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## Leading Private Equity Firms That Invest in Healthcare (Part I)

In the past decade, the list of investors that have put their capital to work in the healthcare and life sciences industries has grown dramatically. Healthcare and life sciences offer some undeniable opportunities that continue to fuel investor interest, and the fierce competition for many of the deals on the market in recent years has also caused investors to look deeper and more broadly at new niches. Likewise, investors are becoming increasingly more knowledgeable and comfortable with venturing into businesses with reimbursement risk and heavy regulatory oversight.

This column is the first in a multi-part series we will be publishing in 2016 which highlights some of the more active private equity investors in the healthcare and life science space. These investors are primarily funds that focus largely on growth-stage, buyout and platform funding transactions. They are listed in no particular order, and additional investors will be discussed in future segments of the series. *Note:* To recommend a firm to be profiled in a future column or request a change to a profile, please email [awalsh@mcguirewoods.com](mailto:awalsh@mcguirewoods.com) or fill out the [form here](#).

**Altaris Capital Partners** — Founded in 2002 and based in New York, Altaris seeks control and minority equity investments exclusively in healthcare. The firm targets companies within the life sciences/pharmaceutical, provider services and non-reimbursement healthcare industries (meaning companies that live in the healthcare sector but do not have direct reimbursement risk, such as suppliers, management companies and healthIT). Altaris is flexible in its investment sizes. Within its portfolio are CMP Pharma, which develops, manufactures and commercializes specialty pharmaceutical products; HealthTronics, which provides mobile equipment services and medical devices to the urology industry; Paramit, which designs, manufactures and assembles electronic medical devices and life science instruments; and Quantum Health, which provides consumer-focused healthcare programs to large self-insured employers. More information about Altaris is available at [www.altariscap.com](http://www.altariscap.com).

**Silver Oak Services Partners** — Founded in 2006, Silver Oak seeks control equity in healthcare services, business and consumer companies in the lower middle market. Within healthcare, the Evanston, Ill.-based firm considers a wide range of investments in the provider services and non-reimbursement healthcare industries, as well as hospitals and other major facilities. Current investments include NDC, a distributor of medical supplies; Physical Rehabilitation Network, a physical therapy clinic platform in the western United States; and Hero DVO, a provider of healthcare practice management services for dental, orthodontic and vision practices. More information about Silver Oak is available at [www.silveroaksp.com](http://www.silveroaksp.com).

**LLR Partners** — Founded in 1999 and based in Philadelphia, LLR pursue a wide range of investments in middle-market companies in healthcare services and several other industries. Within healthcare, the firm pursues investments in healthcare IT, outsourced healthcare services, specialty pharmacy and provider-based organizations. Companies in its portfolio include HighPoint Solutions, which provide specialized management and IT services to clients in the life sciences and healthcare industries; Numotion, a provider of complex rehabilitation products; Physicians Immediate Care, which manages a network of medical clinics providing urgent care, occupational medicine, physical therapy and employer services; and Phreesia, a point-of-service patient intake and payments solution for physicians' offices. More information about LLR is available at [www.llrpartners.com](http://www.llrpartners.com).

**Pamlico Capital** — Founded in 1988 and based in Charlotte, N.C., Pamlico considers a wide range of investments in the lower to middle market. The firm seeks minority and control equity investments in healthcare companies offering provider services as well as in ambulatory surgery centers and multi-site healthcare providers. Pamlico also targets companies in business and technology services and communications. Healthcare companies in the Pamlico portfolio include HEALTHCAREfirst, a provider of SaaS solutions and services to home health and hospice agencies; Physicians Endoscopy, a developer, manager and owner of freestanding, single-specialty endoscopic ASCs; and VRI (Valued Relationships Inc.), a provider of telehealth monitoring, monitored medication dispensing and adherence solutions, and medical alert systems. More information about Pamlico is available at [www.pamlicocapital.com](http://www.pamlicocapital.com).

