

Home Health & Hospice

Q3 2024

Market Update

M&A activity in the home health and hospice sector remained steady in Q3 2024, with continued strategic divestitures across the space. Over the past 18 months, several key transactions have shaped the landscape, including HouseWorks' acquisition of Amedisys' Personal Care Division, Addus HomeCare's purchase of Gentiva's Personal Care Division, and HCS-Girling's acquisition of Addus' New York operations. This trend persisted through Q3, with several organizations refocusing on core markets and services to improve operational performance, enhance patient care, and unlock synergies that drive sustainable growth.

While traditional recaps and full exits will continue, Provident anticipates more targeted divestitures and strategic acquisitions shaping the near future of the post-acute sector.

Looking ahead, the expected completion of the United-Amedisys transaction and rumors surrounding the sale of PE-backed Three Oaks Hospice are poised to further catalyze M&A activity.

Home Health & Hospice Comparable Multiples

Company	Share Price	Revenue (\$M)	Adj. EBITDA (\$M)	EV/Rev	EV/EBITDA
Addus HomeCare	\$129.02	\$1,115	\$133	1.9x	16.1x
Amedisys Inc.	\$96.29	\$2,289	\$282	1.6x	12.5x
BrightSpring Health Services	\$15.01	\$9,938	\$543	0.5x	9.9x
Pennant Group	\$33.42	\$612	\$47	2.4x	31.6x
Enhabit Inc.	\$7.29	\$1,042	\$92	0.9x	10.4x

As of 10/8/2024

Select Transactions

Month	Acquirer	Target	State(s)	Deal Description
September	 FULCRUM EQUITY PARTNERS	 Physicians Services Group OF SOUTH CAROLINA	SC	Fulcrum Equity Partners invested in Physician Services Group of South Carolina ("PSG"), a group of physicians and NPs providing care to SNF patients. The investment aims to expand PSG's service offerings and strengthen its management team.
September*	 Agape Care Group	GA, KS, MO, and OK Assets of  Crossroads HOSPICE & PALLIATIVE CARE	GA, KS, MO, OK	Agape Care Group ("Agape"), a portfolio company of Ridgemont Equity partners, acquired select Crossroads Hospice & Palliative Care ("Crossroads") locations. The partnership expands Agape's presence in the southeast while allowing Crossroads to focus on its operations in TN, OH, and PA post-transaction.
September	 COMPASSUS®	Seven PAC Locations of  OhioHealth	OH	Compassus acquired ownership interest in three hospice and four home health locations previously operated by OhioHealth. Compassus will manage the operations of these locations while ensuring seamless care coordination between the two organizations.
August	 P E N N A N T GROUP	ID and WA Assets of  SIGNATURE healthcare at home care where you are	ID, WA	The Pennant Group, Inc. (NAS: PNTG), the parent company of the Pennant Group ("Pennant") PAC assets, acquired the ID and WA assets of Signature Healthcare at Home ("Signature") for \$80M, the largest transaction in Pennant's history.

*Provident Transaction

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Notable Transactions

Crossroads Press Release

[Provident Healthcare Partners Advises Crossroads Hospice & Palliative Care on its Partnership with Agape Care Group](#)