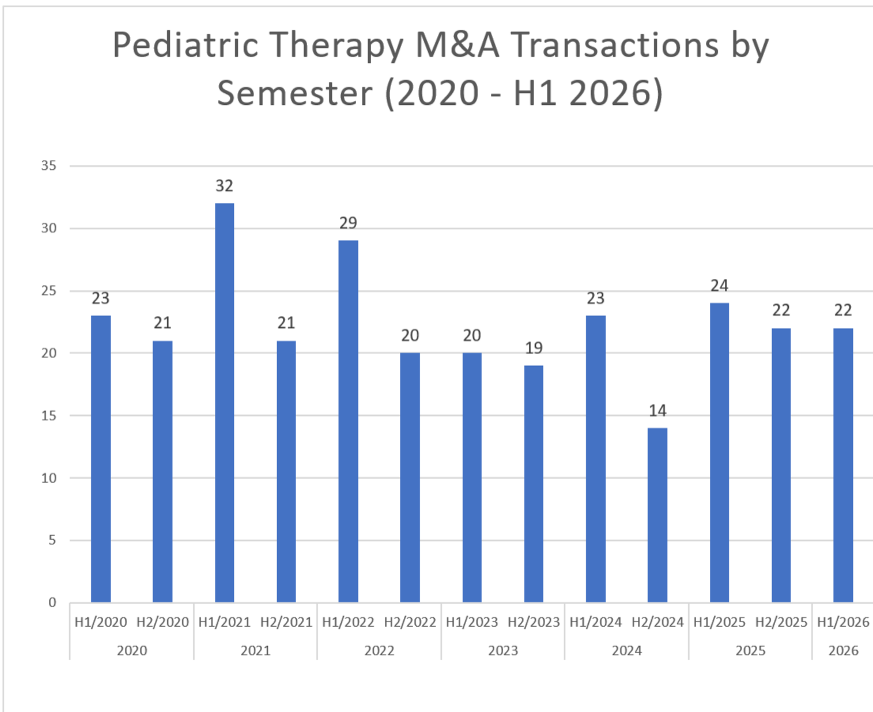
Mergium Pediatric Therapy M&A Market Update – First Half of 2026

Key Trends Shaping Pediatric Therapy M&A in H1 2026

July 5th, 2026

Despite the industry's ongoing operational and reimbursement challenges, M&A activity has remained resilient. During the first half of 2026, Mergium's research identified 22 pediatric therapy M&A transactions, broadly consistent with the pace of activity observed during the first half of each year since 2020, excluding the exceptionally active markets of H1 2021 and H1 2022.

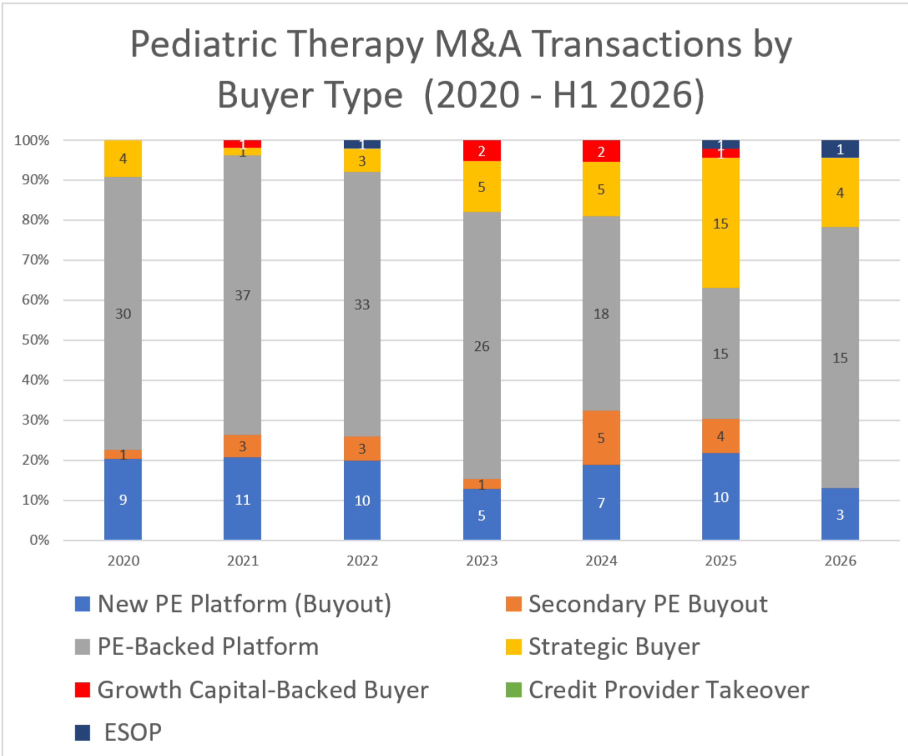


Source: Mergium Advisors

After peaking during the post-pandemic investment cycle of 2021 and early 2022, transaction activity has returned to a relatively stable range of approximately 20–24 transactions per half year.

