Baptist Health purchase of HMH
Asset Purchase Agreement (APA)

Key Facts

- $235 million in capital expenditures over a decade:
  - $150 million in capital expenditures during the first five years.
  - $85 million in additional capital expenditures over the second five years.
  - Capital expenditures may include investments in information technology, joint ventures, equipment, new capital leases, and hiring new physicians.

- $126.4 million to Hardin County which includes:
  - $60 million when the sale is finalized (less the estimated $30 to $35 million to fully fund all liabilities associated with HMH’s pension plan)

- $150,000 a year (maximum) in continued healthcare services for Hardin County Jail inmates.

- Assumption of approximately $37 million in long-term debt obligations.

- Assumption of approximately $8 million in retiree medical plan benefit obligations.

- Completion of the transaction (closing of the sale) projected for December 1, 2018.

- Baptist Health will acquire all of HMH’s assets.

- All non-contracted employees will be hired at their current rate of pay.

- All physicians on the Medical Staff will continue to be credentialed and privileged to provide services at the hospital after the acquisition.

- President Dennis Johnson and the senior leadership team will be retained.

- 11-member administrative board to be appointed – Hardin County will nominate individuals for 8 seats.

- Baptist Health Hardin will be the new name.