



December 21, 2011

Dear UHF Purchasing Services Member,

Extendicare Health Services, Inc. has reached an agreement in principal to sell UHF Purchasing Services and Star Purchasing Services, LLC to Navigator Group Purchasing (Navigator), a subsidiary of Managed Health Care Associates, Inc. (MHA).

As part of this transition, MHA has indicated a strong desire to keep the current team of employees in place in both Milwaukee and UHF/Star branch offices and no existing relationships will change and/or be affected. We anticipate the transfer of ownership and operations to occur in the month of January; however, we expect the transition to cause little, if any, disruption to our day-to-day operations and you will continue to work with the same points of contact you have come to know and trust.

We understand this type of transaction can be a cause of uncertainty and we want to ease your anxiety as much as possible. This transaction was both timely and opportunistic and is an exciting endeavor for UHF/Star. Combining with Navigator will result in the formation of the largest long-term care GPO in the country and is expected to ensure the continuation of highly competitive pricing, new data and analytic tools.

In a recent public release, Mark Eaton, CEO of Navigator stated, "We are very pleased to be combining with UHF and Star Purchasing. UHF and Star are the leading GPOs in certain areas where Navigator has not historically had a large presence, making this a very complementary combination. We look forward to working with our new customers and our new employees as we continue to expand our national footprint."

We will continue to communicate with you as we move through this process and the new owner/operator has any further information. Should you have any questions or concerns in the interim, please don't hesitate to contact your purchasing agent and/or either one of us at the information listed below.

Sincerely,

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