



U.S. ANESTHESIA PARTNERS AND WELSH, CARSON, ANDERSON & STOWE ANNOUNCE PARTNERSHIP WITH GREATER HOUSTON ANESTHESIOLOGY

Greater Houston Anesthesiology is one of the nation's largest single market, private practice group of anesthesiologists and other anesthesia clinical providers

Investment enables Greater Houston Anesthesiology to better serve its patients, hospital clients, surgeons and payors, positioning it for continued success and growth within Houston and Texas

New York, NY, and Fort Lauderdale, FL – December 17, 2012 – U.S. Anesthesia Partners (“USAP”), an anesthesia-focused physician services organization backed by Welsh, Carson, Anderson & Stowe (“WCAS”), and Greater Houston Anesthesiology P.A. (“GHA”), today announced the signing of definitive agreements to enter into a partnership through which GHA will serve as USAP’s cornerstone affiliated practice. As part of the transaction, USAP will also acquire the assets of GHA that provide practice management and business support services.

Founded in 1996, GHA is one of the largest single-market private practice anesthesia groups in the country, employing more than 400 anesthesia providers who perform approximately 250,000 cases annually in all areas of anesthesiology, including cardiovascular, neurosurgery, obstetrics, orthopedics, pediatrics, transplant and acute and chronic pain management. GHA is the primary anesthesia provider for over 40 medical facilities in Houston and Austin.

Working together with its new physician partners, USAP will support GHA’s growth plans and its position as a leading provider of quality anesthesia and perioperative care services. A key component of the USAP strategy is to invest in IT systems that will drive efficiencies in provider workflow and the management of perioperative care services. GHA will continue to be led by its current physicians and local management team, and GHA’s physician partners will become significant equity owners in USAP upon the closing of the transaction.

“We believe GHA is the ideal practice to partner with, forming the cornerstone of our new physician services organization dedicated to providing patients, hospitals and surgeons with the best anesthesia and perioperative care and services available,” said Kristen Bratberg, Chief Executive Officer of USAP. “We truly admire what GHA has accomplished, and we look forward to working closely with WCAS to evaluate additional partnership opportunities with practices in Texas and across the U.S. that are a part of the \$20 billion anesthesia market.”

"At GHA, we are constantly looking for ways to enhance the level of care and service we provide our patients and hospital clients. Sixteen years ago, Greater Houston Anesthesiology was formed to meet that challenge. In today's market, partnering with USAP provides GHA with a unique opportunity to take the next step by allowing our organization to improve our operations and expand our service offerings with a superb management team," said Gary Flores MD, President, Greater Houston Anesthesiology.

“This investment is consistent with our proven strategy of partnering with world-class clinicians and management teams to create leading healthcare services franchises,” said Brian Regan, a General

Partner at WCAS. “USAP and GHA fit perfectly with our long history of sponsoring innovative companies like United Surgical Partners, US Oncology, EmCare and Smile Brands.”

“This new partnership represents the next step in a quest to provide high quality anesthesia services in a rapidly changing healthcare environment. Just as GHA was built on a commitment to our patients, surgeons and hospitals, USAP will take this preeminent model of care to a new and higher level,” said John Zerwas, MD, founding member and former President of GHA. Dr. Zerwas will be joining the USAP board of directors in addition to his role as a Texas State Representative and the current President of the American Society of Anesthesiologists.

The partnership agreement, which was approved by GHA’s Board of Directors and shareholders, is subject to customary closing conditions, and is expected to close by year-end.

Ropes & Gray LLP and Locke Lord LLP are serving as legal counsel to USAP and WCAS. Deloitte Corporate Finance LLC is acting as the financial advisor to GHA, and Sheppard Mullin Richter & Hampton LLP is serving as its legal counsel.

About U.S. Anesthesia Partners

U.S. Anesthesia Partners is a single-specialty physician services organization that offers practice management services to anesthesiologists. It was recently formed by WCAS and members of management to identify and partner with leading, quality groups of anesthesiologists who seek a strategic partner with the capital resources and expertise to invest in their practice support infrastructure and position them for continued success and growth within their markets. Key elements of USAP’s business model are its single-specialty focus and its ability to offer anesthesiologists equity ownership in USAP. Please visit www.usanesthesiapartners.com to learn more.

About Greater Houston Anesthesiology, P.A.

Since 1996, Greater Houston Anesthesiology, P.A., a private practice, has provided leading anesthesiology services for major medical facilities in, and surrounding, Houston, Texas and recently expanded its services into the Austin market. GHA is one of the largest anesthesia groups in the country, employing over 400 anesthesia providers, including approximately 220 physicians. In order to uphold GHA’s reputation of quality, each GHA anesthesiologist holds and maintains a license to practice medicine in the state of Texas and is Board Certified or Board Eligible. It is GHA’s policy that all anesthesia providers are ACLS certified.

GHA anesthesia providers perform approximately 250,000 cases annually in all areas of anesthesiology, including cardiovascular, neurosurgery, obstetrics, orthopedics, pediatrics, transplant and acute pain management. GHA is the primary anesthesia provider for over 40 medical facilities in the greater Houston area. The practice environments include the leading hospitals in the world’s largest medical center, community medical centers, surgery centers and surgeons’ offices across the greater Houston area.

About Welsh, Carson, Anderson & Stowe

Welsh, Carson, Anderson & Stowe focuses its investment activity in two target industries: healthcare and information/business services. Since its founding in 1979, the Firm has organized 15 limited partnerships with total capital of \$20 billion. The Firm is currently investing an equity fund, Welsh, Carson, Anderson & Stowe XI, L.P. See www.welshcarson.com to learn more.

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