**Spanos Barber Jesse & Co. (SBJ)** — SBJ, which has offices in the San Francisco Bay area and Dallas, has broad flexibility on investment size in the lower to middle market. The firm seeks minority or control equity or mezzanine investments in healthcare companies in the provider services and non-reimbursement healthcare industries as well as in hospitals. SBJ also invests in consumer and business services companies. Included in its portfolio is Jefferson Dental Clinics, a network of over 40 clinics in the Dallas/Fort Worth and Houston, Texas, metro areas, and Bright Now! Dental, a member of the Smile Brands network of affiliated dental offices with nearly 400 locations throughout 17 states. More information about SBJ is available at [www.sbjcap.com](http://www.sbjcap.com).

**Enhanced Equity Funds (EEF)** — Founded in 2005 and based in New York, EEF is focused exclusively on investing in the lower-middle market healthcare industry. It considers a broad range of investments in companies in the provider services and non-reimbursement healthcare industries, as well as hospitals and other major facilities. Companies in its portfolio include NextCare, an independent urgent care provider with clinics across six states; Regency Healthcare Group, a provider of hospice and palliative care services; and West Dermatology, a physician practice management company that operates dermatology clinics in Nevada, Arizona and California. More information about EEF is available at [www.enhancedequity.com](http://www.enhancedequity.com).

**Boyne Capital Partners** — Founded in 2006 and based in Miami, Boyne is flexible on its investment size in the lower to middle market. The firm seeks minority or control equity investments in healthcare companies in the pharmaceutical, provider services and non-reimbursement healthcare industries, and invests in companies in other industries as well. In its current healthcare portfolio is Family Private Care, which specializes in providing private nursing care for Florida clients in homes, hospitals, assisted living facilities and nursing homes. More information about Boyne is available at [www.boynecapital.com](http://www.boynecapital.com).

**Triton Pacific Capital Partners** — Founded in 1996, Triton Pacific seeks controlling or minority positions in small- to middle-market companies. Based in Los Angeles, the firm weighs a wide range of investments in healthcare services and several other industries. Within healthcare, Triton Pacific pursues investments in the provider services and non-reimbursement healthcare industries. Companies in its portfolio include Aisthesis, a provider of anesthesiology services to ambulatory surgery centers, and IWP, a specialty home delivery pharmacy serving patients injured in accidents covered by property casualty insurance. More information about Triton Pacific is available at [www.tritonpacific.com](http://www.tritonpacific.com).

**Elm Creek Partners** — Founded in 2007, Elm Creek is a Dallas-based firm that seeks investments in healthcare companies in the provider services and non-reimbursement healthcare industries, as well as several non-healthcare industries. The firm is flexible on its investment size in middle-market companies. Elm Creek's healthcare portfolio includes Millennium Healthcare Management, which operates and manages multiple urgent care clinics in Southern Louisiana. More information about Elm Creek is available at [www.elmcreekpartners.com](http://www.elmcreekpartners.com).

**High Road Capital Partners** — Founded in 2007 and based in New York, High Road Capital Partners invests in healthcare and several other industries through lower middle-market transactions. It seeks control equity through a variety of investment sizes. Within healthcare, the firm targets companies in the life sciences/pharmaceutical and non-reimbursement healthcare industries. In its portfolio are healthcare companies Advanced Sleep Medicine Services, which provides patients and referring physicians with a program designed to help those suffering from various sleep disorders, and Guidemark Health, a communications agency. More information about High Road Capital Partners is available at [www.highroadcap.com](http://www.highroadcap.com).

**General Atlantic** — Founded in 1980, New York-based General Atlantic prefers to make more substantial investments from a dollars perspective in healthcare and a number of other sectors. Within healthcare, the firm pursues investments in the provider services, life sciences/pharmaceutical industry, hospitals and other major facilities, and companies that live in the healthcare sector but do not have direct reimbursement risk. Companies in its portfolio include Alignment Healthcare, a provider of healthcare management services to providers, health plans and hospitals, and eviCore healthcare, a specialty medical benefit management company that provides solutions to health plans and managed care organizations. More information about General Atlantic is available at [www.generalatlantic.com](http://www.generalatlantic.com).

