PitchBook
a Morningstar company

Institutional Research Group

Brian Wright
Lead Research Analyst, Healthcare
brian.wright@pitchbook.com

Adi George
Associate Data Analyst

pbinstitutionalresearch@pitchbook.com

Published on August 17, 2026

Contents

INDUSTRY RESEARCH

H1 2026 Healthcare IT PE Update

Deal counts on pace to surpass 2021 record

Key takeaways

- Healthcare IT PE deal flow remained robust in H1 2026, with deal value on pace to hit $53.6 billion and surpass 2025's total by 10.7%. The estimated deal count of 221 for the first half of 2026 is on pace to reach 442 for the year, which would surpass the 2021 post-COVID-19 free-money peak of 424. This would represent a 15.1% increase from 2025. The projected TTM deal count was up 33%, and TTM deal value was up 1.3%.

- AI investment theses continue to drive investment in the sector as automation plays dominate sector activity. The headline transaction in the first half of 2026 was the strategic growth investment in Ensemble Health Partners, a leading end-to-end revenue cycle management company, by Matt Holt's Thoreau Group in June at a reported but unconfirmed $12 billion valuation.[1] The largest transaction was the $7.5 billion LBO of EGYM by Affinity Partners, Temasek, L Catterton, and Mindbody.

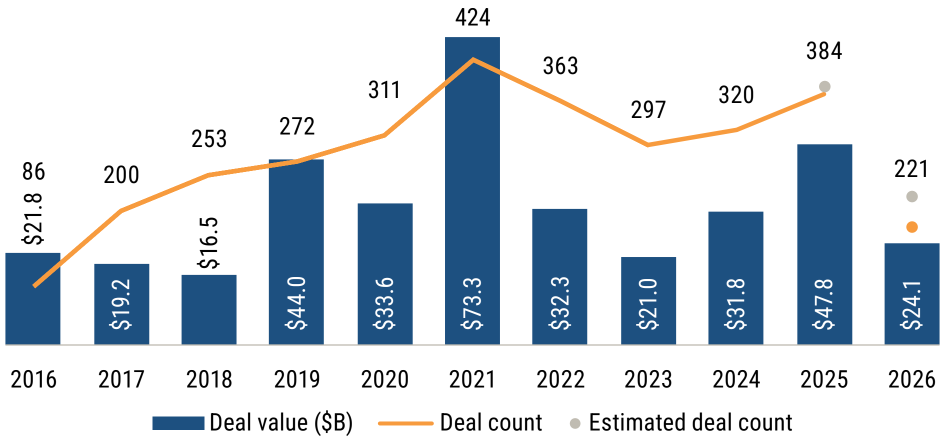
- The provider operations segment led overall estimated deal counts (108) in H1 2026 and is on pace to surpass 2025 by 18% as agentic solutions to automate processes for providers drive the investment funding environment for healthcare IT. Clinical information systems (54 estimated H1 2026 deals) annualized deal count increased 31.8% from 2025, but annualized deal value declined 26.1%. Managed care (33 estimated deals in H1 2026) experienced annualized deal count growth through the first half of 2026 at 25.6% and annualized deal value growth of 64.9%. Analytics & value-based care was the most out-of-favor segment with annualized deal counts down 42.7% and annualized deal value down 46.1%. Virtual & remote care activity was soft as well with annualized deal count down 4.6% and annualized deal value down 29.4%.

- Valuation levels in 2025 saw 50th percentile TEV/EBITDA at approximately 20x—well above the 13.3x average since 2015. Exceptional growth assets with native AI capabilities go for a premium.

- We believe revenue cycle management investments in aggregate will lead to significant value destruction over a typical PE investment horizon as competition accelerates from all angles. EHR companies are expanding RCM offerings, and data analytics vendors such as Innovaccer have acquired RCM capabilities. In addition, AI-native agentic competitors and clinical decision-support solutions, including ambient scribes, are all taking aim at RCM. We expect take rates to compress by more than 80% and industry revenue to shrink by more than 50% by 2040. For a further look at our analysis on RCM, please see our recently published report, AI Kills the RCM Star.

PE update

Healthcare IT PE deal activity



Source: PitchBook • Geography: Global • As of June 30, 2026

Provider operations continue to lead overall activity, driven by the agentic AI opportunity with RCM accounting for 25.9% of segment deal counts, which is essentially at the post-2016 average of 26% despite an increasing competitive environment.

