

# UNIVERSAL

UNIVERSAL HEALTH SERVICES, INC.

*Investing for the Future*



Universal Health Services, Inc.  
Universal Corporate Center  
P.O. Box 61558  
367 South Gulph Road  
King of Prussia, PA 19406

*Annual Report 2006*



ON THE COVER: Hospitals from left to right. Top; Wellington Regional Medical Center, West Palm Beach, Florida. Middle; Rendering of Seton Healthcare Network's proposed new hospital, Williamson County, Texas; Spring Valley Hospital Medical Center, Las Vegas, Nevada. Bottom; Edinburg Children's Hospital in Edinburg, Texas

Universal Health Services, Inc. is one of the largest and most respected hospital management companies in the nation. We have focused our efforts on managing acute care hospitals, behavioral health hospitals, and ambulatory surgery and radiation oncology centers.

We believe hospitals will remain the focal point of the healthcare delivery system. We have built our success by remaining committed to a program of rational growth around our core businesses and seeking opportunities complementary to them. The future of our industry remains bright for those whose focus is providing quality healthcare on a cost-effective basis.

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## BOARD OF DIRECTORS

### Alan B. Miller <sup>3,4</sup>

Chairman of the Board,  
President and  
Chief Executive Officer

### Leatrice Ducat <sup>1,2,5</sup>

President and Founder, National  
Disease Research Interchange  
since 1980; President and Founder,  
Human Biological Data Interchange  
since 1988; Founder, Juvenile  
Diabetes Foundation, National and  
International Organization

### John H. Herrell <sup>1</sup>

Former Chief Administrative  
Officer and former Trustee,  
Mayo Foundation; Rochester, MN

### Robert H. Hotz <sup>1,2,3,4,5</sup>

Senior Managing Director, Co-Head  
Corporate Finance, Co-Chairman of  
Houlihan Lokey Howard & Zukin,  
Member of the Board of Directors,  
Member of the Operating Committee,  
Houlihan Lokey Howard & Zukin,  
New York, NY; Former Senior Vice Chairman,  
Investment Banking for the Americas,  
UBS Warburg, LLC, New York, NY

### Robert A. Meister <sup>2</sup>

Vice Chairman, Aon Group, Inc.  
West Palm Beach, FL

### Marc D. Miller <sup>4</sup>

Vice President of the Company

### Anthony Pantaleoni <sup>3,4</sup>

Of Counsel, Fulbright & Jaworski, L.L.P.  
New York, NY

### John F. Williams, Jr., M.D., Ed.D. <sup>2,5</sup>

Provost and Vice President  
for Health Affairs, The George Washington University

Committees of the Board:

<sup>1</sup> Audit Committee, <sup>2</sup> Compensation Committee, <sup>3</sup> Executive Committee, <sup>4</sup> Finance Committee,  
<sup>5</sup> Nominating/Corporate Governance

