

PRIME HEALTHCARE SERVICES AND GARDEN CITY HOSPITAL SIGN BINDING ASSET PURCHASE AGREEMENT

A Critical Step in Preserving Garden City as Acute Care Hospital

Garden City, MI, February 6, 2014 – Prime Healthcare Services and Garden City Hospital (GCH) announced today they have agreed to and signed an Asset Purchase Agreement. The binding agreement is a critical step forward for Prime Healthcare to finalize its acquisition of the Michigan-based hospital.

The purchase of Garden City Hospital by Prime Healthcare will ensure the medical center remains open and continues its mission to provide excellence in healthcare to the people of Garden City and the surrounding communities.

Prime Healthcare has agreed to maintain Garden City Hospital as an acute care hospital and will continue to provide charity care at the existing levels or better as well as maintain a local governing board. “This is an exciting time for GCH and our community” said Garden City Hospital President and CEO, Gary Ley. “I couldn’t ask for a better opportunity, than to be joining forces with a national award-winning organization as successful as Prime Healthcare”.

The APA calls for Prime Healthcare to hire substantially all Garden City Hospital employees. Moreover, beyond the cost of the acquisition, Prime Healthcare will invest at least \$35 million in capital improvements at the hospital. As a result, Prime Healthcare will save jobs.

“Prime Healthcare is committed to continuing Garden City Hospital’s critical role in providing healthcare for the surrounding community,” said Prem Reddy, M.D., FACC, FCCP, chairman, president and CEO of Prime Healthcare Services. “Prime Healthcare’s motto is ‘Saving Hospitals, Saving Jobs and Saving Lives’, and we are confident the hospital will emerge stronger from this transition.”

The transaction is pending regulatory approvals from the Michigan State Attorney General’s office, a process that could take several months.

Prime Healthcare, an award winning health system, was nationally recognized in 2013 as one of the “15 Top Health Systems in the Nation” by Truven Health Analytics (formerly Thomson Reuters), based on quality of health care and patient satisfaction. It was the third time in five years the health system was recognized. Eight Prime Healthcare hospitals were ranked among the “100 Top Hospitals in the Nation” in 2013.

In addition, the Joint Commission, the leading Medicare accreditation organization in the country, announced in 2013 that eleven Prime Healthcare hospitals earned national recognition as a “Top Performer on Key Quality Measures.”

Established in 1960, Garden City Hospital is one of Michigan’s few remaining independent community hospitals. The 323 licensed bed medical facility’s neighborhood location is conveniently located on Inkster Road, just north of Ford Road and just west of Telegraph and is easily accessible from I-96 and I-275.

GCH began with a pledge made by the six founding physicians in 1947, “to provide high quality, healthcare services to local residents”. “I am confident this transition will allow GCH to maintain a tradition of great care and honor the pledge of our founders for a long time to come”, explained current president Gary Ley.

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PRIME HEALTHCARE SERVICES

Ontario, CA-based Prime Healthcare Services (www.primehealthcare.com), with a motto of “Saving Hospitals, Saving Jobs and Saving Lives,” is one of the largest hospital companies in the nation.

Prime Healthcare was recognized as one of the “15 Top Health Systems” in the nation in 2013, based on quality of healthcare and patient satisfaction. It is the third time in five years it has been recognized. In 2013, eight Prime Healthcare hospitals were ranked among the “100 Top Hospitals” in the nation by Truven Health Analytics (formerly Thomson Reuters). Prime Healthcare hospitals have earned the award 21 times. In addition, 11 Prime Healthcare hospitals earned national recognition as “Top Performer on Key Quality Measures” in 2013 from The Joint Commission, the leading Medicare accreditation organization in the country.

Through their subsidiaries, Prime Healthcare Services and the non-profit Prime Healthcare Foundation have more than 30,000 employees and own and operate 25 hospitals: Alvarado Hospital Medical Center, Centinela Hospital Medical Center, Chino Valley Medical Center, Desert Valley Hospital, Encino Hospital Medical Center, Garden Grove Hospital Medical Center, Huntington Beach Hospital, La Palma Intercommunity Hospital, Montclair Hospital Medical Center, Paradise Valley Hospital, San Dimas Community Hospital, Shasta Regional Medical Center, Sherman Oaks Hospital and West Anaheim Medical Center – in California; Providence Medical Center and Saint John Hospital – in Kansas; Saint Mary’s Regional Medical Center – in Nevada; Lower Bucks Hospital and Roxborough Memorial Hospital – in Pennsylvania; Landmark Medical Center and Rehabilitation Hospital of Rhode Island – in Rhode Island; Dallas Medical Center, Harlingen Medical Center, Knapp Medical Center and Pampa Regional Medical Center – in Texas.