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**ChristianaCare Signs Letter of Intent  
to Acquire Crozer Health from Prospect Medical Holdings**

***Change of Ownership to Nonprofit to Increase Access to Care and Health Equity***

Wilmington, DE – February 11, 2022 --(NEWSWIRE) --Christiana Care Health System, Inc. (ChristianaCare) and Prospect Medical Holdings, Inc. (Prospect) today announced the signing of a Letter of Intent (LOI) for ChristianaCare to acquire Crozer Health from Prospect. The agreement also includes the hospitals' related businesses, real estate assets, Crozer Health Medical Group and the associated assets, ambulatory centers, medical office buildings, physician clinics and ancillary outpatient services, and it is subject to customary regulatory approvals.

Under the LOI, ChristianaCare is to purchase the assets and operations associated with the following Prospect hospitals:

- Crozer-Chester Medical Center in Upland, Pennsylvania, with 499 certified beds.
- Delaware County Memorial Hospital in Drexel Hill, Pennsylvania, with 215 certified beds.

- Springfield Hospital in Springfield, Pennsylvania.
- Taylor Hospital in Ridley Park, Pennsylvania.

While the executed LOI includes several important terms, the parties will engage in further due diligence and negotiation of a definitive agreement. Definitive agreement execution is targeted for the second quarter 2022 with the potential for closing to occur in the second half of 2022.

Upon closing, ChristianaCare will return Crozer Health, with its approximately 4,000 employees, to nonprofit status as part of ChristianaCare.

The related real estate assets of the Prospect hospitals are to be released from the existing master lease agreement between the real estate owner and Prospect.

"The pandemic has demonstrated the vital importance of working together to meet the clinical needs of the communities we serve," said Kevin M. Spiegel, FACHE, CEO of Crozer Health. "We are excited by the potential to join these two great organizations so that we can continue to provide the high-quality, accessible care that our communities – Delaware County and beyond – rely on."

"ChristianaCare and Crozer Health have been serving the people of northern Delaware, southeast Pennsylvania and parts of Maryland and New Jersey as neighbors for many years," said Janice E. Nevin, M.D., MPH, ChristianaCare president and CEO. "We welcome this opportunity to explore a closer relationship with an organization that shares our commitment to value and service to the community."

ChristianaCare and Crozer Health share similar commitments to value and population health, as well as complementary strengths. For example:

- Both organizations have vibrant graduate medical education programs that are important for the region's ability to attract and retain top new, talented physicians, especially primary care providers.
- Both organizations operate sophisticated, high-quality trauma programs that serve the greater region. ChristianaCare includes the only Level I trauma center for adults and children between Philadelphia and Baltimore. Crozer Health includes a Level II trauma center and the Nathan Speare Regional Burn Treatment Center, which serves as the regional burn center for Delaware and surrounding areas.

Morgan Stanley & Co. LLC is serving as exclusive financial advisor to Prospect Medical Holdings on this transaction, and Sheppard, Mullin, Richter & Hampton LLP is serving as its legal counsel.

J.P. Morgan is serving as exclusive financial advisor to ChristianaCare, and Buchanan Ingersoll & Rooney PC is serving as its legal counsel.

### **About ChristianaCare**

Headquartered in Wilmington, Delaware, [ChristianaCare](#) is one of the country's most dynamic health care organizations, centered on improving health outcomes, making high-quality care more accessible and lowering health care costs. ChristianaCare includes an extensive network of primary care and outpatient services, home health care, urgent care centers, three hospitals (1,299 beds), a freestanding emergency department, a Level I trauma center and a Level III neonatal intensive care unit, a comprehensive stroke center and regional centers of excellence in heart and vascular care, cancer care and women's health. It also includes the pioneering Gene Editing Institute.

ChristianaCare is nationally recognized as a great place to work, rated by Forbes as the fifth-best health system to work for in the United States and by IDG Computerworld as one of the nation's Best Places to Work in IT. ChristianaCare is rated by HealthGrades as one of America's 50 Best Hospitals and continually ranked among the nation's best by Newsweek and other national quality ratings. ChristianaCare is a nonprofit teaching health system with more than 260 residents and fellows. With its groundbreaking Center for Virtual Health and a focus on population health and value-based care, ChristianaCare is shaping the future of health care.

### **About Prospect Medical/Crozer Health**

[Prospect Medical Holdings, Inc.](#), established in 1996, is a national leader in fully integrated healthcare. We are proud to provision healthcare services for more than 600,000 enrolled members through integrated networks of primary and specialty physicians, in affiliation with hospitals, clinics, other community-based providers and health plans. Prospect owns and operates 17 hospitals and more than 165 clinics and outpatient centers, with primary operations in California, Connecticut, Pennsylvania, Rhode Island, and Texas.

[Crozer Health](#) was established in 1990 by the merger of [Crozer-Chester Medical Center](#) in Upland, Pa. and [Delaware County Memorial Hospital](#) in Drexel Hill, Pa. Today, the health system is home to two additional hospitals: [Taylor Hospital](#) in Ridley Park, Pa.; and [Springfield Hospital](#) in Springfield, Pa. In July 2016, Crozer Health was acquired by Prospect Medical Holdings, Inc.