

# Deaconess' Commitment to Jennie Stuart Health

- Reaching a letter of intent with Deaconess allows our Board and leadership team to explore an affiliation that best supports our caregivers, patients and community.
- While we work toward our long-term vision, Jennie Stuart Health will continue to operate as we do today without any change to day-to-day responsibilities or the ways patients receive care. Long-term, Jennie Stuart Health will have greater resources to enhance both quality and access to patient care.
- Through an affiliation with Deaconess, Jennie Stuart could invest in the tools and technologies (including a best-in-class EHR system) needed to empower and attract the best and brightest in healthcare, better positioning our teams to deliver exceptional care.

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## A Supportive Partner Dedicated to Empowering JSH Staff and Delivering for Our Patients

*Deaconess is the right partner for Jennie Stuart, with the resources and complementary expertise needed to deliver for our patients, benefit our caregivers and better serve our communities.*

### Key Commitments:

- All Jennie Stuart staff and physicians in good standing will be retained upon completion of the affiliation.
- Deaconess will make a \$95 million financial commitment to our community including \$90 million in capital to JSH and a \$5 million donation to the JSH Foundation.
- Deaconess will fully support the cost of JSH's IT enhancements including integration to the Epic electronic health record platform. The overall cost of a best-in-class EHR platform such as EPIC ranges from \$40 to \$60 million for an organization of JSH's size.
- Deaconess will maintain and grow JSH's core service lines with a focus of keeping care close to home at JSH.

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## Preserving What Makes JSH Great

*As a likeminded non-profit healthcare system, Deaconess recognizes our unique culture and the critical role we've played in Southwestern Kentucky and north central Tennessee for more than a century.*

### Key Commitments:

- A locally managed Board of Trustees, including members of the communities served by JSH.
- Shared services and a commitment to maintaining JSMC as an essential acute care hospital.
- Ongoing financial support for the Jennie Stuart Health Foundation, while ensuring continued local decision-making for philanthropic contributions.

***Keeping our people – employees, patients and community –  
at the heart of every decision we make***

**1. What was announced? What does it mean for JSH?**

JSH has announced a letter of intent with Deaconess Health, allowing us to explore a potential combination that would enhance our ability to deliver exceptional healthcare for our communities well into the future.

Our organization has worked hard to navigate many of the financial pressures facing hospital systems today, and a potential combination with Deaconess would provide JSH access to the resources and technologies needed to ensure JSH can thrive long-term.

We are being proactive, taking action to strengthen our organization. This is about how JSH can have the greatest impact not just tomorrow but over our next 100 years. Our proposed combination with Deaconess would focus on opportunities to enhance the quality of care, while creating a supportive and engaging environment for our employees.

**2. How will this improve patient and community care?**

Both JSH and Deaconess are non-profits with aligned missions to provide the highest quality of care in the local communities we serve. With Deaconess, JSH would have greater opportunities to invest in the tools and technologies (including an updated EHR system) needed to enhance patient care and empower and attract the best and brightest in healthcare. What makes JSH special will not change – we will remain an important partner to our communities and will continue to provide exceptional care to our patients.

**3. Who is Deaconess? Why is Deaconess the right partner?**

Deaconess is a likeminded non-profit health care system with 19 hospitals serving more than 1.5 million residents in southwestern Indiana, western Kentucky and southeastern Illinois.

Both JSH and Deaconess share aligned missions to provide the highest quality of care in the local communities we serve. Deaconess recognizes what makes JSH such a special and vital organization in our community – and who we are at our core will not change. Our intention is to maintain an organizational structure that will allow JSH to retain influence over local operations. With Deaconess, we would have access to even more resources that would allow us to better care for our patients and serve our communities.

**4. What was the process that led up to this decision?**

Our Board has closely evaluated the operating environment facing local hospital systems like ours and JSH's ability to best serve the community over the long-term. Over the last year, our Board has considered a thorough list of potential partnerships and other strategic initiatives that could create a stronger future for JSH (including opportunities specific to gaining access to an electronic health record "EHR" system).

With support from leading external advisors, we determined that Deaconess is an ideal partner for JSH, given their closely aligned mission of providing high-quality, community-focused care and ability to provide the resources needed to make essential investments in JSH's technology, facilities and the employee experience.

**5. How would JSH's strategy change?**

Our mission to deliver exceptional health care for our communities will not change. What is special about JSH will remain the same. The transaction is intended to provide JSH the opportunity to invest in the tools and technologies (including an updated EHR system) needed to enhance its patient care and empower and attract the best and brightest in healthcare.

**6. Will Deaconess own JSH?**

If we ultimately reach an agreement to combine, JSH would operate as a member of the Deaconess Health system. Within this structure, JSH will continue to offer its current services, while maintaining its influence over local operations.

**7. What would the structure of the combined health care system look like?**

Reaching a letter of intent with Deaconess allows our Board to explore a combination and structure that best supports our patients, employees and community. While we do not have all the specific details at this time, what we do know is that what makes JSH special will not change. Deaconess understands the importance of quality local healthcare and community-focused decision making.

Our intention is to maintain an organizational structure that will allow for JSH to retain influence over local operations. We will share more information as appropriate throughout this process.

**8. What does this transaction mean for employees?**

We are strengthening our foundation to have the greatest impact on our communities over our next 100 years. With Deaconess, we will have the resources and technologies to better care for our patients and serve our communities. We will be able to invest in the tools and technologies (including a best-in-class EHR system) needed to empower our people to provide the best care possible.

**9. What happens next in the process? What should we expect?**

Reaching a letter of intent with Deaconess allows our Board to explore a combination and structure that would best support our patients, employees and community. We expect to reach an agreement to combine with Deaconess by year end, at which time we will have additional details on our plans to integrate our health systems.

Advancing JSH's incredible legacy and supporting our people will always be at the heart of every decision we make, and we are committed to making thoughtful decisions and taking actions that will improve the care we provide.

**10. How will this affect our insurance (Advantage, Medicare, Humana, etc.) through JSH?  
Will we be able to switch to Deaconess insurance plans after the transaction closes?  
Does Deaconess require their providers to be in network?**

All current insurance plans will continue to be accepted. Deaconess also offers a robust benefits package and will seek to ensure employees have the similar benefits they have today.

**11. What will happen to the funds already received for financial assistance purposes and through the Jennie Stuart Health Foundation?**

Deaconess recognizes our critical role in the community and has committed to continuing to support community programs including Jennie Stuart Health Foundation, which will receive a \$5 million direct contribution. At the same time, decision making for the Foundation's philanthropy will continue to be made locally. Our commitments remain the same, and our community will continue to benefit from the Foundation's existing initiatives.

**12. Will the hospital/clinics remain open? Will patients be able to seek care as they do now?**

Yes, it's business as usual at JSH. Our hospital and clinics will remain open. We are squarely focused on enhancing our patient care with a partner who has access to greater resources.

**13. Will JSH open any new facilities or specialties as a result of this combination with Deaconess?**

Deaconess will maintain and grow JSH's core service lines with a focus of keeping care close to home at JSH.

Ultimately, our patients will benefit from more seamless access to specialty care offered at other Deaconess locations, complementing our existing referral network.

**14. Why does JSH need an updated EHR system? Why doesn't the current system work?  
What has JSH done to try to fix the situation?**

The Epic EHR platform provides a comprehensive solution for managing patient records, appointments and medical processes, freeing up time for providers to focus on delivering the best care possible for patients. JSH does not have the financial capacity to invest in a modern EHR system on its own, and Deaconess will fully support the cost of JSH's IT enhancements including integration to the Epic system.