Encompass Health and Lee Healthcare Holdings, LLC announce a collaboration to jointly own and operate two inpatient rehabilitation hospitals in Florida

BIRMINGHAM, Ala. and FORT MYERS, Fla., Feb. 25, 2022 /PRNewswire/ -- Encompass Health Corp. (NYSE: EHC) and Lee Healthcare Holdings, LLC, wholly owned subsidiary of Lee Health, today announced a collaboration to jointly own and operate two new inpatient rehabilitation hospitals in Southwest Florida.

Recently, the Board of Directors of Lee Health approved its investment in this collaboration with Encompass Health. One of the hospitals will be a 40-bed, freestanding inpatient rehabilitation hospital currently under construction in Cape Coral at 1730 NE Pine Island Road and scheduled to open in May 2022. The other hospital, anticipated to open in 2024, will be a 60-bed, freestanding inpatient rehabilitation hospital located in Fort Myers on Lee Health's Gulf Coast Medical Center campus. When the Fort Myers hospital opens, Lee Health intends to relocate its existing 60-bed rehabilitation unit at Lee Memorial Hospital to that new hospital.

"We are excited that Lee Health has decided to invest in this venture. Lee Health is a well–respected healthcare leader that has been serving Florida residents for more than 100 years," saidMark Tarr, president and chief executive officer for Encompass Health. "Through these inpatient rehabilitation hospitals, we will work to provide patients with coordinated and connected care that meets them where they are in their healthcare journeys and makes a positive difference in their lives."

"At Lee Health, we are committed to providing our patients with high quality, cost effective care while continuing to innovate healthcare in Southwest Florida," said Dr. Larry Antonucci, president and chief executive officer of Lee Health. "The landscape of healthcare is constantly evolving and our community is one of the fastest-growing regions in the country. We are excited to invest in the inpatient rehabilitation hospitals that Encompass Health is bringing to our community because they will offer post-acute services to our patients, providing services to best meet the needs of those we serve."

Complementing local acute care services like those provided by Lee Health, inpatient rehabilitation hospitals serve patients recovering from debilitating illnesses and injuries, including strokes and other neurological disorders, brain injuries, spinal cord injuries, amputations and complex orthopedic conditions. In addition to 24–hour nursing care, the inpatient rehabilitation hospitals offer physical, occupational and speech therapies to restore functional ability and quality of life.

About Lee Health
Since the opening of the first hospital in 1916, Lee Health has been a health care leader in Southwest Florida, constantly evolving to meet the needs of the community. A non-profit, integrated health care services organization, Lee Health is committed to the well-being of every individual served, focused on healthy living and maintaining good health. Staffed by caring people, inspiring health, services are conveniently located throughout the community in four acute care hospitals, two specialty hospitals, outpatient centers, walk-in medical centers, primary care and specialty physician practices and other services across the continuum of care. Learn more at www.LeeHealth.org.

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 146 hospitals, 251 home health locations, and 96 hospice locations in 42 states and Puerto Rico, the Company provides high–quality, cost-effective integrated healthcare. 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, Instagram and Facebook.

FORWARD-LOOKING STATEMENT
Statements contained in this press release which are not historical facts, such as those relating to the likelihood, timing and effects of the opening of these jointly owned hospitals, 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, any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings that may be brought by or against Encompass Health or Lee Health; 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 or its partner 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 or Lee 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, 2020 and Forms 10-Q for the quarters endedMar. 31, 2021, June 30, 2021 and Sept. 30, 2021.

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