



# New Year, New Outlook

A Brighter Future Ahead for Hazel Hawkins Memorial Hospital

HAZEL HAWKINS MEMORIAL HOSPITAL & THE SAN BENITO HEALTH CARE DISTRICT NEWSLETTER • WINTER 2025

## San Benito Health Care District Outlines Next Steps for Hazel Hawkins Memorial Hospital and Insight as Negotiations Continue

The San Benito Health Care District (District) announced the next steps in the ongoing process to finalize the lease-to-own transaction between Hazel Hawkins Memorial Hospital (HHMH) and Insight. While significant progress has been made, there is still important work ahead to complete the transaction. The six key steps are set forth below:

### Step 1: Finalizing Definitive Agreements

Advisors and staff, acting under the direction of the District Board, are currently negotiating definitive agreements with Insight. These agreements include the asset purchase agreement, the lease, and supporting documents. These agreements are based off of the Letter of Intent submitted by Insight and approved by the District Board.

### Step 2: Filing Applications with the State

Simultaneously, advisors and staff are preparing the necessary filings for the state regulatory approvals. This includes applications related to the change in ownership of hospital assets, such as the hospital license.

### Step 3: Presentation of Agreements to the Board

Once draft agreements are finalized, they will be presented to



the Board for review, discussion, and approval. This review will take place during a noticed public meeting. Community members are encouraged to attend and comment.

### Step 4: Board Approval and Submission of Regulatory Filings

Once the Board approves the agreements, HHMH will execute the agreements and submit the required documents to state regulatory agencies for review.

### Step 5: Regulatory Review and Approval

Regulators will review the submitted agreements and filings to ensure compliance and approve the transaction. The review and approval process in similar transactions typically takes between three and four months.

### Step 6: Transaction Close and Insight's Management Transition

Upon receiving regulatory approvals, the transaction will be complete, and Insight will officially assume management of HHMH pursuant to the lease.

This structured approach reflects the District's commitment to transparency and collaboration as it works to secure the future of Hazel Hawkins Memorial Hospital. The District remains dedicated to keeping the community informed throughout this process.



For more information and to keep up-to-date, please visit us at [hazelhawkins.com](https://www.hazelhawkins.com) or scan the QR code.

## Board Members



**Bill Johnson**  
President  
Elected from District 3



**G.W. Devon Pack**  
Vice President  
Appointed by San Benito County  
Board of Supervisors  
District 2



**Josie Sanchez**  
Assistant Secretary  
Appointed by San Benito County  
Board of Supervisors  
District 4



**Nick Gabriel**  
Secretary  
Appointed by San Benito County  
Board of Supervisors  
District 5



**Victoria Angelo**  
Treasurer  
Elected from District 1

## HHMH Welcomes new Board Members Nick Gabriel and Victoria Angelo

**D**r. Gabriel is a resident of Hollister and has lived in the community since 2022. He graduated with his Doctor of Osteopathic Medicine degree from the New York College of Osteopathic Medicine. He completed his residency training in general surgery at the Weill College Cornell University in Brooklyn, and afterwards a fellowship in advanced laparoscopic surgery at Yale University School of Medicine.

He is board-certified in general surgery by the American Osteopathic Board of Surgery, which he served as a Board member

and Chair of the General Surgery discipline for many years. He has had past appointments as director of General Surgery residency programs. With his love for education and teaching, he has taught surgeons nationally and internationally. Some of his international work was medical mission based.

Dr. Nick Gabriel sees the potential for Hazel Hawkins Hospital to truly increase the quality of healthcare for the residents of San Benito County and for it to be a permanent fixture. He was asked to run for the Board by members of the community.

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**V**ictoria was elected in Zone 1 and has been a resident in the zone for seven years. As a registered nurse with a deep understanding of hospital operations, and as a former business owner she believes that she is uniquely qualified to serve on the District Board; bringing a strategic approach to managing resources and driving toward effective solutions. Her 17 years of experience in health care have provided her with valuable insights into the complexities of hospital management, daily financial operations, patient care and staff support.

She is committed to transparency, accountability and integrity in her endeavors, and pledges to always prioritize the needs of our community above all else.

# San Benito Health Care District Outlines Covenants with Insight Safeguarding Local Healthcare

## The Commitments Behind Hazel Hawkins Hospital's Future

In a deal that promises to stabilize the future of healthcare in San Benito County, Hazel Hawkins Memorial Hospital ("HHMH" or "hospital") is continuing to perform due diligence on transitioning to new ownership. The transaction is required to have a detailed set of covenants aimed at preserving the hospital's mission of providing quality and accessible care to the community while ensuring financial sustainability. These commitments with the San Benito Health Care District ("District") are designed to safeguard local healthcare services for years to come. The community can expect the following commitments under a new agreement with Insight following District Board approval:

### Summary of Transaction

For two years, the District and Hazel Hawkins Memorial Hospital (HHMH) leadership, with the support of nationally recognized consultants, conducted an extensive search for a partner or buyer capable of preserving and expanding healthcare services for the residents of San Benito County. The process was guided by key criteria: any potential buyer needed to pay fair market value for the District's assets, demonstrate the financial stability to both acquire the hospital and maintain current service levels, and show a proven ability to support rural healthcare institutions like HHMH.

After a thorough evaluation, Insight emerged as the organization best equipped to meet these requirements, ensuring a sustainable future for local healthcare.

