

Acuity

2016



An Annual Report From

TRIPLE TREE

TRIPLE TREE'S GUIDING PRINCIPLES

excellence

integrity

clients first

confidentiality

reliability

teamwork

mutual respect

results

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a-cu-i-ty

noun
sharpness; acuteness; keenness
acuity of vision; acuity of mind

Acuity

2015 was another transformative year for healthcare in the United States.

Throughout the year TripleTree participated in these structural changes in unique and innovative ways. Last year our healthcare merchant bank platform engaged and advised differentiated and innovative healthcare services and IT companies creating impact across the industry.

With this issue of *Acuity*, we provide a summary of our recent business activities and showcase how our uncommon approach brought value to the industry.

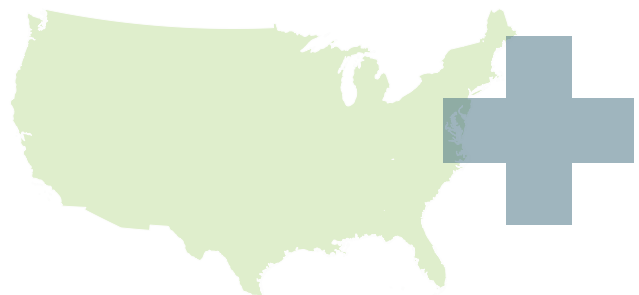
Since the firm was founded in 1997 we have been intentional about building and maintaining a sustainable platform that is distinctive. Our longevity is based on attributes that continue to make our firm stand out in the marketplace, including:

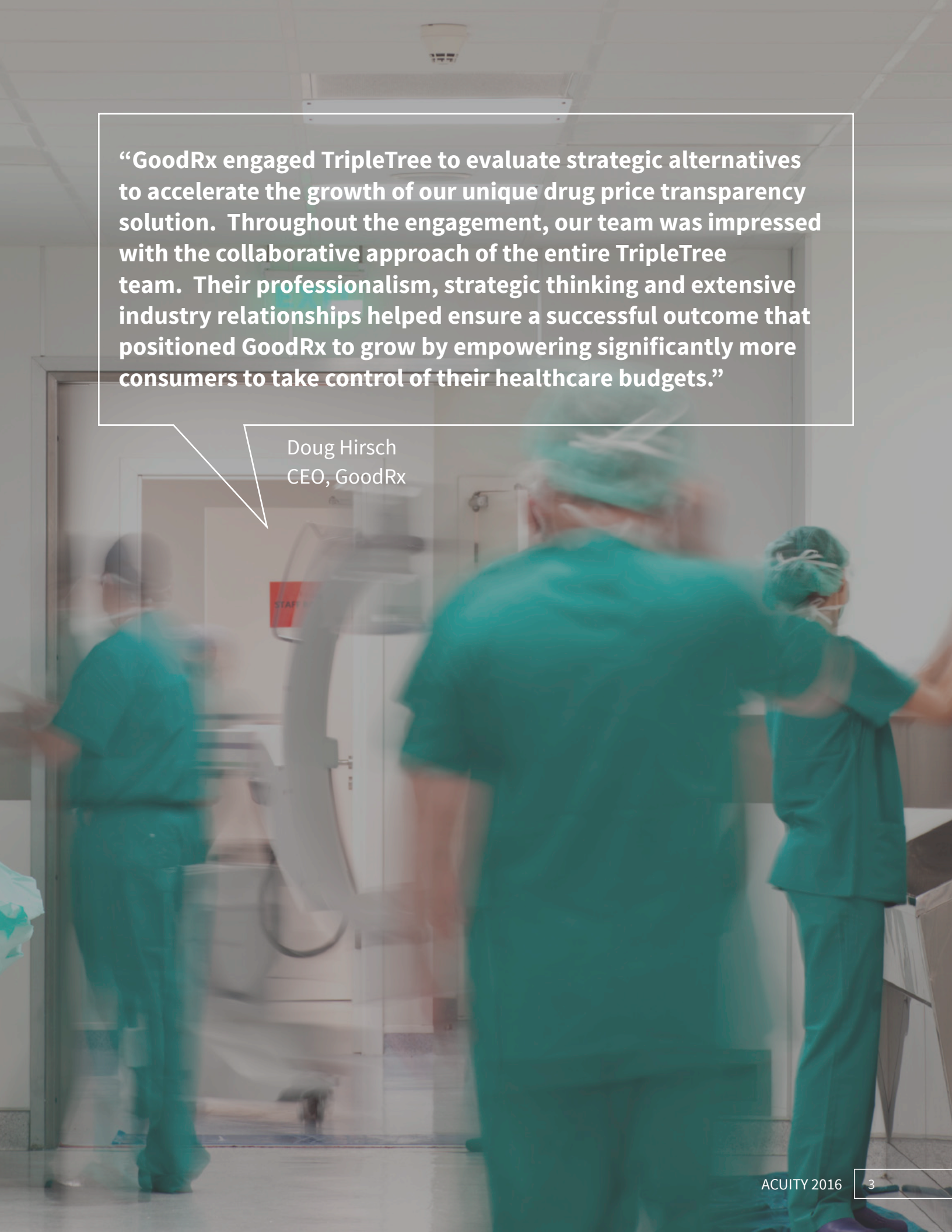
- Reputation as a thought leader in the healthcare industry
- Proprietary knowledge platform informed by our day-to-day activities and leveraged by our businesses

