



News Release

Inpatient rehabilitation services expanding in Grand Forks as Encompass Health and Altru Health System form joint venture

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BIRMINGHAM, Ala. and GRAND FORKS, N.D., June 29, 2021 /PRNewswire/ -- Encompass Health Corp. (NYSE: EHC) and Altru Health System today announced the finalization of their joint venture agreement to own and operate Altru's existing inpatient rehabilitation unit. Altru's 23-bed inpatient rehabilitation unit is located on Altru's South Washington Medical Park campus in Grand Forks, North Dakota.

Altru's inpatient rehabilitation unit, which will be Encompass Health's first location in North Dakota, will undergo a name change to Altru Rehabilitation Hospital. Encompass Health and Altru will renovate the current space to increase the private patient room count from 23 to 40, create an activities of daily living suite, expand the therapy gym and start providing in-house dialysis services for rehabilitation patients that require them during their stay. The joint venture will begin operating the rehabilitation hospital once the renovation is complete, which is projected for summer 2022.

"We are honored to be partnering with Altru Health System on its existing inpatient rehabilitation unit in Grand Forks, which has provided exceptional rehabilitative care for more than 60 years," said Mark Tarr, president and chief executive officer for Encompass Health. "As a national provider dedicated to rehabilitation services, we plan to help Altru further enhance its mission of improving health and enriching lives by helping patients regain the strength, function and confidence they need to move forward in their lives."

"This partnership with Encompass Health will provide opportunities to expand our comprehensive inpatient rehabilitation services for our community now and into the future as we aim to be the premier inpatient rehabilitation hospital in the state," shares Janice Hamscher, chief nursing officer and executive vice president for Altru. "We are united in our mission to provide the highest quality of compassionate care through the healthcare

continuum. Together, we will serve our community by helping our patients restore their health and return to their lives with the highest level of function possible."

In addition to 24-hour nursing care, Altru Rehabilitation Hospital will continue to offer physical, occupational and speech therapies to restore functional ability and quality of life. It provides care for patients recovering from debilitating illnesses and injuries including strokes and other neurological disorders, brain injuries, spinal cord injuries, amputations and complex orthopedic conditions. Altru Rehabilitation Hospital will have a continued commitment to excellence in stroke rehabilitation and acute neurologic and traumatic brain injury rehabilitation.

Altru's inpatient rehabilitation unit, which has provided care to residents in the area since 1958, has consistently maintained its accreditation from the Commission on Accreditation of Rehabilitation Facilities. Encompass Health was selected as Altru's partner for the inpatient rehabilitation hospital through a request for proposal process.

About Encompass Health

As a national leader in integrated healthcare services, Encompass Health (NYSE: EHC) offers both facility-based and home-based patient care through its network of inpatient rehabilitation hospitals, home health agencies and hospice agencies. With a national footprint that includes 140 hospitals, 250 home health locations, and 94 hospice locations in 42 states and Puerto Rico, the Company provides high-quality, cost-effective integrated healthcare. Encompass Health is ranked as one of Fortune's 100 Best Companies to Work For. For more information, visit encompasshealth.com, or follow us on our [newsroom](#), [Twitter](#), [Instagram](#) and [Facebook](#).

About Altru Health System

Based in Grand Forks, North Dakota, Altru Health System is a physician-led, multispecialty group practice with an acute care hospital, Level II trauma center, specialty hospital, more than two dozen Grand Forks and regional practice locations, and a large home care network. Altru Health System was the first member of the Mayo Clinic Care Network, extending Mayo Clinic knowledge and expertise to the patients we serve. For more information, visit altru.org.

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 completion of this joint venture, are forward-looking statements. In addition, Encompass Health 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 Encompass Health 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. Encompass Health'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 Encompass Health'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; the continued spread of COVID-19, including the speed, depth, geographic reach and duration of the spread; the actions to be taken by Encompass Health in response to the COVID-19 pandemic; 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 Encompass Health'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 Encompass Health's information systems; Encompass Health'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 Encompass Health'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 Encompass Health'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 Encompass Health's SEC filings and other public announcements, including Encompass Health's Form 10-K for the year ended Dec. 31, 2020 and Form 10-Q for the quarter ended March 31, 2021.

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