

HEALTHCARE PRIVATE EQUITY



In addition to the customary risks involved in private equity transactions, healthcare industry deals are subject to substantial regulatory risks that can quickly erode the value of a transaction. Husch Blackwell's dedicated team of healthcare private equity lawyers bring together two crucial skill sets to help private equity firms and their portfolio companies maintain and enhance value: a nationally recognized group of healthcare regulatory lawyers who understand the real costs of compliance and a veteran group of dealmakers who have comprehensive knowledge of the design and structure of private equity-backed transactions and can provide buy- and sell-side advice at all stages.

Our clients typically involve our team early on in a deal scenario, allowing our lawyers to explore and test how a prospective deal's financial and operational models stand up to a deep, thorough evaluation of the target asset and the regulatory framework in which a deal might occur. Our team goes beyond routine fact-checking and box-ticking—we are active collaborators with our clients in evaluating potential deals and providing advice on how to address challenges to the deal process as they emerge.

Our private equity lawyers have handled more than 30 healthcare private equity deals in the healthcare and life science spaces in the last three years, with an aggregate value of more than \$3.4 billion. Our clients include private equity funds and their portfolio companies, as well as healthcare providers and life science companies seeking investments from private equity sponsors. Our

The team at Husch Blackwell knows our industry. From negotiating agreements to helping us with strategic decision-making, the Healthcare team is always responsive and exceeds expectations.

— Usman Mirza,
CEO, The San
Antonio
Orthopaedic Group

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experience extends across the entire spectrum of care, including physician groups, hospitals, pharmacies, post-acute care facilities, behavioral health providers, and medical device and life science companies, among others.

Our team is frequently called on to:

Structure, negotiate, and implement leveraged buy-outs, divestitures, and growth equity financings;

Structure portfolio operating and holding entities to limit liability and accommodate financing and growth;

Introduce our clients to strategic financing partners;

Structure equity participation incentives for portfolio company management;

Minimize tax burdens on cash flow;

Structure and document joint ventures; and

Counsel clients on the complicated regulatory landscape of the healthcare industry.

Representative Experience

Represented a large anesthesiology practice in its sale to a private equity-backed firm for approximately \$130 million. The deal involved antitrust review, securities issues, a proxy statement, healthcare regulatory issues, employment and complex compensation structures, real estate divestiture, and extensive corporate governance agreements, in addition to the underlying transaction documents.

Represented a private equity-backed senior housing

company in the \$300 million acquisition of approximately 25 skilled nursing facilities, assisted living facilities, and a therapy company.

Represented the largest practice division in a large East Coast physician group practice in the sale of assets worth \$60 million to a private equity-backed management company. We also advised on establishing a post-closing management services organization (MSO) relationship between the parties.

Represented a private equity-backed consolidator of radiology technology services providers in complex purchases and/or management agreements with various operators with an aggregate deal value of approximately \$130 million.