There were 175 recorded Healthcare IT PE deals in H1 2026 with estimated deal count at 221. Annualized estimated deal count puts 2026 on track to increase 15.2% over 2025. Total recorded transaction value in the first half of 2026 was $24.1 billion, with estimated deal value at $26.8 billion, which puts 2026 on pace to be 10.7% above 2025 levels while deal counts are on pace to surpass the 424 post-pandemic free-money-bubble peak in 2021. Exit activity remained strong in H1 2026 on a count basis and is on pace to grow 5.5% from 2025. Exit values were lighter with fewer large exits as exit values are on pace to be 45.3% lower than 2025 on an annualized basis. Exit type mix in 2026 is consistent with 2025 with 56.7% of exits buyouts, 40% acquisitions, and 3.3% public listings. Provider operations dominate exit values, accounting for $6.9 billion in exits or 77.1% of the total. PE exit medians clocked in at $465 million in H1 2026, down from $581.1 million in 2025.

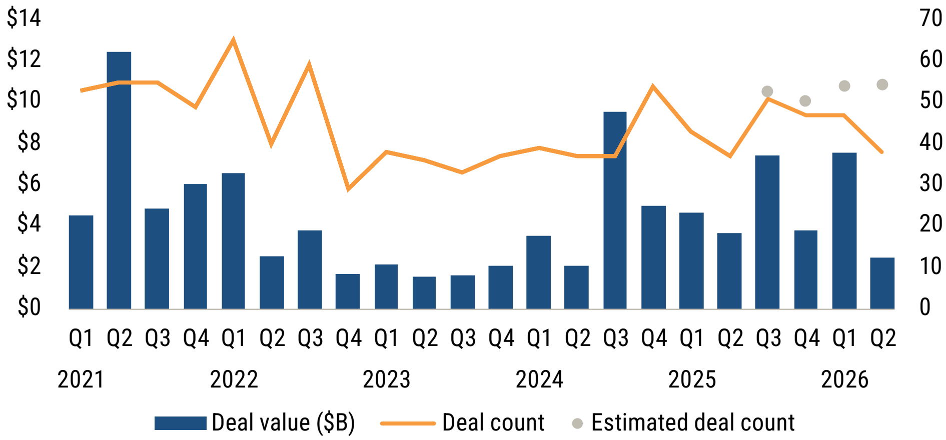
Healthcare IT PE operating and deal metrics

	TEV	EBITDA	Revenue	EBITDA margin	Net debt	TEV/EBITDA	Net debt/EBITDA
2025	610.0	27.8	85.0	27.8%	179.6	19.7x	5.2x
2024	305.0	4.5	30.6	27.7%	13.2	13.5x	5.1x
2023	220.0	11.7	36.3	26.8%	45.1	17.0x	4.0x
2022	161.8	3.3	24.5	35.3%	30.0	18.1x	4.8x
2021	362.7	6.2	37.0	31.6%	24.0	19.3x	5.6x
2020	162.5	8.5	32.1	30.9%	30.1	13.2x	5.6x
2019	150.3	7.5	36.8	26.8%	43.5	17.0x	5.8x
2018	162.1	10.0	24.2	30.0%	24.0	15.2x	6.1x
2017	132.6	8.3	25.3	27.2%	29.7	13.6x	4.8x
2016	129.1	9.1	32.0	25.6%	23.0	13.0x	5.5x
2015	167.8	9.4	23.6	43.4%	30.0	11.0x	4.5x
2014	59.6	3.5	21.6	22.0%	4.0	13.0x	2.9x
2013	69.0	5.0	20.0	25.0%	15.6	8.8x	4.0x
2012	69.4	7.5	23.5	27.2%	18.2	9.9x	3.9x
2011	60.8	4.0	22.5	19.1%	11.6	8.2x	3.9x
2010	121.9	13.1	59.0	27.3%	31.8	8.9x	3.6x
2009	59.5	3.5	24.1	17.7%	9.9	5.9x	2.7x
2008	104.2	9.7	41.7	25.4%	62.2	11.8x	4.9x
2007	98.9	11.7	53.8	22.9%	44.4	9.8x	4.3x
2006	37.2	0.2	9.5	24.4%	0.0	13.7x	4.0x

Source: StepStone SPI • Geography: Global • As of June 30, 2026

Provider operations was the most active healthcare IT segment in H1 2026, with an estimated 108 transactions, on pace to be up 18% over 2025 with deal value on pace to be up 14.3% in 2026. Investment activity continued to reflect an almost all-consuming interest in agentic AI and workflow automation technologies designed to improve provider efficiency and reduce administrative burden. Clinical information systems recorded an estimated 54 transactions during the first half of the year, with annualized deal volume increasing 31.8% over 2025, although annualized deal value declined 26.1%, suggesting a shift toward smaller transaction sizes. Managed care also posted solid momentum, with an estimated 33 transactions and annualized deal volume growth of 25.6%. By comparison, analytics & value-based care remained the weakest segment, with annualized deal volume and value declining 42.7% and 46.1%, respectively. Investment activity in virtual & remote care also remained subdued, as annualized deal volume fell 4.6% and deal value decreased 29.4%.

