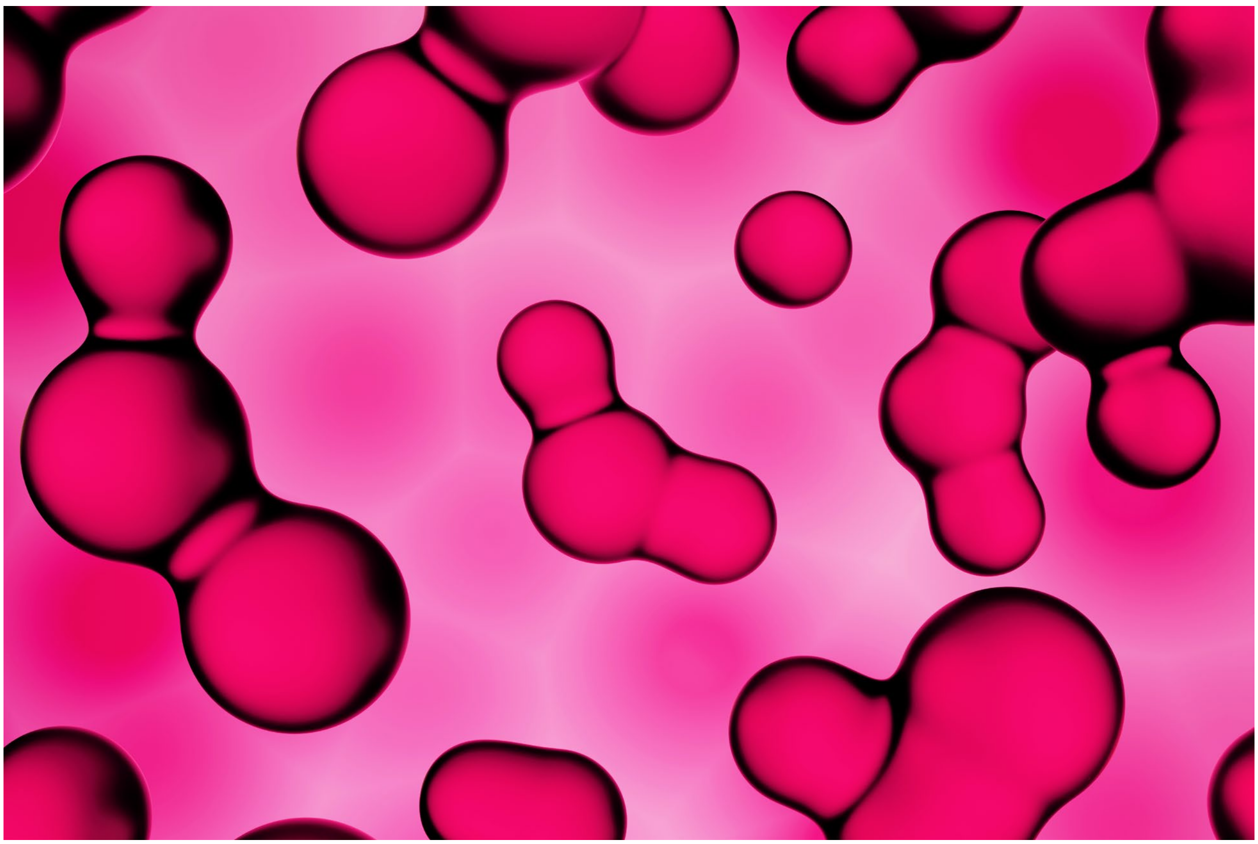
Cain Brothers
A division of KeyBanc Capital Markets

July 6, 2026

# Industry Insights

## Healthcare Market Report



Banker Commentary:

**Pharma Services M&A: Market Access and Potential Business Model Impact From AI Take Center Stage**

## Contents



## Pharma Services M&A: Market Access and Potential Business Model Impact From AI Take Center Stage

*Banker Commentary by Jason Moran*

It would be easy to read the 2025 headlines and conclude that pharma services M&A is booming. Transaction value reached a record — more than $25 billion across the sector — and 2026 has opened with activity running at nearly twice the value of early 2025. But these statistics mask a more nuanced reality. Deal count has fallen, continuing a decline of ~10% annually from the 2023 peak. On the larger side, pharma services M&A has been narrowly focused on a handful of larger premium platforms, and, on the smaller side, on a few select market segments, especially Market Access. And, importantly, consideration of potential AI-related business model disruption (both positive and negative) has become a central and ubiquitous pillar of buyer diligence.

### CDMOs, CROs, and the Structural Tailwinds

Contract manufacturing enters 2026 with the strongest tailwinds in years. The BIOSECURE Act, signed in December 2025, will reward domestic production as sponsors de-risk supply chains, while tariff uncertainty drives tech transfers, dual-sourcing, and new U.S. and European capacity. Demand for sterile injectables remains acute given the GLP-1 build-out, and CDMO multiples have recovered from their 2024 trough to near pre-pandemic levels. On the research side, the story is a healthy one —IQVIA, ICON, PPD (Thermo Fisher), and Medpace posted strong 2025 results as biotech funding stabilized, while Thermo Fisher's ~$8.9 billion purchase of Clario and Charles River's early-2026 divestitures show that focus now drives M&A activity as much as scale.

