

# Life Sciences & Health Care Quarterly Update

Q4 2025



# Deloitte Corporate Finance’s Life Sciences & Health Care Practice

**Deloitte Corporate Finance LLC (DCF)** is a leading, global middle-market M&A adviser. Our professionals have extensive knowledge in the life sciences and healthcare spaces and use their experience to help clients enhance value.



## Life Sciences & Health Care Leadership



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## Firm overview

**#4** Global M&A Advisor ranked by deals completed in 2025.<sup>(1)</sup>

**478** Completed deals in 2025.

- Deep relationships in place to gain **critical strategic intelligence** and effectively market businesses.
- Worldwide, DCF has access to **2,400 Corporate Finance professionals** throughout the Deloitte Touche Tohmatsu Limited network of member firms in 60 countries that complement the North American team.



## Sector focus

- Health care services
- Health care technology
- Life sciences and pharma services
- Medical devices and supplies
- Payors and payor services

**Footnote(s):** (1) Refer to the appendix on slide 9 for sources.  
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# Deloitte thought leadership

## Deloitte thought leadership

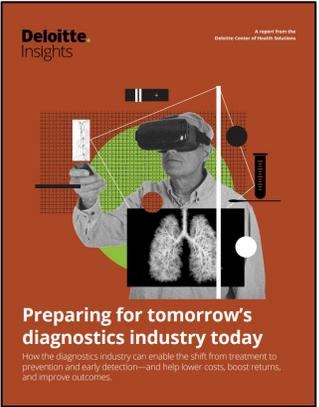
- Deloitte stays abreast of industry trends and makes significant investments in producing cutting-edge thought leadership.
- Deloitte is deeply committed to providing insights that help keep clients on the forefront of critical trends.
- Focused research on industry drivers and trends enables Deloitte to demonstrate eminence in the life sciences and health care market by redefining the lens through which industry leaders operate.

## Extensive knowledge network

- DCF leverages its expansive, cross-business knowledge network, extensive consulting reports, and in-depth industry research to help drive results and provide differentiated insights for our clients.



## Recent insights



# Health care services

## Sector trends <sup>(1)</sup>

US health care M&A deal value declined to \$46B in 2025 from \$62B in 2024, yet Q4 2025 rebounded sharply as buyers sought scale and innovation; with 950+ deals completed, activity points to a selective but healthy market and strategic acquirers showing confidence in durable health care assets. At the same time, hospital acquisitions of physician practices were associated with 3.3% higher hospital service prices and 15.1% higher physician prices, while integrated physicians' prices rose 9% after additional specialty acquisitions.

## Select recent M&A activity <sup>(2)</sup>

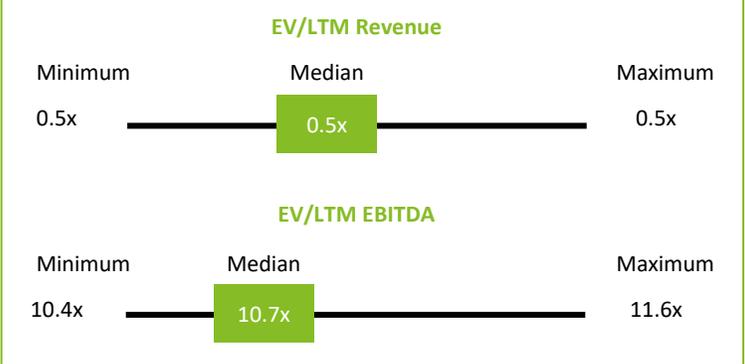
Close date	Target	Acquiror	Implied EV (\$M)
December 2025	OneOncology	Cencora (NYSE: COR)	\$7,400.0
October 2025	NeueHealth	New Enterprise Associates	\$1,319.4
October 2025	Summa Health	Health Assurance Transformation	\$515.0
November 2025	Tarrytown Expocare	The Carlyle Group (NAS: CG)	\$270.0
October 2025	Jennie Stuart Health	Deaconess Health System	\$95.0



