

October 26, 2016

Moody's updates Tulare's Hospital's outlook to 'Stable'

Moody's Investor Service has released a rating update for the Tulare Local Health Care District which revises the outlook from negative to stable and affirms the Baa3 rating of the district's general obligation bonds.

Moody's Investor Service, one of the world's three major credit rating agencies, stated the ratings affirmation is indicative of the district's improved trajectory of financial performance which began in 2014. Since January 2014 Healthcare Conglomerate Associates (HCCA) has managed operations, leading to the district's achievement of now 30 consecutive months of profitability and higher returns than in the past twelve years.

Moody's statement that the "continuation of improved financial performance is critical to supporting planned financing for completion of the medical center addition" underscores the extraordinary value of HCCA's operational and financial expertise to the district and its future.

Moody's ratings update comes just two months after FITCH Ratings updated Tulare Local Health Care District revenue bonds Rating Watch to Positive. Since HCCA has come on board in January 2014, Fitch Ratings Rating Watch for TRMC has gone from "negative" to "stable" and now to "positive."

"The hospital's dramatic turnaround has now for the fourth time been validated by a national rating service", states Dr. Benny Benzeevi, Chair of HCCA. "The This transformation is unprecedented and a testament to the hard work and dedication of our employees and the effectiveness that stability and professional management have brought to the Tulare Healthcare District". HCCA/Tulare Regional Medical Center will continue on its path of financial improvement while keeping its word to our community that we will complete the hospital tower.

The hospital tower will be a state-of-the-art facility which will house expanded services as part of an integrated health care delivery system.

About HCCA

Healthcare Conglomerate Associates specializes in building integrated health-care delivery systems by partnering with hospitals, health-care systems and health-care districts in a unique and proven private-public business model. Through direct purchase, capital infusion or creative mutually-beneficial collaborations, HCCA provides stability and a proven plan for profitability as well as the professional medical expertise for operating the integrated system.

HCCA manages and operates Tulare Regional Medical Center, a 112-bed general acute-care facility in Tulare, and Southern Inyo Hospital in Lone Pine.