



For Immediate Release

**American Hospice to Sell Operating Units in Seven States;
Voluntarily Files Under Chapter 11 to Facilitate and Expedite Sale Process**

All Regular Operations to Continue Without Interruption

JACKSONVILLE, FLA. – March 20, 2016 – American Hospice Management Holdings, LLC (“American Hospice,” “the company”), one of the largest multi-regional hospice management businesses in the United States, announced today that it is selling its operating units in seven states and voluntarily entering Chapter 11 protection to facilitate and expedite the sale process. The company filed its petitions in the U.S. Bankruptcy Court for the District of Delaware in Wilmington. Pending Court approval, the expected sale process should be completed within 60 days or less.

“Our first priority has been and will always be the care of our patients and our relationships with their families,” stated Scott Mahosky, American Hospice CEO, who joined the company in 2014. “We are reaching out to our clients immediately to answer their questions and confirm that we are continuing to do business without interruption during this process. Our schedules remain the same, our people will be paid on time as before, and their benefits will remain pending Court approval, which is the norm in these cases. Our company is working today as it did yesterday.”

Filing for protection under Chapter 11 was necessary to complete the sales while continuing operations for the company’s vulnerable patient population.

“In the past few years, we have found ourselves working under the burden of an increasingly challenging regulatory environment coupled with rapidly changing market conditions,” Mr. Mahosky explained. “We now face the undeniable reality that selling our operations to those with strong capital structures will prove a better outcome for all of our stakeholders. We have had expressions of interest in all of our businesses, and our work now is to convert those interests into sales that will offer continuity of care for our patients and their families, as well as continuity of employment for our people.”

American Hospice confirmed it had also reached agreement with a stalking horse bidder to acquire the company’s operations in Virginia and Texas. Additional bidders will be sought for the operations located in Arizona, Florida, Georgia, New Jersey, and Oklahoma.

The company will file the customary “first-day” motions to support operations without interruption. For vendors, the law provides suppliers with a priority basis for payment of goods and services going forward. Mr. Mahosky noted that the company has secured new financing to support its operations during the sale period.

American Hospice is being advised by Dentons and Pachulski Stang Ziehl & Jones, as legal counsel; Harris Williams & Co. as investment banker; and Alvarez & Marsal as financial advisor. For additional information about the company’s Chapter 11 case, please visit www.kccllc.net/americanhospice.

About American Hospice Management Holdings, LLC

American Hospice is a multi-regional hospice provider with industry-leading clinical resources and compliance programs to benefit patients facing terminal illness and to ensure quality of life and comfort through end of life. Based in Jacksonville, Fla., the company services predominantly in-home patients and those in assisted living environments in Arizona, Georgia, New Jersey, Oklahoma, Texas and Virginia. The company employs approximately 365 fulltime and part-time people.

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