

I'm writing to express opposition to the proposed transaction between Providence and Compassus that would transfer a 50% share in Providence hospice and home care to Compassus, a for-profit entity with a history of Medicare fraud settlements. Compassus is among the many for-profit corporations acquiring non-profit hospices and turning a profit by reducing the amount of care provided to people in need.

My objections to the transaction are twofold, concerning quality of care and the patient/employee experience, and the actual likelihood that the plan as described in the Notice will achieve its stated outcomes.

Compassus is 50% owned by a private equity firm. Private equity firms have a record of cutting care for dying people when they buy hospices. KFF Health News<sup>1</sup> reports:

“For-profit hospices tend to hire [fewer employees](#) than nonprofits and expect them to see more patients. Many hospice nurses and social workers are booked for 30-minute appointment slots throughout the day, unable to spend more time with patients if needed. For-profit hospices [hire more](#) licensed practical nurses than registered nurses, who are more skilled, and rely more on nurse’s aides to further cut costs.”

I practiced nursing at Care Partners, a local non-profit hospice, for 3 years and served on its board for 3 years. Registered nurses saw 4-5 patients daily, not 6-8 as a for-profit would require. Hospice professionals cared not only for people’s physical needs (although that is essential); we informed patients and families about the dying process, provided psychosocial support, ensured family caregivers were educated and healthy enough to do the job, communicated with the health care team, ordered supplies, and responded to emergencies. In my role as clinical nurse specialist, I also consulted and provided education to staff, essential roles not covered in a pay-per-visit model. Sometimes, hospice RNs spent hours in one home to stabilize a patient and ensure their safety and comfort. These responsibilities do not fit neatly into a 30-minute window. Hospice professionals respond to needs as they arise, sometimes seeing patients more than once a week, well beyond what is required by Medicare. Professionals must have the authority to provide the care that is needed when it is needed. Professional judgment must not be supplanted by corporate mandates.

The track record of for-profits who purchase non-profit hospices is not good. The Government Accountability Office found that for-profit hospices, in comparison to non-profits, discharged patients before death more often (an indication that patients never met admission criteria) and provided fewer visits within the last 3 days of life, as required by Medicare.<sup>2</sup> The Office of the Inspector General audited a Compassus-owned hospice in Arizona and concluded that the hospice did not comply with Medicare requirements in 39% of cases reviewed and that the hospice overcharged Medicare; the hospice was forced to repay over \$1.8 million in overcharges to Medicare.<sup>3</sup> In Missouri, a judge upheld the

termination of a Compassus hospice on the grounds that “Compassus failed to provide effective nursing services to ensure...pain management needs were met.”<sup>4</sup> Symptom management is a basic tenet of hospice; failing to provide pain relief is an egregious violation of standards of nursing practice. Termination of a hospice’s Medicare participation is a rare event; only 18 hospices had their Medicare contracts terminated between 2017 and 2022. For perspective, in 2022, there were nearly 6000 hospices in the U.S.

The above cases are examples, not a comprehensive description of Compassus’ violations.

Medicare fraud settlements, lack of compliance with Medicare conditions of participation, and breaches of standards of nursing practice make it clear that Compassus has a pattern of disregard for ethics and for the welfare of people and their loved ones experiencing the dying process.

The “Notice” states that the joint venture (JV) would not reduce staffing, alter services, change the service region, or reduce compensation. Benefits would be “substantially similar,” and employees would experience no loss of seniority as a result of the JV. There is no timeline or definition associated with the phrase “as a result of the JV” although it is used repeatedly. It strains credulity to believe that the JV would make no changes to services, staffing, geographic region, or compensation while expanding access to care, enhancing patient and provider experiences, and improving clinical outcomes. The Compassus “proprietary care delivery model” is not described in detail in the Notice, but without adjusting staffing, services provided, service region, or compensation, it is hard to imagine the model achieving the goal of “positively [impacting] the public and the people served by Providence in Oregon.” I practiced nursing for 42 years. Compassus wants us to believe their care delivery model works miracles, but shifting nursing care delivery models is an old trick; it’s been done, and it doesn’t work.

For these reasons, I urge the Oregon Health Authority to disapprove this transaction. Thank you for your careful review of this transaction.

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## References

1. KFF Health News. (2022). Hospices Have Become Big Business for Private Equity Firms, Raising Concerns About End-of-Life Care.  
<https://kffhealthnews.org/news/article/hospices-private-equity-firms-end-of-life-care/>
2. Government Accountability Office. (2019). Opportunities Exist To Strengthen CMS Oversight of Hospice Providers. <https://src.bna.com/MQG>
3. Office of the Inspector General. (2020). Medicare Hospice Provider Compliance Audit: Hospice Compassus, Inc., of Payson, Arizona.  
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4. U.S. Department of Health and Human Services (2023). Compassus Hospice and Palliative Care – St. Louis, DAB CR6228 (2023).  
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