

**OFFICE OF THE ATTORNEY GENERAL  
STATE OF CONNECTICUT**

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In the Matter of the

**Investigation by William Tong, Attorney  
General of the State of Connecticut, of the  
Proposed Acquisition of Manchester  
Memorial Hospital, Rockville General  
Hospital, and Prospect CT Medical  
Foundation, Inc.**

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**AGREEMENT OF ASSURANCES  
WITH HARTFORD HEALTHCARE CORPORATION**

This Agreement of Assurances (“Agreement”) is made and entered into this 26th day of December 2025 (the “effective date”) between the State of Connecticut, acting through the Office of the Connecticut Attorney General (the “Attorney General”) and Hartford HealthCare Corporation (“HHC” or the “Respondent”). The Attorney General and the Respondents are collectively referred to herein as the “Parties.”

**WHEREAS** In November 2025, pursuant to Connecticut Antitrust Act, Chapter 35 of the Connecticut General Statutes, the Attorney General commenced an investigation concerning the competitive implications of the proposed transfer of ownership to one or more subsidiaries of HHC of certain Prospect CT, Inc. assets held by its subsidiary Prospect ECHN, Inc. d/b/a Eastern Connecticut Health Network’s (“PECHN”) and PECHN affiliated entities assets, including but not limited to, the assets of Manchester Memorial Hospital and its Rockville campus—previously known as Rockville General Hospital—and the PECHN components of Prospect CT Medical Foundation, Inc. (collectively, the “PECHN Assets”). This proposed acquisition is hereafter referred to as the “Proposed Transaction”.

**WHEREAS** This Agreement contains the Attorney General's findings and contentions (the “Findings”) as set forth in Section I below, and the relief agreed to by the Parties as set forth in Section II below.

**I. THE ATTORNEY GENERAL’S FINDINGS**

1. On or about January 11, 2025, Prospect Medical Holdings, Inc. (“PMH”) and certain of its subsidiaries filed for Chapter 11 bankruptcy protection to effectuate a transaction process for certain of its assets and liabilities. The bankruptcy proceedings are being overseen by the U.S. Bankruptcy Court for the Northern District of Texas, Case No. 25-80002. Prospect CT, Inc. (“Prospect CT”) is the Connecticut subsidiary of PMH, and Prospect CT includes two Connecticut-based hospital systems: PECHN, which is comprised of Manchester Memorial Hospital and its Rockville campus, and Prospect Waterbury, Inc. d/b/a The Waterbury Hospital (“Prospect

Waterbury”), as well as and certain affiliated entities and joint ventures associated with each of the hospitals. The latter PW hospital system and its various subsidiaries and affiliated entities, including the PW components of Prospect CT Medical Foundation, Inc., are not part of the Proposed Transaction.

2. As part of the bankruptcy proceeding, on or about September 18, 2025, HHC, through its then wholly owned subsidiary ECHN Holdings, Inc., submitted a \$86.1 million bid to acquire the PECHN Assets through a court-supervised sale auction. On October 28, 2025, the bankruptcy court accepted HHC’s offer as the winning bid after no competing proposals were submitted and issued an order approving the sale. On the same date, HHC submitted an Emergency Certificate of Need application, Docket No. 25-32843-ECON, to the Office of Health Strategy.

3. On November 6, 2025, the Attorney General received a Notice of Material Change (“NOMC”) filing from HHC as required by Conn. Gen. Stat. § 19a-486i, informing the Attorney General of its intent to effectuate the Proposed Transaction. The purpose of this provision is to give the Attorney General advance notice of significant changes in ownership or control involving a hospital system or physician group practice that could affect competition, access to care, or health care costs in Connecticut. This filing allows the Attorney General to review the proposed transactions before they take effect. By doing so, the Attorney General can proactively evaluate whether a transaction may reduce competition, lead to higher prices, limit patient choice, or otherwise violate federal or state antitrust laws, and can determine whether conditions or safeguards are needed to protect the public interest.

4. Through the Attorney General’s review of the NOMC filing and subsequent investigation into the Proposed Transaction, the Attorney General has determined that this may substantially lessen competition in the provision of inpatient hospital services, outpatient surgical services, and physician services across certain specialties within the Capitol Planning Region. HHC and Prospect currently operate hospitals and affiliated physician practices that compete to some degree to provide overlapping services to patients, employers, and payors in this region. By combining these operations, had PECHN’s operations been viable, the transaction would have reduced any such competition between two of the few remaining independent hospital systems serving the area, thereby increasing concentration and enhancing HHC’s bargaining leverage with commercial insurers. The integration would also expand HHC’s network of employed physicians, further consolidating referral streams and limiting opportunities for independent physician practices to compete effectively. Together, these changes would have been anticipated to reduce the number of independent competitors available to patients and payors, heighten entry barriers for new providers, and increase the combined entity’s ability to exercise market power.

