

Beacon Health System to acquire Ascension Healthcare System in southwest Michigan

April 3, 2025 (South Bend, IN) – Beacon Health System, the locally owned and governed nonprofit healthcare leader in northern Indiana and southern Michigan, has signed a definitive agreement to acquire the Ascension healthcare system in southwest Michigan. The transaction is expected to close this summer, subject to standard regulatory approvals.

Once the transaction is complete, Beacon Health System will own Ascension's network of four hospitals, 35 outpatient clinics and an ambulatory surgery center. The hospitals include Ascension Borgess Hospital, Ascension Borgess Allegan Hospital, Ascension Borgess-Lee Hospital and Ascension Borgess-Pipp Hospital. The largest facility is Ascension Borgess in Kalamazoo, a 422-bed acute care hospital. The system has more than 2,700 associates, including 261 providers.

"Beacon Health System's primary focus is to deliver outstanding care to our communities. Expanding our reach deeper into southwest Michigan broadens access to high-quality, affordable care for communities served by Ascension, extends our service area and provides growth opportunity to further strengthen the health system," said Kreg Gruber, Chief Executive Officer of Beacon Health System. "This acquisition will create a bright future for these communities by ensuring access to quality healthcare services for generations."

The teams at Beacon Health System and Ascension are committed to working together to ensure a smooth transition for team members, physicians and consumers. Current Ascension patients will continue to receive the same excellent care from the providers they trust, with minimal, if any, disruption to patient care and community services prior to and after the closing.

"As a regional provider, Beacon Health System is positioned to serve patients through an integrated care delivery system to ensure that southwest Michigan has access to sustainable, quality health care long into the future," said Scott Cihak, FACHE, Chief Operating Officer of Ascension Michigan. "After an in-depth review, we found that our organizations are well-aligned culturally, which will streamline the integration process. Our communities are in good hands."

To learn more about the acquisition, visit beacon.health/bright-future.

About Beacon Health System

Beacon Health System is our community's locally owned, nonprofit healthcare leader, serving patients across northern Indiana and southern Michigan. Our more than 8,100 associates and 1,000+ physicians, who are deeply rooted in our region, provide exceptional care with heartfelt compassion at Beacon Children's Hospital, Beacon Granger Hospital, Community Hospital of Bremen, Elkhart General Hospital, Memorial Epworth Center, Memorial Hospital of South Bend and Three Rivers Health. We serve as the majority provider for underinsured and uninsured patients, furthering our commitment to community health and well-being. With our teams at Beacon Medical Group, Memorial Family Medicine Residency Program, Beacon Health Foundation and Beacon Health & Fitness, we are dedicated to delivering patient-centered care at every step of your health journey. Connect with us at BeaconHealthSystem.org.

About Ascension Health

Serving southwest Michigan for more than 135 years, Ascension Borgess operates four hospitals and multiple related healthcare facilities that together employ over 2,700 associates. Ascension Borgess provided nearly \$40 million in community benefit and care for persons living in poverty in fiscal year 2024. Ascension Borgess is part of Ascension, one of the nation's leading nonprofit and Catholic health systems, with a Mission of delivering compassionate, personalized care to all with special attention to persons living in poverty and those most vulnerable.

In FY2024, Ascension provided \$2.1 billion in care of persons living in poverty and other community benefit programs. Across 16 states and the District of Columbia, Ascension's network encompasses approximately 106,000 associates, 26,000 affiliated providers, 105 wholly owned or consolidated hospitals, and 34 senior living facilities. Additionally, through strategic partnerships, Ascension holds an ownership interest in 26 other hospitals.