



CHESTNUT HEALTH SYSTEMS SELLS EMPLOYEE ASSISTANCE PROGRAM

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Bloomington, IL. Chestnut Global Partners, the domestic and international employee assistance division of Chestnut Health Systems, has been acquired by Toronto-based Morneau Shepell, a leading human resources consulting and technology firm and one of the largest global providers of employee assistance programs.

The transaction will not affect Chestnut's remaining six business services, including substance use disorder treatment, mental health care, primary medical services, housing programs, credit counseling and research and training.

Twenty-one of Chestnut's approximately 700 U.S. based employees will become members of the Morneau Shepell staff. Five Chestnut employees who have worked in the Chestnut Global Partners (CGP) division will remain with Chestnut Health Systems and assist with the transition. All will be located in Bloomington and housed at Chestnut Health Systems offices.

Chestnut Global Partners, a division of Chestnut Health Systems since the early 1980s, today provides employee assistance services to 370 client companies in Central Illinois, across the U.S. and internationally. In addition, CGP holds ownership stakes in five joint venture companies that provide employee assistance services to almost 200 client companies in China, Brazil, India, Russia and Europe. All services and ownership stakes in the joint ventures transition from Chestnut Global Partners to Morneau Shepell effective today.

The Chestnut Global Partners name and business will be maintained under Morneau Shepell ownership. Chestnut CEO Russ Hagen said all CGP clients will see their services continue uninterrupted, provided by team members who know them and their service needs. Hagen, who earlier announced his retirement as CEO effective January 7, 2018, will remain at Chestnut on a part-time basis after his retirement to assist with the integration of CGP into Morneau Shepell.

"With this acquisition by Morneau Shepell, Chestnut Global Partners takes the next step in its evolution as a global provider of employee assistance services," said Hagen. "CGP's reputation for high quality services that enhance the health and productivity of workers at companies across some 160 countries worldwide complements Morneau Shepell's size, scope of services, and sophisticated technology platforms. This is a "win-win" transaction; one that will benefit both organizations, their customers and the client companies' employees worldwide."

Established in 1966, Morneau Shepell takes an integrated approach to employee assistance, health, benefits and retirement needs. The company employs more than 4,000 staff in North America and serves approximately 20,000 clients. Morneau Shepell is a leading provider of employee assistance programs and administrator of retirement and benefit plans with offices across North America.

"Chestnut Global Partners offers particular expertise in addiction treatment, mental health services and credit counseling and is recognized in the employee assistance industry as a leader in research," said Rita Fridella, executive vice president and general manager, employee support solutions, at Morneau Shepell. "Over time, the clients of Chestnut Global Partners will benefit from Morneau Shepell's award-winning EAP innovation and technology, technology and the breadth of our global provider network. Our combined global reach will be unparalleled in the industry"

"We believe CGP and Morneau Shepell share a very similar philosophy focusing on service quality and outcome assessment," said Hagen. "Together, the two companies will create a global employee assistance force that will be able to compete and affect a positive impact on the field."

Terms of the transaction were not disclosed.

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