Corporate Ownership of Health Providers in New Zealand

Ownership structures, reduced local control, and community impact

Research compiled April 2026

Executive Summary

New Zealand's health sector is undergoing rapid and largely unregulated consolidation under private equity, foreign institutional investors, and listed corporate structures. Across primary care, pharmacy, dentistry, pathology, and rehabilitation, decision-making power is shifting from locally embedded professionals to distant shareholders in Australia, the United States, Canada, and the United Kingdom.

This shift has been accompanied by documented examples of wage suppression, staff exodus, service degradation, and structural exploitation of public funding formulas - with the consequences borne disproportionately by high-needs communities and Māori.[1]

1. Oxford Family Practice Journal, "Financial barriers to primary health care in Aotearoa New Zealand" (2023): https://academic.oup.com/fampra/article/41/6/995/7269152

Provider Ownership Overview

Provider / Brand	Ultimate Owner(s)	Jurisdiction	Key Issue
The Doctors / Green Cross Health	LPL Trustee (Bagnall ~32%) Cape Healthcare (Merton ~32%) Institutional funds	NZ listed (NZX: GXH)	Unpaid wages (legal action); patient stranding at abandoned clinics; corporate PHO capture
Tāmaki Health / Local Doctors / White Cross	TPG Capital (US PE) ~$500bn AUM (OIO pending 2026)	USA (Cayman/Delaware)	3rd PE owner in 8 years; profit extraction from high-needs communities; loss of community founding ethos
Tend Health	Founders + Pencarrow PE (~25%) + Ngāi Tahu + Ahuahu (iwi arms)	NZ / AU	Corporate-controlled PHO (100% board = Tend staff); displacement of complex patients to GP-owned practices
Lumino The Dentists	BGH Capital (AU PE) + Ontario Teachers' Pension Plan (Canada)	AU / Canada	Dentists on commission (no ownership); national pricing complaints; PE academic quality concerns
Habit Health	Five V Capital (AU PE) 2nd PE owner in 6 years	AU	Revolving PE ownership; M&A; growth strategy; ACC volume incentive risk
Awanui Labs (APHG)	NZ Super Fund (48%) Ontario Teachers' (48%) Te Pūia Tāpapa (4%)	NZ / Canada	30% wage gap vs public sector; 900-worker strikes Feb–May 2025; blood sample delays; rural lab consolidation
Chemist Warehouse	Gance/Verrocchi families via Sigma Healthcare (ASX)	AU	Franchise displacement of community pharmacies; low wages (~NZ$27.56/hr avg); Australian head office decisions
Woolworths Pharmacies	Woolworths NZ Ltd (General Distributors Ltd subsidiary)	AU	High Court (2023): structure designed to evade pharmacist-ownership rules; 5 licences quashed; appeal withdrawn 2024

1. The Doctors / Green Cross Health

Ownership Structure

Green Cross Health (NZX: GXH) is New Zealand's largest corporate primary healthcare provider, operating approximately 360 pharmacies (Unichem and Life Pharmacy), 65 medical centres under The Doctors brand- serving ~429,000 enrolled GP patients. It previously owned and operated community nursing through Access Community Health and 30,500+ home-support clients.

Shareholder	Stake	Notes
LPL Trustee Ltd (John Bagnall)	~32%	Largest individual holder
Cape Healthcare Ltd (Peter Merton)	~32%	Non-executive director
Wilton Asset Management Ltd	~8.8%	—
Institutional / KiwiSaver funds	~35–45% free float	Index funds, NZ/AU managers

Reduced Local Control

Green Cross acquires GP practices outright and integrates them into its national operating model. Local clinical directors have limited autonomy - strategic decisions on staffing ratios, patient volumes, and consultation length targets are determined centrally to maximise revenue from the per-capita (capitation) funding formula. Green Cross has now received conditional approval to establish its own PHO (Primary Health Organisation), called Community Care - with a board of only four directors, two of whom are Green Cross employees. Conventional PHOs have ~10 community-based directors.[2]

Wage Suppression - Access Community Health (2020)

In September 2020, the Public Service Association (PSA) launched legal action against Access Community Health - a Green Cross subsidiary employing 3,500 home support workers delivering 20% of all NZ home and community support - for:[3]

- Failing to provide workers with regular, guaranteed hours
- Failing to provide legally required 10-minute breaks
- Failing to pay wages owed after clients cancelled scheduled visits

At the time of the legal action, Green Cross Health had reported a net profit of NZ$8 million in the prior six months and had increased shareholder dividends - while withholding legal wage obligations from its lowest-paid healthcare workers.

