



FOR IMMEDIATE RELEASE

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Acuity Hospital of South Texas to Purchase Long Term Acute Care Hospital in San Antonio

(San Antonio, TX) **Acuity Hospital of South Texas, LLC**, announced today that it is purchasing Texas Specialty Hospital at San Antonio, a 30-bed Long Term Acute Care (LTAC) hospital owned by Fundamental Clinical Consulting, LLC. Acuity will buy 75% of the LTAC for an undisclosed price, and Fundamental will retain a minority interest. The transaction will be completed at the end of June. Acuity Hospital of South Texas is a member hospital of *AcuityHealthcare, LP*, a privately owned company based in Austin, Texas, which specializes in LTAC facilities.

In January 2009, Acuity will relocate the hospital from its current home on the South Texas Medical Center campus to a newly constructed space downtown in Santa Rosa Professional Pavilion on the campus of CHRISTUS Santa Rosa Hospital-City Centre.

The LTAC hospital will provide specialized care through an interdisciplinary delivery model to high acuity, medically complex patients who require intensive hospitalization for an extended period. It will be the only LTAC hospital serving San Antonio developed in partnership with physicians. According to *AcuityHealthcare* President & CEO, Ed Cooper, there will be about 50 physician partners.

“We are excited to have Acuity locate these needed services on our campus,” said Michael McBride, Regional Vice President/Administrator of CHRISTUS Santa Rosa Hospital. “*AcuityHealthcare* is a highly respected company and provides services across the country. We’re especially pleased with the convenience and enhanced continuity of care the LTAC hospital will provide for patients, families and physicians.”

Last year, Acuity announced it planned to develop two new LTAC hospitals from the ground up in San Antonio, one to be constructed on the campus of CHRISTUS Santa Rosa Hospital in the South Texas Medical Center and the other to be built downtown. At the end of 2007, the U.S. Congress passed a 36-month moratorium on the development of new LTAC hospitals in order for the Centers for Medicare and Medicaid Services to create specific admission criteria for patients. Acuity will continue with its original plan to develop a second LTAC hospital in the Medical Center; however, the exact timing for the second hospital is uncertain, largely due to the moratorium.

“We are delighted to be going forward in our plans to enter the San Antonio market,” said Mr. Cooper. “The Acuity LTAC model has proven to be effective in delivering improved patient outcomes and increased patient and physician satisfaction. Once we have the two San Antonio facilities open, Acuity will be the only LTAC operator serving both the downtown and Medical Center areas.”

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