TPG to Acquire Leading Specialty Healthcare IT Platform Nextech

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SAN FRANCISCO & FORTH WORTH, Texas--(BUSINESS WIRE)--Jul. 19, 2023-- TPG, a global alternative asset management firm, announced today that it has signed a definitive agreement to acquire Nextech, a leading provider of clinical and administrative healthcare technology solutions for specialty physician practices, from Thomas H. Lee Partners (THL) for $1.4 billion. TPG is investing in Nextech through TPG Capital, its U.S. and European late-stage private equity platform.

“Nextech’s goal is to simplify the healthcare experience so physicians can focus on what matters most: their patients,” said Bill Lucchini, CEO of Nextech. “In TPG, we have found a partner who supports our mission to simplify the process of delivering excellent care and who brings to our organization distinct experience building businesses in the healthcare and software sectors. We’re excited to work together to grow our capabilities and strengthen our position as the end-to-end technology platform for specialty care providers.”

Nextech provides comprehensive electronic medical record and practice management software to specialty physician practices. The company’s intelligent, cloud-based solutions are designed to meet the unique workflow requirements of its customers, helping specialty practices enhance operations and better support patient care and satisfaction using a single, integrated platform.

“Our investment in Nextech builds on our thematic focus on healthcare IT solutions that enhance provider productivity and enable high-quality patient care across settings,” said TPG’s Katherine Wood and Art Heidrich. “Nextech’s SaaS and payment solutions are purpose-built for specialty providers and create meaningful workflow and efficiency benefits for its customers. We look forward to partnering with Bill and the Nextech team to expand the reach and impact of the platform.”

Leveraging the insights of its healthcare and software teams, TPG has a long history of backing and growing leading healthcare IT companies. Select investments have included Lyric (formerly known as ClaimsXten), WellSky, and IQVIA.

“Nextech has pioneered first-in-class software that empowers physicians to singularly focus on providing high-quality care to their patients,” said THL’s Ganesh Rao and Mark Bean. “We deeply value our partnership with the Nextech team, and we’re proud of the work we’ve done together to build such a great company. We know that they are well-positioned for continued success as they embark on the next leg of their journey with TPG.”

The transaction is subject to regulatory review and the satisfaction of customary closing conditions, and is expected to close in the third quarter of 2023. TripleTree, LLC, Guggenheim Securities, LLC, and UBS Investment Bank served as financial advisors to TPG, and Ropes & Gray LLP served as legal counsel. William Blair served as lead financial advisor to Nextech and THL, and Raymond James and Jamieson served as financial advisors. Kirkland & Ellis served as legal counsel to Nextech and THL.

About Nextech

Nextech is the complete healthcare technology solution for specialty providers. Since 1997, Nextech has been focused on delivering innovative solutions and services that drive efficiency, fuel growth, and enhance the patient care experience. Nextech services more than 11,000 physicians and over 60,000 office staff members in the clinical specialties of Dermatology, Ophthalmology, Orthopedics, Plastic Surgery, and Med Spa.

About TPG

TPG (NASDAQ: TPG) is a leading global alternative asset management firm, founded in San Francisco in 1992, with $137 billion of assets under management and investment and operational teams around the world. TPG invests across five multi-strategy platforms: Capital, Growth, Impact, Real Estate, and Market Solutions and our unique strategy is driven by collaboration, innovation, and inclusion. Our teams combine deep product and sector experience with broad capabilities and expertise to develop differentiated insights and add value for our fund investors, portfolio companies, management teams, and communities. For more information, visit www.tpg.com.

About Thomas H. Lee Partners

Thomas H. Lee Partners, L.P. (“THL”) is a premier private equity firm investing in middle-market growth companies exclusively within three sectors: Healthcare, Financial Technology & Services, and Technology & Business Solutions. THL couples deep sector expertise through an Identified Sector Opportunity (“ISO”) process with dedicated internal operating resources from its Strategic Resource Group (“SRG”) to transform and build great companies of lasting value in partnership with management. The Firm’s domain expertise and resources help to build great companies with an aim to accelerate growth, improve operations and drive long-term sustainable value. Since 1974, THL has raised more than $34 billion of equity capital, invested in over 160 companies, and completed more than 500 add-on acquisitions representing an aggregate enterprise value at acquisition of over $210 billion.

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