Provider operations PE deal activity by quarter



Source: PitchBook • Geography: Global • As of June 30, 2026

Revenue cycle management (RCM) knife fight on the horizon

Healthcare providers are increasingly shifting away from standalone point solutions toward end-to-end agentic AI platforms that automate workflows across the enterprise. As a result, traditional healthtech market definitions are beginning to break down. The boundaries separating electronic health records (EHRs), clinical documentation, clinical decision support, data and analytics, and RCM are rapidly converging as vendors expand beyond their historical domains. Rather than competing within discrete software categories, vendors are increasingly competing to become the integrated intelligence layer embedded within clinical workflows.

RCM has long been one of healthcare IT's most attractive PE sectors. We believe those economics are beginning to deteriorate. Industry discussions suggest cost-to-collect could decline from roughly 4% to 5% of net collections to below 1% as agentic automation reduces labor requirements and competition intensifies. The result is likely to be a substantially smaller industry profit pool.

The threat extends beyond traditional RCM competitors. EHR vendors, data platforms, AI-native companies, and clinical workflow solutions, including ambient scribes, are embedding RCM capabilities into broader platforms. For these vendors, RCM is incremental revenue rather than a standalone business, enabling more aggressive pricing. Recent developments, including Innovaccer's acquisition of CaduceusHealth and CommonSpirit Health's early termination of its Conifer Health Solutions contract, illustrate the industry's direction.

We believe systems-of-record vendors are best positioned to capture this shift by integrating AI-native RCM directly into existing clinical workflows. Standalone RCM vendors and disconnected AI applications face increasing competitive pressure as RCM becomes a feature, an important one at that, of a broader agentic solution.

Highlights from H1 2026

The first half of the year saw several noteworthy deals:

- In mid-June, it was reported that the Thoreau Group was acquiring end-to-end RCM company Ensemble Health Partners for $12 billion.[2] However, a few days later, the official press release stated that, “Thoreau has entered into an agreement to make a strategic growth investment in the company. Berkshire Partners, Warburg Pincus, and Bon Secours Mercy Health will continue as investors in Ensemble alongside Thoreau.” It is unclear whether the valuation of the enterprise was set at $12 billion. Ensemble raised $4.8 billion in debt in a dividend recapitalization in February 2026.

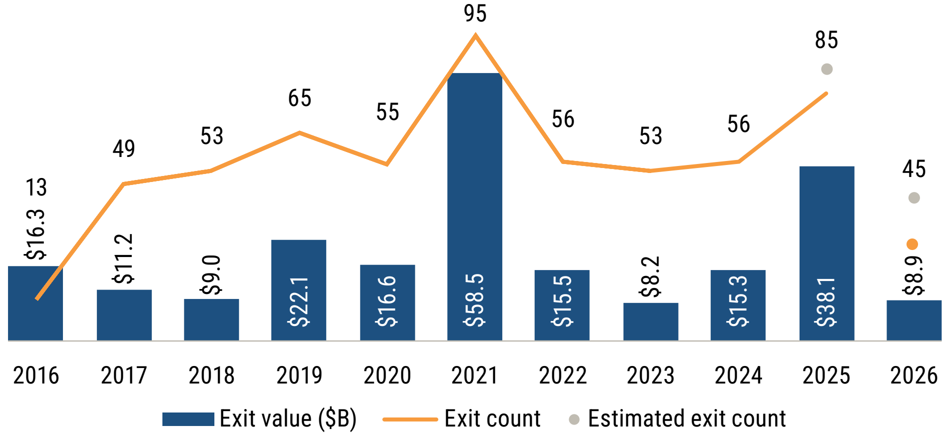
- The $7.5 billion LBO of EGYM by Affinity Partners, Temasek, L Catterton, and Mindbody closed in March after being announced in January.

- Global Healthcare Exchange was acquired by Veritas Capital Fund Management in an estimated $5 billion LBO in February for the healthcare supply chain orchestration platform.

- Thermo Fisher sold off its microbiology business in April to Astorg for $1.1 billion, or 1.3x 2025 revenue.[3] The microbiology business sells antimicrobial susceptibility testing and culture media solutions for clinical, pharmaceutical, and food safety testing.

