Athol Memorial Hospital

2033 Main Street ● Athol, MA 01331

AMH Partnership Approved

James Meehan, Chairman of the Board of Trustees of the Athol Memorial Hospital announced today a new partnership with Vanguard Health Systems based in Nashville, Tennessee. "We have diligently searched for a partner to help expand our clinical services and help us stabilize our future. In Vanguard, we have found an ideal partner and I am proud to announce that the Board approved our proposal this morning. "

"In the challenging world of health care, it can be very difficult for small, critical access hospitals like ours to offer the broad range of health care services our community needs and maintain both high quality and responsiveness. With Vanguard's backing and the services of Saint Vincent Hospital in Worcester we feel we have found a way to offer new services while extending the traditions and values of our hospital", said Steve Penka President and CEO of Athol Memorial Hospital.

"We are thrilled about the opportunity to work more closely with the staff, physicians and care team at Athol Memorial, said Joseph Mullany, president of Vanguard's New England market. Forging new clinical partnerships with the team there fits nicely with our mission in central Massachusetts".

"One of the more difficult problems in delivering consistently high quality care in small communities and rural areas is attracting physicians and specialists to serve the needs of the community. In cooperation with Vanguard we can tailor schedules and recruit physicians to serve this community. We hope to bolster services in primary care, cardiovascular medicine, orthopedics and oncology," said Dr. Mohsen Noreldin, President of the Medical Staff at Athol Memorial Hospital.

"We are very excited to enter into this partnership with the physicians and team at Athol Memorial. It has become increasingly difficult for hospitals to have both stable finances and sufficient capital to fuel growth

and revitalization. We feel certain we can help in doing that with Athol Memorial, said Paul Dorsa, Senior Vice President Corporate Development. “This is a hospital with a great history and with deep roots in Athol and the surrounding area and richly deserves a strong future. With those traditions and a great Board headed by James Meehan and led by Steve Penka, we think this partnership can deliver great healthcare by matching the needs of this community.”

Athol Memorial Hospital is a 25-bed Critical Access Hospital and Primary Stroke Center, licensed by the Massachusetts Department of Public Health and fully accredited by the Joint Commission. Athol Memorial Hospital serves patients in Athol and the surrounding towns of Orange, Phillipston, Royalston, Petersham, Erving, New Salem, Warwick and Wendell in the North Quabbin Region of Central Massachusetts. The hospital opened its doors in 1950, the result of the efforts of community and business leaders to establish a local hospital to serve the healthcare needs of the region. The Hospital is the region’s primary acute care facility and the second largest private employer. Strong ties to the area and institution exist within the staff and patients alike, as neighbors are often caring for neighbors. This spirit of community is inherent in the Hospital’s mission and has provided the framework for meeting the challenges of delivering “Quality healthcare close to home.”

Vanguard owns and operates 15 acute care hospitals and complementary facilities and services in Chicago, Illinois; Phoenix, Arizona; San Antonio, Texas; and Massachusetts. Vanguard also owns three managed care health plans: Phoenix Health Plan, a Medicaid managed health plan in Arizona; Abrazo Advantage Health Plan, a managed Medicare and dual-eligible health plan in Arizona; and MacNeal Health Providers, a preferred provider network in Chicago. Vanguard’s strategy is to develop locally branded, comprehensive healthcare delivery networks in urban markets. Vanguard pursues acquisitions where there are opportunities to partner with leading delivery systems in urban markets. Upon acquiring a facility or network of facilities, Vanguard implements strategic and operational improvement initiatives, including improving quality of care, expanding services, strengthening relationships with physicians and managed care organizations,

recruiting new physicians, and upgrading information systems and other capital equipment. These strategies improve quality and network coverage in a cost effective and accessible manner.