SAINT FRANCIS *Care* jmmc
Johnson Memorial Medical Center

June 2, 2015

RECEIVED
JUN - 2 2015
Office of
HEALTHCARE ACCESS

Via Hand Delivery

Kimberly R. Martone
Director of Operations
Office of Health Care Access
410 Capitol Avenue
MS#13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Saint Francis *Care's* Acquisition of the Assets of Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital Inc., and certain affiliates

Dear Ms. Martone;

Enclosed please find the original CON Application for Saint Francis *Care's* Acquisition of the Assets of Johnson Memorial Medical Center, Inc. and certain subsidiaries, as well as four copies of the application and a CD containing the complete document.

We are pleased to submit this Application to your office as the proposed transaction offers the opportunity to further expand our relationship begun under the framework of the Affiliation Agreement signed in July, 2012 by Saint Francis *Care* and Johnson Memorial Medical Center, Inc. We strongly believe this acquisition will further enable what has been a mutually beneficial relationship. We also believe this Certificate of Need Application will preserve existing services at Johnson thus access to service is maintained for its current and future patients seeking health care services at Johnson.

We look forward to working with you and your staff to complete the Certificate of Need process for this essential project.

We appreciate your attention in this matter.

If you have any questions, do not hesitate to call Chris Hartley, Senior Vice President, Planning, Business Development and Government Relations at 860-714-5573.

Respectively submitted,

Saint Francis *Care*

By: _____
Christopher Dadlez, FACHE
President and
Chief Executive Officer
Saint Francis *Care*

Johnson Memorial Medical Center, Inc.

By: _____
Stuart Rosenberg
President and
Chief Executive Officer
Johnson Memorial Medical Center, Inc.

Enclosures

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Checklist

Instructions:

1. Please check each box below, as appropriate; and
2. The completed checklist *must* be submitted as the first page of the CON application.

☒ Attached is a paginated hard copy of the CON application including a completed affidavit, signed and notarized by the appropriate individuals.

☒ *(*New*).* A completed supplemental application specific to the proposal type, available on OHCA's website under "OHCA Forms." A list of supplemental forms can be found on page 2.

☒ Attached is the CON application filing fee in the form of a certified, cashier or business check made out to the "Treasurer State of Connecticut" in the amount of $500.

☒ Attached is evidence demonstrating that public notice has been published in a suitable newspaper that relates to the location of the proposal, 3 days in a row, at least 20 days prior to the submission of the CON application to OHCA. (*OHCA requests that the Applicant fax a courtesy copy to OHCA (860) 418-7053, at the time of the publication)*

☒ Attached is a completed Financial Attachment

☒ Submission includes one (1) original and four (4) hard copies with each set placed in 3-ring binders.

☒ The following have been submitted on a CD

1. A scanned copy of each submission in its entirety, including all attachments in Adobe (.pdf) format.
2. An electronic copy of the applicant's responses in MS Word (the applications) and MS Excel (the financial attachment).

For OHCA Use Only:

Docket No.: _____ **Check No.:** 00010320 72

OHCA Verified by: BL **Date:** 6/2/15

Check Date: May/20/2015	Vendor Number: 0000003738					Check No. 0001032072
Invoice Number	**Invoice Date**	**Voucher ID**	**Gross Amount**	**Discount Taken**	**Late Charge**	**Paid Amount**
CON FILING FOR JMMC 5/20/15	May/20/2015	00709175	500.00	0.00	0.00	500.00

Check Number	Date	Total Gross Amount	Total Discounts	Total Late Charges	Total Paid Amount
0001032072	May/20/2015	$500.00	$0.00	$0.00	$500.00

THIS IS WATERMARKED PAPER - DO NOT ACCEPT WITHOUT NOTING WATERMARK - HOLD TO LIGHT TO VERIFY WATERMARK

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105

BANK OF AMERICA
777 MAIN STREET
HARTFORD, CT 06115

51-57/119

0001032072

Date May/20/2015

Pay Amount **$500.00*****

Pay ****FIVE HUNDRED AND XX / 100 DOLLAR******

To The Order Of

TREASURER STATE OF CONNECTICUT
55 ELM ST
HARTFORD, CT 06106

Hartley, Christopher

From: Hartley, Christopher
Sent: Monday, April 13, 2015 2:53 PM
To: 'Leslie.greer@ct.gov'
Cc: Rotavera, Liz
Subject: Public notice
Attachments: 0842_001.pdf

Leslie,

Please find attached public notices.

Thanks
Chris

facsimile
TRANSMITTAL

---

to: Kim Martone

fax# 860-418-7053

date: 4/13/15

pages: 7

comments:

Please find attached the proof of the public notices from the Hartford Courant and Journal Inquirer for Saint Francis Care's acquisition of substantially all of the assets of Johnson Memorial Medical Center, Inc.

From the desk of . . .

R. Christopher Hartley
Senior Vice President
Government Relations & Business Development
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, CT 06105
860-714-5573
Fax: 860-714-8093

The Hartford Courant.
A TRIBUNE PUBLISHING COMPANY

Affidavit of Publication

State of Connecticut

Friday, April 10, 2015

County of Hartford

I, Claire Blissett, do solemnly swear that I am Sales Assistant of the Hartford Courant, printed and published daily, in the state of Connecticut and that from my own personal knowledge and reference to the files of said publication the advertisement of Public Notice was inserted in the regular edition.

On date as follows: 03/26/2015
03/27/2015

In the amount of $56.36

St Francis Hospital

Zone 3

Claire Blissett

Sales Assistant
Claire Blissett

Subscribed and sworn to before me April 10, 2015

Renee N Janes

Notary Public

RENEE N. JANES
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2018

3155869

CT1 MEDIA | PUBLISHING DIGITAL

Printed: 4/10/2015 2:07:06 PM

Order ID: 3155885

GROSS PRICE * : **$56.36**

* Agency Commission not include

PACKAGE NAME: Legal Notice
Zoned Daily

Product(s): Hartford Courant, Affidavits, MyPublicNotices.com
AdSize(s): 1 Column, , 300 x 250 Pixels
Run Date(s): Thursday, March 26, 2015, Friday, March 27, 2015
Color Spec. B/W

Preview

Under Connecticut General Statute 19a-638, Saint Francis Care, Inc. located at 114 Woodland Street Hartford, Connecticut 06105 is proposing to acquire substantially all of the assets of Johnson Memorial Medical Center, Inc. and certain subsidiaries, including Johnson Memorial Hospital, located at the principal place of business at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076. The anticipated capital expenditure associated with the proposed acquisition is $32.9 million. Saint Francis Care, Inc. will file the Certificate of Need application for this project with the Department of Public Health through the Office of Health Care Access.

The Hartford Courant.
A TRIBUNE PUBLISHING COMPANY

Affidavit of Publication

State of Connecticut

Friday, April 10, 2015

County of Hartford

I, Claire Blissett, do solemnly swear that I am Sales Assistant of the Hartford Courant, printed and published daily, in the state of Connecticut and that from my own personal knowledge and reference to the files of said publication the advertisement of Public Notice was inserted in the regular edition.

On date as follows: 03/28/2015

In the amount of $93.40

St Francis Hospital

Full Run

Claire Blissett

Sales Assistant
Claire Blissett

Subscribed and sworn to before me April 10, 2015

Renee N. Janes

Notary Public

RENEE N. JANES
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2018

3185885

CT1 MEDIA | PUBLISHING DIGITAL

Printed: 4/10/2015 2:08:59 PM

Order ID: 3155952

GROSS PRICE * : **$93.40**

* Agency Commission not included

PACKAGE NAME: Legal Notice FR
Daily

Product(s): Hartford Courant, Affidavits, MyPublicNotices.com

AdSize(s): 1 Column, , 300 x 250 Pixels

Run Date(s): Saturday, March 28, 2015

Color Spec. B/W

Preview

Under Connecticut General Statute 19a-638, Saint Francis Care, Inc. located at 114 Woodland Street Hartford, Connecticut 06105 is proposing to acquire substantially all of the assets of Johnson Memorial Medical Center, Inc. and certain subsidiaries, including Johnson Memorial Hospital, located at the principal place of business at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076. The anticipated capital expenditure associated with the proposed acquisition is $32.9 million. Saint Francis Care, Inc. will file the Certificate of Need application for this project with the Department of Public Health through the Office of Health Care Access.

Affidavit of Publication

State of Conneticut
County of Hartford) ss. Manchester

I Kathy Fuller do solemnly swear that I am Classified Bookkeeper of the JOURNAL INQUIRER printed and published at Manchester in Connecticut and that from my own personal knowledge and reference to the files of said publication the advertisement of

JOHNSON MEM MED CNTR ACQ

was inserted in the regular editions on the dates as follows:

03/26/2015 03/27/2015 03/28/2015

Kathy Fuller
Billing Department

Subscribed and sworn to before me this 13th day of April, 2015

Notary Public

KARIN E. MARSH
NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 31, 2018

Seal

Ad text : PUBLIC NOTICE

Under Connecticut General Statute 19a-638, Saint Francis Care, Inc. located at 114 Woodland Street Hartford, Connecticut 06105 is proposing to acquire substantially all of the assets of Johnson Memorial Medical Center, Inc. and certain subsidiaries, including Johnson Memorial Hospital, located at the principal place of business at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076. The anticipated capital expenditure associated with the proposed acquisition is $32.9 million. Saint Francis Care, Inc. will file the Certificate of Need application for this project with the Department of Public Health through the Office of Health Care Access.

Journal Inquirer
March 26, 2015
March 27, 2015
March 28, 2015

State of Connecticut
Department of Public Health
Office of Health Care Access

Certificate of Need Application
Main Form
Required for all CON applications

Contents:

- Checklist
- List of Supplemental Forms
- General Information
- Affidavit
- Abbreviated Executive Summary
- Project Description
- Public Need and Access to Health Care
- Financial Information
- Utilization

All Supplemental Forms

In addition to completing this Main Form and the appropriate financial worksheet, applicants must complete one of the following supplemental forms listed below. All CON forms can be found on the OHCA website at OHCA Forms.

Conn. Gen. Stat. Section 19a-638(a)	Supplemental Form
(1)	**Establishment of a new health care facility (mental health and/or substance abuse)** - *see note below**
(2)	**Transfer of ownership of a health care facility** (excludes transfer of ownership/sale of hospital – see "Other" below)
(3)	**Transfer of ownership of a group practice**
(4)	**Establishment of a freestanding emergency department**
(5) (7) (8) (15)	**Termination of a service:** termination of inpatient or outpatient services offered by a hospital termination of surgical services by an outpatient surgical facility termination of an emergency department by a short-term acute care general hospital termination of inpatient or outpatient services offered by a hospital or other facility or institution operated by the state that provides services that are eligible for reimbursement under Title XVIII or XIX of the federal Social Security Act, 42 USC 301, as amended
(6)	**Establishment of an outpatient surgical facility**
(9)	**Establishment of cardiac services**
(10) (11)	**Acquisition of equipment:** acquisition of computed tomography scanners, magnetic resonance imaging scanners, positron emission tomography scanners or positron emission tomography-computed tomography scanners acquisition of nonhospital based linear accelerators
(12)	**Increase in licensed bed capacity** of a health care facility
(13)	**Acquisition of equipment utilizing [new] technology** that has not previously been used in the state
(14)	**Increase of two or more operating rooms** within any three-year period by an outpatient surgical facility or short-term acute care general hospital
Other	**Transfer of Ownership / Sale of Hospital**

*****This supplemental form should be included with all applications requesting authorization for the establishment of a **mental health and/or substance abuse treatment facility**. For the establishment of other "health care facilities," as defined by Conn. Gen. Stat § 19a-630(11) - hospitals licensed by DPH under chapter 386v, specialty hospitals, or a central service facility - complete *the Main Form* only.

General Information

Main Site*

MAIN SITE PFI	MEDICAID PROVIDER ID	TYPE OF FACILITY	MAIN SITE NAME
N/A	IP -004041620 OP-004024923	Hospital	Saint Francis *Care*
STREET & NUMBER			
114 Woodland Street			
TOWN			ZIP CODE
Hartford, CT			06105

*For additional sites

Project Site

PROJECT SITE PFI	MEDICAID PROVIDER ID	TYPE OF FACILITY	PROJECT SITE NAME
N/A	IP -4041687 OP-4024980	Hospital	Johnson Memorial Medical Center
STREET & NUMBER			
201 Chestnut Hill Road			
TOWN			ZIP CODE
Stafford Springs, CT			06076

Operator

OPERATING CERTIFICATE NUMBER	TYPE OF FACILITY	LEGAL ENTITY THAT WILL OPERATE OF THE FACILITY (or proposed operator)
STREET & NUMBER		
TOWN		ZIP CODE

Chief Executive

NAME		TITLE	
Christopher Dadlez		President and Chief Executive Officer	
STREET & NUMBER			
114 Woodland Street			
TOWN		STATE	ZIP CODE
Hartford		CT	06105
TELEPHONE	FAX	E-MAIL ADDRESS	
860-714-5541	860-714-7920	cdadlez@stfranciscare.org	

Title of Attachment:

Is the applicant an existing facility? If yes, attach a copy of the resolution of partners, corporate directors, or LLC managers, as the case may be, authorizing the project.	YES ☒ NO ☐	See **Exhibit 1**
Does the Applicant have non-profit status? If yes, attach documentation.	YES ☒ NO ☐	See **Exhibit 2**

Identify the Applicant's ownership type.	PC ☐ Other: LLC ☐ _____ Corporation ☒
Applicant's Fiscal Year (mm/dd)	Start 10/01/14 End 09/30/15

Contact:

Identify a single person that will act as the contact between OHCA and the Applicant.

Contact Information			
NAME		TITLE	
R. Christopher Hartley		Senior Vice President Planning, Business Development & Government Relations, Saint Francis *Care*, Inc.	
STREET & NUMBER			
114 Woodland Street			
TOWN	STATE	ZIP CODE	
Hartford	CT	06105	
TELEPHONE	FAX	E-MAIL ADDRESS	
860-714-5573	860-714-8093	chartley@stfranciscare.org	
RELATIONSHIP TO APPLICANT	Employee		

Identify the person primarily responsible for preparation of the application (optional):

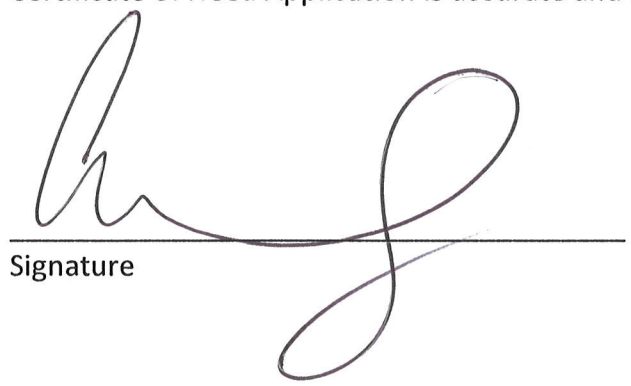
Prepared by			
NAME		TITLE	
STREET & NUMBER			
TOWN	STATE	ZIP CODE	
TELEPHONE	FAX	E-MAIL ADDRESS	
RELATIONSHIP TO APPLICANT			

AFFIDAVIT

Applicant: **Saint Francis *Care*, Inc.**

Project Title: **Saint Francis *Care*'s Acquisition of the Assets of Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., and certain affiliates**

I, **Christopher Dadlez, President and Chief Executive Officer** of **Saint Francis *Care*, Inc.** being duly sworn, depose and state that **Saint Francis *Care* Inc.,** information submitted in this Certificate of Need Application is accurate and correct to the best of my knowledge.



Signature

6/2/2015
Date

Subscribed and sworn to before me on_____

Notary Public/~~Commissioner of Superior Court~~

My commission expires: July 31, 2019

AFFIDAVIT

Applicant: **Johnson Memorial Medical Center, Inc. and Johnson Memorial Hospital, Inc.**

Project Title: **Saint Francis *Care*'s Acquisition of the assets of Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., and certain affiliates**

I, Stuart Rosenberg, President and Chief Executive Officer of Johnson Memorial Medical Center, Inc., and Johnson Memorial Hospital, Inc., being duly sworn, depose and state that **Johnson Memorial Medical Center, Inc.'s and Johnson Memorial Hospital, Inc.'s** information submitted in this Certificate of Need Application is accurate and correct to the best of my knowledge.

Signature

6/2/2015
Date

Subscribed and sworn to before me on June 2, 2015

Notary Public/Commissioner of Superior Court

My commission expires: _____

Kristina L. Verny
NOTARY PUBLIC
My Commission Expires July 31, 2019

Executive Summary

The purpose of the Executive Summary is to give the reviewer a conceptual understanding of the proposal. In the space below, provide a succinct overview of your proposal (this may be done in bullet format). Summarize the key elements of the proposed project. Details should be provided in the appropriate sections of the application that follow.

Saint Francis *Care*, Inc. ("SFC"), proposes to acquire substantially all of the assets of Johnson Memorial Medical Center, Inc. ("JMMC"), Johnson Memorial Hospital, Inc. ("JMH"), Johnson Health Care, Inc. ("JHC"), and Home & Community Health Services, Inc. ("HCHS"; together with JMMC, JMH and JHC, "Johnson"), and, in a separate transaction, The Johnson Evergreen Corporation ("JEC"), in sales to be conducted through Chapter 11 bankruptcy proceedings commenced by Johnson and JEC on January 14, 2015. After a hearing held on May 6, 2015, on May 14, 2015, the United States Bankruptcy Court for the District of Connecticut (the "Bankruptcy Court") entered an order approving the sale of substantially all of Johnson's assets to SFC. The sale of JEC's assets to SFC is subject to competitive bidding process pursuant to a separate motion pending before the Bankruptcy Court and is not part of this application.

Despite Johnson's rich history and its numerous contributions to the local community, its future is uncertain. Since prior to 2008, Johnson has faced significant financial operating deficits and struggled to maintain financial stability, especially in light of national trends of shrinking reimbursement levels, its current level of outstanding debt, lower investment returns, and the need for hospitals generally to make ongoing and substantial investments in new medical and information technologies and facilities. These losses have required Johnson to reduce operating expenses, including limiting employee benefits and delaying capital investments, and have challenged Johnson's efforts to attract and retain physicians. Despite many efforts to mitigate financial losses, Johnson has recognized for some time that without outside assistance and investment, continuing its current level of services as a standalone entity would be very difficult over the long term. Based on the foregoing and as further described in this application, Johnson has determined that the transaction contemplated by this application is the best and most viable option to assure the long term viability of its businesses, employment of the its employees, and provision of healthcare services to the people it now serves.

Pursuant to Section 19a-639 of the Connecticut General Statutes, the Office of Health Care Access is required to consider specific criteria and principles when reviewing a Certificate of Need application. Text marked with a "§" indicates it is actual text from the statute and may be helpful when responding to prompts.

Project Description

1. **Provide a detailed narrative describing the proposal. Explain how the Applicant(s) determined the necessity for the proposal and discuss the benefits for each Applicant separately (if multiple Applicants). Include all key elements, including the parties involved, what the proposal will entail, the equipment/service location(s), the geographic area the proposal will serve, the implementation timeline and why the proposal is needed in the community.**

Overview:

In the context of an increasingly challenging healthcare environment, the proposal outlined in this Certificate of Need Application presents an extraordinary opportunity to improve healthcare quality, efficiency and access for the residents of North Central Connecticut and the State of Connecticut.

Saint Francis *Care*, Inc. ("SFC") proposes to acquire substantially all of the assets of Johnson Memorial Medical Center, Inc. ("JMMC"), Johnson Memorial Hospital, Inc. ("JMH"), Johnson Health Care, Inc. ("JHC"), and Home & Community Health Services, Inc. ("HCHS"); together with JMMC, JMH and JHC, ("Johnson"), and, in a separate transaction, The Johnson Evergreen Corporation ("JEC") in sales to be conducted through chapter 11 bankruptcy proceedings commenced by Johnson on January 14, 2015 (the "Chapter 11 Petition Date"). After a hearing held on May 6, 2015, on May 14, 2015, the United States Bankruptcy Court for the District of Connecticut (the "Bankruptcy Court") entered an order approving the sale of substantially all of Johnson's assets to SFC. The sale of JEC's assets to SFC is subject to competitive bidding process pursuant to a separate motion pending before the Bankruptcy Court and is not part of this application.

Background Information:

JMMC is the sole member of JMH, JHC, HCHS and JEC. Other entities affiliated with JMMC that are not part of the proposed sale transactions include: Johnson Development Fund, Inc. ("JDF"), Wellcare, Inc. ("Wellcare")1, Johnson Professional Associates, P.C. ("JPA") and Johnson Medical Specialists, P.C. ("JMS").

JMH owns and operates Johnson Memorial Hospital (the "Hospital"). JMH owns various parcels of real property in Stafford Springs, Connecticut, including the Chestnut Hill

1 Wellcare, Inc. is a dormant Connecticut stock corporation with no assets.

Road property on which the Hospital is situated (the "Hospital Property"). JMH also operates a surgery center (the "Surgery Center") as an outpatient department of the Hospital at a satellite location in Enfield.

JMMC owns real estate in Enfield, Connecticut (the "Enfield Property"), which includes two medical office buildings. JMH leases space in the Enfield Property from JMMC for its Surgery Center, an Advanced Wound Care service and an infusion center.

JEC owns and operates Evergreen Health Care Center, a chronic and convalescent nursing home ("Evergreen") in Stafford Springs, Connecticut, adjacent to the Hospital. The land on which Evergreen is situated is owned by JMH and ground leased to JEC (the "Evergreen Property"). JEC owns the building for the Evergreen facility.

HCHS provides home health care services in the Hospital's primary service area. Johnson Health Care, Inc. operates the Johnson Occupational Medicine Center, which provides workers compensation services and back-to-work services for patients.

Together, Johnson and JEC provide critical access to healthcare in North Central Connecticut.

Determination of Need by Johnson:

Despite Johnson's rich history and its numerous contributions to the local community, its future is uncertain. Since prior to 2008, Johnson has faced significant financial operating deficits and struggled to maintain financial stability, especially in light of national trends of shrinking reimbursement levels, its current level of outstanding debt, lower investment returns, and the need for hospitals generally to make ongoing and substantial investments in new medical and information technologies and facilities. These losses have required Johnson to reduce operating expenses, including limiting employee benefits and delaying capital investments, and have challenged Johnson's efforts to attract and retain physicians. Despite many efforts to mitigate financial losses, Johnson has recognized for some time that without outside assistance and investment, continuing its current level of services as a standalone entity would be very difficult over the long term.

As described below, Johnson has engaged in a number of attempts to find an acquirer, merger partner and/or an affiliation partner with a number of entities both within and outside Connecticut. Johnson has sought affiliation with a strategic partner to better position itself as part of an integrated healthcare system to better respond to the increasing demands of the healthcare marketplace. In addition, Johnson anticipated that affiliation with an integrated health care system would provide better financial stability and would permit Johnson to continue to provide access to quality health care services to patients in the Stafford, Enfield and surrounding communities served by the Hospital.

In October 2008, JMMC, JMH and JEC commenced Chapter 11 bankruptcy cases after

entering into an asset purchase agreement with Eastern Connecticut Health Network ("ECHN"). This followed discussions with, and the performance of certain diligence by, Hartford Hospital, ECHN and Saint Francis. The purpose of the 2008 Chapter 11 cases was to effectuate a sale of JMMC's, JMH's and JEC's assets to ECHN pursuant to section 363 of the Bankruptcy Code. However, on March 5, 2009, ECHN terminated the asset purchase agreement.

During the Spring and Summer of 2009, JMMC, JMH and JEC continued to actively seek partners. JMMC, JMH and JEC received an acquisition proposal from Paradigm Physician Partners ("P3"). However, after discussions with P3 and the various creditor constituencies, JMMC, JMH and JEC rejected P3's proposal and terminated merger discussions. Importantly, the Official Committee of Unsecured Creditors (the "Committee") in the bankruptcy case, along with JMMC, JMH and JEC, concluded that the P3 offer was not feasible in terms of ability to close and viability of operations going forward and did not offer fair value to JMMC's, JMH's and JEC's creditors. During this period of time and in to the Fall of 2009, the Committee retained an investment banker, General Capital Partners, to search for potential buyers. General Capital did not find any acquisition or affiliation proposal for JMMC, JMH and/or JEC.

During the months of September and October 2009, JMMC, JMH and JEC continued to reach out to hospitals with regard to their interest in affiliating with JMMC, JMH and JEC. In or around December 2009, ECHN again expressed interest in acquiring JMMC's, JMH's and JEC's assets. After several meetings that included JMMC, JMH, JEC, ECHN, People's United Bank (JMMC's, JMH's and JEC's major secured creditor), and the Committee, it was determined that ECHN's proposal was not feasible in terms of ability to get approval from the Bankruptcy Court and ability to close.

After no viable strategic partner was identified, through 2010 JMMC, JMH and JEC and its creditors were able to negotiate a consensual Chapter 11 plan of reorganization that resulted in JMMC's, JMH's and JEC's emergence from Chapter 11 in August 2010 as stand-alone, independent entities. JMMC, JMH and JEC emerged from the 2008 bankruptcy cases with nearly $30,000,000 of debt to People's and over $10,000,000 of debt to its legacy unsecured creditors, including the PBGC and the creditors represented by the Plan Custodian appointed by the Bankruptcy Court to represent the interests of unsecured creditors.

After JMMC's, JMH's and JEC's emergence from Chapter 11, Johnson and JEC continued to face financial difficulties and had difficulty servicing the debt remaining. Johnson and JEC continued to explore strategic partnerships with likely partners. In May, 2011, Johnson and JEC initiated discussions with Saint Francis, Hartford Hospital, ECHN, Mercy Hospital and Baystate Health with regard to potential affiliation opportunities and sent an RFP to those entities on June 1, 2011. As a result of this process, Johnson and JEC decided to pursue an affiliation transaction with SFC.

In 2011, JMMC, JMH and JEC initiated discussions with SFC that ultimately resulted in the execution of three related agreements in July 2012: a Master Affiliation Agreement,

under which SFC provided certain financial support to Johnson and JEC; a Clinical Affiliation Agreement, under which SFC provides certain clinical services and support to Johnson and JEC; and a Business Process Outsourcing Agreement (together with the Master Affiliation Agreement and the Clinical Affiliation Agreement, the "Affiliation Agreements"), under which SFC provides certain business services and support to Johnson and JEC. The Johnson and JEC board believed that the affiliation with SFC offered a much greater chance of keeping the Hospital and Evergreen operating as going concerns, which would preserve value for creditors, jobs for employees and health care for the community. In addition, the Johnson and JEC board believed that the mission, vision and values of SFC closely reflected Johnson's and JEC's.

SFC and Johnson and JEC hoped that the Affiliation Agreements would provide sufficient support to enable Johnson and JEC to service their debt and achieve financial stability. Since July 12, 2012, SFC has provided clinical and management support to Johnson and JEC, resulting in improved operating results. In addition, SFC has invested more than $2 million in Johnson and JEC pursuant to the Master Affiliation Agreement, which has been used to make payments to Johnson's and JEC's creditors. SFC has also provided direct financial support to Johnson and JEC in the form of loans and deferred accounts payable, which have allowed Johnson and JEC to operate through a particularly difficult financial period. However, despite these efforts, Johnson and JEC reported losses from operations on its audited financial statements of $1.3 million and $5.4 million in fiscal years 2013 and 2014, respectively.

After working under the Affiliation Agreements for over a year, Johnson and JEC and SFC determined that more financial restructuring would be necessary and that this could best be achieved in conjunction with acquisitions by SFC of the assets of Johnson and JEC. SFC and Johnson and JEC initiated negotiations for these acquisitions and simultaneously initiated negotiations with People's, the PBGC, the Plan Custodian and HFG (as defined below) regarding the further restructuring of their debt. As described below, SFC and Johnson have entered into the Hospital APA (as defined below); SFC, Johnson and Johnson's major creditors have reached agreement on the restructuring of Johnson's debt; and Johnson and JEC have initiated Chapter 11 bankruptcy cases through which they plan to sell their assets to SFC. On May 14, the Bankruptcy Court entered an order approving the sale of substantially all of Johnson's assets to SFC.

Based on all of the foregoing and as further described below, Johnson has determined that the transaction contemplated by the Hospital APA is the best and most viable option to assure the long term viability of its businesses, employment of its employees, and provision of healthcare services to the people it now serves.

Current Johnson/JEC Debt Structure

Johnson's and JEC's current level of debt is not sustainable. As of September 30, 2014, Johnson and JEC had an unrestricted net asset deficit of $12.1 million and current liabilities that exceeded current assets by $32.3 million. The following describes certain of the outstanding indebtedness on the books of Johnson and JEC:

a. Loan in the original amount of $4,500,000 (the "Surgery Center Loan") from People's to JMMC, guaranteed by JMH. The current principal balance of the Surgery Center Loan is approximately $2,940,000. The Surgery Center Loan is secured by a mortgage on the Enfield Property.

b. Loan in the original amount of $13,700,000 (the "Hospital Loan") from People's to JMMC and JMH. The current principal balance of the Hospital Loan is approximately $11,987,500. The Hospital Loan is secured by mortgages on the Hospital Property (including the portion of land that is the Evergreen Property) and some additional undeveloped land owned by JMMC and JMH.

c. Loan in the original amount of $15,200,000 (the "Evergreen Loan") from People's to JEC and JMMC. JMH granted People's a non-recourse guarantee as to the Evergreen Property only. The current principal balance of the Evergreen Loan is approximately $14,214,000. The Evergreen Loan is secured by two leasehold mortgages on Evergreen's leasehold interest in the Evergreen Property and two fee mortgages on JMH's fee interest in the Evergreen Property.

d. Loan in the principal amount as of January 14, 2015, of $4,600,000 by Healthcare Finance Group, LLC ("HFG"), secured by the personal property of Johnson, JEC, and other Johnson affiliates (the "HFG Loan").

e. Debt in the approximate amount of $6,000,000 owed to the Pension Benefit Guaranty Corporation ("PBGC") and to the unsecured creditors from the 2008 bankruptcy cases. These debt obligations are secured by, among other things, mortgages on the Hospital Property, the Evergreen Property, and the Enfield Property, granted to the PBGC and Clifford A. Zucker as plan custodian for the 2008 bankruptcy cases unsecured creditors (the "Plan Custodian").

Proposed Transaction

After many months of negotiations both before and after the Chapter 11 Petition Date that included Johnson's and JEC's major creditor constituencies, SFC and Johnson and JEC have entered into two separate purchase agreements. Every major creditor group of Johnson has reached agreement with Johnson and SFC on the terms of the sale of Johnson's assets to SFC and their treatment in connection with such sale and supports such proposed sale. The two asset purchase agreements are:

1. An Amended And Restated Asset Purchase Agreement made as of March 27, 2015, attached hereto as **Exhibit 11** (the "Hospital APA"), among SFC, as Buyer, and JMMC, JMH, JHC and HCHS, as Sellers, pursuant to which:

- An entity controlled by SFC purchases substantially all of the assets of JMMC, including the Enfield Property.
- An entity controlled by SFC purchases substantially all of the assets of JMH, including the Hospital, the Hospital Property, the Evergreen Property, and the assets of the Surgery Center.
- An entity controlled by SFC purchases substantially all of the assets of JHC and HCHS.
- Pursuant to the Hospital APA, SFC will purchase substantially all of the assets of JMMC, JMH, JHC and HCHS for consideration that Johnson values at approximately $30,000,000, depending on the amount of certain obligations at the time of closing. As outlined in section 1.6 of the Hospital APA, this consideration will include:
    - Assumption of approximately $10,500,000 of indebtedness owed by JMMC and JMH to People's United Bank.
    - Payment of past due interest owed by JMMC and JMH to People's.
    - Assumption of up to $7,000,000 of indebtedness owed by Johnson to HFG
    - Assumption and payment of $3,000,000 to the PBGC and the creditors represented by the Plan Custodian, plus certain fees and expenses.
    - Assumption of Johnson employee obligations (payroll, paid time off, and similar obligations).
    - Assumption of Johnson trade payables.
    - Assumption of up to $2,000,000 of Johnson workers' compensation insurance liabilities.
    - Payment of up to $500,000 to cure defaults under contracts of Johnson.
    - Payment of up to $300,000 of transfer taxes resulting from the sale of the assets.
    - Payment of an additional $500,000 in cash to satisfy certain costs of Johnson's Chapter 11 bankruptcy cases.
    - Payment of the aggregate amount of premiums to obtain tail insurance for Johnson.
    - Assumption of equipment financed with purchase money security interests and/or capital leases/financing in the approximate amount of $2,300,000.

  Furthermore, SFC has committed to support up to $13,000,000 of capital investments in technology, capital improvements, expanded services and routine replacements within the first three years after closing.

2. An asset purchase agreement between SFC and JEC pursuant to which an entity controlled by SFC purchases substantially all of the assets of JEC for consideration that JEC values at approximately $2,000,000, with such consideration to include both cash and debt assumption.

Anticipated Benefits to Johnson

The proposed acquisition of the assets of Johnson by SFC presents opportunities for both organizations. The proposed acquisition will remedy Johnson's financial issues, and SFC will make significant investments in the Johnson properties to improve facilities and technological capabilities. Benefits to Johnson will include:

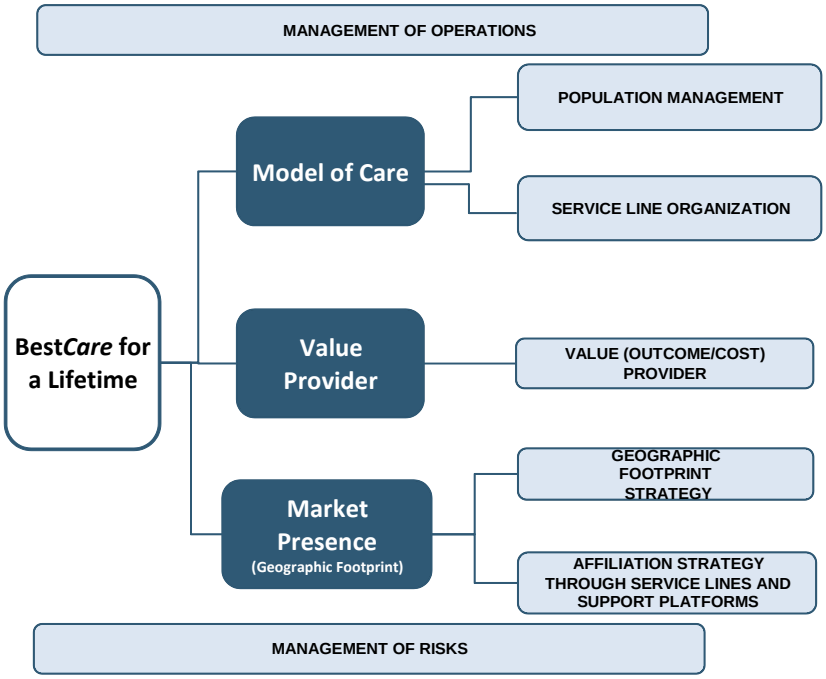
- Through the restructure of its current debt, a key component of this proposed transaction, Johnson's financial viability would be strengthened. SFC has committed to support up to $13,000,000 in capital investments in technology, capital improvements, expanded services, and routine replacements of equipment in the first three years.
- SFC will employ the majority of Johnson staff.
- Access to care management protocols and programs that would further improve quality and best practices and reduce health care costs.
- Access to improved software and information technologies.
- Access to the ability of an integrated healthcare network to attract highly qualified clinical talent.
- Ability to participate in cost reduction programs with respect to supplies or services.
- Opportunity for revenue cycle improvements.
- Administrative support in areas such as finance, revenue cycle, legal and compliance and other support services.

Anticipated Benefits to SFC

In anticipation of the many changes in the healthcare industry that are likely to result from the passage of the Affordable Care Act and the federal health policy changes being debated in 2009 and 2010, SFC undertook a strategic planning process designed to create a SFC vision and foundation for success in the healthcare system of the future, a system that would be fundamentally different from the fee-for-service approach to healthcare delivery to which SFC had been accustomed.

SFC*'s* FY 2010 – 2014 Strategic Plan was guided by its new vision of delivering Best*Care* for a Lifetime – the perfect patient experience and the highest measurable quality across the continuum of care. (See **Exhibit 3** for 2010 – 2014 SFC Strategic Plan).

SFC's Strategic Plan is graphically depicted by the following:



As demonstrated in the above diagram, model of care improvements, physician partnerships, clinical service redesign, electronic medical records development, quality improvement, cost reduction, and the creation of strategic alignments to form an integrated healthcare organization offering a true continuum of healthcare services to the SFC system all had their origins in this planning document.

The implementation process associated with this Strategic Plan, as well as the rapid changes in the healthcare environment since the adoption of this plan, have guided the actions of SFC*'s* Board and Senior Leadership since 2010.

To support the transition to a truly integrated delivery system, SFC has developed a strategy based on the SFC Value System outlined in **Exhibit 4**. Through this SFC Value System, SFC can best achieve its vision of providing Best*Care* for a Lifetime for each person who utilizes its system for care.

To achieve its vision of Best*Care* for a Lifetime, SFC has developed a virtually integrated care delivery network that provides care through a combination of aligned providers, which has been developed through both alliances and select acquisitions. To further its transformation to an integrated delivery system, SFC has redesigned its organizational structure into a strategic portfolio composed of service lines and support platforms, all of which serve as conduits for the delivery of care across the system. (Please see **Exhibit 5** for an outline of SFC's service lines and support platforms.) The focus of this structure and these aligned providers is to meet the Affordable Care Act Triple Aim objectives of improving population health, enhancing the patient care experience and controlling costs while maintaining a positive financial margin. This transformation will facilitate the transition by SFC from a provider of clinical services to a manager of the health of

populations.

The article entitled, "Population Health Management: The Intersection of Concept and Reality" by Christopher M. Dadlez, FACHE, President and CEO of SFC, further articulates the future of healthcare and the movement of SFC towards population management (see **Exhibit 6**). As Mr. Dadlez notes, population management will be achieved through a clinically integrated network of alliances, aligning primary, secondary and tertiary services with community hospitals to promote the delivery of "the right care in the right place for the right value." SFC also will leverage its support platforms to achieve economies of scale where possible to lower the overall cost of care to the community (see **Exhibit 7**).

The development of integrated networks through alliances and acquisitions has become commonplace in the healthcare industry. The article "Hospital Consolidation: "Safety in Numbers" Strategy Prevails in Preparation for a Value-Based Marketplace" by the American College of Health Care Executives in October 2014 states, "at the end of the last wave of consolidation, by 2000, the overall percentage of hospitals in systems had increased from 38% to 52%. And since the Great Recession of 2008 and passage of the ACA, nearly 400 hospitals (10% of U.S. community hospitals) had joined multihospital systems and the percentage of hospitals in systems had increased to 62% by the end of 2013." This proposed transaction which is the subject of this Certificate of Need application is consistent with national trends.

SFC's determination of the need for the proposal for the acquisition of Johnson 's assets (as described above) by SFC, which is consistent with the SFC approach to establish alliances with community hospitals, can be summarized as follows:

- Johnson's future financial viability and its patient populations' access to community health services can be best achieved by maintaining and building upon the relationship and affiliation with SFC and integrating its services into the SFC health system;
- SFC and Johnson can develop a joint debt reduction for Johnson that would lower debt costs at Johnson;
- The inclusion of Johnson in the SFC system would add a full service cancer program containing infusion and radiation therapy care as well as an ambulatory surgery center, wound care center and various satellite ancillary rehabilitation facilities; and
- SFC and Johnson combined would be better positioned to provide Best*Care* for a Lifetime for the population in the service area shared by the two organizations.

In accordance with the terms of the Affiliation Agreements, the parties have developed a series of clinical service, business process and other service agreements with SFC clinical service lines and business platforms. The Affiliation Agreements allow SFC to provide business, administrative and other support platform services to Johnson. The Affiliation Agreements focus on Johnson's ability to deliver on different aspects of the

Triple Aim objectives and a list and summary of these agreements are included in **Exhibit 8**. Some of the major benefits from these agreements include:

- Access to SFC purchased service contracts and supply chain staff.
- Provision of laundry services through the Total Laundry Collaborative.
- Consultative support from facilities engineering, biomedical engineering, information technology, and supply chain staff.
- Reduction of Johnson's operating costs.

Notwithstanding the improvements achieved through the affiliation, the parties have determined that the proposed acquisition will provide an opportunity for Johnson to improve its financial condition by restructuring its debt and to align Johnson with an integrated health care system that will preserve Johnson as an important access point for health care services in the Stafford and Enfield communities.

Furthermore, SFC and Johnson are developing an agreement whereby SFC will provide Johnson with certain support services and information technology in order for Johnson to be prepared for the conversion to ICD-10 on October 1st.

2. Provide the history and timeline of the proposal (i.e., When did discussions begin internally or between Applicant(s)? What have the Applicant(s) accomplished so far?).

In May, 2011, Johnson and JEC initiated discussions with SFC, Hartford Hospital, ECHN, Mercy Hospital and Baystate Health with regard to potential affiliation opportunities. On June 1, 2011, Johnson and JEC issued a Request for Affiliation to these five institutions. (See **Exhibit 9** for a copy of the formal RFA).

On June 24, 2011, Mercy Hospital informed Johnson that it would not pursue a transaction. By a letter dated June 30, 2011, Baystate Health also communicated to Johnson that it was not going to pursue a transaction. On July 26, 2011, Hartford Hospital and ECHN made a joint presentation to the Johnson/JEC board that primarily involved acquisition of the Enfield Property.

On July 27, 2011, Johnson and JEC elected to enter into exclusive negotiations with SFC. Those negotiations led to the creation of a formal arrangement between the two organizations entered into on July 12, 2012, the terms of which are set forth in the Affiliation Agreements. (Please refer to **Exhibit 10**)

Since July 2012 SFC and Johnson have created a number of clinical and business services sub-agreements covering a variety of clinical and business support services and activities. A list of these agreements, summary of the terms and a copy of these agreements are included in **Exhibit 8**.

Since signing the Affiliation Agreements in 2012 both organizations have been working to ensure the ability of Johnson to continue to provide high quality health care services

to its community while developing a plan to address its long term debt.

During 2013, SFC, Johnson and JEC initiated negotiations for the proposed acquisition transactions and simultaneously initiated negotiations with People's, PBGC, the Plan Custodian and HFG regarding the further restructuring of Johnson's debt. As described above, SFC and Johnson have entered into the Hospital APA; SFC, Johnson and Johnson's major creditors have reached agreement on the restructuring of Johnson's debt as part of the proposed sale; Johnson commenced Chapter 11 bankruptcy cases on January 14, 2015, for the purpose of effectuating the proposed sale; and on May 14, the Bankruptcy Court entered an order approving the sale of substantially all of Johnson's assets to SFC.

This proposed transaction is part of the necessary restructuring of the long term debt of Johnson and the transfer of the assets of Johnson to SFC for purposes of integrating Johnson into SFC's integrated health care delivery system serving the combined service areas of the hospitals. The timeline for the steps to complete the transactions as well as the associated legal documents are included in **Exhibit 11**.

If the Certificate of Need is granted, SFC plans to complete the acquisition of Johnson by November 2015.

3. **Provide the following information:**

   a. **utilizing OHCA Table 1, list all services to be added, terminated or modified, their physical location (street address, town and zip code), the population to be served and the existing/proposed days/hours of operation;**

      No changes in services are included in this Certificate of Need Application. Hence, this table is not applicable.

   b. **identify in OHCA Table 2 the service area towns and the reason for their inclusion (e.g., provider availability, increased/decreased patient demand for service, market share);**

   Please refer to **Exhibit 12.**

4. **List the health care facility license(s) that will be needed to implement the proposal;**

   No new licenses are being sought in this CON application.

5. **Submit the following information as attachments to the application:**

   a. **a copy of all State of Connecticut, Department of Public Health license(s) currently held by the Applicant(s);**

Please refer to **Exhibit 13** for a copy of all the existing Department of Public Health licenses.

b. a list of all key professional, administrative, clinical and direct service personnel related to the proposal and attach a copy of their Curriculum Vitae;

JMMC:
Stuart E. Rosenberg, President and Chief Executive Officer
John Grish, C.P.A., Chief Financial Officer
Ian S. Tucker, M.D., FAAFP, Vice President Medical Affairs
Karl Kamyk, MBA, BS, RT(R) (CT), Assistant Vice President, Ancillary Services
Thomas Gutner, Administrator, Evergreen Health Care Center and Home and Community Health Services
Patricia Jagoe, RN, MSN, CNOR, Assistant Vice President Patient Care Services
Donna Megliola, Assistant Vice President Human Resources
Carole Beebe, Information Systems Manager
Lyndsay Tanner, M.S. CCEP, Corporate Compliance & Patient Experience Manager
Lisa DeGray, Director Development

SFC:
Christopher Dadlez, FACHE, President and Chief Executive Officer
Surendra P. Khera, M.D., Vice President, Medical Affairs and Chief Medical Officer
John Rodis, M.D., Chief Operating Officer
Patti LaMonica, R.N., M.S.N., Interim Chief Nursing Officer
Linda Shanley, Vice President, Chief Information Officer
David Bittner, Chief Financial Officer
R. Christopher Hartley, Senior Vice President Planning, Business Development and Government Relations
Dawn Bryant, Senior Vice President and Chief Human Resources Officer
Robert Falaguerra, CHFM, Vice President Facilities, Support Services and Construction
Monica Peyman, Director of Quality and Patient Safety
Jennifer Schneider, CPA, Vice President, Finance

Please refer to **Exhibit 14** for copy of all the Curricula Vita related to this project.

c. copies of any scholarly articles, studies or reports that support the need to establish the proposed service, along with a brief explanation regarding the relevance of the selected articles;

This question is not applicable as this CON is not requesting new services.

d. letters of support for the proposal;

See **Exhibit 32** for letters of support received to date for this Certificate of Need.

e. the protocols or the Standard of Practice Guidelines that will be utilized in relation to the proposal. Attach copies of relevant sections and briefly describe how the Applicant proposes to meet the protocols or guidelines.

This question is not applicable since this Certificate of Need is an organizational change request not a change in clinical services.

f. copies of agreements (e.g., memorandum of understanding, transfer agreement, operating agreement) related to the proposal. If a final signed version is not available, provide a draft with an estimated date by which the final agreement will be available.

Please refer to **Exhibits 10 and 11** for a copy of the amended and restated asset purchase agreement and other documents related to the proposed acquisition transactions.

Public Need and Access to Care

> *§ "Whether the proposed project is consistent with any applicable policies and standards adopted in regulations by the Department of Public Health;" (Conn.Gen.Stat. § 19a-639(a)(1))*

6. Describe how the proposed project is consistent with any applicable policies and standards in regulations adopted by the Connecticut Department of Public Health.

Please refer to response to question 14 below.

> *§ "The relationship of the proposed project to the statewide health care facilities and services plan;" (Conn.Gen.Stat. § 19a-639(a)(2))*

7. Describe how the proposed project aligns with the Connecticut Department of Public Health Statewide Health Care Facilities and Services Plan, available on OHCA's website.

> *§ "Whether there is a clear public need for the health care facility or services proposed by the applicant;" (Conn.Gen.Stat. § 19a-639(a)(3))*

Please refer to response to question 14 below.

8. With respect to the proposal, provide evidence and documentation to support clear public need:

a. identify the target patient population to be served;

Johnson's primary service area is comprised of six (6) towns, which includes Stafford, Stafford Springs, Union, Somers, Enfield and Suffield. Johnson's secondary service area includes 9 towns, including Windsor Locks, East Windsor, Ellington, Willington, Vernon, Windsor, Tolland, Ashford, and Middletown. The total population of the primary service area and the secondary service area based on 2015 data are 84,402 and 170,947 respectively (See **Exhibit 12**). The projected changes in population are set forth on **Exhibit 12**.

The proposed acquisition will not impact these populations. Rather, through the acquisition, the patients in the Johnson service areas will have access to the advanced clinical services and protocols developed by SFC.

SFC serves a large and diverse population in the State of Connecticut. The SFC primary service area is comprised of the 18 towns whose contiguous zip codes generated 75% of the inpatients and newborns seen at SFC in FY14. The SFC secondary service area is defined as those additional towns that generated at least 0.5% of the system's inpatient and newborn discharges in FY14. Together, the primary and secondary service areas include 32 towns representing a population of 1,088,270 (See **Exhibit 12**).

The total population of the SFC service area is expected to grow 0.42% through 2020 (source: Claritas, **See Exhibit 12**). The 65+ population; however, is expected to increase 14.08%. These trends are very similar for the Johnson service area and are reflective of the aging population in Connecticut. To meet the needs of the aging population, healthcare systems will need to provide additional access to disease management services for chronic conditions like heart and pulmonary disease as well as those conditions that affect the 65+ population such as cancer, stroke and the need for joint replacement. Supportive services including home care, rehabilitation, skilled nursing and long-term care will also be important for the patient population.

SFC has significant clinical and supportive resources devoted to these conditions and the proposed acquisition will facilitate or enhance access for patients in Johnson's service area to related services, including:

- Hoffman Heart and Vascular Institute of Connecticut
- Saint Francis Mount Sinai Regional Cancer Center
- Connecticut Joint Replacement Institute
- Mount Sinai Rehabilitation Hospital
- Stroke Center at Saint Francis.

b. discuss how the target patient population is currently being served;

See response to question 8a above.

c. document the need for the equipment and/or service in the community;

This question is not applicable.

d. explain why the location of the facility or service was chosen;

There are no new locations in this CON proposal. Saint Francis Hospital and Medical Center is located in Hartford CT and Johnson Memorial Hospital is located in Stafford Springs CT.

e. provide incidence, prevalence or other demographic data that demonstrates community need;

Please refer to response to question 8a above.

f. discuss how low income persons, racial and ethnic minorities, disabled persons and other underserved groups will benefit from this proposal;

Johnson and SFC serve all patients regardless of their race, ethnicity, handicap, religion, income level or ability to pay. This will not change if this Certificate of Need is approved.

g. list any changes to the clinical services offered by the Applicant(s) and explain why the change was necessary;

No immediate changes to the clinical services provided by either hospital are planned at this time as a direct result of this proposal. SFC is seeking to acquire Johnson's acute care and outpatient services assets inclusive of its home care program. SFC also intends to acquire JEC's long-term care facility known as Evergreen Health Care Center. The acquisitions by SFC will provide additional support for continuing quality improvement of the clinical services provided at Johnson, and at this time no changes in clinical services are being proposed. Going forward, if this proposal is approved, as proposed changes are identified, SFC will comply with the Certificate of Need laws and will file the appropriate documents with, and seek the approval of, the Office of Health Care Access as required by law.

h. explain how access to care will be affected;

This Certificate of Need Application is to preserve services at Johnson. By preserving current services, access to services is maintained. Reduction of services is not part of this proposal. Also, please refer to response to 9a below.

i. discuss any alternative proposals that were considered.

In May, 2011, Johnson initiated discussions with Saint Francis, Hartford Hospital, ECHN, Mercy Hospital and Baystate Health with regard to potential affiliation opportunities. On June 1, 2011 Johnson issued a Request for Affiliation to these five institutions. (See **Exhibit 9** for a copy of the formal RFA).

On June 24, 2011, Mercy Hospital informed Johnson that it would not pursue a transaction. By a letter dated June 30, 2011, Baystate Health also communicated to Johnson that it was not going to pursue a transaction. On July 26, 2011, Hartford Hospital and ECHN made a joint presentation to the Johnson board that primarily involved acquisition of the Enfield Property.

On July 27, 2011 Johnson elected to enter into exclusive negotiations with SFC. Those negotiations led to the creation of a formal arrangement between the two organizations entered into on July 12, 2012, the terms of which are set forth in the Affiliation Agreements. (Please refer to **Exhibit 10**)

§ "Whether the applicant has satisfactorily demonstrated how the proposal will improve quality, accessibility and cost effectiveness of health care delivery in the region, including, but not limited to, (A) provision of or any change in the access to services for Medicaid recipients and indigent persons, and (B) the impact upon the cost effectiveness of providing access to services provided under the Medicaid program;" (Conn.Gen.Stat. § 19a-639(a)(5))

9. Describe how the proposal will:

a. improve the quality of health care in the region;

This proposal will preserve local access to healthcare for the patients in the Johnson service area, including the indigent and Medicaid recipients by providing a greater level of long term financial stability for Johnson. The integration of Johnson into SFC is anticipated to enhance access and quality of health care.

The proposed transaction will facilitate the continuation of Johnson's 100+ year commitment to providing health care services to patients in the communities they serve in the dynamic and changing environment of health care delivery. SFC will build on this foundation and its own long-standing commitment to quality and clinical excellence. SFC is well recognized for its commitment to quality care as evidenced by the extensive list of awards and recognitions (See **Exhibit 15**).

Johnson will have access to SFC's experts in all clinical Service Lines and Support

Platforms and its service delivery approach and systems will be enhanced with the goal that programming at Johnson mirror the performance of like programs at SFC.

In addition, whenever possible, Johnson's physicians and staff will be involved in the educational and health care innovation efforts of SFC. The following are examples of the educational and health care innovations efforts of SFC that present opportunities for Johnson's physicians and staff also:

- SFC also has a long standing commitment to the education of medical, dental, nursing and allied health professionals. This educational focus emphasizes quality and application of cutting edge technology to the treatment of patients. In addition, through its Institute for Primary Care Innovation Simulation Studio, students, residents, fellows and current practicing physicians are exposed to the latest developments in health care delivery. The constant influx of bright, questioning minds encourages innovation and applications of the latest techniques. In addition, organizations that participate in the training of the next generation of providers provide better care and attract a higher caliber of providers. SFC's focus on population management and health outcomes is also regularly stressed as part of its various teaching endeavors.

- SFC sponsors medical, surgical, dental, nursing and allied health educational programs because it recognizes that education is fundamental to maintaining excellence in patient care and to ensuring the continued institutional development of new resources for the care of its patients. Continuing medical education activities are integrally related to undergraduate and graduate educational programs. Together, they have an important impact on the medical staff, promoting the delivery of medical care consistent with contemporary national standards and early introduction of new advances in medical and surgical care. The current availability of house staff at SFC plays an important role in the provision of high-quality care, and these individuals serve as an important reservoir of future attending physicians in the SFC system. Graduate medical education establishes an attractive base of hospital affiliation for those completing their training and helps to ensure the future quality of care by developing a cadre of well-qualified practicing physicians affiliated with the institution.

- SFC maintains independent, hospital-based fellowships and residency programs and also participates in the University of Connecticut School of Medicine Integrated Residency Training Programs. SFC's residency programs and all of the University of Connecticut's Integrated Residency Training Programs have been approved by the Accreditation Council on Graduate Medical Education and Accreditation Council on Dental Education. SFC is also a member of the Council on Teaching Hospitals and the Association of

American Medical Colleges. A list of residencies offered at SFC through the University of Connecticut School of Medicine is included in **Exhibit 16.**

- SFC offers programs for various allied health professions and disciplines to rotate through various departments of SFC. These allied health professionals include medical technologists, radiological technologists, physical therapists, respiratory therapists and technicians, physician assistants, pharmacists and nurse practitioners.

b. improve accessibility of health care in the region; and

This Certificate of Need Application is to preserve services at Johnson. By preserving current services, access to services is maintained. Reduction of services is not part of this proposal. Also, please refer to response to 9a above.

c. improve the cost effectiveness of health care delivery in the region.

As outlined in Section 1 of this application, the integration of SFC and Johnson into a new organization is the best and most viable option available to assure the long term access to health care services for Johnson's target population.

As part of the integration of Johnson into the SFC network, the service line and support platform approach described previously will be used by SFC to enhance the quality of the services provided by Johnson, ensure the continuity of the service delivery system, close gaps in services where possible and reduce the costs of some services based on group purchasing contracts or specific service contract replacements.

While an overall decrease in inpatient volume is anticipated across healthcare due to a shift towards population health management, it is projected that the Hospital's average daily census will continue to be strong through coordinated care delivery and the availability of SFC's infrastructure and service line support. Overall, it is anticipated that outpatient volume will increase over 10% by FY 2019.

Though the cost savings and other changes discussed here and in responses to questions 1 and 14 are important to Johnson's future success, the successful reduction and restructuring of its long-term debt structure and outstanding credit obligations is are key factors that will add financial stability to Johnson and to reducing its overall operating costs. This is why Johnson and SFC have joined together to move the completion of Johnson's bankruptcy proceedings in concert with this Certificate of Need application.

The financial documents contained in **Exhibit 17** indicate the financial impact of the proposal and include the following:

- Restructuring and significant reduction of Johnson's current debt.
- $13,000,000 in capital investments within the first three years with a focus on upgrading and replacing outdated plant and equipment.
- Cost savings expected from improved contract management with vendors, enhanced risk management activities, and improvements in revenue cycle management.
- Reduction of administrative and overhead costs through economies of scale and centralization of nonclinical and administrative functions.
- Supply cost reductions through the effective use of group purchasing contracts, with anticipated annual savings of $400,000 to be achieved by FY 2019

SFC and Johnson are committed to preserving a viable health care organization dedicated to providing health care services that meet the needs of the Johnson community for the foreseeable future. Together the new health care organization formed as a result of this merger will be more than the sum of its parts; the new organization will improve the community's health by delivering high quality, cost effective, coordinated care across a broad continuum.

10. How will this proposal help improve the coordination of patient care (explain in detail regardless of whether your answer is in the negative or affirmative)?

SFC*'s* acquisition of Johnson delivers many benefits which will improve the coordination of patient care including:

- Preserves Johnson's viability and the access of its patient populations to needed healthcare services closer to home;
- Provides better use of limited health manpower resources through combination of the treatment of specific patient populations e.g. cancer infusion, ambulatory surgery, physical therapy, primary care between the two organizations;
- Achieves debt reduction at Johnson which will lower the cost of operations for the health system as a whole;
- Adds ambulatory surgery, cancer treatment, rehabilitation, wound care and a variety of ancillary service locations to the SFC System.

As a first step in achieving these benefits SFC and Johnson have developed a series of clinical service and business process agreements with SFC clinical service lines and business platforms. These agreements allow SFC to provide business, administrative and other support platform services to Johnson. These agreements focus on Johnson's ability to deliver on different aspects of the Triple Aim objectives. These agreements are included in **Exhibit 8**. Some of the major benefits from these agreements include:

- Access to SFC*'s* purchased service contracts and supply chain staff.
- Provision of laundry services through the Total Laundry Collaborative.

- Consultative support from facilities engineering, biomedical engineering, information technology, and supply chain staff.

11. Describe how this proposal will impact access to care for Medicaid recipients and indigent persons.

> ***§ "Whether an applicant, who has failed to provide or reduced access to services by Medicaid recipients or indigent persons, has demonstrated good cause for doing so, which shall not be demonstrated solely on the basis of differences in reimbursement rates between Medicaid and other health care payers;" (Conn.Gen.Stat. § 19a-639(a)(10))***

Please refer to response to question 14 below. Medicaid and indigent persons will be able to access services at Johnson if this proposal is approved. By preserving services, Johnson will be able to serve all populations regardless of their race, ethnicity, religion or ability to pay.

12. If the proposal fails to provide or reduces access to services by Medicaid recipients or indigent persons, provide explanation of good cause for doing so.

> ***§ "Whether the applicant has satisfactorily demonstrated that any consolidation resulting from the proposal will not adversely affect health care costs or accessibility to care." (Conn.Gen.Stat. § 19a-639(a)(12))***

This question is not applicable as the Medicaid recipients will continue to be served by Johnson if this proposal is approved. See response to question 11 above.

13. Will the proposal adversely affect patient health care costs in any way? Quantify and provide the rationale for any changes in price structure that will result from this proposal, including, but not limited to, the addition of any imposed facility fees.

Johnson has been a vital part of the healthcare infrastructure of Northern Central Connecticut for over 100 years. Preservation of this healthcare resource ensures access to primary care providers as well as a wide range of outpatient, emergency and inpatient services. Johnson delivered over $6.4 million dollars in healthcare services to 5,920 individuals in 2014 alone. (See **Exhibit 18**).

Both SFC and Johnson believe the debt restructuring being pursued through the Bankruptcy Courts as well as access to a wide range of support services from SFC should allow Johnson to remain a low cost health care provider, a designation it currently holds according to the State of Connecticut.

Any cost increases experienced by Johnson will be related to important service and infrastructure investments necessary to ensure Johnson delivers 21st Century healthcare.

The financial pro formas included in this application reflect a cumulative 4% price increase over the next 3 years. We feel this increase is necessary in order to continue to reinvest in personnel, equipment and infrastructure planned for Johnson as a result of its integration into the SFC system.

Neither SFC nor Johnson has charged facility fees for most of the organizations' services. In letters provided to the Attorney General in December 2013 (See **Exhibit 19**), SFC identified three locations where facility fees are charged and Johnson identified one. Patients are informed of these facility fee charges before services are delivered.

No new facility fees will occur as a result of Johnson joining the SFC system.

Financial Information

> *§ "Whether the applicant has satisfactorily demonstrated how the proposal will impact the financial strength of the health care system in the state or that the proposal is financially feasible for the application," (Conn.Gen.Stat. § 19a-639(a)(4))*

14. **Describe the impact of this proposal on the financial strength of the state's health care system or demonstrate that the proposal is financially feasible for the applicant.**

In an era of healthcare reform and diminishing resources, the SFC proposed acquisition is consistent with the goals of the Department of Health's Statewide Health Care Facilities and Services Plan ("the Plan"). The guiding principles of the Plan is to "improve the health of Connecticut residents; increase the accessibility, continuity and quality of health services; prevent unnecessary duplication of health resources; and provide financial stability and cost containment of health care services." Please refer to **Exhibit 20**, the Plan cover page and page 2 of section 1. The core of this proposal is maintaining access to the vital, quality health services currently provided by Johnson in a cost-effective manner which provides the financial stability necessary to allow the services to continue in the long term.

The proposal will have a positive effect on the financial strength of the state's health care system and addresses some of the guiding principles set forth in the Statewide Plan as follows:

- Promote and support the long term viability of the state's health delivery system:

  As described in response to question 1 above the integration of JMH and the other services provided by Johnson into SFC is an important part of delivering ". . . the right care in the right way . . ." to the target population now served by Johnson. We believe the service sites now operated by Johnson will allow SFC to meet the "Triple Aim Objectives" which are improving population health, enhancing the patient care experience and controlling costs while maintaining a positive financial margin and also will meet the goals of state and federal health care reform efforts more efficiently as we transition to managing the health care of our large population base.

- Ensure that any regulated service will maintain overall access to quality healthcare:

  As noted in response to question 9a above, SFC is a national award winning organization for quality healthcare delivery. As was also noted in 1 above SFC's

service lines and support platforms are bringing these award winning protocols to similar programs at Johnson.

- Promote equitable access to healthcare services (e.g. reducing financial barriers, increasing financial barriers, increasing availability of physicians) and facilitate access to preventable and medically necessary health care:

  It is anticipated that Johnson's affiliation with a larger integrated health care system will facilitate its ability to attract and retain a sufficient number of highly skilled physicians and allied health personnel to support its health program offerings. The affiliation with SFC has already provided additional clinical support to Johnson Memorial Hospital's hospitalist program and provides SFC physicians and staff to support the Johnson medical oncology, case management, pathology, imaging, occupational health, and behavioral health programs. These activities have improved both inpatient and outpatient healthcare services, starting at the emergency treatment level, moving through the inpatient population and supporting outpatient infusion therapy and behavioral health counseling. Additionally, support from SFC employees is enhancing surgery operations, facilities repair and maintenance as well as the quality and administrative areas. Consistent with the mission and values of SFC, current and future services provided by Johnson will continue to remain available to those patients in need regardless of their financial condition. Were Johnson to close for financial reasons, it would significantly reduce access to medically necessary services in the communities served.

- Encourage and support health education, promotion and prevention initiatives:

  Over time, Johnson will be integrated into all of the health education and wellness programs offered by SFC. The merger of these two organizations will also allow Johnson to preserve its existing complement of community health outreach programs. Attached in **Exhibit 21** is a listing of community health outreach programs in 2013 and 2014.

- Encourage collaboration among healthcare providers to develop health care delivery networks:

  Both SFC and Johnson maintain a wide range of affiliations with other area healthcare providers designed to promote smooth delivery of care from the pre-emergency transport system through the post-acute level of care. (Please see **Exhibit 22** - for these agreements.) These arrangements strengthen the network of healthcare services available in Connecticut and will continue after the transaction.

  In addition, one of the biggest costs to the healthcare system is readmissions to the hospital. Readmissions occur for many reasons, one of which is poor coordination of care. Consequently, SFC embarked on the development of a

post-acute care network that closely links the hospital to nursing homes and home health agencies. These tighter linkages provide for more accurate and seamless transitions of patients from the hospital to the next level of care and reduce the costly re-hospitalization of patients. SFC*'s* commitment to continuing care for its patients is shown in the January 8, 2015 announcement of the formal Post Acute Care Network through Saint Francis Health*Care* Partners, a SFC affiliate, with the following long term care, rehabilitation and home care entities:

- Hospital For Special Care, in New Britain, CT
- Mount Sinai Rehabilitation Hospital in Hartford, CT
- Avon Health Center in Avon, CT
- Touchpoints at Bloomfield in Bloomfield, CT
- Touchpoints at Manchester in Manchester, CT
- Riverside Health and Rehabilitation Center in East Hartford, CT
- Glastonbury Health Care Center in Glastonbury, CT
- McLean Home in Simsbury, CT
- Evergreen Health Care Center in Stafford Springs, CT
- Hughes Health and Rehabilitation in West Hartford, CT
- The Reservoir in West Hartford, CT
- Saint Mary Home in West Hartford, CT
- West Hartford Health and Rehabilitation Center in West Hartford, CT
- Kimberly Hall South in Windsor, CT
- Masonicare Partners and Masonicare Home Health and Hospice

The post- acute affiliated providers will have access to the Saint Francis Hospital and Medical Center electronic medical record which will allow them real time access to patient discharge information. In addition, these providers have committed to implementing the INTERACT tool kit which focuses on readmission avoidance and will be participating in real time readmission reviews for any patient that has been readmitted to Saint Francis Hospital and Medical Center.

- <u>Support the need for a sufficient health care workforce that facilitates access to the appropriate level of care in a timely manner (e.g. optimal number of primary and specialty care providers)</u>:

  Connecticut is a high cost state with significant budget challenges that has reduced the funding levels available for its health care system, particularly in recent years. In addition, Connecticut is considered a high cost medical malpractice liability state as well.

  The best way to overcome these challenges is to standardize health care delivery based upon proven evidenced- based care and provide a stable operating model that attracts physicians and other allied health professionals to join the healthcare organizations offering services in the community.

The joining of SFC and Johnson provides the communities served with a single, stronger organization better able to make the transition to the new paradigm of health care delivery envisioned by the Statewide Health Care Facilities and Services Plan.

With access to SFC's human resource and physician recruiting support platforms and wide range of teaching programs at the physician and allied health professional level, Johnson's ability to recruit and retain the numbers of highly skilled health professionals it requires to meet its population healthcare needs will be greatly enhanced.

- Maintain and improve the quality of health care services offered to the state's residents;

  Please see answers in this section above as well as responses to questions 1 and 9a above.

- Promote planning that helps to contain the cost of delivering health care services to its residents:

  Please refer to response to question 1 above as well as responses in this section for evidence of how the coordinated efforts of both organizations is resulting in cost savings for residents of the Johnson community. Two specific examples are the reduction in energy costs associated with changes to the energy systems at Johnson Memorial Hospital as well as changes in purchasing and laundry delivery contracts previously held by Johnson to programs offered through SFC.

  SFC has long been focused on lowering the cost of delivering care by providing the right care at the right time in the right location. SFC also emphasizes meeting or exceeding quality standards in the delivery of care. Recognition of the high quality of both organizations is included elsewhere in this report in the listing of awards received from various health care quality ranking organizations such as the Leapfrog organization, The Joint Commission, US News and World Report to name a few. SFC also believes in healthcare innovation as a way to promote both quality and cost containment. SFC was also an early adopter of partnership arrangements with its physicians designed to ensure high improvements in quality, enhanced patient outcomes and efficient management of health care resources both financial and clinical occurred within its system as well as the use of Value Analysis in its Materials Management Department to generate group purchasing savings. Also, Post-Acute Care is also very important to SFC. See below descriptions:

  1. **Saint Francis Health*Care* Partners:**

     History/Background:

     Saint Francis/Mount Sinai Physician Hospital Organization (PHO) was

incorporated on June 17, 1993 as a not-for-profit, 501c3 taxable organization as Saint Francis Hospital and Medical Center and Mount Sinai Hospital were in the midst of merging and uniting the two medical staffs. The name was legally changed to Saint Francis Health*Care* Partners (SFHCP) on January 27, 2009.

Today, Saint Francis Health*Care* Partners (SFHCP) is a clinically integrated network of physicians comprised of independent healthcare practitioners, hospital based or affiliated groups and other facilities that serve as a vehicle through which the clinical and related economic interests of patients, providers and payers become aligned.

As the oldest functioning PHO in Connecticut, SFHCP is recognized both locally and nationally. The vision created by the initial thought leaders and advanced through a physician led Board of Directors and by the strong alliance between Chris Dadlez, CEO of Saint Francis Hospital and Medical Center, and Jess Kupec, CEO of Saint Francis Health*Care* Partners. The strength of sharing a common vision has propelled the organization into a nationally recognized ACO. Throughout our twenty-one year history, SFHCP has been recognized by the healthcare industry for our physician leadership in driving a contemporary approach to improving quality and reducing unnecessary costs. SFHCP was one of the first organizations nationally to develop an integrated approach to implementing an Electronic Health Record (EHR). The alignment within the SFC network has been so vital to our success that we will have full EHR adoption with its entire physician membership by the end of 2015. This is a significant accomplishment as compared to local and national benchmarks.

As a result of its depth of clinical integration, SFHCP has the ability to enter into contractual arrangements with the payor community that binds the entire membership by achieving minimum criteria for participation. As a result, the single-signature model fosters greater collaboration and network continuity. As market forces initiated by Federal reform have accelerated so too has our strategy. Employers and patients alike are now engaged and are demanding change. SFHCP realizes that the status quo is no longer acceptable and that the transparency of cost and quality are becoming the benchmarks for which employers and consumers will select where they receive their healthcare.

Foundation of our Contracting Model:

The commitment at SFC to its patients is “best *care* for a lifetime”. All components to our overall mission and focus begin there. Even our contract strategy is driven by being focused on providing the best options for its patients. The foundation of the contracting model is based upon a joint contracting relationship with Saint Francis Hospital and Medical Center and approximately 1,000 provider members. Through the years, this contracting

model has derived its success by developing congenial relationships with the payor community. Through the joint contracting model, which is necessary in the attainment of the network's goals of financial stability, improving quality of care, reducing costs through efficiencies, and improving access to care, these relationships continue to be enhanced by its providers' commitment to achieving the best results for all patients accessing the SFC Network.

The current contractual model is based upon the ideals of accountable care and shared savings – a collaborative approach with the payors in which all participating have the incentive to drive value to patients, including better quality, care coordination and total cost efficiency.

CMS Medicare ACO:

SFHCP has been developing its Accountable Care Strategy, with the intent of being prepared for the transition from a Fee for Service reimbursement model to an Accountable Care Organization (ACO) model which focuses on population management and the delivery of cost-effective, high quality care. SFHCP was recognized as an ACO by CMS and began participating in the CMS Medicare Shared Savings Program on January 1, 2013. Although the first year results were good, SFHCP did not achieve a level of savings allowing CMS to share these savings with the ACO. Although the organization did not meet the required minimum levels of savings, SFHCP did reduce costs by $1.1 million and achieved 5 out of 7 quality metrics. This is evidence that SFHCP is heading in the right direction and is a strong indication of our potential future success if we continue investing in our mission and vision.

Current Contracts:

SFHCP is currently contracted with the following major payors inclusive of these value-based components as noted below:

Value-Based Commercial Agreements:

Anthem, Inc.
Aetna, Inc.
CIGNA
ConnectiCare
UnitedHealthCare/Oxford- in progress

Covered Lives: 82,000

Value-based Medicare Advantage Agreements:

Anthem BlueCross BlueShield- in progress
Aetna, Inc.
ConnectiCare
UnitedHealthcare/Oxford

WellCare Health Plans

Covered lives: 31,000
Total covered lives: 113,000

Focus on the Future:

As Saint Francis Health*Care* Partners faces the challenges and opportunities presented by healthcare reform, the organization realizes the importance of executing a new business model that allows the entire SFC enterprise to move in a strategic direction to meet the objectives of the Triple Aim. Saint Francis Healthcare Partners goal over the next couple of years is to build its infrastructure to such a degree that we are capable of accepting full risk opportunities. SFC*'s* potential affiliation with Trinity Health presents the organization with a real opportunity to drive value to the market by improving cost to the individuals and employers while improving their healthcare outcomes.

With specific reference to our proposed affiliation with Johnson the capabilities of SFHCP and potential for strategic alignment offer significant opportunities for both organizations and the patients we serve. There already is a significant alignment between SHFCP and Johnson in that one of our key medical groups, Saint Francis Medical Group, provides the hospitalist service at Johnson (8 hospitalists) as well as an infectious disease physician. SFHCP's demonstrated ability to collaborate effectively with payers and develop mutually beneficial business relationships will clearly assist Johnson, particularly as we transition away from a fee-for-service payment environment to a "population health management model". It is rather difficult for a hospital the size and scale of Johnson to build an infrastructure capable of succeeding under a risk-based population health model. Experience and trends at the national level clearly demonstrate this. Our integrated approach between our physicians and the acute care hospital setting can also serve as a model in our affiliation with Johnson.

2. **Post-Acute Care Partnerships**: One of the substantial costs to the healthcare system is readmissions to the hospital. Readmissions occur for many reasons, one of which is poor coordination of care. Consequently, Saint Francis embarked on the development of a post-acute care affiliated network that closely links the hospital to the continuum of post- acute providers including nursing homes and home health agencies. These tighter linkages provide for more accurate and seamless transitions of patients from the hospital to the next level of care and reduce the costly re-hospitalization of patients. SFC*'s* commitment to continuing care for its patients is shown in the January 8, 2015 announcement of the formal Post Acute Care Network through Saint Francis Health*Care* Partners, a SFC affiliate, with the following long term care, rehabilitation and home care entities:

- Hospital For Special Care, in New Britain, CT
- Mount Sinai Rehabilitation Hospital in Hartford, CT
- Avon Health Center in Avon, CT
- Touchpoints at Bloomfield in Bloomfield, CT
- Touchpoints at Manchester in Manchester, CT
- Riverside Health and Rehabilitation Center in East Hartford, CT
- Glastonbury Health Care Center in Glastonbury, CT
- McLean Home in Simsbury, CT
- Evergreen Health Care Center in Stafford Springs, CT
- Hughes Health and Rehabilitation in West Hartford, CT
- The Reservoir in West Hartford, CT
- Saint Mary Home in West Hartford, CT
- West Hartford Health and Rehabilitation Center in West Hartford, CT
- Kimberly Hall South in Windsor, CT
- Masonicare Partners and Masonicare Home Health and Hospice

The post- acute affiliated providers will have access to the Saint Francis Hospital and Medical Center Electronic Medical Record which will allow them real time access to patient discharge information. In addition, these providers have committed to implementing the INTERACT tool kit which focuses on readmission avoidance and will be participating in real time readmission reviews for any patient that has been readmitted to Saint Francis Hospital and Medical Center.

3. **Materials Management**

Within the SFC System the organization also uses an internal Value Analysis Committee and its group purchasing agreements with Premier, Ascend and Yankee Alliance to drive costs down within its various clinical and non-clinical areas. Over the last three years this rigorous focus on value and price has generated over $11 million in savings for goods and services purchased by the SFC system.

- Encourage regional and local participation in discussions/collaborations on health care delivery, financing and provider supply:

  SFC and Johnson have participated in many state and federal health care surveys whenever asked. In addition, as part of a regional economics task force, Johnson has been a major catalyst in a three town initiative (Enfield, Somers and Stafford Springs/Union) to bring a natural gas pipeline from Enfield through Stafford Springs/Union. This initiative is part of Governor Malloy's Energy Initiative and holds significant promise for the future economic growth of all three towns.

  Simultaneously, Johnson, with assistance from SFC pursuant to one of their business processes outsourcing agreements, is working with the Towns of Stafford Springs and Union to extend the water and sewer lines through this area to the hospital, which would eliminate Johnson's septic

system and place the hospital complex on Connecticut Water rather than the current reliance on natural springs.

- Promote public policy development through measuring and monitoring unmet needs:

  SFC and Johnson are working individually and with other groups participating in many initiatives designed to identify unmet health needs and developing plans to address those unmet needs. Some concrete examples of these efforts are included in **Exhibit 23**.

  The challenge in today's health care environment is how to address the many needs of different health care populations in a cost effective manner. SFC believes its transition to a health care organization focused on managing the health of specific target populations is a critical step along the journey. In addition, through organizations such as the Curtis D. Robinson Men's Health Institute and the Connecticut Institute for Primary Care Innovation, SFC hopes to develop new models of primary care delivery that focus on the health disparities of specific minority populations. Through efforts such as these, SFC hopes to create new, more effective ways of managing disparate populations by ensuring that wellness and disease prevention are an integral part of its health management efforts.

- Promote planning of other mechanisms that will achieve appropriate allocation of health care resources in the state.

  As stated above under the response to the guiding principal "Support the need for a sufficient health care workforce that facilitates access to the appropriate level of care in a timely manner…." SFC replied in part, with access to SFC's Human Resource and Physician Recruiting support platforms and wide range of teaching programs at the physician and allied health professions level, Johnson Memorial Hospital's ability to recruit and retain the numbers of highly skilled health professionals it requires to meet its population's healthcare needs will be greatly enhanced. Hence, health care resources in the state will be improved by this project.

In addition, nothing in the proposed acquisitions will reduce Johnson's or SFC's commitment to the provision of health care services to the poor, including the indigent and Medicaid patients. Saint Francis Hospital and Medical Center's inpatient and outpatient patient population is comprised of 23.8% Medicaid recipients in FY 2014 and Johnson's Medicaid population also represented 18% of its inpatient and outpatients in FY 2014. It is expected that this will remain level or increase in the coming years. Also, both organizations have and will continue to have self pay and financial assistance policies if this proposed CON is approved.

These policies are contained in **Exhibit 27**. For a more detailed explanation of the community benefit of both organizations, please refer to **Exhibit 18** which contains the 2014 Community Benefit Reports for SFC and Johnson.

15. Provide a final version of all capital expenditure/costs for the proposal using OHCA Table 3.

Please refer to table 3 below**.**

16. List all funding or financing sources for the proposal and the dollar amount of each. Provide applicable details such as interest rate; term; monthly payment; pledges and funds received to date; letter of interest or approval from a lending institution.

SFC will fund this investment from its current operations with no additional debt financing or funding from other external sources. As noted above and in the amended and restated asset purchase agreement, SFC will also assume certain indebtedness owed by Johnson.

17. Include as an attachment:

a. audited financial statements for the most recently completed fiscal year. If audited financial statements do not exist, provide other financial documentation (e.g., unaudited balance sheet, statement of operations, tax return, or other set of books.). Connecticut hospitals required to submit annual audited financial statements may reference that filing, if current;

Please refer to **Exhibit 24.**

b. a complete Financial Worksheet A (not-for-profit entity) or B (for-profit entity), available on OHCA's website under "OHCA Forms," providing a summary of revenue, expense, and volume statistics, "without the CON project," "incremental to the CON project," and "with the CON project." Note: the actual results reported in the Financial Worksheet must match the audited financial statement that was submitted or referenced.

Please refer to **Exhibit 17.**

18. Complete OHCA Table 4 utilizing the information reported in the attached Financial Worksheet.

Please refer to Table 4 below.

19. Explain all assumptions used in developing the financial projections reported in the Financial Worksheet.

Please refer to **Exhibit 17.**

20. Explain any projected incremental losses from operations resulting from the implementation of the CON proposal.

There are no projected incremental losses from operations resulting from implementation of this CON proposal.

21. Indicate the minimum number of units required to show an incremental gain from operations for each projected fiscal year.

This question is not applicable.

Utilization

> *§ "The applicant's past and proposed provision of health care services to relevant patient populations and payer mix, including, but not limited to, access to services by Medicaid recipients and indigent persons;" (Conn.Gen.Stat. § 19a-639(a)(6))*

21. Complete OHCA Table 5 and OHCA Table 6 for the past three fiscal years ("FY"), current fiscal year ("CFY") and first three projected FYs of the proposal, for each of the Applicant's existing and/or proposed services. Report the units by service, service type or service level.

Please refer to **Exhibit 17**

22. Provide a detailed explanation of all assumptions used in the derivation/ calculation of the projected service volume; explain any increases and/or decreases in volume reported in OHCA Tables 4 and 5.

Please refer to **Exhibit 17.**

23. Provide the current and projected patient population mix (number and percentage of patients by payer) for the proposal using OHCA Table 7 and provide all assumptions. Note: payer mix should be calculated from patient volumes, not patient revenues.

> *§ "Whether the applicant has satisfactorily identified the population to be served by the proposed project and satisfactorily demonstrated that the identified population has a*

need for the proposed services;" (Conn.Gen.Stat. § 19a-639(a)(7))

Please refer to **Exhibit 17.**

24. **Describe the population (as identified in question 8(a)) by gender, age groups or persons with a specific condition or disorder and provide evidence (i.e., incidence, prevalence or other demographic data) that demonstrates a need for the proposed service or proposal. *Please note: if population estimates or other demographic data are submitted, provide only publicly available and verifiable information (e.g., U.S. Census Bureau, Department of Public Health, CT State Data Center) and document the source.***

Please refer to response to question 8a in the Main CON application.

25. Using OHCA Table 8, provide a breakdown of utilization by town for the most recently completed FY. Utilization may be reported as number of persons, visits, scans or other unit appropriate for the information being reported.

§ "The utilization of existing health care facilities and health care services in the service area of the applicant;" (Conn.Gen.Stat. § 19a-639(a)(8))

Please refer to **Exhibit 12.**

26. Using OHCA Table 9, identify all existing providers in the service area and, as available, list the services provided, population served, facility ID, address, hours/days of operation and current utilization of the facility. Include providers in the towns served or proposed to be served by the Applicant, as well as providers in towns contiguous to the service area.

Please refer to **Exhibit 25.**

27. Describe the effect of the proposal on these existing providers.

SFC does not believe this Certificate of Need proposal will have any effect on existing providers as there will be no expected change in any services at Johnson.

28. Describe the existing referral patterns in the area served by the proposal.

Please refer to the utilization tables, and service area exhibit contained in this Certificate of Need Application.

29. Explain how current referral patterns will be affected by the proposal.

The existing referral patterns will remain unchanged.

> *§ "Whether the applicant has satisfactorily demonstrated that the proposed project shall not result in an unnecessary duplication of existing or approved health care services or facilities;" (Conn.Gen.Stat. § 19a-639(a)(9))*

30. If applicable, explain why approval of the proposal will not result in an unnecessary duplication of services.

> *§ "Whether the applicant has satisfactorily demonstrated that the proposal will not negatively impact the diversity of health care providers and patient choice in the geographic region. . ." (Conn.Gen.Stat. § 19a-639(a)(11))*

This question is not applicable as this proposal will not result in an unnecessary duplication of services. Johnson Memorial Hospital will remain an acute care hospital if this proposal is approved.

31. How will the proposal impact the diversity of health care providers and patient choice or reduce competition in the geographic region?.

SFC believes that Johnson is a unique part of the healthcare infrastructure of the State of Connecticut and a critical component of the health system in their primary service area. As a result of SFC's acquisition fo Johnson, the residents in Johnson's geographic service area can continue to receive services from the healthcare providers they currently have established relationships with in their communities. In this fashion this proposal preserves access to a diverse group of health care providers and ensures continued competition with the other healthcare organizations that serve patients in the region.

Tables

TABLE 1
APPLICANT'S SERVICES AND SERVICE LOCATIONS

Service	Street Address, Town	Population Served	Days/Hours of Operation	New Service or Proposed Termination

This table is not applicable.

TABLE 2
SERVICE AREA TOWNS

List the official name of town* and provide the reason for inclusion.

Town*	Reason for Inclusion

*** Village or place names are not acceptable.**

Please refer to **Exhibit 12.**

TABLE 3
TOTAL PROPOSAL CAPITAL EXPENDITURE

Purchase/Lease	**$0**
Equipment (Medical, Non-medical Imaging)	**$0**
Land/Building Purchase*	**$0**
Construction/Renovation**	**$0**
Land/Building Purchase*	**$0**
Other (specify)	**$32,923,000**
Total Capital Expenditure (TCE)	**$32,923,000**
Lease (Medical, Non-medical Imaging)***	**$0**
Total Capital Cost (TCO)	**$32,923,000**
Total Project Cost (TCE+TCO)	**$32,923,000**

*** If the proposal involves a land/building purchase, attach a real estate property appraisal including the amount; the useful life of the building; and a schedule of depreciation.**

**** If the proposal involves construction/renovations, attach a description of the proposed building work, including the gross square feet; existing and proposed floor plans; commencement date for the construction/ renovation; completion date of the construction/renovation; and commencement of operations date.**

***** If the proposal involves a capital or operating equipment lease and/or purchase, attach a vendor quote or invoice; schedule of depreciation; useful life of the equipment; and anticipated residual value at the end of the lease or loan term.**

TABLE 4
PROJECTED INCREMENTAL REVENUES AND EXPENSES

	FY 2016	FY 2017	FY 2018
Revenue from Operations	**$78,176,000**	**$79,987,000**	**$81,353,000**
Total Operating Expenses	**$75,441,000**	**$77,033,000**	**$78,692,000**
Gain/Loss from Operations	**$2,735,000**	**$2,954,000**	**$2,661,000**

*** Fill in years using those reported in the Financial Worksheet attached.**

Amounts are the incremental revenues and expenses that would be consolidated into of Johnson's operations once this proposal is approved that would be consolidated into Saint Francis *Care.*

TABLE 5
HISTORICAL UTILIZATION BY SERVICE

	Actual Volume (Last 3 Completed FYs)			CFY Volume*
Service**	**FY 20__*****	**FY 20__*****	**FY 20__*****	**FY 20__*****
Total				

*** For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than 6 months, report actual volume and identify the period covered.**

**** Identify each service type and level adding lines as necessary. Provide the number of visits or discharges as appropriate for each service type and level listed.**

***** Fill in years. If the time period reported is not *identical* to the fiscal year reported in Table 4 of the application, provide the date range using the mm/dd format as a footnote to the table.**

Please refer to **Exhibit 17.**

TABLE 6
PROJECTED UTILIZATION BY SERVICE

Service*	Projected Volume		
	FY 20__**	FY 20__**	FY 20__**
Total			

*** Identify each service type by location and add lines as necessary. Provide the number of visits/discharges as appropriate for each service listed.**

**** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary. If the time period reported is not *identical* to the fiscal year reported in Table 4 of the application, provide the date range using the mm/dd format as a footnote to the table.**

Please refer to **Exhibit 17.**

TABLE 7
APPLICANT'S CURRENT & PROJECTED PAYER MIX

Payer	Current FY 20__**		Projected					
			FY 20__**		FY 20__**		FY 20__**	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare*								
Medicaid*								
CHAMPUS & TriCare								
Total Government								
Commercial Insurers								
Uninsured								
Workers Compensation								
Total Non-Government								
Total Payer Mix								

*** Includes managed care activity.**

**** Fill in years. Ensure the period covered by this table corresponds to the period covered in the projections provided. New programs may leave the "current" column blank.**

Please refer to **Exhibit 17.**

TABLE 8
UTILIZATION BY TOWN

Town	Utilization FY XX**

*** List inpatient/outpatient/ED volumes separately, if applicable**
**** Fill in year if the time period reported is not *identical* to the fiscal year reported on pg. 2 of the application; provide the date range using the mm/dd format as a footnote to the table.**

Please refer to **Exhibit 17.**

TABLE 9
SERVICES AND SERVICE LOCATIONS OF EXISTING PROVIDERS

Service or Program Name	Population Served	Facility ID*	Facility's Provider Name, Street Address and Town	Hours/Days of Operation	Current Utilization

*** Provide the Medicare, Connecticut Department of Social Services (DSS), or National Provider Identifier (NPI) facility identifier and label column with the identifier used.**

Please refer to **Exhibit 25.**

Supplemental CON Application Form
Transfer of Ownership/Sale of Hospital
Conn. Gen. Stat. § 19a-638(a)(2) & § 19a-486

Applicants: Saint Francis *Care,* Inc*.* and Johnson Memorial Medical Center, Inc. and Johnson Memorial Hospital, Inc.

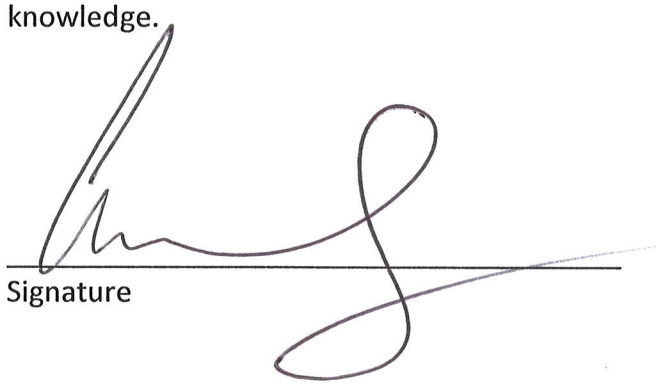
Project Name: Saint Francis *Care*'s Acquisition of substantially all of the assets of Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc. and certain Affiliates

AFFIDAVIT

Applicant: **Saint Francis *Care*, Inc.**

Project Title: **Saint Francis *Care*'s Acquisition of the Assets of Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., and certain affiliates**

I, **Christopher Dadlez, President and Chief Executive Officer** of **Saint Francis *Care*, Inc.** being duly sworn, depose and state that **Saint Francis *Care* Inc.,** information submitted in this Certificate of Need Application is accurate and correct to the best of my knowledge.



Signature

6/2/2015

Date

Subscribed and sworn to before me on_____

Notary Public/~~Commissioner of Superior Court~~

My commission expires: July 31, 2019

AFFIDAVIT

Applicant: **Johnson Memorial Medical Center, Inc. and Johnson Memorial Hospital, Inc.**

Project Title: **Saint Francis *Care*'s Acquisition of the assets of Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., and certain affiliates**

I, **Stuart Rosenberg, President and Chief Executive Officer** of **Johnson Memorial Medical Center, Inc.**, and **Johnson Memorial Hospital, Inc.**, being duly sworn, depose and state that **Johnson Memorial Medical Center, Inc.'s and Johnson Memorial Hospital, Inc.'s** information submitted in this Certificate of Need Application is accurate and correct to the best of my knowledge.

Signature

6/2/2015
Date

Subscribed and sworn to before me on June 2, 2015

Notary Public/Commissioner of Superior Court

My commission expires:

Kristina L. Verny
NOTARY PUBLIC
My Commission Expires July 31, 2019

1. **Project Description and Need: Change of Ownership or Control**

   a. **Describe the transition plan and how the Applicants will ensure continuity of services. Provide a copy of a transition plan, if available.**

   The initial transition will be directed at steps toward operational integration and would have a positive impact on the delivery of clinical services to patients. Once approval of the proposed acquisition is obtained from OHCA and the Bankruptcy Court, the parties plan to work collaboratively to develop an appropriate plan for integration of Johnson into the SFC system and for identifying opportunities to achieve efficiencies and improvements in quality and access of health care services.

   Since July 2012 SFC and JMMC have created a number of clinical and business services sub-agreements covering a variety of services and activities. The purpose of these agreements was to create a clinical affiliation between Johnson and SFC that would strengthen the operations of Johnson and would ensure the ability of Johnson to continue to provide high quality health care services to patients in its local community. A description of the Affiliation Agreements and copies are included in **Exhibit 8**.

   After working together under the Affiliation Agreements, Johnson and SFC determined that a greater integration of Johnson and SFC was needed to ensure the continuity of services in the communities served by Johnson. SFC now proposes to take the next steps in its relationship with Johnson through the Hospital APA.

   In order to effect this transaction, Johnson has filed for voluntary bankruptcy under Chapter 11 that will enable the parties to restructure outstanding financial obligations with Johnson's current creditors. This voluntary restructuring plan is a necessary step in completing the intended acquisition of Johnson by SFC, and providing a path for Johnson's continued financial strength and stability. This restructuring process will not impact day-to-day operations and the continued delivery of quality care to the community. On May 14, 2015, the Bankruptcy Court entered an order approving the sale of substantially all of Johnson's assets to SFC. The timeline for these

steps as well as the associated legal documents are included in **Exhibit 11**.

If the Certificate of Need is granted by the Office of Health Care Access then SFC plans to complete the acquisition of Johnson by November 2015.

The integration of Johnson under the SFC umbrella will benefit both organizations and the community by ensuring the ongoing operation of Johnson, thereby continuing the 105-year legacy of providing quality healthcare services in North Central Connecticut.

b. For each Applicant (and any new entities to be created as a result of the proposal), provide the following information as it would appear prior and subsequent to approval of this proposal:

i. Legal chart of corporate or entity structure including all affiliates.
ii. Governance or controlling body.
iii. List of owners and the % ownership and shares of each.

The corporate organization charts are attached in **Exhibit 26**.
The applicants are non-stock, non-profit corporations and have no equity owners. JMMC is the sole member of JMH, JHC, HCHS and JEC. JMMC has 43 members, who are listed in **Exhibit 26**.

The organization charts provided do not include any changes that would result if the SFC proposal to join Trinity Health and become a new regional health system (also known within the Trinity Health system as a "Regional Health Ministry" or "RHM") is approved. If this organizational change is approved, it would be accomplished through a member substitution in which Trinity Health will be substituted for the Archbishop of Hartford and become the sole member of SFC. If both proposals are approved, the new Johnson entities would be subsidiaries of the new RHM. The Certificate of Need Application for the membership substitution transaction between SFC and Trinity Health was submitted to the Office of Healthcare Access as Docket Number 15-31979-CON on February 13, 2015.

2. Historical and Projected Volume –

a. **In table format, provide historical volumes (three full years and the current year-to-date) for the number of discharges and patient days by service.**

TABLE A
HISTORICAL AND CURRENT DISCHARGES

Service*	Actual Volume (Last 3 Completed FYs)			
	FY**	FY**	FY**	CFY***
Medical/Surgical Maternity Psychiatric Rehabilitation Pediatric				
Total				

***** **Provide the number of discharges for each service listed (Medical/Surgical, Maternity, Psychiatric, Rehabilitation, and Pediatric).**

****** **Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g., July 1-June 30, calendar year, etc.).**

******* **For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.**

Please refer to **Exhibit 17 Table 5.**

TABLE B
HISTORICAL AND CURRENT PATIENT DAYS

Service*	Actual Volume (Last 3 Completed FYs)			
	FY**	FY**	FY**	CFY***
Medical/Surgical **Maternity** **Psychiatric** **Rehabilitation** **Pediatric**				
Total				

* **Provide the number of patient days for each service listed (Medical/Surgical, Maternity, Psychiatric, Rehabilitation, and Pediatric).**

** **Fill in years. In a footnote, identify the period covered by the Applicant's FY (e.g., July 1-June 30, calendar year, etc.).**

*** **For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than six months, report actual volume and identify the period covered.**

Please refer to **Exhibit 17 Table 5.**

b. **Complete the following tables for the first three full fiscal years ("FY") following adoption of the proposal, if the first year is a partial year, include that as well.**

TABLE C

PROJECTED DISCHARGES BY SERVICE

Service*	Projected Volume			
	FY**	FY**	FY**	FY**
Medical/Surgical Maternity Psychiatric Rehabilitation Pediatric				
Total				

* **Provide the number of discharges for each service listed (Medical/Surgical, Maternity, Psychiatric, Rehabilitation, and Pediatric).**

** **If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary. In a footnote, identify the period covered by the Applicant's fiscal year FY (e.g., July 1-June 30, calendar year, etc.).**

Please refer to **Exhibit 17 Table 6.**

TABLE D
PROJECTED PATIENT DAYS BY SERVICE

Service*	Projected Volume			
	FY**	FY**	FY**	FY**
Medical/Surgical Maternity Psychiatric Rehabilitation Pediatric				
Total				

* **Provide the number of patient days for each service listed (Medical/Surgical, Maternity, Psychiatric, Rehabilitation, and Pediatric).**

** **If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary. In a footnote, identify the period covered by the Applicant's fiscal year FY (e.g. July 1-June 30, calendar year, etc.).**

Please refer to **Exhibit 17 Table 6.**

c. **Explain any increases and/or decreases in historical volumes reported in the tables above.**

Please refer to **Exhibit 17.**

d. **Provide a detailed explanation of all assumptions used in the derivation/ calculation of the projected volume.**

Please refer to **Exhibit 17.**

3. Clear Public Need

a. **Is the proposal being submitted due to provisions of the Federal Sherman Antitrust Act and Conn. Gen Stat. §35-24 et seq. statutes? Explain in detail.**

No. The proposal is being submitted in accordance with OHCA requirements; however, the parties also intend to comply with all applicable federal and state antitrust laws and regulations.

b. **Is the proposal being submitted due to provisions of the Patient Protection and Affordable Care Act (PPACA)? Explain in detail.**

See response to 4a below. This proposal does address the provision of the Patient Protection and Affordability Care Act since both Johnson and SFC have community benefit plans and will continue to have such plans if this Certificate of Need proposal is approved.

4. Supplemental Questions

a. **How will this proposal affect the implementation plan developed to address priority health needs identified in the most recent Community Health Needs Assessment (CHNA)?**

Contained in **Exhibit 23** of this Certificate of Need, is the Johnson Memorial Medical Center's Community Health Needs Assessment as filed with the Office of Health Care Access. In this document there are listed problem areas including obesity, diabetes, behavioral health, and alcoholism and substance abuse. These disease categories are also discussed as prevalent chronic diseases in Connecticut that need to be improved upon in The Department Of Health Publications called "Healthy CT 2020" published in March 2014 and "Live Healthy CT" published in April 2014. SFC also reviewed the "Statewide Health Care Facilities and Services Plan 2014 Supplement" which identifies at risk and vulnerable populations in Connecticut in chapters 3 – 5.

As shown in Johnson's implementation plan, it is addressing these diseases by offering related classes to improve the population health in Johnson's community. SFC also currently service many patients with chronic diseases noted above in its various service lines including Primary Care, and Behavioral Health services lines. In fact, SFC has an outpatient Diabetes Care Center that serves many people with Diabetes and offers many outreach and educational activities within the community that address these chronic diseases. Both SFC and Johnson understand the importance of treating and improving the overall health of its populations. Johnson will benefit from SFC*'s* knowledge and experience with improving chronic diseases.

SFC has also made it a priority to address health equity as evidenced by the establishment of the Curtis D. Robinson Center for Health

Equity (CDRCHE) in 2011. Curtis D. Robinson is a SFC board member, African American business leader and cancer survivor. The CDRCHE grew out of a community engaged program focused on the disparity in health outcomes of African American men impacted by prostate cancer. Over the years, the CDRCHE team has addressed health disparities by community engagement; providing health education and outreach to underserved communities; offering tailored navigation for patients; and participating in research and data analysis about health disparities for the community served by SFC. The CDRCHE serves as a platform throughout SFC *t*o address health equity issues by bridging the divide between the community and the healthcare system and focusing on a long term commitment to change. This approach will be incorporated for Johnson as well.

The SFC Strategic Implementation Plan (developed by the CDRCHE and approved by leadership) outlines four priorities that highlight a "systems change" approach to resolving the issues identified in the Community Health Needs Assessment. The four strategic priorities are: Improving Communication; Addressing Barriers to Healthcare Services; Providing Coordinated Care and Targeting Social Determinants of Health. Within each of these priority areas specific activities have been developed, with input from those affected, to address the identified need. The community outreach approach integrates input from healthcare providers, community agencies and those in need of services: a formula that attracted Johnson to SFC.

Some of the activities that have been developed to address the four priority areas within the SFC system include: the development of a language services program; increased commitment to cultural competency training; focus on appropriate use of Emergency Room resources; engagement with community groups to navigate patients to needed resources; partnering with state agencies to provide critical training to communities with limited resources for mental health support; and collaborating with faith communities to address chronic health conditions of concern within their institutions. Each of these activities will be replicated and tailored to address the needs identified within the communities reached by SFC healthcare system, including those served by Johnson if this proposed transaction is consumated.

The priorities of the Connecticut Department of Public Health are outlined in the Health Promotion Plan published in 2014 called -Live Healthy Connecticut. In this document , Dr. Jewell Mullen, the state Commissioner of Public Health, identifies three strategies as

necessary for success of the plan (which are parallel to those identified in our strategic implementation plan), they include: an environmental approach which acknowledges the need for change outside of the healthcare system to achieve sustainable outcomes (addressing social determinants of health); improving the system for delivery of care which ensures access to healthcare services (decreasing barriers to care) and improving linkages between the community and clinical settings (communication and coordination of care).

In addition, the Statewide Health Care Facilities and Services Plan 2014 Supplement and the Healthy CT 2020 consider multiple determinants of health and provide an overview of initiatives focused on reducing health inequities, improving health outcomes and enhancing care coordination all of which are priorities for SFC going forward. In fact, Dr. Marcus McKinney, D.Min., Vice President of Health Equity and Health Policy at SFC, was the co-chairperson of the work group on Mental Health, Alcohol and Substance Abuse which set the priorities for this area of work. Dr. Marcus McKinney's work on this work group shows SFC's commitment to addressing health inequities.

In addition to the above activities, Dr. McKinney is also engaged in national activities surrounding health disparities. For instance, as part of SFC*'s* effort to encourage other institutions to develop programs that encourage health care organizations to reach out to populations that often have difficulty accessing the traditional health care system, Dr. Marcus McKinney is also presenting "Simple Solutions in Health Equity; Bridging communities to Health Systems" at the 2015 National Catholic Health Association General Assembly on June 7, 2015 in Washington D.C.

The CDRCHE exists to engage and empower community members to collaborate with healthcare providers and create innovative programs that address identified health disparities. The CDRCHE encourages communities who have not been heard to reach out to health providers and help shape the trajectory of change in healthcare. Relationships with the community, Catholic Charities and other human service organizations are discussed and successful approaches to a collaborative dialogue will be identified in the presentation.

SFC is also beginning its efforts related to its 2015 Community Benefits report. For the 2015 Community Health Needs Assessment, Saint Francis Hospital and Medical Center has partnered with Data

Haven, a non-profit organization with a 25-year history of public service to Greater New Haven and Connecticut whose mission is to improve quality of life by compiling, sharing, and interpreting public data for effective decision making. DataHaven is a formal partner of the National Neighborhood Indicators Partnership of the Urban Institute in Washington, DC.

Funding support for the CHNA in the Hartford area include: the Hartford Foundation for Public Giving, the Greater New Britain Community Foundation, Saint Francis Hospital and Medical Center, Trinity College, and the Council of Governments. In addition to the Hartford area, approximately $500,000 has been committed to conduct the survey within other regions of Connecticut. Over the coming months the size of the final study will be determined once all other institutional sponsors have been identified. These research activities will be taking place in late 2015 and 2016.

SFC is working closely with the City of Hartford Health and Human Services Department, CT Children's Medical Center, and Johnson Memorial Hospital to monitor the survey design so that critical health questions are included in the final version. The 20 minute telephone survey is designed to include questions about health and well being chosen from national validated survey's and is slated to start on May 1st and be completed by fall. Findings from the survey will be used to assess the community needs and follow up qualitative data inquiry will be implemented to gain a deeper understanding of the priority issues identified. By choosing to participate in this study, Saint Francis expects to receive critical data necessary for assessing the health needs of residents in the hospital's service area.

Clearly, given the above, SFC and Johnson are currently addressing the community needs within the Johnson community and the State of Connecticut that are cited in four publications and will continue to do so if this CON is approved.

b. **Describe any changes to the Hospital's current charity care, uncompensated care, financial assistance policies and procedures and bed funds that will result from the proposal.**

A copy of Johnson's and SFC*'s* self pay and financial assistance policies are included in **Exhibit 27**. Saint Francis Hospital and Medical Center's inpatient and outpatient patient population was comprised of 23.8% Medicaid recipients in FY 2014 and Johnson's Medicaid population represented 18% of its inpatients and outpatients in FY

2014. In FY 2014 SFC delivered $78 million dollars of community benefit including nearly $6 million of unfunded charity care. Johnson delivered $6 million in community benefit and $151,372 in charity care in FY 2014.

The inclusion of Johnson in the SFC system will help preserve access to care for the Medicaid and indigent populations of the geographic region served by both organizations.

As a result of this transaction, neither organization will be required to change its current charity care, uncompensated care, financial assistance or bed fund policies as a result of Johnson joining the SFC system.

c. **Describe any plans to work with other community providers, such as federally qualified health centers or community health centers, to provide specialty care to patients or offer low cost programs tailored to the uninsured or underinsured.**

Due to Johnson's current climate, Johnson has no plans to work with other community providers at this time.

d. **Explain in detail the capital projects that are deemed top priorities by the Applicants.**

Johnson has faced difficult choices over the last three years given its financial challenges. Many very desirable projects have been delayed due to limited capital funds. As part of the agreement to acquire Johnson, SFC has committed to ensure that Johnson has a minimum of $13 million in capital funds available to cover its building, information technology and capital improvement needs over the next 5 years. Ideally, the successful integration into the SFC System will result in more than this minimum capital being available to Johnson.

Johnson's current capital needs exceed $15.3 million excluding costs associated with necessary information technology infrastructure and software to move forward with an electronic medical record which is anticipated to be approximately $5.4 million.
Top priorities for the $13 million dollars will be allocated to:

- Electronic medical record conversion (Epic and other systems) $5.4 million-
- Hospital OR and Ambulatory Surgery Center upgrades - $5.7 million
- Generator replacement - $500,000

- Replacement of clinical equipment - $1.4 million
- Longer term, Johnson must plan for replacement of its aging Ambulatory Surgery Center and expansion of its outpatient service delivery system. Please note the above capital priorities assume that the separate municipal bonding project targeted to bring city water, local sewer district access and natural gas services to the main campus of Johnson is successful. If not Johnson will need an additional $4-$5 million to replace its septic system.

e. **Explain in detail the service improvements that are deemed top priorities by the Applicants.**

- Saint Francis has already improved the service and quality of inpatient care through introduction of the hospitalist program. Through extension of clinical guidelines and protocols in existence at SFC, the care at Johnson is best practice.
- Cancer care is a key priority. Due to the aging of the population, cancer care is an important service to the community. Through the recently announced clinical affiliation with Smilow Cancer Hospital and Yale New Haven Hospital, the SFC cancer program will utilize the same clinical guidelines as Smilow. Furthermore, as the only NCI designated cancer program in the state, patients of SFC and Johnson following the transaction, will have access to state of the art clinical trials and treatments.
- Movement towards ambulatory surgery is a national and local trend. This enables care to be delivered in the lowest cost setting with the best outcomes for the patient. SFC will work with Johnson to enhance the range of services currently offered at Enfield surgery center to improve access to this low cost site of care for patients in the community.
- Population Management is essential to develop. SFC has already developed a robust heart failure program that will be a priority to extend to Johnson not only for inpatients but across the continuum including the skilled nursing facility and in the ambulatory setting. SFC has realized improvements in readmission rates and will readily extend this expertise to Johnson.

f. **Describe any anticipated changes as a result of this proposal to existing payer contracts (e.g., Medicare, Medicaid or commercial payers).**

It is anticipated that Johnson will maintain its current Medicare and Medicaid provider numbers and there will be no changes to those contracts as a result of this proposal. After the implementation of this proposal, Johnson will continue will continue to operate under its own license and its current commercial contracts are expected to remain in effect. Upon expiration of current commercial contracts, Johnson contract negotiations will be part of the broader SFC payor contracting process.

g. **Explain in detail how the proposal will address any existing debt and/or pension obligations.**

As noted above, Johnson's current debt will be significantly restructured and reduced if this proposal is improved. Johnson had a defined benefit pension plan that covered certain employees. Pursuant to the plan of reorganization on August 11, 2012, the pension plan was terminated and the Pension Benefit Guaranty Corporation assumed control of the plan assets effective September 1, 2011.

h. **Describe how the quality of care will be maintained with this proposal.**

The existing high quality of care of both SFC and Johnson will be maintained if this Certificate of Need is approved. Many of the existing clinical agreements between Johnson and SFC contained in **Exhibit 8** address quality assurance. Also, please refer to response to 9a in the Main CON.

i. **For all Applicants, provide copies of all Centers for Medicare & Medicaid Services (CMS) statement of deficiencies and corrective action plans for the two most recently completed federal fiscal years.**

Please refer to **Exhibit 28**.

j. **Provide a copy of and describe any changes to any of the following policies and procedures as a result of this proposal:**

i. **hospital collection policies (including charity care and bad debt);**

ii. **annual or periodic review and/or revision to the hospital's pricing structure (chargemaster or pricemaster); and**

iii. **the annual or periodic market rate assessment of the hospital. S Alber to provide**

See **Exhibit 27** for Johnson's and SFC's collection policies. There are no anticipated changes to these policies and procedures as a result of this proposal.

k. **Provide monthly financial reports that include statistics for the current month, year-to-date and comparable month from the previous year for the following:**

Monthly Financial Measurement/Indicators

A.	**Operating Performance:**
	Operating Margin
	Non-Operating Margin
	Total Margin
	Bad Debt as % of Gross Revenue
B.	**Liquidity:**
	Current Ratio
	Days Cash on Hand
	Days in Net Accounts Receivables
	Average Payment Period
C.	**Leverage and Capital Structure:**
	Long-term Debt to Equity
	Long-term Debt to Capitalization
	Unrestricted Cash to Debt
	Times Interest Earned Ratio
	Debt Service Coverage Ratio
	Equity Financing Ratio
D.	**Additional Statistics**
	Income from Operations
	Revenue Over/(Under) Expense
	EBITDA
	Patient Cash Collected
	Cash and Cash Equivalents
	Net Working Capital
	Unrestricted Assets

Credit Ratings (S&P, Fitch, Moody's)

Please refer to **Exhibit 17.**

l. **For the most recent tax year, provide a copy of the Hospital's IRS Form 990 (you may reference the filing if previously submitted to OHCA). With respect to the amounts listed on each line item within Part 1, Section 7 of Schedule H (Financial Assistance and Certain Other Community Benefits at Cost) and Part II of Schedule H (Community Building Activities), provide a projected amount for each line item for the first three years following the change in ownership and describe the hospital's future commitment to programmatic and financial support for the community benefit programs and building activities listed on Schedule H.**

The total Financial Assistance and Means-Tested Government Assistance Programs for FY 2013 resulted in a net community benefit expense of $5.1 million. Other community benefits including community health improvement services and community benefit operations and health professional education totaled a net community benefit expense of $82,000. There were no amounts reported on Part II Community Building Activities. However, Johnson incurred net community benefit expense of $16,000 in FY 2013 relating to coalition building activities. It is anticipated that Johnson's commitment to programmatic and financial support will remain consistent and that similar amounts of net community benefits expense supporting both financial assistance, other community benefits and community building activities will be incurred in the first three years after this transaction is completed. See **Exhibit 29**.

m. **Discuss in detail how the proposal will impact the hospital's negotiating position with vendors and/or payers?**

SFC currently participates in a national group purchasing program that provides advantageous pricing for many products and supplies. The proposal will allow Johnson to further benefit from this program as well as provide other opportunities with vendors such as information technology.

SFC's continued focus on population health and the development of an infrastructure to support risk-based contracts will also be available and a benefit to Johnson after the proposal is approved.

n. **If an improved negotiating position is anticipated, quantify the tangible savings for the health care consumer.**

Anticipated supply chain savings and revenue cycle improvements have been included the projected incremental amounts in the Financial Worksheet at **Exhibit 17.**

One of the core components of an effective population health strategy for accountable care organizations is to have the ability to provide high quality health care access in the most affordable way, delivering the right care, at the right time, at the right location is critical to the overall success of achieving the triple aim (population health, patient experience, and per capita cost). By keeping access to health care local, there will not be a need to seek out care at more expensive venues. For example, according to the latest Office of Health Care Access (OHCA) data, in fiscal year 2013, Johnson Memorial's average cost per case mix adjusted equivalent discharge was $3,593 or 34% less expensive that Hartford Hospital and $3,646 or 35% less expensive than John Dempsey Hospital. In addition to these types of savings, the average consumer may or may not be able to access these services at in-network rates, which could further increase the out of pocket rates for consumers.

o. **Provide details of plans to ensure that future health care services provided, in relation to the proposal, adhere to the National Standards on Culturally and Linguistically Appropriate Services (CLAS) to advance health equity, improve quality and help eliminate health care disparities in the projected service area. (For more details on CLAS standards can be found at http://minorityhealth.hhs.gov/.**

The following is a description of SFC's efforts in establishing National CLAS Standards.

To address health disparities and prioritize health equity Saint Francis Hospital and Medical Center led by its CEO, Christopher Dadlez, created the Curtis D. Robinson Center for Health Equity, a platform that supports and leads health equity initiatives – whose home is the first floor of the Urban League of Greater Hartford. In 2009 the Saint Francis Board of Directors passed a resolution that embraced the National Call to Action goals of increased use of Real Data, improved Cultural Competency Training, and more Diversity in Leadership. In 2011 the Curtis D. Robinson Center for Health Equity was founded and in 2012 it moved to a dedicated space designed to provide easy

access to those who live in the surrounding community. The position of Vice President of Community Health Equity was established, and a dedicated, multicultural staff charged with transformation of our healthcare system based on AHA goals and Saint Francis' unyielding commitment to community engagement which results in decreased health disparities in a meaningful and measurable way.

Activities at SFC that fulfill the CLAS Standards include:

*Governance, Leadership, and Workforce:

- Updated training for intake staff on the collection of race and ethnicity implemented 3/2014.
- Updated policy for the use of language services implemented 9/2014
- Edits to the policies to explicitly include gay and lesbian populations for visitation completed 9/2014.
- 99% of staff trained for cultural competency in 2014

*Communication and Language Assistance:

- Language Program Developed: Increase in resources across the organization for addressing language services to include our 3 + 1 options (Dual Handset Phones; Video
- Remote Interpreting; In-person interpreting + Document Translation)
- Full Time Language Services Coordinator Hired 11/2014
- Signage regarding language services availability updated and replaced 12/2014
- Training for all staff on new language services resources completed 3/2015
- Pilot training for bilingual staff to become qualified medical interpreters completed in 9/2014
- System for translation of documents into needed languages on demand implemented 2/2015

*Engagement, Continuous Improvement, and Accountability:

- Leadership of the State Diversity Collaborative by the CEO of Saint Francis Hospital and Medical Center
- Collection and reporting of data for the CT Diversity Collaborative (Diversity in Leadership and Governance; Cultural Competency Training; Use of Diverse Suppliers)
- Quarterly reporting to the Board of Directors on Center for Health Equity activities

- Partnership with community organizations to respond to needs identified through assessment activities.
- Support of Diversity Intern through the Institute for Diversity in Healthcare Management
- Creation of an Accelerated Development Program for diversity staff
- Saint Francis Diversity Collaborative Team – regular meetings since 2011
- Development of a Health Equity Scorecard
- Regular Community Leader Roundtable Discussions
- Completion and Distribution of the Community Benefit Report
- Update of Saint Francis Hospital and Medical Center's website outlining activities and providing copies of relevant publications.

To address health disparities in a comprehensive and effective manner it is necessary not only to provide appropriate services but to change and improve those services so that they are accessible to all populations regardless of degree of English language proficiency; cultural beliefs; racial, ethnic and gender identities. Hence, SFC has updated three of its current policies addressing communication and language services, patients' rights and equal employment and Affirmative Action. Please refer to **Exhibit 30** to see these policies. By making changes at the policy level Saint Francis is able to hold all staff accountable for providing care which embraces inclusive strategies that have proven to impact health outcomes. For example, research has shown that providing information to patients with limited English proficiency in their native language can result in better health outcomes and patient satisfaction. See **Exhibit 31** for citation - "Multiple studies document that quality of care is compromised when LEP patients need but do not get interpreters. LEP patients' quality of care is inferior, and more interpreter errors occur with untrained ad hoc interpreters." Research from NIH has concluded that implementation of cultural competency needs to take place at the systems level - as a "framework which enables systems, agencies and group of professionals to function effectively to understand the needs of groups accessing care." Saint Francis is embracing this approach by making changes at all levels of the organization to address health equity disparities.

SFC expects these initiatives will continue and deepen if this proposal is approved.

5. For-profit Purchasers Only (Conn. Gen. Stat. § 19a-486d)

a. Describe in detail how the surrounding community will be assured of continued access to high quality and affordable health care after accounting for any proposed change impacting hospital staffing.

This question is not applicable since this Certificate of Need proposal is for non-profit organizations.

b. Describe in detail the purchasers commitment to provide health care to the uninsured and the underinsured following the hospital acquisition.

This question is not applicable since this Certificate of Need proposal is for non-profit organizations.

c. In a situation where health care providers or insurers will be offered the opportunity to invest or own an interest in the purchaser or a related entity, what safeguards will be created to avoid a conflict of interest in regard to patient referral?

This question is not applicable since this Certificate of Need proposal is for non-profit organizations.

EXHIBIT 1

SAINT FRANCIS *CARE*, INC.
MEETING OF THE BOARD OF DIRECTORS
CORPORATE RESOLUTIONS
JANUARY 7, 2015

Asset Acquisitions

WHEREAS, Saint Francis *Care*, Inc. (the "Corporation") has been in discussions with Johnson Memorial Medical Center, Inc., a Connecticut corporation, Johnson Memorial Hospital, Inc., a Connecticut corporation, Home & Community Health Services, Inc., a Connecticut corporation, and Johnson Health Care, Inc., a Connecticut corporation (collectively, the "JMMC Sellers") and The Johnson Evergreen Corporation, a Connecticut corporation and an affiliate of the JMMC Sellers ("Evergreen"), regarding the purchase of the assets of the JMMC Sellers and Evergreen (collectively, the "Assets");

WHEREAS, the JMMC Sellers and Evergreen have indicated that they intend to initiate proceedings under chapter 11 of the United States Bankruptcy Code (collectively, the "JMMC Bankruptcy Case") and to sell the Assets in sales under Section 363 of the Bankruptcy Code (each, a "363 Sale") in which bidders will make and submit bids at an auction;

WHEREAS, the members of the Board of Directors (the "Board") of the Corporation have reviewed a summary of the terms of that certain Asset Purchase Agreement (the "JMMC Purchase Agreement"), by and among the Corporation, as buyer, and the JMMC Sellers, as sellers, providing for the purchase and sale of substantially all of the JMMC Sellers' assets (the "JMMC Assets") subject to the entry of a sale order (the "JMMC Sale Order") in connection with a 363 Sale in the JMMC Bankruptcy Case (the "JMMC Asset Acquisition");

WHEREAS, the members of the Board have reviewed a summary of the terms of that certain Asset Purchase Agreement (the "Evergreen Purchase Agreement" and, together with the JMMC Purchase Agreement, the "Purchase Agreements"), by and between the Corporation, as buyer, and Evergreen, as seller, providing for the purchase and sale of substantially all of Evergreen's assets (the "Evergreen Assets") subject to the entry of a sale order (the "Evergreen Sale Order") in connection with a 363 Sale in the JMMC Bankruptcy Case (the "Evergreen Asset Acquisition," and together with the JMMC Asset Acquisition, the "Asset Acquisitions");

WHEREAS, the Finance Committee of the Corporation (the "Finance Committee") has reviewed a summary of the terms of the Asset Acquisitions, including the purchase price to be paid for the Assets pursuant to the Purchase Agreements (collectively, the "Total Asset Price");

WHEREAS, the Finance Committee has determined that it is desirable, fair, reasonable and in the best interest of the Corporation for the Corporation or one or more affiliates (each, an "Affiliate") to enter into the Asset Acquisitions on the terms set forth in the Purchase Agreements and to enter into such other agreements, documents, certificates, and instruments as are necessary, appropriate or advisable to consummate the Asset Acquisitions (the "Ancillary Documents"), and has recommended the same for approval by the Board;

WHEREAS, the Board has considered the recommendations of the Finance Committee and has determined (i) that it is desirable, fair, reasonable and in the best interest of the Corporation for the

Corporation, in its own name or through one or more Affiliates, to enter into the Asset Acquisitions, (ii) to authorize the Finance Committee to determine and negotiate the final terms of the Purchase Agreements and the Ancillary Documents, (iii) to authorize the Finance Committee, in its discretion, to approve the expenditure of additional amounts over and above the aggregate amount of the JMMC Asset Price and the Evergreen Asset Price (the "Total Asset Price") if the Finance Committee determines that such expenditure is necessary and in the best interests of the Corporation, and (iv) to authorize the Authorized Officer (as such term is defined below) to execute and deliver all documents necessary to effect the foregoing in the name and on behalf of the Corporation and any Affiliate;

DIP Financing

WHEREAS, the members of the Board have reviewed a summary of the terms pursuant to which Healthcare Finance Group, LLC ("HFG") and the Corporation would make debtor-in-possession financing (the "DIP Financing") available to the JMMC Sellers and Evergreen during the pendency of the JMMC Bankruptcy Case, pursuant to which the Corporation would advance up to $1,200,000 (the "DIP Financing Amount") to the JMMC Sellers and Evergreen;

WHEREAS, the Finance Committee has reviewed a summary of the terms of the DIP Financing, has determined that it is desirable, fair, reasonable and in the best interest of the Corporation for the Corporation or a designated Affiliate, to enter into the DIP Financing, and has recommended the same for approval by the Board;

WHEREAS, the Board has considered the recommendations of the Finance Committee and has determined (i) that it is desirable, fair, reasonable and in the best interest of the Corporation for the Corporation or one or more Affiliates to enter into the DIP Financing, (ii) to authorize the Finance Committee to determine and negotiate the final terms of the DIP Financing and such agreements, documents, certificates, and instruments as are necessary, appropriate or advisable to consummate the transactions contemplated by the DIP Financing (the "DIP Transaction Documents"), and (iii) to authorize the Authorized Officer to execute and deliver the same in the name and on behalf of the Corporation or one or more of its Affiliates;

Hart-Scott-Rodino Act

WHEREAS, the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended "HSR Act") requires pre-transaction notification of a proposed transaction to be submitted to the Federal Trade Commission and the United States Department of Justice if the size of the transaction exceeds $75.9 million;

WHEREAS, pursuant to the HSR Act, the Board is required to determine whether the fair market value of the acquisition of the Assets exceeds $75.9 million;

WHEREAS, the Board has reviewed the terms of the Asset Acquisitions and has determined that the fair market value of the acquisition of the Assets does not exceed $75.9 million.

NOW THEREFORE, BE IT:

The Asset Acquisitions

RESOLVED, that the Corporation, in its own name or through or one or more Affiliates, is authorized to enter into the Asset Acquisitions on the terms contemplated by the Purchase Agreements;

RESOLVED, that the Purchase Agreements are hereby approved substantially in accordance with the summary of terms reviewed by the Board, and that the authority to finalize the terms of the Purchase Agreements and Ancillary Documents is hereby delegated to the Finance Committee;

RESOLVED, that in connection with the Asset Acquisitions, the Finance Committee is hereby authorized to approve the expenditure of additional amounts over and above the aggregate amount of the Total Asset Price if the Finance Committee determines that such expenditure is necessary and in the best interests of the Corporation;

RESOLVED, that Christopher M. Dadlez, as President and Chief Executive Officer of the Corporation (the "Authorized Officer"), is authorized to execute and deliver in the name and on behalf of the Corporation and any Affiliate, the Purchase Agreements and the Ancillary Documents, with such changes therein as such Authorized Officer shall approve, as evidenced by such Authorized Officer's execution thereof;

RESOLVED, that the Authorized Officer or any one or more agents designated by the Authorized Officer be, and each such person hereby is, authorized to attend any auction held in conjunction with any 363 Sale of the JMMC Assets and make and submit one or more bids, on behalf of the Corporation or any Affiliate, for the purchase of the JMMC Assets as contemplated by the JMMC Purchase Agreement or in such other amounts as may be authorized by the Finance Committee;

RESOLVED, that the Authorized Officer or any one or more agents designated by the Authorized Officer be, and each such person hereby is, authorized to attend any auction held in conjunction with any 363 Sale of the Evergreen Assets and make and submit a bid, on behalf of the Corporation or any Affiliate, for the purchase of the Evergreen Assets as contemplated by the Evergreen Purchase Agreement or in such other amounts as may be authorized by the Finance Committee;

RESOLVED, that the Authorized Officer isauthorized to take such action from time to time on behalf of the Corporation or any Affiliate as the Authorized Officer may deem necessary, advisable or proper in order to carry out and perform the obligations of the Corporation or such Affiliate under any agreements, instruments or documents executed and delivered pursuant to or in connection with the Purchase Agreements, the Ancillary Documents, or the transactions contemplated therein; and

RESOLVED, that any actions taken prior to the adoption of the foregoing resolutions by any officer of the Corporation in furtherance of the foregoing are hereby ratified and approved.

DIP Financing

RESOLVED, that the Corporation, in its own name or through an Affiliate, is hereby authorized to enter into the DIP Financing, to participate in the DIP Financing in an amount up to the DIP Financing Amount, and to enter into the DIP Transaction Documents;

RESOLVED, that the Authorized Officer is authorized to execute and deliver in the name and on behalf of the Corporation or its designated Affiliate, the DIP Financing and the DIP Transaction Documents, with such changes therein as the Authorized Officer shall approve, as evidenced by such Authorized Officer's execution thereof;

RESOLVED, that the Authorized Officer is authorized to execute and deliver any amendment or revision to any of the DIP Transaction Documents, which in the opinion of the Authorized Officer may be necessary or appropriate;

RESOLVED, that the Authorized Officer is authorized to take such action from time to time on behalf of the Corporation or its designated Affiliate as the Authorized Officer may deem necessary, advisable or proper in order to carry out and perform the obligations of under any agreements, instruments or documents executed and delivered by the pursuant to or in connection with the DIP Transaction Documents or the transactions contemplated therein; and

RESOLVED, that any actions taken prior to the adoption of the foregoing resolutions by any officer of the Corporation in furtherance of the foregoing are hereby ratified and approved.

Hart-Scott-Rodino Act

RESOLVED, that, based on the advice of its financial consultants and professional advisors, the Board of Directors has determined that the fair market value of the Johnson assets to be acquired by the Corporation in the proposed transaction does not exceed $75.9 million.

[Signature Page Follows]

We hereby certify that the foregoing resolutions were adopted at a meeting duly called and held of the Board of Directors of the Corporation on the 7th day of January, 2015.