- Commitment to long-term relationships and teamwork
- Passion for creating value and success for our clients and partners

Nearly two decades later, our platform has enabled us to:

- Distinguish ourselves as an accomplished advisor
- Establish meaningful and trusted relationships with innovative and disruptive companies
- Build a team of talented thought leaders sought out by stakeholders across the industry
- Develop trusted, credible and ongoing relationships with financial sponsors



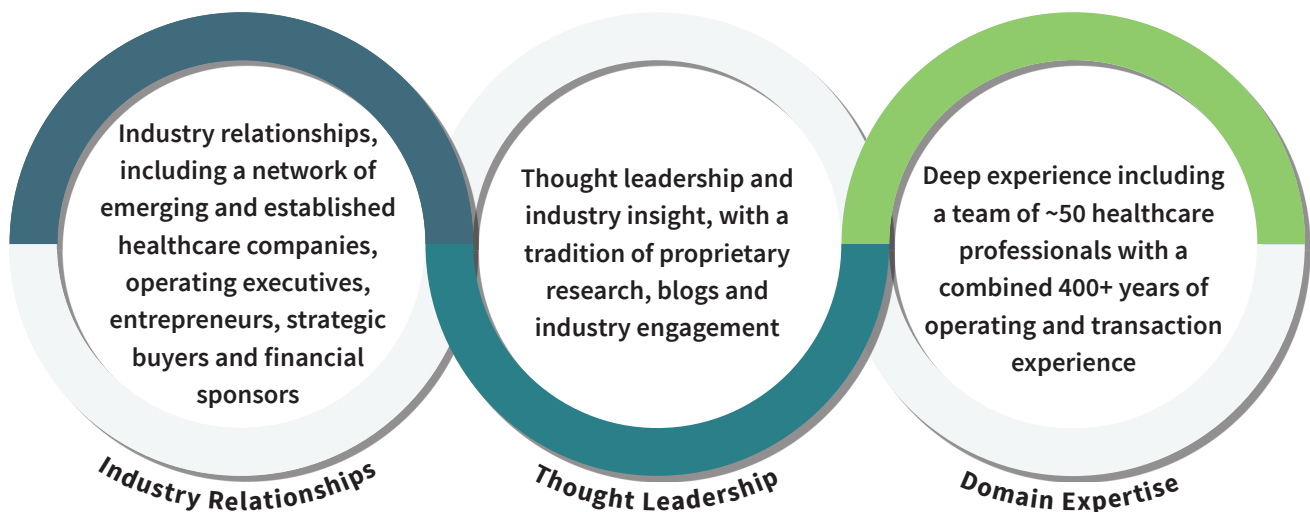
A blurred photograph of a hospital hallway. In the foreground, a person in teal scrubs and a surgical cap is seen from behind, walking away. To the left, another person in teal scrubs is walking towards the left. In the background, a person in teal scrubs is standing near a white medical machine. The hallway has a white wall and a grey floor. A white box with a black border contains a testimonial quote. A white line connects the bottom of the box to a speech bubble containing the name and title of the person quoted.

“GoodRx engaged TripleTree to evaluate strategic alternatives to accelerate the growth of our unique drug price transparency solution. Throughout the engagement, our team was impressed with the collaborative approach of the entire TripleTree team. Their professionalism, strategic thinking and extensive industry relationships helped ensure a successful outcome that positioned GoodRx to grow by empowering significantly more consumers to take control of their healthcare budgets.”

Doug Hirsch
CEO, GoodRx

TripleTree Platform

Our platform was envisioned and strategically built to support the healthcare industry. As one of the largest investment banks focused exclusively on healthcare, our platform is built on three pillars:



Our platform allows us to monitor the pulse of the industry, identify the market forces driving change, spot emerging trends and provide insights on the motivations of innovators and investors. The TripleTree healthcare merchant bank platform is a powerful differentiator. It creates and unlocks value, enabling our partners to become even more relevant in the evolving healthcare industry by expanding product and service offerings, scaling innovative companies, meeting the needs of more consumers and delivering strong financial results.



TripleTree

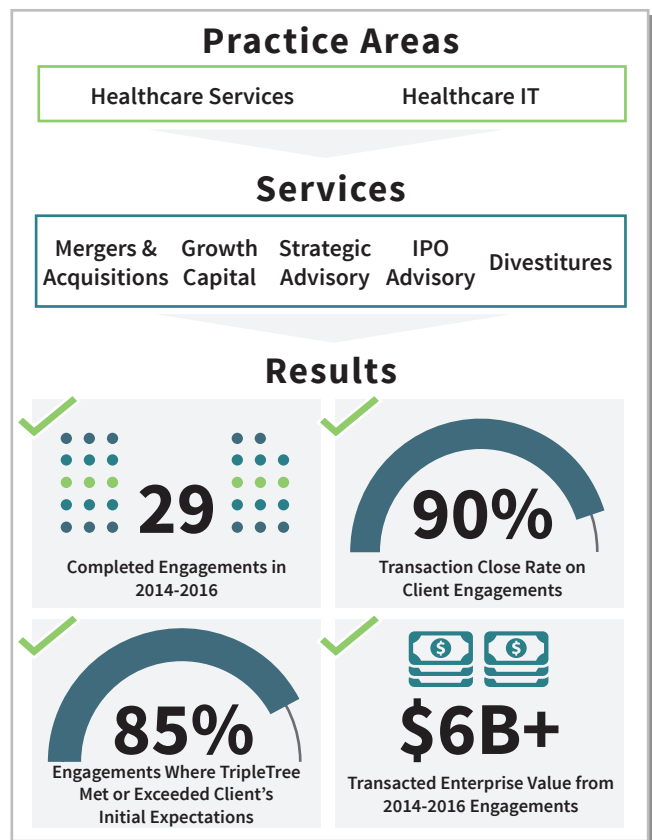
Our platform has completed more than 150 transactions with some of the most relevant and transformational companies in healthcare.

