



ACADIA HEALTHCARE PARTNERS WITH COVENANT HEALTH ON SIGNIFICANT, COMPREHENSIVE NEW PROJECT TO ENHANCE BEHAVIORAL HEALTH SERVICES IN EAST TENNESSEE

June 2, 2020

Inpatient Treatment Facility Slated To Open In 2021

FRANKLIN, Tenn., June 02, 2020 (GLOBE NEWSWIRE) -- Acadia Healthcare Company, Inc. (NASDAQ: ACHC) today announced that it had formed a joint venture with Covenant Health to address the growing, unmet need for accessible, high-quality behavioral health services in Knoxville, Tennessee, and the surrounding counties.

Covenant Health, one of Tennessee's premier integrated health systems, selected Acadia Healthcare, the nation's largest stand-alone behavioral healthcare company, as its partner because of Acadia's commitment to patient- and family-centered care, strong clinical outcomes and proven track record of partnering with health systems across the country.

Construction will begin in late 2020 on a new, state-of-the-art, 90-bed hospital at the corner of Old Weisgarber Road and Dowell Springs Boulevard in West Knoxville. Slated to open in 2021, the new hospital will be built with the capacity to add an additional 48 beds, bringing the total project capacity to 138 beds in order to meet projected future demand for inpatient services in the area. Comprehensive inpatient treatment will be provided for adults, seniors and adolescents who struggle with acute symptoms of mental health disorders such as anxiety, depression, bipolar disorder, posttraumatic stress disorder (PTSD) and substance use disorders.

The behavioral health hospital will also serve as a new care coordination "hub" for the entire continuum of comprehensive inpatient and outpatient services, including intensive outpatient and partial hospitalization programs, services for neuromodulation (ETC, TMS) and medication-assisted treatment (MAT) for substance use disorders. Additionally, the partnership will look to develop innovative care delivery models to better integrate physical and mental health services.

"The shortage of resources for mental health is a national problem that we also face here in East Tennessee," said Jim VanderSteeg, Covenant Health President and CEO. "Covenant Health and Acadia Healthcare intend to substantially fill that gap by providing specialized treatment options for patients and increasing access to much-needed, high-quality care for the residents of Knoxville and its surrounding communities. As part of our mission of improving the quality of life in our region, Covenant Health and Peninsula, our behavioral health division, have a long-standing commitment to mental health services. Acadia's strong track record of success and reputation for excellence make the organization an ideal partner for continuing that commitment.

"Acadia is extremely pleased to be partnering with a respected health system like Covenant Health to provide these critically needed services in eastern Tennessee. The new hospital will make a positive difference in the lives of individuals and families throughout the region," said Acadia Healthcare CEO Debbie Osteen. "We continue to expand upon our joint venture partnerships with healthcare organizations across the country. Our mutual goal is always to provide patients and their loved ones with compassionate and high-quality behavioral healthcare, services and support."

About Acadia Healthcare

Acadia is a leading provider of behavioral healthcare services. At March 31, 2020, Acadia operated a network of 588 behavioral healthcare facilities with approximately 18,200 beds in 40 states, the United Kingdom and Puerto Rico. Acadia provides behavioral health and addiction services to its patients in a variety of settings, including inpatient psychiatric hospitals, specialty treatment facilities, residential treatment centers and outpatient clinics.

About Covenant Health

Covenant Health is a community-owned health system providing comprehensive services in Tennessee. The health system includes 10 hospitals; outpatient services and clinics; specialized behavioral, oncology and rehabilitation services; home care; physician practices and community programs. With more than 10,000 employees, affiliated physicians and volunteers, Covenant Health is the Knoxville area's largest employer and has been named a Best Employer five times by Forbes. Learn more at www.covenanthealth.com.

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