RELIANCE HEALTH CARE INC. ASSISTS STATE IN EFFORTS TO PROVIDE PATIENT CARE

FOR IMMEDIATE RELEASE

CONWAY, AR – Affiliates of Conway Arkansas based Reliance Health Care, Inc., an Arkansas long term care provider have, pursuant to a request from the Arkansas Department of Health and Human Services, agreed to assume interim operations of two skilled nursing facilities in Prairie and Howard counties. The agreement comes after the current operator of the facilities, Skyline Healthcare, LLC, notified the facility landlords and the state of Arkansas on Thursday, May 3, 2018, that it did not intend to meet its financial obligations regarding critical patient care.

Upon receiving such notice, Reliance began working directly with the state of Arkansas to evaluate and assist the situation. Reliance personnel were dispatched on location immediately and remain on-site at both facilities. As of late this afternoon, Friday, May 4th, 2018, courts in both Prairie and Howard Counties have issued orders granting the Arkansas Department of Health and Human Services broad receivership authority to exercise the operational control necessary to stabilize the operations and ensure that patients are kept safe and their needs are met. Reliance affiliates will work directly with the state and at its direction to carry out these efforts in the interim.

Companies in Reliance's affiliated real estate division own the bricks and mortar of the subject facilities in Prairie and Howard Counties. Reliance affiliates have not operated either nursing home in more than nine (9) years. Skyline took over operations of the two facilities subject to a Change of Ownership Filing with an unrelated prior operator.

Upon Skyline receiving national attention in recent weeks due to its financial difficulties in other states, Reliance began working with the state to formulate a plan to protect the well-being of the patients and employees in these facilities. That plan has been implemented as of this release. Reliance has committed its full resources in this effort. Reliance affiliates have been operating facilities in Arkansas since 1997 and care for more than three thousand (3,000) elderly and infirmed Arkansans daily.

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