Our clients have engaged us across a broad set of services including mergers and acquisitions, growth capital, strategic advisory, IPO advisory and divestiture services. TripleTree's leadership position continued in 2015 as the firm interacted with hundreds of companies to assess potential fit with our investment banking model. Ultimately, the outcomes of our industry conversations, our long-standing relationships and our team of unmatched professionals enabled TripleTree to complete 29 transactions over the last two years, representing \$6+ billion of enterprise value. Our engagements touched a diverse set of healthcare services and IT clients from market-leading consumer engagement platforms, to innovative price transparency solutions, to technology solutions focused on enabling the shift from fee-for-service to value-based compensation.



TRIPLE TREE

The quality of our work and the ability to meet or exceed client expectations established at the outset of every transaction continues to be the firm's compass. Over the last year, stakeholders from across the industry sought out TripleTree as they contemplated their next move in the changing world of healthcare.



A person's hand is shown writing on a document with a pen. In the foreground, a laptop and a tablet are visible. The background is a warm, blurred office setting.

“We needed, and found in TripleTree, an advisor that could help us communicate our story to the right acquirer when they came along. The firm helped BrightWhistle’s and acquirer’s teams find ways of building value together even before the deal was closed. TripleTree is a partner capable of connecting all the various dots required for guiding the deal to completion and the result is that everyone wins in the end.”

Greg Foster
CEO, BrightWhistle

Transaction Summaries

2015
JAN

Acquisition



LiveHealthier is a provider of technology- and services-based health management solutions to organizations designed to foster positive and lasting health behaviors.

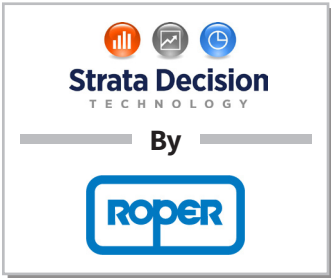
MAY

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Sentry Data Systems is a SaaS-based analytics, compliance and performance improvement platform to enhance care delivery, optimize workflows and reduce costs.

Acquisition



Strata Decision Technology provides an end-to-end platform solution for health system financial analytics and performance.

AUG

Acquisition



Altegra Health provides technology platforms that serve as the underlying infrastructure necessary to enable the transition from fee-for-service to value-based payments.

Recapitalization



eSolutions is a provider of revenue cycle management analytics and cloud-based workflow software.

TripleTree was engaged by Altegra Health due to its deep insight and experience working with companies in the risk adjustment and value-based payment industries.

In a competitive process, Emdeon distinguished itself because of strong synergies between the two businesses, combining Altegra Health's analytics platform with Emdeon's revenue cycle technology and payment solutions.

FEB

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BrightWhistle offers industry-leading marketing automation and customer relationship management (CRM) solutions to the hospital market.

SEP

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Integra Partners is a leading technology-enabled, cost containment platform serving the Durable Medical Equipment, Prosthetics, Orthotics and Supplies ("DMEPOS") market.

OCT

Growth Investment



GoodRx provides drug price transparency, cost containment and consumer engagement solutions through simple web and mobile interfaces.

TripleTree was engaged by GoodRx to evaluate its strategic alternatives and to find a partner that would support the unique value proposition and tremendous growth trajectory of the business.

GoodRx realized a successful growth investment from Francisco Partners and Spectrum Equity, who were attracted to GoodRx's growth trajectory, entrenched and unrivaled market position, powerful consumer and employer value proposition, immense addressable market and unparalleled founder experience.

DEC

Acquisition



Welltok is a consumer engagement platform serving health plans and population health managers.

2016
JAN

Acquisition



HealthFusion provides Web-based, cloud computing software for physicians, medical billing service providers and hospitals.

NOV

Recapitalization



symplr is a leading provider of SaaS-based solutions that address the compliance and credentialing needs of healthcare organizations.

TripleTree was chosen as the exclusive advisor to symplr given TripleTree's domain expertise in healthcare compliance specifically and proven track record working with rapidly growing healthcare IT and SaaS companies.

symplr realized a successful recapitalization led by Pamlico Capital and existing investors, including The CapStreet Group. Pamlico distinguished itself by sharing the same vision and passion for building the clear brand leader in healthcare compliance.

APR

Acquisition



Superior Vision is a leading provider of vision and eye health solutions to the full spectrum of the vision care marketplace, including employer groups, health plans, and government-sponsored programs.

Thought Leadership

Thought leadership remains a cornerstone of how TripleTree interacts and engages with the healthcare industry.

2015 was a year of accelerated innovation, and our thought leadership activities helped define and accentuate the massive structural changes underway. We continued our long-standing commitment to industry research and published an in-depth Industry Perspective on the urgent care sector. Our professionals posted numerous blog articles on a broad range of healthcare services and IT topics which included data security, telemedicine, accountable care organizations, the role of healthcare services and revenue cycle management. We also engaged with attendees and provided our point of view at numerous healthcare industry conferences across the country.

