



FOR IMMEDIATE RELEASE

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SAINT THOMAS HEALTH, NHC ANNOUNCE CLINICAL INTEGRATION AGREEMENT

First of its Kind in the Area

(Nashville, Tenn., July 27, 2016) Saint Thomas Health and National HealthCare Corporation (NYSE MKT:NHC) announced today that they have entered into an agreement to create a clinically integrated continuum of care for Saint Thomas Health patients. Saint Thomas is a part of Ascension, the nation's largest Catholic and non-profit health system.

This Clinical Integration Agreement, effective August 1, 2016, is the first of its kind in the Middle Tennessee area. Through the agreement, Saint Thomas Health and NHC will work together to provide their healthcare services to optimize the outcomes for Saint Thomas Health patients throughout the region. The agreement is designed to create enhanced clinical processes and ongoing data exchange, which will enable the healthcare providers to measure, maintain, and enhance their performance and quality standards.

The announcement was made by Karen Springer, President and CEO of Saint Thomas Health, and Steve Flatt, President of NHC. Both leaders said that this new continuum of care will promote the two companies' quadruple aim of quality, safety, experience and value.

"Like health systems all across Ascension, Saint Thomas Health is committed to creating clinically integrated systems of care that provide compassionate, personalized care to all, with special attention to persons living in poverty and those most vulnerable," Springer said. "This work supports our aim of delivering high-quality, affordable care with enhanced patient and provider experiences."

"Saint Thomas Health and NHC each have long histories of providing excellent care in their respective settings," said Flatt. "Now we are excited about working closely with Saint Thomas Health in this clinically integrated continuum of care. The benefit for the patient will be better communication, coordination, and quality of care, from the hospital to any post-acute setting to their return home. We

look forward to working with Saint Thomas Health in this unique program designed to deliver better healthcare services to this community.”

About Saint Thomas Health

Saint Thomas Health is Middle Tennessee’s faith-based, not-for-profit health care system united as one healing community. Saint Thomas Health is focused on transforming the health care experience and helping people live healthier lives, with special attention to the poor and vulnerable. The regional health system includes nine hospitals: Saint Thomas Hospital for Spinal Surgery, Saint Thomas Midtown Hospital and Saint Thomas West Hospital in Nashville, Saint Thomas Rutherford Hospital in Murfreesboro, Saint Thomas Hickman Hospital in Centerville, Saint Thomas DeKalb Hospital in Smithville, Saint Thomas Highlands Hospital in Sparta, Saint Thomas River Park Hospital in McMinnville and Saint Thomas Stones River Hospital in Woodbury. A comprehensive network of affiliated joint ventures, medical practices, clinics and rehabilitation facilities complement the hospital services and cover a 68-county area. Saint Thomas Health is the Tennessee ministry of Ascension, the largest not-for-profit health system in the United States. For more information, visit www.STHealth.com.

About NHC

NHC affiliates operate for themselves and third parties 74 long-term health care centers with 9,390 beds. NHC affiliates also operate 36 homecare programs, five independent living centers and 21 assisted living communities. NHC’s other services include Alzheimer’s units, long-term care pharmacies, hospice, a rehabilitation services company, and providing management and accounting services to third parties. Other information about the company can be found on our web site at www.nhccare.com.

About Ascension

Ascension (www.ascension.org) is a faith-based healthcare organization dedicated to transformation through innovation across the continuum of care. As the largest non-profit health system in the U.S. and the world’s largest Catholic health system, Ascension is committed to delivering compassionate, personalized care to all, with special attention to persons living in poverty and those most vulnerable. In FY2015, Ascension provided nearly \$2 billion in care of persons living in poverty and other community benefit programs. Approximately 160,000 associates and 36,000 aligned providers serve in 2,500 sites of care – including 141 hospitals and more than 30 senior living facilities – in 24 states and the District of Columbia. In addition to healthcare delivery, Ascension subsidiaries provide a variety of services and solutions including physician practice management, venture capital investing, investment management, biomedical engineering, clinical care management, information services, risk management, and contracting through Ascension’s own group purchasing organization.