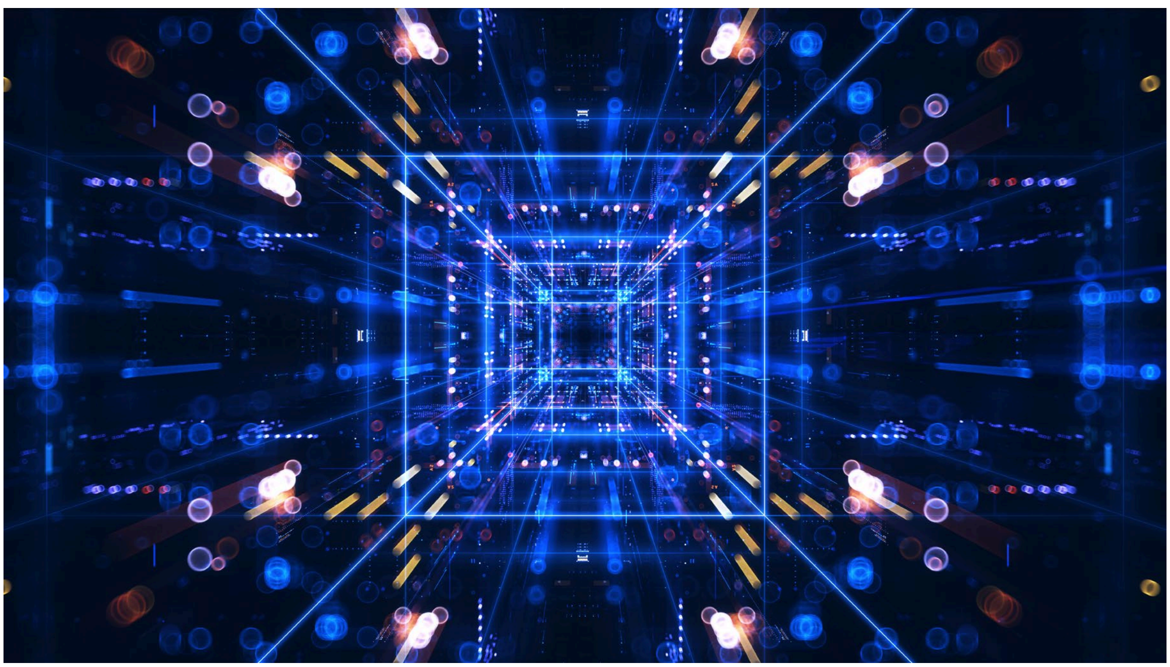
CAIN BROTHERS
A division of
KeyBanc Capital Markets

August 12, 2026

# Industry Insights

## Healthcare Market Report



Banker Commentary:

**Not Roadkill: Underwriting the Tech Stack That Sits on Top of Epic**

# Banker Commentary

## Contents



## Not Roadkill: Underwriting the Tech Stack That Sits on Top of Epic

*Banker Commentary by Rishi Soni*

Until recently, the initial diligence question for any health tech/digital health company was simple, does it integrate with Epic? Today, the bar has evolved. Investors and strategic acquirers want to know if a company can successfully sit alongside Epic, whether its use cases show up on Epic's roadmap and who controls the data underpinning a product or workflow. We outline three reasons for this evolution—the current environment for health systems, the trend around electronic medical record (EMR) upgrades, and Epic's response.

Health systems spend 3% - 5% of their operating revenue on technology and services vendors. Despite this level of expenditure, health systems are still looking for efficiency. Median health system operating margins slid to 0.4% year-to-date from 1.6% in 2024, and the OBBBA's cuts to governmental programs are expected to reduce hospital revenue by an additional $68 BN in 2026 – 2027, with deeper cuts likely in 2027. Every technology and vendor dollar must be re-justified.

EMR replacement is expensive and time consuming. Northwell is an example. The system announced its Epic migration in 2023 at a $1.2 BN price tag, and the full rollout likely won't finish for years. KLAS data backs this up. EMR purchase decisions fell roughly 40% in 2025, with zero large-system migrations. Meanwhile, CHIME's 2026 CIO survey found EMR optimization or workflow alignment, usability improvements, and feature customization is a top budget priority; and 78% of large systems are treating point solution consolidation as a standing discipline.