Barbara J. Calderone, B.S.N., J.D.
Secretary of the Corporation

Daniel P. O'Connell
Chairman

PREAMBLES AND RESOLUTIONS FOR THE
SPECIAL MEETING OF THE COMMUNITY MEMBERS
OF
JOHNSON MEMORIAL MEDICAL CENTER, INC.
JANUARY 13, 2015

WHEREAS, JMMC Johnson Memorial Medical Center, Inc. ("JMMC") is the parent corporation of a medical system (the "Johnson System"); and

WHEREAS, as the parent corporation of the Johnson System, the Corporation serves as the sole or controlling corporate member of Johnson Memorial Hospital, Inc. (the "Hospital"), Home and Community Health Services, Inc. ("H&C"), Johnson Health Care, Inc. ("JHC"), and The Johnson Evergreen Corporation, Inc. ("Evergreen"); and

WHEREAS, it has been proposed that (a) Johnson, the Hospital, H&C and JHC (together, the "Primary Sellers") enter into a certain Asset Purchase Agreement (the "Primary Agreement") with a third party (the "Presumptive Buyer") pursuant to which the businesses and substantially all of the assets of the Primary Sellers will be sold to the Presumptive Buyer or another third party determined in the manner contemplated by the Primary Agreement (the "Actual Primary Buyer") on and subject to the terms and conditions (the "Primary Sale Terms") set forth in the Primary Agreement as finally entered into with the approval of the Board (such transaction being the "Primary Sale"), and (b) Evergreen enter into a certain Asset Purchase Agreement (the "Evergreen Agreement") with the Presumptive Buyer pursuant to which the business and substantially all of the assets of Evergreen will be sold to the Presumptive Buyer or another third party determined in the manner contemplated by the Evergreen Agreement (the "Actual Evergreen Buyer") on and subject to the terms and conditions (the "Evergreen Sale Terms") set forth in the Evergreen Agreement as finally entered into with the approval of the Board (such transaction being the "Evergreen Sale," and the Primary Sale and the Evergreen Sale being together the "Proposed Sales"); and

WHEREAS, the current drafts of the Primary Agreement and the Evergreen Agreement, together with a Memorandum from JMMC's counsel summarizing the Proposed Sales, have been made available for review by the Community Members; and

WHEREAS, JMMC's Board of Directors (the "Board") has approved the occurrence of the Primary Sale on the Primary Sale Terms and the Evergreen Sale on the Evergreen Sale Terms; and

WHEREAS, the occurrence of the Primary Sale on the Primary Sale Terms would constitute a sale, lease, exchange or other disposition of assets requiring approval of the Community Members pursuant to Section 33-1166(a) of the Connecticut Revised Nonstock Corporation Act, and the occurrence of the Evergreen Sale on the Evergreen Sale Terms might constitute such a sale, lease, exchange or other disposition of assets, particularly if the Evergreen Sale occurs after the Primary Sale; and

WHEREAS, the Board has requested that the Community Members approve, and recommended to the Community Members that they do approve, the occurrence of the Primary Sale on the Primary Sale Terms and the Evergreen Sale on the Evergreen Sale Terms; and

WHEREAS, the Primary Sale Agreement contemplates that if the Primary Sale is consummated the name of JMMC will be changed as a result thereof; and

WHEREAS, the change of JMMC's name would require an amendment to JMMC's Certificate of Incorporation, which under the terms of the Certificate of Incorporation and JMMC's By-Laws would require the approval of the Community Members; and

WHEREAS, to facilitate the occurrence of the Primary Sale on the Primary Sale Terms, the Board has approved amendments and restatements of JMMC's Certificate of Incorporation in the form set forth as the attached **ADDENDUM 1** and By-Laws in the form set forth as the attached **ADDENDUM 2**, with the amendments therein being to remove an amendment to JMMC's Certificate of Incorporation to change JMMC's name being a matter that requires the vote of the Community Members, and has recommended to the Community Members that they approve the same if they approve the occurrence of the Primary Sale on the Primary Sale Terms;

NOW, THEREFORE, BE IT:

RESOLVED: That the occurrence of the Primary Sale on the Primary Sale Terms, as the same may be modified in the discretion of the Board or in a manner approved in the discretion of the Board, and regardless of the identity of the Actual Primary Buyer, be, and it hereby is, approved by the Community Members; and further

RESOLVED: That the occurrence of the Evergreen Sale on the Evergreen Sale Terms, as the same may be modified in the discretion of the Board or in a manner approved in the discretion of the Board, and regardless of the identity of the Actual Evergreen Buyer, be, and it hereby is, approved by the Community Members; and further

RESOLVED: That JMMC's Certificate of Incorporation, as amended to date, be, and it hereby is, amended and restated to read in its entirety as set forth in **ADDENDUM 1** appended hereto, effective upon the filing of an appropriate Certificate of Amendment and Restatement (the "Restatement") with the Secretary of the State of Connecticut; and further

RESOLVED: That JMMC's By-Laws, as amended to date, be, and they hereby are, amended and restated to read in their entirety as set forth in **ADDENNDUM 2** appended hereto, effective upon the effectiveness of the Restatement Certificate.

EXHIBIT 2

ALABAMA · COLORADO · ARIZONA · MAINE · TEXAS · UTAH · ALASKA · IOWA · LOUISIANA · WISCONSIN · TENNESSEE · IDAHO · GEORGIA · DELAWARE · ILLINOIS · KANSAS · NORTH CAROLINA · OREGON · NEBRASKA · KENTUCKY · NEW HAMPSHIRE · NEW JERSEY · NEW MEXICO · CONNECTICUT · FLORIDA · MASSACHUSETTS · INDIANA · OKLAHOMA · RHODE ISLAND · MONTANA · HAWAII · WASHINGTON · VIRGINIA · VERMONT · WYOMING · OHIO · NORTH DAKOTA · PENNSYLVANIA · SOUTH CAROLINA · SOUTH DAKOTA · MARYLAND · ARKANSAS · CALIFORNIA · MICHIGAN · MINNESOTA · MISSISSIPPI · MISSOURI · WEST VIRGINIA · NEW YORK · NEVADA

1817 2014

The Official Catholic Directory

Anno Domini

2014

Published Annually by
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for the elderly (Interdenominational). Total Assisted 175; Total Staff 20; Capacity 100.

Sacred Heart Manor Nursery and Kindergarten, 261 Benham St., 06514. Tel: 203-230-4889. Email: scalat@yahoo.com. Sr. Elaine Ann Lattanzi, A.S.C.J., Prin. & Contact. Apostles of the Sacred Heart of Jesus 1; Lay Teachers 8; Students 75; Total Assisted 78.

[G] GENERAL HOSPITALS

HARTFORD. *Saint Francis Hospital and Medical Center*, 114 Woodland St., 06105-1299. Tel: 860-714-4000; Fax: 860-714-8030. Email: pastoralcare@stfranciscare.org. Web: www.stfranciscare.com. Christopher M. Dadlez, Pres. & CEO; Stephen Surprenant, Vice Pres. Mission Integration; Suzanne Nolan, Dir. Pastoral Care & Chap.; Suzanne Carnes, Chap.; Rev. Mark Bonsignore, Chap.; Roy McAlpin, Chap.; Elaine St. Peter, Media Rels. Mgr.; John Swift, Supvr. Clinical Pastoral Ed.; Rev. Ute Schmidt, Coord. Clinical Pastoral Ed. Licensed Beds 617; Bassinets 65; Outpatient Visits 297,814; Inpatient Visits 31,781; Observation 3,098; Staff 4,312. In Res. Rev. Elias Menuba, Chap.

The Women's Auxiliary of Saint Francis Hospital and Medical Center Tel: 860-714-4558; Fax: 860-714-7809. Anita Schlosser, Pres.

Asylum Hill Family Medicine Center, Inc. Tel: 860-714-4212; Fax: 860-714-8079. Web: stfranciscare.org.

Saint Francis Care, Inc., 114 Woodland St., 06105.

Saint Francis Medical Group, Inc., 114 Woodland St., 06105.

Saint Francis Emergency Medical Group, Inc., 114 Woodland St., 06105.

Saint Francis Hospital and Medical Center Foundation, Inc., 95 Woodland St., 06105-1299. Tel: 860-714-4900; Fax: 860-714-8069. Web: stfranciscare.org. E. Merritt McDonough Jr., Senior Vice Pres., Saint Francis Foundation & Chief Devel. Officer.

Mount Sinai Rehabilitation Hospital, Inc., 490 Blue Hills Ave., 06112. Tel: 860-714-3500; Fax: 860-714-8550. Web: stfranciscare.org.

NEW HAVEN. *Hospital of St. Raphael* (1907) 1450 Chapel St., 06511. Tel: 203-789-3000; Fax: 203-789-3328. Email: jgranville@srhs.org. Web: www.srhs.org. Christopher M. O'Connor, Pres. & CEO; Sr. Joan Granville, S.C., Vice Pres. Missions & Contact; Revs. Gregory M. Altermatt, Chap. (Retired); Augustine Mangalath (India), Chap.; William West, UCC & Chap.; Rev. Sandy Alves Belcher, Episcopal Priest & Chap.; Rabbi Steve Steinberg, Chap.; J. Kendall Palladino, Dir. Pastoral Care. Sisters of Charity of St. Elizabeth., Legal Holdings: Saint Raphael Healthcare System; Saint Raphael Foundation, Inc.; DePaul Health Services Corporation; Saint Regis Health Center, Inc. (Nonprofit charitable corporations affiliated with the Hospital of Saint Raphael). Chaplains 9; Sisters 8; Bed Capacity 511; Bassinets 22; Patients Assisted Annually 300,000; Total Staff 3,500; CPE Residents 5.

Saint Regis Health Center, Inc. dba Sister Anne Virginia Grimes Health Center 1354 Chapel St., 06511. Tel: 203-867-8300; Fax: 203-867-8345. Email: jtarutis@srhs.org. Web: www.srhs.org. John Tarutis, Exec. Dir.; Donna Wade, Dir. Nursing; Lisa Irish, Chap. 122-bed skilled nursing facility; Religious Community: Sis. of Charity of St. Elizabeth Total Assisted Annually 800; Total Staff 152.

WATERBURY. *Saint Mary's Hospital*, 56 Franklin St., 06706-1200. Tel: 203-709-6000; Fax: 203-709-3236. Email: community@stmh.org. Web: stmh.org. Chad [illegible]

deliver charitable primary and/or preventative medical health care to the needy uninsured of the Greater Hartford region. Total Staff 6; Total Assisted 4,500.

WEST HARTFORD. *Saint Agnes Home, Inc.* (1914) 104 Mayflower St., 06110-1425. Tel: 860-521-7516; Fax: 860-521-1756. Email: info@stagneshome.org. Web: www.stagneshome.org. Lorna Little, M.S.W., Exec. Dir.; Kathleen M. Costello, Exec. Asst. For adolescent single mothers and their infants. Bed Capacity 16; Patients Assisted Annually 53; Total Staff 40.

[I] HOMES FOR AGED

ENFIELD. *The Home for the Aged of the Little Sisters of the Poor* (1839) Incorporated Operating as St. Joseph's Residence, 1365 Enfield St., 06082-4925. Tel: 860-741-0791; Fax: 860-265-1891. Email: enmothersuperior@littlesistersofthepoor.org. Catherine Frain, L.S.P., Supr. & Contact; Rev. Lech Kuna (Poland) Chap. Little Sisters of the Poor 10; Lay Staff 98; Residents 83; Bed Capacity 83; Total Assisted Annually 98.

NEW BRITAIN. *St. Lucian's Residence, Inc.*, 532 Burritt St., 06053-3699. Tel: 860-223-2123; Fax: 860-612-0321. Email: stlucian.res.inc@snet.net. Sr. Mary Jennifer Carroll, D.M., Admin. & Contact; Rev. Joseph Tran, Chap. Daughters of Mary of the Immaculate Conception. Residents 42; Total Staff 22; Total Assisted Annually 42.

Monsignor Bojnowski Manor, Inc. (1974) 50 Pulaski St., 06053. Tel: 860-229-0336; Fax: 860-229-3252. Carol Ann E. Salvietti, Admin. Owned and operated by the Daughters of Mary of the Immaculate Conception. Skilled Nursing Beds 60; Total Staff 85.

WEST HARTFORD. *Saint Mary Home*, 2021 Albany Ave., 06117-2798. Tel: 860-570-8200; Fax: 860-233-8849. Web: www.saintmaryhome.org. Patricia Hamill, Admin.; Mrs. Aysha Kuhler, Dir. Nursing Svcs. Sisters of Mercy 19; Sisters in Residence 9; Residents (Frances Warde Apts.) 97; Patients Assisted Annually 652; Bed Capacity 256; Skilled Nursing 256; Total Staff 360. In Res. Rev. Thomas J. Kelly, Resident Chap.

[J] HEALTH CARE CENTERS FOR AGED

WEST HARTFORD. *McAuley Center, Inc.* (1988) 275 Steele Rd., 06117. Tel: 860-920-6345; Fax: 860-233-8849. William J. Fiocchetta, Sr. Vice Pres., CEO & Contact. Continuing care retirement community; Sisters of Mercy. 229 residential apartment units for individuals age 62 and over. Nursing care at St. Mary's Home included.

[K] MONASTERIES AND RESIDENCES OF PRIESTS AND BROTHERS

HARTFORD. *Missionaries of LaSalette Province of Mary, Mother of the Americas*, 915 Maple Ave., 06114-2330. Tel: 860-956-8870; Fax: 860-956-8849. Email: mlsadmin@aol.com. Web: www.lasalette.org. Revs. Phil M. Negley, M.S., Prov. Supr.; James A. Henault, M.S., Vicar, Prov. Pro Treas.; Edward J. Brown, M.S., Asst.

The Missionaries of La Salette Corporation, MLS Religious Trust Province of Mary, Mother of the Americas. Priests 8.

Missionaries of LaSalette, 85 New Park Ave., 06106-2184. Tel: 860-523-8275; Fax: 860-586-0754. Revs. Salvatore D. Altaviste, M.S.; Eugene G. Banotte, M.S.; Gerald Biron, M.S.; Richard R. Boucher, M.S.; Raymond G. Cadran; Frederick R. Flaherty, M.S.; Michael J. Flanagan, M.S.; John M. Garvey, M.S.; Clifford P. Hasler, M.S.; Leo Holleran, M.S.; Peter D. Kohler, M.S.; Denis A. Kolumber, M.S.; [illegible]

255 Church St., 06103-1196
Fax: 860-249-8487. Web: stp
Franciscan Friars. Priests 4.

BLOOMFIELD. *Brothers of the Sacr*
Blue Hills Ave., 06002-1901
Email: brorel@aol.com. Bro
S.C., Dir.; Robert Lavoie, S.
S.C.; Benoit Roy, S.C. Total in

CHESHIRE. *Legionaries of Christ,*
Tel: 203-271-0805; Fax: 2
cheshire@legionaries.org.
www.legionofchrist.org. 393
06477. Tel: 203-874-6000; Fax

LITCHFIELD. *Monfort Missionaris*
P.O. Box 667, 06759. Tel: 860
567-9670. Email: lourdes
Web: www.shrinect.org. Rev
S.M.M.; William Considine, S
2. *Lourdes in Litchfield* Tel:
860-567-9670.
Lourdes Shrine Guild, Inc.
(Center for Spiritual Renewa
Fax: 860-567-9870.

KENSINGTON. *St. Paul Friary* (1
06037-2100. Tel: 860-828-0331

MANCHESTER. *DePaul Provincial*
Keeney St., 06040-7043. Tel:
860-533-9462. Email: hopem
Rafal Kopystynski, C.M.,
Edmund Gutowski, C.M.; Anth
Chester R. Mrovka, C.M.,
C.M.; Stanley Staniszewski,
Zurowski, C.M.
The New England Province of
the Mission Incorporated
Mission, New England Pro
Fathers and Brothers)
Charitable Trust of the New
the Congregation of the Missi
Special Assignments: Revs. Ig
C.M.; Julian Szumilo, C.M.
Rectory (1926) 32 Jewett St.
Tel: 203-734-0402; Fax: 20934
Rectory (1906) 32 Golden Hill
06770. Tel: 203-729-2490. (mb
Union City) *St. Mary Rectory* (1
St., Union City, 06770 Tel: 203-7
with St. Hedwig, Union City)
Archangel Rectory, 75 Derl
06418-2098. Tel: 203-734-0005;
St. Stanislaus Rectory (1904)
Haven, 06511-3899. Tel: 203-5
752-0217.

MERIDEN. *Franciscan Brothers of*
Goodspeed Ave., 06451. Tel:
203-237-4217. Email: brothers
Web: www.fbcommunity.org
F.B.E., Pres.

NEW BRITAIN. *Conventual Franc*
Burritt St., 06053-2869. Th
Daughters of Mary Motherhou
in res. Rev. Joseph Tran.

NEW HAVEN. *St. Mary, Priory*, 5 Hi
Tel: 203-562-6193; Fax: 20
church@stmarys-priory.com.
priory.com. Order of Preach
Total in Residence 9.
Priests of the Congregation of Ho
St., 06511. Tel: 203-776-2405;
Email: johnlmyoung@msn.co
Young, C.S.C.

NORTH GUILFORD. *Our Lady of*
[illegible]

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: June 4, 2014

Person to Contact:
Roger Meyer ID# 0110429
Toll Free Telephone Number:
877-829-5500
Employer Identification Number:
53-0196617
Group Exemption Number:
0928

United States Conference of Catholic Bishops
3211 4th Street, NE
Washington, DC 20017-1194

Dear Sir/Madam:

This responds to your May 19, 2014, request for information regarding the status of your group tax exemption.

Our records indicate that you were issued a determination letter in March 1946, that you are currently exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, and are not a private foundation within the meaning of section 509(a) of the Code because you are described in sections 509(a)(1) and 170(b)(1)(A)(i).

With your request, you provided a copy of the *Official Catholic Directory for 2014*, which includes the names and addresses of the agencies and instrumentalities and the educational, charitable, and religious institutions operated by the Roman Catholic Church in the United States, its territories, and possessions that are subordinate organizations under your group tax exemption. Your request indicated that each subordinate organization is a non-profit organization, that no part of the net earnings thereof inures to the benefit of any individual, and that no substantial part of their activities is for promotion of legislation. You have further represented that none of your subordinate organizations is a private foundation under section 509(a), although all subordinates do not all share the same sub-classification under section 509(a). Based on your representations, the subordinate organizations in the *Official Catholic Directory for 2014* are recognized as exempt under section 501(c)(3) of the Code under GEN 0928.

Donors may deduct contributions to you and your subordinate organizations as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to them or for their use are deductible for federal estate and gifts tax purposes if they meet the applicable provisions of section 2055, 2106, and 2522 of the Code.

Subordinate organizations under a group exemption do not receive individual exemption letters. Most subordinate organizations are not separately listed in Publication 78 or the EO Business Master File. Donors may verify that a subordinate organization is included

in your group exemption by consulting the *Official Catholic Directory*, the official subordinate listing approved by you, or by contacting you directly. IRS does not verify the inclusion of subordinate organizations under your group exemption. *See* IRS Publication 4573, *Group Exemption*, for additional information about group exemptions.

Each subordinate organization covered in a group exemption should have its own EIN. Each subordinate organization must use its own EIN, not the EIN of the central organization, in all filings with IRS.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,

Tamera Ripperda
Director, Exempt Organizations

Office of the General Counsel

3211 FOURTH STREET, NE · WASHINGTON, DC 20017-1194 · 202-541-3300 · FAX 202-541-3337

June 27, 2014

TO: Subordinate Organizations under USCCB Group Ruling
(GEN: 0928)

SUBJECT: 2014 Group Ruling

FROM: Anthony Picarello, General Counsel
(Staff: Matthew Giuliano, Assistant General Counsel)

This memorandum relates to the annual Group Ruling determination letter issued to the United States Conference of Catholic Bishops ("USCCB") by the Internal Revenue Service ("IRS"), the most recent of which is dated June 4, 2014, with respect to the federal tax status of subordinate organizations listed in the 2014 edition of the Official Catholic Directory ("OCD").[1] As explained in greater detail below, this 2014 Group Ruling determination letter is important for establishing:

(1) exemption of subordinate organizations under the USCCB Group Ruling from federal income tax; and

(2) deductibility of contributions to such organizations for federal income, gift and estate tax purposes.

The 2014 Group Ruling determination letter is the latest in a series that began with the original determination letter of March 25, 1946. In the original 1946 letter, the Treasury Department affirmed the exemption from federal income tax of all Catholic institutions listed in the OCD for that year. Each year since 1946, in a separate letter, the 1946 ruling has been reaffirmed with respect to subordinate organizations listed in the current edition of the OCD.[2] The annual group ruling letter clarifies important tax consequences for Catholic institutions listed in the OCD, and should be retained for ready reference. Group Ruling letters from prior years establish tax consequences with respect to transactions occurring during those years.

Responsibilities under Group Ruling. Diocesan officials who compile OCD information for submission to the OCD publisher are responsible for the accuracy of such information. They must ensure that only qualified organizations are listed, that organizations are listed under their correct legal names, that organizations that cease to qualify are deleted promptly, and that newly-

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[1] A copy of the most recent Group Ruling determination letter and this memo may be found on the USCCB website at www.usccb.org/ogc, under the heading "Group Tax Exemption."

[2] Catholic organizations with independent IRS exemption determination letters are listed in the 2014 OCD with an asterisk (*), which indicates that such organizations are **not** included in the Group Ruling.

qualified organizations are listed as soon as possible.

EXPLANATION

1. **Exemption from Federal Income Tax**. The latest Group Ruling determination letter reaffirms that the agencies and instrumentalities and educational, charitable, and religious institutions operated, supervised or controlled by or in connection with the Roman Catholic Church in the United States, its territories or possessions that appear in the 2014 OCD and are subordinate organizations under the Group Ruling are recognized as exempt from federal income tax under section 501(c)(3) of the Code. The Group Ruling determination letter does not cover organizations listed with asterisks or any foreign organizations listed in the 2014 OCD.

Verification of Exemption under Group Ruling. The latest Group Ruling determination letter indicates that most subordinate organizations under a group tax exemption are not separately listed in Exempt Organizations Select Check ("EO Select Check") or the Exempt Organization Business Master File extract ("EO BMF"), both of which are available on www.irs.gov. As a result, many subordinate organizations included in the USCCB Group Ruling are not included in various online databases (e.g., GuideStar) that are derived from IRS sources. This does not mean that subordinate organizations included in the Group Ruling are not tax exempt, that contributions to them are not deductible, or that they are not eligible for grant funding from corporations, private foundations, sponsors of donor-advised funds or other donors that rely on online databases for verification of tax-exempt status. It does mean that a Group Ruling subordinate may have to make an extra effort to document its eligibility to receive contributions. The Group Ruling determination letter states that donors may verify that a subordinate organization is included in the Group Ruling by consulting the Official Catholic Directory or by contacting the USCCB directly. It also states that the IRS does not verify inclusion of subordinate organizations under the Group Ruling. *Accordingly, neither subordinate organizations nor donors should contact the IRS to verify inclusion under the Group Ruling.*

Subordinate organizations should refer donors, including corporations, private foundations and sponsors of donor-advised funds, to the specific language in the Group Ruling determination letter regarding verification of tax-exempt status, and to IRS Publication 4573, *Group Exemptions*, available on the IRS website at www.irs.gov. Publication 4573 explains that: (1) the IRS does not determine which organizations are included in a group exemption; (2) subordinate organizations exempt under a group exemption do not receive their own IRS determination letters; (3) exemption under a group ruling is verified by reference to the official subordinate listing (*e.g.*, the Official Catholic Directory); and (4) it is not necessary for an organization included in a group exemption to be listed in EO Select Check or the EO BMF. Although not required, organizations in the Group Ruling may be included in the EO BMF, and consequently, online databases derived from it.

2. **Public Charity Status**. The latest Group Ruling determination letter recognizes that subordinate organizations included in the 2014 OCD are public charities and not private foundations under section 509(a) of the Code, but that all subordinate organizations do not share the same public charity status under section 509(a). Therefore, although the USCCB is classified

as a public charity under sections 509(a)(1) and 170(b)(1)(A)(i), that public charity status does *not* automatically extend to subordinate organizations covered under the Group Ruling.

Verification of Public Charity Status. Each subordinate organization in the Group Ruling must establish its own public charity status under section 509(a)(1), 509(a)(2) or 509(a)(3) as a condition to inclusion in the Group Ruling. Certain types of subordinate organizations included in the Group Ruling qualify as public charities by definition under the Code. These are:

- churches and conventions or associations of churches under sections 509(a)(1) and 170(b)(1)(A)(i) (generally limited to dioceses, parishes and religious orders);
- elementary and secondary schools, colleges and universities under sections 509(a)(1) and 170(b)(1)(A)(ii); and
- hospitals under sections 509(a)(1) and 170(b)(1)(A)(iii).

Other subordinate organizations covered under the Group Ruling may qualify under the public support tests of either sections 509(a)(1) and 170(b)(1)(A)(vi) or section 509(a)(2). Verification of public charity classification under either of the support tests generally can be established by providing a written declaration of the applicable classification signed by an officer of the organization, along with a reasoned written opinion of counsel and a copy of Schedule A of Form 990/EZ, if applicable. Large institutional donors, such as private foundations and sponsors of donor-advised funds, may require this verification prior to making a contribution or grant to be assured that the grantee is not a Type III non-functionally integrated supporting organization.[3] A subordinate organization included in the Group Ruling may want to file Form 8940, Request for Miscellaneous Determination, with the IRS to request a determination whether it is a publicly supported charity described in sections 509(a)(1) and 170(b)(1)(A)(vi) or section 509(a)(2), or is a Type I or II supporting organization, in order to satisfy private foundations and sponsors of donor-advised funds regarding its public charity status.

3. **Deductibility of Contributions**. The latest Group Ruling determination letter assures donors that contributions to subordinate organizations listed in the 2014 OCD are deductible for federal income, gift, and estate tax purposes.

4. **Unemployment Tax**. As section 501(c)(3) organizations, subordinate organizations covered by the Group Ruling are exempt from *federal* unemployment tax. However, individual states may impose unemployment tax on subordinate organizations even though they are exempt from federal unemployment tax. Please refer to your local tax advisor any questions you may have about state unemployment tax.

5. **Social Security Tax**. All section 501(c)(3) organizations, including churches, are required to withhold and pay taxes under the Federal Insurance Contributions Act (FICA) for

[3] *See* Notice 2014-4, 2014-2 I.R.B (January 6, 2014).

each employee.[4] However, services performed by diocesan priests in the exercise of their ministry are not considered "employment" for FICA (Social Security) purposes.[5] FICA should not be withheld from their salaries. *For Social Security purposes*, diocesan priests are subject to self-employment tax ("SECA") on their salaries as well as on the value of meals and housing or housing allowances provided to them.[6] Neither FICA nor income tax withholding is required on remuneration paid directly to religious institutes for members who are subject to vows of poverty and obedience and are employed by organizations included in the Official Catholic Directory.[7]

6. **Federal Excise Tax**. Inclusion in the Group Ruling has no effect on a subordinate organization's liability for federal excise taxes. Exemption from these taxes is very limited. Please refer to your local tax advisor any questions you may have about excise taxes.

7. **State/Local Taxes**. Inclusion in the Group Ruling does not automatically establish a subordinate organization's exemption from state or local income, sales or property taxes. Typically, separate exemptions must be obtained from the appropriate state or local tax authorities in order to qualify for any applicable exemptions. Please refer to your local tax advisor any questions you may have about state or local tax exemptions.

8. **Form 990/EZ/N**. All subordinate organizations included in the Group Ruling must file Form 990, Return of Organization Exempt from Income Tax, Form 990-EZ, Short Form Return of Organization Exempt From Income Tax, or Form 990-N, e-Postcard, *unless* they are eligible for a mandatory or discretionary exception to this filing requirement. ***There is no automatic exemption from the Form 990/EZ/N filing requirement simply because an organization is included in the Group Ruling or listed in the OCD.*** Subordinate organizations must use their own EIN to file Form 990/EZ/N. **Do not** use the EIN of the USCCB or an affiliated parish, diocese or other organization to file a return. Form 990/EZ/N is due by the 15th day of the fifth month after the close of an organization's fiscal year.[8] The following organizations are not required to file Form 990/EZ/N: (i) churches and conventions or associations of churches; (ii) integrated auxiliaries;[9] (iii) the exclusively religious activities of religious orders; (iv) schools below college level affiliated with a church or operated by a religious order;[10] and (v) certain church-affiliated organizations that finance, fund or manage

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[4] Section 3121(w) of the Code permits certain church-related organizations to make an irrevocable election to avoid payment of FICA taxes, but only if such organizations are opposed for religious reasons to payment of social security taxes.

[5] I.R.C. § 3121(b)(8)(A).

[6] I.R.C. § 1402(a)(8).

[7] Rev. Rul. 77-290, 1977-2 C.B. 26. *See also* OGC/LRCR Memorandum on Compensation of Religious, http://www.usccb.org/about/general-counsel/compensation-of-religious.cfm (September 11, 2006).

[8] The penalty for failure to file the Form 990/EZ is $20 for each day the failure continues, up to a maximum of $10,000 or 5 percent of the organization's gross receipts, whichever is less. However, organizations with annual gross receipts in excess of $1 million are subject to penalties of $100 per day, up to a maximum of $50,000. I.R.C. § 6652(c)(1)(A). There is no monetary penalty for failing to file or late-filing a Form 990-N.

[9] I.R.C. § 6033(a)(3)(A)(i); Treas. Reg. § 1.6033-2(h).

[10] Treas. Reg. § 1.6033-2(g)(1)(vii).

church assets, or maintain church retirement insurance programs, and organizations controlled by religious orders that finance, fund or manage assets used for exclusively religious activities.[11] Organizations should exercise caution if they choose not to file a Form 990/EZ/N because they believe they are not required to do so. If IRS records indicate that the organization should file a Form 990/EZ/N each year (for example, the organization receives an IRS notice stating that it failed to file a return for a given year), then the organization may appear on the auto-revocation list notwithstanding its claim to being exempt from the filing requirement.

Which form an organization is required to file usually depends on the organization's gross receipts or the fair market value of its assets.

Gross receipts or fair market value of assets	Return required
Gross receipts normally not more than $50,000 (regardless of total assets)	990-N (but may file a Form 990 or 990-EZ)
Gross receipts < $200,000, *and* Total assets < $500,000	990-EZ (but may file a Form 990)
Gross receipts ≥ $200,000, *or* Total assets ≥ $500,000	990

Special Rules for Section 509(a)(3) Supporting Organizations. Every supporting organization described in section 509(a)(3) included in the Group Ruling must file a Form 990 or Form 990-EZ (and not Form 990-N) each year, unless (i) the organization can establish that it is an integrated auxiliary of a church within the meaning of Treas. Reg. § 1.6033-2(h) (in which case the organization need not file Form 990/EZ *or* Form 990-N); or (ii) the organization's gross receipts are normally not more than $5,000, in which case, the religious supporting organization may file Form 990-N in lieu of a Form 990 or Form 990-EZ.

Automatic Revocation for Failure to File a Required Form 990/EZ/N. Any organization that does not file a required Form 990/EZ/N for three consecutive years automatically loses its tax-exempt status under section 6033(j). If an organization loses its tax-exempt status under section 6033(j), it must file an application (Form 1023) with the IRS to reinstate its tax-exempt status. *See* the IRS website (charities and non-profits) at http://www.irs.gov/Charities-&-Non-Profits/ for information on automatic revocation, including the current list of revoked organizations and guidance about reinstatement of exemption.

Public Disclosure and Inspection. Subordinate organizations required to file Form 990/EZ[12] must upon request make a copy of the form and its schedules (other than contributor lists) and attachments available for public inspection during regular business hours at the

[11] Rev. Proc. 96-10, 1996-1 C.B. 577.
[12] Form 990-N is available for public inspection at no cost through the IRS website at www.IRS.gov.

organization's principal office and at any regional or district offices having three or more employees. Form 990/EZ for a particular year must be made available for a three year period beginning with the due date of the return.[13] In addition, any organization that files Form 990/EZ must comply with written or in-person requests for copies of the form. The organization may impose no fees other than a reasonable fee to cover copying and mailing costs. If requested, copies of the forms for the past three years must be provided. In-person requests must be satisfied on the same day. Written requests must be satisfied within 30 days.[14]

Public Disclosure of Form 990-T. Form 990-T, Exempt Organization Unrelated Business Income Tax Return, for organizations exempt under section 501(c)(3) (which includes all organizations in the USCCB Group Ruling) is subject to similar[15] public inspection and copying rules that apply to Forms 990/EZ.

Group Returns. USCCB does not file a group return Form 990 on behalf of any organizations in the Group Ruling. In addition, no subordinate organization under the Group Ruling is authorized to file a group return for its own affiliated group of organizations.

9. **Certification of Racial Nondiscrimination by Private Schools in Group Ruling**. Revenue Procedure 75-50[16] sets forth notice, publication, and recordkeeping requirements regarding racially nondiscriminatory policies with which private schools, including church-related schools, must comply as a condition of establishing and maintaining exempt status under section 501(c)(3) of the Code. Under Rev. Proc. 75-50 private schools are required to file an annual certification of racial nondiscrimination with the IRS. For private schools not required to file Form 990, the annual certification must be filed on Form 5578, Annual Certification of Racial Nondiscrimination for a Private School Exempt from Federal Income Tax. This form is available at www.irs.gov. Form 5578 must be filed by the 15th day of the fifth month following the close of the fiscal year. Form 5578 may be filed by an individual school or by the diocese on behalf of all schools operated under diocesan auspices. The requirements of Rev. Proc. 75-50 remain in effect and must be complied with by all schools listed in the OCD. ***Diocesan or school officials should ensure that the requirements of Rev. Proc. 75-50 are met since failure to do so could jeopardize the tax-exempt status of the school***

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[13] The penalty for failure to permit public inspection of the Form 990 is $20 for each day during which such failure continues, up to a maximum of $10,000. I.R.C. § 6652(c)(1)(C).

[14] I.R.C. § 6104(d). Generally, a copy of an organization's exemption application and supporting documents must also be provided on the same basis. However, since organizations included in the Group Ruling do not file exemption applications with the IRS, nor did the USCCB, organizations included in the Group Ruling should respond to requests for public inspection and written or in-person requests for copies by providing a copy of the page of the current OCD on which they are listed. If a covered organization does not have a copy of the current OCD, it has two weeks within which to make it available for inspection and to comply with in-person requests for copies. Written requests must be satisfied within the general time limits.

[15] Only the Form 990-T itself, and any schedules, attachments, and supporting documents that relate to the imposition of tax on the unrelated business income of the organization, are required to be made available for public inspection.

[16] 1975-2 C.B. 587.

and, in the case of a school not legally separate from the church, the tax-exempt status of the church itself.

10. **Lobbying Activities**. Subordinate organizations under the Group Ruling may lobby for changes in the law, provided such lobbying is not more than an insubstantial part of their total activities. Attempts to influence legislation both directly and through grassroots lobbying are subject to this restriction. The term "lobbying" includes activities in support of or in opposition to referenda, constitutional amendments, and similar ballot initiatives. There is no distinction between lobbying activity that is related to a subordinate organization's exempt purposes and lobbying that is not. There is no fixed percentage that constitutes a safe harbor for "insubstantial" lobbying. Please refer to your local tax advisor any questions you may have about permissible lobbying activities.

11. **Political Activities**. ***Subordinate organizations under the Group Ruling may not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office. Violation of the prohibition against political campaign intervention can jeopardize the organization's tax-exempt status.*** In addition to revoking tax-exempt status, IRS may also impose excise taxes on an exempt organization and its managers on account of political expenditures. Where there has been a flagrant violation, the IRS has authority to seek an injunction against the exempt organization and immediate assessment of taxes due. The Office of General Counsel memorandum, *Political Campaign Activity Guidance for Catholic Organizations*, available at www.usccb.org/ogc, contains detailed information regarding the prohibition against political campaign intervention. If you have any questions in this regard, please refer them to your local tax advisor.

12. **Group Exemption Number ("GEN")**. The group exemption number or GEN assigned to the USCCB Group Ruling is 0928. ***This number must be included on each Form 990/EZ, Form 990-T, and Form 5578 required to be filed by a subordinate organization under the Group Ruling.***[17] We advise *against* using GEN 0928 on Form SS-4, Request for Employer Identification Number, because in the past this has resulted in the IRS improperly including the USCCB as part of the subordinate organization's name in IRS records.

13. **Employer Identification Numbers ("EINs")**. Each subordinate organization under the Group Ruling should have its own EIN. A subordinate organization must use its own EIN. **Do not** use the EIN of the USCCB or an affiliated parish, diocese or other organization in any filings with IRS (*e.g.*, Forms 941, W-2, 1099, or 990/EZ) or other financial documents. In addition, subordinate organizations may *not* use USCCB's EIN in order to qualify for online donations, grants or matching gifts.

[17] The IRS has expressed concern about organizations covered under the Group Ruling that fail to include the group exemption number (0928) on their Form 990/EZ/T filings, particularly the initial filing.

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

Person to Contact:

Telephone Number:

Refer Reply to:

OP:E:EO:R:3

Date: AUG 31 1984

Johnson Memorial Corporation
Chestnut Hill, Route 190
Stafford Springs, CT 06076

DO: Brooklyn

Legend

M = Johnson Memorial Hospital, Inc. EIN: 06-0646696
N = Johnson Memorial Corporation EIN: 22-2541974
O = Johnson Memorial Development Fund, Inc. EIN: 22-2541977
P = Johnson Health Care, Inc. EIN: 22-2541981
Q = Wellcare, Inc. 22-2541983

Dear Applicant:

This is in response to your accountant's letter of June 18, 1984, regarding several rulings on the effect of the proposed reorganization of M.

M is a 78-bed hospital recognized as exempt under section 501(c)(3) of the Internal Revenue Code of 1954 and described in sections 509(a)(1) and 170(b)(1)(A)(iii).

N is a nonstock corporation formed to benefit, perform the functions of, carry out the purposes of and uphold, promote and further the welfare, programs and activities of M. N will develop the goals of, and control and manage the operations of, M. N is exempt under section 501(c)(3) of the Code and described in section 509( )(3).

O is a nonstock corporation formed to solicit, receive, hold, invest and administer contributions on behalf of N. O is exempt under section 501(c)(3) of the Code and described in sections 509(a)(1) and 170(b)(1)(A)(vi) during an extended advance ruling period.

P is a nonstock corporation formed to provide medical care on an out-patient basis. Its activities will consist of operating community health programs such as neighborhood health centers, retirement centers, nursing homes, rehabilitation centers, industrial health facilities, health maintenance organizations, and surgicenters. In addition, P may maintain health education programs for physicians, nurses and the public. P is exempt under section 501(c)(3) of the Code and described in section 509(a)(2) during an extended advance ruling period.

1491M-Mar. 1942

TREASURY DEPARTMENT

WASHINGTON

OFFICE OF
COMMISSIONER OF INTERNAL REVENUE

ADDRESS REPLY TO
COMMISSIONER OF INTERNAL REVENUE
AND REFER TO

APR 14 1942

IT:P:T:1
JKL

The Visiting Nurse Association of Enfield, Incorporated,
Browne Building, High Street,
P. O. Box No. 98,
Thompsonville, Connecticut.

Mesdames:

It is the opinion of this office, based upon the evidence presented, that you are exempt from Federal income tax under the provisions of section 101(6) of the Internal Revenue Code and corresponding provisions of prior revenue acts, as it is shown that you are organized and operated exclusively for **charitable purposes.**

Accordingly, you will not be required to file returns of income unless you change the character of your organization, the purposes for which you were organized, or your method of operation. Any such changes should be reported immediately to the collector of internal revenue for your district in order that their effect upon your exempt status may be determined.

Since any organization which is exempt from Federal income tax under the provisions of section 101 of the Internal Revenue Code also is exempt from the capital stock tax pursuant to the express provisions of section 1201(a)(1) of the Internal Revenue Code, you will not be required to file capital stock tax returns for future years so long as the exemption from income tax is effective.

Furthermore, under substantially identical authority contained in sections 1426 and 1607 of the Code and/or corresponding provisions of the Social Security Act, the employment taxes imposed by such statutes are not applicable to remuneration for services performed in your employ so long as you meet the conditions prescribed above for retention of an exempt status for income tax purposes.

You will be required, however, to file annually, beginning with your current accounting period, an information return on Form 990 with the collector of internal revenue for your district so long as this exemption remains in effect. This form may be obtained from the collector and is required to be filed on or before the first day of the third month following the close of your annual accounting period.

FOR DEFENSE
BUY
UNITED
STATES
SAVINGS
BONDS
AND STAMPS

The Visiting Nurse Association of Enfield, Incorporated.

Contributions made to you are deductible by the donors in arriving at their taxable net income in the manner and to the extent provided by section 23(o) and (q) of the Internal Revenue Code and corresponding provisions of prior revenue acts.

Bequests, legacies, devises or transfers, to or for your use are deductible in arriving at the value of the net estate of a decedent for estate tax purposes in the manner and to the extent provided by sections 812(d) and 861(a)(3) of the Code and/or corresponding provisions of prior revenue acts. Gifts of property to you are deductible in computing net gifts for gift tax purposes in the manner and to the extent provided in section 1004(a)(2)(B) and 1004(b)(2) and (3) of the Code and/or corresponding provisions of prior revenue acts.

The collector of internal revenue for your district is being advised of this action.

By direction of the Commissioner.

Respectfully,

Deputy Commissioner.

EXHIBIT 3

SAINT FRANCIS *Care*

Best *Care* for a Lifetime

Strategic Plan

FY 2010 – FY 2014

December 9, 2009

NAVIGANT CONSULTING

“Destiny is not a matter of chance; it is a matter of choice.
It is not a thing to be waited for; it is a thing to be achieved.”

Winston Churchill

Contents

Context and Process

1. Executive Summary
2. Current Situation
3. Mission and Core Values
4. Vision for the Future
5. Goals, Objectives, and Strategies for FY 2010 – FY 2014

Appendices

A. Volume and Financial Projections
B. Process Participants
C. MD Recruitment Targets FY 2010 – FY 2014

Context and Process

Saint Francis *Care* undertook this strategic planning initiative amidst a time of great change and uncertainty. In early 2009 the world was reeling from the immediate aftermath of the worst economic crisis in seventy years. The new president of the United States had vowed fundamental reform of the healthcare sector. Hartford's healthcare market dynamics were nearing a tipping point with the aggressive expansion of Hartford Hospital's healthcare system. The University of Connecticut was pursuing the creation of a university medical center with Hartford Hospital as its primary partner. And Saint Francis *Care* had closed its prior fiscal year with the first shortfall in nearly a decade.

Within this context Saint Francis *Care*'s leadership initiated a strategic planning process designed to define Saint Francis *Care*'s future role and position – based on its mission and core values – and to develop a strategic plan focused on that role and position.

Strategy Development Process

As the turmoil in the economy, the uncertainty about healthcare reform, and the increasing intensity in Saint Francis *Care*'s competitive environment unfolded, Saint Francis' leadership elected to take a different, non-traditional approach to the development of this strategic plan. The approach began with, rather than led up to, creating Saint Francis *Care*'s vision for the future. Analytics were focused on assessing the gap between Saint Francis' current state and its desired future. Key stakeholders and constituency groups were involved in the process at key points, providing feedback and input on vision and draft strategies. Three major areas of focus required to achieve Saint Francis' vision were identified and specific activities and initiative in each were developed.

1. Vision for the Future

   A small group of Saint Francis *Care* board members, executives, and physician leaders examined trends in the practice of medicine, organization of care, payment policy, innovation, healthcare systems, technology, and other factors. The visioning group concluded that conventional approaches to improving care delivery would not lead to the levels of quality, satisfaction, and cost performance that would be required of Saint Francis *Care* under future payment models. The visioning group further concluded that incremental approaches would be unlikely to provide Saint Francis *Care* with a sustainable competitive advantage in the consolidating regional marketplace. As a result, the group seized on a bold vision for the future of providing Best *Care* for Everyone – a perfect experience of care encompassing quality, care processes, and service. Furthermore, the visioning group agreed that Best *Care* implied delivering value – the highest quality of care and patient experience at lower costs. The Best *Care* theme was subsequently refined to Best *Care* for a Lifetime to emphasize Saint Francis' ongoing relationship with patients and their families and to recognize that the future of healthcare will be increasingly patient-centric rather than hospital-centric.

2. Gap Assessments and Environmental Assessment

   An assessment focused on publicly available performance measures helped determine the distance (or gap) between Best *Care* and Saint Francis *Care*'s current performance on quality, satisfaction, and cost. Examples from leading healthcare organizations illustrated how these organizations set standards and organized to achieve them. An environmental assessment of trends in population, volumes and market shares, service lines, network development, physician resources and organization, and related topics provided a clear view of the external environment and competitive dynamics of the regional market place in which Saint Francis *Care* competes.

3. Eliciting Input

   Over the course of the strategy development process, 140 participants (See Appendix B) offered their views on Saint Francis *Care*'s vision, issues, opportunities, and potential priorities in interviews with Navigant consultants. Participants included caregivers, Board members, and administrative leaders within Saint Francis *Care* and its affiliates, the Archdiocese of Hartford, as well as representatives from local and regional physician groups, business organizations, the Connecticut Hospital Association, and other organizations.

4. Strategy Development

   The foregoing activities led to a set of draft strategies aggregated in three focal areas targeted at achieving Saint Francis *Care*'s vision and enhancing its position in the regional healthcare marketplace. The draft strategies and their underlying rationale were the subject of this year's Leadership Summit. At the summit, the leadership group strongly endorsed Saint Francis *Care*'s vision for the future and its strategic direction and offered numerous enhancements on the strategies which were subsequently incorporated into the plan.

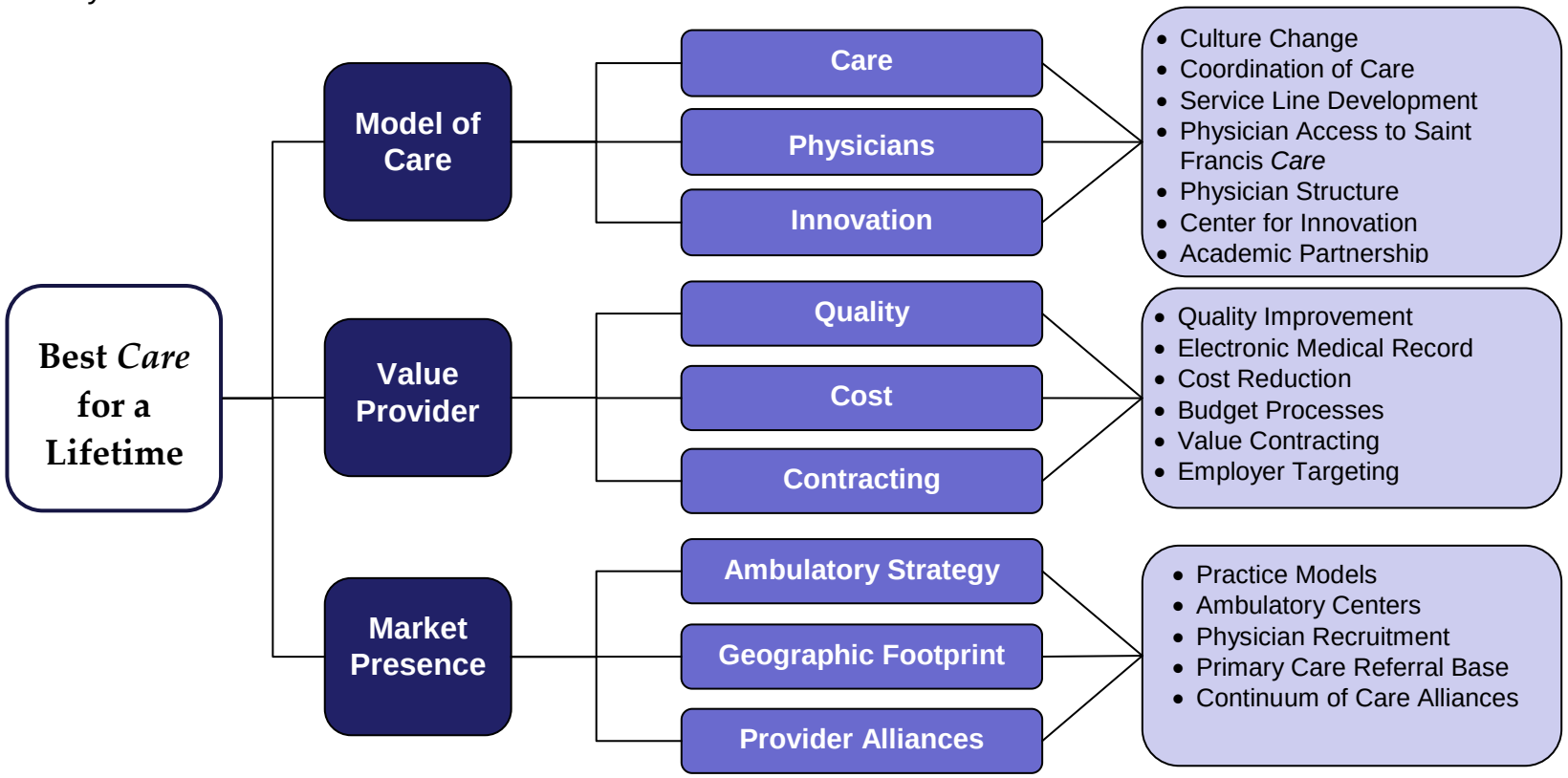
5. Plan Development

   The resulting strategic plan consists of a focused set of strategic initiatives to achieve the performance required for realizing Best *Care* for a Lifetime and for succeeding in an increasingly consolidated hospital marketplace.

SECTION 1

Executive Summary

Saint Francis *Care*'s FY 2010 – FY 2014 Strategic Plan is guided by Saint Francis' vision of delivering **Best *Care* for a Lifetime** – the perfect patient experience and the highest measurable quality of care across the continuum of care. To position Saint Francis *Care* for the unfolding reforms in healthcare payment and to compete in an increasingly consolidated regional hospital marketplace, the plan defines goals, objectives, and strategies to develop Saint Francis *Care*'s **Model of Care**, compete as the **Value Provider**, and solidify its **Market Presence**.



Executive Summary – 2

The following pages provide an overview of strategies for FY 2010 – FY 2014. They represent a focused set of initiatives directly relevant to Saint Francis *Care*'s vision and market strategy. The full set of strategies is included in Section 5.

In addition to the strategic initiatives outlined in the Strategic Plan we recognize that Saint Francis *Care* must continue to deploy sufficient resources to a variety of ongoing program areas for which specific strategic objectives are difficult to identify/quantify in a time-specific fashion. Therefore this strategic plan assumes that Saint Francis *Care* will continue to invest in the resources required to:

- Meet all of its regulatory, Joint Commission, ACGME accreditation, and state licensure requirements in an exemplary fashion;
- Continue to expand the size of the Saint Francis Foundation's contribution to the fiscal health of Saint Francis *Care*;
- Retain its leadership position in state and federal health reform initiatives that affect the future of Saint Francis *Care* and all of its affiliates;
- Continue construction of the John T. O'Connell Tower and other important building initiatives; and
- Meet the financial performance targets necessary to support the outstanding bond issue as well as generate the additional investments required by the strategic plan (See Appendix A). Reassignment of existing capital and revenue or the generation of additional funds through revenue enhancement or expense reduction may be necessary to implement the plan.

Executive Summary – 3

Goal 1 – Develop a patient-centered model of care that achieves perfect care processes, experiences, and results for those receiving and delivering care, over time and across care settings, specialties, disciplines, and institutions

Care Improvement Initiatives

- Design and implement a cultural change initiative to support Best *Care* by the end of FY 2010 and then extend the new cultural standards, skills and behaviors throughout the Saint Francis *Care* organization by the end of FY 2012
- Expand Lean initiatives organization wide for process and quality improvement by FY 2012
- Develop, distribute, and utilize clear treatment plans to coordinate the continuum of care for every patient by FY 2011
- Develop clinical service lines within Saint Francis *Care* guidelines and parameters defined during FY 2011

Physician Relationship Initiatives

- Redesign hospital admission, referral, and discharge processes for referring physicians by the end of FY 2011
- Develop an overall physician structure that accommodates various relationship options by the end of FY 2011
- Implement a fully integrated MISYS-based physician practice management system by the end of FY 2013

Innovation and Academic Initiatives

- Develop a business plan for the Center for Innovation by end of FY 2010
- Implement the Center for Innovation according to the business plan schedule
- Pending outcome of University of Connecticut discussions, prepare to select alternative partner in FY 2011
- Develop a business plan for the Primary Care Institute in FY 2010
- Implement the Primary Care Institute according to the business plan schedule

Executive Summary – 4

Goal 2 – Achieve, maintain, and leverage a position as the best healthcare value – quality, patient satisfaction, and cost – in Connecticut

Quality Initiatives

- Design and conduct a clinical quality transformation initiative to achieve:
  - Zero preventable deaths by the end of FY 2013
  - Zero medical errors by the end of FY 2014
- Develop a Saint Francis *Care* integrated Electronic Medical Record (EMR) across the continuum of care
  - Complete the implementation of the hospital EMR by the end of FY 2012
  - Integrate Mount Sinai Rehabilitation Hospital by the end of FY 2013
  - Integrate the other components of a formal Saint Francis *Care* continuum by the end of FY 2013

Cost Initiatives

- Conduct a performance improvement and cost reduction initiative in FY 2010 to realize additional savings from gains in productivity, revenue cycle, and supply chain management and achieve these savings by the end of FY 2012
- Evaluate and improve budget processes in FY 2010

Contracting Initiatives

- Conduct pilot contracting projects using bundled services in Joint Replacement and Heart Services in FY 2011
- Contact self-insured employers and develop disease-focused contractual relationships with at least two companies by end of FY 2012
- Pursue a partnership with the Archdiocese of Hartford to serve as the beta site for a direct contract as a value provider by FY 2012

Executive Summary – 5

Goal 3 – Enhance Saint Francis' strategic position as a key healthcare resource for and trusted partner to residents and healthcare providers in Connecticut

- Create a formal continuum of care delivery system that includes Mount Sinai Rehabilitation Hospital, Masonicare Partners Home Health and Hospice Inc., the Hospital for Special Care, Gaylord Hospital and a grouping of nursing homes in the Greater Hartford Region by the end of FY 2012
- Establish strategic alliances with primary care physician organizations, including ProHealth, Collins Medical, and Prime Health by the end of FY 2011
- Establish a primary care group practice offering a transparent recruitment package with a first right of participation for primary care physicians already practicing in the area by the end of FY 2010
- Streamline the design of ambulatory centers to achieve a common brand and identity while completing planned facilities in Bloomfield, and Ellington in FY 2010 as well as Simsbury in FY 2011. New sites will be identified for later deployment in FY 2012 – FY 2014
- Recruit an additional 193 physicians to Saint Francis *Care*'s strategic service area by the end of FY 2014 (See Appendix C for specific recruitment targets)
- Explore strategic alliances/partnerships with Eastern Connecticut Health Network, Yale Health System, among others by the end of FY 2012
- Explore the potential for creation of a joint venture with a hospital management company to pursue mutual opportunities by the end of FY 2011
- Explore the feasibility of creating a medical home model for delivery of primary care services using the Asylum Hill Family Medicine Practice, the Saint Francis *Care* Clinics (Burgdorf and Gengras) as well as a group of Saint Francis *Care* owned or affiliated physician practices by the end of FY 2012

SECTION 2 Current Situation

From Foundation Strategies (FY 2006 – FY 2010) to Performance Strategies (FY 2010 – FY 2014)

The FY 2006 – FY 2010 Strategic Plan laid a comprehensive foundation for Saint Francis *Care*'s future. As part of implementing the plan, Saint Francis *Care* expanded clinical programs in Cardiac Services, Orthopaedics, Women's Services, and others and achieved designation as a Primary Stroke Center; implemented the CyberKnife® program and invested in advanced imaging technology, such as PET/CT; established new ambulatory satellite facilities; recruited over 140 physicians; extended physician practice locations beyond the core service area; expanded the capabilities of the Saint Francis Physician Hospital Organization; completed major construction and renovation projects; began construction of the John T. O'Connell Tower; and is well on its way toward implementing the Electronic Medical Record in FY 2010. In implementing the strategic plan Saint Francis Hospital and Medical Center saw its volume grow and its inpatient market share expand. With the exception of FY08, Saint Francis *Care*'s financial performance has been positive and has enabled the financing of capital investments. In short, Saint Francis *Care* has a proud record of accomplishment in implementing its FY 2006 – FY 2010 strategic plan.

Like Saint Francis *Care*, healthcare organizations across the country were in an expansive mode during the last decade: they developed specialized clinical programs with state-of-the-art technology, replaced their aging physical plant, built new facilities, and entered into business arrangements with physicians. Since the development of Saint Francis *Care*'s strategic plan in 2005, the delivery and financing of healthcare has began a profound and permanent transformation to achieve a changed set of priorities. As the Saint Francis *Care* visioning group concluded, the future of Saint Francis *Care* lies in performance – the highest possible quality of and satisfaction with care at much lower costs.

Current Situation – 2

Current Performance on Quality, Satisfaction, and Cost

Quality of Care	Saint Francis *Care* has made significant progress in raising the quality of care – as have regional competitors and institutions across the country. According to publicly reported measures of quality, Saint Francis Hospital and Medical Center's overall score on process measures of care is marginally higher than that of Hartford Hospital and lies only slightly above the state average. Composite quality measures among clinical services vary and show no consistent advantage over Hartford Hospital.
Patient Satisfaction	Compared to other industries, patient/customer satisfaction in healthcare lies in the middle of the range. In the Hartford area, publicly reported hospital satisfaction scores indicate similar mid-level performance among hospitals. Saint Francis Hospital and Medical Center's and Hartford Hospital's scores vary among time periods, with neither organization demonstrating particularly high levels of performance. Saint Francis Hospital and Medical Center's internal patient satisfaction scores vary widely among services and leave much room for improvement.
Cost of Care	Saint Francis Hospital and Medical Center has held a cost per discharge advantage over other regional hospitals, most notably Hartford Hospital. Saint Francis *Care*'s cost advantage will be challenged by recent patient care cost increases and upcoming debt service payments.

In summary, Saint Francis *Care*'s performance on quality and patient satisfaction leaves considerable room for improvement and its cost advantage will require additional effort to sustain.

Current Situation – 3

Regional Healthcare Dynamics – Trends and Implications

- **The regional hospital market is consolidating.** Rather than focus on a hospital affiliation or merger strategy, Saint Francis *Care* should:

  → Focus on developing a better "product" as the basis of competition
  → Properly support Best *Care* for a Lifetime alliances across the continuum of care

- **Sizeable physician group practices have developed in the Hartford region.** While there is a preponderance of individual and small group practices, several large primary care and multi-specialty groups have formed.

  → Strategic alliances with sizeable groups need to become a cornerstone of Saint Francis *Care*'s strategy
  → Alliances should emphasize complementary capabilities, e.g., electronic medical record, rather than equity stakes

- **The shortage of primary care physicians is nearing crisis levels.** In Saint Francis *Care*'s strategic service area there will be a need for an additional 350 general internists and family/general practitioners by the end of FY 2014.

  → Saint Francis Care will compete with other hospitals for the same limited pool of primary care physicians
  → Saint Francis Care needs practice options for primary care physicians already in the area and to attract new physicians

- **Regional population growth is stagnant**. While the older age groups are slowly growing in size, the utilization impact of the baby boomer generation will not fully materialize for another 10 years when large numbers enter their 70s.

  → Hospital volume growth will depend largely on increases in market share gains during the next decade

SECTION 3

Mission and Core Values

SAINT FRANCIS *Care*

Responding to the scriptural call to heal….

Our Mission

We are committed to health and healing through excellence,
compassionate care and
reverence for the spirituality
of each person.

Our Core Values

Respect

We honor the worth and dignity of those we serve and with whom we work.

Integrity

We are faithful, trustworthy and just.

Service

We reach out to the community, especially those most in need.

Leadership

We encourage initiative, creativity, learning and research.

Stewardship

We care for and strengthen resources entrusted to us.

Saint Francis Care is a healthcare ministry of the Catholic Archdiocese of Hartford

SECTION 4

Vision for the Future, FY 2010 – FY 2014

SAINT FRANCIS *Care*

Best *Care* for a Lifetime

Results

- Perfect patient care experience
- Highest measurable quality of care

Capabilities

- A model of better care for a lifetime
- Environment for doing the right thing
- Technology-enabled care
- Aligned care givers
- Pipeline for health professions
- Trustworthy partner

Vision for the Future – 2

Enabling Capabilities

To achieve its ambitious vision, Saint Francis *Care* must develop a series of capabilities:

A. **A Model Of Better Care.** All of the patient's healthcare needs – not just an episode of care – are provided and coordinated over time from the patient's point of view.

B. **An Environment For Doing The Right Thing**. The people involved in the patient's care can confidently rely on one another; they are supported with effective leadership, processes, and systems.

C. **Technology-Enabled Care.** Innovative clinical and information technology connects patients and caregivers for continuous and proactive care across healthcare settings, including the patient's home.

D. **Aligned Care Givers.** Saint Francis *Care* and its affiliated medical staff are dedicated to the achievement of shared professional, community, and business objectives.

E. **A Pipeline For Health Professions.** Strategic partnerships with a medical school and schools for the health professions ensure access to an adequate supply of appropriately trained high-quality healthcare providers.

F. **Being A Trustworthy Partner**. Saint Francis *Care*'s reputation for respect, integrity, and achievement of results are reflected in productive partnerships with key allies and constituent groups.

Measurable Results

Saint Francis *Care* will have achieved Best *Care* for a Lifetime when:

- Each patient has a perfect patient service experience as demonstrated by:
  - Highest possible patient satisfaction scores in all categories
  - Highest possible Hospital Consumer Assessment of Health Plan Survey (HCAHPS) scores on all monitored standards

- Each patient receives the highest measurable quality of care as demonstrated by institutional quality indicators such as:
  - Zero Preventable deaths
  - Zero Defects in service delivery (i.e., 0 medical errors)

- Each patient receives the best value as measured by:
  - Best overall quality of care score among local/regional providers
  - Lowest cost for services provided among peer group hospitals

- Each patient receives a coordinated care experience that aligns each patient's healthcare providers by using a clear treatment plan that provides access to the appropriate continuum of care

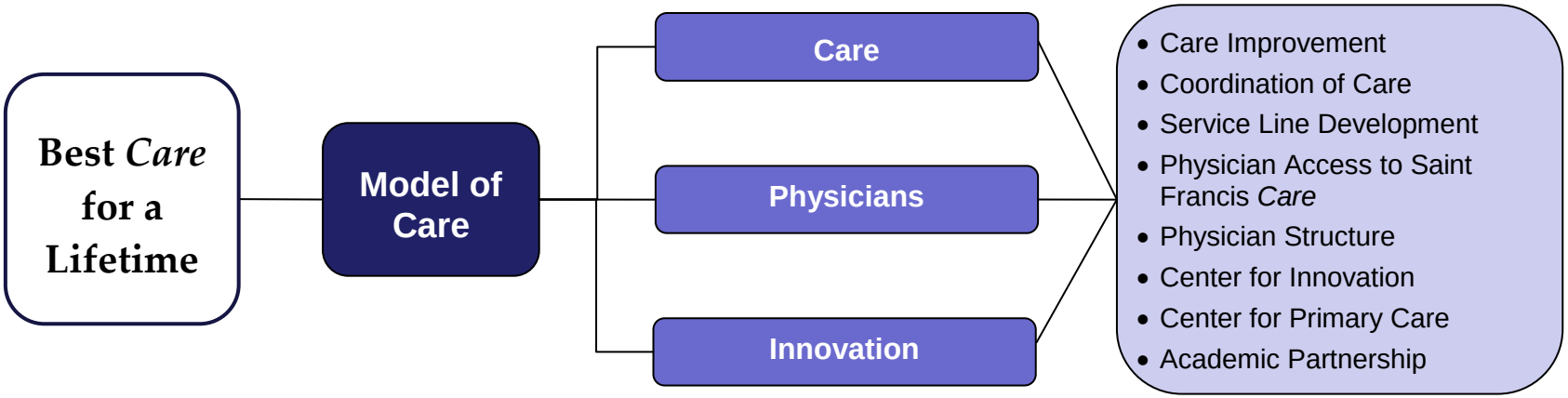
- Each patient's care is coordinated with a supporting electronic medical record system that is accessible to all health professionals who are part of the Saint Francis *Care* System

SECTION 5

Goals, Objectives, and Strategies – FY 2010- FY 2014

Focal Area 1 – Model of Care

GOAL: **Develop a patient-centered model of care that achieves perfect care processes, experiences, and results for those receiving and delivering care, over time and across care settings, specialties, disciplines, and institutions**



Focal Area I – Model of Care: Objectives and Strategies

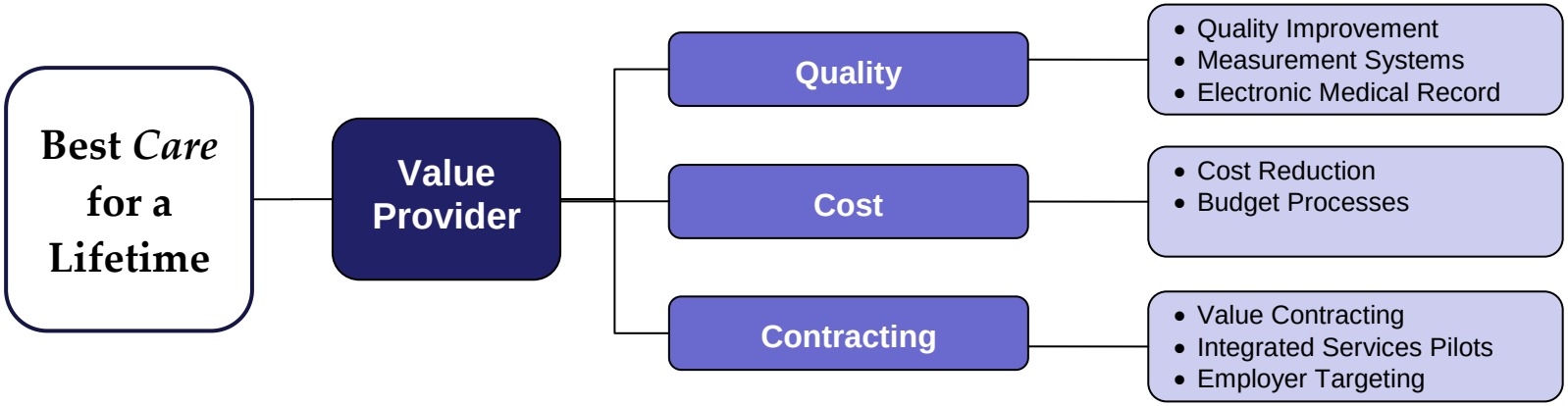
Objectives	Milestones
Achieve a perfect patient and family experience by the end of FY 2014 as demonstrated by: • Highest possible patient satisfaction scores • Highest possible Hospital Consumer Assessment of Health Plan Survey (HCAHPS) scores on all monitored standards	1.1 By the end of FY 2010: 1.1.1 Design and implement an organization wide cultural change process that builds the values, skills, and behaviors of participants in care to provide Best *Care* to patients and families 1.1.2 Define the concept and practice of matrix relationships and apply them during the cultural transformation process to help clarify roles, relationships, and expectations among care participants 1.1.3 Incorporate the cultural values, skills, and behaviors into hiring and orientation activities, training and leadership development programs, performance evaluation and compensation processes 1.1.4 Coordinate and integrate the cultural change activities with Lean process improvement 1.1.5 Establish annual improvement targets of patient satisfaction and Hospital Consumer Assessment of Health Plan Survey (HCAHPS) scores 1.2 Extend the new cultural standards, skills and behaviors throughout the Saint Francis Care organization by the end of FY 2012 1.3 Develop and implement clear treatment plans to every patient to coordinate the continuum of care by the end of FY 2011

Objectives	Milestones
Establish service line management capabilities to accelerate service line development	1.4 Define institution wide parameters and guidelines for identifying, designing, and developing clinical service lines by the end of FY 2010 1.5 Prepare business plans for the development of the cancer service line by the end of FY 2010 1.6 Extend the continuum of care of existing centers of excellence in joint replacement and cardiac care – within Saint Francis *Care* guidelines and parameters by the end of FY 2011 1.7 Expand the bariatric surgery program according to service line principles by the end of FY 2010
Provide the most physician-friendly access to Saint Francis *Care* services, as measured by: • Physician satisfaction scores in the upper 90s in all access categories	1.8 Establish a set of priorities for improving the admission, referral, and discharge processes for physicians that can be implemented by the end of FY 2010 1.9 Carry out access improvement activities using Lean processes and tools by the end of FY 2010 1.9.1 Streamline patient discharge formats and ensure efficient distribution to appropriate physicians and caregivers 1.10 Conduct an enterprise-wide process to improve access to services at Saint Francis Hospital and Medical Center and assess, redesign, and optimize patient flow, throughput, and operational efficiency by the end of FY 2011

Objectives	Milestones
Physician Relationships – Establish an overall structure and a portfolio of relationship models that foster cohesion among physicians and relationships with Saint Francis *Care* to provide mechanisms for: • Developing clinical standards • Improving the efficiency of care • Piloting bundled programs for payor contracting	1.11 Define the Saint Francis *Care* organizational structure for physician relationships, such as the Medical Foundation, to clarify Saint Francis *Care*'s approach and to enable integrated relationships with a variety of physician practice models by the end of FY 2010 1.12 Expand the physician liaison function to elicit private physicians' feedback on Saint Francis *Care*'s services and address and resolve issues by the end of FY 2010 1.13 Implement a fully integrated MISYS-based physician practice management system by the end of FY 2013
Establish the Saint Francis *Care*'s Center for Innovation (CFI) to support the achievement of Best *Care* through the coordination, further development, and leveraging of research, development, and strategic partnerships with leading healthcare and nonhealthcare organizations	1.14 Define the program, resource requirements, and funding of a Center for Innovation and develop a business plan for its development by the end of FY 2010 1.15 Develop a business plan for the implementation of a Primary Care Institute by the end of FY 2010 1.16 Depending on the outcome of UConn discussions, prepare to solicit proposals from leading northeast academic centers for a major academic partnership and select a partner by the end of FY 2011 1.17 Continue to develop the pipeline of healthcare providers through relationships with academic institutions such as the University of Hartford in the health professions and engineering through FY 2014

Focal Area 2 – Value Provider

GOAL: **Achieve, maintain, and leverage a position as the best healthcare value (quality, patient satisfaction, and cost) in Connecticut**



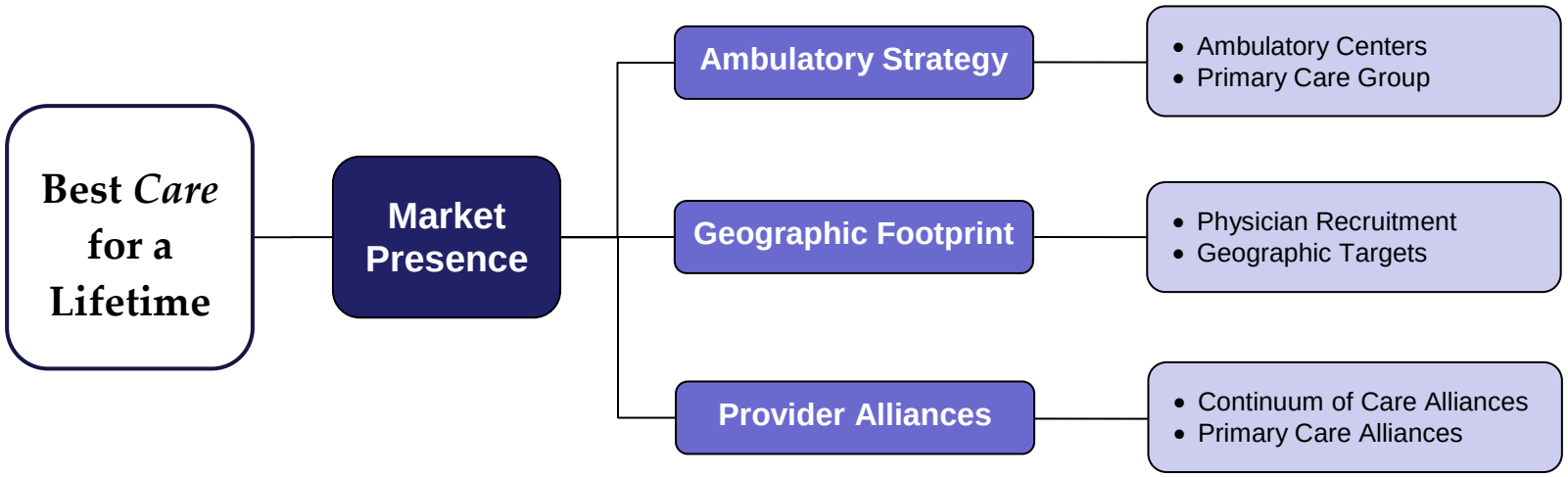
Focal Area 2 – Value Provider: Objectives and Strategies

Objectives	Milestones	
Achieve the highest measurable quality of care, as indicated by: • Zero preventable deaths by the end of FY 2013 • Zero medical errors by the end of FY 2014	2.1	Develop Saint Francis *Care*'s definition of "preventable death," quantify the current number of deaths by the end of FY 2010
	2.2	Develop the approach and process, establish priorities for action, and integrate Lean into the process by the end of FY 2010
	2.3	Define infrastructure needs, measurement systems, and measurements of progress by the end of FY 2010
	2.4	Complete the implementation of the electronic medical record within Saint Francis Hospital and Medical Center by the end of FY 2012
	2.5	Integrate Mount Sinai Rehabilitation Hospital into a Saint Francis *Care* medical record system by the end of FY 2013
	2.6	Integrate other formal components of the Saint Francis *Care* system into the medical record system by the end of FY 2013
Achieve and maintain a position as low-cost provider for services delivered among Saint Francis Hospital and Medical Center's peer group of hospitals	2.7	Conduct a performance improvement and cost reduction initiative to realize additional savings from gains in productivity, revenue cycle, and supply chain management by the end of FY 2011
	2.8	Achieve savings identified in above initiative 2.7 by the end of FY 2012 and monitor savings through FY 2014
	2.9	Evaluate and improve budget processes in FY 2010

Objectives	Milestones
	2.10 Once health reform is enacted, initiate a process for breaking even on Medicare reimbursement for inpatient and outpatient services: 2.10.1 Establish a break-even target date in FY 2011 2.10.2 Develop an implementation plan in FY 2012
Develop the capability to contractually negotiate with payors and employers as a collective system of care for an integrated continuum of services	2.11 Develop the ability to accept and successfully manage bundled payments by conducting two pilot projects in FY 2011– one in joint replacement and one in heart services – that integrate a defined continuum of care 2.12 Identify and contact self-insured companies (or those at the cusp of weighing whether to stop offering health insurance to their employees) in FY 2012 to explore the potential to build relationships around disease management (e.g., diabetes) and other potentially cost-saving measures 2.13 Pursue a partnership with the Archdiocese of Hartford in FY 2012 to serve as a beta site for Saint Francis *Care*'s value provider strategy

Focal Area 3 – Market Presence

GOAL: **Enhance Saint Francis *Care*'s strategic position as a key healthcare resource and trusted partner for residents and healthcare providers in Connecticut**



Focal Area 3 – Market Presence: Objectives and Strategies

Objectives	Strategic Initiatives
Build a continuum of care in order to coordinate all of the patient's health care needs for better outcomes in quality, satisfaction, and cost of care	3.1 Create a formal continuum of care delivery system that includes Mount Sinai Rehabilitation Hospital, Masonicare Partners Home Health and Hospice Inc., the Hospital for Special Care, Gaylord Hospital, and a grouping of nursing homes in the Greater Hartford region by the end of FY 2012 3.2 Establish strategic alliances with physician organizations, including ProHealth, Collins Medical and Prime Health by the end of FY 2011 3.3 Establish a primary care group practice with a transparent recruitment package with a first right of participation for private practice physicians by the end of FY 2010
Expand Saint Francis *Care*'s network of ambulatory centers	3.4 Reevaluate and define criteria for identifying, designing, and developing Saint Francis *Care* ambulatory centers in FY 2010 3.5 Streamline the design of ambulatory centers to achieve a common brand and identity while completing facilities planned for Bloomfield and Ellington in FY 2010 and Simsbury in FY 2011. New sites will be identified for later deployment in FY 2012 – FY 2014

Objectives	Strategic Initiatives
Ensure an adequate supply of physicians in all specialties to meet the needs of the communities served by Saint Francis *Care*	3.6 Recruit an additional 193 physicians to Saint Francis *Care*'s strategic service area by the end of FY 2014 3.7 Determine the feasibility of creating a medical home model for delivery of primary care services using the Asylum Hill Family Medicine Practice, the Saint Francis *Care* Clinics (Burgdorf and Gengras) as well as a group of Saint Francis *Care* owned or affiliated physician practices by the end of FY 2012 3.8 Explore the potential for creating a joint venture with a hospital management company to pursue mutual opportunities by the end of FY 2011 3.9 Explore strategic alliances/partnerships with Eastern Connecticut Health Network, Yale Health System, among others by the end of FY 2012

Appendices

A. Volume and Financial Projections

B. Process Participants

C. Physician Resource Targets

Appendix A

Volume and Financial Projections

Entity	Criteria	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Volumes:									
SFHMC	Patient Days	162,175	164,576	162,158	163,303	169,427	176,204	180,619	185,124
	Patient Day Growth		1.48%	-1.47%	0.71%	3.75%	4.00%	2.51%	2.49%
	Discharges	31,626	32,807	33,057	33,516	34,773	36,164	37,068	37,995
	Discharge Growth		3.73%	0.76%	1.39%	3.75%	4.00%	2.50%	2.50%
	Length of Stay	5.128	5.016	4.905	4.872	4.872	4.872	4.873	4.872
	% Change in ALOS		-2.18%	-2.21%	-0.67%	0.00%	0.00%	0.02%	-0.02%
	Outpatient Volume		304,446	314,979	322,224	328,121	334,125	340,240	346,466
	Outpatient Growth			3.46%	2.30%	1.83%	1.83%	1.83%	1.83%
MSRH	Patient Days	9,126	9,189	10,007	10,875	10,875	10,875	10,875	10,875
	Patient Day Growth		0.69%	8.90%	8.67%	0.00%	0.00%	0.00%	0.00%
	Discharges	677	651	659	725	725	725	725	725
	Discharge Growth		-3.84%	1.23%	10.02%	0.00%	0.00%	0.00%	0.00%
	Length of Stay	13.480	14.115	15.185	15.000	15.000	15.000	15.000	15.000
	% Change in ALOS			7.58%	-1.22%	0.00%	0.00%	0.00%	0.00%
	Outpatient Volume	17,275	21,367	22,538	23,666	23,666	23,903	24,142	24,383
	Outpatient Growth		23.69%	5.48%	5.00%	0.00%	1.00%	1.00%	1.00%
CLS	Outpatient Growth					2.00%	2.00%	2.00%	2.00%
AHFM	Outpatient Growth					1.00%	1.00%	1.00%	1.00%
SFCMG	Outpatient Growth					1.00%	1.00%	1.00%	1.00%
SFMG (WPA)	Outpatient Growth					2.00%	2.00%	2.00%	2.00%
PATH	Outpatient Growth					1.00%	1.00%	1.00%	1.00%

	FY 2011	FY 2012	FY 2013	FY 2014
Revenues:				
Gross Patient Service Revenue	9.00%	9.00%	9.00%	9.00%
SFHMC & MSRH Reimbursement Rates:				
Medicare	3.00%	2.00%	2.00%	2.00%
Medicare Mgd Care	3.00%	2.00%	2.00%	2.00%
Medicaid	0.00%	0.00%	0.00%	0.00%
SAGA	0.00%	0.00%	0.00%	0.00%
Medicaid Mgd Care	0.00%	0.00%	0.00%	0.00%
HMO / Commercial	9.00%	9.00%	7.00%	6.00%
Anthem	9.00%	9.00%	7.00%	6.00%
Self Pay	2.00%	1.00%	1.00%	1.00%
Other	2.00%	1.00%	1.00%	1.00%
DSH/Urban Pool	0.00%	0.00%	0.00%	0.00%
CLS Outpatient Reimbursement Rates:				
Medicare	2.00%	2.00%	2.00%	2.00%
Medicare Mgd Care	2.00%	2.00%	2.00%	2.00%
Medicaid	0.00%	0.00%	0.00%	0.00%
SAGA	0.00%	0.00%	0.00%	0.00%
Medicaid Mgd Care	0.00%	0.00%	0.00%	0.00%
HMO / Commercial	5.00%	3.00%	2.00%	2.00%
Anthem	5.00%	3.00%	2.00%	2.00%
Self Pay	1.00%	1.00%	1.00%	1.00%
Other	1.00%	1.00%	1.00%	1.00%
SFMG (WPA)	3.00%	3.00%	3.00%	3.00%
AHFM	0.00%	0.00%	0.00%	0.00%
SFCMG	3.00%	3.00%	3.00%	3.00%
PATH	0.00%	0.00%	0.00%	0.00%
Other Operating Revenue	3.00%	3.00%	3.00%	3.00%

Expense Inflation:	% Variable	FY 2011	FY 2012	FY 2013	FY 2014
Routine Salaries	100.00%	4.00%	4.00%	4.00%	4.00%
Ancillary Salaries	50.00%	4.00%	4.00%	4.00%	4.00%
Support Salaries	10.00%	4.00%	4.00%	4.00%	4.00%
Other Salaries	10.00%	4.00%	4.00%	4.00%	4.00%
Contract Labor	10.00%	4.00%	4.00%	4.00%	4.00%
Benefits (% of salary)		27.32%	27.32%	27.32%	27.32%
Professional Fees	0.00%	4.80%	4.50%	4.50%	4.50%
Medical Supplies	95.00%	3.00%	3.00%	4.00%	4.00%
Other Supplies	30.00%	3.00%	3.00%	4.00%	4.00%
Drugs & Pharmaceuticals	95.00%	10.00%	10.00%	10.00%	10.00%
Purchased Services	0.00%	4.00%	4.00%	4.00%	4.00%
Insurance	0.00%	4.00%	4.00%	4.00%	4.00%
Utilities	0.00%	8.00%	8.00%	8.00%	8.00%
Other	0.00%	4.00%	4.00%	4.00%	4.00%
Facilities	0.00%	4.00%	4.00%	4.00%	4.00%

000's Omitted

Income Statement	FY 2008	FY 2009	FY 2010	Projection Years FY 2011	FY 2012	FY 2013	FY 2014
Patient Revenue							
Inpatient Services	732,163	779,378	867,727	980,068	1,109,584	1,238,714	1,382,898
Outpatient Services	594,304	672,567	756,584	839,662	931,989	1,034,472	1,148,227
Gross Patient Revenue	1,326,467	1,451,945	1,624,311	1,819,730	2,041,573	2,273,186	2,531,125
Deductions from Patient Revenue							
Contractual Discounts	704,636	804,697	931,982	1,074,529	1,241,225	1,426,717	1,636,928
Provision for Charity	14,076	13,609	15,461	17,684	20,052	22,547	25,350
Total Deductions from Revenue	718,712	818,306	947,443	1,092,213	1,261,277	1,449,264	1,662,278
Net Patient Revenue	607,755	633,639	676,868	727,517	780,296	823,922	868,847
Other Operating Revenue	58,647	62,886	65,919	68,186	70,549	73,014	75,586
Total Operating Revenue	666,402	696,525	742,787	795,703	850,845	896,936	944,433
Operating Expenses							
Salaries and Wages	291,921	295,393	303,868	321,509	340,656	358,704	377,763
Employee Benefits	74,499	69,081	78,529	84,567	89,639	94,410	99,451
Contract Labor	9,548	6,125	5,434	5,652	5,878	6,113	6,358
Professional fees	14,888	13,240	14,062	14,737	15,400	16,093	16,817
Supplies	93,019	88,429	91,740	96,760	102,187	108,275	114,734
Drugs and Pharmaceuticals	26,765	31,288	31,644	35,763	40,476	45,453	51,043
Purchased Services	36,502	37,297	37,980	39,499	41,079	42,723	44,432
Depreciation & Amortization	25,973	26,234	26,709	31,203	35,855	37,488	39,175
Interest	5,405	7,309	9,954	14,830	14,663	14,492	14,312
Other	66,959	70,051	83,405	84,635	88,436	92,382	96,513
Bad Debt	29,078	23,545	30,227	33,856	37,975	42,278	47,068
Total Operating Expenses	674,556	667,992	713,552	763,011	812,244	858,410	907,666

000's Omitted

Income Statement (continued)

	FY 2008	FY 2009	FY 2010	Projection Years FY 2011	FY 2012	FY 2013	FY 2014
Excess of Revenue over Expenses from Operations	($8,154)	$28,533	$29,235	$32,692	$38,601	$38,526	$36,767
Nonoperating Revenue							
Investment Income	0	0	0	0	0	0	0
Interest Expense	0	0	0	0	0	0	0
Unrestricted Contributions	0	0	0	0	0	0	0
Other	764	(9,172)	0	0	0	0	0
Net Nonoperating Revenue	764	(9,172)	0	0	0	0	0
Excess of Revenue over Expenses Before Extraordinary Items	(7,390)	19,361	29,235	32,692	38,601	38,526	36,767
Extraordinary Items	(17,757)	(2,614)	0	0	0	0	0
Excess of Revenue over Expenses	($25,147)	$16,747	$29,235	$32,692	$38,601	$38,526	$36,767

Balance Sheet - Assets

	000's Omitted			Projection Years			
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Current Assets							
Cash	$59,170	$99,265	$139,826	$169,175	$208,871	$253,204	$296,348
Current Portion of Assets Limited As To Use	4,906	4,471	3,640	3,589	3,536	3,395	3,326
Accounts Receivable Net of Reserves	81,788	75,159	81,295	87,384	93,786	99,061	104,490
Third Party Settlements	0	0	0	0	0	0	0
Supply Inventories, at cost	3,911	4,353	4,353	4,596	4,860	5,151	5,461
Prepaid Expenses and Other	13,552	15,755	16,505	17,583	18,753	19,948	21,211
Total Current Assets	163,327	199,003	245,619	282,327	329,806	380,759	430,836
Assets Limited as to Use							
Trusteed Assets	200,598	180,784	114,784	81,771	81,771	81,771	81,771
Board Designated Investments	45,619	26,129	53,875	58,200	61,511	63,194	66,049
Total Assets Limited as to Use	246,217	206,913	168,659	139,971	143,282	144,965	147,820
Property, Plant and Equipment							
Cost	681,641	705,774	729,688	939,935	965,785	991,635	1,017,485
Accumulated Depreciation	420,042	445,973	472,682	503,883	539,738	577,224	616,400
Construction in Progress	48,324	106,269	152,269	0	0	0	0
Net PP&E	309,923	366,070	409,275	436,052	426,047	414,411	401,085
Other Assets							
Investment in Subsidiaries	(0)	0	4,553	4,553	4,553	4,553	4,553
Unamortized Financing Fees	3,166	2,999	2,999	2,999	2,999	2,999	2,999
Start-up Costs	0	0	0	0	0	0	0
Other Long-Term Assets	37,059	20,308	15,674	15,641	15,608	15,575	15,542
Total Other Assets	40,224	23,307	23,226	23,193	23,160	23,127	23,094
Total Assets	$759,691	$795,293	$846,778	$881,542	$922,294	$963,261	$1,002,834

000's Omitted

				Projection Years			
	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Balance Sheet - Liabilities and Net Assets							
Current Liabilities							
Notes Payable - Line of Credit	$0	$0	$0	$0	$0	$0	$0
Current Maturities of Debt	40,645	11,140	4,371	4,545	4,728	4,728	4,728
A/P and Accrued Expenses	78,547	87,000	90,973	96,935	103,112	109,018	115,324
Third Party Settlements	4,559	6,724	6,735	7,114	7,472	7,765	8,070
Other Accrued Liabilities	(288)	167	0	0	0	0	0
Total Current Liabilities	123,463	105,031	102,079	108,594	115,312	121,511	128,122
Other Liabilities							
Other LT Liabilities -1	136,345	216,496	233,107	233,107	233,107	233,107	233,107
Other LT Liabilities -2	0	0	0	0	0	0	0
Total Other Liabilities	136,345	216,496	233,107	233,107	233,107	233,107	233,107
Long-Term Debt	233,010	241,638	237,267	232,722	227,994	223,267	218,539
Net Assets							
Total Fund	266,871	232,125	274,321	307,115	345,877	385,372	423,062
Total Liabilities & Net Assets	$759,689	$795,290	$846,775	$881,539	$922,291	$963,258	$1,002,831

Cash Flow Statement

000's Omitted

	FY 2008	FY 2009	FY 2010	Projection Years FY 2011	FY 2012	FY 2013	FY 2014
Sources of Cash:							
Excess of Revenues over Expenses from Operations		$28,533	$29,235	$32,692	$38,601	$38,526	$36,767
Net Nonoperating Income, Excluding Interest Income and Expense		(9,172)	0	0	0	0	0
Extraordinary Items		(2,614)	0	0	0	0	0
Items Not Affecting Working Capital:							
Depreciation		26,234	26,709	31,203	35,855	37,488	39,175
Amortization of Financing Costs		0	0	0	0	0	0
Other		45,576	29,654	135	194	1,002	956
Long Term Debt Proceeds		0	0	0	0	0	0
Total Sources of Cash		88,557	85,598	64,030	74,650	77,016	76,898
Uses of Cash:							
Change in Working Capital, Excluding Current Portion of Debt		(15,057)	3,068	1,069	1,301	562	391
Additions to Property, Plant & Equipment, net		$82,381	$69,914	$57,980	$25,850	$25,852	$25,849
Long Term Debt Principal Repayments		20,877	11,140	4,371	4,545	4,727	4,728
Total Uses of Cash		88,201	84,122	63,420	31,696	31,141	30,968

Cash Flow Statement (continued)

000's Omitted

	FY 2008	FY 2009	FY 2010	Projection Years FY 2011	FY 2012	FY 2013	FY 2014
Cash Provided (Used) Prior to Interest Income		356	1,476	610	42,954	45,875	45,930
Cash Provided from Interest Income		0	0	0	0	0	0
Cash Used by Interest Expense		0	0	0	0	0	0
Cash Provided (Used)		356	1,476	610	42,954	45,875	45,930
Cash Balance, beginning of period		310,293	310,649	312,125	312,735	355,689	401,564
Cash Balance, end of period		$310,649	$312,125	$312,735	$355,689	$401,564	$447,494
Summary of Cash and Investments							
Operating Cash	$59,170	$99,265	$139,826	$169,175	$208,871	$253,204	$296,348
Board Designated Assets	45,619	26,129	53,875	58,200	61,511	63,194	66,049
Trusteed Assets	205,504	185,255	118,424	85,360	85,307	85,166	85,097
Total	$310,293	$310,649	$312,125	$312,735	$355,689	$401,564	$447,494

Appendix B

Process Participants

Many individuals participated in and contributed to this process. They included representatives from Saint Francis *Care* leadership groups, caregivers and staff, as well as participants from external organizations. The following pages list participants according to these groups. Since some individuals belong to several groups and committees, some participants are listed more than once.

Visioning Group

Name	Title
Christopher Dadlez	President & Chief Executive Officer
Walter Harrison, Ph.D.	Board of Directors/Governance & Nominations Committee
R. Christopher Hartley	Senior Vice President/Planning & Facilities Development
Karl Krapek	Board of Directors/Chair, Strategic Planning Committee/Compensation & Management Development Committee
Gregory Makoul, Ph.D.	Senior Vice President, Innovation & Quality Integration/Chief Academic Officer
John W. Rodgers, M.D.	Board of Directors/Prime Health Care, PC
Kathleen Roche	Executive Vice President/Chief Operating Officer
Steven Rosenberg	Senior Vice President/Chief Financial Officer
Howard Shaw, M.D.	Chairman/Director Department of Obstetrics & Gynecology/Chief Quality Officer

Strategic Planning Committee

Name	Title
Karl Krapek – Chairman	Board of Directors/Managing Director, The Keystone Companies, LLC
Edward G. Caputo	Board of Directors/President, Caputo Capital Investments
Surendra Chawla, M.D.	Board of Directors/Surgical Director, Hoffman Heart Institute
Bernard Clark, M.D.	Chairman/Director Department of Medicine
Gary Cohen, M.D.	Collins Medical Associates 2, PC
Christopher Dadlez	President & Chief Executive Officer
Hema deSilva, M.D.	Chairman/Director Department of Pediatrics/President Medical Staff
P. Anthony Giorgio, Ph.D.	Board of Directors/Managing Director, The Keystone Companies, LLC
John J. Mara, M.D.	Board of Directors/Hartford Orthopedic Surgeons
John W. Rodgers, M.D.	Board of Directors/Prime Health Care, PC
Andrew Sadanowicz	Board of Directors/Director, Global Business Development
Roalind Shenkman, L.C.S.W.	Board of Directors
Brian Van Linda, M.D.	Prime Health Care, PC
Jean- Pierre van Rooy	Board of Directors

Strategic Planning Committee Staff:	
Megan Durning	Manager, Physician Relations & Network Development
Christopher Hartley – Staff Liaison	Senior Vice President, Planning & Facilities Development
Mary Ann Hanley	Administrative Liaison
Rolf Knoll, M.D.	Senior Vice President/Chief Medical Officer
Gregory Makoul, Ph.D.	Senior Vice President, Innovation & Quality Integration/Chief Academic Officer
Kathleen Roche	Executive Vice President/Chief Operating Officer
Steven Rosenberg	Senior Vice President/Chief Financial Officer
Elizabeth Rotavera	Senior Planning Associate
James Schepker	Senior Vice President, Marketing & Business Development

Steering Committee

Name	Title
Joseph Bisson	Vice President, Business Development
Sister Judith Carey, RSM, Ph.D.	Vice President, Mission Integration
Jeffrey Chitester	Senior Vice President/Chief Human Resource Officer
Bernard Clark, M.D.	Chairman/Director Department of Medicine
Christopher Dadlez	President & Chief Executive Officer
Kathleen DeMatteo	Vice President/Chief Information Officer
Hema deSilva, M.D.	Chairman/Director Department of Pediatrics/President Medical Staff
Daniel Diver, M.D.	Chief of Cardiology/Affiliation Corporation
Megan Durning	Manager, Physician Relations & Network Development
Christopher Hartley	Senior Vice President, Planning & Facilities Development
Mary Inguanti, R.Ph., M.P.H., FASCP	Vice President, Operations
Edward Johnson, DDS	Senior Vice President, Mount Sinai Campus
Rolf Knoll, M.D.	Senior Vice President/Chief Medical Officer
Jess Kupec	President & Chief Executive Officer, Saint Francis HealthCare Partners
Gregory Makoul, Ph.D.	Senior Vice President, Innovation & Quality Integration/Chief Academic Officer
Robert McAllister, M.D.	Hartford Orthopedic Surgery/Co-Director CJRI
Kathleen Roche	Executive Vice President/Chief Operating Officer
John W. Rodgers, M.D.	Board of Directors/Prime Health Care, PC

Name	Title
Steven Rosenberg	Senior Vice President/Chief Financial Officer
Elizabeth Rotavera	Senior Planning Associate
James Schepker	Senior Vice President, Marketing & Business Development
Jennifer Schneider	Vice President, Lean Redesign
Howard Shaw, M.D.	Chairman/Director Department of Obstetrics & Gynecology/Chief Quality Officer
Jeffrey Steinberg, M.D.	Chairman/Director Department of Surgery
Steven Wolf, M.D.	Chairman, Department of Emergency Medicine

Inter-Professional Review Groups

Name	Title
Laura Bailey	Nurse Manager, Delivery Room
Kimberly Beekman	Executive Director, CJRI
Ellison Berns, M.D.	Cardiac Electrophysiology Cardiovascular Disease/Internal Medicine
Robert Cushman, M.D.	Director, Family Medicine
Luis Diez, M.D.	System Medical Director of Ambulatory Services
Robert Falaguerra	System VP, Facilities, Support Services & Construction
Rene Gilbert	Director, Hospital Information Systems
Mary Ann Hanley	Administrative Liaison
Robert Krug, M.D.	Chairman/Director Rehab Services/Medical Director Mt. Sinai Rehab Hospital
Patti LaMonica	Interim VP, PCS/Director, Emergency Department, IV, Respiratory
Kathleen Luczyk	Chief Operating Officer, CLS
Sharon O'Brien	Manager, Integrative Medicine
Suzanne Onorato, Ph.D.	Administrative Director, Heart Clinical Programs
Len Quartararo	Director, Radiology & Imaging Services
Frank Rosenberg, M.D.	President, Woodland Anesthesiology Associates/Chief of Anesthesiology
Stuart Rosenberg	Director, Human Resources North Campus
Steven Ruby, M.D.	Vascular Surgery
Kimberly Samele	Nurse Manager, Surgery
Jonathan Sporn, M.D.	Chief, Section of Hematology & Oncology/Director, Saint Francis/Mt. Sinai Cancer Center
Donald Straceski	Vice President, Finance Management
Maria Summa	Director, Pharmacy
Michael Twohig, M.D.	Chairman, Department of Radiology

Leadership Summit

Name	Title/Committee
Sally Ardolino, M.D.	Saint Francis HealthCare Partners Board
L. Jeffrey Baldwin	Board of Directors/Audit & Corporate Compliance Committee/Finance Committee
Wallace Barnes	Public Policy Advisory Committee
George H. Barrows, M.D.	Chairman/Director Department Pathology/Laboratory
Reverend Thomas J. Barry, J.C.L., L.D.	Vice Chair, Board of Directors/Chair, Governance & Nomination Committee
Ellison Berns, M.D.	Cardiac Electrophysiology Cardiovascular Disease/Internal Medicine
Joseph Bisson	Vice President, Business Development
Teresa Bolton, Esq.	Vice President, Legal Affairs
Barbara Calderone	Board of Directors/Quality & Medical Affairs Committee
Stephen Calderon, M.D.	Chairman, Department of Neurosurgery
Ernesto Canalis, M.D.	Director, Department of Research
Edward G. Caputo	Board of Directors/Strategic Planning Committee
Sister Judith Carey, RSM, Ph.D.	Vice President, Mission Integration
Angelo Carrabba, M.D.	Collins Medical Associates 2 , PC
Debra Turcotte-Carragher	Executive Director, Saint Francis Medical Group
Stephen T. Cassano	Chair, Chairman's & President's Council/ Public Policy Advisory Committee
Surendra Chawla, M.D.	Board of Directors/Surgical Director, Hoffman Heart Institute/Strategic Planning Committee
Jeffrey Chitester	Senior Vice President/Chief Human Resource Officer
William Cibes	Finance Committee
Bernard Clark, M.D.	Chairman/Director Department of Medicine
Gary Cohen, M.D.	Collins Medical Associates 2, PC
Matthew Colliton, M.D.	Saint Francis HealthCare Partners Board
Robert Cushman, M.D.	Director, Family Medicine
Christopher Dadlez	President & Chief Executive Officer
Abe Daoud, M.D.	Director, Minimally Invasive Surgery
Lynn Davis, M.D.	Chairman's & President's Council
Kathleen DeMatteo	Vice President/Chief Information Officer
Luis Diez, M.D.	System Medical Director of Ambulatory Clinics
Hema deSilva, M.D.	Board of Directors/Chairman/Director Department of Pediatrics/President Medical Staff
Daniel Diver, M.D.	Chief, Section of Cardiology/Affiliation Corporation

Name	Title/Committee
Megan Durning	Manager, Physician Relations & Network Development
Robert Ellis	Board of Directors/Chair, Audit & Corporate Compliance Committee/Finance Committee
Robert Falaguerra	System VP, Facilities, Support Services & Construction
Robert W. Fiondella	Chairman's & President's Council
Terry B. Fletcher	Board of Directors
Malcolm A. Galen, M.D.	Associate Medical Director, Saint Francis HealthCare Partners Board
John Giamalis, C.P.A.	Board of Directors/Chair, Audit & Corporate Compliance Committee/Finance Committee/Compensation & Management Development Committee
P. Anthony Giorgio, Ph.D.	Board of Directors/Chair, Mission Integration Committee/Strategic Planning Committee
Richard Gordon	Board of Directors/Public Policy Advisory Committee
Delores P. Graham	Chairman's & President's Council
Robert Green, M.D.	Collins Medical Associates 2, PC
Mary Ann Hanley	Administrative Liaison
Martha Hartle	Board Administrator
Walter Harrison, Ph.D.	Board of Directors/Governance & Nominations Committee
R. Christopher Hartley	Senior Vice President, Planning & Facilities Development
Sister Sally M. Hodgdon, C.S.J.	Audit & Corporate Compliance Committee
Jeffrey S. Hoffman	Board of Directors/Finance Committee
Mary Inguanti, R.Ph., M.P.H., FASCP	Vice President, Operations
Phaniraj Iyengar, M.D.	Director, Stroke Center
Ronald D. Jarvis	Board of Directors/Finance Committee/Governance & Nominations Committee/Compensation & Management Development Committee
Edward Johnson, DDS	Senior Vice President, Mt. Sinai Campus
Peter G. Kelly	Board of Directors/Public Policy Advisory Committee
Surendra Khera, M.D.	Chief, Section of Hospitalist Medicine
Ronald Kimmel, M.D.	Saint Francis HealthCare Partners Board
Rolf Knoll, M.D.	Senior Vice President/Chief Medical Officer
Thomas Knox, M.D.	Saint Francis HealthCare Partners Board
Karl J. Krapek	Board of Directors/Chair, Strategic Planning Committee/Compensation & Management Development Committee
Robert Krug, M.D.	Chairman/Director Rehab Services/Medical Director Mt. Sinai Rehab Hospital
Jess Kupec	President/CEO Saint Francis HealthCare Partners
Bimalin Lahiri, M.D.	Board of Directors/Department of Pulmonary Medicine
Sister Dolores Lahr, CSJ	Board of Directors/Mission Integration Committee
Patti LaMonica, RN., M.S.N.	Interim VP, PCS/Director, Emergency Department, IV, Respiratory
Sheri Lemieux	Assistant to President & CEO
David Lentini	Board of Directors/Audit & Corporate Compliance Committee

Name	Title/Committee
Susan Link	Collins Medical Associates 2, PC
Zachary Macinski, M.D.	Department of Neurology
Gregory Makoul, Ph.D.	Senior Vice President, Innovation & Quality Integration/Chief Academic Officer
Joyce D. Mandell	Board of Directors
Most Reverend Henry J. Mansell, D.D.	Chair, Board of Directors
John J. Mara, M.D.	Board of Directors/Finance Committee/Strategic Planning Committee
Anne Massucco, M.D.	Department of OB/GYN
James Martino, M.D.	Saint Francis HealthCare Partners Board
Robert McAllister, M.D.	Hartford Orthopedic Surgery/Co-Director CJRI
Rev. Msgr. John McCarthy	Board of Directors/Mission Integration Committee
E. Merritt McDonough, Jr.	Board of Directors/Mission Integration Committee
Paul Mitchell, DMD	Director, Department of Dentistry
Gwendolyn Moraski, M.D.	Department of Anesthesiology
Michael Moustakakis, M.D.	Saint Francis HealthCare Partners Board
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Richard Newman, M.D.	Department of Surgery/Co-Director Minimally Invasive
Daniel O'Connell	Board of Directors/Compensation & Management Development Committee
Howard W. Orr	Chairman, Rehab Board of Directors/Quality & Medical Affairs Committee
Paul Pendergast	Senior Vice President/Chief Development Officer/President, Saint Francis Foundation
Murtha Prakash, M.D.	Department of Cardiovascular Disease/Internal Medicine
Leonard Quartararo	Director, Radiology & Imaging Services
Ioannis Raftopoulos, M.D.	Director, Bariatric Surgery
Gilberto Ramirez, M.D.	Saint Francis HealthCare Partners Board
Surita Rao, M.D.	Director, Department of Behavioral Health
Curtis Robinson	Board of Directors/Finance Committee/Governance & Nominations Committee/Public Policy Advisory Committee
Kathleen Roche, MSRN	Executive Vice President/Chief Operating Officer
John Rodgers, M.D.	Board of Directors/Strategic Planning Committee
Galo Rodriguez	Board of Directors/Quality & Medical Affairs Committee
Frank Rosenberg, M.D.	President, Woodland Anesthesiology Associates/Chief of Anesthesiology
Steven Rosenberg	Senior Vice President/Chief Financial Officer
Elizabeth Rotavera	Senior Planning Associate
Steven T. Ruby, M.D.	Department of Vascular Surgery
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Susan J. Sappington	Board of Directors/Mission Integration Committee
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Name	Title/Committee
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Philip J. Schulz	Board of Directors/Chairman, Finance Committee
Steven Schutzer, M.D.	Department of Orthopedic Surgery
Howard Shaw, M.D.	Chairman/Director Department of Obstetrics & Gynecology/Chief Quality Officer
Rosalind Shenkman, L.C.S.W.	Board of Directors/Strategic Planning Committee
Richard Shumway, M.D.	Department of Radiation Oncology
Jonathan R. Sporn, M.D.	Chief, Section of Hematology & Oncology/Director, Saint Francis/Mt. Sinai Cancer Center
Jeffrey Steinberg, M.D.	Chairman/Director Department of Surgery
Richard Stone, M.D.	Department of Gastroenterology
Donald Straceski	Vice President, Finance Management
Tony Taschner	Chairman's & President's Council
John Thayer, M.D.	Department of Cardiac/Thoracic Surgery
G. Thomas Trono, M.D.	Chairman/Director Department of Urology
Debra Turcotte-Carragher	Executive Director, Saint Francis Medical Group
Michael Twohig, M.D.	Chairman, Department of Radiology
Brian Van Linda	Saint Francis HealthCare Partners Board/Strategic Planning Committee
Jean-Piere van Rooy	Board of Directors/Chair, Public Policy Advisory Committee
Peter Wade, M.D.	Department of Neurology
Steven Wolf, M.D.	Chairman, Department of Emergency Medicine
Roy Zagieboylo, M.D.	Saint Francis HealthCare Partners Board
Anthony Zaldonis, M.D.	Department of Gastroenterology/Internal Medicine
Kristen Zarfos, M.D.	Director, The Comprehensive Breast Health Center
Gordon Zimmerman, M.D.	Department of Orthopedic Surgery

Interviews/Other Contributors

Name	Title/Committee
Reverend Thomas J. Barry, J.C.L., L.D.	Vice Chair, Board of Directors/Chair, Governance & Nomination Committee
Kurt Barwis	President & Chief Executive Officer, Bristol Hospital
Joseph Bisson	Vice President, Network Management
Jeffrey Chitester	Senior Vice President/Chief Human Resource Officer
Bernard Clark, M.D.	Chairman/Director Department of Medicine
Gary Cohen, M.D.	Collins Medical Associates 2, PC
Robert Cushman, M.D.	Director of Family Medicine
Christopher Dadlez	President & Chief Executive Officer
Kathleen DeMatteo	Vice President/Chief Information Officer
Hema deSilva, M.D.	Board of Directors/Chair/Director Dept. of Pediatrics/President Medical Staff
Daniel Diver, M.D.	Chief of Cardiology/Affiliation Corporation
Robert Ellis	Board of Directors/Chair, Audit & Corporate Compliance Committee/Finance Committee
John Giamalis, C.P.A.	Board of Directors/Audit & Corporate Compliance Committee/Finance Committee/Compensation & Management Development Committee
P. Anthony Giorgio, Ph.D.	Board of Directors/Chair, Mission Integration Committee/Strategic Planning Committee
Robert Green, M.D.	Collins Medical Associates 2, PC
Oz Griebel	Chief Executive Officer, MetroHartford Alliance
Walter Harrison, Ph.D.	Board of Directors/Governance & Nominations Committee
Mary Inguanti, R.Ph., M.P.H., FASCP	Vice President, Operations
Jennifer Jackson	President, Connecticut Hospital Association
Peter Karl	Chief Executive Officer, Eastern Connecticut Health Network
Rolf Knoll, M.D.	Senior Vice President/Chief Medical Officer
Robert Krug, M.D.	Chairman/Director Rehab Services/Medical Director Mt. Sinai Rehab Hospital
Jess Kupec	President & CEO Saint Francis HealthCare Partners
Gregory Makoul, Ph.D.	Sr. Vice President/Innovation & Quality Integration/Chief Academic Officer
Joyce D. Mandell	Board of Directors
Most Reverend Henry J. Mansell, D.D.	Chair, SFH Board of Directors
John J. Mara, M.D.	Board of Directors/Hartford Orthopedic Surgeons
Robert McAllister, M.D.	Hartford Orthopedic Surgery/Co-Director CJRI
Daniel O'Connell	Board of Directors/Compensation & Management Development Committee
John Papandrea, M.D.	Department of Internal Medicine
Ioannis Raftopoulos, M.D.	Director, Bariatric Surgery
Jack Reed	Chief Executive Officer, ProHealth Group
Kathleen Roche, MSRN	Executive Vice President/Chief Operating Officer
John Rodgers, M.D.	Board of Directors/Strategic Planning Committee
James Schepker	Vice President, Marketing & Business Development

Name	Title/Committee
Philip J. Schulz	Board of Directors/Chairman, Finance Committee
Howard Shaw, M.D.	Chairman/Director Department of Obstetrics/Gynecology/Chief Quality Officer
Jeffrey Steinberg, M.D.	Chairman/Director Department of Surgery
Jonathan R. Sporn, M.D.	Chief, Section of Hematology & Oncology/Director, Saint Francis/Mt. Sinai Cancer Center
Thomas Terenzi, M.D.	Department of Internal Medicine, Section of Rheumatology
Michael Twohig, M.D.	Chairman, Radiology
David Walters, M.D.	Department of Colon & Rectal Medicine
Steven Wolf, M.D.	Chairman/Department of Emergency Medicine

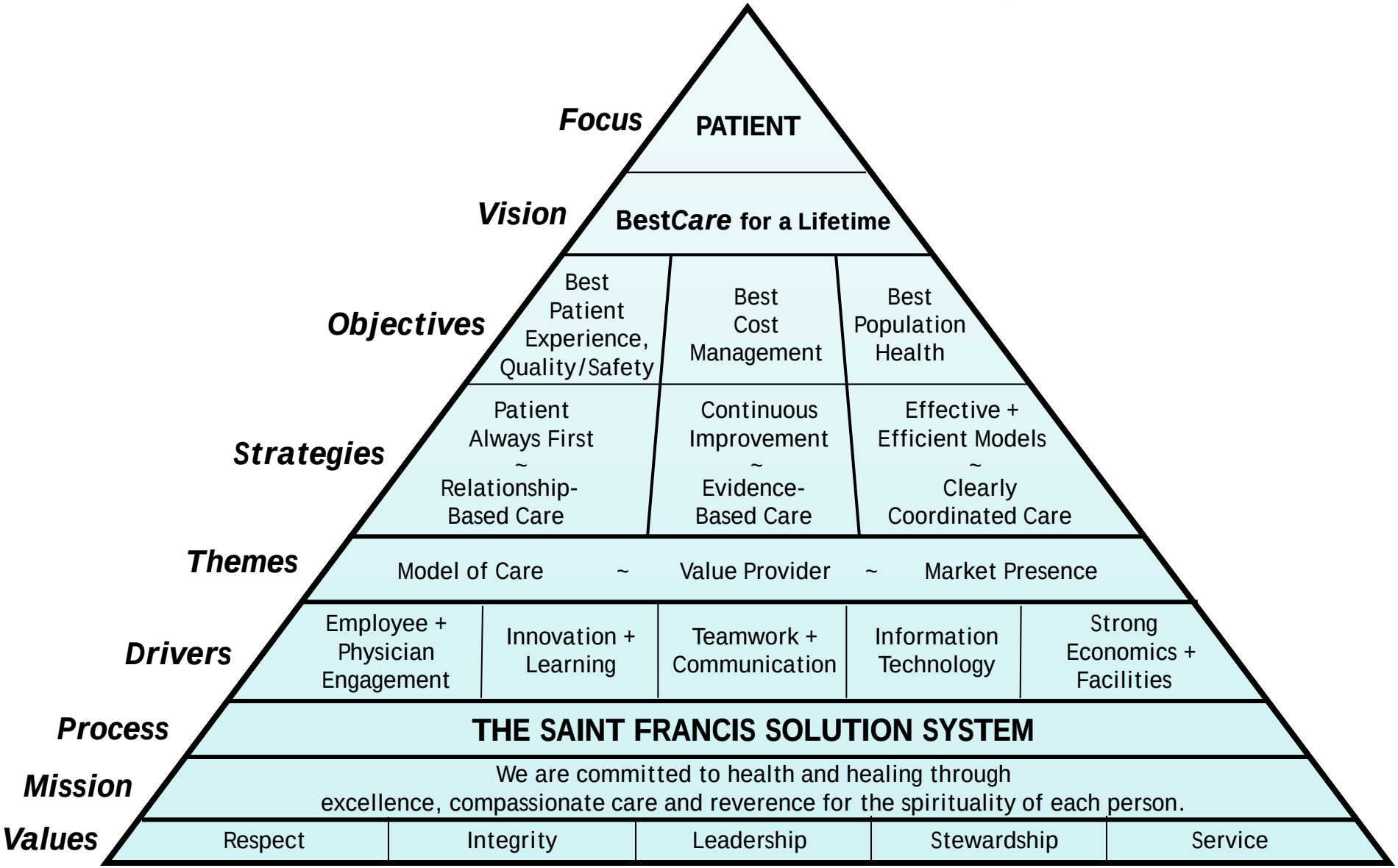
Appendix C

Physician Resource Targets

Primary Care			Medical Specialties			Surgical Specialties		
Recruit 81 primary care physicians into the system based on the following specialty targets and timeframes:			Recruit 70 medical specialists into the system based on the following specialty targets and timeframes			Recruit 42 surgical specialists into the system based on the following specialty targets and timeframes:		
Specialties	**Recruitment Targets, FY 2010**	**Total Physicians Targeted for Recruitment FY 2010 – FY 2014**	**Specialties**	**Recruitment Targets, FY 2010**	**Total Physicians Targeted for Recruitment FY 2010 – FY 2014**	**Specialties**	**Recruitment Targets, FY 2010**	**Total Physicians Targeted for Recruitment FY 2010 – FY 2014**
IM/FP	11	56	Allergy	0	0	Cardiovascular	0	2
OB/GYN	2	11	Cardiology	0	11	Colon & Rectal	0	2
Pediatrics	2	11	Cardiology - EP	0	2	General	0	4
Neonatology	0	1	Dermatology	2	6	Neurosurgery	1	3
Maternal/Fetal	1	2	Endocrinology	1	4	Ophthalmology	0	4
			Gastroenterology	2	8	Orthopedics	1	8
			Hem/Onc	1	4	ENT	1	5
			Infect. Disease	0	2	Plastic Surgery	1	3
			Nephrology	0	2	Vascular Surgery	0	2
			Neurology	2	4	Oncology Surgery	1	4
			Psychiatry	1	9	Urology	1	5
			Physiatry	1	2			
			Pulmonary Med.	2	12			
			Radiation Oncology	0	1			
			Rheumatology	0	3			
Total	**16**	**81**	**Total**	**12**	**70**	**Total**	**6**	**42**

EXHIBIT 4

Saint Francis *Care* Value System



Saint Francis *Care*'s Corporate Strategy is to develop a virtually integrated, accountable care system that delivers Best*Care* for a Lifetime through aligned providers. In implementing this strategy, we will achieve: Triple Aim Objectives (▲population health, ▲patient care experience, ▼costs) and profitable growth.

EXHIBIT *5*

Saint Francis *Care* ~ Service Lines and Support Platforms

Service Lines

- Behavioral Health
- Cardiovascular
- Connecticut Joint Replacement Institute
- Emergency Medicine & Pre-Hospital
- Medicine
- Oncology
- Physical Medicine & Rehabilitation
- Primary Care
- Surgery
- Women & Children

Support Platforms

Clinical
Care Coord / Case Mgt
Critical Care
Diagnostics
Infection Control
Informatics
Nursing Practice
Pastoral Care
Patient Liaisons
Pharmacy
Quality / Risk Mgt

Business & Services
Business Development
Compliance
Enterprise Risk Mgt
Finance / Audit
Government Relations
Human Resources
Information Technology
Legal / Regulatory
Marketing / Comm
Mission Integration
Strategic Planning
Supply / Materials Mgt

Innovation & Learning
Education
Innovation
Leadership Development
Library
Performance Improvement
Research
SFC Solution System
Simulation

Facilities
Biomedical
Engineering
Food Services
Housekeeping
Laundry
Security
Space Management
Transport

focus on Patient Experience runs through all

EXHIBIT 6

COMMENTARY

Population Health Management: The Intersection of Concept and Reality

CHRISTOPHER DADLEZ, FACHE

THE FEATURE ARTICLES in this issue of *Frontiers* offer different philosophies and approaches to meeting the Triple Aim of the Institute for Healthcare Improvement. Zenty, Bieber, and Hammack document a local and granular means of creating targeted accountable care organizations (ACOs) to make Triple Aim inroads toward ensuring the health of the discrete populations. Their "build on success" approach offers practical insights on developing mission, governance, and analytics to guide the creation of clinically oriented population health programs, in contrast to the "total population health" ambitions of Kindig and Isham.

Over the past five years, Saint Francis *Care* has been working on many of the same issues and initiatives mentioned in both of the feature articles, from population health management to clinical integration to aligning clinical and social services to developing accountable care models for several payers, including our own hospital, Medicare, and private insurers. Along the way, we have encountered the intersection of concept and reality and forged a path forward.

SAINT FRANCIS *Care*

Saint Francis *Care,* an integrated healthcare delivery system in central Connecticut, is the largest independent Catholic healthcare provider in New England. Our services cover the spectrum of patient needs, including community-based preventive and primary care, specialty care, high-acuity tertiary care, and post-acute care. Many of these services are provided through partnerships, affiliations, and relationships developed with other exceptional providers. Overall, Saint Francis *Care* provides access to almost 900 affiliated physicians, three hospital campuses, 12 satellite medical offices, and a variety of community clinics.

Christopher Dadlez, FACHE, is president and CEO of Saint Francis *Care* Inc. in Hartford, Connecticut.

With 617 licensed beds and 65 bassinets, the flagship of Saint Francis *Care* is Saint Francis Hospital and Medical Center in Hartford. The hospital expanded in 2011 with the addition of the ten-story John T. O'Connell Tower, featuring a state-of-the-art surgical pavilion, dedicated space for the Connecticut Joint Replacement Institute (CJRI), and an expanded emergency department (ED) with 70 treatment areas and a rooftop helipad for the LIFESTAR helicopter. In addition to CJRI, Saint Francis offers centers of excellence in cancer care, heart and vascular disease services, rehabilitation medicine, and women and infants' services. Indeed, Saint Francis opened its 24,500-square-foot Comprehensive Women's Health Center in November 2013, a site that combines breast health, heart health, gynecologic care, and integrative medicine services for women.

Our integrated healthcare delivery system also includes the Mount Sinai Rehabilitation Hospital, Connecticut's only free-standing acute care rehabilitation hospital, which shares space on campus with our Mandell Center for Multiple Sclerosis. In addition, Johnson Memorial Medical Center signed an affiliation agreement with Saint Francis in 2012. The central structure for our ACO is Saint Francis HealthCare Partners, a 50:50 physician–hospital partnership that provides clinical integration and comprehensive administrative support to 700 physicians in more than 200 practices.

A Vision for Value

While we have outstanding facilities, we have long recognized that a well-articulated strategy and aligned providers—not bricks and mortar—are the foundation for advancing healthcare delivery. Back in 2009, Saint Francis *Care* embarked on a unique strategic planning process with an eye toward shaping an organization that would be well positioned to thrive in a changing and uncertain healthcare environment. The core working group was small but represented a diverse mix of administrators, physicians, and board members. *The Innovator's Prescription: A Disruptive Solution for Healthcare,* by Christensen, Grossman, and Hwang (2008), was assigned reading for this group.

From this work, we generated a compelling vision: Best*Care* for a Lifetime. The focus was on delivering value for patients across the continuum of care. In other words—and this was a major shift—we explicitly emphasized the importance of what happens outside the hospital. We were setting the stage to work toward accountable care and saw innovation and a coordinated infrastructure as key drivers.

To achieve the vision of Best*Care* for a Lifetime, our strategic plan called for a new organizational structure, with ten service lines that would set their sights to include the pre-acute/preventive, hospital, and post-acute environments: Behavioral Health, Cardiovascular, CJRI, Emergency Medicine, Medicine, Oncology, Physical Medicine and Rehabilitation, Primary Care, Surgery, and Women and Infants. The work of these service lines is facilitated by robust support platforms that include Business, Clinical Services, and Facilities, as well as our award-winning Innovation + Learning Center. As we had no illusions that a service line model of care was the only key to achieving our vision, the strategic plan also called for becoming a value provider and developing a geographic presence.

By adopting the definition of *value* as outcomes that matter to patients per dollars spent, we leveraged our new organizational structure to focus on the needs of our patients and communities across the continuum of care. To support our

increased emphasis on value, two dozen physicians and executives from Saint Francis have attended Harvard Business School courses presented by professors Michael Porter and Robert Kaplan to engage directly in the latest thinking on value measurement. Armed with a common vocabulary and shared understanding, these leaders were able to reach consensus on a standard Saint Francis approach to not only defining value but also defining outcomes that matter, engaging patients, defining cost, mapping processes, and prioritizing value-oriented projects. We now have a clear mandate for value-driven design across the enterprise, with an aim to deliver value for patients, providers, and payers.

The ACO committee structure proved to be a valuable tool in closing the knowledge gap, at least for those most actively involved.

While focusing on value is the key to staying ahead of the curve in an accountable care world, the advent of funding based on total cost of care and annual budgets requires a coherent geographic presence. In our very competitive marketplace, we have pursued a clinically integrated network approach to avoid the pitfalls and expense of vertical integration. Our alignment strategy is based on providing as much infrastructure support in as many areas as possible, short of an outright acquisition of the practices. By providing infrastructure support, credentialing, contracting, care coordination, and information technology—as well as requiring compliance with our clinical integration approach—we were able to develop our advanced Clinical Integrated Network.

Involving the Board and Engaging Physicians

As many population health initiatives and activities—even those focused on clinical aspects—are relatively new for most healthcare systems, it is absolutely critical to involve the board of directors and engage physicians as equal partners in the transition from volume to value. Early on in our process of developing our population health strategy, we used our annual Board and Leadership Summit to provide context and solicit guidance.

The outcome of that approach was that our board of directors endorsed the recommendation to position Saint Francis HealthCare Partners as the foundation for ACO development, again emphasizing the importance of what happens in physician offices and communities (i.e., not just the hospital). Numerous educational sessions were developed and deployed for the physician community. They were offered at several sites, and physicians were invited to attend at a site of their choice. Our initial aim was to answer as many questions as possible regarding the Affordable Care Act, ACO development, population health, physician requirements, patient engagement, and shared savings.

In terms of governance, we initially created ten ACO committees. More than 170 physicians signed up to participate, with most expressing interest in the Committee on Finance and Shared Savings. The ACO committee structure proved to be a valuable tool in closing the knowledge gap, at least for those most actively involved. After two years in operation, the ACO committees were merged with the eight physician–hospital organization committees, as there was no need for them to operate in parallel universes.

Today, we have 12 committees, all meeting regularly and generating significant physician feedback. That said, we still have a significant knowledge gap. Although our providers have all received information on ACOs and population health management,

many express confusion or a desire to gain a more thorough understanding. Accordingly, we are working to develop the form and content of appropriately tailored population health education for our providers as well as for our patients and the community.

Accountable Care: Learning While Doing

Much like Zenty, Bieber, and Hammack, we have piloted several accountable care opportunities, all treated as disciplined experiments with the intent of refining our capabilities in preparation for assuming downside risk:

- *Employee ACO.* In an effort to both manage our own spending as a self-insured employer and create a model of what we could do for other large employers, we contracted with Saint Francis HealthCare Partners to create an employee ACO. The principles of accountable care were implemented for 6,500 members, and the combination of plan design changes, care coordination interventions, and wellness incentives yielded a tangible reduction in our cost trend experience.
- *Medicare Shared Savings Program ACO.* In January 2013, Saint Francis HealthCare Partners was awarded a Centers for Medicare & Medicaid Services (CMS) ACO contract covering 20,000 lives. As data from CMS has been fed into our claims data warehouse, we have developed new analytic competencies. In addition, we have embedded care coordinators in our large physician practices and used a public utility model to provide care coordination from a central source for our smaller practices.
- *Commercial ACOs.* Private payers quickly got up to speed with accountable care payment mechanisms. In the past year, Saint Francis HealthCare Partners entered into two commercial ACO arrangements, covering another 55,000 lives. Both of these commercial agreements have similar structures based on a total cost of care (i.e., population health management) model.
- *Bundles.* CJRI is a leading-edge program on a number of levels; for example, it offered one of the first bundled products for hip or knee replacement in the United States. These joint bundles include payment for surgeons, anesthesiologists, and the hospital. An additional postsurgical warranty rider is also available.
- *Care coordination.* Saint Francis employs a structured care coordination model, with staffing based on national norms. Covered lives are stratified by health risk, and health coaches are assigned to the highest-risk patients for interventions. Mechanisms to address gaps in care, transitions in care, ED follow-up, and discharge appointment follow-up are all part of the program.

Population Health (Not Just Healthcare)

Operating as a Medicare Shared Savings Program ACO, building an employee ACO, working with private payers to develop new commercial ACO arrangements, offering bundles to the marketplace, and ramping up an enterprise-wide care coordination program all depend on a population health management infrastructure that continues to require significant investment in personnel and information technology. We have successfully built such an infrastructure, but we know our work is not nearly done. A focus on clinical care and clinical integration is

insufficient as we move to an environment in which healthcare providers are accountable for broadly defined health outcomes. In other words, it's not just healthcare. In the context of population health, the big picture includes behavioral and social determinants of health. The key question is whether—and how—healthcare systems can influence these determinants or integrate community and social services that can.

In highlighting the total population health approach, Kindig and Isham also shed some light on why current approaches focus on clinical health for populations. They refer to the definition of population health used by the Institute of Medicine's Roundtable on Population Health Improvement: "The health outcomes of a group of individuals, including the distribution of such outcomes within the group." Given that scope, no one should be surprised or disappointed that healthcare organizations would focus on clinical care. Not only is it their expertise, but the emphasis on outcomes seems to support a clinical approach as well. However, clinical care improvement is only part of the original concept developed by Kindig and Stoddart (2003), which offers a broader and deeper view of population health as encompassing "the definition and measurement of health outcomes and their distribution, the patterns of determinants that influence such outcomes, and the policies that influence the optimal balance of determinants."

Early on in our process of developing our population health strategy, we used our annual Board and Leadership Summit to provide context and solicit guidance.

It is this expanded view that animates the total population health concept offered by Kindig and Isham. Indeed, perhaps most compelling in their article is the statement that "the contribution of healthcare to health is modest—only 20 percent—a fact that many healthcare leaders may find surprising." *Stunning* may be the better word choice here, particularly because other research suggests that 20 percent might be a generous estimate. The other 80 percent of healthcare determinants are identified as health behaviors (30 percent), social and economic factors (40 percent), and physical environment (10 percent)—items outside the control of traditional healthcare delivery systems. This finding challenges the paradigm that has tipped the balance toward sick care instead of healthcare.

