

## FAQ

### Board of Directors Resolution Authorizing a Chapter 9/Bankruptcy Filing (updated 11/7/2022)

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1. Why did the Board authorize a potential Chapter 9 filing?

Giving our representatives the flexibility to file bankruptcy if needed allows the hospital to restructure its finances to best guarantee continuity of care for our community and keep vital health services intact. Delivering the highest quality of care remains our top priority.

2. What would filing bankruptcy mean for the hospital?

Bankruptcy does not mean closure. If the hospital and its counsel determine that bankruptcy is advisable, this step would allow the district to restructure its finances, continue negotiations, and explore options that ensure we continue to deliver the highest level of care to our community.

3. What caused this financial crisis?

The hospital's management and board have taken significant steps to reduce expenses over the past years. High inflation, lower reimbursements from Medicare and Anthem, and the challenging process of recuperating post-COVID have restricted cash flow, a situation that the hospital must address to safeguard patient care.

4. Can I still visit the Emergency Department?

Yes, the Emergency Department is open 24/7 and is located at the main hospital at 911 Sunset Drive in Hollister. In an emergency, please call 9-1-1.

Anyone may seek care at HHMH Emergency Department regardless of their insurance status or ability to pay. The HHMH Emergency Department received the formal designation of a Level IV Trauma Center by San Benito County Emergency Medical Services in January 2022. It has a Certified Stroke Program and state-of-the-art CT scanner.

5. Why did the hospital stop accepting Anthem Blue Cross?

We no longer have a contract with Anthem Blue Cross because it refused to pay HHMH a market competitive rate for the services we provided to patients covered by its PPO insurance products. The Anthem Blue Cross reimbursement was far below the rates we have with other health plans and causing budget shortfalls.

6. Will employees be laid off?

We do not foresee making significant cuts to services or staff. HHMH continues to offer its full range of inpatient and outpatient services, with staff serving key roles in the healthcare of our community. Going forward, individual positions may be evaluated against business needs.

7. Are employee pensions intact?

Nothing about a bankruptcy filing alters pensions as they stand right now. For questions about your individual plan, please speak with Human Resources.

8. What will happen with the HHMH Master Plan?

Our master plan for the healthcare district will continue to be an important touchstone for our long-term vision. Though our short-term objectives are focused on exploring the best financial options, we will not lose sight of long-term goals.

9. Should I continue to see my regular doctor?

Yes, please see your doctor if you need care. Our physicians continue to work at the hospital and in our health centers throughout the community. To find a doctor, visit [www.hazelhawkins.com](http://www.hazelhawkins.com) or call (831) 636-2644.

10. Where can I get information and updates?

Formulating the best plan for our community will take time. The hospital will provide updates as new information becomes available. You can also check the HHMH website for news releases.