

It's like comparing apples to unknowns.

We would like to invite you to compare the offers that have been presented to the board of

Morristown-Hamblen Healthcare System for the purchase of the hospital. *We'd like to, but we can't.*

While Community Health Systems Professional Services Corporation (CHS), an affiliate of Lakeway Regional Hospital, has been transparent about its offer and plans for the future of MHHS, Knoxville-based Covenant Health hasn't disclosed the details of its proposal. Unfortunately, the only offer the MHHS board is currently considering is Covenant's.

We're sharing what we know with you below – so you can compare for yourself.

| <i>Benefit</i> | Community Health Systems Professional Services Corporation (CHS) | Covenant Health |
|--|---|--|
| Purchase Price | \$50 million | Unknown, if any. (If a merger, the hospital may be paid nothing for its value) |
| Capital investment | At least \$60 million over first seven years | Unknown. |
| Local Tax Revenue | \$800,000 to \$1 million in additional revenues annually | None |
| MHHS \$32 Million (estimated) in Cash and Investments | Kept by the MHHS board. Most likely used to create independent foundation to benefit the community long-term. | Kept and spent by Covenant to pay off MHHS debt. |
| MHHS \$28 Million Debt (estimated) | Paid off with proceeds from the sale. | Paid off using MHHS' estimated \$32 million in existing cash and investments. |
| Creation of an Independent Community Foundation | Yes. Proceeds from the sale plus MHHS cash and investments most likely used by MHHS board to fund foundation. | No. |
| Charity Care Policy | CHS commits to adopt MHHS's current charity care policy. Lakeway Regional currently provides millions of dollars in charity care every year. | Unknown. |
| MHHS Employees | CHS commits to keeping all MHHS employees at the close of sale. MHHS employees keep their "years of service" MHHS employees keep current rate of pay | Unknown. Unknown. Unknown. |
| Vision | A unified regional healthcare system based in Morristown | Become part of a Knoxville-based healthcare system |
| Total Value of Proposal | Total of \$140 million. That includes \$110 million in direct CHS dollars. And includes the creation of a large, independent foundation worth tens of millions. PLUS nearly \$1 million per year in local taxes paid. | Unknown. No. No. |

At Lakeway Regional Hospital, we want to join forces with **Morristown-Hamblen Healthcare System** to provide quality care for our community and to keep healthcare services local.

We think that idea deserves discussion and our community deserves transparency in this process to know that the best decisions are being made for the future of Morristown-Hamblen Healthcare System. After all, this decision will affect all of us for decades to come.

Learn more by visiting our Web site at:

www.lakewayregionalhospital.com/bestchoice