### Market Access Steps in the Spotlight

For the past 18 months, Market Access has been the most dynamic area of pharma services M&A. Market Access, which represents a ~$5 billion market, growing at 10%+, includes services relating to strategies, policies, and negotiations that ensure that a pharmaceutical product is commercially available, fully reimbursed, and accessible to the patients who need it. The list of M&A transactions is extensive: Baird Capital's acquisition of Newmarket Strategy, FIECON's acquisition by Herspiegel, Stratevi's acquisition by Minds + Assembly, Hayden's acquisition by BGB Group, Access Infinity's acquisition by CBPE Capital (a Cain Brothers deal) and the acquisition of Stratis Group by Nexus Health (Lockwood). In general, multiples for these deals have been robust as the investment logic for Market Access is compelling: these businesses are asset-light, with recurring and sticky revenue, are growing steadily, and sit at critical, high-value decision points. Additionally, for platform players, Market Access enables the integration of adjacent service areas, creating synergistic, end-to-end solutions that unlock tangible opportunities to capture additional TAM.

### AI Enters Upstream and Moves Downstream

AI has moved from pilot to budget line in the pharma world, but it is not arriving everywhere at once—its adoption is following a clear path through the value chain. The entry point has been upstream, in discovery and clinical development, where the data is richest, the workflows most quantifiable, and the payoff from a successful model most immediate; there, AI is already compressing timelines and improving trial predictability.

# continued…

Leading the way is Eli Lilly. In partnership with NVIDIA, Lilly is building what it calls the most powerful supercomputer owned and operated by a pharmaceutical company—an "AI factory" that can train models on millions of experiments—and is opening proprietary models, built on its own data, to the broader ecosystem through its TuneLab platform. Where Lilly leads, the services firms that supply the laboratory infrastructure and implementation services are following.

Underpinning the shift is the modernization of the lab data layer itself: Laboratory information management systems (LIMS) are migrating to the cloud and acquiring AI capabilities—more than half of laboratories now report using AI tools—turning accumulated data into training fuel. Companies like Astrix (a Quad-C portfolio company) and Slipstream (a GreyLion portfolio company) are excellent examples of organizations that are benefiting from AI-related digital transformation in LIMS.

AI has also reached the pharma back office, where automation of pharmacovigilance and documentation is cutting manual effort by half or more. It is now arriving in commercialization services—the last and largest frontier. In Medical Communications, generative AI can draft publication-ready manuscripts, assemble summaries, and produce field materials in minutes, compressing literature reviews from weeks to hours. In Market Access, AI-driven predictive analytics forecast payer coverage and reimbursement outcomes by mining historical decisions, and agentic platforms are beginning to orchestrate Medical Affairs workflows rather than merely informing them. For buyers considering acquisitions in commercialization services, however, opinions differ as to whether AI will be accretive or dilutive to business models over the medium term.

**Where This Leaves Us**

The M&A setup for the remainder of 2026 and the first part of 2027 is constructive but selective. Macro drivers include onshoring, biotech funding recovery, and a significant backlog of sponsor platform exits. Premium multiples will accrue to platforms that pair scale and integrated capabilities and to niche players with specialized, best-of-breed competencies. Also, perception of AI-related business model risk (and opportunity) is playing heavily into all investment decisions. For sellers weighing a process, the question is less whether the window is open than whether their asset passes the AI "sniff test" and is one the market is actively chasing.

# M&A Activity

## Selected Recent Healthcare Transactions *($MM)*

| Date | Target Name | Acquirer | EV | Enterprise Value / LTM Rev. | Enterprise Value / LTM EBITDA | Description |
|---|---|---|---|---|---|---|
| 7/2/2026 | Asembia | Peak Rock Capital | NA | NA | NA | Provider of end-to-end technology-enabled commercialization solutions to the specialty pharma industry |
| 7/1/2026 | Exdion Healthcare Solutions | Experity (GTCR) | NA | NA | NA | AI-driven SaaS software and services company specializing in the patient chart-to-cash lifecycle |
| 6/29/2026 | ClinOhio Research Service | AMR Clinical (Curewell Capital) | NA | NA | NA | Multi-therapeutic research site |
| 6/24/2026 | Attune | Chicago Pacific Founders | NA | NA | NA | Agentic engagement platform for healthcare |
| 6/24/2026 | Therapy 2000 | Avesi Partners | NA | NA | NA | Provider of pediatric therapy services |
| 6/23/2026 | Linkwell Health | DUOS | NA | NA | NA | Consumer health engagement company |
| 6/23/2026 | Modersys (Applied Materials)(fka SmartFactory Rx) | TELEO Capital Management | NA | NA | NA | Pharmaceutical manufacturing intelligence platform |
| 6/23/2026 | West Physics | Incline Equity Partners | NA | NA | NA | Provider of medical and health physics testing and consulting services |
| 6/22/2026 | Validic (Kaiser Permanente, Arkin Digital Health) | ChartSpan (BIP Ventures) | NA | NA | NA | Personal health data platform |
| 6/16/2026 | Fellow Health Partners | Cleargate Capital Partners | NA | NA | NA | Provider of revenue cycle management services to physician groups, ambulatory surgery centers, and healthcare organizations |
| 6/16/2026 | WillowWood (majority stake) (Blue Sea Capital) | CVC Catalyst | NA | NA | NA | Manufacturers of prosthetic products, including prosthetic liners, feet, knees, and other technologies |
| 6/11/2026 | Piccolo Medical | Spectrum Vascular (SK Capital) | NA | NA | NA | Developer of catheter guidance products |
| 6/10/2026 | CanAide (HCAP Partners) | Med-Metrix (Harvest Partners and A&M Capital Partners) | NA | NA | NA | Provider of Medicaid eligibility and enrollment services and RCM automation solutions |
| 6/10/2026 | Gentiva (Humana) minority stake | Undisclosed Investor | $900 | NA | NA | Provider of end-of-life services, including hospice and palliative care |
| 6/10/2026 | Freedom Senior Services | Gemspring Capital | NA | NA | NA | Provider of home and community-based services focused on providing non-medical personal care for elderly and disabled individuals |
| 6/10/2026 | SkillNet | PartsSource (Bain Capital) | NA | NA | NA | Workforce intelligence platform for technology management for hospitals and health systems |
| 6/9/2026 | Cooper Strategy | Pillr (Water Street Healthcare Partners) | NA | NA | NA | Helps covered entities capture 340B savings used to fund care for underserved patients |
| 6/9/2026 | ECLAT Health Solutions (Gulf Capital) | Management Buyout | NA | NA | NA | Revenue cycle management, risk adjustment and healthcare technology partner |
| 6/9/2026 | Jaide Health | AMN Healthcare | NA | NA | NA | Real-time, AI-enabled medical interpretation and translation solution |



