

## Eli's Hospice Insider

### Mergers & Acquisitions: Hospices Combat Declining Reimbursement With Consolidation

**'Scale matters,' says one market expert.**

Hospices are working hard to survive and thrive in today's reimbursement environment.

**For example:** Hospice of Central Ohio will join three Dayton-area hospices as an affiliate of **Ohio's Hospice**, reports the Newark Advocate newspaper. **Hospice of Dayton, Hospice of Miami County** and **Hospice of Butler and Warren Counties** formed Ohio's Hospice in 2013.

"We all maintain our own identity," a hospice rep says. "It's not a merger or acquisition activity, since we're both not-for-profit."

Such partnerships allow organizations with shared missions to share expertise, resources and best practices, a hospice exec told the newspaper. "The benefit of our partnership ... is the ability for affiliated organizations to maintain their name, local identity and local presence," says **Ryan Mills**, chairman of the Hospice of Central Ohio board of directors.

The newly enlarged Ohio's Hospice will serve more than 7,500 patients annually □ more than 900 patients a day □ and employ more than 800 staff members in 20 Ohio counties.

**Another example:** Hyannis, Mass.-based **HopeHealth** will merge with **Home Care & Hospice of New England** based in Providence, R.I., according to the Cape Cod Times newspaper.

Home & Hospice Care of Rhode Island, part of the HCHNE organization, will be known as **Hope Hospice and Palliative Care of Rhode Island**, the newspaper says. HopeHealth currently serves 1,100 patients and clients, while the Rhode Island-based hospice and visiting nurse organizations serve 1,200.

With Medicare reimbursements being cut, "you need to get big," said **Howard Gleckman**, a resident fellow at the **Urban Institute** in Washington, D.C. "Scale matters when you are buying supplies." And marketing "is hard to do when you're little and they're big."