

Senior Care Centers Announces Plan to Strengthen Company; Best Position Network of Care Centers

- Safe, Comfortable Care for Patients and Residents Remains Number One Priority
- Company Files for Chapter 11 Protection to Address Costly Leases
- All Operations Continue as Normal During the Process

Dallas, TX, December 4, 2018 – Senior Care Centers, LLC, a leading skilled nursing and senior living provider with locations in Texas and Louisiana, today announced the implementation of a plan to strengthen the Company’s financial footing while allowing it without interruption to continue providing comprehensive care and support to its nearly 10,000 patients and residents.

The goal of the plan is to best position each of the Company’s more than 100 skilled nursing and senior living communities to continue caring for residents while the Company works to transition certain communities to new operators. The Company is currently evaluating each of the communities and working with the individual landlords to determine the best path forward for each location. All communities are expected to continue serving our residents with high-level care, no matter who the operator is.

“All of the actions we are announcing today have one clear and overriding goal – to ensure every single one of our patients and residents continue to receive safe and comfortable care now and in the future,” said Michael Beal, Chief Operating Officer. “This plan allows us to address certain financial issues while continuing to provide the critical care and support on which our residents rely while we work to transition certain communities to new operators.”

In order to implement the plan, the Company today filed voluntary petitions for protection under Chapter 11 of the U.S. Bankruptcy Code. The filing allows the Company to address its burdensome debt levels and expensive leases, thereby improving the financial resources available for the communities.

All facilities are expected to continue to run without interruption. Today’s actions have absolutely no impact on patients and residents or the care they receive. All facilities will continue to operate under all applicable laws and guidelines and the Company is already working with the appropriate government agencies to ensure a smooth and proper transition.

“After careful analysis, we determined that the protections afforded by the Chapter 11 process are the best way to address the Company’s debt and costly leases while allowing us to continue to provide all the top-level care and support our residents deserve,” said Kevin O’Halloran, the Company’s Chief Restructuring Officer. “All of our patients, residents and their families can rest assured they remain our number one priority.”

Senior Care Centers can and will continue paying vendors for all goods and services provided during the Chapter 11 process. Additionally, the Company’s network of approximately 11,000 employees will continue to be paid without interruption.

Senior Care Centers, like similar companies across the country, has faced a variety of financial challenges of late, including dealing with significant cuts in reimbursements from government agencies and private insurers while facing ballooning rent payments. That care-centered reality is a vital component of Senior Care Centers' ongoing efforts.

"As the entire industry has seen, the leases associated with the communities have become cost-prohibitive," Mr. Beal said. "This kind of action is absolutely necessary to address those costly leases while continuing to care for our patients and residents."

The voluntary petitions were filed with the U.S. Bankruptcy Court for the Northern District of Texas. For more information about the Chapter 11 process, please visit <https://omnimgt.com/SeniorCareCenters> or call 888-585-6520.

About Senior Care Centers

Senior Care Centers, LLC is a Dallas-based, skilled nursing and long-term care industry leader in Texas and Louisiana. Senior Care Centers operates and manages more than 100 skilled nursing and assisted/independent living communities in the states of Texas and Louisiana. For more information, visit us at <https://senior-care-centers.com/>.

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