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FOR IMMEDIATE RELEASE
DATE: December 29, 2011

ATTORNEY GENERAL ANNOUNCES APPROVAL OF SALE OF PSYCHIATRIC HOSPITALS IN LAS VEGAS

Carson City, NV – Nevada Attorney General Catherine Cortez Masto has approved the divestiture of Montevista Hospital and Red Rock Behavioral Health Hospital, two psychiatric hospital facilities in Las Vegas, from Universal Health Services, Inc. (“UHS”) to Strategic Behavioral Health, LLC.

“Strategic Behavioral Health indicates they have the experience and long term vision necessary to be an effective competitor of behavioral health care provided to Las Vegas area families,” said Masto. “I welcome Strategic Behavioral Health and look forward to them becoming an integral part of the mental health community in Nevada.”

UHS was required to sell the hospitals to a buyer that receives the approval of General Masto pursuant to a federal court order, called a final judgment, in a Nov. 2010 antitrust lawsuit filed by General Masto that challenged UHS’ $3.1 billion acquisition of Psychiatric Solutions, Inc. The divestiture ensures that competition remains for patients that need acute inpatient psychiatric care in Las Vegas. Absent the divestiture, UHS’ acquisition of Psychiatric Solutions, Inc. would have eliminated substantial head-to-head competition, and would have allegedly increased the likelihood of higher prices for and/or reduced availability of this critical service.

In addition, UHS will reimburse the fees incurred by the Office of the Attorney General resulting from investigating proposed acquirers for the divested hospitals.

UHS is one of the nation’s largest providers of general medical hospitals and behavioral health facilities, particularly in Nevada. Strategic Behavioral Health is a leading provider of behavioral health services in North Carolina and Colorado, and is based in Memphis, Tennessee.

The Office of the Attorney General’s Bureau of Consumer Protection (BCP) enforces state consumer protection laws related to deceptive trade and antitrust, through the filing of lawsuits on behalf of the State of Nevada and the public good. The antitrust laws protect free and open competition in the marketplace, by prohibiting certain anti-competitive acts by companies.

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