

HEALTH CARE IT M&A DUE DILIGENCE

This is the second article in a series related to health care IT M&A phase activities. Part 1 can be accessed [here](#) for reference.

Once your health system has identified a potential acquisition, the due diligence process must be conducted. The primary goal of due diligence is to learn as much as possible about the entity, with a focus on identifying future potential risks, exposures and challenges that could impact the costs and integration time of the acquisition.

The level of effort for due diligence should be determined by the type and nature of the transaction balanced with your organization's integration approach and goals. The due diligence effort needed for a one-provider physician practice will be different than what is needed for a multiple-hospital system with ambulatory practices, imaging centers or surgery centers.

IT due diligence activities of the entity include:

1. Evaluate IT systems, applications and services.
2. Assess cyber-security programs and risks.
3. Review the application portfolio and develop a preliminary disposition based on the integration approach.
4. Review key IT contracts, external service providers, licensing agreements and contractor engagements.
5. Review any Transition Services Agreements that might be required.

THE HALL RENDER ADVISORY SERVICES ADVANTAGE

Hall Render and Hall Render Advisory Services can assist with performing due diligence. Contact Hall Render Advisory Services or visit HallRenderAS.com to learn more about how we can help your organization throughout this process. [Click here for more information on our team's M&A services.](#)

If you have any questions, please contact:

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- Your primary Hall Render Advisory Services contact.

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