

June 4, 2014

VIA HAND-DELIVERY

The Honorable George C. Jepsen
Attorney General
Office of the Attorney General
55 Elm Street
Hartford, CT 06106

The Honorable Jewel Mullen
Commissioner
Department of Public Health
Office of Health Care Access
410 Capitol Avenue
Hartford, CT 06134

Re: Eastern Connecticut Health Network, Inc.

Dear Attorney General Jepsen and Commissioner Mullen:

Please be advised that Wiggin and Dana LLP represents Eastern Connecticut Health Network, Inc. and its affiliated entities (collectively "*ECHN*") in connection with the proposed transfer of certain assets of ECHN to a joint venture to be formed between Tenet Healthcare Corporation ("*Tenet*") and Yale-New Haven Health Services Corporation ("*YNHHSC*"). Please accept the enclosed Determination Letter submitted by ECHN, Tenet and YNHHSC to begin the review process for the proposed transaction as required by Connecticut General Statutes §§19a-486 et seq. and 19a-630 et seq.

ECHN's decision to transfer certain of its assets to the joint venture (to be known as VHS Eastern Connecticut Health System, LLC) follows an extensive review and due diligence process. The proposed transfer will provide a number of benefits for the community historically served by ECHN including, but not limited to:

- Continued operation of Manchester Memorial and Rockville General Hospitals;
- Capital investments to improve facilities and equipment;
- Development of a high-quality, accessible and cost-effective health care network; and
- Partnership with a leading academic medical center and access to YNHHSC's clinical support, quality and service line management.

We kindly request that the appearance of Wiggin and Dana LLP be entered on behalf of ECHN for matters conducted both at the Office of Attorney General and the Department of Public Health, Office of

WIGGIN AND DANA

Counsellors at Law

The Honorable George C. Jepsen
The Honorable Jewel Mullen
Page 2
June 4, 2014

Health Care Access. We look forward to working with your offices to ensure continued access to high quality health care services for the communities served by ECHN.

Thank you for your time and attention. Please forward all subsequent materials to our attention.

Sincerely,

Wiggin and Dana LLP

By 
Rebecca A. Matthews
Its Partner

By 
Melinda A. Agsten
Its Partner

cc: Dennis P. McConville, Senior Vice President for Planning, Marketing, and Communications, ECHN
Gayle Capozzalo, Executive Vice President, Strategy & System Development, YNHHS
William J. Aseltyne, Senior Vice President & General Counsel, YNHHS
Trip Pilgrim, Senior Vice President of Development, Tenet
Jeffrey Peterson, Senior Counsel, Tenet
Collin P. Baron, Esq., Pullman & Comley, LLC



**State of Connecticut
Office of Health Care Access
CON Determination Form
Form 2020**

All persons who are requesting a determination from OHCA as to whether a CON is required for their proposed project must complete this Form 2020. The completed form should be submitted to the Director of the Office of Health Care Access, 410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. PETITIONER INFORMATION

If this proposal has more than two Petitioners, please attach a separate sheet, supplying the same information for each Petitioner in the format presented in the following table.

	Petitioner	Petitioner
Full Legal Name	Eastern Connecticut Health Network, Inc.	Tenet Healthcare Corporation
Doing Business As		
Name of Parent Corporation		
Petitioner's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	71 Haynes Street Manchester, CT 06040	1445 Ross Avenue, Suite 1400 Dallas, TX 75202
What is the Petitioner's Status: P for profit and NP for Nonprofit	NP	P
Contact Person at Facility , including Title/Position: This Individual at the facility will be the Petitioner's Designee to receive all correspondence in this matter.	Dennis McConville, Senior Vice President & Chief Strategy Officer	Jeffrey Peterson, Senior Counsel

	Petitioner	Petitioner
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	71 Haynes Street Manchester, CT 06040	1445 Ross Avenue, Suite 1400 Dallas, TX 75202
Contact Person's Telephone Number	(860) 533-3429	(469) 893-6104
Contact Person's Fax Number	(860) 647-6860	(469) 893-7104
Contact Person's e-mail Address	dmconville@ech.n.org	jeff.peterson@tenethealth.com

