



Hazel Hawkins
MEMORIAL HOSPITAL

FOR IMMEDIATE RELEASE

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HAZEL HAWKINS MEMORIAL HOSPITAL WITHDRAWS “WARN” NOTICE TO EMPLOYEES

March 21, 2023 – Hollister, Calif. – Leadership at Hazel Hawkins Memorial Hospital (HHMW) announced today that it is withdrawing its Worker Adjustment and Retraining Notice (WARN) that was first issued in December, and then resent in February amid the organizations financial crisis. The WARN notice is meant to alert staff of an anticipated closure of the hospital. However, the San Benito Health Care District (the District) and Hazel Hawkins leadership has made significant progress in shoring up its finances since the issuance of the WARN notices.

“Since December, we have worked diligently to shore up the finances of the hospital and the efforts have proven successful,” said Mary Casillas, Interim-CEO for Hazel Hawkins.

Those efforts resulted in the District beating its cash projections by **more than \$11 million** between November 2022 and February 2023. By way of example, during that period, the District preserved \$6.8 million of cash from revenue enhancing and cost saving operational enhancements, \$1.1 million through the deferral of certain tax liabilities, obtained a \$3 million, no-interest loan from the State of California, and received an approximately \$900,000 advance of the District’s expected property tax receipts from the County of San Benito. The District has carried these substantial revenue-enhancing and cash management initiatives forward and, as a result, has extended the anticipated date by which the District will run out of cash to late Summer 2023.

The District continues its efforts to find a strategic partner or buyer and through its professional team, has been able to contact more than 100 potential partners from across the nation, which has resulted in over a dozen interested and qualified entities entering into nondisclosure agreements to conduct due diligence. The District has already received one letter of intent from a qualified entity and expects additional indications of interest in the coming weeks.

“Our efforts to implement a long-term stabilization strategy with a qualified partner present the most expedient and likely path to preserve the District’s health care facilities and operations for San Benito County,” said Casillas. “There is still much work to be done and we are a long way from the finish line. We will continue to need the help of the local community to preserve the future of healthcare in our community.”

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About Hazel Hawkins Memorial Hospital

Hazel Hawkins Memorial Hospital is a full-service, public agency hospital delivering modern medicine and compassionate care to the growing San Benito County community. HHMH offers hundreds of health services across multiple locations, including top-tier specialists, a modern Emergency Department, and a state-of-the-art Women's Center. To learn more about Hazel Hawkins Memorial Hospital and the Hazel Hawkins Hospital Foundation, please visit www.hazelhawkins.com.