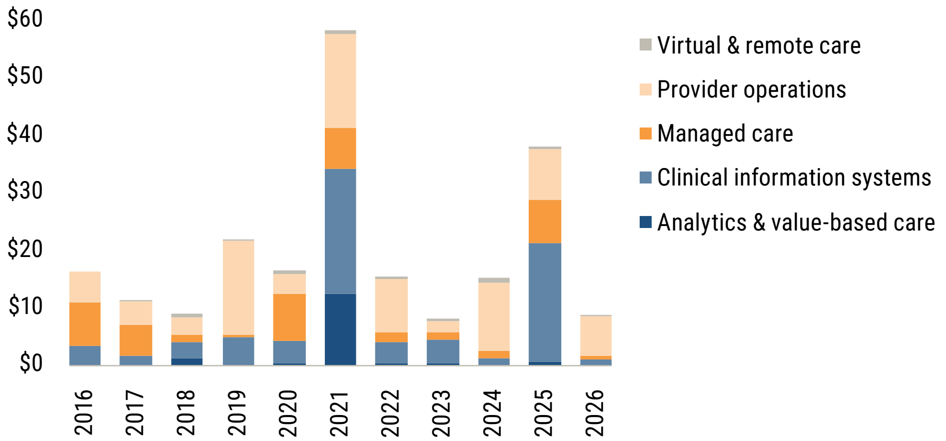
Appendix

Healthcare IT PE exit activity



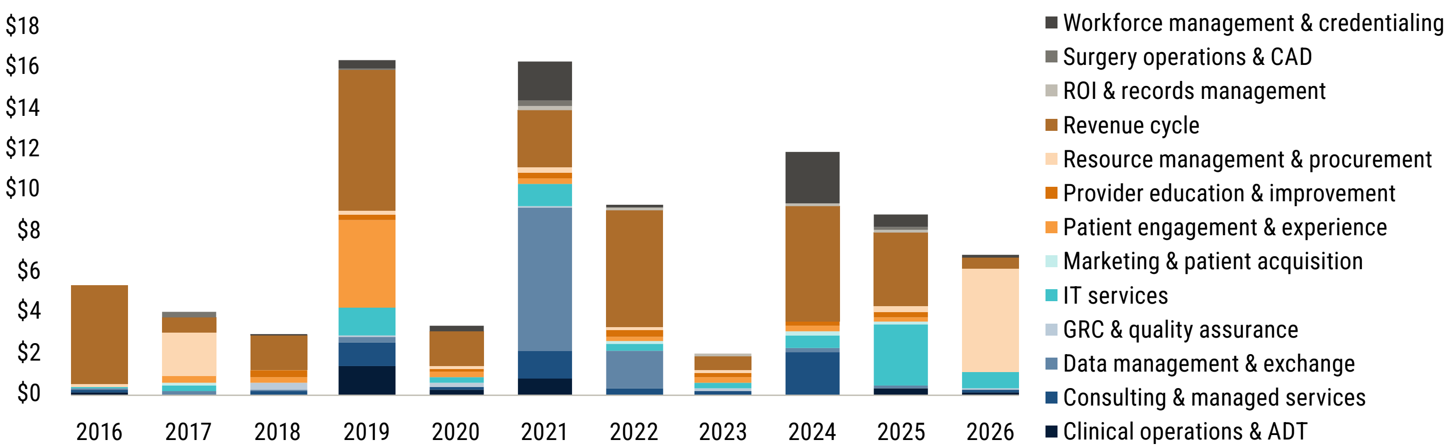
Source: PitchBook • Geography: Global • As of June 30, 2026

Healthcare IT PE exit value ($B) by segment



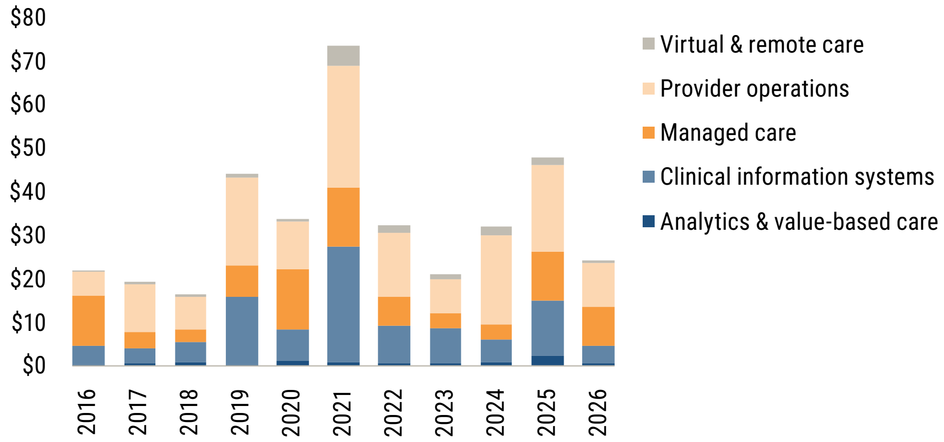
Source: PitchBook • Geography: Global • As of June 30, 2026