With wholesale upgrades and transitions to EMR and infrastructure on ice, Epic has also refocused its attention towards solutions that sit adjacent to its product. At its UGM (User Group Meeting) last year, Epic rolled out an ERP for workforce and procurement: three named AI agents spanning documentation, patient engagement, revenue cycle, and a foundational model trained on 300 MM records. These modules are aimed directly at some of the 90+ companies that raised $9 BN+ in the digital front door arena on the "integrated with Epic" pitch over the past few years.

Despite these announcements, margin pressures at health systems cut both ways, and we see opportunities for investors. Vendors who price on hard ROI (e.g., collections lift, denial and revenue recovery, documented labor savings) are winning a share of the health system wallet. AI-driven revenue cycle tools and ambient documentation are at the top of CIOs' wish lists, with 76% planning increased spend in these areas, even as overall budgets shrink.

Epic will host its 2026 UGM in mid-August, and there have been rumblings of executive departures. We'll be tuned into any new announcements, but in the interim, we have developed a framework for underwriting the vendor stack adjacent to Epic: (1) mapping the target against Epic's existing roadmap and announcements, (2) determining the level of integration depth, (3) analyzing the degree of revenue dependence on Epic as a channel partner, and (4) moat durability, or whether the target's value proposition is replaceable by Epic. To the extent you're evaluating opportunities, our team is happy to go deeper.

We are in an environment where hard ROI and dollars need to back up a company's position around the Epic ecosystem. The companies that can back up their positions are commanding interest, and the ones that aren't are finding the "we integrate with Epic" position no longer works.

**Sources:**


1. HIMSS Annual Healthcare IT Survey, as cited in Meriplex, "IT Budget Benchmarks by Industry: What Are Your Peers Spending?" (2026), and PEAKE Technology Partners, "Healthcare IT Budgeting Facts and Figures." Healthcare provider IT spend benchmarked at 3-5% of operating revenue; Computer Economics independently corroborates a 3.0-5.9% range.
2. Strata Decision Technology, "Health System Operating Margins Edge Back Above Zero in March as Revenue Gains Help Offset Expense Pressures," press release, Apr. 30, 2026 (median YTD operating margin of 0.4% in March 2026); The Health Management Academy, "4 Forces Compressing Hospital Profit Margins in 2026" (median operating margin: -0.1% in 2023, 1.6% in 2024, 1.0% in 2025, 0.4% YTD as of March 2026).
3. Premier Inc., "Premier Data Shows OBBBA Will Trigger a $68 Billion Hospital Revenue Impact," press release, Dec. 15, 2025.
4. Bruce, G., "Inside Northwell's $1.2B Plan to Unify 30+ EHRs with Epic," Becker's Hospital Review, Apr. 25, 2025 (project announced March 2023); Bruce, G., "How Northwell's $1.2B Epic Rollout Is Progressing," Becker's Hospital Review, Feb. 9, 2026 (first major go-live completed late 2025; multiyear rollout ongoing).
5. KLAS Research, "Uncertainty on Multiple Fronts Slowed EHR Purchases: Insights from KLAS's 2026 Acute Care EHR Market Share Report" (2026); Healthcare IT Today, interview with Paul Warburton, KLAS Research, "The 2026 EHR Market Is Cooling as Leaders Pivot to AI" (2026), confirming zero large ("whale") health system EHR migrations in 2025.
6. CereCore, "The Truth About How Hospital Size Shapes IT Strategy," from the 2026 CHIME CIO Survey (EHR implementation/optimization rose from 0% top-priority mentions in 2025 to the #1 budget allocation in 2026).
7. CereCore, "The Truth About How Hospital Size Shapes IT Strategy," from the 2026 CHIME CIO Survey (78% of large systems, 250+ beds, rank application rationalization "high urgency").
8. Joseph, S., "Epic's Antitrust Paradox: Who Should Control The Levers Of Healthcare Innovation?" Forbes, Feb. 26, 2024 (citing market research identifying 92+ companies in the "digital front door" category that have collectively raised more than $9 billion in investor capital).
9. FinThrive, "New Research: FinThrive Report Finds AI, Automation and Vendor Consolidation Lead Health System Revenue Cycle Investment Priorities for 2026," press release, based on a survey of 100+ hospital financial and revenue-cycle leaders conducted through Dec. 12, 2025 (76% cite automation solutions as a key initiative).