Patient & Community Harm — High Street Health Hub, Lower Hutt (2024)

Following Green Cross's corporate acquisition, this 9,000-patient practice experienced a mass staff exodus and by July 2024 had stopped face-to-face consultations except in urgent cases — effectively telehealth-only for a period.[4] Patients reported:

- Appointments unavailable for months; one patient waited from February to June for a routine consultation
- Appointment times changed at short notice with no ability to reschedule
- Unable to enrol elsewhere as competing local practices had closed their books

Analysis by health policy commentator Dr Ian Powell linked this directly to corporate capitation exploitation: by maximising patient enrolments and compressing consultation times, corporates maximise revenue while burning out clinical staff and degrading care quality.

2. Otaihanga Second Opinion, "Corporate Ownership Extends Power into Primary Care Organisations" (Oct 2025): https://otaihangasecondopinion.wordpress.com/2025/10/12/corporate-ownership-of-general-practices-extends-power-into-primary-care-organisations/

3. PSA, "PSA takes legal action against Access Community Health" (Sept 2020): https://www.psa.org.nz/news-media/psa-takes-legal-action-against-access-community-health-over-unpaid-wages-failure-to-provide-hours-breaks

4. NZ Herald, "GP shortage hits Lower Hutt healthcare hard" (July 2024): https://www.nzherald.co.nz/nz/lower-hutt-gp-practice-stops-face-to-face-consultations-as-staffing-shortage-bites/R5BHTO36UZEVHJUZ6PMQKMKCM4/

2. Tāmaki Health / Local Doctors / White Cross

Ownership Structure

Tāmaki Health operates 50+ general practices under the Local Doctors brand (formerly East Tamaki Healthcare) and the White Cross urgent care network, serving approximately 230,000–340,000 enrolled patients.[5]

Period	Owner	Notes
1970–2017	GP/family owned (Dr Kantilal & Ranjna Patel)	Founded with focus on high-needs East Auckland communities
2017–2025	Mercury Medical Holdings (~89%), Sydney, AU	Australian private equity — first corporate owner
2025–present	TPG Capital (US PE, ~$500bn AUM)	OIO approval pending; Cayman/Delaware registered; 3rd owner in 8 years

Private Equity Risk and Community Concern

TPG is one of the world's largest PE firms, with portfolio management through offshore tax structures. Its typical 5-7-year investment horizon before on-sale creates permanent short-term financial pressure irrespective of stated community health missions. As one commentator noted: "Your tax dollars are funding the lightly-taxed profits of private equity funds."[5]

The founding Patel family built Tāmaki Health with an explicit focus on high-needs communities in East Auckland. Under successive PE ownership, community health advocates and GP professional bodies (RNZCGP, GPNZ) have raised concerns that PE-owned practices will prioritise patient throughput and service standardisation over the complexity of care required by high-deprivation populations.

TPG simultaneously acquired 70% of Kinetic (NZ Bus and Go Bus) - demonstrating a pattern of acquiring essential public-service infrastructure with predictable government-funded revenue streams.

5. NBR, "Tamaki Health sold to TPG" (December 2025): https://www.nbr.co.nz/business/tamaki-health-sold-to-tpg/

3. Tend Health

Ownership Structure

Founded in 2020 by Cecilia Robinson, James Robinson, Philippa Greenwood, Theresa Gattung and others, Tend Health has grown via acquisition to serve ~145,000 enrolled patients across 33 practices.[6]

Investor	Type	Stake
Founders (Robinson family et al.)	Operating founders	Majority (declining)
Pencarrow Private Equity	NZ-based PE	~25%
Ngai Tahu Holdings	Iwi investment arm	Minority
Ahuahu Group (Te Nehenehenui Trust)	Iwi investment arm	Minority

Corporate PHO Capture

Tend received approval to establish its own PHO (Arataki) in 2025. Critically, the Arataki board of six directors consists entirely of Tend staff and shareholders - including the Chair and both Co-CEOs. This is unprecedented for a PHO in New Zealand, which by design should be governed by community-based health professionals.[7]

In March 2025, Tend Health forwarded a critical report on PHO performance to Health New Zealand - a report later shown (via OIA) to have been commissioned by or in close concert with corporate interests seeking to weaken PHO oversight. The report was authored by a retired accountant with no consultation with PHOs, and was used to build a policy case for direct contracting between corporates and Health NZ, bypassing community-governed PHOs.

