



J.P. Morgan Healthcare Conference

January 13, 2014

Disclosures / Forward-Looking Statements

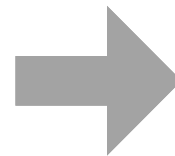
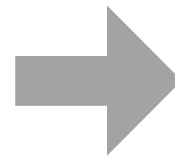
This presentation includes “forward-looking statements.” Forward-looking statements are based on current expectations and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from those expressed or implied. These factors include, among others, our ability to realize fully or at all the anticipated benefits of our merger with Vanguard and to successfully integrate the operations of our business and Vanguard’s business; changes in health care and other laws and regulations; changes in economic conditions; adverse litigation or regulatory developments; the ability to enter into managed care provider arrangements on acceptable terms; changes in Medicare and Medicaid payments or reimbursement; adverse litigation or regulatory developments; competition; our success in implementing our business development plans and integrating newly acquired businesses; our ability to hire and retain qualified personnel; our significant indebtedness; the availability and terms of capital to fund the expansion of our business, including the acquisition of additional facilities; adverse fluctuations in interest rates and other risks related to interest rate swaps or any other hedging activities; the ability to continue to expand and realize earnings contributions from the revenue cycle management, health care information management, management services, and patient communications services businesses under our Conifer Health Solutions (“Conifer”) subsidiary by marketing these services to third-party hospitals and other health care-related entities; and our ability to identify and execute on measures designed to save or control costs or streamline operations. These factors also include the positive and negative effects of health reform legislation on reimbursement and utilization and the future designs of provider networks and insurance plans, including pricing, provider participation, coverage and co-pays and deductibles. These and other risks and uncertainties are described in “Risk Factors” under Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2012 (“Annual Report”) and Vanguard’s Annual Report on Form 10-K for the year ended June 30, 2013, “Forward-Looking Statements” under Item 1 of Part I of our Annual Report, and “Forward-Looking Statements” under Item 2 of Part I of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2013. We disclaim any obligation to update any forward-looking statement in this presentation, whether as a result of changes in underlying factors, new information, future events or otherwise.



2014: Building on a Strong Foundation

2013

- Growth in outpatient, surgeries and ER
- Continued improvement in cost control, quality
- Expanded Conifer service offerings
- Vanguard acquisition added scale, attractive new markets and complementary skills



2014

Realize synergies from Vanguard acquisition

Capitalize on opportunities from healthcare reform

Continue and expand innovative growth strategies



2013 Accomplishments

Admissions trend improved in sequential quarters during 2013

Q4'13 same hospital admissions declined by 2.3%; pro forma decline of 2.9%

Sustained commercial market share *(stable or growing in most geographies)*

Q4'13 same facility outpatient growth of 3.3%; pro forma growth of 1.9%

3.5% increase in outpatient visits *(Q3'13)*

Continued commercial pricing growth

Performance Excellence Program realized >\$80mm in cost efficiencies

Demonstrated ongoing improvement in key quality and safety metrics

Strong growth in Conifer with annualized revenues of \$900 million in Q3'13



Positioned for Robust Growth

Opportunity to benefit from the evolving healthcare delivery system

Scale and Market Leadership

- 78 Hospitals – #1 or #2 position in 20 of 30 markets
- Aggressive outpatient growth strategy
- Drive cost efficiency, earnings diversity, acquisition capacity and ability to invest in capabilities needed for changing delivery system

Value-Based Healthcare Delivery

- Early commitment to leadership in quality and sustained quality performance
- Proven excellence in reducing costs
- Critical components that create a high-value care delivery system

