

# Anesthesiology Practice Acquisitions

## 2015 Is Shaping Up to Be a Record Year for Anesthesiology Acquisitions Is Your Practice a Candidate for Acquisition by a National Consolidator?

**T**hrough September 30, 2015, Haverford Healthcare Advisors had identified 24 completed transactions involving the acquisition of an anesthesiology or pain management practice. See the table below for a listing of the practice acquisitions that have taken place during the first nine months of 2015.

The 24 acquisitions were completed by nine separate acquirers including several multi-billion dollar publicly traded companies along with various private equity-backed anesthesiology practice consolidators. Haverford estimates that these well-capitalized buyers have spent over \$600 million on practice acquisitions so far in 2015.

This large and diverse group of well-capitalized buyers has created a high level of demand for quality anesthesia practices resulting in a competitive “seller’s market” with transaction valuations that are generally higher than those observed in 2014 and earlier. Based upon the number and diversity of potential buyers, Haverford projects the recent high levels of transaction activity to continue for at least the next 12 to 18 months.

Haverford is currently advising ten anesthesiology practices; five of which have selected Haverford to facilitate the sale of their practice and five of which have engaged Haverford to perform a valuation analysis. Please contact one of Haverford’s Managing Directors to arrange a confidential conversation to discuss your anesthesia practice.

**Haverford Healthcare Advisors** is a leading consultant to anesthesiologists in connection with the sale and valuation of their professional practices. We have successfully completed hundreds of advisory projects for physicians throughout the U.S. over the past 30 years. Haverford’s professionals can help you determine if your anesthesiology practice is a candidate for acquisition by a national firm.

To learn more about Haverford, please visit our website: [www.HaverfordHealthcare.com](http://www.HaverfordHealthcare.com) or contact one of our Managing Directors.

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### SELECTED ANESTHESIOLOGY & PAIN PRACTICE ACQUISITIONS FOR THE 9 MONTHS ENDED SEPTEMBER 30, 2015

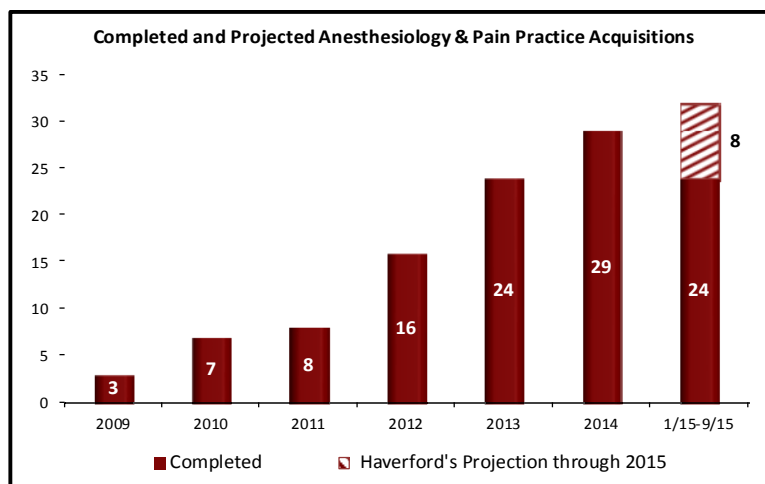
Date	Acquirer	Target	Target State	Target Providers		
				Anes.	Other	Total
1 Jan-15	Amsurg Corp./Sheridan Healthcare	Ambulatory Anesthesia Care, PC	NJ	-	-	-
2 Jan-15	U.S. Anesthesia Partners, Inc.	Anesthesia Consultants of Dallas, LLP	TX	20	36	56
3 Jan-15	American Anesthesiology (Mednax, Inc.)	MEMAC Associates, PC and Synergy Anesthesia, PLLC	MI	10	18	28
4 Feb-15	U.S. Anesthesia Partners, Inc.	Greater Colorado Anesthesia, PC	CO	90	33	122
5 Feb-15	Alliance HealthCare Services	The Pain Center of Arizona, PC	AZ	9	13	22
6 Mar-15	CRH Medical Corporation	Undisclosed Company	FL	-	-	-
7 Mar-15	U.S. Anesthesia Partners, Inc.	Excel Anesthesia, P.A.	TX	-	-	70
8 Mar-15	American Anesthesiology (Mednax, Inc.)	Mosaic Anesthesia & Perioperative Services, P.C.	NC	15	-	15
9 Mar-15	Pain Doctor, Inc.	Spine and Pain Center of San Antonio	TX	3	-	3
10 Apr-15	Amsurg Corp./Sheridan Healthcare	Halifax Anesthesiology Associates, P.A.	FL	8	23	31
11 Apr-15	TeamHealth Holdings, Inc.	Professional Anesthesia Services, Inc.	OH	-	-	-
12 May-15	CRH Medical Corporation	Undisclosed Company	NC	-	-	-
13 May-15	Quantum International Income Corp.	DA Management Corp.	NY	-	-	-
14 Jun-15	U.S. Anesthesia Partners, Inc.	Medical Anesthesia and Pain Management Consultants, P.A.	FL	23	52	75
15 Jul-15	American Anesthesiology (Mednax, Inc.)	Manassas Anesthesia Associates, P.C.	VA	11	13	24
16 Jul-15	American Anesthesiology (Mednax, Inc.)	Lakeshore Anesthesia Services, P.C.	FL	31	10	41
17 Jul-15	Amsurg Corp./Sheridan Healthcare	Coastal Anesthesiology Consultants, P.A.	FL	-	-	25
18 Aug-15	TeamHealth Holdings, Inc.	Brookhaven Anesthesia Associates, LLP	NY	22	-	22
19 Aug-15	Amsurg Corp./Sheridan Healthcare	Bay Area Anesthesia, LLC	FL	-	-	24
20 Aug-15	North Star Anesthesia, P.A.	Anesthesia Staffing Consultants, Inc.	MI	-	-	-
21 Aug-15	CRH Medical Corporation	Associates of Digestive Health, LLC	FL	5	-	5
22 Aug-15	American Anesthesiology (Mednax, Inc.)	Millennium Anesthesia Care, P.A.	FL	26	53	79
23 Sep-15	CRH Medical Corporation	Knoxville Gastroenterology Anesthesia Associates	TN	-	-	-
24 Sep-15	American Anesthesiology (Mednax, Inc.)	New Jersey Anesthesia Associates, P.C.	NJ	70	20	90