Throughout the year, we were intentionally focused on emerging and disruptive themes that drove significant market activity or represented the catalyst for innovation. By sharing our perspectives and engaging the industry in discussion, our firm was successful in building relationships with innovative and disruptive

companies, in addition to learning more about strategic buyers' and financial sponsors' healthcare strategies.

Our thought leadership activities will continue as a hallmark of the firm going forward, providing the catalyst for our professionals to stay informed about industry trends, formulate their own opinions and bring their relevant talent and experience forward in their day-to-day work on behalf of those we serve.

“TripleTree’s deep healthcare experience and industry knowledge were an important part of why we selected the firm to advise Sentry Data Systems. The firm’s ability to articulate the role of technology solutions in reducing costs, managing compliance and producing better outcomes was critical to articulating our value proposition in the market. TripleTree ran a tight process and the outcome of our engagement positioned our company to meet the growing needs of hospitals, clinics, integrated delivery networks and pharmacies across the U.S.”

Travis Leonardi
CEO, Sentry Data Systems

FIGURE 3. URGENT CARE MARKET DISTRIBUTION



FIGURE 4. PAYER MIX



Industry Perspective: Urgent Care

In November, TripleTree released an Industry Perspective on the urgent care sector. The research report highlights how urgent care is at the epicenter of transformative changes occurring in U.S. healthcare, helping solve cost and quality issues while enabling the shift to a more consumer-centric system.

Urgent care today is a \$16 billion market that is expected to grow to nearly \$20 billion by 2020, making it one of the strongest growing sectors in healthcare.

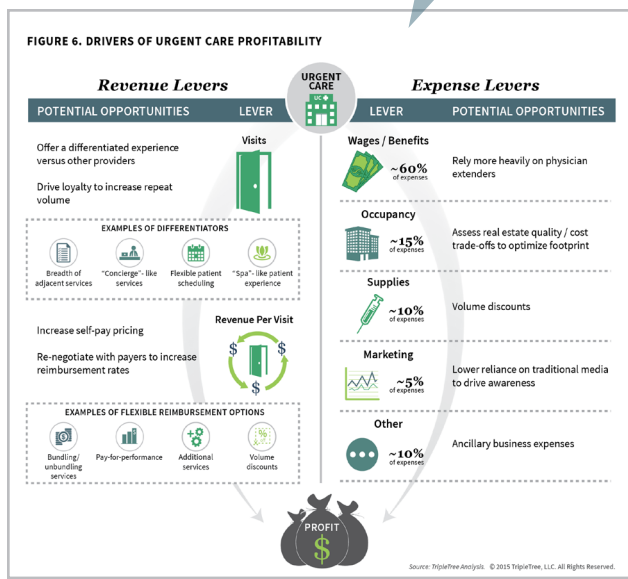
This rapid growth is being driven by a convergence of market tailwinds, ranging from increased demand by more empowered healthcare consumers, to a shortage of primary care physicians and a healthcare ecosystem that is undergoing unprecedented transformation.

“Urgent care provides welcome relief to payers, providers and consumers seeking opportunities to increase access to care, improve quality and reduce overall costs.”

TRIPLE TREE INDUSTRY PERSPECTIVE
Q4'15

Urgent Care

Urgent Care is at the epicenter of transformative changes occurring in U.S. healthcare, helping solve cost and quality issues while enabling the shift to a more consumer-centric industry.



2015 Blog Posts

Q1

Key Themes for Healthcare Investments in 2015

Eight Ways Crowdsourcing Will Influence Healthcare Innovation in 2015

Is a Lack of 'Outcomes Transparency' Tools Hindering Consumer Healthcare Decisions?

Q4 '14 Healthcare M&A Roundup

Precision Medicine Initiative More about Data than Genetics

Why 'Services' Will Be a Key Enabler of Healthcare Innovation in 2015

The Far Reaching Impacts of Medicare's Shift to Alternative Payment Models

My Doctor Gave Me His Cell Phone Number

Thoughts on the 'New Normal' in Healthcare Data Security

Despite the King v. Burwell Distraction, Healthcare's Leaders and Innovators Move Forward

Pharma, Biotech, Devices, Vaccines...Why the New FDA Commissioner Will Need to Engage Them All

Value-Based Care Accelerating Growth in the Ambulatory HCIT Market

Q2

Medication Non-Adherence: A \$290 Billion Unnecessary Expenditure

Bold Moves by IBM and Pointed Commentary from Humana's CEO

Frame HIMSS 2015

Q1 '15 Healthcare M&A Roundup

Making Sense of the Clinic Landscape

Telemedicine: A \$17B Market Opportunity

With King v. Burwell Imminent, Is There a Plan to Give Public Exchanges a New Life?

How Medicare Allowable Costs and Out-of-Network Charge Disparity Matter for Self-Insured Employers

A Post-EHR World: The Opportunity for Administrative vs. Clinical HCIT

Q3

Connected Health is the Rx for Healthcare

Making Sense of the "Care Coordination" Landscape

Hello, Neighbor - The Growing Role of Lab Services in the Medical Neighborhood

Is there a Doctor in the House? The Return of the House Call

ACOs: An Accountable Care Update

Dollars in the Dog Park: An Overview of the Pet Healthcare Market

Q4

Q3 M&A Roundup: TripleTree's Take on Select Recent M&A Activity

Deconstructing the Demise of Group Insurance: Where the Skeptics Went Wrong and Why We Remain Bullish

Can Mental Health Ride the Telehealth Wave?