That many of our patients struggle with behavioral and social determinants of health is not news. But what is the extent to which healthcare organizations can and should productively partner with patients, communities, and community-based support/social services organizations to address these determinants and improve outcomes? Different healthcare organizations will have different answers to this question. At Saint Francis, we have been working hard to engage all those partners when appropriate. (We say "when appropriate" because not all patients need social services. But for those who do, these services are the rate-limiting step for some patients. In other words, if people cannot take care of their lives, they will have a hard time taking care of their health.)

We have been learning real-world lessons for more than two years as our Emergency Medicine and Primary Care service lines work with our Innovation + Learning Center and Saint Francis HealthCare Partners to improve emergency medicine–primary care coordination. Much of this work has focused attention on the relatively small number of patients who account for a disproportionately large share of ED visits. We developed a robust ED registry that helped us move from

lamenting high *utilization* to getting to know our high *utilizers*. We are now making concerted efforts to integrate clinical services, to focus on care coordination—which includes coordinating the coordinators—and to partner with community and governmental organizations in building a network of care that historically would have been considered outside the purview of a hospital, much less healthcare in general. This is a step toward the community health business model promoted by Kindig and Isham.

Accountable Care Communities

Some of our efforts reflect a move toward an accountable care community (ACC) model that bridges clinical and community settings to address both the medical and the social needs of high-risk, high-cost, or vulnerable patients in an integrated manner consistent with the Triple Aim. In fact, we partnered with Community Solutions and the Department of Mental Health and Addiction Services in Connecticut—as well as with NuHealth, the Health and Welfare Council of Long Island (NY), and Health Leads on Long Island—to submit a proposal to CMS's Center for Medicare & Medicaid Innovation (CMMI) for developing ACCs in Hartford County and Nassau County.

Accountable care community is a term that was first employed by the Austen BioInnovation Institute in Akron (ABIA) to describe a multisector, community-based collaborative effort to transform healthcare in Northeast Ohio. The ABIA (2012) defines an ACC as

> *A collaborative, integrated, and measurable strategy that emphasizes shared responsibility for the health of the community, including health promotion and disease prevention, access to quality services, and healthcare delivery. . . . It builds on initiatives to encompass not only the area's medical care providers, but also the public health system and community stakeholders whose work, taken together, spans the spectrum of the determinants of health.*

The National Governors Association (2013) suggests that ACCs "take the concept of medical homes and accountable care organizations one step further by fostering collaborations borne of shared responsibility among clinical and community sector participants to reform health systems in particular localities." Kindig and Isham mention ACCs as one model with the potential for addressing total population health.

The Integrator Role

Kindig and Isham appropriately highlight the importance of an "integrator," an organization that will pull together the various clinical and social services. Whether we like it or not, given our community presence, hospitals and healthcare organizations will be at the center of these population health dynamics. And even if we account for only 20 percent of health outcomes, we may always be expected by our communities and by business and government sectors to provide central leadership and do the population health "heavy lifting." That expectation will require that we play a role in both clinical and social initiatives. Finding the appropriate mix between the two will be a challenge for any provider. The HealthPartners example featured by Kindig and Isham and similar initiatives will be rare examples indeed unless and until payment models support this kind of work. But it is possible. As a point of reference, the actuarial analysis conducted for our CMMI proposal forecasted a reduction in Medicaid spending

that would produce shared savings sufficient to sustain the ACC program in both Hartford County and Nassau County.

The Hartford region has a highly competitive healthcare landscape, which raises another set of fundamental questions: Can total population health be achieved in a competitive clinical environment? Can the healthcare organizations work together? And how? Providers are in the midst of changing the clinical business model, but is it even more important to develop a sustainable model for integrating clinical services and social services to address the social determinants of health? As might be expected for any new endeavor, there are more questions than answers. But some answers are starting to emerge.

Achieving alignment will require a formal yet dynamic framework to guide stakeholder engagement and shared decision making at the community level.

For instance, Saint Francis, along with the other major hospitals in Hartford, provided funding for the City of Hartford's *Community Health Needs Assessment* report. Scheduled for publication every three years, the first edition was released in March 2012 by the city's Department of Health and Human Services. This study examines the social determinants of health—income, shelter, education, access to nutritious foods, community norms, and cohesion—that affect the health of Hartford residents. The key will be to move from funding the documentation of needs to addressing them in a coherent and sustainable manner.

Conclusion

We may all agree that addressing the social determinants of health is the critical path toward "total population health" and, ultimately, health equity. But we must also acknowledge that moving from concept to real-world action will require significant start-up investment that cannot come from the providers alone. Achieving this complex transformation of care at the population level requires that we align our payment systems, our healthcare delivery systems, and our community support systems. Achieving alignment will require a formal yet dynamic framework to guide stakeholder engagement and shared decision making at the community level.

Acknowledgments

The work ahead requires leaders to gather the collective minds of the thought leaders around us and together create the foundation to advance the delivery of healthcare. I would like to acknowledge the Saint Francis *Care* thought leaders who have contributed their expertise to this commentary: Gregory Makoul, PhD; Danyal Ibrahim, MD; Surendra Khera, MD; Adam Silverman, MD; Jess Kupec; and James Schepker.

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EXHIBIT 7

SFC Alliance Approach

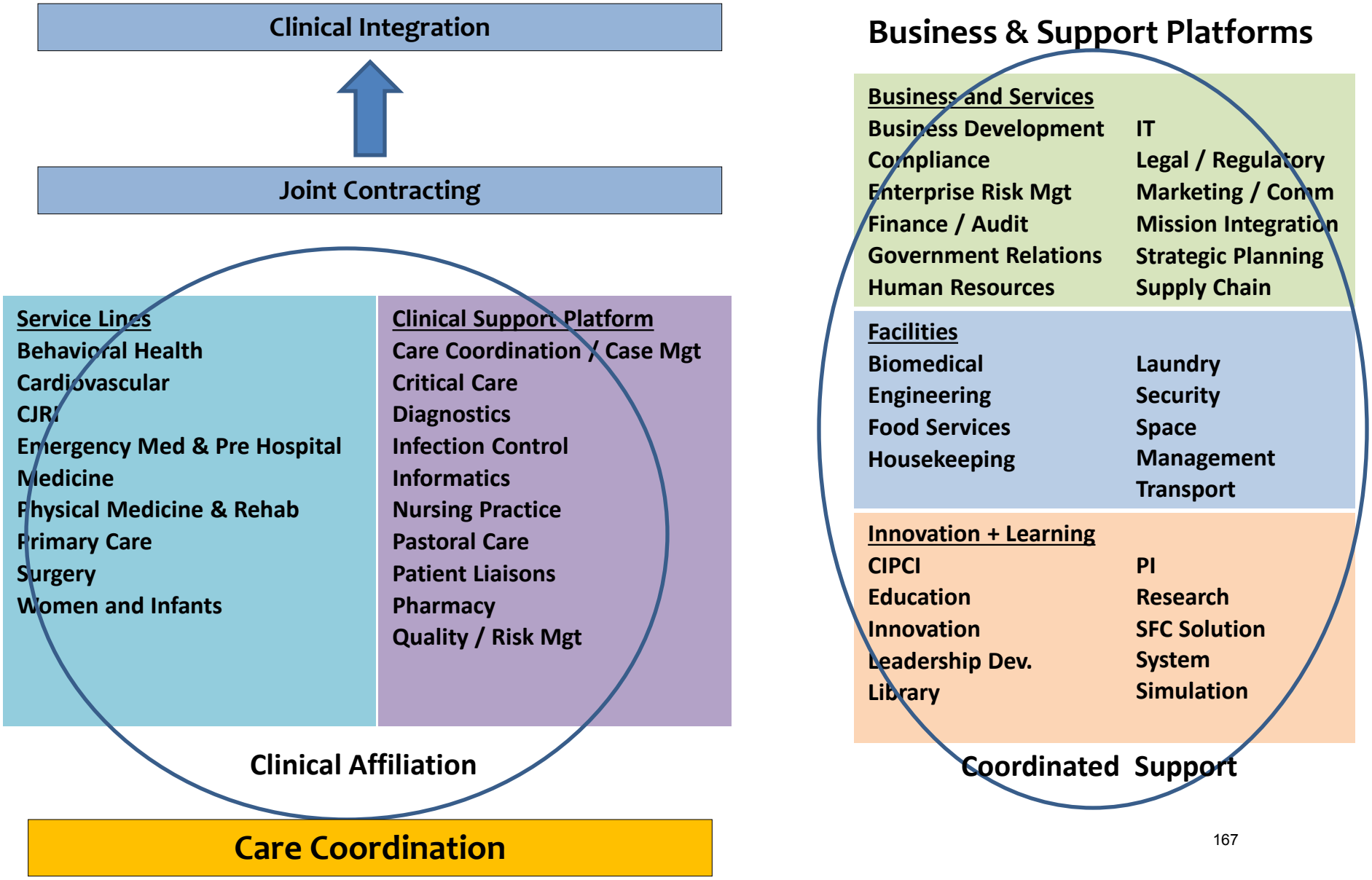

EXHIBIT 8

Exhibit 8
Clinical and Business Agreements

12-252-1 Business Process Outsourcing Agreement.pdf
12-252-2 First Amendment Business Process Outsourcing Agreement.pdf
12-253-1 Clinical Affiliation Agreement.pdf
12-253-First Amendment to Clinical Affiliation Agreement.pdf
12-343-1 Clinical Affiliation Consent to Hire.pdf
12-344-1 BP Consent to Hire - McFarlin.pdf
12-364-1 Business Associate Agreement.pdf
13-380-1 Equipment Purchase Agreement.pdf
13-401-1 Connecticut Occupational Medicine Partners Management Services Agreement.pdf
13-671-1 Business Process Outsourcing Agreement B-4.pdf
13-723-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-6.pdf
13-872-1 Business Process Outsourcing Agreement B-1.pdf
13-872-2 First Amendment Business Process Outsourcing Agreement B-1.pdf
14-0297-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-11.pdf
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14-0565-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-14.pdf
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14-0589-1 Business Process Outsourcing Agreement B-8.pdf
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14-0630-2 Professional Services Agreement.pdf
14-0631-1 Medical Director Agreement.pdf
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14-0641-1 Cancer Program Clinical and Administrative Services Agreement B-17.pdf
14-0641-2 First Amendment Cancer Program Clinical and Administrative Services Agreement B-17.pdf
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14-0666-4 Third Service Leverl Agreement B-16.pdf
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14-0785-2 Amendment to Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-1.pdf
14-0785-3 Amended and Restate Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-1.pdf
14-0820-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-18.pdf
14-0822-1 Agreement for Physician Services B-19.pdf
14-0822-2 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-19.pdf
14-0823-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-13.pdf
14-0823-2 First Amendment to Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-13.pdf
14-0823-3 Amended and Restated Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-13.pdf
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15-0027-1 Business Process Outsourcing Agreement B-9.pdf
15-1083-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-21.pdf
15-1132-1 Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-2.pdf
15-1132-2 Amended and Restated Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-2.pdf
15-1132-3 First Amendment to Clinical Services Sub-Agreement to Clinical Affiliation Agreement B-2.pdf
15-1155-1 Clinical Services Sub-Agreement B-22.pdf
NONE-A-1 Business Associate Agreement.pdf
NONE-B-1 Laundry Agreement.pdf
NONE-C-1 Residency Rotation Agreement.pdf

BUSINESS PROCESS OUTSOURCING AGREEMENT

This Business Process Outsourcing Agreement (this "**Agreement**") is entered into and effective as of the 12th day of July, 2012 (the "**Effective Date**"), by and among Johnson Memorial Medical Center, Inc. ("**JMMC**"), on behalf of itself and its affiliates, Johnson Memorial Hospital, Inc. ("**JMH**"), The Johnson Evergreen Corporation, Inc. ("**JEC**") and Johnson Professional Associates, P.C. ("**JPA**" and, together with JMMC, JMH and JEC, collectively, "**Johnson**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), on behalf of itself and its affiliates, Saint Francis Hospital and Medical Center ("**SFH**") and Saint Francis Medical Group, P.C. ("**SFMG**" and, together with Saint Francis Care and SFH, collectively the "**Saint Francis**").

WHEREAS, Johnson operates a community hospital and other health care facilities and outpatient services (the "**Johnson Facilities**"); and

WHEREAS, Saint Francis operates a tertiary care hospital and other health care facilities and services; and

WHEREAS, Saint Francis and Johnson have entered into an agreement ("**Master Affiliation Agreement**") to, among other things, establish an agreement between them concerning clinical affiliation and collaboration among the parties, and also to establish an agreement between them for the provision by Saint Francis to Johnson of certain business, administrative, and support services when providing such services would improve the quality and cost effectiveness of the Scheduled Services to Johnson and would also benefit Johnson's patients; and

WHEREAS, Saint Francis employs, retains, or otherwise engages qualified personnel ("**Saint Francis Personnel**") who render business, administrative, and support services necessary for the efficient and effective operation of a hospital and other health care facilities; and

WHEREAS, Johnson desires Saint Francis to provide certain business, administrative, and support services required by the Johnson for the benefit of Johnson patients and the efficient and effective operation of Johnson; and

WHEREAS, Saint Francis desires to provide such business, administrative, and support services.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration the sufficiency and receipt of which is acknowledged, the parties agree as follows:

1. Business, Administrative, and Support Services.

1.1 Support Need Areas. The parties acknowledge and agree that, from time to time, Johnson and Saint Francis shall identify business, administrative and support services related to the operation of a hospital and other health care facilities that Saint Francis could provide to

Johnson to promote the efficient and cost effective operation of the Johnson Facilities. Johnson has listed on Schedule A, the business, administrative and support areas in which Johnson has identified that it has a need to develop more efficient and cost effective processes, procedures or methods (each, a "**Support Need Area**", and, collectively, the "**Support Need Areas**"). Johnson and Saint Francis agree to work together in good faith to evaluate and assess the business, administrative and support services required by Johnson in each of the Support Need Areas (and any additional Support Need Areas which may subsequently be identified), to evaluate and assess Saint Francis's ability to provide some or all of the needed services to Johnson in the Support Need Areas, and to use their best efforts to develop a detailed agreement for services to be provided by Saint Francis to Johnson for each Support Need Area for which the parties agree Saint Francis will provide services.

1.2 Business Process Outsourcing Sub-Agreements. The parties acknowledge that evaluation and negotiation of a detailed arrangement for each of the Support Need Areas will take time to develop and they have agreed to approach each Support Need Area on a case by case basis to develop a quality, efficient and cost-effective arrangement. For each Support Need Area in which Johnson retains Saint Francis to provide business, administrative or other support services, Johnson and Saint Francis shall enter into a Business Process Outsourcing Sub-Agreement (each a "**BPO Sub-Agreement**") substantially in the form attached hereto as Schedule B, attached hereto and incorporated herein, and which sub-agreement shall identify, at a minimum: (i) the specific Support Need Area to be addressed; (ii) the specific business, administrative or support services to be provided by Saint Francis to Johnson (the "**Scheduled Services**") for such Support Need Area; (iii) the schedule on which services shall be provided; (iv) the fees to be paid by Johnson to Saint Francis for the Scheduled Services (the "**Scheduled Services Fee**"), which fee shall be determined consistent with the provisions of Section 1.3 below; and (v) any other specific terms or conditions of the arrangement for the Support Need Area, including terms or conditions that may vary from or supersede the Master Terms of this Agreement (as defined below). Each BPO Sub-Agreement shall be signed by the appropriate Johnson and Saint Francis parties and shall be consecutively numbered (e.g. B-1, B-2, B-3, etc.) and upon execution deemed incorporated into Schedule B to this Agreement and herein. Saint Francis shall, and shall ensure that the Saint Francis Personnel (as defined below), provide the Scheduled Services faithfully and in a professional and capable manner, consistent with accepted industry standards and practices.

1.3 Scheduled Services Fees. Johnson shall compensate Saint Francis for the Scheduled Services in accordance with the applicable BPO Sub-Agreement. The parties acknowledge and agree that the Scheduled Services Fee is intended to reflect fair market value in an arm's-length transaction for the Scheduled Services comprising the Scheduled Services to be provided by Saint Francis to Johnson pursuant to this Agreement. The Scheduled Services Fee may be amended from time to time, by written agreement of the parties, to reflect a change in the fair market value of the Scheduled Services; provided, however, that the parties shall not revise the Scheduled Services Fee for any BPO Sub-Agreement more than once every twelve (12) months.

1.4 Scheduling. Saint Francis and Johnson shall work together to determine a mutually acceptable schedule for Saint Francis's provision of the Scheduled Services, as

applicable to the Support Need Area, which shall be set forth in the applicable BPO Sub-Agreement.

1.5 Liaison. In connection with the provision of the Scheduled Services under a BPO Sub-Agreement, the parties agree that each will appoint and make known to the other a liaison through whom operational details and issues relating to the Scheduled Services may be communicated, arranged, and resolved.

1.6 Invoices. Saint Francis, or the applicable Service Provider under a BPO Sub-Agreement (as defined therein), shall send an invoice to JMH, or the applicable Service Recipient under the BPO Sub-Agreement, for the applicable Scheduled Services on a monthly basis. If the Scheduled Services under any BPO Sub-Agreement provide for an hourly or other unit based rate, then Saint Francis, or the applicable Service Provider, shall also provide a description of the Scheduled Services provided in such format as the parties may agree in the applicable BPO Sub-Agreement along with the monthly invoice. Payment in full will be due by the thirtieth (30th) day after submission of the monthly invoice to Johnson ("**Due Date**"); provided, however, that Saint Francis's failure or delay in sending an invoice to JMH, or the applicable Service Recipient under the BPO Sub-Agreement, shall not relieve JMH, or the applicable Service Recipient under the BPO Sub-Agreement, of its obligation to pay for the Scheduled Services rendered. Saint Francis shall be entitled to interest at the rate of 1.5% per month on any amounts not paid by the Due Date. Johnson agrees to pay all collection, court, and other such costs, expenses, and fees (including reasonable attorneys' fees) incurred by Saint Francis to obtain payment of any Scheduled Services Fees past due. The parties agree that Johnson's failure to pay a Scheduled Services Fee by the Due Date shall constitute a material breach for which Saint Francis shall have the right to terminate the applicable BPO Sub-Agreement in accordance with Section 12.2.2.

1.7 No Obligation to Purchase or Sell. Johnson shall not be required to purchase any business, administrative or support services from Saint Francis, and its decision to purchase services from Saint Francis shall be based on the same criteria Johnson used to evaluate other third party vendors of services and supplies for the Johnson Facilities, including, but not limited to, price, quality and customer service. Johnson has the right to change from Saint Francis to a different provider for any such business, administrative or support services in its discretion, subject only to the termination provisions of this Agreement and the applicable BPO Sub-Agreement. Saint Francis shall not be required to sell any business, administrative or support services to Johnson. Saint Francis has the right to stop selling any business, administrative or support services in its discretion, subject only to the termination provisions of this Agreement and the applicable BPO Sub-Agreement.

1.8 Space, Equipment, and Support Staff. The parties acknowledge and agree that some of the Scheduled Services under the BPO Sub-Agreements will be provided from locations other than on-site at Johnson. For those Scheduled Services which the parties agree will be provided on-site at Johnson, Johnson shall provide the Saint Francis Personnel with suitable support staff, office space, equipment, supplies, and utilities as shall be reasonably necessary and appropriate for Saint Francis to provide the Scheduled Services, consistent with Johnson's existing resources, personnel, capacity, facilities and budget.

1.9 Reporting Responsibility. In carrying out the Scheduled Services under a BPO Sub-Agreement, the Saint Francis Personnel shall report to JMMC's Chief Executive Officer, or such other person as he or she designates.

2. Saint Francis Obligations.

2.1 Compliance with Johnson Policies and Applicable Law. In performing the Scheduled Services, Saint Francis and the applicable Service Provider shall, and shall ensure that Saint Francis Personnel, comply with all applicable law, regulatory guidance, accreditation standards, and policies established by Johnson and its medical staff ("**Johnson Policies**"), including without limitation, the Connecticut General Statutes and Public Health Code, the Medicare Conditions of Participation and other regulations promulgated by the United States Department of Health and Human Services and the Centers for Medicare and Medicaid Services, and the standards of The Joint Commission. Upon request by Saint Francis, Johnson shall provide copies of any of the Johnson Policies to assist Saint Francis in meeting this requirement.

2.2 Use of Johnson Facilities. Saint Francis shall, and shall ensure that Saint Francis Personnel, not use any facilities, staff, equipment or supplies provided by Johnson under Section 1.8 for any purpose other than the provision of the Scheduled Services.

2.3 Saint Francis Personnel.

2.3.1 Saint Francis Personnel Qualifications. Saint Francis shall ensure that Saint Francis Personnel who provide Scheduled Services possess the requisite education, training, and skills, as well as any licenses, certifications, and registrations required to provide the service(s) to be delivered. Saint Francis and the applicable Service Provider shall, and shall ensure that Saint Francis Personnel, provide the Scheduled Services faithfully and in a professional and capable manner, consistent with accepted industry standards and practices.

2.3.2 Selection and Assignment of Saint Francis Personnel. The selection and assignment of each Saint Francis Personnel to render Scheduled Services hereunder shall be made at the sole discretion of Saint Francis; provided, however, that Johnson shall have the right to require that a Saint Francis Personnel no longer provide Scheduled Services hereunder to Johnson provided that Johnson has reasonable cause to request the replacement, Johnson informs Saint Francis of the reason(s) for Johnson's request, and Saint Francis is unable within a reasonable period of time to rectify the circumstance(s) which form(s) the basis of Johnson's request.

2.3.3 Saint Francis Employee Misconduct. Saint Francis shall promptly notify Johnson of any determination of professional or criminal misconduct of any Saint Francis Personnel that is likely, in the reasonable judgment of Saint Francis to materially negatively affect the quality of the Scheduled Services provided by Saint Francis and the applicable Service Provider; the safety or welfare of any Johnson patient, visitor, or staff member; or Johnson's reputation or operations. Johnson shall have the right to require that Saint Francis remove such

Saint Francis Personnel from providing further Scheduled Services under this Agreement or any BPO Sub-Agreement.

2.3.4 Saint Francis's Performance Review of its Personnel. Saint Francis shall retain exclusive authority with respect to oversight of Saint Francis Personnel for all purposes, including, without limitation, all decisions to hire, fire, and evaluate the performance of such individuals; provided, however this Section does not affect Johnson's right to require that Saint Francis remove certain individuals from providing Scheduled Services to Johnson pursuant to Sections 2.3.2 and 2.3.3, or the right of Johnson to provide the proper oversight of the overall quality of services provided by the Saint Francis Personnel to the Johnson Facilities.

2.4 Limitation on Saint Francis Authority.

2.4.1 Johnson's Retained Authority. JMMC, JMH, JEC and JPA shall each retain full legal authority over their respective day-to-day operations, and any responsibility or authority not expressly delegated to Saint Francis under this Agreement, or a BPO Sub-Agreement, shall remain with the respective Johnson entity.

2.4.2 No Contracting or Purchasing. Except pursuant to the prior written approval of JMMC, JMH, JEC or JPA, as applicable, neither Saint Francis nor any Saint Francis Personnel shall engage in or cause direct purchasing or otherwise contract any liability on behalf of JMMC, JMH, JEC or JPA and shall neither charge the credit of JMMC, JMH, JEC or JPA nor incur any obligations or enter into any agreement for or on behalf of JMMC, JMH, JEC or JPA.

3. Participation in Joint Purchasing.

3.1 Joint Purchasing Arrangements. Johnson desires to jointly purchase with Saint Francis, or to purchase through Saint Francis or its group purchasing organizations ("**GPOs**"), various medical and hospital products and supplies and various office and business products and supplies (the "**Supplies**") used by the Johnson Facilities where such purchases may yield volume discounts and reduced transaction costs for Johnson and would result in lower costs for healthcare services for patients in its community. The specific items included in the Supplies, should a Joint Purchasing Arrangement (as defined below) be entered into by the parties, shall be determined on a case by case basis related to Johnson's needs for various Supplies and the ability to maintain high quality standards and obtain a reduction in cost. Johnson and Saint Francis agree to explore joint purchasing arrangements that may include: (i) joint negotiation and purchase of Supplies; (ii) Johnson's purchase of Supplies from Saint Francis, or through Saint Francis's vendors, at the same pricing offered to Saint Francis; and (iii) Johnson's purchase of Supplies from GPOs in which Saint Francis participates as an affiliate of Saint Francis (to the extent permitted by such GPOs) (the "**Joint Purchasing Arrangements**"). Johnson shall not be required to use any Joint Purchasing Arrangements entered into by the parties for all of its purchases of any particular product or supplies, and shall be permitted to purchase any Supplies from the vendor of its choice.

3.2 Requirements for Joint Purchasing Arrangements. Johnson and Saint Francis agree that, if they enter into any Joint Purchasing Arrangements, the Joint Purchasing

Arrangements entered into by the parties shall meet all applicable regulatory requirements and guidance, including but not limited to, the following requirements for the antitrust safety zone set forth in Statement 7 of the Department of Justice's and the Federal Trade Commission's Statements of Antitrust Enforcement Policy in Health Care: (i) Supplies purchased through the Joint Purchasing Arrangements from any given supplier will account for less than 35% of that suppliers' sale of those products in the relevant market; and (ii) the cost of all Supplies purchased through the Joint Purchasing Arrangements will account for less than 20% of the total revenue of all products and services sold by the parties. Johnson and Saint Francis agree, on behalf of themselves and their affiliates, not to discuss or agree upon the price or other terms which either party intends to charge or collect for any Supplies purchased under any Joint Purchasing Arrangements or the allocation of payors or patients to whom either party intends to market, as applicable, any specific Supplies resold to patients purchased under any Joint Purchasing Arrangements. In addition, any Joint Purchasing Arrangements entered into by the parties shall contain appropriate auditing provisions to confirm compliance with applicable regulatory requirements and guidance.

3.3 Records and Ordering. If they enter into any Joint Purchasing Arrangements, Johnson and Saint Francis shall each retain records for its purchases of Supplies under any Joint Purchasing Arrangements consistent with its document retention policy for other financial records. In connection with any purchases under such Joint Purchasing Arrangements, Johnson shall issue its own purchase orders, accept its own deliveries, and make its own payments.

3.4 No Joint Liability or Ownership. If they enter into any Joint Purchasing Arrangements, neither Johnson, nor Saint Francis, shall be held to be jointly liable in the event of the failure of the other to perform or discharge its obligations under any joint purchase under any applicable Joint Purchasing Arrangement, it being the intent of the parties that any purchases of either party under any Joint Purchasing Arrangements shall constitute separate purchases of the parties with the applicable vendor. No provision of this Agreement shall be deemed to create a Joint Purchasing Arrangement of any type, any type of joint ownership of any Supplies purchased under a Joint Purchasing Arrangement or any agency relationship between the parties regarding joint purchasing.

4. Participation in the Saint Francis Physician Hospital Organization.

4.1 Participation in the PHO. Saint Francis Healthcare Partners, Inc., a Connecticut non-stock corporation (the "**PHO**"), is the physician hospital organization of which Saint Francis is the sole member. The PHO is designed to facilitate managed care contracting relationships for Saint Francis's healthcare facilities and the physician participants in the PHO with the purpose of providing a full range of quality, cost-effective, medical and hospital services to persons enrolled in health care benefit plans sponsored by third-party payors, self-funded employers and others. Johnson, as a clinical affiliate of Saint Francis, desires to have JMH, JEC and JPA participate in the PHO and Saint Francis, subject to the consent of the PHO, agrees to explore having JMH, JEC and JPA participate in the PHO, to the extent such participation would be permissible as set forth in Section 4.2 below.

4.2 PHO Compliance. Johnson and Saint Francis agree that the participation of

Johnson in the PHO, if any, must be in compliance with all applicable regulatory requirements and guidance, including but not limited to, the requirements for physician hospital networks set forth in Statement 9 of the Department of Justice's and the Federal Trade Commission's Statements of Antitrust Enforcement Policy in Health Care, which permits competitors within a multiprovider network to jointly market their healthcare services to health plans and other purchasers where the participants share substantial financial risk or are sufficiently clinically integrated. The parties shall work together to assess the factors applicable to such compliance and to make a determination of Johnson's eligibility to participate in the PHO. The parties agree to engage legal counsel to assist the PHO and the parties in making this determination.

4.3 PHO Fees and Contract. Johnson acknowledges that JMH, JEC and JPA may be required to pay an initial membership fee to join the PHO and may be required to pay an annual assessment. Johnson acknowledges that JMH, JEC and JPA may be required to sign a participation agreement with the PHO.

5. Master Terms for the BPO Sub-Agreement. The terms and conditions set forth in this Agreement (collectively, the "**Master Terms**") shall apply to each BPO Sub-Agreement executed by the parties under this Agreement. The Master Terms shall be controlling except to the extent a particular BPO Sub-Agreement expressly adopts a different, replacement term applicable to only that BPO Sub-Agreement.

6. Restrictive Covenant.

6.1 Non-Solicitation by Johnson. JMMC, JMH, JEC and JPA each acknowledges that Saint Francis personnel are essential to Saint Francis's operations and are familiar with Saint Francis's operating procedures and other information proprietary to Saint Francis. Therefore, Johnson agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to JMMC, JMH, JEC and JPA), agents, or employees shall directly or indirectly solicit for employment (or engagement as a contractor) by or on behalf of Johnson or any of Johnson's affiliates any Saint Francis personnel, except with the express written consent of Saint Francis.

6.2 Non-Hire by Johnson. JMMC, JMH, JEC and JPA acknowledge that Saint Francis Personnel are essential to Saint Francis's operations and are familiar with Saint Francis's operating procedures and other information proprietary to Saint Francis. Therefore, Johnson agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to JMMC, JMH, JEC and JPA), agents, or employees shall employ, hire, or engage as a contractor by or on behalf of Johnson or any of Johnson's affiliates any Saint Francis Personnel, except with the express written consent of Saint Francis.

6.3 Non-Solicitation by Saint Francis. Saint Francis acknowledges that Johnson Personnel (as defined below) are essential to Johnson's operations and are familiar with Johnson's operating procedures and other information proprietary to Johnson. Therefore, Saint Francis agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to Saint Francis Care, SFH or SFMG), agents, or employees shall directly or indirectly solicit for

employment (or engagement as a contractor) by or on behalf of Saint Francis or any of Saint Francis's affiliates any employees or contractors of Johnson or its affiliates (the "**Johnson Personnel**"), except with the express written consent of Johnson.

6.4 Non-Hire by Saint Francis. Saint Francis acknowledges that Johnson Personnel who are physicians, other licensed independent practitioners, or managers are essential to Johnson's operations and are familiar with Johnson's operating procedures and other information proprietary to Johnson. Therefore, Saint Francis agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to Saint Francis Care, SFH or SFMG), agents, or employees shall employ, hire, or engage as a contractor by or on behalf of Saint Francis or any of Saint Francis's affiliates any Johnson Personnel who were during the Term of this Agreement involved with providing services pursuant to this Agreement, except with the express written consent of Johnson.

6.5 Exception. Nothing in Section 6.1, 6.2, 6.3 or 6.4 shall be deemed to restrict or prevent any physician on the medical staff of either Johnson or Saint Francis from, after the termination of this Agreement, retaining medical staff membership and clinical privileges at any facility of the other party or from practicing at or admitting patients to any facility of the other party or its affiliates where such actions are solely as an independent member of the medical staff of the other party's or its affiliate's facility, and not as an employee or independent contractor, in accordance with the facility's medical staff bylaws.

6.6 Construction by Court. If any part of Section 6.1, 6.2, 6.3, or 6.4 should be determined by a court of competent jurisdiction to be unreasonable in duration, geographic area, or scope, then this Agreement is intended to and shall extend only for such period of time, and in such area and scope and with respect to such activity, as is determined by such court to be reasonable. For example, with respect to the duration set forth in Sections 6.1, 6.2, 6.3, and 6.4, if a court determines eighteen (18) months to be unreasonable; then fifteen (15) months; and if not fifteen (15) months, then twelve (12) months; but not less than twelve (12) months.

6.7 Affirmation of Reasonableness. The parties acknowledge and agree that the scope and duration of the restrictions contained in this Section 6 are fair and reasonable, and shall not unduly prevent Johnson, Saint Francis, or any Johnson or Saint Francis personnel from operating or earning a livelihood, and that such restrictions are important and necessary to protect the legitimate interests of Johnson and Saint Francis.

6.8 Equitable Relief.

6.8.1 Equitable Relief for Saint Francis. Johnson acknowledges that a breach by Johnson of any restriction contained in this Section 6 shall cause Saint Francis irreparable injury and damage, the exact amount of which shall be impossible to ascertain and for which Saint Francis cannot reasonably or adequately be compensated in damages in an action at law. Accordingly, it is the agreement of the parties that, in addition to any other legal rights and remedies which Saint Francis may have in the event of a breach of this Section 6, Saint Francis shall be entitled to demand and obtain, without need of posting any bond or other security, specific performance, including temporary and permanent injunctive relief.

6.8.2 Equitable Relief for Johnson. Saint Francis acknowledges that a breach by Saint Francis of any restriction contained in this Section 6 shall cause Johnson irreparable injury and damage, the exact amount of which shall be impossible to ascertain and for which Johnson cannot reasonably or adequately be compensated in damages in an action at law. Accordingly, it is the agreement of the parties that, in addition to any other legal rights and remedies which Johnson may have in the event of a breach of this Section 6, Johnson shall be entitled to demand and obtain, without need of posting any bond or other security, specific performance, including temporary and permanent injunctive relief.

6.9 Non-exclusivity of Remedies. The parties agree that no specification in this Agreement of any particular legal or equitable remedy shall be construed as a waiver or prohibition against pursuing any other legal or equitable remedy in the event of any breach by a party of any restriction contained in this Section 6. The parties hereby represent that each has had the opportunity to seek legal advice with respect to the provisions of this Section 6, and has determined that the restrictions and remedies set forth in such provisions are fair and reasonable. The prevailing party shall be entitled to reasonable attorneys' fees and court cost incurred in any action to enforce the restrictions contained in this Section 6.

6.10 Tolling of Time Periods. The time for calculating the term of the restrictions contained herein shall not include any period of time during which the covenant is violated or during which any legal action or other proceeding is ongoing to enforce the terms of this Section 5 through the date of final judgment or final resolution, including all appeals, if any, of such legal action or other proceeding, unless the prosecuting party fails to prevail in such action or proceeding.

6.11 Survival. This Section 6 shall survive the expiration or termination of this Agreement.

7. Independent Contractors. It is expressly acknowledged by the parties that Saint Francis (including Saint Francis Personnel) and Johnson are independent contractors and nothing in this Agreement is intended or shall be construed to create between Saint Francis (or Saint Francis Personnel) and Johnson an employer/employee, joint venture, partnership, or other relationship. Saint Francis understands and agrees that Johnson will not make any payment to Saint Francis or any Saint Francis Personnel and will not withhold on behalf of Saint Francis or any Saint Francis Personnel any sums for income tax, unemployment insurance, social security, or any other withholding pursuant to any law or requirement of any governmental body, or make available to

Saint Francis or any Saint Francis Personnel any of the benefits afforded to employees of Johnson and that all of such payments, withholdings, and benefits, if any, are, as between the parties, the sole responsibility of Saint Francis.

8. Records.

8.1 Records Maintenance and Access. Saint Francis shall cause Saint Francis Personnel to prepare and maintain appropriate books and records pertinent to the Scheduled Services provided hereunder and under any BPO Sub-Agreement. Saint Francis shall maintain all such records and documents in a complete, accurate, and organized manner, consistent with prevailing practices and standards. Upon reasonable notice and during regular business hours, Johnson shall be provided access to the books, records, and documents maintained by Saint Francis relating to this Agreement and any BPO Sub-Agreement necessary to verify the quality, nature, extent, and costs of Scheduled Services rendered hereunder.

8.2 Third Party Payor Program Requirements. Saint Francis recognizes that Johnson is a participant in various third party payment programs including, without limitation, the Medicare and Medicaid programs, which participation is essential to the financial viability of Johnson. Therefore, in connection with the subject matter of this Agreement, Saint Francis agrees to cooperate with Johnson and to provide reasonable assistance to Johnson so that Johnson will be able to meet the requirements for participation and payment associated with such third party payment programs. Saint Francis agrees to make available to Johnson such information and records as Johnson may reasonably request to: (i) substantiate its costs under this Agreement and all BPO Sub-Agreements; and (ii) facilitate Johnson's compliance with the requirements of the Medicare Conditions of Participation and the Medicaid State Plan and to facilitate Johnson's substantiation of its reasonable cost or other claims for reimbursement in accordance with the requirements applicable to Johnson pursuant to such third party payor programs. All claims for reimbursement by or on behalf of Johnson or a Johnson entity shall be in accordance with all applicable law and third party payor programs. Johnson and each Johnson entity shall permit Saint Francis reasonable access to such records as may be necessary or desirable for Saint Francis to confirm that any and all claims submitted for reimbursement for Scheduled Services rendered by Saint Francis or Saint Francis Personnel by or on behalf of Johnson or a Johnson entity comply with all applicable law and third party payor programs; provided, however, that Saint Francis shall not have access to confidential rate or reimbursement information or other confidential information the disclosure of which is prohibited by law.

8.3 Governmental Access to Books, Documents and Records. To the extent that the provisions of Section 1861(v)(1)(1) of the Social Security Act (42 U.S.C. § 1395x(v)(1)(1)) are applicable to this Agreement and any BPO Sub-Agreement, both parties agree to make available, on the written request of the Secretary of the Department of Health and Human Services or on the request of the Comptroller General, or any of their duly authorized representatives, this Agreement, all applicable BPO Sub-Agreements, and other books, records and documents that are necessary to certify the nature and extent of costs incurred by either party for services furnished under this Agreement. The obligations hereunder shall extend for four (4) years after the furnishing of such services. The parties shall notify each other of any such request for records. To the extent Saint Francis enters into an agreement with a subcontractor or a related

organization to provide services hereunder with a value or cost of ten thousand dollars ($10,000) or more over a twelve (12) month period, such agreement shall contain a clause permitting access by the Secretary, Comptroller General, and their representatives to the books and records of the related organization and requiring such obligation to extend for four (4) years after the furnishing of such services.

In the event any request for Saint Francis's books, documents, or records is made pursuant to this Section, Saint Francis shall, unless prohibited by law or by the reasonable advice of Saint Francis's counsel (i) give notice of such request to Johnson; (ii) provide Johnson with a copy of such request; and (iii) upon Johnson's written request and at Johnson's expense (with respect to which Saint Francis shall cooperate to use its best efforts to minimize), provide Johnson with a copy of each book, document, and record made available to the persons or agencies listed in the foregoing paragraph, or identify each such book, document, and record to Johnson and grant Johnson access thereto for review and copying. In the event any request for Johnson's books, documents, or records is made pursuant to this Section, Johnson shall, unless prohibited by law or by the reasonable advice of Johnson's counsel (i) give notice of such request to Saint Francis; (ii) provide Saint Francis with a copy of such request; and (iii) upon Saint Francis's written request and at Saint Francis's expense (with respect to which Johnson shall cooperate to use its best efforts to minimize), provide Saint Francis with a copy of each book, document, and record made available to the persons or agencies listed in the foregoing paragraph, or identify each such book, document, and record to Saint Francis and grant Saint Francis access thereto for review and copying. This Section 8.3 shall survive the expiration or termination of this Agreement.

8.4 Ownership. The ownership and right of control of all reports, records, and supporting documents prepared by Saint Francis in provision of the Scheduled Services hereunder (except for reports of Saint Francis prepared solely for Saint Francis's internal purposes) shall vest exclusively in Johnson, provided, however, that Saint Francis may retain copies of such reports, records, and supporting documents to the extent permitted by law.

9. Insurance.

9.1 Saint Francis. In connection with the provision of the Scheduled Services hereunder, Saint Francis shall, at its own expense, establish and maintain general liability insurance coverage in the amounts of $1,000,000 per occurrence and $3,000,000 in aggregate, covering Saint Francis and covering the Saint Francis Personnel providing any Scheduled Services. Johnson shall be identified as an additional insured on such coverage with respect to the Scheduled Services provided under this Agreement. Such insurance shall require thirty (30) days' prior written notice to Johnson in the event of termination, cancellation, or a material change in such coverage. Upon request, Saint Francis shall furnish Johnson with proof of such insurance coverage.

9.2 Johnson. Johnson shall obtain and maintain, at its own expense, general liability insurance, in the amounts of $1,000,000 per occurrence and $3,000,000 in aggregate, covering Johnson and all Johnson employees. Saint Francis shall be named as an additional insured of such policies solely with respect to the Scheduled Services provided hereunder and only to the

extent that the claim against Saint Francis and/or a Saint Francis Personnel arises from the acts, errors, or omissions of Johnson or its employee. Such insurance shall require thirty (30) days' prior written notice to Saint Francis in the event of termination, cancellation, or a material change in any such policy. Upon request, Johnson shall furnish Saint Francis with evidence of each such insurance policy and any amendment or renewal thereof.

10. Indemnification.

10.1 Indemnification of Johnson. Saint Francis agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless Johnson, and Johnson's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions or intentional misconduct of Saint Francis or Saint Francis Personnel in performing its or their obligations under this Agreement or any BPO Sub-Agreement.

10.2 Indemnification of Saint Francis. Johnson agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless Saint Francis, and Saint Francis's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions or intentional misconduct of Johnson or Johnson Personnel in performing its or their obligations under this Agreement of any BPO Sub-Agreement.

10.3 Notification of Claim. In the event of any claim for indemnification under this Section 10, the indemnified party shall notify the indemnifying party in writing of any fact or circumstance which gives rise to liability for which the indemnified party is indemnified hereunder with reasonable promptness after such fact or circumstance first comes to the attention of the indemnified party; provided, however, the failure to give such notice shall not relieve the indemnifying party of its indemnification obligations unless, and only to the extent that, the failure to give such notice actually prejudices the rights of the indemnifying party.

10.4 Defense of Claims. If a claim is based upon a demand, claim, or action brought by a third party, the indemnifying party shall defend such demand, claim, or action at its expense with counsel of its choice reasonably acceptable to the indemnified party. The indemnifying party shall not have the right to compromise or settle such claim without the consent of the indemnified party (which consent will not be unreasonably withheld, delayed, or denied) unless such compromise or settlement includes a full release of the indemnified party from liability for the claim. The indemnified party may participate in any such matter at its expense and with counsel of its choice. The indemnified party will cooperate with the indemnifying party in all reasonable ways in the defense of any such action and shall give the indemnifying party access to such relevant files and records for inspection and copying, and make its employees available to the indemnifying party at the expense of the indemnifying party in the defense of any action for which the indemnified party is being indemnified hereunder.

10.5 Survival of Rights. The obligations under this Section 10 shall survive the expiration or termination of this Agreement.

11. Dispute Resolution.

11.1 Mediation by the Parties. Any deadlock, dispute, or controversy arising out of or relating to this Agreement, any BPO Sub-Agreement, or the breach hereof or thereof shall first be referred to the Chief Executive Officer of Saint Francis and the Chief Executive Officer of JMMC, who shall exert their good faith efforts to achieve a resolution. If any such dispute is not resolved by such group within thirty (30) days after notice thereof (or such longer period as the parties may then agree) (the "**Voluntary Resolution Period**"), then any party to such dispute may submit, within thirty (30) days after the end of the Voluntary Resolution Period, the dispute or controversy to arbitration pursuant to Section 11.2.

11.2 Arbitration. Any deadlock, dispute, or controversy arising out of or relating to this Agreement, a BPO Sub-Agreement, or the breach hereof or thereof and not resolved under Section 11.2 shall be resolved by arbitration pursuant to binding arbitration in Connecticut under the auspices of the American Health Lawyers Association ("**AHLA**") pursuant to the AHLA Alternative Dispute Resolution Service Rules of Procedure for Arbitration, before a single arbitrator with experience in the arbitration of disputes of a similar nature. The arbitrator shall have authority to award compensatory damages only and equitable relief only as permitted under this Agreement or state law. The arbitrator shall have no authority to award consequential damages, punitive damages or multiple damages. Each party will be responsible for its own legal fees and other expenses incurred in connection with such arbitration proceeding, except that the costs of the arbitrator shall be borne equally by the parties that are involved in the dispute (i.e., Saint Francis shall bear one-half and the Johnson party(ies) shall bear one-half). The decision of the arbitrator shall be final and binding upon the parties, and judgment confirming the arbitrator's award may be enforced in any court of competent jurisdiction. The parties hereby exclude any right of appeal to any court on the merits of the dispute.

11.3 Equitable Relief. The foregoing provisions for mediation and arbitration shall not prevent a party from applying for and obtaining injunctive or other equitable relief as provided elsewhere in this Agreement or by showing that, in the absence thereof, the rights of such party cannot be adequately protected.

12. Term and Termination of Agreement.

12.1 Term. This Agreement shall be for a term of five (5) years commencing on the Effective Date set forth above (the "**Term**"), unless terminated earlier in accordance with the terms of Section 12 or other applicable provisions of this Agreement. Thereafter, this Agreement may be renewed upon the mutual written agreement of the parties (a "**Renewal Term**"). Any BPO Sub-Agreement entered into by the parties shall be effective from the Start Date (as defined in the sub-agreement) for the Scheduled Services set forth in the BPO Sub-Agreement through the end of the Term of this Agreement, unless the BPO Sub-Agreement is terminated earlier in accordance with its terms or the provisions for termination set forth in this Agreement. The foregoing not withstanding, no BPO Sub-Agreement shall have a stated initial term of less than

one (1) year. This Agreement or any BPO Sub-Agreement shall not be renewed on the same financial terms and conditions without the parties first re-assessing the fair market value of the Scheduled Services at the time of any renewal.

12.2 Termination.

12.2.1 Termination by Agreement. Subject to Section 12.2.7, below, this Agreement or any BPO Sub-Agreement may be terminated by written agreement of the parties.

12.2.2 Termination on Notice for Default. Subject to Section 12.2.7, below, a party may terminate this Agreement or any BPO Sub-Agreement upon one hundred twenty (120) days prior written notice to the other parties upon a material breach hereof, which breach has not been cured to the reasonable satisfaction of the notifying party within such one hundred twenty (120) day period. Although other circumstances may also constitute a material breach of this Agreement, Johnson's failure to pay by the Due Date (i) the Scheduled Services Fees for three (3) or more BPO Sub-Agreements and/or (ii) at least ninety per cent (90%) of all Scheduled Services Fees due shall constitute a material breach of this Agreement.

12.2.3 Immediate Termination.

(a) By Johnson. Notwithstanding anything herein to the contrary, Johnson may terminate this Agreement or any BPO Sub-Agreement immediately upon written notice to Saint Francis (i) if Saint Francis fails to maintain the insurance required hereunder; (ii) if Saint Francis loses or has suspended its license or other authority to perform its obligations hereunder; or (iii) in the event that Saint Francis Care, SFH or SFMG is (A) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (B) excluded from or debarred from participation in any federal health care program, including Medicare or Medicaid; or (C) becomes listed as a party excluded from any federal health care program on the General Services Administration's excluded party listing system; provided, however, if any Saint Francis Personnel providing the Scheduled Services is convicted, excluded, or debarred as described above and Saint Francis immediately replaces such Saint Francis Personnel with other qualified Saint Francis Personnel reasonably acceptable to Johnson, this Agreement, or the applicable BPO Sub-Agreement, may not be terminated pursuant to this Section.

(b) By Saint Francis. Notwithstanding anything herein to the contrary, Saint Francis may terminate this Agreement or any BPO Sub-Agreement immediately upon written notice to Johnson (i) if any of the Johnson entities fails to maintain the insurance required hereunder; (ii) if any of the Johnson entities loses or has suspended its license or other authority to perform its obligations hereunder; (iii) in the event that JMMC, JMH, JEC or JPA is (A) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (B) excluded from or debarred from participation in any federal health care program, including Medicare or Medicaid; or (C) becomes listed as a party excluded from any federal health care program on the General Services Administration's excluded party listing system; or (iv) as set forth in Section 14.5.

12.2.4. Termination due to Changes in Laws and Regulations. Subject to Section 12.2.7, a party may terminate this Agreement or any BPO Sub-Agreement in accordance with the provisions of Section 13.5.

12.2.5 Termination of a BPO Sub-Agreement without Cause. Either Johnson or Saint Francis may terminate any specific BPO Sub-Agreement, without terminating this Agreement in its entirety, at any time, without cause or reason, by providing at least one hundred and eighty (180) days written notice to the other party, unless more or less notice is otherwise required or provided for in the applicable BPO Sub-Agreement.

12.5.6 Termination of Exclusivity Period. In the event the Exclusivity Period established by and defined in the Master Affiliation Agreement terminates for any reason, then this Agreement and all of the BPO Sub-Agreements shall also terminate on the date that is one hundred and eighty (180) days after the date that the Exclusivity Period terminated (or a lesser or longer number of days if mutually agreed to by the parties in writing) (the "**Wind-up Period**"). During the Wind-up Period, the parties to this Agreement and any BPO Sub-Agreement shall work together cooperatively to provide for an orderly transition of any Scheduled Services provided to Johnson under this Agreement and the BPO Sub-Agreements. Notwithstanding the foregoing, the parties acknowledge that even if the Exclusivity Period terminates, the parties may desire to keep in place some or all of the BPO Sub-Agreements. Therefore, within fifteen (15) days of the date of termination of the Exclusivity Period, Johnson shall provide written notice to Saint Francis of which, if any, BPO Sub-Agreements Johnson desires to remain effective, and if Saint Francis agrees to continue to provide some or all of such Scheduled Services, then the parties shall work together in good faith to amend in writing this Agreement and the applicable BPO Sub-Agreement(s) to reflect the revised term for such continued agreements and any other amendment(s) that may be necessary or appropriate to implement the continuation of such agreements. If any BPO Sub-Agreement is not amended to continue the term thereof, then such BPO Sub-Agreement shall be terminated effective on the last day of the Wind-up Period.

12.2.7 Limit on Re-Negotiation. In the event of termination of this Agreement for any reason, or the termination of a BPO Agreement, the parties agree that they shall not enter into a new, amended, or re-negotiated agreement concerning the same subject matter and containing revised pricing or compensation terms for a twelve (12) month period from the date of such termination.

12.3 Effects of Termination.

12.3.1 Termination of this Agreement shall result in automatic termination of all of the BPO Sub-Agreements subject to the same notice period, unless otherwise agreed to in writing by the parties. Termination of a specific BPO Sub-Agreement shall apply only to such sub-agreement and shall not be deemed to terminate this Agreement or any other BPO Sub-Agreement between the parties.

12.3.2 Upon termination of this Agreement as herein above provided, a party shall not have any further obligation hereunder except for: (i) obligations accruing prior to the

date of termination; and (ii) obligations, promises, or covenants contained herein which are expressly made to extend beyond the term of this Agreement. Upon termination of a BPO Sub-Agreement, without a termination of this Agreement in its entirety, as provided herein or in the BPO Sub-Agreement, a party shall not have any further obligation under such BPO Sub-Agreement except for: (i) obligations accruing prior to the date of termination, including the payment of the Scheduled Services Fee through the date of termination; and (ii) obligations, promises, or covenants contained therein or in this Agreement which are expressly made to extend beyond the termination of the BPO Sub-Agreement.

13. General Compliance.

13.1 Exclusion.

13.1.1 Saint Francis Representations and Warranties. Saint Francis represents and warrants that neither Saint Francis Care, SFH, SFMG nor any of the Saint Francis Personnel providing the Scheduled Services has ever been (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's Excluded Party Listing System.

13.1.2 Notification by Saint Francis. Saint Francis shall notify Johnson immediately in the event that any representation contained in 13.1.1 above is or becomes untrue at any time during the Term of this Agreement.

13.1.3 Johnson Representations and Warranties. JMMC represents and warrants that neither it nor, JMH, JEC and JPA has ever been (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's Excluded Party Listing System.

13.1.4 Notification by Johnson. Johnson shall notify Saint Francis immediately in the event that any representation contained in 13.1.3 above is or becomes untrue at any time during the Term of the Agreement.

13.2 False Claims. Saint Francis acknowledges on behalf of itself and the Service Providers and all of the Saint Francis Personnel that Johnson has provided it and them with access to its policy on False Claims and Payment Fraud Prevention (the "**Policy**"). The parties acknowledge that the False Claims Act (31 U.S.C. § 3729 et seq.) imposes penalties for knowingly submitting a false claim or statement to a federally funded program, or otherwise conspiring to defraud the government, in order to receive payment. It also protects individuals who report suspected fraud. Any suspected fraud will be reported as provided in the Policy.

13.3 No Intent to Induce Referrals. It is not the intent of the parties that any payments made pursuant to this Agreement or any BPO Sub-Agreement be in return for the referral of business, if any, or in return for the purchasing, leasing, or ordering of any services other than the specific Scheduled Services described in this Agreement and the BPO Sub-Agreements. All payments specified in the BPO Sub-Agreements shall be consistent with what the parties reasonably believe to be a fair market value for the Scheduled Services provided. The parties acknowledge that the arrangements contemplated by this Agreement are not conditioned in any way on any party, or its affiliates, referring patients to any other party, or its affiliates, and each party and its affiliates shall remain permitted to refer patients to any other entities or healthcare facilities.

13.4 Compliance with Law. The parties shall comport their conduct in implementing and performing this Agreement and the BPO Sub-Agreements to comply at all times with all provisions of applicable law, including, without limitation, the Connecticut General Statutes and Public Health Code, the Medicare Conditions of Participation and other regulations promulgated by the United States Department of Health and Human Services and the Centers for Medicare and Medicaid Services, 42 U.S.C. § 1320-a-7b, 42 U.S.C. § 1395nn, and federal and state antitrust laws, including Sections 1 and 2 of the Sherman Act and Section 7 of the Clayton Act, as each may be amended from time to time (the "**Laws and Regulations**").

13.5 Changes in Laws and Regulations. Notwithstanding any other provisions of this Agreement, if: (i) a party at any time determines upon the reasonable advice from counsel that any provision of this Agreement, or a BPO Sub-Agreement, does or may violate applicable Laws and Regulations then in effect or to become effective as of a date certain; (ii) the governmental agencies (or their representatives) that administer Medicare or Medicaid, or any other federal, state, or local government or agency, should pass, issue, or promulgate any law, rule, regulation, standard, or interpretation at any time while this Agreement, or a BPO Sub-Agreement, is in effect that materially and adversely affects any party's rights or obligations hereunder or thereunder; or (iii) any court or agency of any federal, state, or local government issues an order, decree, opinion, or ruling or takes any other action that will materially and adversely affect, restrict, or prohibit the ability of a party to perform its obligations under this Agreement, or a BPO Sub-Agreement; then the parties shall negotiate in good faith an appropriate modification to the terms and conditions of this Agreement, or the BPO Sub-Agreement, to accommodate such provisions of applicable Laws and Regulations or judicial or administrative decisions and to effectuate the existing terms and intent of this Agreement, or the BPO Sub-Agreement, to the greatest possible extent consistent with the requirements of such law or decision. Should the parties fail to reach agreement as to such modification of this Agreement, or the BPO Sub-Agreement, within ninety (90) days, then any party may terminate this Agreement, or the BPO Sub-Agreement, on ten (10) days' prior written notice.

13.6 Cooperation with Compliance Audits. Without limiting the foregoing, this Agreement shall not limit any rights or obligations of any party in respect of compliance audits or other similar activities conducted by or on behalf of such party in relation to such party's own operations and activities, and each party agrees to reasonably cooperate with the other parties in connection with any compliance audit, investigation, or other similar activity conducted by or on behalf of each party in relation to such party's own operations and activities. Each party shall be responsible for the costs of any audit, investigation, or similar activity conducted with respect to such party's activities.

13.7 Complaint or Investigation.

13.7.1 Notification of Complaint or Investigation. To the extent permitted by law, Johnson shall immediately notify Saint Francis of any of the following (collectively, "**Complaint and Investigation Proceedings**"): (i) a complaint by a patient or a patient's representative about Saint Francis's or Saint Francis Personnel's performance of its/his/her duties hereunder, or under a BPO Sub-Agreement, or the provision of the Scheduled Services; or (ii) any inquiry, investigation, or other proceeding concerning or relating to Saint Francis, this Agreement, any BPO Sub-Agreement, the Scheduled Services, or billing, payment, or collection for the Scheduled Services instituted by or in any federal or state court or before any agency, commission, regulatory body, or governmental authority, whether federal, state, or local, including, but not limited to, CMS, the Office of Inspector General of the United States Department of Health and Human Services, and Connecticut's Medicaid Fraud Control Unit, or by a third-party payor.

13.7.2 Consultation. To the extent permitted by law, Johnson shall provide Saint Francis a draft of any response or filing it plans to submit regarding Complaint and Investigation Proceedings reasonably in advance of Johnson's submission to allow Saint Francis the opportunity to comment; provided, however, that Johnson shall not be required to make any disclosure to Saint Francis that would, in the reasonable opinion of Johnson's legal counsel, vitiate a material legal privilege. Johnson shall consider Saint Francis's comments, if any, in formulating Johnson's response.

13.7.3 Right to Participate and Respond. To the extent permitted by law, Saint Francis shall have the right, on its own account and at its sole discretion, to respond to and participate in any and all Complaint and Investigation Proceedings. Johnson agrees not to object or otherwise oppose Saint Francis's participation in Complaint and Investigation Proceedings.

13.7.4 Survival. This Section 13.7 shall survive the expiration or termination of this Agreement.

14. Applicability of Ethical and Religious Directives for Catholic Health Care Services.

14.1 Directives Apply to Saint Francis. Saint Francis is organized and operates under the sponsorship of the Roman Catholic Church, and conducts its activities in accordance with the Ethical and Religious Directives for Catholic Health Care Services ("**Directives**") as adopted by the United States Conference of Catholic Bishops, and as the same may be amended from time to time. The Directives are applicable to Saint Francis as a Catholic health care institution in relation to its own operations, activities, and administration, and to the manner in which Saint Francis may collaborate or cooperate with Johnson and the Johnson entities as non-Catholic institutions.

14.2 Saint Francis Activities. Saint Francis (i) will not participate with Johnson in any obstetrical, gynecological, or reproductive procedures, programs, or activities, or in any family planning or other activity, that does not conform with the Directives, and (ii) will conduct its own activities, and will only provide services to Johnson, so that Saint Francis conforms with the Directives, and so as to avoid any perception by others that Saint Francis has compromised its moral principles by participating in acts that do not conform with the Directives.

14.3 No Saint Francis Participation in Non-conforming Activities. Nothing contained in this Agreement, or any BPO Sub-Agreement, shall require or be deemed to require Saint Francis to participate with Johnson in any obstetrical, gynecological, or reproductive procedures, programs, or activities, or in any family planning or other activity, that does not conform with the Directives, or otherwise act in any manner that Saint Francis, in its sole discretion, believes could cause Saint Francis to violate the Directives, or would create any perception by others that Saint Francis has compromised its moral principles by participating in acts that do not conform with the Directives.

14.4 Joint Activities. Saint Francis's activities in relation to Johnson always will ensure that any services provided by Saint Francis, and any joint activities among Saint Francis and Johnson, do not entail involvement by Saint Francis with any obstetrical, gynecological, or reproductive procedures, programs, or activities, or with any family planning or other activities, that do not conform with the Directives. Accordingly, none of Saint Francis's personnel will be involved in any family planning, obstetrical, gynecological, or reproductive procedures, programs, or activities, or any other procedures, programs, or activities of, by, or on behalf of Johnson that do not conform with the Directives, Saint Francis shall not have joint or shared responsibility for any such activities, and Saint Francis shall not share or have involvement with any governance, financial, administrative, or support functions related to any such activities.

14.5 Termination by Saint Francis. In the event that Saint Francis, at any time in its sole discretion, believes that any services provided by Saint Francis, or any joint activities between Saint Francis and Johnson pursuant to this Agreement or any BPO Sub-Agreement, or any activities of Johnson, whether pursuant to the provisions of this Agreement, a BPO Sub-Agreement, or otherwise, could cause Saint Francis to violate the Directives, or would lead others to perceive that Saint Francis has compromised its moral principles by participating in acts that do not conform with the Directives, then Saint Francis will, at its option and in its sole discretion, terminate this Agreement, the BPO Sub-Agreement, and/or Saint Francis's participation in such services or activities.

15. Security/Confidentiality.

15.1 Compliance with Policies. Saint Francis shall, and shall ensure that each Saint Francis Service Provider and all of the Saint Francis Personnel, comply with all Johnson's policies and procedures pertaining to confidentiality, security, and vendor identification. Johnson may issue non-employee identification badges under certain conditions, and Saint Francis agrees that all Saint Francis Personnel issued an identification badge by Johnson shall prominently display such badge at all times while on Johnson premises and providing Scheduled Services hereunder. All badges must be surrendered by Saint Francis Personnel when requested by Johnson.

15.2 Confidential Information. Saint Francis Care covenants and agrees, on behalf of itself, SFH and SFMG, any other Saint Francis Service Provider and all Saint Francis Personnel, that each shall retain in confidence all Confidential Information and know-how transmitted to it by Johnson that Johnson has identified prior to disclosure or in a BPO Sub-Agreement as being proprietary and/or confidential or that, by the nature of the circumstances surrounding disclosure or the nature of the information disclosed, ought in good faith to be treated as proprietary or

confidential and will make no use of such Confidential Information and know-how except under the terms of and during the existence of this Agreement. JMMC covenants and agrees, on behalf of itself, JMH, JEC and JPA and the Johnson Personnel, that each shall retain in confidence all Confidential Information and know-how transmitted to it by Saint Francis that Saint Francis has identified prior to disclosure or in a BPO Sub-Agreement as being proprietary and/or confidential or that, by the nature of the circumstances surrounding disclosure or the nature of the information disclosed, ought in good faith to be treated as proprietary or confidential and will make no use of such Confidential Information and know-how except under the terms of and during the existence of this Agreement. Confidential Information ("**Confidential Information**") shall include, by way of example and not limitation, any and all information regarding finances, practices, employees, management, strategic plans or marketing, know-how and business processes. Confidential Information shall not include information which (i) at the time of disclosure was, is, or thereafter becomes disclosed or available to or known by the public (other than as a result of a disclosure in violation of any of obligations hereunder); (ii) was, is, or thereafter becomes available on a non-confidential basis from a source that is not and was not prohibited from disclosing such information by a contractual, legal, or fiduciary obligation; or (iii) has been or thereafter becomes independently acquired or developed without access to any of the Confidential Information provided by the other party. A party shall exercise the same level of care to prevent the impermissible use or disclosure of the other parties' Confidential Information in its custody or control that it exercises in protecting its own information of a similar nature, and, in any event, no less than commercially reasonable efforts. Notwithstanding anything herein to the contrary, solely to the extent necessary to carry out obligations hereunder or legal obligations of the party, a party shall have the right to disclose Confidential Information to any of such party's attorneys, accountants, consultants, and other third parties retained by the party (collectively, "**Consultants**") so long as the Consultant is bound by confidentiality obligations at least as strict as those set forth herein, and with each party liable for any violation of this Section 15.2 by any of its Consultants. In the event that a party or any of its Consultants is requested or becomes legally compelled to make any disclosure which is prohibited or otherwise constrained by this Agreement, that party shall provide the party whose Confidential Information is sought with prompt notice of such request(s) so that the party whose Confidential Information is sought may seek an appropriate protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or a waiver is granted, the party or its Consultant to whom the demand was directed shall disclose only that portion of the Confidential Information which it is legally compelled to disclose and shall use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information disclosed. The provisions of this Section shall survive termination of this Agreement.

15.3 Compliance with Confidentiality Laws. Saint Francis shall, and shall cause each Service Provider and all Saint Francis Personnel to, maintain all patient-related information to which it/he/she has access in performing under this Agreement or any BPO Sub-Agreement, including but not limited to protected health information ("**PHI**"), as that term is defined under the Health Insurance Portability and Accountability Act of 1996, as amended, and the regulations promulgated thereunder ("**HIPAA**"), in confidence in accordance with all applicable laws and regulations. The parties also acknowledge that in connection with the performance of some of the provisions of this Agreement or the BPO Sub-Agreements, Saint Francis, the Service Provider and the Saint Francis Personnel may have access to and receive confidential patient

information, including but not limited to PHI, and may act as a Business Associate (as defined in HIPAA) of Johnson. Saint Francis agrees to follow, and shall ensure that the Service Providers and Saint Francis Personnel follow, all rules, regulations, policies and procedures established by Johnson with respect to the protection of the privacy and confidentiality of patient medical information under applicable law, including but not limited to HIPAA. Without limiting the foregoing, Saint Francis represents and warrants on behalf of itself and each Service Provider and all Saint Francis Personnel that each Service Provider and all Saint Francis Personnel has been trained in and will comply with the confidentiality and disclosure requirements of applicable law and regulations, including but not limited to HIPAA. Contemporaneous with the execution of this Agreement, Saint Francis and Johnson and their respective affiliates identified therein shall execute the Business Associate Agreement attached hereto and incorporated herein as Schedule C.

15.4 Injunctive Relief. Unauthorized use of Confidential Information is a material breach of this Agreement resulting in irreparable harm for which the payment of money damages is inadequate. It is agreed that the non-breaching party, upon adequate proof of unauthorized use, may immediately obtain, without need of posting any bond or other security, injunctive relief and other equitable relief in any court of competent jurisdiction enjoining any continuing or further breaches and may obtain entry of judgment for injunctive relief. Nothing in this Agreement shall be construed to limit remedies at law or equity in the event of a breach.

16. Intellectual Property. Saint Francis shall retain all rights, titles, and interests in its intellectual property used in performing under this Agreement or a BPO Sub-Agreement, including, but not limited to, any research, information, procedure, invention, modification, discovery, design, drawing, plan, system, method, specification, publication, development, improvement, process, formula, data, technique, know-how, or trade secret, or any interest therein (whether or not patentable or registrable under patent, copyright or similar statutes or subject to analogous protection) in any application that relates to its performance under this Agreement or a BPO Sub-Agreement. Johnson shall retain all rights, titles, and interests in its intellectual property used in performing under this Agreement or a BPO Sub-Agreement, including, but not limited to, any research, information, procedure, invention, modification, discovery, design, drawing, plan, system, method, specification, publication, development, improvement, process, formula, data, technique, know-how, or trade secret, or any interest therein (whether or not patentable or registrable under patent, copyright or similar statutes or subject to analogous protection) in any application that relates to its performance under this Agreement or a BPO Sub-Agreement. Notwithstanding the foregoing, except as may be set forth in a BPO Sub-Agreement (which terms and provisions shall survive the termination or expiration of this Agreement and the BPO Sub-Agreement), nothing in this Section 16, Section 15.2 or any other provision of this Agreement, shall prohibit Johnson from utilizing the information, techniques, procedures, know-how and methods developed and used by Saint Francis and the Saint Francis Personnel to operate, administer and provide the Scheduled Services under any BPO Sub-Agreement for the benefit of Johnson or its affiliates after the termination or expiration of this Agreement or any BPO Sub-Agreement.

17. Miscellaneous.

17.1 Cooperation. The parties agree to cooperate with each other in good faith to effectuate the arrangements contemplated by this Agreement, including, but not limited to, obtaining all regulatory approvals, if any, required to implement the contemplated arrangements.

17.2 Notices. Any notice, demand or communication required, permitted or desired to be given hereunder shall be in writing and shall be deemed effectively given when personally delivered, when received by overnight courier, or five (5) calendar days after being deposited in the United States mail by prepaid certified mail, return receipt requested, addressed as follows:

If to Johnson: *(Including JMMC, JMH, JEC and JPA)*	David Morgan, President and CEO Johnson Memorial Medical Center 201 Chestnut Hill Road Stafford Springs, CT 06076 Fax: (860)
With a copy to:	Eric A. Henzy, Esq. Reid and Riege, P.C. One Financial Plaza Hartford, CT 06103 Fax: (860) 240-1002
If to Saint Francis: *(Including Saint Francis Care, SFH and SFMG)*	Christopher Dadlez, President and CEO Saint Francis *Care*, Inc. 114 Woodland Street Hartford, CT 06105 Fax: (860) 714-7920
With a copy to:	Teresa M. Bolton, Esq., General Counsel and Vice President of Legal Affairs Saint Francis *Care*, Inc. 114 Woodland Street Hartford, CT 06105 Fax: (860) 714-5408

17.3 Assignment. No assignment of this Agreement or any BPO Sub-Agreement or the rights and obligations hereunder shall be valid without the specific written consent of the parties to this Agreement and/or the BPO Sub-Agreement, as applicable.

17.4 Governing Law; Venue. This Agreement and any BPO Sub-Agreement have been, or will be, executed and delivered in and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Connecticut, without regard to its conflict of law principles. Venue of any dispute arising hereunder shall reside in the courts of the State of Connecticut located in Hartford County.

17.5 Waiver of Breach. The waiver by a party of a breach or violation of any provision of this Agreement, or any BPO Sub-Agreement, shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof or thereof.

17.6 Severability. In the event any provision of this Agreement, or any BPO Sub-Agreement, is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, or the applicable BPO Sub-Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

17.7 Amendment. This Agreement, and any BPO Sub-Agreement, may be amended only by a written instrument executed by the parties hereto or thereto, as applicable.

17.8 Entire Agreement. This Agreement supersedes all previous contracts, and this Agreement, together with the BPO Sub-Agreements from time to time in effect, constitutes the entire agreement between the parties with respect to the Scheduled Services and the other matters set forth herein or therein. No oral statements or prior written material with respect to the Scheduled Services or other matters set forth in this Agreement not specifically incorporated herein or in a BPO Sub-Agreement shall be of any force and effect, and no changes in or additions to this Agreement or any BPO Sub-Agreement shall be recognized unless incorporated herein or therein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s).

17.9 Counterparts. This Agreement, and any BPO Sub-Agreement, may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute a single instrument.

17.10 No Drafting Presumptions. This Agreement has been, and each of the BPO Sub-Agreements will be, jointly negotiated among commercial parties with the benefit of counsel, and neither this Agreement, any BPO Sub-Agreement, nor any provision hereof or thereof shall be construed against its drafter due to the origin of the drafted material.

17.11 Third Parties. Nothing in this Agreement, or any BPO Sub-Agreement, is intended to confer upon any person or entity other than the parties to this Agreement, or any BPO Sub-Agreement, any rights or remedies. Without limiting the generality of the foregoing sentence in anyway, nothing in this Agreement or any BPO Sub-Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to anyone not a party to such agreement.

17.12 Headings. The headings used in this Agreement, or any BPO Sub-Agreement, are for convenience of reference only and shall have no force or effect in the construction or interpretation of the provisions of this Agreement, or the BPO Sub-Agreement.

17.13 Force Majeure. No party to this Agreement, or any BPO Sub-Agreement, shall be liable for any failure to perform its obligations hereunder, or thereunder, where such failure results from any cause beyond that party's reasonable control, including, for example, an act of God, labor disturbance such as a strike or walkout, war, terrorism, riot, fire, storm, accident, government regulation or interference, or mechanical, electronic, or communications failure.

17.14 Due Authority. Each of the parties represents and warrants that (i) it is duly organized, validly existing, and in good standing under the laws of the State of Connecticut;

(ii) it has duly authorized this Agreement by all requisite corporate action; and (iii) the individual signing below is duly authorized and directed to execute this Agreement on its behalf.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the parties have executed this Business Process Outsourcing Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

The undersigned hereby sign this Agreement for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Ralph Knoll, M.D.
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
[NAME]
[TITLE]

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-252
BY: _____ DATE: 3/9/12

IN WITNESS WHEREOF, the parties have executed this Business Process Outsourcing Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

The undersigned hereby sign this Agreement for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
~~Ralph~~ Knoll, M.D.
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
[NAME]
[TITLE]

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-252
BY: _____ DATE: 3/9/12

IN WITNESS WHEREOF, the parties have executed this Business Process Outsourcing Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

The undersigned hereby sign this Agreement for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
David Morgan
President and CEO

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME] David Morgan
[TITLE] President and CEO

SCHEDULE A

SUPPORT NEED AREAS

1. Materials and supplies management.

2. Procurement and purchasing for business, office and medical supplies, pharmaceuticals, and other supplies and goods need by the Johnson Facilities.

3. Linen/laundry services.

4. Facilities management, equipment maintenance and engineering services.

5. Human resources services.

6. Transcription services for medical records.

7. Public relations and corporate communications, including coordination in the development of a marketing campaign to announce and promote the affiliation, and ongoing corporate communications.

8. Billing and collections services (designated Johnson dedicated staff; subject to adequate internal controls for access to managed care rate and other confidential competitive information).

9. Information technology services, which may include a bidirectional interface for clinical information systems; subject to adequate internal controls for access to managed care rate and other confidential competitive information.

SCHEDULE B

FORM OF BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-___

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated April __, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: _____.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be _____ (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: [Insert Johnson entity to receive the business, administrative or support services].
>
> The "**Service Provider**" shall mean: [Insert Saint Francis entity providing the business, administrative or support services].

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
[NAME]
[TITLE]

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
[NAME]
[TITLE]

Service Recipient:

[JOHNSON ENTITY]

By: _____
[NAME]
[TITLE]

Service Provider:

[SAINT FRANCIS ENTITY]

By: _____
[NAME]
[TITLE]

Exhibit 1
to the BPO Sub-Agreement B-___

Scheduled Services

[INSERT DESCRIPTION OF SERVICES]

Exhibit 2
to the BPO Sub-Agreement B-___

Scheduled Services Fee

[INSERT DESCRIPTION OF FEE]

Exhibit 3
to the BPO Sub-Agreement B-___

Additional Qualifications

[INSERT DESCRIPTION OF ADDITIONAL QUALIFICATIONS, OR "NONE" IF NOT APPLICABLE]

Exhibit 4
to the BPO Sub-Agreement B-___

Additional Sub-Agreement Terms

[INSERT ADDITIONAL TERMS APPLICABLE TO THIS SUB-AGREEMENT OR TERMS THAT SHALL BE DIFFERENT FROM THE MASTER TERMS, OR "NONE" IF NOT APPLICABLE]

Exhibit 5
to the BPO Sub-Agreement B-___

Proprietary and Confidential Information and Protected Intellectual Property

[INSERT DESCRIPTION OF (1) PROPRIETARY AND/OR CONFIDENTIAL INFORMATION AND (2) PROTECTED INTELLECTUAL PROPERTY AND THE PROTECTIONS AND LIMITATIONS REGARDING ITS USE, OR "NONE" IF NOT APPLICABLE]

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

This Business Associate ("**BAA**") is made by and among Johnson Memorial Medical Center, Inc. and its affiliates, Johnson Memorial Hospital, Inc., and The Johnson Evergreen Corporation, Inc., and Johnson Professional Associates, P.C. (collectively, "**Johnson**") and Saint Francis *Care*, Inc., and its affiliates, Saint Francis Hospital and Medical Center and Saint Francis Medical Group, P.C. (collectively, "**Saint Francis**"), and is effective as of the earliest effective date of any of the Agreements (as defined below).

WHEREAS, Johnson is a covered entity under title II, subtitle F (Administrative Simplification) of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("**HIPAA**"), the regulations promulgated thereunder by the United States Department of Health and Human Services (the "**HIPAA Regulations**"), and HITECH (as defined below); and

WHEREAS, in carrying out its obligations to Johnson, Saint Francis may have access to, use, and create confidential health care information on behalf of Johnson, some of which may constitute Protected Health Information ("**PHI**") or Electronic Protected Health Information ("**E-PHI**"); and

WHEREAS, Johnson and Saint Francis intend to protect the privacy and provide for the security of PHI, E-PHI, and other personal information disclosed to, and/or used or created by Saint Francis, in compliance with HITECH (as defined below), HIPAA, the HIPAA Regulations, and other applicable law; and

WHEREAS, the HIPAA Regulations require Johnson to enter into a written agreement containing specific provisions with Saint Francis prior to Saint Francis (or its agents or subcontractors) receiving PHI or E-PHI from, or creating, using, or disclosing PHI or E-PHI on behalf of, Johnson;

NOW, THERFORE, in consideration of the mutual promises below, the parties agree as follows.

SECTION 1. DEFINITIONS.

(i) General. Terms used but not otherwise defined in this BAA shall have the same meaning as in HITECH and the HIPAA Regulations.

(ii) Specific.

(A) Breach. "Breach" shall have the same meaning as the term "breach" in 45 C.F.R. § 164.402.

(B) Designated Record Set. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.

(C) Electronic Protected Health Information. "Electronic Protected Health Information" ("E-PHI") shall have the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Saint Francis from or on behalf of Johnson.

(D) Feasible. "Feasible" shall have the same meaning as the term "feasible" in 45 C.F.R. § 164.504(e)(1)(ii)(B).

(E) HITECH. "HITECH" shall mean the Health Information Technology for Economic and Clinical Health Act (div. A, title XIII and div. B, title IV of the American Recovery and Reinvestment Act of 2009, Public Law 111-5) and the regulations promulgated thereunder.

(F) Individual. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103.

(G) Infeasible. "Infeasible" shall have the same meaning as the term "infeasible" in 45 C.F.R. § 164.504(e)(2)(ii)(I).

(H) Privacy Rule. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information, codified at 45 C.F.R. part 160 and part 164, subparts A and E.

(I) Protected Health Information. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Saint Francis from or on behalf of Johnson.

(J) Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.

(K) Secretary. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his/her designee.

(L) Security Incident. "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.

(M) Security Rule. "Security Rule" shall mean the Security Standards codified at 45 C.F.R. parts 160, 162, and 164.

(N) State Data Security Rules. "State Data Security Rules" shall mean state law relating to the security or confidentiality of medical or personal information, as may be amended from time to time.

(O) Unsecured PHI. "Unsecured PHI" shall have the same meaning as "unsecured protected health information" in 45 C.F.R. § 164.402.

(iii) Regulatory References. A reference in this BAA to a section in the Code of Federal Regulations means the section as currently in effect or as from time to time amended.

SECTION 2. OBLIGATIONS AND ACTIVITIES OF SAINT FRANCIS.

In carrying out its obligations to Johnson, Saint Francis (and its agents and subcontractors) may have access to, use, or create PHI on behalf of Johnson. Saint Francis acknowledges that this information is protected by state and federal law and agrees to comply with these laws. Saint Francis also acknowledges and agrees that it is obligated to, and will, comply with 45 C.F.R. §§ 164.308, 164.310, 164.312, and 164.316. Saint Francis further acknowledges that, pursuant to HITECH, additional requirements of the Privacy Rule and the Security Rule apply directly to Saint Francis in the same manner as they apply to Johnson. Such requirements are hereby incorporated into this BAA by reference and Saint Francis agrees it will comply with all such requirements. Without limiting any of the foregoing in any way, Saint Francis specifically agrees:

(i) Not to use or disclose PHI other than as necessary or advisable to provide services to Johnson, or as Required By Law. Saint Francis also agrees to limit any request, use, or disclosure of PHI to the minimum necessary to accomplish the purpose of the request, use, or disclosure and to comply with any guidance issued by the Secretary as to what constitutes "minimum necessary."

(ii) To use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this BAA, including but not limited to, implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any E-PHI that Saint Francis creates, receives, maintains, or transmits on behalf of Johnson.

(iii) To mitigate, to the extent practicable, any harmful effect that is known to Saint Francis of the use or disclosure of PHI by Saint Francis in violation of this BAA.

(iv) To report promptly to Johnson (A) any use or disclosure of PHI that is not permitted or required by this BAA, and (B) any Security Incident of which Saint Francis becomes aware (each, an "Incident"). Saint Francis shall also (A) take prompt steps to cure an Incident, to the extent cure is practicable, (B) take any action regarding an Incident required of Saint Francis by state or federal law, and (C) reasonably cooperate with Johnson to enable Johnson to meet its obligations regarding an Incident under state or federal law.

(v) To report promptly to Johnson the discovery of a Breach of Unsecured PHI. Saint Francis shall provide to Johnson any information reasonably available to Saint

Francis which Johnson reasonably requires to comply with Johnson's obligations under HITECH and the HIPAA Regulations.

(vi) To ensure that any agent, including a subcontractor, to whom Saint Francis provides PHI or E-PHI received from, or created or received by Saint Francis on behalf of, Johnson agrees to the same restrictions and conditions that apply through this BAA to Saint Francis with respect to such information.

(vii) At the request of Johnson and in the time and manner agreed to by Johnson and Saint Francis, to provide access to PHI in a Designated Record Set not in the possession of Johnson to Johnson or to an Individual, in order to meet the requirements of 45 C.F.R. § 164.524.

(viii) At the request of Johnson and in the time and manner agreed to by Johnson and Saint Francis, to make any amendment(s) to PHI in a Designated Record Set in Saint Francis's possession that are necessary for Johnson to comply with 45 C.F.R. § 164.526.

(ix) To make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Saint Francis on behalf of, Johnson available, at the request of Johnson, to the Secretary, in a time and manner designated by the Secretary, for the purpose of the Secretary determining Johnson's or Saint Francis's compliance with HITECH and the HIPAA Regulations.

(x) To provide to Johnson, in the time and manner agreed to by Johnson and Saint Francis, information required for Johnson to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

(xi) To comply with HITECH and the HIPAA Regulations that apply to Saint Francis when conducting any electronic transaction on behalf of Johnson that is subject to HITECH and the HIPAA Regulations. In addition, Saint Francis shall require its agents and subcontractors to do the same.

(xii) To comply with the requirements of applicable State Data Security Rules.

SECTION 3. PERMITTED USES AND DISCLOSURES BY SAINT FRANCIS.

(i) Except as otherwise limited by this BAA, the Business Process Outsourcing Agreement, a BPO Sub-Agreement, the Clinical Affiliation Agreement, a Clinical Services Sub-Agreement, or other agreements among the parties (collectively, the "**Agreements**"), and provided that such use or disclosure would not violate the Privacy Rule if done by Johnson, Saint Francis may use or disclose PHI to provide services to Johnson.

(ii) Except as otherwise limited in this BAA or the Agreements, Saint Francis may use PHI for the proper management and administration of Saint Francis or to carry out the legal responsibilities of Saint Francis.

(iii) Except as otherwise limited in this BAA, Saint Francis may disclose PHI for the proper management and administration of Saint Francis, provided that such disclosures are Required By Law, or Saint Francis obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person agrees to notify Saint Francis of any instances of which s/he/it is aware in which the confidentiality of the information has been breached.

(iv) Except as otherwise limited in this BAA, Saint Francis may use PHI to provide data aggregation services to Johnson as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(v) Saint Francis may use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1) and state law.

SECTION 4. OBLIGATIONS OF JOHNSON.

Johnson shall:

(i) Notify Saint Francis of any limitation(s) in the notice(s) of privacy practices that Johnson issues in accordance with 45 C.F.R. § 164.520 that may affect Saint Francis's use or disclosure of PHI.

(ii) Notify Saint Francis of any change in, or revocation of, permission by an Individual to use or disclose PHI, if such change may affect Saint Francis's use or disclosure of PHI.

(iii) Notify Saint Francis of any restriction on the use or disclosure of PHI that Johnson agrees to in accordance with 45 C.F.R. § 164.522, if such restriction may affect Saint Francis's use or disclosure of PHI.

(iv) Not request Saint Francis to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Johnson, except as provided in Section 3 of this BAA.

(v) Limit any request, use, or disclosure of PHI to the minimum necessary to accomplish the purpose of the request, use, or disclosure and to comply with any guidance issued by the Secretary as to what constitutes "minimum necessary."

SECTION 5. TERMINATION.

(i) This BAA shall terminate on the termination of the last of the Agreements to terminate, unless sooner terminated in accordance with Section 5(ii) of this BAA.

(ii) A material breach of any provision of this BAA shall be grounds for termination of this BAA. In the event of a material breach, the injured party shall notify the offending party in writing of the alleged material breach and provide a reasonable opportunity to cure the material breach. If the material breach is not cured within such reasonable time period, the injured party may terminate this BAA on further written notice to the offending party. If neither termination nor cure is Feasible, the injured party may report the violation to the Secretary.

(iii) Except as provided in Section 5(iv) of this BAA, on termination of this BAA for any reason: (A) Johnson shall not make any additional disclosures of PHI to Saint Francis (or Saint Francis's agents or subcontractors) and Saint Francis (and its agents and subcontractors) shall not make any further use or disclosure of, or create any additional, PHI on behalf of Johnson; and (B) Saint Francis (and its agents and subcontractors) shall, at Saint Francis's discretion, return or destroy all PHI received from Johnson or created or received by Saint Francis (or its agents or subcontractors) on behalf of Johnson. Saint Francis (and its agents and subcontractors) shall retain no copies of PHI received from Johnson or created or received by Saint Francis (or its agents or subcontractors) on behalf of Johnson.

(iv) In the event that Saint Francis determines that both returning and destroying the PHI are Infeasible, Saint Francis shall notify Johnson of the conditions that make return and destruction of the PHI Infeasible and retain the PHI. Saint Francis shall for as long as Saint Francis maintains the PHI: (A) maintain it in accordance with this BAA; and (B) limit further uses and disclosures of it to those purposes that make its return and destruction Infeasible.

SECTION 6. MISCELLANEOUS PROVISIONS.

(i) Survival. The following sections of this BAA shall survive the termination of this BAA: 5(iv); 6(i); 6(ii); 6(iii); and 6(v).

(ii) Interpretation. Any ambiguity in this BAA shall be resolved to permit compliance with HITECH, the HIPAA Regulations, State Data Security Rules, and other state and federal law relating to the security or confidentiality of medical or personal information.

(iii) Amendment to Comply with Law. The parties acknowledge that state and federal law relating to the security and privacy of medical information is evolving and that amendment of this BAA may be required to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to amend this BAA to conform to the requirements of HITECH, HIPAA, the HIPAA

Regulations, State Data Security Rules, and other applicable laws relating to the security or confidentiality of medical or personal information.

(iv) Notices. Any notices to be given hereunder shall be given and effective in accordance with the provisions of the Agreements.

(v) No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to, nor shall, confer upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the parties have executed this Business Associate Agreement to be effective as first written above.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
David Morgan
President and CEO

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

FIRST AMENDMENT TO BUSINESS PROCESS OUTSOURCING AGREEMENT

This First Amendment to Business Process Outsourcing Agreement ("**Amendment**"), dated as of January __, 2015, is by and among Johnson Memorial Medical Center, Inc. ("**JMMC**"), on behalf of itself and its affiliates, Johnson Memorial Hospital, Inc. ("**JMH**"), The Johnson Evergreen Corporation, Inc. ("**JEC**"), and Johnson Professional Associates, P.C. ("**JPA,**" and together with JMMC, JMH and JEC, collectively, "**Johnson**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), on behalf of itself and its affiliates, Saint Francis Hospital and Medical Center ("**SFH**") and Saint Francis Medical Group, P.C. ("**SFMG,**" and, together with Saint Francis Care and SFH, collectively, "**Saint Francis**"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Business Process Outsourcing Agreement (as such term is defined below).

RECITALS

WHEREAS, Saint Francis and Johnson are parties to a Business Process Outsourcing Agreement dated as of July 12, 2012 (the "Business Process Outsourcing Agreement"); and

WHEREAS, JMMC, JMH, JEC, and certain affiliates will be filing petitions for relief under chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code"), commencing cases under the Bankruptcy Code (the "Bankruptcy Cases"); and

WHEREAS, following the commencement of the chapter 11 cases of JMMC, JMH, JEC, and their affiliates, Johnson will not further extend the"Exclusivity Period", as that term is defined in Section 4.1 of the Master Affiliation Agreement dated July 12, 2012, among JMMC, JMH, JEC, and Saint Francis Care (the "Master Affiliation Agreement"); and

WHEREAS, Johnson takes the position that after the commencement of the Bankruptcy Cases it will be legally obligated to solicit Alternative Transactions, as that term is defined in the Master Affiliation Agreement; and

WHEREAS, Section 12.5.6 of the Business Process Outsourcing Agreement provides that termination of the Exclusivity Period causes a termination of the Business Process Outsourcing Agreement and all BPO Sub-Agreements on the date that is 180 days after the date that the Exclusivity Period terminated; and

WHEREAS, the parties desire that the Business Process Outsourcing Agreementremain in effect as provided herein notwithstanding the termination of the Exclusivity Period, subject to the terms of this Amendment; and

WHEREAS, the assets of JMMC and JMH will be sold in the Bankruptcy Cases, and the parties agree that the Business Process Outsourcing Agreement should terminatein its entirety as provided herein if a party other than SFC or an affiliate is selected as the successful bidder for the assets of JMMC and JMH or is approved by the United States Bankruptcy Court as the purchaser of such assets; and

WHEREAS, the assets of JEC will be sold in the Bankruptcy Cases, and the parties agree that the Business Process Outsourcing Agreement should terminate as to JEC as provided herein if a party other than SFC or an affiliate is selected as the successful bidder for the assets of JEC or is approved by the United States Bankruptcy Court as the purchaser of such assets; and

WHEREAS, Saint Francis and Johnson have agreed to amend the Business Process Outsourcing Agreement to reflect the foregoing.

NOW THEREFORE, in consideration of the foregoing premises and the mutual benefits to be derived by Saint Francis and Johnson from such amendment and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree:

1. **Amendment to Business Process Outsourcing Agreement.** Section 12.5.6 of the Business Process Outsourcing Agreement is hereby amended and restated in its entirety as follows:

"12.5.6 Termination of Exclusivity Period; Sale to Non-SFC Purchaser.

(a) Subject to the terms of subsection (b), in the event the Exclusivity Period established by and defined in the Master Affiliation Agreement terminates for any reason except as provided in subsection (b), then this Agreement and all of the BPO Sub-Agreements shall also terminate on the date that is one hundred eighty (180) days after the date that the Exclusivity Period terminated (or a lesser or longer number of days if mutually agreed to by the parties in writing).

(b) Certain of the Johnson entities intend to commence proceedings under chapter 11 of the United States Bankruptcy Code (the "**Bankruptcy Cases**") and to sell their assets in one or more sales under 11 U.S.C. § 363 (each, a "**§ 363 Sale**"). Notwithstanding the terms of subsection (a), the termination of the Exclusivity Period following the commencement of the Bankruptcy Cases will not result in termination of this Agreement or the BPO Sub-Agreements. However, (i) if the United States Bankruptcy Court (the "**Bankruptcy Court**") enters an order approving the sale of the assets of either or both of JMH and JMMC to a purchaser other than Saint Francis or an affiliate (a "**Non-SFC Purchaser**"), this Agreement and all BPO Sub-Agreements will terminate as to that Johnson entityon the date that is fifteen (15) days (or a lesser or longer number of days if mutually agreed to by the parties in writing)following the designation of the Non-SFC Purchaser as the successful bidder or the entry of the order approving the sale to the Non-SFC Purchaser, as applicable; and (ii) if the Bankruptcy Court enters an order approving the sale of the assets of JEC to a Non-SFC Purchaser, this Agreement and all BPO Sub-Agreements will terminate as to JEC on the date that is fifteen (15) days (or a lesser or longer number of days if mutually agreed to by the parties in writing)following the designation of the Non-SFC Purchaser as the successful bidder or the entry of the order approving the sale to the Non-SFC Purchaser, as applicable.

(c) During the period following any event giving rise to termination of this Agreement and the effective date of termination (the "**Wind-up Period**"), the parties to this Agreement and any BPO Sub-Agreement shall work together cooperatively to provide for an orderly transition of any Scheduled Services provided to Johnson under this Agreement and the BPO Sub-Agreements. Notwithstanding the foregoing, the parties acknowledge that even if the Exclusivity Period terminates pursuant to subsection (a) above, the parties may desire to keep in place some or all of the BPO Sub-Agreements. Therefore, within fifteen (15) days of the date of termination of the Exclusivity Periodpursuant to subsection (a) above, Johnson shall provide written notice to Saint Francis of which, if any, BPO Sub-Agreements Johnson desires to remain effective, and if Saint Francis agrees to continue to provide some or all of such Scheduled Services, then the parties shall work together in good faith to amend in writing this Agreement and the applicable BPO Sub-Agreement(s) to reflect the revised term for such continued agreements and any other amendment(s) that may be necessary or appropriate to implement the continuation of such agreements. If any BPO Sub-Agreement is not amended to continue the term thereof, then such BPO Sub-Agreement shall be terminated effective on the last day of the Wind-up Period."

2. **Business Process Outsourcing Agreement to Remain in Effect.** Except as modified by this Amendment, the terms of the Business Process Outsourcing Agreement shall remain unchanged and in full force and effect.

3. **Severability.** If any provision of this Amendmentshall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

4. **Governing Law.** This Amendment has been, or will be, executed and delivered in and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Connecticut, without regard to its conflict of law principles. Venue of any dispute arising hereunder shall reside in the courts of the State of Connecticut located in Hartford county.

5. **Captions.** The captions and headings in this Amendment are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Amendment.

6. **Counterparts.**This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Business Process Outsourcing Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: Christopher M. Daddez
Title: President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: _____
Title: _____

The undersigned hereby sign this Amendment for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Name: Christopher M. Daddez
Title: President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: _____
Title: _____

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Name: John F Rodis, MD
Title: EVP, COO, Chief Physician Exec.

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Name: _____
Title: _____

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have executed this First Amendment to Business Process Outsourcing Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: _____
Title: _____

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: Patrick Mahon
Title: Chairman of the Board

The undersigned hereby sign this Amendment for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Name: _____
Title: _____

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: Patrick Mahon
Title: Chairman of the Board

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Name: _____
Title: _____

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Name: Patrick Mahon
Title: Chairman of the Board

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Name: John T. Grish
Title: Secretary/Treasurer

CLINICAL AFFILIATION AGREEMENT

This Clinical Affiliation Agreement is entered into and effective as of the 12th day of July, 2012 (the "**Effective Date**"), by and among Johnson Memorial Medical Center, Inc. ("**JMMC**"), on behalf of itself and its affiliates, Johnson Memorial Hospital, Inc. ("**JMH**"), The Johnson Evergreen Corporation, Inc. ("**JEC**") and Johnson Professional Associates, P.C. ("**JPA**" and, together with JMMC, JMH and JEC, collectively, "**Johnson**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), on behalf of itself and its affiliates, Saint Francis Hospital and Medical Center ("**SFH**") and Saint Francis Medical Group, P.C. ("**SFMG**" and, together with Saint Francis Care and SFH, collectively "**Saint Francis**").

WHEREAS, Johnson operates a community hospital and other health care facilities and services; and

WHEREAS, Saint Francis operates a tertiary care hospital and other health care facilities and services; and

WHEREAS, Saint Francis and Johnson have entered into an agreement ("**Master Affiliation Agreement**") to, among other things, establish a further agreement concerning clinical affiliation, collaboration and integration among the parties; and

WHEREAS, the goals of the clinical affiliation among the parties include: clinical collaboration and coordination of clinical care so as to encourage that the appropriate level of care be delivered at the most appropriate location; maintaining and strengthening Johnson's operating viability and its presence in the community as a community hospital; developing an integrated continuum of hospital care so that patients may have full access to and benefit from Saint Francis's tertiary care services and Johnson's locally-provided community hospital care; expanding the array of healthcare services available; and enhancing the quality and efficiency and reducing the costs of the clinical services provided by Johnson and Saint Francis; and

WHEREAS, the clinical affiliation is to be achieved with due respect for the teaching and healthcare missions of Johnson and Saint Francis; and

WHEREAS, in furtherance of the clinical affiliation Saint Francis will provide to Johnson certain clinical services and qualified physicians and personnel (collectively, the "**Saint Francis Personnel**") in order to facilitate Johnson's ability to meet and respond to the health care needs of patients in its services area in certain medical specialties where Johnson has a need for clinical coverage and services; and

WHEREAS, in furtherance of the clinical affiliation Saint Francis and Johnson desire for Saint Francis to be the preferred tertiary clinical partner for Johnson, and the parties desire to implement patient transfer and care coordination mechanisms and protocols to ensure that patients have access to high quality, cost-effective healthcare services in the most appropriate clinical setting, to better meet the needs of patients, physicians, JMH and SFH, and to foster the seamless delivery of care, contain costs and improve the quality of care provided in the communities served by Johnson; and

WHEREAS, in furtherance of the clinical affiliation Johnson desires, and Saint Francis so agrees, to identify itself as an affiliate of Saint Francis *Care*, Inc., subject to the terms set forth herein; and

WHEREAS, in furtherance of the clinical affiliation, Johnson and Saint Francis desire to collaborate with respect to quality improvement and to provide opportunity for Johnson's Medical Staff to participate in Saint Francis's informal, internal educational programs with respect to clinical areas in which the parties may collaborate; and

WHEREAS, the parties now wish to establish their agreement concerning clinical affiliation and collaboration.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration the sufficiency and receipt of which is acknowledged, the parties agree as follows:

1. Clinical and Quality Information.

1.1 Clinical Guidelines. Johnson and Saint Francis each agrees to make available to the other information and data concerning the delivery and management of clinical services and patient care, including, but not limited to, patient management and clinical guidelines and protocols.

1.2 Quality Information. Johnson and Saint Francis each agrees to make available to the other information and data relating to the quality and outcome of clinical services, in order to evaluate outcomes for quality assurance and to identify and develop methods, processes or protocols that may be implemented for improvement of the quality of clinical care. The parties shall develop a plan for Johnson to coordinate with Saint Francis with respect to quality assurance through periodic monitoring and consultation and the development of a quality consultation plan.

2. Clinical Services.

2.1 Saint Francis Clinical Services.

2.1.1 Clinical Need Areas. The parties acknowledge and agree that, from time to time, Johnson and Saint Francis shall identify clinical services to be provided pursuant to this Agreement which would benefit Johnson's patients, promote the efficient and effective operation of Johnson, and enhance the clinical affiliation and collaboration between Johnson and Saint Francis. Johnson has listed on Schedule A, the clinical areas in which Johnson has identified that it has a need for physician coverage, including specialist coverage, in its service area for clinical consultations, coverage and professional services (each, a "**Clinical Need Area**", and, collectively, the "**Clinical Need Areas**"). Johnson and Saint Francis agree to work together in good faith to evaluate and assess the coverage, consultation and other services required by Johnson in each of the Clinical Need Areas (and any additional Clinical Need Areas which may subsequently be identified), to evaluate and assess Saint Francis's ability to provide some or all

of the needed services to Johnson in the Clinical Need Areas, and to use their best efforts to develop a detailed agreement for services to be provided by Saint Francis to Johnson for each Clinical Need Area for which the parties agree Saint Francis will provide services.

2.1.2 Clinical Services Sub-Agreements. The parties acknowledge that evaluation and negotiation of a detailed arrangement for each of the Clinical Need Areas will take time to develop and they have agreed to approach each Clinical Need Area on a case by case basis to develop a high quality and cost-effective arrangement. For each Clinical Need Area in which Johnson retains Saint Francis to provide clinical services, Johnson and Saint Francis shall enter into a Clinical Services Sub-Agreement (each a "**Clinical Services Sub-Agreement**") substantially in the form attached hereto as Schedule B, and which sub-agreement shall identify, at a minimum: (i) the specific Clinical Need Area to be addressed; (ii) the specific clinical and other related services to be provided by Saint Francis to Johnson (the "**Scheduled Services**") for such Clinical Need Area; (iii) the schedule on which services shall be provided; (iv) the fees to be paid by Johnson to Saint Francis for the Scheduled Services (the "**Scheduled Services Fee**"), which fee shall be determined consistent with the provisions of Section 2.1.3 below; and (v) any other specific terms or conditions of the arrangement for the Clinical Need Area, including terms or conditions that may vary from or supersede the Master Terms of this Agreement (as defined below). Each Clinical Services Sub-Agreement shall be signed by the appropriate Johnson and Saint Francis parties and shall be consecutively numbered (e.g. B-1, B-2, B-3, etc.) and, upon execution, deemed incorporated into Schedule B to this Agreement and incorporated herein. Saint Francis shall, and shall ensure that the Saint Francis Personnel (as defined below), provide the Scheduled Services faithfully and in a professional and capable manner, consistent with accepted industry standards and practices.

2.1.3 Scheduled Services Fees. Johnson shall compensate Saint Francis for the Scheduled Services in accordance with the applicable Clinical Services Sub-Agreement. The parties acknowledge and agree that the Scheduled Services Fee is intended to reflect the fair market value of the services comprising the Scheduled Services to be provided by Saint Francis to Johnson pursuant to this Agreement. The Scheduled Services Fee may be amended from time to time, by written agreement of the parties, to reflect a change in the fair market value of the Scheduled Services; provided, however, that the parties shall not revise the Scheduled Services Fee for any Clinical Services Sub-Agreement more than once every twelve (12) months.

2.2 Scheduling. Saint Francis and Johnson shall work together to determine a mutually acceptable schedule for Saint Francis's provision of the Scheduled Services, which shall be set forth in the applicable Clinical Services Sub-Agreement. In connection with the provisions of Scheduled Services, Saint Francis shall ensure that Johnson is provided with telephone numbers, as may be applicable, to contact the applicable Saint Francis Personnel in applicable circumstances, such as an emergency or related to on-call coverage. Saint Francis shall ensure that the Saint Francis Personnel timely complete and submit to Johnson such reports of time spent providing the Scheduled Services in such format and with such frequency as the parties may agree in the applicable Clinical Services Sub-Agreement (the "**Timesheets**").

2.3 Invoices. Saint Francis, or the applicable Service Provider under a Clinical Services Sub-Agreement, shall send an invoice to JMH, or the applicable Service Recipient

under the Clinical Services Sub-Agreement, for the Scheduled Services together with the Timesheets prepared in accordance with Section 2.2 on a monthly basis. Payment in full will be due by the thirtieth (30th) day after submission of the monthly invoice to Johnson ("**Due Date**"); provided, however, that Saint Francis's failure or delay in sending an invoice to JMH, or the applicable Service Recipient under the Clinical Services Sub-Agreement, shall not relieve JMH, or the applicable Service Recipient under the Clinical Services Sub-Agreement, of its obligation to pay for the Scheduled Services rendered. Saint Francis shall be entitled to interest at the rate of 1.5% per month on any amounts not paid by the Due Date. Johnson agrees to pay all collection, court, and other such costs, expenses, and fees (including reasonable attorneys' fees) incurred by Saint Francis to obtain payment of any Scheduled Services Fees past due. The parties agree that Johnson's failure to pay a Scheduled Services Fee by the Due Date shall constitute a material breach for which Saint Francis shall have the right to terminate the applicable Clinical Services Sub-Agreement in accordance with Section 11.2.2.

2.4 Billing for Services. Unless otherwise set forth in a Clinical Services Sub-Agreement, JMH, or the applicable Service Recipient identified in the Clinical Services Sub-Agreement, shall bill and collect on its own account for all medical services provided under a Clinical Services Sub-Agreement to Johnson patients, including all technical, facility, and professional fees. Saint Francis, and any of its affiliates, shall not bill any Johnson patients or third party payors for services provided by Saint Francis Personnel under any Clinical Services Sub-Agreement. The parties agree to cooperate with each other to provide promptly any information, documents, consents, or authorizations reasonably necessary or desirable to permit JMH, or the applicable Service Recipient, to bill for the Scheduled Services provided under a Clinical Services Sub-Agreement, and to comply with applicable law. All billing and collection activity by or on behalf of Johnson or a Johnson entity shall be in accordance with all applicable law and third party payor contracts. Johnson and each Johnson entity shall permit Saint Francis reasonable access to such billing, collection, and other records as may be necessary or desirable for Saint Francis to confirm that any and all claims submitted for payment for Scheduled Services rendered by Saint Francis or Saint Francis Personnel and all associated collection activity by or on behalf of Johnson or a Johnson entity comply with all applicable law and third party payor contracts; provided, however, that Saint Francis shall not have access to confidential rate or reimbursement information or other confidential information the disclosure of which is prohibited by law.

2.5 Compliance with Johnson Policies and Applicable Law. In performing the Scheduled Services hereunder, Saint Francis and the applicable Service Provider shall, and shall ensure that Saint Francis Personnel, comply with all applicable (i) bylaws and rules and regulations of Johnson's medical staff and any policies and procedures established by Johnson and its medical staff (collectively, "**Johnson Policies**") and (ii) law, regulatory guidance, and accreditation standards, including without limitation, the Connecticut General Statutes and Public Health Code, the Medicare Conditions of Participation and other regulations promulgated by the United States Department of Health and Human Services and the Centers for Medicare and Medicaid Services ("**CMS**"), and the standards of The Joint Commission. Upon request by Saint Francis, Johnson shall provide copies of any of the Johnson Policies to assist Saint Francis in meeting this requirement.

2.6 Space, Equipment, and Support Staff. Johnson shall provide Saint Francis, or the applicable Service Provider, with suitable support staff, office space, equipment, supplies, and utilities as shall be reasonably necessary and appropriate for Saint Francis to provide the Scheduled Services, consistent with Johnson's existing resources, personnel, capacity, facilities and budget. Saint Francis shall, and shall ensure that the Saint Francis Personnel, not use the facilities, equipment, supplies and staff provided by Johnson for any purpose other than the provision of the Scheduled Services under this Agreement and the applicable Clinical Services Sub-Agreement.

2.7 Reporting Responsibility. In carrying out the Scheduled Services and regarding matters related to quality, safety, communication, scheduling and patient satisfaction, the Saint Francis Personnel shall report to JMMC's Chief Executive Officer, or such other person he or she designates; provided however, that such reporting responsibility shall not interfere with the independent professional judgment or determination of the appropriate health care to be rendered by the Saint Francis Personnel to their patients under this Agreement and a Clinical Services Sub-Agreement.

2.8 Saint Francis Personnel.

2.8.1 Saint Francis Personnel Qualifications. Saint Francis shall ensure that Saint Francis personnel who provide Scheduled Services hereunder possess the requisite education, training, and skills, as well as any licenses, certifications, and registrations required to provide the service(s) to be delivered. Without limiting the generality of the foregoing sentence, Saint Francis shall ensure that each physician and other licensed independent practitioner (collectively, "**Independent Practitioners**") who is required by Johnson Policies to be a member of the medical staff of JMH or JEC ("**Johnson's Medical Staff**") and/or to obtain clinical privileges in order to provide the Scheduled Services maintains such membership and/or clinical privileges while providing the Scheduled Services. Johnson shall accept, review, and act on applications for membership and/or clinical privileges from Saint Francis Independent Practitioners in accordance with the bylaws of Johnson and Johnson's Medical Staff.

2.8.2 Selection and Assignment of Saint Francis Personnel. The selection and assignment of Saint Francis Personnel to render Scheduled Services hereunder shall be made at the sole discretion of Saint Francis; provided, however, that Johnson shall have the right to require that any of the Saint Francis Personnel no longer provide the Scheduled Services hereunder to Johnson provided that Johnson has reasonable cause to request the replacement, Johnson informs Saint Francis of the reason(s) for Johnson's request, and Saint Francis is unable within a reasonable period of time to rectify the circumstance(s) which form(s) the basis of Johnson's request. Saint Francis Personnel who are members of Johnson's Medical Staff and/or have clinical privileges at Johnson shall retain all rights granted under the bylaws of Johnson's Medical Staff; provided, however, that any hearing or appeal rights enumerated in Johnson's Medical Staff bylaws shall be inapplicable to a request by Johnson to Saint Francis to remove such Saint Francis Personnel from providing Scheduled Services under this Agreement.

2.8.3 Saint Francis Employee Misconduct. Saint Francis shall promptly notify Johnson of any determination of professional or criminal misconduct of any Saint Francis

Personnel that is likely, in the reasonable judgment of Saint Francis, to materially negatively affect the quality of the Scheduled Services provided by Saint Francis and the applicable Service Provider; the safety or welfare of any Johnson patient, visitor, or staff member; or Johnson's reputation or operations. Johnson shall have the right to require that Saint Francis remove such Saint Francis Personnel from providing further Scheduled Services under this Agreement. Saint Francis Personnel who are members of Johnson's Medical Staff and/or have clinical privileges at Johnson shall retain all rights granted under the bylaws of Johnson's Medical Staff; provided, however, that any hearing or appeal rights enumerated in Johnson's Medical Staff bylaws shall be inapplicable to a request by Johnson to Saint Francis to remove such Saint Francis Personnel from providing Scheduled Services under this Agreement.

2.8.4 Saint Francis's Performance Review of its Personnel. Saint Francis shall retain exclusive authority with respect to oversight of Saint Francis Personnel for all purposes, including, without limitation, all decisions to hire, fire, and evaluate the performance of such individuals; provided, however this Section does not affect Johnson's right to require that Saint Francis remove certain individuals from providing Scheduled Services to Johnson pursuant to Sections 2.8.2 and 2.8.3, the right of Johnson and Johnson's Medical Staff, in accordance with their bylaws, to evaluate the credentials of and take appropriate action regarding any Independent Practitioner who has (or is applying for) membership or clinical privileges at Johnson, or the right of Johnson to provide proper oversight of the overall quality of care provided at its healthcare facilities or on behalf of Johnson.

2.8.5 Limitation on Saint Francis Authority.

(a) Johnson's Retained Authority. JMMC, JMH, JEC and JPA shall each retain full legal authority over their respective day-to-day operations, and any responsibility or authority not expressly delegated to Saint Francis under this Agreement or a Clinical Services Sub-Agreement hereunder shall remain with the respective Johnson entity.

(b) No Authority for Contracting or Purchasing. Except pursuant to the prior written approval of JMMC, JMH, JEC or JPA, as applicable, neither Saint Francis nor any Saint Francis Personnel shall engage in or cause direct purchasing or otherwise contract any liability on behalf of JMMC, JMH, JEC or JPA and shall neither charge the credit of JMMC, JMH, JEC or JPA, nor incur any obligations or enter into any agreement for or on behalf of JMMC, JMH, JEC or JPA.

3. Other Aspects of the Clinical Affiliation.

3.1 Patient Transfer and Care Coordination. Johnson and Saint Francis hereby agree that during the Term of this Agreement, Saint Francis shall be the preferred tertiary clinical partner for JMH and that they each shall work in good faith to implement mutually agreeable patient transfer and care coordination mechanisms with respect to and between the Johnson facilities and the Saint Francis facilities, in order to better meet the needs of patients, physicians and the health care facilities involved. Transfers to Saint Francis's hospital shall be made only when necessary and medically appropriate. In furtherance of the foregoing, the parties shall take steps reasonably necessary to carry out the intent of the parties under this Section, including, but

not limited to, the following (subject to such additional terms and conditions as the parties may agree to in writing):

3.1.1 Develop a seamless, medically appropriate and efficient patient transfer plan with respect to clinical services of a complex nature that are beyond the scope of services provided at Johnson and require the expertise available at a tertiary hospital such as that operated by Saint Francis.

3.1.2 Facilitate clinical efficiencies and sharing of medical records and imaging records, to the extent practicable, to provide for seamless patient transfer.

Nothing in this Section 3.1, or elsewhere in this Agreement, is intended to require Johnson or Saint Francis to refer patients to the other party or enter into any other arrangement for the provisions of any item or services offered by the other party for which Medicare, Medicaid, or other health insurance payments may be made. Nothing in this Section 3.1, or elsewhere in this Agreement, is intended to interfere with the independent medical judgment of the medical staff of Johnson or Saint Francis or the free choice of any patient to select health care facilities or providers.

3.2 Clinical Education and Training Opportunities. During the Term of this Agreement and subject to the approval of Saint Francis's Medical Staff, Johnson's Medical Staff shall be provided the opportunity to participate in Saint Francis internally-run clinical educational programs and training programs intended to further physician education in various clinical areas and on quality improvement topics, including participation in grand rounds sessions, as appropriate. The educational and training programs shall be limited to those that are informal and collaborative in nature consistent with programs ordinarily provided by a hospital or its medical staff for continuing education and quality improvement purposes, and shall not include the type of continuing medical education that is available for commercial purchase in the industry. In addition, Johnson's Medical Staff shall be permitted to access the SFH Health Sciences Library and library materials at SFH.

3.3 Trademarks, Service Marks, Marketing and Website Linkage. During the Term of this Agreement, Saint Francis grants Johnson a limited, non-exclusive, royalty-free license to use the Saint Francis *Care* trademarks and service marks for purposes of marketing Johnson as a clinical affiliate of Saint Francis *Care*, which shall include the use of such trademarks and service marks on signage at Johnson buildings and facilities. During the Term of this Agreement, Johnson grants to Saint Francis a limited, non-exclusive, royalty-free license to use the Johnson Memorial Medical Center trademarks and service marks for purposes of marketing Johnson as an affiliate of Saint Francis *Care*. Each party may identify itself as an affiliate of the other party, and use such other party's name, address, trademarks and services marks, in marketing materials, advertisements and on its Internet web page, which may include web links, URLs or web addresses of the other party on its Internet web page. Notwithstanding the foregoing, each party shall obtain the other party's prior approval of each specific use of its name, trademarks and services, which approval shall be timely provided and shall not be unreasonably withheld. Johnson agrees that any use of the Saint Francis *Care* trademarks, service marks, name or logo shall only be used in accordance with the requirements of Section 13 of this Agreement. Neither

party shall be required to engage in marketing activities for the other, but the parties may decide to collaborate and jointly market their clinical affiliation. With respect to any joint advertising or marketing campaign developed by the parties, whether print, billboard, radio, television or other media, each party shall be responsible for its proportional share of the cost of such marketing or advertising.

3.4 Coordination on Credentialing of Medical Staff.

3.4.1 During the Term of this Agreement and subject to the approval of their respective medical staffs, Johnson and Saint Francis agree they may share certain credentialing information with respect to physicians and other individual licensed professionals on their respective medical staffs who apply for medical staff membership and/or clinical privileges on the other party's medical staff. Credentialing information shall be shared only for practitioners who have agreed in writing to authorize the release of such information. Credentialing information shall be limited to information that a hospital is permitted to obtain through a centralized credentialing process under The Joint Commission rules, Medicare Conditions of Participation, and Connecticut law, and may, if permitted, include, verification of the practitioner's Connecticut license to practice medicine, DEA registration, medical school attendance, graduate and post graduate attendance, completion of residency and fellowships, current clinical privileges and employment verifications (the "**Centralized Credentialing Information**"). Neither party shall provide the other party with a copy of any information it receives from the National Practitioner Data Bank or Healthcare Integrity and Protection Data Bank. Johnson and Saint Francis each acknowledges that, notwithstanding the sharing of the Centralized Credentialing Information, its respective health care facilities shall conduct their own review and analysis with respect to medical staff membership and clinical privileges on an individual institution basis and cannot and will not delegate or combine that review process.

3.4.2 Subject to the approval of the Johnson Medical Staff, Johnson hereby appoints Saint Francis as an authorized agent of Johnson to obtain and verify the Centralized Credentialing Information as may be requested, from time to time, for specific practitioners applying for medical staff membership and/or clinical privileges at Johnson. Subject to the approval of the Saint Francis Medical Staff, Saint Francis hereby appoints Johnson as an authorized agent of Saint Francis to obtain and verify the Centralized Credentialing Information as may be requested, from time to time, for specific practitioners applying for medical staff membership and/or clinical privileges at Saint Francis. Nothing herein shall require Johnson or Saint Francis to obtain the Centralized Credentialing Information from the other party, and each party shall be entitled to independently obtain and verify such information in its discretion.

4. Master Terms for the Clinical Services Sub-Agreement. The terms and conditions set forth in this Agreement (collectively, the "**Master Terms**") shall apply to each Clinical Services Sub-Agreement executed by the parties under this Agreement. The Master Terms shall be controlling except to the extent a particular Clinical Services Sub-Agreement expressly adopts a different, replacement term applicable to only that Clinical Services Sub-Agreement.

5. Restrictive Covenant.

5.1 Non-Solicitation by Johnson. JMMC, JMH, JEC and JPA each acknowledges that Saint Francis personnel are essential to Saint Francis's operations and are familiar with Saint Francis's operating procedures and other information proprietary to Saint Francis. Therefore, Johnson agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to JMMC, JMH, JEC and JPA), agents, or employees shall directly or indirectly solicit for employment (or engagement as a contractor) by or on behalf of Johnson or any of Johnson's affiliates any Saint Francis personnel, except with the express written consent of Saint Francis.

5.2 Non-Hire by Johnson. JMMC, JMH, JEC and JPA acknowledge that Saint Francis Personnel are essential to Saint Francis's operations and are familiar with Saint Francis's operating procedures and other information proprietary to Saint Francis. Therefore, Johnson agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to JMMC, JMH, JEC or JPA), agents, or employees shall employ, hire, or engage as a contractor by or on behalf of Johnson or any of Johnson's affiliates any Saint Francis Personnel, except with the express written consent of Saint Francis.

5.3 Non-Solicitation by Saint Francis. Saint Francis acknowledges that Johnson Personnel (as defined below) are essential to Johnson's operations and are familiar with Johnson's operating procedures and other information proprietary to Johnson. Therefore, Saint Francis agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to Saint Francis Care, SFH or SFMG), agents, or employees shall directly or indirectly solicit for employment (or engagement as a contractor) by or on behalf of Saint Francis or any of Saint Francis's affiliates any employees or contractors of Johnson or its affiliates (the "**Johnson Personnel**"), except with the express written consent of Johnson.

5.4 Non-Hire by Saint Francis. Saint Francis acknowledges that Johnson Personnel who are Independent Practitioners or managers are essential to Johnson's operations and are familiar with Johnson's operating procedures and other information proprietary to Johnson. Therefore, Saint Francis agrees that, during the Term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to Saint Francis Care, SFH or SFMG), agents, or employees shall employ, hire, or engage as a contractor by or on behalf of Saint Francis or any of Saint Francis's affiliates any Johnson Personnel who were during the Term of this Agreement involved with providing services pursuant to this Agreement, except with the express written consent of Johnson.

5.5 Exception. Nothing in Section 5.1, 5.2, 5.3 or 5.4 shall be deemed to restrict or prevent any physician on the medical staff of either Johnson or Saint Francis from, after the termination of this Agreement, retaining medical staff membership and clinical privileges at any facility of the other party or from practicing at or admitting patients to any facility of the other party or its affiliates where such actions are solely as an independent member of the medical staff of the other party's or its affiliate's facility, and not as an employee or independent contractor, in accordance with the facility's medical staff bylaws.

5.6 Construction by Court. If any part of Section 5.1, 5.2, 5.3 or 5.4 should be determined by a court of competent jurisdiction to be unreasonable in duration, geographic area, or scope, then this Agreement is intended to and shall extend only for such period of time, and in such area and scope and with respect to such activity, as is determined by such court to be reasonable. For example, with respect to the duration set forth in Sections 5.1, 5.2, 5.3 and 5.4, if a court determines eighteen (18) months to be unreasonable, then fifteen (15) months; and if not fifteen (15) months, then twelve (12) months; but not less than twelve (12) months.

5.7 Affirmation of Reasonableness. The parties acknowledge and agree that the scope and duration of the restrictions contained in this Section 5 are fair and reasonable, and shall not unduly prevent Johnson, Saint Francis, or any Johnson or Saint Francis personnel from operating or earning a livelihood, and that such restrictions are important and necessary to protect the legitimate interests of Johnson and Saint Francis.

5.8 Equitable Relief.

5.8.1 Equitable Relief for Saint Francis. Johnson acknowledges that a breach by Johnson of any restriction contained in this Section 5 shall cause Saint Francis irreparable injury and damage, the exact amount of which shall be impossible to ascertain and for which Saint Francis cannot reasonably or adequately be compensated in damages in an action at law. Accordingly, it is the agreement of the parties that, in addition to any other legal rights and remedies which Saint Francis may have in the event of a breach of this Section 5, Saint Francis shall be entitled to demand and obtain, without need of posting any bond or other security, specific performance, including temporary and permanent injunctive relief.

5.8.2 Equitable Relief for Johnson. Saint Francis acknowledges that a breach by Saint Francis of any restriction contained in this Section 5 shall cause Johnson irreparable injury and damage, the exact amount of which shall be impossible to ascertain and for which Johnson cannot reasonably or adequately be compensated in damages in an action at law. Accordingly, it is the agreement of the parties that, in addition to any other legal rights and remedies which Johnson may have in the event of a breach of this Section 5, Johnson shall be entitled to demand and obtain, without need of posting any bond or other security, specific performance, including temporary and permanent injunctive relief.

5.9 Non-exclusivity of Remedies. The parties agree that no specification in this Agreement of any particular legal or equitable remedy shall be construed as a waiver or prohibition against pursuing any other legal or equitable remedy in the event of any breach by a party of any restriction contained in this Section 5. The parties hereby represent that each has had the opportunity to seek legal advice with respect to the provisions of this Section 5, and has determined that the restrictions and remedies set forth in such provisions are fair and reasonable. The prevailing party shall be entitled to reasonable attorneys' fees and court cost incurred in any action to enforce the restrictions contained in this Section 5.

5.10 Tolling of Time Periods. The time for calculating the term of the restrictions contained herein shall not include any period of time during which the covenant is violated or during which any legal action or other proceeding is ongoing to enforce the terms of this Section 5 through the date of final judgment or final resolution, including all appeals, if any, of such

legal action or other proceeding, unless the prosecuting party fails to prevail in such action or proceeding.

5.11 Survival. This Section 5 shall survive the expiration or termination of this Agreement.

6. Independent Contractors. It is expressly acknowledged by the parties that Saint Francis and Johnson are independent contractors and nothing in this Agreement is intended or shall be construed to create between Saint Francis and Johnson an employer/employee, joint venture, partnership, or other relationship. Saint Francis understands and agrees that Johnson will not make any payment to Saint Francis or any Saint Francis Personnel and will not withhold on behalf of Saint Francis or any Saint Francis Personnel any sums for income tax, unemployment insurance, social security, or any other withholding pursuant to any law or requirement of any governmental body, or make available to Saint Francis or any Saint Francis Personnel any of the benefits afforded to employees of Johnson and that all of such payments, withholdings, and benefits, if any, are, as between the parties, the sole responsibility of Saint Francis.

7. Records.

7.1 Medical Records. To the extent applicable, in connection with any Scheduled Services, Saint Francis shall cause Saint Francis Personnel to prepare medical records in accordance with Johnson Policies, state and federal law, and the standards of The Joint Commission. All clinical services rendered by Saint Francis Personnel to Johnson patients shall be documented in Johnson's medical record.

7.2 Records Maintenance and Access. Saint Francis shall cause Saint Francis Personnel to prepare and maintain appropriate books and records pertinent to the Scheduled Services provided hereunder. Saint Francis shall maintain all such records and documents in a complete, accurate, and organized manner, consistent with prevailing practices and standards. To the extent permitted by law, and subject to patient authorization as legally required, upon reasonable notice and during regular business hours, (i) Johnson shall be provided access to the books, records, and documents maintained by Saint Francis relating to this Agreement necessary to verify the quality, nature, extent, and costs of Scheduled Services rendered hereunder; and (ii) Saint Francis and Saint Francis Personnel shall be provided access to all medical records of patients for whom Saint Francis and Saint Francis Personnel provided Scheduled Services, including, without limitation, for purposes of documentation verification, responding to investigations and inquiries, and actual or threatened litigation with respect to such patients; provided, however, that Saint Francis and Saint Francis Personnel shall not have access to confidential rate or reimbursement information.

7.3 Third Party Payor Program Requirements. Saint Francis recognizes that Johnson is a participant in various third party payment programs including, without limitation, the Medicare and Medicaid programs, which participation is essential to the financial viability of Johnson. Therefore, in connection with the subject matter of this Agreement, Saint Francis agrees to cooperate with Johnson and to provide reasonable assistance to Johnson so that Johnson will be able to meet the requirements for participation and payment associated with such

third party payment programs. Saint Francis agrees to make available to Johnson such information and records as Johnson may reasonably request to: (i) substantiate its costs under this Agreement and all Clinical Services Sub-Agreements; and (ii) facilitate Johnson's compliance with the requirements of the Medicare Conditions of Participation and the Medicaid State Plan and to facilitate Johnson's substantiation of its reasonable cost or other claims for reimbursement in accordance with the requirements applicable to Johnson pursuant to such third party payor programs.

7.4 Governmental Access to Books, Documents and Records. To the extent that the provisions of Section 1861(v)(1)(1) of the Social Security Act (42 U.S.C. § 1395x(v)(1)(1)) are applicable to this Agreement and any Clinical Services Sub-Agreement, both parties agree to make available, on the written request of the Secretary of the Department of Health and Human Services or on the request of the Comptroller General, or any of their duly authorized representatives, this Agreement, all applicable Clinical Services Sub-Agreements, and other books, records and documents that are necessary to certify the nature and extent of costs incurred by either party for services furnished under this Agreement. The obligations hereunder shall extend for four (4) years after the furnishing of such services. The parties shall notify each other of any such request for records. To the extent Saint Francis enters into an agreement with a subcontractor or with a related organization to provide services hereunder with a value or cost of ten thousand dollars ($10,000) or more over a twelve (12) month period, such agreement shall contain a clause permitting access by the Secretary, Comptroller General, and their representatives to the books and records of the related organization and requiring such obligation to extend for four (4) years after the furnishing of such services.

In the event any request for Saint Francis's books, documents, or records is made pursuant to this Section, Saint Francis shall, unless prohibited by law or by the reasonable advice of Saint Francis's counsel (i) give notice of such request to Johnson; (ii) provide Johnson with a copy of such request; and (iii) upon Johnson's written request and at Johnson's expense (with respect to which Saint Francis shall cooperate to use its best efforts to minimize), provide Johnson with a copy of each book, document, and record made available to the persons or agencies listed in the foregoing paragraph, or identify each such book, document, and record to Johnson and grant Johnson access thereto for review and copying. In the event any request for Johnson's books, documents, or records is made pursuant to this Section, Johnson shall, unless prohibited by law or by the reasonable advice of Johnson's counsel (i) give notice of such request to Saint Francis; (ii) provide Saint Francis with a copy of such request; and (iii) upon Saint Francis's written request and at Saint Francis's expense (with respect to which Johnson shall cooperate to use its best efforts to minimize), provide Saint Francis with a copy of each book, document, and record made available to the persons or agencies listed in the foregoing paragraph, or identify each such book, document, and record to Saint Francis and grant Saint Francis access thereto for review and copying. This Section 7.4 shall survive the expiration or termination of this Agreement.

7.5 Ownership. The ownership and right of control of all reports, records, and supporting documents prepared by Saint Francis in provision of the Scheduled Services hereunder (except for reports of Saint Francis prepared solely for Saint Francis's internal

purposes) shall vest exclusively in Johnson, provided, however, that Saint Francis may retain copies of such reports, records, and supporting documents to the extent permitted by law.

8. Insurance.

8.1 Saint Francis. In connection with the provision of the Scheduled Services hereunder, Saint Francis shall, at its own expense, establish and maintain general liability insurance coverage and professional liability insurance coverage in the amounts of $1,000,000 per occurrence and $3,000,000 in aggregate, covering Saint Francis and covering the Saint Francis Personnel providing any Scheduled Services. Johnson shall be identified as an additional insured under such coverage. Such insurance shall require thirty (30) days' prior written notice to Johnson in the event of termination, cancellation, or a material change in such coverage. Upon request, Saint Francis shall furnish Johnson with proof of such insurance coverage.

8.2 Johnson. Johnson shall obtain and maintain, at its own expense, general liability insurance coverage and professional liability insurance coverage, in the amounts of $1,000,000 per occurrence and $3,000,000 in aggregate, covering Johnson and all Johnson employees. Saint Francis shall be named as an additional insured of such policies. Such insurance shall require thirty (30) days' prior written notice to Saint Francis in the event of termination, cancellation, or a material change in any such policy. Upon request, Johnson shall furnish Saint Francis with evidence of each such insurance policy and any amendment or renewal thereof.