5. The nature of the Proposed Transaction and the impact on competition in the Capital Planning Region specifically may produce immediate and measurable price effects, particularly through the migration of physicians currently employed by Prospect CT Medical Foundation, Inc. to Hartford HealthCare Medical Group, Inc. (“HHCMG”), HHC’s affiliated medical foundation. To the extent HHC negotiates higher reimbursement rates with commercial payors than those historically obtained by Prospect, the transaction may place upward pressure on commercial prices as Prospect’s

hospitals and affiliated physicians are incorporated into HHC’s contracting structure. In addition, the migration of Prospect-employed physicians to HHC would concentrate physician employment across multiple specialties, reducing competitive options for payors and patients, and amplifying the likelihood of higher reimbursement rates and constrained patient choice throughout the Capitol Planning Region.<sup>1</sup> Any such potential price effects are expected to be offset by the quality and access efficiencies claimed by HHC, as further discussed below.

6. Despite these competitive concerns, HHC is acquiring a hospital system and affiliated physician practices that are financially distressed and unable to continue operating independently. Prospect’s hospitals have incurred mounting operating losses, declining patient volumes in certain service lines, and deferred capital investments, leading up to their bankruptcy, creating a credible risk that, absent the Proposed Transaction, one or both facilities could exit the marketplace. The Proposed Transaction is expected to preserve and expand access to essential inpatient and outpatient care for local communities, maintain employment for physicians, nurses, and other clinical staff, and sustain ongoing services in critical specialties that might otherwise be disrupted or eliminated. HHC intends to create efficiency and quality improvements in clinical care sites throughout the region through its participation in value-based reimbursement models with payors. Importantly, HHC has agreed to a series of significant conditions designed to mitigate the transaction’s potential competitive effects, including safeguards for physician mobility, commitments to maintain an open medical staff, and obligations to limit reimbursement increases for certain physician services. The Attorney General deems these measures to be in the public interest, as they help ensure that the benefits of preserving the failing business and affiliated physician practice are realized while minimizing the potential for immediate post-merger price increases, reduced patient choice, or diminished competition in the Capitol Planning Region.

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**WHEREAS** the Attorney General has informed HHC of the aforementioned concerns and the Parties have collaborated on the assurances outlined below to resolve such concerns;

**WHEREAS** the assurances below apply only as they relate to those physicians employed by Prospect CT Medical Foundation, Inc. and reported in the NOMC filing submitted to the Attorney General on November 6, 2025 who become employed by HHCMG as of the closing of the Proposed Transaction (“Closing”) (these physician referred to hereafter as the “Prospect Physicians”) unless otherwise indicated;

**WHEREAS** the Attorney General finds that the relief and other provisions contained in this Agreement are appropriate and in the public interest and is willing to accept such relief to resolve the

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<sup>1</sup> The Capitol Planning Region is located in the central and northern parts of the state and includes the following 38 towns: Andover, Avon, Berlin, Bloomfield, Bolton, Canton, Columbia, Coventry, East Granby, East Hartford, East Windsor, Ellington, Enfield, Farmington, Glastonbury, Granby, Hartford, Hebron, Manchester, Mansfield, Marlborough, New Britain, Newington, Plainville, Rocky Hill, Simsbury, Somers, Southington, South Windsor, Stafford, Suffield, Tolland, Vernon, West Hartford, Wethersfield, Willington, Windsor, and Windsor Locks. See State of Connecticut Office of Policy Management, *Regional Planning Organization (RPO)*, CT.gov, <https://portal.ct.gov/opm/igpp/org/planning-regions/planning-regions---overview> (last visited December 24, 2025).

investigation under the Connecticut Antitrust Act and enable HHC to continue to pursue the Proposed Transaction to maintain access to health care in the communities served by PECHN;

**NOW THEREFORE**, in exchange for the mutual obligations described below, the Parties hereby enter into this Agreement and agree as follows:

## **II. AGREEMENT OF ASSURANCES**

7. HHCMG shall maintain non-competition restrictions between Prospect and the Prospect Physicians in place prior to the Closing. HHCMG shall waive its right to enforce any such non-competition restriction for any Prospect Physician who terminates their employment with HHCMG within ninety (90) days of the Closing, provided that such waiver shall not apply to any Prospect Physician who devotes, on average, at least eight (8) hours a week to the provision of leadership services for HHCMG or Manchester Memorial Hospital, Inc. (“MMH”).