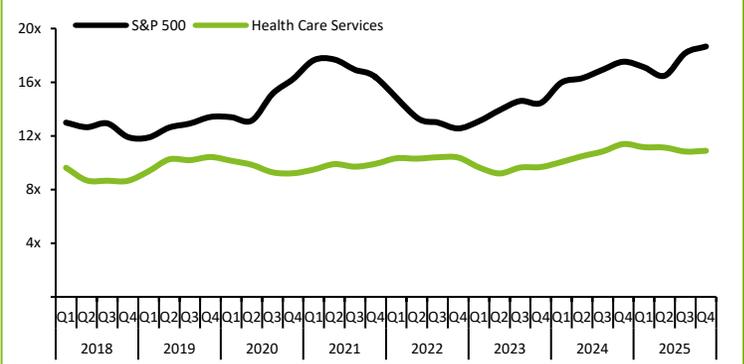
## Select public comparables <sup>(3)</sup>

Company name	Enterprise value (\$M)
HCA Healthcare, Inc.	\$155,774.1
Quest Diagnostics Inc.	\$25,397.8
DaVita Inc.	\$22,038.8
Encompass Health Corporation	\$14,127.9
Option Care Health, Inc.	\$6,077.4
Agilon Health, Inc.	\$5.5

## Sector trading metrics <sup>(4)</sup>



## Historical EV/EBITDA multiples <sup>(4)</sup>



Footnote(s): (1-4) Refer to the appendix on slide 9 for sources.  
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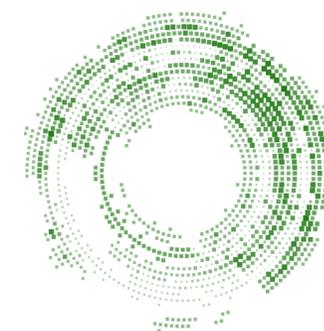
# Health care technology

## Sector trends<sup>(1)</sup>

Health care technology deal activity softened in Q4 2025, with capital concentrating in later-stage venture rounds. Venture deployment reached \$2.0B in Q4, and \$11.3B across 323 rounds in 2025, signaling continued activity but more selective underwriting. Ambient clinical documentation (AI scribing) accelerated as a high-ROI lever to reduce clinician documentation burden and burnout. At the same time, interoperability progress and heightened cybersecurity focus remained foundational themes as digital health and virtual care matured beyond basic telehealth visits into broader remote patient monitoring-enabled models.

## Select recent M&A activity<sup>(2)</sup>

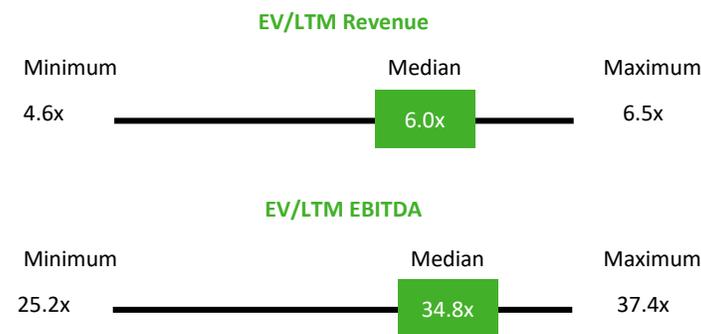
Close date	Target	Acquiror	Implied EV (\$M)
November 2025	Premier	Patient Square Capital	\$2,613.1
October 2025	Iodine Software	Waystar Health (NAS: WAY)	\$1,250.0
October 2025	DigitalOwl	Ardan Equity, Datavant, New Mountain Capital, Oxeon Partners	\$200.0
November 2025	AccessOne	Phreesia (NYSE: PHR)	\$160.0
October 2025	Monogram Technologies	Zimmer Biomet (NYSE: ZBH)	\$143.1