9. Indemnification.

9.1 Indemnification of Johnson. Saint Francis agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless Johnson, and Johnson's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions or intentional misconduct of Saint Francis or Saint Francis Personnel in performing its or their obligations under this Agreement or any Clinical Services Sub-Agreement.

9.2 Indemnification of Saint Francis. Johnson agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless Saint Francis, and Saint Francis's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions or intentional misconduct of Johnson or Johnson Personnel in performing its or their obligations under this Agreement or any Clinical Services Sub-Agreement.

9.3 Notification of Claim. In the event of any claim for indemnification under this Section 9, the indemnified party shall notify the indemnifying party in writing of any fact or circumstance which gives rise to liability for which the indemnified party is indemnified hereunder with reasonable promptness after such fact or circumstance first comes to the attention

of the indemnified party; provided, however, the failure to give such notice shall not relieve the indemnifying party of its indemnification obligations unless, and only to the extent that, the failure to give such notice actually prejudices the rights of the indemnifying party.

9.4 Defense of Claims. If a claim is based upon a demand, claim, or action brought by a third party, the indemnifying party shall defend such demand, claim, or action at its expense with counsel of its choice reasonably acceptable to the indemnified party. The indemnifying party shall not have the right to compromise or settle such claim without the consent of the indemnified party (which consent will not be unreasonably withheld, delayed, or denied) unless such compromise or settlement includes a full release of the indemnified party from liability for the claim. The indemnified party may participate in any such matter at its expense and with counsel of its choice. The indemnified party will cooperate with the indemnifying party in all reasonable ways in the defense of any such action and shall give the indemnifying party access to such relevant files and records for inspection and copying, and make its employees available to the indemnifying party at the expense of the indemnifying party in the defense of any action for which the indemnified party is being indemnified hereunder.

9.5 Survival of Rights. The obligations under this Section 9 shall survive the expiration or termination of this Agreement.

10. Dispute Resolution.

10.1 Mediation by the Parties. Any deadlock, dispute, or controversy arising out of or relating to this Agreement, a Clinical Services Sub-Agreement, or the breach thereof shall first be referred to the Chief Executive Officer of Saint Francis and the Chief Executive Officer of JMMC, who shall exert their good faith efforts to achieve a resolution. If any such dispute is not resolved by such group within thirty (30) days after notice thereof (or such longer period as the parties may then agree) (the "**Voluntary Resolution Period**"), then any party to such dispute may submit, within thirty (30) days after the end of the Voluntary Resolution Period, the dispute or controversy to arbitration pursuant to Section 10.2.

10.2 Arbitration. Any deadlock, dispute, or controversy arising out of or relating to this Agreement, a Clinical Services Sub-Agreement, or the breach thereof and not resolved under Section 10.1 shall be resolved by arbitration pursuant to binding arbitration in Connecticut under the auspices of the American Health Lawyers Association ("**AHLA**") pursuant to the AHLA Alternative Dispute Resolution Service Rules of Procedure for Arbitration, before a single arbitrator with experience in the arbitration of disputes of a similar nature. The arbitrator shall have authority to award compensatory damages only and equitable relief only as permitted under this Agreement or state law. The arbitrator shall have no authority to award consequential damages, punitive damages or multiple damages. Each party will be responsible for its own legal fees and other expenses incurred in connection with such arbitration proceeding, except that the costs of the arbitrator shall be borne equally by the parties that are involved in the dispute (i.e., Saint Francis shall bear one-half and the Johnson party(ies) shall bear one-half). The decision of the arbitrator shall be final and binding upon the parties, and judgment confirming the arbitrator's award may be enforced in any court of competent jurisdiction. The parties hereby exclude any right of appeal to any court on the merits of the dispute.

10.3 Equitable Relief. The foregoing provisions for mediation and arbitration shall not prevent a party from applying for and obtaining injunctive or other equitable relief as provided elsewhere in this Agreement or by showing that, in the absence thereof, the rights of such party cannot be adequately protected.

11. Term and Termination of Agreement.

11.1 Term. This Agreement shall be for a term of five (5) years commencing on the Effective Date set forth above (the "**Term**"), unless terminated earlier in accordance with the terms of Section 11 or other applicable provisions of this Agreement. Thereafter, this Agreement may be renewed upon the mutual written agreement of the parties (a "**Renewal Term**"). Any Clinical Services Sub-Agreement entered into by the parties shall be effective from the Start Date (as defined in the sub-agreement) for the Scheduled Services set forth in the Clinical Services Sub-Agreement through the end of the Term of this Agreement, unless the Clinical Services Sub-Agreement is terminated earlier in accordance with its terms or the provisions for termination set forth in this Agreement. The foregoing not withstanding, no Clinical Sub-Agreement shall have a stated initial term of less than one (1) year. This Agreement or any Clinical Services Sub-Agreement shall not be renewed on the same financial terms and conditions without the parties first re-assessing the fair market value of the Scheduled Services at the time of any renewal.

11.2 Termination.

11.2.1 Termination by Agreement. Subject to Section 11.2.7, below, this Agreement or any Clinical Services Sub-Agreement may be terminated by written agreement of the parties.

11.2.2 Termination on Notice for Default. Subject to Section 11.2.7, below, a party may terminate this Agreement or any Clinical Services Sub-Agreement upon one hundred twenty (120) days prior written notice to the other party upon a material breach hereof, which breach has not been cured to the reasonable satisfaction of the notifying party within such one hundred twenty (120) day period. Although other circumstances may also constitute a material breach of this Agreement, Johnson's failure to pay by the Due Date (i) the Scheduled Services Fees for three (3) or more Clinical Services Sub-Agreements and/or (ii) at least ninety per cent (90%) of all Scheduled Services Fees due shall constitute a material breach of this Agreement.

11.2.3 Immediate Termination.

(a) By Johnson. Notwithstanding anything herein to the contrary, Johnson may terminate this Agreement or any Clinical Services Sub-Agreement immediately upon written notice to Saint Francis (i) if Saint Francis fails to maintain the insurance required hereunder; (ii) if Saint Francis loses or has suspended its license or other authority to perform its obligations hereunder; or (iii) in the event that Saint Francis Care, SFH or SFMG is (A) convicted of a criminal offense related to health care and/or related to the provision of services

paid for by Medicare, Medicaid, or another federal health care program; (B) excluded from or debarred from participation in any federal health care program, including Medicare or Medicaid; or (C) becomes listed as a party excluded from any federal health care program on the General Services Administration's excluded party listing system; provided, however, if any Saint Francis Personnel providing the Scheduled Services is convicted, excluded, or debarred as described above and Saint Francis immediately replaces such Saint Francis Personnel with other qualified Saint Francis Personnel reasonably acceptable to Johnson, this Agreement, or the applicable Clinical Services Sub-Agreement, may not be terminated pursuant to this Section.

(b) By Saint Francis. Notwithstanding anything herein to the contrary, Saint Francis may terminate this Agreement or any Clinical Services Sub-Agreement immediately upon written notice to Johnson (i) if any of the Johnson entities fails to maintain the insurance required hereunder; (ii) if any of the Johnson entities loses or has suspended its license or other authority to perform its obligations hereunder; (iii) in the event that JMMC, JMH, JEC or JPA is (A) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (B) excluded from or debarred from participation in any federal health care program, including Medicare or Medicaid; or (C) becomes listed as a party excluded from any federal health care program on the General Services Administration's excluded party listing system; or (iv) as set forth in Section 13.5.

11.2.4 Termination due to Changes in Laws and Regulations. Subject to Section 11.2.7, a party may terminate this Agreement or any Clinical Services Sub-Agreement in accordance with the provisions of Section 12.5.

11.2.5 Termination of a Clinical Services Sub-Agreement without Cause. Either Johnson or Saint Francis may terminate any specific Clinical Services Sub-Agreement, without terminating this Agreement in its entirety, at any time, without cause or reason, by providing at least one hundred and eighty (180) days written notice to the other party, unless more or less notice is otherwise required or provided for in the applicable Clinical Services Sub-Agreement.

11.2.6 Termination of Exclusivity Period. In the event the Exclusivity Period established by and defined in the Master Affiliation Agreement terminates for any reason, then this Agreement and all of the Clinical Sub-Agreements shall also terminate on the date that is one hundred and eighty (180) days after the date that the Exclusivity Period terminated (or a lesser or longer number of days if mutually agreed to by the parties in writing) (the "**Wind-up Period**"). During the Wind-up Period, the parties to this Agreement and any Clinical Services Sub-Agreement shall work together cooperatively to provide for an orderly transition of any Scheduled Services provided to Johnson under this Agreement and the Clinical Services Sub-Agreements. Notwithstanding the foregoing, the parties acknowledge that even if the Exclusivity Period terminates, the parties may desire to keep in place some or all of the Clinical Services Sub-Agreements. Therefore, within fifteen (15) days of the date of termination of the Exclusivity Period, Johnson shall provide written notice to Saint Francis of which, if any, Clinical Services Sub-Agreements Johnson desires to remain effective, and if Saint Francis agrees to continue to provide some or all of such Scheduled Services, then the parties shall work together in good faith to amend in writing this Agreement and the applicable Clinical Services Sub-Agreement(s) to

reflect the revised term for such continued agreements and any other amendment(s) that may be necessary or appropriate to implement the continuation of such agreements. If any Clinical Services Sub-Agreement is not amended to continue the term thereof, then such Clinical Services Sub-Agreement shall be terminated effective on the last day of the Wind-up Period.

11.2.7 Limit on Re-Negotiation. In the event of termination of this Agreement for any reason, or the termination of a Clinical Services Sub-Agreement, the parties agree that they shall not enter into a new, amended, or re-negotiated agreement concerning the same subject matter and containing revised pricing or compensation terms for a twelve (12) month period from the date of such termination.

11.3 Effects of Termination.

11.3.1 Termination of this Agreement shall result in automatic termination of all of the Clinical Services Sub-Agreements, subject to the same notice period, unless otherwise agreed to in writing by the parties. Termination of a specific Clinical Services Sub-Agreement shall apply only to such sub-agreement and shall not be deemed to terminate this Agreement or any other Clinical Services Sub-Agreement between the parties.

11.3.2 Upon termination of this Agreement as herein above provided, a party shall not have any further obligation hereunder except for: (i) obligations accruing prior to the date of termination; and (ii) obligations, promises, or covenants contained herein which are expressly made to extend beyond the term of this Agreement. Upon termination of a Clinical Services Sub-Agreement, without a termination of this Agreement in its entirety, as provided herein or in the Clinical Services Sub-Agreement, a party shall not have any further obligation under such Clinical Services Sub-Agreement except for: (i) obligations accruing prior to the date of termination, including the payment of the Scheduled Services Fee through the date of termination; and (ii) obligations, promises, or covenants contained therein or in this Agreement which are expressly made to extend beyond the termination of the Clinical Services Sub-Agreement.

12. General Compliance.

12.1 Exclusion.

12.1.1 Saint Francis Representations and Warranties. Saint Francis represents and warrants that neither Saint Francis Care, SFH, SFMG nor any of the Saint Francis Personnel providing the Scheduled Services has ever been (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's Excluded Party Listing System.

12.1.2 Notification by Saint Francis. Saint Francis shall notify Johnson immediately in the event that any representation contained in 12.1.1 above is or becomes untrue at any time during the Term of this Agreement.

12.1.3 Johnson Representations and Warranties. JMMC represents and warrants that neither it nor JMH, JEC and JPA has ever been (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's Excluded Party Listing System.

12.1.4 Notification by Johnson. Johnson shall notify Saint Francis immediately in the event that any representation contained in 12.1.3 above is or becomes untrue at any time during the Term of the Agreement.

12.2 False Claims. Saint Francis acknowledges on behalf of itself and the Service Provider and all of the Saint Francis Personnel that Johnson has provided it and them with access to its policy on False Claims and Payment Fraud Prevention (the "**Policy**"). The parties acknowledge that the False Claims Act (31 U.S.C. § 3729 et seq.) imposes penalties for knowingly submitting a false claim or statement to a federally funded program, or otherwise conspiring to defraud the government, in order to receive payment. It also protects individuals who report suspected fraud. Any suspected fraud will be reported as provided in the Policy.

12.3 No Intent to Induce Referrals. It is not the intent of the parties that any payments made pursuant to this Agreement or any Clinical Services Sub-Agreement be in return for the referral of business, if any, or in return for the purchasing, leasing, or ordering of any services other than the specific Scheduled Services described in this Agreement and the Clinical Services Sub-Agreements. All payments specified in the Clinical Services Sub-Agreements shall be consistent with what the parties reasonably believe to be a fair market value for the Scheduled Services provided. The parties acknowledge that the clinical affiliation contemplated by this Agreement does not require and is not conditioned in any way on any party, or its affiliates, referring patients to any other party, or its affiliates, and each party and its affiliates shall remain permitted to refer patients to any other entities or healthcare facilities.

12.4 Compliance with Law. The parties shall comport their conduct in implementing this Agreement and the Clinical Services Sub-Agreements to comply at all times with all provisions of applicable law, including, without limitation, the Connecticut General Statutes and Public Health Code, the Medicare Conditions of Participation and other regulations promulgated by the United States Department of Health and Human Services and the Centers for Medicare and Medicaid Services, 42 U.S.C. § 1320-a-7b, 42 U.S.C. § 1395nn, and federal and state antitrust laws, including Sections 1 and 2 of the Sherman Act and Section 7 of the Clayton Act, as each may be amended from time to time (the "**Laws and Regulations**").

12.5 Changes in Laws and Regulations. Notwithstanding any other provisions of this Agreement, if: (i) a party at any time determines upon the reasonable advice from counsel that any provision of this Agreement, or a Clinical Services Sub-Agreement, does or may violate applicable Laws and Regulations then in effect or to become effective as of a date certain; (ii) the governmental agencies (or their representatives) that administer Medicare or Medicaid, or any other federal, state, or local government or agency, should pass, issue, or promulgate any law, rule, regulation, standard, or interpretation at any time while this Agreement, or a Clinical Services Sub-Agreement, is in effect that materially and adversely affects any party's rights or

obligations thereunder; or (iii) any court or agency of any federal, state, or local government issues an order, decree, opinion, or ruling or takes any other action that will materially and adversely affect, restrict, or prohibit the ability of a party to perform its obligations under this Agreement, or a Clinical Services Sub-Agreement; then the parties shall negotiate in good faith an appropriate modification to the terms and conditions of this Agreement, or the Clinical Services Sub-Agreement, to accommodate such provisions of applicable Laws and Regulations or judicial or administrative decisions and to effectuate the existing terms and intent of this Agreement, or the Clinical Services Sub-Agreement, to the greatest possible extent consistent with the requirements of such law or decision. Should the parties fail to reach agreement as to such modification of this Agreement, or the Clinical Services Sub-Agreement, within ninety (90) days, then any party may terminate this Agreement, or the applicable Clinical Services Sub-Agreement, on ten (10) days' prior written notice.

12.6 Cooperation with Compliance Audits. Without limiting the foregoing, this Agreement shall not limit any rights or obligations of any party in respect of compliance audits or other similar activities conducted by or on behalf of such party in relation to such party's own operations and activities, and each party agrees to reasonably cooperate with the other parties in connection with any compliance audit, investigation, or other similar activity conducted by or on behalf of each party in relation to such party's own operations and activities. Each party shall be responsible for the costs of any audit, investigation, or similar activity conducted with respect to such party's activities.

12.7 Complaint or Investigation.

12.7.1 Notification of Complaint or Investigation. To the extent permitted by law, Johnson shall immediately notify Saint Francis of any of the following (collectively, "**Complaint and Investigation Proceedings**"): (i) a complaint by a patient or a patient's representative about Saint Francis's or Saint Francis Personnel's performance of its/his/her duties hereunder, or under a Clinical Services Sub-Agreement, or the provision of the Scheduled Services; or (ii) any inquiry, investigation, or other proceeding concerning or relating to Saint Francis, this Agreement, any Clinical Services Sub-Agreement, the Scheduled Services, or billing, payment, or collection for the Scheduled Services instituted by or in any federal or state court or before any agency, commission, regulatory body, or governmental authority, whether federal, state, or local, including, but not limited to, CMS, the Office of Inspector General of the United States Department of Health and Human Services, and Connecticut's Medicaid Fraud Control Unit, or by a third-party payor.

12.7.2 Consultation. To the extent permitted by law, Johnson shall provide Saint Francis a draft of any response or filing it plans to submit regarding Complaint and Investigation Proceedings reasonably in advance of Johnson's submission to allow Saint Francis the opportunity to comment; provided, however, that Johnson shall not be required to make any disclosure to Saint Francis that would, in the reasonable opinion of Johnson's legal counsel, vitiate a material legal privilege. Johnson shall consider Saint Francis's comments, if any, in formulating Johnson's response.

12.7.3 Right to Participate and Respond. To the extent permitted by law, Saint Francis shall have the right, on its own account and at its sole discretion, to respond to and participate in any and all Complaint and Investigation Proceedings. Johnson agrees not to object or otherwise oppose Saint Francis's participation in Complaint and Investigation Proceedings.

12.7.4 Survival. This Section 12.7 shall survive the expiration or termination of this Agreement.

13. Applicability of Ethical and Religious Directives for Catholic Health Care Services.

13.1 Directives Apply to Saint Francis. Saint Francis is organized and operates under the sponsorship of the Roman Catholic Church, and conducts its activities in accordance with the Ethical and Religious Directives for Catholic Health Care Services ("**Directives**") as adopted by the United States Conference of Catholic Bishops, and as the same may be amended from time to time. The Directives are applicable to Saint Francis as a Catholic health care institution in relation to its own operations, activities, and administration, and to the manner in which Saint Francis may collaborate or cooperate with Johnson and the Johnson entities as non-Catholic institutions.

13.2 Saint Francis Activities. Saint Francis (i) will not participate with Johnson in any obstetrical, gynecological, or reproductive procedures, programs, or activities, or in any family planning or other activity, that does not conform with the Directives, and (ii) will conduct its own activities, and will only provide services to Johnson, so that Saint Francis conforms with the Directives, and so as to avoid any perception by others that Saint Francis has compromised its moral principles by participating in acts that do not conform with the Directives.

13.3 No Saint Francis Participation in Non-conforming Activities. Nothing contained in this Agreement, or any Clinical Services Sub-Agreement, shall require or be deemed to require Saint Francis to participate with Johnson in any obstetrical, gynecological, or reproductive procedures, programs, or activities, or in any family planning or other activity, that does not conform with the Directives, or otherwise act in any manner that Saint Francis, in its sole discretion, believes could cause Saint Francis to violate the Directives, or would create any perception by others that Saint Francis has compromised its moral principles by participating in acts that do not conform with the Directives.

13.4 Joint Activities. Saint Francis's activities in relation to Johnson always will ensure that any services provided by Saint Francis, and any joint activities among Saint Francis and Johnson, do not entail involvement by Saint Francis with any obstetrical, gynecological, or reproductive procedures, programs, or activities, or with any family planning or other activities, that do not conform with the Directives. Accordingly, none of Saint Francis's personnel will be involved in any family planning, obstetrical, gynecological, or reproductive procedures, programs, or activities, or any other procedures, programs, or activities of, by, or on behalf of Johnson that do not conform with the Directives, Saint Francis shall not have joint or shared responsibility for any such activities, and Saint Francis shall not share or have involvement with any governance, financial, administrative, or support functions related to any such activities.

13.5 Termination by Saint Francis. In the event that Saint Francis, at any time in its sole discretion, believes that any services provided by Saint Francis, or any joint activities between Saint Francis and Johnson pursuant to this Agreement, or any Clinical Services Sub-Agreement, or any activities of Johnson, whether pursuant to the provisions of this Agreement, a Clinical Services Sub-Agreement, or otherwise, could cause Saint Francis to violate the Directives, or would lead others to perceive that Saint Francis has compromised its moral

principles by participating in acts that do not conform with the Directives, then Saint Francis will, at its option and in its sole discretion, terminate this Agreement, the Clinical Services Sub-Agreement, and/or Saint Francis's participation in such services or activities.

14. Security/Confidentiality.

14.1 Compliance with Policies. Saint Francis shall, and shall ensure that each Saint Francis Provider and all of the Saint Francis Personnel, comply with all Johnson's policies and procedures pertaining to confidentiality, security, and vendor identification. Johnson may issue non-employee identification badges under certain conditions, and Saint Francis agrees that all Saint Francis Personnel shall prominently display such badge at all times while on Johnson premises and providing Scheduled Services hereunder. All badges must be surrendered by Saint Francis Personnel when requested by Johnson.

14.2 Confidential Information. Saint Francis Care covenants and agrees on behalf of itself, SFH and SFMG, any other Saint Francis Service Provider and all Saint Francis Personnel, that each shall retain in confidence all Confidential Information and know-how transmitted to it by Johnson that Johnson has identified prior to disclosure or in a Clinical Services Sub-Agreement as being proprietary and/or confidential or that, by the nature of the circumstances surrounding disclosure or the nature of the information disclosed, ought in good faith to be treated as proprietary or confidential and will make no use of such Confidential Information and know-how except under the terms of and during the existence of this Agreement. JMMC covenants and agrees on behalf of itself, JMH, JEC and JPA and the Johnson Personnel that each shall retain in confidence all Confidential Information and know-how transmitted to it by Saint Francis that Saint Francis has identified prior to disclosure or in a Clinical Services Sub-Agreement as being proprietary and/or confidential or that, by the nature of the circumstances surrounding disclosure or the nature of the information disclosed, ought in good faith to be treated as proprietary or confidential and will make no use of such Confidential Information and know-how except under the terms of and during the existence of this Agreement. Confidential Information ("**Confidential Information**") shall include, by way of example and not limitation, any and all information regarding finances, practices, employees, management, strategic plans or marketing, know-how and business processes. Confidential Information shall not include information which (i) at the time of disclosure was, is, or thereafter becomes disclosed or available to or known by the public (other than as a result of a disclosure in violation of any of obligations hereunder); (ii) was, is, or thereafter becomes available on a non-confidential basis from a source that is not and was not prohibited from disclosing such information by a contractual, legal, or fiduciary obligation; or (iii) has been or thereafter becomes independently acquired or developed without access to any of the Confidential Information provided by the other party. A party shall exercise the same level of care to prevent the impermissible use or disclosure of the other parties' Confidential Information in its custody or control that it exercises in protecting its own information of a similar nature, and, in any event, no less than commercially reasonable efforts. Notwithstanding anything herein to the contrary, solely to the extent necessary to carry out obligations hereunder or legal obligations of the party, a party shall have the right to disclose Confidential Information to any of such party's attorneys, accountants, consultants, and other third parties retained by the party (collectively, "**Consultants**") so long as the Consultant is bound by confidentiality obligations at least as strict as those set forth herein, and with each party liable for any violation of this Section 14.2 by any of its Consultants. In the

event that a party or any of its Consultants is requested or becomes legally compelled to make any disclosure which is prohibited or otherwise constrained by this Agreement, that party shall provide the party whose Confidential Information is sought with prompt notice of such request(s) so that the party whose Confidential Information is sought may seek an appropriate protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or a waiver is granted, the party or its Consultant to whom the demand was directed shall disclose only that portion of the Confidential Information which it is legally compelled to disclose and shall use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information disclosed. The provisions of this Section shall survive termination of this Agreement.

14.3 Compliance with Confidentiality Laws. Each party shall maintain all patient-related information to which it has access in performing services under this Agreement or any Clinical Services Sub-Agreement, including but not limited to protected health information ("**PHI**"), as that term is defined under the Health Insurance Portability and Accountability Act of 1996, as amended, and the regulations promulgated thereunder ("**HIPAA**"), in confidence in accordance with all applicable laws and regulations. The parties also acknowledge that in connection with the performance of some of the provisions of this Agreement or the Clinical Services Sub-Agreements, Saint Francis, the Service Provider and Saint Francis Personnel may have access to and receive confidential patient information, including but not limited to PHI, and may act as a Business Associate (as defined in HIPAA) of Johnson. Saint Francis agrees to follow, and shall ensure that the Service Providers and the Saint Francis Personnel follow, all rules, regulations, policies and procedures established by Johnson with respect to the protection of the privacy and confidentiality of patient medical information under applicable law, including but not limited to HIPAA. Without limiting the foregoing, Saint Francis represents and warrants on behalf of itself and each Service Provider and all Saint Francis Personnel that each Service Provider and all Saint Francis Personnel has been trained in and will comply with the confidentiality and disclosure requirements of applicable law and regulations, including but not limited to HIPAA. If the parties have not already executed a Business Associate Agreement regarding the matters herein, contemporaneous with the execution of this Agreement, Saint Francis and Johnson and their respective affiliates identified thereon shall execute the Business Associate Agreement attached hereto and incorporated herein as Schedule C.

14.4 Injunctive Relief. Unauthorized use of Confidential Information is a material breach of this Agreement resulting in irreparable harm for which the payment of money damages is inadequate. It is agreed that the non-breaching party, upon adequate proof of unauthorized use, may immediately obtain, without need of posting any bond or other security, injunctive relief in any court of competent jurisdiction enjoining any continuing or further breaches and may obtain entry of judgment for injunctive relief. Nothing in this Agreement shall be construed to limit remedies at law or equity in the event of a breach.

15. Intellectual Property. Saint Francis shall retain all rights, titles, and interests in its intellectual property used in performing under this Agreement or a Clinical Services Sub-Agreement, including, but not limited to, any research, information, procedure, invention, modification, discovery, design, drawing, plan, system, method, specification, publication, development, improvement, process, formula, data, technique, know-how, or trade secret, or any

interest therein (whether or not patentable or registrable under patent, copyright or similar statutes or subject to analogous protection) in any application that relates to its performance under this Agreement or a Clinical Services Sub-Agreement. Johnson shall retain all rights, titles, and interests in its intellectual property used in performing under this Agreement or a Clinical Services Sub-Agreement, including, but not limited to, any research, information, procedure, invention, modification, discovery, design, drawing, plan, system, method, specification, publication, development, improvement, process, formula, data, technique, know-how, or trade secret, or any interest therein (whether or not patentable or registrable under patent, copyright or similar statutes or subject to analogous protection) in any application that relates to its performance under this Agreement or a Clinical Services Sub-Agreement. Notwithstanding the foregoing, except as may be set forth in a Clinical Services Sub-Agreement (which terms and provisions shall survive the termination or expiration of this Agreement and the Clinical Sub-Agreement), nothing in this Section 15, Section 14.2 or any other provision of this Agreement, shall prohibit Johnson from utilizing the information, techniques, procedures, know-how and methods developed and used by Saint Francis and the Saint Francis Personnel to operate, administer and provide the Scheduled Services under any Clinical Services Sub-Agreement for the benefit of Johnson or its affiliates after the termination or expiration of this Agreement or any Clinical Services Sub-Agreement.

16. Steering Committee. The parties shall establish a Joint Steering Committee (the "**Committee**") to assist in the implementation of the clinical affiliation and collaboration contemplated by this Agreement and to develop and implement the Clinical Services Sub-Agreements contemplated hereby. The duties of the Committee shall include: (i) identifying potential opportunities for clinical collaboration (which shall include the Clinical Need Areas), with the goal of expanding the healthcare services available, and enhancing the quality and efficiency and reducing the costs of the clinical services provided by Johnson and Saint Francis; (ii) recommending specific goals and developing appropriate performance standards, criteria, and mechanisms to implement the clinical collaboration, expansion of the healthcare services available, and enhancement of the quality and efficiency and reduction of the costs of the clinical services provided; (iii) identifying potential impediments to collaboration and making recommendations to remove or ameliorate such impediments; (iv) establishing appropriate mechanisms to collect and analyze relevant data in order to monitor and evaluate the effectiveness of the affiliation and collaboration; (v) establishing educational programming to improve the performance of the clinical affiliation and collaboration efforts; and (vi) such other duties as agreed by the parties. The Committee shall initially be composed of eight (8) members and may be expanded by agreement of the parties or at the discretion of the Committee. Johnson and Saint Francis shall each designate four (4) representatives to the Committee, one of whom shall be the Liaison appointed by each party and may include members of their respective medical staffs. Johnson and Saint Francis agree that each will appoint and make known to the other a liaison through whom operational details and issues relating to the Scheduled Services and implementation of this Agreement may be communicated, arranged, and resolved (the "**Liaison**"). Johnson and Saint Francis may change their representatives or Liaison at any time by written notice to the other. Saint Francis's Vice President/Chief Affiliation Integration Officer shall be one of Saint Francis's four representatives to the Committee and shall also serve as chairperson of the Committee. The Committee shall establish a regular meeting schedule and shall meet at least monthly unless otherwise agreed by the parties. The

parties agree to provide such support and assistance as the Committee requires to fulfill its duties.

17. Miscellaneous.

17.1 Cooperation. The parties agree to cooperate with each other in good faith to effectuate the arrangements contemplated by this Agreement, including, but not limited to, obtaining all regulatory approvals, if any, required to implement the contemplated arrangements.

17.2 Notices. Any notice, demand or communication required, permitted or desired to be given hereunder shall be in writing and shall be deemed effectively given when personally delivered, when received by overnight courier, or five (5) calendar days after being deposited in the United States mail by prepaid certified mail, return receipt requested, addressed as follows:

If to Johnson: *(Including JMMC, JMH, JEC and JPA)*	David Morgan, President and CEO Johnson Memorial Medical Center 201 Chestnut Hill Road Stafford Springs, CT 06076 Fax: (860)
With a copy to:	Eric A. Henzy, Esq Reid and Riege, P.C. One Financial Plaza Hartford, CT 06103 Fax: (860) 240-1002
If to Saint Francis: *(Including Saint Francis Care, SFH and SFMG)*	Christopher Dadlez, President and CEO Saint Francis *Care*, Inc. 114 Woodland Street Hartford, CT 06105 Fax: (860) 714-7920
With a copy to:	Teresa M. Bolton, Esq., General Counsel and Vice President of Legal Affairs Saint Francis *Care*, Inc. 114 Woodland Street Hartford, CT 06105 Fax: (860) 714-5408

17.3 Assignment. No assignment of this Agreement or any Clinical Services Sub-Agreement or the rights and obligations thereunder shall be valid without the specific written consent of the parties to this Agreement or the Clinical Services Sub-Agreement, as applicable.

17.4 Governing Law; Venue. This Agreement and any Clinical Services Sub-Agreements have been, or will be, executed and delivered in and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Connecticut, without

regard to its conflict of law principles. Venue of any dispute arising hereunder shall reside in the courts of the State of Connecticut located in Hartford County.

17.5 Waiver of Breach. The waiver by a party of a breach or violation of any provision of this Agreement, or any Clinical Services Sub-Agreement, shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof or thereof.

17.6 Severability. In the event any provision of this Agreement, or any Clinical Services Sub-Agreement, is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, or the applicable Clinical Services Sub-Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

17.7 Amendment. This Agreement, and any Clinical Services Sub-Agreement, may be amended only by a written instrument executed by the parties hereto or thereto, as applicable.

17.8 Entire Agreement. This Agreement supersedes all previous contracts, and this Agreement, together with the Clinical Services Sub-Agreements from time to time in effect, constitutes the entire agreement between the parties with respect to the Scheduled Services and the other matters set forth herein or therein. No oral statements or prior written material with respect to the Scheduled Services or other matters set forth in this Agreement not specifically incorporated herein or in a Clinical Services Sub-Agreement shall be of any force and effect, and no changes in or additions to this Agreement or any Clinical Services Sub-Agreement shall be recognized unless incorporated herein or therein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s).

17.9 Counterparts. This Agreement, and any Clinical Services Sub-Agreement, may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute a single instrument.

17.10 No Drafting Presumptions. This Agreement has been, and each of the Clinical Services Sub-Agreements will be, jointly negotiated among commercial parties with the benefit of counsel and neither this Agreement, any Clinical Services Sub-Agreement, nor any provision hereof or thereof shall be construed against its drafter due to the origin of the drafted material.

17.11 Third Parties. Nothing in this Agreement, or any Clinical Services Sub-Agreement, is intended to confer upon any person or entity other than the parties to this Agreement, or the Clinical Services Sub-Agreement, any rights or remedies. Without limiting the generality of the foregoing sentence in anyway, nothing in this Agreement or any Clinical Services Sub-Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to anyone not a party to such agreement.

17.12 Headings. The headings used in this Agreement, and in any Clinical Services Sub-Agreement, are for convenience of reference only and shall have no force or effect in the construction or interpretation of the provisions of this Agreement or the Clinical Services Sub-Agreement.

17.13 Force Majeure. No party to this Agreement, or any Clinical Services Sub-Agreement, shall be liable for any failure to perform its obligations hereunder, or thereunder, where such failure results from any cause beyond that party's reasonable control, including, for example, an act of God, labor disturbance such as a strike or walkout, war, terrorism, riot, fire, storm, accident, government regulation or interference, or mechanical, electronic, or communications failure.

17.14 Due Authority. Each of the parties represents and warrants that (i) it is duly organized, validly existing, and in good standing under the laws of the State of Connecticut; (ii) it has duly authorized this Agreement by all requisite corporate action; and (iii) the individual signing below is duly authorized and directed to execute this Agreement on its behalf.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the parties have executed this Clinical Affiliation Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

The undersigned hereby sign this Agreement for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
[NAME]
[TITLE]

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-253
BY: YB DATE: 5/9/12

#50521816

IN WITNESS WHEREOF, the parties have executed this Clinical Affiliation Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

The undersigned hereby sign this Agreement for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
[NAME]
[TITLE]

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-253
BY: YB DATE: 5/8/12

#50521816

IN WITNESS WHEREOF, the parties have executed this Clinical Affiliation Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

The undersigned hereby sign this Agreement for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
[NAME] David Morgan
[TITLE] President and CEO

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME] David Morgan
[TITLE] President and CEO

#50521816

SCHEDULE A

CLINICAL NEED AREAS

1. **Medical Oncology and Hematology** – To include: physician services for coverage, consultation, inpatient monitoring and on-call coverage (nights, weekend and holidays) for medical oncology and hematology patients of Johnson; Medical Director services for direction and supervision of the infusion center in Enfield; administrative and management services for the Cancer Program at JMH, including serving on cancer Committee and Tumor Board, oversight of clinical research activities and accreditation management.

2. **Neurology** – To include physician services for coverage, consultations and on-call coverage.

3. **Urology** – To include physician services for coverage, consultations, inpatient monitoring and on-call coverage.

4. **Hospitalist Service** – To include physician services for coverage of the hospitalist service at JMH.

5. **Case Management and Patient Discharge Planning**

6. **Cardiology** – To include physician services for coverage, consultations and on-call coverage.

7. **Behavioral Health Service / Psychology Service** – To include physician services for consultations.

8. **Pathology and Clinical Lab Services**

9. **Post Acute Care Services**

10. **Biomedical Engineering Services**

11. **Medical Affairs Department**, including services of a Vice President of Medical Affairs and other health care quality assurance and review services.

SCHEDULE B

FORM OF CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-___

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Su-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated April __, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: _____.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be _____ (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: [Insert Johnson entity to receive the clinical services].
>
> The "**Service Provider**" shall mean: [Insert Saint Francis entity providing the clinical services].

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
[NAME]
[TITLE]

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
[NAME]
[TITLE]

Service Recipient:

[JOHNSON ENTITY]

By: _____
[NAME]
[TITLE]

Service Provider:

[SAINT FRANCIS ENTITY]

By: _____
[NAME]
[TITLE]

Exhibit 1
to Clinical Services Sub-Agreement B-___

Scheduled Services

[INSERT DESCRIPTION OF SERVICES]

Exhibit 2
to Clinical Services Sub-Agreement B-___

Scheduled Services Fee

[INSERT DESCRIPTION OF FEE]

Exhibit 3
to Clinical Services Sub-Agreement B-___

Additional Qualifications

[INSERT DESCRIPTION OF ADDITIONAL QUALIFICATIONS, OR "NONE" IF NOT APPLICABLE]

Exhibit 4
to Clinical Services Sub-Agreement B-___

Additional Sub-Agreement Terms

[INSERT ADDITIONAL TERMS APPLICABLE TO THIS SUB-AGREEMENT (INCLUDING TIMESHEET SPECIFICATIONS) OR TERMS THAT SHALL BE DIFFERENT FROM THE MASTER TERMS, OR "NONE" IF NOT APPLICABLE]

Exhibit 5
to Clinical Services Sub-Agreement B-___

Proprietary and Confidential Information and Protected Intellectual Property

[INSERT DESCRIPTION OF (1) PROPRIETARY AND/OR CONFIDENTIAL INFORMATION AND (2) PROTECTED INTELLECTUAL PROPERTY AND THE PROTECTIONS AND LIMITATIONS REGARDING ITS USE, OR "NONE" IF NOT APPLICABLE]

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

This Business Associate ("**BAA**") is made by and among Johnson Memorial Medical Center, Inc. and its affiliates, Johnson Memorial Hospital, Inc., and The Johnson Evergreen Corporation, Inc., and Johnson Professional Associates, P.C. (collectively, "**Johnson**") and Saint Francis *Care*, Inc., and its affiliates, Saint Francis Hospital and Medical Center and Saint Francis Medical Group, P.C. (collectively, "**Saint Francis**"), and is effective as of the earliest effective date of any of the Agreements (as defined below).

WHEREAS, Johnson is a covered entity under title II, subtitle F (Administrative Simplification) of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("**HIPAA**"), the regulations promulgated thereunder by the United States Department of Health and Human Services (the "**HIPAA Regulations**"), and HITECH (as defined below); and

WHEREAS, in carrying out its obligations to Johnson, Saint Francis may have access to, use, and create confidential health care information on behalf of Johnson, some of which may constitute Protected Health Information ("**PHI**") or Electronic Protected Health Information ("**E-PHI**"); and

WHEREAS, Johnson and Saint Francis intend to protect the privacy and provide for the security of PHI, E-PHI, and other personal information disclosed to, and/or used or created by Saint Francis, in compliance with HITECH (as defined below), HIPAA, the HIPAA Regulations, and other applicable law; and

WHEREAS, the HIPAA Regulations require Johnson to enter into a written agreement containing specific provisions with Saint Francis prior to Saint Francis (or its agents or subcontractors) receiving PHI or E-PHI from, or creating, using, or disclosing PHI or E-PHI on behalf of, Johnson;

NOW, THERFORE, in consideration of the mutual promises below, the parties agree as follows.

SECTION 1. DEFINITIONS.

(i) General. Terms used but not otherwise defined in this BAA shall have the same meaning as in HITECH and the HIPAA Regulations.

(ii) Specific.

(A) Breach. "Breach" shall have the same meaning as the term "breach" in 45 C.F.R. § 164.402.

(B) Designated Record Set. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.

(C) Electronic Protected Health Information. "Electronic Protected Health Information" ("E-PHI") shall have the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Saint Francis from or on behalf of Johnson.

(D) Feasible. "Feasible" shall have the same meaning as the term "feasible" in 45 C.F.R. § 164.504(e)(1)(ii)(B).

(E) HITECH. "HITECH" shall mean the Health Information Technology for Economic and Clinical Health Act (div. A, title XIII and div. B, title IV of the American Recovery and Reinvestment Act of 2009, Public Law 111-5) and the regulations promulgated thereunder.

(F) Individual. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103.

(G) Infeasible. "Infeasible" shall have the same meaning as the term "infeasible" in 45 C.F.R. § 164.504(e)(2)(ii)(I).

(H) Privacy Rule. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information, codified at 45 C.F.R. part 160 and part 164, subparts A and E.

(I) Protected Health Information. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Saint Francis from or on behalf of Johnson.

(J) Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.

(K) Secretary. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his/her designee.

(L) Security Incident. "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.

(M) Security Rule. "Security Rule" shall mean the Security Standards codified at 45 C.F.R. parts 160, 162, and 164.

(N) State Data Security Rules. "State Data Security Rules" shall mean state law relating to the security or confidentiality of medical or personal information, as may be amended from time to time.

(O) Unsecured PHI. "Unsecured PHI" shall have the same meaning as "unsecured protected health information" in 45 C.F.R. § 164.402.

(iii) Regulatory References. A reference in this BAA to a section in the Code of Federal Regulations means the section as currently in effect or as from time to time amended.

SECTION 2. OBLIGATIONS AND ACTIVITIES OF SAINT FRANCIS.

In carrying out its obligations to Johnson, Saint Francis (and its agents and subcontractors) may have access to, use, or create PHI on behalf of Johnson. Saint Francis acknowledges that this information is protected by state and federal law and agrees to comply with these laws. Saint Francis also acknowledges and agrees that it is obligated to, and will, comply with 45 C.F.R. §§ 164.308, 164.310, 164.312, and 164.316. Saint Francis further acknowledges that, pursuant to HITECH, additional requirements of the Privacy Rule and the Security Rule apply directly to Saint Francis in the same manner as they apply to Johnson. Such requirements are hereby incorporated into this BAA by reference and Saint Francis agrees it will comply with all such requirements. Without limiting any of the foregoing in any way, Saint Francis specifically agrees:

(i) Not to use or disclose PHI other than as necessary or advisable to provide services to Johnson, or as Required By Law. Saint Francis also agrees to limit any request, use, or disclosure of PHI to the minimum necessary to accomplish the purpose of the request, use, or disclosure and to comply with any guidance issued by the Secretary as to what constitutes "minimum necessary."

(ii) To use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this BAA, including but not limited to, implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any E-PHI that Saint Francis creates, receives, maintains, or transmits on behalf of Johnson.

(iii) To mitigate, to the extent practicable, any harmful effect that is known to Saint Francis of the use or disclosure of PHI by Saint Francis in violation of this BAA.

(iv) To report promptly to Johnson (A) any use or disclosure of PHI that is not permitted or required by this BAA, and (B) any Security Incident of which Saint Francis becomes aware (each, an "Incident"). Saint Francis shall also (A) take prompt steps to cure an Incident, to the extent cure is practicable, (B) take any action regarding an Incident required of Saint Francis by state or federal law, and (C) reasonably cooperate with Johnson to enable Johnson to meet its obligations regarding an Incident under state or federal law.

(v) To report promptly to Johnson the discovery of a Breach of Unsecured PHI. Saint Francis shall provide to Johnson any information reasonably available to Saint

Francis which Johnson reasonably requires to comply with Johnson's obligations under HITECH and the HIPAA Regulations.

(vi) To ensure that any agent, including a subcontractor, to whom Saint Francis provides PHI or E-PHI received from, or created or received by Saint Francis on behalf of, Johnson agrees to the same restrictions and conditions that apply through this BAA to Saint Francis with respect to such information.

(vii) At the request of Johnson and in the time and manner agreed to by Johnson and Saint Francis, to provide access to PHI in a Designated Record Set not in the possession of Johnson to Johnson or to an Individual, in order to meet the requirements of 45 C.F.R. § 164.524.

(viii) At the request of Johnson and in the time and manner agreed to by Johnson and Saint Francis, to make any amendment(s) to PHI in a Designated Record Set in Saint Francis's possession that are necessary for Johnson to comply with 45 C.F.R. § 164.526.

(ix) To make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Saint Francis on behalf of, Johnson available, at the request of Johnson, to the Secretary, in a time and manner designated by the Secretary, for the purpose of the Secretary determining Johnson's or Saint Francis's compliance with HITECH and the HIPAA Regulations.

(x) To provide to Johnson, in the time and manner agreed to by Johnson and Saint Francis, information required for Johnson to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

(xi) To comply with HITECH and the HIPAA Regulations that apply to Saint Francis when conducting any electronic transaction on behalf of Johnson that is subject to HITECH and the HIPAA Regulations. In addition, Saint Francis shall require its agents and subcontractors to do the same.

(xii) To comply with the requirements of applicable State Data Security Rules.

SECTION 3. PERMITTED USES AND DISCLOSURES BY SAINT FRANCIS.

(i) Except as otherwise limited by this BAA, the Business Process Outsourcing Agreement, a BPO Sub-Agreement, the Clinical Affiliation Agreement, a Clinical Services Sub-Agreement, or other agreements among the parties (collectively, the "**Agreements**"), and provided that such use or disclosure would not violate the Privacy Rule if done by Johnson, Saint Francis may use or disclose PHI to provide services to Johnson.

(ii) Except as otherwise limited in this BAA or the Agreements, Saint Francis may use PHI for the proper management and administration of Saint Francis or to carry out the legal responsibilities of Saint Francis.

(iii) Except as otherwise limited in this BAA, Saint Francis may disclose PHI for the proper management and administration of Saint Francis, provided that such disclosures are Required By Law, or Saint Francis obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person agrees to notify Saint Francis of any instances of which s/he/it is aware in which the confidentiality of the information has been breached.

(iv) Except as otherwise limited in this BAA, Saint Francis may use PHI to provide data aggregation services to Johnson as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(v) Saint Francis may use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1) and state law.

SECTION 4. OBLIGATIONS OF JOHNSON.

Johnson shall:

(i) Notify Saint Francis of any limitation(s) in the notice(s) of privacy practices that Johnson issues in accordance with 45 C.F.R. § 164.520 that may affect Saint Francis's use or disclosure of PHI.

(ii) Notify Saint Francis of any change in, or revocation of, permission by an Individual to use or disclose PHI, if such change may affect Saint Francis's use or disclosure of PHI.

(iii) Notify Saint Francis of any restriction on the use or disclosure of PHI that Johnson agrees to in accordance with 45 C.F.R. § 164.522, if such restriction may affect Saint Francis's use or disclosure of PHI.

(iv) Not request Saint Francis to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Johnson, except as provided in Section 3 of this BAA.

(v) Limit any request, use, or disclosure of PHI to the minimum necessary to accomplish the purpose of the request, use, or disclosure and to comply with any guidance issued by the Secretary as to what constitutes "minimum necessary."

SECTION 5. TERMINATION.

(i) This BAA shall terminate on the termination of the last of the Agreements to terminate, unless sooner terminated in accordance with Section 5(ii) of this BAA.

(ii) A material breach of any provision of this BAA shall be grounds for termination of this BAA. In the event of a material breach, the injured party shall notify the offending party in writing of the alleged material breach and provide a reasonable opportunity to cure the material breach. If the material breach is not cured within such reasonable time period, the injured party may terminate this BAA on further written notice to the offending party. If neither termination nor cure is Feasible, the injured party may report the violation to the Secretary.

(iii) Except as provided in Section 5(iv) of this BAA, on termination of this BAA for any reason: (A) Johnson shall not make any additional disclosures of PHI to Saint Francis (or Saint Francis's agents or subcontractors) and Saint Francis (and its agents and subcontractors) shall not make any further use or disclosure of, or create any additional, PHI on behalf of Johnson; and (B) Saint Francis (and its agents and subcontractors) shall, at Saint Francis's discretion, return or destroy all PHI received from Johnson or created or received by Saint Francis (or its agents or subcontractors) on behalf of Johnson. Saint Francis (and its agents and subcontractors) shall retain no copies of PHI received from Johnson or created or received by Saint Francis (or its agents or subcontractors) on behalf of Johnson.

(iv) In the event that Saint Francis determines that both returning and destroying the PHI are Infeasible, Saint Francis shall notify Johnson of the conditions that make return and destruction of the PHI Infeasible and retain the PHI. Saint Francis shall for as long as Saint Francis maintains the PHI: (A) maintain it in accordance with this BAA; and (B) limit further uses and disclosures of it to those purposes that make its return and destruction Infeasible.

SECTION 6. MISCELLANEOUS PROVISIONS.

(i) Survival. The following sections of this BAA shall survive the termination of this BAA: 5(iv); 6(i); 6(ii); 6(iii); and 6(v).

(ii) Interpretation. Any ambiguity in this BAA shall be resolved to permit compliance with HITECH, the HIPAA Regulations, State Data Security Rules, and other state and federal law relating to the security or confidentiality of medical or personal information.

(iii) Amendment to Comply with Law. The parties acknowledge that state and federal law relating to the security and privacy of medical information is evolving and that amendment of this BAA may be required to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to amend this BAA to conform to the requirements of HITECH, HIPAA, the HIPAA

Regulations, State Data Security Rules, and other applicable laws relating to the security or confidentiality of medical or personal information.

(iv) Notices. Any notices to be given hereunder shall be given and effective in accordance with the provisions of the Agreements.

(v) No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to, nor shall, confer upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the parties have executed this Business Associate Agreement to be effective as first written above.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
David Morgan
President and CEO

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

FIRST AMENDMENT TO CLINICAL AFFILIATION AGREEMENT

This First Amendment to Clinical Affiliation Agreement ("**Amendment**"), dated as of January __, 2015, is by and among Johnson Memorial Medical Center, Inc. ("**JMMC**"), on behalf of itself and its affiliates, Johnson Memorial Hospital, Inc. ("**JMH**"), The Johnson Evergreen Corporation, Inc. ("**JEC**"), and Johnson Professional Associates, P.C. ("**JPA**," and together with JMMC, JMH and JEC, collectively, "**Johnson**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), on behalf of itself and its affiliates, Saint Francis Hospital and Medical Center ("**SFH**") and Saint Francis Medical Group, P.C. ("**SFMG**," and, together with Saint Francis Care and SFH, collectively, "**Saint Francis**"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Clinical Affiliation Agreement (as such term is defined below).

RECITALS

WHEREAS, Saint Francis and Johnson are parties to a Clinical Affiliation Agreement dated as of July 12, 2012 (the "Clinical Affiliation Agreement"); and

WHEREAS, JMMC, JMH, JEC, and certain affiliates will be filing petitions for relief under chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code"), commencing cases under the Bankruptcy Code (the "Bankruptcy Cases"); and

WHEREAS, following the commencement of the chapter 11 cases of JMMC, JMH, JEC, and their affiliates, Johnson will not further extend the"Exclusivity Period", as that term is defined in Section 4.1 of the Master Affiliation Agreement dated July 12, 2012, among JMMC, JMH, JEC, and Saint Francis Care (the "Master Affiliation Agreement"); and

WHEREAS, Johnson takes the position that after the commencement of the Bankruptcy Cases it will be legally obligated to solicit Alternative Transactions, as that term is defined in the Master Affiliation Agreement; and

WHEREAS, Section 11.2.6 of the Clinical Affiliation Agreement provides that termination of the Exclusivity Period causes a termination of the Clinical Affiliation Agreement and all Clinical Sub-Agreements on the date that is 180 days after the date that the Exclusivity Period terminated; and

WHEREAS, the parties desire that the Clinical Affiliation Agreement remain in effect as provided herein notwithstanding the termination of the Exclusivity Period, subject to the terms of this Amendment; and

WHEREAS, the assets of JMMC and JMH will be sold in the Bankruptcy Cases, and the parties agree that the Clinical Affiliation Agreement should terminatein its entirety as provided herein if a party other than SFC or an affiliate is selected as the successful bidder for the assets of JMMC and JMH or is approved by the United States Bankruptcy Court as the purchaser of such assets; and

WHEREAS, the assets of JEC will be sold in the Bankruptcy Cases, and the parties agree that the Clinical Affiliation Agreement should terminate as to JEC as provided herein if a party other than SFC or an affiliate is selected as the successful bidder for the assets of JEC or is approved by the United States Bankruptcy Court as the purchaser of such assets; and

WHEREAS, Saint Francis and Johnson have agreed to amend the Clinical Affiliation Agreement to reflect the foregoing.

NOW THEREFORE, in consideration of the foregoing premises and the mutual benefits to be derived by Saint Francis and Johnson from such amendment and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree:

1. **Amendment to Clinical Affiliation Agreement.** Section 11.2.6 of the Clinical Affiliation Agreement is hereby amended and restated in its entirety as follows:

"11.2.6 Termination of Exclusivity Period; Sale to Non-SFC Purchaser.

(a) Subject to the terms of subsection (b), in the event the Exclusivity Period established by and defined in the Master Affiliation Agreement terminates for any reason except as provided in subsection (b), then this Agreement and all of the ClinicalSub-Agreements shall also terminate on the date that is one hundred eighty (180) days after the date that the Exclusivity Period terminated (or a lesser or longer number of days if mutually agreed to by the parties in writing).

(b) Certain of the Johnson entities intend to commence proceedings under chapter 11 of the United States Bankruptcy Code (the "**Bankruptcy Cases**") and to sell their assets in one or more sales under 11 U.S.C. § 363 (each, a "**§ 363 Sale**"). Notwithstanding the terms of subsection (a), the termination of the Exclusivity Period following the commencement of the Bankruptcy Cases will not result in termination of this Agreement or the Clinical Sub-Agreements. However, (i) if the United States Bankruptcy Court (the "**Bankruptcy Court**") enters an order approving the sale of the assets of either or both of JMH and JMMC to a purchaser other than Saint Francis or an affiliate (a "**Non-SFC Purchaser**"), this Agreement and all Clinical Sub-Agreements will terminate as to that Johnson entityon the date that is fifteen (15) days (or a lesser or longer number of days if mutually agreed to by the parties in writing)following the designation of the Non-SFC Purchaser as the successful bidder or the entry of the order approving the sale to the Non-SFC Purchaser, as applicable; and (ii) if the Bankruptcy Court enters an order approving the sale of the assets of JEC to a Non-SFC Purchaser, this Agreement and all Clinical Sub-Agreements will terminate as to JEC on the date that is fifteen (15) days (or a lesser or longer number of days if mutually agreed to by the parties in writing)following the designation of the Non-SFC Purchaser as the successful bidder or the entry of the order approving the sale to the Non-SFC Purchaser, as applicable.

(c) During the period following any event giving rise to termination of this Agreement and the effective date of termination (the "**Wind-up Period**"), the parties to this Agreement and any Clinical Sub-Agreement shall work together cooperatively to provide for an orderly transition of any Scheduled Services provided to Johnson under this Agreement and the Clinical Sub-Agreements. Notwithstanding the foregoing, the parties acknowledge that even if the Exclusivity Period terminates pursuant to subsection (a) above, the parties may desire to keep in place some or all of the Clinical Sub-Agreements. Therefore, within fifteen (15) days of the date of termination of the Exclusivity Periodpursuant to subsection (a) above, Johnson shall provide written notice to Saint Francis of which, if any, Clinical Sub-Agreements Johnson desires to remain effective, and if Saint Francis agrees to continue to provide some or all of such Scheduled Services, then the parties shall work together in good faith to amend in writing this Agreement and the applicable Clinical Sub-Agreement(s) to reflect the revised term for such continued agreements and any other amendment(s) that may be necessary or appropriate to implement the continuation of such agreements. If any Clinical Sub-Agreement is not amended to continue the term thereof, then such Clinical Sub-Agreement shall be terminated effective on the last day of the Wind-up Period."

2. **Clinical Affiliation Agreement to Remain in Effect**. Except as modified by this Amendment, the terms of the Clinical AffiliationAgreement shall remain unchanged and in full force and effect.

3. **Severability.** If any provision of this Amendmentshall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

4. **Governing Law.** This Amendment has been, or will be, executed and delivered in and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Connecticut, without regard to its conflict of law principles. Venue of any dispute arising hereunder shall reside in the courts of the State of Connecticut located in Hartford county.

5. **Captions.** The captions and headings in this Amendment are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Amendment.

6. **Counterparts.**This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Clinical Affiliation Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: Christopher M. Dadlez
Title: President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: _____
Title: _____

The undersigned hereby sign this Amendment for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Name: _____
Title: _____

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: _____
Title: _____

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Name: John F. Redis, M.D.
Title: EVP, COO, Chief Physician Exec.

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Name: _____
Title: _____

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have executed this First Amendment to Clinical Affiliation Agreement as of the date above first written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: _____
Title: _____

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: Patrick Mahon
Title: Chairman of the Board

The undersigned hereby sign this Amendment for purposes of acknowledging and agreeing, to the extent applicable, to abide by its terms:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Name: _____
Title: _____

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: Patrick Mahon
Title: Chairman of the Board

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Name: _____
Title: _____

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Name: Patrick Mahon
Title: Chairman of the Board

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Name: John T. Grish
Title: Secretary/Treasurer

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000
Contract # 12-343

June 28, 2012
Via Overnight Delivery

David Morgan, President and CEO
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Morgan:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Medical Group, Inc., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment or engagement as a contractor and to hire as an employee or engage as a contractor the following Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement:

- Patel Mahendra, M.D.
- Herb DiMeola, M.D.
- Shawn Brady, PA-C
- Ryan Makuck, PA-C
- Jennifer Starkey-Lapointe, PA-C
- David Woodworth, PA-C
- Laura Kielb, PA-C

Please indicate your agreement to the foregoing by signing below and returning a signed original to me, with a copy to the Vice President and General Counsel of Saint Francis Hospital and Medical Center.

Thank you.

Sincerely,

Rolf Knoll, M.D.
President
Saint Francis Medical Group, Inc.

By signing below I, David Morgan, President and CEO of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliate(s), if applicable.

Signature

7/23/12
Date

cc: Eric A. Henzy, Esq.
Kathleen M. Roche
Mark Aresco

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-343
BY: AS/MW DATE: 11/29/12

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000
Contract # 12-344

June 28, 2012
Via Overnight Delivery

David Morgan, President and CEO
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Morgan:

In accordance with Sections 6.3 and 6.4 of that certain Business Process Outsourcing Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Hospital and Medical Center, an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment or engagement as a contractor and to hire as an employee or engage as a contractor the following Johnson Personnel, as that term is defined in the Business Process Outsourcing Agreement:

- Andrew McFarlin

Please indicate your agreement to the foregoing by signing below and returning a signed original to me, with a copy to the Vice President and General Counsel of Saint Francis Hospital and Medical Center.

Thank you.

Sincerely,

Dawn Bryant
Senior Vice President & Chief Human Resources Officer
Saint Francis Hospital and Medical Center

By signing below I, David Morgan, President and CEO of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliate(s), if applicable.

Signature _____ Date 7/23/12

cc: Eric A. Henzy, Esq.
Kathleen M. Roche
Linda Shanley

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-344
BY: _____ DATE: 6/27/12

BUSINESS ASSOCIATE AGREEMENT

This Business Associate ("**BAA**") is made by and among Johnson Memorial Medical Center, Inc. and its affiliates, Johnson Memorial Hospital, Inc., and The Johnson Evergreen Corporation, Inc., and Johnson Professional Associates, P.C. (collectively, "**Johnson**") and Saint Francis *Care*, Inc., and its affiliates, Saint Francis Hospital and Medical Center and Saint Francis Medical Group, P.C. (collectively, "**Saint Francis**"), and is effective as of the earliest effective date of any of the Agreements (as defined below).

WHEREAS, Johnson is a covered entity under title II, subtitle F (Administrative Simplification) of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("**HIPAA**"), the regulations promulgated thereunder by the United States Department of Health and Human Services (the "**HIPAA Regulations**"), and HITECH (as defined below); and

WHEREAS, in carrying out its obligations to Johnson, Saint Francis may have access to, use, and create confidential health care information on behalf of Johnson, some of which may constitute Protected Health Information ("**PHI**") or Electronic Protected Health Information ("**E-PHI**"); and

WHEREAS, Johnson and Saint Francis intend to protect the privacy and provide for the security of PHI, E-PHI, and other personal information disclosed to, and/or used or created by Saint Francis, in compliance with HITECH (as defined below), HIPAA, the HIPAA Regulations, and other applicable law; and

WHEREAS, the HIPAA Regulations require Johnson to enter into a written agreement containing specific provisions with Saint Francis prior to Saint Francis (or its agents or subcontractors) receiving PHI or E-PHI from, or creating, using, or disclosing PHI or E-PHI on behalf of, Johnson;

NOW, THERFORE, in consideration of the mutual promises below, the parties agree as follows.

SECTION 1. DEFINITIONS.

(i) General. Terms used but not otherwise defined in this BAA shall have the same meaning as in HITECH and the HIPAA Regulations.

(ii) Specific.

(A) Breach. "Breach" shall have the same meaning as the term "breach" in 45 C.F.R. § 164.402.

(B) Designated Record Set. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.

(C) Electronic Protected Health Information. "Electronic Protected Health Information" ("E-PHI") shall have the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Saint Francis from or on behalf of Johnson.

(D) Feasible. "Feasible" shall have the same meaning as the term "feasible" in 45 C.F.R. § 164.504(e)(1)(ii)(B).

(E) HITECH. "HITECH" shall mean the Health Information Technology for Economic and Clinical Health Act (div. A, title XIII and div. B, title IV of the American Recovery and Reinvestment Act of 2009, Public Law 111-5) and the regulations promulgated thereunder.

(F) Individual. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103.

(G) Infeasible. "Infeasible" shall have the same meaning as the term "infeasible" in 45 C.F.R. § 164.504(e)(2)(ii)(I).

(H) Privacy Rule. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information, codified at 45 C.F.R. part 160 and part 164, subparts A and E.

(I) Protected Health Information. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Saint Francis from or on behalf of Johnson.

(J) Required By Law. "Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.

(K) Secretary. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his/her designee.

(L) Security Incident. "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.

(M) Security Rule. "Security Rule" shall mean the Security Standards codified at 45 C.F.R. parts 160, 162, and 164.

(N) State Data Security Rules. "State Data Security Rules" shall mean state law relating to the security or confidentiality of medical or personal information, as may be amended from time to time.

(O) Unsecured PHI. "Unsecured PHI" shall have the same meaning as "unsecured protected health information" in 45 C.F.R. § 164.402.

(iii) Regulatory References. A reference in this BAA to a section in the Code of Federal Regulations means the section as currently in effect or as from time to time amended.

SECTION 2. OBLIGATIONS AND ACTIVITIES OF SAINT FRANCIS.

In carrying out its obligations to Johnson, Saint Francis (and its agents and subcontractors) may have access to, use, or create PHI on behalf of Johnson. Saint Francis acknowledges that this information is protected by state and federal law and agrees to comply with these laws. Saint Francis also acknowledges and agrees that it is obligated to, and will, comply with 45 C.F.R. §§ 164.308, 164.310, 164.312, and 164.316. Saint Francis further acknowledges that, pursuant to HITECH, additional requirements of the Privacy Rule and the Security Rule apply directly to Saint Francis in the same manner as they apply to Johnson. Such requirements are hereby incorporated into this BAA by reference and Saint Francis agrees it will comply with all such requirements. Without limiting any of the foregoing in any way, Saint Francis specifically agrees:

(i) Not to use or disclose PHI other than as necessary or advisable to provide services to Johnson, or as Required By Law. Saint Francis also agrees to limit any request, use, or disclosure of PHI to the minimum necessary to accomplish the purpose of the request, use, or disclosure and to comply with any guidance issued by the Secretary as to what constitutes "minimum necessary."

(ii) To use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this BAA, including but not limited to, implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any E-PHI that Saint Francis creates, receives, maintains, or transmits on behalf of Johnson.

(iii) To mitigate, to the extent practicable, any harmful effect that is known to Saint Francis of the use or disclosure of PHI by Saint Francis in violation of this BAA.

(iv) To report promptly to Johnson (A) any use or disclosure of PHI that is not permitted or required by this BAA, and (B) any Security Incident of which Saint Francis becomes aware (each, an "Incident"). Saint Francis shall also (A) take prompt steps to cure an Incident, to the extent cure is practicable, (B) take any action regarding an Incident required of Saint Francis by state or federal law, and (C) reasonably cooperate with Johnson to enable Johnson to meet its obligations regarding an Incident under state or federal law.

(v) To report promptly to Johnson the discovery of a Breach of Unsecured PHI. Saint Francis shall provide to Johnson any information reasonably available to Saint

Francis which Johnson reasonably requires to comply with Johnson's obligations under HITECH and the HIPAA Regulations.

(vi) To ensure that any agent, including a subcontractor, to whom Saint Francis provides PHI or E-PHI received from, or created or received by Saint Francis on behalf of, Johnson agrees to the same restrictions and conditions that apply through this BAA to Saint Francis with respect to such information.

(vii) At the request of Johnson and in the time and manner agreed to by Johnson and Saint Francis, to provide access to PHI in a Designated Record Set not in the possession of Johnson to Johnson or to an Individual, in order to meet the requirements of 45 C.F.R. § 164.524.

(viii) At the request of Johnson and in the time and manner agreed to by Johnson and Saint Francis, to make any amendment(s) to PHI in a Designated Record Set in Saint Francis's possession that are necessary for Johnson to comply with 45 C.F.R. § 164.526.

(ix) To make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Saint Francis on behalf of, Johnson available, at the request of Johnson, to the Secretary, in a time and manner designated by the Secretary, for the purpose of the Secretary determining Johnson's or Saint Francis's compliance with HITECH and the HIPAA Regulations.

(x) To provide to Johnson, in the time and manner agreed to by Johnson and Saint Francis, information required for Johnson to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.

(xi) To comply with HITECH and the HIPAA Regulations that apply to Saint Francis when conducting any electronic transaction on behalf of Johnson that is subject to HITECH and the HIPAA Regulations. In addition, Saint Francis shall require its agents and subcontractors to do the same.

(xii) To comply with the requirements of applicable State Data Security Rules.

SECTION 3. PERMITTED USES AND DISCLOSURES BY SAINT FRANCIS.

(i) Except as otherwise limited by this BAA, the Business Process Outsourcing Agreement, a BPO Sub-Agreement, the Clinical Affiliation Agreement, a Clinical Services Sub-Agreement, or other agreements among the parties (collectively, the "**Agreements**"), and provided that such use or disclosure would not violate the Privacy Rule if done by Johnson, Saint Francis may use or disclose PHI to provide services to Johnson.

(ii) Except as otherwise limited in this BAA or the Agreements, Saint Francis may use PHI for the proper management and administration of Saint Francis or to carry out the legal responsibilities of Saint Francis.

(iii) Except as otherwise limited in this BAA, Saint Francis may disclose PHI for the proper management and administration of Saint Francis, provided that such disclosures are Required By Law, or Saint Francis obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and be used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person agrees to notify Saint Francis of any instances of which s/he/it is aware in which the confidentiality of the information has been breached.

(iv) Except as otherwise limited in this BAA, Saint Francis may use PHI to provide data aggregation services to Johnson as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

(v) Saint Francis may use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 C.F.R. § 164.502(j)(1) and state law.

SECTION 4. OBLIGATIONS OF JOHNSON.

Johnson shall:

(i) Notify Saint Francis of any limitation(s) in the notice(s) of privacy practices that Johnson issues in accordance with 45 C.F.R. § 164.520 that may affect Saint Francis's use or disclosure of PHI.

(ii) Notify Saint Francis of any change in, or revocation of, permission by an Individual to use or disclose PHI, if such change may affect Saint Francis's use or disclosure of PHI.

(iii) Notify Saint Francis of any restriction on the use or disclosure of PHI that Johnson agrees to in accordance with 45 C.F.R. § 164.522, if such restriction may affect Saint Francis's use or disclosure of PHI.

(iv) Not request Saint Francis to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Johnson, except as provided in Section 3 of this BAA.

(v) Limit any request, use, or disclosure of PHI to the minimum necessary to accomplish the purpose of the request, use, or disclosure and to comply with any guidance issued by the Secretary as to what constitutes "minimum necessary."

SECTION 5. TERMINATION.

(i) This BAA shall terminate on the termination of the last of the Agreements to terminate, unless sooner terminated in accordance with Section 5(ii) of this BAA.

(ii) A material breach of any provision of this BAA shall be grounds for termination of this BAA. In the event of a material breach, the injured party shall notify the offending party in writing of the alleged material breach and provide a reasonable opportunity to cure the material breach. If the material breach is not cured within such reasonable time period, the injured party may terminate this BAA on further written notice to the offending party. If neither termination nor cure is Feasible, the injured party may report the violation to the Secretary.

(iii) Except as provided in Section 5(iv) of this BAA, on termination of this BAA for any reason: (A) Johnson shall not make any additional disclosures of PHI to Saint Francis (or Saint Francis's agents or subcontractors) and Saint Francis (and its agents and subcontractors) shall not make any further use or disclosure of, or create any additional, PHI on behalf of Johnson; and (B) Saint Francis (and its agents and subcontractors) shall, at Saint Francis's discretion, return or destroy all PHI received from Johnson or created or received by Saint Francis (or its agents or subcontractors) on behalf of Johnson. Saint Francis (and its agents and subcontractors) shall retain no copies of PHI received from Johnson or created or received by Saint Francis (or its agents or subcontractors) on behalf of Johnson.

(iv) In the event that Saint Francis determines that both returning and destroying the PHI are Infeasible, Saint Francis shall notify Johnson of the conditions that make return and destruction of the PHI Infeasible and retain the PHI. Saint Francis shall for as long as Saint Francis maintains the PHI: (A) maintain it in accordance with this BAA; and (B) limit further uses and disclosures of it to those purposes that make its return and destruction Infeasible.

SECTION 6. MISCELLANEOUS PROVISIONS.

(i) Survival. The following sections of this BAA shall survive the termination of this BAA: 5(iv); 6(i); 6(ii); 6(iii); and 6(v).

(ii) Interpretation. Any ambiguity in this BAA shall be resolved to permit compliance with HITECH, the HIPAA Regulations, State Data Security Rules, and other state and federal law relating to the security or confidentiality of medical or personal information.

(iii) Amendment to Comply with Law. The parties acknowledge that state and federal law relating to the security and privacy of medical information is evolving and that amendment of this BAA may be required to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to amend this BAA to conform to the requirements of HITECH, HIPAA, the HIPAA

Regulations, State Data Security Rules, and other applicable laws relating to the security or confidentiality of medical or personal information.

(iv) Notices. Any notices to be given hereunder shall be given and effective in accordance with the provisions of the Agreements.

(v) No Third Party Beneficiaries. Nothing express or implied in this BAA is intended to, nor shall, confer upon any person other than the parties hereto any rights, remedies, obligations, or liabilities whatsoever.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the parties have executed this Business Associate Agreement to be effective as first written above.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
David Morgan
President and CEO

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME]
[TITLE]

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-364
DATE: 7/9/2012

#50783006

IN WITNESS WHEREOF, the parties have executed this Business Associate Agreement to be effective as first written above.

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Dadlez
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf W. Knoll
President

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
David Morgan
President and CEO

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
[NAME] David Morgan
[TITLE] President and CEO

#50783006

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT ("Agreement") is made this 1st day of June, 2013, by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.** with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 ("Buyer"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER,** a Connecticut professional services corporation with an address at 114 Woodland Street, Hartford, Connecticut 06105 ("Seller"). The Buyer and the Seller are sometimes referred to jointly herein as the "parties" or individually as a "party."

RECITALS

WHEREAS, the Seller is the owner of the Equipment; and

WHEREAS, the Seller desires to sell, and the Buyer desires to purchase, the Equipment upon and subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises, covenants, representations, warranties, and agreements contained herein, and intending to be legally bound, the Buyer and the Seller agree as follows:

AGREEMENT

1. Purchase and Sale. For and in consideration of Buyer's payment of the Purchase Price (defined herein) Seller hereby grants, bargains, sells, transfers, assigns, and delivers to Buyer, its successors and assigns, two (2) Cisco 6509 Chassis Routers ("Equipment") to Buyer as of the date the Purchase Price is paid by the Buyer as set forth in Section 4 hereof. Further, Seller does hereby assign to Buyer any and all rights, representations and warranties, if any, received from its predecessors in interest in or relating to the Equipment.

2. Seller Representations, Warranties & Covenants. Seller does hereby represent, warrant and covenant to and with Buyer, its successors and assigns that Seller is the lawful owner of all right, title and interest in the Equipment granted, bargained, sold, transferred, assigned and delivered to Buyer hereunder and that such Equipment and rights are free from all encumbrances and that Seller has the right to transfer the same as aforesaid.

3. Nonassumption of Liabilities. It is expressly understood and agreed that the Buyer shall not, by virtue of this Agreement, or otherwise, assume or become liable for any liabilities or obligations of the Seller or any affiliate or subsidiary of the Seller, all of which liabilities and obligations of the Seller the Seller hereby agrees to retain, and timely perform and discharge.

4. Purchase Price. The purchase price for the Equipment shall be One Thousand Nine Hundred and No/100 Dollars ($1,900.00) ("Purchase Price). Within thirty (30) days of the date that this Agreement is fully executed, the Buyer shall make payment by check to Seller at the address first set forth above in the amount of the Purchase Price, and the Seller shall give the Buyer full possession and enjoyment of the Equipment

5. Other Instruments of Conveyance. The Seller shall execute and deliver to the Buyer a bill of sale conveying the Equipment in the form set forth on Exhibit A, attached hereto.

6. Notices. All notices, requests, demands and other communications hereunder shall be in writing and will be deemed given if delivered either personally or by sending a copy thereof by fax (facsimile) transmission or by telex or (with answer back received), and confirmed by express mail sent via recognized overnight courier, all charges prepaid, to such party's address (or to such party's telex or fax number). Notices will be deemed to have been given to the person entitled thereto when received.

If to Seller:

Saint Hospital and Medical Center
114 Woodland Street
Hartford, Connecticut 06105
Attention: Kathleen M. Roche

If to Buyer:

Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076
Attention:

7. Assignability and Parties in Interest. No party may assign any of its rights or delegate any of its obligations hereunder without the prior written consent of the other party. This Agreement binds, inures to the benefit of and is enforceable by the respective successors and permitted assigns of the parties and it does not confer any rights on any other persons or entities.

8. Governing Law. This Agreement will be governed by, and construed and enforced in accordance with the laws of the State of Connecticut, without giving effect to its conflicts of laws provisions.

9. Regulatory Restrictions. (a) Seller and Buyer shall comply in all material respects with fraud and abuse, anti-kickback, self-referral and similar provisions of federal and state laws, rules and regulations prohibiting the inducement of referrals of patients for services or items reimbursable under the Medicare, Medicaid, TriCare or other federal or state governmental healthcare programs.

(b) Without limiting the generality of the foregoing, the parties agree and acknowledge that the terms, obligations and agreements set forth in this Agreement, and the arrangements pursuant to which payments are made, facilities are furnished or services are rendered hereunder, shall be determined and paid on the basis of fair market value, and are not payment for, are not in any way contingent upon, and are not intended to induce (i) the admission or referral of any individual to any physician, office or facility employed, controlled, managed or operated by Buyer or Seller or any of their respective affiliates, for the furnishing or arranging for the furnishing of items or services, including items or services for which payment may be made in whole or in part under Medicare, Medicaid, TriCare or otherwise, or (ii) the purchase, lease, order, or arrangement for, or the recommendation for the purchasing, leasing, ordering or arranging for, any good, facility, service or item, including any good, facility, service or item for which payment may be made in whole or in part under Medicare, Medicaid, TriCare or otherwise.

10. Counterparts. This Agreement may be executed in any number of counterparts and any party hereto may execute any such counterpart, each of which when executed and delivered will be deemed to be an original and all of which counterparts taken together will constitute but one and the same instrument.

11. Waiver. The failure of any party to insist upon strict performance of any of the terms or conditions of this Agreement will not constitute a waiver of any of its rights hereunder.

12. Complete Agreement. This Agreement, including the Exhibit(s) delivered pursuant hereto, contain the entire agreement between the parties hereto with respect to the transactions contemplated herein and, except as provided herein, supersede all previous oral and written and all contemporaneous oral negotiations, commitments, writings and understandings relating to the subject matter hereof.

13. Modifications. This Agreement may be modified or amended upon written agreement of the parites.

14. Interpretation. The headings contained in this Agreement are for reference purposes only and will not affect in any way the meaning or interpretation of this Agreement.

15. Severability. If any provision of this Agreement is held illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability will not affect any other provision hereof. This Agreement will, in such circumstances, be deemed modified to the extent necessary to render enforceable the provisions hereof.

16. Exhibits. Each Exhibit referred to herein is incorporated into this Agreement by such reference.

17. No Benefit to Others. The representations, warranties, covenants and agreements contained in this Agreement are for the sole benefit of the parties hereto and their successors and permitted assigns, and they will not be construed as conferring and are not intended to confer any rights on any other persons.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SELLER
Saint Francis Hospital and Medical Center

Kathleen M. Roche — May 28, 2013
Kathleen M. Roche — Date
Its: Executive Vice President
& Chief Operating Officer

BUYER
Johnson Memorial Medical Center, Inc.

Stuart Rosenberg — May 29, 2013
Stuart Rosenberg — Date
Its: Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-380
BY: _____ DATE: 5-23-13

EXHIBIT A

BILL OF SALE

THIS BILL OF SALE is made as of June 1, 2013, by and between **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** ("Grantor") and **JOHNSON MEMORIAL MEDICAL CENTER, INC.** ("Grantee").

W I T N E S S E T H:

Grantor and Grantee are parties to a certain Purchase Agreement dated as of June 1, 2013 ("Purchase Agreement"), which provides for the transfer to Grantee of certain Equipment owned by Grantor.

In consideration of One Thousand Nine Hundred and No/100 Dollars ($1,900.00) cash in hand paid by Grantee to Grantor and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby bargains, sells, assigns, transfers, conveys and sets over to Grantee all of Grantor's right, title and interest in and to the Equipment, as defined in the Purchase Agreement and incorporated herein by this reference.

Grantor hereby warrants that it has good and valid title to the Equipment, that the Equipment is free from all liens, claims and encumbrances and that Grantor does hereby bind itself, its successors and assigns, to warrant and defend the title to the Equipment against claims of any and all other persons and entities whatsoever.

Except for any representations or warranties contained in the immediately preceding paragraph or in the Purchase Agreement, the aforesaid Equipment is sold "AS IS, WHERE IS," without any warranty whatsoever as to their quality, condition, merchantability or suitability for any particular purpose or use.

WITNESS the signature and seal on the signature page attached hereto.

Attached to and made a part of this Bill of Sale dated as of June 1, 2013

Saint Francis Hospital and Medical Center

to

Johnson Memorial Medical Center, Inc.

By: _____
Kathleen M. Roche
Its: Executive Vice President
& Chief Operating Officer

Witness: _____
Name:

MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (the "Agreement") is entered into as of this day of November 1, 2013 (the "Effective Date") by and between CONNECTICUT OCCUPATIONAL MEDICINE PARTNERS, LLC, a Connecticut limited liability company with an office at 1000 Asylum Avenue, Hartford, Connecticut 06105 ("Manager"), and JOHNSON MEMORIAL MEDICAL CENTER, INC., a Connecticut nonstock corporation with an office at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 ("Provider").

RECITALS

WHEREAS, Provider is an affiliate of a duly licensed acute care general hospital which provides occupational health services to its employees and to its clients and their employees in the community; and

WHEREAS, Manager is in the business of providing management, administrative, marketing, sales, billing and accounting services to occupational health programs; and

WHEREAS, Provider desires to secure, and Manager desires to provide to Provider, such management, administrative, marketing, sales, billing and accounting services; and

WHEREAS, Provider and Manager anticipate that the execution by Provider and Manager of this Agreement will enable the parties to better serve the community by making occupational health services more available, efficient and effective;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. RESPONSIBILITIES OF PROVIDER

1.1 Sole Responsibility for All Medical and Professional Matters. All medical, professional and ethical matters relating to the operations of the occupational health program and the performance of services for clients and patients of Provider shall be the sole responsibility of Provider. Provider expressly acknowledges that the medical services provided by Provider shall be conducted solely by physicians or allied health professionals under the supervision of physicians associated with Provider.

1.2 Physicians, Allied Health Professionals and Support Staff. Provider shall consult with Manager with respect to, but Provider shall have complete control of and responsibility for, the hiring, engagement, compensation, supervision, evaluation, and termination of all physicians, allied health professionals and support staff including nurses and other medical and office personnel related to the provision of occupational health services. Provider shall only employ and contract with licensed health care practitioners meeting applicable credentialing guidelines established by Provider to provide occupational health services. Provider shall be responsible for the payment of salaries and wages, compensation, payroll taxes, employee

benefits, and all other taxes and charges now or hereafter applicable to employed or contracted physicians, allied health professionals and support staff. Provider shall use its best efforts to consult with Manager and shall utilize the services of Manager during negotiations with regard to the terms of contracts entered into between Provider and employed or contracted physicians, allied health professionals or support staff related to the provision of occupational health services and the terms and conditions of their employment or engagement as independent contractors, as applicable.

1.3 Compliance with Law. Provider shall require all of its employed and contracted physicians, allied health professionals and support staff providing occupational health services to comply with all laws, regulations, and ethical and professional standards applicable to the practice of medicine and occupational health. Physicians providing medical services through Provider shall at all times be licensed to practice medicine in the State of Connecticut.

1.4 Practice Sites; Hours of Operation; Staffing. Provider shall conduct its occupational health services from the locations set forth in Exhibit 1.4 (the "**Practice Sites**"). Any additional or substitute Practice Sites with respect to which the parties agree to extend Manager's duties under this Agreement shall be reflected in an amendment to Exhibit 1.4. Provider shall establish, with advice from Manager, the hours of operation at the Practice Sites.

1.5 Quality Assurance. Provider, under the direction of Manager, shall develop, maintain and administer quality assurance programs and performance standards, shall monitor utilization and quality of services provided by physicians and allied health professionals and shall take all steps necessary to remedy any and all deficiencies in the efficiency or the quality of services and medical care provided.

1.6 Professional Insurance Eligibility. Provider shall obtain and retain professional liability insurance at its cost for its physicians and allied health professionals who provide occupational health services.

2. RESPONSIBILITIES OF MANAGER

2.1 General Responsibility. Manager shall have general responsibility for providing fiscal services, management information services, sales and marketing and other strategic and tactical support services related to the provision of occupational health services to Provider. Manager shall perform all required functions in accordance with sound management techniques. Notwithstanding Manager's general and specific rights and responsibilities set forth in this Agreement, Provider shall have full authority and control with respect to all medical, professional and ethical determinations over Provider's occupational health services to the extent required by federal, state and city law and regulation. Manager shall not engage in activities which constitute the practice of medicine under applicable law. Manager shall neither exercise control over nor interfere with the professional patient relationships, which shall be maintained strictly between the physicians and allied health professionals and their patients.

2.2 Recordkeeping. Manager shall provide the administrative support necessary for Provider to maintain patient medical records in accordance with applicable laws concerning their confidentiality and retention. Notwithstanding the foregoing sentence, patient medical records shall be and shall remain the property of Provider, and the content thereof shall be solely the responsibility of Provider. Manager shall provide access to an electronic medical record system customized to support Provider's occupational medicine practice when Manager makes such system available to other providers.

2.3 Quality Assurance. Manager shall provide direction to Provider in the development and implementation of appropriate quality assurance programs including development of performance and utilization standards, sampling techniques for case review, and preparation of appropriately documented studies. Notwithstanding the foregoing, Manager shall not perform any duties that constitute the corporate practice of medicine. If requested by Provider, Manager may periodically arrange for an independent quality assurance and utilization review to be performed by a person who is unrelated to Provider or Manager, who has expertise in such areas, and who has been approved by Provider. Such review shall include a random sampling of medical records (consistent with laws regarding the confidentiality of medical records), an analysis of Provider's quality assurance and utilization review procedures, and an analysis of the appropriateness of costs associated with operating Provider's occupational health program.

2.4 Responsibilities with Regard to Selected Financial Matters.

(a) Fees, Charges and Payor Agreements. Manager shall advise, after consultation with Provider, as to fees, charges, premiums, or other amounts due in connection with Provider's delivery of occupational health services to clients and patients at the Practice Sites. Manager shall give advice as to how to keep such fees, charges, premiums, or other amounts, regardless of whether determined on a fee-for-service, capitated, prepaid, or other basis, reasonable and consistent with the fees, charges, premiums, and other amounts due to health care providers for similar services within the community under a same or similar type of reimbursement program. Manager shall maintain for Provider a schedule of fees for all of Provider's services (the **"Fee Schedule"),** along with a schedule of all agreements between Provider and payers or their agents for the provision of occupational health care services (the **"Payor Schedule"**). The responsibility for the determination of fees shall be Provider's. Therefore, Manager shall consult with Provider regarding, and shall provide Provider with adequate prior written notice of any changes implemented on its behalf in the Fee Schedule or Payor Schedule, or of any changes in the agreements with payers identified in the Payor Schedule and such changes shall not be effective unless and until the Provider approves the same.

(b) Confidentiality of Price and Cost Information. Provider and Manager acknowledge and agree that they will not share fee, price or cost related information with any other Member of Manager, or any of their affiliates and that such information which necessarily comes to the knowledge of Manager shall be used by the officers of Manager only in the negotiation of contracts with third parties and shall not be discussed at meetings of the Board of Directors of Manager or by the Members of Manager and shall not be used to coordinate prices or costs among the Members of Manager or any of their affiliates.

(c) Billing. Manager shall submit on a timely basis all bills and necessary documentation required by clients, patients and payers in order to obtain payment in connection with Provider's delivery of health care services at the Practice Sites or its arrangement for the delivery of such services. In seeking such payment, Manager shall act as Provider's agent in billing and collecting professional fees, charges, premiums, or other amounts owed to Provider. In such billing, Manager shall indicate on its billhead that it is billing in the name of Provider and shall only bill under Provider's provider number. In this connection, Provider hereby appoints Manager, during the term of this Agreement, as Provider's true and lawful attorney-in-fact, with power of substitution, for the following purposes relating to Provider:

(i) To bill Provider's clients, patients and payers on Provider's behalf.

(ii) To collect accounts receivable generated by such billings on Provider's behalf, including, where deemed appropriate by Manager, settling and compromising claims within parameters established by Provider, assigning such accounts receivable to a collection agency or the bringing of legal action against a client, patient or payor on Provider's behalf.

(iii) To receive all cash, notes, checks, money orders, payor payments, and any other instruments, received as payment for accounts receivables on behalf of Provider from patients and payers. After receipt of such payments, Manager shall endorse in the name of Provider and deposit all such payments directly into a depository account in the name of, and controlled by Provider, with a banking institution selected by Manager and approved by Provider, such approval not to be unreasonably withheld, and shall apply such payments in accordance with the terms of this Agreement.

(iv) To write checks against or otherwise withdraw funds deposited in Provider's bank account or those purposes, and only for those purposes, described in this Agreement. Except as otherwise provided herein, in no event shall Manager commingle funds of Provider with its own funds or utilize Provider's funds or other assets for the benefit of Manager or any of its directors, officers, employees or agents.

(d) Reporting. Manager shall present to Provider reports on the financial condition of Provider and such other reports that Provider may reasonably request. Manager also shall provide such reports as may be required by any regulatory agency having jurisdiction over the operations of Provider.

2.5 Responsibilities for Financial Planning and Goals.

(a) Preparation of Budget. Manager shall provide assistance to Provider in the preparation of an annual capital and operating budget for Provider, reflecting in reasonable detail the anticipated revenues and expenses and sources and uses of capital for growth of the occupational health services rendered at the Practice Sites (the "**Provider Budget**"). Manager shall recommend the amount and form of capital to be invested in the Provider, in its expansion

and in the development of new services, all of which shall be appropriately reflected in the Provider Budget. Manager shall conduct onsite assessments of Provider at least annually to identify opportunities for expense reduction and revenue production. Manager shall collaborate in the development of a downstream referral tracking mechanism that tabulates referrals from Provider to hospitals and other providers.

(b) Expansion of the Practice. Manager shall assist Provider in its efforts to expand the occupational health services by the addition of new practitioners through recruitment, or through the merger with or acquisition of other occupational health services, as may be economically justified.

(c) Development of New Services. Manager will recommend the addition of new or supplemental occupational health services.

(d) Coding Audits. Manager shall conduct documentation and coding audits at least annually and provide targeted education to Provider based on audit results.

2.6 Responsibilities with Respect to Selected Operational Matters.

(1) Data Processing. Manager shall provide, operate, supervise and direct the development of appropriate and efficient electronic data processing systems with respect to Provider's operation of the Practice Sites.

(2) Operational Policies. Manager shall assist Provider in the development and preparation of policies, procedures, and manuals for the Practice Sites.

(3) Personnel. Manager shall provide administrative assistance in the recruitment, hiring, and training of physicians, allied health professionals and all support staff employed by Provider at the Practice Sites to provide occupational health services.

(4) Third Party Agreements. Manager shall negotiate and administer all third party payor agreements on behalf of Provider and shall consult with Provider on all professional and clinical matters relating thereto. Notwithstanding the foregoing, the power to enter into or terminate such agreements is retained by Provider except where the Manager is acting under an express delegation of authority in this regard.

2.7 Sales and Marketing Responsibilities.

(a) Marketing. Manager shall provide all services reasonably necessary for marketing Provider's occupational health services at the Practice Sites, as agreed to by the Provider, and shall submit any marketing programs for prior review, revision and approval by Provider. Such marketing shall comply with applicable laws and regulations governing the use of advertising by the medical profession and with applicable standards of medical ethics.

(b) Education. Manager may make recommendations and assist in developing client

and patient education materials and programs. Prior to instituting any such programs, Manager shall obtain the approval of Provider.

(c) Sales. Manager shall develop a sales strategy for use by Provider and shall make recommendations to Provider for the development of new business. Manager shall provide training for Provider's sales force and shall provide standard sales and marketing software to allow Provider to track its sales experience.

3. FINANCIAL ARRANGEMENTS

3.1 Management Fee. Inconsideration for the Manager Services furnished by Manager to Provider pursuant to this Agreement, Provider shall pay Manager a management fee (the "**Management Fee**") as set forth in Exhibit 3.1, attached hereto and made a part hereof. The Management Fee shall be paid quarterly on the first day of July, October, January and April during the term of this Agreement.

4. TERM AND TERMINATION

4.1 Term. This Agreement shall commence on the Effective Date, as defined above, and shall continue in effect for a term of five (5) years (the "**Initial Term**"), unless sooner terminated pursuant to this Section 4.1 or Section 4.3 hereof. Thereafter, this Agreement shall automatically continue in effect for additional terms of two (2) years each unless otherwise terminated pursuant to this Section 4.1 or Section 4.3 hereof. Notwithstanding the foregoing, however, either party may terminate this Agreement with or without cause with six (6) months prior written notice and this Agreement shall terminate upon the dissolution of Manager or the disassociation of Provider as a Member of Manager.

4.2 Events of Default. Each of the following shall constitute an "Event of Default" (the party causing such default is referred to as the "Breaching Party"):

(a) The Breaching Party fails to make any payment required under this Agreement.

(b) The Breaching Party makes any general assignment for the benefit of creditors, or seeks to avail itself of any law for the release of insolvent debtors.

(c) Insolvency, bankruptcy, dissolution, liquidation, or receivership proceedings are commenced by or with the consent of the Breaching Party, or are pending for more than sixty (60) days against the Breaching Party.

(d) The Breaching Party fails to observe or otherwise breaches any material term, condition, covenant, or warranty of this Agreement.

4.3 Termination. Subject to the provisions of this Section 4.3, the non-Breaching Party may terminate this Agreement upon the occurrence of an Event of Default in accordance

with the following:

(a) In the event of the occurrence of an Event of Default referred to in Section 4.2(a) above, upon the expiration of thirty (30) days after written notice, which notice shall specify such Event of Default to Breaching Party, unless the amount due is paid within such thirty (30) days.

(b) In the event of the occurrence of any other Event of Default as set forth in Section 4.2 hereof, upon the expiration of ninety (90) days after written notice, which notice shall specify the nature and extent of such Event of Default to the Breaching Party. However, in the case of a remediable Event of Default, the Breaching Party shall have the opportunity to remedy such Event of Default within such ninety (90) days.

4.4 Duties upon Termination or Expiration of This Agreement. If this Agreement is terminated upon expiration of its term, or earlier as provided in Section 4.3 or Section 8.11:

(a) Neither party shall be released or discharged from any obligation, debt or liability which has previously accrued or been incurred and remains to be performed upon the date of termination or expiration;

(b) Any sums of money owing by one party to the other shall be paid immediately; including without limitation, any amounts owed by Provider pursuant to Section 3.1 herein;

(c) Each party shall return to the other parties all originals and copies of the Confidential Information of any other party which are in the possession of such party or any other person or entity to whom it has delivered such originals and copies; and

(d) Damages and any other remedies available at law or in equity may be sought and collected from the Breaching Party in the event of a termination resulting from an Event of Default.

5. RESTRICTIVE COVENANTS

5.1 Confidentiality. Manager and Provider acknowledge that they will have access to Confidential Information as defined in Section 5.2 hereof. Manager and Provider therefore agree (a) that they will hold the Confidential Information provided to them in strictest confidence and that they will not divulge, furnish, publish or use for their benefit or for the direct or indirect benefit of any other person, whether or not for monetary gain, any Confidential Information of the other party; and (b) that they will not disclose the Confidential Information provided to them to any other person, except (i) accountants, agents, attorneys, directors and employees of the parties who need to know the disclosed Confidential Information to evaluate transactions between the

parties or (ii) other parties to the extent such disclosure is in furtherance of potential transactions proposed by Manager or Provider.

5.2 Confidential Information. For purposes of this Agreement, the term "Confidential Information" shall mean (a) all nonpublic or proprietary information concerning the Manager and the Provider, and (b) all information disclosed by any party to the other parties which is marked as "confidential" or, if such information is disclosed orally, is followed within a reasonable time by a writing indicating that such orally disclosed information is confidential. Confidential Information shall not include information that (i) is or becomes part of the public domain through no act or omission attributable to the receiving party, (ii) is released after prior written authorization by the disclosing party or (iii) is required by law to be disclosed; provided that, if disclosure is required by law, the receiving party shall provide the disclosing party with prompt notice of such requirements so that the disclosing party may seek an appropriate protective order.

6. INFORMATION AND RECORDS

6.1 Ownership of Records. At all times during and after the term of this Agreement, including any extensions or renewals hereof, all business records, including but not limited to, business agreements, books of account, general administrative records and all information generated under or contained in the management information system pertaining to Manager's obligations hereunder, except for patient medical records and Provider's Records (as defined in Section 6.2 below), shall be and remain the sole property of Manager; provided, however, that, after termination of this Agreement, Manager shall preserve such records for at least six (6) years and Provider shall be entitled to access to such records and information for any reasonable purpose, to include the right to obtain copies thereof.

6.2 Provider's Business and Financial Records. At all times during and after the term of this Agreement, the financial, corporate, personnel and patient records and information relating exclusively to the business and activities of Provider, as distinguished from the business and activities of Manager (**"Provider's Records"**), shall be and shall remain the sole property of Provider.

6.3 Access to Records. Each party shall be entitled, upon request and with reasonable advance notice, to obtain access to all records of the other party directly related to the performance of such party's obligations pursuant to this Agreement; provided, however, that the confidentiality of such records shall be preserved and such right shall not allow for access to records where such access is not legally available. Either party, at its sole expense, shall have the right to make copies of any records to which it has access pursuant to this Section 6.3.

6.4 Limitations on Use of Management Information System. Provider shall use all software and hardware provided or arranged for by Manager pursuant to this Agreement in

accordance with and subject to the terms and conditions of any license, sublicense, lease, or other agreement applicable thereto, and shall not allow or permit any person to use the software or hardware or any portion thereof in violation of any such license, sublicense, lease, or other agreement.

7. RIGHT OF FIRST REFUSAL

7.1 Right of Manager. In the event Provider, during the term of this Agreement, intends to sell, transfer or otherwise dispose of its occupational health business, in whole or in part, to any person or entity other than (a) to an Affiliate of Provider, (b) as part of a sale, transfer or disposition of all or substantially all of the assets of Provider, or (c) for purposes related to the development of strategic affiliations, Provider shall give written notice thereof (the "Notice of Intended Disposition") to Manager, which notice shall specify the asking price and terms of such contemplated sale, transfer or disposition. If, in response to Provider's marketing or listing of the occupational health business, Provider receives a Bona Fide Offer (as defined below) for the purchase of such business, and Provider desires to accept such offer, Provider shall give written notice thereof (the "Notice of Bona Fide Offer") to Manager. Manager may then make a written offer to purchase the occupational health business at a purchase price equal to or greater than the price and upon the terms set forth in the Bona Fide Offer, provided that Manager exercises such option by written notice thereof to Provider on or before the later of (a) the tenth (10th) business day following its receipt of the Notice of Bona Fide Offer or (b) the tenth (10th) business day following its receipt of the Notice of Intended Disposition.

7.2 Unsolicited Third Party Offer. In the event that at any time during the term hereof Provider shall receive from any person an unsolicited Bona Fide Offer to purchase the occupational health business of Provider, in whole or in part, and Provider shall desire to sell such business pursuant to such Bona Fide Offer, Provider shall give Notice of Bona Fide Offer to Manager together with a copy of such Bona Fide Offer. Upon Manager's receipt of such notice, Manager may then make a written offer to purchase the occupational health business at a purchase price equal to or greater than the price and upon the terms set forth in the Bona Fide Offer, provided that Manager exercises such option by written notice thereof to Provider within ten (10) days after receipt of the Notice of Bona Fide Offer.

7.3 Bona Fide Offer. For Purposes of this Agreement, a "Bona Fide Offer" shall mean an offer in writing setting forth all relevant terms and conditions of the proposed purchase from an offeror who is not an affiliate of Provider who is ready, willing and able to consummate the purchase of the Provider's occupational health business, in whole or in part. "Affiliate" of Provider shall mean an entity directly or indirectly controlled, controlled by, or under common control with Provider.

8. MISCELLANEOUS

8.1 Independent Contractor Status of Parties. In the performance of the work, duties, and obligations under this Agreement, it is mutually understood and agreed that each party is at all times acting and performing as an independent contractor with respect to the other and that no relationship of partnership, joint venture, or employment is created by this Agreement. Neither party, nor any other person performing services on behalf of such party pursuant to this Agreement, shall have any right or claim against the other party for Social Security benefits, workers' compensation benefits, disability benefits, unemployment insurance benefits, health benefits, vacation pay, sick leave, or any other employee benefits of any kind.

8.2 No Waiver. The waiver by any party to this Agreement of any breach of any term or condition of this Agreement shall not constitute a waiver of subsequent breaches. No waiver by any party of any provision of this Agreement shall be deemed to constitute a waiver of any other provision.

8.3 Notices. If, at any time after the execution of this Agreement, it shall become necessary or convenient for one of the parties to serve any notice, demand, or communication upon the other party, such notice, demand, or communication shall be in writing and shall be served personally, by facsimile transmission with voice confirmation and receipt confirmed, by overnight courier which provides confirmation of delivery, or by depositing the same in the United States mail, registered or certified, return receipt requested, postage prepaid, and the notice shall be addressed as follows:

If to Provider:
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076
Attention: Office of the President

If to Manager:
Connecticut Occupational Medicine Partners, LLC
1000 Asylum Avenue, Suite 4302
Hartford, Connecticut 06105
Attention: Chief Executive Officer

or to such other address as either party may have furnished to the other party in writing as the place for the service of notice. Any notice so mailed shall be deemed to have been given three (3) days after the same has been deposited in the United States mail; any notice given personally, by facsimile or by overnight courier shall be deemed to have been given upon receipt of the notice.

8.4 Assignment. Neither party may sell, transfer, assign, or otherwise convey its rights or obligations under this Agreement except to an entity directly controlling, controlled by or under the common control of such party.

8.5 Successors and Assigns. Subject to the provisions of this Agreement respecting assignment, the terms, covenants, and conditions contained herein shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties hereto.

8.6 Severability. Nothing contained in this Agreement shall be construed to require

the commission of an act contrary to law, and whenever there is any conflict between any provision of this Agreement and any statute, law, ordinance, or regulation, the latter shall prevail. In such event, and in any case in which any provision of this Agreement is determined to be in violation of a statute, law, ordinance, or regulation, the affected provision(s) shall be limited only to the extent necessary to bring it or them within the requirements of the law and, insofar as possible under the circumstances, to carry out the purposes of this Agreement. The other provisions of this Agreement shall remain in full force and effect, and the invalidity or unenforceability of any provision hereof shall not affect the validity and enforceability of the other provisions of this Agreement, nor the availability of all remedies in law or equity to the parties with respect to such other provisions.

8.7 Third Parties. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to anyone not a party to this Agreement.

8.8 Headings. The headings used in this Agreement are for convenience of reference only and shall have no force or effect in the construction or interpretation of the provisions of this Agreement.

8.9 Governing Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of Connecticut, to the jurisdiction of which each of the parties hereby submits. The parties acknowledge that Manager is not authorized or qualified to engage in any activity which may be construed or deemed to constitute the practice of medicine. To the extent any act or service required of Manager in this Agreement should be construed or deemed, by any governmental authority, agency, or court to constitute the practice of medicine, the performance of said or service by Manager shall be deemed waived and forever unenforceable.

8.10 Confidentiality. Neither party shall disclose this Agreement or the terms thereof to a third party, except as provided herein or as otherwise required by law, without the prior written consent of the other party.

8.11 Contract Modifications for Prospective Legal Events. In the event any state or federal laws or regulations, now existing or enacted or promulgated after the Effective Date of this Agreement, are interpreted by judicial decision, a regulatory agency, or legal counsel of either party in such a manner as to indicate that the structure of this Agreement may be in violation of such laws or regulations, Provider and Manager shall amend this Agreement to the maximum extent possible to preserve the underlying economic and financial arrangements between Provider and Manager. If an amendment is not possible, either party shall have the right to terminate this Agreement.

8.12 Language Construction. The language in all parts of this Agreement shall be construed in all cases according to its fair meaning, and not for or against either party hereto. The parties acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

8.13 Communications. Provider and Manager agree that good communication between the parties is essential to the successful performance of this Agreement, and each therefore pledges to communicate fully and clearly with the other on matters relating to the successful operation of Provider's occupational health program.

8.14 Indemnification. To the extent not otherwise inconsistent with the laws of the

State of Connecticut, Provider shall indemnify, hold harmless, and defend Manager, its officers, directors, members, employees, agents, and independent contractors from and against any and all liabilities, losses, damages, claims, causes of action, and expenses (including reasonable attorneys' fees and disbursements), whether or not covered by insurance, caused or asserted to have been caused, directly or indirectly, by or as a result of the performance of any negligent or willful acts or omissions by Provider and/or its partners, agents, employees and independent contractors (other than Manager) pursuant to the terms of this Agreement. To the extent not otherwise inconsistent with the laws of the State of Connecticut, Manager shall indemnify, hold harmless, and defend Provider, its officers, directors, members, employees, agents, and independent contractors from and against any and all liabilities, losses, damages, claims, causes of action, and expenses (including reasonable attorneys' fees and disbursements), whether or not covered by insurance, caused or asserted to have been caused, directly or indirectly, by or as a result of the performance of any negligent or willful acts or omissions by Manager and/or its Members, agents, employees, directors and officers and/or subcontractors pursuant to the terms of this Agreement.

8.15 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations and discussion, whether written or oral, between or among the parties, regarding the subject matter of this Agreement.

8.16 Incorporation by Reference. All exhibits and other attachments to this Agreement are incorporated by reference into this Agreement by such reference.

8.17 Amendments Only in Writing. This Agreement may not be amended or modified in any respect whatsoever, except by an instrument in writing, signed by the parties hereto.

8.18 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which shall constitute one and the same Agreement. This Agreement shall not become effective until it has been executed by all of the parties hereto.

8.19 Commercial Impracticability. No party to this Agreement shall be liable for any failure to perform its obligations hereunder where such failure results from any cause beyond that party's reasonable control, including, for example, an act of God, labor disturbance such as a strike or walkout, war, riot, fire, storm, accident, government regulation or interference, or mechanical, electronic, or communications failure.

8.20 Election of Remedies. The respective rights of the parties to this Agreement shall be cumulative. Each party shall have all other rights and remedies not inconsistent with this Agreement as law and equity may provide. No exercise by any party of any one right or remedy shall be deemed to be an exclusive election of rights or remedies.

8.21 Arbitration Provision. The parties shall meet and confer in good faith to attempt to resolve any dispute arising under this Agreement. Any dispute between the parties that cannot be resolved by the parties shall be determined by binding arbitration in Connecticut in accordance with the rules of the American Health Lawyers Association and judgment on the award rendered may be entered in any court having jurisdiction thereof. Each party shall bear its own costs of arbitration, or, when applicable, litigation.

8.22 Survival. The provisions of Articles 5 and 6 shall survive any termination of this Agreement.

IN WITNESS WHEREOF, Manager and Provider have caused this Agreement to be executed by their duly authorized respective officers as of the Effective Date.

CONNECTICUT OCCUPATIONAL MEDICINE PARTNERS, LLC

Its Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

Stuart Rosenberg
Its Chief Executive Officer

EXHIBIT 1.4

PRACTICE SITES

Johnson Memorial Occupational Health, 140 Hazard Ave, Suite 101, Enfield, CT 06802

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-401
BY: DATE: 7/24/13

EXHIBIT 3.1

MANAGEMENT FEE

The Management Fee shall be a proportionate share of the finalized expense budget of the Manager as approved by the Manager's Board of Directors for each year or portion of each year during the term of the Management Services Agreement. The proportionate share shall be determined by dividing the total gross revenue of Provider by the total gross revenue of all providers being managed by Manager under the terms of management services agreements. Total gross revenues shall include revenues attributable to all occupational health services provided to the employees of providers or the employees of Providers' Affiliates.

Within sixty (60) days of the end of the Provider's fiscal year Manager shall provide to Provider an accounting showing adjustments due to either the Provider or Manager and such adjustment shall be paid immediately.

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BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-4

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: IT Oversight and Consultation Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be July 24, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis *Care*, Inc. acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

"**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., the Johnson Evergreen Corporation, Inc., the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center, Johnson Memorial Corporation-Johnson Surgery Center and Johnson Memorial Corporation-Nirenberg Medical Center.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-1" and ending with the next consecutive number after the sub-agreement last adopted by the parties. The arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

SERVICE RECIPIENT:
JOHNSON MEMORIAL MEDICAL CENTER

By: _____
Stuart Rosenberg
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and CEO

SERVICE PROVIDER:
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John Rodis, MD
Chief Operating Officer

SAINT FRANCIS CARE, INC.

By: _____
Christopher Dadlez
President and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-671
BY: _____ DATE: 08/12/13

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Stuart Rosenberg
President and CEO

THE JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Stuart Rosenberg
President

Exhibit 1
to the BPO Sub-Agreement B-4

Scheduled Services

Oversight and Consultation

- Oversight and consultation will be provided by the Saint Francis Hospital Medical Center ("SFHMC") Strategic IT Portfolio Management Office Director (Andrew McFarlin or his designee). Consultation will be provided in the following areas:
    - Budget projections for FY14 based on potential savings, risk mitigation and/or service contracts
    - Infrastructure and application recommendations/upgrades
    - Service Contract review and identification of savings opportunities
    - Assistance/problem solving for IT major event
    - Planning /ROI for potential of outsourcing Tier 2 and 3 support
    - TCO/Implementation planning for EPIC
- Additional extensive specialty consultations by members of the SFHMC IT staff may be provided (at cost) based on mutual agreement.
- IT consultation services will be provided based on national, regional and local codes, industry standards and manufactures recommendations.
- SFHMC will not be providing direct service to any JMMC IT equipment or facilities.
- On site and phone support will be provided as part of the ongoing consultation services.
- A yearly work plan will be developed to outline the specific and priority focus areas for consultation.
- Meeting agendas will be jointly developed and provided to both parties. Minutes will be maintained including follow up items and shared with JMMC CEO.

Exhibit 2
to the BPO Sub-Agreement B-4

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC IT Directors (2-4 hours a month provided by SFC IT leadership staff) • Additional hours • Mileage pass thru (as defined in SFC policy)	Yearly retainer = $4000 $65 per hour IRS rate
Outsourced Tier 2 and 3 Triage Support	TBD
EPIC TCO/planning	TBD

Exhibit 3
to the BPO Sub-Agreement B-4

Additional Qualifications

NONE

Exhibit 4
to the BPO Sub-Agreement B-4

Additional Sub-Agreement Terms

NONE

Exhibit 5
to the BPO Sub-Agreement B-4

Proprietary and Confidential Information and Protected Intellectual Property

None

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Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-6

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Pharmacy Consultation Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be September 1, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Johnson Memorial Hospital and Johnson Memorial Corporation-Johnson Surgery Center.
>
> The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

Service Recipient:

JOHNSON MEMORIAL HOSPITAL

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-723
BY: _____ DATE: 8-28-13

JOHNSON MEMORIAL CORPORATION-
JOHNSON SURGERY CENTER

By: _____

Stuart Rosenberg
President and Chief Executive
Officer

Exhibit 1
to Clinical Services Sub-Agreement B-6

Scheduled Services

JMMC is requesting consultation assistance for their Pharmacy Department. These consultation services will be provided by Saint Francis Hospital Pharmacy Department leadership.

Consultation may be provided in the following areas:

- Review of pharmacy formulary and identification savings/efficacy opportunities
- Review pharmacy staffing and off hours support. Explore alternative options for off hours support.
- Review of purchasing/inventory practices
- Development and implementation of a patient safety/quality improvement program
- Review opportunities to improve medication administration
- Create a prioritized list of pharmacy technology improvements in conjunction with JMMC IT plan

- Recommendations and a workplan will be developed and approved by JMMC leadership
- Additional specialty consultations by members of the SFHMC Pharmacy staff may be provided (at cost) based on mutual agreement.
- Pharmacy consultation services will be provided based on national, regional and local regulations, industry standards and pharmaceutical/manufactures recommendations.
- SFHMC will not be providing direct pharmacy services in any JMMC facilities.
- On site and phone support will be provided as part of the agreement.

Exhibit 2
to Clinical Services Sub-Agreement B-6

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC Pharmacy Director	$4560 yearly retainer for 4 hours a month
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-6

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-6

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-6

Proprietary and Confidential Information and Protected Intellectual Property

NONE

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SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of _____ _____, 2013("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER,INC. , JOHNSON MEMORIAL HOSPITAL INC, THE JOHNSON MEMORIAL CORPORATION-JOHNSON SURGERY CENTER** all with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076(collectively "Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by

Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes

disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. **Permitted Uses and Disclosures by Business Associate**

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or

disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which

compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight

express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

JOHNSON MEMORIAL HOSPITAL, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

THE JOHNSON MEMORIAL CORPORATION- JOHNSON SURGERY CENTER

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By:_____
Printed Name: Christopher M. Padlez
Title: President and Chief Executive Officer

SUB-AGREEMENT
TO BUSINESS PROCESS OUTSOURCING AGREEMENT

Sub-Agreement Number: B-1
Management Services

This BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meanings attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: ***Management Services***. Saint Francis *Care* has developed executive management personnel, systems, protocols, expertise and other resources useful in the operation of hospital and other health care facilities and the provision of health care services in an efficient and quality manner. JMMC and its affiliates have the need for such management personnel and expertise and wish to procure such management services from Saint Francis *Care* through JMMC as described below.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be March 25, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis *Care* acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: JMMC and such affiliates as JMMC's Board of Directors shall determine from time to time, including without limitation JMH and JEC.
>
> The "**Service Provider**" shall mean: Saint Francis *Care*.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms, which are incorporated herein.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement through their duly-authorized representatives as of the date first set forth above.

JMMC/Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Patrick Mahon
Chairman, Board of Directors

Saint Francis *Care*/Service Provider:

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-295
BY: [illegible] DATE: 4-10-13

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms, which are incorporated herein.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement through their duly-authorized representatives as of the date first set forth above.

JMMC/Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____

Patrick Mahon
Chairman, Board of Directors

Saint Francis *Care*/Service Provider:

SAINT FRANCIS *CARE*, INC.

By: _____

Christopher M. Dadlez
President and CEO

Exhibit 1
to the BPO Sub-Agreement B-

Scheduled Services

JMMC engages Saint Francis *Care* to employ and support a qualified individual (the "**Executive**") to serve as the interim chief executive officer of JMMC and such affiliates during the term of this Sub-Agreement, and Saint Francis *Care* accepts such engagement, under the following terms:

A. DUTIES OF EXECUTIVE. The Executive will perform the following duties on behalf of JMMC and its affiliates, and such other duties as may be mutually agreed upon by the parties in writing:

1. Overseeing the operating and financial performance of JMMC and its affiliates (collectively, "Johnson").

2. Responding to the community's needs for quality health care services by monitoring the adequacy of the medical services and community benefit activities provided by Johnson, in coordination with the JMMC Board, medical staff, and other Johnson personnel.

3. Coordinating the efforts of the medical staff, JMMC Board, administrative staff, and, as appropriate, SFC representatives in the development of new programs and the recruitment and retention of medical personnel.

4. Organizing Johnson's functions through appropriate departmentalization and delegation of duties to further the goal of effective and efficient provision of high-quality care to patients.

5. Appointing appropriate departmental representatives to various multi-disciplinary committees.

6. Assuring that appropriate quality of care is provided through ongoing monitoring of patients and staff.

7. Overseeing all procurement activities related to supply, pharmaceutical and budgeted capital equipment, including negotiation and execution of purchasing agreements with vendors, product selection, vendor selection, group purchasing organization selection, and procurement of budgeted capital equipment.

8. Ensuring that accurate and complete personnel records are maintained.

9. Ensuring compliance with laws and regulations governing health care delivery and the rules of accrediting bodies by monitoring Johnson's operations, programs, and physical properties, and initiating timely changes and corrective action as required.

10. Serving as an ex officio member of the JMMC Board.

11. Serving as an ex officio member of Johnson's Medical Staff Executive Committee.

12. Representing Johnson on various outside boards and committees.

13. Participating, as appropriate, in SFC leadership forums and maintaining leadership responsibilities within the SFC system, as mutually agreed upon by JMMC and SFC.

14. Maintaining professional affiliations to enhance professional growth and remain current with the latest trends in hospital administration.

15. Coordinating Johnson's fund-raising efforts, working with the appropriate JMMC Board committees.

16. Leading the JMMC Board in establishing strategic objectives for Johnson; establishing and revising long-range plans to support Johnson's mission and strategic objectives; coordinating strategies and plans with SFC to enhance Johnson's relationship with SFC in ways that will benefit the greater community.

17. Informing and advising the JMMC Board regarding current trends, legislation, regulations, and activities in health care to facilitate policy-making; recommending new policies following consultation with appropriate personnel; and implementing policies established by the JMMC Board.

18. Establishing JMMC Board meeting agendas and overseeing preparation of reports to the JMMC Board regarding Johnson's activities and developments in the health care industry.

The parties acknowledge that in recognition of Johnson's needs, immediate and otherwise, and the interim nature of the Executive's appointment, not all of these duties and responsibilities will be given equal priority.

B. REPORTING; SUPERVISION AND EVALUATION OF EXECUTIVE'S PERFORMANCE; LIMITATION OF ST. FRANCIS CARE RESPOSIBILITIES. The Executive will report directly to the JMMC Board of Directors, which will be solely responsible for supervising and directing the Executive's performance of the Scheduled Services. The JMMC Board will establish the Executive's goals in providing the Scheduled Services, and will monitor, direct and evaluate his or her performance on a regular basis. While Saint Francis *Care*'s Chief Operating Officer and other members of Saint Francis's management and operational team will be available to provide support to the Executive, Saint Francis *Care* is not assuming any responsibility or duty to oversee or direct the Executive in the performance of the Scheduled Services, or to manage JMMC or its affiliates in any way. Saint Francis *Care* is not representing or warranting any particular outcome of the performance of the Scheduled Services.

C. FORUM FOR EXECUTIVE GRIEVANCE. Notwithstanding the foregoing, if the Executive notifies Saint Francis *Care* that, in the Executive's professional judgment, the JMMC Board is not providing sufficient support or oversight to enable the Executive to fulfill the established goals or provide the Scheduled Services in an appropriate manner, and Saint Francis *Care* determines that the Executive has a reasonable basis for the objection, then Saint Francis *Care* will notify the JMMC Board of the objection. Within fifteen (15) days of JMMC's receipt of the notice, the parties will schedule a meeting attended by: the Executive; the Chair of the JMMC Board; two JMMC trustees who are not appointed by Saint Francis *Care*; two JMMC trustees who are appointed by Saint Francis *Care*; and the Chief Executive Officer of Saint Francis *Care* or his or her designee. The meeting participants will endeavor diligently and in good faith to identify and address the Executive's objections in a mutually-satisfactory manner, and to set forth any action plan or other resolution in writing. If the participants are unable to resolve the Executive's objections, then such failure will constitute a technical default which will permit either Party to elect to terminate this Sub-Agreement upon 30-days' notice as provided in Section H below unless a mutually-satisfactory resolution is reached before the end of the notice period.

D. EXTENT OF EXECUTIVE'S COMMITMENT TO JMMC. The Executive will devote all of the Executive's professional time and efforts to the performance of the Scheduled Services (subject to vacation, sick and other time permitted by JMMC policies); provided, that the Executive may from time to time: (i) participate in educational, training and other skill development opportunities provided by; and (ii) consult with the senior executives of, Saint Francis *Care*. Such additional activities are designed to increase collaborative opportunities between the parties and to enhance the Executive's ability to provide the Scheduled Services, and will not materially impair the Executive's performance under this Sub-Agreement.

E. AUTHORITY OF EXECUTIVE. Subject to the oversight and direction of the JMMC Board of Directors, JMMC will provide each person who serves as the Executive hereunder with the same authority, protections and indemnities under its governing documents, policies, insurance policies or otherwise as any other person occupying the chief executive position would enjoy if employed by JMMC.

F. EMPLOYER OBLIGATIONS; SUPPORT OF EXECUTIVE. Consistent with Section 7 of the BPO Agreement, Saint Francis *Care* will remain the Executive's employer, with sole authority to hire and fire the Executive as employee of Saint Francis *Care*, and will be responsible for all employment obligations, including compensation, benefits, reporting, withholding of taxes, and workers compensation coverage. Saint Francis *Care* will support the Executive to the extent reasonably necessary to allow the Executive to perform the Scheduled Services as required by Section 2.3.1 of the BPO Agreement.

G. REPLACEMENT OF EXECUTIVE. The individual serving as the Executive will be subject to replacement as follows:

1. *For Cause.* JMMC, acting through its Board of Directors and after consultation with Saint Francis *Care*, will have the right to remove the Executive for cause upon at least thirty (30) days advance notice to Saint Francis *Care*, provided that

the circumstances giving rise to the request are not remedied within the 30-day period. For purposes of this Sub-Agreement, "cause" means:

(a) Failure of the Executive to perform the Scheduled Services as required by this Sub-Agreement and the BPO Agreement to the reasonable satisfaction of the JMMC Board of Directors;

(b) The Executive's fraud, theft, embezzlement, or other dishonest or illegal act, the Executive's negligent or willful breach of any material policy of JMMC, or the Executive's misconduct as described in Section 2.3.3 of the BPO Agreement;

(c) The Employee's conviction of, or plea of *nolo contendere* to, a felony, or to a misdemeanor likely to diminish the reputation of JMMC and/or Saint Francis *Care*; or

(d) The death or disability of the Executive.

2. *Without Cause.* Notwithstanding Section 2.3.2 of the BPO Agreement, and at any time following the initial one-year term of this Sub-Agreement, JMMC, acting through its Board of Directors and after consultation with Saint Francis *Care*, may require the replacement of the assigned Executive without cause upon no less than one hundred eighty (180) days' prior notice to Saint Francis *Care*.

3. *Identification of Replacement.* Saint Francis *Care* will ensure that any assigned Executive subject to replacement as described above will cease performing the Scheduled Services on or before the end of the applicable notice period, except in the case of death, disability or other cause which either party determines will place JMMC or its patients at immediate risk, in which case Saint Francis *Care* will remove the assigned Executive immediately. Both parties will work together diligently and in good faith to identify a satisfactory Saint Francis *Care* employee to serve as the successor Executive.

4. *Subject to Right to Terminate.* The obligation to replace an assigned Executive described above is subject to the parties' right to terminate this Sub-Agreement after its initial one-year term, as described below.

H. TERM and TERMINATION of SUB-AGREEMENT. The initial term of this Sub-Agreement is one (1) year, commencing with the Start Date (together with any renewals, the "**Term**"). Thereafter, the Sub-Agreement automatically will renew for successive one-year periods, subject to the right of either Saint Francis *Care* or JMMC to terminate this Sub-Agreement at any time after the initial one-year term by providing at least one hundred eighty (180) days' notice to the other party. Notwithstanding the foregoing or Section 11 of the BPO Agreement, (a) if Saint Francis *Care* elects not to make an "Additional Payment" under the Master Affiliation Agreement, either Saint Francis *Care* or JMMC may terminate the Sub-Agreement on not less than sixty (60) days' advance notice; (b) either party will have the right to terminate the Agreement on not less than thirty (30) days' advance notice if the other party

defaults in the performance of its obligations under the Sub-Agreement and fails to cure the default within the thirty (30) day notice period; and (c) this Sub-Agreement will terminate automatically upon the termination of the BPO Agreement.

Exhibit 2
to the BPO Sub-Agreement B-___

Scheduled Services Fee and Expense Reimbursement

A. ANNUAL SERVICE FEE. For the provision of the Scheduled Services under this Sub-Agreement, JMMC will pay to Saint Francis *Care* a fee representing a fair market value calculation based on costs to Saint Francis *Care* of compensation, fringe benefits, administration fees and other appropriate related expenses for the Executive. The fee will be payable in advance in consecutive, monthly installments. Prior to the scheduled commencement of the Scheduled Services Saint Francis *Care* and JMMC will negotiate the fee in good faith for the initial one-year period of the Term, and annually thereafter until this Sub-Agreement is terminated, which fee will be set forth as Exhibit 2-A to this Sub-Agreement.

B. EXECUTIVE COMPENSATION. Saint Francis *Care* will retain the sole responsibility for establishing the Executive's base compensation, incentive compensation, and fringe benefits, in each case consistent with fair market value and in a manner designed to establish a "rebuttable presumption" of fair compensation in accordance with the Internal Revenue Service so-called excess benefit rules. Notwithstanding the foregoing, the costs of compensation and benefits to the Executive used to determine the annual services fee described above for the initial one-year Term will not exceed the compensation paid and benefits provided to David R. Morgan under his Employment Agreement with JMMC dated November 28, 2011, unless Saint Francis *Care* and JMMC agree otherwise in their discretion.

C. REIMBURSEMENT OF BUSINESS EXPENSES. In addition to the services fee described above, JMMC will be responsible for reimbursing Saint Francis *Care* for any business expenses incurred by and paid to the Executive in the performance of the Scheduled Services in accordance with Saint Francis *Care* policies in effect from time to time during the Term. Saint Francis *Care* will invoice JMMC monthly in arrears for such expense reimbursements unless the parties otherwise agree in writing.

D. RECRUITMENT COSTS. If Saint Francis *Care* does not employ an individual satisfactory to JMMC to serve as the Executive and thus must recruit an employee for the position, then JMMC agrees to reimburse Saint Francis *Care* for the reasonable expenses of such recruitment, including but not limited to recruitment fees, travel expenses, and signing bonuses; subject to the requirement that the total fees paid by JMMC for the Scheduled Services not exceed fair market value.

Exhibit 2-A
to the BPO Sub-Agreement B-

Annual Service Fee

[To be attached annually]

Exhibit 3
to the BPO Sub-Agreement B-___

Additional Qualifications

In addition to the qualifications described in Section 2.3.1 of the BPO Agreement, and without regard to the process described in Section 2.3.2 of the BPO Agreement, the Executive selected by Saint Francis *Care* to provide the Scheduled Services will be acceptable to JMMC. JMMC agrees to review promptly the qualifications of any candidate identified by Saint Francis *Care* to serve as the Executive, and to inform Saint Francis *Care* of any objections prior to the scheduled commencement date of the Executive's performance under this Sub-Agreement.

Exhibit 4
to the BPO Sub-Agreement B-___

Additional Sub-Agreement Terms

The following provisions of this Sub-Agreement constitute a revision, replacement or supplement of the Master Terms as they pertain to this Sub-Agreement:

A. EXHIBIT 1. The provisions of Exhibit 1 of this Sub-Agreement constitute a modification of the following Master Terms (references are to sections of the BPO Agreement): Section 1.7; 1.9; 2.3; 11 (with respect to termination under Section H); 12.1; 12.2.2; and 12.2.5.

B. EXHIBIT 3. The provisions of Exhibit 3 of this Sub-Agreement constitute a modification to Sections 2.3.1 and 2.3.2 of the BPO Agreement.

C. EXCLUSIVE REMEDY. Notwithstanding Section 6.9 of the BPO Agreement, the parties agree that except for matters covered by the indemnification under Section 10.1 of the BPO Agreement and the injunctive relief available under Section 6.8 of the BPO Agreement, the sole remedy available to JMMC for the failure of the Executive to properly perform the Scheduled Services is the replacement of the Executive in accordance with Section F of Exhibit 1, and for a breach of this Sub-Agreement by Saint Francis *Care* is the termination of the Sub-Agreement under Section G of Exhibit 1.

D. INDEMNIFICATION OF ST. FRANCIS CARE. JMMC acknowledges that, under Section B of Exhibit 1 of this Sub-Agreement, it is solely responsible for supervising and directing the Executive's performance of the Scheduled Services. Therefore, in addition to the indemnification set forth in Section 10.2 of the BPO Agreement, JMMC agrees that, to the extent no covered by the insurance required to be maintained under the BPO Agreement, it will defend, indemnify, and hold harmless Saint Francis *Care*, and Saint Francis *Care*'s trustees, directors, officers, employees (including the Executive), and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) which any of the indemnified parties may incur as a result of or arising out of the performance of the Scheduled Services in accordance with the direction and supervision of JMMC. This indemnification will survive the termination of this Sub-Agreement.

Contract #: 13-872

FIRST AMENDMENT TO SUB-AGREEMENT NUMBER: B-1

BY AND BETWEEN

JOHNSON MEMORIAL MEDICAL CENTER, INC.

AND

SAINT FRANCIS *CARE*, INC.

THIS FIRST AMENDMENT ("First Amendment") is entered into effective as of October 29, 2013 by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.**, a Connecticut corporation with an office at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 ("JMMC") and **SAINT FRANCIS *CARE*, INC.**, a Connecticut non-stock corporation with an office at 114 Woodland Street, Hartford, Connecticut 06105 ("SFC").

RECITALS

WHEREAS, JMMC and SFC are parties to that certain Sub-Agreement to Business Process Outsourcing Agreement, Sub-Agreement Number: B-1 Management Services dated and effective as of March 25, 2013 (the "Agreement"), which remains in effect; and

WHEREAS, JMMC and SFC wish to amend the Agreement to amend Exhibit 1 to delete references to "interim" and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, JMMC and SFC agree to amend the Agreement as follows:

1. Delete the first paragraph of Exhibit 1 in its entirety and replace with the following:

   "JMMC engages Saint Francis *Care* to employ and support a qualified individual (the **"Executive"**) to serve as the chief executive officer of JMMC and such affiliates during the term of this Sub-Agreement, and Saint Francis *Care* accepts such engagement, under the following terms:"

2. Delete the paragraph immediately following paragraph A(18) in its entirety and replace with the following:

   "The parties acknowledge that in recognition of Johnson's needs, immediate and otherwise, and the nature of the Executive's appointment, not all of these duties and responsibilities will be given equal priority."

3. **Binding Amendment.** This First Amendment shall be binding upon and inure to the benefit of JMMC and SFC and their respective legal representatives, successors and assigns.

4. **Agreement.** Except as expressly amended herein, the Agreement is hereby ratified and confirmed.

5. **Definitions.** All terms defined in the Agreement shall have the same meaning in this First Amendment. Any terms defined herein and not otherwise in the Agreement shall have the meanings ascribed to them herein.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their respective duly authorized representatives under seal effective as of the date first above written.

SAINT FRANCIS Care, INC.

