



A SEINFELD MOMENT FOR BEHAVIORAL HEALTH

It's beginning to look like "The Summer of George" for behavioral health.

If you're not a Seinfeld fan ("not that there's anything wrong with that"), suffice to say that a "Summer of George" is a period where everything seems to be going right.

To wit, practically overnight, Behavioral Health is everywhere, generating the kind of heat that can turn an already hot M&A market positively scalding.

Let us count the ways:

People Who Know, Know BDO – and Behavioral Health.

Perhaps you've seen the BDO ads touting the firm's expertise in international currency, taxes, audits, business integration, "yada, yada, yada." Recently, however, they produced an M&A themed vignette in which a consultant, conferring with a health care executive, recommends a merger between a hospital and...wait for it...a **behavioral health practice**. No random "pop-in" here.

Addiction Treatment in Real Time. On May 7th, Bill Maher opened his show, *Real Time*, with a one-on-one interview with Richard Taite, founder and CEO of drug and alcohol treatment center Cliffside Malibu. In a segment reserved for the likes of Bernie Sanders, Mark Cuban, Gloria Steinem, and Bob Costas, such publicity for a treatment facility was positively "sponge-worthy."

"Your Business" is Your Business. If you're on the MSNBC side of the aisle, you may have seen promos for its program, *Your Business*; among them, a spot on **Talkspace**. Now Talkspace is not about "close talkers." It is a technology enabled app that provides instant, online access to mental health services. More than just another nod to the relevance of behavioral health, it gives life to the fact that mental health is a lay-up for telehealth, which itself is arguably the next, next, new thing in health care.

POTUS Raps with a Rapper. In order to add some hipster cred to his weekly address to the nation, President Obama recently teamed up with rapper Macklemore to raise awareness of opioid addiction. Not only was this a nudge to Congress to pass legislation to fund expanded treatment initiatives (see below), the meeting will appear in an upcoming documentary on MTV. "Giddy up!"

Congress Gets Therapy. No, we're not suggesting that the Republicans and Democrats have agreed to family counseling. Rather, it's that they get the need to increase the access to addictions services. By mid-May, both houses passed versions of the Comprehensive Addiction and Recovery Act of 2016, which does just that.





Perhaps more remarkable, though, is that for a body that probably couldn't reach consensus on a soup to serve in the cafeteria ("No soup for you!"), the bills were passed 400 to 5 in the House, and 94 to 1 in the Senate. No controversy here.

While this may all be amusing, why else should you care?

Well, a confluence of politics, profits, and pop culture can have a very real effect on mergers and acquisitions demand and valuation.

You see, M&A is dependent on far more than just financial rates of returns.

Much like any card-carrying Kardashian, a vibrant market draws on the contemporary zeitgeist, generating momentum that accelerates as it feeds on itself.

And don't underestimate the power of the ethereal in what is often misread as a purely financial exercise.

Emotionally driven enthusiasm may be *soft*, but when you add them to very real – and attractive – *hard* numbers, a market can quickly go from just meh to mehs-merizing.

So if you're a behavioral health provider and fancy yourself a potential seller, this Seinfeld moment may be a sign.

"Serenity Now?"

INTELLIGENT DEALMAKING IN BEHAVIORAL HEALTH CARE M&A

The Braff Group is the leading health care services mergers and acquisitions advisory firm with a team of dealmakers focused exclusively on behavioral health care.

For more than five years, we have provided sell-side only transaction services to the mental health, addictions and substance abuse, autism services, I/DD, at-risk-youth, and acquired brain injury provider community.

With more than 280 transactions completed, The Braff Group is ranked #1 in health care mergers & acquisitions.¹

But we never forget that **your deal** is the one that matters to you.

Let us make it a great one.

¹Source: Thomson Reuters, based on number of deals between 2007 and 2015.

FOR MORE INSIGHT INTO THE M&A MARKET FOR BEHAVIORAL HEALTH AND WHAT IT MAY MEAN TO YOU, CONTACT OUR BEHAVIORAL HEALTH TEAM:



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