*Sources: Capital IQ, Merger market, and press releases*
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
*Transaction occurred the past week*

# Private Placement Activity

## Selected Recent Healthcare Transactions *($MM)*

| Date | Company | Investor(s) | Type | Amount | Description |
|---|---|---|---|---|---|
| 6/25/2026 | Assort Health | Menlo Ventures (lead) | Series C | $120<br>$1.2 bn valuation | AI agents platform for the patient journey |
| 6/23/2026 | Cadence | Spark Capital (lead), Thrive Capital, General Catalyst, Coatue, B Capital, Corewell Health Ventures, Memorial Hermann, and Duke Health | Series C | $100 | Digital health company for patients with chronic conditions |
| 6/22/2026 | Ensemble Health Partners | Thoreau Group | Strategic Growth | Undisclosed | Revenue cycle management platform for healthcare companies |
| 6/17/2026 | InStride | Echo Health Ventures and FMZ Ventures (co-leads), .406 Ventures, Valtruis, General Catalyst, and Mass General Brigham Ventures | Series C | $30 | Insurance-covered specialty program for young people living with complex anxiety, OCD, and related disorders |
| 6/15/2026 | Centauri Health (Abry Partners) | Neuberger and Apollo S3 (co-leads) | Continuation Vehicle | $780 | Healthcare technology company that delivers data-driven solutions to U.S. health plans |
| 6/8/2026 | HST Pathways (Bain Capital and Nexxus Holdings) | Novo Holdings | Strategic | Undisclosed | Cloud-based software platform for ambulatory surgery centers |
| 6/8/2026 | Stepful | Oak HC/FT (lead), Foresite Capital, Hearst Ventures, Citi Impact Fund, SemperVirens, Y Combinator, Intermountain Health, and ECMC Education Impact Fund | Series C | $55 | AI-powered healthcare workforce training platform |
| 6/3/2026 | Collate | Redpoint Ventures (lead), First Round and Conviction Partners | Undisclosed | $95<br>$1 bn valuation | Platform using AI to automate life sciences paperwork |
| 6/2/2026 | Adaptive Innovations | Felicis and Bain Capital Ventures (co-leads), Optum Ventures, Sunflower Capital, Conviction, BoxGroup, SV Angels, Dorm Room Fund, Constellation | Series A | $50 | AI native healthcare firm |
| 6/1/2026 | 42 North | Audax Private Equity and Farallon Capital | Preferred Equity | $80 | Dental service organization |
| 5/28/2026 | Garner Health | Index Ventures (lead), Kleiner Perkins, Redpoint, Thrive, Sequoia, Founders Fund, and Kaiser Permanente Ventures | Series E | $100<br>$3 bn valuation | Digital platform provider for patients finding healthcare providers |
| 5/19/2026 | Commure | General Catalyst (lead), Sequoia Capital, Morgan Stanley and Kirkland & Ellis | Series C | $70<br>$7 bn valuation | AI infrastructure platform for health systems |
| 5/19/2026 | Nourish | Menlo Ventures (lead), Thrive Capital, Index Ventures, J.P. Morgan Growth Equity Partners, Maverick Ventures, Y Combinator, BoxGroup, Atomico, Daybreak, and Operator Partners | Series C | $100<br>$2 bn valuation | Dietitian-led metabolic health clinic |
| 5/19/2026 | Vi | General Atlantic, Revelstoke, 1902 Capital and Square Peg (co-leads) | Undisclosed | $145<br>$2 bn valuation | AI-enabled healthcare technology platform |
| 5/4/2026 | Fathom | CVS Health Ventures | Strategic | Undisclosed | Autonomous medical coding |
| 4/30/2026 | Iterative Health | Intrepid Growth Partners and GV (co-leads), EDBI, Insight Partners, Obvious Ventures | Series C | $77 | Healthcare technology and services company powering clinical research |
| 4/29/2026 | Aidoc | Goldman Sachs Alternatives (lead), General Catalyst, SoftBank Investment Advisors, Nventures, Square Peg, TCV, Magma, TLV Partners, Mercy and Hartford HealthCare, Amazon Web Services | Series E | $150 | AI-powered clinical solutions platform |
| 4/21/2026 | AcuityMD | StepStone Group (lead), Benchmark, Redpoint Ventures, ICONIQ, and Atreides Management | Series C | $80<br>$1 bn valuation | AI platform for the medical technology industry |
| 4/15/2026 | ONTO Health | ARTIS and Humania (co-leads) | Series A | $20 | AI-enabled, physician-led fertility and longevity provider |
| 4/7/2026 | Route 92 Medical | Sectoral Asset Management and Novo Holdings (co-leads), The Vertical Group, USVP Management, Norwest and InnovaHealth Partners | Undisclosed | $50 | Medical devices for neurovascular intervention, focusing on catheter systems for the treatment of acute ischemic stroke |
| 3/26/2026 | eMed | AON Consulting (lead) | Undisclosed | $200<br>$2 bn valuation | Clinically managed GLP-1 programs for employers |