# M&A Activity

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

| Date | Target Name | Acquirer | EV | Enterprise Value / LTM Rev. | Enterprise Value / LTM EBITDA | Description |
|---|---|---|---|---|---|---|
| 8/6/2026 | ClaimsBridge | Eir Partners Capital | NA | NA | NA | Provider of end-to-end claim and network technology solutions for TPAs, networks and employers |
| 8/6/2026 | DialysisPPO | ClaimsBridge (Eir Partners Capital) | NA | NA | NA | Cost containment for end-stage renal disease and chronic dialysis treatment |
| 8/6/2026 | Verified Clinical Trials | WindRose Health Investors | NA | NA | NA | Provider of clinical trial subject registry solutions |
| 8/5/2026 | FEI Systems | Acentra Health (Carlyle) | NA | NA | NA | Provider of cloud-based Medicaid and human services technology across post-acute care and behavioral health |
| 8/5/2026 | HealthCorum | The Difference Card (Stone Point Capital) | NA | NA | NA | Healthcare data analytics for provider quality scores, insights and navigation technology |
| 8/4/2026 | Advanced eClinical Training | Tortuga Growth Partners | NA | NA | NA | Provider of online healthcare certification and workforce development |
| 8/4/2026 | Cylinder Health | Hinge Health | $105 | NA | NA | Virtual digestive healthcare provider |
| 8/3/2026 | Village Medical (Michigan Assets) | Bookmark Medical (Kinderhook Industries)* | NA | NA | NA | Seven primary care practices, a diagnostic center and independent physician organization |
| 7/28/2026 | Firefly Health | Included Health (General Atlantic and Carlyle) | NA | NA | NA | Clinically integrated health plan and advanced primary care provider |
| 7/28/2026 | Onviv | Decera Clinical (The Riverside Company) | NA | NA | NA | Healthcare knowledge platform connecting life sciences companies and physicians with real-world clinical insights |
| 7/27/2026 | KMM Group | RS2 Healthcare Partners (fka Riverside Partners) | NA | NA | NA | Vertically integrated precision contract manufacturer |
| 7/26/2026 | Apex Vascular | US Heart & Vascular (Ares and Rubicon Founders) | NA | NA | NA | Vascular surgery and vein center |
| 7/26/2026 | MAS Medical Staffing | Care Career | NA | NA | NA | Healthcare workforce organization |
| 7/24/2026 | Apex Infusion Partners (FFL Partners) | SkyKnight Capital | NA | NA | NA | Omnichannel infusion services provider |
| 7/22/2026 | First Choice Healthcare | Westin Acquisition | $650 | NA | NA | Next-generation healthcare and wellness platform |
| 7/21/2026 | Northstar Dental Partners | Dentalcorp (GTCR) | NA | NA | NA | Dental group based in Florida |
| 7/21/2026 | Janus Healthcare | Mindoula (Equality Asset Management) | NA | NA | NA | Psychiatric collaborative care company |
| 7/21/2026 | Valera Health | Mindoula (Equality Asset Management) | NA | NA | NA | Virtual mental health platform |
| 7/20/2026 | Strive Medical (NMS Capital)* | Cardinal Health | NA | NA | NA | Multi-specialty supply provider with a focus on urology |