## OFFICERS

### CORPORATE

Alan B. Miller  
President and  
Chief Executive Officer

Steve G. Filton  
Senior Vice President and  
Chief Financial Officer

Kevin J. Gross  
Senior Vice President

Debra K. Osteen  
Senior Vice President

Michael Marquez  
Vice President

Marc D. Miller  
Vice President

Richard C. Wright  
Vice President

Paul Yakulis  
Vice President

Charles F. Boyle  
Controller

Bruce R. Gilbert  
General Counsel

Cheryl K. Ramagano  
Treasurer

John Paul Christen  
Assistant Vice President

### DIVISION

#### Acute Care

Kevin J. Gross  
President

Michael Marquez  
Vice President

Marc D. Miller  
Vice President

David E. Bussone  
Group Director

Moody L. Chisholm  
Group Director

Douglas A. Matney  
Group Director

Mary Hoover  
Vice President—  
Universal Health Network

#### Behavioral Health

Debra K. Osteen  
President

Martin C. Schappell  
Senior Vice President

Gary M. Gilberti  
Division Vice President

Barry L. Pipkin  
Division Vice President

John E. Turner  
Division Vice President

Robert A. Deney  
Regional Vice President

Norman King Carter, III  
Regional Vice President

Craig L. Nuckles  
Regional Vice President

Betti T. Colucci  
Regional Vice President

Robert E. Minor  
Vice President, Development

Carothers H. Evans  
Division Vice President,  
Business Development

Karen E. Johnson  
Vice President  
Clinical Services

Karen M. Prince  
Assistant Vice President  
Business Development

Tasha Hoffmann  
Assistant Vice President  
Admissions Services

Matthew W. Crouch  
Group Director

Geoffrey Botak  
Group Director

Raymond F. Heckerman  
Group Director

Jana Trew  
Assistant Vice President

#### Ambulatory

Joseph B. "Skip" Courtney  
Vice President

#### UHS Development Company, Inc.

Richard C. Wright  
President

Craig Conti  
Vice President, Development

Donald J. Pyskacek  
Vice President, Design and Construction

Michael Urbach  
Assistant Vice President, Development

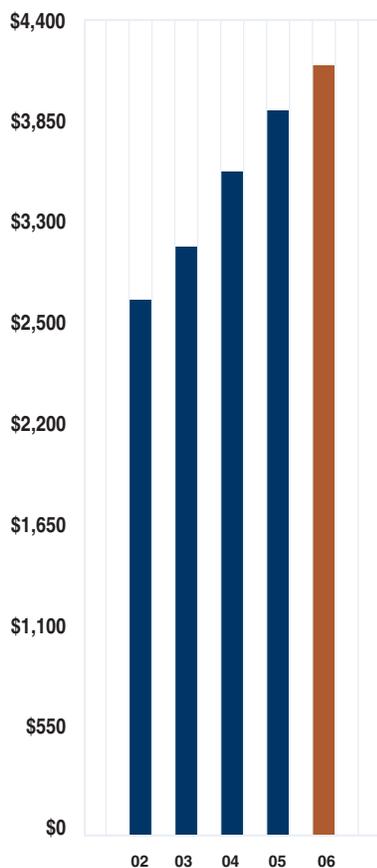
## FINANCIAL HIGHLIGHTS

YEAR ENDED DECEMBER 31	2006	2005	PERCENTAGE CHANGE	2004
NET REVENUES	<b>\$ 4,191,300,000</b>	<b>\$ 3,935,480,000</b>	<b>7%</b>	<b>\$ 3,637,490,000</b>
NET INCOME	<b>\$ 259,458,000</b>	<b>\$ 240,845,000</b>	<b>8%</b>	<b>\$ 169,492,000</b>
EARNINGS PER SHARE (DILUTED)	<b>\$ 4.56</b>	<b>\$ 4.00</b>	<b>14%</b>	<b>\$ 2.75</b>
PATIENT DAYS	<b>2,950,681*</b>	<b>2,585,196</b>	<b>14%</b>	<b>2,385,034</b>
ADMISSIONS	<b>357,919*</b>	<b>357,205</b>	<b>—</b>	<b>346,398</b>
AVERAGE NUMBER OF LICENSED BEDS	<b>12,224</b>	<b>10,403</b>	<b>18%</b>	<b>9,870</b>

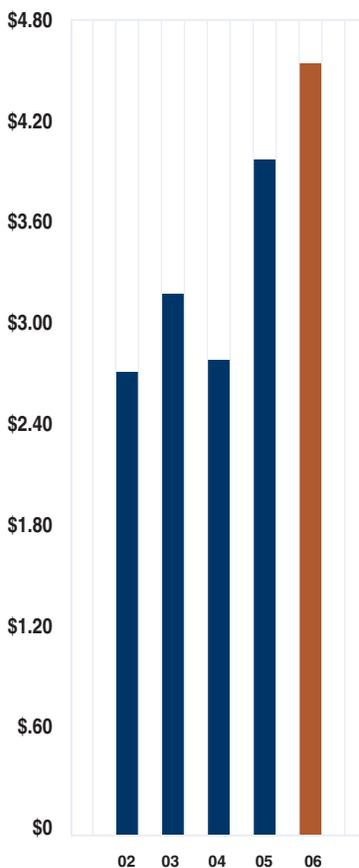
\* Excludes patient days and admissions related to our four acute care facilities located in Louisiana that were severely damaged and closed during the third quarter of 2005 as a result of Hurricane Katrina. Includes patient days and admissions related to our behavioral health care facilities acquired during 2006 and 2005.

# THE FUTURE

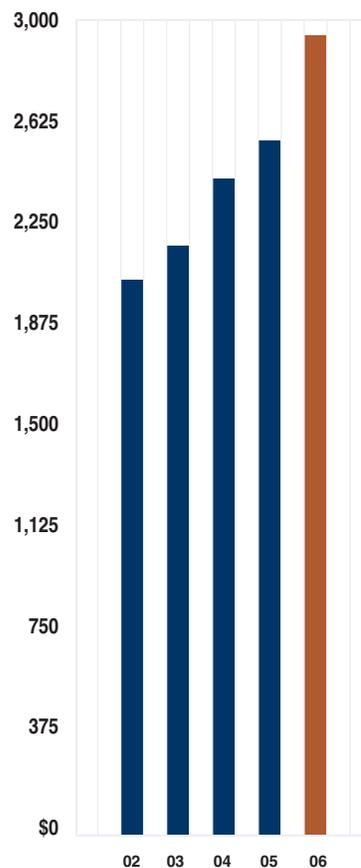
**NET REVENUES**  
(IN MILLIONS)



**EARNINGS PER SHARE**  
(DILUTED)



**PATIENT DAYS**  
(IN THOUSANDS)



# LETTER TO SHAREHOLDERS

In a challenging health care environment Universal Health Services performed well this past year. We achieved record revenues of \$4.2 billion, a 7% increase over the prior year. Our 2006 adjusted income from continuing operations (primarily adjusted for Hurricane Katrina related issues) increased to \$157.5 million, or \$2.80 per diluted share, representing a 9% increase over the \$2.56 per diluted share earned during 2005. Our financial performance during the past year exceeded both internal and external expectations, an enviable accomplishment during a year in which most of our competitors reported disappointing results. One competitor in the proprietary industry is no longer public and another announced a major write off and recapitalization.

