

Q2-2022 Home Health & Hospice Update



Market Update

The second quarter of 2021 marked a continuation of strong consolidation activity within the home health and hospice sectors. Providers continue to utilize M&A in a growing attempt to capture the entire continuum of care as we transition to a value based care environment, as evidenced by Humana's acquisition of One Homecare Solutions and Amedisys's acquisition of hospital-at-home provider, Contessa Health.

Provident-led hospice processes, including Heart 'n Home Hospice among others, confirmed that the hospice market remains at an all-time high in terms of interest level and valuations, both from the private equity community and from strategic consolidators. Demand for top-quality assets remains extremely strong as investors look to capitalize on demographic tailwinds - we expect the sector will continue to generate strong interest for the foreseeable future.

Select Transactions:

Month	Acquirer	Target	Target – Number of:		Deal Significance
			Locations	States	
June	Humana	One Homecare Solutions	N/A	8	Major insurer Humana acquired One Homecare Solutions from Waypoint Capital to grow its presence in the value-based home healthcare space.
June	Coltala Holdings	Choice Health at Home	27	2	Private equity firm Coltala Holdings has acquired Choice Health at Home with a vision of becoming a multistate home care powerhouse.
June	Amedisys	Contessa Health	N/A	7	Amedisys acquired Contessa Health, one of the largest hospital-at-home providers for \$250 million, expanding Amedisys' total addressable market for in-home care services from \$44 billion to \$73 billion.
June	LHC Group, Inc. (NASDAQ: LHCG)	Heart of Hospice	16	5	LHC Group announced it signed a definitive agreement to purchase Heart of Hospice from EPI Group expanding the company's hospice footprint in five states.
June	Searchlight Capital	Care Advantage	35	4	Searchlight Capital has acquired Care Advantage from BelHealth Investment Partners
May	LHC Group, Inc. (NASDAQ: LHCG)	Heart N' Home Hospice	10	2	LHC Group completed its acquisition of Heart 'n Home Hospice furthering the company's strategy of building up their hospice footprint in markets where they already have a home health presence.

Provident Transaction Spotlight

Heart 'n Home Hospice, a leading provider of hospice care in Oregon and Idaho has been acquired by LHC Group. Through a competitive marketing process, Provident was able to secure a premium double digit multiple for our client.



Heart 'n Home has 10 locations across Oregon and Idaho and is among one of the largest independent hospice providers in its market. This acquisition represents a platform entry into hospice care in the state of Oregon for LHC Group, expanding its existing footprint in Idaho, while also aligning with the company's co-location strategy to provide multiple in-home healthcare services in certain markets.

Provident Healthcare Partners served as the exclusive financial advisor to Heart 'n Home. McDermott Will & Emery acted as legal counsel to Heart 'n Home.

Provident Industry Coverage Team

Kevin Palamara
Managing Director

kpalamara@providenthp.com (617) 226-4221

AJ Shekar
Director

ashekar@providenthp.com (617) 226-4251

Jake Vesely
Associate

jvesely@providenthp.com (617) 226-4293

Industry Conferences

The Provident Healthcare Partners investment banking team regularly attends conferences and other events related to the home health & hospice sector. We invite industry executives and shareholders to reach out for a confidential meeting to gain a more detailed perspective on valuations and transaction activity within the sector.