**ORIX Healthcare Capital** — Founded in 1981, ORIX Healthcare is a business unit of Dallas-Based ORIX USA. ORIX Healthcare considers a wide range of control and minority equity investments in the life sciences/pharmaceutical industry and companies that live in the healthcare sector but do not have direct reimbursement risk. More specifically, companies of interest include healthcare service, pharmaceutical product and pharmaceutical service providers. Healthcare companies in its portfolio include AdvantEdge Healthcare, which provides revenue cycle management and practice management solutions to hospital-based and large office-based physician practices; Talyst, which provides automated central pharmacy hardware and software to acute care hospitals, long-term care facilities and correctional facilities; and Epic Health Services, which provides

pediatric home healthcare throughout Texas. More information about ORIX Healthcare is available at [www.orix.com/capital-solution/healthcare/](http://www.orix.com/capital-solution/healthcare/).

**Sterling Partners** — Founded in 1983 and with offices in Baltimore, Chicago and Miami, Sterling seeks control equity in healthcare companies in the provider services industry, hospitals and other major facilities, and companies that live in the healthcare sector but do not have direct reimbursement risk. The firm considers a wide range of investments in healthcare, education and business services. Healthcare companies in its portfolio include Adeptus Health, the newly formed holding company for First Choice Emergency Room, which operates freestanding ERs throughout Texas and Colorado; Remedi SeniorCare, a provider of pharmacy services, pharmacy consulting and data management services to nursing homes, assisted living, and continuing care retirement communities; and Surgical Solutions, which provides operating room solutions for minimally invasive surgical procedures to hospitals. More information about Sterling is available at [www.sterlingpartners.com](http://www.sterlingpartners.com).

**Shore Capital Partners** — Founded in 2009, Shore is a healthcare-focused, lower middle-market private equity firm. Based in Chicago, the firm pursues control equity investments in the healthcare services, products and distribution markets through a range of investment amounts. Within healthcare, Shore seeks to invest in the provider services and non-reimbursement healthcare industries. Companies in its portfolio include ClearPath Diagnostics, an anatomic pathology practice and laboratory which primarily serves the women's health market; Summit Medical, a medical device manufacturer that designs, engineers and manufactures microsurgery products; Shippert Medical Technologies, which manufactures medical and surgical supplies across specialties including ENT; and Specialdocs, which provides consulting services and assists in the transition of traditional medical practices to a personalized or concierge medicine model. More information about Shore is available at [www.shorecp.com](http://www.shorecp.com).

**HIG Capital** — Founded in 1993 and based in Miami, HIG pursues investments in a wide range of industries. Within healthcare, the firm is interested in making more substantial investments for control buyout transactions in provider services. Active healthcare companies in its portfolio include Surgery Partners, which acquires, develops and manages freestanding ambulatory surgical centers in partnership with physicians; Clarus Therapeutics, a biopharmaceutical company focused on the development and commercialization of androgen-based prescription drug products; Soleo Health, a pharmacy provider of intravenous and injectable medications for patients with chronic disorders; and TLC Vision, a national eye care services company. More information about HIG is available at [www.higcapital.com](http://www.higcapital.com).

**Linden Capital Partners** — Founded in 2002 and based in Chicago, Linden seeks control equity in middle-market companies through more substantial investments from a dollars perspective. The firm focuses exclusively on healthcare, pursuing investments in the provider services, non-reimbursement healthcare and life sciences/pharmaceutical industries, as well as hospitals and other major facilities. Companies in its portfolio include Virtus Pharmaceuticals, a specialty generics pharmaceutical company; Strata, a full-service anatomic pathology laboratory focused on the dermatology, urology, podiatry, oral pathology, gastroenterology and gynecology segments; and CORPAK MedSystems, a medical device company focused on enteral access technologies. More information about Linden is available at [www.lindenllc.com](http://www.lindenllc.com).

