

Mahan Named Muskogee Regional Medical Center CEO

Nashville, TN, March 20, 2007 – Capella Healthcare, Inc. announced today that Steve W. Mahan has accepted the position of Chief Executive Officer at Muskogee Regional Medical Center. Mahan comes to Muskogee Regional with extensive hospital management experience, including his past service as CEO of Vaughan Regional Medical Center in Selma, Alabama and CEO of Ocala Regional Medical Center in Ocala, Florida. Some of his early healthcare experience was with the Oklahoma Hospital Association in Tulsa, Oklahoma and later, as a COO of St. Francis Hospital, Laureate Clinic and the Warren Clinic, also located in Tulsa.

“I am happy to be returning to Eastern Oklahoma as the CEO of Muskogee Regional Medical Center,” Mahan stated.

Mr. Mahan obtained a B.S. in Health Systems from Georgia Institute of Technology and his Masters Degree in Business Administration from Middle Tennessee State University. He has held senior management positions in facilities owned by HCA, Tenet and LifePoint Hospitals.

“My primary goal is for MRMC to be the hospital of choice for the citizens of the markets we serve and for our referring and admitting physicians to have a high level of confidence that their patients will receive the highest level of care from our nursing and ancillary staff. I look forward to working with our physicians and hospital staff to continue the excellent work that already has begun to improve and expand services to meet the needs of the healthcare markets we serve and want to serve. This also will help our city and county leadership in attracting new jobs to Muskogee and Muskogee County.”

“During his recent visit to MRMC, Steve had the opportunity to meet with numerous medical staff, employees and community leaders. He was very impressed with the tradition and quality of patient care at MRMC, and is excited about the opportunity to build on that foundation,” said Tom Pemberton, Sr. Vice President and Chief Operating Officer of Capella Healthcare.

Mahan is a diplomat in the American College of Healthcare Executives. He is also a Board Member of the Wallace Community College Foundation and was appointed by Governor Riley of Alabama to serve on the Emergency Response Commission for Healthcare and the Black Belt Action Committee for Healthcare.

Mahan and his wife Donna have three children, Sarah, Wade and John. He enjoys reading, personal fitness, sports and motorcycles.

Muskogee Regional Medical Center is a 329-licensed bed facility that is accredited by the Joint Commission on Accreditation of Healthcare Organizations. Muskogee Regional services approximately 300,000 people in its total service area and is located approximately 50 miles southeast of Tulsa in Muskogee Country.