



For Immediate Release

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Contact: Travis Clark (540) 743-4561
Tom Urtz (540) 536-5150

Page Memorial Hospital Announces Merger Plans with Valley Health

Page Memorial Hospital took a major step to secure the region's long-term healthcare future, announcing a tentative agreement to merge with Winchester-based Valley Health.

PMH Chief Executive Officer Travis Clark said Valley Health signed a letter of intent on July 10. Included in the terms of the proposal is a plan to construct a new hospital in Page County, pending Certificate of Need (CON) approval by the state.

Two years ago, Page Memorial's board of directors launched a strategic planning process to assess the hospital's future. "Our board understood that steps had to be taken to renovate or replace our facility. Given the price tag involved we knew access to capital was a major issue," said Clark. "Partnering with a financially strong, clinically excellent system emerged as the best option."

Valley Health responded to Page Memorial's request for a proposal in June.

"Valley Health has a very good reputation for clinical quality and a positive approach to patient care," noted Clark. He singled out recent recognitions earned by the system and its member hospitals, including multiple high ratings by HealthGrades, 100 Top Hospitals, and others.

"We have had a strong relationship with Page Memorial over the years, so we are not strangers," says Michael Halseth, President and CEO of Valley Health. "We anticipate growing the clinical services available in Luray so area residents can obtain care more easily close to home. Should they require more complex care we may see more patients transferred to Winchester Medical Center."

With the letter of intent signed, Valley Health and Page Memorial will conduct due diligence over the next several months, including review of finances and facilities. If the

process goes as expected the parties will develop a definitive agreement and conclude the merger by year's end. It is anticipated that the CON application for a new hospital will be submitted in July 2009.

Valley Health is a non-profit, regional healthcare system led by a volunteer board of directors in conjunction with each hospital's community-based board. Established in 1993, Valley Health is comprised of Winchester Medical Center, the largest hospital in the system with 411 beds and a Level II Trauma Center, Warren Memorial Hospital in Front Royal, Shenandoah Memorial Hospital in Woodstock, and Hampshire Memorial Hospital in Romney, WV. It also includes Valley Regional Enterprises which provides home care, medical transport and more.

Page Memorial Hospital is a private, non-profit healthcare organization located in Luray, Virginia. The hospital is a licensed 25-bed critical access hospital accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO).

PMH services include a fully staffed Emergency Department available 24 hours a day to treat pediatric and adult emergencies of all types. In addition, the hospital maintains an ambulance transport service to accommodate individuals requiring specialty care not available at PMH. Additionally, the hospital owns and operates PMH Home Care and PMH Home Medical Services.

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