



COMMUNITY HEALTH SYSTEMS UNVEILS \$350 MILLION+ INVESTMENT PROPOSAL TO KEEP CARE IN THE KEYS

March 4, 2025 – Key West, Florida – Community Health Systems (CHS) has offered a comprehensive, long-term investment plan of more than \$350 million as part of an early lease renewal proposal for Lower Keys Medical Center.

An early lease renewal, as outlined during the Lower Florida Keys Hospital District Board meeting, would fast-track major upgrades and expand healthcare services across the Lower Keys, at Lower Keys Medical Center, and at the DePoo Medical Building campus to ensure high-quality care for Key West residents now and for years to come.

The Proposal Includes \$65 Million in Investments over the Next Five Years

- **\$15 million** towards an Emergency Department expansion and upgrade to speed triage and emergency care, reduce length of stay, and enhance patient experience.
- **\$30 million** towards additional and new facility-wide improvements, including modern renovations to all patient rooms and updated infrastructure that enhances and fortifies the hospital building.
- **Significant investments in oncology care** to deliver more cancer screenings and diagnostic services, medical oncology, and other support for cancer care.
- **\$10 million** to expand mental health services and to construct a new parking deck for the DePoo campus.
- **\$7 million** towards medical technology and equipment upgrades, including the installation of a modern permanent MRI.

Additional Long-Term Commitments

- **\$100M** in additional capital investments to ensure continuous expansion of services and upgrades to healthcare facilities over the next 30 years.
- **\$200M+** in provider practice investments to enable more access to physicians and to strengthen healthcare in the Lower Keys.

Keep Care In The Keys

As an isolated island community, Key West requires a hospital operator fully committed to keeping services in the community, not one incentivized to send patients to Miami.

Community Health Systems is focused on expanding primary and specialty care in Key West so residents can remain close to home for their medical needs. An early lease renewal will accelerate new investments and build upon recent accomplishments, like around-the-clock heart care made possible by recent upgrades to the cardiac catheterization lab and the recruitment of interventional cardiologists. This program has reduced transfers out of the community for heart care from an average of 20 cases to an average of seven cases per month.

Unlike healthcare systems that prioritize centralized care at their own – and only their own – mainland facilities in Miami, CHS has consistently invested in growing services in the Lower Keys.

If the lease is renewed early, CHS can increase critical upgrades now, rather than waiting years for decisions to be made.

If a new operator were to take over when the current lease expires in 2029, it would need time to assess the hospital, establish infrastructure plans, and secure approvals, meaning upgrades could be pushed well into the 2030s. And, uncertainty about who will manage the hospital is likely to impact physician recruitment and could potentially disrupt services currently offered.

By renewing now, Lower Keys Medical Center can eliminate uncertainty and jump straight into action, ensuring that patients and staff will benefit from modernized facilities, expanded services, and upgraded technology very soon, not in some uncertain and distant future.

“Lower Keys Medical Center and Key West deserve an operator devoted to keeping a broad range of medical services available locally, not one that sees LKMC as a referral hub from which to transfer patients to Miami,” said Drew Mason, Region President for Community Health Systems. “CHS has made that commitment time and again, and this \$350 million plan is the next step in ensuring residents receive modern, high-quality care right here in Key West.”

Over the past five years, CHS has invested more than \$28 million in capital for Lower Keys Medical Center – and millions more in physician practice investments. In addition to the capital and physician practice investments, CHS provides approximately \$125 million in community benefit each year through charity and uncompensated care, taxes paid (and CHS is likely the only operator who would support the community with local tax payments), jobs for employees, and other dollars spent locally to support the local economy.

In 2024, CHS paid \$4.3 million in taxes. Assuming tax levels remain the same, future tax payments would be valued at approximately \$130 million over the course of a 30-year lease.

About Community Health Systems, Inc.

Community Health Systems, Inc. is one of the nation’s largest healthcare companies. The Company’s affiliates are leading providers of healthcare services, developing and operating healthcare delivery systems in 37 distinct markets across 15 states. The Company’s subsidiaries own or lease 73 affiliated hospitals with more than 10,000 beds and operate more than 1,000 sites of care, including physician practices, urgent care centers, freestanding emergency departments, occupational medicine clinics, imaging centers, cancer centers and ambulatory surgery centers. The Company’s headquarters are located in Franklin, Tennessee, a suburb south of Nashville. Shares in Community Health Systems, Inc. are traded on the New York Stock Exchange under the symbol “CYH.” More information about the Company can be found on its website at www.chs.net.

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