



BJC HealthCare and Saint Luke's Health System Sign Letter of Intent to Form Integrated Missouri-based Health System

Nonprofits to advance shared mission to improve population health, expand access to extraordinary patient care, and accelerate clinical innovation and research with a best-in-class integrated model to attract, retain and train exceptional talent

ST. LOUIS and KANSAS CITY, Mo., May 31, 2023 – BJC HealthCare of St. Louis ("BJC") and Saint Luke's Health System of Kansas City ("Saint Luke's") today announced they have signed a non-binding letter of intent to form an integrated, academic, Missouri-based health system capable of expanding health care access to high-quality patient care for more than six million residents in Missouri and beyond. The letter of intent was unanimously approved by both health systems' Boards of Directors.

BJC and Saint Luke's will form a patient-centric integrated health care system advancing emerging and innovative models of care. Together, they will enhance the quality, access to, and affordability of patient care, while improving health and reducing health disparities in the communities they serve.

With approximately \$10 billion in revenue, the organizations are coming together to advance their vision of becoming the premier Midwest destination for patient care, clinical research and medical education and the region's most exceptional place to work and practice medicine. The health systems, which operate the top three hospitals in Missouri according to U.S. News & World Report, serve distinct geographic markets.

"Together with Saint Luke's, we have an exciting opportunity to reinforce our commitment to providing extraordinary care to Missourians and our neighboring communities," said BJC HealthCare President and Chief Executive Officer Richard Liekweg. "Amid the rapidly changing health care landscape, this is the right time to build on our established relationship with Saint Luke's. With an even stronger financial foundation, we will further invest in our teams, advance the use of technologies and data to support our providers and caregivers, and improve the health of our communities. These are opportunities that we can better achieve together. I am confident that BJC and Saint Luke's together will be even better positioned to extend our legacy of clinical discovery and deliver medical breakthroughs well into the future."

"Both Saint Luke's and BJC have well-established reputations for delivering exceptional care and elevating the health of the people we serve," said Saint Luke's Health System President and Chief Executive Officer Dr. Melinda Estes. "Our integrated health system, with complementary expertise and team of world-class physicians and caregivers, will set a new national standard for medical education and research. Through our decade-long relationship as a member of the BJC Collaborative, we've established mutual trust and respect, so the opportunity to come together as a single integrated system that can accelerate innovation to better serve patients is a logical next step. Together, we will advance our shared mission to continue improving the health of our patients."

As envisioned, the integrated health system is poised to deliver significant benefits, including:

To patients: Expanded access to additional services and providers led by a nationally renowned
patient-first health care system with increased capacity to invest in medical advancement and
technological innovation.

- To physicians, providers, and all team members: A commitment to expanding the region's most
 exceptional place to work and practice medicine, by investing in the tools, training, and
 technologies needed to attract and retain the best and brightest in health care.
- To academic and clinical researchers: An opportunity to advance medical breakthroughs by expanding access to clinical trials and accelerating innovation in patient care by building on each organization's established strengths and affiliations in research, education, and clinical care excellence.
- To local communities: A commitment to preserve equitable access to health care services, and address health care disparities while honoring the roles of both organizations as civic and economic leaders, with expectations of contributing more than \$1 billion in annual community benefit.

The organizations are working toward reaching a definitive agreement in the coming months. Closing, which is subject to regulatory review and the receipt of customary approvals, is expected to occur by the end of 2023.

Upon closing, the integrated health system will continue to serve BJC and Saint Luke's distinct markets, maintain their existing brands, and operate from dual headquarters—one in St. Louis serving eastern Missouri and southern Illinois, and one in Kansas City serving western Missouri and portions of Kansas.

The integrated health system's Leadership Team and Board of Directors will include representation from both BJC and Saint Luke's. Richard Liekweg, President and CEO of BJC, will serve as CEO of the integrated health system, with the initial Board Chair of the integrated system coming from Saint Luke's.

About BJC HealthCare

BJC HealthCare is one of the largest nonprofit health care organizations in the United States, delivering services to residents primarily in the greater St. Louis, southern Illinois and southeast Missouri regions. Serving the health care needs of urban, suburban and rural communities, BJC includes 14 hospitals and multiple health service organizations. Services provided by BJC include inpatient and outpatient care, primary care, community health and wellness, workplace health, home health, community mental health, rehabilitation, long-term care, and hospice. BJC's nationally recognized academic hospitals, Barnes-Jewish and St. Louis Children's hospitals, are affiliated with Washington University School of Medicine. Follow us: Facebook, Twitter, Instagram, YouTube, LinkedIn.

About Saint Luke's Health System

Saint Luke's Health System is a faith-based, not-for-profit, aligned health system committed to providing the highest levels of excellence in compassionate health care and health-related services. Saint Luke's has more than 14 hospitals and campuses and more than 100 primary care and specialty offices, treating patients in 65 specialty services across 67 counties in Missouri and Kansas. Saint Luke's Hospital has been recognized by *U.S. News & World Report* as one of the elite hospitals in the nation. For more than 140 years, Saint Luke's has been dedicated to enhancing the physical, mental, and spiritual health of the diverse communities we serve. Follow us: Facebook, Twitter, YouTube, Instagram, LinkedIn

Media Contacts

BJC HealthCare

Jacqueline Ferman-Grothe, jacqueline.ferman-grothe@bjc.org, 314-265-9321

Saint Luke's Health System

Laurel Gifford, <u>lgifford@saintlukeskc.org</u>, 816-729-7525 Lindsey Stich, <u>lstich@saintlukeskc.org</u>, 402-613-3621