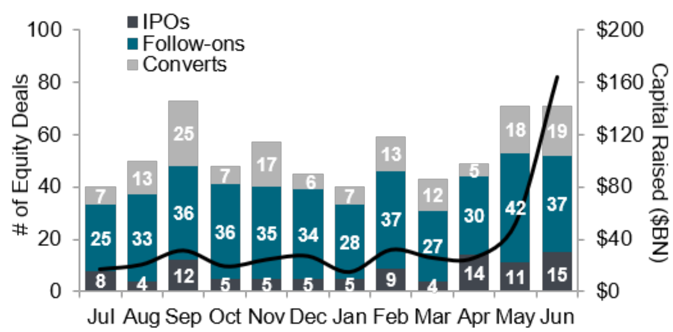
*Sources: Capital IQ, Merger market, and press releases*
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
*Transaction occurred over the past week*

# Equity Capital Markets

## Market Overview

- ECM issuance continues to remain strong across products following the blockbuster SpaceX pricing.
  - Last week: 3 IPOs; 9 follow-ons; 4 converts
- IPO market remains open for business, with 3 IPOs pricing in the past week for total proceeds of ~$2.2 BN.
- Follow-on issuance was subdued in the latter half of last week due to the Friday market holiday and Q2 earnings blackouts.
- Investors and issuers will continue to look toward the upcoming earnings season and economic data releases to fuel issuance.

## U.S. ECM Offerings *(LTM; IPOs, Follow-ons & Converts)*

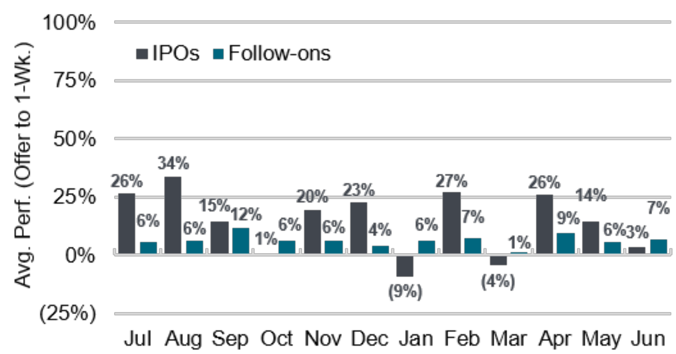



## ECM Activity *(Last 4 Weeks & YoY)*

| | 2026 - Last 4 Weeks | | | 2025 - Last 4 Weeks | | |
|---|---|---|---|---|---|---|
| | Vol ($MM) | # Deals | % Share | Vol ($MM) | # Deals | % Share |
| IPO | 90,745 | 11 | 77% | 3,044 | 9 | 8% |
| CONV | 14,936 | 18 | 13% | 16,747 | 16 | 46% |
| FO | 12,108 | 28 | 10% | 16,789 | 37 | 46% |
| **Total** | **117,789** | **57** | **100%** | **36,580** | **62** | **100%** |

| | 2026 YTD | | | 2025 YTD | | |
|---|---|---|---|---|---|---|
| | Vol ($MM) | # Deals | % Share | Vol ($MM) | # Deals | % Share |
| IPO | 126,178 | 58 | 40% | 14,172 | 29 | 11% |
| CONV | 82,342 | 76 | 26% | 42,945 | 47 | 34% |
| FO | 109,393 | 205 | 34% | 71,008 | 126 | 55% |
| **Total** | **317,913** | **339** | **100%** | **128,125** | **202** | **100%** |

## IPO & Follow-on 1-Week Performance *(LTM)*




## Most Recent Healthcare Initial Public Offerings *($MM)*

| Issuer Information | | | | Deal Sizing | | | | Pricing | | Performance | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Pricing Date | Company | Sector | Ticker | Deal Value ($MM) | Market Cap ($MM) | Deal as % of Mkt. Cap | % Primary | Offer Price | Final Range | 1-Day | 1-Week |
| 5/12/2026 | GMR Solutions | Healthcare Services | GMRS | $478.7 | $3,347.2 | 14.3% | 100.0% | $15.00 | $22.00 - $25.00 | (6.8%) | (19.5%) |
| 5/7/2026 | Mobia Medical | Medical Products | MOBI | $150.0 | $496.3 | 30.2% | 100.0% | $15.00 | $14.00 - $16.00 | (21.7%) | (19.7%) |
| 4/16/2026 | Alamar Biosciences | Diagnostics | ALMR | $219.9 | $1,130.9 | 19.4% | 100.0% | $17.00 | $15.00 - $17.00 | 29.4% | 42.8% |
| 3/5/2026 | MiniMed Group | Medical Products | MMED | $560.0 | $5,616.3 | 10.0% | 100.0% | $20.00 | $26.00 - $30.00 | (7.6%) | (17.4%) |
| 12/16/2025 | Medline | Medical Products | MDLN | $7,204.7 | $38,097.8 | 18.9% | 72.1% | $29.00 | $26.00 - $30.00 | 41.4% | 50.5% |

