

For Immediate Release

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KershawHealth transition is now official

Local health care system now part of Capella-MUSC Health Network

CAMDEN, SC. November 2, 2015. KershawHealth is now officially part of the Capella-MUSC Health Network and Capella Healthcare's family of hospitals. Hospital staff and community leaders celebrated the transition today with an event in front of the medical center, concluding with the unveiling of new signage reflecting the affiliation with MUSC Health. The health care organization's name does not change.

Effective November 1, KershawHealth became part of a new integrated healthcare delivery network operated jointly by Capella Healthcare and MUSC Health (Medical University of South Carolina). Assisting with the unveiling of the new signage addition were two of the hospital's longest serving employees: Sally Barrett, RN, Med 1 Nursing Unit, and David Stratford, Manager – Sterile Processing.

"Today we begin a new chapter in our mission to provide quality health care to the Kershaw County community," said Derial Ogburn, Chair of the Board of Trustees of the Health Services District of Kershaw County. "This partnership with Capella and MUSC Health will allow us to meet the challenges of this evolving industry. Our role as trustees will change but our commitment to the health care needs of our community remains strong. This is indeed an exciting time for us all."

Michael Wiechart, President and CEO of Capella Healthcare said: "KershawHealth is an outstanding organization with a rich history of community service, and – along with MUSC Health – we are honored to be their partner for the future. Our three organizations are passionately committed to the delivery of local community-based health care, to exceeding patients' expectations and creating a great place to work. Our goal in working together is to ensure the continued provision of high quality local healthcare, to expand services, and to 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 which is also a part of the 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 remains 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 already underway.

"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."

In addition to those mentioned above, others who participated in the event included Dr. Tallulah Holmstrom, Rep. Laurie Slade Funderburk, and Mark Medley, EVP, President-Hospital Operations for Capella.

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.