

HealthSouth And Mountain States Health Alliance Finalize Joint Venture To Operate Quillen Rehabilitation Hospital In Johnson City, Tennessee

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BIRMINGHAM, Ala. and JOHNSON CITY, Tenn., Nov. 5, 2014 /PRNewswire/ -- HealthSouth Corporation (NYSE: HLS) and Mountain States Health Alliance today announced they have finalized a joint venture to own and operate the James H. & Cecile C. Quillen Rehabilitation Hospital in Johnson City, Tennessee. The freestanding 26-bed inpatient rehabilitation hospital will provide comprehensive physical rehabilitation to patients who have experienced stroke, trauma, brain and orthopedic injuries or other major illnesses or injuries.

"Combining the exceptional reputation of Mountain States Health Alliance with the experience of HealthSouth will provide the residents of Johnson City and the surrounding area with greater access to high-quality and cost-effective inpatient rehabilitative services," said HealthSouth Central Region President Barbara Jacobsmeyer. "We are pleased to partner with Mountain States Health Alliance and look forward to working together."

"This joint venture is part of our commitment to enhancing post-acute care services for northeast Tennessee and Southwest Virginia," said Alan Levine, president and CEO of Mountain States. "We look forward to continuing to provide the best post-acute care services in the region."

The comprehensive inpatient rehabilitation hospital will continue to provide critical clinical services that produce the highest possible levels of recovery for patients in Johnson City and the surrounding areas and will remain in the current location at 2511 Wesley St. in Johnson City.

About Mountain States Health Alliance

Mountain States Health Alliance, a not-for-profit health care organization based in Johnson City, Tenn., operates a family of 13 hospitals serving a 29-county, four-state region (Northeast Tennessee, Southwest Virginia, Southeastern Kentucky and Western North Carolina). Mountain States offers a large tertiary hospital, several community hospitals, two critical access hospitals, rehabilitation, a children's hospital, a behavioral health hospital, two long-term care facilities, home care and hospice services, retail pharmacies, a comprehensive medical management corporation, and the region's only provider-owned health insurance company. Its 13,500 team members, associated physicians and volunteers are committed to its mission of bringing loving care to health care. For more information, visit www.msha.com.

About HealthSouth

HealthSouth is the nation's largest owner and operator of inpatient rehabilitation hospitals in terms of patients treated and discharged, revenues and number of hospitals. Operating in 28 states across the country and in Puerto Rico, HealthSouth serves patients through its network of inpatient rehabilitation hospitals, outpatient rehabilitation satellite clinics and home health agencies. HealthSouth's hospitals provide a higher level of rehabilitative care to patients who are recovering from conditions such as stroke and other neurological disorders, cardiac and pulmonary conditions, brain and spinal cord injuries, complex orthopedic conditions, and amputations. HealthSouth can be found on the Web at www.healthsouth.com.

Forward-Looking Statements

Statements contained in this press release which are not historical facts, such as those relating to the future operation of this project, are forward-looking statements. In addition, HealthSouth may from time to time make forward-looking public statements concerning the matters described herein. All such estimates, projections, and forward-looking statements speak only as of the date hereof, and HealthSouth undertakes no duty to publicly update or revise such statements, whether as a result of new information, future events, or otherwise. Such forward-looking statements are necessarily estimates based upon current information and involve a number of risks and uncertainties. HealthSouth's actual results or events may differ materially from those anticipated in these forward-looking statements as a result of a variety of factors. While it is impossible to identify all such factors, factors which could cause actual results or events to differ materially from those anticipated include, but are not limited to, any adverse outcome of various lawsuits, claims, and legal or regulatory proceedings that may be brought by or against HealthSouth; the ability to successfully integrate this project consistent with HealthSouth's growth strategy, including realization of anticipated revenues, cost savings, and productivity improvements arising from the related operations and avoidance of unforeseen exposure to liabilities; changes in the regulation of the healthcare industry at either or both of the federal and state levels; competitive pressures in the healthcare industry in this market and HealthSouth's response thereto; this hospital's ability to maintain proper local, state and federal licensing; potential disruptions, breaches, or other incidents affecting the proper operation, availability, or security of HealthSouth's information systems, including the unauthorized access to or theft of patient or other sensitive information; the ability to attract and retain nurses, therapists, and other healthcare professionals in a highly competitive environment with often severe staffing shortages and the impact on HealthSouth's labor expenses from potential union activity and staffing shortages; changes, delays in (including in connection with resolution of Medicare payment reviews or appeals), or suspension of reimbursement for HealthSouth's services by governmental or private payors; general conditions in the economy and capital markets; and other factors which may be identified from time to time in HealthSouth's SEC filings and other public announcements, including HealthSouth's Form 10-K for the year ended December 31, 2013 and Form 10-Q for the quarters ended March 31, 2014, June 30, 2014 and September 30, 2014.

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