	Petitioner	Petitioner
Full Legal Name	Yale-New Haven Health Services Corporation	
Doing Business As	Yale New Haven Health System	
Name of Parent Corporation		
Petitioner's Mailing Address, if Post Office (PO) Box, include a street mailing address for Certified Mail	20 York Street New Haven, CT 06510	
What is the Petitioner's Status: P for profit and NP for Nonprofit	NP	
Contact Person at Facility , including Title/Position: This Individual at the facility will be the Petitioner's Designee to receive all correspondence in this matter.	Gayle Capozzalo, Executive Vice President, Strategy & System Development	
Contact Person's Mailing Address, if PO Box, include a street mailing address for Certified Mail	20 York Street New Haven, CT 06510	

	Petitioner	Petitioner
Contact Person's Telephone Number	(203) 688-2605	
Contact Person's Fax Number	(203) 688-3472	
Contact Person's e-mail Address	gayle.capozzalo@ynhh.org	

SECTION II. GENERAL PROPOSAL INFORMATION

- a. Proposal/Project Title: Proposed Transfer of Assets of Eastern Connecticut Health Network, Inc. and Affiliates to VHS Eastern Connecticut Health System, LLC, a Joint Venture to be formed between Tenet Healthcare Corporation and Yale-New Haven Health Services Corporation
- b. Estimated Total Project Cost: \$105,000,000 (subject to certain adjustments, including substantial reductions for items such as outstanding indebtedness, liabilities relating to pension, retiree health, captive insurer, capital leases and asbestos abatement, and any joint venture interests that do not transfer).
- c. Location of proposal, identifying Street Address, Town and Zip Code: 71 Haynes Street, Manchester, CT 06040; 31 Union Street, Vernon, CT 06066; and locations served by joint ventures to be transferred as described below.
- d. List each town this project is intended to serve: Andover, Ashford, Bolton, Columbia, Coventry, East Hartford, East Windsor, Ellington, Glastonbury, Hebron, Manchester, Mansfield, Somers, South Windsor, Stafford, Tolland, Vernon, Willington, Union
- e. Estimated starting date for the project: Following regulatory approval and satisfaction of other closing conditions.

SECTION IV. PROPOSAL DESCRIPTION

Please provide a description of the proposed project, highlighting each of its important aspects, on at least one, but not more than two separate 8.5" X 11" sheets of paper. At a minimum each of the following elements need to be addressed, if applicable:

1. If applicable, identify the types of services currently provided and provide a copy of each Department of Public Health license held by the Petitioner.
2. Identify the types of services that are being proposed and what DPH licensure categories will be sought, if applicable.
3. Identify the current population served and the target population to be served.

Please see attached pages for proposal description.

PROPOSAL DESCRIPTION:

Eastern Connecticut Health Network, Inc., including its affiliates (collectively, "ECHN") is seeking approval from the Office of Health Care Access ("OHCA") and the Office of the Attorney General, for the proposed transfer of certain of the assets of ECHN, including certain assets of ECHN's two hospitals, Manchester Memorial Hospital and Rockville General Hospital, and ECHN's ownership interests in affiliated entities, to VHS Eastern Connecticut Health System, LLC ("VHS"), a to-be-formed, for-profit entity and joint venture between Tenet Healthcare Corporation ("Tenet") and Yale-New Haven Health Services Corporation ("YNHHSC"). Tenet will own 80% of the membership interests of VHS and YNHHSC will own 20%. The estimated total project cost is \$105,000,000, which is subject to certain adjustments, including substantial reductions for items such as outstanding indebtedness, liabilities relating to pension, retiree health, captive insurer, capital leases and asbestos abatement, and any joint venture interests that do not transfer.

The transfer will include the operating and other assets of ECHN (other than restricted charitable funds), including the properties, assets and businesses of, or ownership interests of ECHN and its affiliates in the following entities:

- Manchester Memorial Hospital, a licensed general hospital
- Rockville General Hospital, a licensed general hospital
- ECHN Eldercare Services, Inc. (d/b/a Woodlake at Tolland Rehabilitation & Nursing Center), a licensed chronic and convalescent nursing home
- Visiting Nurse and Health Services of Connecticut, Inc., a licensed home health care agency, and its direct subsidiary, A Caring Hand, LLC, a licensed homemaker-companion agency
- Clinically Integrated Network of Eastern Connecticut, LLC
- Connecticut Healthcare Insurance Company, Inc.
- ECHN Corporate Services, Inc. and its direct subsidiary, Medical Practice Partners, LLC
- ECHN Enterprises, Inc.
- Haynes Street Property Management, LLC

Copies of licenses issued by the Department of Public Health to each of the above licensed entities are attached as Exhibit A.

