



PRESS RELEASE

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SAN BENITO HEALTH CARE DISTRICT RECEIVES LETTER OF INTENT FOR HAZEL HAWKINS MEMORIAL HOSPITAL

August 3, **2023 – Hollister**, **Calif.** – The San Benito Health Care District (District) and Hazel Hawkins Memorial Hospital (HHMH) announced today that they received a Letter of Intent (LOI) from American Advanced Management (AAM) paving the way for discussions regarding a strategic partnership. AAM, which currently operates 6 hospitals and numerous other medical facilities across the state, is pleased to offer its initial LOI, and feels HHMH and the District are perfectly aligned with its business and healthcare delivery models.

As presented, the LOI proposes AAM to "lease to own" assets of the District for several years prior to purchasing them outright while maintaining the same level of high quality medical care to the residents of San Benito County. AAM looks forward to working with the local medical staff to bring needed additional specialties and services to HHMH. Identified areas such as Cardiology and inpatient dialysis will help HHMH keep more patients local.

The LOI comes after months of effort by the District and HHMH to stabilize its finances. While those efforts have proven fruitful, finding a partner or buyer was the only way to ensure that San Benito County residents have access to quality healthcare services for the long term.





"When we started this process in December, our goals were simple: do all we can to stabilize the finances of the district while maintaining quality healthcare for the community; find a partner or buyer who understood the unique needs of our community; and find a partner who possessed the resources to guarantee a continuum of care delivery for the future needs of our County. AAM fits with that mission," said Mary Casillas, interim CEO for Hazel Hawkins.

"We founded AAM on the principal belief that every community deserves access to lifesaving medical care," said Doctor Gurpreet Singh. "Rural communities across the state, and the nation, are at high risk of losing access to quality healthcare. It's why we have focused on this model for AAM and why we feel we are a great fit for residents of San Benito County."

The LOI represents the first step in a detailed and public process. The District Board will consider the LOI at its upcoming meeting and will need to complete its due diligence and negotiate additional terms for this potential partnership. Ultimately, any agreement reached by the parties must be approved by the Board and the voters.

About AAM

American Advanced Management originated in 2012 with the opening of its pilot hospital; Central Valley Specialty, a General Acute Care Specialty Hospital in Modesto, California. We've taken our passion for preserving and restoring care to underserved populations and expanded consistently throughout our network. AAM was the first company in California to revive a rural hospital following bankruptcy and closure. AAM utilizes a scalable, cost-effective shared services platform with flexibility to accommodate each market we operate in. To learn more visit www.americanam.org.