REV.health — Valuation & Exit Strategy

Ambient-AI-native EMR + integrated RCM for independent primary care

Base Case: $3M Seed Path

The base-case exit path runs on the $3M seed scenario (Focused — the default for investor diligence). With $3M seed @ $20M post-money (15% dilution), a $10M Series A (assumed H2 2028), and a $40M Series B (assumed 2030), REV.health reaches ~660 practices and ~$39M exit ARR by 2031-2032, with annualized EBITDA of ~$10.3M at exit run-rate.

Strategic Exit Scenarios

Health-IT M&A; clears 4-8x ARR multiples. At the $3M path's ~$39M exit ARR, that implies a $156M-$312M outcome. The Series A milestone keeps every path open.

Scenario	Exit ARR	Multiple	Implied EV	Seed Stake (15%)
Conservative	$39M	4x	$156M	$23.4M
Base case	$39M	6x	$234M	$35.1M
Optimistic	$39M	8x	$312M	$46.8M

Exit Timing & Milestones

2028: General Availability after ONC certification. Series A funds go-to-market scale-up. 2029-2030: Scale to 300+ practices, positive unit economics. 2030-2031: Series B funds national expansion, specialty verticals. 2031-2032: Strategic exit window — acquirer gets an adopted, modern EMR platform with a portable patient record network effect that compounds over time.

Why Strategic Acquirers Pay Premium Multiples

1. **Adopted, sticky product** — practices stay because the chart is portable and the AI-scribe write-back saves 1-2 hours/night. Churn is structurally low.
2. **Network-effect patient record** — each new practice deepens the longitudinal record; the platform becomes more valuable to every patient and harder to leave.
3. **RCM cash-flow engine** — integrated capture-to-cash RCM produces recurring, high-margin revenue that acquirers value at premium multiples vs pure SaaS.
4. **Regulatory moat** — ONC certification is a 9-12 month critical path that competitors cannot shortcut. First-mover advantage in the 1-5 clinician segment.

Alternate Scenarios

Lean ($2M seed): Slower ramp, 450 practices by 2031, $24M exit ARR, +$2.8M EBITDA. Smaller outcome but lower dilution (10% seed). For capital-efficient milestones.
Full ($4M seed): Faster ramp, 850 practices by 2031, $46M exit ARR, +$9.9M EBITDA. Larger outcome but higher dilution (20% seed). For aggressive market capture.

Key Assumptions

Exit ARR based on v15 operating model (Empower Health Model_v15.xlsx). Efficiency edge ~27.5% vs eCW (REV.health assumption, adjustable). Cost-to-serve $9,315/physician/yr onshore. M&A; multiples based on health-IT transaction comps (4-8x ARR). Seed dilution: $3M@$20M post=15% (default), $2M=10%, $4M=20%. Series A ($10-16M) and Series B ($40M) assumed but contingent on traction. Full model with all assumptions available in the data room.