

Eli's Hospice Insider

Mergers & Acquisitions: Hospice M&A Market Continues To Hop

Major chains make big acquisitions.

Amedisys Inc. will beef up its hospice presence with a \$340 million acquisition of 24-state chain **Compassionate Care Hospice**.

When publicly traded Amedisys completes the acquisition of the Parsippany, New Jersey-based hospice chain, it will become "the third largest hospice provider in America," the Baton Rouge, Louisiana-based company says in a release. Amedisys currently serves more than 7,500 hospice patients per day in 22 states, while Compassionate serves 3,300 patients daily in 53 locations with about \$188 million in annual revenue. Amedisys is currently the fifth-largest hospice provider in the nation, according to The Advocate newspaper.

Post-closing, the combined hospice operations will include 136 locations in 34 states, with an average daily census of about 11,000 patients and 5,700 hospice employees, the release says.

Amedisys CEO **Paul Kusserow** noted the home health side of the business faces some major changes (i.e., payment reform) and that "the regulatory environment for hospice is very, very attractive," reports The Advocate.

The deal is expected to close by Feb. 1.

Other recent M&A deals include:

In Alabama: Private equity firm **MBF Healthcare Partners** has agreed to acquire a majority interest in **Affinity Hospice** headquartered in Birmingham. Coral Gables, Florida-based MBF expects the deal for undisclosed terms to close in November, the companies say in a release. Affinity serves markets in Alabama and Georgia. Affinity CEO **Ray Shrout** "will maintain a substantial equity position" in the company and work with MBF.

In Nevada: Lafayette-based **LHC Group** has purchased majority ownership of **St. Mary's Hospice of Northern Nevada** from **St. Mary's Regional Medical Center** based in Reno and assumed management responsibility. The facility will continue to operate under the same name at its current location. LHC Group expects annualized revenue from this joint venture of about \$4.9 million, the publicly traded company says in a release. In May, the two organizations announced a similar agreement to operate **St. Mary's Home Care Services**.

In Florida: **VITAS Healthcare** has acquired the assets of **Hospice of Citrus and the Nature Coast** in Beverly Hills, Florida, for undisclosed terms. The acquisition expands VITAS' market by 12 counties and includes a free-standing inpatient facility in Lecanto for up to 16 patients, Miami based VITAS says in a release. VITAS, owned by parent company **Chemed Corp.**, operates in 14 states and the District of Columbia and serves more than 9,000 patients daily in Florida and nearly 18,000 nationwide, on average.

In Connecticut: **Greenwich Hospital** entered into a transfer agreement with **VITAS** to take over its hospice program, according to press reports. The program's census had declined significantly, says The Greenwich Time newspaper.

In Texas: Dallas-based **AccentCare Inc.** has acquired Denton-based **Accolade HomeCare and Hospice** for undisclosed terms, AccentCare say in a release. AccentCare's **Texas Home Health** regional operations serve all 254 counties in Texas, and the Accolade deal adds service areas in contiguous counties in New Mexico and Oklahoma. The acquisition adds 23 new locations - 17 home health services and six hospice. It's the company's sixth purchase in Texas since 2017. AccentCare has more than 190 locations across 14 states under nine regional brands.

