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### **Shareholders at Healthcare Services Group Want Independent Chair**

*UAW Retiree Medical Benefits Trust proxy proposal for separate board chair, CEO, supported by 61% of shareholder vote for second year.*

**Detroit, Michigan-** Healthcare Services Group, a national services supplier for nursing and rehabilitation centers, is under scrutiny by shareholders. Sixty-one percent of shareholders that cast votes in conjunction with the company's annual meeting on May 27 voted in favor of a proxy resolution calling for a separate chairperson independent of the company's CEO. The UAW Retiree Medical Benefits Trust (Trust) filed the proxy proposal.

"Research shows that an independent board chairman promotes greater board effectiveness," said Meredith Miller, Chief Corporate Governance Officer for the Trust. "The primary duty of a board of directors is to oversee the management of a company on behalf of its stockholders. We believe that Healthcare Services' combined CEO and chairman position conflicts with the board's oversight function and weakens the board's ability to exercise independent leadership."

Healthcare Services Group's current CEO also serves as the company's chairman. This is the second year the Trust has won a majority vote on a proposal calling for an independent board chairman, achieving the same level of support at 61 percent support in 2013.

Board independence adds to a company's bottom line. A June 2012 report by GMI Ratings found that five-year shareholder returns are nearly 28 percent higher at companies with a separate chair and CEO.

"The board of directors of Healthcare Services Group is far from independent as indicated by its failure to adopt the Trust's proposal in 2013 in direct opposition to shareholders' proxy votes," said Miller.

"We believe that an independent chairman would provide a clear and unequivocal benefit to Healthcare Services Group where it appears independence is sorely needed."

The \$56 billion UAW Retiree Medical Benefits Trust is the largest non-governmental payor of retiree health care benefits in the United States, providing health care benefits to over 760,000 UAW retirees and dependents.

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**CONTACT: Patricia McCarthy**  
**UAW Retiree Medical Benefits Trust**  
**C: (313) 418-4155**  
**O: (313) 882-9200**  
**[patty@prmccarthy.com](mailto:patty@prmccarthy.com)**