Hospital Cost Reduction Initiatives and Staff Layoffs Can't Stay Linked Forever

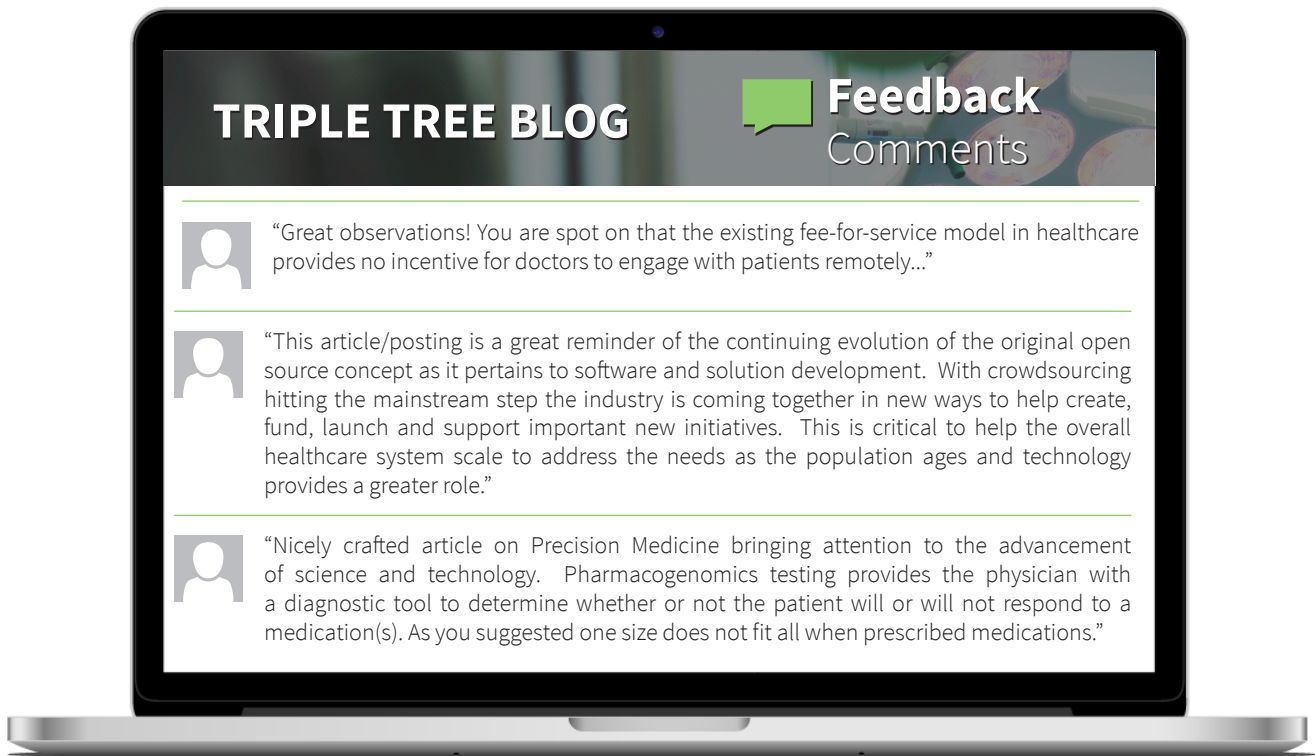
Clear Skies Ahead for Patient Safety Organizations?

Innovators Wanted: Mounting Patient Financial Responsibility Driving Provider Demand for Positive Disruption and Change (Part 1 of 3 Part Series)

The Last Frontier: Significant Opportunity within Medical Payments Processing (Part 2 of 3 Part Series)



2015 Digital Statistics



Top 5 Blog Posts

- 1 Key Themes for Healthcare Investments in 2015
- 2 The Far Reaching Impacts of Medicare's Shift to Alternative Payment Models
- 3 Bold Moves by IBM and Pointed Commentary from Humana's CEO Frame HIMSS 2015
- 4 Telemedicine: A \$17B Market Opportunity
- 5 Deconstructing the Demise of Group Insurance: Where the Skeptics Went Wrong and Why We Remain Bullish