Patient Displacement

An independent GP practice neighbouring a Tend-acquired practice reported an influx of former Tend patients seeking 'a more traditional model of care and continuity' - indicating Tend's telehealth-heavy, high-throughput model displaces sicker patients onto GP-owned practices that then bear the clinical and financial burden without the capitation revenue.

6. Te Nehenehenui Trust, "Ahuahu Group & Pencarrow join Tend to strengthen healthcare" (Sept 2025): https://tenehenehenui.iwi.nz/ahuahu-group-pencarrow-join-tend-to-strengthen-healthcare/
7. Otaihanga Second Opinion, "Growing Corporate Power and General Practice" (Sept 2025): https://otaihangasecondopinion.wordpress.com/2025/09/26/growing-corporate-power-and-general-practice/

4. Lumino The Dentists

Ownership Structure

Lumino is New Zealand's largest dental chain with 120+ practices nationally. It is currently owned by a private equity consortium following a full takeover in December 2020.[8]

Period	Owner
Pre-2002	Independent dental practices (Geddes Dental)
2002–2020	Abano Healthcare Group (NZX-listed)
2020–present	BGH Capital (Australian PE) + Ontario Teachers' Pension Plan (Canada) — 'Bidco' consortium

Commission-Only Model and Reduced Professional Autonomy

The model Abano/Lumino built - and which BGH inherited - involves acquiring dental practices outright, then converting dentists to commission-based contractors. As Abano's CEO described the model: "We go to a dentist and we actually acquire the business outright... They then work on commission while continuing to work in their practice." All back-office, HR, marketing, and pricing functions are centralised. In 2022, Abano (under BGH) expanded further in NZ by acquiring 22 dental practices from Bupa.

Patient Pricing Complaints

Consumer complaints about Lumino pricing practices have been persistent. In January 2026, a patient reported that Lumino claimed a 'Standard Price' of $210 for a new patient examination, then denied a promised 50% Southern Cross health insurance discount on the grounds that their promotional price of $99 was already 'better' - a practice the patient identified as potential bait advertising. Academic research (University of Canterbury, 2021) on NZ dentistry noted that PE ownership 'focuses on a short-term value increase' and raised concerns about clinical independence.[9]

8. Abano Healthcare, company history: https://abanohealthcare.com/about-us/our-history/
9. University of Canterbury, "A Market Study of the New Zealand Dental Industry": https://ir.canterbury.ac.nz/bitstreams/15d398e7-2516-4927-9c10-fa431e724710/download

5. Habit Health

Ownership Structure

Habit Health is NZ's largest integrated rehabilitation provider with 130+ clinics offering physiotherapy, occupational health, EAP, and vocational rehabilitation. It has passed through two successive PE owners in six years.[10]

Period	Owner	Notes
2002–2018	Founder-led	285 staff
2018–2024	Livingbridge (UK mid-market PE)	Grew from 285 to 877 staff via 10 acquisitions
2024–present	Five V Capital (Australian PE)	First NZ deal; strategy: 'Scale-up | M&A;'

Business Model and ACC Concerns

Habit Health derives significant revenue from ACC contracts. As a corporate rehabilitation provider, its commercial incentive is to maximise throughput of ACC-funded cases. Critics have raised concerns - internationally documented for PE-owned rehabilitation providers - about whether this creates pressure to prioritise volume over rehabilitation quality, and to manage patients toward faster return-to-work outcomes rather than optimal health outcomes. The revolving PE ownership model means strategic decisions are driven by investment fund timelines, not long-term patient welfare.

10. Investors in Healthcare, "Livingbridge exits Habit Health to Five V Capital" (August 2024): https://www.investorsinhealthcare.com/articles/category/news/new-zealand-livingbridge-exits-habit-health-to-five-v-capital/

6. Awanui Labs (Asia Pacific Healthcare Group)

Ownership Structure

Awanui Group is NZ's largest private pathology provider, performing laboratory testing for approximately 75% of the New Zealand population. It was sold by Healthscope (Australia) to a pension fund consortium in 2020.[11]

Owner	Stake	Type
NZ Super Fund	48%	NZ sovereign wealth fund
Ontario Teachers' Pension Plan	48%	Canadian pension fund (CAD $250bn+ AUM)
Te Pūia Tāpapa (Māori investment fund)	4%	28-iwi Māori investment vehicle

Wage Suppression and Industrial Action

The most significant documented community harm from Awanui Labs is its entrenched wage gap relative to public sector laboratory workers. Following 2023 pay equity settlements that lifted Health NZ (public) lab technician wages, Awanui did not match these increases.