## Anesthesiology Practice Acquisition Activity Increases at Dramatic Rate

Based on Haverford Healthcare Advisors' research, anesthesia consolidation has steadily increased over the past six years as an increasing number of acquirers are investing substantial capital in buyouts of independent anesthesiology practices.

Completed Anesthesiology & Pain Practice Acquisitions		
Year	Count	% Growth
2009	3	0%
2010	7	133%
2011	8	14%
2012	16	100%
2013	24	50%
2014	29	21%
2015(a)	32	10%
<b>Total</b>	<b>119</b>	

(a) Annualized

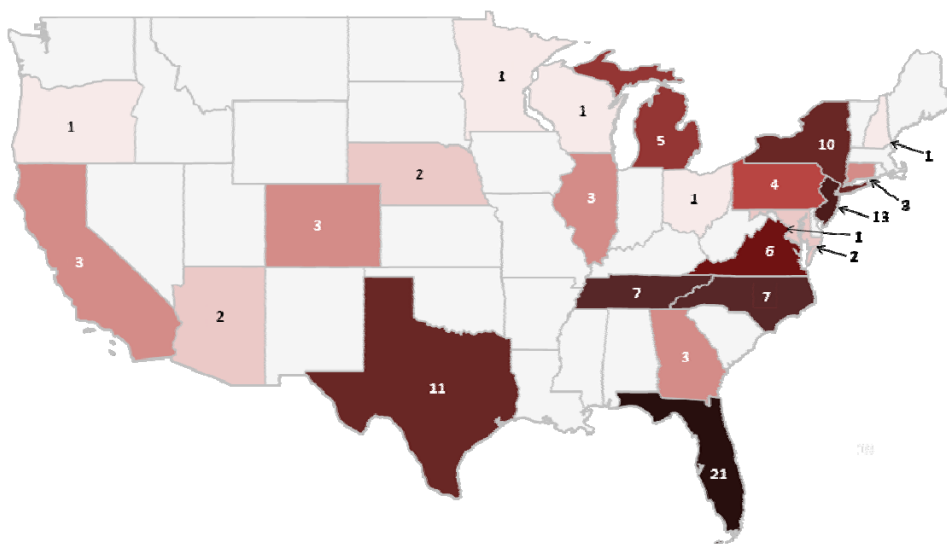


Completed anesthesia and pain management practice acquisitions have increased at a five year compound annual growth rate of 55% from 2009 through 2014. Haverford projects that 2015 is likely to bring 32 or more announcements of completed practice acquisitions.

