

GENERAL NOTICE TO CREDITORS

April 18, 2001

Re: Prince George's County, Maryland Hospital Revenue Bonds (Dimensions Health Corporation Issue), Series 1992, CUSIP 741710 AJ6, AG2

Prince George's County, Maryland Project and Refunding Revenue Bonds (Dimensions Health Corporation Issue), Series 1994, CUSIP 741724 AU2, AV0, AW8, AX6, AY4, AZ1, BA5, BB3, BC1 and BD9

Dimensions Health Corporation Flexible Term Notes, Series A

Bowie Assisted Living, L.L.C. Taxable Variable Rate Demand Bonds, Series 1997, CUSIP 10240NAA6

Certain Agreements with Commercial Banks

DIMENSIONS HEALTH CORPORATION, a Maryland not-for-profit corporation, provides the following notice.

Financial Report and Statements. Attached is the Dimensions Healthcare System Financial Report and Statements as of February 28, 2001.

During March 2001, admissions continue below budget projections.

Cash. Dimensions Health Corporation (the Obligated Group Member under the Master Trust Indenture) retained \$4.1 million of free cash at February 28, 2001 (6.6 days) and approximately \$5.0 million of free cash at March 31, 2001 (8 days).

Requested State and County Assistance. Management is engaged in discussions with officials of the State of Maryland and Prince George's County regarding the provision of financial assistance in this and future fiscal years. The Maryland State Legislature has adopted budget legislation authorizing a \$2.5 million grant in fiscal year 2002. Representatives of the County Executive have confirmed the County's intent to provide \$3 million as a grant in fiscal year 2001 and \$3 million in the purchase price of certain assets in fiscal year 2002. County assistance is contingent upon formal authorization and Dimensions' right under certain contracts to dispose of assets.

Management Rate and Pricing Initiatives. Management submitted a request for a five percent emergency rate increase to the Maryland Health Services Cost Review Commission on March 30, 2001. This request is scheduled to be considered by the HSCRC on May 2, 2001. If and to the extent granted, the rate increase is expected to be retroactive to April 1, 2001.

Management is also implementing a strategic pricing initiative to increase charges for outpatient procedures, which is projected to result in \$3.2 million of additional revenues per year. Dimensions' ability to increase outpatient charges is contingent upon competitive, among other, factors, such that there is no assurance that projected additional revenues will be realized.

Consultant. Dimensions has engaged Cap Gemini Ernst & Young, to assist in the identification and implementation of improvements in the areas of cash collection, utilization management and supply chain efficiency, with an expansion of the scope of engagement being under discussion.

The Consultant's initial assessments aggregating \$19.8 to \$20.6 million annual additional revenues, from initiatives which management has agreed to implement, are summarized on the attached "Progress to Date." Realization of such additional revenues is expected to begin during the first quarter of fiscal year 2002.

Progress in identifying and implementing the initiatives is summarized on the attached "Implementation Progress along the 10 Step Continuum."

Caution: Forward-looking Information. This Notice contains forward-looking information which is based upon management's evaluation of current trends and expected events. Future events will vary from management's expectations, due to many factors, only certain of which are anticipated by this Notice. There is no assurance that expected results will be realized.

Further Information. Further information may be obtained from Mr. Noel A. Cervino, Senior Vice President and Chief Financial Officer, Dimensions Health Corporation, 9200 Basil Court, Suite 500, Largo, MD 20774; Telephone (301) 925-7000.

DIMENSIONS HEALTH CORPORATION

Noel A. Cervino, Senior Vice President and CFO