The transfer is proposed to also include the purchase of ECHN's (or an affiliate's) ownership interests in the following joint ventures, subject to approval by other members of the joint ventures as may be required by law or by the applicable joint venture governing documents:

- Aetna Ambulance Service, Inc., a licensed EMS organization
- Metro Wheelchair Service, Inc., a licensed EMS organization
- Ambulance Service of Manchester, LLC, a licensed EMS organization
- Evergreen Endoscopy Center, LLC, a licensed ambulatory surgical center
- WBC Connecticut East, LLC, a licensed mental health day treatment provider and psychiatric outpatient clinic
- Northeast Regional Radiation Oncology Network, Inc., a licensed outpatient clinic
- Connecticut Occupational Medicine Partners, LLC
- Eastern Connecticut Physician Hospital Organization, Inc.
- Pathology Laboratory Services, LLC
- Tolland Imaging Center, LLC
- Haynes Street Medical Associates, LLC
- Haynes Street Medical Associates II, LLC

- Evergreen Medical Associates, LLC
- Evergreen Medical Associates II, LLC

To the extent required by OHCA, ECHN will submit separate CON applications relating to the transfers of ownership of the joint venture interests listed above.

Finally, the parties will work to restructure ECHN's medical foundation, Eastern Connecticut Medical Professionals Foundation, Inc. (the "ECHN Medical Foundation"). Consistent with Connecticut law, this restructuring will take the form of either (i) a member substitution, pursuant to which Tenet or an affiliate of Tenet will become the sole member of ECHN Medical Foundation; or (ii) a transfer of the assets and liabilities of ECHN Medical Foundation to a new medical foundation, the sole member of which will be Tenet or an affiliate of Tenet.

There are a number of features of the proposed transaction that will benefit the current employees and communities served by ECHN. Although not an exhaustive list, these features will include:

- Operation of ECHN's assets by VHS, a unique partnership between an established for-profit national hospital company and one of the nation's leading academic medical centers.
- Establishment of a local advisory board of trustees ("local board") that will serve as a resource on topics such as capital investment, maintenance and implementation of the strategic business plans, medical staff credentialing, and quality assurance oversight. Approximately half of the governing board members will be physicians who provide the input for clinical quality and clinical programmatic planning. The balance of the local board will be comprised of individuals drawn from the local community, ensuring a mechanism for input regarding community needs and expectations.
- A commitment to maintain and adhere to ECHN's current policies regarding charity care, indigent care, community volunteer services and community outreach services or to adopt other policies that are at least as favorable to the community as ECHN's current policies.
- Offers of employment to substantially all ECHN employees with comparable salaries and benefits packages consistent with benefits packages offered to similarly situated employees at other hospitals operated by Tenet in similar markets. Existing bargaining agreements will be assumed and honored for existing terms.
- Maintenance of ownership interest in ECHN's continuum of care network.
- Continued participation in graduate medical education programs and the University of New England health professions teaching programs.
- Affiliation with the Yale New Haven Health System, which will provide clinical expertise and aid in comprehensive service line development.
- A commitment to invest \$75 million, beyond the estimated project cost, in routine and non-routine facility improvements, general upgrades and renovations, deferred maintenance items, and initiatives to develop, expand or acquire new programs or services, and to support the recruitment of medical staff.

In addition to approval from OHCA and the Office of the Attorney General, the proposed transfer of the assets described herein is subject to the parties entering into a definitive purchase agreement and the satisfaction of closing conditions that will be set forth therein.

No service changes are currently anticipated in connection with the proposed transaction. VHS will continue to provide care to the residents in the service area towns that have historically been served by ECHN including, Andover, Ashford, Bolton, Columbia, Coventry, East Hartford, East Windsor, Ellington, Glastonbury, Hebron, Manchester, Mansfield, Somers, South Windsor, Stafford, Tolland, Vernon, Willington, and Union.