Innovative Capabilities

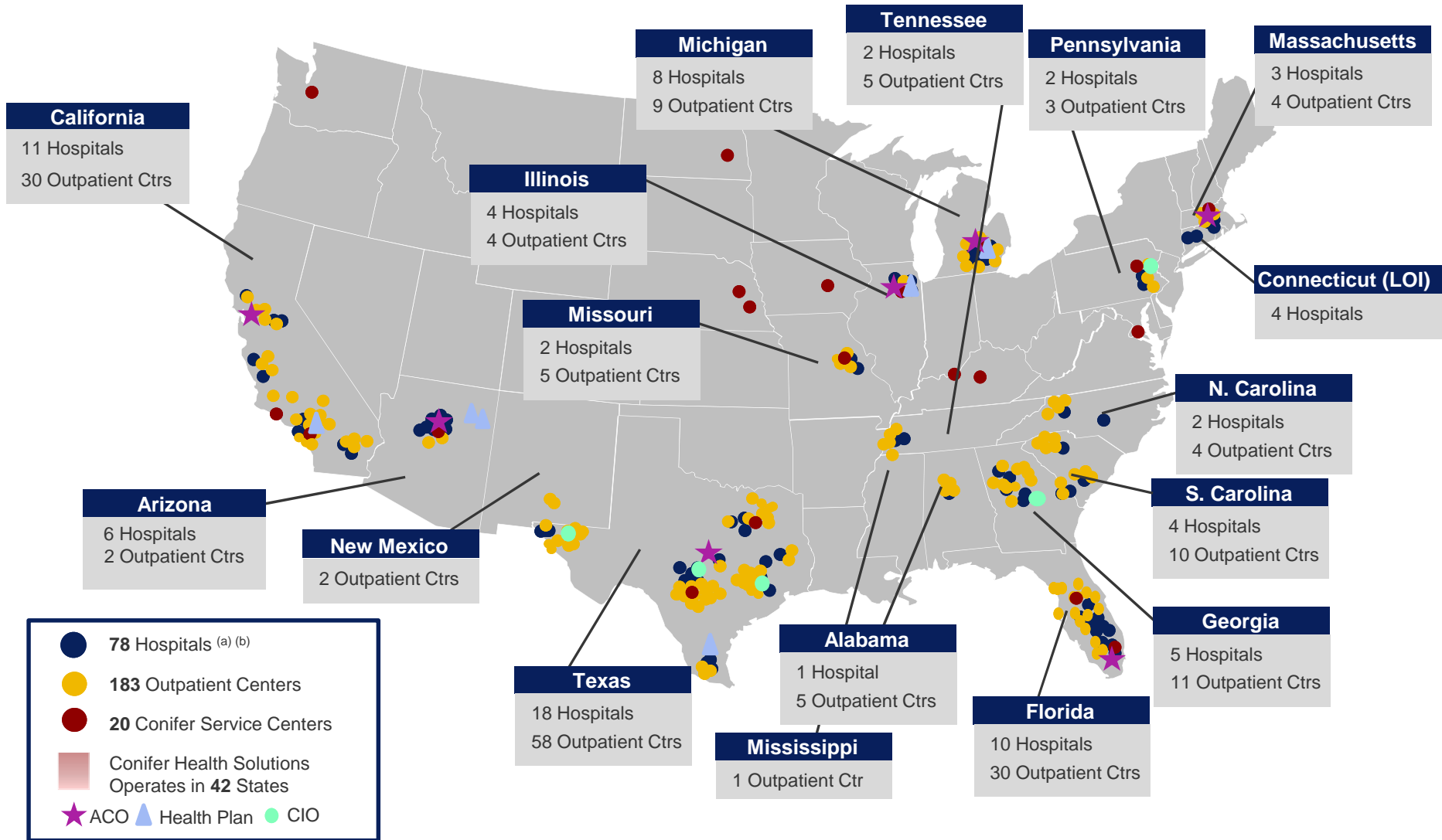
- Conifer Value-Based Care involved in managing care for more than four million lives
- Participating in a full range of accountable care and clinically integrated delivery models

ACA Readiness

- 100% of hospitals participating in at least one exchange plan at every level
- 97% of hospitals participating in at least one of the two lowest-cost silver plans



Strong Positions in Key Markets



(a) Excludes 4 Connecticut hospitals currently under LOI

(b) Includes the Resolute Health Hospital and Wellness Campus under construction in New Braunfels, Texas

