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Could a strategic merger or acquisition better position your nonprofit behavioral healthcare organization to fulfill its mission? For many, the answer is, “Yes!”

Historically, mergers and acquisitions in the nonprofit behavioral healthcare marketplace have often been viewed as a last resort for organizations in crisis. Today, several factors, from the push for integrated healthcare and changing payment models to increased demand for behavioral health services and the retirement of baby-boomer founders and CEOs, are driving increased interest in mergers and acquisitions as proactive strategies for strengthening market position and advancing missions. In fact, of the **mhca** members responding to a recent survey, 12% indicated that they are currently looking to merge, 33% indicated an interest in an acquisition, and another 21% indicated openness to merger, acquisition or being acquired.



acquisitions, presenters encouraged organization leaders to look ahead, consider all available options, and take action when their organizations are poised for growth versus teetering on disaster.

Discussions also reminded us that a successful merger or acquisition does more than just increase an organization's size and diversify funding streams; it also helps organizations improve service quality and operational efficiency, acquire new skills, and broaden their geographic footprint. To increase your chances of a successful merger, it's important to look for partners with similar values and complementary strengths, as this will help reduce friction during post-merger integration.

Although 70% of **mhca** members responding to a survey indicated that they have been part of a merger or acquisition, and the majority of them (87%) didn't hire an M&A broker; working with a broker may be worth considering. Exploring and executing mergers and acquisitions requires a significant amount of time and attention, which can overtax an organization's leadership and negatively impact day-to-day operations. An experienced consultant can help by organizing the process to move conversations forward and offering an objective perspective during negotiations.

If you are exploring a merger or acquisition, you may find **mhca's** [*Affiliations, Mergers and Acquisitions: Guidelines for Pursuing Corporate Integration for Behavioral Services*](#) to be a useful resource. It is designed to provide **mhca** members and related entities with a template for evaluating and proceeding with organizational affiliation, collaboration, merger or acquisition.



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