Our behavioral health facilities, once again, performed very well during the year and continue to operate at extremely impressive occupancy and profitability levels. In an effort to satisfy the growing demand for the high quality services that we provide, we continue to add inpatient capacity at many of our existing facilities. Construction on the Hartgrove Hospital replacement facility is nearly complete and the opening is scheduled to occur during the second quarter of this year. In addition, we continue to

actively explore potential acquisitions in search of high quality facilities to add to our portfolio.

Our acute care facilities in Las Vegas had a solid year. We look forward to the opening of our fifth hospital in the market, Centennial Hills Hospital Medical Center in Las Vegas, a 170-bed facility which is currently under construction and scheduled to open during the fourth quarter of 2007. We also have a new, 171-bed acute care facility under construction in Palmdale, California, which is scheduled to be completed during the fourth quarter of 2008. In January of this year, we purchased the Texoma Healthcare System located in Denison, Texas, which includes a 234-bed acute care hospital, a 60-bed behavioral health hospital and a 21-bed rehabilitation hospital.

## **Successful New Hospital Development Program**

Throughout its 28-year history the company has engineered a highly successful new hospital and replacement program. In recent years, UHS has built Spring Valley Hospital, Lakewood Ranch Medical Center, Edinburg Children's Hospital and Fort Duncan Regional Medical

Center in the acute area, and Hartgrove Hospital, Lakeside Behavioral Health System and South Texas Behavioral Health Center in the Behavioral Health Care Division, all of which are among the most successful facilities in our network.

In 2002, UHS replaced the aged George Washington University Hospital with a new 371-bed state-of-the-art tertiary facility that is now one of the best equipped and most respected in the nation.

We look forward to the success of the new projects now under construction and expansion which will shortly be placed in operation.

## **Quality**

Quality care is basic to the mission of UHS. Our treatment philosophy is to develop an integrated team approach that standardizes care, reducing variations to improve outcomes and patient safety.

Notable in this journey to excellence: We are proud that Wellington Regional Medical Center was selected as a Top 100 Hospital in the entire nation for the fourth consecutive year. And Gallup will continue to conduct surveys of our patients, physicians and employees to enable us to gauge

how our services are perceived, to help enable UHS to maintain its high standard.

### **A Strong Capital Position**

UHS has built and maintains a strong financial base. UHS is the only investment grade-rated publicly traded hospital company by Standard and Poor, Fitch and Moody's, all the major rating agencies. This enables the company to easily access the public capital markets. In addition, the company is supported by a very strong bank group which includes nine of the country's twenty largest banks as well as strong regional banking institutions.

During 2006 we issued \$250 million of 10-year senior notes and amended our Revolving Credit facility to increase the size from \$500 to \$650 million, improve pricing and extend the maturity date to June, 2011. We also redeemed our 5 percent convertible debentures due 2020. Approximately 10 percent of the debentures were redeemed at the equivalent share price of \$48.50 and 90 percent of the holders exercised their option to convert their debentures into shares of our Class B common stock. During 2006 we repurchased a total of 6.5 million shares of our Class B common stock.

Our solid capital position also enables UHS to provide our services

to those in the community who are either indigent or cannot afford insurance coverage. We are hopeful that the U.S. Congress and state legislatures will address this problem, about which much has been written, in the very near future.

### **A Positive Outlook**

We at UHS are privileged to work in an industry that involves helping people live better lives. We spend our days working in conjunction with professionals who are among the very finest in the healthcare field. Together we continue to produce superior outcomes for our patients and their families.

We are excited by the new hospitals added to our network and the completion of major projects to our existing facilities.

We look forward to their contribution to the company and we in turn bring our expertise and resources to new communities that are seeking advanced medical care.

Of course, the greatest advantage we all have is to live in a nation that gives us the freedom to pursue our professions and our individual personal goals. We are grateful to our military for their service and sacrifice. They provide us the safety under

which these pursuits are possible. At last count, 19 UHS facilities have personnel serving abroad.

To show our gratitude and support, the company has a number of programs specifically directed to those who have been deployed and their families. For example, the "Hero Miles" program provides free air transportation from donated frequent flier miles. We urge you to lend your support as well.

And, a sincere thank you to all who are a part of our success: our employees, physicians, nurses, vendors and shareholders.



*"I am wearing an American Flag lapel pin, and urge you to do the same, in solidarity with our troops in Afghanistan and Iraq."*

**Alan B. Miller**  
Chairman of the Board  
President and Chief  
Executive Officer

*Centennial Hills Hospital, Las Vegas, Nevada. Below: Construction photo with completion date of November 2007*



## UHS ACUTE CARE DIVISION: INVESTING IN GROWTH

*UHS acute care hospitals are known as leaders in their respective communities, providing superior healthcare services, valuable health education programs, tax revenues to local and state governments and thousands of jobs. In addition, UHS hospitals benefit from strong management at the local and corporate levels, and from our ability to make ongoing investments in facilities, technology, and people.*



In 2006, our Acute Care Division continued to thrive and grow, thanks to the hard work and dedication of our outstanding employees nationwide. Hospital admissions for 2006 totaled 246,429, a two percent increase over 2005. ER visits to UHS acute care hospitals totaled 728,489, an increase over the previous year.

