



UNION HOSPITAL EMPHASIZES THE VITAL NEED TO JOIN FORCES WITH TERRE HAUTE REGIONAL HOSPITAL IN RESPONSE TO ATTORNEY GENERAL LETTER

The response addresses the Attorney General's concerns and spotlights key community benefits from the proposed merger.

FOR IMMEDIATE RELEASE

(Terre Haute, Ind.) May 8, 2025: Union Hospital today shared its response to a recent letter from the Indiana Attorney General on Union Hospital's application for a Certificate of Public Advantage (COPA). In its response, Union Hospital explained why the merger with Terre Haute Regional Hospital is a critical next step to secure health care for the community for years to come. The COPA will help preserve and broaden local access to care, protect cost efficiency and build a healthier, more resilient future by leveraging combined resources.

"Since the late nineteenth century, Union Hospital and Regional Hospital have treated patients from the region each and every day," said Steve Holman, President and CEO of Union Health. "Union Hospital and Regional Hospital have a demonstrated history of being committed to doing what is best for the health and well-being of the people that call the Wabash Valley home. We believe the COPA is the next best step in our journey to care for the people of this community."

Union Hospital's response not only addresses the questions and claims made in the Attorney General's letter but also reinforces how the 45 commitments outlined in the COPA application are designed specifically to achieve Union Hospital's bold vision for a healthier, more resilient community. Union Hospital outlined the following key points that illuminate why joining forces with Regional Hospital is the only way to change and enhance the trajectory of the future of health care in the area.

- The proposed merger will maintain and increase access to care. Driven by a vision for a healthier population, Union Hospital explained that this merger will preserve and enhance healthcare access in the region. If the COPA application is approved, Union Hospital is committed to investing at least \$117 million in various services and community health programs and recruiting 30+ new primary and specialty care providers—leading to increased access, more jobs and better care for residents.
- Union Hospital is committed to protecting cost efficiency. While the Attorney General's letter expressed concern that Union Hospital may raise its prices after the seven-year pricing limitation period ends, Union Hospital explained that little will change

with respect to hospital prices in the community. Health insurance plans determine pricing for services for 98.4% of its patients, and the hospital is not free to set prices at any level. Federal government programs will continue to set rates for Union Hospital and commercial and Medicare Advantage plans will continue to robustly negotiate rates with Union Hospital as they do today.

· To positively improve the health and well-being of this community, the two hospitals must come together. While Union Hospital acknowledges that concerns may exist with a reduction in competition, these concerns are being addressed with specific commitments designed to protect the community. In this market, coming together is the only way to sustainably deliver the care this community desperately needs. Without the merger, the community will be met with significant job losses, fewer services and worse health outcomes. By coming together, the two health systems can leverage existing strengths to create a combined health system equipped to meet the evolving community needs.

More information about Union's COPA application and commitments can be found at union.health/healthier-together.

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About Union Health

Union Health is a not-for-profit health system that provides comprehensive health care to patients in west central Indiana and eastern Illinois. Serving its communities since 1892, Union Health provides care to all area residents regardless of their ability to pay. Their patient-focused philosophy emphasizes collaboration, integrity, transparency and stewardship to help patients reach better health and well-being. For more information on Union Health, visit union.health.

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