



New Mountain Capital to Acquire Machinify and Combine with Leading Healthcare Intelligence and Payment Platform

Combined entity to be named Machinify, with revenue of more than \$500 million

Accelerates transformation of healthcare administration through addition of AI-native technology platform

NEW YORK, New York, DALLAS, Texas and PALO ALTO, California – January 10, 2025 – New Mountain Capital, LLC (“New Mountain”), a leading growth-oriented investment firm with more than \$55 billion in assets under management, today announced a definitive agreement to acquire Machinify, Inc. (“Machinify”), a leading provider of artificial intelligence (AI)-powered software transforming healthcare payments. Machinify will become a core part of the company recently formed through the merger of The Rawlings Group (“Rawlings”), Apixio’s Payment Integrity business (“Apixio PI”), and VARIS. The combined organization, to be named Machinify at close, will bring together revolutionary technology, clinical expertise, and a wealth of data to transform healthcare payments and build a frictionless foundation for healthcare administration for all stakeholders.

Founded in 2016, Machinify has developed an innovative cloud-based data intelligence platform that enables the secure, safe, and transparent deployment of purpose-built AI-powered applications to optimize the healthcare claims lifecycle. Machinify’s foundational operating system, which powers the company’s Audit and Pay workflows, has advanced the level of automation, efficiency, and accuracy within healthcare payments infrastructure.

With the addition of Machinify’s cloud AI platform and highly accomplished team of developers, data scientists and AI experts, the combined entity will be well-positioned to accelerate the shift to a more automated, accurate healthcare payment reconciliation paradigm. The combined company will have more than 2,000 employees serving more than 60 health plans, including 13 of the top 20 payers. Upon closing, David Pierre will lead the combined company as CEO, with Machinify’s Founder and CEO Prasanna Ganesan assuming the role of EVP and Chief Product Officer and joining the Board of Directors. Rawlings, Apixio PI and VARIS will maintain their respective legacy sub-brand names.

“The planned combination with Machinify reflects our strategy of utilizing data and AI, coupled with deep domain expertise, to simplify and reduce costs across the healthcare payment process,” said Mr. Pierre. “Together with Machinify, we will provide a suite of products and services that mitigates the complexities throughout the industry that impact performance and affordability, and enhances efficiencies for payers, providers and patients.”

Dr. Ganesan added, “We are proud to build on the transformative AI platform that we have developed at Machinify as we take this next important step forward. With the proven track record of Rawlings, Apixio PI, and VARIS in delivering exceptional outcomes for blue-chip health plans, we are well-positioned to accelerate our mission of creating a next-generation infrastructure for healthcare administration — one that streamlines operations and fosters greater transparency across the healthcare system.”

“New Mountain has had a longstanding sector thesis around the transformative potential for technology to drive greater efficiency in healthcare payments and we believe that the combined company is the platform to enable this,” said Matt Holt, Managing Director and President, Private Equity, at New Mountain Capital. “We are confident that this business will disrupt the status quo and improve outcomes for all stakeholders.”

The transaction is supported by an existing investor group of private equity and venture capital led by New Mountain Capital, Eir Partners, Battery Ventures, Ardan Equity Partners, Matrix Partners, and GV.

The merger is subject to regulatory approvals and is expected to close in the first quarter of this year. Deutsche Bank served as financial advisor and Cooley LLP served as legal advisor to Machinify. J.P. Morgan Securities LLC served as financial advisor and Ropes & Gray LLP served as legal advisor to New Mountain.

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About the merged Rawlings, Apixio PI and VARIS platform

The newly combined company from the merger of The Rawlings Group (“Rawlings”), Apixio’s Payment Integrity (PI) business, and VARIS is a leading healthcare intelligence company with expertise across the payment continuum, delivering unmatched value and efficiency to health plan clients across the country. Deployed by over 60 health plans, including many of the top 20, and representing more than 160 million lives, the company brings together a fully configurable and content-rich platform along with deep domain expertise. The company is focused on creating disruptive solutions to maximize financial outcomes today to drive down healthcare costs tomorrow.

About Machinify

Machinify is dedicated to developing AI-first processes for administrative decisioning across the healthcare claim payment cycle. Today, the company’s AI engine powers applications that have delivered hundreds of millions of dollars of annual cost savings for blue-chip health plans representing over 65 million lives. Machinify is headquartered in Palo Alto. For more information, visit: www.machinify.com.

About New Mountain Capital

New Mountain Capital is a New York-based investment firm that emphasizes business building and growth, rather than excessive risk, as it pursues long-term capital appreciation. The firm currently manages private equity, strategic equity, credit, and net lease real estate funds with over \$55 billion in assets under management. New Mountain seeks out what it believes to be the highest quality growth leaders in carefully selected industry sectors and then works intensively with management to build the value of these companies. For more information, visit: www.newmountaincapital.com.

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