

The Rawlings Group, Apixio Payment Integrity, and VARIS Merge To Form Next-Generation Payment Accuracy and Integrity Platform

The comprehensive, technology-enabled platform will leverage data and artificial intelligence to reduce healthcare costs for health plan clients

NEW YORK, NY and DALLAS, TX, September 5, 2024 – New Mountain Capital, LLC (“New Mountain”), a leading growth-oriented investment firm with over \$55 billion in assets under management, today announced the completion of a merger among [The Rawlings Group](#) (“Rawlings”), [Apixio’s Payment Integrity \(PI\) business](#), and [VARIS](#) to form the leading technology-enabled platform focused on lowering the cost of care across the healthcare system. The combination introduces a next level of payment accuracy and proactive identification of errors in an increasingly complex healthcare environment by leveraging each company’s technology and decades of experience to create a comprehensive platform well-positioned to drive meaningful savings for health plans.

Together, the new company will have an expansive set of capabilities, including subrogation, coordination of benefits, pharmacy payment integrity, and complex claim solutions, to ensure payment integrity and will serve many of the largest health plans in the United States.

Administrative complexity is the top driver of excess spending in the US healthcare system, with this type of waste accounting for an estimated [\\$267 billion in annual costs](#). Interventions to make healthcare payments more efficient can reduce annual expenditures [by as much as \\$40-60 billion](#). By unifying solutions across the payment integrity journey, the new company will enable superior healthcare outcomes, including higher payment accuracy and recovery of overpayments, lower medical spending, and substantial savings for health plans.

With its capabilities, scale, proprietary technology, and artificial intelligence (AI) enablement, the company is uniquely positioned to meet payers’ growing demand for improved financial performance and quality. The combined entity’s differentiators include:

- **Flexible delivery model:** Only company in the market that allows clients to configure the platform to enable their internal payment integrity teams or work with a bench of clinical experts on a fully outsourced basis.
- **Market leadership:** Impacts over 160 million lives across more than 60 health plan clients, including many of the top 20 plans.
- **Meaningful financial outcomes:** Over \$3 billion in total annual savings and cost avoidance generated through commitment to client service and quality.
- **Analytics-powered innovation:** Over 500K proprietary algorithms, concepts, and analytic models to drive higher accuracy and efficiency.
- **Deep subject matter expertise:** Combined organization of over 1,900 technology, coding, legal, and clinical experts.

“This combination of payment integrity leaders will create value across the entire healthcare ecosystem,” said Matt Holt, Managing Director and President, Private Equity at New Mountain. “The new organization will help reduce administrative waste while being a catalyst for lowering healthcare costs for payers, payviders, employers and consumers. This move is built upon our decades of healthcare expertise coupled with an accelerated investment in leveraging big data and AI with a maniacal focus to help bend the cost curve.”

David Pierre will become Chief Executive Officer of the combined entity. Pierre previously served as Chief Operating Officer of Signify Health, where he led over \$1 billion in revenue and oversaw the company’s initial public offering in 2021 and subsequent \$8 billion sale to CVS Health in 2023.

“We are excited for the growth and innovation that this merger will enable, and the world-class talent ready to unlock value in new ways across the enterprise,” said Pierre. “We share a customer-first approach and are bringing together what we believe are the industry's best individual capabilities into one, data-rich platform, with the power of analytics to intervene earlier in the claims cycle to drive maximum ROI for our clients.”

As part of the transaction, Apixio’s Connected Care platform and value-based care solutions were acquired by Datavant.

About New Mountain Capital

New Mountain Capital is a New York-based investment firm that emphasizes business building and growth, rather than debt, as it pursues long-term capital appreciation. The firm currently manages private equity, credit, and net lease investment strategies with over \$55 billion in assets under management. New Mountain seeks out what it believes to be the highest quality growth leaders in carefully selected industry sectors and then works intensively with management to build the value of these companies. For more information on New Mountain Capital, please visit <http://www.newmountaincapital.com>.

About Rawlings

Rawlings, founded in 1977 and based in La Grange, Kentucky, is a leading technology-enabled coverage analytics provider that delivers savings for its health insurance clients by identifying third parties responsible for paying medical claims across its subrogation, coordination of benefits, and drug claim payment integrity offerings. For more information on Rawlings, please visit <https://www.rawlingsgroup.com>.

About Apixio

Apixio is the Connected Care Platform at the intersection of health plans and providers. The company’s actionable AI technology, flexible services, and seamless workflows

power accurate payments and high-quality patient care so that healthcare organizations can thrive as the industry moves toward value-based reimbursement models. Learn more at www.apixio.com.

About VARIS

VARIS, LLC was founded by a team of healthcare professionals with more than 100 years of combined experience in the healthcare industry. VARIS specializes in overpayment identification solutions including DRG and APC. VARIS serves clients who are commercial payers, Medicare Advantage contractors, Medicaid Managed Care contractors, Administrative Service Organizations, and State/Federal programs throughout the country. Learn more at <http://www.varis1.com>.

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