Private Equity-Backed Platforms Remained the Dominant Acquirers

Private equity-backed platform companies continued to dominate pediatric therapy M&A activity. In the first half of 2026, they accounted for nearly two-thirds (65%) of all recorded transactions in H1 2026. Since H1 2020, these buyers have represented approximately 60% of all pediatric therapy acquisitions, underscoring the central role that established sponsor-backed platforms continue to play in industry consolidation.

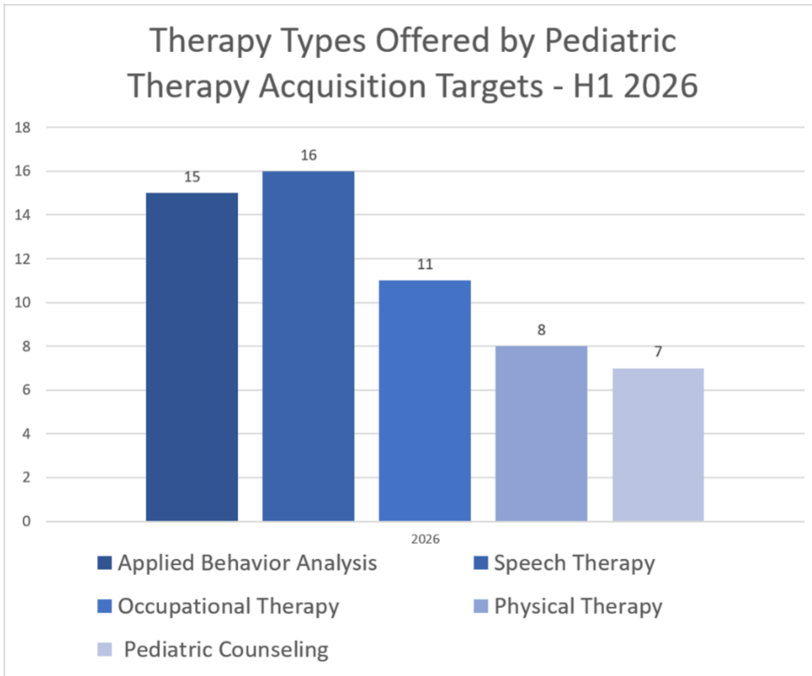


Source: Mergium Advisors

The industry continues to attract new private equity investment through platform buyouts. During the first half of 2026, three transactions involved private equity firms acquiring founder-owned practices to establish new platform investments.

Buyer Demand for Multidisciplinary Practices Remained Strong

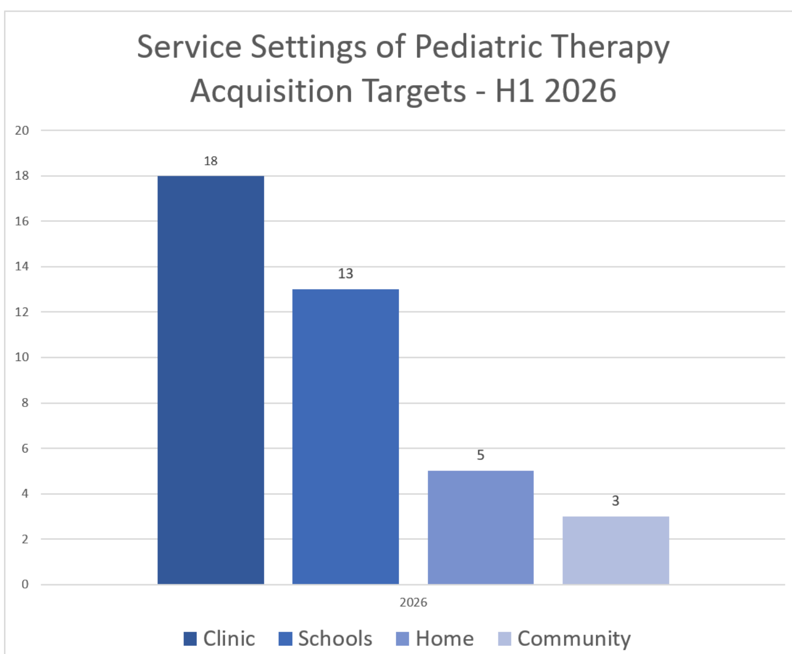
Multidisciplinary acquisition targets remained attractive to buyers. ABA and speech therapy were the two most frequently represented services among acquisition targets, followed by occupational therapy. This pattern reflects continued buyer preference for integrated pediatric therapy platforms capable of serving children across multiple disciplines.



Source: Mergium Advisors

In-Clinic Delivery Models Dominate Acquisition Activity

Clinic-based delivery remained the predominant service setting among acquisition targets during H1 2026. School-based delivery models also represented a meaningful portion of transaction activity. This distribution reflects continued buyer preference for scalable clinic-centered operating models.