## Most Recent Healthcare Follow-on Offerings *($MM)*

| Issuer Information | | | | | Deal Sizing | | | | Pricing | Performance | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Pricing Date | Company | Sector | Deal Type | Ticker | Deal Value ($MM) | Market Cap ($MM) | Deal as % of Mkt. Cap | % Primary | Discount to File | 1-Day | 1-Week |
| 6/16/2026 | Sophia Genetics | Diagnositcs | Marketed | SOPH | $57.5 | $405.8 | 14.2% | 100.0% | (3.7%) | 10.3% | 10.1% |
| 6/5/2026 | Nyxoah | Medical Products | Marketed | NYXH | $95.0 | $287.8 | 33.0% | 100.0% | (40.3%) | (19.2%) | (19.2%) |
| 5/21/2026 | Medline | Medical Products | Marketed | MDLN | $2,684.5 | $48,737.8 | 5.5% | 0.0% | (1.9%) | 0.0% | (0.5%) |
| 5/11/2026 | Sotera Health Group | Medical Products | Bought | SHC | $486.2 | $4,400.1 | 11.0% | 0.0% | (1.0%) | 2.4% | (0.5%) |
| 5/7/2026 | LifeStance Health Group | Healthcare Services | Bought | LFST | $236.4 | $3,432.3 | 6.9% | 0.0% | (7.9%) | (5.5%) | (0.5%) |

## Most Recent Healthcare Convertible Debt Offerings *($MM)*

| Issuer Information | | | | Deal Sizing | | | Pricing | |
|---|---|---|---|---|---|---|---|---|
| Pricing Date | Company | Sector | Ticker | Deal Value ($MM) | Market Cap ($MM) | Deal as % of Mkt. Cap | Coupon | Premium |
| 6/17/2026 | Adaptive Biotechnologies | Diagnostics | ADPT | $345.0 | $2,756.0 | 12.5% | 0.00% | 40.00% |
| 6/17/2026 | NeoGenomics | Healthcare Services | NEO | $316.3 | $1,365.9 | 3.2% | 0.75% | 35.00% |
| 2/24/2026 | Tandem Diabetes Care | Healthcare Products | TNDM | $300.0 | $1,838.0 | 16.3% | 0.00% | 37.50% |
| 11/4/2025 | Guardant Health | Diagnostics | GH | $402.5 | $12,745.9 | 3.2% | 0.00% | 35.00% |
| 9/16/2025 | Oscar Health | Health Insurance | OSCR | $410.0 | $4,842.8 | 8.5% | 2.25% | 32.50% |

*Sources: Bloomberg, Capital IQ, Dealogic, and Press Releases*

*Note: Transactions include IPOs, follow-ons (including bought deals) and convertible offerings of $25MM or more priced on a U.S.-based exchange; Price performance includes both marketed and bought deal follow-ons; * denotes Cain Brothers / KBCM transaction; excludes SPACs and fixed price IPOs*