### Leading Las Vegas

*During all four quarters of 2006, UHS was the leading acute care provider to the Las Vegas area.*

The anchor of the UHS Acute Care Division is our large and growing network of hospitals in greater Las Vegas, which continues to rank as America's fastest-growing major city.

UHS prospers in Las Vegas, thanks to continued admissions growth throughout our network of four major acute care hospitals, as well as smaller facilities offering specialized services in surgery, cancer therapy and adolescent behavioral care.

In 2007 our leadership position will become even stronger with the opening of Centennial Hills Hospital, a 170-bed acute care hospital in northwest Las Vegas.

### **New Acquisitions and Expansions: Investing In Our Future**

Las Vegas was far from the only growth story for the Acute Care Division in 2006. UHS has acquired the Texoma Healthcare System in Denison, Texas, 70 miles north of Dallas. Texoma's facilities, located in Texas and Oklahoma, include a 234-bed acute care hospital, a 60-bed behavioral health hospital, a 21-bed freestanding rehabilitation hospital, and TexomaCare, a 34-physician group practice.

Texoma Medical Center, an award-winning provider of



healthcare services to the North Texas/Southern Oklahoma region, selected UHS from among eight companies who submitted proposals, believing that UHS was high quality, a perfect strategic fit for their hospital system.

UHS is committed to bringing our expertise and full resources to each new acquisition. Within the next three years, UHS plans to build a 220-bed replacement hospital for Texoma to better serve

the needs of this rapidly growing community.

Other areas of growth for UHS in 2006 included:

**Replacement hospital:** Fort Duncan Regional Medical Center in Eagle Pass, Texas, opened its new 104-private bed replacement facility in March, 2006. Built on 52 acres, the 200,000-square-foot facility is the single largest private investment ever made in Eagle Pass, creating jobs and stimulating economic development in the area. Fort Duncan is the only acute care hospital in approximately a 50-mile radius.

**New children's hospital:** The South Texas Health System opened Edinburg Children's Hospital, in Edinburg, Texas, a four-story, 120-bed facility with a 14-bed ER, two surgical suites, a cardiac cath lab, five operating unit suites and two radiology and fluoroscopy rooms. The new hospital enables families to get quality medical care without traveling to Corpus Christi.

*The new 120-bed state-of-the-art Edinburg Children's Hospital in Edinburg, Texas*





*UHS acquired Texoma Healthcare System in Denison, Texas, which includes a 234-bed acute care hospital.*

**Replacement hospital:** Work is underway on the new Palmdale Regional Medical Center, scheduled for completion in 2008. The new 239-bed facility with all private rooms will provide comprehensive acute care services, including leading-edge cardiac care, a 64-bed intensive care unit and the largest emergency room in the Antelope Valley. The new hospital will specialize in OB/GYN and pediatric services. Palmdale Regional will significantly reduce the need for residents to travel outside the Antelope Valley for quality hospital care.

**New patient tower:** Manatee Memorial Hospital in Bradenton, Florida, is constructing a new 122-bed, four-story patient tower with all-private rooms. The patient tower will begin accepting patients in May, 2007. A new parking garage will also open at that time.

**Medical/surgical expansion:** Inland Valley Medical Center in Wildomar, California, is approaching completion on its new 44-bed medical/surgical expansion, to open in June, 2007.

**ER expansion:** Rancho Springs Medical Center in Murrieta, California, is expanding its

Emergency Department, increasing capacity threefold, to 27 bays.

**New cardiac cath lab:** Doctors Hospital of Laredo, in Laredo, Texas, opened a new state-of-the-art cardiac catheterization lab.

*For the fourth consecutive year, Wellington Regional Medical Center in West Palm Beach, Florida, was named one of the nation's 100 Top Hospitals® by Solucient, a nationally respected source for evaluating healthcare performance.*

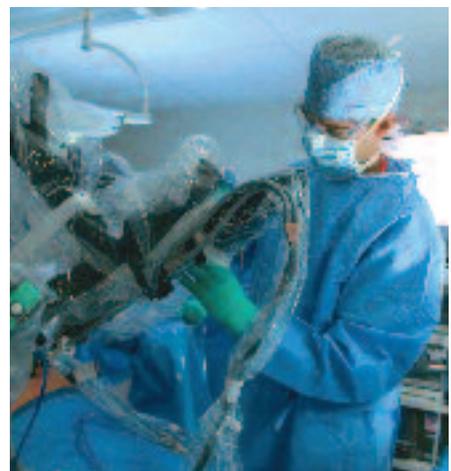
Mid-January 2006 saw the opening of Wellington Regional's 5-1/2 –story parking garage. A new Medical Arts Pavilion has opened, and the Regional Cancer Center is undergoing expansion that will double its size. Also under expansion is Wellington's emergency department, which will add 12 patient rooms, bringing the total to 37, and an enlarged lobby. Expansions to the radiology department will include a new MRI and additional ultrasound rooms.