Healthcare IT PE exit value ($B) by category



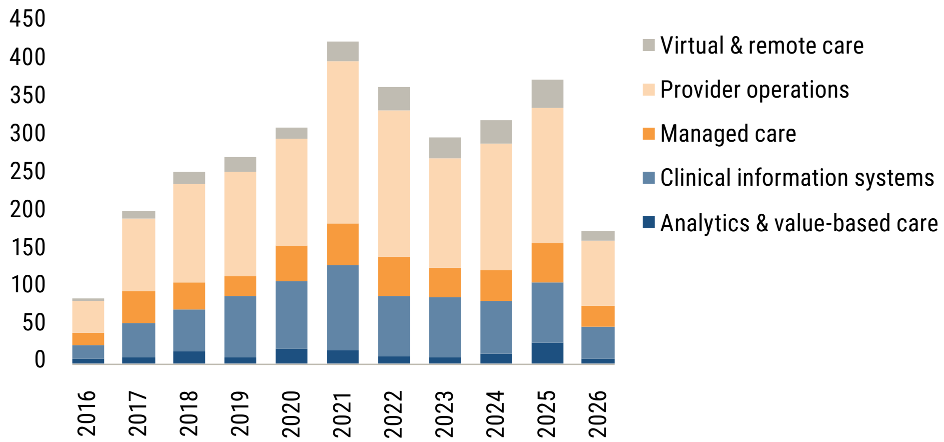
Source: PitchBook • Geography: Global • As of June 30, 2026

Healthcare IT PE deal value ($B) by segment



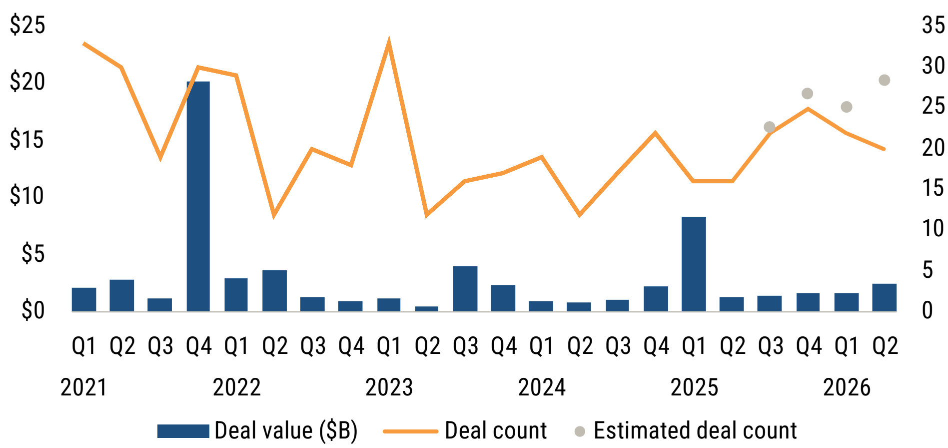
Source: PitchBook • Geography: Global • As of June 30, 2026

Healthcare IT PE deal count by segment



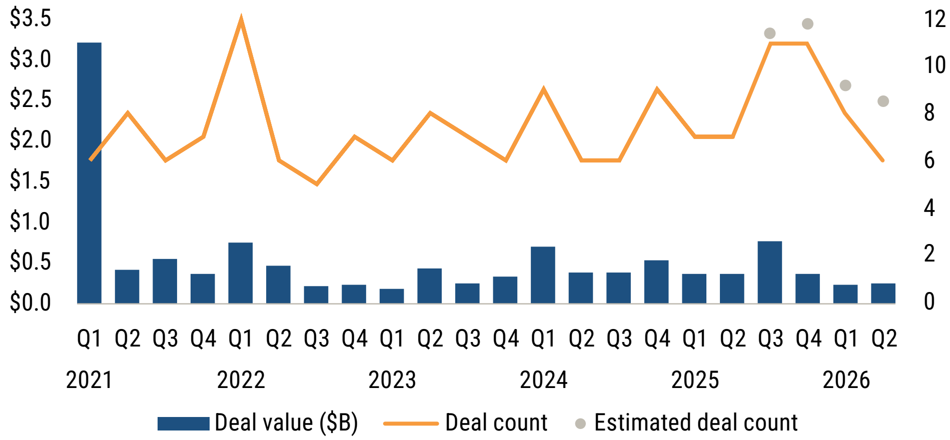
Source: PitchBook • Geography: Global • As of June 30, 2026

