

Home Health & Hospice

Q3 2023

Market Update

Home health and hospice continues to be a highly sought-after space as evident by Q3-23 deal flow. While most of the transactions were bolt-ons, there were a handful platform creations. International private equity firm, The Halifax Group, has acquired Sodexo's world-wide home-care division which includes U.S. based Comfort Keepers. This transaction highlights the on-going trend of increased investor appetite for non-traditional home care assets that leverage a franchising model. This structure gives investors indirect exposure to industry headwinds and presents an opportunity for significant revenue potential. In addition, deals such as Havencrest's home-based care platform creation, shows continued interest in the space from private equity groups. Havencrest has indicated that Avid is primed for immediate expansion with a robust pipeline of add-on acquisitions in the Midwest region.






Home Health & Hospice Comparable Multiples

Company	Share Price	Revenue	EBITDA	EV/Rev	EV/EBITDA
Addus HomeCare	\$84.93	\$1,000M	\$92M	1.43x	15.51x
Amedisys Inc.	\$93.90	\$2,225M	\$293M	1.57x	25.64x
Pennant Group	\$11.13	\$502M	\$29M	1.31x	22.58x
Enhabit Inc.	\$11.25	\$1,056M	\$121M ⁽¹⁾	1.11x	9.67x

As of 9/30/2023

⁽¹⁾ Adjusted EBITDA

Select Transactions

Month	Acquirer	Target	Locations	State(s)	Deal Description
September	 		12	Delaware, New Jersey, Pennsylvania	Care Options for Kids, a Webster Equity backer platform, has acquired Preferred Home Health Care & Nursing Services a leading provider of private duty nursing for pediatric care patients.
September	 		535	All 50 States	The Halifax Group has acquired the world-wide home care division of Sodexo including the U.S. based group Comfort Keepers which has more than 700 locations across eight countries.
September	 		N/A	Nevada	The Pennant Group, a publicly traded home health, hospice, and senior living organization, has acquired Arizona-based Valor HospiceCare.
August	 		N/A	Illinois	Havencrest Capital Management has announced the formation of its non-medical home care platform, Avid Health at Home, created via the acquisition of For Papa's Sake Home Care based in Chicago.

Provident Industry Coverage Team

Kevin Palamara
Managing Director
(617) 226-4221
kpalamara@providenthp.com

AJ Shekar
Director
(617) 226-4251
ashekar@providenthp.com

Jake Vesely
Vice President
(617) 226-4293
jvesely@providenthp.com