

Select Medical Announces Critical Illness Recovery Hospital Acquisitions and New Joint Venture Partnerships

MECHANICSBURG, PA, June 21, 2021 – Select Medical Corporation (NYSE: SEM) today announced that it has entered into a series of transactions that will result in the company operating seven new critical illness recovery hospitals, licensed as long-term acute care, and eight new outpatient clinics through acquisitions and new joint venture partnerships. The transactions are subject to regulatory approval and expected to close by Q3/Q4 2021.

“We are excited to embark on these new joint ventures and acquisitions to bring world-class post-acute care to both existing and new markets across the country,” said David Chernow, president and chief executive officer of Select Medical. “These deals underscore the focus and success of our strategic growth model to expand our continuum of care through partnerships with premier health care systems that share our mission to deliver the highest level of clinical and operational excellence to the patients, families and communities our hospitals serve.”

Critical Illness Recovery Hospitals

Select Medical has signed definitive agreements to acquire Acuity Healthcare. Acuity Healthcare owns and operates four long-term acute care hospitals and one satellite serving regions in New Jersey and West Virginia. The acquisition also includes four joint venture partnerships with AtlantiCare, Mon Health, Virtua Health and physician partners. The five acquired hospitals will be rebranded as Select Specialty Hospitals. Each facility will remain in its current location in Atlantic City and Willingboro, NJ, and Morgantown, Wheeling and Weirton, WV.

Select Medical and Northwest Healthcare, a subsidiary of Community Health Systems, have signed a joint venture partnership to acquire Curahealth Tucson, a 47-bed long-term acute care hospital. Under the agreement, Select Medical and Northwest Healthcare will relocate the hospital to Northwest Medical Center in September 2021. The hospital will be rebranded as Select Specialty Hospital – Tucson Northwest.

Expanding its presence in Nashville, Select Medical has entered into a joint venture partnership with Ascension Saint Thomas to establish a new 30-bed critical illness recovery hospital inside Ascension’s Saint Thomas Hospital West. It will be branded Select Specialty Hospital – Nashville West and be a satellite hospital to Select Specialty Hospital – Nashville, a 70-bed critical illness recovery hospital that has served the region since 1998.

Scripps Health joined the existing joint venture partnership between Select Medical and UC San Diego Health in Select Medical’s 110-bed critical illness recovery hospital, Select Specialty Hospital – San Diego, which became part of the company’s national network in 2019.

Outpatient Rehabilitation

Select Medical signed a joint venture partnership to acquire an ownership interest and management services for eight HealthWorks Rehab & Fitness clinics in West Virginia. The deal also marks Select Medical’s entrance into the state for outpatient physical therapy services.

“Select Medical treats 82,000 patients a day across our post-acute care continuum. Since the outset of the COVID-19 pandemic, more than 16,000 patients requiring liberation from ventilators and extended specialty care as well as inpatient and outpatient rehabilitation have come through the doors of our hospitals, clinics and centers. The ability to extend that level of healthcare, quality and outcomes to new communities through these new joint venture partnerships is a privilege,” said Chernow.

About Select Medical

Select Medical is one of the largest operators of critical illness recovery hospitals, rehabilitation hospitals, outpatient rehabilitation clinics and occupational health centers in the United States. As of March 31, 2021, Select Medical operated 99 critical illness recovery hospitals in 28 states, 30 rehabilitation hospitals in 12 states, and 1,809 outpatient rehabilitation clinics in 37 states and the District of Columbia. Select Medical’s joint venture subsidiary Concentra operated 519 occupational health centers in 41 states. At March 31, 2021, Select Medical had combined operations in 46 states and the District of Columbia and employed more than 48,000 people. For more information, visit www.selectmedical.com.

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Media Contact

Select Medical: Shelly Eckenroth, 717-920-4035 or seckenroth@selectmedical.com