

NEWS RELEASE



Catholic Health Initiatives and Dignity Health Explore Aligning Ministries to Strengthen Catholic Health Care

SAN FRANCISCO AND ENGLEWOOD, Colo. – October 24, 2016 – Two leading nonprofit health care systems – Dignity Health and Catholic Health Initiatives – have signed a non-binding letter of intent to explore aligning their organizations and expanding their mission of service in communities across the nation.

The boards and sponsors of the two health systems are evaluating the potential alignment to strengthen their leadership role in transforming health care through increased access and enhanced clinical excellence.

"Health care is at a turning point in our nation," said Lloyd H. Dean, president/ chief executive officer of Dignity Health. "Through a stronger strategic and financial foundation, an aligned ministry would accelerate our ability to advance our healing mission into the future."

"The potential to align the strengths of these two organizations will allow us to play a far more significant role in transforming health care in this country," said Kevin E. Lofton, chief executive officer of Catholic Health Initiatives. "Together, we could enhance our shared ministry as the health industry transitions to a system that rewards the quality and cost-effectiveness of care."

The letter of intent follows last month's announcement that the two systems formed a partnership called the Precision Medicine Alliance LLC, which will create the largest community-based precision medicine program in the country.

The organizations complement one another in many other important ways. CHI brings a diverse geographic footprint with proven clinical service lines and home-health capabilities, as well as successful partnerships in research and education. Dignity Health has a proven operating model that has successfully scaled enterprise-wide initiatives to ensure consistent practices across the system, and is well known for its work with innovative, diversified care-delivery partnerships. There is no geographical overlap of acute care facilities.

Both systems include Catholic and other-than-Catholic health care affiliates that share a commitment to care for all, including those who are poor and underserved.

It is anticipated that discussions will continue through early 2017.

###

About Dignity Health

Dignity Health, one of the nation's largest health care systems, is a 22-state network of more than 9,000 physicians, 62,000 employees, and 400 care centers, including hospitals, urgent and occupational care, imaging centers, home health, and primary care clinics. Headquartered in San Francisco, Dignity Health is dedicated to providing compassionate, high-quality, and affordable patient-centered care with special attention to those who are poor and underserved. In FY16, Dignity Health provided \$2.2 billion

Dignity Health and CHI Ministry Alignment Page 2 of 2

in charitable care and services. For more information, please visit our website at <u>www.dignityhealth.org</u>. You can also follow us on <u>Twitter</u> and <u>Facebook</u>.

About Catholic Health Initiatives

Catholic Health Initiatives, a nonprofit, faith-based health system formed in 1996 through the consolidation of four Catholic health systems, expresses its mission each day by creating and nurturing healthy communities in the hundreds of sites across the nation where it provides care. The nation's third-largest nonprofit health system, Englewood, Colorado-based CHI operates in 18 states and comprises 103 hospitals, including four academic health centers and major teaching hospitals as well as 30 critical-access facilities; communities; and other facilities and services. In fiscal year 2015, CHI provided more than \$1.6 billion in total financial assistance and community benefit, including the unpaid costs of Medicare, for programs and services for the poor, free clinics, education and research. For more information, please visit <u>www.catholichealthinitiatives.org</u>.

###

Contact: <u>Lauren Davis</u> Dignity Health 415.438.5650

<u>Mike Romano</u> Catholic Health Initiatives 303.383.2720