



CALVERT HEALTH PARTNERS

NEWS RELEASE

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Calvert Health Acquires Three

Virginia Agencies To Form Regional Home Health Company

Baltimore, MD – October 12, 2006 – In what its leadership team expects are just the first of many future health care company acquisitions, Baltimore-based [Calvert Health Partners, LLC](#), recently acquired three private home health agencies covering 30 counties throughout the Commonwealth of Virginia. According to its president and CEO David R. Nelson, Calvert Health plans to integrate the operations of the entities, which comprise a mix of Medicare-certified and JCAHO-accredited providers, along with non-skilled health care delivery in Medicaid and private duty care. Terms of the transactions were not disclosed.

The three agencies are Advantage Care of Shenandoah, serving western Virginia/Shenandoah Valley area; Home Care Connection of Richmond; and Tama Health, which serves the Norfolk and Virginia Beach market. Calvert Health intends to operate the companies under its tagline: “Connecting Home and Health.”

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The acquisitions trigger an immediate need to add clinical and other members to Calvert Health's management team, which will direct daily operations. Growth plans also call for steady increases in nursing and certified home health staffing levels.

"This is just the beginning," said Nelson, "so leaders and clinical staff with talent and energy will find plenty of opportunity. We are actively pursuing additional acquisitions in Virginia, the Midwest, and elsewhere in the adjoining mid-Atlantic states."

Changes in the national health care market, including rising costs of health care, new technologies, and America's burgeoning senior population are among the factors that prompted Calvert Health leaders to choose to enter the home care industry. The home health sector is especially fragmented and presents opportunity for a company that is able to integrate and consolidate small, independent agencies through technology and a focus on execution.

"We talk about a 'next generation of health care,'" said Nelson, "and we're talking about care that puts the patient – the healthcare consumer – at the heart of the system. It requires the integration of caring, well-trained clinical staff with the technology that will help us deliver care and control costs. The integration inherent in our 'next generation' approach positions us well as Medicare and other payers move to pay for performance on quality outcomes and evidence-based delivery of care. And in a day when government-funded reimbursement is so uncertain and uneven across different states, multiple revenue streams and a geographically diverse customer base provide our investors with additional security," said Nelson. "Home health offers some very significant opportunities not just to do things better, but to do the right things."

Begun in 2005 with a management team that had run a multi-state health plan with over a million members, [Calvert Health Partners, LLC](#), is creating a diversified health services organization to deliver better health outcomes. The organization acquires, integrates, and manages diverse health care companies.

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