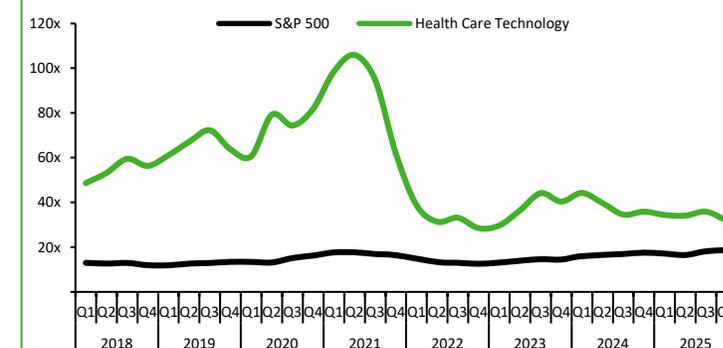
## Select public comparables<sup>(3)</sup>

Company name	Enterprise value (\$M)
Veeva Systems, Inc.	\$29,532.7
Claritev Corporation	\$5,180.4
Omnicell, Inc.	\$2,052.5
Teladoc Health, Inc.	\$1,567.0
Health Catalyst, Inc.	\$241.8
American Well Corporation	(\$103.6)

## Sector trading metrics<sup>(4)</sup>



## Historical EV/EBITDA multiples<sup>(4)</sup>



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# Life sciences and pharma services

## Sector trends <sup>(1)</sup>

Q4 2025 saw a clear resurgence in life sciences and biopharma dealmaking, with multiple multi-billion-dollar transactions driving overall momentum and pushing total M&A value sharply higher quarter-over-quarter. A flagship example was Abbott's announced ~\$21B acquisition of Exact Sciences, aimed at strengthening Abbott's position in cancer diagnostics. Sentiment in the sector remained cautiously optimistic, underpinned by continued digital and scientific innovation and strong focus on durable growth areas like oncology (including ongoing momentum in immunotherapies and related modalities). The sector also saw rapid expansion of the GLP-1 landscape into new indications, increasing competitive pressure and driving investment in next-generation and more convenient formulations.

## Select recent M&A activity <sup>(2)</sup>

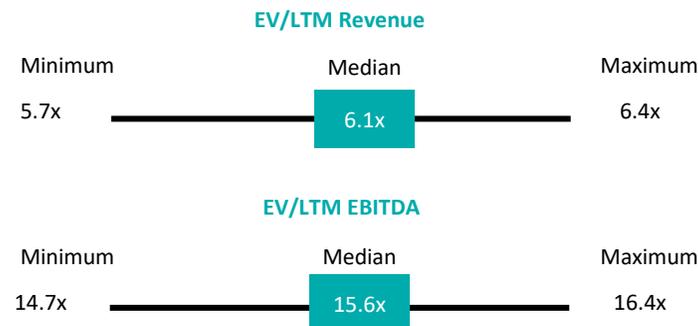
Close date	Target	Acquiror	Implied EV (\$M)
December 2025 <sup>(5)</sup>	Exact Sciences (NAS: EXAS)	Abbott (NYSE: ABT)	\$22,517.2
November 2025	Metsera	Pfizer (NYSE: PFE)	\$9,551.5
November 2025	Elektrofi	Halozyne Therapeutics (NYSE: HALO)	\$7,500.0
October 2025	Akero Therapeutics	Novo Nordisk (CSE: NOVO B)	\$3,578.9
December 2025	Halda Therapeutics	Johnson & Johnson (NYSE: JNJ)	\$3,050.0



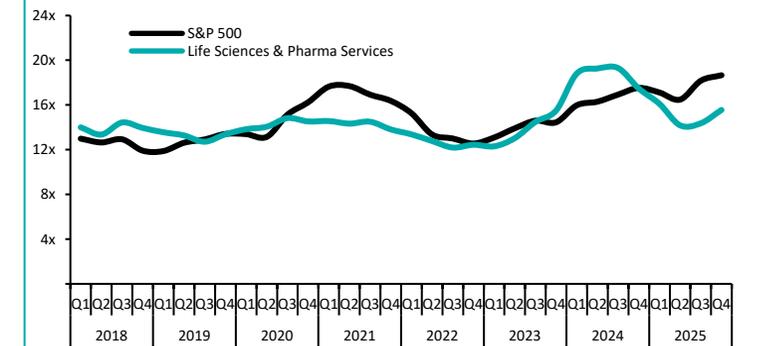
## Select public comparables <sup>(3)</sup>