Clinical information systems PE deal activity by quarter



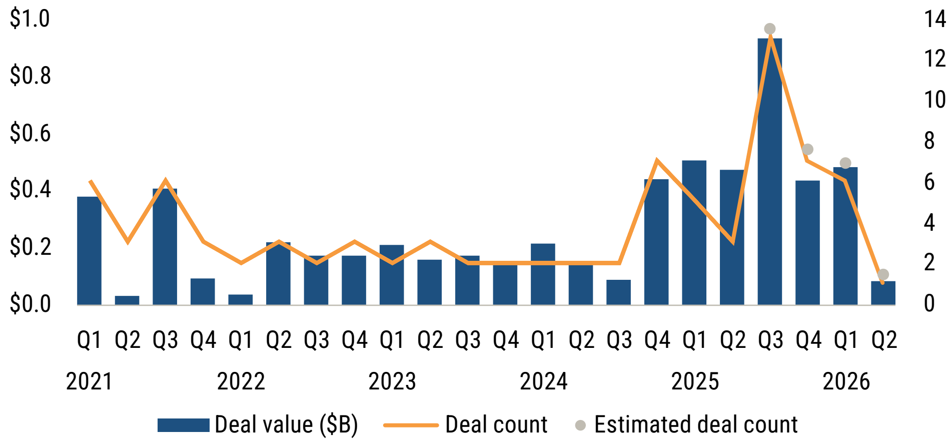
Source: PitchBook • Geography: Global • As of June 30, 2026

Virtual & remote care PE deal activity by quarter



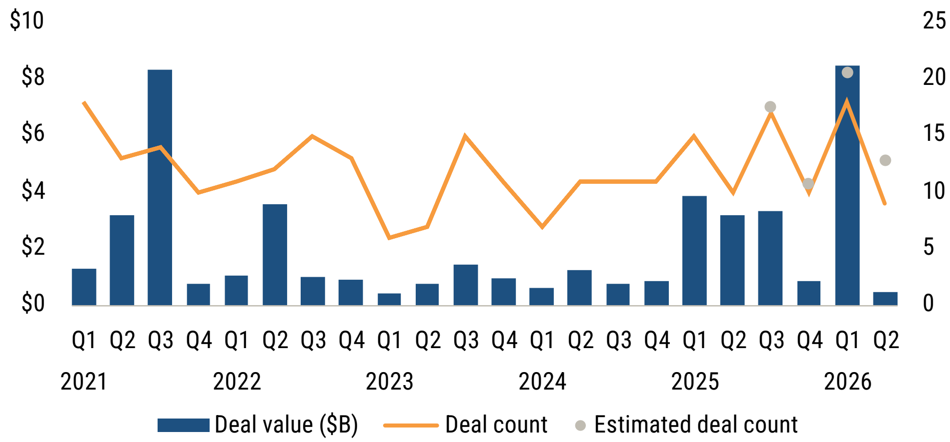
Source: PitchBook • Geography: Global • As of June 30, 2026

Analytics & value-based care PE deal activity by quarter



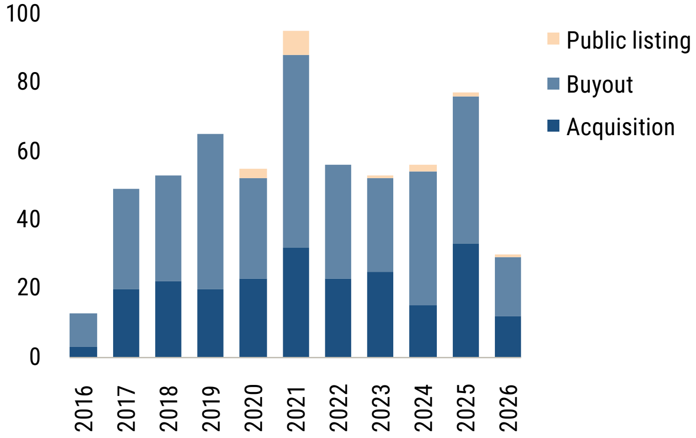
Source: PitchBook • Geography: Global • As of June 30, 2026

