

West Tennessee Healthcare And HealthSouth Corporation Announce Joint Venture To Build Inpatient Rehabilitation Hospital

PR Newswire

BIRMINGHAM, Ala. and JACKSON, Tenn.

BIRMINGHAM, Ala. and JACKSON, Tenn., May 26, 2015 /PRNewswire/ -- West Tennessee Healthcare and HealthSouth Corporation (NYSE: HLS) have signed an agreement to form a joint venture to own and operate a 48-bed inpatient rehabilitation hospital in Jackson, Tennessee. The agreement was approved by the Board of Trustees of Jackson-Madison County General Hospital District and calls for the relocation of the existing inpatient rehabilitation unit at Jackson-Madison County General Hospital to a freestanding hospital. In addition, the agreement provides for joint ownership of HealthSouth's existing Cane Creek Rehabilitation Hospital in Martin, Tennessee.

The transition of ownership of both hospitals to the joint venture will take place upon completion of construction of the freestanding hospital in Jackson. The agreement establishes that HealthSouth will assume management of the existing rehabilitation unit on July 1, 2015, until the new 48-bed hospital is complete. The joint venture plans to begin building the new inpatient rehabilitation hospital pending the required state regulatory approvals.

"West Tennessee Healthcare has a long history of providing excellent clinical care. This joint venture will uniquely position the hospital to continue to provide a high-quality physical rehabilitation program in a new, state-of-the-art facility," said Barbara Jacobsmeyer, president of HealthSouth's central region. "We look forward to working together to provide comprehensive physical rehabilitation to patients who have experienced stroke, trauma, brain and orthopedic injuries or other major illnesses or injuries."

"We are extremely pleased and excited to begin work with HealthSouth in this new joint venture," said Bobby Arnold, WTH President and CEO. "HealthSouth and its employees will bring significant and valuable experience and expertise."

"HealthSouth is a leader in inpatient rehabilitative care and shares our strong commitment to patient care, quality outcomes and patient safety," said Greg Milam, Chairman, West Tennessee Healthcare Board of Trustees. "We have been exploring for several years the best way to enhance and expand our inpatient rehabilitation services, and we believe that partnering with HealthSouth is the best outcome for our patients, our employees, our physicians and the communities we serve."

The formation of the joint venture is subject to customary closing conditions, including regulatory approvals.

About West Tennessee Healthcare

West Tennessee Healthcare is a public, not-for-profit healthcare system with locations throughout 18 counties in West Tennessee. The mission of West Tennessee Healthcare is to improve the health and well-being of the communities we serve while providing exceptional and compassionate care. For more information, visit www.wth.org.

About HealthSouth

HealthSouth is one of the nation's largest providers of post-acute healthcare services, offering both facility-based and home-based post-acute services in 33 states and Puerto Rico through its network of inpatient rehabilitation hospitals, home health agencies, and hospice agencies. HealthSouth can be found on the web at www.healthsouth.com.

Forward-Looking Statements

Statements contained in this press release which are not historical facts, such as those relating to the likelihood, timing and effects of the finalization of this joint venture project, are forward-looking statements. In addition, HealthSouth may from time to time make forward-looking public statements concerning the matters described herein. All such estimates, projections, and forward-looking information speak only as of the date hereof, and HealthSouth undertakes no duty to publicly update or revise such forward-looking information, whether as a result of new information, future events, or otherwise. Such forward-looking statements are necessarily estimates based upon current information and involve a number of risks and uncertainties. HealthSouth's actual results or events may differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. While it is impossible to identify all such factors, factors which could cause actual results or events to differ materially from those anticipated include, but are not limited to, the regulatory review and approval process, any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings that may be brought by or against the Company; the possibility this project will experience unexpected delays; the ability to successfully complete and integrate this project consistent with HealthSouth's growth strategy, including realization of anticipated revenues, cost savings, and productivity improvements arising from the related operations and avoidance of unforeseen exposure to liabilities; changes in the regulation of the healthcare industry at either or both of the federal and state levels; competitive pressures in the healthcare industry and HealthSouth's response thereto; the hospital's ability to maintain proper local, state and federal licensing; potential disruptions, breaches, or other incidents affecting the proper operation, availability, or security of HealthSouth's information systems; HealthSouth's ability to attract and retain nurses, therapists, and other healthcare professionals in a highly competitive environment with often severe staffing shortages and the impact on HealthSouth's labor expenses from potential union activity and staffing shortages; changes, delays in (including in connection with resolution of Medicare payment reviews or appeals), or suspension of reimbursement for HealthSouth's services by governmental or private payors; general conditions in the economy and capital markets; and other factors which may be identified from time to time in HealthSouth's SEC filings and other public announcements, including HealthSouth's Form 10-K for the year ended December 31, 2014 and Form 10-Q for the quarter ended March 31, 2015.

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SOURCE HealthSouth Corporation

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