By: _____
Christopher M. Dadlez,
Its President and CEO

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Patrick Mahon
Its Chairman of the Board

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO: 13-872
BY: _____ DATE: 10/31/2013

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-11

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Pathology Medical Director and Pathologist's outsourcing services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be May 14, 2014 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Professional Associates, P.C.

The "**Service Provider**" shall mean: Saint Francis Care Medical Group, Inc.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related

to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
John N. Giamalis
Executive Vice President,
Chief Administrative Officer

Service Recipient:

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Stuart Rosenberg
President

Service Provider:

SAINT FRANCIS *CARE* MEDICAL GROUP, INC.

By: _____
Surendra Khera
President

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SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0297
BY: _____ DATE: 5/02/14

Exhibit 1
to Clinical Services Sub-Agreement B-11

Scheduled Services

Johnson Professional Associates, P.C. engages Saint Francis Medical Group, Inc. to employ and support Jihong Tang to serve as the Medical Director for the Department of Anatomic Pathology and Clinical Laboratory Medicine – Site Laboratory at Johnson Memorial Medical Center and provide the clinical responsibilities set forth in the attached job description.

Exhibit 2
to Clinical Services Sub-Agreement B-11___

Scheduled Services Fee

Service	**Rate:**
Medical Director for the Department of Anatomic Pathology and Clinical Laboratory Medicine: 1 FTE	Annual compensation rate of $275,000 plus fringe benefits of $71,775, plus administrative fee of $17,338.75. Total: $364,113.75 $25,000 retention bonus payable within 30 days of third year of contract. Other than retention bonus, costs to be invoiced to JPA monthly by Saint Francis Care Medical Group, Inc.
Mileage	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-11

Additional Qualifications

See job description attached.

SAINT FRANCIS *Care*

CRITERIA-BASED JOB DESCRIPTION

Job Title: Medical Director for the Department of Anatomic Pathology and Clinical Laboratory Medicine – Site Laboratory at Johnson Memorial Medical Center
Printed: July 2013
Department: Pathology Code:

Reports to (position): Chief of Pathology and Clinical Laboratory Medicine at SFH and to CMO at Johnson Memorial Medical Center

Supervises (positions):

FLSA Status: EEO Classification:

JOB SUMMARY

The Laboratory Director is responsible for the overall operation, leadership, direction, and administration of the Clinical Laboratory in accordance with Federal Regulations governing clinical laboratories. Responsibilities include the employment of personnel who are competent to perform test procedures, record and report test results promptly, accurately and proficiently, and for assuring compliance with the applicable regulations. The laboratory medical director is a suitably qualified pathologist who is legally, morally, and ethically responsible for the scope, standards, and quality of service. The medical director has the knowledge and skills in all areas of the Anatomic Pathology and Clinical Laboratory testing. The director stands responsible for medically useful, accurate information made available in a timely fashion to enhance medical services to patients. The director participates in all managerial decisions and guides the operation of the laboratory ranging from selection of staff, choice of methods, purchase of equipment, quality assurance, quality control, safety, hours of operation, and utilization management. This position is also responsible for providing leadership for all areas of the laboratory to ensure a high level of clinical quality and customer satisfaction. The laboratory director may perform the duties of the technical supervisor, clinical consultant, general supervisor, and testing personnel, or delegate these responsibilities to personnel meeting the qualifications.

DUTIES AND RESPONSIBILITIES:

- The laboratory director must be accessible to the laboratory to provide onsite, telephone or electronic consultation as needed.
- The laboratory director must ensure that testing systems developed and used for each of the tests performed in the laboratory provide quality laboratory services for all aspects of test performance, which includes the pre-analytic, analytic, and post-analytic phases of testing.
- Ensure that the physical plant and environmental conditions of the laboratory are appropriate for the testing performed and provide a safe environment in which employees are protected from physical, chemical, and biological hazards.
- Ensure that the test methodologies selected have the capability of providing the quality of results required for patient care. Verification procedures used are adequate to determine the accuracy, precision, and other pertinent performance characteristics of the method and Laboratory personnel are performing the test methods as required for accurate and reliable results.
- Ensure that the laboratory is enrolled in an HHS-approved proficiency testing program for the testing performed.
- Ensure that the quality control and quality assessment programs are established and maintained to assure the quality of laboratory services provided and to identify failures in quality as they occur.

- Ensure the establishment and maintenance of acceptable levels of analytical performance for each test system.
- Ensure that all necessary remedial actions are taken and documented whenever significant deviations from the laboratory's established performance characteristics are identified, and that patient test results are reported only when the system is functioning properly;
- Ensure that reports of test results include pertinent information required for interpretation.
- Ensure that consultation is available to the laboratory's clients on matters relating to the quality of the test results reported and their interpretation concerning specific patient conditions
- Ensure that a general supervisor provides on-site supervision of high complexity test performance by qualified testing personnel; Employ a sufficient number of laboratory personnel with the appropriate education and either experience or training to provide appropriate consultation, properly supervise and accurately perform tests and report test results.
- Ensure that prior to testing patients' specimens, all personnel have the appropriate education and experience, receive the appropriate training for the type and complexity of the services offered, and have demonstrated that they can perform all testing operations reliably to provide and report accurate results.
- Ensure that policies and procedures are established for monitoring individuals who conduct pre-analytical, analytical, and post-analytical phases of testing to assure that they are competent and maintain their competency to process specimens, perform test procedures and report test results promptly and proficiently, and whenever necessary, identify needs for remedial training or continuing education to improve skills.
- Ensure that an approved procedure manual is available to all personnel responsible for any aspect of the testing process; and Specify, in writing, the responsibilities and duties of each consultant and each supervisor, as well as each person engaged in the performance of the pre-analytic, analytic, and post-analytic phases of testing, that identifies which examinations and procedures each individual is authorized to perform, whether supervision is required for specimen processing, test performance or result reporting and whether supervisory or director review is required prior to reporting patient test results.
- Understanding of Lab billing requirements and Lab Compliance
- Become a key member in participating in the development and implementation of an Accountable Care Organization (ACO) and actively participate in supporting the coordination of care and managing patient populations.
- Support the development of core diagnostic capabilities to provide guidance and direction to practitioners to ensure that correct tests are being ordered for diagnosis, prognosis, and monitoring therapy serving to reduce laboratory over utilization and avoid unnecessary courses of treatment that could adversely affect patient outcome and increase downstream costs.
- Participate in the interpretation of increasingly sophisticated laboratory results for patients and guide other physicians in shared clinical decision making which can be key effectors in ensuring quality, safety, value and lower costs throughout the health system.
- Implement monitoring of test orders and works with physicians on focusing their test ordering requests.
- Review electronic order sets to reduce unnecessary testing.
- Contribute to the delivery of high quality, cost-effective healthcare and core to the services the ACO must make readily and conveniently available to its primary care and other ordering physicians and its patients.

JOB QUALIFICATIONS

Education: Doctor of Medicine

Job Knowledge: Understanding of College of American Pathologists (CAP), FDA, JCAHO, NRC

accreditation requirements.

An energetic, forward-thinking and creative individual with high ethical standards and an appropriate professional image.

Knowledgeable of academic medical settings and a proven track record of successfully working in such settings.

A strategic visionary with sound technical skills, analytical ability, good judgment and strong operational focus.

An intelligent, articulate team player who can relate to people at all levels of the organization and who possesses excellent communication skills.

Experience: Ten to Fifteen years related experience as a General Pathologist and oversight in a clinical laboratory environment

Licensure: Doctor of Medicine (MD)

Certification: Board Certified in Anatomic Pathology and Clinical Pathology by the American Board of Pathology.

Job Skills:

- An energetic, forward-thinking, team oriented and creative individual with high ethical standards and an appropriate professional image.
- Knowledgeable of a large medical setting and a proven track record of successfully working in such a setting.
- Evidence of progressive leadership and management experience in a clinical position.
- Ability to analyze and interpret financial and statistical data
- Strong problem-solving skills
- Strong oral and written communication skills
- Ability to speak and write in English is required

PHYSICAL AND MENTAL EFFORT

Perform difficult manipulative arm-hand and hand-eye coordination skills; walk, stand and sit for prolonged periods; see objects closely and far away and hear normal sounds with background noises. Must possess correctable vision and color perception. May require extended periods of macroscopic/microscopic examinations and computer terminal viewing.

ENVIRONMENTAL AND WORKING CONDITIONS

Employee may frequently be exposed to blood, body tissues or fluids; hazardous waste materials and chemical hazards.

REFERENCES:

http://wwwn.cdc.gov/clia/regs/subpart_m.aspx#493.1461

http://my.clevelandclinicabudhabi.ae/en/job/director-laboratory-medicine-pathology-1727370/

http://www.hr.duke.edu/jobs/job_descriptions/duhs/select.php?ID=5414

http://www.cap.org/apps/docs/membership/transformation/new/cap_comm_aco_rule.pdf

Exhibit 4
to Clinical Services Sub-Agreement B-11

Additional Sub-Agreement Terms

None.

Exhibit 5
to Clinical Services Sub-Agreement B-11

Proprietary and Confidential Information and Protected Intellectual Property

None

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of May 14, 2014 ("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.** and **JOHNSON PROFESSIONAL ASSOCIATES, P.C.** both an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 (collectively "Covered Entity"), and **SAINT FRANCIS *CARE* MEDICAL GROUP, INC.** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or

required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. **Term and Termination**

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. **Miscellaneous**

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this

Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By:_____
Printed Name: Stuart Rosenberg
Title: President

BUSINESS ASSOCIATE

SAINT FRANCIS *CARE* MEDICAL GROUP, INC.

By:_____
Printed Name: Surendra Khera
Title: President

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0297
BY: _____ DATE: 5/02/14

Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-12

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Su-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc., and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Behavioral Health Management Services – Clinical Assessment Center**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **July 9, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Hospital, Inc.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the **"Additional Sub-Agreement Terms"**). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0475
BY: _____ DATE: 6/16/14

Exhibit 1
to Clinical Services Sub-Agreement B-12

Scheduled Services

- Clinical assessment of patients referred for BH services including:
  - Triaging of patients based on clinical assessment, acuity and service availability
  - Contacting physicians and assuring coverage
- Tracking of bed availability, referrals etc.
- Maintaining and reporting of program statistics
- Hours of operation: 8-5 M-F/Off shift and weekend – BH Supervisor support

Exhibit 2
to Clinical Services Sub-Agreement B-12

Scheduled Services Fee

Service	**Rate**
CAC Management Services	$15,000 year – paid in monthly payments Benefits = 29% Administrative fee = 5%
Mileage	Prevailing IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-12

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-12

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-12

Proprietary and Confidential Information and Protected Intellectual Property

TO BE DETERMINED

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of June 30, 2014 ("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.** and **JOHNSON MEMORIAL HOSPITAL, INC.,** both with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 (collectively "Covered Entity"), and **SAINT FRANCIS *CARE*, INC.** and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER,** both with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by

Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes

disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. **Permitted Uses and Disclosures by Business Associate**

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or

disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

JOHNSON MEMORIAL HOSPITAL, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By:_____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS *CARE*, INC.

By:_____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

June 27, 2014

Stuart Rosenberg, Chief Executive Officer
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Rosenberg:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Behavioral Health Group, P.C., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment and to hire Mary Bromage, currently a member Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement.

Please indicate your agreement to the foregoing by signing below and returning a signed copy to me, with a copy to Laura Kida.

Thank you.

Sincerely,

Kenneth McLaren

By signing below, I, Stuart Rosenberg, Chief Executive Officer of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliates, if applicable.

Stuart Rosenberg, Chief Executive Officer

7/24/14
Date

cc: Laura Kida

K:\Users\Legal Department\CONTRACTS - PROJECTS\Johnson Memorial\Consent to Hire\2014-06-27 14-0512 Bromage, Mary.docx

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0512
BY: DATE: 6/27/14

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

June 27, 2014

Stuart Rosenberg, Chief Executive Officer
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Rosenberg:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Behavioral Health Group, P.C., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment and to hire Lena Goyette, currently a member Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement.

Please indicate your agreement to the foregoing by signing below and returning a signed copy to me, with a copy to Laura Kida.

Thank you.

Sincerely,

Kenneth McLaren

By signing below, I, Stuart Rosenberg, Chief Executive Officer of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliates, if applicable.

Stuart Rosenberg, Chief Executive Officer

7/24/14
Date

cc: Laura Kida

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0512
BY: KMC DATE: 6/27/14

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

June 27, 2014

Stuart Rosenberg, Chief Executive Officer
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Rosenberg:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Behavioral Health Group, P.C., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment and to hire Margaret Harrison, currently a member Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement.

Please indicate your agreement to the foregoing by signing below and returning a signed copy to me, with a copy to Laura Kida.

Thank you.

Sincerely,

Kenneth McLaren

By signing below, I, Stuart Rosenberg, Chief Executive Officer of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliates, if applicable.

Stuart Rosenberg, Chief Executive Officer

7/14/14
Date

cc: Laura Kida

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0512
BY: [illegible] DATE: 6/27/14

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

June 27, 2014

Stuart Rosenberg, Chief Executive Officer
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Rosenberg:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Behavioral Health Group, P.C., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment and to hire Marcia Metcalf, currently a member Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement.

Please indicate your agreement to the foregoing by signing below and returning a signed copy to me, with a copy to Laura Kida.

Thank you.

Sincerely,

Kenneth McLaren

By signing below, I, Stuart Rosenberg, Chief Executive Officer of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliates, if applicable.

Stuart Rosenberg, Chief Executive Officer

7/24/14
Date

cc: Laura Kida

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0512
BY: _____ DATE: 6/27/14

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

June 27, 2014

Stuart Rosenberg, Chief Executive Officer
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Rosenberg:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Behavioral Health Group, P.C., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment and to hire Jane Murray, currently a member Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement.

Please indicate your agreement to the foregoing by signing below and returning a signed copy to me, with a copy to Laura Kida.

Thank you.

Sincerely,

Kenneth McLaren

By signing below, I, Stuart Rosenberg, Chief Executive Officer of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliates, if applicable.

Stuart Rosenberg, Chief Executive Officer

7/24/14
Date

cc: Laura Kida

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0512
BY: LWA DATE: 6/27/14

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

June 27, 2014

Stuart Rosenberg, Chief Executive Officer
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

Dear Mr. Rosenberg:

In accordance with Sections 3.4 and 3.5 of that certain Clinical Affiliation Agreement by and between Johnson Memorial Medical Center, Inc. on behalf of itself and its affiliates and Saint Francis *Care*, Inc. on behalf of itself and its affiliates, this correspondence shall serve to memorialize our agreement that Saint Francis Behavioral Health Group, P.C., an affiliate of Saint Francis *Care*, Inc., shall be permitted to solicit for employment and to hire Juan Sosa, M.D., currently a member Johnson Personnel, as that term is defined in the Clinical Affiliation Agreement.

Please indicate your agreement to the foregoing by signing below and returning a signed copy to me, with a copy to Laura Kida.

Thank you.

Sincerely,

Kenneth McLaren

By signing below, I, Stuart Rosenberg, Chief Executive Officer of Johnson Memorial Medical Center, Inc., agree to the foregoing permission granted to Saint Francis *Care*, Inc., and its affiliates, if applicable.

Stuart Rosenberg, Chief Executive Officer

7/14/14
Date

cc: Laura Kida

K:\Users\Legal Department\CONTRACTS - PROJECTS\Johnson Memorial\Consent to Hire\2014-06-27 14-0512 Sosa, Juan MD.docx

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0512
BY: DATE: 6/27/14

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-14

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Psychiatry Clinical Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be September 9, 2014 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc.

The "**Service Provider**" shall mean: Saint Francis Behavioral Health Group, P.C.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related

to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS BEHAVIORAL HEALTH GROUP, P.C.

By: _____
Surita Rao, M.D.
President

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SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0565
BY: _____ DATE: 8/11/14

Exhibit 1
to Clinical Services Sub-Agreement B-14

Scheduled Services

Saint Francis Behavioral Health Group will provide leadership services to JMMC through the provision of .25 FTE Medical Director. The Medical Director will work to develop clinical guidelines for the unit, provide oversight of clinical practice, review policies and procedures, and develop and oversee quality and performance improvement. The medical director will provide ultimate leadership and oversight of the unit and ensure clinical coverage is available 24/7/365.

Exhibit 2
to Clinical Services Sub-Agreement B-14

Scheduled Services Fee

Service	**Rate – all costs to be invoiced to JMMC monthly by SFBHG**
Medical Director (.25FTE)	Rate: $215,000.00 Annually (JMMC responsible for 25%) Benefits = 29% Administrative fee = 5%

Exhibit 3
to Clinical Services Sub-Agreement B-14

Additional Qualifications

See Job Description attached

SAINT FRANCIS
Hospital and Medical Center

Mount Sinai
Rehabilitation Hospital
a SAINT FRANCIS Care Provider

CRITERIA-BASED JOB DESCRIPTION

JOB TITLE: Medical Director, Psychiatry- Johnson Memorial Medical Center Printed: 11Aug14

DEPARTMENT: Psychiatry

POSITION NUMBER: 20020
Behavioral Health Group

DEPARTMENT NUMBER: 71450 – St Francis

TITLE OF IMMEDIATE SUPERVISOR: Vice President of Medical Affairs and Chairman, Department of Psychiatry and Behavioral Health Service Line

SUPERVISES: Assigned Psychiatry Staff

FLSA STATUS: Exempt EEO CLASSIFICATION: Professionals

JOB SUMMARY

Responsibilities will include directing and overseeing patient care in the inpatient, Consultation& Liaison and outpatient psychiatric clinical programs and services under the supervision of the Vice President of Medical Affairs and the Chairman, Department of Psychiatry and Behavioral Health Service Line. Further, The Medical Director may be requested to chair or participate in various Department committees. Additional responsibilities include participating and managing the department's on-call schedule, providing direct care to inpatient and E. D. consultation liaison segments and outpatients. Saint Francis Behavioral Health Group will provide leadership services to JMMC through the provision of .25 FTE Medical Director. The Medical Director will work to develop clinical guidelines for the unit, provide oversight of clinical practice, review policies and procedures, and develop and oversee quality and performance improvement. The medical director will provide ultimate leadership and oversight of the unit and ensure clinical coverage is available 24/7/365.

Full access to medications is given to the incumbent of this position because they are required by their job responsibilities to handle, prepare, administer or dispense medications.

JOB QUALIFICATIONS

Education: Graduation from an accredited school of medicine leading to an M.D. degree, and completion of an approved residency program in psychiatry.

Licensure: Connecticut License. Board-certified in Neurology and Psychiatry (Psychiatry)

Experience: Psychiatric Residency completed.

Skills: Extensive knowledge of principles, procedures and techniques of general and geriatric psychiatry practice and knowledge of current trends in psychiatry. Knowledge of community, state and federal resources available to patients. Ability to function in a complex system and to interact with other professionals regarding the treatment of patients. Ability to communicate verbally and in writing with people of diverse backgrounds and educational levels.

PHYSICAL AND MENTAL EFFORT

The Psychiatrist should be in good physical and mental health and capable of seeing patients at multiple locations within the hospital setting. May also require traveling to or contacting staff at another facility during occasions of call. The multiple demands of working with a difficult patient population and a multidisciplinary staff, and the demands of administration and medical responsibility may lead to a moderate/significant amount of stress.
Position requires ability to frequently lift light objects, perform difficult manipulative skills and hand-eye coordination skills; see objects closely and hear normal sounds with some background noises.

Position requires ability to concentrate on fine detail with some interruption and attend to tasks for more than 60 minutes at a time. Individual must be able to understand and relate to theories behind several related concepts and remember multiple tasks given to self and others over long periods of time, able communicate in written word using advanced written skills.

ENVIRONMENTAL AND WORKING CONDITIONS

Primarily an inpatient hospital setting to include E.D. activity. A lesser component includes office based outpatient evaluation, and follow-up work. Employee may occasionally be exposed to hazardous materials such as chemicals and electro-magnetic radiation as in CRTs (VDTs).

JOB DUTIES

The following description of the job responsibilities and standards are intended to reflect the significant responsibilities and duties the job, but is not intended to describe duties and/or other responsibilities as may be assigned from time to time.

OUR MISSION:

We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

OUR CORE VALUES:

Respect – We honor the worth and dignity of those we serve and with whom we work.
Integrity – We are faithful, trustworthy and just.
Service – We reach out to the community, especially those most in need.
Leadership – We encourage initiative, creativity, learning and research.
Stewardship – We care for and strengthen resources entrusted to us.

Section 1

Saint Francis *Care* – Our Mission, Core Values and Service Excellence Standards:

This section reflects the employee's contributions to the Healthcare System's *Mission, Core Values* and *Service Excellence* and demonstrates the employee's commitment to the moral and ethical values of Saint Francis *Care.* The values are stated, along with core behaviors, which indicate quality performance in this area.

1.1 Contributes to the creation of a compassionate and caring environment for patients, families, and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

1.2 Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

1.3 Exhibits positive service excellence skills to patients, visitors, and coworkers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

1.4 Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

1.5 Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

1.6 Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies, and department finances.

1.7 Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

2. **Responsible for Directorship of Psychiatric Services**

2.1 Provide leadership to psychiatric services including inpatient, outpatient and behavioral health services in the ED. Provide consultation/liaison services on the medical units as requested by attending physician
2.2 Establishes positive working relationships. Avoids covert undermining. (As evidenced by observation and feedback from peers and Vice President of Medical Affairs and Chair.)
2.3 Ensures multidisciplinary team is kept informed of developments in the field of psychiatry.
2.4 Uses positive communication and negotiation skills in communicating with members of the multidisciplinary team, and other physicians.
2.5 Represents medical role and perspective in the multi-disciplinary team.
2.6 Ensures that daily care is provided to all inpatients.
2.7 Meets regularly with staff and provides clinical supervision to APRN.

3. **Contributes to a comprehensive assessment.**

3.1 Makes clear and thorough treatment formulations as indicated by documentation.
3.2 Formulates clear treatment goals for adult patients based on assessment as indicated in the treatment plan.
3.3 Demonstrates ability to form therapeutic alliance with a variety of patients as indicated by patient's cooperating with therapy programs.
3.4 Updates treatment plan and goals as patient's needs change as reflected in progress notes.
3.5 Adheres to guidelines established by State and Joint Commission on Accreditation of Hospitals and other accreditation bodies.

4. **Screens all patients seen for possible acceptance into the hospitals' programs at a clinically appropriate level.**

4.1 Prescreens patients to ensure that they meet basic criteria for acceptance to the hospitals' programs.
4.2 Schedules accepted patients for intake evaluation.
4.3 Ensures that all necessary documentation is in place at the time of entry into the program selected.
4.4 Makes a vigorous effort to refer patients not accepted into the hospitals' programs to an appropriate treatment environment.
4.5 Schedules at least 85% of time for direct clinical contact.
4.6 Rotates on call coverage at least once every 8-12 weeks, may cover additional time if opportunity exists. Provides back up when lack of coverage.

5. **Provides direct services to individuals, couples, families and groups in accordance with the treatment plan to achieve treatment goals.**

5.1 Demonstrates a consistent ability to use psychopharmacologic agents appropriately in an adult patient population.
5.2 Provides information, education and support to patient's families as needed, to enhance their understanding of the patient's illness and the treatment provided.
5.3 Makes referrals as clinical needs dictate.

6. **Contributes to the efficient operation of the department.**
6.1 Prioritizes schedules and assignments to ensure urgent issues are handled and work is completed.
6.2 Demonstrates effective time management by completing commitments within agreed time frames.
6.3 Maintains documentation and records according to established procedures and time frames.
6.4 Completes other statistical reports and projects within requested time frames.
6.5 Demonstrates dependability in job performance by keeping office informed of schedules by completing time sheets as required.
6.6 Demonstrates respect for patients and colleagues by being punctual to scheduled clinical appointments and administrative meetings.

6.7 Participates in at least 80% of departmental meetings where attendance is requested.
6.8 Assist administration with yearly budget planning.
6.9 Prepares an annual report identifying volumes, goals and accomplishments

7. **Provides consultation and teaching to trainees and other health care professionals.**

7.1 Conducts formal or informal education sessions for trainees, other health care professionals or the community.
7.2 Provides consultation to colleagues and community professionals on areas of own expertise as indicated by positive feedback.

8. **Demonstrates commitment to professional career growth and competency.**

8.1 Identifies own learning needs by seeking assistance from colleagues and Vice President of Medical Affairs and Chair
8.2 Meets on a scheduled basis with Chairman and provides him/her with relevant, timely and important developments
8.3 Participates in own performance appraisal by jointly identifying individual goals and by reviewing progress with Vice President of Medical Affairs and Chair.
8.4 Reviews current literature in the field, maintaining knowledge on psychopharmacology, medical psychotherapy and psychiatric assessment current.
8.5 Participates in continuing education activities within the Department of Psychiatry and attends all mandatory hospital initiated training.
8.6 Demonstrates commitment to professional growth and competency by participating in the following activities as appropriate:
- Continued advancement of credentials
- Quality Assurance activities
- Other projects negotiated with the Vice President of Medical Affairs and Chairman, Department of Psychiatry

8.7 Special contributions to the field as identified by participation in the following and appropriate :
- Active involvement in professional organizations
- Research activities
- Community Mental Health activities
- Publishing on subjects in the field
- Presentation at State or National discipline

9. **Maintain ties to organized medicine.**

9.1 Participates in hospital committee structure.
9.2 Attendance at appropriate colleagual meetings within the system.
9.3 Participates in development of P.I. criteria reflecting the unique contributions of the medical profession.
9.4 Contributes to ongoing peer review.
9.5 Participates, when requested, in interviewing of candidates for departmental and/or non-departmental positions.
9.6 Assists, when requested, in the orientation of new students.

10. **Submits appropriate documentation to permit billing for professional services.**

10.1 Ensures that demographic and insurance information is obtained on new patients.
10.2 Obtains clear Addressograph stamp to identify patients for billing.
10.3 Complies with intermediary requirements for modification/documentation of need for services.

Exhibit 4
to Clinical Services Sub-Agreement B-14

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-14

Proprietary and Confidential Information and Protected Intellectual Property

Population management models and strategies for the behavioral health populations

BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-7

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: **Administrative Consultation**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **July 7, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support

Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

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SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0580
BY: _____ DATE: 8/5/14

Exhibit 1
to the BPO Sub-Agreement B-7

Scheduled Services

- Provide consultation to JMMC senior administration by:
  - Conducting needs assessment of a specific department/issue or concern
  - Recommending remedies or approach
  - Guidance with vendor selection and management
  - Providing short term oversight/guidance to select JMMC departments
  - Provide assistance/expertise to achieve regulatory compliance
  - Conducting evaluation and follow up as requested

Exhibit 2
to the BPO Sub-Agreement B-7

Scheduled Services Fee

Service	Rate
As needed short term consultation services provided by service line leaders, support platform leaders, or department managers	Standard rate: $125/hr. Benefits = 29% Billed monthly Administrative charge: 5%
Mileage (SFC policy)	Prevailing IRS rate

Exhibit 3
to the BPO Sub-Agreement B-7

Additional Qualifications

NONE

Exhibit 4
to the BPO Sub-Agreement B-7

Additional Sub-Agreement Terms

NONE

Exhibit 5
to the BPO Sub-Agreement B-7

Proprietary and Confidential Information and Protected Intellectual Property

TO BE DETERMINED

BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-8

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: Engineering Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be August 18, 2014 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support

Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0589
BY: _____ DATE: 8.6.14

Exhibit 1
to the BPO Sub-Agreement B-8

Scheduled Services

- Carpentry and painting services provided to JMMC on an as needed basis.
- On site supervision provided by JMMC. Schedule will be coordinated and approved by SFH Director of Engineering or designee.
- Carpentry and painting services will be provided based on national, regional and local codes and industry standards.
- Any overtime must be approved in advance by SFH Director of Engineering and JMMC CEO.

Exhibit 2
to the BPO Sub-Agreement B-8

Scheduled Services Fee

Service	Rate
• Carpentry services (billed at cost)	Range:$21.40-36.40 If at overtime – the OT rate would apply Benefits= 29% (on base amount) Admin fee= 5%
• Painting services (billed at cost)	Range= $17.70-$30.10 If at overtime – the OT rate would apply Benefits=29% (on base amount) Admin fee = 5%
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to the BPO Sub-Agreement B-8

Additional Qualifications

NONE

Exhibit 4
to the BPO Sub-Agreement B-8

Additional Sub-Agreement Terms

NONE

Exhibit 5
to the BPO Sub-Agreement B-8

Proprietary and Confidential Information and Protected Intellectual Property

NONE

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (this "Agreement") is made and entered into as of the 1st day of August, 2013 (the "Effective Date"), by and between **Johnson Memorial Hospital, Inc.** ("JMH"), a Connecticut non-profit corporation with its principal place of business located at 201 Chestnut Hill Road, Stafford Springs, CT 06076, **Saint Francis Medical Group, Inc.** ("SFMG"), a Connecticut corporation with its principal place of business located at 114 Woodland Street, Hartford, CT 06105.

RECITALS

WHEREAS, SFMG owns and operates a physician medical practice and employs Edward J. White, M.D., a physician duly qualified and licensed to practice medicine in the State of Connecticut ("Physician");

WHEREAS, JMH desires to engage SFMG to arrange for the Physician's provision of professional services at Johnson's Advanced Wound Center ("AWC"), located at 140 Hazard Avenue, Enfield, Connecticut 06082; and

WHEREAS, SFMG desires to be engaged to provide such professional services to JMH on a non-exclusive basis and upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree as follows:

1. Scope of Engagement. SFMG shall ensure that Physician is available to provide and shall provide professional services for patients of the AWC one day per week during the term of this Agreement. The professional services shall be consistent with the standards considered acceptable by the medical community.

2. Compensation. As full consideration for Physician's professional services hereunder, JMH shall pay to SFMG $95.00/per hour. SFMG shall not and shall require that the Physician shall not bill any patient or any government or private payor for the professional services of Physician provided hereunder. SFMG shall invoice JMH monthly for services provided.

3. Compliance. SFMG agrees that Physician will at all times maintain all necessary and appropriate qualifications, licensure, board certifications and approvals, including, without limitation, a valid Connecticut medical license, necessary to provide the professional services under this Agreement. SFMG shall require Physician to comply with all business and professional policies and goals established by JMH as to services provided under this Agreement.

4. Confidentiality. During the course of performing under this Agreement, Physician and/or SFMG may come into contact with certain confidential, non-public information as to JMH or its patients (the "Confidential Information"). Physician and/or SFMG shall not disclose, use or retain any Confidential Information to any third parties without the prior consent of JMH. In the event of a breach of any of the foregoing by Physician and/or SFMG, JMH shall be entitled to pursue any and all legal and equitable relief, including injunctive relief, available to it.

5. Insurance. SFMG shall provide for Physician's professional liability insurance coverage at all times during the Term of this Agreement. Physician's professional liability insurance shall be in such types and amounts as are acceptable to JMH from time to time. SFMG shall provide JMH with evidence of Physician's professional liability insurance coverage upon request. Physician's insurance policy shall provide for at least thirty (30) days' notice of cancellation from the insurance carrier. SFMG shall notify JMH immediately upon any change in Physician's professional liability insurance, including, but not limited to, termination or reduction of such coverage.

6. Independent Contractor and Indemnification. SFMG shall be acting as an independent contractor to JMH under this Agreement. Neither party shall be construed to be the employee, principal, agent, co-venturer or owner of the owner, nor shall Physician hold himself out to be an agent or representative of JMH for any purpose. SFMG is solely responsible for Physician's salary, fringe benefits or taxes of any kind. SFMG shall be responsible for Physician's actions in the performance of the professional services under this Agreement and his exercise of professional judgment. SFMG agrees to hold harmless JMH from any cost, damage, liability or expense whatsoever associated with Physician's performance of professional services under this Agreement.

7. Notifications. SFMG shall provide immediate written notice to JMH of any legal, governmental or other action initiated or consummated against Physician or SFMG related to Physician's ability to provide care to patients of JMH, including but not limited to: (a) the termination or suspension of Physician's license to practice his profession; (b) any termination or limitation of Physician's medical staff privileges at any health care facility as a result of his acts or omission; (c) the suspension of or exclusion of Physician from participation in the Medicare or Medicaid program; or (d) Physician's indictment, arrest, or conviction for any felony or any criminal charge relating to the practice of medicine or the provision of health care services.

8. Obligations of JMH. JMH will provide Physician with access to appropriate medical records and facilities of JMH, all as required for Physician to provide professional services contemplated hereunder.

9. Term and Termination.

(a) This Agreement shall continue for a period of one (1) year from the Effective Date.

(b) Either party may terminate this Agreement at any time with or without cause by providing the other party with at least thirty (30) days prior written notice.

(c) This Agreement may be terminated by either party for cause at any time during the term of this Agreement upon thirty (30) days prior written notice, unless the grounds for termination for cause have been remedied during such notice period. Grounds for termination for cause shall include, but not be limited to: (i) the other party's failure to perform its obligations under this Agreement; (ii) action by the other party involving willful misconduct; or (iii) any other material breach of this Agreement.

(d) JMH may terminate this Agreement immediately upon the occurrence of any of the following events: (i) the suspension or termination of Physician's medical license; (ii) the loss of Physician's professional liability insurance coverage; (iii) the termination, suspension or limitation of Physician's medical staff privileges at JMH; (iv) the suspension of or exclusion of Physician from participation in the Medicare or Medicaid program; or (v)

Physician's indictment, arrest, or conviction for any felony or any criminal charge relating to the practice of medicine or the provision of health care services.

(e) In the event of any termination of this Agreement, JMH shall pay SFMG all amounts due for services rendered by Physician hereunder, pro-rated through the date of termination.

10. Miscellaneous Provisions.

(a) Amendment. This Agreement may be amended at any time, in whole or in part, only in writing signed by all parties.

(b) Assignment. Neither Physician nor SFMG may subcontract or assign any rights or responsibilities under this Agreement without the express written consent of JMH. Either party may assign this Agreement to a successor or affiliate of such party.

(c) Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successor and permitted assigns.

(d) Waiver of Breach. Failure of a party to insist upon strict adherence of any term of this Agreement on any occasion shall not be considered a waiver of such term. The waiver by either party of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of ay subsequent breach by the other party.

(e) Entire Understanding. This Agreement contains the whole understanding of the parties and supersedes all prior oral or written representations and agreements between the parties and may not be varied except in a writing executed by both parties.

(f) Notices. Any written notices required to be given pursuant to this Agreement shall be personal delivery or by certified or registered mail with return receipt requested, addressed to the other party at the address dated below, and shall be deemed to have been given on the date of receipt.

If to Hospital:	If to SFMG:	Copy to:
201 Chestnut Hill Road Stafford Springs, CT 06076 Attn: Administration	114 Woodland Street Hartford, CT 06105 Attn: Mark Aresco	114 Woodland Street Hartford, CT 06105 Attn:General Counsel

(g) Compliance with Law. The parties intend that all the terms hereof and their conduct hereunder comply at all times with all provisions of applicable law, including, without limitation, the Medicare and Medicaid fraud and abuse statute, 42 U.S.C. 1320-a-7b, the federal Stark legislation, 42 U.S.C. 1395nn, and related authority, as in effect or amended from time to time.

(h) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.

IN WITNESS WHEREOF, the parties have executed this Professional Services Agreement as of the date set forth above.

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____ Date: 9/25/13
Stuart E. Rosenberg
President/CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____ Date: 10/29/13
John F. Rodis, M.D.,
Executive Vice President,
Chief Operating Officer &
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-130
BY: _____ DATE: 10-29-13

PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement (this "Agreement") is made and entered into as of the 1st day of September, 2014 (the "Effective Date"), by and between **Johnson Memorial Hospital, Inc.** ("JMH"), a Connecticut non-profit corporation with its principal place of business located at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076, **Saint Francis Medical Group, Inc.** ("SFMG"), a Connecticut corporation with its principal place of business located at 114 Woodland Street, Hartford, Connecticut 06105.

RECITALS

WHEREAS, SFMG owns and operates a physician medical practice and employs Edward J. White, M.D., a physician duly qualified and licensed to practice medicine in the State of Connecticut ("Physician"); and

WHEREAS, JMH desires to engage SFMG to arrange for the Physician's provision of professional services at Johnson's Advanced Wound Center ("AWC"), located at 140 Hazard Avenue, Enfield, Connecticut 06082; and

WHEREAS, SFMG desires to be engaged to provide such professional services to JMH on a non-exclusive basis and upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereby agree as follows:

1. Scope of Engagement. SFMG shall ensure that Physician is available to provide and shall provide professional services for patients of the AWC one day per week during the term of this Agreement. The professional services shall be consistent with the standards considered acceptable by the medical community.

2. Compensation. As full consideration for Physician's professional services hereunder, JMH shall pay to SFMG $96.90/per hour. SFMG shall not and shall require that the Physician shall not bill any patient or any government or private payor for the professional services of Physician provided hereunder. SFMG shall invoice JMH monthly for services provided.

3. Compliance. SFMG agrees that Physician will at all times maintain all necessary and appropriate qualifications, licensure, board certifications and approvals, including, without limitation, a valid Connecticut medical license, necessary to provide the professional services under this Agreement. SFMG shall require Physician to comply with all business and professional policies and goals established by JMH as to services provided under this Agreement.

4. Confidentiality. During the course of performing under this Agreement, Physician and/or SFMG may come into contact with certain confidential, non-public information as to JMH or its patients (the "Confidential Information"). Physician and/or SFMG shall not disclose, use or retain any Confidential Information to any third parties without the prior consent of JMH. In the event of a breach of any of the foregoing by Physician and/or SFMG, JMH shall be entitled to pursue any and all legal and equitable relief, including injunctive relief, available to it.

5. Insurance. SFMG shall provide for Physician's professional liability insurance coverage at all times during the Term of this Agreement. Physician's professional liability insurance shall be in such types and amounts as are acceptable to JMH from time to time.

SFMG shall provide JMH with evidence of Physician's professional liability insurance coverage upon request. Physician's insurance policy shall provide for at least thirty (30) days' notice of cancellation from the insurance carrier. SFMG shall notify JMH immediately upon any change in Physician's professional liability insurance, including, but not limited to, termination or reduction of such coverage.

6. Independent Contractor and Indemnification. SFMG shall be acting as an independent contractor to JMH under this Agreement. Neither party shall be construed to be the employee, principal, agent, co-venturer or owner of the owner, nor shall Physician hold himself out to be an agent or representative of JMH for any purpose. SFMG is solely responsible for Physician's salary, fringe benefits or taxes of any kind. SFMG shall be responsible for Physician's actions in the performance of the professional services under this Agreement and his exercise of professional judgment. SFMG agrees to hold harmless JMH from any cost, damage, liability or expense whatsoever associated with Physician's performance of professional services under this Agreement.

7. Notifications. SFMG shall provide immediate written notice to JMH of any legal, governmental or other action initiated or consummated against Physician or SFMG related to Physician's ability to provide care to patients of JMH, including but not limited to: (a) the termination or suspension of Physician's license to practice his profession; (b) any termination or limitation of Physician's medical staff privileges at any health care facility as a result of his acts or omission; (c) the suspension of or exclusion of Physician from participation in the Medicare or Medicaid program; or (d) Physician's indictment, arrest, or conviction for any felony or any criminal charge relating to the practice of medicine or the provision of health care services.

8. Obligations of JMH. JMH will provide Physician with access to appropriate medical records and facilities of JMH, all as required for Physician to provide professional services contemplated hereunder.

9. Term and Termination.

(a) This Agreement shall continue for a period of one (1) year from the Effective Date.

(b) Either party may terminate this Agreement at any time with or without cause by providing the other party with at least thirty (30) days prior written notice.

(c) This Agreement may be terminated by either party for cause at any time during the term of this Agreement upon thirty (30) days prior written notice, unless the grounds for termination for cause have been remedied during such notice period. Grounds for termination for cause shall include, but not be limited to: (i) the other party's failure to perform its obligations under this Agreement; (ii) action by the other party involving willful misconduct; or (iii) any other material breach of this Agreement.

(d) JMH may terminate this Agreement immediately upon the occurrence of any of the following events: (i) the suspension or termination of Physician's medical license; (ii) the loss of Physician's professional liability insurance coverage; (iii) the termination, suspension or limitation of Physician's medical staff privileges at JMH; (iv) the suspension of or exclusion of Physician from participation in the Medicare or Medicaid program; or (v) Physician's indictment, arrest, or conviction for any felony or any criminal charge relating to the practice of medicine or the provision of health care services.

(e) In the event of any termination of this Agreement, JMH shall pay SFMG all amounts due for services rendered by Physician hereunder, pro-rated through the date of termination.

10. Miscellaneous Provisions.

(a) Amendment. This Agreement may be amended at any time, in whole or in part, only in writing signed by all parties.

(b) Assignment. Neither Physician nor SFMG may subcontract or assign any rights or responsibilities under this Agreement without the express written consent of JMH. Either party may assign this Agreement to a successor or affiliate of such party.

(c) Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, legal representatives, successor and permitted assigns.

(d) Waiver of Breach. Failure of a party to insist upon strict adherence of any term of this Agreement on any occasion shall not be considered a waiver of such term. The waiver by either party of a breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach by the other party.

(e) Entire Understanding. This Agreement contains the whole understanding of the parties and supersedes all prior oral or written representations and agreements between the parties and may not be varied except in a writing executed by both parties.

(f) Notices. Any written notices required to be given pursuant to this Agreement shall be personal delivery or by certified or registered mail with return receipt requested, addressed to the other party at the address dated below, and shall be deemed to have been given on the date of receipt.

If to Hospital:	If to SFMG:	Copy to:
201 Chestnut Hill Road	114 Woodland Street	114 Woodland Street
Stafford Springs, CT 06076	Hartford, CT 06105	Hartford, CT 06105
Attn: Administration	Attn: Scott Ellner, M.D., President	Attn:General Counsel

(g) Compliance with Law. The parties intend that all the terms hereof and their conduct hereunder comply at all times with all provisions of applicable law, including, without limitation, the Medicare and Medicaid fraud and abuse statute, 42 U.S.C. 1320-a-7b, the federal Stark legislation, 42 U.S.C. 1395nn, and related authority, as in effect or amended from time to time.

(h) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Professional Services Agreement as of the date set forth above.

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____ Date: 10/16/16
Stuart E. Rosenberg
President/CEO

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____ Date: 12/10/14
John F. Rodis, M.D.
Executive Vice President
Chief Operating Officer
& Chief Physician Executive
Saint Francis Hospital and Medical Center
Its: Duly authorized agent

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0630
BY: _____ DATE: 8/29/2014

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EXHIBIT A
CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **8/1/2014** between **Saint Francis Medical Group, Inc.**
(Vendor Name)

and **Johnson Memorial Hospital, Inc.** for the provision of **Physician Services at the Advanced Wound Center** , the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	**Goal**	**1st QTR**	**2nd QTR**	**3rd QTR**	**4th QTR**
Timely completion/signatures for all medical records **(within 7 days)**	95%				
Attendance of **at least 50%** of all medical staff meetings/physician panel discussions.	50%				
Behavior's in line with JMMC Credo **(Zero Midas Events)**	100%				
Duties as outlined in Contract	100%				

Reviewed/Approved by:

N/A

Department Director	Vice President	Vice President, Medical Affairs

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

412

Rev. 11/10/2014

MEDICAL DIRECTOR AGREEMENT

THIS MEDICAL DIRECTOR AGREEMENT (the "Agreement") is made and entered into this 1st day of August, 2013 (the "effective date") by and between **Johnson Memorial Hospital, Inc.,** a Connecticut non-profit corporation with its principal place of business located at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 (the "Hospital") and **Saint Francis Medical Group, Inc.,** a Connecticut corporation with its principal place of business located at 114 Woodland Street, Hartford, CT 06105 ("SFMG").

RECITALS

WHEREAS, The Accelecare Wound Centers, Inc. (the "Company") and the Hospital are parties to that certain Wound Care and Disease Management Agreement, dated June 22, 2011 (the "Wound Care Agreement") whereby the Company has agreed to provide hyperbaric oxygen ("HBO") therapy and wound care treatment and services, including, but not limited to, debridements and $TCPO_2$ (the "Services") for the Hospital's patients at a wound care unit on the Hospital's Enfield, Connecticut Campus (the "AWC");

WHEREAS, SFMG, owns and operates a physician medical practice and employs Edward J. White, M.D., a physician duly qualified and licensed to practice medicine in the State of Connecticut; and

WHEREAS, the Hospital desires to engage SFMG to provide Dr. White, or another physician similarly trained and reasonably acceptable to and agreed upon by the Hospital ("Medical Director"), to serve as a medical director skilled in the Services and the administration of an AWC; and

WHEREAS, the Hospital desires to contract with SFMG to provide the medical director services through Medical Director described in this Agreement and SFMG desires to so contract with the Hospital.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties herein set forth, the receipt and sufficiency of such consideration being hereby acknowledged, the parties agree as follows:

ARTICLE I - SERVICES

1.1. Engagement. The Hospital hereby engages SFMG to arrange for the Medical Director to provide the services described herein on behalf of the Hospital's AWC, and SFMG hereby accepts such engagement on the terms and conditions set forth in this Agreement. SFMG shall require the Medical Director to provide the AWC with the benefit of Medical Director's clinical and administrative expertise and experience and further require the Medical Director to perform the services customarily performed by medical directors of departments of the Hospital, as described in Section 1.2 below, and such additional or other tasks related to the general supervision of treatments being administered at the AWC as may be subsequently agreed upon by the parties hereto. SFMG shall require the Medical Director to devote his best ability and effort to ensure the proper medical quality and conduct of the AWC and its operations.

1.2 Responsibilities. SFMG shall require the Medical Director to perform the services described on Exhibit A to this Agreement, and such additional or other tasks related

to the general supervision of treatments being administered at the AWC as may be subsequently agreed upon by the parties hereto.

1.3 Records. The Hospital and Medical Director shall assure the current status of all medical and business records relating to the care and treatment of Hospital's patients in the AWC in accordance with Hospital's policies and procedures and applicable regulations of governmental agencies. SFMG will require the Medical Director to work with Hospital and Company personnel at the AWC to ensure the integrity and completeness of such records, including:

Patient care plans and medical histories;

Results of all treatments; and

Progress notes by all patient care staff and complete and legibly signed orders.

1.4 Providers Providing Services. SFMG will require the Medical Director to ensure that providers requesting to attend to Hospital patients at the AWC are in good standing on the medical staff of the Hospital and have completed the necessary training to provide and/or oversee the provision of the Services to the Hospital's patients at the AWC. Medical Director shall be required by SFMG to maintain oversight of all disciplinary actions with regard to any matter of such providers or patient care personnel as needed to assure the quality of services and conformity to Hospital and Hospital rules, regulations, medical staff by-laws, and policies and procedures, and shall participate in such matters and provide direction and oversight. SFMG acknowledges and agrees that because the AWC is a department of Hospital, Medical Director shall be required to report on a regular basis as requested by the Hospital to the individual or individuals designated by the Hospital personnel who have responsibility and oversight for the AWC and its operations. In addition, Medical Director shall be required by SFMG to participate in Hospital committee and management meetings in the same manner, to the same extent, and subject to the same authority, as other medical directors of Hospital's departments, facilities and units.

1.5 Coverage. Medical Director shall be required by SFMG to devote such amount of time as is necessary to carry out the duties and responsibilities as medical director of the AWC and to provide the services to the AWC set forth in Section 1.2 above for the benefit of the Hospital. It is anticipated that generally the amount of time required for Medical Director to adequately perform required services as medical director under this Agreement will be approximately four (4) hours per week. Should the AWC's operations materially change, the Hospital and SFMG may mutually agree to alter the expected amount of time per week Medical Director is needed to provide the medical director services contemplated in this Agreement.

1.6 Time Records. SFMG will require the Medical Director to follow AWC policies and procedures for the maintenance of complete and accurate records of time spent providing the services under this Agreement. Within ten (10) days following the end of each month, Medical Director shall deliver to the Hospital a written detailed time report, in the form substantially similar to Exhibit B attached hereto, which shall comply with all regulations and instruction issued under the Medicare, Medicaid, CHAMPUS/Tri-Care and other federal healthcare programs (together, the "Federal Healthcare Program") and shall specifically identify the time spent on administrative services by Medical Director during the month just ended. SFMG acknowledges and agrees that it is entitled to payments under this Agreement only after the foregoing time records are provided to the Hospital, and then

such compensation shall be based solely on the information contained therein, subject to the maximum monthly amounts referred to in Article IV below.

1.7 Coordination of Services. The Hospital and Medical Director, with input and guidance from Company, shall coordinate their activities in connection with the AWC, and SFMG shall inform the Hospital of any extended periods (i.e., one week or more) during which Medical Director will be unavailable to perform medical director services due to vacation, professional meetings, or other personal or professional commitments. It is understood and agreed by the parties that Medical Director will be unavailable for no more than six (6) weeks total per year. SFMG shall make arrangements for a substitute medical director ("Substitute") to perform the services required by Medical Director under this Agreement in Medical Director's place during all periods of Medical Director's unavailability; provided, however, that the Substitute meets all of the qualifications required of Medical Director hereunder, acts in accordance with all the terms and conditions of this Agreement, and the Hospital gives prior approval of the Substitute. While performing medical director services, the Substitute shall provide the services described in this Agreement, abide by the terms and provisions hereof, and shall prepare the time records describing the Substitute's activities and time spent on such activities.

ARTICLE II – TERM AND TERMINATION

2.1 Term. This Agreement shall become effective as of August 1, 2013 (the "Effective Date") and shall remain in full force and effect until July 31, 2014 unless otherwise terminated as provided in this Article II (the "Initial Term"). Following the Initial Term, this Agreement shall be renewed for an additional 1 year term (the "Renewal Term") if the parties mutually agree in writing to an extension of this Agreement. If the parties do not reach agreement on the extension of this Agreement by the expiration of the Initial Term, then this Agreement shall terminate at the end of the Initial Term, unless otherwise earlier terminated as provided in this Article II.

2.2 Termination by Agreement. If the Hospital and SFMG shall mutually agree in writing, this Agreement shall be terminated on the time and date stipulated therein.

2.3 Termination Without Cause. Either party may terminate this Agreement at any time for any reason by giving no less than ninety (90) days written notice to the other party of its intention to terminate this Agreement; provided, however, if either party terminates this Agreement pursuant to Section 2.3 at any time during the first twelve (12) months of this Agreement, then the parties acknowledge and agree that the parties will not enter into another agreement within that 12-month period unless the new agreement has the same terms as this Agreement. The purpose of this provision is to prevent the parties from terminate this Agreement without case within the first year and then entering into a new agreement with different payment terms based upon the volume or value of referrals between the parties.

2.4 Termination for Cause. The Hospital may terminate this Agreement and all rights and liabilities created by this Agreement immediately, except for those relating to Article VIII, at any time for cause including, but not limited to: (i) any suspension or revocation of Medical Director's medical licenses or authorizations or ability to prescribe drugs; (ii) if Medical Director is no longer eligible to participate in Federal Healthcare Programs; (iii) Medical Director is sanctioned or included on the List of Excluded Providers described in Section 7.1(b) below; (iv) Medical Director's commission or conviction, including plea of nolo contendere, of any felony; (v) any failure by Medical Director to perform or observe any of the terms or provisions of this Agreement; (vi) Medical Director

admitting privileges at Hospital are suspended or revoked; (vii) Medical Director for any reason is no longer a member in good standing of the medical staff of Hospital; (viii) or any breach by SFMG of any terms or provisions of this Agreement. SFMG may terminate this Agreement at any time for cause, including but not limited to, Hospital's breach of any term or provision of this Agreement.

2.5 Termination of Wound Care Agreement. The Hospital may terminate this Agreement and all rights and liabilities created by this Agreement immediately upon the effective date of the termination or expiration of the Wound Care Agreement.

2.6 Effect of Termination or Expiration. Following the expiration of this Agreement or its termination for any reason, SFMG shall not interfere with any attempt by Hospital to contract with any other individual or entity for the provision of medical director services.

ARTICLE III – ILLNESS, INCAPACITY OR DEATH OF MEDICAL DIRECTOR

3.1 Incapacity. If, at any time during the term of this Agreement, Medical Director becomes disabled or unable to perform for any reason all of the duties described herein, such disability or inability to perform his duties shall not then be in breach of this Agreement, but SFMG shall provide or arrange for a Substitute.

3.2 Disability or Inability to Perform Duties Exceeding 90 days. If any Medical Director's disability or inability to perform his duties exceeds ninety (90) calendar days in any one-year period during the term of this Agreement, then the Hospital shall have the right to terminate this Agreement upon written notice to SFMG. Upon such notification of the termination of this Agreement, both the Hospital's obligations, on the one hand, and SFMG's, on the other hand, solely as to each other under this Agreement, shall terminate, with the exception of the covenants contained in Article VIII, which shall continue in full force and effect in accordance with the terms herein.

3.3 Death. In the event of a Medical Director's death during the term of this Agreement and the party's do not agree on a Substitute, the Agreement shall terminate and the Hospital's obligations shall terminate.

ARTICLE IV – COMPENSATION

4.1 Compensation. In consideration of the services, covenants, and agreements agreed to be performed by SFMG during the term of this Agreement, the Hospital shall pay SFMG a stipend of $25,000 per year. SFMG agrees to accept payment described in this Section 4.1 as the total compensation for all services, covenants and agreements pursuant to this Agreement. SFMG shall not charge patients for services rendered as medical director of the AWC. Professional services rendered by Medical Director to patients to whom he provides Services at the AWC are not reimbursed under this Agreement. After the first twelve (12) months of this Agreement, the Hospital and SFMG agree no more frequently than annually to review and negotiate in good faith the compensation for services under this Agreement. Any change in compensation shall be prospective only and effective for at least twelve (12) months from the effective date of such change. The parties intend at all times that the compensation under this Agreement shall be consistent with fair market value compensation in arms-length transactions for the services rendered by SFMG through the Medical Director and that the compensation shall not be determined in a manner that takes in account the volume or value of any referrals made by SFMG or the Medical Director to the AWC.

ARTICLE V – STATUS OF PARTIES

5.1 Independent Contractor Status. It is mutually understood and agreed that SFMG and the Medical Director are independent contractors in the performance of the services, duties and obligations contemplated by this Agreement. Except as otherwise described in this Agreement, the Hospital shall not exercise any control or direction over the methods or manner by which SFMG or Medical Director performs services and functions. Except for requiring the coverage of services called for in this Agreement, the Hospital shall not set nor shall have the right to set, the specific working hours of Medical Director. Medical Director shall not be subject to any policies or procedures applicable to the AWC or the Hospital except those required of the AWC, the Hospital for it to be in compliance with governmental laws and regulations; nor shall SFMG or Medical Director be entitled to additional employee benefits, including vacation pay, sick leave, retirement benefits, Social Security, Worker's Compensation, disability or unemployment insurance benefits that may be provided to Hospital employees. The terms of this Agreement shall take precedence over any inconsistent terms which may be found in the policies and procedures or rules and regulations, Medical Director applications, or otherwise of the AWC, Hospital or the Hospital as presently existing or amended.

5.2 No Agency. Except to comply with its responsibilities as set forth in Section 1.2 hereof, neither Medical Director or SFMG shall have the right or authority and hereby expressly covenants not to enter into a contract in the name of the Hospital or otherwise bind the Hospital, in any way, without the express written consent of the Hospital. SFMG shall hold the Hospital harmless from any loss attributable to a violation of this covenant. SFMG; however, shall direct Medical Director to advise the Hospital concerning contracts with such individuals or entities necessary for the proper and efficient functioning of the Hospital.

5.3 Access to Records. If it is ultimately determined that §952 of the Omnibus Reconciliation Act of 1980 applies to this Agreement, then until the expiration of four years after the furnishing of services provided under this Agreement, Medical Director will make available to the Secretary of the United States Department of Health and Human Services, the United States Comptroller General, and their representatives, this Agreement and all books, documents and records necessary to certify the nature and extend of the costs of those services. If SFMG carries out the duties of this Agreement through a subcontract worth $10,000 or more over a twelve-month period with a related organization, the subcontract will also contain an access clause to permit access by the Secretary, Comptroller General and their representatives to the related organization's books, documents and records.

ARTICLE VI – INSURANCE

6.1 Insurance Coverage. SFMG shall purchase and maintain professional liability insurance coverage commensurate with the levels described in Exhibit C attached hereto. Furthermore, the Hospital shall purchase and maintain general liability insurance coverage from a commercial insurance Hospital licensed to transact insurance in the state in which the AWC is located with coverage limits of One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate (the "Coverage").

ARTICLE VII – REPRESENTATIONS

7.1 Representations and Warranties. In performing services under this Agreement, SFMG covenants, represents and warrants that Medical Director:

(a) is, and for the term of this Agreement will remain, (i) fully licensed to practice medicine in the State of Connecticut, without restriction or subject to any disciplinary or corrective action, and (ii) a member in good standing of the medical staff of Hospital, with admitting privileges at Hospital, in each case without restriction or subject to any disciplinary or corrective action;

(b) is, and for the term of this Agreement will remain, eligible to participate in the Federal Healthcare Programs, and Medical Director has not been, and during the term of this Agreement will not be, sanctioned by the Health and Human Services Office of the Inspector General as set forth on the cumulative Sanctions Report, or excluded by the General Services Administration as set forth on the List of Excluded Providers (see http://oig.hhs.gov/fraud/exclusions.html and https://epls.arnet.gov;

(c) has, and for the term of this Agreement will maintain, all customary state and federal narcotics and controlled substances numbers and licenses, without restriction or subject to any disciplinary or corrective action;

(d) is not, and during term of this Agreement will not be, in breach of any other contract, obligation or covenant that would affect Medical Director's ability to perform hereunder and, as a result of entering into this Agreement, will not breach any such contract, obligation or covenant;

(e) has never had any license to practice medicine or to prescribe controlled substances in any state limited, withdrawn, suspended, subject to reprimand, curtailed, placed on probation or revoked and has never been reprimanded, sanctioned or disciplined by any licensing board or state of local medical society or specialty board;

(f) has the requisite training and experience in the care of patients receiving Services at the AWC;

(g) has never been denied membership or reappointment of membership on the medical staff of any health care facility, and no health care facility medical staff membership or clinical privileges of Medical Director have ever been limited, suspended, curtailed, revoked, including at Hospital, nor has Medical Director voluntarily relinquished such medical staff membership or clinical privileges while a charge of substandard quality of patient care was pending against Medical Director (regardless of the truth or falsity of the charge);

(h) shall be required to use his best and most diligent efforts and professional skills and judgment in rendering services under this Agreement;

(i) shall be required to perform professional services and shall render care to patients in accordance with and in a manner consistent with appropriate standards and the ethics of the medical profession and as necessary for the AWC to maintain compliance with applicable governmental laws and regulations; and

(j) has notified the Hospital of each action or claim alleging professional negligence filed or asserted against him within the previous five (5) years and a current status and/or ultimate resolution of such claim and will immediately notify the Hospital in writing of his receipt of any action, claim or lawsuit alleging professional negligence lodged against him individually or against any partnership, professional corporation or association with which he is affiliated.

7.2 Notification of Change in Representations. SFMG shall notify the Hospital immediately in writing if any of the representations made by Medical Director in Section 7.1 are no longer true and correct.

ARTICLE VIII – CONFIDENTIALITY, NON-COMPETITION AND NON-SOLICITTION COVENANT

8.1 SFMG agrees that, during the term of this Agreement and for a period of two (2) years after the termination of this Agreement, it will keep confidential and not directly divulge, or allow through reasonable care to be divulged to anyone, or use or otherwise appropriate for SFMG's own benefit or for the benefit of others, any knowledge or information of a confidential nature with respect to the Hospital's current business, the Hospital itself, or any of its affiliates, including all trade secrets, pricing information, marketing information or technical information (hereinafter referred to as the "Confidential Data"), except for (i) a disclosure that is required by law; or (ii) information that has been made generally available to the public by the act of one who has the right to disclose such information. SFMG hereby acknowledges and agrees that the prohibitions against disclosure of Confidential Data recited herein are in addition to, and not in lieu of, any rights or remedies which the Hospital may have available pursuant to the laws of any jurisdiction or at common law to prevent the disclosure of confidential information, and the enforcement by the Hospital of its rights and remedies pursuant hereto shall not be construed as a waiver of any other rights or available remedies which the Hospital may possess in law or equity. SFMG acknowledges that the Hospital has taken reasonable and appropriate steps to ensure the confidentiality and non-disclosure of all such Confidential Data.

8.2 This covenant is considered by the parties hereto to be fair, reasonable and integral for the protection of the Hospital. The parties mutually agree that if a violation of this covenant occurs, such violation or any threatened violation will cause irreparable injury to the Hospital and the remedy at law for any such violation or threatened violation will be inadequate. The parties acknowledge that these covenants will survive, and remain in effect and enforceable after, termination of this Agreement.

ARTICLE IX – HIPAA BUSINESS ASSOCIATE RELATIONSHIP

Because SFMG provides services for the AWC that involve the use and/or disclosure of individually identifiable health information relating to the Facility's patients ("Protected Health Information" or "PHI"), SFMG is deemed to be a business associate of the Hospital under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the federal privacy regulations ("Privacy Regulations") set forth at 45 C.F.R. Part 160 and Part

164. SFMG and Hospital agrees to entering into the Business Associate Agreement, attached hereto as Exhibit C.

ARTICLE X – MISCELLANEOUS

10.1 Notices. Any notices to be given under this Agreement shall be deemed given if sent U.S. certified mail, return receipt requested, to the parties at the following addresses:

Hospital: Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
Attn: Administration
Fax: (860) 684-8165

SFMG: Saint Francis Medical Group, Inc.
114 Woodland Street
Hartford, CT 06105
Attn: Mark Aresco

Copy to: General Counsel
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, CT 06105

If either party desires to change either the address or the person to whom notice is to be given, such change must be done in writing and delivered to the parties.

10.2 Amendments. This Agreement may be amended at any time by mutual agreement of the parties hereto, buy any such amendment shall not be operative or valid unless the same is reduced to writing and approved by the parties hereto.

10.3 Assignability. Neither SFMG nor Hospital shall assign any of its rights or obligations under this Agreement without written consent of the other party, except that either party may assign this Agreement to an entity that acquires all or substantially all of the assets of a party. In addition, this section 10.3 shall not prohibit the designation of a new physician to serve as Medical Director or a Substitute, all as set forth herein.

10.4 Severability and Termination Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws in effect during the term of this Agreement, the legality, validity or enforceability of the remaining provisions of this Agreement shall not be affected thereby.

10.5 Headings. The headings of this Agreement are inserted for convenience only and are not to be considered in construction of the provisions hereof.

10.6 Entire Agreement. This Agreement constitutes the full contract and agreement of the parties, superseding all prior or contemporaneous agreements, either oral or written.

10.7 Construction of the Agreement and Binding Effect. This Agreement shall be construed and interpreted according to the laws of the state of Connecticut.

10.8 Non-Waiver. The failure of either party to exercise any of its rights under this Agreement for a breach thereof shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.

10.9 No Inducement to Refer. Nothing contained in this Agreement shall require SFMG or Medical Director to admit or refer any patients to the AWC. The parties enter into this Agreement with the intent of conducting their relationship in full compliance with applicable federal, state and local law, including the Medicare/Medicaid Anti-fraud and Abuse Amendments and Medical Director Ownership and Referral Act (commonly known as Stark Law). The parties intend to comply with the Safe Harbor relating to compensation payable in personal service arrangements, as set forth in 42 U.S.C. §1320a-7b and as set forth in the "safe harbor" regulations at 42 C.F.R. §1001.952. Notwithstanding any unanticipated effect of any of the provisions herein, neither party will intentionally conduct itself under the terms of this Agreement in a manner to constitute a violation of these provisions.

[signatures to follow on the next page]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written to be effective as provided herein.

Hospital: JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart E. Rosenberg
President/CEO

SFMG: SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John P. Rodis, M.D.
Executive Vice President, Chief Operating Officer and Chief Physician Executive

The undersigned hereby enters into this Agreement to acknowledge that the undersigned hereby agrees to provide and perform the medical director duties and responsibilities as described in the Agreement and makes and agrees to be bound by and to comply with the covenants, representations and agreements contained in the Agreement.

By: _____
Edward J. White, M.D.

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13735
BY: _____ DATE: 10-28-13

EXHIBIT A

MEDICAL DIRECTOR DUTIES AND RESPONSIBLITIES

(a) Make recommendations to Hospital's administration regarding the use, quality and number of Hospital personnel, equipment and supplies for use at the AWC, make recommendations to Hospital's administration regarding general quality standards for patient care in connection with the AWC, and assure adequate training of nurses and technicians in the Services through observation of practice, provision of in-service programs and participation in quality assurance activities.

(b) Work with the Hospital to assure that all providers providing or overseeing the provision of Services to Hospital's patients admitted to the AWC have the necessary training and experience to provide or oversee such Services, and assist in the selection of the AWC's physician staff, including evaluation of physician credentials and qualifications.

(c) Actively participate in Hospital's medical staff committees which are relevant to the AWC.

(d) Assure adequate monitoring of Hospital's patients receiving Services at the AWC.

(e) Facilitate communications among providers who admit patients to the AWC.

(f) Assure the development and availability of, and review no less than annually, the policies and procedures manual for the AWC, and, in coordination with the Clinical Director, assure its implementation, assist the applicable Hospital medical staff committee in reviewing and revising medical staff rules and regulations pertaining to the AWC, and assist the Clinical Director in promoting and implementing quality assurance programs, including chart reviews and systems to correct deficiencies.

(g) Meet at least every week with the Hospital's Clinical Director to discuss matters relevant to the operations of the AWC, including policies and procedures, incidents and patient care.

(h) Meet with clinical and provider staff members monthly for patient care conferencing and provide further follow-up with individual providers.

(i) Promote adherence to treatment protocols and algorithms and the Company's Clinical Pathway.

(j) Review and evaluate further action on patient satisfaction surveys.

(k) Assist the Clinical Director in provider scheduling and assist in communicating to admitting providers schedule coverage and new patient assignments.

(l) In a crisis or medical emergency, provide or ensure the provision of appropriate clinical management for patients whose attending provider cannot be reached for necessary orders and/or care.

(m) Monitor patient care provided by attending providers at the AWC; but use best efforts not to interfere with the therapeutic autonomy of the attending provider.

(n) Provide medical supervision for the clinical care provided by the professional staff at AWC.

(o) Assure all patient medical records are current and maintained in accordance with AWC's policies and procedures and applicable regulations, and evaluate patient charts for correct and complete documentation for diagnostic treatment and reimbursement.

(p) Participate in federal, state, local and internal surveys involving the AWC, including review of reports, and participate in the development and implementation of an appropriate plan of correction.

(q) In conjunction with the Clinical Director of the AWC, review and approve all incident reports and assist in any investigations thereof.

(r) Cooperate with the Hospital's insurance carriers, or their desginees, regarding any claims, investigations or lawsuits filed against the Hospital or any of its affiliates or subsidiaries.

(s) Participate in and comply with the Hospital's corporate compliance plan.

(t) Perform those other functions required of the Facility's medical director.

(u) Promote community and physician awareness of the AWC and its benefits.

(v) Participate in Hospital's monthly physician conference calls.

EXHIBIT B

TIME RECORDS

MEDICAL DIRECTOR
ACTIVITY LOG

Document Purpose: This activity log is your documentation of the time spent by you in fulfilling your duties specified in the Medical Director Agreement.
Instructions: In the boxes shown below, for each instance of time spent by you in fulfilling your medical director duties, fill in the date and time of day, function(s) performed and time incurred. Time should be documented in ¼ hour (.25) increments. For example, an hour and a half would be shown as 1.5 hours.
This record covers one month of services. Upon completion of a month, please send this activity log to Medical Affairs at teresa.rogers@jmmc.com or 201 Chestnut Hill Road, Stafford Springs, CT 06076. Please maintain a copy for your records. Disbursement will be made after all information is verified. All payments are subject to the terms of the Medical Director Agreement with you.

Medical Director Information

Name: **Edward J. White, M.D.** Month: _____ Year: _____

Time Record: (Show Date, Time, Function Performed and Time Incurred)

Date	Time of Day	Functions Performed	Total Time Spent on Function (.25 hour increments)
		Total from Page 2>>>>>	
		Grand Total >>>>	

(Additional Space on Page 2)

Attestation: I hereby attest represent and confirm that all of the foregoing information is accurate and complete, that the hours shown above as incurred were actually worked by me, and that the services described above are consistent with those services required by me in the Medical Director Agreement.

_____ _____
Medical Director's Signature Date

FOR PROGRAM DIRECTOR USE ONLY

Time Sheet Hours Total: _____ Agreement Hours Max Per Month: _____

Rate/Hour: $_____ x Month Hours: _____ = Amount Due Medical Director: $_____

_____ _____
Program Director's Name & Signature Date

Note: Payment cannot exceed monthly rate or monthly hours maximum.

EXHIBIT C

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT (this "Agreement") is made and effective as of August 1, 2013 (the "Effective Date"), by and between **Johnson Memorial Hospital, Inc.**, with an address of 201 Chestnut Hill Road, Stafford Springs, CT 06076("Covered Entity") and **Saint Francis Medical Group, Inc.** with an address of 114 Woodland Street, Hartford, CT 06105 ("Business Associate"), each individually a "Party" and together the "Parties."

BACKGROUND STATEMENTS

A. **Purpose.** The purpose of this Agreement is to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996, as amended by Sections 13400 through 13424 of the Health Information Technology for Economic Clinical Health Act ("HITECH") (the 1996 Act as amended by HITECH is referred to herein as "HIPAA"), the associated regulations, 45 C.F.R. parts 160 and 164, as may be amended, and other guidance that may be issued by the federal Department of Health and Human Services ("HHS") (all of the above laws, rules, regulations, and guidance are collectively referred to herein as the "HIPAA Standards"). The HIPAA Standards require Covered Entity to obtain written assurances from Business Associate that Business Associate will appropriately safeguard Protected Health Information ("PHI") and protect its integrity and confidentiality.

B. Relationship. Covered Entity and Business Associate have entered into a relationship under which Business Associate may create, receive, maintain, Use, obtain, access, transmit, or otherwise hold, Use, or Disclose PHI on behalf of Covered Entity in the course of providing services in connection with **provision of Medical Director Services for Johnson's Advanced Wound Center** (collectively, the "Services").

AGREEMENT

The Parties hereby agree as follows:

Section 1. Permitted Uses and Disclosures.

1.1 General. Business Associate may Use and/or Disclose PHI only as permitted or required by this Agreement or as otherwise Required by Law. Business Associate may Disclose PHI to, and permit the Use of PHI by, its Workforce and Subcontractors only to the extent directly related to and necessary for the performance of the Services. Business Associate will request from Covered Entity no more than the minimum PHI necessary to perform the Services, which means that such requests shall only be for information contained in Limited Data Sets when practicable (unless there is superseding guidance, rules, or regulations issued by HHS regarding the Minimum Necessary requirement, in which case Business Associate agrees to abide by the terms of such guidance, rules, or regulations). Business Associate shall not Use or Disclose PHI in a manner (i) inconsistent with Covered Entity's obligations under the HIPAA Standards, (ii) that would violate the HIPAA Standards if Disclosed or Used in such a manner by Covered Entity, including, not limited to, the additional HITECH requirements relating to privacy, (iii) that is otherwise not in compliance with each applicable requirement of 45 C.F.R. § 164.504(e), or (iv) that does not comply with Connecticut state law as it applies to Covered Entity and/or Business Associate. To the extent Business Associate is to carry out an obligation of Covered Entity

under 45 C.F.R. Part 164, Subpart E (the "Privacy Rule"), Business Associate shall comply with the Privacy Rule in the performance of such obligation.

1.2 Use for Business Associate's Purposes. Business Associate may Use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate. Unless specifically requested in writing by Covered Entity, Business Associate shall not Use PHI to provide Data Aggregation services.

1.3 Disclosure for Business Associate's Purposes. Business Associate may Disclose PHI for the proper management and administration of Business Associate, provided the Disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the PHI is Disclosed that it will remain confidential and be Used or further Disclosed only as Required by Law or for the purpose for which it was Disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

1.4 Sale Prohibition. Business Associate shall not directly or indirectly receive any remuneration in exchange for PHI or Use or Disclose PHI for marketing or fundraising purposes.

Section 2. Safeguards for the Protection of PHI.

Business Associate shall use appropriate safeguards and comply with the applicable HIPAA Standards pertaining to Electronic Protected Health Information. This shall include compliance with 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and documentation), and the additional security provisions of HITECH, as each of the foregoing applies to Covered Entity. Such safeguards and compliance shall be designed to prevent Use or Disclosure of PHI other than as provided for in this Agreement.

Section 3. Reporting and Mitigating the Effect of Unauthorized Uses and Disclosures.

3.1 Notice Obligation. If Business Associate has knowledge of or discovers any Security Incident, Breach, or any other Use or Disclosure or unauthorized access of PHI not provided for by this Agreement, then Business Associate will immediately notify Covered Entity in accordance with Section 8.6. This reporting obligation to Covered Entity shall include, but is not limited to, any Breach of Unsecured Protected Health Information. Business Associate shall cooperate with Covered Entity in order to allow it to fulfill its obligations under 45 C.F.R. §§ 164.400-414, as well as fulfill its obligations therein and under any other applicable HIPAA Standards.

3.2 Timing of Notice. Such notice shall be delivered immediately, without unreasonable delay, and in no event later than sixty (60) days after Discovery of a Breach. Business Associate shall have the burden of demonstrating that all notifications were made as required by the HIPAA Standards, including evidence demonstrating the necessity of any delay.

3.3 Content of Notice. Such notice shall include, to the extent possible: (i) the identification of each Individual whose PHI has been, or is reasonably believed to have been, accessed, acquired, or improperly Disclosed; (ii) a description of what happened, including the date of the Breach; (iii) a description of any PHI subject to the Breach; (iv) recommended steps for Individuals to take to mitigate potential harm; (v) what the Business Associate is doing in response; and (vi) any other information necessary for both Business Associate and Covered Entity to comply with the HIPAA Standards.

3.4 Law Enforcement Delay. Business Associate shall comply with the terms of 45 C.F.R. § 164.412 with regard to an oral or written statement made by law enforcement regarding notification under this Section 3 in connection with a Breach of Unsecured Protected Health Information.

3.5 Mitigation. Business Associate shall take any action necessary or proper to mitigate, to the extent practicable, any adverse or harmful effect of an unauthorized Use or Disclosure, Security Incident, or Breach.

Section 4. Use and Disclosure of PHI by Subcontractors.

Business Associate will, in accordance with 45 C.F.R. § 164.502(e)(1)(ii), require that any Subcontractor that is authorized to create, receive, maintain, transmit, or otherwise hold, Use, or Disclose PHI on behalf of Business Associate agrees, in writing and in advance of access to Covered Entity's PHI, to adhere to the same restrictions and conditions regarding the Use and/or Disclosure of PHI and safeguarding of PHI that apply to Business Associate under this Agreement. Such agreement shall identify Covered Entity as a third-party beneficiary with rights of enforcement in the event of any violations, with the understanding, however, that such enforcement shall be the responsibility of Business Associate.

Section 5. Individual Rights.

Business Associate will comply with the following Individual rights requirements as applicable to PHI Used or maintained by Business Associate, as well as comply with any other additional requirements under HITECH that relate to such rights that apply to Covered Entity:

5.1 Right of Access. Business Associate agrees to provide access to PHI maintained in a Designated Record Set, at the request of Covered Entity and in a timely manner, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.

5.2 Right of Amendment. Business Associate agrees to make any amendment(s) to PHI maintained in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in a timely manner.

5.3 Right to Accounting of Disclosures. Business Associate agrees to document Disclosures of PHI as required for Covered Entity to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 C.F.R. § 164.528 and in a timely manner. Business Associate agrees to provide the accounting to Covered Entity, unless Covered Entity requests that the accounting be provided directly to the Individual. If Business Associate maintains PHI in an Electronic Health Record, the scope of accounting under this Section 5.3 shall further comply with the requirements of Section 13405(c) of HITECH as such requirements apply to Covered Entity.

5.4 Restricted Disclosures to Health Plans. If Business Associate Discloses PHI to a Health Plan on behalf of Covered Entity for the purposes of Payment or Health Care Operations, Business Associate shall not include in any such Disclosure information regarding any item or service for which an Individual paid out of his or her own pocket and has requested that the item or service not be included in such Disclosures. Business Associate shall further ensure that any such restriction be flagged in any Designated Record Set maintained by Business Associate.

Section 6. Audit and Inspection Rights.

Business Associate will make its internal practices, books, and records relating to the Use and Disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary for purposes of monitoring compliance with the Privacy Rule.

Section 7. Term and Termination.

7.1 Term. This Agreement will become effective on the Effective Date. Unless terminated sooner pursuant to Section 7.2, this Agreement shall remain in effect for the duration of all Services provided by Business Associate and for so long as Business Associate shall remain in possession of any PHI received from, or created or received by Business Associate on behalf of Covered Entity, unless Covered Entity has agreed in accordance with Section 7.3 that it is infeasible to return or destroy all PHI.

7.2 Termination. Covered Entity may immediately terminate this Agreement if it determines that Business Associate has breached a material term of this Agreement. Alternatively, in Covered Entity's sole discretion, it may provide Business Associate with written notice of the existence of the material breach and afford thirty (30) days to cure. In the event Business Associate fails to cure the material breach within such time period, Covered Entity may immediately terminate this Agreement.

7.3 Effect of Termination. Upon termination of this Agreement, Business Associate will gather all PHI relating to this Agreement in its possession, including any such PHI in the possession of its Workforce and Subcontractors. Business Associate will return to Covered Entity or destroy all such PHI and will retain no copies. If Business Associate believes that it is not feasible to return or destroy the PHI as described above, Business Associate shall notify Covered Entity in writing. The notification shall include: (i) a statement that Business Associate has determined that it is infeasible to return or destroy the PHI in its possession, and (ii) the specific reasons for such determination. If Covered Entity agrees in its sole discretion that Business Associate cannot feasibly return or destroy the PHI, Business Associate will ensure that any and all protections, requirements, and restrictions contained in this Agreement will be extended to any PHI retained after the termination of this Agreement, and that any further Uses and/or Disclosures will be limited to the purposes that make the return or destruction of the PHI infeasible.

Section 8. Miscellaneous.

8.1 Survival. The respective rights and obligations of the Parties under Sections 6 (Audit and Inspection Rights), 7.3 (Effect of Termination), and 8 (Miscellaneous) will survive termination of the Agreement indefinitely.

8.2 Entire Agreement; Amendments; Waiver. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes any prior business associate agreement or similar terms incorporated into any agreement. This Agreement may not be modified, nor will any provision be waived or amended, except in a writing duly signed by authorized representatives of the Parties, except in the event that HHS provides for an automatic amendment that is necessary to comply with the HIPAA Standards. A waiver with

respect to one event will not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events. **The Parties shall amend this Agreement from time to time as necessary to comply with the requirements of the HIPAA Standards. If either Party determines that such an amendment is necessary, the other Party shall work in good faith to incorporate the amendment as soon as possible upon receiving notice.**

8.3 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the then-current HIPAA Standards. Unless otherwise defined in this Agreement, capitalized terms have the meanings given in the HIPAA Standards.

8.4 Compliance. Business Associate agrees to comply with the applicable HIPAA Standards, including, but not limited to, the additional requirements of HITECH that relate to privacy and security and that are made applicable with respect to covered entities. Any such HITECH requirements not expressly addressed in this Agreement are hereby incorporated by reference.

8.5 No Third Party Beneficiaries. Nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors and permitted assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

8.6 Notices. Any notice to be given under this Agreement to a Party shall be made via certified U.S. Mail, commercial courier, or hand delivery to such Party at its address given below, and/or via facsimile to the facsimile number listed below, or to such other address or facsimile number as shall hereafter be specified by notice from the Party. Any such notice shall be deemed given when so delivered to or received at the proper address.

If to Business Associate:

Saint Francis Medical Group, Inc.
114 Woodland Street
Hartford, CT 06105
Attn: Mark Aresco

If to Covered Entity:

Johnson Memorial Hospital, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076
Attn: Administration
Fax: (860) 684-8165

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed in its name and on its behalf as of the Effective Date.

BUSINESS ASSOCIATE:

Saint Francis Medical Group, Inc.

By: _____
Name: John F. Rodis, M.D.
Title: Executive Vice President, Chief Operating Officer and Chief Physician Executive

COVERED ENTITY:

Johnson Memorial Hospital, Inc.

By: _____
Name: Stuart E. Rosenberg
Title: President & CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-735
BY: _____ DATE: 10-29-13

Date: _____ Date: _____

Contract #: 14-0631

MEDICAL DIRECTOR AGREEMENT

THIS MEDICAL DIRECTOR AGREEMENT (the "Agreement") is made and entered into this 1st day of September, 2014 (the "effective date") by and between **Johnson Memorial Hospital, Inc.**, a Connecticut non-profit corporation with its principal place of business located at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 (the "Hospital") and **Saint Francis Medical Group, Inc.**, a Connecticut corporation with its principal place of business located at 114 Woodland Street, Hartford, Connecticut 06105 ("SFMG").

RECITALS

WHEREAS, The Accelecare Wound Centers, Inc. (the "Company") and the Hospital are parties to that certain Wound Care and Disease Management Agreement, dated June 22, 2011 (the "Wound Care Agreement") whereby the Company has agreed to provide hyperbaric oxygen ("HBO") therapy and wound care treatment and services, including, but not limited to, debridements and $TCPO_2$ (the "Services") for the Hospital's patients at a wound care unit on the Hospital's Enfield, Connecticut Campus (the "AWC");

WHEREAS, SFMG, owns and operates a physician medical practice and employs Edward J. White, M.D., a physician duly qualified and licensed to practice medicine in the State of Connecticut; and

WHEREAS, the Hospital desires to engage SFMG to provide Dr. White, or another physician similarly trained and reasonably acceptable to and agreed upon by the Hospital ("Medical Director"), to serve as a medical director skilled in the Services and the administration of an AWC; and

WHEREAS, the Hospital desires to contract with SFMG to provide the medical director services through Medical Director described in this Agreement and SFMG desires to so contract with the Hospital.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties herein set forth, the receipt and sufficiency of such consideration being hereby acknowledged, the parties agree as follows:

ARTICLE I - SERVICES

1.1. Engagement. The Hospital hereby engages SFMG to arrange for the Medical Director to provide the services described herein on behalf of the Hospital's AWC, and SFMG hereby accepts such engagement on the terms and conditions set forth in this Agreement. SFMG shall require the Medical Director to provide the AWC with the benefit of Medical Director's clinical and administrative expertise and experience and further require the Medical Director to perform the services customarily performed by medical directors of departments of the Hospital, as described in Section 1.2 below, and such additional or other tasks related to the general supervision of treatments being administered at the AWC as may be subsequently agreed upon by the parties hereto. SFMG shall require the Medical Director to devote his best ability and effort to ensure the proper medical quality and conduct of the AWC and its operations.

1.2 Responsibilities. SFMG shall require the Medical Director to perform the services described on Exhibit A to this Agreement, and such additional or other tasks related

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to the general supervision of treatments being administered at the AWC as may be subsequently agreed upon by the parties hereto.

1.3 Records. The Hospital and Medical Director shall assure the current status of all medical and business records relating to the care and treatment of Hospital's patients in the AWC in accordance with Hospital's policies and procedures and applicable regulations of governmental agencies. SFMG will require the Medical Director to work with Hospital and Company personnel at the AWC to ensure the integrity and completeness of such records, including:

Patient care plans and medical histories;

Results of all treatments; and

Progress notes by all patient care staff and complete and legibly signed orders.

1.4 Providers Providing Services. SFMG will require the Medical Director to ensure that providers requesting to attend to Hospital patients at the AWC are in good standing on the medical staff of the Hospital and have completed the necessary training to provide and/or oversee the provision of the Services to the Hospital's patients at the AWC. Medical Director shall be required by SFMG to maintain oversight of all disciplinary actions with regard to any matter of such providers or patient care personnel as needed to assure the quality of services and conformity to Hospital and Hospital rules, regulations, medical staff by-laws, and policies and procedures, and shall participate in such matters and provide direction and oversight. SFMG acknowledges and agrees that because the AWC is a department of Hospital, Medical Director shall be required to report on a regular basis as requested by the Hospital to the individual or individuals designated by the Hospital personnel who have responsibility and oversight for the AWC and its operations. In addition, Medical Director shall be required by SFMG to participate in Hospital committee and management meetings in the same manner, to the same extent, and subject to the same authority, as other medical directors of Hospital's departments, facilities and units.

1.5 Coverage. Medical Director shall be required by SFMG to devote such amount of time as is necessary to carry out the duties and responsibilities as medical director of the AWC and to provide the services to the AWC set forth in Section 1.2 above for the benefit of the Hospital. It is anticipated that generally the amount of time required for Medical Director to adequately perform required services as medical director under this Agreement will be approximately four (4) hours per week. Should the AWC's operations materially change, the Hospital and SFMG may mutually agree to alter the expected amount of time per week Medical Director is needed to provide the medical director services contemplated in this Agreement.

1.6 Time Records. SFMG will require the Medical Director to follow AWC policies and procedures for the maintenance of complete and accurate records of time spent providing the services under this Agreement. Within ten (10) days following the end of each month, Medical Director shall deliver to the Hospital a written detailed time report, in the form substantially similar to Exhibit B attached hereto, which shall comply with all regulations and instruction issued under the Medicare, Medicaid, CHAMPUS/Tri-Care and other federal healthcare programs (together, the "Federal Healthcare Program") and shall specifically identify the time spent on administrative services by Medical Director during the month just ended. SFMG acknowledges and agrees that it is entitled to payments under this Agreement only after the foregoing time records are provided to the Hospital, and then

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such compensation shall be based solely on the information contained therein, subject to the maximum monthly amounts referred to in Article IV below.

1.7 Coordination of Services. The Hospital and Medical Director, with input and guidance from Company, shall coordinate their activities in connection with the AWC, and SFMG shall inform the Hospital of any extended periods (i.e., one week or more) during which Medical Director will be unavailable to perform medical director services due to vacation, professional meetings, or other personal or professional commitments. It is understood and agreed by the parties that Medical Director will be unavailable for no more than six (6) weeks total per year. SFMG shall make arrangements for a substitute medical director ("Substitute") to perform the services required by Medical Director under this Agreement in Medical Director's place during all periods of Medical Director's unavailability; provided, however, that the Substitute meets all of the qualifications required of Medical Director hereunder, acts in accordance with all the terms and conditions of this Agreement, and the Hospital gives prior approval of the Substitute. While performing medical director services, the Substitute shall provide the services described in this Agreement, abide by the terms and provisions hereof, and shall prepare the time records describing the Substitute's activities and time spent on such activities.

ARTICLE II – TERM AND TERMINATION

2.1 Term. This Agreement shall become effective as of September 1, 2014 (the "Effective Date") and shall remain in full force and effect until August 31, 2015 unless otherwise terminated as provided in this Article II (the "Initial Term"). Following the Initial Term, this Agreement shall be renewed for an additional 1 year term (the "Renewal Term") if the parties mutually agree in writing to an extension of this Agreement. If the parties do not reach agreement on the extension of this Agreement by the expiration of the Initial Term, then this Agreement shall terminate at the end of the Initial Term, unless otherwise earlier terminated as provided in this Article II.

2.2 Termination by Agreement. If the Hospital and SFMG shall mutually agree in writing, this Agreement shall be terminated on the time and date stipulated therein.

2.3 Termination Without Cause. Either party may terminate this Agreement at any time for any reason by giving no less than ninety (90) days written notice to the other party of its intention to terminate this Agreement; provided, however, if either party terminates this Agreement pursuant to Section 2.3 at any time during the first twelve (12) months of this Agreement, then the parties acknowledge and agree that the parties will not enter into another agreement within that 12-month period unless the new agreement has the same terms as this Agreement. The purpose of this provision is to prevent the parties from terminating this Agreement without cause within the first year and then entering into a new agreement with different payment terms based upon the volume or value of referrals between the parties.

2.4 Termination for Cause. The Hospital may terminate this Agreement and all rights and liabilities created by this Agreement immediately, except for those relating to Article VIII, at any time for cause including, but not limited to: (i) any suspension or revocation of Medical Director's medical licenses or authorizations or ability to prescribe drugs; (ii) if Medical Director is no longer eligible to participate in Federal Healthcare Programs; (iii) Medical Director is sanctioned or included on the List of Excluded Providers described in Section 7.1(b) below; (iv) Medical Director's commission or conviction, including plea of nolo contendere, of any felony; (v) any failure by Medical Director to perform or observe any of the terms or provisions of this Agreement; (vi) Medical Director

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admitting privileges at Hospital are suspended or revoked; (vii) Medical Director for any reason is no longer a member in good standing of the medical staff of Hospital; (viii) or any breach by SFMG of any terms or provisions of this Agreement. SFMG may terminate this Agreement at any time for cause, including but not limited to, Hospital's breach of any term or provision of this Agreement.

2.5 Termination of Wound Care Agreement. The Hospital may terminate this Agreement and all rights and liabilities created by this Agreement immediately upon the effective date of the termination or expiration of the Wound Care Agreement.

2.6 Effect of Termination or Expiration. Following the expiration of this Agreement or its termination for any reason, SFMG shall not interfere with any attempt by Hospital to contract with any other individual or entity for the provision of medical director services.

ARTICLE III – ILLNESS, INCAPACITY OR DEATH OF MEDICAL DIRECTOR

3.1 Incapacity. If, at any time during the term of this Agreement, Medical Director becomes disabled or unable to perform for any reason all of the duties described herein, such disability or inability to perform his duties shall not then be in breach of this Agreement, but SFMG shall provide or arrange for a Substitute.

3.2 Disability or Inability to Perform Duties Exceeding 90 days. If any Medical Director's disability or inability to perform his duties exceeds ninety (90) calendar days in any one-year period during the term of this Agreement, then the Hospital shall have the right to terminate this Agreement upon written notice to SFMG. Upon such notification of the termination of this Agreement, both the Hospital's obligations, on the one hand, and SFMG's, on the other hand, solely as to each other under this Agreement, shall terminate, with the exception of the covenants contained in Article VIII, which shall continue in full force and effect in accordance with the terms herein.

3.3 Death. In the event of a Medical Director's death during the term of this Agreement and the party's do not agree on a Substitute, the Agreement shall terminate and the Hospital's obligations shall terminate.

ARTICLE IV – COMPENSATION

4.1 Compensation. In consideration of the services, covenants, and agreements agreed to be performed by SFMG during the term of this Agreement, the Hospital shall pay SFMG a stipend of $25,500 per year. SFMG agrees to accept payment described in this Section 4.1 as the total compensation for all services, covenants and agreements pursuant to this Agreement. SFMG shall not charge patients for services rendered as medical director of the AWC. Professional services rendered by Medical Director to patients to whom he provides Services at the AWC are not reimbursed under this Agreement. After the first twelve (12) months of this Agreement, the Hospital and SFMG agree no more frequently than annually to review and negotiate in good faith the compensation for services under this Agreement. Any change in compensation shall be prospective only and effective for at least twelve (12) months from the effective date of such change. The parties intend at all times that the compensation under this Agreement shall be consistent with fair market value compensation in arms-length transactions for the services rendered by SFMG through the Medical Director and that the compensation shall not be determined in a manner that takes in account the volume or value of any referrals made by SFMG or the Medical Director to the AWC.

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ARTICLE V – STATUS OF PARTIES

5.1 Independent Contractor Status. It is mutually understood and agreed that SFMG and the Medical Director are independent contractors in the performance of the services, duties and obligations contemplated by this Agreement. Except as otherwise described in this Agreement, the Hospital shall not exercise any control or direction over the methods or manner by which SFMG or Medical Director performs services and functions. Except for requiring the coverage of services called for in this Agreement, the Hospital shall not set nor shall have the right to set, the specific working hours of Medical Director. Medical Director shall not be subject to any policies or procedures applicable to the AWC or the Hospital except those required of the AWC, the Hospital for it to be in compliance with governmental laws and regulations; nor shall SFMG or Medical Director be entitled to additional employee benefits, including vacation pay, sick leave, retirement benefits, Social Security, Worker's Compensation, disability or unemployment insurance benefits that may be provided to Hospital employees. The terms of this Agreement shall take precedence over any inconsistent terms which may be found in the policies and procedures or rules and regulations, Medical Director applications, or otherwise of the AWC, Hospital or the Hospital as presently existing or amended.

5.2 No Agency. Except to comply with its responsibilities as set forth in Section 1.2 hereof, neither Medical Director or SFMG shall have the right or authority and hereby expressly covenants not to enter into a contract in the name of the Hospital or otherwise bind the Hospital, in any way, without the express written consent of the Hospital. SFMG shall hold the Hospital harmless from any loss attributable to a violation of this covenant. SFMG; however, shall direct Medical Director to advise the Hospital concerning contracts with such individuals or entities necessary for the proper and efficient functioning of the Hospital.

5.3 Access to Records. If it is ultimately determined that §952 of the Omnibus Reconciliation Act of 1980 applies to this Agreement, then until the expiration of four years after the furnishing of services provided under this Agreement, Medical Director will make available to the Secretary of the United States Department of Health and Human Services, the United States Comptroller General, and their representatives, this Agreement and all books, documents and records necessary to certify the nature and extend of the costs of those services. If SFMG carries out the duties of this Agreement through a subcontract worth $10,000 or more over a twelve-month period with a related organization, the subcontract will also contain an access clause to permit access by the Secretary, Comptroller General and their representatives to the related organization's books, documents and records.

ARTICLE VI – INSURANCE

6.1 Insurance Coverage. SFMG shall purchase and maintain professional liability insurance coverage commensurate with the levels described in Exhibit C attached hereto. Furthermore, the Hospital shall purchase and maintain general liability insurance coverage from a commercial insurance Hospital licensed to transact insurance in the state in which the AWC is located with coverage limits of One Million Dollars ($1,000,000) per claim and Three Million Dollars ($3,000,000) in the annual aggregate (the "Coverage").

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ARTICLE VII – REPRESENTATIONS

7.1 Representations and Warranties. In performing services under this Agreement, SFMG covenants, represents and warrants that Medical Director:

(a) is, and for the term of this Agreement will remain, (i) fully licensed to practice medicine in the State of Connecticut, without restriction or subject to any disciplinary or corrective action, and (ii) a member in good standing of the medical staff of Hospital, with admitting privileges at Hospital, in each case without restriction or subject to any disciplinary or corrective action;

(b) is, and for the term of this Agreement will remain, eligible to participate in the Federal Healthcare Programs, and Medical Director has not been, and during the term of this Agreement will not be, sanctioned by the Health and Human Services Office of the Inspector General as set forth on the cumulative Sanctions Report, or excluded by the General Services Administration as set forth on the List of Excluded Providers (see http://oig.hhs.gov/fraud/exclusions.html and https://epls.arnet.gov;

(c) has, and for the term of this Agreement will maintain, all customary state and federal narcotics and controlled substances numbers and licenses, without restriction or subject to any disciplinary or corrective action;

(d) is not, and during term of this Agreement will not be, in breach of any other contract, obligation or covenant that would affect Medical Director's ability to perform hereunder and, as a result of entering into this Agreement, will not breach any such contract, obligation or covenant;

(e) has never had any license to practice medicine or to prescribe controlled substances in any state limited, withdrawn, suspended, subject to reprimand, curtailed, placed on probation or revoked and has never been reprimanded, sanctioned or disciplined by any licensing board or state of local medical society or specialty board;

(f) has the requisite training and experience in the care of patients receiving Services at the AWC;

(g) has never been denied membership or reappointment of membership on the medical staff of any health care facility, and no health care facility medical staff membership or clinical privileges of Medical Director have ever been limited, suspended, curtailed, revoked, including at Hospital, nor has Medical Director voluntarily relinquished such medical staff membership or clinical privileges while a charge of substandard quality of patient care was pending against Medical Director (regardless of the truth or falsity of the charge);

(h) shall be required to use his best and most diligent efforts and professional skills and judgment in rendering services under this Agreement;

(i) shall be required to perform professional services and shall render care to patients in accordance with and in a manner consistent with appropriate standards and the ethics of the medical profession and as necessary for the AWC to maintain compliance with applicable governmental laws and regulations; and

(j) has notified the Hospital of each action or claim alleging professional negligence filed or asserted against him within the previous five (5) years and a current

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status and/or ultimate resolution of such claim and will immediately notify the Hospital in writing of his receipt of any action, claim or lawsuit alleging professional negligence lodged against him individually or against any partnership, professional corporation or association with which he is affiliated.

7.2 Notification of Change In Representations. SFMG shall notify the Hospital immediately in writing if any of the representations made by Medical Director in Section 7.1 are no longer true and correct.

ARTICLE VIII – CONFIDENTIALITY, NON-COMPETITION AND NON-SOLICITATION COVENANT

8.1 SFMG agrees that, during the term of this Agreement and for a period of two (2) years after the termination of this Agreement, it will keep confidential and not directly divulge, or allow through reasonable care to be divulged to anyone, or use or otherwise appropriate for SFMG's own benefit or for the benefit of others, any knowledge or information of a confidential nature with respect to the Hospital's current business, the Hospital itself, or any of its affiliates, including all trade secrets, pricing information, marketing information or technical information (hereinafter referred to as the "Confidential Data"), except for (i) a disclosure that is required by law; or (ii) information that has been made generally available to the public by the act of one who has the right to disclose such information. SFMG hereby acknowledges and agrees that the prohibitions against disclosure of Confidential Data recited herein are in addition to, and not in lieu of, any rights or remedies which the Hospital may have available pursuant to the laws of any jurisdiction or at common law to prevent the disclosure of confidential information, and the enforcement by the Hospital of its rights and remedies pursuant hereto shall not be construed as a waiver of any other rights or available remedies which the Hospital may possess in law or equity. SFMG acknowledges that the Hospital has taken reasonable and appropriate steps to ensure the confidentiality and non-disclosure of all such Confidential Data.

8.2 This covenant is considered by the parties hereto to be fair, reasonable and integral for the protection of the Hospital. The parties mutually agree that if a violation of this covenant occurs, such violation or any threatened violation will cause irreparable injury to the Hospital and the remedy at law for any such violation or threatened violation will be inadequate. The parties acknowledge that these covenants will survive, and remain in effect and enforceable after, termination of this Agreement.

ARTICLE IX – HIPAA BUSINESS ASSOCIATE RELATIONSHIP

Because SFMG provides services for the AWC that involve the use and/or disclosure of individually identifiable health information relating to the Facility's patients ("Protected Health Information" or "PHI"), SFMG is deemed to be a business associate of the Hospital under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and the federal privacy regulations ("Privacy Regulations") set forth at 45 C.F.R. Part 160 and Part 164. SFMG and Hospital agree to enter into the Business Associate Agreement, attached hereto as Exhibit C.

ARTICLE X – MISCELLANEOUS

10.1 Notices. Any notices to be given under this Agreement shall be deemed given if sent U.S. certified mail, return receipt requested, to the parties at the following addresses:

Hospital: Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076
Attn: Administration
Fax: (860) 684-8165

SFMG: Saint Francis Medical Group, Inc.
114 Woodland Street
Hartford, Connecticut 06105
Attn: Scott Ellner, M.D., President

Copy to: General Counsel
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, Connecticut 06105

If either party desires to change either the address or the person to whom notice is to be given, such change must be done in writing and delivered to the parties.

10.2 Amendments. This Agreement may be amended at any time by mutual agreement of the parties hereto, buy any such amendment shall not be operative or valid unless the same is reduced to writing and approved by the parties hereto.

10.3 Assignability. Neither SFMG nor Hospital shall assign any of its rights or obligations under this Agreement without written consent of the other party, except that either party may assign this Agreement to an entity that acquires all or substantially all of the assets of a party. In addition, this section 10.3 shall not prohibit the designation of a new physician to serve as Medical Director or a Substitute, all as set forth herein.

10.4 Severability and Termination Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws in effect during the term of this Agreement, the legality, validity or enforceability of the remaining provisions of this Agreement shall not be affected thereby.

10.5 Headings. The headings of this Agreement are inserted for convenience only and are not to be considered in construction of the provisions hereof.

10.6 Entire Agreement. This Agreement constitutes the full contract and agreement of the parties, superseding all prior or contemporaneous agreements, either oral or written.

10.7 Construction of the Agreement and Binding Effect. This Agreement shall be construed and interpreted according to the laws of the state of Connecticut.

10.8 Non-Waiver. The failure of either party to exercise any of its rights under this Agreement for a breach thereof shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.

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10.9 No Inducement to Refer. Nothing contained in this Agreement shall require SFMG or Medical Director to admit or refer any patients to the AWC. The parties enter into this Agreement with the intent of conducting their relationship in full compliance with applicable federal, state and local law, including the Medicare/Medicaid Anti-fraud and Abuse Amendments and Medical Director Ownership and Referral Act (commonly known as Stark Law). The parties intend to comply with the Safe Harbor relating to compensation payable in personal service arrangements, as set forth in 42 U.S.C. §1320a-7b and as set forth in the "safe harbor" regulations at 42 C.F.R. §1001.952. Notwithstanding any unanticipated effect of any of the provisions herein, neither party will intentionally conduct itself under the terms of this Agreement in a manner to constitute a violation of these provisions.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written to be effective as provided herein.

Hospital: JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

SFMG: SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President
Chief Operating Officer
& Chief Physician Executive
Saint Francis Hospital and Medical Center
Its: Duly authorized agent

The undersigned hereby enters into this Agreement to acknowledge that the undersigned hereby agrees to provide and perform the medical director duties and responsibilities as described in the Agreement and makes and agrees to be bound by and to comply with the covenants, representations and agreements contained in the Agreement.

By: _____
Edward J. White, M.D.

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0631
BY: _____ DATE: 8/29/2014

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EXHIBIT A

MEDICAL DIRECTOR DUTIES AND RESPONSIBILITIES

(a) Make recommendations to Hospital's administration regarding the use, quality and number of Hospital personnel, equipment and supplies for use at the AWC, make recommendations to Hospital's administration regarding general quality standards for patient care in connection with the AWC, and assure adequate training of nurses and technicians in the Services through observation of practice, provision of in-service programs and participation in quality assurance activities.

(b) Work with the Hospital to assure that all providers providing or overseeing the provision of Services to Hospital's patients admitted to the AWC have the necessary training and experience to provide or oversee such Services, and assist in the selection of the AWC's physician staff, including evaluation of physician credentials and qualifications.

(c) Actively participate in Hospital's medical staff committees which are relevant to the AWC.

(d) Assure adequate monitoring of Hospital's patients receiving Services at the AWC.

(e) Facilitate communications among providers who admit patients to the AWC.

(f) Assure the development and availability of, and review no less than annually, the policies and procedures manual for the AWC, and, in coordination with the Clinical Director, assure its implementation, assist the applicable Hospital medical staff committee in reviewing and revising medical staff rules and regulations pertaining to the AWC, and assist the Clinical Director in promoting and implementing quality assurance programs, including chart reviews and systems to correct deficiencies.

(g) Meet at least every week with the Hospital's Clinical Director to discuss matters relevant to the operations of the AWC, including policies and procedures, incidents and patient care.

(h) Meet with clinical and provider staff members monthly for patient care conferencing and provide further follow-up with individual providers.

(i) Promote adherence to treatment protocols and algorithms and the Company's Clinical Pathway.

(j) Review and evaluate further action on patient satisfaction surveys.

(k) Assist the Clinical Director in provider scheduling and assist in communicating to admitting providers schedule coverage and new patient assignments.

(l) In a crisis or medical emergency, provide or ensure the provision of appropriate clinical management for patients whose attending provider cannot be reached for necessary orders and/or care.

(m) Monitor patient care provided by attending providers at the AWC; but use best efforts not to interfere with the therapeutic autonomy of the attending provider.

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(n) Provide medical supervision for the clinical care provided by the professional staff at AWC.

(o) Assure all patient medical records are current and maintained in accordance with AWC's policies and procedures and applicable regulations, and evaluate patient charts for correct and complete documentation for diagnostic treatment and reimbursement.

(p) Participate in federal, state, local and internal surveys involving the AWC, including review of reports, and participate in the development and implementation of an appropriate plan of correction.

(q) In conjunction with the Clinical Director of the AWC, review and approve all incident reports and assist in any investigations thereof.

(r) Cooperate with the Hospital's insurance carriers, or their designees, regarding any claims, investigations or lawsuits filed against the Hospital or any of its affiliates or subsidiaries.

(s) Participate in and comply with the Hospital's corporate compliance plan.

(t) Perform those other functions required of the Facility's medical director.

(u) Promote community and physician awareness of the AWC and its benefits.

(v) Participate in Hospital's monthly physician conference calls.

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EXHIBIT B

TIME RECORDS

MEDICAL DIRECTOR
ACTIVITY LOG

Document Purpose: This activity log is your documentation of the time spent by you in fulfilling your duties specified in the Medical Director Agreement.
Instructions: In the boxes shown below, for each instance of time spent by you in fulfilling your medical director duties, fill in the date and time of day, function(s) performed and time incurred. Time should be documented in ¼ hour (.25) increments. For example, an hour and a half would be shown as 1.5 hours.
This record covers one month of services. Upon completion of a month, please send this activity log to Medical Affairs at teresa.rogers@jmmc.com or 201 Chestnut Hill Road, Stafford Springs, CT 06076. Please maintain a copy for your records. Disbursement will be made after all information is verified. All payments are subject to the terms of the Medical Director Agreement with you.

Medical Director Information

Name: **Edward J. White, M.D.** Month: _____ Year: _____

Time Record: (Show Date, Time, Function Performed and Time Incurred)

Date	Time of Day	Functions Performed	Total Time Spent on Function (.25 hour increments)
		Total from Page 2>>>>>	
		Grand Total >>>>	

(Additional Space on Page 2)

Attestation: I hereby attest represent and confirm that all of the foregoing information is accurate and complete, that the hours shown above as incurred were actually worked by me, and that the services described above are consistent with those services required by me in the Medical Director Agreement.

_____ _____
Medical Director's Signature Date

FOR PROGRAM DIRECTOR USE ONLY

Time Sheet Hours Total: _____ Agreement Hours Max Per Month: _____

Rate/Hour: $_____ x Month Hours: _____ = Amount Due Medical Director: $_____

_____ _____
Program Director's Name & Signature Date

Note: Payment cannot exceed monthly rate or monthly hours maximum.

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EXHIBIT C
BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of September 1, 2014 ("Effective Date"), by and between **JOHNSON MEMORIAL HOSPITAL, INC.** with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 ("Covered Entity"), and **SAINT FRANCIS MEDICAL GROUP, INC.** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

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c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by

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Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes

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disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. **Permitted Uses and Disclosures by Business Associate**

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or

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disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) If feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) If termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which

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compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (l) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight

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express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS AND MEDICAL GROUP, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President
Chief Operating Officer
& Chief Physician Executive
Saint Francis Hospital and Medical Center
Its: Duly authorized agent

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0020/0021

Attachment 1
CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **8/1/2014** between **Saint Francis Medical Group, Inc.**
(Vendor Name)

and **Johnson Memorial Hospital, Inc.** for the provision of **Medical Director Services at the Advanced Wound Center** , the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
Draft provided to SFC for review- to be discussed and included in agreement.					

Reviewed/Approved by:

N/A

Department Director	Vice President	Vice President, Medical Affairs

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

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0021/0021

Proposed

EXHIBIT A
CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **8/1/2014** between **Saint Francis Medical Group, Inc.**
(Vendor Name)

and **Johnson Memorial Hospital, Inc.** for the provision of **Medical Director Services at the Advanced Wound Center**, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
Timely completion of all medical records (signed and dated **within 7 days**)	95%				
All duties as outlined in Exhibit A of Attachment	100%				
Supervise all clinical/provider staff including APRN	100%				
Function in role as Medical Director in regard to face-to-face, documentation for non-MD staff (**under 14 days**)	100%				
Review/Audit **at least 5%** of all provider charts and audit for completeness	5%				

Reviewed/Approved by:

N/A

Department Director	Vice President	Vice President, Medical Affairs

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

Rev. 11/10/2014

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CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-15

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Infection Prevention Consultation Services.

2. Start Date and Term. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be September 15, 2014 (the "**Start Date**"). The Sub-Agreement shall continue for a term of one (1) year. Thereafter, this Agreement shall continue for successive one-year terms unless and until terminated by either party in accordance with the terms hereof. Either party may give notice of termination to the other with no less than 30 days advance notice.

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc., and Johnson Memorial Hospital, Inc. – Johnson Surgery Center.
>
> The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation

Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:
SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL HOSPITAL, INC. - JOHNSON SURGERY CENTER

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0634
BY: _____ DATE: 9/2/2014

Exhibit 1

to Clinical Services Sub-Agreement B-15

Scheduled Services

JMMC is requesting consultation assistance for their Infection Prevention program. These consultation services will be provided by Saint Francis Hospital Infection Prevention Department leadership.

Consultation will be provided in the following areas:

- Assessment of current JMMC Infection Prevention activities and recommend changes as needed to ensure compliance with regulatory standards and the development of a contemporary department.
- Review and update goals of infection prevention program with JMMC senior leadership as needed.
- Provide ongoing development, coaching, and mentoring of JMH Infection Prevention RN.
- Oversee all prevention, surveillance, investigation and educational activities/reporting to ensure accuracy and follow up.
- Assist with yearly evaluation of Infection prevention program.
- Facilitation of discussion between Senior leadership, Medical staff leadership and Infection Prevention regarding priorities and patient care/facility needs.
- Infection Prevention consultation services will be provided based on national, regional and local regulations, industry standards and pharmaceutical/manufactures recommendations.
- Attend Infection Control meetings as needed
- SFHMC will not be providing direct infection prevention services in any JMMC facilities.
- On site and phone support will be provided as part of the agreement.

Exhibit 2
to Clinical Services Sub-Agreement B-15

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC Infection Prevention RN	Hourly rate of $ 62.00 (12 hrs./week) Benefits = 29% Administrative fee = 3% Additional hours with the approval of CEO/AVP Patient Care Services
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-15

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-15

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-15

Proprietary and Confidential Information and Protected Intellectual Property

NONE

JMMC CANCER PROGRAM
CLINICAL AND ADMINISTRATIVE SERVICES AGREEMENT

This Clinical and Administrative Services Agreement is entered into and effective as of the 12TH day of MARCH, 2012 (the "Effective Date"), by and between Johnson Memorial Medical Center, Inc., located at 201 Chestnut Hill Road, Stafford Springs, CT 06082 ("JMMC") and Saint Francis Medical Group, Inc., a Connecticut non-stock membership corporation of which Saint Francis *Care*, Inc. ("SFC") is the sole member, with a principal office located at 114 WOODLAND ST HARTFORD CT 06105 ("SFMG").

WHEREAS, JMMC operates a general hospital licensed pursuant to the laws of the State of Connecticut; and

WHEREAS, JMMC operates the JMMC Karen Davis Krzynowek Infusion Center in Enfield, CT (KDKIC) which provides infusion therapy and other medical and support services to JMMC patients; and

WHEREAS, JMMC has established a cancer program ("Cancer Program") which includes, among other services, inpatient care and the services provided at KDKIC;

WHEREAS, SFMG operates a multi-specialty group medical practice, including providing medical services by physicians specializing in hematology and oncology; and

WHERAS, SFMG employs, retains or otherwise engages qualified physicians ("SFMG Physicians") who render medical, management, and administrative services on behalf of SFMG; and

WHEREAS, JMMC desires SFMG to provide certain clinical, management, and administrative services required by JMMC for the benefit of JMMC patients ("Patients") at the Cancer Program; and

WHEREAS, SFMG desires to provide such clinical, management, and administrative services.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. SFMG Services.

1.1 Clinical, Management, and Administrative Services. JMMC hereby retains SFMG to provide the clinical, management, and administrative services specifically set forth on Exhibit A, attached hereto and incorporated herein (the "Services"). SFMG shall designate one or more employed physician members of SFMG to render the Services to JMMC and its Patients on behalf of SFMG, and shall designate an employed physician member of SFMG to serve as the medical director of the Cancer Program ("Medical Director"). In the event that one or more of the SFMG Physicians so

designated is temporarily unavailable (by way of example and not limitation, due to vacation, sick leave, or attendance at education programs), SFMG may provide a substitute SFMG Physician to provide Services during that temporary period.

1.2 Coordination with JMMC Hospitalists. The parties anticipate that in providing Services hereunder and in furtherance of appropriate medical care of Cancer Program patients, SFMG Physicians will work closely with JMMC hospitalists. The parties agree to jointly develop and establish written (i) standards of care and protocols for managing hospitalized Cancer Program patients; (ii) guidelines and protocols for identifying and transferring patients who require services or facilities not available at JMMC; and (iii) policies and procedures regarding the working relationship between SFMG Physicians and JMMC hospitalists. These standards of care, protocols, guidelines, policies, and procedures shall address, but not be limited to, the evaluation of hematology/oncology patients and hospital consultations to be conducted by SFMG Physicians.

1.3 Scheduling. Except for the Services that SFMG shall render on a 24-hour-per-day, 7-day-per-week, 365-days-per-year basis, as specified on Exhibit A, SFMG and JMMC shall work together to determine a mutually acceptable schedule for SFMG's provision of Services. SFMG shall provide JMMC with telephone numbers to contact SFMG Physicians in the event of emergency.

1.4 Reporting Responsibility. In carrying out the Services required hereunder, SFMG shall report to JMMC's Chief Executive Officer, and shall be at all times subject to the overall authority of the Governing Board of JMMC.

1.5 Evaluation and Annual Goals. The parties shall agree in writing on a process for evaluating the performance of the Medical Director and for setting annual goals for the Cancer Program and the Medical Director.

1.6 Exclusive Engagement. In order to promote high quality, well-integrated, and consistent care and treatment of patients at KDKIC, SFMG Physicians shall be the only hematology and oncology physicians JMMC engages to provide services at KDKIC.

1.7 SFMG Hematology/Oncology Services in Enfield.

1.7.1 SFMG Enfield Site. In consideration of being engaged to provide the Services, SFMG shall cease providing hematology/oncology services at its current site in Enfield, CT as of a date certain to be agreed between the parties and will abstain from providing hematology/oncology services in Enfield during the Term of this Agreement (and any extension or renewal thereof). If this Agreement terminates or expires for any reason, SFMG may resume providing hematology/oncology services in Enfield at its sole discretion and without any liability whatsoever to JMMC.

1.7.2 SFMG's Enfield Patients. JMMC shall accept all clinically-appropriate patients being treated at SFMG's Enfield site who choose to transfer their care to KDKIC as patients at KDKIC.

2. Covenants of SFMG.

2.1 Compliance with JMMC Policies and Applicable Law. In performing Services hereunder, SFMG shall, and shall ensure that SFMG Physicians, comply with all applicable law and all JMMC policies, the bylaws, rules and regulations of the JMMC Medical Staff, all as are from time to time adopted, authorized, or approved by the JMMC Medical Staff, JMMC, or its Board ("JMMC Policies"), the Connecticut General Statutes and Public Health Code, and all other applicable law, the standards of The Joint Commission, the standards of SFMG Physicians' profession and any other rules or regulations applicable to SFMG Physicians or JMMC. Upon request by SFMG, JMMC shall provide copies of any of the foregoing to assist SFMG in meeting this requirement.

2.2 Use of JMMC Facilities. SFMG shall, and shall ensure that SFMG Physicians, not use the facilities provided by JMMC under Section 5.2 for any purpose other than the provision of the Services hereunder, provided however, that nothing herein shall be deemed to limit the right of a SFMG Physician (i) to provide care to patients as a member of the JMMC Medical Staff within the scope of his/her privileges, (ii) to carry out his/her obligations and rights as a Medical Staff member and (iii) to otherwise engage in the practice of medicine provided such practice does not prevent, diminish, or interfere with the ability of such physicians to perform the duties and responsibilities required of SFMG hereunder.

2.3 SFMG Physicians.

2.3.1 SFMG Physician Qualifications. SFMG shall ensure that each SFMG Physician who provides Services hereunder, as a continuing condition precedent to JMMC's obligations under this Agreement, and prior to the provision of any services by a SFMG Physician hereunder, as applicable: (i) hold and maintain in good standing a currently valid and unlimited license to practice medicine in the State of Connecticut; (ii) hold and maintain in good standing certification in hematology and medical oncology from the American Board of Internal Medicine, or be eligible for such certification; (iii) apply for, be awarded, and maintain in good standing membership on the JMMC Medical Staff as at least a courtesy member with appropriate privileges in accordance with JMMC policies; (iv) apply for, be awarded, and maintain in good standing membership on the medical staff of Saint Francis Hospital and Medical Center ("SFHMC") as at least an active member with appropriate privileges in accordance with the bylaws, rules, regulations, and policies of SFHMC and its medical staff; (v) hold and maintain a currently valid DEA certification; and (vi) be approved by JMMC in advance, separate and apart from the JMMC Medical Staff appointment process, which approval shall not be unreasonably withheld, delayed, or denied.

2.3.2 SFMG Employee Misconduct. SFMG shall promptly notify JMMC of any determination of professional or criminal misconduct of an SFMG Physician that is likely, in the reasonable judgment of SFMG, to materially negatively affect the quality of care provided by SFMG Physicians, the safety or welfare of any JMMC Patient, visitor or staff member, or JMMC's reputation or operations. JMMC shall have the right to require that such SFMG Physician not provide further Services under this Agreement. SFMG Physicians shall retain all rights granted under the bylaws of the JMMC Medical Staff; provided, however, that any hearing or appeal rights enumerated in JMMC Medical Staff bylaws shall be inapplicable to a request by JMMC to SFMG to remove such SFMG Physician from providing Services under this Agreement.

2.3.3 Additional SFMG Physician. The parties acknowledge that SFMG is making good faith efforts to recruit a full-time, permanent physician specializing in hematology/oncology ("Additional Physician") to provide Services hereunder as an SFMG Physician. The parties agree that SFMG may engage one or more locum tenens physicians ("Locum Tenens") to serve as an SFMG Physician to provide Services hereunder while SFMG recruits an Additional Physician. The parties anticipate that an Additional Physician will be hired by SFMG by July 2012.

2.4 Limitation on SFMG Authority

2.4.1 JMMC Retained Authority. JMMC shall retain full legal authority over the day-to-day operations of JMMC, KDKIC, and the Cancer Program, and any powers not delegated to SFMG under this Agreement shall remain with JMMC.

2.4.2 No Contracting or Purchasing. Except pursuant to the prior written approval of JMMC, neither SFMG nor any SFMG Physician shall engage in or cause direct purchasing or otherwise contract any liability on behalf of JMMC, KDKIC, or the Cancer Program and shall neither charge the credit of JMMC nor incur any obligations or enter into any agreement for or on behalf of JMMC, KDKIC, or the Cancer Program.

2.5 Time Records and Allocation Reports. SFMG shall ensure that each SFMG Physician providing Services hereunder timely completes a report of the time spent providing the Services in such format and with such frequency as the parties may agree ("Timesheet"). SFMG shall submit copies of the Timesheets to JMMC on a monthly basis in accordance with Section 5.5.

2.6 Restrictive Covenant.

2.6.1 Non-Solicitation by JMMC. JMMC acknowledges that SFMG Physicians are essential to SFMG's operations and critical to ensuring that SFMG will continue to have the ability to carry on its legitimate business practices. Therefore, JMMC agrees that, during the term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to Johnson Memorial Hospital, Inc. ("JMH")), agents, or employees shall

directly or indirectly solicit for employment (or engagement as a contractor) by or on behalf of JMMC or any of JMMC's affiliates any SFMG Physician providing services hereunder.

2.6.2 Non-Hire by JMMC. JMMC acknowledges that SFMG Physicians are essential to SFMG's operations and critical to ensuring that SFMG will continue to have the ability to carry on its legitimate business practices. Therefore, JMMC agrees that, during the term of this Agreement and for a period of eighteen (18) months after termination of this Agreement, neither it nor any of its affiliates (including, but not limited to JMH), agents, or employees shall employ, hire, or engage as a contractor by or on behalf of JMMC or any of JMMC's affiliates any SFMG Physician providing services hereunder.

2.6.3 Construction by Court. If any part of Section 2.6.1 or 2.6.2 should be determined by a court of competent jurisdiction to be unreasonable in duration, geographic area, or scope, then this Agreement is intended to and shall extend only for such period of time, and in such area and scope and with respect to such activity, as is determined by such court to be reasonable. For example, with respect to the duration set forth in Sections 2.6.1 and 2.6.2, if a court determines eighteen (18) months to be unreasonable; then fifteen (15) months; and if not fifteen (15) months, then twelve (12) months; but not less than twelve (12) months.

2.6.4 Affirmation of Reasonableness. The parties acknowledge and agree that the scope and duration of the restrictions contained in this Section 2.6 are fair and reasonable, and shall not unduly prevent JMMC or SFMG Physicians from operating or earning a livelihood, or prevent patients from obtaining medical care, and that such restrictions are important and necessary to protect the legitimate interests of SFMG.

2.6.5 Equitable Relief. JMMC acknowledges that a breach by JMMC of any restriction contained in this Section 2.6 shall cause SFMG irreparable injury and damage, the exact amount of which shall be impossible to ascertain and for which SFMG cannot reasonably or adequately be compensated in damages in an action at law. Accordingly, it is the agreement of the parties that, in addition to any other legal rights and remedies which SFMG may have in the event of a breach of this Section 2.6, SFMG shall be entitled to demand and obtain specific performance, including temporary and permanent injunctive relief.

2.6.6 Non-exclusivity of Remedies. The parties agree that no specification in this Agreement of any particular legal or equitable remedy shall be construed as a waiver or prohibition against pursuing any other legal or equitable remedy in the event of any breach by a party of any restriction contained in this Section 2.6.6. JMMC hereby represents that it has had the opportunity to seek legal advice with respect to the provisions of this Section 2.6, and has determined that the restrictions and remedies set forth in such provisions are fair and reasonable. SFMG shall be entitled to reasonable attorneys' fees and court cost incurred in any action to enforce the restrictions contained in this Section 2.6.

2.6.7 Tolling of Time Periods. The time for calculating the term of the restrictions contained herein shall not include any period of time during which the covenant is violated or during which any legal action or other proceeding is ongoing to enforce the terms of this Agreement through the date of final judgment or final resolution, including all appeals, if any, of such legal action or other proceeding, unless SGMG fails to prevail in such action or proceeding.

2.6.8 Survival. This Section 2.6 shall survive the expiration or termination of this Agreement.

3. Independent Contractors

It is expressly acknowledged by the parties hereto that SFMG and each SFMG Physician providing services hereunder are independent contractors of JMMC and nothing in this Agreement is intended or shall be construed to create with JMMC an employer/employee relationship or/a joint venture relationship. SFMG understands and agrees that JMMC will not make any payment to SFMG or any SFMG Physician and will not withhold on behalf of SFMG or any SFMG Physician any sums for income tax, unemployment insurance, social security, or any other withholding pursuant to any law or requirement of any governmental body relating to SFMG or any SFMG Physician, or make available to SFMG or any SFMG Physician any of the benefits afforded to employees of JMMC and that all of such payments, withholdings, and benefits, if any, are the sole responsibility of SFMG.

4. Records

4.1 Medical Records. To the extent applicable, SFMG shall cause SFMG Physicians to prepare medical records in accordance with JMMC Policies, state and federal law, and the standards of The Joint Commission. All clinical services rendered by SFMG Physicians to JMMC patients shall be documented in JMMC's medical record.

4.2 Third Party Payor Program Requirements. SFMG recognizes that JMMC is a participant in various third party payment programs including, without limitation, the Medicare and Medicaid Programs, which participation is essential to the financial viability of JMMC. Therefore, in connection with the subject matter of this Agreement, SFMG agrees to cooperate with JMMC and to provide reasonable assistance to JMMC so that JMMC will be able to meet the requirements for participation and payment associated with such third party payment programs. SFMG agrees to make available to JMMC such information and records as JMMC may reasonably request to: (i) substantiate its costs under this Agreement; and (ii) facilitate JMMC's compliance with the requirements of the Medicare Conditions of Participation and the Medicaid State Plan and to facilitate JMMC substantiation of its reasonable cost of other claims for reimbursement in accordance with the requirements applicable to JMMC pursuant to such third party payor programs. Without limiting the generality of the foregoing, SFMG shall ensure that the Medical Director submits to JMMC physician time allocation studies as and when reasonably requested by JMMC.

4.3 Governmental Access to Books, Documents and Records. To the extent that the provisions of Section 1861(v)(1)(1) of the Social Security Act (42 U.S.C. § 1395x(v)(1)(1)) are applicable to this Agreement, SFMG agrees to make available, on the written request of the Secretary of the Department of Health and Human Services or on the request of the Comptroller General, or any of their duly authorized representatives, this Agreement, and other books, records and documents that are necessary to certify the nature and extent of costs incurred by JMMC for services furnished under this Agreement. The obligations hereunder shall extend for four (4) years after the furnishing of such services. To the extent SFMG enters into an agreement with a related organization to provide services hereunder with a value or cost of ten thousand dollars ($10,000) or more over a twelve (12) month period, such agreement shall contain a clause permitting access by the Secretary, Comptroller General, and their representatives to the books and records of the related organization.

In the event any request for SFMG's books, documents, or records is made pursuant to this Section, SFMG shall, unless prohibited by law or by the reasonable advice of SFMG's counsel (i) give notice of such request to JMMC; (ii) provide JMMC with a copy of such request; and (iii) upon JMMC's written request and at JMMC's expense, provide JMMC with a copy of each book, document, and record made available to the persons or agencies listed in the foregoing paragraph, or identify each such book, document, and record to JMMC and grant JMMC access thereto for review and copying.

4.4 Ownership. The ownership and right of control of all reports, records, and supporting documents prepared in connection with SFMG's provision of Services hereunder (except for reports of the SFMG prepared solely for the SFMG's internal purposes) and the operation and administration of the Department shall vest exclusively in JMMC, provided, however, that SFMG may retain copies of such reports, records, and supporting documents to the extent permitted by law.

4.5 Monthly Activity Report. JMMC shall provide to SFMG monthly a report, in a manner and format and with such detail as the parties shall agree, regarding the previous month's (i) patient volume at KDKIC and in hematology/oncology services at JMH and (ii) the number of wRVUs provided by SFMG Physicians.

5. Financial Arrangements.

5.1 Services Fee. JMMC shall compensate SFMG for the Services in accordance with Exhibit B, attached hereto and incorporated herein (the "Services Fees").

5.2 Space, Equipment, and Staff. JMMC shall provide nursing staff with appropriate experience and training, suitable support staff (including, but not limited to, patient schedulers), office space, equipment, supplies and utilities as shall be necessary and appropriate for SFMG to provide the Services and to assure the safe, efficient, and effective operation of KDKIC.

5.3 KDKIC Costs. JMMC shall be responsible for all costs relating to the operation of KDKIC, except for those specifically enumerated in this Agreement.

5.4 Billing for Services. JMMC shall bill and collect on its own account for all medical services provided hereunder to JMMC patients, including all technical, facility, and professional fees. SFMG shall not bill Patients or third party payors for services provided by SFMG Physicians under this Agreement. All JMMC billing and collection activity shall be in accordance with all applicable law and third party payor contracts. JMMC shall permit SFMG reasonable access to such billing records as may be necessary or desirable for SFMG to confirm that any and all claims submitted for payment for professional services rendered by SFMG Physicians comply with all applicable law and third party payor contracts; provided, however, that SFMG shall not have access to confidential rate or reimbursement information.