*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 |
|---|---|---|---|---|---|
| 8/6/2026 | HealthSnap | Eastwood Capital Partners | Senior Secured Growth | $25 | AI-powered virtual care management |
| 8/4/2026 | QuantHealth | Qumra Capital (lead), Pitango HealthTech, Sanofi Ventures, Artofin Venture Capital, Bertelsmann Healthcare Investments, GC Ventures, NewHealth Ventures, Shoni Top Ventures, and Esplanade Ventures | Series B | $45 | AI-drive clinical trial simulation |
| 7/30/2026 | Function | General Catalyst's Customer Value Fund | Growth | $450 | Preventive healthcare platform that offers comprehensive health testing and monitoring services |
| 7/30/2026 | Gravie | General Atlantic (lead) | Undisclosed | $50 | Health benefits platform offering level-funded group health plans and ICHRA |
| 7/29/2026 | Flourish Health | B Capital, F-Prime, and Cherryrock Capital (co-leads) | Series A | $26 | Tech-enabled provider of in-home intensive mental health care for children and young adults |
| 7/29/2026 | Roger Labs | Undisclosed | Venture | $25 | AI-powered clinical documentation platform tailored for home healthcare workflows |
| 7/23/2026 | Candid Health | Sixth Street Growth (lead), Oak HC/FT, 8VC, and Y Combinator | Series D | $120 | Developer of an autonomous revenue cycle automation platform for healthcare providers |
| 7/16/2026 | Bunkerhill Health | Khosla Ventures (lead), Sequoia Capital, Felicis, Optum Ventures and Y Combinator | Series B | $25 | Provider of agentic AI for health systems |
| 7/15/2026 | Neko Health | Lightspeed Venture Partners (lead), O.G. Venture Partners (co-lead), Atomico, General Catalyst and Lakestar, Liberty City Ventures, Positive Sum, and BDT & MSD | Series C | $700 | Preventive healthcare technology company focused on AI-powered full-body health scans and early disease detection |
| 7/15/2026 | Oura | Eli Lilly | Equity | Undisclosed | Smart wearable devices that monitor sleep, activity, recovery, stress and other biometric health data |
| 7/13/2026 | Corner Health | Oak HC/FT (lead), First Round Capital and Zigg Capital | Series A | $25 | Platform that equips nurse practitioners to launch and scale their own independent primary care practices |
| 7/8/2026 | Pearl Health | Andreessen Horowitz (equity lead), Viking Global Investors, AlleyCorp, Ulysses Capital, Trinity Capital (debt) | Equity and Debt | $110 | AI-powered predictive insights and financial modeling platform for primary care providers |
| 7/7/2026 | Pediatrica Health Group | Valspring Capital (lead), M33 Growth | Series B | $28 | multi-site pediatric primary care organization dedicated to delivering Next Generation CareSM to families |
| 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 |



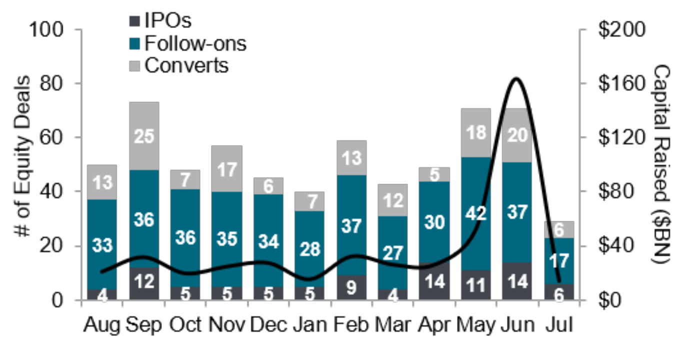
*Sources: Capital IQ, Merger market, and press releases*
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
*Transaction occurred over the past week*

# Equity Capital Markets

## Market Overview

- ECM issuance remained robust in the last week, with deals pricing across sectors including biotech, utilities, technology, and real estate
  - Last week: 4 IPOs, 7 follow-ons, 5 converts
- Earnings continue to be the engine driving markets forward despite ongoing geopolitical risk and uncertainty → ~81% of S&P500 companies reported an earnings beat and ~75% reported a sales beat as reporting neared 90% completion for Q2'26
- Follow-on issuance will likely pick-up as issuers finish out earnings and exit their blackout periods heading into the pre-Labor Day slowdown

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

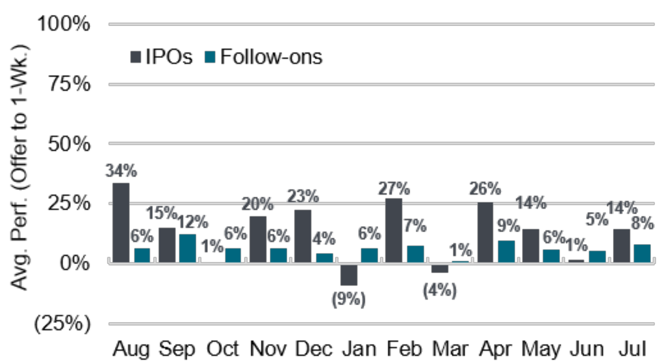



## ECM Activity *(Last 4 Weeks & YoY)*

| | 2026 - Last 4 Weeks | | | 2025 - Last 4 Weeks | | |
|---|---|---|---|---|---|---|
| | Vol ($MM) | # Deals | % Share | Vol ($MM) | # Deals | % Share |
| **IPO** | 4,205 | 10 | 23% | 5,531 | 10 | 24% |
| **CONV** | 6,867 | 8 | 37% | 6,141 | 8 | 27% |
| **FO** | 7,527 | 18 | 40% | 11,303 | 31 | 49% |
| **Total** | **18,599** | **36** | **100%** | **22,975** | **49** | **100%** |

