

NEWS RELEASE



CATHOLIC HEALTH EAST

TRINITY  HEALTH

Novi, Michigan

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For Immediate Release

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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. St. James Mercy Hospital in Hornell, NY is a member of CHE.

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.”

“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.”

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St. James Mercy Hospital (SJM) in Hornell, NY is a member of Catholic Health East. "This Letter of Intent is good news for our organization," said Mary LaRowe, SJM President and CEO. "Like SJM, CHE and Trinity share the mission of serving the poor and disadvantaged, and a potential consolidation would strengthen that position. This news does not have a direct effect on SJM's working relationship with Guthrie Healthcare System, which is aimed at expanding the availability of healthcare providers in our rural area. We will continue to work with Guthrie to improve access to local healthcare services."

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.

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.

The development of the CHE/Trinity 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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