5.5 Invoices. SFMG shall send an invoice to JMMC for Services together with the Timesheets prepared in accordance with Section 2.5 on a monthly basis, and payment in full will be due by the thirtieth (30^{th}) day after submission of the monthly invoice; provided, however, that SFMG's failure or delay in sending an invoice to JMMC shall not relieve JMMC of its obligation to pay for Services rendered.

5.6 Cooperation. The parties agree to cooperate with each other to provide promptly any information, documents, consents, or authorizations reasonably necessary or desirable to permit JMMC to bill for the services provided hereunder or to permit JMMC or SFMG to comply with applicable law.

6. Insurance.

6.1 SFMG. In connection with the provision of the Services hereunder, SFMG shall, at its own expense, obtain and maintain general liability insurance coverage in the amounts of $1,000,000 per occurrence and $3,000,000 in aggregate, covering SFMG and SFMG Physicians. JMMC shall be identified as an additional insured under such coverage. Such insurance shall require thirty (30) days' prior written notice to JMMC in the event of termination, cancellation, or a material change in such coverage. Upon request, SFMG shall furnish JMMC with proof of such insurance coverage.

6.2 JMMC. JMMC shall obtain and maintain, at its own expense, general liability insurance, in the amounts of $1,000,000 per occurrence and $3,000,000 in aggregate, covering JMMC and all JMMC employees. SFMG shall be named as an additional insured of such policies. Such insurance shall require thirty (30) days' prior written notice to SFMG in the event of termination, cancellation, or a material change in any such policy. Upon request, JMMC shall furnish SFMG with evidence of each such insurance policy and any amendment or renewal thereof.

7. Indemnification.

7.1 Indemnification of JMMC. SFMG agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless JMMC, and JMMC's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions of SFMG in performing its obligations under this Agreement.

7.2 Indemnification of SFMG. JMMC agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless SFMG, and SFMG's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions of JMMC in performing its obligations under this Agreement.

7.3 Notification of Claim. In the event of any claim for indemnification under this Section 8, the indemnified party shall notify the indemnifying party in writing of any fact or circumstance which gives rise to liability for which the indemnified party is indemnified hereunder with reasonable promptness after such fact or circumstance first comes to the attention of the indemnified party; provided, however, the failure to give such notice shall not relieve the indemnifying party of its indemnification obligations unless, and only to the extent that, the failure to give such notice actually prejudices the rights of the indemnifying party.

7.4 Defense of Claims. If a claim is based upon a demand, claim, or action brought by a third party, the indemnifying party shall defend such demand, claim, or action at its expense with counsel of its choice. The indemnifying party shall not have the right to compromise or settle such claim without the consent of the indemnified party (which consent will not be unreasonably withheld, delayed, or denied) unless such compromise or settlement includes a full release of the indemnified party from liability for the claim. The indemnified party may participate in any such matter at its expense and with counsel of its choice. The indemnified party will cooperate with the indemnifying party in all reasonable ways in the defense of any such action and shall give the indemnifying party access to such relevant files and records for inspection and copying, and make its employees available to the indemnifying party at the expense of the indemnifying party in the defense of any action for which the indemnified party is being indemnified hereunder.

7.5 Survival of Rights. The obligations under this Section 7 shall survive the expiration or termination of this Agreement.

8. Term and Termination of Agreement.

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8.1 Term. This Agreement shall be for a term of ~~five (5)~~ years commencing on the Effective Date set forth above (the "Term"). Thereafter, this Agreement may be renewed upon the mutual written agreement of the parties, provided that this Agreement shall not be renewed on the same financial terms and conditions without the parties' first re-assessing the fair market value of the Services at the time of any renewal.

8.2 Termination.

8.2.1 Termination by Agreement. Subject to Section 8.2.7, this Agreement may be terminated by written agreement of the parties.

8.2.2 Termination on Notice for Default. Subject to Section 8.2.7, a party may terminate this Agreement upon one hundred twenty (120) days prior written notice to the other parties upon a material breach hereof, which breach has not been cured to the reasonable satisfaction of the notifying party within such one hundred twenty (120) day period.

8.2.3 Immediate Termination. Notwithstanding anything herein to the contrary, JMMC may terminate this Agreement immediately upon written notice to SFMG (i) if SFMG fails to maintain the insurance required hereunder; or (ii) as set forth in Section 9.1.5. Notwithstanding anything herein to the contrary, SFMG may terminate this Agreement immediately upon written notice to JMMC (i) if JMMC fails to maintain the insurance required hereunder; (ii) if JMMC loses or has suspended its license or other authority to perform its obligations hereunder; or (iii) as set forth in Section 9.1.6 or Section 10.

8.2.4 Termination due to Changes in Laws and Regulations. Subject to Section 8.2.7, a party may terminate this Agreement in accordance with the provisions of Section 9.5.

8.2.5 Termination Pursuant to Section 9.7. Subject to Section 8.2.7, a party may terminate this Agreement in accordance with the provisions of Section 9.7.

8.2.6 Termination of Clinical Affiliation Agreement. In the event that that certain Clinical Affiliation and Integration Agreement by and among JMMC, JMH, Johnson Evergreen Corporation, Inc., and SFC terminates for any reason, the parties shall work together to amend or terminate this Agreement in an orderly manner to the extent necessary and appropriate.

8.2.7 Limit on Re-Negotiation. In the event of termination of this Agreement for any reason, the parties agree that they shall not enter into a new, amended, or re-negotiated agreement concerning the same subject matter and containing revised pricing or compensation terms more than once during any twelve (12) month period during which this Agreement is in effect.

8.2.8 Effects of Termination. Upon termination of this Agreement as herein above provided, a party shall not have any further obligation hereunder except for: (i) obligations accruing prior to the date of termination; and (ii) obligations, promises, or covenants contained herein which are expressly made to extend beyond the term of this Agreement.

9. General Compliance.

9.1 Exclusion.

9.1.1 SFMG Representations and Warranties. SFMG represents and warrants that SFMG and each SFMG Physician providing the Services has never been (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's Excluded Party Listing System.

9.1.2 Notification by SFMG. SFMG shall notify JMMC immediately in the event that any representation contained in 9.1.1 above is or becomes untrue at any time during the term of the Agreement.

9.1.3 JMMC Representations and Warranties. JMMC represents and warrants that it has never been (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's Excluded Party Listing System.

9.1.4 Notification by JMMC. JMMC shall notify SFMG immediately in the event that any representation contained in 9.1.3 above is or becomes untrue at any time during the term of the Agreement.

9.1.5 Termination by JMMC. JMMC may terminate this Agreement immediately in the event that SFMG is (i) convicted of a criminal offense related to health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded from or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's excluded party listing system; provided, however, if any SFMG Physician providing the Services is convicted, excluded, or debarred as described above and SFMG immediately replaces such SFMG Physician with another qualified SFMG Physician, the Agreement may not be terminated pursuant to this Section.

9.1.6 Termination by SFMG. SFMG may terminate this Agreement immediately in the event that JMMC is (i) convicted of a criminal offense related to

health care and/or related to the provision of services paid for by Medicare, Medicaid, or another federal health care program; (ii) excluded from or debarred from participation in any federal health care program, including Medicare or Medicaid; or (iii) otherwise sanctioned by the federal government, including being listed on the General Services Administration's excluded party listing system.

9.2 False Claims. SFMG acknowledges on behalf of itself and each SFMG Physician that JMMC has provided it with access to its policy on False Claims and Payment Fraud Prevention (the "Policy"). The parties acknowledge that the False Claims Act (31 U.S.C. § 3729 et seq.) imposes penalties for knowingly submitting a false claim or statement to a federally funded program, or otherwise conspiring to defraud the government, in order to receive payment. It also protects individuals who report suspected fraud. Any suspected fraud will be reported as provided in the Policy.

9.3 No Intent to Induce Referrals. It is not the intent of the parties that any payments made under this Agreement be in return for the referral of business, if any, or in return for the purchasing, leasing, or ordering of any services other than the specific services described in this Agreement. All payments specified in this Agreement are consistent with what the parties reasonably believe to be a fair market value for the services provided. The parties acknowledge that the arrangements contemplated by this Agreement do not require and are not conditioned in any way on any party, or any affiliate of any party, referring patients to any other party, or any affiliate of any other party, and each party and its affiliates shall remain permitted to refer patients to any other entities or healthcare facilities.

9.4 Compliance with Law. The parties shall comport their conduct in implementing this Agreement to comply at all times with all provisions of applicable law, including, without limitation, the Connecticut General Statutes and Public Health Code, the Medicare Conditions of Participation and other regulations promulgated by the United States Department of Health and Human Services and the Centers for Medicare and Medicaid Services, 42 U.S.C. § 1320-a-7b, 42 U.S.C. § 1395nn, and federal and state antitrust laws, including Section 2 of the Sherman Act and Section 7 of the Clayton Act, as each may be amended from time to time (the "Laws and Regulations").

9.5 Changes in Laws and Regulations. Notwithstanding any other provisions of this Agreement, if: (i) a party at any time determines upon the reasonable advice from counsel that any provision of this Agreement does or may violate applicable Laws and Regulations then in effect or to become effective as of a date certain; (ii) the governmental agencies (or their representatives) that administer Medicare or Medicaid, or any other federal, state, or local government or agency, should pass, issue, or promulgate any law, rule, regulation, standard, or interpretation at any time while this Agreement is in effect that materially and adversely affects any party's rights or obligations hereunder; or (iii) any court or agency of any federal, state, or local government issues an order, decree, opinion, or ruling or takes any other action that will materially and adversely affect, restrict, or prohibit the ability of a party to perform its obligations under this

Agreement; then the parties shall negotiate in good faith an appropriate modification to the terms and conditions of this Agreement to accommodate such provisions of applicable Laws and Regulations or judicial or administrative decisions and to effectuate the existing terms and intent of this Agreement to the greatest possible extent consistent with the requirements of such law or decision. Should the parties fail to reach agreement as to such modification of this Agreement within ninety (90) days, then any party may terminate this Agreement on ten (10) days' prior written notice.

9.6 Cooperation with Compliance Audits. Without limiting the foregoing, this Agreement shall not limit any rights or obligations of any party in respect of compliance audits or other similar activities conducted by or on behalf of such party in relation to such party's own operations and activities, and each party agrees to reasonably cooperate with the other parties in connection with any compliance audit, investigation, or other similar activity conducted by or on behalf of each party in relation to such party's own operations and activities. Each party shall be responsible for the costs of any audit, investigation, or similar activity conducted with respect to such party's activities.

9.7 Professional Standards. Nothing in this Agreement or elsewhere shall require SFMG or an SFMG Physician to provide a medical or other service which in the reasonable judgment of SFMG or the SFMG Physician is unethical, improper, or inconsistent with professional standards or guidelines. Should a circumstance arise in which SFMG or an SFMG Physician reasonably believes that providing a service would be unethical, improper, or inconsistent with professional standards or guidelines, SFMG shall notify JMMC and the parties shall immediately and in good faith negotiate a resolution to the situation. Should the parties not reach agreement within ten (10) days (or such other time period as the parties may agree), then either party may terminate this Agreement on ten (10) days' prior written notice.

10. Applicability of Ethical and Religious Directives for Catholic Health Care Services.

10.1 Directives Apply to SFMG. SFMG is organized and operates under the sponsorship of the Roman Catholic Church, and conducts its activities in accordance with the Ethical and Religious Directives for Catholic Health Care Services ("Directives") as adopted by the United States Conference of Catholic Bishops, and as the same may be amended from time to time. The Directives are applicable to SFMG as a Catholic health care organization in relation to its own operations, activities, and administration, and to the manner in which SFMG may collaborate or cooperate with JMMC and JMH as non-Catholic institutions.

10.2 SFMG Activities. SFMG (i) will not participate with JMMC in any end-of-life, obstetrical, gynecological, or reproductive procedures, programs, or activities, or in any family planning or other activity, that does not conform with the Directives, and (ii) will conduct its own activities, and will only provide services to JMMC, so that SFMG conforms with the Directives, and so as to avoid any perception by others that

SFMG has compromised its moral principles by participating in acts that do not conform with the Directives.

10.3 No SFMG Participation in Non-conforming Activities. Nothing contained in this Agreement shall require or be deemed to require SFMG to participate with JMMC in any end-of-life, obstetrical, gynecological, or reproductive procedures, programs, or activities, or in any family planning or other activity, that does not conform with the Directives, or otherwise act in any manner that SFMG, in its sole discretion, believes could cause SFMG to violate the Directives, or would create any perception by others that SFMG has compromised its moral principles by participating in acts that do not conform with the Directives.

10.4 Joint Activities. SFMG's activities in relation to JMMC always will ensure that any services provided by SFMG, and any joint activities among SFMG and JMMC, do not entail involvement by SFMG with any end-of-life, obstetrical, gynecological, or reproductive procedures, programs, or activities, or with any family planning or other activities, that do not conform with the Directives. Accordingly, none of SFMG's personnel will be involved in any end-of-life, family planning, obstetrical, gynecological, or reproductive procedures, programs, or activities, or any other procedures, programs, or activities of, by, or on behalf of JMMC that do not conform with the Directives, SFMG shall not have joint or shared responsibility for any such activities, and SFMG shall not share or have involvement with any governance, financial, administrative, or support functions related to any such activities.

10.5 Termination by SFMG. In the event that SFMG, at any time in its sole discretion, believes that any services provided by SFMG, or any joint activities between SFMG and JMMC pursuant to this Agreement, or any activities of JMMC, whether pursuant to the provisions of this Agreement or otherwise, could cause SFMG to violate the Directives, or would lead others to perceive that SFMG has compromised its moral principles by participating in acts that do not conform with the Directives, then SFMG will, at its option and in its sole discretion, terminate this Agreement or SFMG's participation in such services or activities.

11. Security/Confidentiality/Use of Name.

11.1 Compliance with Policies. SFMG shall, and shall ensure that each SFMG Physician, comply with JMMC's Policies pertaining to confidentiality, security, and vendor identification.

11.2 Confidential Information. SFMG represents and warrants on behalf of itself and each SFMG Physician that each shall retain in confidence all information and know-how transmitted to it by JMMC that JMMC has identified as being proprietary and/or confidential or that, by the nature of the circumstances surrounding disclosure or the nature of the information disclosed, ought in good faith to be treated as proprietary or confidential and will make no use of such information and know-how except under the terms and during the existence of this Agreement. JMMC represents and warrants on

behalf of itself and its employees that it shall retain in confidence all information and know-how transmitted to it by SFMG that SFMG has identified as being proprietary and/or confidential or that, by the nature of the circumstances surrounding disclosure or the nature of the information disclosed, ought in good faith to be treated as proprietary or confidential and will make no use of such information and know-how except under the terms and during the existence of this Agreement. Confidential information ("Confidential Information") shall include, by way of example and not limitation, any and all information regarding finances, practices, employees, or management. Confidential Information shall not include information which (i) at the time of disclosure was, is, or thereafter becomes disclosed or available to or known by the public (other than as a result of a disclosure in violation of any of obligations hereunder); (ii) was, is, or thereafter becomes available on a non-confidential basis from a source that is not and was not prohibited from disclosing such information by a contractual, legal, or fiduciary obligation; or (iii) has been or thereafter becomes independently acquired or developed without access to any of the information provided by the other party. A party shall exercise the same level of care to prevent the impermissible use or disclosure of the other parties' Confidential Information in its custody or control that it exercises in protecting its own information of a similar nature, and, in any event, no less than commercially reasonable efforts. Notwithstanding anything herein to the contrary, solely to the extent necessary to carry out obligations hereunder or legal obligations of the party, a party shall have the right to disclose Confidential Information to any of such party's attorneys, accountants, consultants, and other third parties retained by the party (collectively, "Consultants") so long as the Consultant is bound by confidentiality obligations at least as strict as those set forth herein. In the event that a party or any of its Consultants is requested or becomes legally compelled to make any disclosure which is prohibited or otherwise constrained by this Agreement, that party shall provide the party whose Confidential Information is sought with prompt notice of such request(s) so that the party whose Confidential Information is sought may seek an appropriate protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or a waiver is granted, the party or its Consultant to whom the demand was directed shall disclose only that portion of the Confidential Information which it is legally compelled to disclose and shall use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any Confidential Information disclosed. The provisions of this Section shall survive termination of this Agreement.

11.3 Compliance with Confidentiality Laws. Each party shall maintain all patient-related information to which it has access in performing hereunder, including but not limited to protected health information, in confidence in accordance with all applicable laws and regulations.

11.4 Injunctive Relief. Unauthorized use of Confidential Information is a material breach of this Agreement resulting in irreparable harm for which the payment of money damages is inadequate. It is agreed that the non-breaching party, upon adequate proof of unauthorized use, may immediately obtain injunctive relief in any court of competent jurisdiction enjoining any continuing or further breaches and may obtain entry

of judgment for injunctive relief. Nothing in this Agreement shall be construed to limit remedies at law or equity in the event of a breach.

11.5 Prohibition on Use of Names. JMMC shall not use SFMG's (or SFMG's affiliates', including, without limitation, SFC and SFHMC) name, logo, or likeness, or that of any of SFMG's facilities, in any press release, advertising, promotional materials, or public filing (except as required by law, in which case JMMC shall provide reasonable advance written notice to SFMG) without obtaining the prior written consent of SFMG. SFMG shall not use JMMC's (or JMMC's affiliates') name, logo, or likeness, or that of any of JMMC's facilities, in any press release, advertising, promotional materials, or public filing (except as required by law, in which case SFMG shall provide reasonable advance written notice to JMMC) without obtaining the prior written consent of JMMC.

12. Dispute Resolution.

12.1 Mediation by the Parties. Any and all disputes arising out of or relating to this Agreement or the breach hereof shall first be referred to the Chief Executive Officer of SFMG and the Chief Executive Officer of JMMC, who shall exert their good faith efforts to achieve a resolution. If any such dispute is not resolved by such group within thirty (30) days after notice thereof (or such longer period as the parties may then agree) (the "Voluntary Resolution Period"), then any party to such dispute may submit, within thirty (30) days after the end of the Voluntary Resolution Period, the dispute or controversy to arbitration pursuant to Section 12.2.

12.2 Arbitration. Any deadlock, dispute, or controversy out of or relating to this Agreement or the breach hereof and not resolved under Section 12.1 shall be resolved by arbitration pursuant to binding arbitration in Connecticut under the auspices of JAMS pursuant to the JAMS Comprehensive Arbitration Rules and Procedures, before a single arbitrator with experience in the arbitration of disputes of a similar nature. The arbitrator shall have authority to award compensatory damages only and equitable relief only as permitted under this Agreement or state law. The arbitrator shall have no authority to award consequential damages, punitive damages, or multiple damages. Each party will be responsible for its own legal fees and other expenses incurred in connection with such arbitration proceeding, except that the costs of the arbitrator shall be borne equally by the parties. The decision of the arbitrator shall be final and binding upon the parties, and judgment confirming the arbitrator's award may be enforced in any court of competent jurisdiction. The parties hereby exclude any right of appeal to any court on the merits of the dispute.

12.3 Equitable Relief. The foregoing provisions for mediation and arbitration shall not prevent a party from applying for and obtaining injunctive or other equitable relief as provided elsewhere in this Agreement or by showing that, in the absence thereof, the rights of such party cannot be adequately protected.

13. Cancer Program Committee.

13.1 Committee. JMMC shall establish a committee ("Committee") to serve in an advisory capacity to JMMC senior leadership about the operations and strategic direction of KDKIC and the Cancer Program. The Committee shall provide advice and recommendations regarding, among other matters, (i) hours of operation; (ii) staffing levels and mix; (iii) annual operating budget; (iv) equipment and technology planning and capital budgeting; (v) clinical operations, including but not limited to, the scope of services provided, pharmacy services and formulary, laboratory services, and imaging services; (vi) information technology systems, software, and equipment; (vii) program development, including but not limited to, planning for existing and new services, service integration, and establishing a multidisciplinary model of care; (viii) program evaluation and quality improvement activities, and (ix) clinical research. The Committee shall establish a regular meeting schedule and shall meet at least monthly unless otherwise agreed by the parties.

13.2 Membership. The Committee shall be composed of representatives from both JMMC and SFMG as well as from SFHMC. The Medical Director of the Cancer Program shall serve as chair of the Committee.

13.3 Governance. The Committee shall establish such governance protocols as it and the parties shall agree.

14. Miscellaneous.

14.1 Cooperation. The parties agree to cooperate with each other in good faith to effectuate the arrangements contemplated by this Agreement.

14.2 Notices. Notices hereunder shall be in writing and shall be given by hand delivery, commercial overnight delivery service, or by registered mail, return receipt requested, or by facsimile, receipt confirmed, to the parties at their address set forth below or such other address as a party may specify hereafter in accordance with the provisions of this paragraph. Notices shall be deemed to be duly given as follows: if by hand delivery, when received; if by overnight delivery service, or facsimile, the next business day following sending; if by registered mail, three business days after deposit in the United States mail.

If to JMMC: David Morgan, President and CEO
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076
Fax:

With a copy to:

If to SFMG:

With a copy to: Teresa M. Bolton, Esq.
Vice President of Legal Affairs
Saint Francis *Care*, Inc.
114 Woodland Street
Hartford, CT 06105
Fax: 860-714-5408

14.3 Assignment. No assignment of this Agreement or the rights and obligations hereunder shall be valid without the specific written consent of the parties to this Agreement.

14.4 Governing Law; Venue. This Agreement has been executed and delivered in and shall be interpreted, construed, and enforced pursuant to and in accordance with the laws of the State of Connecticut, without regard to its conflict of law principles. Venue of any dispute arising hereunder shall reside in the courts of the State of Connecticut located in Hartford County.

14.5 Waiver of Breach. The waiver by a party of a breach or violation of any provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same or other provision hereof.

14.6 Severability. In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

14.7 Amendment. This Agreement may be amended only by a written instrument executed by the parties, and may be amended as to price or compensation of a particular Service only once during any twelve (12) month period during which this Agreement is in effect.

14.8 Entire Agreement. This Agreement supersedes all previous contracts and constitutes the entire Agreement between the parties with respect to the Services. No oral statements or prior written material with respect to the Services not specifically incorporated herein shall be of any force and effect and no changes in or additions to this Agreement shall be recognized unless incorporated herein by amendment as provided herein, such amendment(s) to become effective on the date stipulated in such amendment(s).

14.9 Counterparts. This Agreement may be executed in counterparts, each of which shall be considered an original and all of which taken together shall constitute a single instrument.

14.10 No Drafting Presumptions. This Agreement has been jointly negotiated among commercial parties with the benefit of counsel and neither this Agreement nor any provision thereof shall be construed against its drafter due to the origin of the drafted material.

14.11 Third Parties. Nothing in this Agreement is intended to confer upon any person or entity other than the parties to this Agreement any rights or remedies. Without limiting the generality of the foregoing sentence in anyway, nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to anyone not a party to this Agreement.

14.12 Headings. The headings used in this Agreement are for convenience of reference only and shall have no force or effect in the construction or interpretation of the provisions of this Agreement.

14.13 Force Majeure. No party to this Agreement shall be liable for any failure to perform its obligations hereunder where such failure results from any cause beyond that party's reasonable control, including, for example, an act of God, labor disturbance such as a strike or walkout, war, riot, fire, storm, accident, government regulation or interference, or mechanical, electronic, or communications failure.

14.14 Due Authority. Each of the parties represents and warrants that (i) it is duly organized, validly existing, and in good standing under the laws of the State of Connecticut; (ii) it has duly authorized this Agreement by all requisite corporate action; and (iii) the individual signing below is duly authorized and directed to execute this Agreement on its behalf.

[THE REMAINDER OF THIS PAGE IS LEFT BLANK INTENTIONALLY.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date above first written.

JOHNSON MEMORIAL
MEDICAL CENTER, INC.

By:
Print: David A. Moser
Title: President & CEO

SAINT FRANCIS
MEDICAL GROUP, INC.

By:
Print: Rolf Kaul MD
Title: President, SFMG

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-178
BY: RD DATE: 3/14/12

EXHIBIT A
SERVICES

I. Clinical

KDKIC

1. Medical direction and supervision of infusion therapy services at KDKIC.
2. Hematology/oncology patient care at KDKIC.
3. Until an Additional Physician is employed by SFMG, SFMG shall provide an SFMG Physician (who may be a Locum Tenens) to provide services on-site at KDKIC four (4) days per week and on-call coverage for infusion services one day per week. When an Additional Physician is hired by SFMG, SFMG shall provide an SFMG Physician five (5) days per week on-site at KDKIC.
4. Provide on-call coverage nights, weekends, and holidays for KDKIC patients.

Hospital

1. Consultation with JMMC hospitalists regarding hematology/oncology patients hospitalized at JMH.
2. Conduct consulting rounds at JMH for inpatient hematology/oncology, as necessary.
3. Provide on-call coverage nights, weekends, and holidays for JMH hematology/oncology services.

II. Administrative and Management

Medical Directorship

1. Serve as Medical Director for the Cancer Program with duties as set forth on the Medical Director Job description attached hereto as Exhibit C, which may be revised by agreement of the parties. The parties agree that until an Additional Physician is hired by SFMG, Jonathan Sporn, M.D. shall serve as Medical Director.
2. Assist JMMC with planning for and obtaining accreditation from the American College of Surgeons Commission on Cancer.
3. Assist in the development of a multidisciplinary model of care for cancer patients at JMH and KDKIC.
4. Serve as chair of the JMMC Cancer Program Committee.

Mentor for Medical Director

1. Provide a mentor for the Medical Director of the Cancer Program ("Mentor") for the first year that the Medical Director serves as Medical Director. The parties agree that the Mentor shall be Jonathan Sporn, M.D. The parties further agree that they will evaluate after the first year whether the mentorship shall continue for another year (or such other period of time as the parties may agree).

EXHIBIT B
SERVICES FEES

In consideration of SFMG's Services, JMMC shall compensate SFMG as follows:

1. Reimburse SFMG for actual costs for all Locum Tenens, including but not limited to, per diem and travel fees.

2. ~~$230~~ $190 per hour for administrative services provided by Jonathan Sporn, M.D., whether he is serving as Medical Director or Mentor to the Medical Director. If the parties agree that Dr. Sporn is to continue as Mentor beyond the first year, the parties will evaluate whether the compensation continues to reflect then current fair market value and modify it as required.

3. $190 per hour for administrative services provided by the Medical Director (other than Dr. Sporn).

4. $96 per wRVU for clinical services provided by SFMG Physicians. The parties shall evaluate the appropriateness of this compensation amount annually.

5. Reimburse SFMG for actual costs (estimated to be approximately $20,100 annually) for expenses relating to malpractice insurance, professional license and membership fees, and continuing medical education for the SFMG Physicians providing the Services.

6. $200 per week night, $1,000 per weekend, and $300 per holiday for on-call coverage. The parties shall evaluate the appropriateness of these compensation amounts annually.

EXHIBIT C
MEDICAL DIRECTOR JOB DESCRIPTION

JOHNSON MEMORIAL MEDICAL CENTER

Role Description

Title: Medical Director, Johnson Memorial Cancer Center

Department: Cancer Center

Grade: Medical Director

Supervised by: Vice President of Medical Affairs

Summary

The Medical Director monitors the training and development of the Johnson Memorial Cancer Program (JMCP) team, ensures compliance with policies, procedures, and regulatory requirements, and liaises with other department heads to ensure the organization's objectives are met facility wide. The Medical Director provides clinical direction to the JMCP including the Karen Davis Krzynowek Infusion Center (KDKIC) at the JMCP and provides clinical oversight to JMCP staff providing inpatient and outpatient services on behalf of Johnson Memorial Medical Center. The Medical Director will create and implement, with the assistance of Johnson Memorial Medical Center administrative staff, a best practice program, while maintaining a consistent level of quality of care offered to patients.

Typical Duties and Responsibilities Include

1. The Medical Director and/or his/her designee will be accessible to staff 24/7 for consults as they relate to the Cancer Center Program and infusion services.
2. Assure the provision of on-call duties as detailed in the contract between Johnson Memorial Medical Center and Saint Francis Medical Group.
3. Personally delivers patient care at the KDKIC, as well as directs patient care delivered by providers who use the KDKIC within the scope of privileges as delineated by the credentialing committee and approved by the JMMC Board of Directors.
4. The Medical Director shall establish and maintain clinical coverage as outlined in the contract between Johnson Memorial Medical Center and Saint Francis Medical Group including a clinical presence at the KDKIC when patients are being treated with chemotherapy in the infusion center in accordance with established Infusion Center policies and procedures.
5. Oversee evaluation and management of JMCP clinical practices within the department and in other departments. Serve as a clinical resource for Infusion nurses when questions arise related to Infusion orders, and intercede on behalf of nurses in contacting ordering physicians if needed.
6. Assure that SFMG hematologist/oncologist staffing the KDKIC respond to any emergency or urgent matter occurring in any patient at the KDKIC regardless of who the referring Oncologist is. If the referring Oncologist is present in the infusion center and wishes to manage the urgent or emergency matter, and is in the view of the Medical Director competent to provide such management, the referring oncologist may do so.
7. Develops, implements, analyzes, maintains and reports on the quality assurance/improvement program to ensure consistent, high quality and safe care is delivered by established criteria consistent with current, good clinical practice and evidence-based guidelines; review of patient charts, review of treatment plans, review of all adverse drug reactions, monitoring adherence to standardize treatment regimens (when appropriate).
8. Develops and maintains, with the support of the Director of the Cancer Program, a process where complete patient information is provided to the Tumor Registry which are in line with the requirements of the State of Ct. Central Tumor Registry and American College of Surgeons/Commission on Cancer (ACS/CoC) Accreditation.
9. Recommends and actively helps identify potential growth opportunities for new or existing services within the market.

10. Communicates clearly, whether verbally or in writing.
11. The Medical Director shall abide by and contribute to the development of JMCP policies, procedures, as well as ensure compliance with applicable federal and state guidelines to ensure the best interest of the organization served.
12. The Medical Director shall present recommendations to the Cancer Program Director and Hospital Administration to maximize the cost effectiveness of care provided by providers and the Cancer Center Program, including responsible formulary choices that balance evidence-based outcomes with fiscal responsibility.
13. Participate in site review by regulatory agencies.
14. Organize, direct and implement departmental practices to assure continued compliance with applicable laws including State and Federal laws, including, but not exclusive to HIPAA, CMS Accreditation standards, the Joint Commission, Medical Staff By Laws, JMMC policies and procedures, JMMC Credo and other accreditation bodies, including ACS/CoC
15. Assure transfer agreements are in place and in good standings; maintain relationships with receiving facilities, foster collaborative relationships.
16. Provides oversight to the Cancer Program clinical research service.
17. Communicate regularly with referring physicians as appropriate.
18. Represent the program at requested community functions, presentations and meetings/forums; supports the Center's marketing efforts.
19. Provide support in Oncology and Infusion education when requested.
20. Meets routinely with administrative staff of the hospital and clinical operations of the inpatient hematology/oncology and JMCP services, including serving as a member of the Cancer Program Advisory Committee.
21. Participates in Johnson Memorial Medical Center projects, planning, and/or Medical Staff Committees as invited and then assigned consistent with the terms of the contract.
22. Assists the Cancer Program Director and JMCP supervisor in the development of the Annual and Capital Budget as it relates to Cancer Center Program.
23. Serves as chair of the JMH Cancer Care Committee and is a participant in JMH Tumor Boards.

Requirements

- Board Certified in Medical Oncology, or Board Eligible in Medical Oncology; must obtain Board Certification per the JMMC Medical Staff By Laws
- Current valid Connecticut licensure
- Active or Associate member of the Medical Staff of Johnson Memorial Hospital
- Three to five years' experience in Medical Oncology and Infusion
- Knowledge of good clinical practice and evidence-based standards of practice in Medical Oncology and Infusion
- Strong service philosophy and leadership skills

Physical Demands

Must be able to achieve goals with multiple interruptions creating varying stress levels. Moderate walking, standing and sitting. Adequate vision, hearing and verbal capacity to communicate effectively with general public. Must be able to handle high levels of stress during the process of assisting with patient/unit activities. Must maintain professional composure.

Note

The above statements are intended to describe the general nature and level of work being performed by people assigned to this classification. They are not intended to be construed, as an exhaustive list of all responsibilities, duties and skills required of personnel so classified.

TIME ESTIMATES

1. KDKIC medical supervision and oversight and, quality management - 4.0 hours per week.
2. JMCP and KDKIC administrative meetings (including discussions with Director and KDKIC Supervisor, the Advisory Committee and, formulary management)- 1.0 - 1.5 hours per week in meeting, 0.5 hours per week reviewing materials, preparing for meetings.
3. Cancer Committee-1.5 hour meeting monthly, 1 hour preparing for the meeting.
4. Tumor Boards-2 hours per month for meetings.
5. Clinical Research service oversight and direction - 0.5 hours per week.
6. Regulatory and accreditation management - 0.5 hours per week (on average per year, varies by month).
7. Quarterly Cancer Center staff education meetings-1.5 hour meeting quarterly and 1 hour preparing for the meeting.
8. Project Assignments - To Be Determined.

Annual estimate ~ 390 hours.

JOHNSON MEMORIAL MEDICAL CENTER, INC.
BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT (this "**Agreement**") is made as of March 12, 2012 (the "Effective Date"), by and between **Johnson Memorial Medical Center, Inc.** ("Covered Entity") and Saint Franas Medical Group Inc ("Business Associate"), each individually a "Party" and together the "Parties."

BACKGROUND STATEMENTS

A. **Purpose**. The purpose of this Agreement is to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996, as amended by Sections 13400 through 13424 of the Health Information Technology for Economic Clinical Health Act ("HITECH") (the 1996 Act as amended by HITECH is referred to herein as "HIPAA"), the associated regulations, 45 C.F.R. parts 160 and 164, as may be amended, and other guidance that may be issued by the federal Department of Health and Human Services ("HHS") (all of the above laws, rules, regulations, and guidance are collectively referred to herein as the "HIPAA Standards"). The HIPAA Standards require Covered Entity to obtain written assurances from Business Associate that Business Associate will appropriately safeguard Protected Health Information ("PHI") and protect its integrity and confidentiality.

B. **Relationship**. Covered Entity and Business Associate have entered into a relationship under which Business Associate may receive, use, obtain, access or create PHI from or on behalf of Covered Entity in the course of providing services in connection with Oncology Services (collectively, the "Services"):

AGREEMENT

In consideration of the foregoing, the Parties hereby agree as follows:

Section 1. Permitted Uses and Disclosures.

1.1 General. Business Associate may use and/or disclose PHI only as permitted or required by this Agreement or as otherwise required by law. Business Associate may disclose PHI to, and permit the use of PHI by, its employees, contractors, agents, or other representatives only to the extent directly related to and necessary for the performance of the Services. Business Associate will request from Covered Entity no more than the minimum PHI necessary to perform the Services, which means that such requests shall only be for information contained in Limited Data Sets when practicable (unless there is superseding guidance, rules, or regulations issued by HHS regarding the minimum necessary requirement, in which case Business Associate agrees to abide by the terms of such guidance, rules, or regulations). Business Associate shall not use or disclose PHI in a manner (i) inconsistent with Covered Entity's obligations under the HIPAA Standards, (ii) that would violate the HIPAA Standards if disclosed or used in such a manner by Covered Entity, including, not limited to, the additional HITECH requirements relating to privacy, (iii) that is otherwise not in compliance with each applicable requirement of 45 C.F.R. § 164.504(e), or (iv) that does not comply with Connecticut state law as it applies to Covered Entity and/or Business Associate.

1.2 Use For Business Associate's Purposes. Except as otherwise limited in this Agreement, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate. Unless specifically requested in writing by Covered Entity, Business Associate shall not use PHI to provide Data Aggregation services.

1.3 Disclosure For Business Associate's Purposes. Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the PHI has been breached.

1.4 Prohibitions. Without limiting the foregoing, Business Associate shall not directly or indirectly receive any remuneration in exchange for PHI or use or disclose PHI for marketing or fundraising purposes.

Section 2. Safeguards for the Protection of PHI.

Business Associate will implement and maintain the security safeguards and other related measures required by the HIPAA Standards, including, but not limited to, those required by 45 C.F.R. §§ 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), 164.316 (policies and documentation), and the additional security provisions of HITECH as each of the foregoing applies to Covered Entity. Such safeguards shall be designed to protect the confidentiality and integrity of such PHI obtained, accessed or created from or on behalf of Covered Entity.

Section 3. Reporting and Mitigating the Effect of Unauthorized Uses and Disclosures.

3.1 Notice Obligation. If Business Associate has knowledge of or Discovers any Security Incident, Breach, or any other use or disclosure or unauthorized access of PHI not provided for by this Agreement, then Business Associate will immediately notify Covered Entity in accordance with Section 8.6. This reporting obligation to Covered Entity shall include, but is not limited to, any "Breach" of "Unsecured Protected Health Information", as those terms are used in Section 13405 of HITECH and further defined at 45 C.F.R. § 164.402. Business Associate shall cooperate with Covered Entity in order to allow it to fulfill its obligations under 45 C.F.R. §§ 164.400-414, as well as fulfill its obligations therein and under any other applicable HIPAA Standards.

3.2 Timing of Notice. Such notice shall be delivered immediately, but in no event later than sixty (60) days after Discovery of a Breach. Business Associate shall have the burden of demonstrating that all notifications were made as required by the HIPAA Standards, including evidence demonstrating the necessity of any delay.

3.3 Content of Notice. Such notice shall include, to the extent possible: i) the identification of each Individual whose PHI has been, or is reasonably believed to have been, accessed, acquired, or improperly disclosed; ii) a description of what happened, including the date of the Breach; iii) a description of the unsecured PHI subject to the

Breach; iv) recommended steps for individuals to take to mitigate potential harm; what the Business Associate is doing in response; and v) any other information necessary for both Business Associate and Covered Entity to comply with the HIPAA Standards.

3.4 Law Enforcement Delay. Business Associate shall comply with the terms of 45 C.F.R. § 164.412 with regard to an oral or written statement made by law enforcement regarding notification under this Section 3 in connection with a Breach of Unsecured Protected Health Information.

3.5 Mitigation. Business Associate shall take any action necessary or proper to mitigate, to the extent practicable, any adverse or harmful effect of an unauthorized use or disclosure, Security Incident, or Breach.

Section 4. Use and Disclosure of PHI by Subcontractors, Agents, and Representatives.

Business Associate will require any subcontractor, agent, or other representative that is authorized to receive, use, or have access to PHI obtained or created under the Agreement, to agree, in writing, to adhere to the same restrictions, conditions and requirements regarding the use and/or disclosure of PHI and safeguarding of PHI that apply to Business Associate under this Agreement. Such agreement shall identify Covered Entity as a third-party beneficiary with rights of enforcement in the event of any violations.

Section 5. Individual Rights.

Business Associate will comply with the following Individual rights requirements as applicable to PHI used or maintained by Business Associate, as well as comply with any other additional requirements under HITECH that relate to such rights that apply to Covered Entity:

5.1 Right of Access. Business Associate agrees to provide access to PHI, at the request of Covered Entity and in a timely manner, to Covered Entity or, as directed, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524 and Section 13405(e) of HITECH. This shall include the obligation to provide electronic access, as specified in Section 13405 of HITECH, if Business Associate uses or maintains an electronic health record.

5.2 Right of Amendment. Business Associate agrees to make any amendment(s) to PHI that Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in a timely manner.

5.3 Right to Accounting of Disclosures. Business Associate agrees to document disclosures of PHI as required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and Section 13405(c) of HITECH and in a timely manner. Business Associate agrees to provide the accounting to Covered Entity, unless Covered Entity requests that the accounting be provided directly to the Individual. If Business Associate maintains PHI in an Electronic Health Record, the scope of accounting under this Section 5.3 shall further comply with the requirements of Section 13405(c) of HITECH as such requirements apply to Covered Entity.

5.4 Restricted Disclosures to Health Plans. If Business Associate discloses PHI to a Health Plan on behalf of Covered Entity for the purposes of Payment or Health Care Operations, Business Associate shall not include in any such disclosure information regarding any item or service for which an Individual paid out of his or her own pocket and has requested that the item or service not be included in such disclosures.

Section 6. Audit, Inspection and Enforcement by Covered Entity.

With reasonable notice, Covered Entity may audit Business Associate to monitor compliance with this Agreement. Business Associate will promptly correct any violation of this Agreement found by Covered Entity and will certify in writing that the correction has been made. Covered Entity's failure to detect any unsatisfactory practice does not constitute acceptance of the practice or a waiver of Covered Entity's enforcement rights under this Agreement. Business Associate will make its internal practices, books, records, and policies and procedures relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, available to HHS, the Office for Civil Rights ("OCR"), or their agents or to Covered Entity for purposes of monitoring compliance with the HIPAA Standards.

Section 7. Term and Termination.

7.1 Term. This Agreement will become effective on the Effective Date. Unless terminated sooner pursuant to Section 7.2, this Agreement shall remain in effect for the duration of all Services provided by Business Associate and for so long as Business Associate shall remain in possession of any PHI received from, or created or received by Business Associate on behalf of Covered Entity, unless Covered Entity has agreed in accordance with Section 7.3 that it is infeasible to return or destroy all PHI.

7.2 Termination. Either party may immediately terminate this Agreement if it determines that the other has breached a material term of this Agreement. Alternatively, in the non-breaching party's sole discretion, it may provide the other party with written notice of the existence of the material breach and afford thirty (30) days to cure. In the event the party fails to cure the material breach within such time period, the non-breaching party may immediately terminate the Agreement. Both parties represent and warrant that neither has any knowledge of the other party's pattern or practice of violating the terms of this Agreement or the HIPAA Standards. In the event a party becomes aware of the other party's pattern or practice of materially breaching the Agreement, it shall provide an opportunity to cure, and if cure is unsuccessful, terminate this Agreement. If termination is not feasible, the non-breaching party shall report the material breach to the Secretary of HHS or OCR.

7.3 Effect of Termination. Upon termination of this Agreement, Business Associate will recover any PHI relating to the Agreement in the possession of its subcontractors, agents, or representatives. Business Associate will return to Covered Entity or destroy all such PHI plus all other PHI relating to the Agreement in its possession, and will retain no copies. If Business Associate believes that it is not feasible to return or destroy the PHI as described above, Business Associate shall notify Covered Entity in writing. The notification shall include: (i) a statement that Business Associate has determined that it is infeasible to return or destroy the PHI in its possession, and (ii) the specific reasons for such determination. If Covered Entity agrees in its sole discretion that Business Associate cannot feasibly return or destroy the PHI, Business Associate will ensure that any and all

protections, requirements and restrictions contained in this Agreement will be extended to any PHI retained after the termination of the Agreement, and that any further uses and/or disclosures will be limited to the purposes that make the return or destruction of the PHI infeasible.

Section 8. Miscellaneous.

8.1 Survival. The respective rights and obligations of the Parties under Sections 6 (Audit and Inspection Rights), 7.3 (Effect of Termination), and 8 (Miscellaneous) will survive termination of the Agreement indefinitely.

8.2 Entire Agreement; Amendments; Waiver. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter and supersedes any prior business associate agreement. This Agreement may not be modified, nor will any provision be waived or amended, except in a writing duly signed by authorized representatives of the Parties. A waiver with respect to one event will not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events. **The Parties shall amend this Agreement from time to time as necessary to comply with the requirements of the HIPAA Standards. If either Party determines that such an amendment is necessary, the other party shall work in good faith to incorporate the amendment as soon as possible upon receiving notice.**

8.3 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the then-current HIPAA Standards. Unless otherwise defined in this Agreement, capitalized terms have the meanings given in the HIPAA Standards.

8.4 Compliance/Civil and Criminal Penalties. Business Associate agrees to comply with the applicable HIPAA Standards, including, but not limited to, the additional requirements of HITECH that relate to privacy and security and that are made applicable with respect to covered entities. Any such HITECH requirements not expressly addressed in this Agreement are hereby incorporated by reference. Business Associate further acknowledges that it is directly liable for civil and criminal penalties for violations of the HIPAA Standards, as specified in Sections 13401(b) (security violations) and 13404(c) (privacy violations) of HITECH.

8.5 No Third Party Beneficiaries. Except as may be provided in Section 4, nothing express or implied in this Agreement is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors and permitted assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.

8.6 Notices. Any notice to be given under this Agreement to a Party shall be made via U.S. Mail, commercial courier or hand delivery to such Party at its address given below, and/or via facsimile to the facsimile telephone number listed below, or to such other address or facsimile number as shall hereafter be specified by notice from the Party. Any such notice shall be deemed given when so delivered to or received at the proper address.

If to Covered Entity:

Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076
Attn: Administration
Fax: (860) 684-8165

If to Business Associate:
Saint Francis Hospital and Medical Center
114 Woodland St.
Hartford, CT 06105

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed in its name and on its behalf this 12th day of March, ~~2010.~~ 2012

Covered Entity:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

Name: David R. Morgan

Title: Interim President & CEO

Date: 3/12/12

Business Associate:

By: Kathleen M. Roche

Name: Kathleen M. Roche

Title: EVP & Chief operating officer

Date: March 12, 2012

Revision Date: 05-16-2011

FIRST AMENDMENT TO AGREEMENT

BY AND BETWEEN

JOHNSON MEMORIAL MEDICAL CENTER, INC.

AND

SAINT FRANCIS MEDICAL GROUP, INC.

THIS FIRST AMENDMENT ("First Amendment") is entered into effective as of July 7, 2014 by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.**, a Connecticut corporation with an office at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06082 ("JMMC") and **SAINT FRANCIS MEDICAL GROUP, INC.**, a Connecticut non-stock corporation with an office at 114 Woodland Street, Hartford, Connecticut 06105 ("SFMG").

RECITALS

WHEREAS, JMMC and SFMG are parties to that certain Clinical and Administrative Services Agreement dated and effective as of March 12, 2012 (the "Agreement"), which remains in effect; and

WHEREAS, JMMC and SFMG wish to amend the Agreement to provide for supervision of a physician assistant and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, JMMC and SFMG agree to amend the Agreement as follows:

1. Exhibit A is deleted in its entirety and replaced with the attached Exhibit A.

2. Delete paragraph 5.4 in its entirety and replace with the following:

   5.4 Billing for Services. JMMC or Johnson Professional Associates, P.C. shall bill and collect on its own account for all medical services provided hereunder to JMMC patients, including all technical, facility, and professional fees. SFMG shall not bill Patients or third party payors for services provided by SFMG Physicians under this Agreement. All JMMC or Johnson Professional Associates, P.C. billing and collection activity shall be in accordance with all applicable law and third party payor contracts. JMMC or Johnson Professional Associates, P.C. shall permit SFMG reasonable access to such billing records as may be necessary or desirable for SFMG to confirm that any and all claims submitted for payment for professional services rendered by SFMG Physicians comply with all applicable law and third party payor contracts; provided, however, that SFMG shall not have access to confidential rate or reimbursement information.

3. **Binding Amendment.** This First Amendment shall be binding upon and inure to the benefit of JMMC and SFMG and their respective legal representatives, successors and assigns.

4. **Agreement.** Except as expressly amended herein, the Agreement is hereby ratified and confirmed.

5. **Definitions.** All terms defined in the Agreement shall have the same meaning in this First Amendment. Any terms defined herein and not otherwise in the Agreement shall have the meanings ascribed to them herein.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their respective duly authorized representatives under seal effective as of the date first above written.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

Stuart Rosenberg
President and Chief Executive Officer

SAINT FRANCIS MEDICAL GROUP, INC.

John F. Rodis, M.D.
Executive Vice President
Chief Operating Officer
& Chief Physician Executive
Saint Francis Hospital and Medical Center
Its: Duly authorized agent

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0435
BY: DATE: 3/10/14

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EXHIBIT A

I. Clinical

KDKIC

1. Medical direction and supervision of infusion therapy services at KDKIC.
2. Hematology/oncology patient care at KDKIC.
3. Until an Additional Physician is employed by SFMG, SFMG shall provide an SFMG Physician (who may be a Locum Tenens) to provide services on-site at KDKIC four (4) days per week and on-call coverage for infusion services one day per week. When an Additional Physician is hired by SFMG, SFMG shall provide an SFMG Physician five (5) days per week on-site at KDKIC.
4. Provide on-call coverage nights, weekends, and holidays for KDKIC patients.

Hospital

1. Consultation with JMMC hospitalists regarding hematology/oncology patients hospitalized at JMH.
2. Conduct consulting rounds at JMH for inpatient hematology/oncology, as necessary.
3. Provide on-call coverage nights, weekends, and holidays for JMH hematology/oncology services.

II. Administrative and Management

Medical Directorship

1. Serve as Medical Director for the Cancer Program with duties as set forth on the Medical Director Job description attached hereto as Exhibit C, which may be revised by agreement of the parties. The parties agree that until an Additional Physician is hired by SFMG, Jonathan Sporn, M.D. shall serve as Medical Director.
2. Assist JMMC with planning for and obtaining accreditation from the American College of Surgeons Commission on Cancer.
3. Assist in the development of a multidisciplinary model of care for cancer patients at JMH and KDKIC.
4. Serve as chair of the JMMC Cancer Program Committee.

Mentor for Medical Director

1. Provide a mentor for the Medical Director of the Cancer Program ("Mentor") for the first year that the Medical Director serves as Medical Director. The parties agree that the Mentor shall be Jonathan Sporn, M.D. The parties further agree that they will evaluate after the first year whether the mentorship shall continue for another year (or such other period of time as the parties may agree).

PA Supervision

Collaborate, supervise, oversee, and direct the clinical activities of designated PA(s). When scheduled to provide the Services under this Agreement, the SFMG Physician will provide an

appropriate level of consultation for the PA. SFMG Physician will accept referrals and provide coverage for the PA(s)' patients in the absence of the PA or in emergencies. When scheduled to provide the Services hereunder, the SFMG Physician shall be available to consult with the PA(s) and review patient outcomes with the PA(s). SFMG Physician agrees that he/she will enter into a mutually agreed upon collaboration agreement with designated PA(s), as requested by Saint Francis from time to time, to memorialize the collaborative relationship and to address the prescriptive authority of the PA, as required by applicable state law.

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-17

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

WHEREAS, JMMC and Saint Francis Medical Group, Inc. (**"SFMG"**) are parties to a certain JMMC Cancer Program Clinical and Administrative Services Agreement with an effective date of March 12, 2012, which Agreement was amended pursuant to a First Amendment to Agreement effective as of July 7, 2014 (collectively, the "**Agreement**"), whereby JMMC has engaged SFMG to provide clinical services; and

WHEREAS, SFMG is an affiliate of Saint Francis Care; and

WHEREAS, JMMC, SFMG and Saint Francis Care desire to terminate the Agreement and replace it with this Sub-Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Clinical, Management, and Administrative Services – Hematology and Oncology.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.** and the locations of service include: Johnson Memorial Hospital, Inc.; and the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center.

The "**Service Provider**" shall mean: **Saint Francis Medical Group, Inc.**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive
Saint Francis Hospital and
Medical Center
Its: Duly authorized agent

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0641
BY: _____ DATE: 12/5/2014

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Exhibit 1
to Clinical Services Sub-Agreement B-16

Scheduled Services

I. Clinical

KDKIC

1. Medical direction and supervision of infusion therapy services at KDKIC.
2. Hematology/oncology patient care at KDKIC.
3. Until an Additional Physician is employed by SFMG, SFMG shall provide an SFMG Physician (who may be a Locum Tenens) to provide services on-site at KDKIC four (4) days per week and on-call coverage for infusion services one day per week. When an Additional Physician is hired by SFMG, SFMG shall provide an SFMG Physician five (5) days per week on-site at KDKIC.
4. Provide on-call coverage nights, weekends, and holidays for KDKIC patients.

Hospital

1. Consultation with JMMC hospitalists regarding hematology/oncology patients hospitalized at JMH.
2. Conduct consulting rounds at JMH for inpatient hematology/oncology, as necessary.
3. Provide on-call coverage nights, weekends, and holidays for JMH hematology/oncology services.

II. Administrative and Management

Medical Directorship

1. Serve as Medical Director for the Cancer Program with duties as set forth on the Medical Director Job description attached hereto as Exhibit 1-A, which may be revised by agreement of the parties. The parties agree that until an Additional Physician is hired by SFMG, Jonathan Sporn, M.D. shall serve as Medical Director.
2. Assist JMMC with planning for and obtaining accreditation from the American College of Surgeons Commission on Cancer.
3. Assist in the development of a multidisciplinary model of care for cancer patients at JMH and KDKIC.
4. Serve as chair of the JMMC Cancer Program Committee.

Mentor for Medical Director

1. Provide a mentor for the Medical Director of the Cancer Program ("Mentor") for the first year that the Medical Director serves as Medical Director. The parties agree that the Mentor shall be Jonathan Sporn, M.D. The parties further agree that they will evaluate after the first

year whether the mentorship shall continue for another year (or such other period of time as the parties may agree).

PA Supervision

Collaborate, supervise, oversee, and direct the clinical activities of designated PA(s). When scheduled to provide the Services under this Agreement, the SFMG Physician will provide an appropriate level of consultation for the PA. SFMG Physician will accept referrals and provide coverage for the PA(s)' patients in the absence of the PA or in emergencies. When scheduled to provide the Services hereunder, the SFMG Physician shall be available to consult with the PA(s) and review patient outcomes with the PA(s). SFMG Physician agrees that he/she will enter into a mutually agreed upon collaboration agreement with designated PA(s), as requested by Saint Francis from time to time, to memorialize the collaborative relationship and to address the prescriptive authority of the PA, as required by applicable state law.

EXHIBIT 1-A
MEDICAL DIRECTOR JOB DESCRIPTION

JOHNSON MEMORIAL MEDICAL CENTER

Role Description

Title: Medical Director, Johnson Memorial Cancer Center

Department: Cancer Center

Grade: Medical Director

Supervised by: Vice President of Medical Affairs

Summary

The Medical Director monitors the training and development of the Johnson Memorial Cancer Program (JMCP) team, ensures compliance with policies, procedures, and regulatory requirements, and liaises with other department heads to ensure the organization's objectives are met facility wide. The Medical Director provides clinical direction to the JMCP including the Karen Davis Krzynowek Infusion Center (KDKIC) at the JMCP and provides clinical oversight to JMCP staff providing inpatient and outpatient services on behalf of Johnson Memorial Medical Center. The Medical Director will create and implement, with the assistance of Johnson Memorial Medical Center administrative staff, a best practice program, while maintaining a consistent level of quality of care offered to patients.

Typical Duties and Responsibilities Include

1. The Medical Director and/or his/her designee will be accessible to staff 24/7 for consults as they relate to the Cancer Center Program and infusion services.
2. Assure the provision of on-call duties as detailed in the contract between Johnson Memorial Medical Center and Saint Francis Medical Group.
3. Personally delivers patient care at the KDKIC, as well as directs patient care delivered by providers who use the KDKIC within the scope of privileges as delineated by the credentialing committee and approved by the JMMC Board of Directors.
4. The Medical Director shall establish and maintain clinical coverage as outlined in the contract between Johnson Memorial Medical Center and Saint Francis Medical Group including a clinical presence at the KDKIC when patients are being treated with chemotherapy in the infusion center in accordance with established Infusion Center policies and procedures.
5. Oversee evaluation and management of JMCP clinical practices within the department and in other departments. Serve as a clinical resource for Infusion nurses when questions arise related to Infusion orders, and intercede on behalf of nurses in contacting ordering physicians if needed.
6. Assure that SFMG hematologist/oncologist staffing the KDKIC respond to any emergency or urgent matter occurring in any patient at the KDKIC regardless of who the referring Oncologist is. If the referring Oncologist is present in the infusion center and wishes to manage the urgent or emergency matter, and is in the view of the Medical Director competent to provide such management, the referring oncologist may do so.
7. Develops, implements, analyzes, maintains and reports on the quality assurance/improvement program to ensure consistent, high quality and safe care is delivered by established criteria consistent with current, good clinical practice and evidence-based guidelines; review of patient charts, review of treatment plans, review of all adverse drug reactions, monitoring adherence to standardize treatment regimens (when appropriate).
8. Develops and maintains, with the support of the Director of the Cancer Program, a process where complete patient information is provided to the Tumor Registry which are in line with the requirements of the State of Ct. Central Tumor Registry and American College of Surgeons/Commission on Cancer (ACS/CoC) Accreditation.
9. Recommends and actively helps identify potential growth opportunities for new or existing services within the market.
10. Communicates clearly, whether verbally or in writing.

11. The Medical Director shall abide by and contribute to the development of JMCP policies, procedures, as well as ensure compliance with applicable federal and state guidelines to ensure the best interest of the organization served.
12. The Medical Director shall present recommendations to the Cancer Program Director and Hospital Administration to maximize the cost effectiveness of care provided by providers and the Cancer Center Program, including responsible formulary choices that balance evidence-based outcomes with fiscal responsibility.
13. Participate in site review by regulatory agencies.
14. Organize, direct and implement departmental practices to assure continued compliance with applicable laws including State and Federal laws, including, but not exclusive to HIPAA, CMS Accreditation standards, the Joint Commission, Medical Staff By Laws, JMMC policies and procedures, JMMC Credo and other accreditation bodies, including ACS/CoC
15. Assure transfer agreements are in place and in good standings; maintain relationships with receiving facilities, foster collaborative relationships.
16. Provides oversight to the Cancer Program clinical research service.
17. Communicate regularly with referring physicians as appropriate.
18. Represent the program at requested community functions, presentations and meetings/forums; supports the Center's marketing efforts.
19. Provide support in Oncology and Infusion education when requested.
20. Meets routinely with administrative staff of the hospital and clinical operations of the inpatient hematology/oncology and JMCP services, including serving as a member of the Cancer Program Advisory Committee.
21. Participates in Johnson Memorial Medical Center projects, planning, and/or Medical Staff Committees as invited and then assigned consistent with the terms of the contract.
22. Assists the Cancer Program Director and JMCP supervisor in the development of the Annual and Capital Budget as it relates to Cancer Center Program.
23. Serves as chair of the JMH Cancer Care Committee and is a participant in JMH Tumor Boards.

Requirements

- Board Certified in Medical Oncology, or Board Eligible in Medical Oncology; must obtain Board Certification per the JMMC Medical Staff By Laws
- Current valid Connecticut licensure
- Active or Associate member of the Medical Staff of Johnson Memorial Hospital
- Three to five years' experience in Medical Oncology and Infusion
- Knowledge of good clinical practice and evidence-based standards of practice in Medical Oncology and Infusion
- Strong service philosophy and leadership skills

Physical Demands

Must be able to achieve goals with multiple interruptions creating varying stress levels. Moderate walking, standing and sitting. Adequate vision, hearing and verbal capacity to communicate effectively with general public. Must be able to handle high levels of stress during the process of assisting with patient/unit activities. Must maintain professional composure.

Note

The above statements are intended to describe the general nature and level of work being performed by people assigned to this classification. They are not intended to be construed, as an exhaustive list of all responsibilities, duties and skills required of personnel so classified.

TIME ESTIMATES

1. KDKIC medical supervision and oversight and, quality management - 4.0 hours per week.
2. JMCP and KDKIC administrative meetings (including discussions with Director and KDKIC Supervisor, the Advisory Committee and, formulary management)- 1.0 - 1.5 hours per week in meeting, 0.5 hours per week

reviewing materials, preparing for meetings.

3. Cancer Committee-1.5 hour meeting monthly, 1 hour preparing for the meeting.
4. Tumor Boards-2 hours per month for meetings.
5. Clinical Research service oversight and direction - 0.5 hours per week.
6. Regulatory and accreditation management - 0.5 hours per week (on average per year, varies by month).
7. Quarterly Cancer Center staff education meetings-1.5 hour meeting quarterly and 1 hour preparing for the meeting.
8. Project Assignments - To Be Determined.

Annual estimate ~ 390 hours.

Exhibit 2
to Clinical Services Sub-Agreement B-16
Scheduled Services Fee

Service	Rate
1. Reimburse SFMG for actual costs for all Locum Tenens, including but not limited to, per diem and travel fees.	
2. Administrative services provided by Jonathan Sporn, M.D., whether he is serving as Medical Director or Mentor to the Medical Director. If the parties agree that Dr. Sporn is to continue as Mentor beyond the first year, the parties will evaluate whether the compensation continues to reflect then current fair market value and modify it as required.	$190 per hour 29% benefits
3. Administrative services provided by the Medical Director (other than Dr. Sporn).	$190 per hour
4. Clinical services provided by SFMG Physicians. The parties shall evaluate the appropriateness of this compensation amount annually.	$96 per wRVU
5. Reimburse SFMG for actual costs (estimated to be approximately $20,100 annually) for expenses relating to malpractice insurance, professional license and membership fees, and continuing medical education for the SFMG Physicians providing the Services.	
6. On-call coverage - The parties shall evaluate the appropriateness of these compensation amounts annually.	$200 per week night, $1,000 per weekend, and $300 per holiday
7. Administrative fee	Admin fee = 3%
8. Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-16

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-16

Additional Sub-Agreement Terms

SFMG Services.

1.1 Clinical, Management, and Administrative Services. JMMC hereby retains SFMG to provide the clinical, management, and administrative services specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "Services"). SFMG shall designate one or more employed physician members of SFMG to render the Services to JMMC and its Patients on behalf of SFMG, and shall designate an employed physician member of SFMG to serve as the medical director of the Cancer Program ("Medical Director"). In the event that one or more of the SFMG Physicians so designated is temporarily unavailable (by way of example and not limitation, due to vacation, sick leave, or attendance at education programs), SFMG may provide a substitute SFMG Physician to provide Services during that temporary period.

1.2 Coordination with JMMC Hospitalists. The parties anticipate that in providing Services hereunder and in furtherance of appropriate medical care of Cancer Program patients, SFMG Physicians will work closely with JMMC hospitalists. The parties agree to jointly develop and establish written (i) standards of care and protocols for managing hospitalized Cancer Program patients; (ii) guidelines and protocols for identifying and transferring patients who require services or facilities not available at JMMC; and (iii) policies and procedures regarding the working relationship between SFMG Physicians and JMMC hospitalists. These standards of care, protocols, guidelines, policies, and procedures shall address, but not be limited to, the evaluation of hematology/oncology patients and hospital consultations to be conducted by SFMG Physicians.

1.3 Scheduling. Except for the Services that SFMG shall render on a 24-hour-per-day, 7-day-per-week, 365-days-per-year basis, as specified on Exhibit 1, SFMG and JMMC shall work together to determine a mutually acceptable schedule for SFMG's provision of Services. SFMG shall provide JMMC with telephone numbers to contact SFMG Physicians in the event of emergency.

1.4 Reporting Responsibility. In carrying out the Services required hereunder, SFMG shall report to JMMC's Chief Executive Officer, and shall be at all times subject to the overall authority of the Governing Board of JMMC.

1.5 Evaluation and Annual Goals. The parties shall agree in writing on a process for evaluating the performance of the Medical Director and for setting annual goals for the Cancer Program and the Medical Director.

1.6 Exclusive Engagement. In order to promote high quality, well-integrated, and consistent care and treatment of patients at KDKIC, SFMG Physicians shall be the only hematology and oncology physicians JMMC engages to provide services at KDKIC.

1.7 SFMG Hematology/Oncology Services in Enfield.

1.7.1 SFMG Enfield Site. In consideration of being engaged to provide the Services, SFMG shall cease providing hematology/oncology services at its current site in Enfield, CT as of a date certain to be agreed between the parties and will abstain from providing hematology/oncology services in Enfield during the Term of this Agreement (and any extension or renewal thereof). If this Agreement terminates or expires for any reason, SFMG may resume providing hematology/oncology services in Enfield at its sole discretion and without any liability whatsoever to JMMC.

1.7.2 SFMG's Enfield Patients. JMMC shall accept all clinically-appropriate patients being treated at SFMG's Enfield site who choose to transfer their care to KDKIC as patients at KDKIC.

Financial Arrangements.

2.1 Services Fee. JMMC shall compensate SFMG for the Services in accordance with Exhibit 2, attached hereto and incorporated herein (the "Services Fees").

2.2 Space, Equipment, and Staff. JMMC shall provide nursing staff with appropriate experience and training, suitable support staff (including, but not limited to, patient schedulers), office space, equipment, supplies and utilities as shall be necessary and appropriate for SFMG to provide the Services and to assure the safe, efficient, and effective operation of KDKIC.

2.3 KDKIC Costs. JMMC shall be responsible for all costs relating to the operation of KDKIC, except for those specifically enumerated in this Agreement.

2.4 Billing for Services. JMMC or Johnson Professional Associates, P.C. shall bill and collect on its own account for all medical services provided hereunder to JMMC patients, including all technical, facility, and professional fees. SFMG shall not bill Patients or third party payors for services provided by SFMG Physicians under this Agreement. All JMMC or Johnson Professional Associates, P.C. billing and collection activity shall be in accordance with all applicable law and third party payor contracts. JMMC or Johnson Professional Associates, P.C. shall permit SFMG reasonable access to such billing records as may be necessary or desirable for SFMG to confirm that any and all claims submitted for payment for professional services rendered by SFMG Physicians comply with all applicable law and third party payor contracts; provided, however, that SFMG shall not have access to confidential rate or reimbursement information.

2.5 Invoices. SFMG shall send an invoice to JMMC for Services together with the Timesheets prepared in accordance with Section 2.5 on a monthly basis, and payment in full will be due by the thirtieth (30th) day after submission of the monthly invoice; provided, however, that SFMG's failure or delay in sending an invoice to JMMC shall not relieve JMMC of its obligation to pay for Services rendered.

5.6 Cooperation. The parties agree to cooperate with each other to provide promptly any information, documents, consents, or authorizations reasonably necessary or desirable to permit JMMC to bill for the services provided hereunder or to permit JMMC or SFMG to comply with applicable law.

Term

6.1 Term. The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

The parties agree that the Agreement will terminate and have no further effect as of the Start Date of this Sub-Agreement and that the terms and conditions of this Sub-Agreement shall control with respect to the subject matter hereof.

Cancer Program Committee.

7.1 Committee. JMMC shall establish a committee ("Committee") to serve in an advisory capacity to JMMC senior leadership about the operations and strategic direction of KDKIC and the Cancer Program. The Committee shall provide advice and recommendations regarding, among other matters, (i) hours of operation; (ii) staffing levels and mix; (iii) annual operating budget; (iv) equipment and technology planning and capital budgeting; (v) clinical operations, including but not limited to, the scope of services provided, pharmacy services and formulary, laboratory services, and imaging services; (vi) information technology systems, software, and equipment; (vii) program development, including but not limited to, planning for existing and new services, service integration, and establishing a multidisciplinary model of care; (viii) program evaluation and quality improvement activities, and (ix) clinical research. The Committee shall establish a regular meeting schedule and shall meet at least monthly unless otherwise agreed by the parties.

7.2 Membership. The Committee shall be composed of representatives from both JMMC and SFMG as well as from SFHMC. The Medical Director of the Cancer Program shall serve as chair of the Committee.

7.3 Governance. The Committee shall establish such governance protocols as it and the parties shall agree.

Exhibit 5
to Clinical Services Sub-Agreement B-16

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Clinical Management, Administrative – Hematology & Oncology** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-17 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

SERVICE LEVEL AGREEMENT

THIS SERVICE LEVEL AGREEMENT ("Agreement") is made as of this _____ day of September, 2011, by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.,** a Connecticut non-stock corporation ("Johnson") and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER**, a Connecticut non-stock corporation with its principal office at 114 Woodland Street, Hartford, Connecticut 06105 ("Saint Francis").

W I T N E S S E T H:

WHEREAS, Johnson has a vacancy in the position of Case Management Director and has not been able to fill such vacancy; and

WHEREAS, Saint Francis has the resources to provide personnel qualified to fill such vacancy;

WHEREAS, Johnson wishes to engage Saint Francis to provide an Interim Case Management Director on the terms and conditions set forth herein and Saint Francis desires to be so engaged.

NOW THEREFORE, in consideration of the promises and mutual covenants herein set forth, it is agreed as follows:

1. **Engagement.** Johnson hereby engages Saint Francis to provide a qualified individual, mutually acceptable to Johnson, to serve in the position of Director of Case Management (the "Director") on behalf of Johnson on an interim, part-time basis, as set forth herein. The Director shall be available to provide the Services, defined below, on behalf of Johnson through a combination of on-site and remote availability approximately twelve (12) hours per week during the Term of this Agreement.

2. **Services.** Saint Francis will require that the Director, on behalf of Johnson, oversees all case management processes related to the establishment of level of care, utilization management, length of stay management, coordination of care, arrangement of post-acute services, appeal and denial management and coordination of department staffing at Johnson (the "Services"). The Services shall not include the provision of direct patient care, overseeing Johnson's Clinical Documentation program, coordinating activities related to demand letters from audit entities, or coordinating post-payment denials.

3. **Johnson's Obligations.** Johnson shall identify a physician advisor that shall be available to the Director on a daily basis to review cases that do not meet the medical necessity standard for admission or continued stay at Johnson. Johnson shall also identify administrative resources that shall be available to the Director on a daily basis to consult on system-related issues that may arise in connection with the Director's provision of Services hereunder.

4. Term and Termination.

a. Term. The term of this Agreement shall remain in effect for a period of ninety (90) days commencing on September 19, 2011. Thereafter, this Agreement shall renew for additional ninety (90) day periods upon the mutual written agreement of the parties. The initial ninety (90) day term and any additional ninety (90) day renewal term(s) are referred to herein as the "Term."

b. Termination. Either party may terminate this Agreement by providing the other party with not less than thirty (30) days' prior written notice. In addition, this Agreement may be terminated immediately by either party in the event that the other party breaches a material term of this Agreement and such breach has not been cured within ten (10) days after receipt of notice from the non-breaching party detailing the breach and such party's intent to terminate.

c. Effect of Termination or Expiration. Upon termination or expiration of this Agreement for any reason, neither party shall have any further obligation hereunder with the exception of obligations arising prior to the date of expiration or termination of this Agreement, which shall survive until fully discharged.

5. Compensation. In consideration of Saint Francis' provision of the Director to provide the Services on behalf of Johnson as set forth herein, Johnson shall pay to Saint Francis, compensation based on an hourly rate of fifty-seven and 65/100 dollars ($57.65). Such compensation shall be payable monthly, without demand, counterclaim or set-off, after submission by the Director of a time log for the previous month indicating the dates and hours of Services performed by the Director. In addition, Johnson shall reimburse Saint Francis for mileage costs at the rate of fifty-one cents ($0.51) per mile, incurred by the Director related to her provision of the Services hereunder on a monthly basis, provided such mileage costs are included on the time log submitted by the Director.

6. Coordination. The Chief Medical Officer of Johnson, the Director of Case Management for Saint Francis, and the Director shall meet regularly, as mutually agreed upon, to review progress made in the Johnson Case Management Department and to identify and manage issues within said Department.

7. Independent Contractor. The parties acknowledge and agree that Director is an employee of Saint Francis. In performing the Services specified herein, the Director is acting as an independent contractor of Johnson and under no circumstances shall the Director be construed as an employee of Johnson. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the parties hereto, and nothing herein contained shall be construed to authorize either party to act as an agent for the other.

8. Indemnification. Acknowledging that the relationship created by this Agreement between Johnson and Saint Francis is that of independent contractors, Johnson and Saint Francis hereby agree that each shall defend and hold the other, its officers, directors,

employees, agents and representatives, harmless from, against, for and in respect of any and all damages, losses, obligations, liabilities, claims, actions or causes of action, costs and expenses (including, without limitation, court costs and attorneys' fees and expenses) suffered, sustained, incurred or required to be paid by any of them because of the negligent acts or omissions of the other party.

9. Privacy and Confidentiality of Patient Medical Information. Saint Francis and Johnson shall comply with all applicable laws, regulations and ethical principles concerning the confidentiality and protection of patient medical information, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"). The parties acknowledge that Saint Francis, in arranging for the Director's Services to be provided on behalf of Johnson, may receive or have access to certain Protected Health Information, as defined by HIPAA, maintained by Johnson in the course of performing the Services hereunder. As such, the parties agree to execute the Business Associate Agreement, attached hereto as Exhibit A.

10. No Waiver. The waiver by any party to this Agreement of any breach of any term or condition of this Agreement shall not constitute a waiver of subsequent breaches. No waiver by any party of any provision of this Agreement shall be deemed to constitute a waiver of any other provision.

11. Notices. If, at any time after the execution of this Agreement, it shall become necessary or convenient for one of the parties to serve any notice, demand, or communication upon the other party, such notice, demand, or communication shall be in writing and shall be hand delivered or sent by facsimile transmission, by overnight courier which provides confirmation of delivery, or by depositing the same in the United States mail, registered or certified, return receipt requested, postage prepaid, and the notice shall be addressed as follows:

If to Saint Francis:

Executive Vice President
and Chief Operating Officer
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, Connecticut 06105

With a copy to:

General Counsel
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, Connecticut 06105

If to Johnson:

c/o Administration
201 Chestnut Hill Road,
Stafford Springs, Connecticut, 06076

With a copy to:

or to such other address as either party may have furnished to the other party in writing as the place for the service of notice. Any notice so mailed shall be deemed to have been given three (3) days after the same has been deposited in the United States mail; any notice given personally,

by facsimile or by overnight courier shall be deemed to have been given upon receipt of the notice.

12. Assignment. Neither party shall sell, transfer, assign, or otherwise convey its rights or obligations under this Agreement without the prior written consent of the other party.

13. Successors and Assigns. Subject to the provisions of this Agreement respecting assignment, the terms, covenants, and conditions contained herein shall be binding upon and inure to the benefit of the successors and permitted assigns of the parties hereto.

14. Severability. Nothing contained in this Agreement shall be construed to require the commission of an act contrary to law, and whenever there is any conflict between any provision of this Agreement and any statute, law, ordinance, or regulation, the latter shall prevail. In such event, and in any case in which any provision of this Agreement is determined to be in violation of a statute, law, ordinance, or regulation, the affected provision(s) shall be limited only to the extent necessary to bring it or them within the requirements of the law and, insofar as possible under the circumstances, to carry out the purposes of this Agreement. The other provisions of this Agreement shall remain in full force and effect, and the invalidity or unenforceability of any provision hereof shall not affect the validity and enforceability of the other provisions of this Agreement, nor the availability of all remedies in law or equity to the parties with respect to such other provisions.

15. Third Parties. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to anyone not a party to this Agreement.

16. Headings. The headings used in this Agreement are for convenience of reference only and shall have no force or effect in the construction or interpretation of the provisions of this Agreement.

17. Governing Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of Connecticut, to the jurisdiction of which each of the parties hereby submits.

18. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations and discussion, whether written or oral, between or among the parties, regarding the subject matter of this Agreement. The parties expressly acknowledge and agree that any and all previous agreements between them are hereby terminated and each of them hereby releases the other from any liability or obligation related to any previous agreement.

19. Amendments Only in Writing. This Agreement may not be amended or modified in any respect whatsoever, except by an instrument in writing, signed by the parties hereto.

20. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered an original, and all of which shall constitute one and the same Agreement. This Agreement shall not become effective until it has been executed by all of the parties hereto.

21. Commercial Impracticability. No party to this Agreement shall be liable for any failure to perform its obligations hereunder where such failure results from any cause beyond that party's reasonable control, including, for example, an act of God, labor disturbance such as a strike or walkout, war, riot, fire, storm, accident, government regulation or interference, or mechanical, electronic, or communications failure.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date set forth above.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Rebecca Burke
Its: Senior Vice President & Chief Nursing Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Its: _____

G:\CONTRACTS\Johnson Memorial\Service Level Agreement (2011)\Service Level Agreement (9.16.11).doc

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 11-399
BY: _____ DATE: 9/16/11

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of _____ _____, 2011 (the "Effective Date"), by and between _JOHNSON MEMORIAL MEDICAL CENTER, INC. with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut, 06076 ("Covered Entity"), and SAINT FRANCIS HOSPITAL AND MEDICAL CENTER with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements with contract numbers referenced above, and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

   a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

   b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 164.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Parts 160, 162 and 164.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. **Obligations and Activities of Business Associate**

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. As of the effective date of, and to the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 160.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after Discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as of their respective Compliance Dates.

f. Business Associate shall ensure that any agent of the Business Associate, including a subcontractor, to whom it provides Protected Health Information and electronic Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity agrees to the same restrictions and conditions that apply through this Business Associate Agreement to Business Associate with respect to such information.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

   i. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

   ii. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

h. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Standards.

i. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of

disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

j. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an Electronic Health Record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with the Notice of Privacy Practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520, specifically referencing limitations in such Notice that may affect Business Associate's obligations hereunder, as well as any changes to such Notice.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health

Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation or management and administrative activities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

i. Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

ii. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

iii. The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. **Miscellaneous.**

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 4(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and

is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

JOHNSON MEMORIAL
MEDICAL CENTER, INC

By: _____

Printed Name: DAVID R. MORGAN

Title: INTERIM PRESIDENT & CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER

By: Rebecca Burke

Printed Name: Rebecca Burke

Title: Senior Vice President & Chief Nursing Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 11-399
BY: ASFMC DATE: 9/16/11

Service Level Agreement
Renewal
February 29, 2012

David Morgan, CEO
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

Karen Beauchesne RN, MN
Chief Alliance Integration Officer
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, CT 06105

Saint Francis Hospital and Medical Center has been providing a Director of Case Management to Johnson Memorial Medical Center for twelve hours a week pursuant to a service level agreement executed on or about September 19, 2011 (the "Agreement"). Section 4(a) of the Agreement provides that the "Term" of the Agreement shall be for an initial ninety (90) day period renewing for additional ninety (90) day periods upon the mutual written agreement of the parties.

By signing below, both parties hereby ratify and affirm their agreement to extend the Term through the date hereof and further agree to extend the Term for an additional ninety (90) day period through May 29, 2012. Except as explicitly modified hereby, the terms of the Agreement shall remain unchanged and in full force and effect.

Johnson Memorial Medical Center, Inc

By: _____
Printed Name: David B. Morgan
Title: President + CEO
Date: 3/9/12

Saint Francis Hospital and Medical Center

By: _____
Karen Beauchesne RN, MN
Chief Alliance Integration Officer
February 29, 2012

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-141
BY: KMM DATE: 2/29/12

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

June 18, 2012

Karen Beauchesne, RN, MN
Vice President, Chief Alliance Integration Officer
St. Francis Hospital & Medical Center
114 Woodland Street
Hartford, CT 06105-1299

Dear Ms. Beauchesne:

Enclosed please find the fully-executed Second Service Level Agreement Renewal by and between Johnson Memorial Medical Center and Saint Francis Hospital and Medical Center for the provision of Director of Case Management services.

Thank you.

Sincerely,

Kris Verny

Kris Verny
Executive Assistant/
Contract Coordinator

Enclosures

SECOND SERVICE LEVEL AGREEMENT RENEWAL

THIS SECOND SERVICE LEVEL AGREEMENT RENEWAL (the "Second Renewal") is made as of this 29th day of May, 2012 by and between Saint Francis Hospital and Medical Center, a Connecticut non-stock corporation ("Saint Francis") and Johnson Memorial Medical Center, Inc., a Connecticut non-stock corporation ("Johnson" and together with Saint Francis, the "Parties")

WITNESSETH:

WHEREAS, Saint Francis has been providing a Director of Case Management to Johnson for twelve hours a week pursuant to that certain Service Level Agreement between the Parties executed on or about September 19, 2011 (the "Agreement"); and

WHEREAS; Section 4(a) of the Agreement provides that the "Term" of the Agreement shall be for an initial ninety (90) day period renewing for additional ninety (90) day periods upon the mutual written agreement of the parties; and

WHEREAS, pursuant to that certain Service Level Agreement Renewal, dated February 29, 2012 (the "First Renewal") the Parties agreed to extend the Term of the Agreement through May 29, 2012; and

WHEREAS, the Parties now both desire to extend the term of the Agreement for an additional period on the terms and conditions more fully described below.

NOW THEREFORE, in consideration of the promises and mutual covenants herein set forth, it is agreed as follows:

1. The Term of the Agreement is hereby extended for an additional one hundred eighty (180) day period from May 30, 2012 through November, 25, 2012.

2. Except as explicitly modified hereby, the provisions of the Agreement shall remain unchanged and in full force and effect.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Second Renewal to be executed and delivered as of the date first set forth above.

JOHNSON MEMORIAL MEDICAL CENTER, INC

By: _____
David R. Morgan
~~Interim~~ President and CEO

Date: 6/15/12

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Karen Beauchesne RN, MN
Senior Vice President and Chief Alliance Integration Officer

Date: 6/11/12

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW 12-298
CONTRACT NO.
BY: DATE: 06/07/12

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

114 Woodland Street
Hartford, CT 06105
Tel: 860-714-1000

March 6, 2013

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-202
BY: [signature] DATE: 3/6/13

David Morgan, CEO
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

Kathleen M. Roche
Executive Vice President and Chief Operating Officer
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, CT 06105

Re: Third Service Level Agreement Renewal – Case Management Director

Saint Francis Hospital and Medical Center ("Saint Francis") has been providing a Director of Case Management to Johnson Memorial Medical Center ("Johnson") under a Service Level Agreement, dated September 19, 2011, and renewed on February 29 and May 29, 2012 (the "Agreement").

By signing below, the parties agree to extend the term of the Agreement until March 5, 2015, after which date it may be further extended by mutual agreement.

In addition, the parties agree to the following:

1. ~~Section 5 of the Agreement shall be amended to allow Saint Francis to increase the~~ compensation upon written notice to ~~Johnson, provided~~ however, that any increases ~~may not exceed an aggregate~~ of five percent (5%) during any twelve ~~month period.~~

3-18-13
KMR 3-19-13

2. Section 12 of the Agreement shall be amended to permit Saint Francis to assign the Agreement, without consent, to an affiliate or to a purchaser of all or substantially all of its assets, provided such assignee agrees to assume all the obligations of Saint Francis under the Agreement.

Except as provided above, the Agreement shall remain unchanged and in full force and effect.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

Kathleen M. Roche
Kathleen M. Roche
Chief Operating Officer

JOHNSON MEMORIAL MEDICAL CENTER

David Morgan
Chief Executive Officer

FOURTH AMENDMENT TO THE SERVICE LEVEL AGREEMENT
January 6, 2014

Stuart Rosenberg
Chief Executive Officer
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

Karen Beauchesne RN, MN
Chief Alliance Integration Officer
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, CT 06105

Re: Fourth Amendment to the Service Level Agreement (the "Fourth Amendment")

Saint Francis Hospital and Medical Center ("Saint Francis") has been providing a Director of Case Management to Johnson Memorial Medical Center ("Johnson") under a Service Level Agreement, dated September 19, 2011 and renewed on February 29, 2012, May 29, 2012 and March 6, 2013 (the "Agreement").

By signing below, both parties agree to amend the following provisions of the Agreement effective as of January 6, 2014:

1. The last sentence of Section 1 of the Agreement is hereby amended in its entirety to read as follows:

   "The Director shall be available to provide the Services, defined below, on behalf of Johnson through a combination of on-site and remote availability approximately fifteen (15) hours per week during the Term of this Agreement."

2. Section 2 of the Agreement is hereby amended in its entirety to read as follows:

   "Saint Francis will require that the Director, on behalf of Johnson, oversees all case management processes related to the establishment of level of care, utilization management, length of stay management, coordination of care, arrangement of post-acute services, appeal and denial management and coordination of department staffing at Johnson

(the "Services"). The Johnson Chief Nursing Officer or designee shall be responsible for accepting each and every report from the Director and shall be responsible for ensuring that jointly agreed-to action steps regarding such report are implemented in a timely manner. Notwithstanding the foregoing, the Services shall not include the provision of direct patient care, overseeing Johnson's Clinical Documentation program, coordinating activities related to demand letters from audit entities or coordinating post-payment denials."

Except as provided above, the Agreement shall remain unchanged and in full force and effect.

Johnson Memorial Medical Center, Inc.

By: _____
Printed Name: Stuart Rosenberg
Title: Chief Executive Officer
Date: 2/26/14

Saint Francis Hospital and Medical Center

By: _____
Printed Name: John F. Rodis, M.D.
Title: Executive Vice President, Chief Operating Officer, and Chief Physician Executive
Date: 2/25/14

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-999
BY: _____ DATE: 12/26/13

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CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-16

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

WHEREAS, JMMC and Saint Francis Hospital and Medical Center are parties to a certain Service Level Agreement with a commencement date of September 19, 2011, which Agreement was renewed pursuant to a letter of agreement dated February 29, 2012, renewed pursuant to a Second Service Level Agreement Renewal dated May 29, 2012, renewed and amended pursuant to a letter of agreement dated March 6, 2013 and renewed and amended pursuant to a Fourth Amendment to Service Level Agreement dated January 6, 2014 (collectively, the "**Agreement**"), whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, Saint Francis Hospital and Medical Center is an affiliate of Saint Francis Care; and

WHEREAS, JMMC and Saint Francis Hospital and Medical Center desire to terminate the Agreement and replace it with this Sub-Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Director of Case Management**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Hospital, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-06666
BY: _____ DATE: 9.22.14

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Exhibit 1
to Clinical Services Sub-Agreement B-16

Scheduled Services

Saint Francis will require that the Director, on behalf of Johnson, oversees all case management processes related to the establishment of level of care, utilization management, length of stay management, coordination of care, arrangement of post-acute services, appeal and denial management and coordination of department staffing at Johnson (the "Services"). The Johnson Chief Nursing Officer or designee shall be responsible for accepting each and every report from the Director and shall be responsible for ensuring that jointly agreed-to action steps regarding such report are implemented in a timely manner. Notwithstanding the foregoing, the Services shall not include the provision of direct patient care, overseeing Johnson's Clinical Documentation program, coordinating activities related to demand letters from audit entities or coordinating post-payment denials.

Exhibit 2
to Clinical Services Sub-Agreement B-16

Scheduled Services Fee

Service	Rate
Director of Case Management (15 hrs a week)	$42.45 Benefit rate = 29% Admin fee = 3%
Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-16

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-16

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

The parties agree that the Agreement will terminate and have no further effect as of the Start Date of this Sub-Agreement and that the terms and conditions of this Sub-Agreement shall control with respect to the subject matter hereof.

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Director of Case Management,** the following contract
(JMMC Entity Name)

review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-16 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director	(Assistant) Vice President	Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
To Clinical Affiliation Agreement

Sub-Agreement Number: B-3

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Su-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and Saint Francis Behavioral Health Group, P.C. as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is psychiatric clinical care at Johnson Memorial Hospital, Inc.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be May 13, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Hospital, Inc.

The "**Service Provider**" shall mean: Saint Francis Behavioral Health Group, P.C.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: Kathleen M. Roche
Kathleen M. Roche
Executive Vice President, Chief Operating Officer

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC

By: _____
Stuart Rosenberg
Chief Executive Officer

Service Provider:

SAINT FRANCIS BEHAVIORAL HEALTH GROUP, P.C.

By: _____
Surita Rao
President

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-379
BY: _____ DATE: 5/13/2013

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: Kathleen M. Roche
Kathleen M. Roche
Executive Vice President, Chief Operating Officer

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC

By: _____
Stuart Rosenberg
Chief Executive Officer

Service Provider:

SAINT FRANCIS BEHAVIORAL HEALTH GROUP, P.C.

By: S Rao, MD
Surita Rao
President

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-379
BY: _____ DATE: 5/13/2013

Exhibit 1
to Clinical Services Sub-Agreement B-3

Scheduled Services

Saint Francis Behavioral Health Group, P.C. will provide direct clinical care services to Johnson Memorial Hospital, Inc. ("JMH") through the provision of 1 FTE provider, an APRN and a per diem physician ("Providers"). The Providers will treat inpatients on the behavioral health units and see consults as requested by other JMH providers. In addition, the Providers shall have additional clinical responsibilities as mutually agreed upon by the parties.

Exhibit 2
to Clinical Services Sub-Agreement B-3

Scheduled Services Fee

Service	**Rate – all costs to be invoiced to JMMC monthly by SFBHG**
APRN (1.0 FTE)	At cost Year 1: $133,520 annualized or $11,127 per month Year 2+: $128,520 annualized or $10,710 per month
Per Diem Physician Coverage	$135 per hour

Exhibit 3

to Clinical Services Sub-Agreement B-3
Additional Qualifications

Per Diem Physician

The Per Diem Physician shall provide the services specified by the Medical Director or other Supervisor, as the case may be, as a per diem employee of Saint Francis Behavioral Health Group, P.C. ("SFBHG"), as directed by SFBHG, and as such shall not be entitled to any benefits provided to SFBHG employees, except that SFBHG shall provide professional liability coverage for the Physician for all of the Physician's Services provided under this Agreement.

The Physician must be a member in good standing of active Medical Staff of Saint Francis Hospital and Medical Center with clinical privileges necessary for all aspects of the services to be provided under this Agreement. The Physician shall be subject to all the policies and procedures of SFBHG, Saint Francis, and Mount Sinai and their Medical Staff Bylaws, Rules and Regulations.

The Physician shall perform the Services in accordance with a mutually agreed-upon schedule. Physician shall submit to the Saint Francis Behavioral Health Service Line Physician Leader, or his or her designee, completed time sheets, each month during the term of this Agreement indicating the actual hours devoted to the provision of the services.

Psychiatric Clinical Nurse Specialist

The Psychiatric Clinical Nurse Specialist shall provide the services outlined in the following job description:

Job Title: Psychiatric Clinical Nurse Specialist
Department: Psychiatry 41811 Code: 22555

Reports to (position): Medical Director or Supervising Physician

Supervises(positions):

FLSA Status: Exempt EEO Classification: Professionals

JOB SUMMARY

This psychiatric clinical nurse specialist provides direct patient care to adult male and female patients of all ages. Primary responsibilities may include inpatient service, coverage of Consultation Liaison segments, E.D., evaluation of outpatients in crisis at either campus and follow-up in an office based setting.

JOB QUALIFICATIONS

Education:	Master of Science Degree in Nursing with an emphasis on mental health services. Specialty certification in psychiatry.
Licensure:	Current professional nursing license in Connecticut.
Experience:	3-5 years post graduate experience in a mental health setting.
Skills:	Knowledge of principals, procedures and techniques of psychotherapy and current diagnostic statistical manual. Knowledge of community, state and federal resources including relevant laws and regulations which may aid in the treatment of patients. Ability to function in a complex system/organization and to interact with other professionals regarding the treatment of patients. Ability to function independently and make decisions relating to clinical, ethical, legal and financial concerns. Ability to act in an articulate, resourceful and impartial fashion. Knowledge of medications, interactions and side effects. Ability to perform AIMS examinations.

PHYSICAL AND MENTAL EFFORT

Services may be required at multiple sites, necessitating driving. A moderate amount of walking and climbing stairs may be required. The multiple demands of working with a difficult patient population and multidisciplinary staff may lead to a moderate amount of stress. Must be able to relate to non-psychiatric MD and nursing staff in a constructive and supportive manner. Position requires ability to frequently perform moderately difficult manipulative, arm-hand steadiness, and hand-eye coordination skills; walk, stand and sit for prolonged periods; see objects closely and far away and hear normal sounds with some background noises. Position requires ability to concentrate on fine detail with interruption and attend to tasks for more than 60 minutes at a time and communicate in written word, using advanced written skills. Individual must be able to understand and relate to theories behind several related concepts and remember multiple tasks given over long periods of time.

ENVIRONMENTAL AND WORKING CONDITIONS

Works in a variety of inpatient, outpatient, and emergency service settings with disturbed patients and distraught families either of whom may be difficult to manage

JOB DUTIES

The following description of the job responsibilities and standards are intended to reflect the significant responsibilities and duties the job, but is not intended to describe duties and/or other responsibilities as may be assigned from time to time.

OUR MISSION:

We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

OUR CORE VALUES:

Respect – We honor the worth and dignity of those we serve and with whom we work.
Integrity – We are faithful, trustworthy and just.

Service – We reach out to the community, especially those most in need.
Leadership – We encourage initiative, creativity, learning and research.
Stewardship – We care for and strengthen resources entrusted to us.

Section 1
Saint Francis *Care* – Our Mission, Core Values and Service Excellence Standards:

This section reflects the employee's contributions to the Healthcare System's *Mission, Core Values* and *Service Excellence* and demonstrates the employee's commitment to the moral and ethical values of Saint Francis *Care.* The values are stated, along with core behaviors, which indicate quality performance in this area.

1.1 Contributes to the creation of a compassionate and caring environment for patients, families, and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

1.2 Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

1.3 Exhibits positive service excellence skills to patients, visitors, and coworkers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

1.4 Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

1.5 Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

1.6 Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies, and department finances.

1.7 Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

2. Functions as an effective member of a multidisciplinary team.

2.1 Establishes positive working relationships as reflected in satisfactory feedback.
2.2 Ensures multidisciplinary team is kept informed of patient and family treatment issues and progress through meetings, documentation and related conferences
2.3 Uses positive communication and negotiation skills in communicating with other members of the multi-disciplinary team as reflected in satisfactory feedback.
2.4 Represents nursing role and perspective in the interdisciplinary team as indicated by the

formulated goals being incorporated throughout the treatment plan.
2.5 Responds to beeper page promptly.

3. Provides a comprehensive psychosocial assessment of patients and families to develop a treatment plan or goal (may be done as part of a team evaluation).

3.1 Makes clear and thorough psychosocial formulations as indicated by documentation and by supervisor's assessment of practice.
3.2 Formulates clear treatment goals based on the psychosocial assessment as indicated in the treatment plan and progress.
3.3 Demonstrates ability to forge a therapeutic alliance with a variety of patients as indicated by successful on site clinical intervention(s) and positive patient/family feedback (contracted services, clinics, satellites, etc.).
3.4 Updates treatment plan and goals as patient's needs change as reflected in progress notes and in clinical supervision.
3.5 Utilizes AIMS exams as indicated and appropriate
3.6 Maintains all relevant documentation is in place at time for patient disposition.

4. Provides direct therapy to individuals, couples, families and groups in accordance with the treatment plan consistent with an adult patients' needs to achieve treatment goals.

4.1 Demonstrates a consistent ability to use a variety of modalities effectively including individual, family, group and couple therapy in treatment of adult patients.
4.2 Identifies significant issues as themes in the therapy as indicated in clinical supervision
4.3 Recognizes issues of transference and counter-transference in therapy as demonstrated by ability to maintain a neutral and therapeutic stance and the ability to utilize these issues to enhance the patient's and/or family's self understanding.
4.4 Provides information, education and support to patient's families in the treatment process to enhance their understanding of the patient's illness and the treatment provided
4.5 Makes referrals as needs dictate and seems appropriate
4.6 Delivers courteous and helpful service is indicated through feedback from other supported contracts of Behavioral Health Service Line

5. Contributes to the efficient operation of the Inpatient, consult/liaison service, ED and outpatient psychiatric clinic

5.1 Prioritizes schedules and assignments to ensure urgent issues are handled and work is complete
5.2 Coordinates psychiatrist contact with inpatient consultations by triaging patients in the hospital and E.D. prior to psychiatrist contact.
5.3 Maintains documentation and records according to established procedures and timeframes.
5.4 Provides a data sheet on all patients and billing card when appropriate.
5.5 Adheres to work schedule approved by supervisor.
5.6 Demonstrates dependability in job performance by keeping office informed of schedules by completing time sheets as required.
5.7 Demonstrates respect for patients and colleagues by being punctual to scheduled clinical

appointments and administrative meetings.
5.8 Participates in at least 80% of departmental meetings requested to attend.
5.9 Keeps current on psychiatry department, hospital and Behavioral Health Service Line activities by reading circulated material.
5.10Demonstrates effective time management by completing commitments within agreed timeframes

6. Provides consultation, supervision and teaching to psychiatric staff and trainees and other health care professionals (according to level of experience and expertise).

6.1 Conducts formal or informal education sessions for psychiatric staff and/or trainees, other professionals or the community to enhance their learning on mental health issues
6.2 Provides clinical supervision for trainees to facilitate their learning of therapeutic skills
6.3 Demonstrates ability to evaluate clinical skills of supervisees and to document supervisee's level of performance.
6.4 Provides consultation to colleagues and community professionals on areas of own expertise as indicated by positive feedback.
6.5 Demonstrates initiative through autonomous efforts/ projects.

7. Screens patients for acceptance into the hospitals' programs at a clinically appropriate level.

7.1 Prescreens patients on telephone or in person to ensure that they meet basic criteria for acceptance to the hospitals' program
7.2 Schedules accepted patients for intake evaluation
7.3 Ensures that all necessary documentation is in place at the time of the initial evaluation and any subsequent requirements.
7.4 Makes appropriate referrals for those patients not accepted into the program as demonstrated in supervision.
7.5 Provides on a monthly basis, to the director of the department, a log documenting all in-hospital and outpatient clinical activity in detail as requested by the Director

8. Demonstrates commitment to professional career growth and competency.

8.1 Identifies own learning needs by seeking assistance form colleagues and supervisor.
8.2 Participates in own performance appraisal by identifying own individual goals and by reviewing progress with supervisor.
8.3 Reviews current literature in the field as demonstrated by sharing knowledge of patient care at meetings.
8.4 Participates in continuing education activities within the center.
8.5 Demonstrates commitment to professional growth and competency by participating in three of the following activities as appropriate:
Continued formal education/advancement of credentials
PI Activities
Active involvement in professional organizations
Research Activities

Community Mental Health activities
Publishing on subjects in the field
Other projects negotiated with the Medical Director

8.6 Maintains ties to Nursing Disciplines by attendance at appropriate educational and/or colleague meetings.
8.7 Identifies own learning needs by seeking assistance from colleagues and supervisor.
8.8 Attends all mandatory hospital initiated training.

9. Participates in team conferences, research projects staff meetings and educational seminars as required by the supervisor and JMMC

9.1 Contributes to the development and implementation of all policies.
9.2 Assists in any ongoing research.
9.3 Interacts with other medical and non-medical personnel both from within and outside of the institution and CBH on behalf of our patients.

Exhibit 4
to Clinical Services Sub-Agreement B-3

Additional Sub-Agreement Terms

Other Requirements provided by JMMC	Other Requirements provided by SFBGH
• Designated office space and office equipment for APRN (desk, phone, printer) • Network connectivity (cell phone, JMMC email) • Access to quality and outcomes data for purposes of provider and unit evaluation/process improvement	• Professional liability coverage for the APRN • Employee benefits

Exhibit 5
to Clinical Services Sub-Agreement B-3

Proprietary and Confidential Information and Protected Intellectual Property

Population management models and strategies for the behavioral health populations.

SCHEDULE C
BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of May 13, 2013 ("Effective Date"), by and between **JOHNSON MEMORIAL HOSPITAL MEDICAL CENTER, INC.** with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut, 06076 ("Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the **Business** Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. As of the effective date of, and to the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after Discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as of their respective Compliance Dates and as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for

Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an Electronic Health Record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with the Notice of Privacy Practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520, specifically referencing limitations in such Notice that may affect Business Associate's obligations hereunder, as well as any changes to such Notice.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health

Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation or management and administrative activities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business

Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 4(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such

invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Teresa Bolton
Vice President

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-377
BY: [illegible] DATE: 5/14/2013

AMENDED AND RESTATED
CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-3

This Amended and Restated Clinical Services Sub-Agreement B-3 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-3 to the Clinical Affiliation Agreement effective May 13, 2013, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Psychiatry Clinical Services**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Behavioral Health Group, P.C.**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS BEHAVIORAL HEALTH GROUP, P.C.

By: _____
John F. Rodis, M.D.
Executive Vice President

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0668Y
BY: _____ DATE: 9.22.14

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Exhibit 1
to Clinical Services Sub-Agreement B-3

Scheduled Services

Saint Francis Behavioral Health Group, P.C. will provide direct clinical care services to Johnson Memorial Hospital, Inc. ("JMH") through the provision of a per diem physician ("Provider"). The Provider will treat inpatients on the behavioral health units and see consults as requested by other JMH providers. In addition, the Provider shall have additional clinical responsibilities as mutually agreed upon by the parties.

Exhibit 2
to Clinical Services Sub-Agreement B-3

Scheduled Services Fee

Service	**Rate – all costs to be invoiced to JMMC monthly by SFBHG**
Per Diem Physician Coverage	$138 per hour Admin fee = 3%

Exhibit 3
to Clinical Services Sub-Agreement B-3

Additional Qualifications

Per Diem Physician

The Per Diem Physician shall provide the services specified by the Medical Director or other Supervisor, as the case may be, as a per diem employee of Saint Francis Behavioral Health Group, P.C. ("SFBHG"), as directed by SFBHG, and as such shall not be entitled to any benefits provided to SFBHG employees, except that SFBHG shall provide professional liability coverage for the Physician for all of the Physician's Services provided under this Agreement.

The Physician must be a member in good standing of active Medical Staff of Saint Francis Hospital and Medical Center with clinical privileges necessary for all aspects of the services to be provided under this Agreement. The Physician shall be subject to all the policies and procedures of SFBHG, Saint Francis, and Mount Sinai and their Medical Staff Bylaws, Rules and Regulations.

The Physician shall perform the Services in accordance with a mutually agreed-upon schedule. Physician shall submit to the applicable Saint Francis Behavioral Health Service Line Physician Leader, or his or her designee, completed time sheets, each month during the term of this Agreement indicating the actual hours devoted to the provision of the services.

Exhibit 4
to Clinical Services Sub-Agreement B-3

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-3

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Psychiatry Clinical Services,** the following contract
(JMMC Entity Name)

review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-3 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

Rev. 11/10/2014

Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-4

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Endoscopy.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be September 1, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Hospital (JMH) and
Johnson Memorial Corporation-Johnson Surgery Center

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center (SFHMC)
Surgery Service Line.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related

to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

Service Recipient:

JOHNSON MEMORIAL HOSPITAL

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-694
BY: _____ DATE: 8-19-2013.

JOHNSON MEMORIAL CORPORATION-
JOHNSON SURGERY CENTER

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Exhibit 1
to Clinical Services Sub-Agreement B-4

Scheduled Services

SFHMC Surgery Service Line will provide assessment, consultation and education on the provision of endoscopy services. These services will be provided by the SFC Endoscopy Manager (Lori Zagaja) or SFHMC Service Line Educator (Dawn Hydes).

Consultation will include:

- Assessment of current practice at JMH and the Johnson Surgery Center (including observation of practice and discussion with key physicians)
- Review of all policies and procedures and QI program
- Development of educational curriculum for staff based on best practices/evidenced based protocols
- A work plan that will be developed and approved by JMMC CEO and CNO.
- Periodic updates will be provided to JMMC senior leadership

Exhibit 2
to Clinical Services Sub-Agreement B-4

Scheduled Services Fee

Service	**Rate**
Endoscopy Clinical Consultation Services	$4000/YEAR AR
Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-___

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-4

Additional Sub-Agreement Terms

The term of this Agreement shall be for one year commencing on August 19, 2013 and ending on August 18, 2014.

Exhibit 5
to Clinical Services Sub-Agreement B-4

Proprietary and Confidential Information and Protected Intellectual Property

NONE

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of _____ _____, 2013 ("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC., JOHNSON MEMORIAL HOSPITAL AND JOHNSON MEMORIAL CORPORATION-JOHNSON SURGERY CENTER** (collectively "Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of

disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such

Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid,

unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

JOHNSON MEMORIAL CORPORATION-JOHNSON
SURGERY CENTER

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

JOHNSON MEMORIAL HOSPITAL

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By:_____
Printed Name:
Title:

JMMC Endoscopy Consulting Agreement

Clinical Services Agreement Term Sheet: DRAFT AS OF August 5, 2013

Draft Workplan

Activity	Responsibility
JMMC forward Endoscopy Policies and Procedures to SFC (Lori)	JMMC
SFC review JMMC policies and procedures against SGNA standards/manufactures recommendations and SFC policies Develop recommendations on changes	SFC
Meeting JMMC and SFC to review policies and procedure recommendations Prep staff for shadowing at SFC	SFC to schedule
JMMC Endo staff to shadow at SFC Debrief shadow and potential opportunities for changes at JMMC Identify specific educational needs Provide education as needed	SFC and JMMC to schedule
SFC Biomed to review JMMC equipment Develop recommendations on equipment needs – forward to Stuart Rosenberg	Bob Z/SFC Bob Z/SFC
JMMC and SFC develop plan to maintain staff competency (rotation?)	JMMC
Evaluation of the process/any other next steps	SFC

AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement to the Clinical Affiliation Agreement

Sub-Agreement Number: B-4

This Amended and Restated Clinical Services Sub-Agreement B-4 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-4 to the Clinical Affiliation Agreement effective September 1, 2013, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Endoscopy Services**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Hospital, Inc.** and the locations of service include: Johnson Memorial Medical Center, Inc.; and Johnson Memorial Corporation – Johnson Surgery Center.

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0669
BY: _____ DATE: 9.22.14

K:\Users\Legal Department\CONTRACTS - PROJECTS\Johnson Memorial\Clinical Affiliation Agreement\Sub Agreement (B-4) -Endoscopy\Amended and Restated\2014-09-19 14-0669 Amended and Restated Sub-Agreement (B-4).docx

Exhibit 1
to Clinical Services Sub-Agreement B-4

Scheduled Services

SFHMC Surgery Service Line will provide assessment, consultation and education on the provision of endoscopy services. These services will be provided by the SFC Endoscopy Manager or SFHMC qualified staff member.

Consultation will include:

- Assessment of current practice at JMH and the Johnson Surgery Center (including observation of practice and discussion with key physicians)
- Review of all policies and procedures and QI program
- Development of educational curriculum for staff based on best practices/evidenced based protocols
- A work plan that will be developed and approved by JMMC CEO and CNO.
- Periodic updates will be provided to JMMC senior leadership

Exhibit 2
to Clinical Services Sub-Agreement B-4

Scheduled Services Fee

Service	Rate
Endoscopy Clinical Consultation Services	$4000 Benefit rate = 29% Admin fee = 3%
Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-4

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-4

Additional Sub-Agreement Terms

The term of this Sub-Agreement shall be for one year commencing on October 1, 2014 and ending on September 30, 2015.

Exhibit 5
to Clinical Services Sub-Agreement B-4

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Endoscopy Consultation Services** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-4 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-5

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC, Saint Francis *Care*, Inc., Collaborative Laboratory Services, LLC and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Laboratory Consultation and Management Outsourcing Services.

1. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be September 1, 2013 (the "**Start Date**").

2. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center (JMMC).

The "**Service Provider**" shall mean: Collaborative Laboratory Services, LLC.

3. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

4. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

5. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related

to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

6. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

7. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

Service Provider:

COLLABORATIVE LABORATORY SERVICES, LLC

By: _____ 8/28/13
Kathleen Luczyk
Chief Operating Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-695
BY: _____ DATE: 8-19-13.

Exhibit 1
to Clinical Services Sub-Agreement B-5

Scheduled Services

Oversight and Consultation

JMMC is requesting oversight and consultation assistance for their Clinical Laboratory. These consultation services will be provided by Clinical Laboratory Services (CLS) leadership (Kathleen Luczyk). In addition, they are requesting to outsource the JMMC site management to CLS.

Consultation

Consultation may be provided in the following areas:

- Evaluation and planning of laboratory service delivery including services that should be offered on site, use of reference labs, and equipment usage.
    - Core Lab services
    - Histology
    - Cytology
    - Microbiology
    - Phlebotomy/draw stations
    - Pathology
    - Billing
- Recommended realignment of staff based on service and equipment configuration.
- Review of all service contracts, accreditation fees and other costs.
- Development and implementation of a quality, safety, and compliance programs
- Development of a capitol replacement plan for outdated equipment. Recommendations and a workplan will be developed and approved by JMMC leadership.
- Laboratory consultation services will be provided based on national, regional and local codes, industry standards and manufactures recommendations.
- On site and phone support will be provided as part of the agreement.

Outsourcing of JMMC on site management

- CLS will hire a full time manager to provide onsite management at JMMC (see attached job description). All expense associated with this Site Lab Manager will be charged back to JMMC on a monthly basis.
- The JMMC Laboratory manager will report to CLS Chief Operating Officer (Kathleen Luczyk).
- The JMMC CLS Manager will be responsible for providing onsite clinical and administrative leadership to the JMMC Laboratory.
- The JMMC CLS Manager will be responsible for direct oversight of the laboratory staff in conjunction with the CLS Chief Operating Officer, JMMC Administration and will collaborate with JMMC Pathologist.

- CLS laboratory guidelines and protocols may be shared with JMMC Laboratory as a resource in developing JMMC specific standards.
- Evaluation of the JMMC CLS Manager will be provided by CLS Chief Operating Officer with input from the JMMC Pathologist.
- Any expenses associated with approved operational changes, ie., equipment, supplies, personnel, IT, software, hardware are at the expense of JMMC.

Exhibit 2
to Clinical Services Sub-Agreement B-5

Scheduled Services Fee

Service	Rate
Consultation • Ongoing consultation and support to JMMC Laboratory (SFC CLS COO and relevant staff specialist) • Mileage pass thru (as defined in SFC CLS policy)	 Yearly retainer rate of $ 15,000 yr (8-10 hrs a month) IRS rate
Outsourced Laboratory Manager (1 FTE) • On-site management of Laboratory and Pathology Services • Mileage pass thru (as defined in SFC CLS policy)	Rate – (hourly rate + 29% benefits) – yearly amount IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-5

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-5

Additional Sub-Agreement Terms

The term of this Agreement shall be for one year with automatic annual renewals except to the extent written notice of termination is provided thirty days prior to expiration of the current term.

Exhibit 5
to Clinical Services Sub-Agreement B-5

Proprietary and Confidential Information and Protected Intellectual Property

NONE

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of _____ _____, 2013 ("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.** ("Covered Entity"), and **SAINT FRANCIS *CARE,* INC.** and **COLLABORATIVE LABORATORY SERVICES, LLC** ("Business Associate").

R E C I T A L S:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of

disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such

Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid,

unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS *CARE*, INC.

By:_____
Printed Name: Christopher Dadlez
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

COLLABORATIVE LABORATORY SERVICES, LLC

By: Kathleen Lucyk 8/28/13
Printed Name: Kathleen Lucyk
Title: Chief Operating Officer

First Amendment to the
Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-5

WHEREAS, Saint Francis *Care*, Inc., Collaborative Laboratory Services, LLC and Johnson Memorial Medical Center, Inc. ("JMMC") entered into the Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (**"Sub-Agreement B-5"**) effective as of September 1, 2013, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the **"Clinical Affiliation Agreement"**); and

WHEREAS, consistent with the expectations outlined in Sub-Agreement B-5, the parties desire to amend the Sub-Agreement B-5 effective as of November 4, 2013 to provide a Collaborative Laboratory Services, LLC employee to manage JMMC's laboratory.

NOW, THEREFORE BE IT RESOLVED, that the parties hereby amend Sub-Agreement B-5 as follows:

1. Effective as of November 4, 2013, Kimberly Ninteau shall serve as the JMMC Laboratory Manager and perform the duties and services described in the job description outlined on Exhibit A.

2. Collaborative Laboratory Services, LLC shall invoice JMMC on a monthly basis based on Ms. Ninteau's monthly rate of compensation equal to Ten Thousand Fifty-Dollars and 83 cents ($10,050.83).

3. This First Amendment to Sub-Agreement B-5 and the Exhibit attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. The arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have adopted and executed this First Amendment to the Clinical Services Sub-Agreement B-5 as of the date first set forth above.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

COLLABORATIVE LABORATORY
SERVICES, LLC

By: _____
Kathleen Luczyk
Chief Operating Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-937
BY: _____ DATE: 11/23/13

EXHIBIT A

Job Title: Laboratory Site Manager	**Date: 27-Nov-13**
Department: CLS At Johnson Memorial Hospital	**Code: 22706**
Reports to (position):	**Chief Operating Officer**
Supervises (positions):	**All personnel at the Lab Site**
FLSA Status: Exempt	**EEO Classification: Professional**

JOB SUMMARY

Under the direction of the Chief Operating Officer, establishes and supports the overall technical operation of the Collaborative Laboratory Services (CLS) in order to provide excellence and quality of laboratory services to the CLS Member Hospitals, their patients and providers and outreach clients.

Responsible for all technical aspects of the Core laboratory, Rapid Response laboratories, Collection sites and the Receiving/Processing areas, and Pathology.

Ensures the mission and philosophy of the CLS operation is consistent with the goals and vision of the Member Hospitals.

JOB QUALIFICATIONS

Education:	**Bachelor's Degree**
Experience:	**7 - 10 years General laboratory, 3-5 years as a supervisor in a complex laboratory operation. Experience as a Generalist preferred.**
Registration:	**MT-ASCP or equivalent Skills: Detailed knowledge of laboratory quality assurance/control. Understanding of laboratory instrumentation and emerging technologies. Ability to design and implement complex technical operations, workstations and workflow. Ability to train and supervise technical laboratory staff. Ability to interact effectively with the Chief Operating Officer and physicians in the development and meeting of the CLS objectives. Ability to maintain high standard of CLS performance and test results integrity. Must have experience in dealing with personnel to include performance reviews, setting goals and objectives, and disciplinary action. Must have Strong Leadership Skills and Supervisory Experience.**

PHYSICAL REQUIREMENT

Walking, standing, sitting, bending required; microscope work requires close visual effort and accuracy. Position requires ability to frequently lift objects less than 50 pounds, perform difficult manipulative arm-hand and hand-eye coordination skills; walk, stand and sit for prolonged periods; see objects closely and far away and hear normal sounds with background noises. Must possess correctable vision and color perception. May require extended periods of macroscopic/microscopic examinations and computer terminal viewing.

COGNITIVE REQUIREMENT

Must maintain competency in a constantly changing, highly specialized field; must be able to simultaneously organize and perform multiple tasks, exceptional communication and leadership skills. Must work under stress of time constraints and heavy work load demands requiring accuracy.

ENVIRONMENTAL AND WORKING CONDITIONS

Employee may frequently be exposed to blood, body tissues or fluids; hazardous waste materials and electro-magnetic radiation as in CRT's (VDT's).

JOB DUTIES

The following description of job responsibilities and standards is intended to reflect the major responsibilities and duties of the job. Additional responsibilities may be assigned as needed in any area of CLS (Collaborative Laboratory Services).

DUTIES AND RESPONSIBILITIES:

1. Plans, assigns, and directs work in all areas of the laboratory. Serves as liaison between CLS and the Hospital.
2. Helps ensure that all applicable procedures are followed.
3. Directly responsible for the management and supervision of the daily work to meet CLS service expectations as agreed upon by the Hospital.
4. Mentors and supports direct reports in their responsibilities and functions. Mentors and supports all staff within department.
5. Defines, coordinates, and monitors quality assurance programs in cooperation with the Quality Assurance Manager, Lab Safety Manager, and Compliance Specialist. Ensures quality control and compliance procedures are followed and QC reports are up to date.
6. Oversee plans and preparations for all inspections especially CAP Accreditation requirements.
7. Oversees staffing of all personnel in the laboratory. Effectively maintains quality staffing by interviewing, hiring, training and providing staff development through performance evaluation and corrective counseling. Works with Human Resource Department.
8. Identifies future needs in terms of staff, equipment, and facilities. Submits appropriate documentation for procurement of such.
9. Reviews test performance, drives process and project management, and prepares and submits required reports to meet established deadlines.
10. Manages test database. Ensures departmental standard operating procedures and database accurately reflects the current process.
11. Coordinates R&D activities as related to operations and actively participates on subspecialty committees, corporate committees, and business unit committees as needed.
12. Develops annual budget and manages department costs and resources to adhere to budget.
13. Resolves problems through interaction with clients via phone calls or other means of communication.
14. Defines, coordinates and monitors safety programs. Oversees plans and preparations for inspections.
15. Ensure compliance with all local, federal, CLIA, and CAP regulations.
16. Perform other duties as assigned by leadership or as business needs dictate.
17. Must have proven leadership, interpersonal skills and technical knowledge, strong organization and planning skills.
18. Must have strong working knowledge of workflows within the department
19. Must be able to meet the needs of inpatient, outpatient, and outreach clients.
20. Work with Sales and Marketing to plan for and implement service expectations.
21. Proficient in Microsoft Word and Excel.

AMENDED AND RESTATED
CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-5

This Amended and Restated Clinical Services Sub-Agreement B-5 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-5 to the Clinical Affiliation Agreement effective September 1, 2013 and amended pursuant to a First Amendment to the Clinical Services Sub-Agreement to the Clinical Affiliation Agreement effective as of November 4, 2013, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Laboratory Consultation.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "Service Provider" shall mean: **Collaborative Laboratory Services, LLC**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the **"Scheduled Services"**). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the **"Scheduled Services Fee"**).

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the **"Additional Qualifications"**).

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the **"Additional Sub-Agreement Terms"**). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

COLLABORATIVE LABORATORY SERVICES, L.L.C.

By: _____
Kathleen Luczyk
Chief Operating Officer

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0670-A
BY: _____ DATE: 9.22.14

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Exhibit 1
to Clinical Services Sub-Agreement B-5

Scheduled Services

JMMC is requesting consultation assistance for their Clinical Laboratory. These consultation services will be provided by SFC Clinical Laboratory Services (CLS) leadership (Kathleen Luczyk).

Consultation

Consultation may be provided in the following areas:

- Evaluation and planning of laboratory service delivery including services that should be offered on site, use of reference labs, and equipment usage.
    - Core Lab services
    - Histology
    - Cytology
    - Microbiology
    - Phlebotomy/draw stations
    - Pathology
    - Billing
- Recommended realignment of staff based on service and equipment configuration.
- Review of all service contracts, accreditation fees and other costs.
- Development and implementation of a quality, safety, and compliance programs
- Development of a capitol replacement plan for outdated equipment. Recommendations and a workplan will be developed and approved by JMMC leadership.
- Laboratory consultation services will be provided based on national, regional and local codes, industry standards and manufactures recommendations.
- On site and phone support will be provided as part of the agreement.

Note: As the JMMC laboratory is assessed and determination is made regarding IT systems and equipment other agreements may need to be developed. (Ex. Laboratory IT services agreement)

Exhibit 2
to Clinical Services Sub-Agreement B-5

Scheduled Services Fee

Service	Rate
Consultation • Ongoing consultation and support to JMMC Laboratory (SFC CLS COO and relevant staff specialist) • Mileage pass thru (as defined in SFC CLS policy)	Yearly retainer rate of $ 15,300/yr (8-10 hrs a month) Benefits = 29% Admin fee = 3% IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-5

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-5

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

Exhibit 5
to Clinical Services Sub-Agreement B-5

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Laboratory Consultation** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-5 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

Rev. 11/10/2014

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-5(2)

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Laboratory Management Outsourcing Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Collaborative Laboratory Services, LLC**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel

providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "Additional Qualifications").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "Additional Sub-Agreement Terms"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:
SAINT FRANCIS CARE, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:
COLLABORATIVE LABORATORY SERVICES, L.L.C.

By: _____
Kathleen Luczyk
Chief Operating Officer

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SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0670-B
BY: _____ DATE: 9-23-14

Exhibit 1
to Clinical Services Sub-Agreement B-5(2)

Scheduled Services

Oversight

JMMC is requesting oversight assistance for their Clinical Laboratory. They are requesting to outsource the JMMC site management to CLS.

Outsourcing of JMMC on site management

- CLS will hire a full time manager to provide onsite management at JMMC (see attached job description). All expense associated with this Site Lab Manager will be charged back to JMMC on a monthly basis.
- The JMMC Laboratory manager will report to SFC CLS Chief Operating Officer (Kathleen Luczyk).
- The JMMC CLS Manager will be responsible for providing onsite clinical and administrative leadership to the JMMC Laboratory.
- The JMMC CLS Manager will be responsible for direct oversight of the laboratory staff in conjunction with the SFC CLS Chief Operating Officer, JMMC Administration and will collaborate with JMMC Pathologist.
- SFC CLS laboratory guidelines and protocols may be shared with JMMC Laboratory as a resource in developing JMMC specific standards.
- Evaluation of the JMMC CLS Manager will be provided by SFC CLS Chief Operating Officer with input from the JMMC Pathologist.
- Any expenses associated with approved operational changes, ie. Equipment, supplies, personnel, IT, software, hardware are at the expense of JMMC.

EXHIBIT A

Job Title: Laboratory Site Manager	Date: 19-Sep-14
Department: CLS At Johnson Memorial Hospital	Code: 22706
Reports to (position): Chief Operating Officer Supervises (positions): All personnel at the Lab Site	
FLSA Status: Exempt	EEO Classification: Professional

JOB SUMMARY

Under the direction of the Chief Operating Officer, establishes and supports the overall technical operation of the Collaborative Laboratory Services (CLS) in order to provide excellence and quality of laboratory services to the CLS Member Hospitals, their patients and providers and outreach clients.

Responsible for all technical aspects of the Core laboratory, Rapid Response laboratories, Collection sites and the Receiving/Processing areas, and Pathology.

Ensures the mission and philosophy of the CLS operation is consistent with the goals and vision of the Member Hospitals.

JOB QUALIFICATIONS

Education:	Bachelor's Degree
Experience:	7 - 10 years General laboratory, 3-5 years as a supervisor in a complex laboratory operation. Experience as a Generalist preferred.
Registration:	MT-ASCP or equivalent Skills: Detailed knowledge of laboratory quality assurance/control. Understanding of laboratory instrumentation and emerging technologies. Ability to design and implement complex technical operations, workstations and workflow. Ability to train and supervise technical laboratory staff. Ability to interact effectively with the Chief Operating Officer and physicians in the development and meeting of the CLS objectives. Ability to maintain high standard of CLS performance and test

results integrity. Must have experience in dealing with personnel to include performance reviews, setting goals and objectives, and disciplinary action. Must have Strong Leadership Skills and Supervisory Experience.

PHYSICAL REQUIREMENT

Walking, standing, sitting, bending required; microscope work requires close visual effort and accuracy. Position requires ability to frequently lift objects less than 50 pounds, perform difficult manipulative arm-hand and hand-eye coordination skills; walk, stand and sit for prolonged periods; see objects closely and far away and hear normal sounds with background noises. Must possess correctable vision and color perception. May require extended periods of macroscopic/microscopic examinations and computer terminal viewing.

COGNITIVE REQUIREMENT

Must maintain competency in a constantly changing, highly specialized field; must be able to simultaneously organize and perform multiple tasks, exceptional communication and leadership skills. Must work under stress of time constraints and heavy work load demands requiring accuracy.

ENVIRONMENTAL AND WORKING CONDITIONS

Employee may frequently be exposed to blood, body tissues or fluids; hazardous waste materials and electro-magnetic radiation as in CRT's (VDT's).

JOB DUTIES

The following description of job responsibilities and standards is intended to reflect the major responsibilities and duties of the job. Additional responsibilities may be assigned as needed in any area of CLS (Collaborative Laboratory Services).

DUTIES AND RESPONSIBILITIES:

1. Plans, assigns, and directs work in all areas of the laboratory. Serves as liaison between CLS and the Hospital.
2. Helps ensure that all applicable procedures are followed.
3. Directly responsible for the management and supervision of the daily work to meet CLS service expectations as agreed upon by the Hospital.
4. Mentors and supports direct reports in their responsibilities and functions. Mentors and supports all staff within department.
5. Defines, coordinates, and monitors quality assurance programs in cooperation with the Quality Assurance Manager, Lab Safety Manager, and Compliance Specialist. Ensures quality control and compliance procedures are followed and QC reports are up to date.
6. Oversee plans and preparations for all inspections especially CAP Accreditation requirements.
7. Oversees staffing of all personnel in the laboratory. Effectively maintains quality staffing by interviewing, hiring, training and providing staff development through performance evaluation and corrective counseling. Works with Human Resource Department.

8. Identifies future needs in terms of staff, equipment, and facilities. Submits appropriate documentation for procurement of such.
9. Reviews test performance, drives process and project management, and prepares and submits required reports to meet established deadlines.
10. Manages test database. Ensures departmental standard operating procedures and database accurately reflects the current process.
11. Coordinates R&D activities as related to operations and actively participates on subspecialty committees, corporate committees, and business unit committees as needed.
12. Develops annual budget and manages department costs and resources to adhere to budget.
13. Resolves problems through interaction with clients via phone calls or other means of communication.
14. Defines, coordinates and monitors safety programs. Oversees plans and preparations for inspections.
15. Ensure compliance with all local, federal, CLIA, and CAP regulations.
16. Perform other duties as assigned by leadership or as business needs dictate.
17. Must have proven leadership, interpersonal skills and technical knowledge, strong organization and planning skills.
18. Must have strong working knowledge of workflows within the department
19. Must be able to meet the needs of inpatient, outpatient, and outreach clients.
20. Work with Sales and Marketing to plan for and implement service expectations.
21. Proficient in Microsoft Word and Excel.

Exhibit 2
to Clinical Services Sub-Agreement B-5(2)

Scheduled Services Fee

Service	Rate
Outsourced Laboratory Manager (1 FTE) • **On-site management of Laboratory and Pathology Services**	Rate – $10,050.83 monthly (includes 29% benefits) Admin Fee = 3%
• Mileage pass thru (as defined in SFC CLS policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-5(2)

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-5(2)

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

Exhibit 5
to Clinical Services Sub-Agreement B-5(2)

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.** *(Vendor Name)*

and **Johnson Memorial Medical Center, Inc.** for the provision of **Laboratory/Pathology Management** services, the *(JMMC Entity Name)*

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-5(2) dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

Rev. 11/10/2014

JOHNSON MEMORIAL MEDICAL CENTER, INC.
DOCUMENT AUTHORIZATION REVIEW FORM

PLEASE TYPE OR PRINT NEATLY

Document Type: **___ Capital Request** **_X__ Contract** **___ Purchase Order** **___ Other** **_____**	**Vendor Information:** **Saint Francis Care** **114 Woodland Street** **Hartford, CT 06105**
Date: **April 3, 2014**	**Cost:** **$91.00/hour** **(see Summary Page for details)**
Description: **Imaging Consulting Services**	

Signature Reviews/Approvals		
Director/Dept. Head *For all requests* **Printed Name:**	**Signature:**	**Date:**
Materials Management *For all Purchases & Maintenance Agreements*	**Signature:**	**Date:**
Bio-Medical Engineering *For Clinical Equipment Purchases/Agreements*	**Signature:**	**Date:**
Information Technology *For all property leases or contract requiring IT integration/compatibility confirmation*	**Signature:**	**Date:**
Human Resources Recruiter *For all Employment & Student Affiliation Agreements*	**Signature:**	**Date:**
Vice President, Medical Affairs *For ALL Clinical Agreements*	**Signature:**	**Date:**
Vice President/Assistant Vice President *Purchases unbudgeted or over $2500 and all Contracts*	**Signature:**	**Date:**
Chief Financial Officer *All contracts. Purchases over $2500 and unbudgeted Capital Purchases*	**Signature:**	**Date:**
Contract Coordinator *All Contracts*	**Signature:** Kim Vieney	**Date:** 4/3/14
President/CEO *All Contracts, unbudgeted purchases, and purchases over $2500*	**Signature:**	**Date:**
Board *All unbudgeted expenses over $10,000 and all expenses over $50,000*	**Signature:**	**Date:**

No authorization will be made by the President until all required signatures/reviews are completed.