| | 2026 YTD | | | 2025 YTD | | |
|---|---|---|---|---|---|---|
| | Vol ($MM) | # Deals | % Share | Vol ($MM) | # Deals | % Share |
| **IPO** | 128,741 | 67 | 38% | 19,703 | 39 | 13% |
| **CONV** | 90,626 | 86 | 27% | 49,086 | 55 | 32% |
| **FO** | 118,680 | 225 | 35% | 83,053 | 161 | 55% |
| **Total** | **338,047** | **378** | **100%** | **151,842** | **255** | **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*

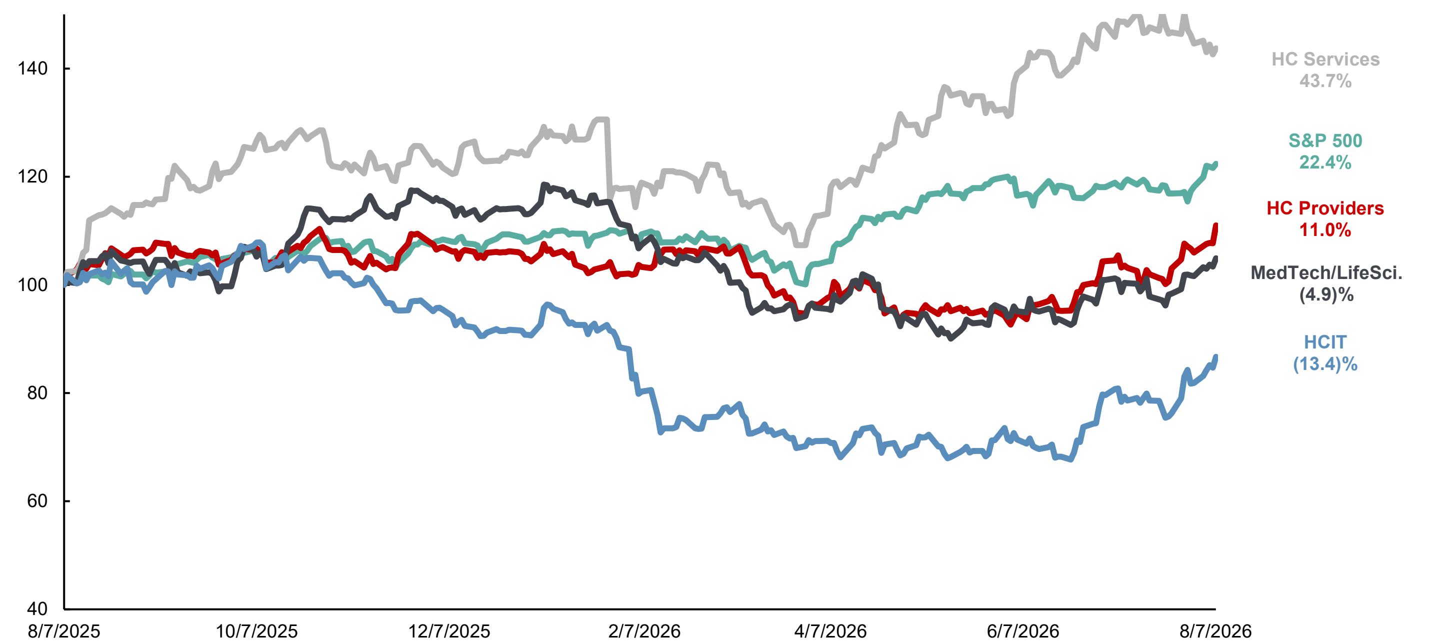
# Public Equity Indices

### Equity Indices (as of August 7, 2026)

| | | | Returns | |
|---|---|---|---|---|
| **Index** | **Wk Open** | **Wk Close** | **52 Week** | **Weekly** |
| DJIA | 52,485 | 54,037 | 22.9% | 3.0% |
| S&P 500 | 7,490 | 7,758 | 22.4% | 3.6% |
| NASDAQ | 25,374 | 26,691 | 25.6% | 5.2% |
| Russell 2000 | 2,931 | 3,034 | 37.0% | 3.5% |
| NYSE Healthcare | 28,151 | 28,714 | 27.8% | 2.0% |

