

October 28, 2021

From: Larry Santilli, President/CEO

To: Athena Employee Health Insurance Participants

Re: Health Insurance Coverage

Dear Colleague,

We are aware of certain communications that some employees may have received that caused understandable concern regarding medical coverage. Please be assured that all employees on the Athena Health Care Plan continue to have coverage and there has been no lapse of coverage. In addition, your facility has NOT suspended payments to the providers. Payments continue to be made weekly to the health plan, who in turn pay providers. We are however behind on those payments and doing our best to catch up.

As you are aware, the COVID-19 pandemic caused immeasurable stress and heartache to our entire team; no center was spared the effects of COVID. In the interest of transparency, some additional consequences from COVID-19 not seen by our employees include a tremendous financial burden that we now anticipate will begin to ease. Although the federal and state governments worked aggressively to pass legislation to provide additional funds to nursing homes, those sources have not been sufficient to fund all our Covid costs and lost revenues.

The financial challenges we face are the same that the nursing home industry have encountered; decreased census, increased operating costs, difficulty in recruiting staff, and working to reduce COVID-related debt, personal protective equipment and many other COVID related issues. Thankfully, the vaccines are working and COVID appears be no longer the significant threat it once was to us.

I am very optimistic about the near future and our long-term outlook. 1) Census is slowly growing, 2) Athena is working with lenders to provide additional sources of cash 3) We have applied for additional monies through new federal programs and 4) we are working directly with state legislatures for additional long-term funding for the work we did during the pandemic and growing the census beyond.

While we catch up on payments, Athena continues to work with all our health plan resources to provide for uninterrupted service to you and your co-workers. We have experienced an issue with our plan's claim processor, but there is no lapse in provider coverage for anyone on our Health Care Plan.

Should you have coverage or other issues during this time we have set up special contact number for your use: Health Advocate 1-866-695-8622 (Preferred) or Cheryll at IHPII 1-203-305-4346.

As always, thank you for everything you do to keep our residents safe, well-cared for, and happy during these very uncertain times we have experienced.

Truly Yours.