

Specialty Hospitals of America Acquires Greater Southeast Community Hospital Unique Public-Private Venture Assures Continuity & Improvements to Local Healthcare

Portsmouth, N.H. (Nov. 8, 2007) – Specialty Hospitals of America, LLC, (SHA) acquired the hospital facility known as Greater Southeast Community Hospital in Washington, D.C. The transaction includes financial consideration from the city government in recognition of SHA’s commitment to achieve an aggressive series of operational mileposts.

The N.H.-based SHA demonstrated its ability to conduct turnaround operations in the D.C. market with the acquisition and return to profitability and accreditation of two previously failing facilities in the District. The two facilities, now operating as The Specialty Hospital of Washington – Capitol Hill and The Specialty Hospital of Washington – Hadley, were purchased in 2005 and 2006 respectively. Each location houses a Long Term Critical Care (LTCC) hospital and a Skilled Nursing Facility (SNF).

With the acquisition of Greater Southeast Community Hospital, SHA has committed to renovate, re-equip and reinvigorate a comprehensive healthcare facility to serve 140,000 community residents and alleviate overuse of emergency services at hospitals in adjacent locales. Emergency and obstetric care will be among the first services to be returned to community-appropriate levels.

SHA’s plans call for a vertically integrated health care campus that will be developed in a three-year build-out project. Services will include primary health care (physician offices), out-patient surgery, out-patient health screening, radiology, cardiology and ambulatory services. Expanded in-patient services are expected to include an in-patient psychiatric hospital, a 150-bed skilled nursing facility, a long term critical care hospital and in-patient geriatric psychiatric services. This business model will ensure that the companies and practices operating each module of care are the most effective for the service each provides.

“This is the dawning of a new day in healthcare in the Greater Southeast Community,” said SHA president Eric F. Rieseberg. “We look at this campus as the focal point for improving the health of our patients and our neighbors; and we are committed to bringing in the people, the equipment and the infrastructure changes to make this happen.”

SHA has identified an operator for the Short Term Acute Care (STAC) hospital: Quorum Health Resources (Brentwood, Tenn.). Rieseberg has also named a new CEO and CFO for the Greater Southeast Community Hospital. Gary L. Rowe, an experienced hospital executive who earned a Masters degree in hospital administration from George Washington University, is the new CEO; and Barry L. Harding, a CPA with an MBA in finance from the University of Houston, has been selected as the new CFO. “SHA is excited to have these new senior leaders join our team as we embark on this process of improvement immediately,” said Rieseberg.

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About SHA:

Specialty Hospitals of America, LLC, is based in Portsmouth, N.H. Additional information on the company and its founders is available at www.specialty-hospitals.com.