



July 20, 2020

Sarnova to Acquire and Simultaneously Combine Digitech and R1 EMS Businesses in Partnership with Pamlico Capital and Digitech Founder & CEO Mark Schiowitz

Combination Creates Leading Emergency Medical Services Revenue Cycle Management Provider

DUBLIN, Ohio – Sarnova announced today that it will acquire and simultaneously combine Digitech and the R1 RCM Inc. (“R1”) EMS business (formerly ADPI/Intermedix), in partnership with Pamlico Capital and Digitech Founder and CEO Mark Schiowitz, to create a leading provider of revenue cycle management (RCM) solutions for emergency medical services (EMS) professionals. The business will continue to operate under the Digitech name and will be led by Mark Schiowitz and the combined management teams.

Sarnova is a leading national specialty distributor of healthcare products and services for the EMS and acute care markets. Sarnova’s Bound Tree Medical division has been a dedicated servant of the EMS community and committed to its mission “to help those who save and improve patients’ lives” for over 40 years. *“We are committed to providing an unparalleled portfolio of products and services to our existing and new EMS customers, and this transaction is a significant demonstration of that commitment,”* said Jeff Prestel, CEO of Sarnova. *“We invest in companies and capabilities that specifically serve the EMS industry with the best products, services, and support,”* said Mark Dougherty, Chief Business Development Officer of Sarnova. *“We are excited to support Digitech’s growth through continued investment in its innovative technology platform and expansion of its dedicated team of EMS billing experts.”*

Digittech, headquartered in Chappaqua, New York and led by Founder and CEO Mark Schiowitz since 1984, offers comprehensive RCM services and technology solutions focused exclusively on the EMS market. Digitech serves municipalities, hospitals, and private ambulance customers through innovative technology, time-tested processes, and true partnerships with EMS clients. *“We are solely dedicated to serving the EMS industry with our billing solutions, and we are excited to serve a wider range of EMS providers with the acquisition of the R1 EMS business,”* said Mark Schiowitz. *“With investment from Sarnova and Pamlico, we have a unique opportunity to bring two great EMS RCM companies together to further support the success of our current and future customers by maximizing their revenue with superior technology, integration expertise, and transparent real-time reporting.”*

“We look forward to partnering with Pamlico Capital, Mark Schiowitz, and the Digitech and Sarnova teams to support Digitech’s next phase of growth and advance Sarnova’s commitment to be the partner of choice for the EMS community,” said Yuriy Prilutskiy, Managing Director at Patricia Industries, a part of Investor AB and majority owner of Sarnova.

Pamlico Capital, an investor in Digitech since 2019, will retain a significant interest in the business alongside Sarnova and Mark Schiowitz. *“We are incredibly excited to continue our investment in Digitech and we look forward to helping Digitech, in partnership with Sarnova, increase its presence in the EMS industry and continue to innovate its core offerings,”* said Art Roselle, Pamlico Partner.

PO Box 8023
Dublin, OH 43016

phone 614.760.5000
fax 614.760.5010



Sarnova was represented by Robert W. Baird & Co. Inc (financial advisor) and Simpson Thacher & Bartlett LLP (legal advisor). Pamlico was advised by Alston and Bird LLP (legal advisor). R1 was advised by Evercore (financial advisor) and Winston & Strawn LLP (legal advisor).

About Sarnova

Sarnova is the leading national specialty distributor of healthcare products in the emergency medical services (EMS) and acute care markets. The company is comprised of four major business units: Bound Tree Medical, Cardio Partners, Emergency Medical Products and Tri-anim Health Services. Sarnova is a company of Patricia Industries, a part of Investor AB, which makes significant investments in best-in-class companies with strong market positions, brands and corporate cultures. For more information, visit www.sarnova.com

About Digitech

Digitech is a leading provider of advanced billing and technology services to the EMS transport industry. Since its founding in 1984, Digitech has refined its software platform to create a cloud-based billing and business intelligence solution that monitors and automates the entire EMS revenue lifecycle. Digitech leverages its proprietary technology to offer fully outsourced services that maximize collections, protect compliance, and deliver results for clients. For more information, visit <https://digitechcomputer.com/>

About R1 RCM and R1 EMS

R1 RCM is a leading provider of technology-enabled revenue cycle management services which transform a health system's revenue cycle performance across settings of care. R1 EMS, formerly known as Intermedix, provides solutions for EMS agencies to help them optimize revenue while promoting superior patient care – from dispatch to discharge. R1 EMS offers comprehensive revenue cycle management services and solutions that provide EMS agencies with billing, coding, collections, dashboards and reporting support. For more information, visit <https://www.r1rcm.com/>

About Patricia Industries

Patricia Industries, a part of Investor AB, makes control investments in leading companies with strong market positions, brands and corporate cultures within industries positioned for secular growth. Our ambition is to be the sole owner of our companies, together with strong management teams and boards. We invest with an indefinite holding period, and focus on building durable value and capturing organic and non-organic growth opportunities.

About Pamlico Capital

Pamlico Capital is a private equity firm founded in 1988 that invests in lower middle market companies in the U.S. Pamlico Capital seeks control-oriented growth equity investments alongside proven management teams in its target industries: business & technology services, communications, and healthcare. Since inception, the firm, based in Charlotte, NC, has invested over \$3 billion. For more information, visit <https://www.pamlicocapital.com/>

Sarnova Media Contact:

Beth Scott, Director of Marketing Communications
Phone (614) 760-5000
beth.scott@sarnova.com