Nearly 1 in 10 private hospitals now PE-owned; 1/3 have REIT-owned real estate

Nearly one-third of private equity-owned hospitals have REIT-owned real estate, more than one-fifth operate through joint ventures with nonprofit.

Logo of the Private Equity Stakeholder Project

CHICAGO, IL, UNITED STATES, July 21, 2026 /EINPresswire.com/ -- The Private Equity Stakeholder Project (PESP) today released the 2026 update to its Private Equity Hospital Tracker, adding new data that reveals how private equity-backed hospital systems increasingly rely on complex ownership structures beyond traditional acquisitions. The tracker identifies 447 private equity-owned hospitals nationwide—meaning nearly one in ten private hospitals in the United States is now owned by a private equity firm. For the first time, the tracker documents hospitals whose real estate is owned by real estate investment trusts (REITs) as well as hospitals operated through joint ventures with nonprofit health systems.

> Private equity's hospital investment strategies increasingly extend beyond direct ownership. Oversight needs to keep pace with the increasingly complex financial structures shaping healthcare.”
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> *Jim Baker, executive director, PESP*

Among the tracker's new findings, at least 136 of the 447 private equity-owned hospitals (30.4%) have their real estate owned by REITs—far higher than the share of all for-profit hospitals (11.9%) and all privately-owned hospitals (4.7%). PESP identified 223 hospitals nationwide whose real estate is owned by REITs, and private equity-backed companies operate 61% of them.

"Private equity's hospital investment strategies increasingly extend beyond direct ownership," said Jim Baker, executive director of PESP. "Our updated tracker documents how financial structures such as REIT ownership and joint ventures can allow private equity firms to extract value from hospitals in ways that are often less visible than a traditional acquisition."

Medical Properties Trust (MPT) remains by far the largest REIT owner identified in the tracker, owning the real estate underlying 105 hospitals—nearly half of all REIT-owned hospitals identified by PESP. Steward Health Care and Prospect Medical Holdings both completed sale-leaseback transactions with REITs before their financial distress and bankruptcies, illustrating why these arrangements have drawn increasing scrutiny from policymakers and regulators.

The updated tracker also expands its coverage of private equity joint ventures with nonprofit health systems. More than one-fifth (21.4%) of private equity-owned hospitals now operate through joint ventures, reflecting the growing use of partnerships as an expansion strategy. Apollo Global Management's hospital platform illustrates how these ownership structures increasingly overlap. Apollo's hospital systems, Lifepoint Health and ScionHealth, together operate 68 hospitals through joint ventures with nonprofit partners while 71 hospitals have REIT-owned real estate.

Additional findings from the updated tracker include:
-- 447 private equity-owned hospitals nationwide, representing 9.5% of all private hospitals and 26.8% of proprietary for-profit hospitals.
-- Apollo Global Management remains the nation's largest private equity hospital owner, operating 200 hospitals through Lifepoint Health and ScionHealth.
-- Texas continues to have the most private equity-owned hospitals (90), while New Mexico has the highest concentration, with 42.1% of its private hospitals under private equity ownership.

Among facilities with available Centers for Medicare & Medicaid Services (CMS) quality ratings, private equity-backed hospitals continued to lag national averages. Private equity-owned hospitals averaged 2.5 stars, with substantially higher shares of lower-rated 1- and 2-star facilities and far fewer 5-star hospitals than the national average.

"Who owns a hospital—and increasingly, who owns the land beneath it—can have enormous implications for patients, workers, and local communities," Baker said. "Oversight needs to keep pace with the increasingly complex financial structures shaping healthcare."

The updated Private Equity Hospital Tracker is available at: pestakeholder.org/pesp-private-equity-hospital-tracker

Matt Parr
Private Equity Stakeholder Project
+1 773-234-4855
email us here

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