

For immediate release:

**Ascend Health Acquires Schick Shadel Hospital
Owners Group Meets Business and Personal Goals**

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(Seattle, WA, August 16, 2011) –Ascend Health, based in Denton, TX, a leading behavioral healthcare provider, has acquired Schick Shadel Hospital, an addiction treatment facility in Burien. For Schick's Chairman and CEO James P. Graham, the purchase marks meeting a business goal with highly personal impetus behind it.

When he learned of Schick Shadel's struggle to survive, Graham recruited nine other former patients to form Duffy I, L.P. They purchased the hospital in October 2002. Graham, owner of Palo Petroleum, Inc. in Dallas, struggled with alcoholism for 20 years before checking in to Schick Shadel's 10-day program 11 years ago. He has never craved a drink since.

"We are pleased to add Schick Shadel to our portfolio of facilities," said Richard Kresch, M.D., President and Chief Executive Officer. "Additionally, we plan to enhance our addiction treatment offerings by adding Schick Shadel units to several of our facilities. This expansion opportunity offers compelling growth, allowing us to continue to satisfy the increasing need for addiction therapy by offering patients more treatment alternatives."

Ascend expects to open a Schick Shadel program at its Mayhill Hospital in Denton, TX by the end of the year, with plans to launch other facilities.

"The opportunity presented by Ascend Health allows Schick's expansion to happen faster than any other strategy. I take great comfort in knowing that this treatment will soon be available in multiple states for not only my family and friends but for all persons afflicted by the disease of addiction," said Schick COO and Owner Richard St. Peter.

"We've very successfully met our group's initial mission to save the hospital, turning a facility with a successful treatment strategy and a dismal balance sheet into a profitable business with waiting lists for treatment," said Graham. "With this sale to Ascend, we accomplish our second goal, ensuring that Schick Shadel expands to help more people suffering from addictions."

(more)

The venerable hospital, founded in 1935 by Dr. Charles A. Shadel, treated alcoholics, then considered society's outcasts. Shadel believed that alcoholism was a disease of the body, not a mind dysfunction. He worked with Dr. Walter Voegtlin, a Seattle gastroenterologist, to develop and test a safe and effective formula to effect chemical aversion to alcohol, pioneering aversion therapy for alcoholism treatment.

"Over 75 years and 60,000 patients since Dr. Charles Shadel opened his hospital doors, his brilliant solution for treating addictions will now take its rightful place as the leader in addiction treatment," said Marketing Director/Owner Pat O'Day.

In 1964, the facility was purchased and renamed Schick Shadel Hospital by another former patient, William Frawley, Jr., then chairman and CEO of Schick Safety Razor Company. Frawley's investments launched research that developed aversion therapy treatments for other addictions. Rapid expansion followed. Changes in healthcare reimbursement in the 70s forced closing of Schick's other facilities, Frawley family investment challenges brought the hospital to the brink by 2001. That's when the Duffy 1, L. P. owners entered the picture.

For additional information:

www.ascendhealth.net

www.schickshadel.com

www.mayhillhospital.com

www.palopetroleum.com

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