

August 3, 2010

For Immediate Release:

**Advisory Vote indicates support for McCall Memorial Hospital
Joining St. Luke's Health System**

Results from Tuesday's Hospital District advisory vote indicate residents support McCall Memorial Hospital joining St. Luke's Health System. 86 percent of the 602 votes support joining St. Luke's. "We are very pleased with this response from voters," said Dan Krahn, Chairman, McCall Memorial Hospital Board of Trustees. "Hospital leaders and trustees focused significant effort over the past year educating residents on this issue and the value St. Luke's, working in partnership with our local hospital, could bring to our community."

The next step in the process will occur at the Hospital's Board of Trustee's meeting on September 2. During this meeting trustees will review input received from the community including data from surveys and results from the election. Trustees will decide whether to proceed with joining the two organizations. Their decision will be presented to St. Luke's Health System Board of Trustees at their meeting on September 28. Following acceptance from both boards, a definitive agreement outlining the details of the relationship will be signed. "We anticipate a smooth transition which will ultimately provide better care for patients and a more sustainable financial future for our hospital" said Lee Rhodes, CEO of McCall Memorial Hospital.

The formal transition to St. Luke's McCall, the new not for profit organization which would control hospital assets, finances, and programs, could occur as early as October 1, 2010. St. Luke's McCall would be governed by a local board of directors composed of area residents with one member being appointed by St. Luke's Health System. This governance structure allows local decision making for the hospital to remain in place.

"We believe joining St. Luke's is best for our patients, the community, and our staff. We are pleased the community supports joining St. Luke's and recognizes this is a proactive step in enhancing the future of health care in our community," added Krahn.

"We are so pleased with the community's response to St. Luke's and McCall Memorial Hospital working more closely together," said David C. Pate, MD, JD, President and CEO of St. Luke's Health System. "McCall Memorial Hospital is a wonderful hospital comprised of dedicated employees and volunteers who care deeply about their community and the people they serve. Together we will work to transform health care and thrive in the new health care reform environment as we work to attain the highest possible quality at the lowest cost with outstanding patient satisfaction and service. We are so happy to now be part of the same family."

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