8. In the event that any Prospect Physician chooses not to continue employment with HHCMG as of the Closing, such termination will not impact such Prospect Physician’s medical staff membership at MMH or any other HHC-affiliated hospital in the State of Connecticut, subject to satisfaction of credentialing obligations of the subject hospital.

9. MMH shall continue to maintain an open medical staff and all qualified Prospect Physicians who have medical staff privileges at the Prospect Manchester Memorial Hospital shall be eligible for staff privileges at MMH, subject to satisfaction of applicable credentialing obligations.

10. HHCMG shall submit claims for reimbursement for HHCMG physicians, including the Prospect Physicians, on a combined reimbursement neutral basis (at reimbursement unit level) by payer for the top five commercial payers and for a period of no less than two (2) years HHCMG shall ensure that combined reimbursement neutrality (at reimbursement unit level) will be maintained, subject to negotiated agreements with such payers. It is understood that negotiated Cost of Living increases shall be applied to the neutral combined reimbursement.

11. MMH shall continue to permit qualified physicians currently practicing in, or who enter, the area surrounding MMH to apply for privileges at MMH in accordance with the MMH medical staff bylaws.

12. Employment by HHCMG or its affiliates shall continue to not be a criterion for continuing or granting privileges at MMH.

13. MMH shall continue to not condition privileges at MMH on a physician’s agreement not to practice at other hospitals in the State of Connecticut.

14. HHC shall extend its current corporate compliance plan and program, including the antitrust compliance component thereto, to MMH within sixty (60) days from the effective date of the transaction.

### **III. GENERAL PROVISIONS**

#### **Term**

15. All provisions in the Agreement shall remain in effect for a period of three (3) years from the effective date of this Agreement, unless otherwise stated.

#### **Certification Requirements**

16. Respondent shall provide a certificate of compliance each year on the anniversary of the effective date to the Attorney General regarding implementation of this Agreement of Assurances (the "Certification"). This Certification should describe the steps taken to date and any anticipated delays in compliance.

#### **Representations**

17. If any material representations by Respondent or their counsel during the investigation or as set forth in the Certification are later found to be materially inaccurate or misleading, this Agreement is voidable by the Attorney General, in his sole discretion.

#### **Releases**

18. In consideration of the obligations of Respondents under this Agreement, the State of Connecticut hereby fully and finally releases Respondents from any possible civil or administrative claim, action, suit, or proceeding for damages, penalties, or other injuries allegedly suffered by the State of Connecticut, that the Attorney General may have asserted arising from or related to the Findings herein or the underlying conduct related thereto through and including the effective date of this Agreement.

19. Notwithstanding the release given in Paragraph 18 of this Agreement or other term of this Agreement, the following claims of the State of Connecticut are specifically reserved and not released:

- (a) Any liability to the State of Connecticut (or its respective agencies) for any conduct other than the conduct described in the Findings;
- (b) Claims based upon such obligations as are created by this Agreement;
- (c) Any tax liability arising under laws and regulations that are administered and enforced by the Connecticut Department of Revenue Services; and
- (d) Claims of natural persons or consumers, including civil liability for personal injury or for other consequential damages arising from the conduct described in the Findings.

20. Respondent fully and finally release the Attorney General and the State of Connecticut, and their respective agencies, officers, agents, employees, and servants, from any claims, including attorney's fees, costs, and expenses of every kind and however denominated, that Respondent has asserted, could have asserted, or may assert in the future against the Attorney General and the State of Connecticut, and their respective agencies, officers, agents, employees, and servants, related to the conduct described in the Findings.

21. This Agreement is intended to be for the benefit of the Parties only. The Parties do not release any claims against any other person or entity.

### **Notice to Parties**

22. Unless otherwise stated in writing subsequent to the effective date of this Agreement, all notifications and communications made pursuant to this Agreement shall be submitted to the persons listed below:

**FOR THE ATTORNEY GENERAL:**

Julián A. Quiñones Reyes  
Assistant Attorney General  
Office of the Attorney General  
165 Capitol Avenue  
Hartford, CT 06106  
(860) 808-5030  
[Julian.Quinones@ct.gov](mailto:Julian.Quinones@ct.gov)

**FOR RESPONDENT:**

David M. Mack  
Executive Vice President and Chief  
Legal Officer  
Hartford HealthCare Corporation  
100 Pearl Street  
Hartford, CT 06103  
[David.Mack@hhchealth.org](mailto:David.Mack@hhchealth.org)

### **Miscellaneous**

23. Respondent is entering into this Agreement without trial or adjudication of any issue of fact or law. No part of this Agreement shall constitute evidence against Respondent with respect to any issue of law or fact. No part of this Agreement shall be treated or construed as an admission of fact, liability or wrongdoing by Respondent.

