

May 7, 2024

Open Letter to Audrain County Residents,

From the Audrain County Commission:

Since the first week of February, the County Commission has been actively participating in a Mediation ordered by the Bankruptcy Court in Kansas City concerning the reorganization attempts of Noble Health/Ziva. The contents of the Mediation Sessions are confidential and we are not permitted to discuss any offers which have been made. At the same time, our hospital remains closed and our community has many questions. We will attempt to address them with this letter.

As a result of Noble Health/Ziva's failure to begin operations and the laying off of staff, the County Commission will only support Noble/Ziva if and when:

- They bring a credible, known and respected health care provider with previous experience in operating a hospital as the proposed operator;
- Arrangements must be made to pay the property taxes, which are due.

It is obvious that the real estate investor model for a rural hospital does not work. This is the third failed attempt in Audrain County. We cannot put tax dollars into such a model that does not work.

In our first meeting with the owners of Noble/Ziva, before the Bankruptcy filing, we told them that the employees should be paid their back wages.

In 2021, the Commission authorized a loan of \$1,800,000- from the American Rescue Plan Act Funds to help Noble Audrain meet its payroll and to allow anesthesia services to continue. This loan has not been repaid.

The Commission met and worked with Noble/Ziva until they laid off the hospital staff and the CEO. We continue to work with them by emphasizing what

Noble/Ziva must do to receive the County's support for any future reorganization plan.

The failed model of operation has been very harmful to our community. It has resulted in unpaid employees, unpaid insurance premiums, unpaid vendors and unpaid individual loans and bank loans. The "real estate investor" model just does not work in rural healthcare. Our community has been dealt a major economic blow and has been without an Emergency Room far too long.

We are working diligently on this problem along with our partners. We are focused on bringing sustainable healthcare services to our community. We want to have an Emergency Room and other related healthcare services.

We are ready, willing and able to engage in discussions with any party that can bring these services to our community. Per the advice of our lawyers, this is all that we can say at this time.