

Facts about Good Shepherd Penn Partners

About Good Shepherd Penn Partners:

- A Pennsylvania Limited Liability Corporation formed in 2007
- Majority owner: Good Shepherd Rehabilitation Network (GSRN) of Allentown, PA
- Minority owner: University of Pennsylvania Health System (UPHS) of Philadelphia, PA
- Business: Inpatient and outpatient physical rehabilitation and long-term acute care
- Application for non-profit status to be submitted to the IRS

Entity Names:

- Joint venture parent organization: Good Shepherd Penn Partners
- Inpatient rehabilitation facility: Penn Institute for Rehabilitation Medicine, A Partnership with Good Shepherd
- Long-term acute care hospital unit: Good Shepherd Specialty Hospital—Philadelphia, A Partnership with the University of Pennsylvania Health System
- Outpatient centers: Good Shepherd Penn Therapy and Fitness

Planned Operations:

- 58-bed inpatient rehabilitation facility located at former Graduate Hospital site at 1800 Lombard Street, Philadelphia. UPHS will consolidate its inpatient rehab units at the Hospital of the University of Pennsylvania (HUP) and Pennsylvania Hospital to this new rehabilitation hospital. The new facility will add 16 beds to UPHS's current inpatient rehabilitation bed count.
- 38-bed long-term acute care hospital (LTACH) located at former Graduate Hospital site at 1800 Lombard Street, Philadelphia. This is a new level of care for UPHS that will enable patients to stay in the system for post-acute care.
- Administrative offices to be located at the Graduate Hospital site at 1800 Lombard Street.
- Outpatient centers located in Philadelphia, Radnor, and Glenside in Pennsylvania and Cherry Hill and Westampton in New Jersey.
- Inpatient rehabilitation facility and LTACH units expected date of operation: July 1, 2008
- Outpatient centers' expected to transition to ownership by joint venture: July 1, 2008

Facility at Graduate Hospital site:

- To be owned by UPHS after purchase from Tenet Healthcare. Final transfer of ownership expected to be conducted in spring 2007.
- Good Shepherd financing renovation of 3 floors plus administrative space, located on the corner of 19th and Lombard streets. Good Shepherd also financing equipment and other start-up costs.
- Use of remainder of 6-story building and the other buildings on the former Graduate Hospital campus not yet finalized but expected to remain in the realm of health care

Jobs:

- Most of UPHS's current inpatient and outpatient rehabilitation staff members to become employees of the joint venture. Physicians remain employees of UPHS.
- Approximate number of jobs to be added with the opening of the LTACH and new Good Shepherd Penn Partners administrative jobs: 115
- Expected number of FTEs to be employed by Good Shepherd Penn Partners by first year of full operations: Approximately 414

Oversight:

- 7-person Board of Trustees, with 4 members from Good Shepherd Rehabilitation Network and 3 members from UPHS
- Joint venture to have its own management team and staff
- Joint venture expected to hold the license for the LTACH unit and the outpatient sites. UPHS will hold the license for the inpatient rehabilitation facility.

Benefits for Patients:

- Enables patients to stay within the University of Pennsylvania Health System for their post-acute care, ensuring a continuity of care.
- Expands the range of rehabilitation services beyond those currently offered by UPHS, including specialized inpatient rehabilitation for traumatic brain injury and spinal cord injury and disorders.
- Creates synergy by two national leaders in rehabilitation care that will benefit patients in the Philadelphia area and in the seven counties currently served by Good Shepherd Rehabilitation Network. A fusion of the two organizations' intellectual and clinical strengths, combined with strong business acumens, permits Good Shepherd Penn Partners to offer excellent comprehensive rehabilitation and long-term acute care.

Partnership Benefits for Good Shepherd Rehabilitation Network:

- Advances Good Shepherd's mission and strategic direction to bring its patient-focused brand of rehabilitation care to more people in a larger geographic region by managing Good Shepherd Penn Partners' inpatient rehabilitation and LTACH units and outpatient centers.
- Enables Good Shepherd to draw upon the research and medical school resources of UPHS, one of the leading academic medical systems and research institutions in the country. Allows Good Shepherd to enhance its research capabilities and establish teaching and educational opportunities at its Allentown campus.

