



Quarterly Update

- Behavioral health conditions have become increasingly common over the last several years, a trend exacerbated by the isolation and anxiety caused by the Covid pandemic.
- Among young adults since 2016, there has been a 124% increase in mental health hospital admissions, 45% increase in mental health emergency department visits, and 96% increase in hospital admissions for depressive disorders.
- Telehealth has made behavioral health services more accessible. Telehealth service utilization increased 2,000% during Covid but has dropped only 11% since.
- Existing platforms are attracted to providers offering accessible treatment options that are also retaining talent and cultivating lasting patient relationships. The ability for providers to add top talent in the current tight labor market is particularly attractive.
- EdgePoint expects robust M&A activity in the behavioral health market in 2024. The demand for services will continue to increase, while telehealth capabilities will persist as the part of the ongoing treatment plan for patients.

Sources: Clarify Health Institute; Center for Improving Value in Health Care

Recent Healthcare Transactions (Selected)

<p>Project Revitalize</p> <p>Community Mental Health Provider</p> <p>In Market</p>	 <p>has been acquired by</p>  <p>SHORE Capital Partners</p>
 <p>has been acquired by</p> 	<p>THE SPIEGEL CENTER</p> <p>BLACKHAWK PLASTIC SURGERY & MEDSPA</p> <p>Sierra Valley PMS</p> <p>have combined to form</p> <p>PREMIER PLASTIC SURGERY PARTNERS</p> <p>in partnership with</p> <p>CORBELL Surgical Partners</p>

For more information and insights, please contact the EdgePoint Healthcare Group:

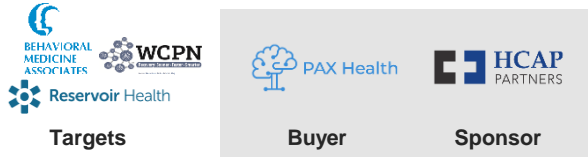


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Recent Selected Behavioral Health Transactions

HCAP Partners Forms PAX Health Platform



- **March 2024** – HCAP Partners announced the acquisitions of Behavioral Medicine Associates, Workers Compensation Psychological Network, and Reservoir Health, merging under the PAX Health platform.
- The combination under PAX Health creates one of the largest behavioral health businesses in the Northeast.

Hightop Acquires Roots Behavioral Health



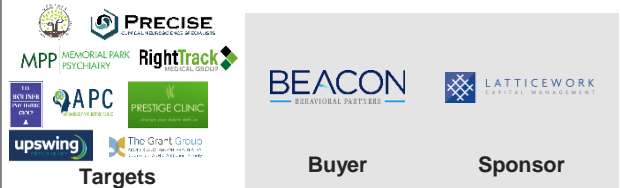
- **February 2024** – Hightop Health, a premier outpatient mental health platform, has acquired Roots Behavioral Health.
- Roots Behavioral Health was founded in 2016 to address a pressing need for affordable and accessible behavioral healthcare in the Austin, Texas region.

Acadia Acquires Turning Point Centers



- **February 2024** – Acadia Healthcare (NAS: ACHC) has closed its previously announced acquisition of Turning Point Centers, a substance use and mental health treatment provider in Salt Lake City, Utah.
- Turning Point Centers offers residential, partial hospitalization, and intensive outpatient services in its eight locations.

Beacon Behavioral Expands in the Southeast



- **February 2024** – Beacon Behavioral Partners, a leading provider of support services for behavioral health practices, announced the success of its expanding network, marked by the recent addition of nine new partner clinics to its expanding network across the Southeastern United States.

Trillium Acquires Sandhills Center & Eastpointe



- **February 2024** – At the end of 2023, Sandhills Center merged with Eastpointe Human Services. On February 1, 2024, the combined entity was acquired by Trillium Health Resources.
- Sandhills Center and Eastpointe Human Services offer treatment and support for individuals with mental health and substance abuse needs.

