

**Lee County Hospital Authority**  
**Selects Partner to Re-Open Hospital**

*For immediate release.*

*October 4, 2016*

(Pennington Gap, Virginia). The Lee County Hospital Authority executed a letter of intent with Americore Health, LLC, a Florida-based company focused on managing, investing and acquiring rural hospitals. “Thursday night was big for Lee County,” said Authority Vice Chairman, Ronnie Montgomery. “On a unanimous vote, the Authority approved a letter of intent with Americore Health for the re-opening of a hospital in Lee County. “We needed to resolve a couple of minor issues following the meeting, which we have done, so the Authority has executed the letter,” he added.

“Our goal has always been to re-open a hospital in Lee County and we have taken a big step in that direction,” stated Commissioner Malcom Perdue.

On September 30, 2013 the former Lee Regional Medical Center unexpectedly closed. Immediately, the residents of Lee County began to search for a solution to re-open the hospital and by the beginning of 2014 Delegate Terry Kilgore had introduced emergency legislation in the 2014 General Assembly to enable the Lee County Board of Supervisors to create the Lee County Hospital Authority. Prior to the legislation, only Virginia cities could create such a hospital authority.

“Americore Health provided a unique strategy that we believe holds great promise for the county,” according to Commissioner Howard Elliot. “It is a company with a bold mission,” said Commissioner Dr. Scott Litton. “We know that they are just starting their company, but we have been impressed by the people we have met and their vision of how to provide rural health care services,” Dr. Litton added.

“Although we are a new company, we have a team of seasoned healthcare executives and strategic partners with hundreds of years of combined experience. We offer a unique, innovative model for providing rural health care services,” said Grant White, President of Americore Health. “Our team believes a rural hospital has to utilize all of its available assets and aggressively utilize new technologies including telemedicine to expand the quality and reach of its care,” he added. “We have visited over 20 rural hospitals and former hospitals in the past few months, but for several reasons we have pursued Lee County. The fact the facility has been maintained was critical and made this opportunity feasible. Furthermore we have built a positive working relationship with local leadership, and believe there is a great opportunity to do something special in Lee County,” White added. “We’re ready to get to work,” he added.

The letter of intent approved by the Authority will form the basis for a series of agreements to be executed between Americore Health and the Authority. The Authority and Americore Health will work to develop an overall strategy for full use of the entire building. A hospital on the first floor is only one part of the plan.

Together the Authority and Americore Health will develop a business plan for the full utilization of the building in a manner that re-opens a hospital, recognizes the challenges of serving the underinsured

population in Lee County, and explores additional health service uses for the building such as laboratory services, behavior health services and other similar uses. “We anticipate significant job creation once the plan is complete,” said Ronnie Montgomery.

“We envision a dynamic hospital with active telemedicine integrated into the facility,” said Commissioner Malcolm Perdue. “We know there is risk in this strategy, but we feel it is the right choice,” he added.

“Each time Americore visited the County we became more impressed,” said Commissioner Patton Speak.

“We appreciate the patience of our Lee County friends and neighbors. This has been a very difficult process with many twists and turns. I don’t think any of us could have predicted the difficulty we would face in trying to re-open the hospital,” Speak added.

The condition of the building where the former hospital was located was an important factor in Americore Health’s decision.

“One of the main reasons we remained excited about Lee County is that the Authority, the County and the local foundation invested the resources to keep the building open,” said Grant White, President of Americore Health. “We have visited many, many closed rural hospitals over the past few months only to discover the buildings had basically been abandoned and had fallen into disrepair,” White added. “It was very sad, as the cost to repair a building once it rots like that makes future healthcare service impossible,” he noted. “But not Lee County. They kept the building open, kept the boilers running, and made it clear they were going to fight to get a hospital back in Lee County,” he said. “We’re impressed with the Lee County spirit and the condition of the building,” he added.

“It has been expensive to keep the building maintained,” said Authority Treasurer Diana Pope. “We could not have done it without the help of the Foundation, the Board of Supervisors and several donors,” she added. “We hope that they realize their contributions have been invaluable as it has enabled us to attract and then secure this option,” she said.

Under the terms of the letter of intent, the Authority will continue to own the building and will initially lease the facility to Americore Health for twenty years. The Authority will also work with the Town of Pennington Gap to secure the five acres adjacent to the facility for the potential growth of the facility.

The letter of intent sets forth several specific immediate actions Americore Health will undertake, such as finalizing the overall business and financial plan for the facility, identifying new management for the facility, including local leadership of the hospital, and working with the Authority on the financial plan for the hospital.

Under the terms of the letter of intent, the parties may terminate their relationship by mutual agreement, if a number of a conditions are not met, or if they fail to conclude their negotiations by December 1, 2016. “We don’t anticipate problems,” said Montgomery, “but we are preparing to enter a serious long term relationship and we are treating it like that.” Grant White added “We are incredibly excited to work on this project and are going to deploy significant management and financial resources over the coming weeks to ensure the reopening is a success and is completed on time. We look forward to a long-term positive relationship in Lee County.”

For more information from the Lee County Hospital Authority please contact Ronnie Montgomery at 276-346-2006.

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***About the Lee County Hospital Authority.***

The Board of Supervisors created the Lee County Hospital Authority on April 15, 2014.

***About Americore Health, LLC***

Americore Health is a new hospital management, investment and acquisition company with new profitable business models and significant capital for investment in rural hospitals.