Significant Synergies from Vanguard

	Synergy Area	Estimated Timing ¹
Projected Annual Synergies \$100 - 200 million	• Revenue Cycle Management	12-24 months
	• Overhead Reduction	6-18 months
	• Supply Chain Management and Other Operational Improvements	12-24 months

\$50 - 100 million expected contribution to 2014 EBITDA

¹ Timing from October 1, 2013 transaction close



Vanguard Integration on Track

Complementary businesses contributing to a stronger Tenet

Retained key Vanguard management team members
and market leadership



Deploying proven Tenet hospital and outpatient
strategies in our new markets and applying Vanguard's
strengths to existing markets



Vanguard health plans and Conifer Value-Based Care
benefitting from combined expertise



Seizing the ACA Opportunity

Tenet currently incurs >\$800 million in annual expense related to the provision of uncompensated care



Create Strong Exchange Position

- Strong pricing based on commercial rates
- 100% of hospitals participating in at least one plan at each level
- 97% in at least one of the two lowest-cost silver plans

Drive Outreach and Education

- Branded campaign with bilingual website, social media, hardcopy educational materials and central call center
- Partnerships with over 200 local community groups
- Supplemental staffing in priority markets

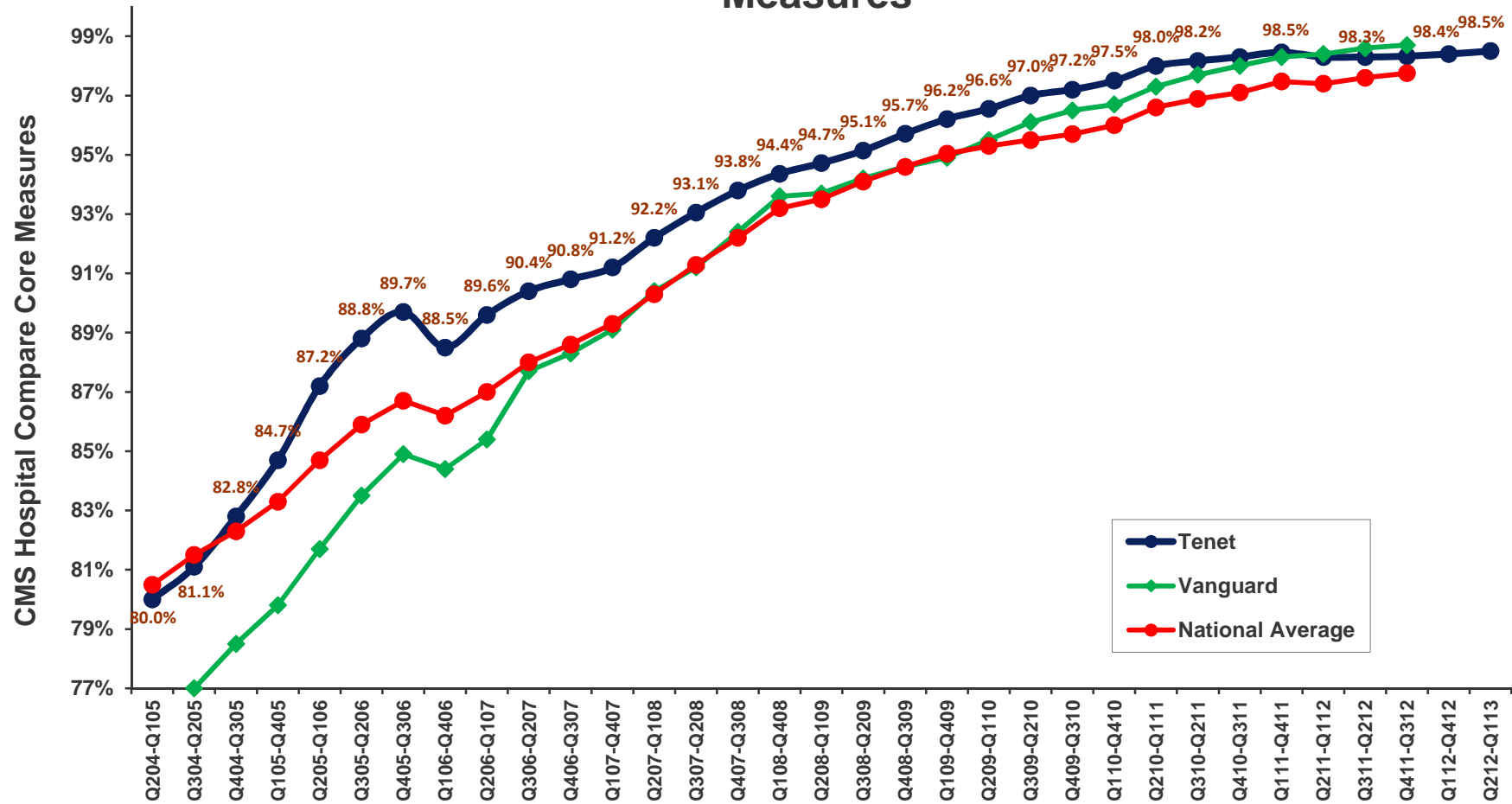
Facilitate Enrollment

- Partnerships with Navigator groups to staff enrollment events at hospitals and out in the community
- More than 330 Conifer medical eligibility personnel qualified as certified application counselors (CACs)
- Direct mail and telephone outreach targeting existing exchange-eligible self pay patients



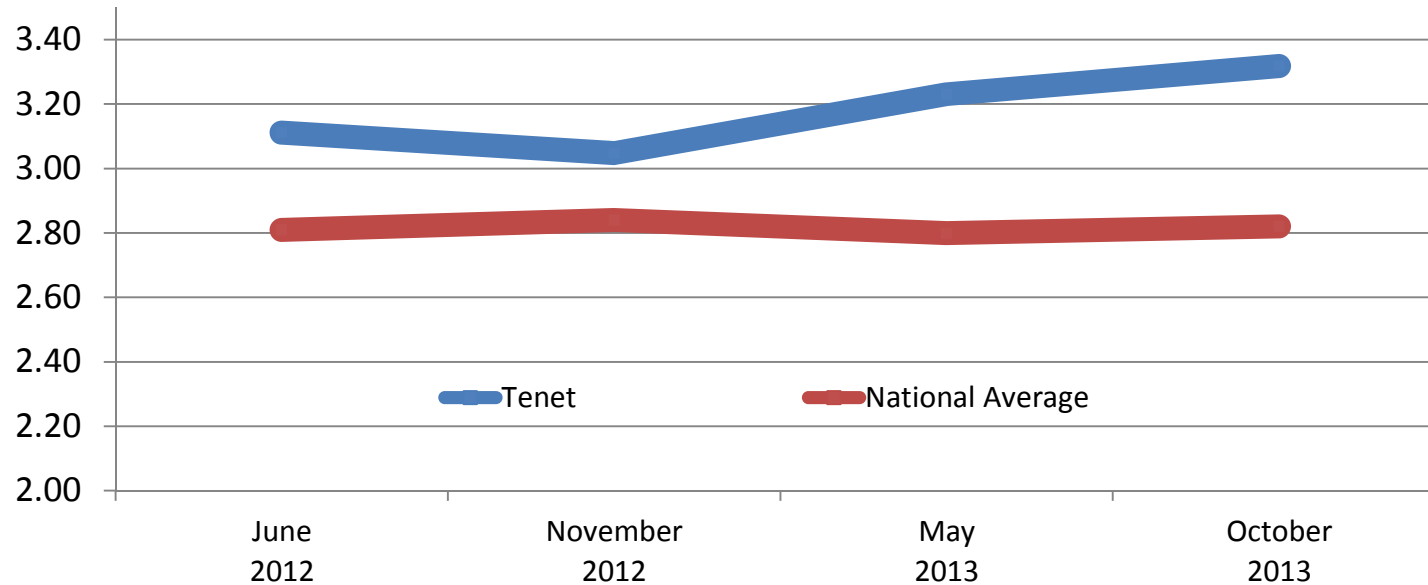
Tenet Clinical Quality Measures Exceed National Average