*Transaction occurred the past week*

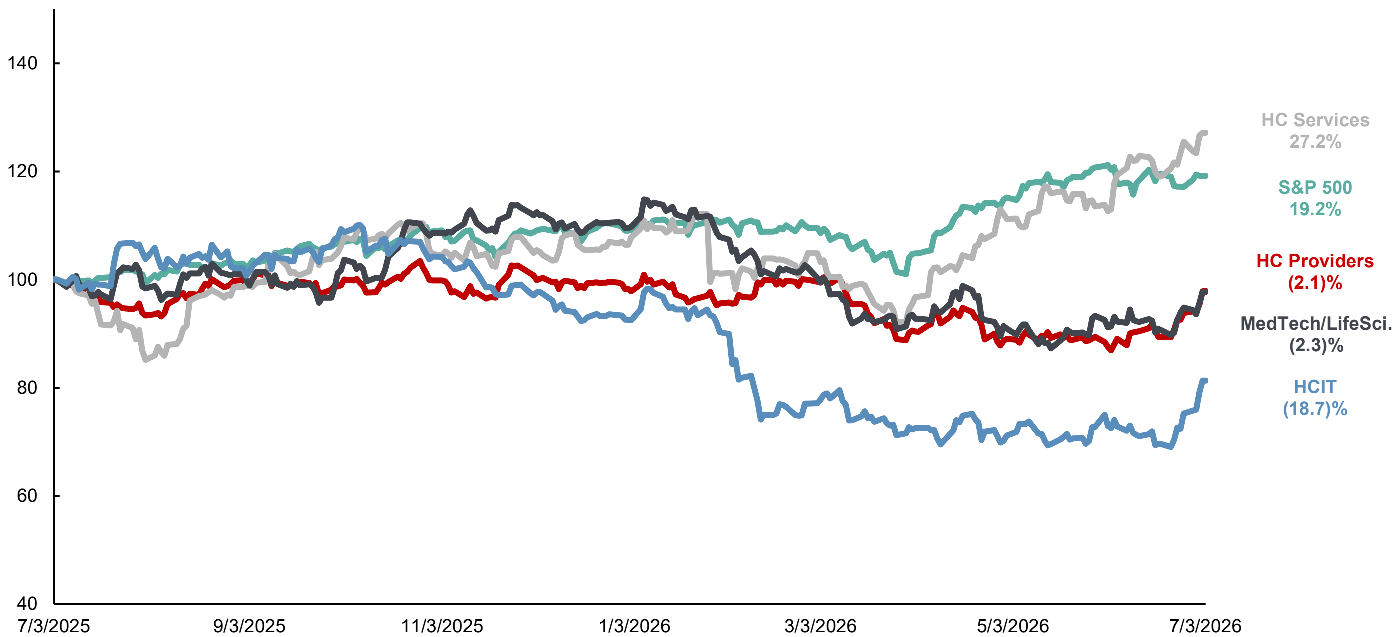
# Public Equity Indices

## Equity Indices (as of July 3, 2026)

| Index | Wk Open | Wk Close | Returns 52 Week | Returns Weekly |
|---|---|---|---|---|
| DJIA | 51,876 | 52,900 | 18.0% | 2.0% |
| S&P 500 | 7,354 | 7,483 | 19.2% | 1.8% |
| NASDAQ | 25,298 | 25,833 | 25.4% | 2.1% |
| Russell 2000 | 3,010 | 2,996 | 33.2% | (0.5%) |
| NYSE Healthcare | 28,274 | 28,692 | 20.2% | 1.5% |

| Cain Brothers Indicies | Returns 52 Week | Returns Weekly |
|---|---|---|
| Acute Care | (0.1%) | 5.6% |
| Alternate Site Services | (0.9%) | 5.8% |
| Diagnostics | 6.7% | 4.5% |
| Distribution | 10.2% | 2.4% |
| Healthcare IT | (18.7%) | 8.1% |
| Healthcare REITs | 59.3% | 3.5% |
| Managed Care | 29.2% | 1.2% |
| Medical Technology | (4.8%) | 2.6% |
| Outsourced Services | 50.8% | 5.7% |
| Pharma Services | 16.2% | 6.5% |
| Pharmacy | 51.6% | 0.4% |
| Primary Care | 81.9% | 3.9% |
| Post-Acute Care Services | 34.8% | 3.7% |
| Post-Acute Care Facilities | 35.5% | 3.6% |

## Cain Brothers Healthcare Indices (1YR Performance)






*Sources: Cain Brothers, Bloomberg, Capital IQ*

# High Grade, High Yield & Leveraged Loan Market

## Market Summary

**High Grade**

- The IG primary market remained active heading into the holiday weekend, as 10 issuers priced $18.2 BN in volume in just two days.

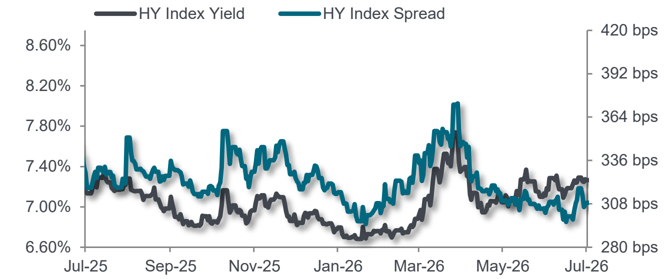
**High Yield**

- As tech-driven volatility rippled through across financial markets, high yield primary market activity remained steadfast, with more than $7.0 BN of bond volume marking a three-week high.

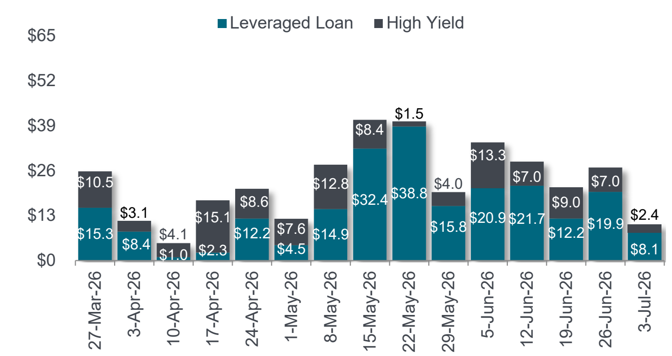
**Term Loan B Market**

- CLO issuance has slowed significantly amidst the volatile backdrop after a strong start to the year.

## HY Index Yield & Spread (YTD)




## Weekly New Issue Volume *($BN)*




## New-Issue Clearing Yields[1] *($MM)*

| Double-B Issuers | 1Q26 | 2Q26 | 30-Day Rolling Average 07/03/26 |
|---|---|---|---|
| Ba1 | S+210 / 6.2% | S+214 / 5.8% | S+245 / 6.1% |
| Ba2 | S+239 / 6.5% | S+190 / 5.6% | S+178 / 5.7% |
| Ba3 | S+220 / 6.2% | S+238 / 6.1% | S+223 / 5.9% |
| **Single-B Issuers** | **1Q26** | **2Q26** | **30-Day Rolling Average 07/03/26** |
| B1 | S+284 / 6.6% | S+251 / 6.2% | S+245 / 6.1% |
| B2 | S+322 / 7.0% | S+325 / 7.0% | S+178 / 5.7% |
| B3 | S+351 / 7.3% | S+404 / 7.9% | S+223 / 5.9% |

## Most Recent Healthcare High-Grade Issuances *($MM)*

| Date | Issuer | Security | Size | Ratings | Coupon | Maturity | Spread | IPT-Pricing |
|---|---|---|---|---|---|---|---|---|
| 6/22/2026 | Agilent Technologies Inc | Sr Notes | $600 | Baa1/BBB+/BBB+ | 4.900% | 1/15/2032 | +62 | 28 bps |
| 5/18/2026 | Merck | Sr Notes | $1,000 | Aa3/A+/-- | 4.300% | 5/22/2028 | +25 | 25 bps |
| 5/18/2026 | Merck | Sr Notes | $500 | Aa3/A+/-- | 3.935% | 5/22/2028 | SOFR+37 | 25 bps |