Managed care PE deal activity by quarter



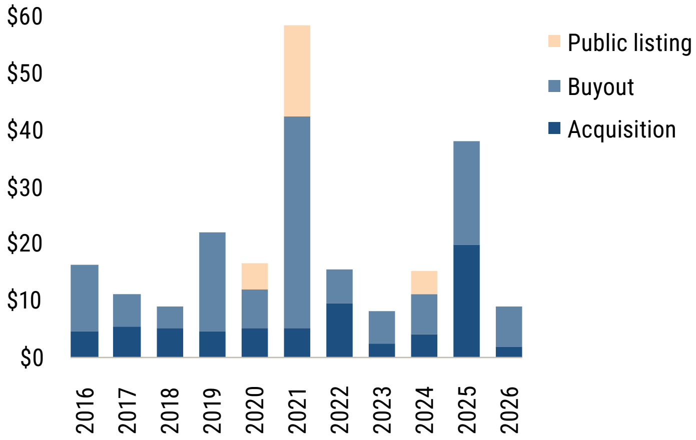
Source: PitchBook • Geography: Global • As of June 30, 2026

Healthcare IT PE exit count by type



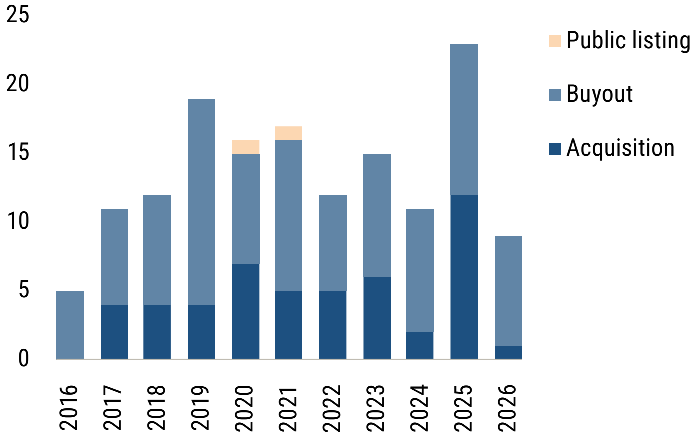
Source: PitchBook • Geography: Global • As of June 30, 2026

Healthcare IT PE exit value ($B) by type



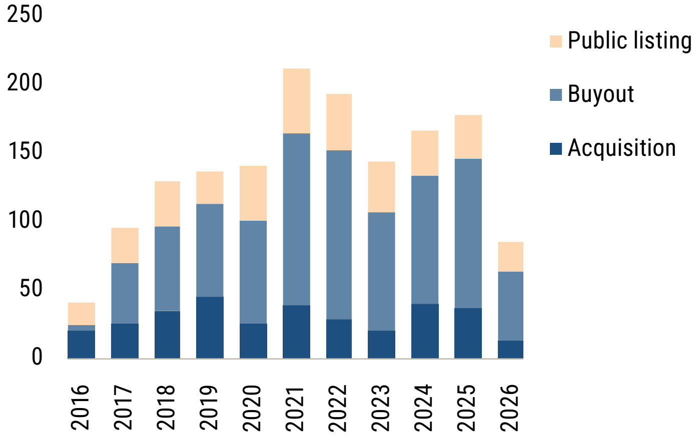
Source: PitchBook • Geography: Global • As of June 30, 2026

Clinical information systems PE deal count by type



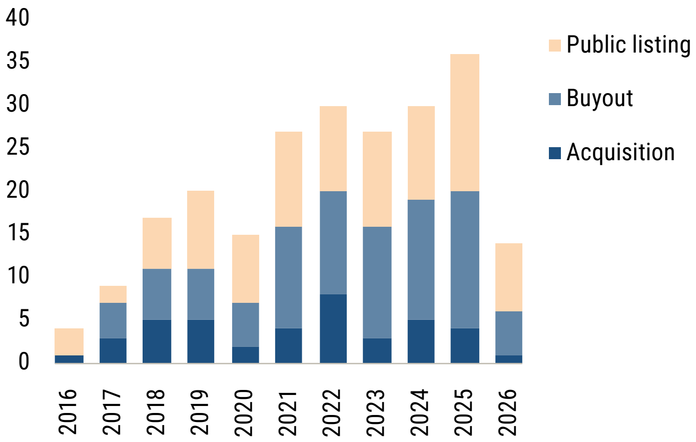
Source: PitchBook • Geography: Global • As of June 30, 2026

