

## Mayer Brown Reps Healthcare Solutions In \$517M Sale

By Jocelyn Allison

*Law360, New York (June 09, 2010)* -- Cardinal Health Inc. said Wednesday that it plans to purchase Healthcare Solutions Holding LLC for at least \$517 million as part of an effort to expand its presence in the market for specialty pharmaceuticals services.

The agreement also includes possible earnout payments of up to \$150 million over the next three years, the company said. The deal is expected to close in the beginning of Cardinal's 2011 fiscal year, which starts July 1.

Healthcare Solutions Holding is the parent company of P4 Healthcare and P4 Pathways, which provide health care management services such as billing and coding tools, continuing medical education, guides for patients and market data.

Cardinal chairman and CEO George Barrett said Healthcare Solutions Holding is a natural extension of Cardinal's businesses and will help grow its specialty distribution operations.

"This acquisition is an important building block in our strategy to create a differentiated set of services for oncology and specialty customers," Barrett said.

The deal will expand Cardinal's capabilities and reach in a market that is projected to grow twice as fast as traditional pharmaceuticals for the next five years and top \$100 billion in sales by 2013, according to IMS Health projections.

"Cardinal Health is our ideal partner as we look to grow our business in oncology and other specialty therapeutic areas, as well as increase the scale and scope of our offerings," Healthcare Solutions Holding CEO Jeffrey Scott said.

"We bring unique specialty care offerings and expertise to Cardinal Health, and we are excited to tap into their existing capabilities, which offer complementary services to help better serve our customers," he said.

Cardinal said it expects the transaction to be neutral to slightly accretive in fiscal 2011 and have a greater impact on earnings starting in fiscal 2012.

Mayer Brown LLP served as legal counsel to Healthcare Solutions Holding on the deal. The legal team includes corporate and securities partners Marc Sperber, Fred Blakeslee and Robert C. Davis; tax transactions partner Tom Bottomlee; and litigation partner Scott Perlman.

Law firms representing Cardinal Health, if any, on the deal could not immediately be identified Wednesday.