

Specialty

Orthopedics

Focus

Q1 2022 Acquisition Activity and Outlook1

## Orthopedic Deal Activity Continues to Rise as Specialty Consolidation Moves Into Geographic Expansion Stage

The 1st quarter of 2022 delivered nine reported orthopedic practice acquisitions, continuing the trend of increasing deal volume.

In February, The Center for Orthopedic Excellence, a four-physician orthopedic practice in West Virginia, joined Valley Health, a regional system of hospitals, providers and services. A week later, Spire Orthopedic Partners, announced partnerships with Middlesex Orthopedic Surgeons and Orthopaedic Surgical Associates, two comprehensive orthopedic and spine care practices serving central Connecticut and the greater Boston area, respectively. Orthopaedic Surgical Associates includes 13 board certified physicians and 70 employees that provide nearly 75,000 annual patient

visits. Launched in February of 2021, Spire Orthopedic partners is now comprised of more than 70 physicians, 600 employees, and 14 locations from throughout the Northeast. Also in February, U.S. Orthopaedic Partners announced a partnership with Southern Orthopaedic Surgeons, a ten-physician orthopaedic practice offering surgical, non-surgical, and injury prevention care in Montgomery, Alabama. This partnership marks USOP's seventh acquisition since it was founded in 2020.

We expect strong M&A activity in 2022 as more PE firms become interested in orthopedics and the consolidation moves into the Geographic Expansion phase.

Eric J. Yetter

Managing Director and  
Healthcare Team Leader

(615) 477-4741

eric.yetter@focusbankers.com

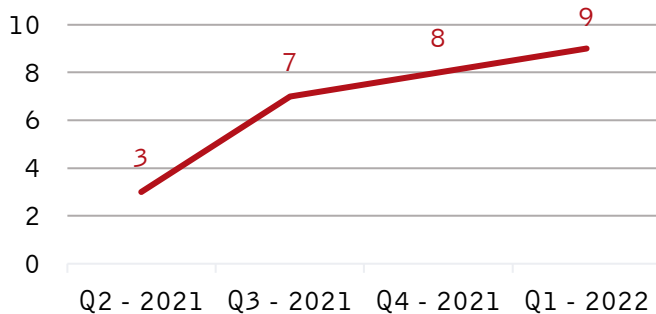
J. Andrew Snyder

Managing Director

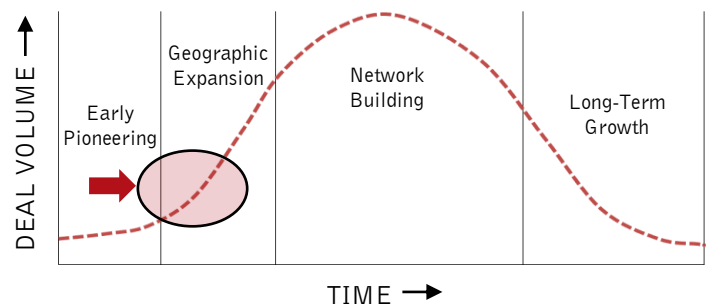
(615) 319-3233

andy.snyder@focusbankers.com

### 12-Month Quarterly Acquisition Trend



### PE Consolidation Lifecycle Positioning



### Notable Deals in Q1 2022

Buyer	Practice	State	MDs	Date
Valley Health	Center for Orthopedic Excellence	WV	4	2/7/22
Spire Orthopedic Partners	Orthopaedic Surgical Associates	MA	13	2/8/22
U.S. Orthopaedic Partners	Southern Orthopaedic Surgeons	AL	101	2/9/22

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