Date	Event
February 2025	~900 APEX union members strike across Awanui, Pathlab, Medlab Central. Entry-level wages described as 'little more than legal minimum wage' — 28–32% below Health NZ counterparts performing identical work.
March 2025	Further strikes at Wellington and Canterbury labs.
April–May 2025	Rolling strikes of 500 workers across Northland to Southland. 27 further strike notices issued after rejection of ERA-mediated offer.
May 2025	Hundreds of blood samples mislaid by courier company during strike-related service disruption, requiring patient re-testing.

Awanui's position - that Health NZ funding is insufficient to close the 30% gap - illustrates how the public contracting model enables cost externalisation: the public funds the service, a private company extracts the margin, and workers and patients bear the shortfall. Awanui has also proposed permanently consolidating Auckland immunology testing to Wellington, eliminating 11 Auckland jobs and extending turnaround times for community-based tests.

11. WSWS, "New Zealand medical laboratory workers strike" (February 2025): https://www.wsws.org/en/articles/2025/02/12/iwhh-f12.html

12. ODT, "Hundreds of blood samples mislaid by courier company" (May 2025): https://www.odt.co.nz/news/national/hundreds-blood-samples-mislaid-courier-company-union-rnz

7. Chemist Warehouse

Ownership Structure

Chemist Warehouse Group is Australian-owned. Following a reverse takeover of Sigma Healthcare, it listed on the ASX in February 2025. The founding Gance and Verrocchi families control shares valued at approximately AUD $17+ billion. In New Zealand, CWG partly owns ~50 retail pharmacies through a franchise structure (since 2017), with centralised pricing, purchasing, marketing, and IT from Australian head office.[13]

Average NZ staff wages: ~NZ$27.56/hour overall; pharmacist pay ~NZ$34.99/hour; retail staff range as low as ~NZ$19.48/hour. The model prioritises non-prescription products (vitamins, cosmetics, baby formula) rather than professional pharmacy clinical services.

Community Pharmacy Displacement

Community pharmacy operators have directly attributed the closure of smaller independent pharmacies to Chemist Warehouse's price-based competition. CWG's model is volume-dependent and cannot replicate the community pharmacy functions of medication management, health coaching, clinical review, and vulnerable patient support that are disproportionately provided by owner-operated pharmacies in high-needs and rural locations. A February 2026 NZ Initiative analysis noted that funding structures mean poorer communities pay more at the pharmacy per unit of pharmacist time - precisely the communities most harmed as CWG drives out community pharmacies that cross-subsidise clinical services with retail margin.[14]

13. Interest.co.nz, "The remarkable story of the Chemist Warehouse" (February 2025): https://www.interest.co.nz/public-policy/132045/ross-stitt-reports-how-backdoor-listing-asx-has-generated-huge-paydays-and
14. NZ Initiative, "Funding flaw means poorer communities pay more at the pharmacy" (February 2026): https://www.nzinitiative.org.nz/reports-and-media/opinion/funding-flaw-means-poorer-communities-pay-more-at-the-pharmacy/

8. Woolworths / Countdown Pharmacies

Ownership Structure and Legal Challenge

Woolworths NZ (formerly Countdown) pursued in-store pharmacy operations through a structure designed to appear compliant with the Medicines Act 1981, which requires pharmacist-majority ownership and effective control:[15]

- 51% held by three pharmacist shareholders; 49% held by General Distributors Ltd (wholly owned by Woolworths NZ)
- Board of only 2 directors - one from pharmacist shareholders, one from GDL - with all decisions requiring unanimity (giving Woolworths effective veto power)
- Woolworths controlled: practice design, store placement, branding, advertising, lease, staff training, and recruitment

In June 2023, the High Court ruled (following an ICPG judicial review challenge) that this structure did not give pharmacists effective positive control as required under s.55D of the Medicines Act. The court found Woolworths held negative control (veto) rather than pharmacist-majority active governance. Five pharmacy licenses were quashed. Woolworths withdrew its appeal in July 2024.

This case represents the most concrete legal demonstration in NZ of how supermarket operators engineer around pharmacist-ownership regulations - and the ICPG's advocacy directly produced the ruling that stopped it.