Provider operations PE deal count by type



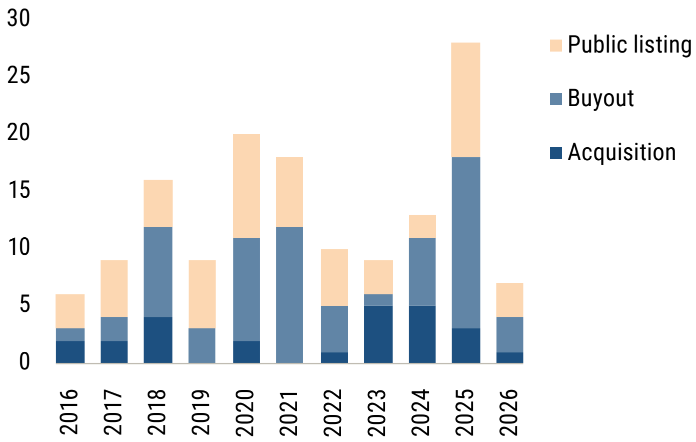
Source: PitchBook • Geography: Global • As of June 30, 2026

Virtual & remote care PE deal count by type



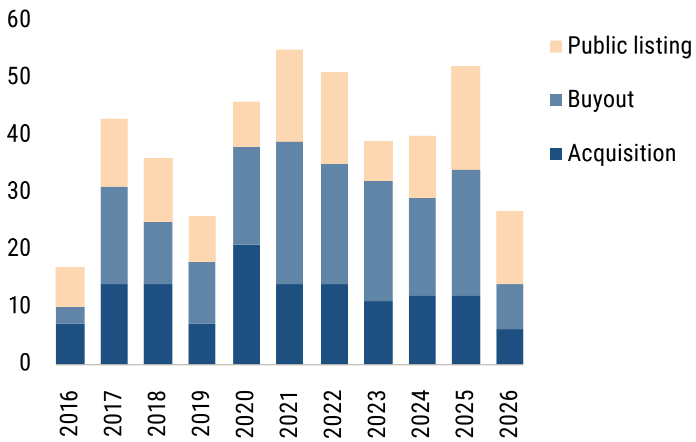
Source: PitchBook • Geography: Global • As of June 30, 2026

Analytics & value-based care PE deal count by type



Source: PitchBook • Geography: Global • As of June 30, 2026

Managed care PE deal count by type



Source: PitchBook • Geography: Global • As of June 30, 2026

Top strategic acquirers of healthcare IT companies since 2016

Investor	Deal count	Investor type	Country
CareCloud	4	Corporation	US
NeuroFlow	3	VC-backed company	US
WebMD	3	PE-backed company	US
Optum	3	Corporation	US
R1 RCM	3	PE-backed company	US
Centene	3	Corporation	US
CompuGroup Medical	2	PE-backed company	Germany
N. Harris Computer	2	Corporation	Canada
Clinisys Group	2	Corporation	UK
Docaposte	2	Corporation	France

Source: PitchBook • Geography: Global • As of June 30, 2026

Top healthcare IT PE investors since 2016

Investor	Deal count	Investor type	Country
TA Associates Management	64	PE/buyout	US
New Mountain Capital	55	PE/buyout	US
Ares Management	48	Asset manager	US
The Carlyle Group	44	PE/buyout	US
Francisco Partners	41	PE/buyout	US
Warburg Pincus	39	PE/buyout	US
Aquiline Capital Partners	36	PE/buyout	US
TPG	35	PE/buyout	US
Silversmith Capital Partners	34	Growth/expansion	US
Main Capital Partners	33	PE/buyout	Netherlands
Eir Partners	33	PE/buyout	US

Source: PitchBook • Geography: Global • As of June 30, 2026

References

1: "Thoreau Group Nears $12bn Acquisition of Ensemble Health Partners," Private Equity Wire, June 15, 2026.

2: Ibid.

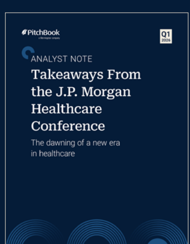
3: "Thermo Fisher Scientific Signs Agreement to Sell its Microbiology Business to Astorg," Thermo Fisher Scientific, April 27, 2026.

PitchBook provides actionable insights across the global capital markets.

Additional research:

Q2 2026 Analyst Note: AI Kills the RCM Star

Download the report here



Q1 2026 Analyst Note: Takeaways From the J.P. Morgan Healthcare Conference

Download the report here

PitchBook Insights is an online compendium of in-depth data, news, analysis, and perspectives that shape the private capital markets.

PitchBook subscribers enjoy exclusive access to a comprehensive suite of private market insights, including proprietary research, news, data, tools, and more on the PitchBook Platform.

Nizar Tarhuni
Executive Vice President of Research and Market Intelligence

Paul Condra
Senior Director, Global Head of Private Markets Research

James Ulan
Director, Industry & Technology Research

Report created by:

Brian Wright
Lead Research Analyst, Healthcare

Adi George
Associate Data Analyst

Drew Sanders
Senior Graphic Designer

Learn more about PitchBook's Institutional Research team.

Click here for PitchBook's report methodologies.