



Kelsey-Seybold Clinic Partners with TPG, Plans Expansion of Accountable Care Model

Strategic partnership with leading healthcare investor will deliver accelerated multispecialty growth and access in the Houston-Galveston region

HOUSTON, FORT WORTH, TEXAS, and SAN FRANCISCO (Jan. 21, 2020) – Kelsey-Seybold Clinic (Kelsey-Seybold), the nation’s first Accredited Accountable Care Organization recognized by the National Committee for Quality Assurance (NCQA), announced today a strategic partnership with TPG Capital, the private equity platform of global alternative asset firm TPG. TPG Capital has made a non-controlling, strategic investment in Kelsey-Seybold Management Services, the management services organization serving the Kelsey-Seybold Medical Group. Kelsey-Seybold’s physician leadership maintains local control of the organization in the partnership.

The partnership provides Kelsey-Seybold with additional capital and strategic expertise to help accelerate the growth and expansion of its Accountable Care Organization and care delivery model to more geographic locations and partners in the Greater Houston area. Under the terms of the agreement, Kelsey-Seybold Medical Group remains 100 percent physician-owned and physician-governed. Additional terms of the partnership were not disclosed.

“It was important to find the right partner to help us grow our Accountable Care model, while valuing the aspects of our culture and legacy that have led us to be one of the leading Accountable Care Organizations in the nation,” said Tony Lin, MD, Chairman and Managing Director of Kelsey-Seybold. “We believe we found that partner in TPG Capital and are excited about the collaboration and expertise they bring to support our future growth.”

Since 2013, Kelsey-Seybold has added or expanded 16 clinic locations. The organization has multiple expansions and openings planned in 2020, including two recent openings, which took place in January in Houston’s Esperson Tunnel and Kingwood. The partnership with TPG Capital will further accelerate Kelsey-Seybold’s growth strategy and increase access to Kelsey-Seybold’s model of care across the region.

“We have a long-standing focus on partnering with companies and management teams that offer high-quality, value-centric solutions to the healthcare ecosystem,” said Jeff Rhodes of TPG Capital. “Kelsey-Seybold is a leading physician group with a demonstrated ability to provide comprehensive, personalized care at a lower total medical cost through its unique Accountable Care model.”

“We deeply admire Kelsey-Seybold’s rich 70-year history, culture, and commitment to delivering the best clinical outcomes effectively,” added Kendall Garrison of TPG Capital. “We look forward to working with Dr. Lin and the entire team to support and grow the Accountable Care Organization and its impact on the Greater Houston healthcare community.”

“Kelsey-Seybold has been responding to the increased demand for our Accountable Care Organization. We have spent the past 10 years expanding our locations, adding high-quality outpatient services, and bringing in new technology to meet patient needs,” said Dr. Lin. “While our measured approach has

helped meet the growing needs of employers, health plans, and partners – our vision for this organization requires the investment and expertise of a group like TPG Capital to help us to accelerate our growth.”

Over the coming months, Kelsey-Seybold and TPG Capital will implement a plan for strategic areas of growth. Kelsey-Seybold’s strategy will focus on access to preventive care as the gateway to improved health outcomes, and the expansion of its primary and specialty care offering to accommodate increased demand in the marketplace.

“This is an exciting time for our organization, which has built an infrastructure of caring centered around coordinated primary and specialty healthcare,” said Dr. Lin. “We are all eager to see what the future holds for our group, and our new partner, TPG Capital.”

Headquartered in San Francisco and Fort Worth, Texas, TPG is one of the most experienced investors in the healthcare industry. The firm has a long history of partnering with great management teams to deliver long-term value and exceptional service to the healthcare ecosystem.

Evercore served as an advisor to Kelsey-Seybold in this transaction. William Blair and J.P. Morgan served as financial advisors to TPG Capital.

About Kelsey-Seybold Clinic

[Kelsey-Seybold Clinic](#) is Houston's premier multispecialty group practice, founded in 1949 by Dr. Mavis Kelsey in Houston's renowned Texas Medical Center. More than 450 physicians and allied health professionals practice at 23 locations in the Greater Houston area. Kelsey-Seybold offers quality medical care in 55 medical specialties. The organization operates the largest freestanding [Ambulatory Surgery Center](#) in the state of Texas and offers state-of-the-art [Varian TrueBeam](#) and [Varian Edge](#) radiation therapy technology at a nationally accredited [Cancer Center](#). An accredited [Sleep Center](#), comprehensive laboratory services, advanced imaging and diagnostics, 16 onsite Kelsey pharmacies, and [MyKelseyOnline](#), a secure web portal, are part of its comprehensive offerings. Kelsey-Seybold partners with major insurers to offer value-based commercial health plans. [KelseyCare Advantage](#), a Medicare Advantage plan offered to Houston-area beneficiaries and affiliated with Kelsey-Seybold Clinic, has achieved the coveted 5-out-of-5-star rating from the Centers for Medicare and Medicaid for four consecutive years and is the only 5-out-of-5-star rated plan in Houston.

Kelsey-Seybold has been recognized by the National Committee for Quality Assurance (NCQA) as the nation’s first accredited Accountable Care Organization and a Level 3 (highest) Patient-Centered Medical Home. Kelsey-Seybold has many physicians in the Greater Houston area certified for excellence in diabetes and heart and stroke care by the NCQA. In addition to these recognitions, Kelsey-Seybold is home to a nationally accredited [Breast Diagnostic Center](#), and [Endoscopy Center](#).

About TPG

TPG is a leading global alternative asset firm founded in 1992 with more than \$119 billion of assets under management and offices in Austin, Beijing, Boston, Dallas, Fort Worth, Hong Kong, Houston, London, Luxembourg, Melbourne, Moscow, Mumbai, New York, San Francisco, Seoul, and Singapore. TPG’s investment platforms are across a wide range of asset classes, including private equity, growth equity, real estate, credit, and public equity. TPG aims to build dynamic products and options for its investors while also instituting discipline and operational excellence across the investment strategy and performance of its portfolio. For more information, visit www.tpg.com.