Crossroads Acquires Hutton Healthcare



- **January 2024** – Crossroads Treatment Centers, a provider of substance abuse treatment services, has acquired Hutton Healthcare Services.
- Hutton is a provider of mental health and addiction treatment services based in Pittsburgh, PA.

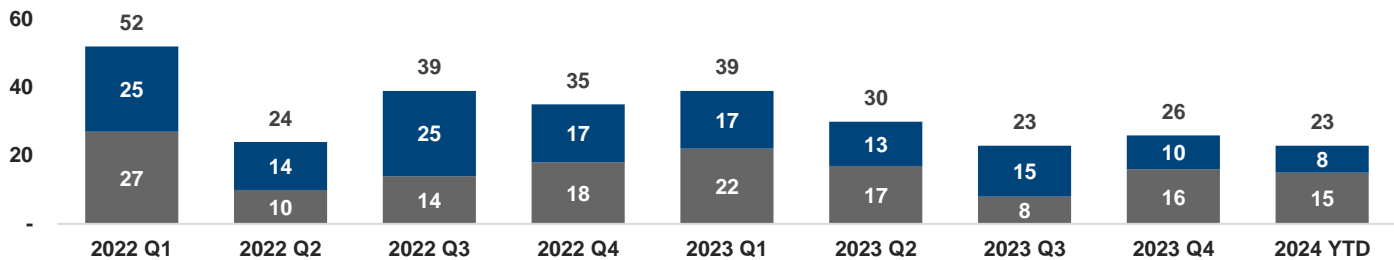
Behavioral Health | March 2024

Recent Selected Behavioral Health Transactions

Target	Date	Buyer / Investor	State (Target)	Sponsor (if applicable)
Behavioral Medicine Associates	Mar 24	PAX Health	NY	HCAP Partners
Workers Compensation Psychological Network	Mar 24	PAX Health	NJ	HCAP Partners
Reservoir Health	Mar 24	PAX Health	NJ	HCAP Partners
Roots Behavioral Health	Feb 24	Hightop Health	TX	JLL Partners
Turning Point Centers	Feb 24	Acadia Healthcare	UT	-
The Holiner Psychiatric Group	Feb 24	Beacon Behavioral Partners	TX	Latticework Capital Management
Prestige Clinic	Feb 24	Beacon Behavioral Partners	TX	Latticework Capital Management
The Grant Group	Feb 24	Beacon Behavioral Partners	TX	Latticework Capital Management
Upswing Psychiatry	Feb 24	Beacon Behavioral Partners	TX	Latticework Capital Management
Genesis Behavioral Health Services	Feb 24	Beacon Behavioral Partners	LA	Latticework Capital Management
Precise Clinical Neuroscience Specialists	Feb 24	Beacon Behavioral Partners	MS	Latticework Capital Management
Arkansas Psychiatric Clinic	Feb 24	Beacon Behavioral Partners	AR	Latticework Capital Management
Memorial Park Psychiatry	Feb 24	Beacon Behavioral Partners	TX	Latticework Capital Management
Right Track Medical Group	Feb 24	Beacon Behavioral Partners	MS	Latticework Capital Management
Sandhills Center & Eastpointe Human Services	Feb 24	Trillium Health Resources	NC	-
Hutton Healthcare Services	Jan 24	Crossroads Treatment Centers	PA	Revelstoke Capital Partners
Mindsoother	Jan 24	ARC Health	NJ	Thurston Group
Espyr	Jan 24	Acentra Health	GA	The Carlyle Group
Principles Recovery Center	Jan 24	Miramar Equity Partners	FL	-

Source: Pitchbook (March 22, 2024)

Behavioral Health Recent Deal Activity



Source: Pitchbook (March 22, 2024)

- Despite a slowdown of M&A activity in 2023, behavioral health remains attractive to buyers due to the ongoing mental health crisis and the ability to vertically integrate along the care continuum.

Select Behavioral Health Platforms (Date of Investment and Sponsor)

