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UINTAH BASIN HEALTHCARE

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PRESS RELEASE

The Villa Is On a Mission to Make Improvements

June 4, 2014: An article titled "UBMC announces plan to sell the Villa" ran in the Uintah Basin Standard on Tuesday, June 3, 2014. The title of this article is misleading, and was published without comment or consent from Uintah Basin Healthcare. The Board of Trustees and the administrative team at Uintah Basin Healthcare would like to properly inform the public of the facts regarding this article.

The Villa is a provider of skilled nursing, memory care and rehabilitation services, and is owned and operated by Uintah Basin Healthcare. In the long-term care industry, many organizations are losing money on governmental payments (Medicare and Medicaid) causing yearly net business losses. As an example, in the past few years, 10 national chains sought chapter 11 restructuring, citing inadequate government payments as the reason for seeking bankruptcy protection. The Villa, as well, has experienced substantial net business losses over the last few years. These losses have been subsidized by Uintah Basin Medical Center to keep The Villa in business to fulfill the community's need for a long-term care center.

In early May, Uintah Basin Healthcare approached the Roosevelt City Council looking for permission to subdivide the property on which The Villa sits. The purpose of subdividing the lot was for multiple reasons, and simply separates the land on which The Villa sits from the remainder of the property.

The Board of Trustees and the administrative team at Uintah Basin Healthcare are evaluating a possible partnership with Duchesne County. At this point, it is still in the investigative and evaluation process... nothing more. "It has come to our attention that there is federal funding available that will help mitigate the cost of running The Villa. To take advantage of that funding, we must have a governmental partner" stated Brent Hales, CFO and interim CEO of Uintah Basin Healthcare.

If a partnership was to take place, nothing would change for The Villa employees and residents, as well as the community. Uintah Basin Healthcare would continue to own, staff, maintain and operate the business. The advantage to creating a governmental partner would be that new federal funding would be available through the governmental entity. Local taxpayers and residents of The Villa would not be affected. Uintah Basin Healthcare would continue to be financially responsible for The Villa. Our hopes would be that with possible increased federal

funding, Uintah Basin Medical Center would not have to subsidize the loss as we have in the past to keep The Villa operating and available for our community. When UBMC subsidizes loss, we are limiting potential growth and opportunity in the hospital and the rest of the Uintah Basin Healthcare services we provide. If a partnership takes place, Uintah Basin Healthcare will properly notify residents, families of residents, staff members and our community.

Uintah Basin Healthcare remains invested in The Villa. In fact, we recently contracted with Mission Health Services, the 2012 and 2013 Best of State recipient for skilled nursing, to assist with management of our home. We are working hand-in-hand with Mission Health Services to blend clinical excellence, innovative therapeutic rehabilitation services, and compassionate care to be a caring community of choice for both short stay and long term care residents. We are now implementing a name change which will be "Mission at The Villa" to reflect our commitment to improve our home. This name change does not reflect a sale or transfer of ownership in any way.

Mission Health Services was the first company to embrace the Eden Alternative, focusing on improving quality of life for residents and their care partners. Implementing the Eden Alternative at The Villa has impacted daily living for the better. In a culture that typically views aging as a period of decline, the Eden Alternative philosophy asserts that no matter how old we are or what challenges we live with, life is about continuing to grow. Building on this new paradigm, it affirms that care is not a one-way street, but rather a collaborative partnership. All caregivers and care receivers are described as "care partners," each an active participant in the balance of giving and receiving.

Together, care partner teams strive to enhance well-being by eliminating the three plagues of loneliness, helplessness, and boredom. The solution involves a resident-centered community committed to creating a human habitat where life revolves around close and continuing contact with plants, animals and children. The focus is on loving companionship, opportunities to give as well as receive care, providing variety and spontaneity, providing meaningful interactions, and placing decision-making authority in the hands of the residents.

Byron Kroeger, Villa Administrator, describes the implementation of the Eden Alternative as an incredible change for the better, stating that "Our team is placing a strong emphasis on ensuring that the individual needs of every resident are met. We are creating truly meaningful interactions with our residents, developing relationships with our community, taking our residents on new adventures, creating opportunities for animal interaction, implementing music programs, and involving our residents more than ever in daily operations". Byron also stated that "Eden is about involving everyone from the young to the young at heart to create meaningful relationships that help all involved live a life worth living. We are striving to bring in our residents' own culture and traditions that existed long before our home did."

The Villa's goal is to truly "make this place your home".