.com

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