For Contract Office use Only: ___ Checklist ____Scanned ____ Database ____ Folder

JOHNSON MEMORIAL MEDICAL CENTER
CONTRACTUAL RELATIONSHIP AUTHORIZATION REVIEW FORM

Subsidiary: **__X__JMMC _____JMH** **_____H&CHS _____JPA** **_____JHC _____ TJEC (EHCC)**	**Dept. Name:** **Dept. Cost Center:** **Amount: $ $91.00/hour __ Year / __ Term** **___ Quarterly ___ Annually ___ Monthly** **___ Other**
Vendor Name: **Saint Francis Care**	**Cost Sharing? ___ Yes _____ No** **If Yes:**
Vendor Address: **114 Woodland Street** **Harford, CT 06105**	**___% = _____-_____** **___% = _____ - _____** **___% = _____ - _____**
Vendor Contact Name: **Karen Beauchesne**	**___% = _____ - _____**
Contract Type: _____Audit _____Clinical Services __X__Consulting _____Grant _____ Income Generating _____Lease _____Legal _____Management Services _____Serv/Main _____ Other	**Project Name/Description or Contract Purpose:** **Provision of Imaging Consulting Services**

__X_ New - _____Renewal
(if yes, Prior year's expense $_____)

Effective Date: **4/1/2014**	**Expiration Date:** **None**	**Auto Renew? (Evergreen)** **___Yes ___No**	**Notification Date for renewal/cancellation:**
Business Associate Agreement: **X__ Yes** **__ No** **On-file**	**Quality Indicator Form (*for clinical contracts only*):** **___Yes ___No _X_ N/A**	**Date Agreement Mailed:** _____ ___Fully Executed ___Pending Vendor Signature	**Date Agreement Returned:** 4/1/14 **Copies to:** AP Quatrone Karnyk

A copy of this form MUST be attached to the top of each contract, service agreement, lease, etc. requiring approval. All forms must be completed in full and include any necessary attachments prior to being forwarded to the President for review. Any contract that does not include a completed form will be returned unsigned. Thank you.

Revised 4/30/2013- Rev. 3

Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-7

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Imaging Consultation Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be April 1, 2014 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc. Jonson Memorial Hospital, Inc. and the Johnson Memorial Corporation-Johnson Surgery Center.
>
> The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center Diagnostic Services Platform.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical

Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-722
BY: TBulton DATE: 4/02/14

JOHNSON MEMORIAL CORPORATION- JOHNSON SURGERY CENTER

By: _____
Stuart Rosenberg
President and Chief Executive Officer

x:\contracts - projects\johnson memorial\clinical affiliation agreement\sub-agreement - imaging\2014-03-31clinical sub-agreement b-7 imaging consultation services.docx

Exhibit 1
to Clinical Services Sub-Agreement B-7

Scheduled Services

JMMC is requesting oversight and consultation assistance for their Imaging Department. These consultation services will be provided by Saint Francis Hospital and Medical Center Imaging Department leadership.

Consultation may be provided in the following areas:

- Consolidation of services and decommissioning of outdated equipment
- Review of service contracts, accreditation fees and other costs
- Development of a capitol replacement plan for outdated equipment
- Review current Radiology Informatics Systems (RIS/PACS) and provide recommendation and plan to transition department to a full digital imaging environment: system wide image/report distribution and data archive.

Imaging consultation services will be provided based on national, regional and local codes, industry standards and manufacturers' recommendations.

Saint Francis Hospital and Medical Center will not be providing direct service to any JMMC imaging equipment or facilities.

Exhibit 2
to Clinical Services Sub-Agreement B-7

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC Imaging Director	Consultative rate of : $ 91.00/hour (2-4 hrs/month or as needed basis)
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-7

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-7

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-7

Proprietary and Confidential Information and Protected Intellectual Property

NONE

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of April 1, 2014 ("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC. , JOHNSON MEMORIAL HOSPITAL INC., THE JOHNSON MEMORIAL CORPORATION- JOHNSON SURGERY CENTER** all with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 (collectively "Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or

required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. **Term and Termination**

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. **Miscellaneous**

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this

Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

JOHNSON MEMORIAL HOSPITAL, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

COVERED ENTITY

THE JOHNSON MEMORIAL CORPORATION- JOHNSON SURGERY CENTER

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By:_____
Printed Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-792
BY: P Button DATE: 4/02/19

AMENDED AND RESTATED
CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-7

This Amended and Restated Clinical Services Sub-Agreement B-7 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-7 to the Clinical Affiliation Agreement effective April 1, 2014, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Imaging Consultation Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.** and the locations of service include: Johnson Memorial Hospital, Inc.; and Johnson Memorial Corporation – Johnson Surgery Center.

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0671
BY: _____ DATE: 9/23/2014

Exhibit 1
to Clinical Services Sub-Agreement B-7

Scheduled Services

Oversight and Consultation

JMMC is requesting consultation assistance for their Imaging Department. These consultation services will be provided by Saint Francis Hospital Imaging Department leadership.

Consultation may be provided in the following areas:

- Consolidation of services and decommissioning of outdated equipment
- Review of service contracts, accreditation fees and other costs
- Capitol replacement plan for outdated equipment
- Radiology Informatics Systems (RIS/PACS) and provide recommendation and plan to transition department to a full digital imaging environment: system wide image/report distribution and data archive.

- Imaging consultation services will be provided based on national, regional and local codes, industry standards and manufactures recommendations.
- SFHMC will not be providing direct service to any JMMC Imaging equipment or facilities.

Exhibit 2
to Clinical Services Sub-Agreement B-7

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC Imaging Director	Consultative rate of : $ 91.00/hour (2-4 hrs/month or as need basis) Benefits = 29% Admin fee = 3 %
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-7

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-7

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-7

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **12/8/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Imaging Consultation** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Amended and Restated Clinical Services Sub-Agreement B-7 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

659

Rev. 11/10/2014

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-8

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Pastoral Care.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be January 6, 2014 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center Clinical Support Platform.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related

to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
Chief Executive Officer

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Christopher M. Dadlez
Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0021
BY: _____ DATE: 1/8/14

Exhibit 1
to Clinical Services Sub-Agreement B-8

Scheduled Services

Oversight and Consultation

Saint Francis Hospital and Medical Center shall provide onsite Pastoral Care services to provide spiritual support to patients and families. Pastoral Care services shall be provided consistent with the Job Description attached hereto as Exhibit D.

Included will be:

- Individual support of patients and families throughout the Hospital
- Celebration/acknowledgement of religious holidays/days of worship
- Distribution of Spiritual messages via email (mirror SFC distribution)
- Conducting Memorial /Remembrance Services at JMMC
- Membership on the JMMC Ethics Committee
- Membership on the local Clergy Council/reach out to local clergy for coverage
- Onsite and phone support will be provided

Exhibit 2
to Clinical Services Sub-Agreement B-8

Scheduled Services Fee

Service	Rate
• Pastoral Care Services	.5 FTE (20 hrs. a week) on site at JMMC Rate = hourly rate X 29% (benefits) X 1040 hrs. = yearly salary.
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-8

Additional Qualifications

Not Applicable

Exhibit 4
to Clinical Services Sub-Agreement B-8

Additional Sub-Agreement Terms

Not Applicable

Exhibit 5
to Clinical Services Sub-Agreement B-8

Proprietary and Confidential Information and Protected Intellectual Property

Not Applicable

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of _____ _____, 2013("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER,INC.** , with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076(collectively "Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and

availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to

respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Printed Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

EXHIBIT D

jmmc
Johnson Memorial Medical Center

CRITERIA-BASED JOB DESCRIPTION

JOB TITLE: Chaplain **HOURS:** PT (16-20/wk)

DEPARTMENT: JMMC Pastoral Care

REPORTS TO: JMMC President **Relationship Report:** SF Director, Pastoral Care

SUPERVISES (Positions): Pastoral Care Volunteers

JOB SUMMARY

Under general direction, ministers to patients, families and staff addressing spiritual and emotional needs as they relate to patients' illnesses, disabilities and death. Nurtures self-development and contributes to education of hospital staff, pastoral volunteers and the community regarding pastoral care issues. Functions collaboratively with other professionals on the health care teams and with area clergy. Renders quality service in an efficient, effective, compassionate manner as befits a person authentically witnessing to God's presence and care. Position may require working at alternate sites.

JOB QUALIFICATIONS

Education: Master's degree in Theology, Divinity or Pastoral Ministry from an accredited institution with grounding in theology, Scripture, spirituality, ethics, psychology and counseling.

Experience: Minimum of one year in hospital pastoral ministry preferred.

Licensure: Certification by Association for Professional Chaplains, National Association of Catholic Chaplains, or National Association of Jewish Chaplains. Willingness and capacity to seek certification accepted. Endorsement by faith group.

Skills: Communication: listening and articulating.
Relational: To determine pastoral needs.
Ability to adequately use, or learn to use, the department's computerized system and its associated devices.

PHYSICAL AND MENTAL EFFORT

Mental effort is most demanding in intensive listening, sifting out essentials and responding effectively to help patients and families find meaning in their experiences surrounding illness.

Physical effort calls for much standing and walking. Position requires ability to frequently perform simple manipulative and gross body coordination skills, walk, stand and sit for prolonged periods; see objects far away and hear normal sounds with some background noises. Position requires ability to concentrate on fine detail with interruption and attend to tasks for more than 10 minutes at a time. Individual must be able to understand and relate to theories behind several related concepts and remember multiple tasks given over long periods of time.

ENVIRONMENTAL AND WORKING CONDITIONS

Most ministry occurs during scheduled hours at bedside of patient where privacy cannot be ensured and interruptions are frequent. Universal precautions are used in all patient visiting. An office is provided for private meetings and other chaplain business.

JOB DUTIES

The following description of the job responsibilities and standards are intended to reflect the significant responsibilities and duties of the job, but is not intended to describe duties and/or responsibilities as may be assigned from time to time.

OUR MISSION

OUR VALUES

Section 1
Johnson Memorial Medical Center – Our Mission and Values

This section reflects the employee's contribution to the Healthcare System's Mission and Values and demonstrates the employee's commitment to the moral and ethical values of Johnson Memorial Medical Center. The values are stated, along with core behaviors, which indicate quality performance in this area.

1.1 Contributes to the creation of a compassionate and caring environment for patients, families and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

1.2 Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

1.3 Exhibits positive service excellence skills to patients, visitors and co-workers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

1.4 Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

1.5 Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

1.6 Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies and department finances.

1.7 Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

2. Ministers to patients, families and staff of all faiths addressing spiritual and emotional needs, respecting confidentiality, differing faith traditions, personalities and heritages.

2.1 Prioritizes patient visits accordingly to need with particular attention to:

- Critically ill
- Pre-operatives
- Trauma
- Crisis
- Referrals

2.2 Offers comfort, compassion, loving care through presence, prayer, listening and counsel and witness.

2.3 Initiates and facilitates worship, prayer, sacramental (Baptism and Communion), and support services.

2.4 Respecting confidentiality, documents pertinent data on patient record for communication to other professional health team members.

2.5 Maintains positive relationship to the community clergy to obtain their services at patients' request, and to be responsive to concerns of the faith community.

3. Nurtures personal, spiritual and professional development.

3.1 Participates in educational programs within department, hospital and in the community to enhance knowledge of self, health care and pastoral issues.

3.2 Engages in spiritual renewal efforts through personal prayer, retreats, spiritual programs, prayer groups and theological reflection.

3.3 Participates in local, regional and national conferences related to chaplaincy.

3.4 Attends all mandatory Hospital initiated training.

4. Contributes to creating educational programs related to pastoral care issues for hospital staff, chaplain-trainees, pastoral volunteers and the community.

4.1 Participates in scheduled orientation of hospital staff and pastoral volunteers to the role of pastoral ministry in the hospital.

4.2 Participates in programs for hospital staff and area clergy regarding pastoral care issues.

4.3 Participates in clinical experience programs for students or volunteer pastoral visitors.

5. Forms collaborative relationships within the department, in the hospital, nursing home and in the community.

5.1 Attends and constructively participates in departmental meetings.

5.2 Contributes to the formulation and implementation of departmental philosophy purpose, goals, objectives, functions, job descriptions and budgetary planning.

5.3 Participates in patient care conferences as a member of the inter-disciplinary health team.

5.4 Participates on hospital committees and programs as assigned by the President.

6. Functions responsibly respecting the department's and hospital's established system of accountability and ethical guidelines.

6.1 Respects and complies with programs of quality assurance.

6.2 Maintains appropriate written records pertaining to departmental business and activities.

AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement to the Clinical Affiliation Agreement

Sub-Agreement Number: B-8

This Amended and Restated Clinical Services Sub-Agreement B-8 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-8 to the Clinical Affiliation Agreement effective January 6, 2014, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Pastoral Care Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0672
BY: _____ DATE: 9.22.14

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Exhibit 1
to Clinical Services Sub-Agreement B-8

Scheduled Services

Oversight and Consultation

JMMC is requesting on site Pastoral Care services to provide spiritual support to patients and families. Included will be:

- Individual support of patients and families throughout the hospital
- Celebration/acknowledgement of religious holidays/days of worship
- Distribution of Spiritual messages via email (mirror SFC distribution)
- Conducting Memorial /Remembrance Services at JMMC
- Membership on the JMMC Ethics Committee
- Membership on the local Clergy Council/reach out to local clergy for coverage
- On site and phone support will be provided

Exhibit 2
to Clinical Services Sub-Agreement B-8
Scheduled Services Fee

Service	Rate
• Pastoral Care Services	.5 FTE (20 hrs. a week) on site at JMMC $450 week/$23,400 year Benefits = 29% (benefits) Admin fee = 3%
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-8

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-8

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-8

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Pastoral Care Services** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-8 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

EXHIBIT B

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-10

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Administration.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be February 3, 2014 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Hospital, Inc.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center ("SFHMC").

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the

Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President, Chief Operating Officer and Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President, Chief Operating Officer and Chief Physician Executive

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0068
BY: _____ DATE: 1/31/14

Exhibit 1
to Clinical Services Sub-Agreement B-10

Scheduled Services

- The JMMC Assistant Vice President, Patient Care Services will be responsible for providing clinical and administrative leadership to the JMMC patient care department as outlined in the job description.(see Exhibit D)
- Clinically collaborate with JMMC VP Medical Affairs.
- Saint Francis Care, Inc. and SFHMC clinical guidelines and care protocols may be shared with JMMC as a resource in developing JMMC specific standards of care.
- The JMMC Assistant Vice President, Patient Care Services will work with the JMMC Clinical leadership/QA to identify quality metrics/core measures. SFHMC Service Line leadership will be available to provide consultation on these matters. These metrics will be developed and reported on based on JMMC goals and collecting/reporting capabilities.
- The JMMC Assistant Vice President, Patient Care Services will provide the JMMC CEO/CFO recommendations to changes in staffing levels, patient care protocols, and admission/transfer/discharge criteria. Any changes to the program will be made collaboratively and with regard to the environmental, fiscal and staff impacts.
- The JMMC Assistant Vice President, Patient Care Services will work collaboratively with JMMC CEO/SFC SL Physicians/Executive Directors and participate in the Joint SFC/JMMC Clinical Operations Group meetings.
- The SFHMC CNO will provide leadership mentoring to the JMMC Assistant Vice President, Patient Care Services in the areas of clinical standards, state regulatory standards/Joint Commission standards. The JMMC Assistant Vice President, Patient Care Services may attend educational sessions/meetings at SFHMC. The SFHMC CNO will be available on a regular basis to consult with JMMC Assistant Vice President, Patient Care Services including both formal and informal meetings/communication.
- Evaluation of the JMMC Assistant Vice President, Patient Care Services will be provided by JMMC CEO who may solicit input from the SFHMC CNO.

Exhibit 2
to Clinical Services Sub-Agreement B-10

Scheduled Services Fee

Service	**Rate**
Clinical Management Services AVP Patient Care Services – 1.0 FTE	Salary rate = $94.45 hourly; equates to $196,456 yearly Billed monthly Benefits billed at 29%
Mileage (SFC policy)	Prevailing IRS rate
Phone provided by SFC	Charge back to JMMC

Exhibit 3
to Clinical Services Sub-Agreement B-10

Additional Qualifications

None

Exhibit 4
to Clinical Services Sub-Agreement B-10

Additional Sub-Agreement Terms

None

Exhibit 5
to Clinical Services Sub-Agreement B-10

Proprietary and Confidential Information and Protected Intellectual Property

None

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of February 3, 2014 ("Effective Date"), by and between Johnson Memorial Hospital, Inc. with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 ("Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the

Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business

Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL HOSPITAL, INC.

By:_____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By:_____
Printed Name: John F. Rodis, M.D.
Title: Executive Vice President, Chief Operating Officer and Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 140068
BY: YB DATE: 1/31/14

SCHEDULE D

Johnson Memorial Medical Center

Johnson Memorial Hospital

Role Description

Title: Assistant Vice President, Patient Care Services

Department: Administration

Supervised by: JMMC President and CEO

Collaborates with SFC CNO

Summary

The Assistant Vice President, Patient Care Services, is a Registered Professional nurse who has the administrative responsibility and authority for development of ongoing assessment for programs, policies, procedures that define and dictate the provision of patient care throughout the institution and system. This individual is also responsible for the delivery of patient care (assessment, planning, implementation, and evaluation). S/he also provides administrative direction to the development, continuing education and evaluation of all nursing and clinical reporting personnel. Develops and directs the implementation and compliance with Standards of Nursing Practice. Establishes goals, objectives, standards of performance, and interprets policies, standards and regulations to personnel, patients, medical staff and the public.

Provides the leadership and direction necessary to implement the policies established by the Board of Directors, senior leadership team/President/CEO. Provides guidance and direction to the nursing directors and managers and other assigned patient care managers, as well as to all Hospital administrators and managers on nursing service and patient care matters and concerns. Assures that JMMC is in full compliance with all nursing practice statutes and regulatory requirements.

Serves as a member of the Senior Leadership Team at JMMC and Reports to the CEO. Collaborates closely with the JMMC CMO and system Leadership to provide a consistent strategy and message.
Implements strategic direction as determined by the JMMC BOD, Senior Leadership and JMMC President and CEO.

Role Accountabilities

Mission

- Contributes to and monitors the implementation of the mission and values of JMMC to ensure quality health care is provided with excellence, respect, and holistic concern.

Leadership and Supervision:

- Plans the functions of various divisions within the hospital system to ensure services are provided that meet the needs of those served.

- Retains the final approval and authority over all aspects of the provision of Nursing Care services, wherever nursing care is delivered throughout the institution.

- Keeps current in changes and trends that affect the Patient Care Services Division and provides recommendations to CEO.
- Participates in strategic planning by contributing expertise and vision in areas of assigned responsibility.
- Develops and updates the Nursing Department's written organizational plan which outlines functions, structure, and mechanisms for planning and decision-making that accurately reflect the various departments' practices in accordance with JCAHO, state, and federal criteria.
- Collaborates with the patient care staff, medical staff, and other disciplines in developing patient care programs that meet patient and community needs.
- Keeps abreast of changes and trends that affect assigned areas of responsibility, and effectively recommends innovative programs, service changes, and new technologies that are consistent with the needs identified in the Strategic Plan. May also participate in research programs.
- Provides for the effective distribution and utilization of patient care services personnel based on patient care needs and acuity trends.
- Promotes and encourages professional growth and development of all staff. Acts as a consultant and mentor to role model desired behaviors.

Manages the human resources of the assigned areas of responsibility to ensure the respect of employees is maintained and to facilitate the development of the health care team.

- Ensures that the selection process for employees is maintained in accordance with Human Resources policies as indicated by the hiring of quality staff in the respective area of responsibility who successfully meets established performance standards.
- Ensures that the Human Resources practices regarding employment, performance appraisal, discipline, promotion, transfers, termination, and compensation are followed in all the areas of assigned responsibility.
- Provides for the orientation, training, continuing education and supervision of assigned department managers and physicians so that employees can perform to meet expectations.
- Monitors and reviews the work of the departmental management personnel to ensure quality, competency, and productivity standards are maintained.

Financial and Productivity:

Manages the financial resources of the assigned areas of responsibility to ensure the fiscal stability of the Hospital in keeping with its policies, guidelines, and strategic plans and assessed priorities.

- Recommends the annual capital expenditure budget for assigned patient care departments based on equipment needs and Hospital goals.
- Recommends the annual salary and non-salary budgets in accordance with procedures and timeframe based on projected work volume of the assigned departments.
- Ensures work schedule and assignment procedures in the assigned patient care departments are established to provide coverage according to the Human Resource policies as demonstrated by maintaining staffing as indicated by volume, acuity and new service needs.
- Monitors the expenditures of assigned patient care departments to ensure that the operations remain within the approved budget as indicated by the actual statistical reports. Provides analysis and justification when necessary.
- Maintains and monitors operating statistics for the departments adjusting staffing, supplies, or capital expenditures to volume statistics and patient needs.
- Ensures that equipment purchases meet standards and provide the most cost effective purchases for the departments' equipment long-term use.

Management:

Organizes, directs, and controls functional line and staff responsibilities through appropriate departmentalization and delegation of duties

- Ensures compliance with all safety, incident reporting, and infection control policies.
- Ensures that the policies and procedures of patient care division are in compliance with JCAHO and other regulatory requirements and standards of nursing practice.
- Ensures problems, complaints and Quality Assurance deficiencies are investigated and appropriate action is taken to resolve the issue promptly.
- Makes regular tours of areas of assigned responsibility in order to personally observe the environment and relate to all levels of staff in a caring respectful manner
- Promotes patient satisfaction and productive inter- personal relations indicated by positive feedback on Patient Satisfaction Surveys.
- Demonstrates an ability to remove "barriers" in the hospital to create a high functioning organization

Collaborative Teamwork:

Provides effective leadership by establishing collaborative relationship at all levels, internally and externally, that develop innovations related to the organization's values.

- Demonstrates ability to use all appropriate channels of communication to address inter- and intra-departmental concerns, solve problems, and address conflicts.
- Maintains effective relationships with members of the senior administrative team, management team and medical staff through the use of positive communications and negotiation skills to ensure that mutual goals are achieved.
- Participates in and provides input to Medical Staff and Hospital Committees by contributing expertise and a sense of administration's values.
- Participates in consultation with and teaching to nursing staff on nursing and quality patient care issues.
- Participates in appropriate community activities or professional organizations
- Contributes to building organizational morale manifested by personal contribution toward team spirit, collaboration, and cooperation.
- Creates opportunities for personnel to work within an integrated value-oriented environment which offers satisfaction and provides for advancement.
- Assists in establishing and maintaining a safety, fire and disaster/mass casualty program in cooperation with Administration, Risk Manager and Safety Committee, and assures proper handling and emergency care of patients, personnel and visitors involved in accidents or incidents.

Board of Directors:

Facilitates the work of the President and CEO and the Board of Directors by providing advice, consultation, or reports on the areas of responsibility.

- Provides accurate reports in order to facilitate the development and implementation of Board policies. Assumes, when requested, the responsibility for Hospital and Board presentations.
- Evaluates the operation of the areas of responsibility through the preparation of monthly and annual reports that follow established format.
- Ensures that current policies and procedures are maintained in compliance with Hospital policies and Board directives.

Works Collaboratively with Saint Francis *Care* (all entities)

- Engages Service Line and Platform leaders in service level discussions, staffing and quality metrics.
- Reaches out to SFHMC for consultation on standards and practice and works to ensure SFHMC level of quality is represented at JMMC.

Requirements

Graduate of an approved School of Nursing with BSN. Master's Degree in nursing required.

Current RN Licensure in the State of CT.

A minimum of five to eight years clinical and/or general management experience in a healthcare setting. A minimum of eight to ten years experience at the Senior Executive level.

Demonstrated knowledge of the principles of management, current nursing theory and professional practice trends. Demonstrated ability to work with diverse groups of professionals in a leadership capacity with proven results. Working knowledge of Managed Care concepts and principles. Strong written and verbal communication and analytical skills. Must have computer skills for use in designing and reporting clinical and utilization data. Knowledge of Labor Relations preferred.

Physical Demands

Position requires excellent time management skills, ability to meet changing priorities.

Note

The above statements are intended to describe the general nature and level of work being performed by people assigned to this classification. They are not intended to be construed, as an exhaustive list of all responsibilities, duties and skills required of personnel so classified.

AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement to the Clinical Affiliation Agreement

Sub-Agreement Number: B-10

This Amended and Restated Clinical Services Sub-Agreement B-10 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-10 to the Clinical Affiliation Agreement effective February 3, 2014, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Administration – Nursing Leadership**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Hospital, Inc.,**

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0613
BY _____ DATE: 9.22.14

Exhibit 1
to Clinical Services Sub-Agreement B-10

Scheduled Services

- The JMMC Assistant Vice President, Patient Care Services will be responsible for providing clinical and administrative leadership to the JMMC patient care department as outlined in the job description.(see Exhibit D)
- Clinically collaborate with JMMC VP Medical Affairs.
- Saint Francis Care, Inc. and SFHMC clinical guidelines and care protocols may be shared with JMMC as a resource in developing JMMC specific standards of care.
- The JMMC Assistant Vice President, Patient Care Services will work with the JMMC Clinical leadership/QA to identify quality metrics/core measures. SFHMC Service Line leadership will be available to provide consultation on these matters. These metrics will be developed and reported on based on JMMC goals and collecting/reporting capabilities.
- The JMMC Assistant Vice President, Patient Care Services will provide the JMMC CEO/CFO recommendations to changes in staffing levels, patient care protocols, and admission/transfer/discharge criteria. Any changes to the program will be made collaboratively and with regard to the environmental, fiscal and staff impacts.
- The JMMC Assistant Vice President, Patient Care Services will work collaboratively with JMMC CEO/SFC SL Physicians/Executive Directors and participate in the Joint SFC/JMMC Clinical Operations Group meetings.
- The SFHMC CNO will provide leadership mentoring to the JMMC Assistant Vice President, Patient Care Services in the areas of clinical standards, state regulatory standards/Joint Commission standards. The JMMC Assistant Vice President, Patient Care Services may attend educational sessions/meetings at SFHMC. The SFHMC CNO will be available on a regular basis to consult with JMMC Assistant Vice President, Patient Care Services including both formal and informal meetings/communication.
- Evaluation of the JMMC Assistant Vice President, Patient Care Services will be provided by JMMC CEO who may solicit input from the SFHMC CNO.

Exhibit 2
to Clinical Services Sub-Agreement B-10

Scheduled Services Fee

Service	Rate
Clinical Management Services AVP Patient Care Services – 1.0 FTE	Salary rate = $94.45hourly; equates to $196,456 yearly Billed monthly Benefits billed at 29% Admin fee = 3%
Mileage (SFC policy)	Prevailing IRS rate
Phone provided by SFC	Charge back to JMMC

Exhibit 3
to Clinical Services Sub-Agreement B-10

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-10

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

Exhibit 5
to Clinical Services Sub-Agreement B-10

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Administration- Nursing Leadership** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-10 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-2

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 10, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: Engineering Consultation Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be August 1, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis *Care*, Inc. acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

"**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., the Johnson Evergreen Corporation, Inc., the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center, Johnson Memorial Corporation-Johnson Surgery Center and Johnson Memorial Corporation-Nirenberg Medical Center.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-1" and ending with the next consecutive number after the sub-agreement last adopted by the parties. The arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

SERVICE RECIPIENT:
JOHNSON MEMORIAL MEDICAL CENTER

By: _____
Stuart Rosenberg
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and CEO

SERVICE PROVIDER:
SAINT FRANCIS HOPSITAL AND MEDICAL CENTER

By: _____
Kathleen M. Roche
Executive Vice President and COO

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Stuart Rosenberg
President and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-557
BY: _____ DATE: 7-10-13

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Stuart Rosenberg
President and CEO

THE JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Stuart Rosenberg
President and CEO

Exhibit 1
to the BPO Sub-Agreement B-2

Scheduled Services

Oversight and Consultation

- Oversight and consultation will be provided by the Saint Francis Hospital Medical Center ("SFHMC") Vice President of Facilities (Bob Falaguerra) and the SFHMC Director of Engineering (Joe Greenier). Consultation will be provided in the following areas: Preparation for the Joint Commission surveys, emergency preparedness, vendor management, event management, overall project management and staff education. Environmental and facilities rounds will be routinely conducted, documented and follow up action plans will be created. Monthly/bi-monthly rounds are contemplated. Triage requests/needs for other Saint Francis expertise or resources may be provided as needed, i.e., Biomed, laundry, etc.
- Routine phone call support will be included as part of ongoing consultation services.
- Specialty on-site consultations by members of the SFHMC engineering staff may be provided at cost with the scope of services and related fees determined based on mutual agreement of the Service Provider and Service Recipient.
- Engineering services will be provided based on national, regional and local codes and industry standards.

Specialty Consultation

- Access to expert consultation by external organizations to access or prepare for national accreditation and other regulatory requirements, e.g., RT Cotter, may be provided at cost based on usage.

Exhibit 2
to the BPO Sub-Agreement B-2

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC Director of Engineering by SFHMC Vice President/Director of Engineering: 4-6 hours/month	Annual retainer rate of $7,000 paid in monthly installments.
• Specialty on-site service calls by licensed Saint Francis tradesmen, as needed	Rate of provider of service (rate + benefits %)
• Mileage: pass thru, as defined in SFC policy	Current IRS mileage reimbursement rate

Exhibit 3
to the BPO Sub-Agreement B-2

Additional Qualifications

NONE

Exhibit 4
to the BPO Sub-Agreement B-2

Additional Sub-Agreement Terms

NONE

Exhibit 5
to the BPO Sub-Agreement B-2

Proprietary and Confidential Information and Protected Intellectual Property

None

AMENDED AND RESTATED
BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to the Business Process Outsourcing Agreement

Sub-Agreement Number: B-2

This Amended and Restated Business Process Outsourcing Sub-Agreement B-2 to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Business Process Outsourcing Sub-Agreement B-2 to the Business Process Outsourcing Agreement effective August 1, 2013, whereby JMMC has engaged Saint Francis Care to provide support services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: **Engineering Consultation Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.** and the locations of service include: Johnson Memorial Hospital, Inc.; the Johnson Evergreen Corporation, Inc.; the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center; Johnson Memorial Corporation – Johnson Surgery

Center; and Johnson Memorial Corporation-Nirenberg Medical Center.

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, and if applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. H-0674
BY: _____ DATE: 9/23/2014

K:\Users\Legal Department\CONTRACTS - PROJECTS\Johnson Memorial\Business Process Outsourcing Agreement\Sub-Agreements\(B-2) Engineering Consultation Agreement\2014-09-19 14-0674 Amended BPO Sub-Agreement (B-2) - Engineering.docx

Exhibit 1
to BPO Sub-Agreement B-2

Scheduled Services

Oversight and Consultation

- Oversight and consultation will be provided by the Saint Francis Hospital Medical Center ("SFHMC") Vice President of Facilities (Bob Falaguerra) and the SFHMC Director of Engineering (Joe Greenier). Consultation will be provided in the following areas: Preparation for the Joint Commission surveys, emergency preparedness, vendor management, event management, overall project management and staff education. Environmental and facilities rounds will be routinely conducted, documented and follow up action plans will be created. Monthly/bi-monthly rounds are contemplated. Triage requests/needs for other Saint Francis expertise or resources may be provided as needed, i.e., Biomed, laundry, etc.
- Routine phone call support will be included as part of ongoing consultation services.
- Specialty on-site consultations by members of the SFHMC engineering staff may be provided at cost with the scope of services and related fees determined based on mutual agreement of the Service Provider and Service Recipient.
- Engineering services will be provided based on national, regional and local codes and industry standards.

Specialty Consultation

- Access to expert consultation by external organizations to access or prepare for national accreditation and other regulatory requirements, e.g., RT Cotter, may be provided at cost based on usage.

Exhibit 2
to BPO Sub-Agreement B-2

Scheduled Services Fee

Service	Rate
• Ongoing consultation and support to JMMC Director of Engineering by SFHMC Vice President/Director of Engineering: 4-6 hours/month	Annual retainer rate of $7,140 paid in monthly installments. Benefits = 29% Admin fee= 3%
• Mileage: pass thru, as defined in SFC policy	Current IRS mileage reimbursement rate

Exhibit 3
to BPO Sub-Agreement B-2

Additional Qualifications

NONE

Exhibit 4
to BPO Sub-Agreement B-2

Additional Sub-Agreement Terms

NONE

Exhibit 5
to BPO Sub-Agreement B-2

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Engineering Consultation Services** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-2 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-3

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 10, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: Biomed Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be August 1, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis *Care*, Inc. acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

"**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc., Johnson Memorial Hospital, Inc., the Johnson Evergreen Corporation, Inc., the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center, Johnson Memorial Corporation-Johnson Surgery Center and Johnson Memorial Corporation-Nirenberg Medical Center.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-1" and ending with the next consecutive number after the sub-agreement last adopted by the parties. The arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

SERVICE RECIPIENT:
JOHNSON MEMORIAL MEDICAL CENTER

By: _____
Stuart Rosenberg
President and CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and CEO

SERVICE PROVIDER:
SAINT FRANCIS HOPSITAL AND MEDICAL CENTER

By: _____
Kathleen M. Roche
Executive Vice President and COO

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Stuart Rosenberg
President and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-596
BY: _____ DATE: 7-10-13

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Stuart Rosenberg
President and CEO

THE JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Stuart Rosenberg
President and CEO

Exhibit 1
to the BPO Sub-Agreement B-3

Scheduled Services

Oversight and Consultation

- Provide per diem Biomed staff resource for illness or vacation coverage. Vacation coverage to be arranged in advanced. Coverage for illness will be as availability permits. Coverage will include the triage of repairs, contacting vendors, and making repairs as qualified.
- Saint Francis Hospital and Medical Center ("SFHMC") may at times provide direct service to JMMC equipment, based on expertise and availability. Training of staff and consultation on meeting regulatory requirements will be provided as needed.
- Specialty on-site staffing by members of the SFHMC Biomed staff may be provided based upon request by JMMC and on mutual agreement.
- Biomed services will be provided based on national, regional and local codes and industry standards and manufactures recommendations and by trained, certified SFHMC staff.
- Oversight of per diem staff will be provided by the SFHMC Director of Biomed (Bob Zbuska).

Exhibit 2
to the BPO Sub-Agreement B-3

Scheduled Services Fee

Service	Rate
• Supplemental Staffing on a per diem basis to cover for illness, vacation to triage repairs, contact vendors and make repairs as qualified.	Imaging staff = $60.70 General Biomed = $35.88
• Specialty Service Calls on site as needed	
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to the BPO Sub-Agreement B-3

Additional Qualifications

NONE

Exhibit 4
to the BPO Sub-Agreement B-3

Additional Sub-Agreement Terms

NONE

Exhibit 5
to the BPO Sub-Agreement B-3___

Proprietary and Confidential Information and Protected Intellectual Property

None

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AMENDED AND RESTATED
BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to the Business Process Outsourcing Agreement

Sub-Agreement Number: B-3

This Amended and Restated Business Process Outsourcing Sub-Agreement B-3 to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Business Process Outsourcing Sub-Agreement B-3 to the Business Process Outsourcing Agreement effective August 1, 2013, whereby JMMC has engaged Saint Francis Care to provide support services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: **Biomed Consultation Services**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.** and the locations of service **include:** Johnson Memorial Hospital, Inc.; the Johnson Evergreen Corporation, Inc.; the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center; Johnson Memorial Corporation – Johnson Surgery

Center; and Johnson Memorial Corporation-Nirenberg Medical Center.

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, and if applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0675
BY: _____ DATE: 9/23/2014

Exhibit 1
to BPO Sub-Agreement B-3

Scheduled Services

Staffing/per diem coverage

- Coverage shall be provided to JMMC and its affiliates: Johnson Memorial Hospital, Inc., the Johnson Evergreen Corporation, Inc., the Johnson Memorial Medical Center Karen Davis Krzynowek Infusion Center, Johnson Memorial Corporation-Johnson Surgery Center and Johnson Memorial Corporation-Nirenberg Medical Center.
- Provide per diem biomed staff resource for illness or vacation coverage. Vacation coverage to be arranged in advanced. Coverage for illness will be as availability permits. Coverage will include the triage of repairs, contacting vendors, and making repairs as qualified.
- SFHMC may at times provide direct service to JMMC equipment, based on expertise and availability. Training of staff and consultation on meeting regulatory requirements will be provided as needed.
- Specialty on site staffing by members of the SFHMC Biomed staff may be provided based upon request by JMMC and on mutual agreement.
- Biomed services will be provided based on national, regional and local codes and industry standards, manufacturing recommendations and by trained, certified SFH staff
- Oversight of per diem staff will be provided by the Director of Biomed (Bob Zbuska).

Exhibit 2
to BPO Sub-Agreement B-3

Scheduled Services Fee

Service	Rate
• Supplemental Staffing on a per diem basis to cover for illness, vacation to triage repairs, contact vendors and make repairs as qualified. • Specialty Service Calls on site as needed	Imaging staff = $61.91 General Biomed = $36.60 Benefits = 29% Admin fee = 3 %
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to BPO Sub-Agreement B-3

Additional Qualifications

NONE

Exhibit 4
to BPO Sub-Agreement B-3

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

Exhibit 5
to BPO Sub-Agreement B-3

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Biomed Consultation Services** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-3 dated 10/1/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

SCHEDULE B

FORM OF BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-5

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: Supply Chain Services.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be August 19, 2013 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the

Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and CEO

SAINT FRANCIS *CARE*, INC.:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, INC.

By: _____
Christopher M. Daflez
President and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-696
BY: TB DATE: 9-15-13

Exhibit 1
to the BPO Sub-Agreement B-5

Scheduled Services

Supply Chain Management Oversight

JMMC is requesting management of the system's supply chain including purchasing, inventory management, distribution and service contracts. The management services will be provided by the Director of Saint Francis Hospital and Medical Center ("SFHMC") Supply Chain (David Walsh) in conjunction with onsite JMMC staff.

Management will include the following:

- Review of current purchasing process and vendors.
- Establishment of a value management process.
- Recommended realignment of staff based on service configuration.
- Review of all service contracts and other costs.
- Onsite and phone support will be provided as part of the agreement.

Note: As the JMMC Supply chain is assessed and determination is made regarding data management, IT systems and equipment, other agreements may need to be developed, i.e., People Soft services agreement.

Outsourcing of JMMC management

- JMMC and SFHMC Director of Supply Chain will agree on the JMMC onsite manager duties, and responsibilities. The JMMC onsite manager will remain an employee of JMMC and will report to the SFHMC Director of Supply Chain. The JMMC Supply Chain Site Manager will be responsible for providing oversight to the JMMC staff under the direction of the SFHMC Director of Supply Chain.
- SFHMC Supply Chain guidelines and protocols may be shared with JMMC as a resource in developing JMMC specific processes.
- Evaluation of the JMMC Site Manager will be provided by SFHMC Director of Supply Chain with input from the JMMC CFO and CEO. Any expenses associated with approved operational changes, i.e. Equipment, supplies, personnel, IT, software, hardware are at the expense of JMMC.

Exhibit 2
to the BPO Sub-Agreement B-5

Scheduled Services Fee

Service	Rate
Outsourced Supply Chain Management • Outsourced Management of JMMC Supply Chain.	Yearly retainer rate of $15,000
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to the BPO Sub-Agreement B-5

Additional Qualifications

None.

Exhibit 4
to the BPO Sub-Agreement B-5

Additional Sub-Agreement Terms

Each of the parties represents and warrants that any joint purchases by the Service Recipient and the Service Provider: (1) shall account for less than 35% of the total sales of the purchased product or service in the market; and (2) the cost of the products and services purchased jointly accounts for less than 20% of the total revenues from all products or services sold by each competing participant in the joint purchasing arrangement.

Exhibit 5

to the BPO Sub-Agreement B-5

Proprietary and Confidential Information and Protected Intellectual Property

None.

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of_____ _____, 2013("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.** with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076("Covered Entity"), and **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a

request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Printed Name: STUART E. Rosenberg
Title: President and CEO

BUSINESS ASSOCIATE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
Printed Name:
Title:

AMENDED AND RESTATED
BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to the Business Process Outsourcing Agreement

Sub-Agreement Number: B-5

This Amended and Restated Business Process Outsourcing Sub-Agreement B-5 to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Business Process Outsourcing Sub-Agreement B-5 to the Business Process Outsourcing Agreement effective August 19, 2013, whereby JMMC has engaged Saint Francis Care to provide support services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: **Supply Chain Management**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, and if applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0676
BY: _____ DATE: 9.22.14

Exhibit 1
to BPO Sub-Agreement B-5

Scheduled Services

Consulting

JMMC is requesting consulting assistance with the system's supply chain including purchasing, inventory management, distribution and service contracts. The management services will be provided by the Director of SFC Supply Chain (David Walsh) in conjunction with on site JMMC staff.

Management will include the following:

- Review of current purchasing process and vendors.
- Establishment of a value management process.
- Review of all service contracts and other costs.
- On site and phone support will be provided as part of the agreement.

SFC Supply Chain guidelines and protocols may be shared with JMMC as a resource in developing JMMC specific processes.

Exhibit 2
to BPO Sub-Agreement B-5

Scheduled Services Fee

Service	Rate
Supply Chain Consulting • JMMC Supply Chain Consultation • Mileage pass thru (as defined in SFC policy)	Yearly retainer rate of $15,300 Benefits = 29% Admin fee = 3% IRS rate

Exhibit 3
to BPO Sub-Agreement B-5

Additional Qualifications

NONE

Exhibit 4
to BPO Sub-Agreement B-5

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for one (1) year commencing on October 1, 2014 and expiring on September 30, 2015. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

Exhibit 5
to BPO Sub-Agreement B-5

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Supply Chain Consultation** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-5 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

Clinical Services Sub-Agreement
to Clinical Affiliation Agreement

Sub-Agreement Number: B-1

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis Care, and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated August 1, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Hospitalist Service.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be August 1, 2012 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Service Recipient and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Hospital, Inc.

The "**Service Provider**" shall mean: Saint Francis Medical Group, Inc.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, the Service Recipient shall and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David Morgan
President and CEO

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
Christopher M. Dadlez
President and CEO

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David Morgan
President and CEO

Service Provider:

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
Rolf Knoll, M.D.
Its: President

Z:\Legal Department\CONTRACTS_PROJECTS\Johnson Memorial\Hospitalists\Hospitalist Program Agreement\120801 Hospitalist Services Sub-Agreement final.DOCX

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12.318
BY: _____ DATE: 8/1/2012

Exhibit 1

to Clinical Services Sub-Agreement B-1

Scheduled Services

1. Direct Patient Care.

(a) The Service Provider shall operate the hospitalist program at Service Recipient (the "Hospitalist Program" or "Program"). The Service Provider shall provide direct clinical care 24 hours per day, 365 days per year for the Program. This coverage will be provided by the Service Provider's Hospitalists, locum tenens and advanced practice professionals ("APPs") (collectively, "Providers"), as determined by the Service Provider. The Service Provider shall make Hospitalists and locum tenens, as necessary, available to Service Recipient to provide, in accordance with patient needs and patient census, direct patient care for patients admitted to the Service Recipient's Hospitalist Program during the hours of 7am-7pm on a daily basis. In addition, the Service Provider shall make APPs available to the Service Recipient to provide direct patient care for patients admitted to the Service Recipient's Hospitalist Program during the hours of 7pm-7am on a daily basis ("Night Coverage") with supervision by the Service Provider Hospitalists; provided, however, that at the Service Provider's discretion, Hospitalists may provide Night Coverage in lieu of APPs. The Service Provider Hospitalists will be available by phone for the APPs as needed.

(b) Service Provider will set the schedule and staffing and coverage model. The Service Provider will notify the Service Recipient of proposed material changes to the Hospitalist Program staffing and coverage model for Service Recipient's approval. Such approval shall not be unreasonably withheld. The Service Provider shall provide in a schedule of daily coverage to the Service Recipient listing the Providers that are expected to be present or on call with their contact information, as appropriate, and shall notify Service Recipient of any changes thereto.

(c) Direct Patient Care Guidelines. The Direct Patient Care Services provided under Section 1(a) above shall be provided consistent with the Service Provider's Hospitalist Medicine clinical guidelines and care protocols. Direct admissions to the Service Recipient's Hospitalist Program shall be in accordance with the Admission Protocols identified in Section 3 below. Providers shall initiate patient transfers to a higher level of care facility when required in accordance with clinical indications and guidelines established by the Service Provider in collaboration with Service Recipient shall not be unreasonably withheld. Physicians, and APPs as appropriate, shall also participate in Service Recipient's quality initiatives as requested by Service Recipient's leadership. Physicians shall participate in Medical Staff meetings and activities, as appropriate in connection

with the duties provided under this Sub-Agreement, and as requested by the Service Recipient

2. Hospitalist Program Medical Director.

(a) The Service Provider's Section Chief of Hospitalist Medicine shall serve as the Medical Director of the Service Recipient's Hospitalist Program (the "Director"). The Director will provide oversight and management of the Hospitalist Program. The Director's operational duties shall include scheduling, staffing, quality assurance, referring physician and patient satisfaction, and in collaboration with the Service Recipient the implementation of evidence-based clinical guidelines and protocols. The Director shall work collaboratively with the Service Recipient's Vice President of Medical Affairs in addressing physician and patient complaints regarding the Hospitalist Program in accordance with JMMC policies.

(b) The Director and such other Service Provider hospitalist leadership, as applicable, will perform regular site visits and maintain ongoing communication with the Service Recipient administrative and medical leadership. The Director will provide problem-solving assistance related to the Hospitalist Program to the Service Recipient staff, as requested, and serve as a content resource for Department of Public Health, Centers for Medicare and Medicaid Services and The Joint Commission visits. The Director will provide approximately Five Hundred Twenty (520) hours of services annually. The Director will provide the Service Recipient with monthly time reports.

(c) Following implementation of the Service Recipient's Hospitalist Program, the Director may delegate operational management to another Hospitalist to serve in the role of site Director based on input from the Service Recipient; provided, however, that any such delegation is conditioned on such Hospitalist maintaining the level of service to the Service Recipient, its patients and medical staff, as prescribed by this Sub-Agreement. The Hospitalist serving as the new site Director will continue to collaborate with the Service Provider's hospitalist leadership with respect to the Program.

3. Direct Admission Protocol

(a) Patient Selection

(i) Patients over 15 years of age with an acute or chronic medical illness who cannot adequately be cared for in an outpatient setting.

(ii) Patients over 15 years of age with an acute medical or surgical illness who may (but do not definitely) require surgery.

(iii)Patients over 15 years of age who require surgery but who have a co-morbid medical condition requiring ongoing medical care.

(b) Process

(i) Referring physician will call the admitting physician on hospitalist service to relay the reasons for admission and to receive acceptance for medical evaluation.

(ii) Referring physician will supply the medical record with the patient or will fax relevant information from the medical record to the admitting physician.

(iii) Transfer information to be supplied to the hospitalist at the time of admission should include the following:

1. Brief history of present illness
2. Past medical and surgical history, including co-morbid conditions
3. Current medications
4. Medication allergies
5. Legal next of kin
6. Do not resuscitate status/living will status
7. Discharge/transfer summary when appropriate

(c) Admission Discrepancy/Borderline Admissions

(i) When there is a difference of opinion about the admission of a patient to the hospital, the hospitalist is expected to provide a reason why admission is not warranted, as well as an alternative outpatient management plan.

(d) Admission to Hospitalist Service at Service Recipient

(i) Admitting physician will supply a copy of the admitting history, physical examination, and plan of care to the referring physician within one hour of evaluation.

(ii) Hospitalist will provide updates with significant changes in clinical status and at discharge.

(iii) Hospitalist will involve the referring physician in any major diagnostic treatment plans.

(iv) Hospitalist will work with the referring physician to plan the discharge of patient.

(v) Hospitalist will supply a dictated discharge summary within 24 hours of discharge.

(vi) Psychiatry H&Ps as requested.

(vii) Observation status patients will be admitted to the Hospitalist Service.

4.

Exhibit 2
to Clinical Services Sub-Agreement B-1

Scheduled Services Fee

Direct Patient Care Services Compensation. In consideration of Service Provider's agreement to make the Providers available to provide the Direct Patient Care Services hereunder and ensure adequate coverage services for the Service Recipient's Hospitalist Program, Service Recipient shall compensate Service Provider at a rate of $50 per worked RVU ("wRVU"). Service Provider will invoice Service Recipient monthly based on wRVUs worked in the previous month as evidenced by a summary billing report. The compensation herein is intended by the parties to reflect fair market value for the availability and the coverage services provided by Service Provider to the Program, and does not take into account in any way the volume or value of referrals or business generated between the parties.

1. Director Compensation. In consideration of the services provided by the Director under this Sub-Agreement, Service Recipient shall pay Service Provider monthly installments of Six Thousand Two Hundred Fifty Dollars ($6,250.00).

2. Compensation Review. After the first anniversary of this Sub-Agreement, the fees set forth above shall be subject to review at the request of either Party. The Parties agree that there shall not be more than one (1) such review per year.

Exhibit 3
to Clinical Services Sub-Agreement B-1

Additional Qualifications

1. **Technical Quality**
   (a) Achieve and maintain certification by the American Board of Internal Medicine in accordance with Service Recipient's medical staff bylaws.
   (b) Maintain membership on the Medical Staffs of Saint Francis Hospital and Medical Center and Johnson Memorial Hospital.
   (c) Complete 50 hours of accredited continuing medical education annually in topics related to inpatient medicine.
   (d) Achieve and maintain certification by the American Heart Association in advanced cardiac life support.

2. **Life Support**
   (a) Achieve and maintain proficiency in endotracheal intubation, ACLS, PALS.

3. **Service Quality**
   (a) Provide prompt responses to calls from nursing units and the emergency department.
   (b) Maintain friendly relations with patients and families and avoid confrontations.

4. **Productivity**
   (a) Complete evaluations of all admissions and other patients prior to the completion of your shift.
   (b) Assess utilization of intensive care and telemetry beds during your shift, and avoid holding patients in the emergency department.

5. **Resource Utilization**
   (a) Comply with clinical guidelines adopted by the Program relating to disease management, medications, and testing.

6. **Co-worker Relations**
   (a) Develop positive relations with community physicians, emergency physicians, nurses, case managers, and other staff.
   (b) Resolve conflicts with physicians and co-workers in a quiet and professional manner.
   (c) Respond positively to suggestions from physician and non-physician co-workers.

Exhibit 4
to Clinical Services Sub-Agreement B-1

Additional Sub-Agreement Terms

1. Locums Tenens. Notwithstanding anything contained herein or in the Clinical Affiliation Agreement to the contrary, the Service Provider may recruit, screen and engage the services of locum tenens physicians to provide the clinical services to the Service Recipient pursuant to this Sub-Agreement when it is determined by the Service Provider in its sole discretion to be clinically appropriate.

2. Billing and Charges. Notwithstanding anything contained in the Clinical Affiliation Agreement to the contrary, Service Recipient agrees that Service Provider shall have the sole right to set any and all charges for all professional services rendered by a Provider and a locum tenens provider under this Sub-Agreement. Service Provider shall be entitled to bill and make all collections from patients or third party payors, including Medicare and Medicaid, for professional services rendered by a Provider or a locum tenens provider under this Sub-Agreement, and Service Recipient hereby assigns to Service Provider all monies due to a Provider or a locum tenens provider as a result of providing such professional services. Service Recipient agrees not to render any bills independently for the professional services rendered hereunder, and Service Recipient acknowledges that it has no right, title or interest in or to accounts receivable, or funds otherwise resulting from the rendition by a Provider or a locum tenens provider of such Services. Service Recipient agrees to provide Service Provider electronic access to necessary information systems to appropriately bill the professional services rendered under this Sub-Agreement.

   The Service Provider agrees to use reasonable efforts in good faith to obtain credentialing for the Service Provider and all Providers providing Direct Patient Care under this Sub-Agreement with Medicare, Medicaid and other governmental health benefit programs, and with commercial managed care programs, provider networks or preferred provider programs (to the extent applicable to the Direct Patient Care services provided under this Sub-Agreement), in which the Service Recipient participates. Service Recipient shall provide Service Provider with a list of the providers and programs with which it participates upon execution of this Agreement and within thirty days of any changes in such programs.

3. Quality Data. The parties agree to work together to develop a hospitalist program dashboard. Service Recipient shall provide monthly reports of agreed upon quality metrics for which it has access to applicable data to the Director for the purposes of ongoing program oversight, physician compensation and Service Provider administration. Service Provider shall combine Service Recipient's data with its own data to complete the dashboard. The metrics may be changed from time to time as needed to continuously

improve the Program's performance and meet the quality objectives of Service Recipient, provided, however, that the metrics will not be changed more than once annually. Approval of metric changes shall be subject to mutual agreement of Service Recipient Administration and Service Provider Program Director. Below is a list of data metric examples that may be utilized by Service Recipient and Service Provider:

(a) Quality Report Examples

Group Indicator
Hosp. Mortality Rate
Hosp. Readmission Rate
CAUTI Rate
Hospitalist Satisfaction
VTE Prophylaxis
Core Measures
LOS Index
Direct Cost
Volume(encounter)

Hospitalist Indicator
Readmission Rate
VTE Prophylaxis
LOS Index
Discharge before 11 am
Direct Cost
Charges
Payments
RVU

Group Operational Data
Volume
ALOS
Charges
Payments
Group Mortality Rate
Group Readmission Rate
Discharge Timeliness
Covered beds %

Exhibit 5
to Clinical Services Sub-Agreement B-1

Proprietary and Confidential Information and Protected Intellectual Property

NONE

FIRST AMENDMENT TO CLINICAL SERVICES SUBAGREEMENT B-1

TO CLINICAL AFFLIATION AGREEMENT

THIS FIRST AMENDMENT ("Amendment") is entered into effective as of October 1, 2014 by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.**, a Connecticut non-profit corporation with an office at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06082 ("JMMC"), **JOHNSON MEMORIAL HOSPITAL, INC.** ("Service Recipient"), **SAINT FRANCIS CARE, INC.** a Connecticut non-stock corporation with an office at 114 Woodland Street, Hartford, Connecticut 06105 ("Saint Francis"), and **SAINT FRANCIS MEDICAL GROUP, INC.**, ("Service Provider"). Together, JMMC, Saint Francis, Service Recipient and Service Provider are the "Parties," and each is a "Party."

RECITALS

WHEREAS, the Partiesentered into to that certain Clinical Services Sub-Agreementto Clinical Affiliation Agreement Sub-Agreement Number: B-1dated and effective as of August 1, 2012 (the "Agreement"), which remains in effect; and

WHEREAS, the Parties wish to amend the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the Parties agree to amend the Agreement as follows:

1. Exhibit 1 is deleted in its entirety and replaced with the attached Exhibit 1.

2. Exhibit 2 is deleted in its entirety and replaced with the attached Exhibit 2.

3. **Binding Amendment.** This First Amendment shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors and assigns.

4. **Agreement.** Except as expressly amended herein, the Agreement is hereby ratified and confirmed.

5. **Definitions.** All terms defined in the Agreement shall have the same meaning in this Amendment. Any terms defined herein and not otherwise in the Agreement shall have the meanings ascribed to them herein.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their respective duly authorized representatives under seal effective as of the date first above written.

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive
Saint Francis Hospital and Medical Center
Its: Duly authorized agent

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Exhibit 1
to Clinical Services Sub-Agreement B-1

Scheduled Services

1. Direct Patient Care.
   a. The Service Provider shall operate the hospitalist program at Service Recipient (the "Hospitalist Program" or "Program"). The Service Provider shall provide direct clinical care 24 hours per day, 365 days per year for the Program. This coverage will be provided by the Service Provider's Hospitalists, Nocturnist Physicians, locum tenens and advanced practice professionals ("APPs") (collectively, "Providers"), as determined by the Service Provider. The Service Provider shall make Hospitalists and locum tenens, as necessary, available to Service Recipient to provide direct patient care for patients admitted to the Service Recipient's Hospitalist Program during the hours of 7am-7pm on a daily basis. In addition, the Service Provider shall make Nocturnist Physicians available to the Service Recipient to provide direct patient care for patients admitted to the Service Recipient's Hospitalist Program during the hours of 7pm-7am on a daily basis ("Night Coverage"); provided, however, that at the Service Provider's discretion, APPs may provide Night Coverage in lieu of Nocturnist Physicians with supervision by the Service Provider Hospitalists. The Service Provider Hospitalists will be available by phone for the APPs as needed.

   b. Service Provider will set the schedule and staffing and coverage model. The Service Provider will notify the Service Recipient of proposed material changes to the Hospitalist Program staffing and coverage model for Service Recipient's approval. Such approval shall not be unreasonably withheld. The Service Provider shall provide in a schedule of daily coverage to the Service Recipient listing the Service Providers that are expected to be present or on call with their contact information, as appropriate, and shall notify Service Recipient of any changes thereto. The Service Provider will also provide back-up on call coverage.

   c. Direct Patient Care Guidelines. The Direct Patient Care Services provided under Section 1(a) above shall be provided consistent with the Service Provider's Hospitalist Medicine clinical guidelines and care protocols. Direct admissions to the Service Recipient's Hospitalist Program shall be in accordance with the Admission Protocols identified in Section 3 below. Providers shall initiate patient transfers to a higher level of care facility when required in accordance with clinical indications and guidelines established by the Service Provider in collaboration with Service Recipient shall not be unreasonably withheld. Physicians, and APPs as appropriate, shall also participate in Service Recipient's quality initiatives as requested by Service Recipient's leadership. Physicians shall

participate in Medical Staff meetings and activities, as appropriate in connection with the duties provided under this Sub-Agreement, and as requested by the Service Recipient

2. Hospitalist Program Medical Director.

   a. The Service Provider's Section Chief of Hospitalist Medicine shall serve as the Medical Director of the Service Recipient's Hospitalist Program (the "Director"). The Director will provide oversight and management of the Hospitalist Program. The Director's operational duties shall include scheduling, staffing, quality assurance, referring physician and patient satisfaction, and in collaboration with the Service Recipient the implementation of evidence-based clinical guidelines and protocols. The Director shall work collaboratively with the Service Recipient's Vice President of Medical Affairs in addressing physician and patient complaints regarding the Hospitalist Program in accordance with JMMC policies.

   b. The Director and such other Service Provider hospitalist leadership, as applicable, will perform regular site visits and maintain ongoing communication with the Service Recipient administrative and medical leadership. The Director will provide problem-solving assistance related to the Hospitalist Program to the Service Recipient staff, as requested, and serve as a content resource for Department of Public Health, Centers for Medicare and Medicaid Services and The Joint Commission visits. The Director will provide approximately Five Hundred Twenty (520) hours of services annually. The Director will provide the Service Recipient with monthly time reports.

   c. Following implementation of the Service Recipient's Hospitalist Program, the Director may delegate operational management to another Hospitalist to serve in the role of site Director based on input from the Service Recipient; provided, however, that any such delegation is conditioned on such Hospitalist maintaining the level of service to the Service Recipient, its patients and medical staff, as prescribed by this Sub-Agreement. The Hospitalist serving as the new site Director will continue to collaborate with the Service Provider's hospitalist leadership with respect to the Program.

3. Direct Admission Protocol
   a. Patient Selection
      i. Patients over 15 years of age with an acute or chronic medical illness who cannot adequately be cared for in an outpatient setting.
      ii. Patients over 15 years of age with an acute medical or surgical illness who may (but do not definitely) require surgery.

iii. Patients over 15 years of age who require surgery but who have a co-morbid medical condition requiring ongoing medical care.

b. Process
   i. Referring physician will call the admitting physician on hospitalist service to relay the reasons for admission and to receive acceptance for medical evaluation.
   ii. Referring physician will supply the medical record with the patient or will fax relevant information from the medical record to the admitting physician.
   iii. Transfer information to be supplied to the hospitalist at the time of admission should include the following:
      1. Brief history of present illness
      2. Past medical and surgical history, including co-morbid conditions
      3. Current medications
      4. Medication allergies
      5. Legal next of kin
      6. Do not resuscitate status/living will status
      7. Discharge/transfer summary when appropriate

c. Admission Discrepancy/Borderline Admissions
   i. When there is a difference of opinion about the admission of a patient to the hospital, the hospitalist is expected to provide a reason why admission is not warranted, as well as an alternative outpatient management plan.

d. Admission to Hospitalist Service at Service Recipient
   i. Admitting physician will supply a copy of the admitting history, physical examination, and plan of care to the referring physician within one hour of evaluation.
   ii. Hospitalist will provide updates with significant changes in clinical status and at discharge.
   iii. Hospitalist will involve the referring physician in any major diagnostic treatment plans.
   iv. Hospitalist will work with the referring physician to plan the discharge of patient.
   v. Hospitalist will supply a dictated discharge summary within 24 hours of discharge.
   vi. Psychiatry H&Ps as requested.
   vii. Observation status patients will be admitted to the Hospitalist Service.

Exhibit 2

to Clinical Services Sub-Agreement B-1

Scheduled Services Fee

1. Direct Patient Care Services Compensation. In consideration of Service Provider's agreement to make the Providers available to provide the Direct Patient Care Services hereunder and ensure adequate coverage services for the Service Recipient's Hospitalist Program, Service Recipient shall compensate Service Provider at a rate of $55 per worked RVU ("wRVU"). Service Provider will invoice Service Recipient monthly based on wRVUs worked in the previous month as evidenced by a summary billing report. The compensation herein is intended by the parties to reflect fair market value for the availability and the coverage services provided by Service Provider to the Program, and does not take into account in any way the volume or value of referrals or business generated between the parties.

2. Back-Up On Call Coverage. In consideration of the back-up on call coverage provided by the Service Provider under this Sub-Agreement, Service shall pay Service Provider monthly installments of Six Thousand Five Hundred and 00/100 Dollars ($6,500.00).

3. Director Compensation. In consideration of the services provided by the Director under this Sub-Agreement, Service Recipient shall pay Service Provider monthly installments of Six Thousand Two Hundred Fifty Dollars ($6,250.00).

4. Compensation Review. After the first anniversary of this Sub-Agreement, the fees set forth above shall be subject to review at the request of either Party. The Parties agree that there shall not be more than one (1) such review per year.

AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement to the Clinical Affiliation Agreement

Sub-Agreement Number: B-1

This Amended and Restated Clinical Services Sub-Agreement B-1 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-1 to the Clinical Affiliation Agreement effective August 1, 2012 and amended pursuant to a First Amendment to Clinical Services Sub-Agreement B-1 to Clinical Affiliation Agreement dated October 1, 2014, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Hospitalist Service**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Hospital, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Medical Group, Inc.**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President
Chief Operating Officer
& Chief Physician Executive
Saint Francis Hospital and
Medical Center
Its: Duly authorized agent

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0785
BY: _____ DATE: 9/23/2014

Exhibit 1
to Clinical Services Sub-Agreement B-1

1. **Direct Patient Care.**

   a. The Service Provider shall operate the hospitalist program at Service Recipient (the "Hospitalist Program" or "Program"). The Service Provider shall provide direct clinical care 24 hours per day, 365 days per year for the Program. This coverage will be provided by the Service Provider's Hospitalists, Nocturnist Physicians, locum tenens and advanced practice professionals ("APPs") (collectively, "Providers"), as determined by the Service Provider. The Service Provider shall make Hospitalists and locum tenens, as necessary, available to Service Recipient to provide direct patient care for patients admitted to the Service Recipient's Hospitalist Program during the hours of 7am-7pm on a daily basis. In addition, the Service Provider shall make Nocturnist Physicians available to the Service Recipient to provide direct patient care for patients admitted to the Service Recipient's Hospitalist Program during the hours of 7pm-7am on a daily basis ("Night Coverage"); provided, however, that at the Service Provider's discretion, APPs may provide Night Coverage in lieu of Nocturnist Physicians with supervision by the Service Provider Hospitalists. The Service Provider Hospitalists will be available by phone for the APPs as needed.

   b. Service Provider will set the schedule and staffing and coverage model. The Service Provider will notify the Service Recipient of proposed material changes to the Hospitalist Program staffing and coverage model for Service Recipient's approval. Such approval shall not be unreasonably withheld. The Service Provider shall provide in a schedule of daily coverage to the Service Recipient listing the Service Providers that are expected to be present or on call with their contact information, as appropriate, and shall notify Service Recipient of any changes thereto. The Service Provider will also provide back-up on call coverage.

   c. Direct Patient Care Guidelines. The Direct Patient Care Services provided under Section 1(a) above shall be provided consistent with the Service Provider's Hospitalist Medicine clinical guidelines and care protocols. Direct admissions to the Service Recipient's Hospitalist Program shall be in accordance with the Admission Protocols identified in Section 3 below. Providers shall initiate patient transfers to a higher level of care facility when required in accordance with clinical indications and guidelines established by the Service Provider in collaboration with Service Recipient shall not be unreasonably withheld. Physicians, and APPs as appropriate, shall also participate in Service Recipient's quality initiatives as requested by Service Recipient's leadership. Physicians shall participate in Medical Staff meetings and activities, as appropriate in connection with the duties provided under this Sub-Agreement, and as requested by the Service Recipient

2. **Hospitalist Program Medical Director**.

a. The Service Provider's Section Chief of Hospitalist Medicine shall serve as the Medical Director of the Service Recipient's Hospitalist Program (the "Director"). The Director will provide oversight and management of the Hospitalist Program. The Director's operational duties shall include scheduling, staffing, quality assurance, referring physician and patient satisfaction, and in collaboration with the Service Recipient the implementation of evidence-based clinical guidelines and protocols. The Director shall work collaboratively with the Service Recipient's Vice President of Medical Affairs in addressing physician and patient complaints regarding the Hospitalist Program in accordance with JMMC policies.

b. The Director and such other Service Provider hospitalist leadership, as applicable, will perform regular site visits and maintain ongoing communication with the Service Recipient administrative and medical leadership. The Director will provide problem-solving assistance related to the Hospitalist Program to the Service Recipient staff, as requested, and serve as a content resource for Department of Public Health, Centers for Medicare and Medicaid Services and The Joint Commission visits. The Director will provide approximately Five Hundred Twenty (520) hours of services annually. The Director will provide the Service Recipient with monthly time reports.

c. Following implementation of the Service Recipient's Hospitalist Program, the Director may delegate operational management to another Hospitalist to serve in the role of site Director based on input from the Service Recipient; provided, however, that any such delegation is conditioned on such Hospitalist maintaining the level of service to the Service Recipient, its patients and medical staff, as prescribed by this Sub-Agreement. The Hospitalist serving as the new site Director will continue to collaborate with the Service Provider's hospitalist leadership with respect to the Program.

3. **Direct Admission Protocol**

a. Patient Selection
   i. Patients over 18 years of age with an acute or chronic medical illness who cannot adequately be cared for in an outpatient setting.
   ii. Patients over 18 years of age with an acute medical or surgical illness who may (but do not definitely) require surgery.
   iii. Patients over 18 years of age who require surgery but who have a co-morbid medical condition requiring ongoing medical care.

b. Process
    i. Referring physician will call the admitting physician on hospitalist service to relay the reasons for admission and to receive acceptance for medical evaluation.
    ii. Referring physician will supply the medical record with the patient or will fax relevant information from the medical record to the admitting physician.
    iii. Transfer information to be supplied to the hospitalist at the time of admission should include the following:
        1. Brief history of present illness
        2. Past medical and surgical history, including co-morbid conditions
        3. Current medications
        4. Medication allergies
        5. Legal next of kin
        6. Do not resuscitate status/living will status
        7. Discharge/transfer summary when appropriate
c. Admission Discrepancy/Borderline Admissions
    i. When there is a difference of opinion about the admission of a patient to the hospital, the hospitalist is expected to provide a reason why admission is not warranted, as well as an alternative outpatient management plan.
d. Admission to Hospitalist Service at Service Recipient
    i. Admitting physician will supply a copy of the admitting history, physical examination, and plan of care to the referring physician within one hour of evaluation.
    ii. Hospitalist will provide updates with significant changes in clinical status and at discharge.
    iii. Hospitalist will involve the referring physician in any major diagnostic treatment plans.
    iv. Hospitalist will work with the referring physician to plan the discharge of patient.
    v. Hospitalist will supply a dictated discharge summary within 24 hours of discharge.
    vi. Psychiatry H&Ps as requested.
    vii. Observation status patients will be admitted to the Hospitalist Service.

Exhibit 2
to Clinical Services Sub-Agreement B-1

Scheduled Services Fee

1. Direct Patient Care Services Compensation. In consideration of Service Provider's agreement to make the Providers available to provide the Direct Patient Care Services hereunder and ensure adequate coverage services for the Service Recipient's Hospitalist Program, Service Recipient shall compensate Service Provider at a rate of $55 per worked RVU ("wRVU"). Service Provider will invoice Service Recipient monthly based on wRVUs worked in the previous month as evidenced by a summary billing report. The compensation herein is intended by the parties to reflect fair market value for the availability and the coverage services provided by Service Provider to the Program, and does not take into account in any way the volume or value of referrals or business generated between the parties.

2. Back-Up On Call Coverage. In consideration of the back-up on call coverage provided by the Service Provider under this Sub-Agreement, Service shall pay Service Provider monthly installments of Six Thousand Five Hundred and 00/100 Dollars ($6,500.00).

3. Director Compensation. In consideration of the services provided by the Director under this Sub-Agreement, Service Recipient shall pay Service Provider monthly installments of Six Thousand Two Hundred Fifty Dollars ($6,250.00).

4. Administration Fee. In consideration of the administration services provided by Service Provider under this Sub-Agreement, the Service Recipient shall pay Service Provider a monthly administration fee of three (3) percent.

5. Compensation Review. After the first anniversary of this Sub-Agreement, the fees set forth above shall be subject to review at the request of either Party. The Parties agree that there shall not be more than one (1) such review per year.

Exhibit 3
to Clinical Services Sub-Agreement B-1

Additional Qualifications

1. **Technical Quality**
   (a) Achieve and maintain certification by the American Board of Internal Medicine in accordance with Service Recipient's medical staff bylaws.
   (b) Maintain membership on the Medical Staffs of Saint Francis Hospital and Medical Center and Johnson Memorial Hospital.
   (c) Complete 50 hours of accredited continuing medical education annually in topics related to inpatient medicine.
   (d) Achieve and maintain certification by the American Heart Association in advanced cardiac life support.

2. **Service Quality**
   (a) Provide prompt responses to calls from nursing units and the emergency department.
   (b) Maintain friendly relations with patients and families and avoid confrontations.

3. **Productivity**
   (a) Complete evaluations of all admissions and other patients prior to the completion of your shift.
   (b) Assess utilization of intensive care and telemetry beds during your shift, and avoid holding patients in the emergency department.

4. **Resource Utilization**
   (a) Comply with clinical guidelines adopted by the Program relating to disease management, medications, and testing.

5. **Co-worker Relations**
   (a) Develop positive relations with community physicians, emergency physicians, nurses, case managers, and other staff.
   (b) Resolve conflicts with physicians and co-workers in a quiet and professional manner.
   (c) Respond positively to suggestions from physician and non-physician co-workers.

Exhibit 4
to Clinical Services Sub-Agreement B-1

Additional Sub-Agreement Terms

1. Locums Tenens. Notwithstanding anything contained herein or in the Clinical Affiliation Agreement to the contrary, the Service Provider may recruit, screen and engage the services of locum tenens physicians to provide the clinical services to the Service Recipient pursuant to this Sub-Agreement when it is determined by the Service Provider in its sole discretion to be clinically appropriate.

2. Billing and Charges. Notwithstanding anything contained in the Clinical Affiliation Agreement to the contrary, Service Recipient agrees that Service Provider shall have the sole right to set any and all charges for all professional services rendered by a Provider and a locum tenens provider under this Sub-Agreement. Service Provider shall be entitled to bill and make all collections from patients or third party payors, including Medicare and Medicaid, for professional services rendered by a Provider or a locum tenens provider under this Sub-Agreement, and Service Recipient hereby assigns to Service Provider all monies due to a Provider or a locum tenens provider as a result of providing such professional services. Service Recipient agrees not to render any bills independently for the professional services rendered hereunder, and Service Recipient acknowledges that it has no right, title or interest in or to accounts receivable, or funds otherwise resulting from the rendition by a Provider or a locum tenens provider of such Services. Service Recipient agrees to provide Service Provider electronic access to necessary information systems to appropriately bill the professional services rendered under this Sub-Agreement.

   The Service Provider agrees to use reasonable efforts in good faith to obtain credentialing for the Service Provider and all Providers providing Direct Patient Care under this Sub-Agreement with Medicare, Medicaid and other governmental health benefit programs, and with commercial managed care programs, provider networks or preferred provider programs (to the extent applicable to the Direct Patient Care services provided under this Sub-Agreement), in which the Service Recipient participates. Service Recipient shall provide Service Provider with a list of the providers and programs with which it participates upon execution of this Agreement and within thirty days of any changes in such programs.

3. Quality Data. The parties agree to work together to develop a hospitalist program dashboard. Service Recipient shall provide monthly reports of agreed upon quality metrics for which it has access to applicable data to the Director for the purposes of ongoing program oversight, physician compensation and Service Provider administration. Service Provider shall combine Service Recipient's data with its own

data to complete the dashboard. The metrics may be changed from time to time as needed to continuously improve the Program's performance and meet the quality objectives of Service Recipient, provided, however, that the metrics will not be changed more than once annually. Approval of metric changes shall be subject to mutual agreement of Service Recipient Administration and Service Provider Program Director. Below is a list of data metric examples that may be utilized by Service Recipient and Service Provider:

(a) Quality Report Examples

Group Indicator
Hosp. Mortality Rate
Hosp. Readmission Rate
CAUTI Rate
Hospitalist Satisfaction
VTE Prophylaxis
Core Measures
LOS Index
Direct Cost
Volume(encounter)

Hospitalist Indicator
Readmission Rate
VTE Prophylaxis
LOS Index
Discharge before 11 am
Direct Cost
Charges
Payments
RVU

Group Operational Data
Volume
ALOS
Charges
Payments
Group Mortality Rate
Group Readmission Rate
Discharge Timeliness
Covered beds %

Exhibit 5

to Clinical Services Sub-Agreement B-1

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Hospitalist Services,** the following contract
(JMMC Entity Name)

review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-1 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director	(Assistant) Vice President	Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

799

Rev. 11/10/2014

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-18

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Employee Assistance Program Services (EAP)**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Johnson Memorial Hospital, Inc., The Johnson Evergreen Corporation, Inc., and Johnson Professional Associates, P.C.**
>
> The "**Service Provider**" shall mean: **Saint Francis Behavioral Health Group, P.C.**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:
SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS BEHAVIORAL HEALTH GROUP, P.C.

By: _____
John F. Rodis, M.D.
Executive Vice President

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO 14-0820
BY: _____ DATE: 10.01.14

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Exhibit 1
to Clinical Services Sub-Agreement B-18

Scheduled Services

- Triage of JMMC employee calls for assistance.
- Referral to community providers, resources, and support services as needed.
- Direct provision of services to JMMC employees.
- Follow up with JMMC employees as needed/requested.
- Services provided at SFBHG offices in Enfield, Hartford or other sites of SFBHG providers.
- Maintaining and reporting of program statistics quarterly.
  Hours of operation: 8am-5pm

Exhibit 2
to Clinical Services Sub-Agreement B-18

Scheduled Services Fee

Service	Rate
EAP Services	$ 70 per call First three visits billed directly to JMMC and then if additional services needed employees insurance will be billed first – remaining balance will be billed to JMMC up to the $70 fee. Administrative fee = 3%
Mileage	Prevailing IRS rate

Exhibit 3
to Clinical Services Sub-Agreement b-18

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-18

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-18

Proprietary and Confidential Information and Protected Intellectual Property

TO BE DETERMINED

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Employee Assistance Program Services,** the following contract
(JMMC Entity Name)

review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-18 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

AGREEMENT FOR PHYSICIAN SERVICES

THIS AGREEMENT FOR PHYSICIANS SERVICES (this "Agreement") is dated effective May 22, 2012 ("Effective Date") and is by and between **SAINT FRANCIS MEDICAL GROUP, INC.**, a Connecticut nonprofit corporation ("SFMG") and **JOHNSON MEMORIAL MEDICAL CENTER, INC,** a Connecticut nonprofit corporation, on behalf of itself and its affiliates ("Johnson"). Together, SFMG and Johnson are the "Parties," and each is a "Party."

RECITALS

WHEREAS, SFMG is a physician practice located in Hartford, Connecticut that employs or contracts with physicians who are board certified or board eligible in infectious disease (each, a "Physician"); and

WHEREAS, Johnson owns and operates an acute care hospital located in Stafford Springs, Connecticut and has established the need for qualified physicians to render the Services (as defined herein); and

WHEREAS, Johnson desires to engage SFMG to arrange for the provision of Services by the Physicians and SFMG desires to be so engaged.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SFMG and Johnson agree as follows:

1. OBLIGATIONS OF SFMG; QUALIFICATIONS OF THE PHYSICIANS

1.1. The Services. SFMG agrees to provide the following professional infectious disease consultation and related administrative services (collectively, the "Services") on behalf of Johnson in accordance with and subject to the terms and conditions of this Agreement:

1.1.1. On-Call Services. SFMG shall make Physicians available to Johnson to provide professional on-call services to patients of Johnson on a twenty-four (24) hour per day, seven (7) day per week basis in accordance with a call schedule established by SFMG (the "On-Call Services"). The designated on-call Physician shall respond by phone to a Johnson physician requesting the on-call Physician's services in accordance with the applicable requirements regarding response time as set forth in the Medical Staff Bylaws of Johnson Memorial Hospital.

1.1.2. Consultations. SFMG shall make a Physician available to provide on-site inpatient consultations, as needed and as agreed upon by SFMG and Johnson (the "Consultative Services"). SFMG shall be entitled to bill and make all collections from patients or third party payors, including Medicare and Medicaid, for professional Consultative Services rendered by a Physician or a locum tenens physician under this Agreement in accordance with Section 4.1 hereof.

1.1.3. Infection Prevention Committee Chair. SFMG shall designate a Physician to serve as the Chairperson of the Johnson Infection Prevention Committee (the "Chair"). The Chair will oversee: an annual review and approval of Johnson Infection Prevention Policies; preparation of an Annual Report of the Infection Prevention Program to Johnson Administration;

infectious disease problem solving assistance to Johnson staff, as requested; and content resource for Department of Public Health, Centers for Medicare and Medicaid Services and The Joint Commission visits. The Chair will also generally be available to attend the Committee's monthly meeting in person or by phone. The foregoing services are collectively referred to herein as the "Chairperson Services." The Chair will provide approximately thirty-four (34) hours of services annually.

1.2. Locums Tenens. Notwithstanding anything contained herein to the contrary, SFMG may engage the services of a locum tenens physician to provide the clinical services to Johnson hereunder when it is determined by SFMG in it sole discretion to be clinically appropriate.

1.3. SFMG's Representations with respect to Physicians. SFMG represents and warrants to Johnson that, to the best of SFMG's knowledge each Physician providing Services hereunder (a) has never has his/her license to practice medicine in any state suspended, revoked or restricted; (b) has never been reprimanded, sanctioned or disciplined by any licensing board or state or local medical society or specialty board; (c) has never been denied membership or reappointment of membership on the medical staff of any hospital and no hospital medical staff membership or clinical privileges of a Physician have ever been suspended, curtailed or revoked; (d) has never been excluded from participation in, or sanctioned by, any state, federal or local health care program, including, without limitation, Medicare or Medicaid; (e) has never been reprimanded, sanctioned or disciplined by a federal or state drug enforcement agency or commission, been denied a federal or state drug enforcement registration number or had a federal or state drug enforcement registration number restricted; and (f) has never been denied professional liability insurance coverage or had such insurance coverage restricted.

1.4. Continuing Qualifications. SFMG shall require Physicians providing Services hereunder to at all times during the term of this Agreement: (a) be duly licensed as a physician under Connecticut law; (b) be Board Certified in infectious disease; (c) be a member in good standing of the active Medical Staff of Johnson Memorial Hospital; (d) hold all clinical privileges on the active Medical Staff of Johnson Memorial Hospital appropriate to the provision of professional services provided by the Physicians hereunder; (e) be a participating provider in the Medicare and Medicaid programs (Titles XVIII and XIX of the Social Security Act, respectively) and not be excluded from, or sanctioned by, any state, federal or local health care program, including, without limitation, Medicare or Medicaid; (f) be insurable under a medical malpractice policy; and (h) maintain unrestricted federal and state drug enforcement registration numbers.

2. OBLIGATIONS OF JOHNSON

2.1. Compliance with Applicable Laws, Regulations and Standards. Johnson shall comply with all applicable laws, rules and regulations of all governmental authorities and accrediting agencies having jurisdiction over Johnson and its medical offices and operations, including, without limitation, (a) Medicare and Medicaid laws, rules and regulations, (b) federal and state laws governing referral of patients, (c) federal and state laws prohibiting discrimination against individuals and (d) federal and state laws governing the confidentiality and privacy of patient health information.

2.2. Space, Equipment, Supplies, Resources and Non-Physician Personnel. Johnson shall provide such space, equipment, supplies, resources, and non-physician personnel, including,

without limitation, allied health professionals, necessary for a Physician's provision of Services and performance under this Agreement.

3. COMPENSATION; BENEFITS

3.1. On-Call Compensation. In consideration of the On-Call Services provided by a Physician under this Agreement, Johnson shall pay SFMG in the amount of One Hundred Seventy-Five Dollars ($175.00) per weekday of coverage and Two Hundred Dollars ($200.00) per weekend day or SFMG-designated holiday. Such amounts shall be payable within thirty (30) days of receipt of an invoice from SFMG.

3.2. Chair Compensation. In consideration of the Chairperson Services provided by the Chair under this Agreement, Johnson shall pay SFMG in the amount of One Hundred Dollars ($100.00) per hour. In addition, Johnson shall pay SFMG the costs of Physician's mileage in accordance with the then-current Internal Revenue Service standard mileage rate. Such amounts shall be payable within thirty (30) days of receipt of an invoice from SFMG.

3.3. Physician Not an Employee of Johnson. It is acknowledged, understood and agreed by the Parties that SFMG is acting as an independent contractor with respect to Johnson in arranging for the provision of the Services of Physicians, and a Physician shall not be deemed to be an employee of Johnson for any purpose whatsoever.

3.4. Non-Referral of Patients. Nothing in this Agreement or in any other written or oral agreement between SFMG and Johnson, nor any consideration offered or paid in connection with this Agreement, contemplates or requires the admission or referral of any patient to Johnson, SFMG or Saint Francis Hospital and Medical Center. Any consideration specified in this Agreement is consistent with what the Parties reasonably believe to be fair market value for the Services.

3.5. Compensation Review. After the first anniversary of this Agreement, the fees set forth above shall be subject to review at the request of either Party. The Parties agree that there shall not be more than one (1) such review per contract.

4. BILLING AND OTHER REIMBURSEMENT REQUIREMENTS

4.1. Billing and Charges. Johnson agrees that SFMG shall have the sole right to set any and all charges for all professional services rendered by a Physician and a locum tenens physician under this Agreement. SFMG shall be entitled to bill and make all collections from patients or third party payors, including Medicare and Medicaid, for professional Services rendered by a Physician or a locum tenens physician under this Agreement, and Johnson hereby assigns to SFMG all monies due to a Physician or a locum tenens physician as a result of providing such professional services. Johnson agrees not to render any bills independently for the professional Services rendered hereunder, and Johnson acknowledges that it has no right, title or interest in or to accounts receivable, or funds otherwise resulting from the rendition by a Physician or a locum tenens physician of such Services.

4.2. Books and Records. Johnson and SFMG shall maintain and make available to all parties financial books and records, and all medical records and charts, in connection with the Services provided hereunder in accordance with industry standards and in compliance with all

applicable state and federal laws and regulations and all requirements for participation and payment associated with private, federal, state, or other public third party payment programs.

4.3. Medicare Compliance and Access by Federal Government. Johnson and SFMG each agree that it will do, and will cause a Physician to do, all things necessary to comply with all Medicare and Medicaid laws, rules, or regulations. Johnson expressly agrees to maintain, for a period of four (4) years after Services are furnished under this contract, all books, records, or other documents relating to Services provided under this contract and the cost thereof, and to provide any documents or information required by the Secretary of the Department of Health and Human Services, the Comptroller General of the United States, or their authorized representatives, as may be required in accordance with Section 1861(v)(1)(I) of the Social Security Act, as amended, and regulations adopted thereunder.

4.4. Notice to SFMG. If Johnson is requested to disclose books, documents or records pursuant to this Section 4, Johnson shall notify SFMG of the nature and scope of such request, and Johnson shall make available, upon request of SFMG, all such books, documents or records during regular business hours.

5. MEDICAL RECORDS

5.1. Ownership of Medical Records. It is acknowledged, understood and agreed by the Parties that Johnson shall have sole and exclusive ownership of any and all medical records, charts, notes and documentation recorded by a Physician or locum tenens physician while providing Services hereunder. Notwithstanding the foregoing, Johnson shall make such records, charts, notes and documentation available to SFMG and any Physician for review or copy upon request for the purpose of defending against any claim or other lawsuit or administrative action against SFMG or a Physician.

6. INSURANCE

6.1. Professional Liability Insurance. During the term of this Agreement, SFMG shall provide, at its expense, professional liability insurance covering all professional services provided by a Physician to Johnson patients in accordance with a Physician's duties under this Agreement, including tail coverage for a Physician's activities following termination of this Agreement. All such professional liability coverage shall have coverage limits of One Million and 00/100 Dollars ($1,000,000.00) per occurrence and Four Million and 00/100 ($4,000,000.00) in the aggregate, costs inclusive.

7. CONFIDENTIALITY

7.1. Confidential Information. The Parties each acknowledge that, while performing their obligations hereunder, the Parties may develop or learn of Confidential Information of the other Party, as defined below. The Parties will at all times hold in confidence all Confidential Information obtained incident to the performance of this Agreement and will never use or disclose any Confidential Information other than as required for the proper performance hereunder or as expressly authorized by the other Party. Without limiting the generality of the foregoing, the Parties each agree to maintain the privacy and confidentiality of information concerning patients in accordance with applicable federal and state law, including, but not limited to, the Health Insurance

Portability and Accountability Act of 1996, and in accordance with SFMG policies and procedures. It is understood and agreed that the restrictions and obligations under this Section 7.1. will continue to apply after the termination of this Agreement, regardless of the reason for such termination. For purposes of this Agreement, "Confidential Information" means any and all information of a Party that is not generally available to the public, including but not limited to the terms of this Agreement, and any information obtained from patients or other third parties with any understanding, express or implied, that it will not be disclosed.

8. TERM AND TERMINATION

8.1. Term. This Agreement shall have an initial term of five (5) years commencing on the Effective Date of this Agreement, unless earlier terminated pursuant to the provisions of this Agreement.

8.2. Termination of Agreement. Notwithstanding any other provisions of this Agreement, this Agreement may be terminated upon any of the following:

8.2.1. By Johnson for Cause. Johnson may terminate this Agreement at any time for Cause upon written notice to SFMG setting forth in reasonable detail the nature of such Cause. The following shall constitute Cause for termination by Johnson: breach by SFMG of this Agreement which, if curable, remains uncured or continues or recurs after thirty (30) days' notice to SFMG specifying in reasonable detail the nature of the breach.

8.2.2. By SFMG for Cause. SFMG may terminate this Agreement at any time for Cause upon written notice to Johnson setting forth in reasonable detail the nature of such Cause. The following shall constitute Cause for termination by SFMG: breach of this Agreement by Johnson which, if curable, remains uncured or continues or recurs after thirty (30) days' notice to Johnson specifying in reasonable detail the nature of the breach.

8.2.3. By Either Party without Cause. This Agreement may be terminated by either SFMG or Johnson at any time without cause upon ninety (90) days' advance written notice to the other Party.

8.2.4. Legal Requirements. In the event legal counsel for either Party advises in good faith that this Agreement or any practices which could be, or are, employed in exercising rights or providing Services under this Agreement pose a material risk of violating any legal requirements, the Parties in good faith shall undertake to revise this Agreement to comply with such legal requirements. In the event the Parties are unable to agree upon the revised terms within thirty (30) days thereafter, either Party may terminate this Agreement immediately upon written notice to the other Party.

8.3. Effect of Termination. Upon expiration or termination of this Agreement, neither Party shall have any further obligation hereunder except for obligations due and owing which arose prior to the date of termination. In the event this Agreement is terminated for any reason during the initial twelve (12) month term, the Parties shall not enter into the same or substantially the same agreement during the remainder of said term.

8.4. Survival. Provisions of this Agreement shall survive any termination if so provided herein or if necessary or desirable to accomplish the purpose of other surviving provisions.

9. INDEMNIFICATION

9.1. Indemnification of Johnson. SFMG agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless Johnson, and Johnson's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions of SFMG in performing its obligations under this Agreement.

9.2. Indemnification of SFMG. Johnson agrees that, to the extent not covered by the insurance required to be maintained under this Agreement, it will defend, indemnify, and hold harmless SFMG, and SFMG's trustees, directors, officers, employees, and agents from and against any and all claims, actions, suits, proceedings, liabilities, losses, demands, judgments, and expenses (including court costs and reasonable attorneys' fees) arising out of the negligent acts or omissions of Johnson in performing its obligations under this Agreement.

9.3. Survival of Rights. The obligations under this Section 9 shall survive the expiration or termination of this Agreement.

10. MISCELLANEOUS PROVISIONS

10.1. Notices. Written notice required under this Agreement shall be effective when delivered by hand or sent by United States registered or certified mail, postage prepaid and return receipt requested, or consigned to an established overnight mail carrier, and addressed or delivered to the Parties at the following addresses (or such address as may hereafter be designated by a Party by written notice thereof to the other Party actually received):

Johnson

Attn: President
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, Connecticut 06076

SFMG

Attn: President
Saint Francis Medical Group, Inc.
114 Woodland Street
Hartford, Connecticut 06105

10.2. Amendment. This Agreement may be amended at any time by mutual agreement of the Parties without additional consideration, provided that any amendment shall become effective only when reduced to writing and signed by the Parties.

10.3. Assignment and Delegation. Johnson shall not assign or delegate any of its rights or obligations under this Agreement, and any such assignment or delegation is expressly prohibited and shall be void. SFMG, in its sole and absolute discretion, shall have the right at any time to assign, delegate or in any manner transfer all or any portion of its interests, obligations or duties under this Agreement to any affiliate of SFMG or any entity that employs a Physician without the consent of Johnson. Subject to the prohibition contained in this Paragraph 11.3, this Agreement

shall be binding upon and inure to the benefit of the successors and permitted assigns of the Parties hereto.

10.4. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of Connecticut, without regard to conflict of law rules.

10.5. Force Majeure. Neither Party shall be liable or be deemed in default of this Agreement for any delay or failure to perform caused by Acts of God, war, acts of terrorism, disasters, strikes, fire, earthquake, other catastrophe, or any similar cause beyond the control of either Party.

10.6. Severability. The provisions of this Agreement shall be deemed severable and if any portion shall be held invalid, illegal or unenforceable for any reason, the remainder of this Agreement shall be effective and binding upon the Parties.

10.7. Cumulation of Remedies. The various rights, options, elections, powers, and remedies of the respective Parties hereto contained in, granted, or reserved by this Agreement, are in addition to any others that said Parties may be entitled to by law; shall be construed as cumulative; and no one of them is exclusive of any of the others, or of any right or priority allowed by law.

10.8. Waiver. No delay or omission by either Party to exercise any right or remedy under this Agreement shall be construed to be either acquiescence or the waiver of the ability to exercise any right or remedy in the future. Any waiver of any terms and conditions hereof must be in writing, and signed by the Parties hereto. A waiver of any term or condition hereof shall not be construed as a future waiver of the same or any other term or condition hereof.

10.9. No Third Party Rights. The Parties do not intend the benefits of this Agreement to inure to any third person not a signatory hereto, including, without limitation, a Physician or any Replacement Physician. Notwithstanding anything contained herein, or any conduct or course of conduct by any Party hereto, before or after signing this Agreement, this Agreement shall not be construed as creating any right, claim or cause of action against either Party by any person or entity not a party to this Agreement.

10.10. Construction of Agreement. The Parties agree that each Party and its counsel have participated fully in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement or any amendment hereto or exhibit herein or therein.

10.11. Captions. Any captions or headings of the articles, sections, subsections, paragraphs, or subparagraphs of this Agreement are solely for the convenience of the Parties; are not a part of this Agreement; and shall not be used for the interpretation or determination of validity of this Agreement or any provision hereof.

10.12. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

10.13. Use of Name and Likeness. Johnson shall not use SFMG's name or likeness in press releases, advertising, promotional materials or public filings without obtaining SFMG's prior written consent.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective duly authorized representatives under seal effective as of the date first above written.

SAINT FRANCIS MEDICAL GROUP, INC.

Signature: _____

Print Name: Rolf Knoll, M.D.

Its: President

JOHNSON MEMORIAL MEDICAL CENTER, INC.

Signature: _____

Print Name: MICHELE URBAN RN

Its: V.P. Patient Care Services

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SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-276
BY: _____ DATE: 5/21/12

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-19

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

WHEREAS, JMMC and Saint Francis Medical Group, Inc. ("**SFMG**") are parties to a certain Agreement for Physician Services with an effective date of May 22, 2012 (the "**Agreement**"), whereby JMMC has engaged SFMG to provide clinical services; and

WHEREAS, SFMG is an affiliate of Saint Francis Care; and

WHEREAS, JMMC, SFMG and Saint Francis Care desire to terminate the Agreement and replace it with this Sub-Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Infectious Disease Consultation and Related Administrative Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Medical Group, Inc.**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management

services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive
Saint Francis Hospital and
Medical Center
Its: Duly authorized agent

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0822
BY: _____ DATE: 10.02.14

Exhibit 1
to Clinical Services Sub-Agreement B-19

Scheduled Services

The Services. Service Provider agrees to provide the following professional infectious disease consultation and related administrative services on behalf of Service Recipient in accordance with and subject to the terms and conditions of this Sub-Agreement and the Clinical Affiliation Agreement:

1. On-Call Services. Service Provider shall make infectious disease physician(s) available to Service Recipient to provide professional on-call services to patients of Service Recipient on a twenty-four (24) hour per day, seven (7) day per week basis in accordance with a call schedule established by Service Provider. The designated on-call physician shall respond by phone to a Service Recipient physician requesting the on-call physician's services in accordance with the applicable requirements regarding response time as set forth in the Medical Staff Bylaws of Johnson Memorial Hospital.

2. Consultations. Service Provider shall make a physician available to provide on-site inpatient consultations, as needed and as agreed upon by Service Provider and Service Recipient. Service Provider shall be entitled to bill and make all collections from patients or third party payors, including Medicare and Medicaid, for professional consultative services rendered by a physician or a locum tenens physician.

3. Infection Prevention Committee Chair. Service Provider shall designate a physician to serve as the Chairperson of the Johnson Infection Prevention Committee (the "Chair"). The Chair will oversee: an annual review and approval of Johnson Infection Prevention Policies; preparation of an Annual Report of the Infection Prevention Program to JMMC Administration; infectious disease problem solving assistance to JMMC staff, as requested; and content resource for Department of Public Health, Centers for Medicare and Medicaid Services and The Joint Commission visits. The Chair will also generally be available to attend the Committee's monthly meeting in person or by phone. The Chair will provide approximately thirty-four (34) hours of services annually.

4. Locums Tenens. Notwithstanding anything contained herein to the contrary, Service Provider may engage the services of a locum tenens physician to provide the clinical services to Service Recipient hereunder when it is determined by Service Provider in its sole discretion to be clinically appropriate.

Exhibit 2
to Clinical Services Sub-Agreement B-19
Scheduled Services Fee

Service	Rate
1. On-Call Services	$175 per weekday of coverage $200 per weekend day or SFMG designated holiday
2. Chair Compensation	$102.00 per your
3. Administrative fee	3%
4. Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-19

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-19

Additional Sub-Agreement Terms

Billing and Charges.

JMMC agrees that SFMG shall have the sole right to set any and all charges for all professional services rendered by a physician and/or a locum tenens physician under this Sub-Agreement. SFMG shall be entitled to bill and make all collections from patients or third party payors, including Medicare and Medicaid, for professional Services rendered by a Physician or a locum tenens physician under this Sub-Agreement and JMMC hereby assigns to SFMG all monies due to a physician and/or a locum tenens physician as a result of providing such professional services. JMMC agrees not to render any bills independently for the professional Scheduled Services rendered hereunder, and JMMC acknowledges that it has no right, title or interest in or to accounts receivable, or funds otherwise resulting from the rendition by a physician and/or a locum tenens physician of such Scheduled Services.

Exhibit 5
to Clinical Services Sub-Agreement B-16

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Infectious Disease Consultation and Related Administrative**
(JMMC Entity Name)

services, the following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-19 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

825

Rev. 11/10/2014

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-13

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among JMMC and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Occupational Health Physician coverage.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **June 2, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc.

The "**Service Provider**" shall mean: Saint Francis Medical Group, Inc.

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:
SAINT FRANCIS *CARE*, INC.

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive of
Saint Francis Hospital and
Medical Center
Duly Authorized

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0480
BY: _____ DATE: 7/8/14

Exhibit 1
to Clinical Services Sub-Agreement B-13

Scheduled Services

See Attached Job Description

- Provide medical services for clients and patients of the JMMC Occupational Health Clinic
- Provide supervision of allied health professionals (PA)
- Provides first and second on call and backup to the PA and staff of the JMMC Occ Health Clinic
- Serve as Medical Director
- Monitors all quality metrics
    - Complete weekly chart review
- Collaborates with JMMC manager and Comp LLC manager on operational management of the clinic

SAINT FRANCIS
Hospital and Medical Center

Mount Sinai
Rehabilitation Hospital
a SAINT FRANCIS Care Provider

CRITERIA-BASED JOB DESCRIPTION

Job Title: Medical Director of Occupational Health/Employee Health Printed: 03Jul14

Code: 19025

Departments: Occupational Health (91800,91810,91801)

Reports to (position): Administrative Director Occupational Health/CEO Connecticut Occupational Medicine Partners, LLC

Supervises (positions): Occupational Health/Employee Health Clinical Staff

FLSA Status: Exempt EEO Classification: Officials/Managers

JOB SUMMARY

The Medical Director of Occupational Health/Employee Health at St. Francis Hospital and Medical Center is responsible for the assessment, preservation, and improvement of the health of workers, as it relates to their job, through the diagnosis and treatment of work-related illness and injury, and the rehabilitation of employees with post occupational injury or illness disability.

JOB QUALIFICATIONS

Education: Medical degree. Meets qualifications of the hospital's Credentials Committee. Board eligible or certified in Occupational and Environmental Medicine, Preventive Medicine, Internal Medicine, Surgery, or Emergency Medicine.

Experience: Previous experience treating work-related injuries required. Member of the American College of Occupational and Environmental Medicine is recommended Hands-on clinical experience providing direct patient care, accurate diagnosis and treatment of work-related injuries or illnesses, familiarity with OSHA, DOT, NIOSH, and NFPA are requirements. Licensure: Current license to practice medicine in the State of Connecticut. Meets qualifications of the hospital's Credentials Committee.

Skills: Interpersonal, Communications skills are required to be at a high-level in order to be effective in communication with outside insurance companies, employers, patients and other physicians including specialists. Work collaboratively with department and hospital administrative and medical staff.

PHYSICAL AND MENTAL EFFORT

Sitting, standing, walking, speaking. The Medical Director of the Department of Occupational Health and Employee Health will provide occupational medicine services in the form of workplace injury/illness treatment and care, assessment/medical surveillance, screening examinations under regulated (DOT/OSHA) and non-regulated pre-employment programs for external business/ corporate accounts and hospital employees. The position requires the ability to frequently lift light objects, perform moderately to highly difficult manipulative tasks requiring arm-hand steadiness, and hand-eye coordination skills; walking, standing and sitting for prolonged periods; seeing objects closely and far away, and hearing normal sounds with some background noises. The position requires the ability to concentrate on fine detail with interruption and attend to tasks for more than 60 minutes at a time. Individuals must be able to understand and relate to theories behind several related concepts and remember multiple tasks given over long periods of time.

ENVIRONMENTAL AND WORKING CONDITIONS

Work within the clinical locations in an outpatient setting, with visits to a variety of work sites including heavy industry. Employee may frequently be exposed to blood and body fluids requiring employee to be knowledgeable of the Saint Francis Hospital & Medical Center's Blood Borne Pathogen Policy.

JOB DUTIES
The following description of job responsibilities and standards are intended to reflect the major responsibilities and duties of the job, but is not intended to describe minor duties or other responsibilities as may be assigned from time to time.

OUR MISSION:
We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

OUR CORE VALUES:
Respect – We honor the worth and dignity of those we serve and with whom we work.
Integrity – We are faithful, trustworthy and just.
Service – We reach out to the community, especially those most in need.
Leadership – We encourage initiative, creativity, learning and research.
Stewardship – We care for and strengthen resources entrusted to us.

Section 1
Saint Francis *Care* – Our Mission, Core Values and Service Excellence Standards:

This section reflects the employee's contributions to the Healthcare System's *Mission, Core Values* and *Service Excellence* and demonstrates the employee's commitment to the moral and ethical values of Saint Francis *Care.* The values are stated, along with core behaviors, which indicate quality performance in this area.

1.1 Contributes to the creation of a compassionate and caring environment for patients, families, and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

1.2 Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

1.3 Exhibits positive service excellence skills to patients, visitors, and coworkers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

1.4 Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

1.5 Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

1.6 Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies, and department finances.

1.7 Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

2. Provides hands-on direct patient care to adult working patients (18-75 years of age) by the diagnosis and treatment of work-related injuries and illnesses.

2.1 Conduct pre-placement physical examinations both regulated (DOT,NFPA, OSHA) and non-regulated (employer based) as well as Medical Review Officer (MRO) services. Medical surveillance/screenings, testing, and assessments are to be performed.

2.2 Provide initial and follow up treatment for referred clients and designs treatment care plans by setting goals, modifying and reevaluating the patient when evidenced by conducting on-going chart review.

2.3 Supervise the clinical staff relative to their day to day clinical responsibilities and their compliance with and adherence to SFHMC's medical policies and procedures.

2.4 Work collaboratively with other allied health professionals within the clinic such as physical therapists, nurses, radiology technicians and medical technicians.

2.5 Completes appropriate documentation (per program policies) in an efficient, timely, clear, concise manner.

3. Communicates at a high level with employers, insurance companies, third-party administrators, managed care organizations, attorneys, and other treating medical providers on a constant basis to manage the flow of information concerning the patient's progress and any/all modifications to their treatment plan while maintaining the appropriate level of patient/physician confidentiality (HIPPA compliant).

3.2 Completes department employee performance improvement review in a timely and equitable manner(if required)

3.3 Initiates an "open door" policy that promotes open lines of communication and a teamwork approach

3.4 Works collaboratively with the Clinic Operations Manager to ensure that operations are consistent with medical policy, administrative policy and operational procedures to insure professional standards are met and maintained.

4.1 Develops and implements routine and episodic clinical quality assurances processes.

4.2 Participates in the development and presentation of educational programs for staff and client companies.

4.3 Demonstrates a positive problem solving approach in resolving problems and complaints.

4.4 Monitors the clinical quality of service and provides for remedial actions when standards are not being met.

4.5 Ensures compliance of all departmental safety and infection control policies as demonstrated by various risk management reports.

4.6 Corrects all deficiencies reported by accreditation and regulatory agencies within approved time frame.

4.7 Assesses situations requiring intervention and refers, if necessary, to appropriate administrative person and/or agency.

4.8 Participates in Safety Committee and Infectious Disease Committee as appointed/assigned. (if required)

4.9 Familiar with OSHA compliance requirements and act as a resource to client companies who are regulated by OSHA, DOT, NFPA, and FAA.

4.10 Serves as Medical review officer with responsibilities for interpretation of drug testing for both pre-employment and for cause.

4.11 Meets with employers to discuss health and safety needs, presents Saint Francis Occupational Medicine services, conducts workplace walk-throughs and other on-site client assessments.

5. Contributes to and promotes the positive image of the hospital.

5.1 Regularly attends and actively participates in assigned meetings and committees involving both SFHMC and COMP,LLC.

5.3 Promotes, supports and engages in projects and activities which develop or improve the Occupational Medicine department.

5.4 Participates in community activities, or professional organizations, in order to promote the service of the Occupational Medicine Department.

5.5 Actively participates in and supports Hospital-wide functions and activities in order to promote high morale among employees and to promote the image of the Hospital.

5.6 Ensures the guest relations programs and its specific Departmental objectives are met through example and expressed customer/patient satisfaction.

5.7 Ensures confidentiality of all patient and Hospital information is maintained by Department staff according to established procedure per HIPPA guidelines.

6. Performs all work duties in a cost effective manner

6.1 Monitors and evaluates the performance of all per diem/contract physician staff used to cover the clinical operation.

6.2 Responsible for the development, implementation, and revision of policies affecting medical practice, judgment, and the overall quality of the Occupational Medicine department (e.g. Blood Borne Pathogens, Exposure Control, Medical Forms, etc.) if required.

6.3 Recommends potential means of growth and development of new and existing services within the clinical environment. Works with the Director of Business Development/ Clinical Operations Manager to solicit, secure and service the needs of the new and existing clients.

6.4 All other duties as assigned by the Administrative Director of Occupational /Employee Health or the CEO of COMP,LLC.

Exhibit 2
to Clinical Services Sub-Agreement B-13

Scheduled Services Fee

Service	Rate
• Physician services (all inclusive in rate) o As needed for the period of 6/2/2014 through 9/1/2014 o PA supervision o On call coverage	Hourly rate= $132 Benefits = 29% Administrative fee= 5%
• Mileage pass thru (as defined in SFMG policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-13

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-13

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-13

Proprietary and Confidential Information and Protected Intellectual Property

NONE

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

See attached.

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of May 14, 2014 ("Effective Date"), by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.** and **JOHNSON PROFESSIONAL ASSOCIATES, P.C.** both with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 (collectively "Covered Entity"), and **SAINT FRANCIS *CARE*, INC. AND SAINT FRANCIS MEDICAL GROUP, INC.,** both with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. **Definitions.**

   a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

   b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by

Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

f. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

h. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

i. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

j. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

k. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

l. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes

disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. **Permitted Uses and Disclosures by Business Associate**

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or

disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

(1) Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

(2) In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

(3) The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. Miscellaneous

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Printed Name: Stuart Rosenberg
Title: President and Chief Executive Officer

BUSINESS ASSOCIATE

SAINT FRANCIS MEDICAL GROUP, INC.

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive
Saint Francis Hospital and Medical Center
Duly Authorized

SAINT FRANCIS *CARE*, INC.

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0480
BY: _____ DATE: 7/8/14

FIRST AMENDMENT TO AGREEMENT

BY AND BETWEEN

JOHNSON MEMORIAL MEDICAL CENTER, INC.

AND

SAINT FRANCIS *CARE*, INC.

THIS FIRST AMENDMENT ("First Amendment") is entered into effective as of August 11, 2014 by and between **JOHNSON MEMORIAL MEDICAL CENTER, INC.**, a Connecticut non-stock corporation with an office at 201 Chestnut Hill Road, Stafford Spring, Connecticut ("**JMMC**") and **SAINT FRANCIS *CARE*, INC.**, a Connecticut non-stock corporation with an office at 114 Woodland Street, Hartford, Connecticut 06105 ("Saint Francis Care").

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to that certain Clinical Services Sub-Agreement to the Clinical Affiliation Agreement, Sub-Agreement Number: B-13 dated and effective as of June 2, 2014 (the "Agreement"), which remains in effect; and

WHEREAS, JMMC and Saint Francis Care wish to amend the Agreement to amend the Service Provider and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend the Agreement as follows:

1. Delete paragraph 3 in its entirety and replace with the following:

   3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

   The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc.

   The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center

2. **Binding Amendment.** This First Amendment shall be binding upon and inure to the benefit of JMMC and Saint Francis Care and their respective legal representatives, successors and assigns.

3. **Agreement.** Except as expressly amended herein, the Agreement is hereby ratified and confirmed.

4. **Definitions.** All terms defined in the Agreement shall have the same meaning in this First Amendment. Any terms defined herein and not otherwise in the Agreement shall have the meanings ascribed to them herein.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their respective duly authorized representatives under seal effective as of the date first above written.

Johnson:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis:
SAINT FRANCIS *CARE*, INC.

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS MEDICAL HOSPITAL AND MEDICAL CENTER

By: _____
John R. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0588
BY: _____ DATE: 8/6/14

AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement to the Clinical Affiliation Agreement

Sub-Agreement Number: B-13

This Amended and Restated Clinical Services Sub-Agreement B-13 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-13 to the Clinical Affiliation Agreement effective June 2, 2014 and amended August 11, 2014 pursuant to a First Amendment to Agreement, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Occupational Health Physician Coverage**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.** and the location of service include: Occupational Health Clinic in Enfield.

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0823
BY: _____ DATE: 10.02.14

K:\Users\Legal Department\CONTRACTS - PROJECTS\Johnson Memorial\Clinical Affiliation Agreement\Sub Agreement (B-13) - Occupational Health Physician\2014-10-02 14-0823 Amended Sub-Agreement (B-13) - Occ Health.docx

Exhibit 1
to Clinical Services Sub-Agreement B-13

Scheduled Services

- Provide medical services for clients and patients of the JMMC Occupational Health Clinic
- Provide supervision of allied health professionals (PA)
- Provides first and second on call and backup to the PA and staff of the JMMC Occ Health Clinic during normal working hours
- Serve as Medical Director
- Monitors all quality metrics
    - Complete weekly chart review
- Collaborates with JMMC manager and Comp LLC manager on operational management of the clinic

Clinical responsibilities:

Seeing patients on a regular basis through the clinic in conjunction with the PA
Assisting the PA with "difficult" cases
Every third clinic visit with the PA is then referred for a physician visit
Serve as clinical director for both Hallmark and Ahlstrom (seeing some patients that may be referred by PA onsite)

Administrative responsibilities:

Serve as resource for challenging patients, hospital exposures
Annual review of policy and procedure manual
Review of Employee Health Policy and procedures
Serve as director for both Hallmark and Ahlstrom
Provide clinical over site for RN that is on location daily at Ahlstrom
Direct RN on site at Hallmark (primarily case management)
Sign off on Gallagher Bassett HCFA's
Review and sign off on discharged patients from the PA
Monthly QA

Exhibit 2
to Clinical Services Sub-Agreement B-13

Scheduled Services Fee

Service	Rate
• Physician services (all inclusive in rate) o Twelve hours a month o PA supervision o On call coverage to PA during regular business hours	Hourly rate= $132 Benefits = 29% Administrative fee= 3%
• Mileage pass thru (as defined in SFMG policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-13

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-13

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-13

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Occupational Health Physician Coverage,** the following contract
(JMMC Entity Name)

review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-13 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

855

Rev. 11/10/2014

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-20

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Psychiatry Clinical Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **December 8, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Behavioral Health Group, P.C.**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the **"Additional Sub-Agreement Terms"**). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:
SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS BEHAVIORAL HEALTH GROUP, P.C.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14.1038
BY: _____ DATE: 12.3.14

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Exhibit 1
to Clinical Services Sub-Agreement B-20

Scheduled Services

SAINT FRANCIS
Hospital and Medical Center

Mount Sinai
Rehabilitation Hospital
a SAINT FRANCIS Care Provider

CRITERIA-BASED JOB DESCRIPTION

Job Title: Psychiatric Clinical Nurse Specialist Printed: 02Dec14
Department: St Francis Behavioral Health Group 71450 Code: 22555

Reports to (position): Medical Director

Supervises(positions):

FLSA Status: Exempt EEO Classification: Professionals

JOB SUMMARY

This psychiatric clinical nurse specialist provides direct patient care to adult male and female patients of all ages. Primary responsibilities may include inpatient service, coverage of Consultation Liaison segments, E.D., evaluation of outpatients in crisis at either campus and follow-up in an office based setting.

JOB QUALIFICATIONS

Education:	Master of Science Degree in Nursing with an emphasis on mental health services. Specialty certification in psychiatry.
Licensure:	Current professional nursing license in Connecticut.
Experience:	3-5 years post graduate experience in a mental health setting.
Skills:	Knowledge of principals, procedures and techniques of psychotherapy and current diagnostic statistical manual. Knowledge of community, state and federal resources including relevant laws and regulations which may aid in the treatment of patients. Ability to function in a complex system/organization and to interact with other professionals regarding the treatment of patients. Ability to function independently and make decisions relating to clinical, ethical, legal and financial concerns. Ability to act in an articulate, resourceful and impartial fashion. Knowledge of medications, interactions and side effects. Ability to perform AIMS examinations.

PHYSICAL AND MENTAL EFFORT

Services may be required at multiple sites, necessitating driving. A moderate amount of walking and climbing stairs may be required. The multiple demands of working with a difficult patient population and multidisciplinary staff may lead to a moderate amount of stress. Must be able to relate to non-psychiatric MD and nursing staff in a constructive and supportive manner. Position requires ability to frequently perform moderately difficult manipulative, arm-hand steadiness, and hand-eye coordination skills; walk, stand and sit for prolonged periods; see objects closely and far away and hear normal sounds with some background noises. Position requires ability to concentrate on fine detail with interruption and attend to tasks for more than 60 minutes at a time and communicate in written word, using advanced written skills. Individual must be able to understand and relate to theories behind several related concepts and remember multiple tasks given over long periods of time.

ENVIRONMENTAL AND WORKING CONDITIONS

Works in a variety of inpatient, outpatient, and emergency service settings with disturbed patients and distraught families either of whom may be difficult to manage

JOB DUTIES
The following description of the job responsibilities and standards are intended to reflect the significant responsibilities and duties the job, but is not intended to describe duties and/or other responsibilities as may be assigned from time to time.

OUR MISSION:
We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

OUR CORE VALUES:

Respect – We honor the worth and dignity of those we serve and with whom we work.
Integrity – We are faithful, trustworthy and just.
Service – We reach out to the community, especially those most in need.
Leadership – We encourage initiative, creativity, learning and research.
Stewardship – We care for and strengthen resources entrusted to us.

Section 1
Saint Francis *Care* – Our Mission, Core Values and Service Excellence Standards:

This section reflects the employee's contributions to the Healthcare System's *Mission, Core Values* and *Service Excellence* and demonstrates the employee's commitment to the moral and ethical values of Saint Francis *Care*. The values are stated, along with core behaviors, which indicate quality performance in this area.

1.1 Contributes to the creation of a compassionate and caring environment for patients, families, and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

1.2 Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

1.3 Exhibits positive service excellence skills to patients, visitors, and coworkers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

1.4 Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

1.5 Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

1.6 Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies, and department finances.

1.7 Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

2. Functions as an effective member of a multidisciplinary team.

2.1 Establishes positive working relationships as reflected in satisfactory feedback.
2.2 Ensures multidisciplinary team is kept informed of patient and family treatment issues and progress through meetings, documentation and related conferences
2.3 Uses positive communication and negotiation skills in communicating with other members of the multi-disciplinary team as reflected in satisfactory feedback.
2.4 Develops and implements evidenced base practice and ensures appropriate protocols are communicated effectively to the interdisciplinary team.
2.5 Develops a clinical framework that supports the milieu management and fosters a therapeutic relationship with the interdisciplinary team
2.6 Responds to beeper page promptly.

3. Provides a comprehensive psychosocial assessment of patients and families to develop a treatment plan or goal (may be done as part of a team evaluation).

3.1 Makes clear and thorough psychosocial formulations as indicated by documentation and by supervisor's assessment of practice.
3.2 Formulates clear treatment goals based on the psychosocial assessment as indicated in the treatment plan and progress.
3.3 Demonstrates ability to forge a therapeutic alliance with a variety of patients as indicated by successful on site clinical intervention(s) and positive patient/family feedback (contracted services, clinics, satellites, etc.).
3.4 Updates treatment plan and goals as patient's needs change as reflected in progress notes and in clinical supervision.
3.5 Utilizes AIMS (Abnormal Involuntary Movement Scale) exams as indicated and appropriate
3.6 Maintains all relevant documentation is in place at time for patient disposition.

4. Provides direct therapy to individuals, couples, families and groups in accordance with the treatment plan consistent with an adult patients' needs to achieve treatment goals.

4.1 Demonstrates a consistent ability to use a variety of modalities effectively including individual, family, group and couple therapy in treatment of adult patients.
4.2 Identifies significant issues as themes in the therapy as indicated in clinical supervision
4.3 Recognizes issues of transference and counter-transference in therapy as demonstrated by ability to maintain a neutral and therapeutic stance and the ability to utilize these issues to enhance the patient's and/or family's self understanding.
4.4 Provides information, education and support to patient's families in the treatment process to enhance their understanding of the patient's illness and the treatment provided
4.5 Makes referrals as needs dictate and seems appropriate
4.6 Delivers courteous and helpful service is indicated through feedback from other supported contracts of Behavioral Health Service Line

5. Contributes to the efficient operation of the Inpatient, consult/liaison service, ED and outpatient psychiatric clinic

5.1 Prioritizes schedules and assignments to ensure urgent issues are handled and work is complete
5.2 Coordinates psychiatrist contact with inpatient consultations by triaging patients in the hospital and E.D. prior to psychiatrist contact.
5.3 Maintains documentation and records according to established procedures and timeframes.
5.4 Provides a data sheet on all patients and billing card when appropriate.
5.5 Adheres to work schedule approved by supervisor.
5.6 Demonstrates dependability in job performance by keeping office informed of schedules by completing time sheets as required.
5.7 Demonstrates respect for patients and colleagues by being punctual to scheduled clinical appointments and administrative meetings.
5.8 Participates in at least 80% of departmental meetings requested to attend.

5.9 Keeps current on psychiatry department, hospital and Behavioral Health Service Line activities by reading circulated material.
5.10 Demonstrates effective time management by completing commitments within agreed timeframes.
5.11 Follows the hospital and patient safety standards and regulations. Reports any identified potential concerns to the Medical Director.

Provides consultation, supervision and teaching to psychiatric staff and trainees and other health care professionals (according to level of experience and expertise).

6.1 Conducts formal or informal education sessions for psychiatric staff and/or trainees, other professionals or the community to enhance their learning on mental health issues
6.2 Provides clinical supervision for trainees to facilitate their learning of therapeutic skills
6.3 Demonstrates ability to evaluate clinical skills of supervisees and to document supervisee's level of performance.
6.4 Provides consultation to colleagues and community professionals on areas of own expertise as indicated by positive feedback.
6.5 Demonstrates initiative through autonomous efforts/ projects.

7. Screens patients for acceptance into the hospitals' programs at a clinically appropriate level.

7.1 Prescreens patients on telephone or in person to ensure that they meet basic criteria for acceptance to the hospitals' program
7.2 Schedules accepted patients for intake evaluation
7.3 Ensures that all necessary documentation is in place at the time of the initial evaluation and any subsequent requirements.
7.4 Makes appropriate referrals for those patients not accepted into the program as demonstrated in supervision.
7.5 Provides on a monthly basis, to the director of the department, a log documenting all in-hospital and outpatient clinical activity in detail as requested by the Director

8. Demonstrates commitment to professional career growth and competency.

8.1 Identifies own learning needs by seeking assistance form colleagues and supervisor.
8.2 Participates in own performance appraisal by identifying own individual goals and by reviewing progress with supervisor.
8.3 Reviews current literature in the field as demonstrated by sharing knowledge of patient care at meetings.
8.4 Participates in continuing education activities within the center.
8.5 Demonstrates commitment to professional growth and competency by participating in three of the following activities as appropriate:
- Continued formal education/advancement of credentials
- PI Activities
- Active involvement in professional organizations
- Research Activities
- Community Mental Health activities
- Publishing on subjects in the field
- Other projects negotiated with the Medical Director

8.6 Maintains ties to Nursing Disciplines by attendance at appropriate educational and/or colleague meetings.
8.7 Identifies own learning needs by seeking assistance from colleagues and supervisor.
8.8 Attends all mandatory hospital initiated training.

9. Participates in team conferences, research projects staff meetings and educational seminars as required by the supervisor and JMMC

9.1 Contributes to the development and implementation of all policies.
9.2 Assists in any ongoing research.
9.3 Interacts with other medical and non-medical personnel both from within and outside of the institution and Behavioral Health Service Line on behalf of our patients.

Exhibit 2
to Clinical Services Sub-Agreement B-20

Scheduled Services Fee

Service	Rate – all costs to be invoiced to JMMC monthly by SFBHG
Per Diem APRN	$85 per hour Admin Fee = 3%

Exhibit 3
to Clinical Services Sub-Agreement B-20

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-20

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-20

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **12/8/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Psychiatry Clinical Services** services, the
(JMMC Entity Name)

following contract review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-20 dated 12/8/2014.	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

N/A
Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

868

Rev. 11/10/2014

BUSINESS PROCESS OUTSOURCING SUB-AGREEMENT

Sub-Agreement
to Business Process Outsourcing Agreement

Sub-Agreement Number: B-9

This Business Process Outsourcing Sub-Agreement to the Business Process Outsourcing Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**"), and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Business Process Outsourcing Agreement dated July 12, 2012 (the "**BPO Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the BPO Agreement.

1. Support Need Area. The Support Need Area to be addressed by this Sub-Agreement is: **Behavioral Health Billing Services**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **April 1, 2015** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: Johnson Memorial Medical Center, Inc. (JMMC- Inpatient)
>
> The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center – Behavioral Health Service Line

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the business, administrative and/or support services, as applicable, related to the Support Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the BPO Agreement,

Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Support Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the BPO Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the BPO Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the BPO Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the BPO Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the BPO Agreement.

IN WITNESS WHEREOF, the parties have executed this BPO Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

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SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 15-0027
BY: _____ DATE: 1.28.15

Exhibit 1
to the BPO Sub-Agreement B-9

Scheduled Services

Saint Francis Hospital and Medical Center – Behavioral Service Line will provide a process for billing of all professional services in a timely manner (within 30 days from date of service). In addition, there will be a process implemented for auditing and reconciliation of any claims.

Exhibit 2
to the BPO Sub-Agreement B-9

Scheduled Services Fee

Service	Rate
Billing Services	6% of all invoices billed On call coverage fees invoiced will be reduced by collected revenue
Mileage	Prevailing IRS rate

Exhibit 3
to the BPO Sub-Agreement B-9

Additional Qualifications

NONE

Exhibit 4
to the BPO Sub-Agreement B-9

Additional Sub-Agreement Terms

(a) The term of this Sub-Agreement shall be for three (3) years commencing on April 1, 2015 and expiring on March 31, 2018. Thereafter, this Agreement shall automatically renew for additional one (1) year periods unless otherwise terminated, as provided herein.

(b) Termination. This Agreement may be terminated as follows:

By either party without cause by providing the other party with not less than thirty (30) days' prior written notice of its intent to so terminate.

Exhibit 5
to the BPO Sub-Agreement B-9

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-21

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Behavioral Health Nursing Education Services**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **March 1, 2015** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

> The "**Service Recipient**" shall mean: **Johnson Memorial Hospital (JMH) - at the JMH Psychiatric Unit/ED**
>
> The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center (SFHMC) – Behavioral Health Service Line**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation

Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

Saint Francis Care:
SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHNSON MEMORIAL HOSPITAL

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

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SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 15-1083
BY: _____ DATE: 3-4-15

Exhibit 1
to Clinical Services Sub-Agreement B-21

Scheduled Services

Scheduled Services:

- RN Nurse Educator will be responsible to educate all staff on the multidisciplinary team to the Behavioral Health St Francis Hospital and Medical Center policies that JMMC will adopt. Nurse Educator will facilitate the education process through assessment, development, planning, implementation and evaluation of competency assessment, continuing education and leadership development.
- RN Nurse Educator will monitor and ensure compliance of required trainings and re-validations. RN Nurse Educator will maintain employee database and report delinquent findings to Nurse Director and CNO
- All education provided will meet TJC and DPH standards.

Exhibit 2
to Clinical Services Sub-Agreement B-21

Scheduled Services Fee

Service	Rate
BH nursing education services (6 hours a week) during initial 6 month period, then in accordance with a schedule agreed to by the parties, if requested by Service Recipient	$60 per hour– paid in monthly payments Benefits = 29% Administrative fee = 3%
Mileage	Prevailing IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-21

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-21

Additional Sub-Agreement Terms

Term is 12 months with the anticipation that Service Provider will provide the Services during the initial 6 month period as set forth herein, with a re-evaluation at the end of said 6 month period to determine if further services are required for the remainder of the 1 year term.

Exhibit 5
to Clinical Services Sub-Agreement B-21

Proprietary and Confidential Information and Protected Intellectual Property

NONE

Clinical Services Sub-Agreement B-2
to Clinical Affiliation Agreement

This Clinical Services Sub-Agreement B-2 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("JMMC") and Saint Francis *Care*, Inc. and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: Behavioral Health Management Service.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be September 17, 2012 (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis *Care*, Inc. acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: JMMC.

The "**Service Provider**" shall mean: Saint Francis Hospital and Medical Center ("SFHMC")

4. Scheduled Services. Subject to Section 6 below, effective for the three-year period beginning September 17, 2012, the Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**"). Each September, the Service Provider and the Service Recipient agree to review and mutually determine any upward adjustments to the Scheduled Services Fee and the maximum number of coaching hours, as appropriate.

6. Termination. Notwithstanding the provisions of Section 4 above, the parties acknowledge that this Sub-Agreement may be terminated prior to the expiration of the three-year term ending on September 16, 2015, consistent with Article 11 of the Clinical Affiliation Agreement.

7. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 5 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

Johnson:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
[NAME]
[TITLE]

Saint Francis:

SAINT FRANCIS *CARE*, INC.

By: _____
[NAME] ~~Christopher M. Dadlez~~
[TITLE] ~~President~~ and CEO

Service Recipient:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
[NAME]
[TITLE]

Service Provider:

SAINT FRANCIS MEDICAL CENTER

By: _____
[NAME] ~~Christopher M. Dadlez~~
[TITLE] ~~President~~ and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12.514
BY: _____ DATE: 9/27/2012

#50521816

Exhibit 1
to Clinical Services Sub-Agreement B-2

Scheduled Services

- The Scheduled Services described below shall be provided by a SFHMC Employee who will be leased to JMMC ("Leased Employee"). The Leased Employee shall serve as the Director of Psychiatric Nursing (the "Director") and perform the responsibilities set forth in the job description attached hereto as Exhibit A. The Director of Psychiatric Nursing will report to the JMMC Vice President of Patient Care Services.

- The Director shall be responsible for providing clinical and administrative leadership to the JMMC Inpatient Psychiatry unit and the outpatient Chemical Dependency Program as outlined in Exhibit A.

- The Director shall be responsible for clinical management and direct oversight of RNs (inpatient and outpatient), LPN, mental health workers and Emergency Department crisis staff.

- The Director shall collaborate clinically with the JMMC Inpatient Psychiatry Unit Medical Director.

- The Director may share SFHMC Behavioral Health Service Line clinical guidelines and care protocols with the JMMC Psychiatry Inpatient unit to help develop JMMC's specific standards of care.

- The Director will work with JMMC clinical leadership and the SFHMC Behavioral Health Service Line Executive Director to specify quality metrics/core measures. Such metrics will be developed and reported on based on JMMC goals and collecting/reporting capabilities.

