

Encompass Health and Saint Alphonsus announce joint venture to provide seamless post-acute patient care

Joint venture to build and operate new inpatient rehabilitation hospital

BIRMINGHAM, Ala. and BOISE, Idaho, Feb. 12, 2018 /PRNewswire/ -- Encompass Health Corporation (NYSE: EHC), formerly known as HealthSouth Corporation, and Saint Alphonsus Regional Medical Center (SARMC) have formed a joint venture to build and operate a 40-bed, freestanding inpatient rehabilitation hospital in Boise. The joint venture plans to more effectively and efficiently manage patients across the post-acute continuum in Idaho.

"Saint Alphonsus is a widely known and respected name in the healthcare industry. We could not be more proud to have them join us in our mission to develop advanced post-acute solutions and initiatives that facilitate efficient and high-quality patient care and enhanced care coordination across the post-acute continuum," said Jerry Gray, president of Encompass Health's west region. "We look forward to expanding our presence into Idaho and working with our new partner to provide coordinated care and superior outcomes to even more patients."



Construction of the new hospital, Encompass Health's first in the state of Idaho, is expected to begin in 2018. Upon completion of the new hospital, SARMC will relocate its existing 30-bed inpatient rehabilitation unit on the SARMC campus to the new 40-bed freestanding hospital operated by the joint venture.

"We are very pleased to partner with industry leader Encompass Health in our commitment to provide quality inpatient rehabilitative care in the Treasure Valley. This partnership moves our mission forward with a new inpatient hospital for rehabilitation that will include state-of-the-art technology, spacious therapy areas, and further development of new clinical programs that will benefit our community," said Odette Bolano, president of Saint Alphonsus Regional Medical Center in Boise.

The formation of the joint venture is subject to customary closing conditions, and the joint venture's operation of the new replacement hospital is subject to regulatory approvals.

About Saint Alphonsus Health System

As a faith-based Catholic ministry and not-for-profit health system, Saint Alphonsus Health System reinvests in the communities we serve, through charity care and other benefits. Our goal is to improve the health and well-being of people by emphasizing care that is patient-centered, physician-led, innovative and community-based. Saint Alphonsus Health System serves the people of southwestern Idaho, eastern Oregon and northern Nevada through these facilities: Saint Alphonsus Regional Medical Center - Boise, ID; Saint Alphonsus Medical Center - Nampa, ID; Saint Alphonsus Medical Center - Ontario, OR; Saint Alphonsus Medical Center - Baker City, OR; and, Saint Alphonsus Medical Group with primary and specialty care providers at over 70 clinic locations, all of which are members of the Saint Alphonsus Health Alliance, a network of over 2,200 employed and independent providers. Saint Alphonsus is a proud affiliate of Trinity Health, one of the largest multi-institutional Catholic health care delivery systems in the nation. Trinity Health serves people and communities in 22 states from coast to coast with 93 hospitals and 109 continuing care facilities, home health and hospice programs, and PACE center locations that provide more than 2.5 million visits annually. To find out more go to:

www.saintalphonsus.org

About Encompass Health

As a national leader in post-acute care, Encompass Health (NYSE: EHC) offers both facility-based and home-based patient care through its network of inpatient rehabilitation hospitals, home health agencies and hospice agencies. With a national footprint that spans 127 hospitals and 237 home health & hospice locations in 36 states and Puerto Rico, the Company is committed to delivering high-quality, cost-effective care across the post-acute continuum. Driven by a set of shared values, Encompass Health is the result of the union between HealthSouth Corporation and Encompass Home Health & Hospice, and is ranked as one of Fortune's 100 Best Companies to Work For, as well as Modern Healthcare's Best Places to Work. For more information, visit encompasshealth.com, or follow us on [Twitter](#) and [Facebook](#).

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, Encompass Health 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 Encompass Health 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. Encompass Health'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 Encompass Health or this joint venture; the possibility this project will experience unexpected delays; the ability to successfully complete and integrate this project consistent with Encompass Health's growth strategy, including realization of anticipated revenues 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 Encompass Health or this joint venture's response thereto; this joint venture's ability to maintain proper local, state and federal licensing; potential disruptions, breaches, or other incidents affecting the proper operation, availability, or security of the hospitals' or either partner's information systems, including the unauthorized access to or theft of patient or other sensitive information; the 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 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 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 Encompass Health's SEC filings and other public announcements, including Encompass Health's Form 10-K for the year ended Dec. 31, 2016 and Form 10-Q for the quarters ended Sept. 30, 2017, June 30, 2017, and March 31, 2017.

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<http://healthsouth.mediaroom.com/2018-02-12-Encompass-Health-and-Saint-Alphonsus-announce-joint-venture-to-provide-seamless-post-acute-patient-care>

