

NEWS RELEASE



CATHOLIC HEALTH EAST

TRINITY  HEALTH
Novi, Michigan

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Trinity Health and Catholic Health East Agree to Explore Coming Together

NEWTOWN SQUARE, PENN. and NOVI, MICH. - - October 17, 2012 - The boards and sponsors of Catholic Health East (CHE) and Trinity Health, two leading Catholic health systems, announced today they signed a non-binding Letter of Intent to come together into a unified national health system that will enhance their mission of service to people and communities across the United States.

The boards also announced that Joseph R. Swedish, president and CEO of Trinity Health, would become president and CEO of the anticipated new organization, and that Judith M. Persichilli, president and CEO of CHE, would become executive vice president of the new organization. Until the new organization is created, both executives will lead its formation while retaining their current title, role and responsibilities for their respective organizations.

The consolidation would create a health system that serves people in 21 states from coast to coast with 82 hospitals, 89 continuing care facilities and home health and hospice programs that provide nearly 2.8 million visits annually. More than 87,000 employees, including 4,100 employed physicians, would provide care in the new system.

“Trinity Health and Catholic Health East are strong Catholic health care systems that share a Gospel-based mission and an unyielding commitment to care for people who are poor and underserved,” said Sister Mary Mollison, CSA, chair of Trinity Health. “This consolidation advances the vision of congregations of Sisters that founded these health care ministries, addresses the changing health care environment and takes a bold next step for Catholic health care.”

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“The joining together of Catholic Health East and Trinity Health represents the next step in the courageous journey begun more than a century ago by the women religious of our founding congregations,” said Sister Barbara Wheeley, RSM, CHE’s Sponsors Council coordinator. “We are confident this will help preserve and strengthen Catholic health care for generations to come.”

“A unified ministry allows us to better leverage our talents and size, and to use our resources more effectively in furtherance of our mission,” said Dennis Fitzpatrick, chairperson of Catholic Health East’s board of directors. “Together, we will have a greater ability to influence and transform health care at the national level.”

The new system would have annual operating revenues of about \$13.3 billion and assets of about \$19.3 billion, and would return almost \$1 billion to its communities annually in the form of charity care and other programs.

“To serve people best in today’s health care environment, health systems must have ready access to resources and ideas across the broad spectrum of care, and this consolidation would help us achieve that goal with an exceptional national network,” said Joseph Swedish, president and CEO, Trinity Health. “We are excited about the benefits our combined organizations will bring to people and communities nationwide.”

The consolidation will help address the rapidly changing health care environment that requires more focus on population health and the delivery of more coordinated and integrated care and health and wellness services.

“By bringing Catholic Health East and Trinity Health together, we will enhance our ability to create innovative models of care and advance clinical quality across the continuum,” said Judith Persichilli, president and CEO, Catholic Health East. “This is a wonderful opportunity for both ministries to build upon our common mission, and enhance our collective ability to be a transforming, healing presence in the communities we are privileged to serve.”

The development of the consolidation is in its preliminary phase. Over the next few months, the systems’ boards and management will pursue the potential consolidation and conduct due diligence with a goal of reaching a Definitive Agreement in spring 2013.

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About Catholic Health East: Catholic Health East (CHE) is a multi-institutional Catholic health system, co-sponsored by eight religious congregations and Hope Ministries, a Public Juridic Person within Catholic Health East. Based in Newtown Square, Pennsylvania, the System provides the means to ensure the continuation of the Catholic identity and operational strength of the sponsors’ health ministries, which are located in 11 eastern states from Maine to Florida. The System includes 35 acute care hospitals, four long-term acute care hospitals, 26 freestanding and hospital-based long-term care facilities, 12 assisted-living facilities, four continuing care retirement communities, eight behavioral health and rehabilitation facilities, 31 home health/hospice agencies and numerous ambulatory and community-based health services. Catholic Health East is the largest not-for-profit provider of home health care services—ranked by number of visits—in the nation, as well as the nation’s leading provider of PACE (Program of All Inclusive Care for the Elderly) based on the number of programs. For more information about Catholic Health East, visit www.che.org, or “like” CHE on Facebook at www.facebook.com/catholicealtheast.

About Trinity Health: Trinity Health is the 10th largest health system in the nation and the fourth largest Catholic health care system in the country, by total number of hospitals and total bed count, respectively. Based in Novi, Mich., Trinity Health operates 47 acute-care hospitals, 432 outpatient facilities, 32 long-term care facilities, and numerous home health offices and hospice programs in 10 states. Trinity Health reports about \$9.0 billion in unrestricted revenue. As a not-for-profit health system, Trinity Health reinvests its profits back into the community through programs to serve those who are poor and uninsured, manage chronic conditions like diabetes, health education and promotion initiatives, and outreach for the elderly. In fiscal 2012, this included more than \$616 million in such community benefits. For more information about Trinity Health, visit www.trinity-health.org, follow @TrinityHealthMI on Twitter, or become a fan of the Trinity Health Facebook page at www.facebook.com/trinityhealth.