

Available for Acquisition

Management Services Organization with Affiliates

Large City, East Texas

Description:

In business for many years, this Management Services Organization (MSO) is comprised of several different operating entities including medical, managed care (in an Accountable Care Organization, also known as an ACO), physical therapy, practice management and an accounts receivable purchasing company – all function as a single cohesive business. While the Company is primarily focused in medical and industrial medicine for local companies, including personal injury, often the connections with patients develop into family doctor relationships. Services include general medical services, X-ray, MRI (subcontracted), physical therapy, chiropractic, pain management, orthopedic and neurological surgical services, psychological and lab services, plus hormones therapy, aesthetics, and skin care; and more recently cardiological services. The MSO effectively receives all its net cash flows from medical services.

Management:

The Company has a full management infrastructure with standard processes and procedures. There are several key employees in place. A 3-person team targets new business accounts for workers compensation incidents and other services and also develops and deepens attorney referral sources. The owners, who are not critical to running the business, plan to retire. Each spends only 15 to 20 hours a week working in collaboration with the Company's COO, making major decisions and doing some public relations.

This Combined Statement is presented on the income tax (cash) from the tax returns and/or preliminary financials of 6 entities. Intercompany income and expenses were eliminated.	P & L Stmt.		Tax Returns		Tax Returns		Tax Returns		Tax Returns	
	12 Months Preliminary	12/31/2023	12 Months Reported	12/31/2022	12 Months Reported	12/31/2021	12 Months Reported	12/31/2020	12 Months Reported	12/31/2019
	\$	%	\$	%	\$	%	\$	%	\$	%
GROSS REVENUE	\$ 12,200,721	100%	\$ 12,169,018	100%	\$ 10,155,865	100%	\$ 10,273,925	100%	\$ 8,927,595	100%
OPERATING EXPENSES	\$ 9,950,846	82%	10,961,907	90%	9,746,161	96%	8,928,665	87%	8,388,097	94%
NET INCOME BEFORE TAX	\$ 1,922,604	16%	970,078	8%	409,704	4%	1,345,260	13%	539,498	6%
ADJUSTMENTS	\$ 685,012	6%	1,940,748	16%	869,010	9%	958,097	9%	512,505	6%
ADJUSTED EBITDA	\$ 2,607,615	21%	\$ 2,910,826	24%	\$ 1,278,714	13%	\$ 2,303,357	22%	\$ 1,052,003	12%

Acquisition Highlights	
<ul style="list-style-type: none"> • \$12.2M Cash Basis Revenues (Collections) for 2023; Charges: 33.1M • \$2.6M Adjusted EBITDA for 2023 • \$2.9M Adjusted EBITDA on \$12.17M Cash Basis Revenues (2022 Actual); Charges: \$32.2M • Included as working capital with the buyer's acquisition of business is 100% of AR; currently approximately \$55.7M+ in face value. An estimated \$15.4M is collectible (based on historical collection patterns). Reduces buyer's risk; plus, AR is not security for any loans. Should help with acquisition financing. • Clean, cash-basis books; no long-term debt • Several key employees are in place and owners will assist in the transition. • Solid, well-established business; for over 35 years • Specialized niche makes marketing more targeted and efficient. 	<ul style="list-style-type: none"> • Varied Services <ul style="list-style-type: none"> ○ General Family Medical Services ○ X-ray ○ MRI (subcontracted) ○ Physical Therapy ○ Chiropractic ○ Pain Management Orthopedic and Neurological Surgical Services ○ Lab services / Drug Testing ○ Hormone Therapy ○ Aesthetics / Skin Care & IV Drip Therapy • Locations: All clinics are located near freeways for high traffic visibility and easy access. The facilities are all leased and have renewal options. • Estimated value of fixed assets: \$600K • This business is poised for the next level of growth under new, energized leadership. • Located in a fast-growing and business- and tax-friendly city in east Texas.