

Eli's Hospice Insider

Mergers & Acquisitions: Hospices Are Busy Buying, Selling, And Opening This Summer

Texas is an M&A hot spot.

Private equity-backed **St. Croix Hospice** is adding new branches quickly.

The Oakdale, Minnesota-based regional chain, purchased by Chicago-based PE firm **The Vistria Group** in 2017, has opened a new location in Denison, Iowa, according to a release. St.Croix opened a Humboldt, Iowa, branch in May, and a location in La Crosse, Wisconsin, in March.

The chain also acquired Harrisonville, Missouri-based **Serenity Care Hospice** in March. The Serenity acquisition added a sixth state to the company's service area of Iowa, Kansas, Minnesota, Nebraska, and Wisconsin.

"St.Croix Hospice serves much of northeastern Kansas and we're pleased our partnership with Serenity Care Hospice will expand our reach into western Missouri," St.Croix Hospice CEO **Heath Bartness** notes in a release.

More recent deals include:

In Arizona: The Pennant Group Inc. has acquired two affiliated hospice agencies, it says in a release. Eagle, Idaho-based Pennant, which spun off from **The Ensign Group** last year, bought **Prime Hospice** in the Phoenix metro area and **Harmony Hospice of Arizona** in Kingman. Pennant expects to acquire a third affiliated hospice agency also located in the southwestern United States soon, the company adds.



In Louisiana: Amedisys Inc. has closed on its acquisition of **Homecare Preferred Choice Inc.** doing business as **AseraCare Hospice**, the Baton Rouge-based chain says in a release. Amedisys paid \$235 million in cash for AseraCare, including a \$32 million tax asset bringing the net purchase price to \$203 million. Amedisys' hospice operations now will include 190 locations in 35 states, with an average daily census of about 14,000 patients and about 7,000 hospice employees, the company says.

In Texas: Traditions Health LLC, a hospice and home health provider in Texas, California, and Arizona, has acquired **Hospice with Grace** in Tomball, Traditions says in a release. The acquisition "strategically expands Traditions' presence in the north Houston area," the College Station-based company says. Traditions Health bought **Guiding Hospice** in the Austin area last December and **Pathways Hospice** in Tucson, Arizona, last November. Traditions Health is a portfolio company of private investment firm **Dorilton Capital Advisors**.

Also in Texas: Choice Homecare of Texas has acquired **Nextgen Hospice** in Houston, says the Tyler-based home health, hospice, and rehab chain founded in 2007. "Choice completed multiple transactions in 2019 to expand palliative and hospice care initiatives while enjoying substantial organic growth in its home health division," the company says in the release. It bought **Legacy Hospice** with locations in Tyler and Sulphur Springs last year and **Charis Hospice** in the Dallas-Fort Worth area in 2018.

And once more in Texas: Texas chain **Three Oaks Hospice** is setting its sights outside of the state. "We have done a great job of building our Texas footprint," says **Three Oaks Hospice** CEO **Andrea Bohannon** in a release. Next, the Dallas-based company "will continue to strategically develop other underserved hospice markets outside of Texas,"

Bohannon says.

Three Oaks launched in May 2019 and acquired three locations, from **Total Hospice & Palliative Care**, **ABS Palliative and Hospice Care**, and **Fellowship Hospice**, it said in a release last year. Three Oaks has since acquired four other hospice providers, it now says - **Peace Hospice and Palliative Care**, **VeraCare Hospice**, **Hospice Partners of America**, and **AMED Management**. The chain furnishes more than 200,000 patient days of care annually in nine markets and four states.

During 2019, Three Oaks Hospice received more than \$21 million in private equity backing from **Granite Growth Health Partners**, **Health Velocity Capital**, and **Petra Capital Partners**, the company said last year. Three Oaks will grow through both acquisitions and de novo locations, it says.