



Q1-2011 HOME HEALTHCARE INDUSTRY UPDATE

PAST PROVIDENT CLIENT, EPIC MEDSTAFF SERVICES, ACQUIRES PYRAMED HEALTH SERVICES

Webster Capital, through its portfolio company Epic MedStaff Services, Inc., has completed the acquisition of Pyramed Health Services, a home healthcare provider specializing in caring for medically fragile and chronically ill infants and children. Pyramed is a natural fit for Epic, a Texas provider of home healthcare services to chronically ill children and adults. Epic has been a portfolio company of Webster Capital since August 2010. Provident Healthcare Partners acted as exclusive financial advisor to Epic in this transaction.

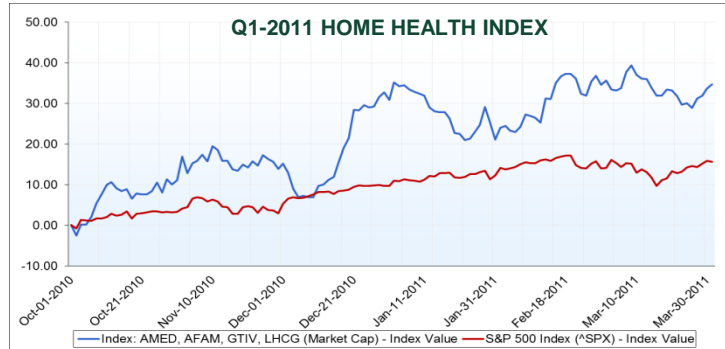
UPCOMING EVENT - Home Health M&A Conference

Date: April 28 – 29, 2011

Location: Chicago, IL

Provident Healthcare Partners will be in attendance to discuss mergers and acquisitions trends and activity within the home health industry. For additional details, please contact Justin Hand at 617-742-9800 or email: jhand@providenthp.com. We look forward to seeing you there!

Below is a chart displaying the performance of an index of home health providers to the S&P 500 over the past six months. Despite the challenges facing the top providers, the industry has outperformed the S&P over this period.



RECENT TRANSACTIONS

Month	Acquirer	Target Company	Details
March 2011	Almost Family, Inc.	Caregivers Health Network, Inc.	Almost Family, Inc. has acquired Caregivers Health Network, Inc., a Cincinnati-based home health agency. Almost Family provides home health nursing services at more than 110 branch locations in eleven states. Caregivers Health Network generated approximately \$5 million in revenue during its most recent fiscal year. The terms of the deal were not disclosed.
February 2011	WellDoc, Inc.	Oncology Care Home Health Specialists, Inc.	Oncology Care Home Health Specialists, Inc. has been acquired by WellDoc, Inc., a healthcare company that develops technology-based solutions to improve clinical outcomes and reduce healthcare costs. The new subsidiary of WellDoc, renamed Oncology Care Home Health, will remain a comprehensive education and consulting company dedicated to helping home health providers implement specialized oncology programs. The specific financial terms of the deal were not disclosed.
January 2011	Epic MedStaff Services, Inc.	Pyramed Health Services	Epic MedStaff Services, Inc., a portfolio company of Webster Capital, has acquired Pyramed Health Services. Pyramed Health Services, founded in 2005 and headquartered in San Antonio Texas, is a home health provider operating the state of Texas. The financial terms of the deal were not disclosed.
January 2011	CarePoint Partners, LLC	ivA Lifetec	CarePoint Partners, LLC, a portfolio company of Waud Capital Partners, LLC, has acquired ivA Lifetec (Lifetec). Lifetec provides a range of home infusion therapies including antibiotics, IVIG and nutrition. The Company is based in Houston and maintains a strong market presence throughout the Houston metropolitan area, the sixth-largest addressable market in the United States. The specific financial terms of the deal were not disclosed.
January 2011	Harden Healthcare	Faith Home Health and Hospice, LLC	Faith Home Health and Hospice, LLC has been acquired by Harden Healthcare. Faith Home Health and Hospice is a home health and hospice company with offices in Wichita and Hutchinson, Kansas. Harden Healthcare, headquartered in Austin, Texas, operates five companies that provide services such as home healthcare, pharmacy and rehabilitation. This acquisition is the second home healthcare acquisition in the past year for Harden with Wichita connections. The financial terms of the deal were not disclosed.
January 2011	Oak Hill Capital Partners	AccentCare, Inc. Guardian Home Care Holdings, Inc.	Private Equity firm Oak Hill Capital Partners has acquired AccentCare, Inc. a leading provider of home healthcare services for an undisclosed amount of money. In conjunction with this transaction, AccentCare has acquired Guardian Home Care Holdings, Inc. a leading provider of comprehensive home care and hospice services, from Friedman Fleischer & Lowe. The combination of AccentCare and Guardian Home Care has created one of the largest operators in the industry, with an expanded geographical footprint and extremely diversified service offerings. The financial terms of the deal were not disclosed.

Announced Transactions

February 2011	Kindred Healthcare Inc.	RehabCare Group Inc.	Kindred Healthcare Inc., a healthcare services company, and RehabCare Group Inc., a leading national provider of post-acute services, have signed a definitive merger under which Kindred will pay \$900 million in cash and stock to acquire RehabCare Group. RehabCare stockholders will receive \$26 in cash and 0.471 Kindred shares for each of their shares of RehabCare stock. The deal will create the largest "post-acute" health company in the country, with more than \$6 billion in revenue and operations in 46 states
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