

# Chapter 11, Health Care and Real Estate Distress Indices All Up – Health Care Reaches Another Record High in Q2

(July 29, 2024) In the newest [Polsinelli-TrBK Distress Indices Report](#), levels of distress continue to increase, hitting new, multi-year highs in Q2, including once again record-breaking distress levels in the health care sector. The Health Care Index has reached the highest level in the report's history for the fifth consecutive quarter. Although the indices do not track the Great Recession of 2008-09, data from that period shows the current level of Chapter 11 filings is almost 50% greater than health care distress at the height of the Great Recession. Real Estate distress has reached its highest level in 11 years.

"We are continuing to see significant turmoil across various sectors and are now starting really starting to see data similar to the Great Recession or higher," said Jeremy R. Johnson, a restructuring attorney at Polsinelli and co-author of the report. "We are seeing unprecedented levels of distress across the board, and there are no signs that it is slowing down. There are many factors impacting health care, real estate and general distress."

The report, released by Am Law 100 firm Polsinelli, included the following updates:

The Chapter 11 Distress Research Index was 91.87 for the second quarter of 2024. The Chapter 11 Index increased over 7 points since the last quarter. Compared with the same period over one year ago, the Index has increased over 40 points and compared with the benchmark period of the fourth quarter of 2010, it is down over 8 points.

The Real Estate Distress Research Index was 53.91 for the second quarter of 2024. The Real Estate Index increased over 6 points since the last quarter. Compared with the same period over one year ago, the Index is over 27 points higher and compared with the benchmark period of the fourth quarter of 2010, it is down over 46 points.

The Health Care Services Distress Research Index was 1241.67 for the second quarter of 2024. The Health Care Index increased over 328 points since the last quarter. Compared with the same period one year ago, the Index has increased over 653 points and compared with the benchmark period of the fourth quarter of 2010, it is up over 1141 points. This is the highest the Health Care Index has registered since the Indices started tracking the data 13 years ago.

The Polsinelli-TrBK Distress Indices are the backbone of a quarterly research report series that uses Chapter 11 filing data – bankruptcies with more than \$1 million in assets – as a proxy for measuring financial distress in the overall U.S. economy and breakdowns of distress specifically in the real estate and health care services sectors. It is the only current measurement that tracks both Main Street and Wall Street statistics.

The Polsinelli-TrBK Distress Indices track the increase or decrease in all Chapter 11 filings with more than \$1 million in assets since the fourth quarter of 2010. Unlike the public markets, the Polsinelli-TrBK Distress Indices include both public and private companies, creating a broader economic view and one that may show developing trends on Main Street before they appear on Wall Street.

To access the full report, graphs and all past analyses, visit [www.distressindex.com](http://www.distressindex.com)

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Polsinelli is an Am Law 100 firm with more than 1,000 attorneys in over 20 offices nationwide. Recognized as one of the top firms for excellent client service and client relationships, Polsinelli is committed to meeting our clients' expectations of what a law firm should be. Our attorneys provide value through practical legal counsel infused with business insight, offering comprehensive corporate, transactional, litigation and regulatory services with a focus on health care, real estate, finance, technology, private equity and life sciences. Polsinelli PC, Polsinelli LLP in California, Polsinelli PC (Inc) in Florida.