

Eli's Hospice Insider

Mergers & Acquisitions: Hospice Acquisitions Are All Over The Map - Literally

One big chain has been on a spending spree.

Big players continue to snap up hospices across the nation.

Chain LHC Group Inc. has announced recent multiple deals, including a sizable one with Brookdale Health Care Services. The Lafayette, Louisiana-based company "has entered into an agreement to purchase Brookdale Health Care Services agencies from the recently formed home health, hospice and outpatient therapy venture between HCA Healthcare and Brookdale Senior Living Inc.," the chain explains in a release. "The agencies, which are not in areas served by HCA Healthcare, include 23 home health locations, 11 hospice, and 13 therapy agencies across 22 states."

LHC expects the acquisition to add \$146 million in annual revenues, it says. "The company has now acquired or announced \$308 million in M&A activity year-to-date," it notes.

"This acquisition marks LHC Group's initial entry into two new states - Minnesota and New Mexico - and expands its service areas in states where the company already operates," the chain adds. The agencies will continue to operate under their existing brands and locations, with their names using either the Brookdale or Nurse On Call names.

LHC isn't done yet, though. After the Brookdale announcement, LHC also revealed it will purchase Freda H. Gordon Hospice and Palliative Care and Generations Home Health, both in Virginia Beach, Virginia, the chain says in a release. "The agencies will continue operating under their current names," LHC notes.



"The acquisitions align with the company's co-location strategy to provide multiple in-home healthcare services in certain markets, as well as its strategy of retaining and operating under a family of well-known local brands," the release adds. LHC expects to add about \$7 million in annualized revenue from the deals.

Other recent M&A developments include:

In Texas: The Pennant Group Inc. has acquired the assets of Open Heart Hospice in Amarillo. The acquisition will operate under the name Kinder Hearts Hospice of Amarillo, the Eagle, Idaho-based chain says in a release. "With affiliate operations in Abilene, Lubbock, and Wichita Falls, this acquisition is an excellent fit for our cluster model and opens the door to further expansion and long-term growth opportunities in the region," Pennant CEO **Danny Walker** says in a release. Pennant operates 87 home health and hospice locations in 14 states.

Also in Texas: Charter Health Care Group has acquired Genesis HospiceCare in Athens and Saints Hospice in Plano, Charter private equity parent Pharos Capital Group says in a release. Charter now serves more than 5,000 patients in seven states, physician-founded Pharos says.

In Kansas and Missouri: Traditions Health has acquired the Kansas City operations of Lumicare Hospice, the College Station, Texas-based company says. "The multi-state footprint strategically expands Traditions' presence to two new states," the release notes. Traditions Health is a portfolio company of private investment firm Dorilton Capital and furnishes care to more than 5,000 patients across sixteen states, it says.