

Eli's Hospice Insider

Mergers & Acquisitions: Hospices Seek Affiliations In Increasingly Crowded Marketplace

Hospital closes hospice doors.

Unreliable reimbursement and ever-increasing regulatory scrutiny don't seem to be dampening the hospice M&A market much.

Check out these recent mergers, acquisitions and other deals:

- **NorthCare Hospice & Palliative Care is merging** with **Kansas City Hospice & Palliative Care**, reports the Kansas City Business Journal. NorthCare Hospice will keep its name and operate as a division of Kansas City Hospice in the Northland. NorthCare has 130 employees, a 16-bed facility, and serves 1,000 families a year. KC Hospice has 250 employees, a 32-bed facility, and serves 2,500 families a year, according to the newspaper.
- **Hospice By The Bay** ☐ formerly **Hospice of Marin** ☐ has affiliated with the **University of California, San Francisco**, reports the Marin Independent Journal. The Larkspur-based agency continues to operate as an autonomous nonprofit and will lay off none of its 308 employees as a result of the alliance, the newspaper says.

Hospice By The Bay hopes the affiliation will improve its geographic reach. "The dynamics of hospice right now are such that you really want to maximize your economies of scale so you can financially survive over the next five years," board member **Gerald Peters** told the newspaper. "It would be ideal if we could expand geographically."

- **Woodland Hospice Morey Bereavement Center** in Mt. Pleasant, Mich., intends to affiliate with **MidMichigan Health**, reports The Gladwin County Record & Beaverton Clarion. MidMichigan will run Woodland's day-to-day operations, while Woodland continues to own and maintain its eight-bed facility. **Hospice of Central Michigan** built the facility in 2008, according to the newspaper.

It's not all acquisitions and mergers, though. Rough market conditions are leading to some closures as well. In Pennsylvania, **Commonwealth Health**, which runs **Regional Hospital of Scranton** and **Wilkes-Barre General Hospital**, has ended its hospice services. "The volume of patients served has become so small that we cannot sustain the service," the health system says, according to WNEP News. Commonwealth will also consolidate hospice services in Berwick.