## Florida, New Jersey, Texas and New York Among the Most Active States for Anesthesiology Acquisition Activity

Acquisitions by State 2009 through September, 2015		
FL	21	19%
NJ	13	12%
TX	11	10%
NY	10	9%
NC	7	6%
TN	7	6%
VA	6	5%
MI	5	5%
PA	4	4%
CA	3	3%
CO	3	3%
CT	3	3%
GA	3	3%
IL	3	3%
AZ	2	2%
MD	2	2%
NE	2	2%
Other	6	5%
<b>Total</b>	<b>111</b>	<b>100%</b>

Over the past several years, the majority of anesthesiology practice acquisitions have taken place along the eastern seaboard. The state of Texas has also experienced a significant amount of activity. Most of the practice acquirers have expressed to Haverford a desire to expand their presence geographically by completing acquisitions in other states. Despite the substantial number of transactions that have been completed over the past few years, the map below illustrates the substantial room for future growth that is available to the national anesthesia companies throughout much of the United States.



## Haverford Completes Two Transaction Advisory Projects in 2015



*has been acquired by*




a subsidiary of MEDNAX, Inc. (NYSE: MD)

**Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Millennium Anesthesia Care of Tampa, Florida**

**MEMAC Associates, P.C.  
and  
Synergy Anesthesia, PLLC**

*have been acquired by*



a subsidiary of MEDNAX, Inc. (NYSE: MD)

**Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to MEMAC Associates, P.C. and Synergy Anesthesia, PLLC of Warren, Michigan**

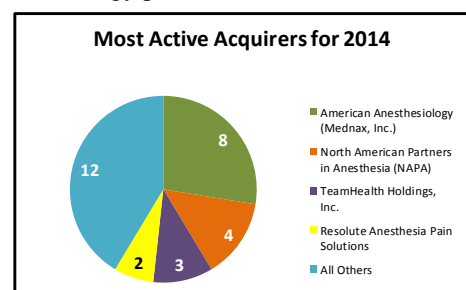
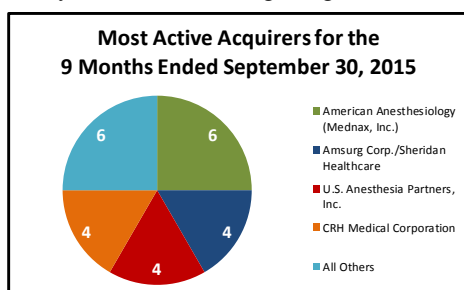
Haverford Healthcare Advisors is pleased to announce our role as advisor to Millennium Anesthesia Care in connection with the company's sale to MEDNAX's American Anesthesiology division in August, 2015. Consisting of 26 anesthesiologists, 51 anesthetists, and 2 ARNPs, Millennium Anesthesia Care provides services at five BayCare Health System/St. Joseph's Hospital facilities including its ambulatory surgery center and the new St. Joseph's Hospital-South location which opened in February 2015. The practice's anesthesia services include general anesthesia, neurosurgery (including spine), cardiac, vascular, pediatric, orthopedic, obstetric, gynecologic, chronic pain and acute pain management for post-operative pain.

Haverford Healthcare Advisors is pleased to announce our role as advisor to MEMAC Associates, P.C. and Synergy Anesthesia, PLLC in connection with the sale to MEDNAX's American Anesthesiology division in January, 2015. Based in Warren, Michigan, 10 anesthesiologists and 18 part-time anesthetists will serve as one integrated practice. MEMAC Associates provides services across a wide spectrum of subspecialty areas at St. John Macomb-Oakland Hospital, St. John Medical Center-Macomb Township ambulatory surgery center, and two Eastside Endoscopy Center locations. Synergy Anesthesia provides services at Synergy Spine & Orthopedic Surgery Center, including general anesthesia, cardiac, neurosurgery, obstetric and acute pain management.