CMS Hospital Compare Core Measures



Leapfrog Hospital Safety Scores

Leapfrog Hospital Safety “Grade Point Average”



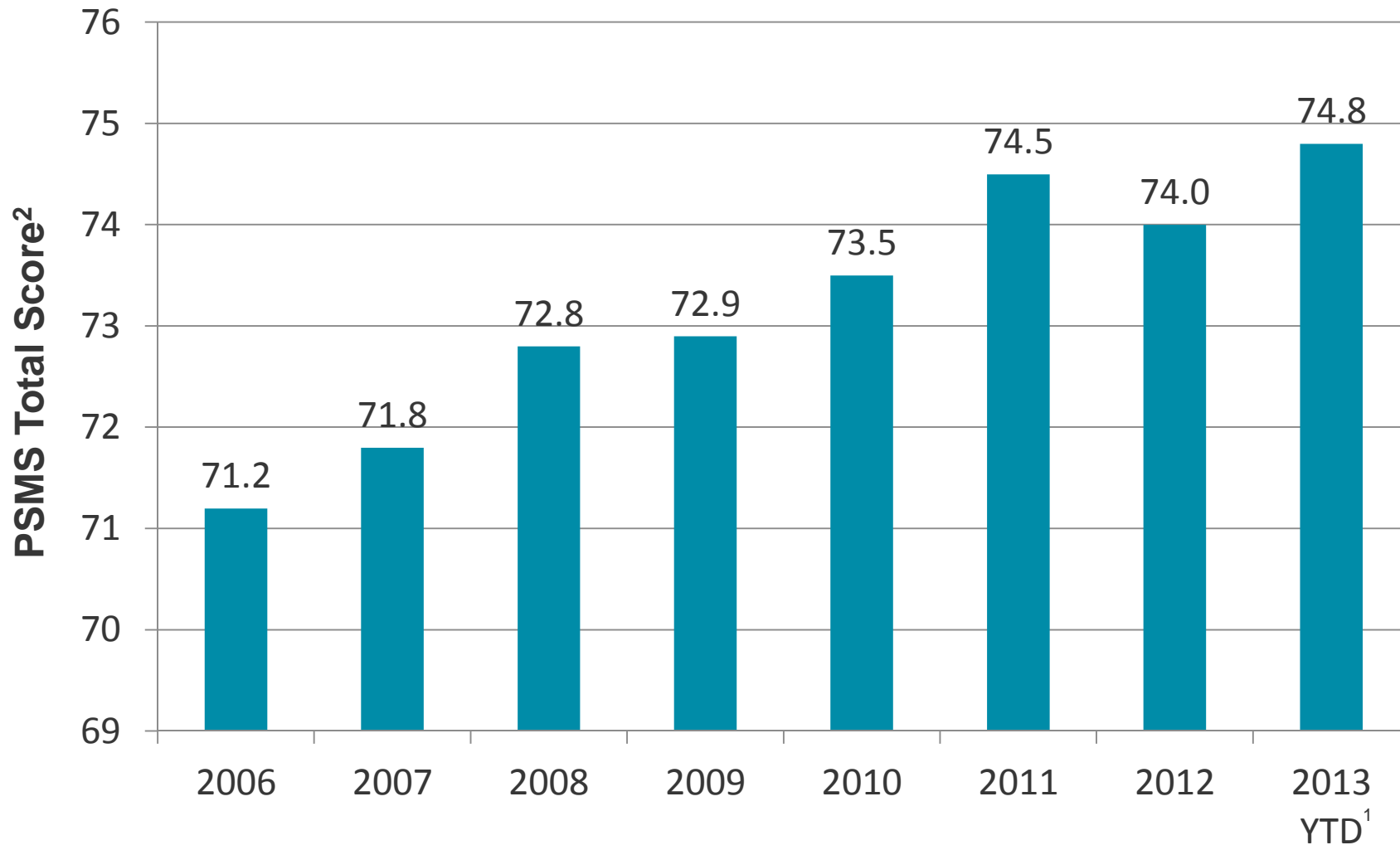
Hospital Safety Scores – Updated October 23, 2013 ⁽¹⁾

