

## **mPulse interested in digital health engagement buys - CEO**

*by Deborah Balshem*

mPulse, a PSG-backed provider of digital solutions for health insurers, continues to evaluate acquisitions of technology and tech-enabled services companies, said CEO Bob Farrell.

The Woodland Hills, California-based company seeks targets that enhance the consumer experience for health plans, with capabilities including consumer health analytics or any type of operational efficiency related to member management, Farrell said.

In August, mPulse announced the acquisition of health plan member communications technology firm Clarity Software Solutions. Farrell, who told this news service in March 2025 that mPulse was seeking buys, described the Clarity deal as “meaningful” in terms of size, strategic capabilities, and new talent, with Clarity’s CEO Steve Mongelli appointed to the role of mPulse president.

mPulse has looked at small and large targets, including those larger than itself, the CEO added. Deals could be funded through any mix of cash, debt, equity, and earnouts, according to Farrell. mPulse refinanced its debt as part of the Clarity transaction, he added.

mPulse’s health engagement programs combine behavioral science, data analytics, natural language processing, industry expertise, and streaming educational content to help healthcare organizations engage consumers and drive healthier behaviors. It uses conversational artificial intelligence (AI) to connect patients to benefit resources and support improved health outcomes and operational efficiency.

The company has completed multiple acquisitions over the last several years, including Zipari, HealthTrio, Decision Point Healthcare Solutions, HealthCrowd, and The Big Know.

“Clarity filled out the remaining piece we needed for a complete unification of the consumer health digital experience,” with mPulse’s core services now including digital engagement, predictive analytics, and member navigation and communications.

mPulse generated revenue of “well over” USD 200m in 2025, with roughly 85% of revenue recurring and an EBITDA margin of around 15%, Farrell said. This year, the business expects to exceed the Rule of 40, a benchmark stating that a SaaS company’s revenue growth rate plus profit margin should equal or exceed 40%, he added.

Its solutions touched 28% of the US population last year, powering more than USD 4bn in digital consumer transactions, the CEO noted.

mPulse has more than 450 enterprise healthcare clients, including 50 of the top 60 largest health plans, as well as third-party administrators and life sciences companies, Farrell said. Approximately 80% of revenue comes from government programs such as Medicare or Medicaid with the rest from contract

research organizations, accountable care organizations, integrated delivery networks, and managed care organizations, he added.

Other players in the space, according to Farrell, include CVC Capital Partners-backed Icario and New Mountain Capital-backed Personify Health, whose investors also include Blackstone, Marlin Equity Partners, and Morgan Health.

He said recent sector deals include Press Ganey's acquisition last year of Hyperlift Logic, a healthcare analytics software company that helps Medicare Advantage health plans improve their ratings through predictive modeling and performance management tools.

PSG acquired a majority stake in mPulse in December 2021. Minority investors include Optum Ventures, OCA Ventures, HLM Venture Partners, Echo Health Ventures, SJF Ventures, and Bonfire Ventures.

There is no set timing for an exit, according to Farrell, who said a sale to a financial or strategic buyer is the likely outcome and that "any company providing services to payors could be a potential buyer."

mPulse has more than 750 employees. Its corporate advisors include law firm Weil Gotshal & Manges and accounting firm KPMG.

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