



***For Immediate Release***

**ACCRETIVE HEALTH ENTERS INTO SETTLEMENT AGREEMENT WITH MINNESOTA STATE ATTORNEY GENERAL WITH NO ADMISSION OF LIABILITY OR WRONGDOING**

**Attorney General Fails to Identify Any Problematic Patient Interaction with Any Accretive Health Employee**

**CHICAGO, July 30, 2012** -- Accretive Health, Inc. (NYSE: AH) today announced that it has entered into an agreement to settle the allegations brought against the Company by the Minnesota State Attorney General earlier this year following the theft of a laptop, from which no patient data was accessed. The settlement contains no admission of liability or wrongdoing.

Additionally, throughout the course of her investigation, the Attorney General did not and could not identify a single patient in Minnesota who experienced a problematic interaction with an Accretive Health employee. The Company also said that in its experience it never witnessed client personnel demonstrate inappropriate behavior toward a patient and there were no cases found of a single patient, out of millions of interactions, that even alleged they were ever denied care by any person. In order to prevent this matter from being a continued distraction, the Company has entered into a settlement that makes clear that there was no wrongdoing on its part and no findings of fault against any of its employees.

“Even though we believe the claims against us were either baseless or exaggerated, we have used this opportunity to carefully examine our own practices in order to ensure we are setting the very highest standards for our own performance and achieving the best possible outcomes for hospitals, patients and communities.” said Mary Tolan, Chief Executive Officer. “Entering into this settlement agreement allows our Company to put this matter behind us and prevents further distraction from the important work that we do for our hospital clients.”

“The Minnesota Attorney General’s actions towards Accretive Health were unnecessarily aggressive and, unfortunately, will cost more than 100 Minnesotans their jobs,” she added.

As outlined in the settlement agreement, Accretive Health has chosen to wind down its remaining client services in Minnesota at this time. The Company may continue licensing its revenue cycle technology to the clients it served in the State and will evaluate whether or not it chooses to return to Minnesota with client services. The company will also pay a settlement sum of \$2,490,400.

***Accretive Health’s Dedication to Improving Outcomes for Patients and Hospitals***

“Our focus now is on the future, at a critical time for the healthcare industry, when hospitals are in clear need of the service and support we offer. To ensure we continue to provide them with the best solutions, we constantly seek to ensure we are setting the very highest standards for our own performance and achieving the best possible outcomes for hospitals and patients,” Ms. Tolan said.

Accretive Health works with non-profit hospitals as a positive and constructive partner so that they have the resources they need to provide high quality care and fulfill their community obligations. It helps ensure that insurance companies and government programs pay the hospitals for the care they provide and, as a patient advocate, helps patients find all available public and private insurance coverage and care. To date, Accretive Health has helped more than 250,000 uninsured patients obtain coverage for their care.

The Company said it is committed to the highest standards in confidentiality of patient health information and maintains robust policies and practices to ensure that patient information is well-protected. In the aftermath of the theft of an unencrypted company laptop, which was the basis for the Minnesota Attorney General's Complaint, Accretive Health terminated the employee responsible and strengthened its laptop encryption practices. The Company is now actively pursuing HITRUST Certification of its data security policies and procedures.

"We believe passionately that our work at Accretive Health meaningfully advances the well being of community healthcare," Ms. Tolan said. "We work hard to address some of the most difficult problems facing the healthcare industry today and we strive to be the best company we can be while doing so. We believe our practices embrace and reflect industry best practices, and are beneficial to our hospital partners and their patients. However, we have taken this challenge as an opportunity to improve our business for the long-run, including re-doubling our efforts to make sure that patients and the privacy of patient data always come first."

To this end, Accretive Health has played a leadership role in the recent formation of a Blue Ribbon Committee chaired by Michael Leavitt, former secretary of U.S. Department of Health and Human Services, three-term governor of Utah and former administrator of the Environmental Protection Agency, which will be promulgating objective standards and practices regarding the sensitive issue of addressing patient financial obligations for the care they receive. Other independent participants in the process include Tom Daschle (Former U.S. Senator from South Dakota, former U.S. Senate Majority Leader, serving three terms in the U.S. House of Representatives); Bill Frist, M.D. (former U.S. Senator from Tennessee, former U.S. Senate Majority Leader, nationally recognized heart and lung transplant surgeon); Jamie Gorelick (former U.S. Deputy Attorney General, General Counsel of the Department of Defense, Assistant to the Secretary of Energy, and member of the 9-11 Commission); Mark McClellan (Director, Engelberg Center for Health Care Reform, Senior Fellow at the Brookings Institution, former Administrator of CMS and former Commissioner of the FDA); and Donna Shalala (President of the University of Miami and former Secretary of the U.S. Department of Health and Human Services). The Company will seek full certification under the new standards when they are issued.

The Minnesota Attorney General and Accretive Health will file a Joint Motion to Dismiss and Agreed Order dismissing the pending lawsuit with prejudice in its entirety.

The Company's Settlement with the Attorney General is being filed with the SEC as an attachment to Form 8-K.

### **About Accretive Health**

Accretive Health partners with healthcare providers to help them more effectively manage their revenue cycles, strengthen their financial stability, and improve the quality of care they provide while reducing

overall healthcare costs. Our people, processes and sophisticated integrated technology complement our clients' existing resources to enhance results for patients, physicians and staff. For more information visit [www.accretivehealth.com](http://www.accretivehealth.com).

**Safe Harbor Statement**

This document contains forward-looking statements, including statements regarding Accretive Health's business, services, business practices, future operations and regulatory compliance, all of which involve risks and uncertainties. The words "strive," "objective," "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "would," "will" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are based on Accretive Health's current assumptions and expectations. Although Accretive Health believes that its assumptions and expectations are reasonable, these assumptions may prove to be incorrect and these expectations may not be realized as a result of various risks and uncertainties, including those set forth in Accretive Health's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 9, 2012, under the heading "Risk Factors." If one or more of these risks and uncertainties materializes, or if Accretive Health's underlying assumptions or expectations prove incorrect, Accretive Health's actual business, services, business practices, future operations and regulatory compliance may vary materially and adversely from those anticipated, estimated or expected. All forward-looking statements included in this document are expressly qualified in their entirety by the foregoing cautionary statements. Accretive Health assumes no, and specifically disclaims any, obligation to update, amend or clarify these forward-looking statements to reflect changes in factors or assumptions affecting such forward-looking statements after the date hereof. Accretive Health advises investors, however, to consult any further disclosures it makes on this subject in its periodic reports that it files with or furnishes to the Securities and Exchange Commission.

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