

News release

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Sanford Health, UnityPoint Health announce plans to join trusted brands

Both organizations seek to become world leader in personalized primary care

Sioux Falls, S.D. and Des Moines, Iowa - UnityPoint Health and Sanford Health have signed a letter of intent to explore joining their trusted brands as they seek to become the destination for personalized primary care in America's Heartland. The decision follows considerable exploration between leadership teams from each organization. The two organizations will build on their strengths in clinical care, research, innovation and education to deliver greater health outcomes and value in communities in the Midwest and around the world.

"Sanford and UnityPoint are two successful systems intent on controlling our own destiny," said Kelby Krabbenhoft, president and CEO of Sanford Health. "We believe that in the very near future, fully integrated health systems will drive greater value through affordable options for high-quality health care to patients, governments and employers. The combination of Sanford and UnityPoint will help both organizations better meet this need, creating a new system positioned for continued growth across a broad geography."

"Our organizations share a deep commitment to exceptional patient care and a vision for transforming and sustaining health care in our communities," said Kevin Vermeer, president and CEO of UnityPoint Health. "We are approaching our discussions very purposefully, with a clear and common vision for success. First and foremost, our focus is on people. Working together, we will find new ways to broaden access to care – beyond the traditional settings – and take greater responsibility for the health of the populations we serve."

With more than \$11 billion in operating revenue, the combined company would rank among the top 15 largest nonprofit health systems in the country. The new organization would employ more than 83,000 staff and 2,600 physicians and carry out operations in 26 states and nine countries, including hospitals, clinics, health plans and networks, post-acute care, research, innovation and other lines of business.

While the organizations are still in discussions, they have agreed on certain principles that will guide their work during the next few months:

- **Leadership:** The new company would be led by Kelby Krabbenhoft and Kevin Vermeer. Krabbenhoft would serve as president and CEO, and Vermeer would serve as senior executive vice president.
- **Unified Board:** A new governing Board would be established for the new company, made up of representatives from both legacy organizations, plus additional unaffiliated Board members with relevant national industry experience and expertise. UnityPoint Health would recommend the inaugural Board chair.
- **Care delivery:** Both organizations would continue to operate their respective fully-integrated medical groups and maintain longstanding relationships with independent physicians, hospitals and other health care partners.

“We will work tirelessly to find the next cures for diseases like type 1 diabetes and breast cancer; train and grow our own physicians, nurses and other medical professionals who commit to providing care in rural America; and offer innovative health and wellness products and telemedicine services to help people live better, get care closer to home and stay healthier,” said Krabbenhoft.

“As trusted health care brands with deep Midwestern roots, our organizations have worked hard to establish strong relationships in the communities we serve, whether that be a small rural town or a location across the globe. Together, we will build on these relationships to create new opportunities to meet unique community needs and thrive in an ever-changing environment,” said Vermeer.

The transaction is subject to various regulatory reviews. Timelines are still fluid, but leaders intend for the transaction to be completed, pending regulatory reviews, by the end of 2019.

About UnityPoint Health

UnityPoint Health is one of the nation's most integrated health systems. Through relationships with more than [280 physician clinics](#), [32 hospitals](#) in metropolitan and rural communities and home care services throughout its [9 regions](#), UnityPoint Health provides care throughout Iowa, western Illinois and southern Wisconsin. UnityPoint Health entities employ more than 30,000 employees, working toward innovative advancements to become the Midwest's premier health system known for redesigning the health care experience. For more information, visit unitypointhealth.org.

About Sanford Health

Sanford Health, one of the largest health systems in the United States, is dedicated to the integrated delivery of health care, genomic medicine, senior care and services, global clinics, research and affordable insurance. Headquartered in Sioux Falls, South Dakota, the organization includes 44 hospitals, 1,400 physicians and more than 200 Good Samaritan Society senior care locations in 26 states and nine countries. Nearly \$1 billion in gifts from philanthropist Denny Sanford have transformed how Sanford Health improves the human condition. For information, visit sanfordhealth.org or [Sanford Health News](#).

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