| | Returns | |
|---|---|---|
| **Cain Brothers Indicies** | **52 Week** | **Weekly** |
| Acute Care | 7.3% | 2.5% |
| Alternate Site Services | 7.2% | (7.9%) |
| Diagnostics | 25.8% | 9.8% |
| Distribution | 25.4% | 1.1% |
| Healthcare IT | (13.4%) | 5.9% |
| Healthcare REITs | 46.6% | 0.3% |
| Managed Care | 50.7% | 0.3% |
| Medical Technology | 2.7% | 3.4% |
| Outsourced Services | 65.3% | 1.0% |
| Pharma Services | 18.6% | 2.8% |
| Pharmacy | 47.9% | (7.9%) |
| Primary Care | 117.6% | 7.4% |
| Post-Acute Care Services | 45.7% | 6.2% |
| Post-Acute Care Facilities | 43.5% | 4.6% |

### 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 surged past expectations in a week lifted by jumbo issuance as 29 issuers priced $79.9 5BN in volume.

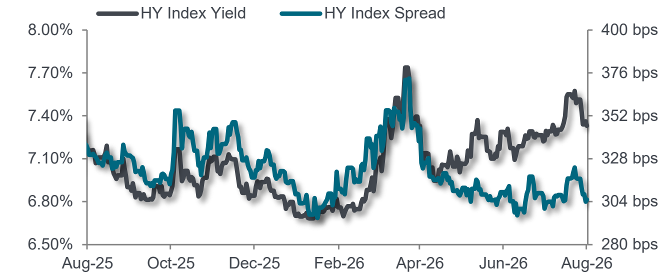
### High Yield

- The high yield market recorded their best weekly gains since mid-April as spreads tightened, fueled by strong corporate earnings, falling oil prices and light supply.

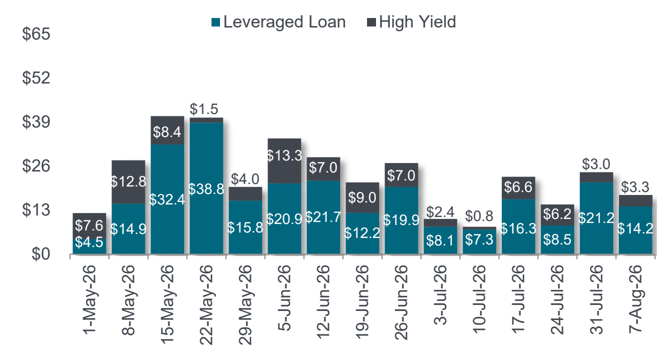
### Term Loan B Market

- Technicals remain supportive despite a moderation in CLO formation, with investor demand continuing to outpace net supply.

## 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 08/07/26 |
|---|---|---|---|
| Ba1 | S+210 / 6.2% | S+214 / 5.8% | S+200 / 5.7% |
| Ba2 | S+239 / 6.5% | S+190 / 5.6% | S+183 / 5.6% |
| Ba3 | S+220 / 6.2% | S+238 / 6.1% | S+292 / 6.8% |
| **Single-B Issuers** | **1Q26** | **2Q26** | **30-Day Rolling Average 08/07/26** |
| B1 | S+284 / 6.6% | S+251 / 6.2% | S+261 / 6.6% |
| B2 | S+322 / 7.0% | S+325 / 7.0% | S+336 / 7.2% |
| B3 | S+351 / 7.3% | S+404 / 7.9% | S+342 / 7.3% |

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

| Date | Issuer | Security | Size | Ratings | Coupon | Maturity | Spread | IPT-Pricing |
|---|---|---|---|---|---|---|---|---|
| 8/5/2026 | ICON Investments | Sr Notes | $500 | Baa3 / BBB- / NR | 5.064% | 8/13/2029 | +83 | 37 bps |
| 8/5/2026 | ICON Investments | Sr Notes | $1,000 | Baa3 / BBB- / NR | 5.421% | 8/13/2031 | +110 | 30 bps |
| 8/5/2026 | ICON Investments | Sr Notes | $650 | Baa3 / BBB- / NR | 5.995% | 8/13/2036 | +138 | 27 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 |

