

Eli's Hospice Insider

Mergers & Acquisitions: Another Venerable Nonprofit Hospice Sells To Chain

Acquisition pace continues to be lively.

Private equity-backed deals involving hospices continue to proliferate across the country.

While predictions that the hospice mergers and acquisitions market will slow down this year abound, the year started off with a bang with Addus HomeCare's announced acquisition of a large Illinois nonprofit hospice.

Frisco, Texas-based Addus HomeCare Corp. plans to pay \$85 million for Glenview-based JourneyCare Inc., the companies say in a joint release. JourneyCare serves a daily census of about 750 patients in 13 Chicago-area counties.

"Addus will leverage our scale and expertise to provide best-in-class hospice services," Addus CEO **Dirk Allison** says in the release. Addus completed an acquisition of Chicago-area home health agency Summit Home Health last fall, so now the chain will "own and operate all three levels of home care in Illinois," it says.

Addus historically has offered private duty care, but has been acquiring home health and hospice companies at a brisk pace the last few years. Before Summit, its most recent acquisition was of Armada Skilled Home Health of New Mexico, Armada Hospice of New Mexico, and Armada Hospice of Santa Fe for about \$29 million announced last summer.



"We very carefully selected Addus to carry forward the JourneyCare clinical operations, and we believe this combination will benefit our employees, patients and everyone associated with JourneyCare," says JourneyCare CEO **Kimberly Hobson** in the release.

Addus operates in 22 states, it says.

Other recent hospice-related deals include:

In Texas: The Care Team has acquired Crossroads Hospice based in Houston, the Farmington Hills, Michigan-based chain says in a release. TCT, a portfolio company of Denver-based private equity firm Revelstoke Capital Partners, operates across Michigan, Pennsylvania, and Texas.

Also in Texas: Fort Worth-based Jet Health Inc. has acquired Arlington-based Blessing Hospice for undisclosed terms, Jet Health says in a release. Jet Health operates in Texas, New Mexico, Colorado and Idaho, it says. The deal is Jet Health's fifth hospice-related acquisition.

In South Carolina: PE firm InTandem Capital Partners has "completed a growth equity investment in Providence Care ... a leading provider of post-acute and end-of-life services," the New York-based firm says in a release. The Rock Hill-based provider serves more than 3,000 patients throughout the state.

In Hawaii: Navian Hawaii is turning over its end-of-life care on Molokai and Lanai to Hospice Maui, reports The Maui News. The change comes after Hospice Maui, formerly known as Hospice Hawaii, lost its longtime CEO.

In Georgia: Spartanburg, South Carolina-based Agape Care Group has acquired Lanier Hospice based in Buford for undisclosed terms, Agape says in a release. Lanier will continue to operate under its name. Agape now has 1,090

employees serving 2,100 patients in South Carolina and Georgia, it says. Agape is a portfolio company of Ridgemont Equity Partners.

In Alabama: As it has hinted for some time, Birmingham-based Encompass Health Corp. plans to spin off its home health and hospice business, the chain confirms in a release. "The Encompass Health Board of Directors believes that the separation of its inpatient rehabilitation business and the HH&H Business into two independent, publicly traded companies will provide significant benefits to both businesses and their stakeholders," it says. The home health and hospice business will be named Enhabit Home Health & Hospice. Encompass hopes to complete the spin-off in the first half of 2022.

In Idaho: Encompass Health Corp. and Saint Alphonsus Health System have formed a new joint venture operating in the Saint Alphonsus home health & hospice locations in Boise, and the Encompass Health home health and hospice locations in Boise and Nampa, the chain and Catholic health system say in a release. The affiliation was announced before the Encompass spin-off.