SECTION V. AFFIDAVIT

(Each Petitioner must submit a completed Affidavit.)

Petitioner: Eastern Connecticut Health Network, Inc.

Project Title: Proposed Transfer of Assets of Eastern Connecticut Health Network, Inc. and Affiliates to VHS Eastern Connecticut Health System, LLC, a Joint Venture to be formed between Tenet Healthcare Corporation and Yale-New Haven Health Services Corporation

I, Peter J. Karl President & Chief Executive Officer
(Name) (Position – CEO or CFO)

of Eastern Connecticut Health Network, Inc. being duly sworn, depose and state that the
(Organization Name)

information provided in this CON Determination form is true and accurate to the best of my knowledge.

Peter J. Karl 6-3-14
Signature Date

Subscribed and sworn to before me on 3rd day of June, 2014

Yvonne Johnson
Notary Public/Commissioner of Superior Court

My commission expires: 1/31/2017

SECTION V. AFFIDAVIT

(Each Petitioner must submit a completed Affidavit.)

Petitioner: Tenet Healthcare Corporation

Project Title: Proposed Transfer of Assets of Eastern Connecticut Health Network, Inc. and Affiliates to VHS Eastern Connecticut Health System, LLC, a Joint Venture to be formed between Tenet Healthcare Corporation and Yale-New Haven Health Services Corporation

I, Trip Pilgrim Senior Vice President, Development
(Name) (Position – CEO or CFO)

of Tenet Healthcare Corporation being duly sworn, depose and state that the
(Organization Name)

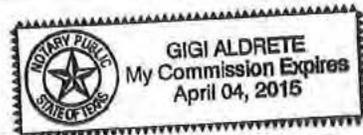
information provided in this CON Determination form is true and accurate to the best of my knowledge.

[Signature] 6/2/2014
Signature Date

Subscribed and sworn to before me on 6/2/14

[Signature]
Notary Public/Commissioner of Superior Court

My commission expires: 4-4-15



SECTION V. AFFIDAVIT

(Each Petitioner must submit a completed Affidavit.)

Petitioner: Yale-New Haven Health Services Corporation

Project Title: Proposed Transfer of Assets of Eastern Connecticut Health Network, Inc. and Affiliates to VHS Eastern Connecticut Health System, LLC, a Joint Venture to be formed between Tenet Healthcare Corporation and Yale-New Haven Health Services Corporation

I, Gayle Capozzalo Executive Vice President
(Name) (Position – CE● or CF●)

of Yale-New Haven Health Services Corporation being duly sworn, depose and state that the
(Organization Name)

information provided in this CON Determination form is true and accurate to the best of my knowledge.

 6/3/14
Signature Date

Subscribed and sworn to before me on June 3, 2014


Notary Public/Commissioner of Superior Court

My commission expires: July 31, 2017

EXHIBIT A

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0048

General Hospital

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

The Manchester Memorial Hospital of Manchester, CT d/b/a Manchester Memorial Hospital is hereby licensed to maintain and operate a General Hospital.

Manchester Memorial Hospital is located at 71 Haynes Street, Manchester, CT **06040**.

The maximum number of beds shall not exceed at any time:

34 Bassinets
249 General Hospital Beds

This license expires **December 31, 2015** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, January 1, 2014. RENEWAL.

Satellites:

Adult Ambulatory Behavioral Health Services, 150 North Main Street, Manchester, CT



Jewel Mullen, MD

Jewel Mullen, MD, MPH, MPA
Commissioner

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0036

General Hospital

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

Rockville General Hospital of Vernon, CT d/b/a Rockville General Hospital is hereby licensed to maintain and operate a General Hospital.

Rockville General Hospital is located at 31 Union Street, Vernon, CT 06066.

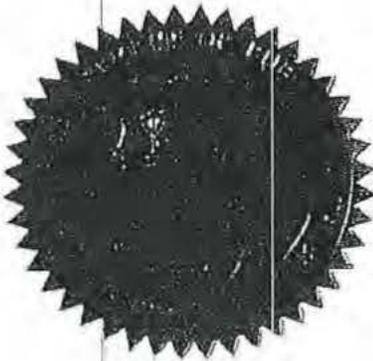
The maximum number of beds shall not exceed at any time:

16 Bassinets

102 General Hospital Beds

This license expires **December 31, 2015** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, January 1, 2014. RENEWAL.