**Pharos Capital Group** — Founded in 1998, Pharos considers a variety of investments in lower- and middle-market companies primarily in healthcare and business services. With offices in Dallas and Nashville, the firm pursues control equity and mezzanine investments. Within healthcare, Pharos targets the provider services and non-reimbursement healthcare industries. Companies in its portfolio include Seaside Healthcare, an owner, developer and operator of a network of facilities specializing in mental health treatment services for the adult and geriatric population; IASIS Healthcare, an owner and operator of medium-sized acute care hospitals in high-growth urban and suburban markets; and Medfinders (formerly Nursefinders), one of the largest healthcare staffing companies in the United States. More information about Pharos is available at [www.pharosfunds.com](http://www.pharosfunds.com).

**Sverica International** — Founded in 1993, Sverica pursues control and minority equity through a range of investment sizes. With offices in Boston and San Francisco, this firm invests in healthcare services, business and IT services, and high-value manufacturing. Within healthcare, Sverica targets companies in the provider services and non-reimbursement healthcare industries, as well as hospitals and other major facilities. Healthcare companies in its portfolio include IMS, a provider of outsourced hospitalist physicians programs to acute care facilities and community primary care physicians throughout Northern Ohio, and Resonetics, which provides laser micromachining manufacturing services for medical device and diagnostic companies. More information about Sverica is available at [www.sverica.com](http://www.sverica.com).

**Riata Capital Group** — Founded in 2014 and based out of Dallas, Riata pursues control and minority equity investments in middle-market companies in healthcare and other sectors. The firm is flexible in its investment size. Within healthcare, Riata pursues investments in the provider services industry and companies that live in the healthcare sector but do not have direct

reimbursement risk. Current companies in its portfolio include Smile Source, a network of over 350 independent dental practices in the United States. More information about Riata is available at [www.riatacapital.com](http://www.riatacapital.com).

**EDG Partners** — Founded in 2004 and with offices in Atlanta and Alexandria, Va., EDG makes a variety of investments in lower- and middle-market healthcare companies. The firm pursues control and minority equity in the provider services, life sciences/pharmaceutical industries, hospitals and other major facilities, and companies that live in the healthcare sector but do not have direct reimbursement risk. Companies within EDG's portfolio include DiabetesAmerica, a health center and management program for individuals with diabetes; FirstCall Ambulance Service, a provider of scheduled, non-emergency ambulance and medical transport services; MMIS, a provider of cloud-based SaaS solutions for pharmaceutical, medical device and bio-pharmaceutical companies; and Peak Health Solutions, a health information management services company providing solutions in the areas of coding, compliance and CDI. More information about EDG is available at [www.edgpartners.com](http://www.edgpartners.com).

**Beecken Petty O'Keefe & Company (BPOC)** — Founded in 1996, BPOC is a Chicago-based firm that seeks control and minority equity in middle-market companies exclusively within the healthcare industry through a wide range of investments. Companies within its portfolio include EMSI, an outsourced service provider of medical information, risk adjustment and comprehensive investigative services to insurance companies, health insurers and employers; Himage Solutions, a provider of health information management services, including medical coding, coding audit, registry management and clinical documentation solutions; and Spectrum Professional Services, a provider of outsourced and managed rehabilitation therapy services. More information about BPOC is available at [www.bpoc.com](http://www.bpoc.com).

**Geneva Glen Capital** — Founded in 2008, Geneva Glen is a Chicago-based firm that invests in lower middle-market companies in numerous industries, including healthcare. Geneva Glen seeks controlling or minority equity, and will consider a wide range of investments. Within healthcare, the firm targets companies in the provider services and non-reimbursement healthcare industries. Companies in its portfolio include Flow Polymers, a manufacturer of chemical dispersions, process aids and homogenizing agents for pharmaceutical and other markets. More information about Geneva Glen is available at [www.genevaglencapital.com](http://www.genevaglencapital.com).

