

## HEALTHCARE

The healthcare sector has been an important part of the U.S. economy for decades, but due in part to the COVID-19 pandemic, National Health Expenditures (NHE) grew 9.7% to \$4.1 trillion in 2020, accounting for 19.7% of the Gross Domestic Product (GDP). Medicare spending expanded 3.5% to \$829.5 billion, Medicare leapt 9.2% to \$6.71 billion, and federal government spending for healthcare grew an astonishing 36% in 2020, dwarfing the 5.9% growth in 2019. Just prior to the pandemic, the U.S. Census reported that the healthcare and social assistance sector was the largest employer in the country, with more than 20 million employees and over \$1 trillion in payroll.

At the same time that healthcare providers are managing unprecedented challenges in responding to the global pandemic, they are also faced with a formidable array of regulatory, market, and financial challenges. The industry is changing at lightning speed and in fundamental ways. Every segment of the healthcare industry is having to redesign how it delivers complex care that must be safely and efficiently integrated with other sectors and providers.

Healthcare delivery and reimbursement are making fundamental shifts and vertical consolidation is increasing at a rapid pace as systems, health plans, and other healthcare providers address some of the industry's biggest challenges. Telehealth and other digital care solutions are opening new horizons. The massive shifts in the healthcare marketplace have provided both opportunity and compelling reasons for consolidation. In the first quarter of 2021, healthcare M&A deals were up more than 50% over Q1 2020.



In this rapidly evolving business landscape, the Weintraub Healthcare group provides experienced counsel in complex healthcare-related mergers & acquisitions, joint ventures, Medicare and Medi-Cal enrollment and certification matters, and guidance on the full spectrum of agreements and regulatory matters that their clients face. Their healthcare clients reflect a broad spectrum of entities and their investors, such as medical foundations, health systems, surgery centers, behavioral health providers, independent practice associations, home health providers, and private equity/venture capital investors in various healthcare sectors. The attorneys in the Healthcare group often serve as general counsel/transactional counsel/healthcare regulatory counsel to established businesses, startups, and private or public consolidators of various healthcare providers. Learn more about the services provided by our Healthcare group on our Healthcare Practice page.

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