Health Care M&A Volume and Value Increases in Q4:2018, According to HealthCareMandA.com

Health care merger and acquisition activity in the fourth quarter of 2018 rose 5% on deal volume and 39% on transaction value compared with the third quarter.

NORWALK, Conn. (PRWEB) January 24, 2019 -- Health care merger and acquisition activity rose slightly in the fourth quarter of 2018. The number of deals announced reached 494, up 5% compared with the previous quarter and was 24% higher than the 399 deals announced in the same quarter in 2017. Combined spending in the fourth quarter totaled $42.3 billion, up 39% compared with the previous quarter, but 63% lower than the $115.1 billion reported in the same quarter in 2017, according to HealthCareMandA.com.

Healthcare services transactions represented 64% of the fourth quarter’s total, in line with the previous four quarters. The Long-Term Care sector once again ranked the highest, with 103 deals and a 21% share of the quarter’s transaction total. Year-over-year growth was strong in Behavioral Health Care (+92%), Physician Medical Groups (+47%) and Long-Term Care (+39%). The services sectors accounted for 19% of the quarter’s spending, approximately $8.1 billion.

Healthcare technology deals accounted for 36% of the fourth quarter’s 494 total. The eHealth sector was the busiest, posting 58 deals and making up 12% of the quarter’s total. Year-over-year, eHealth’s deal volume was 93% higher and Biotechnology deals were 10% higher. Technology deals accounted for 81% of the quarter’s spending, approximately $34.2 billion.

“Given the fluctuations in the equity markets, the anticipated increases in interest rates and fears of a global economic slowdown, investors flocked to healthcare, particularly the services sectors,” said Lisa E. Phillips, editor of HealthCareMandA.com. “Private equity players, in particular, are moving into this market. That trend won’t end in 2019.”

For more information on the HealthCareMandA.com investment research source, or for membership to any of Irving Levin Associates’ services, please call 800-248-1668. Irving Levin Associates, Inc., established in 1948, is headquartered in Norwalk, Connecticut and is online at www.levinassociates.com. This privately held corporation publishes annual and quarterly research reports, monthly and weekly newsletters, and maintains merger and acquisition databases on the health care and senior housing markets. If you would like to receive future releases, please email pressreleases(at)levinassociates.com.
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