



The Hospital at Westlake Files for Chapter 11 Bankruptcy Protection Amid Turbulent Times for the Industry
Continues Normal Operations, Ensuring Uninterrupted High-Quality Care for Patients and Community

Austin, TX—September 8, 2023— Westlake Surgical, L.P., dba The Hospital at Westlake Medical Center (“The Hospital at Westlake” or the “Hospital”), a proudly physician-owned boutique hospital that offers a wide range of premier medical services and exceptional patient care, today announced that it has voluntarily initiated a Chapter 11 proceeding in the United States Bankruptcy Court for the Western District of Texas. This step is part of the Hospital's ongoing efforts to manage its significant debt burden that existed before the COVID-19 era, which enduring post-pandemic pressures within the industry have further exacerbated. The Hospital at Westlake intends to leverage the time and protections afforded by the Bankruptcy Code to strategically position the Hospital for sustained success, ensuring uninterrupted care for its patients and Westlake Hills, Texas community for years to come.

"At the heart of our hospital's restructuring is our unwavering commitment to upholding the highest standards of excellence in patient care," stated Dr. Mark Shen, CEO of The Hospital at Westlake. "Like many of our industry peers, we've battled immense challenges since the onset of the pandemic, which have only magnified the struggles businesses across every industry grapple with, including our own. Facing the stark reality of our financial standing and the unrelenting pressures impacting our industry, we're taking every measure possible to secure the future of our hospital."

The Hospital will continue operating as usual and without disruptions to patient care throughout its Chapter 11 process. All scheduled appointments, surgeries, and emergency services will proceed as planned, and the 24/7 Emergency Department, specialty operating rooms, and radiology team will continue to serve patients and the community with the same unwavering standard of exceptional care that defines them.

In the months leading to its filing, the Hospital has made significant efforts to withstand present-day economic challenges and create a more sustainable platform for enduring success, including reducing corporate overhead and consolidating organizational processes to focus on its core service lines. Despite the Hospital's best efforts to navigate current market headwinds before its Chapter 11 filing, it continues to be burdened by intensifying external pressures, including soaring inflation and rising costs for labor, supplies, and drugs, compounded by continued workforce shortages and the ongoing repercussions of COVID-19 related losses. The Hospital's decision to commence these proceedings is a critical and urgent step to address these unsustainable industry-wide challenges, which have been detrimental to its operations.

Dr. Shen concluded, "We are immensely grateful to our dedicated staff and physician partners— our true heroes; from the start of the pandemic through the aftershocks we are still confronting, they've navigated the most challenging times in our industry. Through every challenge, every twist and turn, they are on the frontline day in and day out, unwavering in their commitment to delivering outstanding care to our patients, many of whom have complex medical issues and rely on our specialized support. To let them down would be a failure, and we are grateful for this opportunity to chart a new path forward."

The Hospital at Westlake has filed a number of customary motions with the Bankruptcy Court intended to support the continuation of its day-to-day operations for patients, employees, vendors and suppliers, and other valued

business partners during the court-supervised restructuring process. It expects to move through this process as quickly and efficiently as possible, emerging with a healthy balance sheet and strong operations for the benefit of all stakeholders.

Additional information, including court filings and other information related to the Chapter 11 case, is available at www.donlinrecano.com/westlake, by calling (866) 745-0270 (Toll-Free), or by emailing inquiries to wlsinfo@drc.equiniti.com.

The Hospital is represented by the law firm of Hayward PLLC and Paladin as restructuring advisors.

About The Hospital at Westlake Medical Center

The Hospital at Westlake Medical Center is a proudly physician-owned boutique hospital located in Westlake Hills, Texas, a suburb of Austin. Guided by an unwavering commitment to delivering quality healthcare services in a comfortable setting, its core service areas include surgical procedures, outpatient radiology, and a 24/7 emergency room.

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