

Transaction Announcement

Ponder & Co. ("Ponder") is pleased to announce that Brazosport Regional Health System ("BRHS") has become part of CHI St. Luke's Health ("CHI St. Luke's"). Through the affiliation, BRHS and CHI St. Luke's will enhance services and expand access to care for Lake Jackson area residents and the greater Houston metropolitan area. BRHS will also benefit from CHI St. Luke's partnerships with Baylor College of Medicine and the Texas Heart® Institute.

Brazosport Regional Health System

Founded in 1961, BRHS in Lake Jackson, Texas, is a multifaceted healthcare system that provides a range of diagnostic, medical and surgical services. BRHS includes a general acute care hospital licensed for 158 beds, a 10,000 square foot cancer center and jointly owns a stand-alone 30,000 square foot medical office building. BRHS's net revenue was \$82.1 million in fiscal year 2014.

CHI St. Luke's Health

CHI St. Luke's Health, part of Catholic Health Initiatives ("CHI"), is comprised of three markets—CHI St. Luke's Health is home of the Texas Heart® Institute, six hospitals, three emergency centers, Diagnostic & Treatment Center, Radiation & CyberKnife® Center, and several St. Luke's Medical Group locations throughout Greater Houston; CHI St. Luke's Health Memorial (three hospitals and a long-term acute care facility in East Texas); and St. Joseph Health System (five hospitals and several St. Joseph Medical Group locations across Brazos Valley).

Catholic Health Initiatives

Based in Englewood, CHI, is a nonprofit, faith-based health system formed in 1996 through the consolidation of four Catholic health systems. CHI, the nation's second-largest nonprofit health system, operates in 19 states and comprises 102 hospitals, including four academic health centers and major teaching hospitals as well as 30 critical-access facilities; community health-services organizations; accredited nursing colleges; home-health agencies; living communities; and other facilities and services that span the inpatient and outpatient continuum of care.

Ponder's Role

Ponder's M&A Group advised BRHS on the transaction, managed the controlled auction process and negotiated the terms and conditions of the affiliation agreement. As part of the agreement, CHI St. Luke's will make a capital investment in BRHS.

Ponder & Co.

Ponder & Co. provides M&A and Capital Advisory services to more than 150 non-profit hospital and healthcare system clients. Ponder has completed more than 100 M&A engagements involving acute and specialty hospitals, senior health and housing facilities, long-term acute care facilities, ambulatory surgery centers and behavioral health facilities. Transactions have ranged from \$10 million to \$1.5 billion in value.



has joined:



Imagine better health.™

The undersigned acted as exclusive financial advisor to Brazosport Regional Health System



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Ponder's M&A advisory services include:

- Strategic option assessments
- Partnerships, joint ventures and strategic alliances
- Mergers, acquisitions and divestitures
- Business valuations and fairness opinions
- Board and special committee assignments
- Real estate transaction services

Contact Us

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