

For Immediate Release

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KershawHealth signs definitive agreement with Capella Healthcare and MUSC Health

CAMDEN, SC. September 25, 2015. KershawHealth, MUSC Health and Capella Healthcare have announced the signing of a definitive agreement finalizing an affiliation among the three organizations. Effective November 1, KershawHealth becomes part of the Capella-MUSC Health Network, an integrated healthcare delivery network operated jointly by Capella Healthcare and MUSC Health (Medical University of South Carolina). It also becomes part of the Capella Healthcare family of hospitals.

“This transition comes after many months of careful research and thoughtful deliberation, always focused on what in the end would be the best way forward for our community,” said KershawHealth Board Chair Karen Eckford. “We are excited about this relationship with MUSC Health and Capella Healthcare because both are deeply committed to community-based healthcare. Moreover, this partnership will help ensure we have the physicians and services to care for everyone in our community.”

Executives from MUSC Health and Capella will be in Camden on October 7 to celebrate the signing and meet with staff at a series of town hall events. The public will be invited to attend a special event being planned for the first week in November when new signage reflecting the affiliation with MUSC Health will be unveiled.

Michael Wiechart, President and CEO of Capella Healthcare said: “As we’ve gotten to know the healthcare providers and community here over the past year, we’ve become even more enthused about this unique partnership. Like us, KershawHealth is committed to providing the highest quality of care and to exceeding patients’ expectations. With more than a century of service, KershawHealth is a significant and well-respected community asset, and we are ecstatic to become its partner for the future. Our goal in working together is to ensure the continued delivery of high quality local healthcare, expand services, and provide seamless access to the advanced care available through MUSC Health.”

Based in Franklin, Tennessee, Capella Healthcare is a private investor-owned organization with acute care and specialty hospitals in five states, including Carolina Pines Regional Medical Center in Hartsville.

As Capella made plans last year to develop a healthcare network in South Carolina, leaders recognized the advantages an affiliation with MUSC Health, one of the country’s most respected academic medical centers, would offer for its partner communities, Wiechart said. He contacted Dr. Patrick J. Cawley, CEO of MUSC Medical Center, and their conversations resulted in the formation of Capella-MUSC Health Network.

“KershawHealth fits perfectly into MUSC Health’s evolving mission to serve the people of South Carolina through innovative partnerships with local providers,” Dr. Cawley said. “Our goal is to bring our deep and comprehensive resources in clinical excellence, patient safety, healthcare provider education and physician development to

communities throughout the state. We are pleased KershawHealth and Carolina Pines are on the leading edge of this initiative, which will transform healthcare delivery – and ultimately health outcomes – in the region. Working together with Capella, with its proven expertise in running hospitals, enables us to accelerate our progress.”

The Medical University of South Carolina is the oldest medical school in the southeast and has a long tradition of excellence in education, research and patient care. Both Carolina Pines and KershawHealth already had many connections to MUSC and many community physicians are graduates of MUSC. Many community residents routinely receive advanced care within the university’s health system, MUSC Health. Additionally, KershawHealth was one of the first hospitals to join MUSC Health’s statewide telestroke network.

Terry Gunn will remain KershawHealth CEO. Current leadership will remain in place including: Mike Bunch, Chief Financial Officer; Stacy Collier, Chief Nursing Officer; Angela Nettles, VP-Human Resources; and Divya Reddy, Chief Quality Officer. A new position for a dedicated Chief Operating Officer is being created, allowing Bunch to focus exclusively on the CFO role. A national search is launching this week.

“At a challenging time for community hospitals, this affiliation offers an exceptional opportunity for our medical staff, employees, patients, and the community at large,” said Gunn. “It is exciting for KershawHealth to be a part of this innovative partnership that will help ensure the future success of community-based healthcare in South Carolina.”

About KershawHealth

Founded in 1913 by local citizens, KershawHealth in Camden has always had close ties to the community it serves. Today, this multifaceted healthcare system provides a range of diagnostic, medical, surgical, rehabilitation, and post-acute services, as well as general and specialty physician care. It includes the 121-bed Medical Center at Camden, 96-bed long term care center, Outpatient Center and Urgent Care at Elgin, West Wateree Medical Complex, sleep diagnostics center, and home health and hospice. Its mission is still to provide everyone with quality, cost-effective, personalized healthcare and to improve their health and well-being. For more information, visit the website at KershawHealth.org.

About Capella Healthcare

Capella Healthcare partners with communities to build strong local healthcare systems that are known for quality patient care. Based in Franklin, Tennessee, Capella operates acute care and specialty hospital facilities in five states. With the philosophy that all healthcare is local, Capella collaborates with each hospital’s medical staff, board and community leadership to take care to the next level. The company has access to significant leadership and financial resources, investing in its family of hospitals to strengthen and expand services and facilities. For more information, visit the website at CapellaHealthcare.com. Twitter: @CapellaHealth

About MUSC Health

Founded in 1824 in Charleston, The Medical University of South Carolina is the oldest medical school in the South. Today, MUSC continues the tradition of excellence in education, research, and patient care. MUSC educates and trains more than 3,000 students and residents, and has nearly 13,000 employees, including approximately 1,500 faculty members. As the largest non-federal employer in Charleston, the university and its affiliates have collective annual budgets in excess of \$2.2 billion. MUSC operates a 750-bed medical center, which includes a nationally recognized Children’s Hospital, the Ashley River Tower (cardiovascular, digestive disease, and surgical oncology), Hollings Cancer Center (one of 66 National Cancer Institute designated centers), a Level I Trauma Center and the Institute of Psychiatry. For more information on academic programs or clinical services, visit www.musc.edu. For more information on hospital patient services, visit the website at muschealth.org

About Capella-MUSC Health

MUSC Health and Capella Healthcare established a clinical affiliation through the creation of the Capella-MUSC Health Network, which is designed to enhance the health and wellness of families and communities throughout South Carolina. This initiative combines MUSC Health’s academic expertise and commitment to education, research and patient care with Capella Healthcare’s proven expertise in running hospitals to create a regionally-based healthcare delivery network. For more information, visit the website at CapellaMUSCHealthNetwork.com.