



Universal Health Services, Inc.

## Universal Health Services, Inc. Provides Southwest Healthcare System Regulatory Update

September 27, 2010

KING OF PRUSSIA, Pa., Sept 27, 2010 /PRNewswire via COMTEX/ --

Universal Health Services, Inc. (NYSE: UHS) announced today an update to the previously disclosed regulatory matter related to Southwest Healthcare System ("SWHCS") which operates Rancho Springs Medical Center and Inland Valley Regional Medical Center in Riverside County, California.

As previously disclosed in April, 2010, we received notification from the Centers for Medicare and Medicaid Services ("CMS") that it intended to effectuate the termination of SWHCS's Medicare provider agreement effective June 1, 2010. In May, 2010, we entered into an agreement with CMS which abated the termination action scheduled for June 1, 2010. The agreement is one year in duration and required SWHCS to engage independent experts in various disciplines to analyze and develop implementation plans for SWHCS to meet the Medicare conditions of participation. At the conclusion of the agreement, CMS will conduct a full certification survey to determine if SWHCS has achieved substantial compliance with the Medicare conditions of participation. During the term of the agreement, SWHCS remains eligible to receive reimbursements from Medicare for services rendered to Medicare beneficiaries.

As also disclosed in April, 2010, we received notification from the California Department of Public Health ("CDPH") indicating that it planned to initiate a process to revoke SWHCS's hospital license. In May, 2010, SWHCS received the formal document related to the revocation action. We have entered into a settlement agreement with CDPH relating to the license revocation. The terms of the CDPH agreement are substantially similar to those contained in the agreement with CMS. As a result of the agreement, SWHCS's hospital license remains in effect pending the outcome of the CMS full certification survey which will occur at the end of the agreement. Pursuant to the results of the CMS full certification survey, which we anticipate occurring in mid-year, 2011, should SWHCS be deemed to have achieved substantial compliance with the Medicare conditions of participation, CDPH shall deem SWHCS's license to be in good standing. Failure of SWHCS to achieve substantial compliance with the Medicare conditions of participation, pursuant to CMS's full certification survey, will likely have a material adverse impact on SWHCS's ability to continue to operate the facilities.

Universal Health Services, Inc. is one of the nation's largest hospital companies, operating acute care and behavioral health hospitals and ambulatory centers nationwide and in Puerto Rico. It acts as the advisor to Universal Health Realty Income Trust, a real estate investment trust (NYSE: UHT). For additional information on the Company, visit our web site: <http://www.uhsinc.com>.

This press release contains forward-looking statements based on current management expectations. Many of the factors related to these issues are beyond our ability to control or predict. These statements are subject to risks and uncertainties. Readers should not place undue reliance on such forward-looking statements which reflect management's view only as of the date hereof. We undertake no obligation to revise or update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE Universal Health Services, Inc.