- 1. Nonprofit Status and Governance** – Insight has committed to maintaining HHMH's status as a nonprofit public benefit corporation under California law through the Insight Health Foundation of California. In addition, the hospital's governing board will include a majority of independent members to ensure impartial oversight and accountability.
- 2. Continuous Operations and Service Stability** – A key priority in the agreement is the uninterrupted operation of the hospital, skilled

nursing facilities, clinics and all healthcare services. The hospital will continue to provide essential services, including those for Medicare and Medi-Cal patients, ensuring that local residents retain access to healthcare.

Insight has also pledged to maintain all existing services during the lease period and for at least five years following the full acquisition of the hospital's real estate. This guarantees continuity in critical healthcare offerings, from emergency care to specialized treatments for ten years.

- 3. Financial Assistance and Charity Care** – The hospital's longstanding commitment to serving the community's most vulnerable populations will continue under Insight. Insight will maintain charity care and financial assistance policies at or above current levels. These policies will comply with federal standards, ensuring fair billing practices and financial assistance for patients in need.
- 4. Capital Investment and Modernization** – Insight has committed to investing \$50 million over the next decade to improve hospital operations and facilities. This significant capital investment will help modernize infrastructure, upgrade medical equipment, and expand services to meet the evolving healthcare needs of San Benito County's growing population.
- 5. Workforce Retention** – Recognizing the hospital's dedicated workforce as a core strength, Insight will offer employment to at least 90% of the existing staff. This move not only preserves jobs but also ensures continuity of care, leveraging the knowledge and experience of current employees.
- 6. Branding and Community Identity** – The hospital will retain its identity as Hazel Hawkins Memorial Hospital or a similar name, preserving the Hazel Hawkins legacy of the facility that has served the community for decades. This commitment underscores the importance of maintaining a strong connection to the local community.

- 7. Right of First Refusal** – If Insight decides to sell the hospital's assets in the future, the District will have the right of first refusal to repurchase them. This provision provides a safety net to ensure the hospital remains a community-focused institution.

The agreement between the District and Insight would mark a significant step toward securing the future of healthcare in the region. With clear commitments to community care, service continuity, and financial stability, the hospital is poised to thrive under new leadership. While transitions of this magnitude are never without challenges, the outlined covenants provide a strong framework to ensure that Hazel Hawkins Memorial Hospital remains a trusted healthcare provider for generations to come.

Additionally, San Benito County continues to express interest in being a partner with the District in securing access to healthcare as well as being part of the process to impact the future of healthcare in the San Benito County. Hospital leadership welcomes the enthusiasm and looks forward to continuing to work together to find solutions especially around mental health and indigent care.

After attending a Board of Supervisors meeting on January 14, Mary Casillas, CEO of Hazel Hawkins Memorial Hospital stated, "We are grateful for a Board of Supervisors that are passionate about healthcare. We look forward to working with the Board as our future begins to take shape."

Bill Johnson, President of the San Benito Health Care District stated, "Regardless of who owns the hospital, there are plenty of opportunities to collaborate with the County and we look forward to exploring those options."

The San Benito Health Care District is an independent organization whose members are elected by the citizens of San Benito County for the purpose of managing the District's assets including Hazel Hawkins Memorial Hospital. As such all decisions concerning the District are made by this elected board.



## Hazel Hawkins Memorial Hospital

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# Hazel Hawkins Hospital Foundation

## Caring for the Community

The HHH Foundation receives donations through fundraising campaigns such as their Annual Dinner Dance, All-For-One Annual Employee Giving Campaign, Buy-A-Brick, and current campaign, "Invest in the Future of San Benito County Health Care; We Deserve It!" along with memorial donations, grants, private and corporate donations.

Gifts to the Hazel Hawkins Hospital Foundation support patient care, hospital equipment purchases, special programs, scholarships, hospital facilities improvements, skilled nursing facilities and clinics.

In 2024 the Foundation raised over \$160,000 at their annual HHH Foundation Dinner Dance far exceeding their fundraising goal.

Throughout the uncertainty of hospital's financial emergency, the support from the community has been unwavering. During 2023 and 2024 the Foundation received 4,281 donations totaling \$1,506,193.40, allowing the Foundation to allocate \$529,000 toward the following programs and projects:

- Chairs for the ER nurses station and chairs for guests in the ER patient rooms
- Provider chairs and facility improvements to the Barragan Diabetes Center

- Jaundice meter and ultrasound equipment for OB Department
- Securitas Healthcare Hug Infant Protection System for the OB Department
- \$21,250 for Scholarships to students in the Medical Field
- Endoscopy scope for the Surgery Center
- Patient room guest chairs for Med/Surg
- Surgery Center Room #1 upgrade including cameras and scopes totaling over \$134,000
- Funds to support a new program, "Enhancing the End of Life Care at HHMH"
- Treadmill for the Physical Therapy Department
- Language Line for the new Surgery Clinic
- 4th Street Clinic waiting room furniture
- EKG machine for the Hazel Hawkins Primary Care & Surgical Specialty Center
- Microscope for the Lab Department
- Ultrasound Equipment for OB Department
- New waiting room tables and chairs for the Main Hospital

The Hospital and Foundation are grateful for the generosity of their donors and thank them for their continued support. Your gifts are tax deductible and 100% of your gift goes to support the area you designate. There are no administrative fees taken out of donations.

The Hazel Hawkins Hospital Foundation is a IRS qualified 501(c)3 non-profit organization. Tax Identification #94-2497062.



**Foundation Executive Board members with Liz Sparling, Foundation Director (l-r): Irene Recht, Ann Marie Barragan, Liz Sparling, Irene Davis, Salina Chacon, Brynn Gho.**



To learn more about the Foundation, please visit [hazelhawkins.com/foundation](https://hazelhawkins.com/foundation) or scan the QR code.