15. Buddle Findlay, "Ministry of Health's decision to grant pharmacy licenses to Countdown quashed" (June 2023): https://www.buddlefindlay.com/insights/ministry-of-healths-decision-to-grant-pharmacy-licences-to-countdown-pharmacies-quashed/

9. Cross-Cutting Patterns

The Capitation Exploitation Model (General Practice)

Corporate GP owners have systematically exploited the capitation funding formula - which pays per enrolled patient, not per visit - by enrolling maximum patients per FTE clinician, compressing consultation times to increase throughput, and 'cream-skimming' (attracting healthy enrolled patients while complex, high-needs patients migrate to GP-owned practices). This produces short-term revenue maximisation while transferring clinical burden of complex patients onto GP-owned and not-for-profit practices, which receive less funding while carrying more risk.[16]

The Private Equity Ownership Cycle

Entity	PE Owner 1	PE Owner 2	PE Owner 3 / Current
Tāmaki Health	Patel family (founder)	Mercury Capital (AU)	TPG Capital (US) - 2025
Habit Health	Founders	Livingbridge (UK)	Five V Capital (AU) - 2024
Lumino The Dentists	Abano Healthcare (NZX)	BGH Capital + Ontario Teachers' (AU/CA)	Same - 2020

Each transaction extracts a capital gain for the seller, imposes new debt on the operating entity, and resets the investment horizon - creating permanent short-term financial pressure regardless of stated long-term mission.

Wage Suppression as Systemic Strategy

The common mechanism across multiple sectors is exploitation of monopsony power - large networks using market dominance to suppress wages, while profiting from public funding contracts that assume adequate staffing:

Entity	Issue
Access Community Health (Green Cross)	Legal action for unpaid wages; parent reported $18.7M annual profit same period
Awanui Labs	28–32% gap vs public sector; 900+ workers struck; patient services disrupted
Chemist Warehouse NZ	Pharmacist wages near bottom of professional pay scale; retail staff ~NZ$19-22/hr
Lumino The Dentists	Commission-only contractor model strips professional employment rights; ties clinical income to volume

PHO and Funding Architecture Capture

The most strategically significant development is corporate health providers establishing their own PHOs - moving from being contracted by PHOs to controlling the public funding distribution infrastructure itself, bypassing geographically accountable community governance:

Corporate	PHO	Board Composition
Tend Health	Arataki	6/6 directors = Tend staff and shareholders
Green Cross Health	Community Care (conditional)	2/4 directors = Green Cross employees; Green Cross chair = PHO chair

Māori and High-Needs Community Impact

The cumulative effect of corporate consolidation falls hardest on communities least able to absorb reduced access and quality. Māori already face documented barriers - 22% experience cost barriers to GP access vs 13% for non-Māori; Māori are approximately three times more likely to be unable to afford prescriptions.[1] Corporate models that prioritise throughput, telehealth, and volume over relationship-based care will worsen these disparities.

16. NZ Doctor / PMAANZ, "Tide of change slows but practice ownership remains fluid" (November 2024): https://pmaanz.org.nz/assets/Uploads/Sale-on-Tide-of-change-slows-but-practice-ownership-remains-fluid-New-Zealand.pdf

Key Observations

Regulatory arbitrage is systematic

Each corporate entity has found ways to operate at or beyond the boundaries of regulations designed to protect community health outcomes - Woolworths with its pharmacist control structure, corporates with capitation, Tend and Green Cross with PHO governance.

Local decision-making is structurally eliminated

Whether through PE ownership cycles, commission-based contracting, centrally-controlled franchises, or self-governed PHOs, the common effect is removal of the locally accountable clinician/owner from strategic decisions.

Wage suppression is deliberate policy

In every sector examined, the corporate model involves paying staff less than equivalent public sector or owner-operated counterparts - enabled by market scale and reliance on workers' professional ethic to continue working despite underpayment.

Public funding subsidises private extraction

Every entity examined receives the majority of its revenue from public sources (capitation, ACC, Pharmac, Health NZ contracts) while returning profits to offshore PE investors, Australian institutional investors, or listed shareholders.

Community and Māori health equity is the systemic casualty

The populations with the highest unmet health need - high deprivation, Māori, rural - are the most affected by reduced access, shorter consultation times, reduced professional depth, and community pharmacy closure.

This report was compiled using publicly available sources including NZ Herald, NBR, BusinessDesk, NZ Doctor, the Public Service Association, World Socialist Web Site, Otaihanga Second Opinion, NZ Super Fund, Investors in Healthcare, University of Canterbury academic research, Buddle Findlay legal commentary, and NZ Initiative policy analysis.