The Deal
16 September 2025

HealthEdge Poised to Double Market Share, Tap New Markets
The newly merged Bain Capital platform will capitalize on the demand for health plan administrative software.

Bain Capital LLC-backed HealthEdge Software Inc. has captured about 15% of the health plan administrative software market, and the newly-merged company is poised to double its share over the next three to five years.

Bain acquired Boston-based HealthEdge in June, and the company announced its merger with UST HealthProof on Sept. 4, following Bain's acquisition of the latter from UST. The merged company will operate as HealthEdge.

The total value of the combined transactions exceeds $4 billion, with the HealthProof acquisition valued at up to $1.65 billion and HealthEdge at $2.6 billion, the Financial Times reported.

Right now, HealthProof's client base is about 30% penetrated by HealthEdge, offering a significant upsell opportunity, said Bain partner Paul Moskowitz.

HealthEdge now represents over 110 million members across more than 115 insurance plans. Pre-merger, the company mostly served smaller plans such as Medicare Advantage, managed Medicaid and local or regional commercial plans. The combined company will also look to extend its reach to larger payers such as national plans.

The merger also opens up a stronger go-to-market opportunity to grow within larger health plans seeking to modernize their IT infrastructure, Moskowitz said.

Years in the Making

Going forward, Bain is open to bolting on artificial intelligence companies, including Series A or B start-ups that automate patient engagement and payment review.

HealthEdge in 2019 participated in a growth equity transaction led by Blackstone Inc.

At the time, the company wasn't yet profitable and was below the target scale and maturity for Bain's flagship private equity fund strategy, Moskowitz said.

That process kicked off a relationship with HealthEdge CEO Steve Krupa and the company's management team, however.

The firm then strengthened its relationship with the company through partnership efforts between HealthEdge and Bedminster, N.J. healthcare payment platform Zelis, which did a minority recapitalization process in 2024 with Mubadala at an enterprise value of around $17 billion, Axios reported.

HealthProof opted for a narrower process due to the complexity of the carveout and to focus on funds with the necessary size, scale and domain expertise required to not only underwrite a multi-billion dollar investment in the combination but also conduct due diligence on both companies within a two-month timeframe, Moskowitz said.

For the Healthedge and Healthproof merger, Bain returned to the same advisers it used on the April acquisition of Healthedge. The firm tapped Triple Tree LLC for financial advice and Kirkland & Ellis LLP for legal counsel, while Ares Management LP was its primary financing partner.

HealthEdge returned to Evercore Inc., which advised it on the sale to Bain, as financial adviser for the merger, while UST HealthProof turned to Goldman, Sachs & Co. and JPMorgan Securities LLC for financial advice and Davis Polk & Wardwell LLP for legal advice.

Elsewhere in the broader healthcare technology space, Berkshire Partners LLC and Vistria Group LP in March backed the merger of Jacksonville, Fla.-based Forcura LLC and Nashville, Tenn.-based Medalogix LLC to create a post-acute care tech platform.

And Francisco Partners Management LLC in October acquired medical office software company AdvancedMD Inc. from Global Payments Inc. (GPN).