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Phil and Kim Melugin, owners

**ECONOMIC
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Volume and Value

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Taking on a name such as Phoenix Home Care Inc., a quick rise to prominence wasn't unexpected. Even so, Phoenix's quick gains in territory, revenue and employee count easily surpassed the expectations of veteran health care provider, owner and president Phil Melugin.

"They say, 'Build it and they will come.' Well, we've been blessed because we built it and they came," Melugin says of the 4-year-old company that brought in nearly \$38 million last year across eight branches and six satellite locations.

From St. Louis to Montrose, Colo., and Sedalia to Branson, Phoenix Home Care builds on the experience Melugin acquired as a long-time partner with Springfield-based Integrity Home Care Inc. Following a split with co-owners in late 2010, Melugin started fresh, hiring the first Phoenix employees in May 2011. By the end of that first month, the venture had 70 employees. Four years later, it has over

2,200.

The growth wasn't by accident, according to Melugin, but by a desire to grow economies of scale to make delivery of home-based health care less expensive. Through two acquisitions last year, Phoenix Home Care added services in Wichita and Johnson County, Kan. The deals nearly doubled its hours of patient care a week to 36,000 from 18,500 hours of home care.

**TOP
HONORS**



"We have to have a lot of technical sophistication and diversification," Melugin says. "So, we have to have a lot of volume to make this work."

Now ranked second locally behind Integrity – based on average number of monthly patient visits, according to Springfield Business Journal list research – among nearly a dozen area home health providers, about three-quarters of Phoenix Home Care's revenue comes from Medicaid and Medicare patients, with the rest privately paid. Locally, the company employs 538 and generated \$10.9 million in

the Springfield area last year.

Changes in reimbursements have been a challenge, Melugin says, but a focus on attracting and retaining qualified nurses has helped make the company's growth possible.

He says he's followed – and capitalized – on an industry trend among many home-health providers to keep in-home staff under 30 hours a week.

"We've defied that trend," Melugin says, noting the vast majority of Phoenix's staff work full-time with benefits. "Our employees are our best recruiters. We've created a magnet for employees."

The company also works to improve the communities it serves through support of organizations such as the Alzheimer's Association, American Heart Association, the Southwest Missouri Office on Aging, Project Hope and the Rainbow Network.

"We try to have an impact by being community centered," Melugin says.

Recognized this year with SBJ's Dynamic Dozen award for fastest growing locally based company, Phoenix Home Care's next five years should feature further expansion, but likely less explosive growth, Melugin says.

"I really see us in five years filling in the gaps and being a regional employer," he says, adding the company is planning to add a satellite office east of St. Louis by the end of the year. "I think we'll probably be in a couple of new states, but I don't think we'll be in Florida, for instance. We will be centered more in the upper Midwest."

Phoenix Home Care Inc.

Year founded: 2011
Address: 3033 S. Kansas Expressway
Web: PhoenixHomeHC.com
Products/services: In-home health care and private-duty nursing
Employees: 2,050
2014 revenue: \$37.7 million