Partnership Benefits to University of Pennsylvania Health System:

- Adds a new licensed level of care – the LTACH -- to the University of Pennsylvania Health System, allowing patients to stay in the system for a comprehensive continuum of post-acute care.
- Extends ability of UPHS to offer a broader array of patient care services.
- Expands ability of UPHS to care for greater number of rehabilitation and post-acute care patients.
- Leverages Good Shepherd's reputation for providing expert, patient-centered inpatient and outpatient rehabilitation care.



Good Shepherd Rehabilitation Network headquartered in Allentown, Pennsylvania

- Good Shepherd is a nationally recognized rehabilitation leader, offering a continuum of care for people with physical and mental disabilities.
- More than 35,000 people come to Good Shepherd each year for specialized programs in stroke, orthopedics, brain injury, spinal cord injury, pediatrics, amputation and more.
- Offers leading-edge assistive and rehabilitation technology services.
- Good Shepherd provides rehabilitation services at 30 sites in 7 eastern Pennsylvania counties. In addition, Good Shepherd operates 14 outpatient sites, 4 inpatient sites, a long-term acute care hospital, 2 long-term care homes for people with disabilities, an independent living facility and a Work Services division that provides employment training and job placement.
- Number of employees: 1,175
- Total number of licensed beds: 273
- Good Shepherd grew from a \$45 million operation in 1997 to a \$94 million operation today.
- Good Shepherd was founded in 1908 when The Rev. John and Estella Raker invited a disabled orphan named Viola into their Allentown, Pennsylvania, home.
- For more information, visit www.goodshepherdrehab.org.



PENN Medicine headquartered in Philadelphia, Pennsylvania

- PENN Medicine, consisting of the University of Pennsylvania School of Medicine (founded in 1765 as the nation's first medical school) and the University of Pennsylvania Health System (UPHS), is dedicated to the related missions of medical education, biomedical research and high-quality patient care.
- UPHS includes three hospitals, all of which have received numerous national patient-care honors (Hospital of the University of Pennsylvania; Pennsylvania Hospital, the nation's first hospital; and Penn Presbyterian Medical Center); a faculty practice plan; a primary-care provider network; two multi-specialty satellite facilities; and home care and hospice.
- Penn's School of Medicine is ranked #2 in the nation for receipt of NIH research funds, and ranked #3 in the nation in *U.S. News & World Report's* most recent ranking of top research-oriented medical schools.
- Total number of licensed beds: 1,542
- PENN Medicine is a \$2.9 billion enterprise.
- Number of employees: 11,907
- Supporting 1,400 full-time faculty and 700 students, the School of Medicine is recognized worldwide for its superior education and training of the next generation of physician-scientists and leaders of academic medicine.
- For more information, visit www.pennhealth.com.

What Is a Long-Term Acute Care Hospital?

Long-term acute care hospitals (known as LTACHs) provide specialized acute care to medically complex patients. Patients are commonly admitted from an acute-care hospital's intensive care unit with complex medical conditions that require continuous care. LTACH patients are typically too medically fragile or involved to be discharged to home, not medically stable to undergo rigorous inpatient rehabilitation care, and/or continue to need a higher level of care than can be provided by a skilled nursing facility or home health care. The national average length of stay at an LTACH is more than 25 days.

What Is Inpatient Rehabilitation Care?

Inpatient rehabilitation care offers rigorous post-acute physical, occupational and speech therapy, as well as nursing, dietary, psychology and other allied services for conditions such as stroke, traumatic brain injury, spinal cord injury, orthopedic disorders, limb loss or multiple trauma. Care is overseen by physical medicine and rehabilitation physicians (also known as physiatrists).

What Is Physical Medicine & Rehabilitation (PM&R)?

Physical medicine and rehabilitation (also known as physiatry) is a branch of medicine devoted to the prevention, diagnosis and treatment of neurological, musculoskeletal, cardiovascular, pulmonary and other disorders that may produce temporary or permanent impairment and associated functional disability. PM&R provides care for a broad spectrum of disorders, including multiple trauma, brain injury, spinal cord disorders and injuries and stroke. PM&R physicians also are typically trained in the management of patients with limb loss, gait abnormalities, a wide variety of musculoskeletal disorders (such as neck, back and limb injuries), and both acute and chronic pain. PM&R also focuses on restoring function to people with problems ranging from physical mobility limitations to those with complex cognitive impairments.