October 2013 Data	A	B	C	D	F	“GPA”
Tenet (n=66) ¹	34 (51%)	19 (29%)	13 (20%)	0	0	3.32
All Hospitals (n=2539)	813 (32%)	661 (26%)	893 (35%)	150 (6%)	22 (1%)	2.82

¹ The Leapfrog Group, www.hospitalsafetyscore.org



Patient Satisfaction Scores



¹As of November 2013

²Tenet's Patient Satisfaction Measurement System ("PSMS") is based on the HCAHPS methodology for measuring inpatient satisfaction. Because PSMS also includes data for outpatient and ED patients in addition to inpatient data, PSMS data is not directly comparable to publicly available HCAHPS data (Legacy Tenet only).



Investing to Maintain Leadership: El Paso

Expand East-Side Hospital (Opened in 2008)

- **\$70 million** new tower to open in 2014

Outpatient Leverage

- **8** Imaging Centers
- **2** Ambulatory Surgery Centers
- **1** Satellite Emergency Department
- **3** Urgent Care Centers

Attractive Growth Opportunities

- Population projected to grow faster than national average
- Second highest uninsured rate in Texas

Infrastructure Enhancements

- Reinvestment in downtown hospitals

Innovative Risk-Sharing Models

- CIO covers employees in a shared savings ACO



Expanding to Drive Value: Central Valley, CA

Established ACO with Blue Shield of California

- Partnership strategies to deepen alignment with local physicians and drive incremental value in an existing market presence



Improve Efficiency and Coordination of Healthcare

- Significant expansion of network through acquisition of Emanuel Medical Center
- Integrating physician organizations, developing new outpatient facilities in convenient locations and expanding ACO offerings



Capitalize on ACA Success in California

- Model of successful implementation of ACA
- Tenet will see ACA benefits in state that is early adopter and seeing success



Investing for Market Leadership: Detroit

Strong Profile in Detroit Healthcare

- **1,800** licensed beds and **2,900** affiliated physicians

- Partners with:



Expansion

- Construction of Future Heart Hospital and Specialty Center



8 Acute Care Hospitals

- **5** hospitals comprise DMC Central Campus Hospitals
- Sinai Grace Hospital also in City of Detroit
- **2** hospitals in neighboring suburb of Oakland County

Outpatient Growth Opportunity

- Significant opportunity to use legacy Tenet outpatient expertise to enhance penetration of Detroit market
- Enhance alignment with important segment of Detroit physicians

#1 Market Position in City of Detroit

- Harper University Hospital and Hutzel Women's Hospital – **567 beds**
- Sinai-Grace Hospital – **404 beds**
- Detroit Receiving Hospital – **298 beds**
- Children's Hospital of Michigan – **228 beds**
- Rehabilitation Institute of Michigan – **94 beds**

ACA Opportunity

- Michigan expanding Medicaid on April 1, 2014
- Significant growth opportunity from newly insured patient populations



Conifer: Effective Data & Actionable Insight

Revenue Cycle Management

- Industry-leading services and solutions addressing critical margin challenges in today's reimbursement environment

Patient Communications & Engagement

- Patient scheduling, patient intake procedures and medical eligibility counseling services

Value-Based Care

- Services to healthcare providers, insurers and self-insured employers, including risk-based contract management, patient population management, authorization management and reporting on patient care