Jewel Mullen

Jewel Mullen, MD, MPH, MPA
Commissioner

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 2099-C

Chronic & Convalescent Nursing Home

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:

ECHN Eldercare Services, Inc. of Tolland, CT d/b/a Woodlake at Tolland Rehabilitation and Nursing Center is hereby licensed to maintain and operate a Chronic & Convalescent Nursing Home.

Woodlake at Tolland Rehabilitation and Nursing Center is located at 26 Shenipsit Lake Road, Tolland, CT 06084-2332 with:

Harold E. Sandals, MD as Medical Director

Ellen M. Belanger as Administrator

Laurie A. Alves, RN as Director of Nurses

The maximum number of beds shall not exceed at any time:

130 Chronic and Convalescent Nursing Home Beds

This license expires **December 31, 2014** and may be revoked for cause at any time.

Dated at Hartford, Connecticut, January 1, 2013. RENEWAL.

Waiver Sec. 19-13-D8t(v)(7)(iii) Exp. N/A

Waiver Sec. 19-13-D8t(v)(7)(C) Exp. N/A

Waiver Sec. 19-13-D8u(a)(1) Exp. N/A



Jewel Mullen MD

Jewel Mullen, MD, MPH, MPA
Commissioner

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. C81791

Home Health Care Agency

In accordance with the provisions of the General Statutes of Connecticut Section 19a-493:
PERMISSION IS GRANTED TO:

**Visiting Nurse & Health Services of Connecticut, Inc.
d/b/a Visiting Nurse & Health Services of Connecticut, Inc.**

located at 8 Keynote Drive, Vernon, CT 06066

Additional Patient Services Offices:

155 Hazard Avenue, Suites 5 & 6, Enfield, CT

To provide the following Home Health Care Services:

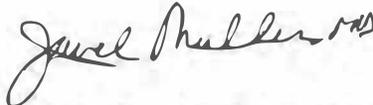
**Home-Maker Home Health Aide
Hospice
Medical Social Work
Nursing**

**Occupational Therapy
Physical Therapy
Speech Therapy**

in the patient's home or a substantially equivalent environment in the towns named in the agency's application for licensure.

This license expires **December 31, 2015** and may be revoked for cause at any time.
Dated at Hartford, Connecticut, January 1, 2014. RENEWAL.




Jewel Mullen, MD, MPH, MPA
Commissioner



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

TO: Administrator
Visiting Nurse & Health Services of Connecticut, Inc.
8 Keynote Drive
Vernon, CT 06066

FROM: Rose McLellan
License and Application Supervisor
Facility Licensing and Investigations Section

DATE: December 20, 2013

Enclosed is your license to operate a **Home Health Care Agency**. The license must be posted in a conspicuous place as required by the General Statutes of Connecticut Section 19a-493.

The license is in effect **only** for the operation of the facility as it is now organized. It is not transferable to any other person, facility or address.

As a reminder, any changes in key personnel (Administrator, Director of Nursing and President) must be submitted in writing, along with any license number, resume, effective date and affidavit. Any changes in your Medical Director must be submitted in writing with the effective date and license number.

If we can be of any assistance, please do not hesitate to call the licensure office, Facility Licensing and Investigations Section.

Enclosure: License
RM/cbj



Phone: (860) 509-7400
Telephone Device for the Deaf (860) 509-7191
410 Capitol Avenue - MS # 12HSR
P.O. Box 340308 Hartford, CT 06134
An Equal Opportunity Employer

STATE OF CONNECTICUT ♦ DEPARTMENT OF CONSUMER PROTECTION

Be it known that

A CARING HAND LLC
45 HARTFORD TPKE STE 3
VERNON, CT 06066-5274

is certified by the Department of Consumer Protection as a registered

HOMEMAKER-COMPANION AGENCY

REGISTRATION # HCA.0000138

Effective: 11/01/2013

Expiration: 10/31/2014


William M. Rubenstein, Commissioner