



FOR IMMEDIATE RELEASE

CONTACT: Martha Mallonee, 443-643-4219, email: mdm.01@ex.uchs.org

**Upper Chesapeake Health and University of Maryland Medical System
Purchases over 70 Acres in Havre de Grace**

July 15, 2010 -- The Boards of Directors of Upper Chesapeake Health and University of Maryland Medical System (UMMS) today announced a purchase of six parcels of land totaling just over 70 acres near the intersection of Highway 155 and I-95 located in Havre de Grace. This property is contiguous to the 27 acre Bulle Rock property Upper Chesapeake Health purchased in 2008. This additional acreage was jointly purchased with funding from Upper Chesapeake Health and the University of Maryland Medical System. This land purchase will provide Upper Chesapeake Health the opportunity to expand inpatient and ambulatory services in the region. The two systems formed a strategic partnership over a year ago that is expected to eventually lead to a full merger. The land purchase is in response to the needs of a growing and aging population in northeast Maryland who want their medical care - including specialty care - close to home.

Upper Chesapeake Health has been working on updating its long range strategic/master facility plan since late 2009. Working in conjunction with the University of Maryland Medical System, planning for the expansion of inpatient, ambulatory and physician services to the region has been a primary focus. The normal population growth in the Harford County and western Cecil County service region, combined with the additional population growth expected to occur as a result of BRAC, require Upper Chesapeake Health to grow as a healthcare provider. Medical services need to expand to meet growing patient demands and expectations for both Upper Chesapeake Medical Center in Bel Air and Harford Memorial Hospital in Havre de Grace.

In the short term, the newly purchased property will be placed in the Upper Chesapeake Health land bank with the previously purchased Bulle Rock property and will be used for future expansion for the northeast side of Harford County. Currently, Upper Chesapeake Health is adding 16 medical-surgical beds (operational by the end of this year) to Harford Memorial Hospital. Once the property is acquired, Upper Chesapeake Health will create a master site use plan to outline how the property should be developed. The site will be master planned to eventually include an acute care hospital in the 150-175 bed range which would relocate and rebuild Harford Memorial Hospital as a larger and more modern facility.

Lyle E. Sheldon, FACHE, president and CEO of Upper Chesapeake Health, says the land purchase is a prudent response to the needs and expectations of a growing population in Harford and western Cecil County. "As the population we serve increases and ages, the demand for specialty medical services will also grow. We will continue our efforts to offer as many specialized services locally as possible. This property purchase is a tremendous opportunity to obtain an easily accessible, highly visible site for healthcare expansion." Sheldon said.

Upper Chesapeake Health, a not-for-profit health system, which includes Upper Chesapeake Health Foundation in addition to the two medical campuses in Bel Air and Havre de Grace, is the leading healthcare system and largest private employer in Harford County, with 3,000 employees, more than 550 medical staff and 287 licensed beds. Last year, Upper Chesapeake Health handled more than 25,000 inpatient admissions, more than 97,000 emergency department visits and more than 162,000 outpatient visits.

The University of Maryland Medical System, a not-for-profit health system, is a eleven-hospital network that includes the University of Maryland Medical Center, whose major components include the R Adams Cowley Shock Trauma Center, the University of Maryland Marlene and Stewart Greenebaum Cancer Center and the University of Maryland Hospital for Children; Kernan Orthopaedics and Rehabilitation Hospital, University Specialty Hospital, Maryland General Hospital, Baltimore Washington Medical Center, Shore Health System (Memorial Hospital at Easton and Dorchester General Hospital), Chester River Health System and Mt.

Washington Pediatric Hospital, which is owned in partnership with the Johns Hopkins Health System. As the third-largest private employer in the Baltimore metro area, the University of Maryland Medical System generates nearly \$3.5 billion in economic activity in Maryland and has \$2.1 billion of operating revenues. UMMS employs 15,000 people, has more than 1,900 licensed beds and over 90,000 annual admissions.

#