MEDNAX, Inc. (NYSE: MD) is a national medical group comprised of the nation's leading providers of neonatal, anesthesia, maternal-fetal and pediatric physician subspecialty services. MEDNAX's American Anesthesiology division was established in 2007 and includes more than 2,575 anesthesiologists and advanced practitioners who provide anesthesia care to patients in connection with surgical and other procedures as well as pain management. MEDNAX, through its affiliated professional corporations, employs more than 2,725 physicians in 35 states and Puerto Rico. Additional information is available at [www.mednax.com](http://www.mednax.com).


## MEDNAX, USAP and Amsurg - Most Active Acquirers so far in 2015

For the past several years, American Anesthesiology (MEDNAX, Inc. – NYSE: MD) has been the most active acquirer of anesthesiology practices in the United States. American Anesthesiology completed six anesthesiology practice transactions during the nine months ended September 30, 2015 and eight transactions in 2014. U.S. Anesthesia Partners, Inc. and Amsurg Corp. were the second most active acquirers during this nine month period with four completed deals each. Despite MEDNAX's market dominance in terms of completed anesthesia transactions, there are numerous other well-capitalized buyers who are fueling a high level of demand for quality anesthesiology practices.



**Unmatched Anesthesiology Industry Expertise**

  
**MILLENNIUM ANESTHESIA CARE**  
*has been acquired by*  
  
**AMERICAN ANESTHESIOLOGY.**  
 a subsidiary of MEDNAX, Inc. (NYSE: MD)  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Millennium Anesthesia Care of Tampa, Florida*

**MEMAC Associates, PC and Synergy Anesthesia, PLLC**  
*have been acquired by*  
  
**AMERICAN ANESTHESIOLOGY.**  
 a subsidiary of MEDNAX, Inc. (NYSE: MD)  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to MEMAC Associates, PC and Synergy Anesthesia, PLLC, both of West Bloomfield, Michigan*

  
**ATLANTIC ANESTHESIA**  
*has been acquired by*  
  
**NAPA** North American Partners in Anesthesia  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Atlantic Anesthesia, PA of southeastern New Hampshire*

  
**CERTIFIED ANESTHESIA SERVICES**  
*has been acquired by*  
  
**TEAMHealth.**  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Certified Anesthesia Services, PLLC of Washington, D.C.*

**Newton Anesthesia Associates, LLC**  
*has been acquired by*  
  
**NAPA** North American Partners in Anesthesia  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Newton Anesthesia Associates, LLC of Newton, New Jersey*

  
**FREDERICKSBURG ANESTHESIA ASSOCIATES, INC.** CARE & FREELANCE  
*has been acquired by*  
  
**AMERICAN ANESTHESIOLOGY.**  
 a subsidiary of MEDNAX, Inc. (NYSE: MD)  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Fredericksburg Anesthesia Associates, Inc. of Fredericksburg, Virginia*

**Lebanon Anesthesia Associates, Ltd. and Lebanon Pain Management Associates, Inc.**  
*have been acquired by*  
  
**PhyMED**  
 A Physician-Owned Company  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to Lebanon Anesthesia Associates, Ltd. of Lebanon, Pennsylvania*

  
**THE PAIN MANAGEMENT CENTER**  
*has been acquired by*  
  
**Prospira PAINCARE**  
*Haverford Healthcare initiated this transaction and acted as exclusive financial advisor to The Pain Management Center of Hamilton, New Jersey*

  
**Austin Anesthesiology Group, L.L.P.**  
*has been acquired by*  
  
**AMERICAN ANESTHESIOLOGY.**  
 a subsidiary of MEDNAX, Inc. (NYSE: MD)  
*Haverford Healthcare initiated this transaction and acted as financial advisor to Austin Anesthesiology Group, L.L.P. of Austin, Texas*

**H A V E R F O R D H E A L T H C A R E A D V I S O R S**  
*Transaction Advisory and Business Valuation Services  
 for Healthcare Service Companies*

Haverford Healthcare Advisors specializes in providing transaction advisory and business valuation services to physician practices and healthcare service companies. We have completed hundreds of advisory projects throughout the United States in the healthcare services industry over the past 30 years. To learn more about our firm and our experience, please call or email us, or visit our website: [www.haverfordhealthcare.com](http://www.haverfordhealthcare.com). We look forward to hearing from you soon.

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