FOR IMMEDIATE RELEASE
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Good Shepherd Health System Selects
Duke LifePoint Healthcare as Potential Partner
Proposed transaction will bring significant capital investments and resources to strengthen Good Shepherd hospitals and add new tax revenue to support local economies

Longview, TEXAS – The Good Shepherd Health System today announced that it has signed a memorandum of understanding to be acquired by Duke LifePoint Healthcare, subject to approval of the amended lease by the Gregg County Commissioners Court. The proposed acquisition would provide additional resources to help Good Shepherd enhance its services and thrive in the future.

This agreement is the result of a strategic planning process initiated by the Good Shepherd Health System’s Board of Directors and leadership team in August 2015.

As a first step, Good Shepherd will be working appropriately through the Gregg County Commissioners Court to amend its current lease for purposes of the acquisition. As part of the acquisition, Duke LifePoint has agreed to continue important community commitments outlined in the lease agreement with Gregg County, including indigent and charity care and 24-hour emergency services.

“Our Board of Directors followed a thoughtful process vetting several suitors before selecting Duke LifePoint as a potential partner for our hospital,” said Good Shepherd President and CEO Steve Altmiller. “Joining Duke LifePoint offers significant benefits to our patients, employees, physicians and community. It can provide Good Shepherd with sustainable access to capital and new resources, enabling us to navigate the challenges of health care today and strengthen our hospital for the future.”

Formed in 2011, Duke LifePoint is an innovative joint venture of Duke University Health System, a non-profit organization and one of the country’s foremost academic health systems, and LifePoint Health, a leading health care company dedicated to making communities healthier. The growing organization draws on the top-ranked patient safety and clinical quality systems of Duke and LifePoint’s operational expertise and experience in helping community hospitals succeed. It has a strong reputation for quality care, operations excellence and financial strength.

“We are confident joining Duke LifePoint will allow us to continue to advance health care services in East Texas for generations to come,” said Bill Huffman, chair of the Board of Directors for Good Shepherd Health System. “We believe Duke LifePoint is the right fit for our system, offering clinical expertise, financial resources and a strong commitment to providing the highest quality care for the community.”
As part of the proposed acquisition, Duke LifePoint has committed to making significant capital investments in technology, equipment and facility improvements. Also, as part of Duke LifePoint, Good Shepherd would become a local taxpayer, providing an important new source of tax revenue to support the local economy.

William J. Fulkerson Jr., M.D., executive vice president of Duke University Health System, commented, “Good Shepherd Health System shares Duke LifePoint’s commitment to providing high-quality care and promoting a culture of safety and collaboration. We see tremendous opportunity for it to make an even bigger impact in the East Texas region and are pleased to be working through the next steps of our proposed relationship.”

The parties are now beginning a process of due diligence. They will negotiate the terms of a definitive agreement and begin state and federal regulatory reviews. Once completed, the transaction is anticipated to be finalized later this year.

“We are honored to have been selected by the Board of Directors of Good Shepherd as their preferred partner for the system,” said William F. Carpenter III, chairman and chief executive officer of LifePoint Health. “Duke LifePoint is committed to keeping quality care close to home, and we look forward to working closely with the talented team at Good Shepherd and together enhancing and expanding the exceptional work already taking place in their facilities.”

Duke LifePoint currently operates 14 hospitals in four states and a company that offers hospital-based catheterization labs and mobile catheterization services.

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About Good Shepherd Health System
Good Shepherd Health System sets the standard for health, wellness and state-of-the-art healthcare in East Texas. Good Shepherd’s mission is to improve the health of the communities we serve. The system includes medical centers in Longview and Marshall; Good Shepherd Medical Associates, a multi-specialty physician network; freestanding emergency centers; a full range of outpatient services; and medically integrated wellness facility, the Institute for Healthy Living. For more information, please visit www.gsmc.org.

About Duke LifePoint Healthcare
Duke LifePoint Healthcare, a joint venture of Duke University Health System, Inc. and LifePoint Health (NASDAQ: LPNT), was established to build a dynamic network of hospitals and healthcare providers. The joint venture, which brings together LifePoint’s experience in community-based hospital management and Duke’s world-renowned leadership in patient safety and clinical quality systems, is strengthening and improving healthcare delivery by providing community hospitals the clinical, quality and operational resources they need to grow and prosper.