

Eli's Hospice Insider

Mergers & Acquisitions: Hospice Deals Take Place Nationwide

Consolidation of the industry underway.

Hospice providers have been busy in the mergers and acquisitions market.

Among recently announced transactions is Louisville, Ky.-based **Kindred Healthcare Inc.'s** purchase of home care and hospice company **IntegraCare Holdings Inc.** for \$71 million in cash and a \$4 million option based on 2013 earnings. Grapevine, Texas.-based IntegraCare, a portfolio company of private-equity firm **Flexpoint Ford**, has annual revenue of about \$71 million and 47 locations across the state, Kindred says in a release.

"The transaction will provide a platform for organic expansion into additional markets throughout the south including the Houston market where Kindred has a large market presence," the long-term care company says. The deal is expected to close in the third quarter.

In Minnesota: Minneapolis-based **Allina Health** plans to buy **ConnectCare**, a non-profit home health and hospice company serving Glencoe and Hutchinson, Allina says in a release. Allina's Home & Community Services division serves 28 counties throughout the state and will take in ConnectCare's 37 employees. The deal is expected to be complete by Jan. 1.

In Pennsylvania: The **Washington Post Co.** has agreed to acquire a majority stake in Mars, Penn.-based home care and hospice chain **Celtic Healthcare**. Celtic has \$43 million in annual revenues and serves about 2,000 patients from nine locations in Pennsylvania and Maryland, the Post says. The newspaper company will provide capital for expansion.

This will be the Post company's first healthcare purchase, but it also owns **Kaplan** education businesses as well as cable and TV units, the newspaper reports.

In Louisiana: Walker, La.-based **Doctor's Hospice** has merged with Livingston, Ala.-based **Legacy Hospice** to form **Legacy National Hospice**, reports the Amite Tangi Digest. Under the merger, Legacy retained Doctor's staff. Legacy now serves patients in seven states from 21 locations, the newspaper notes. The states are Alabama, Arkansas, Louisiana, Missouri, Mississippi, Oklahoma, and Tennessee.

In Washington State: National chain **Gentiva Health Services Inc.** has a few more feathers to put in its mergers & acquisitions cap. The Atlanta-based company has acquired Family Home Care Corp. in Spokane, Wash., Gentiva says in a release. The deal "enables us to increase our market density in eastern Washington and northern Idaho and provides us significant long-term growth opportunities as we leverage our home health and hospice capabilities in these markets," Gentiva's **Tony Strange** says in a release.

In Mississippi: Gentiva has also bought **Mississippi Hospice**, with locations in Tupelo, Oxford and Southaven, Miss. "This transaction enables us to expand our geographic coverage in Mississippi and is consistent with our strategy of adding high quality, clinically focused hospice providers that make strategic sense and complement our organic growth initiatives," Strange says in a separate release.

And **Forrest General Home Care and Hospice** in Hattiesburg, Miss., has opened a new branch office in Picayune, reports news station **WDAM**. Forrest now serves 19 counties in southern Mississippi, its hospital parent says on its website.

In Arizona: Phoenix-based **Banner Health** has entered into a partnership agreement with **Sun Health's Grandview Care Center** to open a dedicated Inpatient Hospice Unit (IPU) at the care center, which serves residents of Sun City West, an Arizona retirement community.

The **Banner Hospice at Grandview Terrace** is scheduled to open in the fall, Banner says in a release. Banner Hospice will lease space for the 12-room unit.

Grandview currently provides general hospice care. "Partnering with Banner Health to offer a dedicated inpatient hospice unit enhances the hospice services we can offer our community," Grandview administrator **Dawn Miller** says.