Company name	Enterprise value (\$M)
AbbVie Inc.	\$468,500.0
Merck & Co., Inc.	\$287,428.3
Thermo Fisher Scientific Inc.	\$254,880.8
Amgen Inc.	\$221,569.8
Pfizer Inc.	\$190,413.1
IQVIA Holdings Inc.	\$51,776.5

## Sector trading metrics <sup>(4)</sup>



## Historical EV/EBITDA multiples <sup>(4)</sup>



**Footnote(s):** (1-4) Refer to the appendix on slide 9 for sources, (5) Definitive Agreement announced.  
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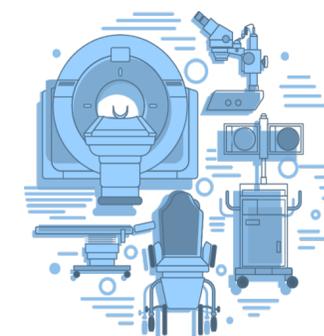
# Medical devices and supplies

## Sector trends <sup>(1)</sup>

The medical products and devices (MedTech) sector is being propelled by rising global health care spending, aging populations, and accelerating demand for technology-driven innovation, while continued robust M&A activity underscores confidence in durable growth fundamentals. While the MedTech sector as a whole has experienced healthy growth, supply chains are under mounting pressure to scale capacity, manage component constraints, and maintain quality and compliance—creating an urgent need for manufacturers to invest in resilient, scalable supply chain solutions that reduce disruption risk and support expansion. Investor interest remains high given the sector’s large addressable market, the recurring nature of many offerings, and compelling value creation opportunities across the outsourced medical device services ecosystem.

## Select recent M&A activity <sup>(2)</sup>

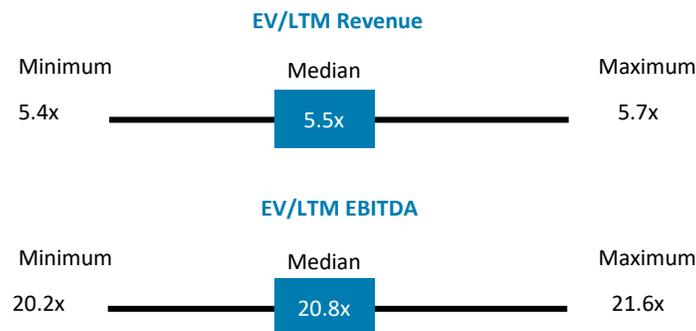
Close date	Target	Acquiror	Implied EV (\$M)
December 2025	Acera Surgical	Solventum (NYSE: SOLV)	\$900.0
October 2025	ZimVie	ARCHIMED	\$694.5
November 2025	Surmodics	GTCR	\$626.9
November 2025	ARK Diagnostics	ARCHIMED	\$428.0
October 2025	Southern Prosthetics Supply	Ares Management (NYSE: ARES), Patient Square Capital	N/A



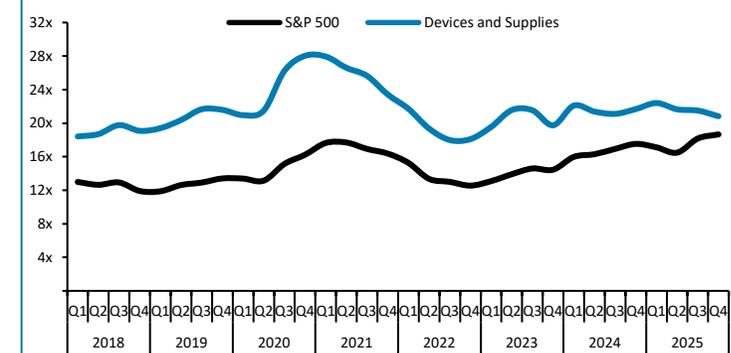
## Select public comparables <sup>(3)</sup>

