



**Oconee Regional Medical Center
821 N. Cobb St.**

Milledgeville, GA 31061

FOR IMMEDIATE RELEASE

May 11, 2017

**Oconee Regional Medical Center Enters Sale Agreement
*Hospital well positioned to thrive under new ownership***

The Boards of Directors of the Oconee Regional Medical Center (ORMC) and Oconee Regional Health Systems (ORHS) voted last night to enter into a sale agreement with the Prime Healthcare Foundation, a 501(c)3 public charity and affiliate of Prime Healthcare Services, one of the nation's leading health systems with 44 hospitals in 14 states. The agreement will ensure the long-term viability of the hospital, continued access to quality care, and retention of hundreds of jobs. It will also allow ORMC to continue to make a positive impact on the overall health of patients and the local economy.

"Our goal when we began this process over a year ago was to maintain a viable hospital here in Baldwin County. We have accomplished that and, as a result, our community will continue to have access to quality care," said Steven M. Johnson, interim chief executive officer. "This agreement is the result of a lot of hard work by many people including our board members, employees, and medical staff. During a challenging period for the hospital, our team continued to deliver high quality patient care and helped us reduce costs, successfully positioning us for this opportunity."

Like many other unaffiliated community hospitals in Georgia and throughout the United States, ORMC has faced growing financial challenges. In 2016, nationally recognized financial experts, Houlihan Lokey and Grant Thornton, were engaged to identify a solution that would allow the hospital to remain viable for the long term.

"Prime Healthcare has a national reputation for successfully turning around hospitals like ours. Their experience will allow for stabilization of the hospital, expanded services, recruitment of medical staff, and capital improvements - all of which is good for our community," added Dr. Phyllis Parks-Veal, chair of the ORMC Board of Directors.

As efforts to identify a potential buyer continued, ORMC leaders worked closely with members of the county commission, in particular Baldwin County Commission Chairman Sammy Hall and Commissioner Henry Craig, to ensure that the future of the hospital would be secure.

“One of the most important assets for any community is access to health care. Without that, we cannot promise the quality of life we want for our citizens nor can we attract the kind of economic development that is so critical to our future. This decision, which will allow ORMC to remain viable, is without question in the best interest of the county,” said Chairman Hall.

“We appreciated having the opportunity to be part of this process and agree that the decision made tonight will not only stabilize the hospital, but ultimately make it an even greater asset for our community,” continued Commissioner Henry Craig.

The process to transfer ownership will take approximately 90 days. During that time, the hospital will continue uninterrupted day-to-day operations and work with the new owner to ensure a smooth transition for patients, employees, and medical staff.

“The sale agreement also includes Oconee Regional Health Ventures, Inc., and was approved tonight by those entities as well as Oconee Regional Health Systems, the Baldwin County Hospital Authority and other related subsidiaries and affiliates,” added Ted Zarkowsky, chair of the ORHS Board of Directors.

“Prime Healthcare looks forward to caring for the community and partnering with the dedicated physicians, nurses, and employees of Oconee Regional Medical Center,” said Prem Reddy, M.D., chairman, president and CEO of Prime Healthcare. “We are committed to providing the best quality care in each and every community we serve, and the addition of Oconee Regional to the Prime Healthcare family will allow us to continue that tradition.”

As required by Georgia law, the sale agreement will be reviewed by the Attorney General’s office. That review will include a public hearing to allow for community input. In addition, ORMC and certain affiliates have filed the necessary motions for the approval of a Section 363 asset sale in the U.S. Bankruptcy Court for the Middle District of Georgia. This approach is commonly used to facilitate such transactions and will allow for continued operations and a relatively short timeframe for completion of the sale.

“As we look to the future, I want to thank our Board of Directors, employees, and medical staff for their incredible commitment to this hospital and the patients it serves,” concluded Dr. Parks-Veal.

Oconee Regional Medical Center will retain its non-profit status.

About Oconee Regional Medical Center

Oconee Regional Medical Center is located in Milledgeville, Georgia, and provides advanced healthcare to residents in surrounding counties. The hospital offers a wide range of medical services, including specialized treatment centers, a 24/7 emergency department, outpatient treatment programs, and health education programs. In 2016, ORMC was recognized as one

of the top hospitals in the state by *Georgia Trend* magazine. For additional information, visit www.oconeeregional.com.

About Prime Healthcare Services and the Prime Healthcare Foundation

Prime Healthcare is an award-winning national hospital system with 44 acute-care hospitals providing nearly 44,000 jobs in 14 states. Fourteen of the hospitals are members of the Prime Healthcare Foundation, a 501(c)3 public charity. Based in California and one of the largest hospital systems in the country, Prime Healthcare is committed to ensuring access to quality healthcare. Prime Healthcare and its hospitals have been recognized as among the “100 Top Hospitals” in the nation 38 times and among the “15 Top Health Systems” three times, and Prime is the only “10 Top Health System” west of the Mississippi. For more information, please visit www.primehealthcare.com.