

State of Connecticut

GEORGE C. JEPSEN
ATTORNEY GENERAL



Hartford

Tel: (860) 808-5318
Fax: (860) 808-5387

October 24, 2014

The Honorable Jeffrey J. Berger
State Representative, 73rd Assembly District
Legislative Office Building
Hartford, CT 06106

Re: Waterbury and St. Mary's Hospitals

Jeff
Dear Rep. Berger:

Thank you for your recent letter regarding the proposed transactions involving Waterbury Hospital and St. Mary's Hospital. I appreciate the concerns you raise and will make your letter part of our Office's official record of review of these transactions.

As you know, the obligation of the Office of the Attorney General is to review the proposed transactions according to the standards and criteria established by the legislature in the Hospital Conversion Act. See Conn. Gen. Stat. § 19a-486c. These criteria require my Office to make a number of determinations, including whether a non-profit hospital's decision to sell its assets was reasonable, whether it chose the ultimate purchaser in an open and fair process, whether it received fair market value for its assets, whether the funds generated by the sale will be transferred to a charitable foundation that will use them for the promotion of healthcare in the affected community, and whether the use restrictions of all charitable assets held by the nonprofit hospital will be preserved.

The Department of Public Health also is reviewing these transactions pursuant to the criteria set forth in Section 19a-486d of the General Statutes, as amended by P.A. 14-168. Those criteria require DPH to determine whether the affected community will be assured of continued access to high quality and affordable health care after accounting for any proposed change impacting hospital staffing, whether the purchaser has made a commitment to provide health care to the uninsured and underinsured, whether safeguard procedures are in place to avoid a conflict of interest in patient referrals, and whether a certificate of need is justified in accordance with Chapter 368z of the General Statutes.

Thank you once again for taking the time to write to me about these transactions. Please feel free to contact me again about this or any other matter.

GJ
Very truly yours,

George Jepsen
Attorney General