

Q3-2022 Home Health & Hospice Update

Market Update

The potential partners universe continues to expand and diversify with increased interest in home-based care services from investors of all types. Healthcare organizations in adjacent verticals remain bullish on capturing the continuum of home-based care services, evident by the Walgreens/CareCentrix and CVS Health/Signify Health transactions. While CVS ultimately won the bid for Signify, groups such as Amazon and UnitedHealth were aggressive suitors in the process indicating a continued intent to vertically integrate offerings in an attempt to capture synergies and growth through value-based care offerings.

The entrance of these larger players to the home-based care space, combined with continued interest from existing consolidators, has resulted in valuations remaining at elevated levels, despite some of the challenges seen in the public markets.

Provident Transaction Spotlight









GHC Hospice ("GHC") a leading hospice care provider in Georgia and South Carolina, has been acquired by Agape Care Group, a portfolio company of Ridgemont Equity Partners.



GHC is a leading hospice care provider serving 25 counties in Georgia and South Carolina with a reputation for superior clinical excellence. Agape provides services to 3,600 patients across South Carolina, Georgia, and North Carolina. This transaction enabled GHC to partner with an organization that shares the same values and quality care standards and positions the combined organization as a market leader in the southeast.

Provident Healthcare Partners served as the exclusive financial advisor to GHC Hospice.

Select Transactions:

Month	Acquirer	Target	Target – Number of:		Deal Significance
			Locations	States	
October			3	IN	St. Croix Hospice, a portfolio company of H.I.G. Capital, purchased Adaptive Hospice from Help at Home, a company backed by private equity firms The Vistria Group and Centerbridge Partners.
September	DTRT Health Acquisition Corp.		36	Nationwide	DTRT Health Acquisition Corp, a special purpose acquisition company, agreed to take Consumer Direct Holdings, a leading national home care provider with over 75,000 clients, public for \$681 million which is approximately 10.1x projected pro forma EBITDA.
September			7	Nationwide	CVS Health agreed to purchase Signify Health for \$8 billion, amounting to \$30.50 per share in cash. The transaction will lay the foundation for future expansion for CVS in home-based health care.
September			7,400	Nationwide	The Walgreens Boots Alliance completed its acquisition of a majority share in CareCentrix, a home-based care technology platform with 19 million members, for \$330 million.
August			775	Nationwide	Clayton, Dubilier, and Rice completed its acquisition of Kindred at Home from Humana for \$2.8 billion. The reconstructed platform company will be renamed Gentiva.

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