



Greenway Med Tech merges with Vitera Healthcare

By Pamela Taulbee, Sep-24-2013

Vista Equity Partners will acquire all outstanding **Greenway Medical Technologies Inc.** common stock for \$644 million, to take Greenway private in a merger with Vista's portfolio company, **Vitera Healthcare Solutions**.

The merged health information technology business will be called Greenway Medical Technologies and the products and services of Greenway and Vitera will be marketed under the Greenway brand. Greenway will serve nearly 13,000 medical organizations and 100,000 providers.

The price represents a 62% premium to Greenway's 90-day volume weighted average stock price, and a 20% premium to its closing share price the day before the parties signed the merger agreement.

The parties expect the transaction to close in the fourth quarter.

Tee Green, president and CEO of Carrollton, Georgia-based Greenway, said the deal will "accelerate the execution of our clearly defined strategy of leading the electrification of healthcare, engaging consumers in the management of their own health and continuing to partner with providers to develop the tools to improve population health."

Information technology systems have become increasingly important to healthcare service providers, Chris Jedrey, partner with McDermott, Will & Emery LLP, told The Deal. As healthcare reform kicks in, larger organizations will have an advantage in meeting quality and pricing standards. They can better spread the cost of infrastructure required for IT and managed care operations, he noted.

Greenway's PrimeSUITE is a certified, single-database electronic health record, practice management and interoperability solution platform. Tampa, **Florida**-based Vitera provides end-to-end clinical and financial technology solutions, processing 33 million transactions and 2 million e-prescriptions monthly.

"This transaction presents an opportunity to offer even greater value to our customers," Matthew Hawkins, president and CEO of Vitera, said in a statement. Combining the businesses "demonstrates our intense focus on growth and our commitment to provide current and prospective customers with proven, integrated and easy-to-use solutions they need to grow profitably, increase practice efficiencies and improve patient outcomes in this ever-changing health care environment."

The agreement calls for an affiliate of Vista to commence a tender offer for all outstanding shares of Greenway's common stock. Greenway's largest stockholders and directors, holding

nearly 51% of shares, have agreed to tender their shares and vote in favor of the merger. Closing is conditioned on satisfaction of a minimum tender condition, antitrust clearance and other customary conditions, but financing is not one of them.

Jefferies LLC and **BMO Capital Markets** are providing debt financing in the transaction. Legal advisers to Vista Equity Partners were **Kirkland & Ellis LLP's** David Breach, Daniel Wolf, Joshua Zacharia and Stuart Casillas and intellectual property partner John Lynn.

Greenway's financial advisers included **JPMorgan Securities Inc.'s** Stanislav Byhovskiy and Jay Hoffman. Legal advisers were Paul Hastings LLP's Rey Pascual, litigation partner Kevin Logue and associates Brian Teras and Stewart Moran.