

CNSI and Kepro Announce Merger to Create Leading Healthcare Solutions Company

CNSI and Kepro Announce Merger to Create Leading Healthcare Solutions Company

Combined company to drive improvements in health outcomes through technology enablement, data analytics, and clinical expertise

McLean, VA, and Nashville, TN, November 9, 2022 – CNSI, a leading provider of innovative healthcare technology products and solutions, and Kepro, a leading provider of technology-enabled care management, quality oversight, and clinical assessment services announced an agreement to merge. The combined company will help government-sponsored healthcare agencies and payers expand healthcare access, enhance quality, improve health outcomes, and lower costs through its clinical services, provider management, health claims and encounter processing, interoperability, and health analytics services and solutions. CNSI is backed by funds advised by global investment firm Carlyle (NASDAQ: CG), and Kepro is a portfolio company of funds advised by Apax Partners LLP (“Apax Funds”), which will be exiting its investment through this transaction.

Todd Stottlemeyer, CNSI’s CEO, will lead the new company. Susan Weaver, MD, Kepro’s President and CEO, will become President. Both leaders will sit on the company’s board of directors.

“The combination of CNSI and Kepro aligns with the strategic objectives of both companies to deploy technology-enabled products, solutions, and services that help our clients achieve their mission and better serve their priority

populations,” said Stottlemeyer. He added: “I am excited about our ability to provide a full array of services and solutions that will help our clients meet the holistic health needs of those they serve.”

“Healthcare is changing rapidly, and we believe the combination of our capabilities will help our clients meet and adapt to these changes,” said Dr. Weaver. “Kepro gains a partner with extensive large-scale, systems implementation experience, and CNSI gains a partner with deep clinical expertise. Together our employees will also benefit with new opportunities to diversify their skillsets and advance their careers,” Weaver added.

Dayne Baird, CNSI board member and managing director at Carlyle, said: “We are incredibly excited by the combination of these two highly differentiated businesses and the opportunity to partner with Todd, Susan, and their talented leadership teams. The combination brings CNSI’s leading health technology capabilities together with Kepro’s clinical expertise and unique service offerings, allowing the company to better serve its clients and improve care quality and health outcomes.”

Andrew Cavanna, Kepro board member and partner at Apax, said: “We are proud to have supported Kepro in its evolution over the past five years. Through the leadership of Susan and her management team, the business grew its capabilities and the value it delivers to its customers. We wish the combined company every success in the future.”

CNSI is headquartered in McLean, VA, and Kepro is headquartered in Nashville, TN. Both locations will be maintained. The newly merged company will rebrand in early 2023.

The new company is backed by Carlyle (NASDAQ: CG), a global investment firm. Latham & Watkins LLP acted as legal advisor

to CNSI and Carlyle. Centerview Partners acted as an investment advisor to Kepro and Apax, and Kirkland & Ellis served as legal advisor to both Kepro and Apax. The transaction is expected to close in December 2022, subject to customary closing conditions.

About CNSI

[CNSI](#) delivers a broad range of health information technology enterprise solutions and products to a diverse base of state and federal agencies in the United States that help clients achieve their mission, enhance business performance, reduce costs, and improve the health of individuals and communities. Headquartered in McLean, VA, CNSI's global workforce includes 1,200 employees, including a world-class team of technologists, program managers, and subject matter experts with large-scale, mission-critical information technology implementation experience.

About Kepro

Founded in 1985 by physicians, [Kepro](#) provides technology-enabled services for priority populations to help them remain in the home or community of their choice. Kepro partners with government and private healthcare payers to maximize healthcare quality, improve accuracy, and increase efficiency. The company's three core solution lines, care management, quality oversight, and assessments and clinical eligibility, ensure that clients' beneficiaries receive the right care delivered in the right place at the right time. Kepro's workforce numbers over 1,700 employees, including 600 full-time clinicians, across 17 U.S.-based offices, as well as a network of 4,500 physicians and 450 clinicians who serve on their advisory and review panels.

About Carlyle

Carlyle (NASDAQ: CG) is a global investment firm with deep industry expertise that deploys private capital across three business segments: Global Private Equity, Global Credit and Global Investment Solutions. With \$369 billion of assets under management as of September 30, 2022, Carlyle's purpose is to invest wisely and create value on behalf of its investors, portfolio companies and the communities in which we live and invest. Carlyle employs more than 2,100 people in 29 offices across five continents. Further information is available at www.carlyle.com. Follow Carlyle on Twitter [@OneCarlyle](https://twitter.com/OneCarlyle).

About Apax Partners

Apax Partners LLP ("Apax") is a leading global private equity advisory firm. For 50 years, Apax has worked to inspire growth and ideas that transform businesses. The firm has raised and advised funds with aggregate commitments of more than \$60 billion. The Apax Funds invest in companies across four global sectors of Tech, Services, Healthcare, and Internet/Consumer. These funds provide long-term equity financing to build and strengthen world-class companies. For further information about Apax, please visit www.apax.com.

#

CNSI Contact:
Kelly Schlageter
571-241-6342

Kepro Contact:
Jay Toth

847-636-1649

Carlyle Contact:
Brittany Berliner
212-813-4839

Apax Contact:
Luke Charalambous
+44 20 7872 6494