



For Immediate Release

Christian Horizon is committed to continuing operations and providing quality care and services throughout the restructuring process.

St. Louis, MO, July 16 2024 – Midwest Christian Villages dba Christian Horizons and its related companies today announced it has filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Christian Horizons will continue to operate as usual throughout the restructuring process, maintaining its commitment to providing quality care and services. The Company's investment bank has been and continues to solicit and receive bids from going concern buyers in a marketing process.

Christian Horizons is one of the nation's largest not-for-profit, faith-based organizations delivering skilled nursing, assisted and supportive living, independent living, and pharmacy services. The organizations serve older adults in Illinois, Iowa, Indiana, and Missouri.

"Christian Horizons' teams have played an important role in serving and supporting older adults for over 60 years," said Kate Bertram, Chief Executive Officer of Christian Horizons, who joined the organization in March 2022. "We are grateful for the opportunity to have served so many residents and families in the region."

History of Financial Pressures

A series of events has put significant pressure on the company's finances. These include:

- **Resident and patient volumes sharply declined at the outset of the COVID-19 pandemic.** As the country navigated the uncertainties of the COVID-19 pandemic, Christian Horizons experienced a significant reduction in the number served by the ministry in all care and program areas. This was attributed to many older adults remaining in their previous setting as a national trend. Christian Horizons' communities lost 25 to 30 percent of new residents and short-term rehabilitation stays for several months during the shelter-in-place policies, leading to significant financial pressures.
- **Staffing shortages cause a decline in the total number of employees available.** Continuing to recover from COVID-19 pressures, staffing shortages became an obstacle due to the decreasing number of available workers across the rural communities served. As a result, the lack of associates for work caused the organization to utilize contract labor (agency) in most rural communities to meet minimum staffing requirements. With the simultaneous shortage and spike in inflation, Christian Horizons' labor and other costs have increased by millions of dollars since 2020. While the market demand for services for older adults will continue to increase, clinicians available to work will continue to be in short supply.
- **Increased costs sharply impact the organization.** While overall inflationary pressures have eased somewhat the overall cost to provide care has increased by between 10 and 30% in the procurement of goods and services needed.

Kate Bertram was named Chief Executive Officer in July of 2023 and has been committed to moving the organization through these challenging times. The leaders and associates have undertaken wide-ranging and proactive efforts to help Christian Horizons weather these financial pressures.

*Empowering older adults in mind, body
and spirit through faith-led service.*



Christian Horizons filed its voluntary petitions in the U.S. Bankruptcy Court for the Eastern District of Missouri. Further information about the Chapter 11 case is available on the website of Verita, the claims and noticing agent, at veritaglobal.net/MCV.

The organization's legal advisors are Dentons US LLP and Summers Compton Wells, and its investment banker is B.C. Ziegler and Company, and its chief restructuring officer is Healthcare Management Partners, LLC.

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About Christian Horizons

As a faith-based, not-for-profit organization, Christian Horizons Living is in service to a mission of honoring God by offering a full continuum of care and support services to older adults in 4 states. Based in St. Louis, Missouri, the organization owns and operates a portfolio of seven life plan campuses and five stand-alone older adult communities offering a mix of independent, assisted and supportive living; memory support; long-term healthcare centers and short-term rehabilitation. The organization also serves older adults through Senior Care Pharmacy Services. For additional information, visit www.christianhorizonsliving.org

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