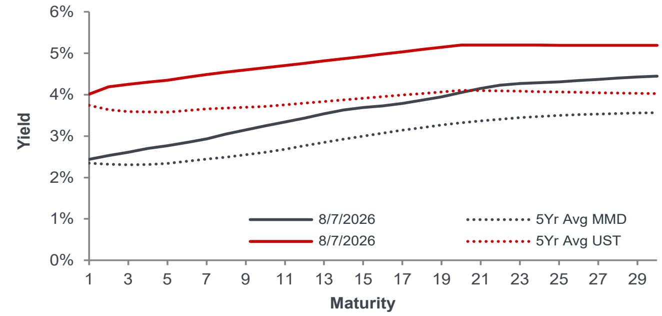
*Sources: Capital IQ, Mergermarket, and press releases*
** Denotes Cain Brothers/KeyBanc Capital Markets participation*
*Transaction occurred over the past week*

# Public Finance Market

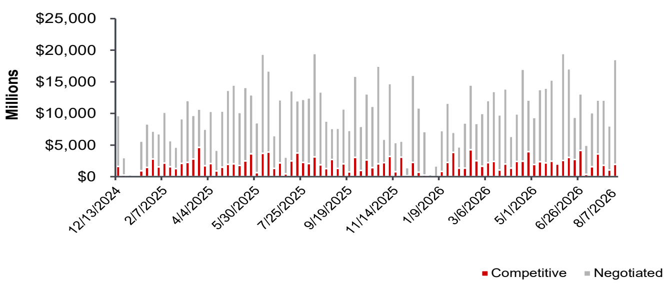
## Market Overview

- The yield on the benchmark 10-year U.S. Treasury Note decreased 10 bps week-over-week, closing at 4.65% on Friday. 10-year MMD decreased 12 bps week-over-week.
- Healthcare Public Issuance in 2025 increased 34% vs 2024. YTD 2026 Issuance through August 7th was 12% higher than YTD 2025 through the end of August.
- Muni bond funds gained $1.3 BN and high yield funds gained $530 MM for the week ended August 7th

## MMD & UST Yield Curve



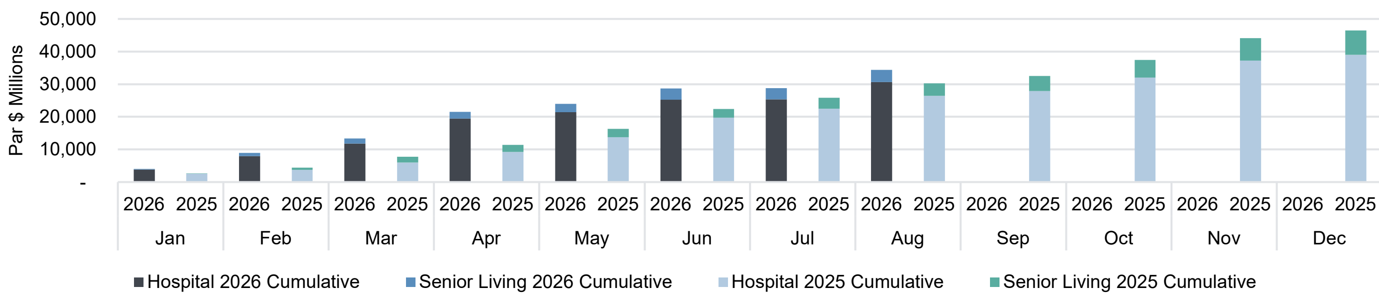

## Weekly New Issue Volume *($MM)*




## Benchmark Yields

| Treasury Yields | | | MMD Yields | | | Ratio |
|---|---|---|---|---|---|---|
| Yr | Yield | Δ (W/W) | Yr | Yield | Δ (W/W) | MMD/ UST |
| 2 | 4.19% | (09 bps) | 2 | 2.53% | (10 bps) | 60% |
| 10 | 4.65% | (10 bps) | 10 | 3.25% | (12 bps) | 70% |
| 30 | 5.19% | (08 bps) | 30 | 4.45% | (06 bps) | 86% |