24. Nothing in this Agreement shall be construed to prohibit the Respondent from engaging in lawful business in Connecticut in compliance with this Agreement and all applicable Connecticut laws.

25. This Agreement does not constitute approval by the Attorney General of any of the Respondent's business practices, and Respondent shall make no representation or claim to the contrary.

26. Nothing in this Agreement shall be construed as relieving the Respondent of its obligations to comply with all state and federal laws, regulations, and rules, or as granting permission to engage in any acts or practices prohibited by such law, regulation, or rule.

**27.** Respondents acknowledge that the State of Connecticut's remedy at law regarding enforcement of this Agreement is inadequate and agree that the Connecticut Superior Court has the authority to specifically enforce the provisions of this Agreement, including the authority to award equitable relief and require specific performance. The exclusive forum for resolving any dispute under this Agreement shall be the Connecticut Superior Court for the Judicial District of Hartford. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

**28.** Any failure by the Attorney General to insist upon the strict performance by Respondent of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and the Attorney General, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all provisions of this Agreement to be performed by the Respondent.

**29.** This Agreement shall be governed by the laws of the State of Connecticut, without regard to its choice of law rules.

**30.** Nothing in this Agreement shall be construed as a waiver of the State of Connecticut's sovereign immunity.

**31.** Titles or captions in this Agreement are inserted as a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope of this Agreement or any provision thereof.

**32.** As used herein, the plural shall refer to the singular and the singular shall refer to the plural, and the masculine and the feminine and the neuter shall refer to the other, as the context requires.

**33.** This Agreement constitutes the complete agreement by and among the Attorney General and the Respondent and may not be amended except by a writing signed by the Attorney General and the Respondent.

**34.** This Agreement shall be binding on Respondent and their subsequent purchasers, merged parties, inheritors, or other successors in interest for the Term of this Agreement. Respondent shall take no direct or indirect action to circumvent the terms of this Agreement. In no event shall assignment of any right, power, or authority under this Agreement avoid Respondent's compliance with this Agreement.

**35.** This Agreement shall not be construed to create rights or claims in third parties against the Parties that do not otherwise exist.

**36.** During the Term of the Agreement, no duty or obligation imposed by this Agreement on Respondent shall be assigned or delegated by Respondent without the express written consent of the

Attorney General. Any purported assignment or delegation in violation of the preceding sentence shall be voidable at the sole discretion of the Attorney General.

**37.** If any portion of this Agreement is held invalid by operation of law, the remaining terms of this Agreement shall not be affected.

**38.** Each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

**39.** Any signature required to affect any part of this Agreement may be executed by the Parties in counterparts, each of which signatures shall be deemed an original, and any such document executed in counterparts shall have the same effect and authority.

**40.** The Respondent enters into this Agreement of their own free and voluntary act and with full knowledge and understanding of the nature of the proceedings and the obligations and duties imposed by this Agreement.

**41.** The undersigned individual(s) signing this Agreement on behalf of the Respondent warrant that they are duly authorized by the Respondent to execute this Agreement.

**42.** The undersigned individuals signing this Agreement on behalf of the Attorney General and the State of Connecticut represent that they are signing this Agreement in their official capacities and that they are duly authorized to execute this Agreement.

**[signature page follows on the next page]**



IN WITNESS WHEREOF, the Attorney General and Respondent set their hands and seals on the dates set forth below:

**HARTFORD HEALTHCARE  
CORPORATION**

By: 

David M. Mack  
Executive Vice President and  
Chief Legal Officer

Dated: 12/26/2025

**STATE OF CONNECTICUT**

William Tong  
Attorney General of Connecticut

Jeremy Pearlman  
Associate Attorney General  
Chief, Division of Enforcement and Public  
Protection

Nicole Demers  
Deputy Associate Attorney General  
Chief, Antitrust Section



Julián A. Quiñones Reyes  
Assistant Attorney General  
Office of the Attorney General  
165 Capitol Avenue  
Hartford, CT 06106

Dated: 12/26/2025