**New Technologies**

UHS acute care hospitals enjoy a reputation for providing high-

quality healthcare services at a reasonable cost. One key to this reputation is our company's long tradition of investing in advanced medical technologies.

For example, at The George Washington University Hospital in Washington, D.C., doctors and patients now benefit from the state-of-the-art da Vinci® Surgical System. This remarkable robotic tool simplifies many minimally



invasive surgical procedures, and expands the list of procedures that are now possible with laparoscopic instruments.

UHS also uses technology to enhance communication within its hospitals. For instance, we recently introduced a new system that alerts operating room personnel to the equipment and supply preferences of each attending

surgeon. This system helps reduce waste while improving physician satisfaction, and is currently being rolled out nationwide.

### **Hospital Pharmacy Services Brought In-House**

On the cost side of our value equation, UHS continually looks for opportunities to control expenses. In 2006 we brought our nationwide pharmacy services operations in-house, ending a longstanding relationship with a third-party vendor. This change will give UHS greater control over its critical pharmacy practices, and will result in long-term cost savings.

### **Growth in Outpatient Surgical Centers**

The UHS Ambulatory Services Division operates outpatient surgical centers in select communities, meeting the growing demand for same-day medical procedures.

Throughout 2006, the division continued to develop new centers in markets with existing UHS hospitals, welcoming the Cornerstone Regional Hospital in Edinburg, Texas, and Palms Wellington Surgical Center in West Palm Beach, Florida.

Both centers have performed well and are expected to lead to improved results for the division.

In addition, the Ambulatory Services Division began developing new centers in Temecula, California, and Las Vegas, Nevada.

*The proposed 149-bed hospital for Seton Healthcare Network by UHS Development Company.*



## SERVICE EXCELLENCE SETS UHS APART

*Service Excellence has been an integral part of UHS for over a decade. The company-wide initiative is designed to help all UHS employees focus on providing world-class service to all of our customer groups: patients, physicians, purchasers and investors. This vital part of our culture continues to be based on our corporate mission, vision and principles.*

*The Service Excellence standards are the focus of the entire UHS enterprise — Corporate, Acute Care, Behavioral Health and Ambulatory Services. In addition to providing timely, professional, effective and efficient service, the Service Excellence Standards have created a professional environment within the company in which we provide services from a team-centered approach, communicate effectively, project a positive attitude and make excellence a goal in everything we do.*

*A vibrant part of our corporate culture, Service Excellence sets UHS apart.*

### **UHS Development Company, Inc.**

In 2006, UHS Development Company, Inc. (formerly UHS Building Solutions) refined its mission. Under the direction of UHS senior managers, the new company will focus on further developing the Acute Care

Division of UHS, identifying and developing new business lines, and providing design and construction services to outside, not-for-profit hospital systems. UHS Development Company is currently building a 149-bed hospital in Williamson County, Texas, for the Seton Healthcare Network.

*The new state-of-the-art Hartgrove  
Hospital located in Chicago, Illinois*



## UHS BEHAVIORAL HEALTH CARE DIVISION: THE BEHAVIORAL HOSPITALS OF CHOICE

*In communities around the country, UHS behavioral facilities are known for quality care and positive patient outcomes. As a result, they are the facilities of choice for thousands of patients – and for the professionals who refer them for mental health care.*

Overall, our Behavioral Health Division operated at 83% occupancy in 2006 – an extraordinary accomplishment in an ever-challenging industry. In fact, some UHS behavioral facilities found it necessary to refer patients to other hospitals within our nationwide network.

To meet this increasing demand, UHS continued to invest in its existing facilities, with more than two dozen expansion projects underway in 2006. In addition, UHS leveraged its strong capital position to acquire new facilities that met our criteria for quality programs and operational excellence. And, we continued to introduce valuable new programs at behavioral

hospitals and treatment centers around the country.

UHS Behavioral Health facilities are committed to providing the behavioral health needs of the communities we serve. There are no two UHS facilities that are exactly the same. Programs, services and continuums of care at every location are developed based on the needs of each individual community.

### **Investing in New Facilities**

In 2006, UHS launched a \$110 million program that added more than 1,200 new beds at our behavioral health facilities

nationwide. Among the expansion programs initiated or completed over the past year were:

**Pennsylvania:** UHS has a large network of behavioral services throughout the State of Pennsylvania. These services include acute behavioral, residential and chemical dependency treatment. In Philadelphia, The Horsham Clinic, Fairmount Behavioral Health System, and KeyStone Center have a long history of service to children, adolescents and adults. Clarion Psychiatric Hospital and The Meadows Psychiatric Center are located in western and central Pennsylvania. They also serve adolescents, adults and older adults. Completing this continuum of care is Roxbury Treatment Center, located in Shippensburg, providing chemical dependency and substance abuse treatment for adults and

