



Heywood Healthcare

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FOR IMMEDIATE RELEASE:

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Heywood Healthcare Exits Chapter 11

Gardner, MA - September 30, 2024 – Heywood Healthcare is proud to announce its official stand-alone exit from Chapter 11 bankruptcy.

President and CEO Rozanna Penney shared the news following a confirmation hearing that concluded the year-long effort to restore financial stability after the system faced significant challenges.

"We are proud to exit Chapter 11 bankruptcy as an independent community-owned and community-governed organization. Under the protection of Chapter 11 Heywood Healthcare successfully restructured our debt and out-of-market contracts while maintaining and growing critical regional services, such as behavioral health and obstetric care," said Penney.

"Throughout this process, we optimized our operations, consolidated services where appropriate, maintained our community programs, and substantially improved employee satisfaction for the first time in five years, as evidenced by our most recent Press Ganey staff engagement survey. Heywood's success is a direct result of the hard work and commitment of our dedicated trustees, leaders, physicians, advanced practice providers, and employees.

"Looking ahead, Heywood Healthcare remains committed to ensuring that we continue to meet and exceed our patients' expectations. Our patients have choices, and we are deeply grateful for their continued trust in Heywood Healthcare," Penney added.

"We extend our sincere appreciation to our state, legislative, and local leaders, to MHA, as well as our community, whose unwavering support has been vital to our journey. Your guidance, support, and encouragement have been instrumental in helping us achieve this significant milestone."

During the hearing, the Hospital's Bankruptcy Counsel, Ed Green from Foley & Lardner remarked that in his 30 years of experience, he has never encountered a Management team and Board as engaged though all facets of the bankruptcy proceedings as this



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one, while also remaining focused on patient care. Healthcare bankruptcies are 95% healthcare and 5% bankruptcy. If you don't get the healthcare right, you have no chance of success on the bankruptcy side. This management team did everything right on the healthcare care front and put us in a position to file and confirm a stand-alone plan of reorganization. They inspired confidence and trust with the staff, the medical staff, and the Commonwealth.

Heywood will be hosting a stakeholder update and media event on Thursday, October 3rd, at 10:30 am, in the Pierce Boardroom at Heywood Hospital.

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About Heywood Healthcare

Heywood Healthcare is an independent, community-owned healthcare system serving north central Massachusetts and southern New Hampshire, comprised of Heywood Hospital, a 134-bed acute care community-owned non-profit hospital in Gardner, MA; Athol Hospital, a 25-bed non-profit, Critical Access Hospital in Athol, MA; and Heywood Medical Group, with primary care physicians and specialists located throughout the region.

The organization includes eight satellite facilities in MA: Ashburnham Family Medicine in Ashburnham, Heywood Rehabilitation Center, Summit Family Medicine & Heywood Primary Care, The Winchendon Health Center & Murdock School-based Health Center in Winchendon, Tully Family Medicine and Walk-In Care Center and ACES Athol Community Elementary School Based Health Center in Athol. The organization also includes the Heywood Healthcare Charitable Foundation. For more information, visit www.heywood.org.