

Eli's Hospice Insider

Hospice News: Exposé Targets PE Involvement In Hospice, Again

Private equity firms' investments in the hospice market are continuing to draw scrutiny, this time in a Fortune article published July 27 in conjunction with Kaiser Health News.

"Many hospice veterans [are] worried that the original hospice vision may be fading, as ... capital investment companies' demand for return on investment and the debt load they force hospices to bear are hurting patients and their families," the article notes. A 2021 JAMA Internal Medicine article found the number of hospice agencies owned by PE firms skyrocketed from 106 in 2011 to 409 in 2019, Fortune notes. About 72 percent of hospices acquired by PE were nonprofits. "And those trends have only accelerated into 2022," the news outlet warns.

For-profits look to slash visit numbers, reduce visit times, and use the lowest-skilled workers (i.e., an LPN instead of RN) to provide those visits in order to boost financials, critics say. They also target longer-stay dementia patients over shorter-stay cancer patients, they add.



Profit motive: "In 2017, Webster Equity Partners bought Bristol Hospice, with 45 locations in 13 states, for \$70 million," the article notes. "Last year, the firm reportedly entertained purchase offers for the hospice chain as high as \$1 billion."

"They get paid the same as us, but they don't take the same patients," said **Christy Whitney**, the former CEO of nonprofit HopeWest serving five western Colorado counties, who spoke with KHN before she retired in June. "They've developed kind of a shadow business that really has very little to do with the business that I run. But they're called the same name," Whitney said.

The full article is at <https://fortune.com/2022/07/27/hospices-private-equity-firms-for-profit-end-of-life-care>.