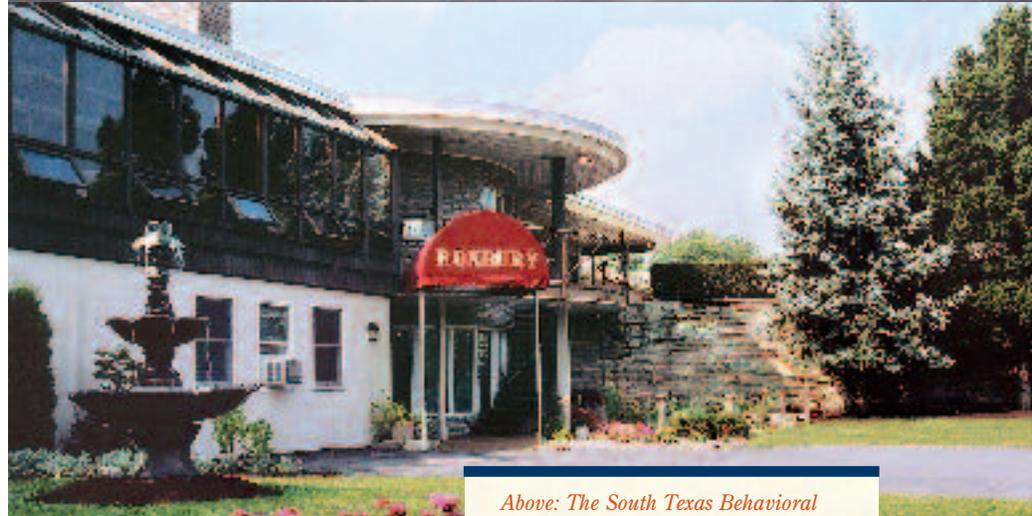
adolescents. In order to assist with the growing demand for acute care psychiatric services and co-occurring disorders, Roxbury expanded services with the addition of 26 acute care psychiatric beds serving a multi-county region. Roxbury enjoys a long history of providing exceptional services to patients and their families.

**South Texas:** UHS completed a 134-bed replacement facility for The South Texas Behavioral Health Center in McAllen, Texas. The new center is twice as large as the previous facility, and serves as the Rio Grande Valley's only private inpatient behavioral health facility for children, adolescents, adults, and senior adults. The larger facility has also allowed the center to introduce new treatment services for more severe mental and behavioral health problems.

Patients and their families who were previously forced to seek treatment and resources hundreds of miles away are now able to receive high quality services at a state-of-the-art facility in the Rio Grande Valley.

**Alaska:** Since the acquisition by UHS in 2003, North Star Behavioral Health System has worked cooperatively with the State of Alaska to create high quality programs and services for children and adolescents that were desperately needed but not provided within the state. Hundreds of children were routinely sent out of state.

Through a collaborative effort between North Star Behavioral Health, the State



*Above: The South Texas Behavioral Health Center in McAllen, Texas.  
Below: Roxbury Treatment Center, Shippensburg, Pennsylvania*

of Alaska, the Department of Health and Social Services, the State Division of Behavioral Health and a host of other community agencies, the "Bringing the Kids Home Initiative" has become a reality. North Star worked with the state to provide a much needed continuum of care including a full spectrum of outpatient services, 74 acute care psychiatric beds for children and adolescents, and a total of 123 residential treatment beds in three separate locations.

The provision of this "continuum of care" by North Star in cooperation with the State has and will continue to allow the residents of Alaska to access high quality behavioral healthcare at home.

**Illinois:** Hartgrove Hospital, located in Chicago, Illinois, has been providing acute behavioral healthcare and a variety of outpatient services to children, adolescents and adults for over 45 years. With the continuing commitment to the City of Chicago and the communities we serve, UHS and Hartgrove are currently constructing a 136-bed state-of-the-art replacement facility, with expansion capacity to add 16 additional beds. The facility is expected to open in the spring of 2007.

Hartgrove has remained committed to successfully treating some of the most difficult inner-city patient populations of

Chicago. With the replacement facility, Hartgrove will be able to provide their patients with cutting-edge psychiatric services. The new hospital also allows Hartgrove to expand its specialty services, offered exclusively by Hartgrove for residents in the State of Illinois.

**North Carolina:** Located in Winston-Salem, North Carolina, Old Vineyard Youth Services has been providing highly specialized residential treatment programs for adolescents since 2001. In response to the increasing demand for acute behavioral services, Old Vineyard has added a 10-bed female adolescent residential unit and a 30-bed inpatient acute psychiatric program for children and adolescents.

In an effort to meet the continuing needs of the State of North Carolina and referral sources, Old Vineyard is planning on further expansion to include a 20-bed adult inpatient

psychiatric program in 2007. With the addition of services, Old Vineyard will offer a full continuum of behavioral health services for children, adolescents and adults in the Winston-Salem area of North Carolina.

**Oklahoma:** Cedar Ridge Residential Treatment Center, located in Oklahoma City, has recently opened 56 residential beds. In cooperation with the State of Oklahoma and the Health Care Authority, Cedar Ridge has developed a neurobehavioral treatment program for children and adolescents. As market demand for high quality behavioral health services continues, the facility will open an additional 23 residential beds in 2007.

