

Encompass Health and MUSC Health plan to own and operate Encompass Health Rehabilitation Hospital of Charleston as a joint venture

BIRMINGHAM, Ala., Aug. 25, 2020 /PRNewswire/ -- Encompass Health Corp. (NYSE: EHC) and MUSC Health today announced plans to own and operate [Encompass Health Rehabilitation Hospital of Charleston](#), Encompass Health's existing inpatient rehabilitation hospital in North Charleston, South Carolina, as a joint venture. The facility will be renamed and operate as MUSC Health Rehabilitation Hospital, an affiliate of Encompass Health.

Encompass Health Rehabilitation Hospital of Charleston, which is located at 9181 Medcom Street, has served the community since 1993. Complementing local acute care services like those provided by MUSC Health, the 49-bed hospital provides physical, occupational and speech therapies as well as 24-hour nursing care that aim to restore functional ability and quality of life. The hospital serves patients recovering from debilitating illnesses and injuries including strokes, brain injuries, spinal cord injuries, amputations and complex orthopedic conditions.



"MUSC Health, a healthcare leader well known for its high-quality patient care, is a natural fit as a partner for our North Charleston hospital," said Ed Mowen, president of Encompass Health's MidAtlantic region. "Aside from elevating the superior rehabilitative care already provided at our hospital, we plan to make an even greater impact across the state through our collaboration on academic programs and telehealth."

"The residents of our state are affected by a high incidence of serious illnesses that often require intensive rehabilitation services," said Patrick J. Cawley, M.D., CEO of MUSC Health and vice president for Health Affairs, University. "Through our collaboration with Encompass Health, we have the ability to expand services that are designed to maximize our patients' recoveries and levels of function. Being able to reach more South Carolinians with specialized rehabilitation services after an adverse health event will help us deliver a better quality of life for the residents of our statewide community."

"Another important aspect of this collaboration is our ability to increase educational opportunities for various healthcare professionals in Encompass Health hospitals and other patient care settings across the state," said Lisa K. Saladin, PT, Ph.D., executive vice president for Academic Affairs and Provost at the Medical University of South Carolina. "We look forward to placing MUSC medical, nursing, pharmacy and therapy students, among others, in educational rotations where they will develop a variety of clinical skills. Combined with the MUSC didactic curriculum, this real-world training prepares our health professions students to deliver top-quality care to our patients," she noted. Statistics show that a high percentage of healthcare professionals continue to live, work and contribute to the state where they complete their residency training or clinical rotations.

Encompass Health will continue to manage the hospital operations and its employees. MUSC Health currently operates inpatient rehabilitation beds in both its Florence and Lancaster markets, but does not have this capability in Charleston. This jointly owned hospital offers opportunities to enhance access and care coordination for MUSC's Charleston-area patients requiring rehabilitation services.

The operation of the hospital as a joint venture is subject to customary closing conditions, including regulatory approvals.

About Encompass Health

As a national leader in integrated healthcare services, 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 includes 136 hospitals, 245 home health locations, and 83 hospice locations in 39 states and Puerto Rico, the Company is committed to delivering high-quality, cost-effective, integrated care across the healthcare continuum. Encompass Health is ranked as one of Fortune's 100 Best Companies to Work For. For more information, visit encompasshealth.com, or follow us on our [newsroom](#), [Twitter](#) and [Facebook](#).

About MUSC Health

Founded in 1824 in Charleston, MUSC is the oldest medical school in the South, as well as the state's only integrated, academic health sciences center with a unique charge to serve the state through education, research and patient care. Each year, MUSC educates and trains more than 3,000 students and nearly 800 residents in six colleges: Dental Medicine, Graduate Studies, Health Professions, Medicine, Nursing and Pharmacy. The state's leader in obtaining biomedical research funds, in fiscal year 2019, MUSC set a new high, bringing in more than \$284 million. For information on academic programs, visit muscedu.edu.

As the clinical health system of the Medical University of South Carolina, MUSC Health is dedicated to delivering the highest quality patient care available, while training generations of competent, compassionate health care providers to serve the people of South Carolina and beyond. Comprising some 1,600 beds, more than 100 outreach sites, the MUSC College of Medicine, the physicians' practice plan, and nearly 275 telehealth locations, MUSC Health owns and operates eight hospitals situated in Charleston, Chester, Florence, Lancaster and Marion counties. In 2020, for the sixth consecutive year, U.S. News & World Report named MUSC Health the No. 1 hospital in South Carolina. To learn more about clinical patient services, visit muschealth.org.

MUSC and its affiliates have collective annual budgets of \$3.2 billion. The more than 17,000 MUSC team members include world-class faculty, physicians, specialty providers and scientists who deliver groundbreaking education, research, technology and patient care.

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 completion of this hospital 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 the Company; 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, cost savings, and productivity improvements arising from the related operations and avoidance of unforeseen exposure to liabilities; the continued spread of COVID-19, including the speed, depth, geographic reach and duration of the spread; the actions to be taken by Encompass Health in response to the COVID-19 pandemic; 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'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 Encompass Health's information systems; Encompass Health'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 Encompass Health'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 Encompass Health'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 Encompass Health's SEC filings and other public announcements, including Encompass Health's Form 10-K for the year ended Dec. 31, 2019 and Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020.

Encompass Health contacts:

Media:

Hillary Cernel | 205 970-5912

hillary.cernel@encompasshealth.com

Investor Relations:

Crissy Carlisle | 205 970-5860

crissy.carlisle@encompasshealth.com

MUSC Health contact:

Media:

Sheila Champlin | 843 792-2691

champlin@musc.edu

SOURCE Encompass Health Corp.

<http://healthsouth.mediaroom.com/2020-08-25-Encompass-Health-and-MUSC-Health-plan-to-own-and-operate-Encompass-Health-Rehabilitation-Hospital-of-Charleston-as-a-joint-venture>

