



## **PRESS RELEASE**

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**For Release: Immediately**

# **Randolph Health Announces Potential Agreement with Buyer**

Proposed agreement to acquire Randolph Health would preserve  
health care in Randolph County

**ASHEBORO** – The Board of Directors and the leadership team at Randolph Health announced today the organization is working toward an agreement expected to be fully determined in the next few days with Dava Foundation, Inc., a non-profit healthcare organization, to acquire substantially all of Randolph Health’s operating assets and for Java Medical Group to manage the new organization’s operations.

This transaction is the primary solution Randolph Health has found that will keep the hospital open, ensuring continued local access to the health care services that Randolph County residents have today and preserving the jobs of Randolph Health employees. While other potential buyers have shown interest in pieces of Randolph Health, all other options would result in a closure of the hospital as well as the transfer of most services to other hospitals and the loss of a significant number of jobs.

In addition to ensuring continued local access to health care services and preserving local jobs, an advantage to the agreement is having an organization with extensive expertise in rural health care that is willing to bring and commit the capital to invest in the aging facility infrastructure and new equipment, as well as a strong track record of improving finances and delivering quality care at not-for-profit hospitals like Randolph Health. Java Medical Group is based in Brentwood, Tennessee and operates three rural, community-based hospitals in Alabama and Mississippi.

“We are encouraged by the progress we are making toward preserving access to local, high-quality health care for years to come,” said Angela Orth, chief executive officer of Randolph Health. “Java’s roots and experience in rural health care give them a unique understanding of our need to maintain quality health care services close to home.”

If finalized in the coming days and approved through the bankruptcy process, the agreement will provide Randolph Health the ability to:

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- **Ensure ongoing local access to high-quality health care services** in Randolph County, including a sustainable acute-care hospital with an appropriate number of licensed inpatient beds and other services that are essential to the community's health. Importantly, Randolph Health would continue its commitment to charity and indigent care and ensure that patients have access to care, regardless of their ability to pay.
- **Provide important services that are currently offered at Randolph Health**, including labor and delivery, emergency care, inpatient services, outpatient services, imaging, surgical care, home health, primary care, specialty care, services provided at Randolph Cancer Center and StayWell Senior Care, and more.
- **Provide a smooth transition** to help ensure patients continue to experience the same care from the same providers and caregivers they have today.
- **Protect jobs and continue to invest in the development of employees and providers.** All current Randolph Health employees and employed physicians would be offered the opportunity to be employed by the new organization.
- **Provide the ability to keep local input and oversight.** The proposed agreement assures that a new Randolph Health Board of Directors would include local community members and representatives from the City and County.
- **Ensure the long-term viability of Randolph Health** by financially investing in improving resources and equipment.

Once an agreement is reached, the goal is to finalize the purchase before the end of the calendar year. The agreement is subject to bankruptcy court approval and will progress through the normal course of the bankruptcy process that began in March and will include the ability for other buyers to bid in a Court-managed sale process. Standard regulatory approvals will also be required.

"Randolph Health's focus on protecting access to quality health care in this community for generations to come matches with our organization's expertise and mission to deliver high-quality care to the communities we serve. We look forward to the opportunity to strengthen services because the people of Randolph County depend on local access to lifesaving, high-quality care," said Bappa Mukherji, chief executive officer of Java Medical Group.

Randolph Health provides vital, local and high-quality health care access. On an annual basis, Randolph Health delivers more than 700 babies and performs more than 4,000 surgeries. Additionally, more than 38,000 patients visit the ER and more than 700 people access mental health evaluations. With this agreement, Randolph Health would remain a non-profit health care provider and continue its charitable mission and commitment to providing quality care.

Reaching an agreement is an important step in the process, and nothing changes today or in the coming days after an agreement is reached. Randolph Health – including all services and

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clinics – remains open and will continue operating as usual while Randolph Health’s moves through the necessary steps in the bankruptcy process and seeks the Court’s approval of the transaction.

“We are grateful for the dedication of our physicians and employees, as well as the outpouring of support from the community and officials from the State, County and City. It has been a long journey, but our commitment to find a solution that ensures access to local health care for our residents has never wavered. We are encouraged and excited about the progress we are making and look forward to updating our employees, physicians and the community with additional details over the coming weeks and months,” said Orth.

### **The County’s Role**

Randolph Health has been working closely with the leaders of Randolph County and the City of Asheboro to help secure the future of the hospital. This work is particularly important because of Randolph County’s opportunity to access funds through the Rural Health Care Stabilization Act (RHCSA). The RHCSA establishes a dedicated fund for eligible financially distressed hospitals to transition to sustainable, efficient and appropriately sized health care service models.

The \$20 million loan available for capital improvement and operational needs through the RHCSA is a necessary piece in helping to ensure continued access to local health care. The Randolph County Commissioners are considering updating and restating the County’s application to access the RHCSA funds available through the state of North Carolina to reflect this important development in Randolph’s process.

Tonight, August 25, the Randolph County Commissioners will hold a public hearing to seek input ahead of a vote on taking the potential \$20 million loan available through the RHCSA if the County’s application is approved. The public hearing will be livestreamed on Facebook beginning at 5:30 pm. The link will be available on the home page of the Randolph County website ([www.randolphcountync.gov](http://www.randolphcountync.gov)) under “Upcoming Events.” This public hearing is recorded and will be posted to YouTube the following day.

For additional information, please visit [RandolphHealth.org](http://RandolphHealth.org).

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*(Reporters/Editors: For more information, please call April Thornton (336) 629-8885.)*