

HealthSouth And Mountain States Health Alliance Announce Joint Venture To Operate Quillen Rehabilitation Hospital In Johnson City, Tennessee

PR Newswire

BIRMINGHAM, Ala. and JOHNSON CITY, Tenn.

BIRMINGHAM, Ala. and JOHNSON CITY, Tenn., April 23, 2014 /PRNewswire/ -- HealthSouth Corporation (NYSE: HLS) and Mountain States Health Alliance today announced they have signed an agreement to form a joint venture to own and operate the James H. & Cecile C. Quillen Rehabilitation Hospital in Johnson City, Tenn. The freestanding 26-bed inpatient rehabilitation hospital will provide comprehensive physical rehabilitation to patients who have experienced stroke, trauma, brain and orthopedic injuries or other major illnesses or injuries.

"This joint venture is another milestone in our strategy of expanding HealthSouth's rehabilitative services to new markets and will further augment the already strong continuum of healthcare currently available to residents in Johnson City and the surrounding areas," said Barbara Jacobsmeyer, president of HealthSouth's central region. "We are pleased to partner with Mountain States Health Alliance and look forward to working together to provide high-quality inpatient rehabilitative treatment using advanced technology."

"After an illness, people want to get back to what they love to do," said Alan Levine, Mountain States Health Alliance president and CEO. "Our mission is to help them regain their independence and be as active as they can be. We're excited about this new partnership because we believe it will enhance the great work our people are already doing."

The comprehensive inpatient rehabilitation hospital will continue to provide critical clinical services that produce the highest possible levels of recovery for patients in Johnson City and the surrounding areas and will remain in the current location at 2511 Wesley St. in Johnson City.

The formation of the joint venture is subject to customary closing conditions including regulatory approvals. The parties hope to finalize the joint venture by the end of 2014.

About Mountain States Health Alliance

Mountain States Health Alliance, a not-for-profit health care organization based in Johnson City, Tenn., operates a family of 14 hospitals serving a 29-county, four-state region (Northeast Tennessee, Southwest Virginia, Southeastern Kentucky and Western North Carolina). MSHA offers a large tertiary hospital, several community hospitals, two critical access hospitals, rehabilitation, a children's hospital, a behavioral health hospital, two long-term care facilities, home care and hospice services, retail pharmacies, a comprehensive medical management corporation, and the region's only provider-owned health insurance company. Its 13,500 team members, associated physicians and volunteers are committed to its mission of bringing loving care to health care. For more information, visit www.msha.com.

About HealthSouth

HealthSouth is the nation's largest owner and operator of inpatient rehabilitation hospitals in terms of patients treated and discharged, revenues and number of hospitals. Operating in 28 states across the country and in Puerto Rico, HealthSouth serves patients through its network of inpatient rehabilitation hospitals, outpatient rehabilitation satellite clinics and home health agencies. HealthSouth's hospitals provide a higher level of rehabilitative care to patients who are recovering from conditions such as stroke and other neurological disorders, cardiac and pulmonary conditions, brain and spinal cord injuries, complex orthopedic conditions, and amputations. HealthSouth can be found on the Web at www.healthsouth.com.

Forward-Looking Statements

Statements contained in this press release which are not historical facts, such as those relating to the likelihood, timing and effects of the finalization of this joint venture project, are forward-looking statements. In addition, HealthSouth may from time to time make forward-looking public statements concerning the matters described herein. All such estimates, projections, and forward-looking information speak only as of the date hereof, and HealthSouth undertakes no duty to publicly update or revise such forward-looking information, whether as a result of new information, future events, or otherwise. Such forward-looking statements are necessarily estimates based upon current information and involve a number of risks and uncertainties. HealthSouth's actual results or events may differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. While it is impossible to identify all such factors, factors which could cause actual results or events to differ materially from those anticipated include, but are not limited to, the regulatory review and approval process, any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings that may be brought by or against the Company; the possibility that this project will experience unexpected delays; the ability to successfully complete and integrate this project consistent with HealthSouth growth strategy,

including realization of anticipated revenues, cost savings, and productivity improvements arising from the related operations and avoidance of unforeseen exposure to liabilities; changes in the regulation of the healthcare industry at either or both of the federal and state levels; competitive pressures in the healthcare industry and HealthSouth's response thereto; the hospital's ability to maintain proper local, state and federal licensing; potential disruptions, breaches, or other incidents affecting the proper operation, availability, or security of HealthSouth's information systems; HealthSouth's ability to attract and retain nurses, therapists, and other healthcare professionals in a highly competitive environment with often severe staffing shortages and the impact on HealthSouth's labor expenses from potential union activity and staffing shortages; changes, delays in (including in connection with resolution of Medicare payment reviews or appeals), or suspension of reimbursement for HealthSouth's services by governmental or private payors; general conditions in the economy and capital markets; and other factors which may be identified from time to time in HealthSouth's SEC filings and other public announcements, including HealthSouth's Form 10-K for the year ended December 31, 2013.

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SOURCE HealthSouth Corporation

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