

FOR IMMEDIATE RELEASE  
April 3, 2007

Contact: Karen Wicker  
(918) 582-9151  
kwicker@stfpr.com

### **Capella Healthcare Completes Lease Terms for Muskogee Regional Medical Center**

*Tennessee-based healthcare provider to operate hospital*

MUSKOGEE, Okla. – Capella Healthcare, Inc., and the Board of Trustees of the Muskogee Medical Center Authority have completed a long-term lease agreement giving Capella management operational authority over Muskogee Regional Medical Center (MRMC), a century-old community hospital.

Capella is a hospital management company headquartered in Franklin, Tenn. The company was founded in 2005 and operates several hospitals around the country including Southwestern Medical Center in Lawton.

Dan Slipkovich, chief executive officer of Capella, says this relationship fits perfectly within Capella's specialty. "MRMC is a great match for our company. With similar sized hospitals facing similar challenges, we are confident we can make a positive impact on healthcare in Muskogee," Slipkovich said.

The 40-year lease agreement outlines significant improvements to the hospital including a \$28 million capital improvements plan which will be implemented over the next five years. "This is a great step for the 329-bed facility, which in recent years has developed a need for significant capital investment. We feel that operational and capital enhancements to MRMC will lead to better healthcare for everyone in the Muskogee area," Slipkovich said.

About 40,000 people currently reside in Muskogee. MRMC is the largest Capella owned hospital. "We have a vision for growth of health care in this community," said Tom Anderson, president of Capella. "This transaction is a win-win for our patients, physicians and employees."

Capella will begin operations in Muskogee immediately. The hospital will remain named Muskogee Regional Medical Center.

# # #