



All Team Members,

The COVID-19 pandemic has wreaked havoc on our nation's economy in epic proportions. Our industry has been hit hard as well. Hospitals have reduced census and eliminated elective procedures, which has led to fewer home health referrals. On the personal care side of our business, we have seen clients refuse to allow our caregivers in their homes, which is unfortunate but understandable.

In order to ensure our team member safety and to increase inventory during this crisis, we have ordered large amounts of personal protective equipment (PPE). That was the right choice, but it also comes at a cost. Our telehealth solution also positions us well for now and the future.

As a result of fewer patients and increased capital expenditures, we have made the very difficult decision to reduce approximately 60 positions across our footprint, mostly in the skilled home care and hospice service lines.

We are also going to consolidate a few hospice branches in Texas, as a result of lower census than is required to be viable over the long term. We continue to provide high quality care to the patients during this consolidation by transferring them to another branch.

In PCS, we are also reducing the hours of some team members, and will be furloughing certain administrative staff, with the hopes of bringing those team members back once client requests return to sustainable levels.

Making decisions that include team members' positions are the hardest we have to make. But if we don't make these decisions now, more positions could be impacted in the future.

I also remain confident that we will emerge from this COVID-19 pandemic as a stronger, more agile company. Our mission doesn't waver – we will continue to deliver the Right Care, at the Right Time, in the Right Place.

A handwritten signature in black ink, appearing to read "Scott Powers", is positioned above the printed name.

Scott Powers

Chief Executive Officer

4.24.20