264,077 

Visits to Triple-Tree.com

47,891 

Total Blog Visits

2,100 

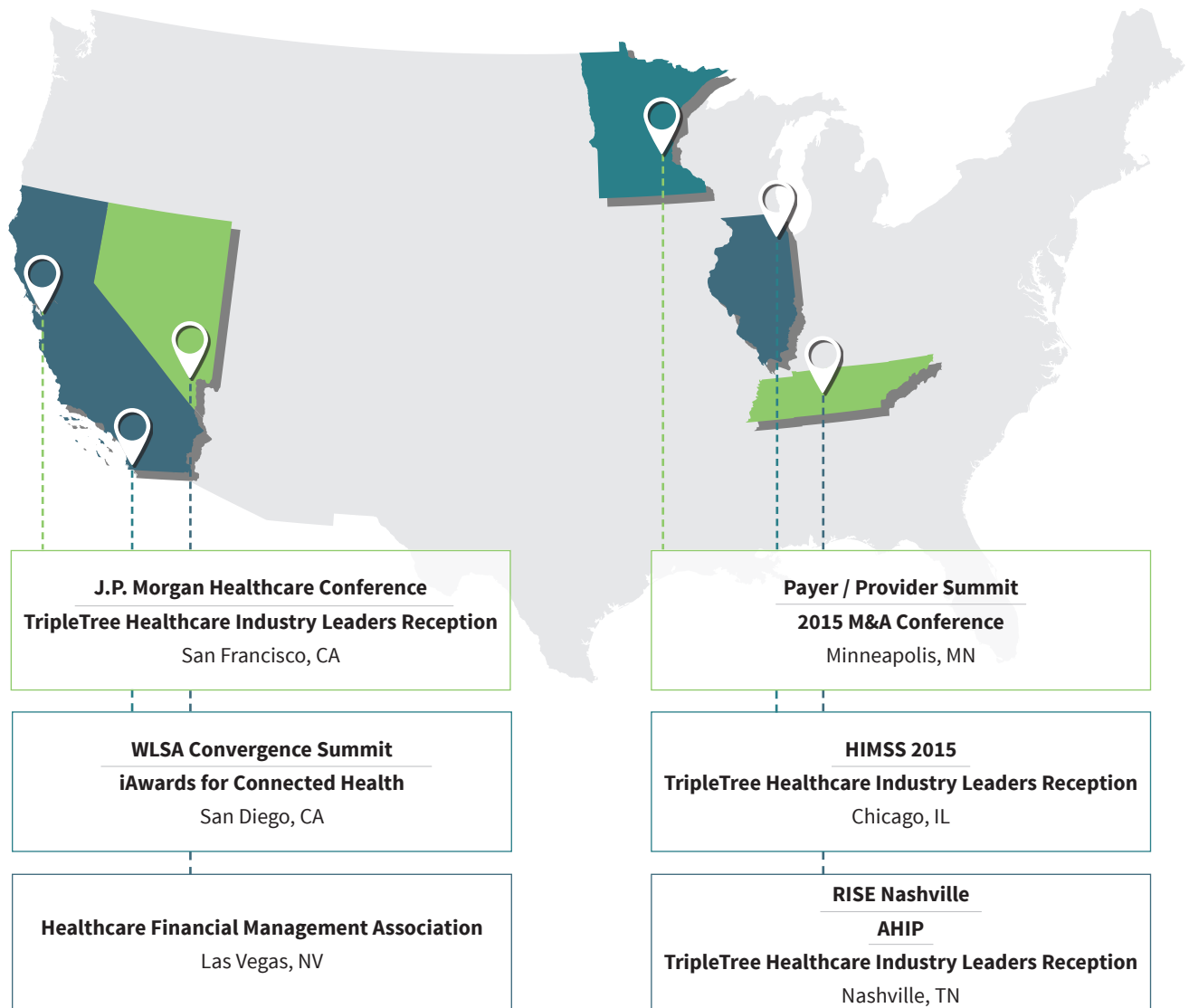
Long-Form Research Downloads

 **17%**

Increase in Total Blog Visits
(2014 vs. 2015)

Industry Conferences

TripleTree professionals also interacted with healthcare innovators and investors at key industry conferences and events across the country. Our presence at these activities allowed members of our firm to engage the industry in meaningful dialogue while increasing the awareness of the TripleTree platform and our unique position in the domains of healthcare and investment banking.



Relationships

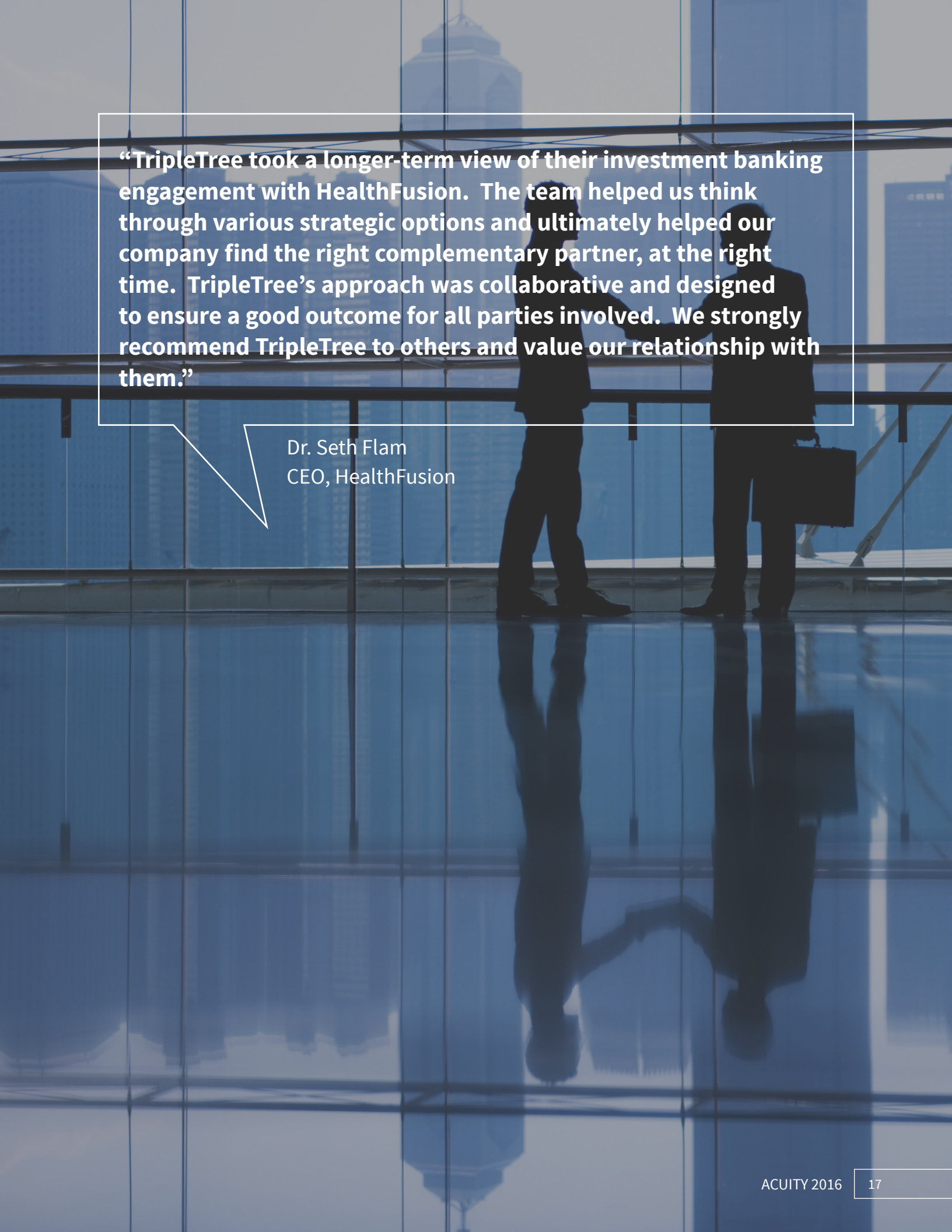
At its core, healthcare is about people and their health and well-being. It's personal.

