

PRESS RELEASE

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FOR IMMEDIATE RELEASE

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Casa Grande Regional Medical Center (“CGRMC”), located in Casa Grande, Arizona, announced that it is reviewing its strategic options regarding its future organizational structure. The review is in keeping with the recent trend of freestanding hospitals across the nation considering alternative forms of organization given the trends sparked by the adoption and implementation of the Affordable Care Act.

A factor that has had an impact on the CGRMC plan was the fact that CMS recently decided not to fund CGRMC under its “Provider Tax” initiative. These funds, totaling approximately \$7 million, were needed to offset the increased cost of uncompensated care that CGRMC provides to its community. This lost revenue also had an impact on CGRMC’s ability to qualify under the federal FHA program (HUD) that would have allowed it to complete a refinancing of its outstanding tax-exempt Bond debt.

CGRMC is now considering potential partners that could help maintain and expand the CGRMC mission as a community medical center. The Board of CGRMC and the management team are excited about the potential strength a new partner can bring to enhance the medical services provided to the Casa Grande community.

CGRMC is considering all options at the present time, and it is the objective of the Board of CGRMC and the management team to preserve the hospital and its mission moving forward. Once further information about future plans becomes available, CGRMC will release an update to this announcement.

About Casa Grande Regional Medical Center

Casa Grande Regional Medical Center is a 177-bed, not-for-profit community hospital providing comprehensive care to Casa Grande and the communities of western Pinal County. CGRMC also provides a full range of outpatient services, including Urgent Care coverage seven days a week from 9 a.m. to 9 p.m. and a 24-hour Emergency Department. CGRMC is a partner in healthcare, providing education and resources to

the community. For more information, visit casagrandehospital.com or call 520-381-6300.