



CONTACT: West Penn Allegheny Health System
Press: Tom Chakurda
Vice President, Communications
(412) 359-6898

CONTACT: RehabCare Group, Inc.
Financial: Jay Shreiner,
Executive Vice President, Chief
Financial Officer
Press: Donna Lee, Office of the CEO
(314) 863-7422

FOR IMMEDIATE RELEASE
October 28, 2008

**WEST PENN ALLEGHENY HEALTH SYSTEM AND REHABCARE
ANNOUNCE COLLABORATIVE AGREEMENT**
Move Reflects Significant Investment in System Programs and Facilities

PITTSBURGH, PA and ST. LOUIS, MO, October 28, 2008—West Penn Allegheny Health System (WPAHS) and RehabCare Group, Inc. (NYSE: RHB) today announced they have reached a comprehensive management and consulting agreement. Under the agreement, RehabCare will provide onsite management, marketing and patient care coordination for the multi-hospital system's post-acute services, including care management, inpatient rehabilitation, medical/surgical and outpatient therapy services.

"After a great deal of analysis and reflection, we decided that a partnership with RehabCare is the best way to achieve our vision of creating a seamless integration of system-wide post-acute care and ensure that the highest level of rehabilitation services are available to our patients and families," said Christopher T. Olivia, President and Chief Executive Officer of WPAHS. "This business approach will help us most quickly add new clinical services for an ever-growing post-acute population, as well as deliver a more coordinated continuum of care for patients within the West Penn Allegheny Health System. It also is a very important investment as we expand our capabilities in rehabilitation services, especially at West Penn Hospital and Alle-Kiski Medical Center.

"RehabCare brings over 25 years of experience managing patients in these complexly regulated and resource intensive environments with superior outcomes. Combining RehabCare's proven track record in this area with our system's national reputation for high-quality complex healthcare will improve the quality of life for many western Pennsylvania families."

The West Penn Allegheny Health System includes Allegheny General Hospital and West Penn Hospital, both in Pittsburgh; Alle-Kiski Medical Center in Natrona Heights; Canonsburg General Hospital in Canonsburg; The Western Pennsylvania Hospital-Forbes Regional Campus in Monroeville; and Allegheny General Hospital-Suburban Campus in Bellevue.

John H. Short, Ph.D., RehabCare President and CEO, said the company is pleased to be partnering with some of the best-regarded names in healthcare in western Pennsylvania. "The WPAHS family of hospitals has been synonymous with excellence and innovation in patient care, as well as a commitment to education and public service," said Dr. Short. "We are excited to be affiliated with a premier healthcare provider, as well as to expand our presence in the region with one of our largest hospital system contracts to date."

Dr. Short said RehabCare will be looking to build and expand WPAHS post-acute services and making certain capital investments in IT infrastructure and other resources to support that growth. Specific services will vary for each hospital, but the overarching objectives are to increase awareness and utilization of WPAHS services, develop advanced rehabilitation specialty programs, explore and invest in market growth opportunities and ensure timely and appropriate placement of post-acute patients through a coordinated care management process.

“We know from experience that patient outcomes are impacted by a provider’s ability to place each person in the right care setting, at the right time, and we will blend our clinical knowledge with sound business intelligence tools to create a system that more effectively transitions patients through the WPAHS continuum of care,” he said.

Olivia said RehabCare services will begin at Allegheny General and West Penn Hospitals on November 17, 2008, and the remaining hospitals on December 8.

About West Penn Allegheny Health System: West Penn Allegheny Health System (www.wpahs.org) serves Pittsburgh and the surrounding five-state area, featuring some of the oldest and best-known names in health care in western Pennsylvania. From the system’s inception, its hospitals have been in the vanguard of patient care, medical research and health sciences education.

The system’s six hospitals house nearly 2,000 beds and employ more than 13,000 people. Together, the hospitals admit nearly 79,000 patients, log in excess of 200,000 emergency visits and have more than 4,000 newborn deliveries each year. Combined, the hospitals are a leader throughout the region in percentages of total surgeries, cardiac surgeries, neurosurgeries and cardiac catheterization procedures. In addition, the West Penn Allegheny Health System Physician Networks include nearly 700 primary care doctors and specialists in 233 office locations – each offering outstanding, patient-focused care.

About RehabCare: Established in 1982 and headquartered in St. Louis, MO, RehabCare (www.rehabcare.com) is a leading provider of rehabilitation program management services in partnership with more than 1,200 hospitals and skilled nursing facilities in 42 states. The company also owns and operates freestanding rehabilitation and long-term acute care hospitals across the country. RehabCare is included in the Russell 2000 and Standard and Poor’s Small Cap 600 Indices.

-END-