## Most Recent Healthcare High-Yield Issuances *($MM)*

| Date | Issuer | Security | Size | Ratings | Coupon | Maturity | Spread | Price Talk |
|---|---|---|---|---|---|---|---|---|
| 6/30/2026 | Prestige Brands | Sr. Notes | $400 | B1/BB-/NR | 6.250% | 7/15/2034 | 190 bps | 6.375% area |
| 6/17/2026 | Gentiva | Sr. Sec. Notes | $500 | B3/B-/NR | 8.000% | 6/30/2031 | 382 bps | 8.125%-8.375% |

## Most Recent Healthcare Leveraged Loan Issuances *($MM)*

| Date | Issuer | Ownership | Corp. Ratings | Use of Proceeds | Size | Pricing | Yield |
|---|---|---|---|---|---|---|---|
| 3/19/2026 | Select Medical Corporation | WCAS | B1 / B+ | LBO | $100 | SOFR+300, 0% @ 99 | 6.925% |
| 2/5/2026 | Resonetics LLC | Carlyle Group | B3 / B- | Acquisition | $220 | SOFR+275, 0.75% @ 99.25 | 6.606% |
| 1/29/2026 | TEAM Services Group | General Atlantic | B2 / B- | LBO | $700 | SOFR+525, 0% @ 99 | 9.171% |
| 1/29/2026 | Dechra Pharmaceuticals | EQT Partners | B2 / B- | Repricing | $834 | SOFR+275, 0% @ 100 | 6.421% |

## Most Recent Healthcare Pro Rata Issuances *($MM)*

| Date | Issuer | Ownership | Ratings | Use of Proceeds | Size | Pricing (in bps) | Financial Covenants |
|---|---|---|---|---|---|---|---|
| 5/15/2026 | VSP Optical Group, Inc.* | Private | Baa2 / NR | Refinancing | $1,500mm 5-year Revolver<br>$1,375mm 5-year Term Loan A | Ratings-based Grid<br>SOFR+87.5-150<br>Opens at SOFR+100 | Max. Net Leverage Ratio: 3.75x w/ step-up to 4.25x<br>Min. Interest Coverage Ratio: 2.50x |
| 2/12/2026 | Alkermes | Public | Ba2 / BB | Acquisition | $750mm 5-year Term Loan A | Leverage-based Grid<br>SOFR+250-300<br>Opens at SOFR+275 | Max. Secured Net Leverage Ratio: 4.25x<br>Min. Interest Coverage Ratio: 2.50x |



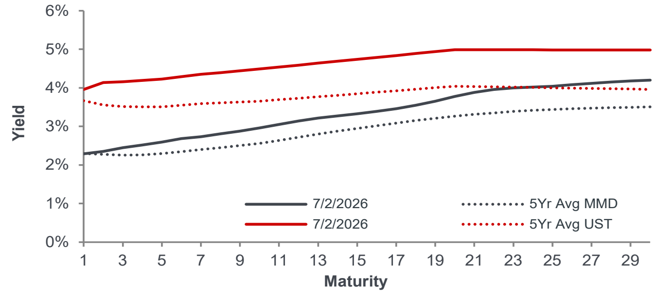
*Sources: Capital IQ, Mergermarket, and press releases*
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
*Transaction occurred over the past week*

# Public Finance Market

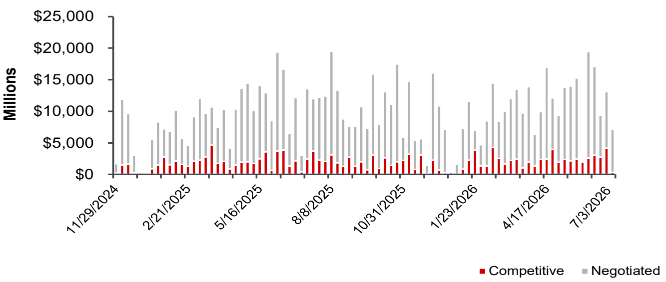
## Market Overview

- The yield on the benchmark 10-year U.S. Treasury Note increased 9 bps week-over-week, closing at 4.49% on Friday. 10-year MMD decreased 1 bp week-over-week.
- Healthcare Public Issuance in 2025 increased 34% vs 2024. YTD 2026 Issuance through June 26th was 24% higher than YTD 2025 through the end of June.
- Muni bond funds gained $1.7 BN and high yield funds gained $535 MM for the week ended July 1st.

