

CRAIN'S DETROIT BUSINESS

You may not reproduce, display on a website, distribute, sell or republish this article or data, or the information contained therein, without prior written consent. This printout and/or PDF is for personal usage only and not for any promotional usage. © Crain Communications Inc.

Health Care

Henry Ford Health to take over Ascension's Southeast Michigan hospitals in joint venture

By Dustin Walsh



Henry Ford Health announced Wednesday it will create a joint venture that pulls all of Ascension Michigan's hospitals in metro Detroit under its stewardship.

Under the no-cash deal, eight Ascension and Genesys hospitals and an addiction treatment center will be rebranded under Henry Ford.

The hospitals that will be operated by Henry Ford include its existing footprint, plus Ascension Brighton Center for Recovery, Ascension St. John Hospital, Ascension River District Hospital, Ascension Genesys Hospital, Ascension Macomb-Oakland Hospital-Madison Heights, Ascension Macomb-Oakland Hospital-Warren, Ascension Providence

Hospital-Novi, Ascension Providence Hospital-Southfield and Ascension Providence Rochester Hospital.

The combined entity would employ 50,000 at more than 550 sites across the state.

Despite Henry Ford controlling the assets, the health system claims it's not an acquisition.

Ascension Michigan will continue to operate its Northern Michigan and Southwest Michigan hospitals, the companies said in a press release.

"Together we can expand health care services and deliver innovations in care — from prevention and early detection through the treatment of complex conditions — to more people and communities across our state, including those who are most vulnerable," Bob Riney, CEO of HFH, said in a press release. "We share a deeply-rooted dedication to providing world-class health care that everyone deserves, regardless of geographic, demographic, or socioeconomic status."

Riney will serve as the CEO of the new entity. The deal is set to be completed in the summer of 2024, barring regulatory approvals.

The deal comes only months after HFH [announced a nearly \\$3 billion plan](#) to construct a new hospital tower in Detroit and redevelop its campus in New Center.

For St. Louis-based Ascension, unloading its Southeast Michigan hospitals comes as a financial relief. The Catholic health care system reported a \$3 billion operating loss during its fiscal year and has been working to sell off assets to stem its bleeding.

In April, it announced it planned to sell its Providence Hospital in Mobile, Ala. to the University of South Alabama Health Care Authority. Then in June it entered into an agreement to sell Our Lady of Lourdes Memorial Hospital in New York to Sayre, Penn.-based Guthrie Clinic as well as related clinical and other business associated with the hospital.

In late 2022, Ascension completed the sale of certain assets of its outreach laboratory business and transitioned management of hospital-based labs in certain markets to Labcorp.

The deal with HFH is reminiscent to a deal it made with Milwaukee-based Ministry Health Care, where it sold its interest in seven hospital in Wisconsin to the competitor.

By **Dustin Walsh**

Dustin Walsh is a senior reporter for Crain's Detroit Business, covering health care with a focus on industry change and operations, as well as the state's emerging cannabis industry. He is also a regular columnist on all things health, labor, economics and more.

 Health Care, News, Mergers & Acquisitions, Hospitals, Henry Ford Health System

Source URL: <https://www.crainsdetroit.com/health-care/henry-ford-health-take-over-8-ascension-hospitals>