

Eli's Hospice Insider

Mergers & Acquisitions: Private Equity-Backed Chain Readies For Midwest Expansion

Plus: California, Florida markets see action too.

Troy, Michigan-based Residential Hospice has entered two new states via acquisitions for undisclosed amounts.

Residential, a division of Graham Healthcare Group, has acquired Comfort Hospice in St. Louis and Grace Hospice in Maumee, Ohio, from U.S. Medical Management, it says in a release. GHG is a subsidiary of Graham Holdings Company, which owned The Washington Post and was called The Washington Post company until it sold its flagship newspaper to **Jeff Bezos** in 2013 for \$250 million.

GHG companies include Residential Home Health, Residential Hospice, Allegheny Health Network (AHN) Healthcare@Home, and Mary Free Bed at Home, the release notes. They employ more than 2,800 staff serving 13,000 patients in Florida, Illinois, Kansas, Michigan, Pennsylvania, and now Missouri and Ohio.

"We are poised for expansion throughout the Midwest as we continue our mission of making hospice care more accessible to our communities," **Justin DeWitte**, CEO of Residential Hospice, says in the release.

However, shut-downs continue to occur as well. The Oswego County, New York health committee has voted to close the county's hospice agency, according to press reports. The closure is largely due to the hospice's inability to attract and retain nurses, it says. The county will file a closure plan with an end date about a year from now.

And in West Springfield, Massachusetts, Trinity Health will close its Trinity Health at Home home health and hospice agency laying off 60 workers, reports MassLive. "Nationwide, health systems are experiencing broad shifts in patient volumes, staffing challenges, including high-cost agency contracts, and increasing supply and pharmacy costs," said a Trinity Health representative.



Other recent hospice mergers and acquisitions include:

In Florida: Hospice of Marion County in Ocala plans to affiliate with non-acute health system Empath Health. The nonprofit companies have signed a Memorandum of Understanding to begin the process, Empath says in a release. Clearwater-based Empath operates Tidewell Hospice, Suncoast Hospice, Suncoast Hospice of Hillsborough, as well as home health, physician, pharmacy, durable medical equipment, and other services. It merged with Stratum Health System last year.

In California: The Pennant Group Inc., the parent of Cornerstone Healthcare Inc., has acquired the assets of Ardent Hospice and Palliative Care, which provides hospice and home health in the Central Valley, Palm Springs, and San Diego, the Eagle, Idaho-based chain says in a release. "This off-market acquisition opens the door to new service areas in Palm Springs and the Central Valley, and further strengthens our presence in San Diego," Pennant CEO **Brent Guerisoli** says in the release. Pennant, through its subsidiaries, operates 94 hospice and home health agencies in 14 states, it says.

In Minnesota: St. Croix Hospice has opened a new location in Albert Lea, expanding the Oakdale-based chain's service area in the southeastern part of the state. "We are reducing travel time to the patient's bedside which enables us to improve our response time for urgent patient needs," says **Jamie Hanson**, Statewide Clinical Director for St. Croix Hospice in Minnesota, in a release about the de novo. St. Croix operates in nine Midwestern states.