## MMD & UST Yield Curve



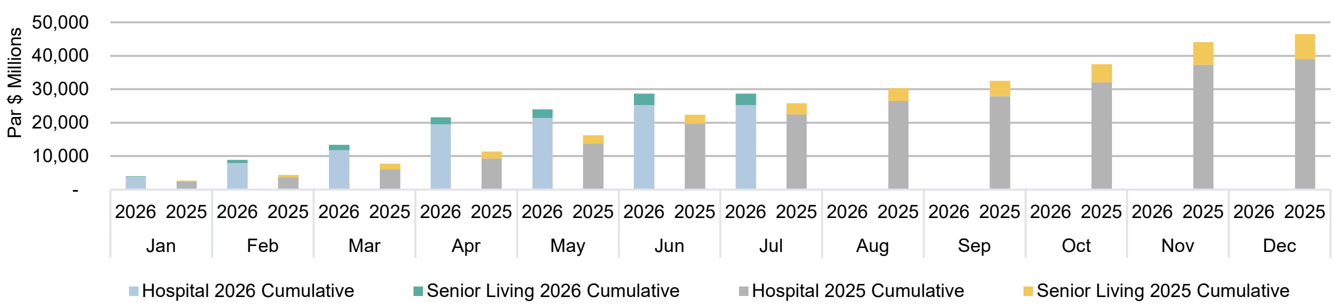

## Weekly New Issue Volume *($MM)*




## Benchmark Yields

| Treasury Yields | | | MMD Yields | | | Ratio |
|---|---|---|---|---|---|---|
| Yr | Yield | Δ (W/W) | Yr | Yield | Δ (W/W) | MMD/ UST |
| 2 | 4.14% | 5 bps | 2 | 2.35% | (3 bps) | 57% |
| 10 | 4.49% | 9 bps | 10 | 2.96% | (1 bps) | 66% |
| 30 | 4.98% | 12 bps | 30 | 4.20% | (3 bps) | 84% |

## Healthcare Public Issuance Overview




## Recent Healthcare Public Issuance

| Healthcare Public Issuance | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Borrower/Enhancement | Par (000s) | State | Issuer | Tax Status | LT Ratings (M/S/F) | Final Mat. | Call, Put or Reprice* | Final Mat. Cpn. | YTW | YTM |
| **Recent Pricings, Week of 6/29** | | | | | | | | | | |
| Memorial Hermann Health System | 100,000 | CO | HCTCEF | TE | NR / AA- / NR | 2056 | 2026(C) | 2.15% | 2.15% | N/A |
| **Exp. Pricings, Week of 7/6** | | | | | | | | | | |
| McCamey County Hospital District | 14,400 | TX | MCHD | TE | Ba2 / NR / NR | - | - | - | - | - |

CAIN BROTHERS
A division of KeyBanc Capital Markets

*Sources: Bloomberg, TM3*
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
*NC = No Call, MWC = Make Whole Call, (C) = Par Call, (P) = 1st Put, (R) = Reprice Date*

# Relevant News

## What Revenue Cycle Leaders Need To Know About The IDR Final Rule

***HealthLeaders Media | June 23, 2026***

The Federal IDR Operations final rule introduces vital changes to fees, batching, and eligibility, but a lack of federal enforcement leaves providers battling payers for post-decision payments.

## US Health Spending Spikes To $5.7T In 2025, Though Growth Should Moderate, CMS Finds

***Healthcare Dive | June 24, 2026***

Utilization — not cost growth — continues to accelerate spending, government actuaries said. Rising prescription drug spending, including on GLP-1s, is especially acute. U.S. healthcare spending spiked 7.3% last year to reach $5.7 trillion, driven by soaring spending on hospital services and pricey prescription drugs like GLP-1s, according to new government data

## Patient Messages To Providers Have Skyrocketed, Study Finds

***Healthcare Dive | June 25, 2026***

Patients' access to their health information online — and the ability to engage with their clinicians — through portals has expanded significantly over the past decade. That could have benefits for patients. Research shows the use of portals is linked to improved patient satisfaction, as well as better medication adherence, self-management of disease and preventative care.

## Millions Of Americans Drop Obamacare Plans After Withdrawal Of Subsidies

***Wall Street Journal | June 26, 2026***

Nearly four million people who signed up for Affordable Care Act plans this year have already dropped their coverage after the loss of subsidies resulted in sharply higher costs. The Department of Health and Human Services released figures Friday that offered the first definitive view of enrollment after the withdrawal of enhanced government support for ACA plans, which ended at the start of this year.

## Clinicians' Compensation Rose 4.3% Across 2025: AMGA

***Fierce Healthcare | June 26, 2026***

Clinical care providers' total compensation rose a median 4.3% across 2025, a slight pullback from the two years prior but overall a continuation of the "steady climb" fueled by heightened demand for care and talent, hundreds of medical groups and health systems reported in a recent annual survey.

## Nursing Homes Brace For Staff Shortages After Supreme Court Ruling

***Becker's Hospital Review | June 29, 2026***

The Supreme Court's June 25 decision to pause lower-court rulings blocking the end of Temporary Protected Status for Haitian and Syrian refugees could create significant workforce disruption for skilled nursing and long-term care providers.

# Disclaimer

Industry Insights is compiled weekly by Cain Brothers, a division of KeyBanc Capital Markets, 1301 Avenue of the Americas, 37th Floor, New York, NY 10019; Ph: (212) 869-5600. To receive our Industry Insights email, please subscribe at key.com/newsletters. For questions regarding Industry Insights, please email rgruber@cainbrothers.com.

"Cain Brothers, a division of KeyBanc Capital Markets" is a trade name of KeyBanc Capital Markets Inc., Member FINRA/SIPC. KeyBanc Capital Markets Inc. and KeyBank National Association ("KeyBank N.A.") are separate, but affiliated companies. Securities products and services are offered by KeyBanc Capital Markets Inc. and its licensed securities representatives. Banking products and services are offered by KeyBank N.A.

This report was not issued by our research department. The information contained in this report has been obtained from sources deemed to be reliable but is not represented to be complete, and it should not be relied upon as such. This report does not purport to be a complete analysis of any security, issuer, or industry and is not an offer or a solicitation of an offer to buy or sell any securities. This report is prepared for general information purposes only.

Please read our complete KeyBanc Capital Markets disclosure statement.