## Healthcare Public Issuance Overview




## Recent Healthcare Public Issuance

**Healthcare Public Issuance[1]**

| 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 8/3** | | | | | | | | | | |
| Henry Ford Health | 837,695 | MI | MSHFA | TE | A2 / A+ / A+ | 2046 | 2036(C) | 5.00% | 4.71% | 4.82% |
| Henry Ford Health | 478,925 | MI | MSHFA | TE | A2 / A+ / A+ | 2056 | 2036(C) | 5.50% | 5.04% | 5.26% |
| Intermountain Health | 1,118,395 | CO | CSHFAR | TE | Aa1 / AA+ / NR | 2046 | 2036(C) | 5.00% | 4.40% | 4.64% |
| Common Spirit | 473,700 | CO | CSHFAR | TE | NR / NR / NR | 2056 | 2027(C) | 5.90% | 5.90% | N/A |
| Citadel Housing Project | 80,740 | WI | PFA | TE | NR / NR / NR | 2061 | 2036(C) | 6.25% | 6.25% | N/A |
| Citadel Housing Project | 14,000 | WI | PFA | TE | NR / NR / NR | 2061 | 2036(C) | 8.75% | 8.75% | N/A |
| Citadel Housing Project | 3,680 | WI | PFA | TAX | NR / NR / NR | 2035 | NC | 7.50% | 7.50% | N/A |
| Luminis Health | 83,945 | MD | MSHEFA | TE | A3 / A- / NR | 2038 | NC | 5.00% | 4.32% | N/A |
| The Sharon at Southpark | 71,955 | NC | NCSMCC | TE | NR / NR / NR | 2061 | 2036(C) | 5.63% | 5.56% | 5.59% |
| Richland Parish Hosp. Ser. Dist. | 54,610 | LA | RPLHSD | TE | NR / NR / NR | 2029 | 2029(C) | 5.00% | 4.45% | 4.54% |
| St. James Pl. of Baton Rouge | 51,765 | LA | LSLGEFC | TE | NR / NR / BB+ | 2045 | 2036(C) | 5.13% | 5.17% | N/A |
| Wray Co Com. Hospital District | 23,699 | CO | WCCHD | TE | NR / NR / NR | 2028 | 2028(C) | 5.10% | 5.00% | 5.02% |
| **Exp. Pricings, Week of 8/10** | | | | | | | | | | |
| Sutter Health | 1,476,965 | CA | CHFFA | TE | A1 / A+ / AA- | - | - | - | - | - |
| Silver Birch of Painesville Project | 26,250 | OH | LDA | TE | NR / NR / NR | - | - | - | - | - |
| Cen.Is.-Hau. Vol. Amb. Cor. Project | 24,635 | NY | TIEDC | TE | NR / 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

## [Amid Spending Growth Scrutiny, CMS Unveils Toolkit For States To Safeguard Autism Care]

***Fierce Healthcare  | August 4, 2026***

The Centers for Medicare and Medicaid Services has launched a state toolkit with resources on applied behavior analysis (ABA) therapy with the goal of helping states protect children with autism.

## [New Bipartisan 340B Reform Bill Curbs HHS' Rebate Pilot]

***Fierce Healthcare | August 7, 2026***

Another legislative vehicle fine-tuning the contentious 340B drug discount program has been introduced by a bipartisan group of senators, this time with language directing the administration not to extend a rebate pilot it plans to launch at the end of this year.

## [CCBHC Model Continues To Expand, But Faces Some Funding Constraints]

***Fierce Healthcare | August 6, 2026***

Despite the growing number of people served by certified community behavioral health clinics (CCBHCs), the clinics face possible financial strain amid policy headwinds.

## [Is Congress Finally Ready To Stop Subsidizing Hospital Consolidation?]

***Healthcare Dive | August 11, 2026***

As lawmakers consider whether to enact site-neutral payments into law, one physician argues that reforming the Medicare payments would lower healthcare spending without hurting patient care.

## [The Next Challenge For AI In Healthcare Isn't Adoption. It's Connection.]

***Healthcare Dive | August 10, 2026***

Healthcare has no shortage of information. The challenge is getting the right information to the right people, at the right time.

## [CMS Seeks Feedback On Faster Coverage For Breakthrough Devices]

***MedTech Dive | August 11, 2026***

The proposed "RAPID" pathway could help some new medical devices get national Medicare coverage within months of FDA authorization.

# 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.