CONIFER
HEALTH SOLUTIONS®

Serves 700+ clients

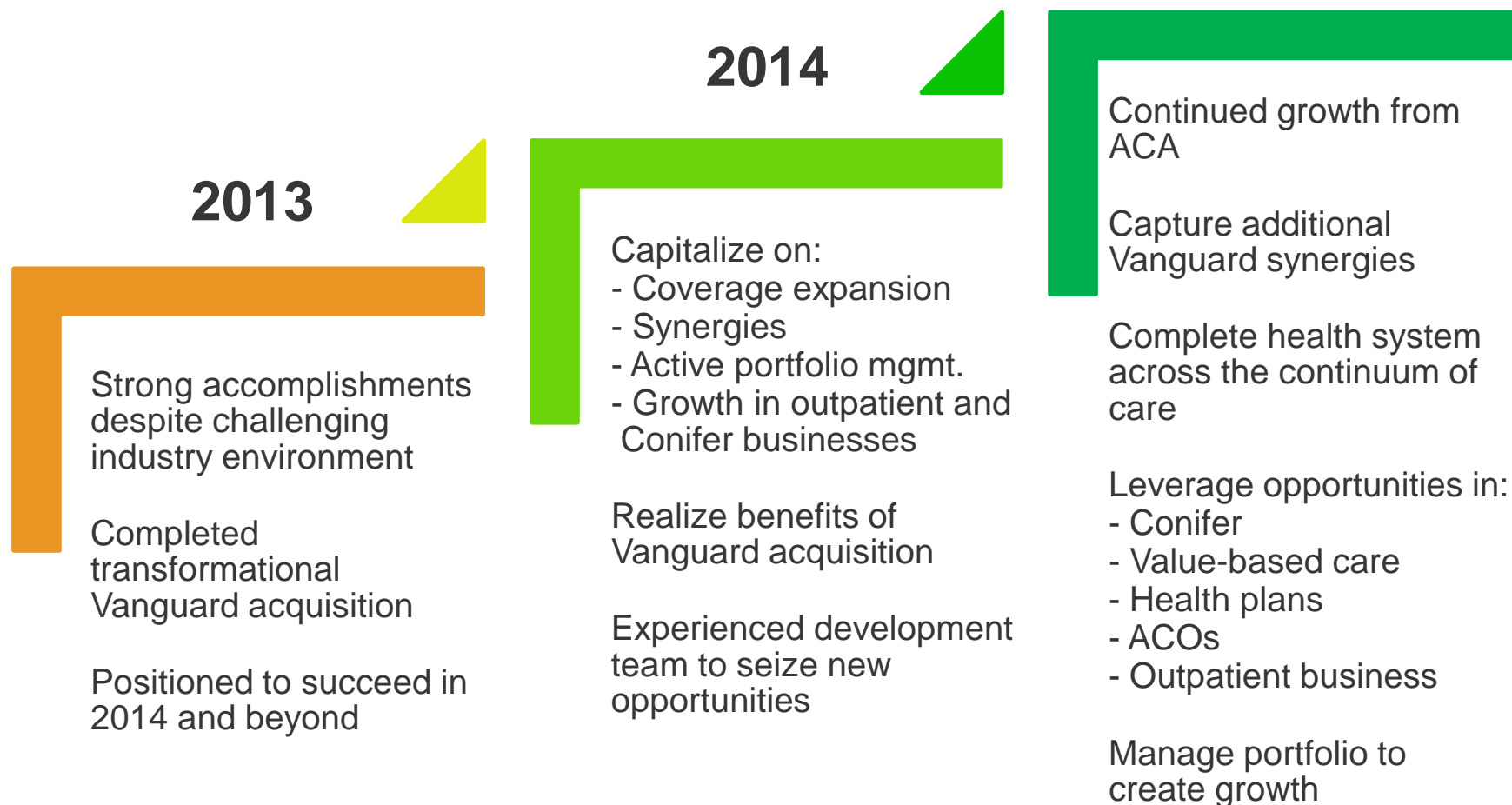
Processes \$25 billion in annual patient revenue

Manages 12 million patient accounts

Growth opportunities related to 17 million patient touch points



Summary



The logo for Tenet, featuring the word "tenet" in a bold, lowercase, sans-serif font. The letters are dark blue. A thick, dark blue curved line arches over the top of the letters, starting from the left and ending under the 't'. Another thick, dark blue curved line arches under the bottom of the letters, starting from the 'e' and ending under the 't'.

tenet