

Woodruff in Modern Healthcare: Communication Key in Hospital Mergers

October 5, 2017

Steward Health Care completed its acquisition of 18 Iasis Healthcare hospitals in a \$2 billion deal that expands the Boston-based provider's footprint to 36 hospitals across 10 states with an estimated revenue of nearly \$8 billion, *Modern Healthcare* [reported](#).

Steward is now the largest private hospital operator in the country after acquiring Franklin, Tenn.-based Iasis' hospitals in Arizona, Arkansas, Colorado, Louisiana, Texas and Utah. Steward now has 37,000 employees, 1,400 employed physicians and 4,700 integrated network physicians under its umbrella, the organization said.

Steward CEO Dr. Ralph de la Torre said in a statement that the acquisition, announced in May, will bolster its "physician-driven integrated care model" as the system continues to snap up struggling hospitals.

The deal, which is backed by private equity firm Cerberus Capital Management and real estate investment firm Medical Properties Trust, also expands its managed-care and health insurance arm to cover more than 680,000 patients. ...

Particularly with physician-led models, integration is key on both the clinical and operational sides, said Kenya Woodruff, chair of the healthcare practice group at the law firm Haynes Boone.

"There is always risk with merging entities of this size," she said. "As we see in many industries, culture is so important post-merger."

Communication between the compliance and legal officers of both organizations is also vital to best understand the strength and weaknesses of each company, Woodruff added.

Excerpted from *Modern Healthcare*. To read the full article, click [here](#).