**Nova Bright Capital** — Based in Chicago and founded in 2011, Nova Bright pursues a variety of investment opportunities in the middle market. The firm makes investments in a wide range of industries, with its healthcare investing targeting the provider services and life sciences/pharmaceutical industries. More information about Nova Bright is available at [www.nova-bright.com](http://www.nova-bright.com).

**LaSalle Capital** — Founded in 2004, LaSalle Capital is a Chicago-based firm with wide flexibility on investment size in the lower to middle market. The firm seeks control equity investments in healthcare companies in the provider services industry and companies that live in the healthcare sector but do not have direct reimbursement risk, while also investing in other non-healthcare industries. Included in its portfolio is MetaSource, a provider of technology-enabled business process outsourcing services with a focus on the healthcare, financial services and retail industries. More information about LaSalle is available at [www.lasallecapital.com](http://www.lasallecapital.com).

**High Street Capital** — Founded in 1997, High Street is a Chicago-based firm that seeks minority and control equity investments, as well as other types of investments, in healthcare companies in the provider services and non-reimbursement healthcare industries. The firm targets companies with revenue up to \$100 million, and considers a variety of investments within the lower middle market. In addition to healthcare services, High Street also pursues investments in other industries, including niche manufacturing and outsourced business services. Past healthcare investments include BeneSys, which provides healthcare payment processing as a third-party administrator and software and computer services to multi-employer unions and voluntary employee beneficiary associations, and Countryside Hospice, which provides home hospice care in rural and suburban communities in the Southeastern United States. More information about High Street is available at [www.highstreetcapital.com](http://www.highstreetcapital.com).

**MTS Health Investors** — MTS Health Investors is a private equity firm based in New York. The firm was founded in 2000, and pursues control equity investments in healthcare companies with strong growth prospects and profitable operating models. MTS invests in a broad range of industry segments including outsourced services to payors and health systems, technology-enabled services, healthcare providers and value-added distribution. Companies in its portfolio include Celerion Holdings, which provides clinical trial solutions to pharmaceutical and biotechnology clients conducting early clinical research; AGS Health, a revenue cycle management company providing billing and coding services; MDsave, which provides an online location for consumers to research, compare and purchase medical services; and Vital Decisions, a provider of behavioral counseling services to patients with advanced illness. More information about MTS Health is available at [www.mtshealthinvestors.com](http://www.mtshealthinvestors.com).

**The Riverside Company** — Founded in 1988 and based out of New York, Riverside considers a wide range of investments in many industries, including healthcare. The firm seeks control equity, minority equity, junior capital and other investments. Within healthcare, Riverside pursues investments in provider services and non-reimbursement healthcare industries, specifically within companies providing dermatology, dental and behavioral services, as well as providers of life sciences/pharmaceutical services. U.S. companies in its health portfolio include American Hospice, a hospices manager; BeneSys, a provider of employee healthcare and pension benefit programs; Greenphire, a provider of payment processing, management and analytics software; and The Dermatology Group, a provider of dermatological services. More information about Riverside is available at [www.riversidecompany.com](http://www.riversidecompany.com).

**Gemini Investors** — Founded in 1993 and based in Wellesley, Mass., Gemini focuses on investments in the lower end of the middle market. The firm pursues control and minority equity, mezzanine and growth capital investments in many different industries, including healthcare. Within healthcare, Gemini targets companies in the provider services industry and companies that live in the healthcare sector but do not have direct reimbursement risk . In its portfolio is 360 PT Management, a provider of physical therapy and specialty rehabilitation services; TGaS Advisors, a provider of comparative benchmarking and advisory services to the pharmaceutical industry; and Wake Research Associates, a provider of clinical trial services to the pharmaceutical industry. More information about Gemini is available at [www.gemini-investors.com](http://www.gemini-investors.com).

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