The same can be said about TripleTree.

Throughout 2015, our team of professionals continued to establish and maintain deep relationships across the industry as they focused on improving the performance and success of both innovators and investors.

With nearly two decades of experience, we are fortunate to have built trusted relationships with a distinguished group of operators, business builders, proven healthcare executives, serial entrepreneurs and former clients. Curated from these long-standing relationships, we have engaged a select group of talented individuals to become an extension of our platform through the TripleTree Advisor Operations Council (AOC) and the TripleTree Advisor Technology Council (ATC). Throughout the year, the AOC and ATC provided insight, expertise and influence across a number of industry segments, and once again demonstrated how our firm provides uncommon value to the marketplace.





“TripleTree took a longer-term view of their investment banking engagement with HealthFusion. The team helped us think through various strategic options and ultimately helped our company find the right complementary partner, at the right time. TripleTree’s approach was collaborative and designed to ensure a good outcome for all parties involved. We strongly recommend TripleTree to others and value our relationship with them.”

Dr. Seth Flam
CEO, HealthFusion

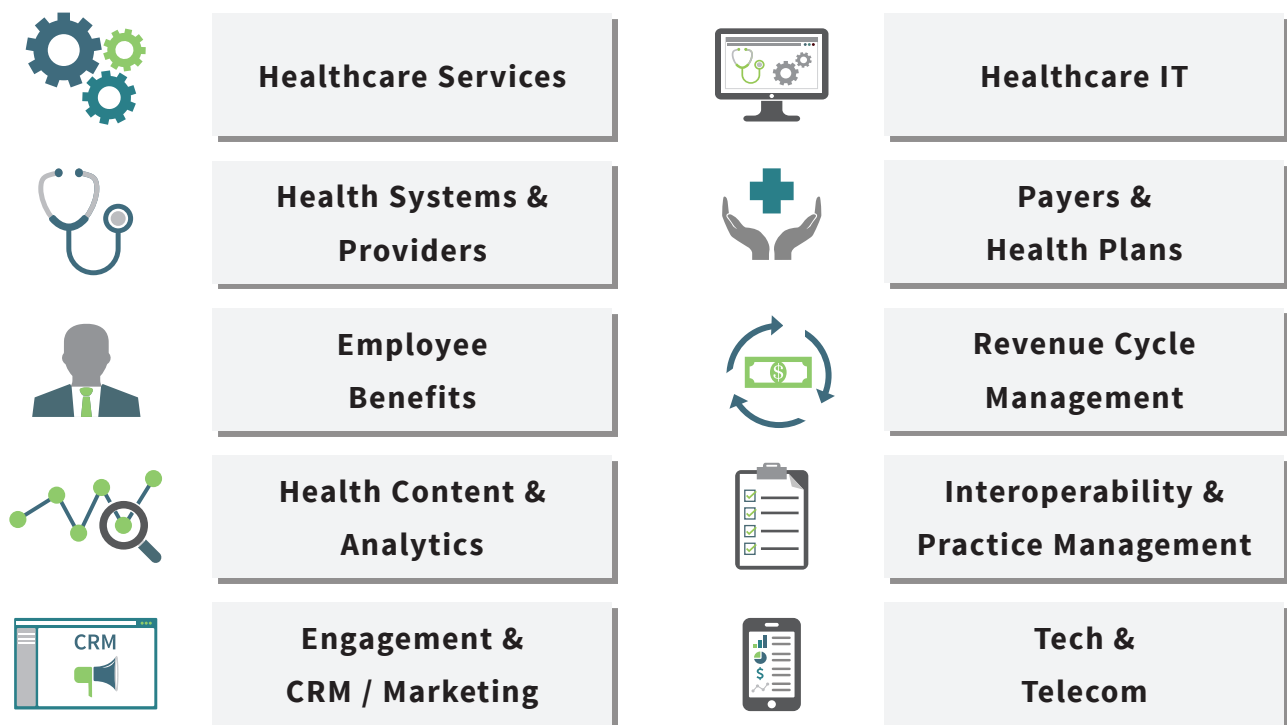
Unparalleled Access

TripleTree is regarded as a ‘connector’ in the healthcare industry. Each year we are privileged to engage some of the largest companies in the marketplace in meaningful dialogue about the broad topic of healthcare. Our proprietary database containing information about thousands of private organizations allowed us to monitor and engage with companies at the forefront of industry innovation. These interactions helped us understand what business models are working, what unique go-to-market strategies are gaining traction and which emerging segments are ripe for consolidation. In 2015 we conducted 500+ strategy sessions, information exchange meetings and briefing calls to help us better understand the industry from various perspectives.