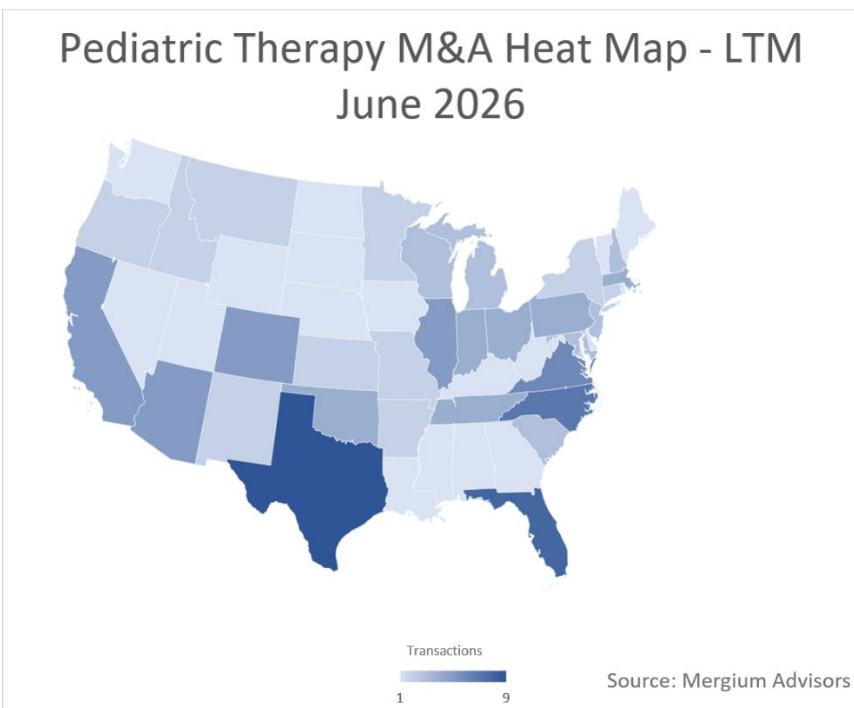
A New ESOP in Pediatric Therapy

Although ESOP transactions remain rare within pediatric therapy, North Arrow ABA announced an employee stock ownership transaction during H1 2026. Since 2017, Mergium has identified only five ESOP transactions in the sector, including Lighthouse Autism Center (2017), SLEA Therapies (2018), Constellations Behavioral Services (2022), and TEIS Early Intervention (2025), highlighting that employee ownership remains an infrequent but recurring ownership alternative within the industry.

Pediatric Therapy M&A Heat Map

During the last twelve months ended June 2026, the states with the greatest presence of services provided by acquired practices were Texas, Florida, North Carolina, Virginia, Arizona, California, Colorado, and Illinois, reflecting sustained buyer interest in these markets.

The factors driving acquisition activity vary by state. In general, buyers are attracted to markets with favorable demographic, economic, and industry fundamentals, including strong population growth, large pediatric populations, expanding suburban communities, increasing demand for pediatric therapy services, relatively favorable reimbursement environments, opportunities for consolidation, an established presence of platform companies, and a significant base of founder-owned practices.



Five Notable Transactions in H1 2026

The following transactions illustrate several of the themes discussed above, including new private equity platform investments, continued add-on acquisitions, and interest in multidisciplinary providers.

- Cathay Capital launched Ascendia Autism Care through the acquisition of a founding ABA provider operating 20 centers across eight states, creating a new platform focused on center-based early intervention services for children with autism.
- Momentum Health Partners, a newly launched healthcare-focused private equity firm, acquired Advanced Autism Center for Treatment (AACT), an Arizona- and Montana-based provider of ABA therapy, speech therapy, respite care, social groups, and parent training.
- Aquitaine Capital made an investment in KidsChoice, an Oklahoma-based multidisciplinary pediatric therapy provider offering ABA, occupational therapy, speech therapy, counseling, and related services.
- LEARN Behavioral acquired Little Leaves Behavioral Services from FullBloom, adding 18 center-based ABA locations across Maryland, Virginia, and Florida and strengthening its Mid-Atlantic and Southeast footprint.
- ACES acquired Ally Pediatric Therapy, a Phoenix-based autism provider with nine locations, expanding its Arizona footprint while integrating the business into its national ABA platform.

Conclusions

Overall, H1 2026 demonstrated that pediatric therapy remains an attractive sector for investors despite ongoing reimbursement, labor, and operating challenges. Existing PE-backed platforms continued to drive consolidation, new sponsors entered the market through platform investments, and multidisciplinary providers remained attractive acquisition targets. These trends suggest that disciplined and selective buyer demand continues to support a healthy level of M&A activity in the pediatric therapy sector.

About the Author

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Luis Lopez, PhD, is President of Mergium Advisors and advises founders and owners of pediatric therapy and behavioral health practices on mergers and acquisitions, business valuations, financial intelligence, and exit planning. His research focuses on market trends, transaction activity, valuation dynamics, and strategic developments across the pediatric therapy industry.

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