On the Cedar Ridge campus, we also opened a 36-bed acute care psychiatric hospital that will help fill a need within the State of Oklahoma for acute care services.

**Tennessee:** Located in Nashville, Tennessee, Hermitage Hall provides highly specialized psychiatric residential treatment services. In order to meet the demand of the State of Tennessee and surrounding region, Hermitage Hall has expanded services through the addition of 14 beds.

As a result of Hermitage Hall's reputation as a premier provider of care in residential treatment, the facility receives referrals from both public and private agencies across the country.

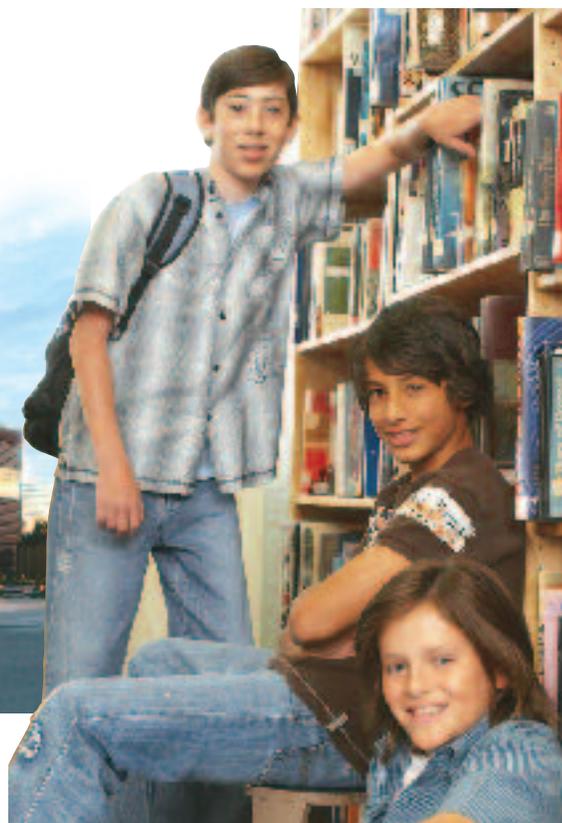
**Virginia:** Acquired in 2005, Keystone Newport News, a residential treatment facility serving troubled youth, has been at or close to capacity. In collaboration with the State of Virginia, local counties and multiple social service organizations in the region, Keystone Newport News has added 48 new beds.



*In Denver, Colorado, UHS welcomes Highlands Behavioral Health to its Behavioral Healthcare Network of facilities. The center will provide comprehensive inpatient and outpatient psychiatric services to adults and adolescents.*



*North Star Behavioral Health System has worked cooperatively with the State of Alaska to create high quality programs and services for children and adolescents*



### New Acquisitions

The UHS Behavioral Health Division has a long history of making strategic acquisitions that produce positive results for patients, staff members, and our overall network.

Once acquired, new members of the UHS family enjoy a high degree of local control – with important financial and operational support from the corporate level.

**In Springville, Utah,** UHS purchased the 128-bed Academy at Canyon Creek, which offers an innovative approach to learning

and treatment for youth and families dealing with a variety of behavioral problems. The Academy compliments UHS’ existing facility in Utah, Provo Canyon School. Both facilities are nationally recognized and serve children and adolescents throughout the United States.

**In Orlando, Florida,** we purchased a 130-bed facility, Central Florida Behavioral Hospital. Renovations are underway for an anticipated opening in 2007. Upon completion, the facility will provide a full continuum of acute care services and 40 residential treatment beds serving both children and adolescents. The new facility will complement existing services

offered at La Amistad Behavioral Health’s two campuses.

**In Denver, Colorado,** we also welcomed Highlands Behavioral Health System to our behavioral healthcare network of facilities. UHS purchased and renovated an 86-bed freestanding facility. The Highlands Behavioral Health System will provide comprehensive inpatient and outpatient psychiatric care for both adults and adolescents. Centrally located near downtown Denver, the facility is easily accessible to patients and families throughout the Front Range Region and will provide a much-needed array of services to the Denver community and healthcare professionals.

*Cedar Ridge Residential Center, Oklahoma City, Oklahoma*



### New Services

UHS behavioral health facilities continually strive to identify the unique needs of residents in their communities – and to develop new programs and services that address those needs.

For example, many UHS hospitals have added geriatric behavioral services that meet the special requirements of older Americans. One of these is our Spring Mountain Treatment Center in Las Vegas, Nevada. Recognizing a need in the community, UHS opened Spring Mountain Sahara, a specialized treatment center for older adults and geriatrics.

**Honors and Recognition**

UHS facilities are frequently recognized by community and industry associations for their excellence in behavioral healthcare services.

One example is the Carolina Center for Behavioral Health, which received the 2005 Torch Award from the Better Business Bureau® of Upstate South

Carolina. The award honored the center’s history of demonstrating high ethical standards of behavior toward customers, vendors, and employees.

Two Rivers Psychiatric Hospital in Kansas City, Missouri is known for its excellence in comprehensive behavioral health-care. Two Rivers was featured in the US News and World Reports’ “Best Hospitals” issue as being a “leading healthcare provider.”