These discussions were substantive and typically strategy focused:

- How is that organization thinking about healthcare?
- How is that company thinking about its relevance in healthcare?
- How can our insights and experience help them achieve their goals?
- Who do we know that can help advance their agenda?

Every interaction was valuable because each created an opportunity for the firm to deepen its knowledge and help companies contemplate their next strategic move in healthcare.



SELECT ORGANIZATIONS FROM 2014 AND 2015 TRANSACTIONS



Teamwork

It is easy to talk about teamwork, but harder to make it part of an organization's culture.

At TripleTree, we have worked hard over the years to embed a team-based approach into everything we do. Whether engaging with a company executive, meeting with the CEO and founder of an innovative company, interacting with a colleague or volunteering in the community, our team of professionals is challenged to harness the power of collaboration in each and every interaction.

Our community activities in 2015 demonstrated our long-standing commitment to social responsibility. In our mind, it is simple: we strive to give back and improve the health of the community. Our professionals are encouraged to be involved in causes they are passionate about while engaging in firm-wide activities throughout the year. Nothing makes us more proud than seeing our team in action and observing the positive results of their collaborative efforts.

Remembering Chris Hoffmann



TripleTree lost a good friend and colleague in 2015. In all ways, Chris Hoffmann embodied our firm's guiding principles. He is lost but will not be forgotten.

“At symplr, we strive to lead the industry in simple, easy-to-implement compliance and credentialing software and services. When we looked for an investment bank to help us with our next strategic move, we found a like-minded partner in TripleTree. The firm’s deep knowledge and command of the healthcare industry made it easy to work with their team and contributed to a good outcome for our company and our new investors.”

Rick Pleczko
President & CEO, symplr

TripleTree employees walked at Leukemia and Lymphoma Society’s Light the Night Event in memory of Chris Hoffmann.

Positioned For Success

Healthcare has changed dramatically in the last two decades.

The impact of technology has been profound. The role of government has changed how healthcare is delivered, consumed and managed. The shift from employer-sponsored healthcare to consumer-driven coverage is changing how organizations engage with their customers and members. The rise in healthcare services companies is allowing consumers to take more ownership of their healthcare decisions.

We are in the throes of some of the most disruptive changes the healthcare industry has ever seen. The opportunities to innovate and invest are profound as organizations evaluate who they want to be and how they want to embrace the pace of change. For entrepreneurs and innovators, it is a good time to challenge the status quo, create solutions for healthcare's biggest issues and help the U.S. healthcare system live up to its potential.

TripleTree continues to have an important role to play. Our investment banking engagements demonstrate the ability to strategically advise pioneers in the industry, highlight our access and credibility with some of the largest acquirers and our ability to collaborate with financial sponsors.

“With nearly 20 years of healthcare leadership, experience and knowledge there has never been a more exciting time for the TripleTree platform. The cumulative impact of our history, combined with the transactional and operational experience of our professionals, distinguish our firm in the marketplace. In the decades to come, it is our aim to leverage our foundation to help our clients and partners transform this dynamic healthcare industry.”

Dawn Owens
President, TripleTree Holdings



Looking Ahead

In the year ahead, we anticipate that both the pace of innovation and the focus on healthcare investing will increase.

The increasing role of government will continue to shape the industry, from the pending health plan mega-mergers to the adoption of value-based compensation models to even more engaged healthcare consumers. These important market forces will lead to new companies and new capabilities that will continue to re-shape and evolve healthcare.

TripleTree is proud to be part of the single largest industry in the United States and we are fortunate to be working with innovative organizations focused on improving healthcare. Now more than ever, TripleTree is positioned to leverage its experience, resources and market-leading position to support the industry during this transformative period.

2016 Healthcare Trends



**Increasing
Role of
Government**



Mega-Mergers



Value-Based Care



**Engaged
Healthcare
Consumers**

“As the interest in healthcare investing intensifies, and the healthcare system evolves in pursuit of the long-stated triple aim of better outcomes, lower costs and better experiences, TripleTree is exceptionally well positioned in this \$3 trillion industry. There has never been a more exciting time to think about the promise of the U.S. healthcare system and the opportunity to help the pioneers and vanguards achieve success. For those that we’ve interacted with already, thank you. For those we’ve not yet met, we look forward to a future interaction.”

Kevin Green
CEO & Founder, TripleTree Holdings



TripleTree is focused on mergers and acquisitions, growth capital, strategic advisory, IPO advisory and divestiture services. Since 1997, the firm has advised some of the most innovative, high-growth businesses in healthcare.

We are continuously engaged with decision makers including best-in-class companies balancing competitive realities with shareholder objectives, global companies seeking growth platforms and financial sponsors assessing innovative investments and first-mover opportunities.



TRIPLE TREE

HEALTHCARE MERCHANT BANKING

TRIPLE-TREE.COM

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