

Wellmont, HealthSouth Form Joint Venture to Open a New Rehabilitation Hospital in Southwest Virginia

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BRISTOL, Va. and BIRMINGHAM, Ala.

Wellmont Health System and HealthSouth Corporation today announced that a joint venture entity formed by the two parties has been awarded a certificate of public need (COPN) to open a new inpatient rehabilitation hospital in Bristol, Va. The 25-bed hospital will enable more patients in Bristol and throughout Southwest Virginia to have access to comprehensive, high-quality rehabilitative services.

Called The Rehabilitation Hospital of Southwest Virginia, the new hospital will be owned by the Wellmont/HealthSouth joint venture and managed by HealthSouth, the nation's largest provider of inpatient rehabilitative healthcare services.

A construction project will begin in the first quarter of 2010 to renovate 20,000 square feet of a building located at 103 North St. This state-of-the-art rehabilitation hospital will include 17 private rooms, four semi-private rooms, a spacious, on-site therapy gym and cutting-edge rehabilitation technologies and share a campus with Wellmont's Ridgeview Pavilion. Once fully operational in the summer of 2010, the hospital is expected to generate approximately 50 new jobs. The development of The Rehabilitation Hospital of Southwest Virginia represents a \$4.5 million investment in the community.

"This is a great day for Wellmont and HealthSouth, and most of all it's a great day for people in the region we serve," said Bart Hove, president of Bristol Regional Medical Center. "Wellmont is a leading provider of healthcare services throughout the region, and HealthSouth is the nation's preeminent provider of rehabilitative care. This partnership will ensure that patients have a seamless continuum of care. They'll have access to the highest level of acute care services at Wellmont hospitals, and when they're in need of rehabilitative care services, The Rehabilitation Hospital of Southwest Virginia will be there to speed them along the road to recovery.

"We're grateful to the Virginia Department of Health for recognizing this community need and granting us the approval to meet that need."

Inpatient rehabilitation hospitals are a critical link in the continuum of care for patients who are recovering from a wide range of injuries and illnesses such as: stroke, brain and spinal cord injuries, orthopedic, cardiac and pulmonary conditions, and amputations. Increased therapy time and a high level of specialized care are combined with significant physician involvement to provide patients the necessary care they need to recover.

"We're pleased to partner with Wellmont and look forward to providing greater access to high-quality, cost-effective healthcare services for many Southwest Virginia residents," said Terry Maxhimer, president of HealthSouth's Mid-Atlantic Region. "For a quarter century, HealthSouth has provided quality post-acute care across the country, and this partnership at The Rehabilitation Hospital of Southwest Virginia combines the experience and specialized care found at HealthSouth rehabilitation hospitals with the exceptional reputation of Bristol Regional and the other Wellmont hospitals. We hope to be the post-acute care provider of choice for this community."

The rehabilitation hospital will be of particular benefit to patients served by Bristol Regional Medical Center's primary stroke center, the region's first Joint Commission-certified primary stroke center. Bristol Regional serves as the hub of the Appalachian Regional Stroke Center Network, providing advanced stroke care for patients referred from community hospitals across Southwest Virginia and Northeast Tennessee. The Rehabilitation Hospital of Southwest Virginia will maintain a close clinical affiliation with Bristol Regional Medical Center.

HealthSouth operates HealthSouth Rehabilitation Hospital of Kingsport located on Cassell Drive.

About Wellmont:

Wellmont Health System is a leading premier provider of healthcare services for Northeast Tennessee and Southwest Virginia, delivering top-quality, comprehensive healthcare and wellness services across the region. Wellmont facilities include Holston Valley Medical Center in Kingsport, Tenn.; Bristol Regional Medical Center in Bristol, Tenn.; Mountain View Regional Medical Center in Norton, Va.; Lee Regional Medical Center in Pennington Gap, Va.; Lonesome Pine Hospital in Big Stone Gap, Va.; Hawkins County Memorial Hospital in Rogersville, Tenn.; and Hancock County Hospital in Sneedville, Tenn. Wellmont is an operating partner with Adventist Health System at Takoma Regional Hospital in Greeneville, Tenn. For more information about Wellmont, please visit www.wellmont.org.

About HealthSouth:

HealthSouth is the nation's largest provider of inpatient rehabilitative healthcare services. Operating in 26 states across the country and in Puerto Rico, HealthSouth serves patients through its network of inpatient rehabilitation hospitals, long-term acute

care hospitals, outpatient rehabilitation satellites, and home health agencies. HealthSouth strives to be the nation's preeminent provider of inpatient rehabilitative healthcare services and can be found on the Web at www.healthsouth.com.

Statements contained in this press release which are not historical facts 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 may differ materially from the results 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 to differ materially from those estimated by HealthSouth include, but are not limited to, any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings that may be brought against the Company; significant changes in HealthSouth's management team; HealthSouth's ability to continue to operate in the ordinary course and manage its relationships with its creditors, including its lenders, bondholders, vendors and suppliers, employees, and customers; 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; 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; HealthSouth's ability to obtain and retain favorable arrangements with third-party payors; 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; 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 10K for the year ended December 31, 2008 and Form 10-Q for the quarters ended June 30, 2009 and March 31, 2009.

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