

# Private Equity in Health Care Trends & Impact

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Nationally recognized team of private insurance experts

- Part of McCourt School of Public Policy
- Legal & policy analysis
  - Federal and state regulation
  - Market trends
- Published reports, studies, blog posts
- Technical assistance

# The Rapid Rise of PE Investment in Health Care

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# Where are they Investing?

- Hospitals – PE owns 460 hospitals in the country; 8% of all private hospitals and 22% of proprietary for-profit hospitals
- Physician Practices – from 75 deals in 2012 to 484 deals in 2021
- Physician Staffing firms
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# Impact on Quality of Care

- PE-owned nursing homes saw a 10% increase in mortality among Medicare patients
- Significant increase in hospital-acquired conditions for Medicare patients at PE hospitals

# Impact on Costs

- Associated with increased volume, increased prices, use of profitable service lines, decreased proportion of publicly insured patients, increase in net income, upcoding
- PE hospitals have higher charge-to-cost ratios than non-PE hospitals
- PE hospitals bring in nearly 30% more income
- PE ownership resulted in 32% increase in costs for payers and patients





# Takeaways for State DOIs

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