

MEMORANDUM

TO: Residents of SpiriTrust Lutheran®
FROM: Melissa Frownfelter, Interim President/CEO and COO
SUBJECT: Closure of Home Care & Hospice Services
DATE: May 20, 2025

As you are aware, over the past year SpiriTrust Lutheran® has implemented a number of process improvements and cost-reduction initiatives at SpiriTrust Lutheran Home Care & Hospice (HCH). These efforts were focused on increasing client census, improving staffing efficiency, reducing financial losses, and enhancing overall operational effectiveness. While these changes resulted in notable financial improvements, they were not sufficient—nor realized quickly enough—to achieve the cash flow necessary to sustain HCH's programs. After thoughtful deliberation, the SpiriTrust Lutheran Board of Directors has made the difficult decision to close SpiriTrust Lutheran Home Care & Hospice and discontinue operations.

The challenges faced by HCH predate the COVID-19 pandemic and mirror those confronting many similar organizations nationwide. Since the pandemic, the cost of delivering care has significantly increased due to staffing shortages, rising benefit expenses, and escalating prices for medical supplies and pharmacy. These challenges are compounded by inadequate reimbursement rates from Medicaid and many Medicare Advantage plans, making it increasingly difficult to cover the cost of care.

The impact of this closure on residents in our Life Plan Communities will be limited to those currently receiving services from HCH. We are actively interviewing and finalizing agreements with trusted organizations to continue providing these services under a preferred provider arrangement. These providers will be thoroughly vetted by SpiriTrust Lutheran to ensure a safe transition and the continuation of high-quality care.

The official closure will be **July 18, 2025**. The HCH office in Franklin County will remain operational until all current clients have been safely discharged or transitioned to alternative providers.

HCH team members were informed of this decision earlier today. Leadership, including Mike Hamaker, Vice President of Home Care & Hospice, and Angel Lyles, Director of Clinical Services & Operations, will remain in place throughout the transition to ensure continuity of care. Where possible, HCH staff—including nurses, nursing assistants, rehabilitation therapists and business office personnel—will be offered opportunities for reassignment to available positions within our senior living communities. In addition, some team members will be offered roles with Journey Hospice or SpiriCare Rehab Services, preferred partners, allowing them to continue supporting many of our current clients. SpiriCare Rehab Services will also assume responsibility for providing rehabilitation services at our Kelly Drive and Shrewsbury locations.

We deeply appreciate your continued support and look forward to serving you in our Life Plan Communities for many years to come. Should you have any questions or concerns, please feel free to contact me directly at mfrownfelter@spiritrustlutheran.org.