

MEDIA STATEMENT

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SAN BENITO HEALTH CARE DISTRICT PASSES RESOLUTION DECLARING FISCAL EMERGENCY

Board authorizes potential Chapter 9 filing to best ensure continuity of care and patient safety

HOLLISTER, Calif.–November 5, 2022: Friday, November 4, at a special meeting of the Board of Directors of San Benito Health Care District, the board passed a resolution declaring a fiscal emergency. The resolution gives administrators the authority to file a petition under Chapter 9 of the Bankruptcy Code, if and when they determine that step would be appropriate.

A bankruptcy filing would allow the district to optimally restructure its finances. Hazel Hawkins Memorial Hospital (HHMH) management and board has taken significant steps to reduce expenses over the past years, but record inflation, shrinking reimbursements, and the process of recuperating post-COVID have restricted cash flow, a situation that could jeopardize patient safety if not addressed.

Administrative staff and restructuring counsel will continue negotiations with the district's creditors and explore all options at they seek the best solutions for HHMH and its patient community. In the near term, HHMH does not foresee making material cuts to services or staff.

HHMH continues to operate its clinics and specialty centers and offer high-quality patient care without compromise. All inpatient and outpatient services remain open at HHMH, including the Emergency Department. To find a doctor or health clinic, visit www.hazelhawkins.com.

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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.