Two Rivers is an integral part of the Regional Behavioral Health Community providing diagnostic and therapeutic expertise on behavioral disorders affecting persons of all ages. They also provide specialized services for neuropsychiatry and trauma.

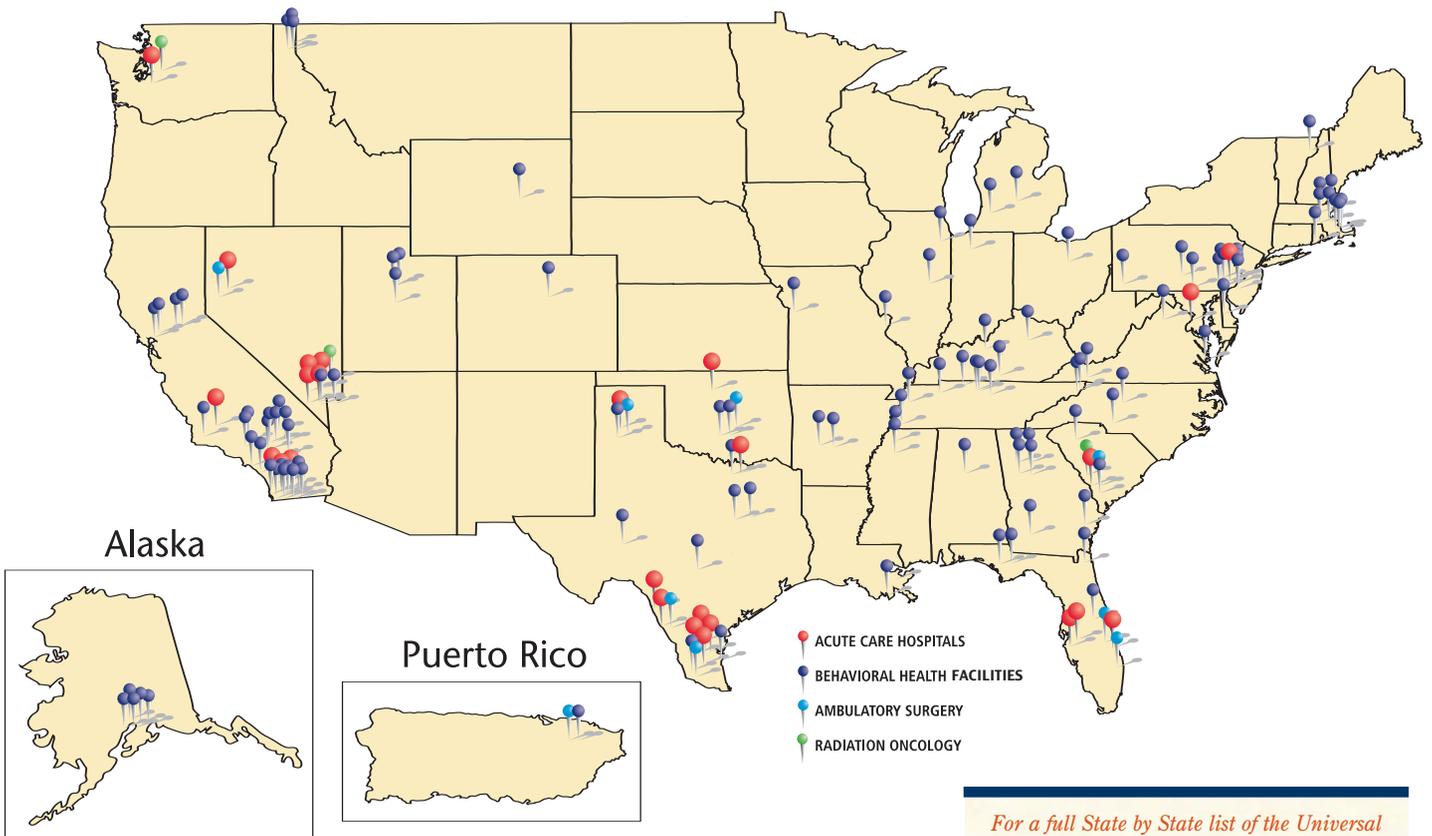
The Center for Change (CFC) in Orem, Utah, provides specialized treatment of eating

disorders for adult and adolescent females. Acquired by UHS in 2005, the key founding staff of CFC have remained at the center to continue the extraordinary service they have provided over the past 10 years.

CFC works with behavioral healthcare providers and professionals across the United States and Canada. CFC is one of the premiere facilities of its kind for the treatment of eating disorders. They also operate a school and they are a member of the Northwest Association of Accredited Schools (NAAS).

And in a very visible example of national recognition, staff members from CFC recently appeared on the popular “Dr. Phil” TV show, where they discussed treatments for women with eating disorders.

**UNIVERSAL HEALTH SERVICES, INC. FACILITIES MAP**



*For a full State by State list of the Universal Health Services, Inc. facilities, please visit us at our Web site [www.uhsinc.com](http://www.uhsinc.com)*