

Vertical

Home Health & Hospice

Focus

Q2 2021 Acquisition Activity and Outlook

Transaction Volume Continues to Increase Across Home Health & Hospice

The second quarter of 2021 delivered 40 reported home health and hospice transactions continuing a steady upward trend of M&A activity within the industry. We generally expect high deal flow throughout 2021, supported by increasing private equity interest, a favorable government, and a seller pool that is ready to transact.

While the majority of acquisitions were smaller add-ons to existing platforms, we did track several large acquisitions and recapitalizations. Notably, in April, Chicago-based private equity firm Riverglade Capital acquired Home Helpers Home Care, a home care franchiser that operates in over a thousand communities across the country. Also in April, BrightSpring Health Services acquired Adobe Healthcare, a home health and hospice network located in twelve states. The acquisition increases BrightSpring's home health and hospice presence to seventeen states. While the summer months of Q3 often experience a seasonal decrease in M&A activity, we expect an uptick in home health and hospice closings in the final three months of the year. With a potential capital gains increase on the horizon, both buyers and sellers will work hard to close deals in 2021.

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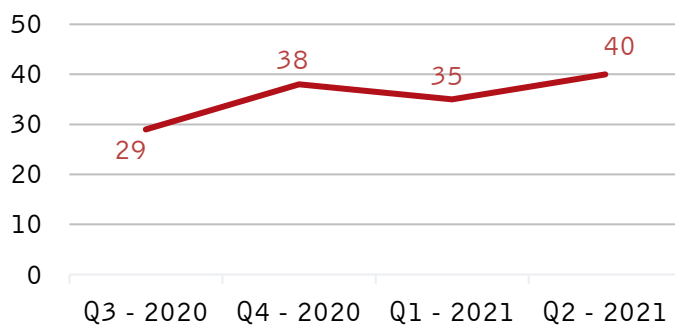
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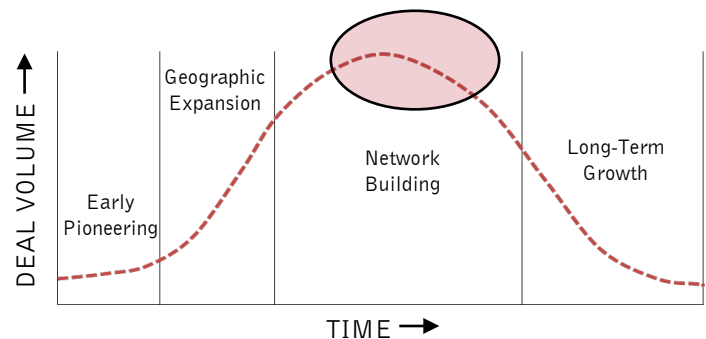
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12-Month Quarterly Acquisition Trend



PE Consolidation Lifecycle Positioning



Notable Deals in the Q2 2021

Buyer	Target	State	Locations	Date
RiverGlade Capital	Home Helpers Home Care	41	1000+	4/8/21
BrightSpring Health	Abode Healthcare	12	41	4/16/21
Caring People	Halcyon Elder Care	NJ	1	4/21/21
Encompass Health	Frontier Home Health	5	20	6/1/21
The Pennant Group	First Call Hospice	CA	1	6/17/21

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