Company name	Enterprise value (\$M)
Johnson & Johnson, Inc.	\$526,800.3
Abbott Laboratories Corporation	\$221,497.8
Stryker Corporation	\$146,942.3
Medtronic, Inc.	\$144,074.5
Becton, Dickinson and Company	\$74,911.0
Baxter International, Inc.	\$17,983.1

## Sector trading metrics <sup>(4)</sup>



## Historical EV/EBITDA multiples <sup>(4)</sup>



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# Payors and payor services

## Sector trends <sup>(1)</sup>

In Q4 2025, health care payers were still working through elevated medical cost pressure tied to higher utilization (e.g., emergency room, behavioral health, specialty drugs), keeping medical loss ratio (MLR) and margin management front-and-center. In Medicare Advantage, enrollment continued to grow (now a majority of eligible beneficiaries) but at a slower pace, with Special Needs Plans (SNPs) driving a disproportionate share of growth. At the same time, risk adjustment scrutiny intensified, pushing payers and payer-services firms to double down on payment integrity (including a shift toward pre-payment validation) and broader AI/automation to improve accuracy, speed, and compliance.

## Select recent M&A activity <sup>(2)</sup>

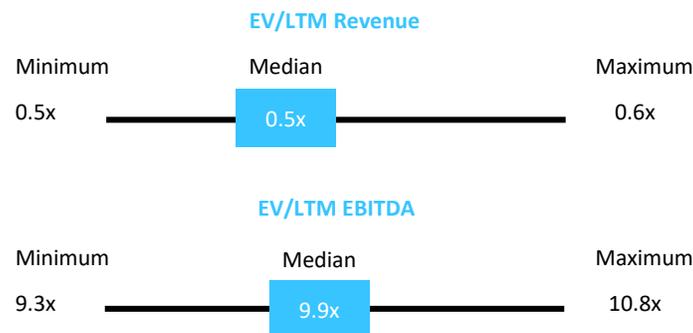
Close date	Target	Acquiror	Implied EV (\$M)
November 2025	Abt Insurance Agency	Senior Market Sales	N/A
November 2025	AXIOM Systems	Huron Consulting Group (NAS: HURN)	N/A
October 2025	CerpassRx	LucyRx	N/A
November 2025	Clarity Performance Solutions	MDI NetworX	N/A
October 2025	Custom Case Management	NMS Capital, VONA Case Management	N/A



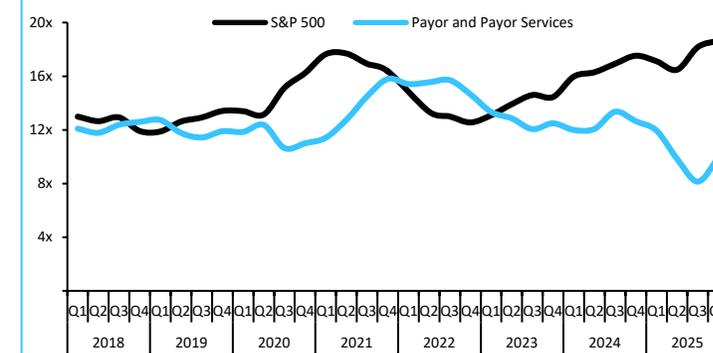
## Select public comparables <sup>(3)</sup>

Company name	Enterprise value (\$M)
UnitedHealth Group, Inc.	\$367,676.1
Elevance Health, Inc.	\$102,246.1
The Cigna Group Corporation	\$101,901.2
Humana, Inc.	\$39,430.8
Centene Corporation	\$21,167.6
Molina Healthcare, Inc.	\$8,803.8

## Sector trading metrics <sup>(4)</sup>



## Historical EV/EBITDA multiples <sup>(4)</sup>



Footnote(s): (1-4) Refer to the appendix on slide 10 for sources.  
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# Appendix

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  - a. [S&P Capital IQ](#). Accessed January 2026. Data as of December 31, 2025.



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