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FOR IMMEDIATE RELEASE

NEW HEALTHCARE SYSTEM IS OFFICIAL

Butler Health System and Excela Health Finalize Transaction

GREENSBURG, PA, January 3, 2023 ... Officials at Excela Health and Butler Health System today announced they have finalized the joining of the two organizations, creating a new health system serving western Pennsylvania. The Definitive Agreement and other legal documentation had been submitted to the state and federal government for review. The transaction was made official on January 1st.

“This was a crucial step in bringing the two organizations together,” said Ken DeFurio, former President and CEO of Butler Health System, and now President and CEO of the new system. “Over the past year, both Boards invested an immense amount of work, time and energy to determine if this merger made sense. We now look forward to implementing the opportunities that we’ve identified and discovering new ones.”

Commenting further, John Sphon, former CEO of Excela Health, and who will be retiring in March, said, “This is a watershed moment in the history of our respective organizations. It marks a turning point that will change the landscape of healthcare in our region for the betterment of both Excela and Butler and, most importantly, the patients we will serve together.”

Sphon will stay on with the new organization in an advisory capacity for several months, and then remain as a trustee of the new organization.

Both Sphon and DeFurio emphasized that while the transaction has now closed, much work remains ahead in creating a truly integrated and coordinated new system.

“It is important to underscore that a merger process of this magnitude is very complex and requires an approach that is highly thoughtful and diligent,” noted DeFurio. “We can now continue our focus on integrated governance, executive structure and other elements that are key to effective and efficient delivery of care.”

The new system will employ approximately 7,300 people, have over 1,000 physicians and practitioners and serve a population of 750,000.

Sphon and DeFurio emphasized that they will soon conduct a news conference to detail the new system. “It is our intent to provide additional information regarding the new system – including its new name- sometime in the next few weeks,” they said.

K&L Gates LLP represented Butler Health System in the transaction. Buchanan Ingersoll & Rooney PC represented Excela Health. DeFurio and Sphon thanked both firms for their guidance and advice throughout the process.

About Excela Health

Excela Health, a 578-bed, tertiary-based health System in Westmoreland County, PA, includes three hospitals – Excela Westmoreland Hospital, Excela Latrobe Hospital and Excela Frick Hospital – and serves more than 23,000 inpatients, 700,000 outpatients and 100,000 emergency visits annually. With more than 700 physicians and allied health professionals and 4,300 employees, Excela is a regional leader in clinical areas such as Cardiovascular Disease, Orthopedics and Emergency Medicine.

The System has received recognition by U.S. News & World Report in its list of top-ranked regional hospitals and achieved Magnet Recognition®, the highest honor for nursing professionalism and superior patient care given by the American Nurses Credentialing Center.

To learn more, visit www.ExcelaHealth.org

About Butler Health System

Located in the rolling hills of Western, PA, Butler Health System (BHS) consists of two hospitals, Butler Memorial Hospital (Butler, PA) and Clarion Hospital (Clarion, PA). It has remained an independent community health system for over a century and continues to grow to meet the needs of the patients we serve. BHS employs 3,000 people and over 270 providers, making it the largest employer in Butler County and the largest healthcare employer in Clarion County.

BHS offers patient's access to nationally recognized quality care in cardiology, palliative care, and maternity as well a broad range of surgical, medical, emergency, and psychiatric services. in addition to its primary health services,

To learn more, visit www.ButlerHealthSystem

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