

James A. Overcash, Chapter 11 Trustee
Pinnacle Healthcare System, Inc.
(Case No. 20-20224 pending in the United States
Bankruptcy Court for the District of Kansas)

April 10, 2020

WARN Coordinator
Missouri Department of Higher Education & Workforce Development
Office of Workforce Development
PO Box 1087
Jefferson City, MO 65102

Re: Notice of Layoff
Worker Adjustment and Retraining Notification Act Notice

On February 12, 2020, Pinnacle Healthcare System, Inc. ("Pinnacle") filed for reorganization under Chapter 11. On March 31, 2020, I was appointed as Trustee in the proceeding.

Due to unforeseen and unexpected business circumstances, including the disruption to a wide range of surgeries and business operations created by the COVID-19 pandemic, as well as uncertainty as to the duration of the pandemic and its continued effect on Pinnacle's ability to generate revenue during this time, the Trustee has determined that it is necessary to close the following facilities and lay off the majority of our personnel at these facilities:

- (1) Pinnacle Regional Hospital, located at 12850 Metcalf Avenue, Overland Park, Kansas 66213;
- (2) Pinnacle Regional Hospital, located at 17651 Hwy B, Boonville, Missouri 65233;
- (3) The administrative office located at 12920 Metcalf Ave., Overland Park, Kansas 66213;
- (4) All Blue Valley Surgical Associates Clinics, including, but not limited to:
 - 12870 Metcalf Avenue, Overland Park, Kansas 66213;
 - 12880 Metcalf Avenue, Overland Park, Kansas 66213;
 - 1052 SW Luttrell Rd., Blue Springs, Missouri 64015;
 - 8548 N. Ambassador Drive, Kansas City, Missouri 64154;
 - 3238 S. National Ave, Springfield, Missouri 65807;
 - 7220 Watson Road, St. Louis, Missouri 63119; and
 - 201 West Broadway, Building 5, Suite B, Columbia, Missouri.

A small number of employees will continue working in the administrative office in order to perform critical functions such as accounting, billing, planning, and human resources information management.

The planned layoffs are expected to start today, April 10, 2020 and continue through the next 14 days. No bumping rights to other jobs or facilities exist. It is unknown at this time whether the closures will be temporary or permanent. There will be a total of approximately 125 employees affected by these facility closures (approximately 105 in Overland Park; 4 in Springfield; 4 in St. Louis; and 7 in Boonville).

Notice is being provided as soon as practicable after my determination that Pinnacle's financial position could not support future salary, wage, and benefits obligations. At the time the Chapter 11 Petition was filed, I understand that the company did not anticipate that these actions would be necessary, and while I am actively working to evaluate the ability of Pinnacle to operate in the future, anticipated shortfalls in the coming months unfortunately require these necessary steps.

This notice is being provided pursuant to the Worker Adjustment and Retraining Notification Act of 1988 (even though such law may not apply in this case) in order to provide official notice of this layoff. The information contained in this letter is based on the best information available at this time.

I understand that this is a difficult time for everyone, and appreciate the dedicated service everyone has provided to the company.