- The Director will provide the JMMC VP of Patient Care Services recommendations to changes in staffing levels, patient care protocols, and admission/transfer/discharge criteria. Any changes to the program will be made collaboratively and with regard to the environmental, fiscal and staff impacts. The SFHMC Behavioral Service Line Executive Director may serve as a resource to this process.

The SFHMC Behavioral Service Line Executive Director will serve as a clinical mentor to the Director in the areas of behavioral health clinical standards, state regulatory standards, Joint Commission standards and program development. It will be permissible for the Director to attend educational sessions/meetings of the SFHMC Behavioral Health Service Line. The SFHMC Behavioral Service Line Service Line Executive Director will maintain ongoing communication with JMMC VP of Patient Care Services including both formal and informal meetings.

- Evaluation of the Director will be provided by JMMC VP of Patient Care Services in consultation with the SFHMC Behavioral Health Service Line Executive Director.

The coaching component of the Scheduled Services described below shall be provided by the SFHMC Behavioral Service Line Executive Director and shall involve:

- Coaching with respect to the budget planning and/or program development and expansion contemplated in item two and three of the Director's job description attached hereto as Exhibit A;
- Coaching with respect to the staff education component contemplated in item four of Exhibit A;
- Coaching with respect to the evidence-based practice contemplated in item 5 pf Exhibit A;
- Coaching with respect to the data collection contemplated in item 8 of Exhibit A; and
- Coaching with respect to the service delivery contemplated in item 12 of Exhibit A.

EXHIBIT A

SAINT FRANCIS
Hospital and Medical Center

CRITERIA-BASED JOB DESCRIPTION

Job Title: SFHMC/JMMC Director of Psychiatric Nursing — Date: September, 2012

Department: Behavioral Health — Code: 42101

Reports to: JMMC Vice President Patient Care Services
Consults with SFHMC Behavioral Health Executive Director

Supervises: Nursing staff, multi-disciplinary team

FLSA Status: Exempt EEO Classification: Officials/Managers

JOB SUMMARY

The SFHMC/JMMC Director of Psychiatric Nursing is responsible and accountable for working with the JMMC Vice President of Patient Care Services and the JMMC Medical Director to determine clinical and administrative program goals; acquiring and allocating material, financial, and human resources; evaluating and revising goals and processes related to resources and clinical practice; providing leadership in the management and development of patient care staff; assuring the ongoing evaluation of services provided within the department: facilitating research and inquiry into best practice within nursing, healthcare and management systems; facilitating collaborative relationships with physicians and other healthcare leaders; and acting as a role-model to develop and retain staff.

JOB QUALIFICATIONS

Education: B.S. in Nursing and M.S. in Nursing or related field preferred.
Experience: Three to five years progressive nursing management experience in behavioral health nursing inpatient/outpatient settings. Two years leadership experience as a charge nurse, nurse manager or supervisor.

Licensure: Current State of Connecticut Registered Nurse license
Certification: Clinical Specialty Certification preferred.

Knowledge, Skills and Abilities:

Demonstrated organizational, leadership, communication (written and verbal) competence.
Demonstrated problem solving and conflict resolution skills.
Knowledge of regulatory standards, i.e., CMS, The Joint Commission, DPH.
Computer literacy, i.e. competent using web-based applications, e-mail, and standard word and data applications such as Microsoft Office (Word, Excel, and Power Point).
Expressed desire to champion professional nursing practice, and to focus on improvement of interdisciplinary care models
Demonstrated competency in financial management i.e. develops, monitors, and analyzes budgets;

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Demonstrated ability to make complex and strategic decisions and accept accountability for outcomes.
Flexibility to respond and adapt to an environment that is quickly changing.

PHYSICAL AND MENTAL EFFORT
SFHMC: Position requires ability to push/pull/lift objects more than 25 lbs., walk, stand and sit for prolonged periods; see objects close and far away; and hear normal sounds with some background noises. Position requires ability to concentrate on fine detail with interruption and attend to tasks for more than 60 minutes at a time. Individual must be able to understand and relate to theories behind several related concepts and remember multiple tasks given over long periods of time. May require ability to travel between multiple sites.
JMMC: Must be able to achieve goals with multiple interruptions creating varying stress levels. Moderate walking, standing and sitting. Adequate vision, hearing and verbal capacity to communicate effectively with general public. Must be able to handle high levels of stress during the process of assisting with patient/unit activities. Must be physically able to respond to codes. Must maintain professional composure.

ENVIRONMENTAL AND WORKING CONDITIONS
Offices, conference rooms and patient care areas.
JOB DUTIES
The following description of the job responsibilities and standards are intended to reflect the significant responsibilities and duties of the job, but is not intended to describe all duties and/or other responsibilities as may be assigned from time to time.

Section 1
Saint Francis *Care* – Our Mission, Core Values and Service Excellence Standards:

OUR MISSION:
We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

OUR CORE VALUES:
Respect – We honor the worth and dignity of those we serve and with whom we work.
Integrity – We are faithful, trustworthy and just.
Service – We reach out to the community, especially those most in need.
Leadership – We encourage initiative, creativity, learning and research.
Stewardship – We care for and strengthen resources entrusted to us.

This section reflects the employee's contributions to the Saint Francis *Mission, Core Values* and *Service Excellence* and demonstrates the employee's commitment to the moral and ethical values of Saint Francis *Care*. The values are stated, along with core behaviors, which indicate quality performance in this area.

Contributes to the creation of a compassionate and caring environment for patients, families, and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

Exhibits positive service excellence skills to patients, visitors, and coworkers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies, and department finances.

Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

JMMC Core Value: The manager supports the mission and vision of Johnson Memorial Hospital to demonstrate Commitment to quality service, Accessibility, Respect and Efficiency (C.A.R.E.).

JOB-RELATED ACCOUNTABILITIES

1. **Assures that care delivered is safe, appropriate, high quality, and efficient, and is delivered with respect to the individual's rights and preferences.**

    1.1 Observes patient care delivery and interacts with patients and families to assess their satisfaction with care.

    1.2 Monitors data trends related to clinical outcomes, i.e. Nurse Sensitive indicators.

    1.3 Collaborates with appropriate departments and/or individuals to develop action plans to address any deficiencies in quality of care.

    1.4 Monitors documentation of care for accuracy and completeness, including appropriate use of the nursing process.

    1.5 Provides feedback and direction to patient care staff to address deficiencies in documentation and use of the nursing process.

2. **Assures that staff are scheduled according to unit standards to provide the appropriate number of staff considering scope of practice, skills and competencies, patient needs and complexity of care.**

    2.1 Approves final staffing schedule at defined time intervals.

    2.2 Addresses gaps in desired staffing levels.

    2.3 Assures that staff conform to rules and polices related to ETO approval and schedule adjustments.

    2.4 Monitors patient care assignments to assure that patients are receiving care and services according to unit, professional, and regulatory standards.

3. **Develops, implements, monitors and is accountable for the budget for the patient care unit or department.**

3.1 Collaborates with JMMC VP of Patient Care Services to develop the operational and capital budgets for the patient care unit

3.2 Monitors budget and provides monthly variance explanations to the VP

3.3 Develops action plans, as appropriate, to mitigate variances to the budget.

4. Collaborates with JMMC nursing leadership, Human Resources (HR), SFHMC Behavioral Service Line Executive Director to ensure the appropriate orientation, education and training, credentialing, and continuing professional development of staff.

4.1 Ensures that new employees are made aware of license and credentialing requirements through the interview process.

4.2 Collaborates with HR to monitor staff attendance and/or completion of mandatory and recommended educational programs.

4.3 Facilitates meetings of Unit staff meetings/Council to promote staff participation in unit-based clinical decision making and staff education and professional development opportunities

4.4 Facilitates student clinical learning experiences by assigning nursing staff to act as mentors and preceptors for students.

5. Collaborates with nursing leadership to promote evidence based practice through the development of procedures and standards and participation in quality improvement and research activities.

5.1 Coordinates unit utilization of outcomes data (Dashboard, event reports, surveys, etc.) to design, implement and evaluate performance improvement projects.

5.2 Identifies opportunities to improve processes and/or patient care and collaborates with appropriate individuals to design, implement and evaluate performance improvement projects.

5.3 Mentors staff to use available resources to answer clinical practice questions.

6. Participates in the recruitment, selection, and retention of personnel assigned to the patient care unit or department.

6.1 Collaborates with HR to screen, interview, and hire qualified applicants for department positions.

6.2 Provides ongoing coaching and mentoring of employees and maintains a record of performance related meetings.

6.3 Conducts an annual performance review on all employees. Takes action to achieve plans for performance improvement.

7. Creates an environment which promotes communication and collaboration among unit staff, physicians, and other healthcare personnel and hospital employees.

7.1 Facilitates interdisciplinary communication and care planning in the delivery of care and services to patients

8. Collaborates with the VP of Patient Care and SFHMC Behavioral Health Service Line Executive Director to develop, maintain and evaluate data collection processes to support nursing practice and the delivery of quality patient care.

8.1 Assists in the identification of patient care indicators appropriate to psychiatry.

8.2 Contributes to development and evaluation of data collection systems that have accessible and retrievable formats.

9. Creates and supports an environment that empowers the professional nurse in the utilization of data and in determination of relevant patient problems and diagnoses.

9.1 Identifies and acquires adequate resources to support clinical decision making in collaboration with other departments.

9.2 Assists and supports staff in developing and maintaining problem/diagnosis competency.

9.3 Facilitates a collaborative approach to the clinical decision making process.

10. Collaborates with the VP of Patient Care Services to develop, maintain and evaluate processes that promote patient, professional, and outcomes.

10.1 Facilitates participation by RNs and other staff members in the interdisciplinary identification of desired patient and/or service outcomes.

10.2 Facilitates RN participation in the monitoring and evaluation of nursing care in accordance with established professional, regulatory, and organizational standards of practice.

10.3 Promotes integration of clinical, human resource, and financial data to support clinical decision-making.

10.4 Promotes utilization of continuous quality improvement data to provide direction to the design of processes that support desired clinical outcomes, and which are attainable with available resources.

11. Collaborates with the JMMC VP of Patient Care Services to develop, maintain and evaluate

systems which support planning for the delivery of patient care.

11.1 Facilitates the design and continuous improvement of systems that promote planning and prioritization of activities related to patient care

11.2 Promotes design and utilization of alternative plans for achieving desired outcomes which are safe and cost-effective.

11.3 Integrates contemporary theories of management, nursing practice, and related research into the design of clinical practice standards and guidelines.

11.4 Assures that systems and processes used in the planning of care and services consider ethical standards and patient rights.

11.5 Designs and monitors a plan for the appropriate assignment and utilization of staff, in accordance with the State Nurse Practice Act, and all relevant standards.

11.6 Utilizes clinical, human resource, and financial data to appropriately plan for nursing services and patient care within the division.

11.7 Advocates for staff involvement in all levels of care planning and decision making.

12. Evaluates the quality and effectiveness of nursing practice and clinical service delivery.

12.1 Provides leadership to the design and implementation of care delivery models that meet or exceed customer expectations.

12.2 Within the service line/division, identifies key measures of quality, safety, nursing practice quality, and patient satisfaction.

12.3 Participates in the development of clinical, operational, and financial process measures which can be derived, reported and used for improvement.

12.4 Implements performance improvement measures for key divisional or service line indicators that have been identified.

13. Demonstrates current knowledge in healthcare administration to promote advancement of nursing practice and the provision of quality health care.

13.1 Seeks experiences to advance personal knowledge and skills in areas of responsibility, and in healthcare systems.

13.2 Demonstrates commitment to life long learning through continuing education, certification and participation in professional organizations.

14. Demonstrates commitment to creating a professional environment for nursing and collaborative practice.

14.1 Facilitates effective communication at JMMC and with SFHMC Behavioral Health

Service Line.

14.2 Facilitates a practice environment which promotes excellence in nursing practice. Assures the environment promotes respect for the individual and for the profession.

14.3 Collaborates with JMMC VP of Patient Care Services and peers to develop strategies to recruit and retain, mentor, provide education and training for, and ensure meaningful work to maximize job satisfaction and professional development of the nursing staff.

15. Demonstrates an ethical basis for decisions and actions.

15.1 Maintains privacy, confidentiality, and security of patient, employee, and organizational data.

15.2 Ensures compliance with regulatory and professional standards, including integrity of business practices.

15.3 Promotes care delivery in a manner that is sensitive to socio-cultural diversity.

15.4 Facilitates use of processes to identify and address ethical issues within nursing and the organization.

15.5 Adheres to the ANA *Code of Ethics for Nurses.*

Exhibit 2

to Clinical Services Sub-Agreement B-2

Scheduled Services Fee for 9/17/12 – 9/16/13

Service	Rate
Clinical Management Services Nursing Director – 1.0 FTE Coaching Services of SFHMC Behavioral Health Service Executive Director- up to 8 hours a month.	$100,000-$104,000 per year billed monthly Benefits billed at an additional 25% of annual salary rate
Mileage for business-related travel, consistent with SFHMC HR Policy 31-7b.	Prevailing IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-2

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-2

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-2

Proprietary and Confidential Information and Protected Intellectual Property

TO BE DETERMINED

SCHEDULE C

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of September 17, 2012 (the "Effective Date"), by and between JOHNSON MEMORIAL MEDICAL CENTER, INC. with an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut, 06076 ("Covered Entity"), and SAINT FRANCIS HOSPITAL AND MEDICAL CENTER with an address of 114 Woodland Street, Hartford, Connecticut 06105 ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements with contract numbers referenced above, and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

   a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 160 and Part 164, Subparts A and E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 164.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Parts 160, 162 and 164.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. **Obligations and Activities of Business Associate**

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

b. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. As of the effective date of, and to the extent required by, the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and

appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.

c. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement.

d. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 160.304.

e. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after Discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as of their respective Compliance Dates.

f. Business Associate shall ensure that any agent of the Business Associate, including a subcontractor, to whom it provides Protected Health Information and electronic Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity agrees to the same restrictions and conditions that apply through this Business Associate Agreement to Business Associate with respect to such information.

g. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

   i. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

   ii. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

h. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Standards.

i. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

j. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an Electronic Health Record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. **Permitted Uses and Disclosures by Business Associate**

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. **Obligations of Covered Entity**

a. Covered Entity shall provide Business Associate with the Notice of Privacy Practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520, specifically referencing limitations in such Notice that may affect Business Associate's obligations hereunder, as well as any changes to such Notice.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation or management and administrative activities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate when all of the Protected Health Information provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Section.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

i. Except as provided in subparagraph (2) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

ii. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

iii. The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. **Miscellaneous.**

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 4(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

JOHNSON MEMORIAL
MEDICAL CENTER, INC

By: _____

Printed Name: _____

Title: _____

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER

By: _____

Printed Name: Christopher M. Dadley

Title: President and CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12.544
BY: _____ DATE: 9/27/2012

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AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement to the Clinical Affiliation Agreement

Sub-Agreement Number: B-2

This Amended and Restated Clinical Services Sub-Agreement B-2 to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to a certain Clinical Services Sub-Agreement B-2 to the Clinical Affiliation Agreement effective September 17, 2012, whereby JMMC has engaged Saint Francis Care to provide clinical services; and

WHEREAS, JMMC and Saint Francis Care desire to amend the Sub-Agreement to amend the Scheduled Service Fee and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend and restate the Sub-Agreement as follows:

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Psychiatry Service Nursing Leadership**.

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **October 1, 2014** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Hospital, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0667
BY: _____ DATE: 9.22.14

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Exhibit 1
to Clinical Services Sub-Agreement B-2

Scheduled Services

- The Scheduled Services described below shall be provided by a SFHMC Employee who will be leased to JMMC ("Leased Employee"). The Leased Employee shall serve as the Director of Psychiatric Nursing (the "Director") and perform the responsibilities set forth in the job description attached hereto as Exhibit A. The Director of Psychiatric Nursing will report to the JMMC Vice President of Patient Care Services.

- The Director shall be responsible for providing clinical and administrative leadership to the JMMC Inpatient Psychiatry unit and the outpatient Chemical Dependency Program as outlined in Exhibit A.

- The Director shall be responsible for clinical management and direct oversight of RNs (inpatient and outpatient), LPN, mental health workers and Emergency Department crisis staff.

- The Director shall collaborate clinically with the JMMC Inpatient Psychiatry Unit Medical Director.

- The Director may share SFHMC Behavioral Health Service Line clinical guidelines and care protocols with the JMMC Psychiatry Inpatient unit to help develop JMMC's specific standards of care.

- The Director will work with JMMC clinical leadership and the SFHMC Behavioral Health Service Line Executive Director to specify quality metrics/core measures. Such metrics will be developed and reported on based on JMMC goals and collecting/reporting capabilities.

- The Director will provide the JMMC VP of Patient Care Services recommendations to changes in staffing levels, patient care protocols, and admission/transfer/discharge criteria. Any changes to the program will be made collaboratively and with regard to the environmental, fiscal and staff impacts. The SFHMC Behavioral Service Line Executive Director may serve as a resource to this process.

The SFHMC Behavioral Service Line Executive Director will serve as a clinical mentor to the Director in the areas of behavioral health clinical standards, state regulatory standards, Joint Commission standards and program development. It will be permissible for the Director to attend educational sessions/meetings of the SFHMC Behavioral Health Service Line. The SFHMC Behavioral Service Line Service Line Executive Director will maintain ongoing communication with JMMC VP of Patient Care Services including both formal and informal meetings.

- Evaluation of the Director will be provided by JMMC VP of Patient Care Services in consultation with the SFHMC Behavioral Health Service Line Executive Director.

The coaching component of the Scheduled Services described below shall be provided by the SFHMC Behavioral Service Line Executive Director and shall involve:

- Coaching with respect to the budget planning and/or program development and expansion contemplated in item two and three of the Director's job description attached hereto as Exhibit A;
- Coaching with respect to the staff education component contemplated in item four of Exhibit A;
- Coaching with respect to the evidence-based practice contemplated in item 5 pf Exhibit A;
- Coaching with respect to the data collection contemplated in item 8 of Exhibit A; and
- Coaching with respect to the service delivery contemplated in item 12 of Exhibit A.

EXHIBIT A

SAINT FRANCIS
Hospital and Medical Center

CRITERIA-BASED JOB DESCRIPTION

Job Title: SFHMC/JMMC Director of Psychiatric Nursing — Date: September, 2012

Department: Behavioral Health — Code: 42101

Reports to: JMMC Vice President Patient Care Services
Consults with SFHMC Behavioral Health Executive Director

Supervises: Nursing staff, multi-disciplinary team

FLSA Status: Exempt EEO Classification: Officials/Managers

JOB SUMMARY

The SFHMC/JMMC Director of Psychiatric Nursing is responsible and accountable for working with the JMMC Vice President of Patient Care Services and the JMMC Medical Director to determine clinical and administrative program goals; acquiring and allocating material, financial, and human resources; evaluating and revising goals and processes related to resources and clinical practice; providing leadership in the management and development of patient care staff; assuring the ongoing evaluation of services provided within the department: facilitating research and inquiry into best practice within nursing, healthcare and management systems; facilitating collaborative relationships with physicians and other healthcare leaders; and acting as a role-model to develop and retain staff.

JOB QUALIFICATIONS

Education: B.S. in Nursing and M.S. in Nursing or related field preferred.
Experience: Three to five years progressive nursing management experience in behavioral health nursing inpatient/outpatient settings. Two years leadership experience as a charge nurse, nurse manager or supervisor.
Licensure: Current State of Connecticut Registered Nurse license
Certification: Clinical Specialty Certification preferred.

Knowledge, Skills and Abilities:

Demonstrated organizational, leadership, communication (written and verbal) competence.
Demonstrated problem solving and conflict resolution skills.
Knowledge of regulatory standards, i.e., CMS, The Joint Commission, DPH.
Computer literacy, i.e. competent using web-based applications, e-mail, and standard word and data applications such as Microsoft Office (Word, Excel, and Power Point).
Expressed desire to champion professional nursing practice, and to focus on improvement of interdisciplinary care models

Demonstrated competency in financial management i.e. develops, monitors, and analyzes budgets;
Demonstrated ability to make complex and strategic decisions and accept accountability for outcomes.
Flexibility to respond and adapt to an environment that is quickly changing.

PHYSICAL AND MENTAL EFFORT

SFHMC: Position requires ability to push/pull/lift objects more than 25 lbs., walk, stand and sit for prolonged periods; see objects close and far away; and hear normal sounds with some background noises. Position requires ability to concentrate on fine detail with interruption and attend to tasks for more than 60 minutes at a time. Individual must be able to understand and relate to theories behind several related concepts and remember multiple tasks given over long periods of time. May require ability to travel between multiple sites.
JMMC: Must be able to achieve goals with multiple interruptions creating varying stress levels. Moderate walking, standing and sitting. Adequate vision, hearing and verbal capacity to communicate effectively with general public. Must be able to handle high levels of stress during the process of assisting with patient/unit activities. Must be physically able to respond to codes. Must maintain professional composure.

ENVIRONMENTAL AND WORKING CONDITIONS

Offices, conference rooms and patient care areas.

JOB DUTIES

The following description of the job responsibilities and standards are intended to reflect the significant responsibilities and duties of the job, but is not intended to describe all duties and/or other responsibilities as may be assigned from time to time.

Section 1

Saint Francis *Care* – Our Mission, Core Values and Service Excellence Standards:

OUR MISSION:

We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

OUR CORE VALUES:

Respect – We honor the worth and dignity of those we serve and with whom we work.
Integrity – We are faithful, trustworthy and just.
Service – We reach out to the community, especially those most in need.
Leadership – We encourage initiative, creativity, learning and research.
Stewardship – We care for and strengthen resources entrusted to us.

This section reflects the employee's contributions to the Saint Francis *Mission, Core Values* and *Service Excellence* and demonstrates the employee's commitment to the moral and ethical values of Saint Francis *Care*. The values are stated, along with core behaviors, which indicate quality performance in this area.

Contributes to the creation of a compassionate and caring environment for patients, families, and colleagues through displays of kindness and active listening. Recognizes and appreciates that each employee's work is valuable and contributes to the success of our Mission.

Demonstrates excellence in daily work. Willing to actively participate in performance and quality improvement activities and to work towards enhancing customer/patient satisfaction.

Exhibits positive service excellence skills to patients, visitors, and coworkers by greeting others in a friendly manner, keeping customers/patients/colleagues informed about progress, delays and changes.

Demonstrates effective teamwork by interacting in a positive manner with colleagues and creating a collaborative work environment. Initiates open communication, conveys positive intent, offers assistance.

Contributes to a safe and secure environment for patients, visitors and colleagues by following established procedures and protocols.

Demonstrates stewardship by thoughtful and responsible use of resources including maintaining a clean and hospitable environment, starting work on time, maintaining good attendance, displaying a consciousness regarding costs, supplies, and department finances.

Demonstrates respect for individual differences and reverence for the spirituality of each person by acknowledging the essence of each person and appreciating and responding to the unique spiritual, personal and cultural backgrounds of patients, families and colleagues.

JMMC Core Value: The manager supports the mission and vision of Johnson Memorial Hospital to demonstrate Commitment to quality service, **A**ccessibility, **R**espect and **E**fficiency (C.A.R.E.).

JOB-RELATED ACCOUNTABILITIES

1. **Assures that care delivered is safe, appropriate, high quality, and efficient, and is delivered with respect to the individual's rights and preferences.**

    1.1 Observes patient care delivery and interacts with patients and families to assess their satisfaction with care.

    1.2 Monitors data trends related to clinical outcomes, i.e. Nurse Sensitive indicators.

    1.3 Collaborates with appropriate departments and/or individuals to develop action plans to address any deficiencies in quality of care.

    1.4 Monitors documentation of care for accuracy and completeness, including appropriate use of the nursing process.

    1.5 Provides feedback and direction to patient care staff to address deficiencies in documentation and use of the nursing process.

2. Assures that staff are scheduled according to unit standards to provide the appropriate number of staff considering scope of practice, skills and competencies, patient needs and complexity of care.

    2.1 Approves final staffing schedule at defined time intervals.

    2.2 Addresses gaps in desired staffing levels.

    2.3 Assures that staff conform to rules and polices related to ETO approval and schedule

adjustments.

2.4 Monitors patient care assignments to assure that patients are receiving care and services according to unit, professional, and regulatory standards.

3. Develops, implements, monitors and is accountable for the budget for the patient care unit or department.

3.1 Collaborates with JMMC VP of Patient Care Services to develop the operational and capital budgets for the patient care unit

3.2 Monitors budget and provides monthly variance explanations to the VP

3.3 Develops action plans, as appropriate, to mitigate variances to the budget.

4. Collaborates with JMMC nursing leadership, Human Resources (HR), SFHMC Behavioral Service Line Executive Director to ensure the appropriate orientation, education and training, credentialing, and continuing professional development of staff.

4.1 Ensures that new employees are made aware of license and credentialing requirements through the interview process.

4.2 Collaborates with HR to monitor staff attendance and/or completion of mandatory and recommended educational programs.

4.3 Facilitates meetings of Unit staff meetings/Council to promote staff participation in unit-based clinical decision making and staff education and professional development opportunities

4.4 Facilitates student clinical learning experiences by assigning nursing staff to act as mentors and preceptors for students.

5. Collaborates with nursing leadership to promote evidence based practice through the development of procedures and standards and participation in quality improvement and research activities.

5.1 Coordinates unit utilization of outcomes data (Dashboard, event reports, surveys, etc.) to design, implement and evaluate performance improvement projects.

5.2 Identifies opportunities to improve processes and/or patient care and collaborates with appropriate individuals to design, implement and evaluate performance improvement projects.

5.3 Mentors staff to use available resources to answer clinical practice questions.

6. Participates in the recruitment, selection, and retention of personnel assigned to the patient care unit or department.

6.1 Collaborates with HR to screen, interview, and hire qualified applicants for

department positions.

6.2 Provides ongoing coaching and mentoring of employees and maintains a record of performance related meetings.

6.3 Conducts an annual performance review on all employees. Takes action to achieve plans for performance improvement.

7. Creates an environment which promotes communication and collaboration among unit staff, physicians, and other healthcare personnel and hospital employees.

7.1 Facilitates interdisciplinary communication and care planning in the delivery of care and services to patients

8. Collaborates with the VP of Patient Care and SFHMC Behavioral Health Service Line Executive Director to develop, maintain and evaluate data collection processes to support nursing practice and the delivery of quality patient care.

8.1 Assists in the identification of patient care indicators appropriate to psychiatry.

8.2 Contributes to development and evaluation of data collection systems that have accessible and retrievable formats.

9. Creates and supports an environment that empowers the professional nurse in the utilization of data and in determination of relevant patient problems and diagnoses.

9.1 Identifies and acquires adequate resources to support clinical decision making in collaboration with other departments.

9.2 Assists and supports staff in developing and maintaining problem/diagnosis competency.

9.3 Facilitates a collaborative approach to the clinical decision making process.

10. Collaborates with the VP of Patient Care Services to develop, maintain and evaluate processes that promote patient, professional, and outcomes.

10.1 Facilitates participation by RNs and other staff members in the interdisciplinary identification of desired patient and/or service outcomes.

10.2 Facilitates RN participation in the monitoring and evaluation of nursing care in accordance with established professional, regulatory, and organizational standards of practice.

10.3 Promotes integration of clinical, human resource, and financial data to support clinical decision-making.

10.4 Promotes utilization of continuous quality improvement data to provide direction to the design of processes that support desired clinical outcomes, and which are attainable with available resources.

11. Collaborates with the JMMC VP of Patient Care Services to develop, maintain and evaluate systems which support planning for the delivery of patient care.

11.1 Facilitates the design and continuous improvement of systems that promote planning and prioritization of activities related to patient care

11.2 Promotes design and utilization of alternative plans for achieving desired outcomes which are safe and cost-effective.

11.3 Integrates contemporary theories of management, nursing practice, and related research into the design of clinical practice standards and guidelines.

11.4 Assures that systems and processes used in the planning of care and services consider ethical standards and patient rights.

11.5 Designs and monitors a plan for the appropriate assignment and utilization of staff, in accordance with the State Nurse Practice Act, and all relevant standards.

11.6 Utilizes clinical, human resource, and financial data to appropriately plan for nursing services and patient care within the division.

11.7 Advocates for staff involvement in all levels of care planning and decision making.

12. Evaluates the quality and effectiveness of nursing practice and clinical service delivery.

12.1 Provides leadership to the design and implementation of care delivery models that meet or exceed customer expectations.

12.2 Within the service line/division, identifies key measures of quality, safety, nursing practice quality, and patient satisfaction.

12.3 Participates in the development of clinical, operational, and financial process measures which can be derived, reported and used for improvement.

12.4 Implements performance improvement measures for key divisional or service line indicators that have been identified.

13. Demonstrates current knowledge in healthcare administration to promote advancement of nursing practice and the provision of quality health care.

13.1 Seeks experiences to advance personal knowledge and skills in areas of responsibility, and in healthcare systems.

13.2 Demonstrates commitment to life long learning through continuing education, certification and participation in professional organizations.

14. Demonstrates commitment to creating a professional environment for nursing and collaborative practice.

14.1 Facilitates effective communication at JMMC and with SFHMC Behavioral Health Service Line.

14.2 Facilitates a practice environment which promotes excellence in nursing practice. Assures the environment promotes respect for the individual and for the profession.

14.3 Collaborates with JMMC VP of Patient Care Services and peers to develop strategies to recruit and retain, mentor, provide education and training for, and ensure meaningful work to maximize job satisfaction and professional development of the nursing staff.

15. Demonstrates an ethical basis for decisions and actions.

15.1 Maintains privacy, confidentiality, and security of patient, employee, and organizational data.

15.2 Ensures compliance with regulatory and professional standards, including integrity of business practices.

15.3 Promotes care delivery in a manner that is sensitive to socio-cultural diversity.

15.4 Facilitates use of processes to identify and address ethical issues within nursing and the organization.

15.5 Adheres to the ANA *Code of Ethics for Nurses.*

Exhibit 2
to Clinical Services Sub-Agreement B-2

Scheduled Services Fee

Service	Rate
Clinical Management Services Nursing Director – 1.0 FTE	$117,300 per year billed monthly Benefits billed at 29% Admin fee = 3%
Mileage	Prevailing IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-2

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-2

Additional Sub-Agreement Terms

- The term of this Sub-Agreement shall remain in effect for a period of three (3) years commencing October 1, 2014 and expiring September 30, 2017.

Exhibit 5
to Clinical Services Sub-Agreement B-2

Proprietary and Confidential Information and Protected Intellectual Property

NONE

CONTRACT SERVICES & QUALITY EXPECTATIONS

Consistent with the terms and conditions of the agreement dated **10/1/2014** between **Saint Francis Care, Inc.**
(Vendor Name)

and **Johnson Memorial Medical Center, Inc.** for the provision of **Psychiatry Service Nursing Leadership,** the following contract
(JMMC Entity Name)

review assessment has been completed in an effort to document the quality of services required. This assessment is based upon review of the contract language. An annual Assessment will be conducted on the contract's anniversary date to ensure compliance with the standards outlined in the contract.

Quality Indicator/Standard Identified	Goal	1st QTR	2nd QTR	3rd QTR	4th QTR
As outlined on Exhibit 1 of the Clinical Services Sub-Agreement B-2 dated 10/1/2014	To be established during platform meetings and evaluated quarterly thereafter.				

Reviewed/Approved by:

Department Director

(Assistant) Vice President

Vice President, Medical Affairs

President

Annually this form must be evaluated for changes and compliance noted on a "Written Evaluation of Contracted Clinical Services" form.

919

Rev. 11/10/2014

FIRST AMENDMENT

TO AMENDED AND RESTATED CLINICAL SERVICES SUB-AGREEMENT B-2

THIS FIRST AMENDMENT TO THE CLINICAL SERVICES SUB-AGREEMENT B-2 TO THE CLINICAL AFFILIATION AGREEMENT ("**First Amendment**") is entered into effective as of April 16, 2015 by and among Johnson Memorial Medical Center, Inc. ("**JMMC**"), Saint Francis *Care*, Inc. ("**Saint Francis Care**"), and their affiliated entities identified as the Service Recipient and Service Provider in the Sub-Agreement.

RECITALS

WHEREAS, JMMC and Saint Francis Care are parties to that certain Amended and Restated Clinical Services Sub-Agreement B-2 to the Clinical Affiliation Agreement, with a start date of October 1, 2014 ("**Sub-Agreement**"), which remains in effect; and

WHEREAS, JMMC and Saint Francis Care wish to amend the Sub-Agreement to change the compensation rate and for certain other matters as may be set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, JMMC and Saint Francis Care agree to amend the Sub-Agreement as follows:

1. Exhibit 2 shall be deleted in its entirety and replaced with the attached Exhibit 2.

2. **Binding Amendment.** This First Amendment shall be binding upon and inure to the benefit of JMMC and Saint Francis Care and their respective legal representatives, successors and assigns.

3. **Sub-Agreement.** Except as expressly amended herein, the Sub-Agreement is hereby ratified and confirmed.

4. **Definitions.** All terms defined in the Sub-Agreement shall have the same meaning in this First Amendment. Any terms defined herein and not otherwise in the Sub-Agreement shall have the meanings ascribed to them herein.

THE NEXT PAGE IS THE SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their respective duly authorized representatives under seal effective as of the date first above written.

JMMC:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

Saint Francis Care:

SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

Service Provider:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 15-1132
BY: _____ DATE: 3.25.15

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Exhibit 2

to Clinical Services Sub-Agreement B-2

Scheduled Services Fee

Service	**Rate**
Clinical Management Services Nursing Director – 1.0 FTE	$125,000.00 per year billed monthly Potential bonus of $5,000 after initial 6 months, provided Director satisfies specific objectives as determined by the executive leadership team. Benefits billed at 29% Admin fee = 3%
Mileage	Prevailing IRS rate

CLINICAL SERVICES SUB-AGREEMENT

Clinical Services Sub-Agreement
to the Clinical Affiliation Agreement

Sub-Agreement Number: B-22

This Clinical Services Sub-Agreement to the Clinical Affiliation Agreement (this "**Sub-Agreement**") is entered into and effective as of the Start Date (as defined below) by and among Johnson Memorial Medical Center, Inc. ("**JMMC**") and Saint Francis *Care*, Inc. ("**Saint Francis Care**") and their affiliated entities listed below as the Service Recipient and the Service Provider, respectively, pursuant to the terms and conditions of that certain Clinical Affiliation Agreement dated July 12, 2012 (the "**Clinical Affiliation Agreement**"). Capitalized terms used herein that are not defined herein shall have the meaning attributed to them in the Clinical Affiliation Agreement.

1. Clinical Need Area. The Clinical Need Area to be addressed by this Sub-Agreement is: **Infection Prevention Services.**

2. Start Date. The effective date for when the Scheduled Services under this Sub-Agreement will begin to be provided shall be **April 1, 2015** (the "**Start Date**").

3. Service Recipient and Service Provider. JMMC and Saint Francis Care acknowledge and agree that the Scheduled Services to be provided under this Sub-Agreement shall be received by and provided by the following specific Johnson and Saint Francis affiliates:

The "**Service Recipient**" shall mean: **Johnson Memorial Medical Center, Inc.**

The "**Service Provider**" shall mean: **Saint Francis Hospital and Medical Center**

4. Scheduled Services. The Service Recipient hereby engages the Service Provider to provide the clinical services, and if applicable, related medico-administrative and management services, for the Clinical Need Area identified in Section 1 above as specifically set forth on Exhibit 1, attached hereto and incorporated herein (the "**Scheduled Services**"). The specific duties and responsibilities of the Saint Francis Personnel and the schedule for the provision of the Scheduled Services shall be set forth on Exhibit 1.

5. Scheduled Services Fee. The Service Recipient shall pay the Service Provider for the Scheduled Services a fee in the amount set forth on Exhibit 2, attached hereto and incorporated herein (the "**Scheduled Services Fee**").

6. Qualifications of Saint Francis Personnel Related to the Scheduled Services. In addition to the qualifications required for Saint Francis Personnel as set forth in the Clinical Affiliation Agreement, Johnson and the Service Recipient shall require the Saint Francis Personnel providing the Scheduled Services to have the additional qualifications and/or experience

related to the Clinical Need Area set forth in Section 1 above as set forth in Exhibit 3, attached hereto and incorporated herein (the "**Additional Qualifications**").

7. Additional Terms for this Sub-Agreement. Any additional terms or conditions that shall be applicable to this Sub-Agreement, and any terms and conditions that are different from the Master Terms set forth in the Clinical Affiliation Agreement for purposes of this Sub-Agreement only are set forth on Exhibit 4, attached hereto and incorporated herein (the "**Additional Sub-Agreement Terms**"). To the extent that the Additional Sub-Agreement Terms conflict with or differ from the Master Terms set forth in the Clinical Affiliation Agreement, then the Additional Sub-Agreement Terms shall be deemed controlling with respect to the Scheduled Services under this Sub-Agreement.

8. Incorporated into the Clinical Affiliation Agreement. This Sub-Agreement and all the Exhibits attached hereto shall be attached to and incorporated into Schedule B of the Clinical Affiliation Agreement. This Sub-Agreement shall be identified with a unique number beginning with "B-" and ending with the next consecutive number after the sub-agreement last adopted by the parties. Except as set forth in Section 7 above, the arrangement set forth in this Sub-Agreement shall be subject to and deemed to include the Master Terms set forth in the Clinical Affiliation Agreement.

IN WITNESS WHEREOF, the parties have executed this Clinical Services Sub-Agreement as of the date first set forth above.

JMMC:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

Saint Francis Care:
SAINT FRANCIS *CARE*, INC.

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

Service Recipient:
JOHN MEMORIAL MEDICAL CENTER, INC.

By: _____
Stuart E. Rosenberg
President and Chief Executive Officer

Service Provider:
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: _____
John F. Rodis, M.D.
Executive Vice President,
Chief Operating Officer, and
Chief Physician Executive

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 15-1155
BY: DATE: 4.6.15

Exhibit 1
to Clinical Services Sub-Agreement B-22

Scheduled Services

JMMC is requesting assistance for their Infection Prevention program. These services will be provided by Saint Francis Hospital Infection Prevention Department leadership and staff.

Consultation will be provided in the following areas:

- Assessment of current JMMC Infection Prevention activities and recommend changes as needed to ensure compliance with regulatory standards and the development of a contemporary department.
- Review and update goals of infection prevention program with JMMC senior leadership as needed.
- Provide ongoing development, coaching, and mentoring of JMH Infection Prevention RN.
    - Assistance with screening of potential candidates
- Oversee and participate in prevention, surveillance, investigation and educational activities/reporting to ensure accuracy and follow up.
- Assist with yearly evaluation of infection prevention program.
- Facilitation of discussion between Senior leadership, Medical staff leadership and Infection Prevention regarding priorities and patient care/facility needs.
- Infection Prevention services will be provided based on national, regional and local regulations, industry standards and pharmaceutical/manufactures recommendations.
- Attend Infection Control meetings as needed

On site and phone support will be provided as part of the agreement.

Exhibit 2
to Clinical Services Sub-Agreement B-22

Scheduled Services Fee

Service	Rate
• Ongoing Infection Prevention services and consultation	Hourly rate of $ 62.00 (12 hrs./week) Benefits = 29% Administrative fee = 5% Additional hours with the approval of CEO/AVP Patient Care Services
• Mileage pass thru (as defined in SFC policy)	IRS rate

Exhibit 3
to Clinical Services Sub-Agreement B-22

Additional Qualifications

NONE

Exhibit 4
to Clinical Services Sub-Agreement B-22

Additional Sub-Agreement Terms

NONE

Exhibit 5
to Clinical Services Sub-Agreement B-22

Proprietary and Confidential Information and Protected Intellectual Property

NONE

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

Teresa M. Bolton, Esq.
General Counsel
Tbolton@stfranciscare.org
Telephone: (860) 714-4656
Facsimile: (860) 714-8126

RECEIVED IN
SEP 16 2013
DEPT. OF LEGAL SERVICES

8/21/2013

Johnson Professional Associates, PC
201 Chestnut Hill Road
Stafford Springs, CT 06076

RE: New Privacy and Security Requirements for Business Associates Under HITECH

Dear Business Associate :

The Health Information Technology for Economic and Clinical Health Act ("HITECH") widens the scope of privacy and security protections available under the Health Insurance Portability and Accountability Act ("HIPAA"); expands the definition of Business Associates[11]; increases the potential legal liability for non-compliance; and provides for more enforcement.

As a Business Associate of Saint Francis, HIPAA now requires that Johnson Professional Associates, PC enter into a Business Associate Agreement with Saint Francis by **September 23, 2013**. Enclosed you will find a Business Associate Agreement between the parties that satisfies the requirements of HIPAA. Please return an executed version to the attention of Adrian Butler at the address listed above, no later than **September 15, 2013**. Shortly thereafter, we will return a fully-executed version to your attention.

The agreement is in addition to any and all contracts for services or products that you have with us.

Be advised that there are a number of significant changes to the obligations as a Business Associate, which are detailed in the January 25, 2013 federal register. While your organization is responsible for its own compliance with HIPAA, we note some of the key features to the updated rules below, which are reflected in the attached Business Associate Agreement:

[11] Under HITECH, a "Business Associate" is a person or entity, other than a member of the workforce of Saint Francis, who performs functions or activities on behalf of, or provides certain services to Saint Francis that involve generally require that covered entities such as Saint Francis and Business Associates enter into contracts to access by the Business Associate to protected health information ("PHI"). A "Business Associate" also is a subcontractor that creates, receives, maintains, or transmits PHI on behalf of another Business Associate.

- All Business Associates must comply with basic requirements of the HIPAA Security Rule.

- Business Associates must formally require their subcontractors who use PHI to comply with HIPAA Rules.

- Business Associates will be directly responsible for their own HIPAA compliance, including their own violations and/or government fines.

Please be mindful of these deadlines as the new HIPAA enforcement provisions are very strict and penalties range up to $1,500,000 for each violation. More information also is available at http://www.hhs.gov/ocr/privacy/.

Sincerely,

Teresa Bolton
General Counsel

BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT is made and entered into as of this ___ day of _____, 2013 ("Effective Date"), by and between **SAINT FRANCIS HOSPITAL AND MEDICAL CENTER** ("Covered Entity"), and **JOHNSON PROFESSIONAL ASSOCIATES, P.C.** ("Business Associate").

RECITALS:

WHEREAS, Covered Entity and Business Associate are parties to one or more agreements and may in the future become parties to additional agreements (collectively, the "Underlying Agreements"), pursuant to which Business Associate provides certain functions, activities and/or services to Covered Entity and, in connection with such functions, activities and/or services, creates, receives, uses or discloses Protected Health Information for or on behalf of Covered Entity that is subject to protection under the applicable provisions of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the Health Information Technology for Economic and Clinical Health ("HITECH") Act provisions of the American Recovery and Reinvestment Act of 2009 and its implementing regulations, as may be amended from time to time;

WHEREAS, the Covered Entity and the Business Associate acknowledge and agree that capitalized terms used, but not otherwise defined, herein are as defined in the HIPAA Standards;

WHEREAS, Covered Entity and Business Associate wish to comply in all respects with the requirements of HIPAA, including requirements applicable to the relationship between a Covered Entity and its Business Associates;

WHEREAS, the HIPAA Standards require that the Covered Entity obtain satisfactory assurances that the Business Associate will appropriately safeguard the individually identifiable health information used or disclosed by the Business Associate in the course of performing services pursuant to the Underlying Agreement(s).

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally and equitably bound, hereby agree as follows:

1. Definitions.

a. "Electronic Protected Health Information" shall mean Protected Health Information transmitted by electronic media or maintained in electronic media.

b. "HIPAA" shall mean Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, as such law and regulations may be amended from time to time.

c. "HIPAA Standards" shall mean the collective reference to HIPAA, Security Rules, Privacy Rules, HITECH Act and all regulations promulgated thereunder, which may be amended from time to time.

d. "HITECH Act" shall mean Health Information Technology for Economic and Clinical Health Act and other regulations promulgated thereunder, which regulations are codified at 16 C.F.R. Part 318 and any amendments thereto.

e. "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. 164.502(g).

f. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Part 164, Subpart E.

g. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 C.F.R. 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

h. Required By Law" shall have the same meaning as the term "required by law" in 45 C.F.R. 164.103.

i. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

j. "Security Rule" shall mean the Health Insurance Reform: Security Standards at 45 C.F.R. Part 164, Subpart C.

k. "Unsecured Protected Health Information" shall mean Protected Health Information that is not protected through the use of a technology or methodology specified by the Secretary in the guidance issued under section 13402(h)(2) of the American Recovery and Reinvestment Act of 2009.

2. Obligations and Activities of Business Associate

a. Business Associate shall not use or further disclose Protected Health Information other than as permitted or required by this Business Associate Agreement, as necessary to perform under the Underlying Agreements, or as Required By Law.

a. Business Associate shall implement and maintain appropriate safeguards so that all Protected Health Information is used or disclosed only as authorized under the HIPAA Standards and this Business Associate Agreement. To the extent required by the Security Rule, Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of the Covered Entity. Business Associate agrees to make its internal policies and procedures relating to its administrative, physical and technical safeguards available to Covered Entity for inspection for purposes of the Covered Entity determining the Business Associate's compliance with HIPAA Standards.

b. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by

Business Associate in violation of the requirements of this Business Associate Agreement.

c. Business Associate shall, without unreasonable delay, report to Covered Entity any use or disclosure of PHI of which Business Associate becomes aware that is not permitted or required by this Business Associate Agreement or any Security Incident, as that term is defined at 45 C.F.R. Section 164.304.

d. Business Associate shall, without unreasonable delay, but in no event later than sixty (60) calendar days after discovery, notify Covered Entity of any Breach of Unsecured Protected Health Information in accordance with the data breach notification requirements set forth in 42 USC § 17932 and 45 CFR Parts 160 and 164 subparts A, D, and E, as may be amended.

e. To the extent that Business Associate utilizes subcontractors or agents ("BA Subcontractor") to perform all or a portion of its business associate services on behalf of Covered Entity pursuant to the Underlying Agreements and to the extent that such BA Subcontractor receives or has access to Covered Entity's Protected Health Information and/or Electronic Protected Health Information, then Business Associate shall enter into a written business associate agreement with such BA Subcontractor that requires the BA Subcontractor to: (1) comply with all HIPAA requirements applicable to business associates generally; and (2) comply with the requirements and obligations imposed upon Business Associate hereunder. Business Associate shall monitor its agents' and BA Subcontractors' compliance with the foregoing requirements. Business Associate shall identify its BA Subcontractors, including appropriate contact information, on Exhibit 1, attached hereto. Business Associate shall notify Covered Entity promptly in writing upon the addition of any new BA Subcontractors or deletion of any existing BA Subcontractors.

f. If the Business Associate maintains Protected Health Information in a Designated Record Set, the Business Associate shall:

    i. provide access, at the request of Covered Entity, and in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524; and

    ii. make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity.

g. Business Associate shall make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity to the Secretary for purposes of the Secretary determining compliance with the HIPAA Standards.

h. Business Associate shall document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to

respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

i. Within thirty (30) days after receiving a written request from Covered Entity, Business Associate shall provide to Covered Entity, or to an Individual if the request includes disclosures made through an electronic health record, Protected Health Information collected in accordance with the Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

3. Permitted Uses and Disclosures by Business Associate

a. Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreements provided that such use or disclosure would not violate the HIPAA Standards if done by the Covered Entity.

b. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.

c. Except as otherwise limited in this Business Associate Agreement, Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

d. Except as otherwise limited in this Business Associate Agreement, Business Associate may use Protected Health Information to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. § 164.504(e)(2)(i)(B).

4. Obligations of Covered Entity

a. Covered Entity shall provide Business Associate with its Notice of Privacy Practices if it contains provisions that will affect Business Associate's obligations hereunder, as well as any changes to such provisions.

b. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Business Associate's permitted or required uses and disclosures.

c. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of Protected Health Information that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522.

d. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the HIPAA Standards if done by Covered Entity, provided however that the Business Associate may use or disclose Protected Health Information for data aggregation, management and administrative activities and legal responsibilities of Business Associate.

5. Term and Termination

a. Term. The Term of this Business Associate Agreement shall be effective as of the Effective Date, and shall terminate simultaneously with the Underlying Agreement(s), subject to the Business Associate's continuing obligations set forth in Section 5.c below.

b. Termination for Cause. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of this Business Associate Agreement, then the non-breaching Party shall provide written notice of the breach or violation to the other party that specifies the nature of the breach or violation. The breaching party must cure the breach or end the violation on or before thirty (30) days after receipt of the written notice. In the absence of a cure reasonably satisfactory to the non-breaching party within the specified timeframe or in the event the breach is reasonably incapable of cure, the non-breaching party may do the following: (i) if feasible, terminate this Business Associate Agreement and the Underlying Agreements; or (ii) if termination of this Business Associate Agreement is infeasible, report the issue to the Secretary.

c. Effect of Termination.

i. Except as provided in subparagraph (ii) of this subsection (c), upon termination of the Underlying Agreements or this Business Associate Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

ii. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

iii. The parties hereto understand and agree that the terms of this Business Associate Agreement are reasonable and necessary to protect the interests of the Covered Entity and the Business Associate.

6. **Miscellaneous.**

a. Regulatory References. A reference in this Business Associate Agreement to a section in the Privacy & Security Rules means the section as in effect or as amended, and for which compliance is required.

b. Survival. The respective rights and obligations of Business Associate under Section 5(c) of this Business Associate Agreement shall survive the termination of this Business Associate Agreement.

c. Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Standards.

d. No Private Cause of Action. This Business Associate Agreement is not intended to and does not create a private cause of action by any individual, other than the parties to this Business Associate Agreement, as a result of any claim arising out of the breach of this Business Associate Agreement, the HIPAA Standards or other state or federal law or regulation relating to privacy or confidentiality.

e. Amendment. In the event that any law or regulation is enacted or promulgated regarding the protection of health information that is in any way inconsistent with the terms of this Business Associate Agreement or that interferes with either party's obligations with respect to the protection of health information so as to warrant a modification to this Business Associate Agreement or in the event any HIPAA Standard is amended or modified, the parties shall operate in accordance with HIPAA Standards as so amended or modified, without the necessity of amending or modifying the written terms of this Business Associate Agreement.

f. Application of State Law. Where any applicable provision of State law (as designated in subsection (i) below) relates to the privacy of health information and is not preempted by HIPAA, as determined by application of the HIPAA Standards, the parties shall comply with the applicable provisions of State law.

g. Severability. If any provision of this Business Associate Agreement shall be declared invalid or illegal for any reason whatsoever, then notwithstanding such invalidity or illegality, the remaining terms and provisions of this Business Associate Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein, and such invalid, unenforceable or illegal provision shall be valid, enforceable and legal to the maximum extent permitted by law.

h. Governing Law. This Business Associate Agreement shall be interpreted, construed and governed according to the laws of the State of Connecticut, without regard to the conflict or choice of law provisions thereof. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Business Associate Agreement may be brought against any of the parties in the courts of the State of Connecticut, County of Hartford, or any federal court in the District of Connecticut and each of the parties consents to the jurisdiction of such court in any such action or proceeding and

waives any objection to venue laid therein. Process in any action or proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

i. Notices. Any notice or other communication given pursuant to this Business Associate Agreement must be in writing and (a) delivered personally, (b) delivered by overnight express, or (c) sent by registered or certified mail, postage prepaid, to the address set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Business Associate Agreement as of the Effective Date.

COVERED ENTITY

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: T Bolton

Printed Name: Teresa Bolton

Title: General Counsel

BUSINESS ASSOCIATE

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: Ian S. Tucker MD

Printed Name: Ian S. TUCKER, MD

Title: President, JPA
Vice President, Medical Affairs

Laundry Agreement

I

THIS AGREEMENT entered into this __20th day of _May_, 2013 by and between Total Laundry Collaborative (hereafter referred as "Provider") and Johnson Memorial Medical Center and Johnson Professional Associates (hereafter referred to as "Customer"). The contract term shall be until the end of __Aug_2018__.

II

PROVIDER shall supply CUSTOMER with complete Laundry service. This service shall include:

1. Laundry processing of such items in a manner that meets accepted industry standards with for turnaround.
2. Freshly processed laundered items ready for pick up at a mutually agreed time and place.
3. Delivery of freshly processed linens items at a mutually agreed upon time.

III

CUSTOMER grants PROVIDER the right and privilege to provide laundry and linen services to CUSTOMER as agreed under the following operation conditions. TLC will not sub contract to any other processor unless we have gotten written approval ahead of time, unless an emergency situation created an immediate need to insure the CUSTOMERS supply was uninterrupted and met.

IV

Under this Agreement, the inclusive cost for all services provided to Johnson and Evergreen will be billed to Customer at a rate of $ .4459 per pound of clean weight (full rental program) in years 1 (one) and 2 (two). Per the CUSTOMERS instructions we will provide the needed carts daily, Customer will insure that the agreed upon daily quantity of returning carts will be made ready for each days soiled pickup, regardless if they have soiled linen in them.This Agreement shall commence on the date first above written. Option to continue this agreement (at the customers desire) for years three -

Five (3-5) from the date on which services begin, such option must be locked in 60 days prior to the conclusion of year two of this agreement. Years 4 & 5 will be charged at the rate of .4615 cents per pound. Scrubs (tops, pants and jackets) will be provided at a cost of .60 cents per piece per use. TLC would track usage and reconcile any losses on a monthly basis and charge the customer for full replacement cost. This price includes all offsite locations as requested.

V

All fees payable by the CUSTOMER under this agreement will be paid as follows:
The PROVIDER will submit to the CUSTOMER, a monthly statement of all fees due for service rendered by the PROVIDER. Invoices, which are complete, correct and undisputed by CUSTOMER, shall be paid within 30 days of receipt. CUSTOMER shall notify PROVIDER within five (5) business days of any dispute.

VI

All Linens owned by the PROVIDER will remain the property of the PROVIDER.

VII

The PROVIDER agrees to provide laundry services customary to the trade, which includes all necessary contingency plans. The CUSTOMER agrees to maintain all appropriate access to the facilities to insure efficient deliveries.

VIII

There will be regular (6) day per week delivery with a seventh day as needed or requested by the CUSTOMER to meet linen needs based on a mutually acceptable schedule (hospital and nursing home location). Satellite delivery schedules will be created and amended as needed for these off sites, all Service shall be provided on a dock-to-dock basis with all linen bagged properly for transportation per appropriate requirements. Processing will be

available on all holiday's except New Years Day, Thanksgiving Day and Christmas Day.

IX

PROVIDER shall launder linens in accordance with standards published by Joint Commission; Joint Committee on Healthcare Laundry Guidelines and infection control guidelines shall meet accepted industry standards. The CUSTOMER will have the right to inspect the PROVIDERS plant, vehicles used to transport unannounced. The CUSTOMER shall have the right to terminate this agreement in the event the service provided does not meet the agreed standards of quality or service, upon the condition that it gives the PROVIDER written notice specifying the deficiencies in service. Should such deficiencies not be corrected within a thirty – (30) day period, then said agreement may be terminated at the option of the CUSTOMER. Differences in standards interpretation shall be arbitrated by the parties.

X

This agreement, and any other attachments as listed is entire and includes all understandings and agreements of the parties, No waiver or statement by a representative of either party shall be valid unless set forth herein or otherwise agreed to by both parties in writing.

XI

PROVIDER OR CUSTOMER, at either's option, may terminate this Agreement upon sixty (60) days written notice.

XII

Provider will credit customer for any laundry damaged upon review and approval of provider and customer. Any items deemed unusable from stains or wear will be sent back to the provider for final determination of use.

XIII

Provider warrants that it's processing procedures meet and will continue to meet all state and local health regulations for hospital laundries. The provider will provide the results of our quarterly water testing results. The laundry facility is open for inspection and visits at anytime. The provider has signed agreements with outside professional laundries to insure that the customers linen needs are met in case of any equipment down time.

XIV

Provider and customer agree to respond to any complaints or disputes on the day of the event or the next business day if it needs management support. The provider will address any complaints in writing and the any adjustments to avoid similar issues will be mutually agreed upon with the customer.

XV

To the extent required by Section 1861 of the Federal Social Security Act, PROVIDER will maintain records until the expiration of four (4) years after the furnishing of services pursuant to the Agreement, and PROVIDER shall make available, upon written request, to CUSTOMER, the Secretary of Health and Human Services, or the Comptroller General, or any of their duly authorized representatives, this Agreement, and books, documents, records, of PROVIDER that are necessary to certify the nature and extent of the costs claimed to Medicare with respect to the services provided under this Agreement.

Fuel Surcharge

All fuel surcharges from trucking company will be passed directly on to the customer. Current fuel surcharges are determined whenever the cost of diesel fuel is above $2.50 per gal. This surcharge will be added as a separate item on each monthly invoice.

President/COO

Representative
Johnson and Evergreen

5/9/13
Date

C.O.O.

Representative
Total Laundry Collaborative, LLC

5/9/13
Date

Attachment 1

List of Linen provided to each location to be agreed upon mutually.

Attachement 2

List of off site by address
Frequency of delivery (1x or 2x per week)
List of items delivered to each location – Par list expected.

SAINT FRANCIS *CARE*, INC.
RESIDENCY ROTATION AGREEMENT

THIS RESIDENCY ROTATION AGREEMENT (this "*Agreement*") is made and entered into this 1st day of October, 2014 (the "*Effective Date*") by and between **SAINT FRANCIS *CARE*, INC.**, a Connecticut non-stock corporation, with an office at 114 Woodland Street, Hartford, Connecticut 06105 (hereinafter referred to as "*Saint Francis*") and that certain clinical facility identified on Exhibit A, attached hereto and made a part hereof (hereinafter referred to as the "*Affiliate*").

WHEREAS, Saint Francis desires to utilize the Affiliate for the purpose of providing clinical and training experiences for residents enrolled in its program(s) as defined below; and

WHEREAS, the Affiliate has the facilities, equipment and experienced clinical staff to provide the necessary clinical and training experiences; and

WHEREAS, pursuant to the terms of this Agreement, the Affiliate is willing to provide clinical and training opportunities for residents of Saint Francis.

NOW, THEREFORE, in consideration of the mutual covenants, conditions and stipulations hereinafter expressed, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Affiliation.The parties hereto shall affiliate for the purpose of providing clinical training opportunities to the residentsin the Program.The parties shall cooperate in providing all required documentation to accrediting agencies for the Program, if any.

2. Facilities and Training.The Affiliate will make appropriate facilities available in order to provide a supervised clinical experience to participants in the Program. Such facilities shall include an environment which is conducive to the learning process for participants. The Affiliate will permit representatives of Saint Francis, upon sufficient notice and on a mutually satisfactory basis, to inspect the clinical facilities and services made available to participants in the Program. To the extent that Saint Francis requires that the Affiliateadhere to a written protocol and/or evaluation procedure with respect to a Participant'sparticipation in the Program, Saint Francis shall provide such written protocols and/or evaluation procedures to the Affiliate prior to the commencement of the Program and the Affiliatewill make best efforts to comply with such protocols and/or procedures.

3. Designation of Participants.Saint Francis shall provide the Affiliatewith a list of residentswho shall participate in the Program at least thirty (30) days prior to the commencement of the Program (each a "*Participant*," and, collectively, the "*Participants*"). No proposed Participant shall be unlawfully discriminated against by either party in any aspect of the Program.

4. Responsibilities of Saint Francis. Saint Francis hereby agrees to do the following:

(i) maintain (A) professional liability insurance covering itself and each Participant in an amount no less than One Million Dollars ($1,000,000) per occurrence and Three Million Dollars ($3,000,000) annual aggregate and (B) commercial general liability insurance in an amount no less than One Million Dollars ($1,000,000) per occurrence and Two Million Dollars ($2,000,000) annual aggregate, such insurance to be valid during the entirety of the Term (defined below) and provide evidence of such insurance to the Affiliate prior to the arrival of the first Participant at the Affiliate, together with a statement that such insurance shall not be cancelled without first providing the Affiliate with thirty (30) days written notice of any cancellation in coverage;

(ii) provide the current curriculum, syllabus and any course objectives directly relevant to the Participant's involvement in theProgramwhile at the Affiliate;

(iii) supervise the Participant's conduct and progress in the Program in conjunction with a designated member of the Affiliate's clinical staff, as appropriate to the Program;

(iv) ensure that each Participant is academically prepared in theoretical knowledge, basic skills, professional ethics, and HIPAA provisions;

(v) cause each Participant to acknowledge that he or she must maintain health insurance coverage while participating in the Program at the Affiliate and that such Participants are responsible for any medical care rendered to them while participating in the Program at the Affiliate;

(vi) cause each Participant to acknowledge that he or she must comply with (A) the Affiliate's health requirements prior to beginning their participation in the Program at the Affiliate; and (B) all the Affiliate's workplace rules, policies, procedures, protocols and directives while participating in theProgramat the Affiliate; and

(vii) cause each Participant to acknowledge that he or she shall not be eligible to receive any wage, salary, or compensation of any kind for any activities undertaken by the him or her at the Affiliate as part of the Program.

5. Responsibilities of Affiliate. The Affiliatehereby agrees to do the following:

(i) complete the Institutional information outlined on Exhibit A;

(ii) provide Participants with access to clinical facilities, educational and instructional materials and didactic programs, lectures and conferences, as appropriate for the Program;

(iii) enable the Participant to take part in patient care activities in a manner that is consistent with Affiliatepolicies, procedures, rules and regulations;

(iv) provide the Participant with reasonable orientation as to all Affiliatepolicies, procedures, rules and regulations;

(v) appoint a designated supervisor to provide supervision of the Participant's clinical training experiences; and

(vi) retain and provide records in accordance with the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. §1232g.

6. Privacy of Health Information.

(i) Saint Francis and the Affiliate(the "*Parties*") acknowledge that each must comply with the applicable provisions of the Administrative Simplifications section of the Health Insurance Portability and Accountability Act of 1996, codified at 42 U.S.C. § 132 through d-8 ("*HIPAA*"), and the requirements of any regulations promulgated thereunder, including, without limitation, the federal privacy regulations as contained in 45 C.F.R. parts 160 and 164, and the federal security standards as contained in 45 C.F.R. parts 160, 162, 164 (collectively, the "*Regulations*"). Accordingly, the Affiliatemay disclose to a Participant only the minimum Protected Health Information, as defined in 45 C.F.R. 164.501, or Individually Identifiable Health Information, as defined in 42 U.S.C. § 1320d(6) (collectively, "*Protected Health Information*") necessary for purposes of providing treatment or training a Participant to be a health care provider. Saint Francis understands and agrees that a Participant shall not remove any Protected Health Information from the Affiliate, nor disclose Protected Health Information to Saint Francis or its faculty, employees, agents and/or representatives unless direct patient identifiers are removed to create a limited data set in accordance with the limited data set standard at 45 C.F.R. § 164.514 (e) and the disclosure is pursuant to a limited data set use agreement between Saint Francis and the Affiliatethat satisfies the Parties' obligations under the limited data set standard.

(ii) The Parties acknowledge and agree that Participants shall be prohibited from requesting, using or disclosing any Protected Health Information other than for the treatment and training purposes specified in this Agreement. Saint Francis shall implement appropriate safeguards to prevent the request for, use or disclosure of Protected Health Information other than as permitted by this Agreement. Saint Francis willpromptly notify the Affiliateof any uses or disclosures of Protected Health Information in violation of this Agreement of which Saint Francis becomes aware. Saint Francis agreesto make its internal practices, books and records relating to the use and disclosure of Protected Health Information available to the Secretary of the United States Department of Health and Human Services to the extent required for determining compliance with HIPAA and the Regulations.

(iii) In the event that a patient (or the patient's personal representative) requests access to Protected Health Information in a Designated Record Set (as defined in 45 C.F.R. § 164.501) or from Saint Francis or a Participant, Saint Francis or the Participant, as the case may be, shall immediately forward such request and any such Protected Health Information in its, his or her possession to the Affiliate. If a patient (or the patient's personal representative) requests an amendment of Protected Health Information in a Designated Record Set, then Saint Francis or the Participant shall immediately forward such request and any such Protected Health Information in its, his or her possession to the Affiliate. Further, Saint Francis or Participant shall incorporate any amendment approved by the Affiliate into any amended Protected Health Information in the possession of either Saint Francis or the Participant.

(iv) If Saint Francis or a Participant receives a request for an accounting of disclosures of Protected Health Information from a patient (or the patient's personal representative), then Saint Francis or the Participant, as appropriate, shall immediately forward the request to theAffiliateand shall assist the Affiliatein determining whether any such request is,

in fact, a request for an accounting of the Affiliate's disclosures or the disclosures of Saint Francis. If the Affiliate determines that the request is a request for an accounting of Saint Francis' disclosure and Saint Francis is a Covered Entity (as defined in 45 C.F.R. § 160.103), then Saint Francis shall provide the patient with the accounting required by 45 C.F.R. § 164.528. If the Affiliatedetermines that the request is a request for an accounting of the Affiliate's disclosures, then each of Saint Francis and any affected Participant shall within ten (10) days forward any information in Saint Francis'and/or any affected Participant's possession that is required for the Affiliateto make the accounting required by 45 C.F.R. § 164.528.

(v) This Section 6 shall survive any termination or expiration of this Agreement.

7. Relationship of the Parties. Each of Saint Francis and the Affiliateacknowledges and agrees that they are independent contractors and that nothing in this Agreement shall be construed to create a joint venture or partnership between Saint Francis and the Affiliate. Neither Saint Francis nor the Affiliate is authorized to make any representations, warrantees or commitments on behalf of the other, without the other party's express written authorization.

8. Term and Termination. The term of this Agreement shall be one (1) year beginning on the Effective Date and expiring on the first anniversary thereof. This Agreement may be extended for such term and upon such conditions as the parties hereto may mutually agree in writing. Either party may terminate this Agreement for any reason upon at least ninety (90) days written notice to the other of its desire to terminate. Additionally, either party may terminate this Agreement immediately at any time if the other defaults in any of its material obligations hereunder; such termination to be evidenced by a written statement to such effect.

9. Notices. Notice required to be given must be made in writing and shall be deemed given only if delivered personally or sent by facsimile or by registered or certified mail, postage prepaid, as follows:

If to SAINT FRANCIS*CARE*, INC.:

Name: Jeri Hepworth, PhD
Executive Director, Innovation + Learning
Address: Saint Francis *Care*, Inc.
114 Woodland Street
Hartford, Connecticut 06105

If to the Affiliate, to the address indicated on Exhibit A.

10. Entire Agreement and Amendments. This Agreement (including any exhibits and schedules attached hereto) contains the entire agreement among the parties concerning the subject matter contained herein and there are no other terms, covenants, obligations, or representations, oral or written, of any kind whatsoever. Any modification, addition or alteration of this Agreement must be in writing and signed by both parties.

11. Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement at any one time shall not be deemed a waiver of such term, covenant, or condition at any other time nor shall any waiver or relinquishment of any right or power herein at any time be deemed a waiver or relinquishment of the same or any other right

or power at any other time.

12. Severability. In the event any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall nevertheless be binding upon the respective parties hereto with the same effect as though the invalid or unenforceable provision was deleted. In the event that any state or federal laws or regulations now existing or enacted or promulgated after the Effective Date of this Agreement are interpreted by judicial decision, regulatory agency or legal counsel for Saint Francis in such a way as to indicate that the structure of this Agreement may be in violation of such laws or regulations, this Agreement shall be amended by Saint Francis to remedy such violation or terminated by Saint Francis without penalty.

13. Applicable Law and Venue. This Agreement is being delivered and is intended to be performed in the State of Connecticut and shall be construed and enforceable in accordance with the laws of the State of Connecticut without regard to conflict of laws principles thereof. Any legal action or other proceeding relating to this Agreement or the enforcement of any provision hereof shall be brought in any state or federal court having jurisdiction over the subject matter thereof and located in Hartford County, Connecticut and neither part shall object to such venue on the basis that it is inconvenient.

14. Assignment Prohibited. This Agreement is personal to each of the parties hereto, and neither party may assign or delegate any of its rights or obligations hereunder without first obtaining the written consent of the other.

15. Captions. The captions contained herein are not a part of this Agreement. They are only for the convenience of the parties and do not in any way modify, amplify, or give notice of any of the terms, covenants, or conditions of this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by a duly authorized representative as of the Effective Date.

SAINT FRANCIS *CARE*, INC.

By: J Hepworth, PhD
Jeri Hepworth, PhD
Executive Director, Innovation + Learning

JOHNSON MEMORIAL MEDICAL CENTER

By:
Name: Stuart E. Rosenberg
Title: 10/16/14

EXHIBIT A

RESIDENCY ROTATION AGREEMENT

INSTITUTIONAL DATA SHEET

RESIDENCY PROGRAM:		**Ob/Gyn**	
SAINT FRANCIS CARE, INC.		**AFFILIATE**	
Legal Name	Saint Francis *Care*, Inc.	Legal Name	Johnson Memorial Medical Center, Inc.
Address	114 Woodland Street Hartford, Connecticut 06105	Address	201 Chestnut Hill Road Stafford Springs, CT 06076
Administrative Contact		**Administrative Contact**	
Name	Ashley Negrini	Name	Kris Verny
Title	Supervisor, Educational Excellence	Title	Executive Assistant, Administration
Institution	Saint Francis *Care*, Inc.	Institution	Johnson Memorial Medical Center, Inc.
Address	114 Woodland Street	Address	201 Chestnut Hill Road
	Hartford, Connecticut 06105		Stafford Springs, CT 06076
Telephone	860.714.5967	Telephone	860.684.8235
Email	anegrini@stfranciscare.org	Email	kristina.verny@jmmc.com
Authorized Institutional Official		**Authorized Institutional Official**	
Name	Jeri Hepworth, PhD	Name	Stuart E. Rosenberg
Title	Executive Director, Innovation + Learning	Title	President/CEO
Institution	Saint Francis *Care*, Inc.	Institution	Johnson Memorial Medical Center, Inc.
Address	114 Woodland Street	Address	201 Chestnut Hill Road
	Hartford, Connecticut 06105		Stafford Springs, CT 06076
Telephone	860.714.6526	Telephone	860-684-8101
Email	jhepwort@stfranciscare.org	Email	Stuart.rosenberg@jmmc.com

EXHIBIT 9

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

CONFIDENTIAL

Affiliation Analysis

Johnson Memorial Medical Center (JMMC) is an opportunity-rich organization with the following distinct entities:

- **Johnson Memorial Hospital (JMH)**- a 92-bed acute care hospital located in Stafford Springs, CT
- **Evergreen Health Care Center (EHCC)**- a 180-bed nursing and rehabilitation facility, including sub-acute rehab and a Memory Support Unit, co-located with JMH in Stafford Springs, CT
- **Home and Community Health Services (H&C)**- our visiting nurse association located in Enfield, CT
- **Johnson Surgery Center (JSC)**- a four-OR outpatient surgery center with a complete array of radiological and laboratory services, located in Enfield, CT

JMMC, in conjunction with the right partner organization, would be optimally positioned to exert significant influence on the key markets in Northeastern CT, including Stafford, Willington, Enfield, Suffield, East Windsor, Somers, Ellington, and Tolland. These communities represent over 150,000 lives.

JMMC's goal is to achieve financial and operational stability through the establishment of a mutually-respectful partnership and close strategic and operational affiliation with a larger healthcare system.

Process Disclosure

JMMC is committed to transparency in the process of how we will select a partner. This document will be provided to each potential partner so that each interested party shall have the identical information upon which to base their written proposal and create a presentation to give to the JMMC Board of Directors

This Affiliation Analysis document is being provided to organizations who have expressed interest in engaging in productive, good-faith discussions with JMMC and includes, in alphabetical order:

- Baystate Health, Springfield, MA
- Eastern CT Health Network, Manchester, CT
- Hartford HealthCare, Hartford, CT
- Sisters of Providence Health System/Mercy Medical Center, Springfield, MA
- St. Francis Care, Hartford, CT

Potential affiliates are asked to review and complete the attached Affiliation Analysis Grid if they desire to be considered in the evaluation process. Responses may be completed within the grid of this document or by using attachments. The potential affiliate may, and is, in fact, encouraged to provide additional information and/or suggestions they see as being beneficial for an affiliation with JMMC. The document provided by the potential affiliate will serve as the basis for the preliminary meeting with JMMC.

Please provide your responses to JMMC as soon as possible, but not later than 48 hours prior to your scheduled meeting. Meetings will be scheduled on Wednesday evenings in early June. We hope to conclude all meetings before the end of July.

Each interested potential affiliate partner is asked to meet with the JMMC Board of Directors and Senior Administrative Team. Discussions are anticipated to be last approximately 90 minutes each. The presentation team should be limited to three individuals, preferably decision makers, for the potential affiliate. During the time allotted, the potential affiliate should be prepared to discuss its vision for an affiliation between JMMC and their organization and address each item from the Affiliation Analysis Grid. Given these considerations, the presentation should ideally address:

- Short-term plan for ensuring JMMC financial stability
- Medium range strategy for supporting current and/or augmenting mutual growth and market consolidation
- Long-term vision for the partner affiliation

Exclusivity Guarantee

If your organization is selected as the affiliation partner, JMMC will execute an exclusive agreement to move forward, based upon a Memorandum of Understanding created from the Affiliate Analysis Grid provided. Firm, mutually-agreed upon timeline-driven milestones will be established. It is JMMC's desire that some of its needs shall be met within a very short timeframe (i.e. 30-90 days) using interim Agreements, e.g. Provider Services or Management Agreements that shall remain in place until the final, signed agreement is in effect.

Confidentiality

As noted above, all potential affiliates are being provided with identical information from JMMC upon which to base their preliminary proposal. Information provided to JMMC by potential affiliation partners will be held as confidential to the potential affiliation partner, and will not be shared with any competitor organization.

Affiliation Discussions Timeline- 2011

Date	
6/1/2011	Affiliation Analysis Grid and cover letter mailed and emailed to Presidents of ECHN, Bay State, Mercy, Saint Francis and Hartford Hospitals from Gary Roman, Chairman of the Board and David Morgan, President/CEO. (See Attachment A)
6/24/2011	Meeting held at Hartford Hospital with David Morgan.
6/24/2011	Notification received from Mercy Hospital- no longer interested in affiliation discussions at this time.
6/27/2011	Affiliation Analysis response received from Hartford Hospital, including initial due diligence request. Emailed to Administrative Council by R. LaBonte on behalf of D. Morgan.
	Meeting held with Chris Dadlez at Saint Francis (D. Morgan)
6/29/2011	Notification received that Bay State no longer interested in affiliation discussions at this time.
6/30/2011	Affiliation Analysis response from Hartford Hospital mailed to Board of Directors in Board Package for 7/6/2011 meeting. Presentation to Board scheduled for July 26, 2011 at 6:00 p.m.
	Due Diligence request from Hartford Hospital sent to JMMC personnel for response - deadline for responses: July 6, 2011
	Presentation to Board of Directors by Saint Francis scheduled for July 27, 2011 @ 5:30 p.m. – Response to Affiliation Analysis outstanding.
7/14/2011	Requested that Hartford Hospital execute amendment to Confidentiality Agreement extending term – originally sent 5/15/2011.
	Confidentiality Agreement emailed to Peter Karl at ECHN for signature in relation to affiliation discussions.
7/18/2011	Received executed amendment to Confidentiality Statement from Hartford Hospital.
7/21/2011	D. Morgan holds conference call with J. Blazer of Hartford Hospital.
7/26/2011	Hartford Hospital and ECHN made joint presentation regarding affiliation with JMMC. During the presentation, it was made very clear that if selected JMH would not exist in its present state.
7/27/2011	Saint Francis made their presentation to the Board of Directors. Following their departure. The Board discussed both presentations and made a motion, which was unanimously passed, to engage with Saint Francis in an exclusive and confidential agreement for a period of 45 days with milestones identified and measured.

EXHIBIT 10

EXECUTION COPY

MASTER AFFILIATION AGREEMENT

AMONG

SAINT FRANCIS *CARE,* INC.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

JOHNSON MEMORIAL HOSPITAL, INC.

AND

THE JOHNSON EVERGREEN CORPORATION

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MASTER AFFILIATION AGREEMENT

THIS MASTER AFFILIATION AGREEMENT (this "Agreement") is made as of the 12th day of July, 2012, by and among Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation, Inc. ("JEC") (JMMC, JMH, and JEC are sometimes referred to individually as a "Johnson Entity" and collectively as "Johnson" or the "Johnson Entities", and Saint Francis and the Johnson Entities are sometimes referred to collectively as the "Parties").

WITNESSETH:

WHEREAS, the Parties contemplate an affiliation in which they will develop certain arrangements designed to establish a long-term stable relationship between the Parties, allowing them to work together to maintain and strengthen Johnson's operating viability and its presence in the community as a community hospital, expand the array of healthcare services available, support Johnson's medical staff, and enhance Johnson's efforts to fulfill its mission.

WHEREAS, in furtherance of the foregoing, Saint Francis has agreed to make certain payments and provide certain clinical, administrative and other support to Johnson and Johnson has agreed to certain matters in consideration of such payments and support, all as more fully set forth below.

NOW, THEREFORE, for and in consideration of the foregoing premises and the agreements, covenants, representations and warranties hereinafter set forth and for other good and valuable consideration, the receipt and adequacy of all of which are acknowledged and agreed, the Parties hereto agree as follows:

1. DEFINITIONS.

1.1 Definitions. Unless otherwise indicated in this Agreement, the following terms shall have the following meanings:

"Additional Payments" means the First Additional Payment and the Additional Payments made by Saint Francis pursuant to Section 2.2 below.

"Affiliate" shall mean, as to the entity in question, any person or entity that, directly or indirectly, Controls, is Controlled by or is under common Control with the entity in question.

"Affiliation Agreement" shall mean the Clinical Affiliation Agreement among the Parties, implementing the arrangements contemplated in Section 5 of the Term Sheet.

"Agents" shall have the meaning set forth in Section 13.9.

"Agreement" shall have the meaning set forth in the introduction.

"Alternative Transaction" shall mean any sale of a material portion of the assets of Johnson, or any affiliation, merger, or other strategic transaction related to Johnson, but shall

not include any such transaction if Saint Francis or any Affiliate of Saint Francis is a party thereto.

"Balance Sheet Date" shall mean December 31, 2011.

"Bankruptcy Cases" means the jointly administered bankruptcy cases entitled *In re Johnson Memorial Corporation, Inc., et al.,* Case No. 08-22188-ASD, pending in the Bankruptcy Court.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Connecticut.

"Benefit Plans" shall mean all "employee benefit plans" as defined in ERISA, all specified fringe benefit plans as defined in Section 6039D of the Code, and all other pension, profit sharing, stock bonus, stock option, deferred compensation, or other retirement plans; welfare benefit plans, including group health and group insurance plans; cafeteria, flexible benefit or tuition assistance plans; executive compensation, bonus, or incentive plans; severance plans; salary continuation plans, programs, or arrangements; vacation, holiday, sick-leave, paid time-off or other employee compensation plans, procedures, programs, payroll practices, policies, agreements, commitments, contracts, or understandings; or any annuity contracts, custodial agreements, trusts, escrows or other funding arrangements related thereto, whether oral or written, qualified or nonqualified, funded or unfunded, and all employment agreements, programs, policies or other arrangements.

"Boards" means the Boards of Directors of the Johnson Entities.

"BPO Agreement" means the Business Process Outsourcing Agreement among the Parties, implementing the arrangements contemplated in Section 6 of the Letter of Intent.

"Business" shall mean the business operations of the Johnson Entities and the Facilities.

"Closing" shall have the meaning set forth in Section 8.1.

"Closing Date" shall have the meaning set forth in Section 8.1.

"CMS" shall mean Centers for Medicare and Medicaid Services.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Conditions" shall have the meaning set forth in Section 2.1.

"Confidential Information" shall have the meaning set forth in Section 13.9.

"Control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any entity, whether through the ownership of voting securities, holding a membership interest, by contract or otherwise.

"Employee" shall mean an individual rendering personal services to the Johnson Entities with respect to the Business or the Facilities as an employee, including any individual who is treated as a "leased employee" under Code Section 414(n).

"Environmental Claim" means any written claim, action, cause of action, or notice by any person or entity alleging potential liability (including, without limitation, potential liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (a) the currently unlawful presence, or currently unlawful release into the environment, of any Material of Environmental Concern at any location which is or has been owned or leased by the Johnson Entities or (b) any violation, or alleged violation, of any Environmental Law.

"Environmental Laws" means the applicable federal, state (including specifically, but not by way of limitation, the State of Connecticut), and local environmental, or health laws, regulations, ordinances, rules and common law in effect on the date hereof and the Closing Date governing the use, refinement, handling, treatment, removal, storage, production, manufacture, transportation or disposal, emissions, discharges, releases or threatened releases of Materials of Environmental Concern, or otherwise governing protection of the environment (including, without limitation, ambient air, surface water, ground water, land surface or subsurface strata), as the same may be amended or modified to the date hereof and the Closing Date, including, without limitation, the statutes listed below:

(a) Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901, et seq.;

(b) Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601, et seq.;

(c) Federal Clean Air Act, 42 U.S.C. Section 7401, et seq.;

(d) Federal Water Pollution Control Act, Federal Clean Water Act of 1977, 33 U.S.C. Section 1251, et seq.;

(e) Federal Insecticide, Fungicide, and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136, et seq.;

(f) Federal Hazardous Materials Transportation Act, 48 U.S.C. Section 1801, et seq.;

(g) Federal Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq.; and

(h) Federal Safe Drinking Water Act, 42 U.S.C. Section 300f, et seq.

"ERDs" shall mean the Ethical and Religious Directives for Catholic Health Care Services issued by the United States Conference of Catholic Bishops, as the same may be amended from time to time.

"ERISA" shall mean, collectively, the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" shall mean any person that is included with any Johnson Entity in a controlled group or affiliated service group under Sections 414 (b), (c), (m), or (o) of the Code.

"Escrow Agent" shall mean Hinckley, Allen & Snyder LLP.

"Escrow Agreement" shall mean that certain Escrow Agreement dated as of February 10, 2012 by and among the Parties and the Escrow Agent.

"Escrow Period" means the period beginning on February 10, 2012 and ending on July 15, 2012.

"Exclusivity Period" shall have the meaning set forth in Section 4.1.

"Facilities" (each individually a "Facility") shall mean the facilities owned or operated by the Johnson Entities including, without limitation, the acute care hospital and surgery center operated by JMH and the nursing home operated by JEC.

"Financial Statements" shall have the meaning set forth in Section 9.4.

"Financing Documents" means the HFG Financing Documents, the People's Financing Documents, the Plan Custodian Financing Documents, and the PBGC Financing Documents.

"First Additional Payment" means the Payment to be made by Saint Francis on or before October 1, 2012, pursuant to Section 2.1 below.

"FTC Act" means the Federal Trade Commission Act, 15 U.S.C. §§ 41 et seq.

"FTC Red Flag Rules" shall mean the regulations set forth in 16 CFR Part 681.

"GAAP" shall mean accounting principles generally accepted in the United States.

"Governmental Entity" shall mean any court, tribunal, arbitration, authority, agency, commission, official, or other instrumentality of the United States government or of any state or political subdivision thereof.

"Government Reimbursement Programs" shall mean Medicare, Medicaid and TRICARE and any other federal or state healthcare programs.

"Hazardous Substances" means any toxic or hazardous waste, pollutants or substances, including without limitation asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substance," "toxic substance," "toxic pollutant," or similarly identified substance or mixture, in or pursuant to any Environmental Law.

"Health Care Laws" shall mean Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395-1395hhh (the Medicare statute), including specifically, the Ethics in Patient Referrals

Act, as amended (the "Stark Law"), 42 U.S.C. § 1395nn; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396-1396v (the Medicaid statute); the Federal Health Care Program Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b); the False Claims Act, 31 U.S.C. §§ 3729-3733 (as amended); the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; the Civil Monetary Penalties Law, 42 U.S.C. §§ 1320a-7a and 1320a-7b; the Exclusion Laws, 42 U.S.C. § 1320a-7; HIPAA and all applicable implementing regulations, rules, ordinances, judgments, and orders; and any similar state and local statutes, regulations, rules, ordinances, judgments, and orders, and any corresponding Connecticut state statutes and applicable implementing regulations that address the subject matter of the foregoing.

"Healthcare Providers" means physicians or other healthcare providers that provide healthcare services reimbursable by federal or private healthcare plans, or entities in which physicians or other healthcare providers are equity owners, or other persons or entities treated as referral sources under applicable Health Care Laws.

"HFG" means Healthcare Finance Group, LLC.

"HFG Agreement" means the Revolving Loan and Security Agreement dated as of September 27, 2010 between Johnson and HFG.

"HFG Financing Documents" means any and all financing agreements between HFG and any of the Johnson Entities.

"HHS" shall mean the United States Department of Health and Human Services.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations as amended by the Health Information Technology for Economic and Clinical Health Act.

"Hospital" shall mean Johnson Memorial Hospital.

"Information Privacy or Security Laws" means HIPAA and regulations as set forth in Section 9.8(b) and any other laws concerning the privacy and/or security of Personal Information, including but not limited to state data breach notification laws, state health information privacy and security laws, the FTC Act, the FTC Red Flag Rules and state consumer protection laws, as related to personal information privacy and security.

"Initial Payment" means a payment in the amount of $1,300,000 made by Saint Francis on or about February 8, 2012, which is currently held in escrow by the Escrow Agent pursuant to the Escrow Agreement.

"Johnson Entities" shall have the meaning set forth in the introduction.

"Johnson Entities' Cost Reports" means cost reports relating to the Johnson Entities' operations, including those relating to the Medicare, Medicaid, TRICARE and any other cost-based payor programs in which the Johnson Entities participate or are enrolled.

"Joint Commission" shall mean The Joint Commission, an accrediting agency for healthcare organizations.

"Knowledge" or "knowledge" shall mean, when used with respect to Johnson or any of the Johnson Entitites (a) all matters with respect to which any of the Responsible Officers of the Johnson Entities have received written notice or (b) the actual knowledge of the Responsible Officers of the Facilities.

"Letter of Intent" means the Letter of Intent by and among the Parties dated as of January 23, 2012.

"Lien" means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, put, call, easement, servitude, proxy, voting trust or agreement and transfer restriction under any agreement.

"Material Adverse Effect" shall mean an event, occurrence, condition, change or effect or a series of events, occurrences, conditions, changes or effects that, individually or in the aggregate, is or may be reasonably expected, to be materially adverse to the business, financial condition, operations or properties of the person or business which has suffered such event, occurrence, condition, change or effect, including but not limited to the loss of any provider number; provided, however, that Material Adverse Effect shall exclude any changes or conditions as and to the extent such changes or conditions relate to or result from general economic conditions in the United States of America, and/or such other conditions that affect the healthcare industry generally. For purposes hereof, an event, occurrence, condition, change or effect or a series of events, occurrences, conditions, changes or effects which has resulted or could reasonably be expected to result in a suit, action, charge, claim, demand, cost, damage, penalty, fine or liability of less than $250,000 shall not constitute a Material Adverse Effect.

"Materials of Environmental Concern" shall mean chemicals, pollutants, contaminants, wastes, toxic substances, petroleum and petroleum products, including Hazardous Substances.

"Medical Waste" includes, but is not limited to, (a) pathological waste, (b) blood, (c) sharps, (d) wastes from surgery or autopsy, (e) dialysis waste, including contaminated disposable equipment and supplies, (f) cultures and stocks of infectious agents and associated biological agents, (g) contaminated animals, (h) isolation wastes, (i) equipment contaminated with Medical Waste which cannot be decontaminated in the ordinary course of business, (j) laboratory waste and (k) various other biological waste and discarded materials contaminated with or exposed to blood, excretion, or secretions from human beings or animals. "Medical Waste" also includes any substance, pollutant, material or contaminant listed or regulated as "Medical Waste," "Infectious Waste," or other similar terms by federal, state, regional, county, municipal or other local laws, regulations and ordinances insofar as they regulate Medical Waste or impose requirements relating to Medical Waste and includes "Regulated Waste" governed by the Occupational Safety and Health Act, 29 U.S.C. Section 651 *et seq.*

"Multiemployer Plan" shall mean a Benefit Plan described in Section 4001(a)(3) of ERISA.

"OHCA" means the Office of Heath Care Access of the State of Connecticut Department of Public Health.

"Outstanding Claims" shall mean the past-due amounts due under the Plan, including

interest and fees and costs owed by Johnson to the PBGC and the unsecured creditors in Classes A6 and B6 of the Plan who are represented by the Plan Custodian as of the end of the Escrow Period.

"Payments" means the payments made by Saint Francis pursuant to Sections 2.1 and 2.2 below.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"PBGC Financing Documents" means any and all financing agreements between the PBGC and any of the Johnson Entities.

"PCBs" shall mean polychlorinated biphenyls.

"People's" means People's United Bank.

"People's Financing Documents" means any and all financing agreements between People's and any of the Johnson Entities.

"Permitted Lien" shall have the meaning assigned to that term in the HFG Agreement as in effect on the date of this Agreement.

"Person" shall mean any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, or other entity.

"Personal Information" means any information with respect to which there is a reasonable basis to believe that the information can be used to identify an individual, including without limitation "individually identifiable health information" as defined in 45 C.F.R. 160.103, demographic information, and social security numbers.

"Plan" shall mean the reorganization plan confirmed by the United States Bankruptcy Court for the District of Connecticut on or about August 11, 2010 in the Bankruptcy Cases.

"Plan Custodian" means the plan custodian appointed under the Plan.

"Plan Custodian Financing Documents" means any and all financing agreements between the Plan Custodian and any of the Johnson Entities.

"Prime Rate" shall mean the rate (or the average of rates, if more than one rate appears) published in the Wall Street Journal (Eastern Edition) as the "Prime Rate".

"Providing Party" shall have the meaning set forth in Section 13.9.

"Real Property" means all real property owned or leased by the Johnson Entities.

"Receiving Party" shall have the meaning set forth in Section 13.9.

"Responsible Officers" shall mean, with respect to Johnson, its executive officers, compliance officer, privacy and security officer, and the Johnson official who is responsible for signing claims submitted to any Government Reimbursement Program.

"Saint Francis" shall have the meaning set forth in the introduction.

"Schedules" shall mean the Schedules to this Agreement.

"Taxes" or "Tax" shall mean all taxes, fees, levies or other assessments, however denominated, including any interest, penalties or other additions to taxes that may become payable in respect thereof, imposed by any federal, territorial, state, local or foreign government or any agency or political subdivision of any such government, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and state income taxes), unrelated business income taxes, payroll and employee withholding taxes, unemployment insurance, social security taxes, sales and use taxes, ad valorem taxes, excise taxes, taxes under Code Section 4958, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation, alternative or add-on minimum estimated or other taxes, levies or assessments for unclaimed property under applicable escheat or unclaimed property laws and other obligations having the same nature or a nature similar to any of the foregoing.

"Tax Return" or "Tax Returns" shall mean any report, return, declaration, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto and including any amendment thereof.

"Term Sheet" means the term sheet attached to and incorporated into the Letter of Intent.

"Update Certificate" shall have the meaning assigned to that term in Section 2.2(c), below.

2. PAYMENTS

2.1 Initial Payment. (a) Saint Francis has made the Initial Payment, which is being held in escrow with the Escrow Agent under the terms of the Escrow Agreement. During the Escrow Period, the Parties will negotiate in good faith and use their best efforts to reach agreement on the terms of the Affiliation Agreement and the BPO Agreement. If the conditions set forth below (the "Conditions") have been satisfied before the end of the Escrow Period, (x) the Initial Payment will be released to Johnson and used by Johnson to satisfy Outstanding Claims owed by Johnson under the Plan to the PBGC and the unsecured creditors in Classes A6 and B6 of the Plan, and (y) Saint Francis will agree to make the First Additional Payment, in the amount of $1,050,000, on or before October 1, 2012. The Conditions are as follows:

(i) Saint Francis and Johnson shall have negotiated and executed the Affiliation Agreement and the BPO Agreement;

(ii) People's shall have agreed to the matters set forth in Section 7.1, below;

(iii) HFG shall have agreed to the matters set forth in Section 7.2, below;

(iv) Johnson shall have provided Saint Francis satisfactory evidence of the total amounts of the Outstanding Claims;

(v) Johnson shall have obtained all necessary approvals for the amendments to its organizational documents contemplated in Section 3.1, below;

(vi) the Motion to Convert Reorganized Debtors' Chapter 11 Cases to Chapter 7, Docket No. 1774, filed by First American Commercial Bancorp, Inc. *et al.* in the Bankruptcy Cases shall have been dismissed, denied or withdrawn (either unconditionally or on terms satisfactory to Saint Francis in its sole discretion), and (in the case of a denial) all applicable appeal periods shall have expired without an appeal being taken;

(vii) there shall be no other motions or complaints pending or, to Johnson's knowledge, threatened in any of the Bankruptcy Cases seeking a conversion or dismissal of any of the Bankruptcy Cases, appointment of a trustee for any of the Johnson Entities, or enforcement of any of the terms of the Plan;

(viii) the representations and warranties set forth in Section 9, below, shall be true and correct in all respects as of the end of the Escrow Period;

(ix) each of the Parties shall be satisfied, in its sole discretion, that no regulatory approvals (other than those already obtained) are required in order for the Parties to enter into and perform their obligations under this Agreement, the Affiliation Agreement, and the BPO Agreement; and

(x) Johnson shall have delivered to Saint Francis a certificate, in form and content satisfactory to Saint Francis in its sole discretion, certifying that all of the Conditions have been satisfied, except that the certificate need not address the condition set forth in clause (ix) above.

(b) If for any reason the Conditions have not been satisfied by the end of the Escrow Period, Saint Francis may, in its sole discretion, either require that the Initial Payment be returned to Saint Francis (in which case the Exclusivity Period and this Agreement will immediately terminate) or agree to release the Initial Payment to Johnson to be used by Johnson to satisfy the Outstanding Claims.

(c) At the Closing, upon satisfaction or waiver by Saint Francis of the Conditions, the Initial Payment will be released to Johnson and Johnson will deliver to Saint Francis and contemporaneously file with the Office of the Connecticut Secretary of the State the amendments to the Johnson Entities' organizational documents contemplated in Section 3.1. At Closing, Johnson shall (i) deposit the Initial Payment into a segregated account to be used solely for the payment of the Outstanding Claims, along with such additional amounts as may be required to satisfy the Outstanding Claims, (ii) pay the Outstanding Claims pursuant to the provisions of the Plan, no later than 30 days from the date of Closing, and (iii) notify the PBGC, the Plan Custodian, and SAINT FRANCIS, of the date of disbursement from the segregated account. Payment of the First Additional Payment shall be deposited and disbursed in the same manner as provided in this paragraph 2.1(c).

2.2 Additional Payments.

(a) Saint Francis will have the option, in its sole discretion, to make the following additional payments (together with the First Additional Payment, the "Additional Payments") to Johnson on or before October 1 of each year through and including October 1, 2016, in consideration of which Saint Francis will have the additional governance rights and exclusivity rights set forth in Sections 3 and 4, below:

(i) On or before October 1, 2013, $2,050,000;

(ii) On or before October 1, 2014, $2,050,000;

(iii) On or before October 1, 2015, $2,050,000;

(iv) On or before October 1, 2016, $500,000.

All Additional Payments to Johnson shall be deposited and disbursed in the same manner as provided in paragraph 2.1(c) above.

(b) Saint Francis shall notify Johnson on or before June 1 of each year whether it will make the next succeeding Additional Payment on October 1 of that year. Time is of the essence with respect to this notice, such that if Saint Francis fails to give notice to Johnson on or before June 1 of any year that Saint Francis either will or will not make the next succeeding Additional Payment, it will be deemed that Saint Francis has elected not to make the next succeeding Additional Payment.

(c) Without limiting Saint Francis's sole discretion to decide whether or not to make an Additional Payment, as a condition to Saint Francis's commitment to make an Additional Payment, Johnson will deliver to Saint Francis a certificate in form and content satisfactory to Saint Francis an "Update Certificate" reaffirming the representations and warranties set forth in Section 9, below, and certifying that Johnson is in compliance with its obligations under this Agreement, the Affiliation Agreement and the BPO Agreement, in each case except as specifically set forth in such certificate; provided, however, that the foregoing requirement shall not apply to the First Additional Payment. Unless Johnson delivers such certificate prior to May 25 of each calendar year, Johnson will be deemed to have made such reaffirmation and certification as of June 1 of such calendar year without any qualification.

(d) Johnson will use the proceeds of each of the Additional Payments to make scheduled payments under the Plan to the PBGC and the Plan Custodian.

2.3 Payments to Constitute Unsecured Loans. The Payments will constitute unsecured loans to Johnson. The loans will be payable, together with accrued interest at the Prime Rate, only upon (i) the closing of an Alternative Transaction, but only to the extent the proceeds of such Alternative Transaction exceed the amounts necessary to satisfy all other secured and unsecured debt owed by Johnson at the time of such Alternative Transaction, or (ii) a breach of the exclusivity provisions set forth in Section 4 below.

3. AMENDMENTS TO ORGANIZATIONAL DOCUMENTS; GOVERNANCE

3.1 Amendments to Organizational Documents. In consideration of the release of the Initial Payment to Johnson, the certificate of incorporation and bylaws of each Johnson Entity will be amended, as necessary, effective as of the Closing Date, to provide for the following:

(i) the size of each of the Boards will be immediately increased by three seats and Saint Francis shall have the right to appoint three (3) members to each of the Boards;

(ii) upon Saint Francis, in its sole discretion, making any of the Additional Payments, including the First Additional Payment, the size of each of the Boards will be increased by one (1) additional seat for each Additional Payment and Saint Francis will have the right to appoint one (1) additional member of each Board for each Additional Payment; provided, however, that until all the Payments have been made, in no event shall Saint Francis have the right to appoint a majority of the members of any of the Boards absent further agreement between Johnson and Saint Francis;

(iii) except as set forth in clause (iv) below, the Board terms of all Saint Francis appointees shall expire upon the expiration of the Exclusivity Period;

(iv) at any time after Saint Francis has made all of the Payments, Saint Francis shall have the right to appoint a majority of the members of the Boards, subject to any necessary governmental approvals of such actions; and

(v) in the case of any Saint Francis board appointment, Saint Francis shall have the right to appoint any employee or member of the Board of Directors of Saint Francis without any need for approval by Johnson; any other proposed Board appointee (except pursuant to Section 3.1(iv) above) will be subject to Johnson's consent, which will not be unreasonably withheld.

3.2 Additional Governance Matters. Without limiting Section 3.1, Johnson further agrees that during the Exclusivity Period:

(a) No Johnson Entity shall engage in any of the following without the prior written consent of Saint Francis, which consent may be withheld in Saint Francis's sole discretion:

(i) enter in to any merger or dissolution, or any other JMC Change Event, JMH Change Event, or JEC Change Event (as those terms are defined in the Plan); or

(ii) amend any of Johnson's organizational documents in a way that would materially affect the arrangements contemplated by this Agreement or that would result in dilution of Saint Francis's representation on the Boards beyond what is contemplated by this Agreement.

(b) No Johnson Entity shall engage in any of the following without the prior written consent of Saint Francis, which consent will not be unreasonably withheld:

(i) incurrence of any additional debt other than Permitted Debt (as defined in the HFG Agreement as in effect on the date hereof) and debt necessary to finance the extension of the Town of Stafford sewer line to Johnson;

(ii) prepayment of any other debt during the continuance of an event of default under the HFG Agreement or any of the documents governing Johnson's other indebtedness;

(iii) creation of any liens other than Permitted Liens and liens in connection with the extension of the Town of Stafford sewer line to Johnson;

(iv) any lease under which the total payment obligations during the term of the lease would exceed $1,000,000;

(v) sale or disposition of properties other than (A) sales of inventory in the ordinary course, (B) replacement of equipment in the ordinary course, and (C) sales of assets with a value of less than $250,000 in any one case and an aggregate value of less than $500,000 in any one fiscal year, in each case for fair market value;

(vi) dividends or distributions in cash or cash equivalents;

(vii) addition or termination of any material clinical services; or

(viii) hiring, firing, renewal of employment, or material changes in compensation of Johnson's chief executive officer.

4. EXCLUSIVITY.

4.1 In consideration of the matters set forth in this Agreement, including without limitation Saint Francis' agreement, upon satisfaction of the Conditions, to release the Initial Payment and make the First Additional Payment, Johnson agrees that for a period beginning on the date of this Agreement and ending on June 1, 2013 (the "Exclusivity Period"), Johnson shall not, and will cause its directors, officers, employees, agents and other representatives not to, solicit, initiate or encourage or participate in discussions or negotiations with, or provide any information to, any person or entity concerning any Alternative Transaction; otherwise solicit, initiate or encourage the submission by any person or entity of any proposal contemplating an Alternative Transaction; or consummate any Alternative Transaction. Johnson will promptly inform Saint Francis of requests for information, inquiries or proposals that come to it in such respect, and the material terms thereof, to the extent known.

4.2 In the event that Saint Francis notifies Johnson, on or before June 1 of any year, that it will make the next succeeding Additional Payment on October 1 of that year, the Exclusivity Period will be extended for one (1) additional year (to June 1 of the following year). In the event that Saint Francis notifies Johnson on or before June 1 of any year that it will not make the next succeeding Additional Payment on October 1 of that year or Saint Francis breaches its obligation to make any Additional Payment, the Exclusivity Period will terminate immediately. Time is of the essence with regard to such notice, such that if Saint Francis fails to give notice to Johnson on or before June 1 of any year that Saint Francis either will or will not make the next succeeding Additional Payment, it will be deemed that

Saint Francis has notified Johnson that it will not make the next succeeding Additional Payment and the Exclusivity Period will terminate immediately.

4.3 In the event of a breach of the exclusivity provisions of this Section 4 by Johnson, Saint Francis will be entitled to (i) specific performance of the exclusivity provisions of this Section 4 or (ii) on demand by Saint Francis, (A) immediate repayment by Johnson of all of the Payments, together with accrued interest at the Prime Rate from the date of each Payment until the date such Payment is repaid, and (B) immediate payment of a fee in the amount of (x) $250,000 times (y) the number of Payments made by Saint Francis prior to such breach, provided that in no event shall the amount payable under this clause (B) exceed $1,000,000.

4.4 In the event of a breach of the obligation to make an Additional Payment by Saint Francis, in addition to a claim for the amount of such Additional Payment and any other remedies Johnson may have, Johnson will be entitled to a fee in the amount of $250,000; provided, however, that in the case of all Additional Payments other than the First Additional Payment, Saint Francis shall not be required to make such Additional Payment or pay such fee in the event that any event or condition resulting in a Material Adverse Effect shall have occurred between the date of the most recent Update Certificate delivered by Johnson to Saint Francis and the date that such Additional Payment is due.

5. DISCHARGE FEE. Without limiting the provisions of Section 4, in the event that Johnson consummates an Alternative Transaction with an unrelated third party at any time within three years after the date of the last Payment actually made by Saint Francis, Saint Francis will be entitled to a discharge fee in the amount of (a) $250,000 times (b) the number of Payments actually made by Saint Francis, provided that in no event shall the amount payable under this Section 4 exceed $1,000,000. Such fee shall be payable only to the extent the proceeds of such Alternative Transaction exceed the amounts necessary to satisfy all secured debt owed by Johnson at the time of such Alternative Transaction, and shall not be payable in the event Saint Francis breaches any of its obligations provided herein, including the obligation to make an Additional Payment.

6. CALL OPTION. At any time during the Exclusivity Period, Saint Francis will have the right, subject to compliance with all applicable laws and obtaining any necessary government or third party approvals, but not the obligation, to cause Johnson (meaning for these purposes each and all of the Johnson Entities, and not merely any one of the Johnson Entities) to be merged with or into Saint Francis, to acquire all of the assets of Johnson, or to become the sole member of Johnson, so long as Saint Francis, as the surviving or parent entity or owner, assumes or otherwise satisfies all of Johnson's then-existing indebtedness.

7. PROVISIONS RELATING TO PEOPLE'S AND HFG.

Without limiting the provisions of Section 2.1, the release of the Initial Payment and Saint Francis's commitment to make the First Additional Payment are conditioned upon the following:

7.1 People's. People's (i) consenting to the transactions contemplated by this Agreement (the "Transactions"), (ii) agreeing that for the purposes of each of the Johnson Loan Documents payments made to Johnson by Saint Francis pursuant to this Agreement will be treated as income in the calculation of the debt service coverage ratio, (iii) agreeing that

the debt service coverage ratio provided for in the Johnson Loan Documents shall remain 1.0, and (iv) agreeing to such other matters as shall be satisfactory to Saint Francis in its sole discretion, all of the foregoing to be in a written agreement in form and content satisfactory to Saint Francis in its sole discretion.

7.2 HFG. HFG (i) consenting to the Transactions, (ii) acknowledging that upon the satisfaction of Johnson's past-due obligations under the Plan to the PBGC and the Plan Custodian, Johnson will not be in default of its obligations under the HFG Financing Documents (or waiving any other existing defaults), (iii) agreeing to adjust the minimum liquidity requirements under the HFG Agreement in a manner satisfactory to Saint Francis in its sole discretion, and (iv) agreeing to reduce the rate of interest payable under the HFG Agreement to the non-default rate, all of the foregoing to be in a written agreement in form and content satisfactory to Saint Francis in its sole discretion.

8. CLOSING.

8.1 Closing. The release of the Initial Payment to Johnson and the delivery by Johnson of the documents contemplated by Section 8.2, below (the "Closing") shall take place in Hartford, Connecticut, at the offices of Hinckley, Allen & Snyder LLP, at 10:00 A.M. local time on the last day of the Escrow Period, or such other date as the Parties may agree in writing (the "Closing Date").

8.2 Actions of Johnson at Closing. At the Closing, Johnson shall deliver, or cause to be delivered, to Saint Francis the following:

(a) The amendments to Johnson's organizational documents contemplated by Section 3.1, above, together with Johnson's written commitment or authorization for Saint Francis to file such amendments with the Office of the Connecticut Secretary of the State immediately following the Closing;

(b) The written agreement of People's regarding the matters set forth in Section 7.1 above;

(c) The written agreement of HFG regarding the matters set forth in Section 7.2 above;

(d) Copies of resolutions duly adopted by the Boards authorizing and approving this Agreement and the transactions contemplated hereby, certified as true and of full force as of the Closing by appropriate officers of each Johnson Entity;

(e) Certificates dated as of the Closing Date of the appropriate officers of each Johnson Entity certifying that all of the Conditions have been satisfied except those, if any, waived in writing by Saint Francis;

(f) Certificates of incumbency, dated as of the Closing Date, for the officers of each Johnson Entity executing this Agreement, or any other documents, agreements or certificates contemplated by the terms hereof to be executed and delivered by any Johnson Entity;

(g) A certificate of legal existence for each Johnson Entity from the Connecticut Secretary of the State, dated not more than fifteen (15) days prior to Closing;

(h) The Affiliation Agreement and BPO Agreement, duly executed by the Johnson Entities; and

(i) Such other instruments and documents as Saint Francis reasonably deems necessary to effectuate the transactions contemplated hereby.

8.3 Actions of Saint Francis at Closing. At the Closing, the Initial Payment shall be released to Johnson and Saint Francis shall deliver, or cause to be delivered, to Johnson the following:

(a) Copies of resolutions duly adopted by Saint Francis's Board of Directors authorizing and approving this Agreement and the transactions contemplated hereby, certified as true and of full force as of the Closing by appropriate officers of Saint Francis;

(b) A certificate of incumbency, dated as of the Closing Date, for the officers of Saint Francis executing this Agreement, or any other documents, agreements or certificates contemplated by the terms hereof to be executed and delivered by Saint Francis;

(c) A certificate of legal existence for Saint Francis from the Connecticut Secretary of the State, dated not more than fifteen (15) days prior to Closing;

(d) The Affiliation Agreement and the BPO Agreement, duly executed by Saint Francis; and

(e) Such other instruments and documents as Johnson reasonably deems necessary to effectuate the transactions contemplated hereby.

9. REPRESENTATIONS AND WARRANTIES OF JOHNSON ENTITIES.

The release of the Initial Payment to Johnson and Saint Francis's obligation to make the First Additional Payment are conditioned on the representations and warranties set forth in this Section 9 being accurate as of the date hereof and as of the Closing Date. Saint Francis's obligation to make any Additional Payment, with the exception of the First Additional Payment, as of October 1 of any year is conditioned on (a) the representations and warranties set forth in this Section 9 being accurate as of the preceding June 1, (b) the representations and warranties set forth in this section 9 being accurate as of the date such Additional Payment is to be made, except where any inaccuracies do not, in the aggregate, constitute or result in a Material Adverse Effect, and (c) delivery by Johnson of an Update Certificate certifying such accuracy in accordance with Section 2.2(c), above.

9.1 Existence and Capacity.

(a) Each Johnson Entity is a nonstock corporation that is duly organized, and validly existing under the laws of the State of Connecticut with all requisite power and authority to own, operate and lease its properties.

(b) Except as set forth in Schedule 9.1(b), no Johnson Entity owns, directly or indirectly, beneficially or equitably, any capital stock or other equity interest in any corporation, partnership, limited partnership, limited liability company or other entity or association, nor does any Johnson Entity own or hold any right of first refusal, purchase option or other rights with respect thereto, nor does any other entity own or hold any right of first refusal, purchase option or other rights related to any Johnson Entity or the assets of any of the Johnson Entities.

9.2 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery, and performance of this Agreement by each of the Johnson Entities and all other agreements referenced herein, or ancillary hereto, to which any of the Johnson Entities is a party, and the consummation of the transactions contemplated herein by each of the Johnson Entities:

(a) are within its organizational powers, are not in contravention of law or of the terms of its organizational documents and have been duly authorized by all appropriate action;

(b) except as set forth on Schedule 9.2(b) do not require any approval or consent of, or filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority;

(c) except as set forth on Schedule 9.2(c), will not conflict with, require consent under or result in any breach or contravention of, or the creation of any Lien, charge, or encumbrance under, any indenture, agreement, contract, lease, instrument or understanding to which any Johnson Entity is a party or by which it is bound or any of its assets is subject (provided that with respect to the PBGC Financing Documents and the Plan Custodian Financing Documents, the foregoing representation is made to Johnson's Knowledge);

(d) will not violate any statute, law, ordinance, rule or regulation of any governmental authority to which any Johnson Entity or the assets of any Johnson Entity may be subject; and

(e) will not violate any judgment, decree, order, writ or injunction of any court or governmental authority to which any Johnson Entity or the assets of any Johnson Entity may be subject.

9.3 Binding Agreement. This Agreement constitutes the valid, legal and binding obligation of each Johnson Entity, enforceable against each such Johnson Entity in accordance with its terms subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors' rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies. Upon the execution and delivery by each of the Johnson Entities of the Affiliation Agreement and the BPO Agreement, such agreements will constitute valid, legal and binding obligations of such Johnson Entity enforceable against such Johnson Entity in accordance with its terms, subject to the limitations described in the immediately preceding sentence.

9.4 Financial Statements. The Johnson Entities have made available to Saint Francis copies of the following financial statements of the Johnson Entities (the "Financial Statements"):

(a) unaudited Balance Sheet dated as of December 31, 2011 (the "Balance Sheet Date");

(b) unaudited Income Statement for the three month period ended on December 31, 2011; and

(c) audited Balance Sheets, Income Statements, and Statements of Cash Flows for the fiscal years ended September 30, 2010 and September 30, 2011.

The unaudited Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated, except: (i) for year-end audit adjustments, which would not be material, and (ii) for a lack of footnotes. Except as set forth in the footnotes to the audited Financial Statements, the audited Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated. The Balance Sheets present fairly in all material respects the financial condition of the Business as of the dates indicated thereon, and the Income Statements present fairly in all material respects the results of Johnson's operations for the periods indicated thereon.

9.5 Certain Post-Balance Sheet Events. Since the Balance Sheet Date, except as set forth on Schedule 9.5, there has not been any Material Adverse Effect on any of the Johnson Entities.

9.6 Licenses. Each of the Facilities has all material governmental licenses, registrations, permits and approvals that are needed or required by law to operate its core lines of business as currently conducted, its assets or any ancillary services related thereto, the absence of which would result in a Material Adverse Effect.

9.7 Medicare Participation/Accreditation. The Facilities are qualified for participation in the Government Reimbursement Programs set forth on Schedule 9.7; have current and valid provider contracts with such programs; are to Johnson's Knowledge, in compliance in all material respects with the conditions of participation and, where applicable, conditions of coverage for such programs; have received all material approvals or qualifications necessary for reimbursement; and are accredited, with no current material contingencies, by The Joint Commission. Based upon and in reliance upon the Johnson Entities' review of (i) the "list of Excluded Individuals/Entities" on the website of the United States Health and Human Services Office of Inspector General (http://oig.hhs.gov/fraud/exclusions.html), and (ii) the "List of Parties Excluded From Federal Procurement and Nonprocurement Programs" on the website of the United States General Services Administration (http://www.arnet.gov/epls/), none of the officers, directors or managing employees of any Johnson Entity has been excluded from participation in the Medicare, Medicaid or TRICARE programs. The Johnson Entities have registered with the QNet Exchange ("QNet") as required by The Centers for Medicare and Medicaid Services ("CMS") under its Hospital Quality Initiative Program (the "HQI Program"). To Johnson's Knowledge, the Johnson Entities have submitted all quality data required under the HQI Program to CMS or its agent, and all quality data required under the ORYX Core Measure Performance Measurement System ("ORYX") to The Joint Commission, for all calendar quarters concluded prior to the date of this Agreement, except for any quarter for which the respective reporting deadlines have not yet expired. To Johnson's Knowledge, all such submissions of quality data have been made in accordance with applicable reporting

deadlines and in the form and manner required by CMS and The Joint Commission, respectively. Johnson has not received notice of any reduction in reimbursement under the Medicare program resulting from their failure to report quality data to CMS or its agent as required under the HQI Program. None of the Facilities has been excluded from participation in any Government Reimbursement Programs, nor to the Johnson Entities' knowledge is any such exclusion threatened. Each provider agreement to which any Johnson Entity is a party is in full force and effect and, to Johnson's Knowledge, no events or facts exist that would cause any such provider agreement not to remain in force or effect after the Closing. Except as set forth on Schedule 9.7, no Johnson Entity has received notice of any claims, audits, focused reviews, RAC audits, Medicaid Integrity Program audits, arbitrations, hearings, investigations, litigation, suits, surveys, or other actions pending, or, to Johnson's Knowledge, threatened, involving any of the Government Reimbursement Programs or any other third party payor programs which would result in a Material Adverse Effect.

9.8 Regulatory and Information Privacy/Security Compliance.

(a) Each of the Johnson Entities maintains a current list of: (i) all of its contracts with physicians, their immediate family members, or other Healthcare Providers, or entities in which physicians, their immediate family members, or other Healthcare Providers are equity owners involving services, supplies, payments or any other type of remuneration, whether such services or supplies are provided by a Healthcare Provider to any Johnson Entity, or to a Healthcare Provider, and (ii) all of the Johnson Entities' leases of personal or real property with Healthcare Providers, whether such personal or real property is leased by a Healthcare Provider to a Johnson Entity or leased by a Johnson Entity to a Healthcare Provider. To Johnson's Knowledge, all such contracts are in writing, are signed, set forth the services to be provided, and provide for a fair market value compensation in exchange for such services, space or goods and comply with Health Care Laws in all material respects. To Johnson's Knowledge, except as set forth on Schedule 9.8(a), each of the Facilities, the Business, and the assets of any Johnson Entity are in material compliance with all applicable Health Care Laws and all applicable Information Privacy or Security Laws in all material respects. To Johnson's Knowledge, each Johnson Entity has timely filed all reports, data and other information required to be filed with respect to all Government Reimbursement Programs.

(b) To Johnson's Knowledge, the Facilities have not had a Breach of Unsecured Protected Health Information (as such terms are defined in 45 C.F.R. Part 164.402).

9.9 Litigation or Proceedings. Except as disclosed on Schedule 9.9, since January 1, 2009, none of the Johnson Entities has been subject to any formal or informal (of which any Johnson Entity has received notice) investigations or proceedings of the State of Connecticut Department of Public Health, the United States General Accounting Office, CMS, HHS, or other similar governmental agencies (except for any investigations being conducted in the ordinary course of business and applicable to all hospitals in the State of Connecticut). Except as disclosed on Schedule 9.9, there are no claims, actions, proceedings or investigations of which any Johnson Entity has received notice which are pending or, to the Johnson Entities' knowledge, threatened challenging the validity or propriety of the transactions contemplated by this Agreement. None of the Johnson Entities is now, nor has any Johnson Entity been, a party to any injunction, order or decree restricting the method of the conduct of the Business or the marketing of any of the Johnson Entities' services; since

January 1, 2009, to the Johnson Entities' knowledge, no governmental agency has investigated or requested (other than on a routine basis) information with respect to such methods of business or marketing of related the Johnson Entities' services; none of the Johnson Entities has received any claim that any Johnson Entity currently violates any federal, state, or local law, ordinance, rule or regulation and, to the Johnson Entities' knowledge, no such claim is or has been threatened.

9.10 Taxes. the Johnson Entities have filed all federal, state and local Tax Returns required to be filed by them (all of which are true and correct in all material respects) and have duly paid or made provision for the payment of all Taxes which are due and payable to the appropriate Tax authorities. To Johnson's Knowledge, each Johnson Entity has withheld proper and accurate amounts from its employees' compensation in compliance with all withholding and similar provisions of the Code, including employee withholding and social security Taxes, and any and all other applicable laws. No deficiencies for any of such Taxes have been asserted or threatened, and no audit on any Tax Returns is currently under way or, to the knowledge of the Johnson Entities, threatened. There are no outstanding agreements by Johnson Entity for the extension of time for the assessment of any such Taxes.

9.11 Third Party Payor Cost Reports. The Johnson Entities have duly filed all required the Johnson Entities' Cost Reports for all fiscal years through and including the fiscal year ended September 30, 2011. To Johnson's Knowledge, all of the Johnson Entities' Cost Reports accurately reflect the information required to be included thereon and such cost reports do not claim and neither the Facilities nor any Johnson Entity has received reimbursement in any amount in excess of the amounts provided by law or any applicable agreement.

9.12 Compliance Programs. The Johnson Entities have made available to Saint Francis a copy of the Facilities' current compliance program materials, including, without limitation, all program descriptions, compliance officer and committee descriptions, ethics and risk area policy materials, training and education materials, auditing and monitoring protocols, reporting mechanisms, and disciplinary policies. Except as set forth on Schedule 9.12, no Johnson Entity (a) is a party to an outstanding Corporate Integrity Agreement with the Office of Inspector General of HHS or other governmental entity, or (b) has any reporting obligations pursuant to any settlement agreement entered into with any governmental entity. Set forth on Schedule 9.12 is a description of each audit and investigation conducted by any Johnson Entity pursuant to its compliance program during the last five (5) years. For purposes of this Agreement, the term "compliance program" refers to provider programs of the type described in the compliance guidance published by the Office of Inspector General of HHS.

9.13 Environmental Matters. To Johnson's Knowledge, except as set forth in Schedule 9.13:

(a) The operations and properties of the Business are and have been in material compliance with all applicable Environmental Laws;

(b) No Johnson Entity has (nor, to the Johnson Entities' knowledge, with respect to its owned Real Property, has any third party) treated, stored, managed, disposed of, transported, handled released or used any Material of Environmental Concern, except in the ordinary course of the Business and in material compliance with all Environmental Laws;

(c) There are no Environmental Claims pending or threatened against the Johnson Entities regarding the assets of any Johnson Entity and no circumstances exist that could reasonably be expected to lead to the assertion of an Environmental Claim against the Johnson Entities;

(d) There are no off-site locations where (a) Materials of Environmental Concern have been stored or disposed of in material violation of applicable Environmental Laws, and (b) the Johnson Entities are a potentially responsible party at any such location under any Environmental Laws;

(e) (i) There are no underground or above-ground storage tanks located on the Real Property, (ii) there is no friable, unmanaged asbestos-containing material (as defined under Environmental Laws) contained in or forming part of any of the Real Property buildings, other than asbestos-containing materials that are being maintained in compliance with applicable Environmental Laws; and (iii) there are no PCBs or PCB-containing items unlawfully contained in or forming part of any of the Real Property buildings; and

(f) The operations of the Business are in material compliance with applicable laws concerning Medical Waste.

9.14 Certificates of Need. Except as set forth on Schedule 9.14 hereto, no application for any Certificate of Need, Exemption Certificate (each as defined below) or declaratory ruling has been made by any Johnson Entity with OHCA or any other applicable agency which is currently pending or open before such agency, and no such application (each, an "Application") filed by any Johnson Entity within the past three (3) years has been ultimately denied by any commission, board or agency or withdrawn by any Johnson Entity. The Johnson Entities have not prepared, filed, supported or presented opposition to any Applications filed by another hospital or health agency within the past three (3) years. Except as set forth on Schedule 9.14 hereto, no Johnson Entity has any Applications pending nor any approved Applications which relate to projects not yet completed. Except as set forth on Schedule 9.14 hereto, the Johnson Entities have properly filed all required Applications which are complete and correct in all material respects with respect to any and all material improvements, projects, changes in services, zoning requirements, construction and equipment purchases, and other changes for which approval is required under any applicable federal or state law, rule or regulation. As used herein, "Certificate of Need" means a written statement issued by OHCA evidencing community need for a new, converted, expanded or otherwise significantly modified health care facility, health service or hospice, and "Exemption Certificate" means a written statement from OHCA stating that a health care project is not subject to the Certificate of Need requirements under applicable state law.

9.15 Medical Staff Matters. The Johnson Entities have provided to Saint Francis true, correct, and complete copies of the bylaws and rules and regulations of the medical staff of the Hospital, as well as a list of all current members of the medical staff. Except as set forth on Schedule 9.15 or in a writing delivered by the Johnson Entities to Saint Francis which specifically makes reference to this Section 9.15, there are no adverse actions with respect to any medical staff members of the Hospital or any applicant thereto for which a medical staff member or applicant has requested a judicial review hearing which has not been scheduled or has been scheduled but has not been completed, and there are no pending or, to the knowledge of the Johnson Entities, threatened disputes with applicants, staff members, or

health professional affiliates, and the Johnson Entities know of no basis therefor, and all appeal periods in respect of any medical staff member or applicant against whom an adverse action has been taken have expired.

9.16 Compliance with Plan and Financing Documents. Upon the satisfaction of the Outstanding Claims, the Johnson Entities will be in full and complete compliance with all of their obligations under the Plan and the Financing Documents.

10. REPRESENTATIONS AND WARRANTIES OF SAINT FRANCIS.

As of the date hereof and as of the Closing Date, Saint Francis represents and warrants to the Johnson Entities the following:

10.1 Capacity. Saint Francis is a nonstock corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut with all requisite power and authority to own, operate and lease its properties.

10.2 Binding Agreement. This Agreement constitutes the valid, legal and binding obligation of Saint Francis, enforceable against Saint Francis in accordance with its terms, subject to (a) applicable bankruptcy, reorganization, insolvency, moratorium and other laws affecting creditors' rights generally from time to time in effect and (b) limitations on the enforcement of equitable remedies. Upon the execution and delivery by Saint Francis of the Affiliation Agreement and the BPO Agreement, such agreements will constitute valid, legal and binding obligations of Saint Francis, enforceable against Saint Francis in accordance with their terms, subject to the limitations described in the immediately preceding sentence.

10.3 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery, and performance of this Agreement by Saint Francis, and the execution, delivery and performance by Saint Francis, of all other agreements referenced herein, or ancillary hereto, to which Saint Francis, is a party, and the consummation of the transactions contemplated herein by Saint Francis:

(a) are within its organizational powers, are not in contravention of law or of the terms of its organizational and governance documents and have been duly authorized by all appropriate action;

(b) except as set forth on Schedule 10.3(b), do not require any approval or consent of, or filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority;

(c) except as set forth on Schedule 10.3(c), will not conflict with, require consent under or result in any breach or contravention of, or the creation of any Lien, charge, or encumbrance under, any indenture, agreement, lease, instrument or understanding to which Saint Francis or its Affiliates is a party or by which it is bound or any of its assets is subject;

(d) will not violate any statute, law, ordinance, rule or regulation of any governmental authority to which Saint Francis may be subject; and

(e) will not violate any judgment, decree, order, writ or injunction of any court or governmental authority to which Saint Francis may be subject.

10.4 Litigation. Except as disclosed on Schedule 10.4, since January 1, 2009, Saint Francis has not been subject to any formal or informal (of which Saint Francis has received notice) investigations or proceedings of the State of Connecticut Department of Public Health, the United States General Accounting Office, CMS, HHS, or other similar governmental agencies (except for any investigations being conducted in the ordinary course of business and applicable to all hospitals in the State of Connecticut). Except as disclosed on Schedule 10.4, there are no claims, actions, proceedings or investigations of which Saint Francis has received notice which are pending or, to Saint Francis's knowledge, threatened challenging the validity or propriety of the transactions contemplated by this Agreement. Saint Francis is not now, nor has it been, a party to any injunction, order or decree restricting the method of the conduct of its business or the marketing of any of its services; since January 1, 2009, to Saint Francis's knowledge, no governmental agency has investigated or requested (other than on a routine basis) information with respect to such methods of business or marketing of related services; Saint Francis has not received any claim that it currently violates any federal, state, or local law, ordinance, rule or regulation and, to its knowledge, no such claim is or has been threatened.

10.5 Financial Capacity. Saint Francis has, at the Closing Date will have, and after the Closing Date will continue to have, the financial resources necessary to perform all of its obligations under this Agreement and to make the Additional Payments, if elected pursuant to Section 2.2(a) of this Agreement. After the Closing Date, Saint Francis will not take action or make or agree to additional obligations, commitments or restrictions that would materially impair its financial and other resources necessary to perform this Agreement or to make the Additional Payments, if elected pursuant to Section 2.2(a) of this Agreement.

11. COVENANTS PRIOR TO CLOSING.

Between the Signing Date and the earlier of the Closing Date or the termination of this Agreement:

11.1 Consents and Approvals. Saint Francis and the Johnson Entities each shall take such reasonable steps and cooperate with and inform one another as may be necessary in order to obtain all consents, approvals, permits or authorizations, if any, which are required from any governmental authority.

11.2 Negative Covenants of the Johnson Entities. The Johnson Entities shall not (and shall not agree to) take any action of the kind described in Section 3.2, above, other than obtaining approvals to their respective certificates of incorporation and by-laws necessary to implement the provisions contemplated by Section 3.1, above.

11.3 Conduct of the Hospital Operations. Except as expressly contemplated by this Agreement or the Schedules or as Saint Francis otherwise consents to in writing, which consent shall not be unreasonably withheld or delayed, the Johnson Entities shall conduct the Business in the ordinary course consistent with their past practices. The Johnson Entities will:

(a) carry on their business pertaining to the Facilities in substantially the same manner as presently conducted and not make any material change in personnel,

operations, finance, accounting policies, or real or personal property pertaining to the Facilities;

(b) maintain the Facilities and all parts thereof in materially the same operating condition as they exist on the date of this Agreement, ordinary wear and tear excepted;

(c) perform all of their material obligations (excluding the Outstanding Obligations) under all material agreements relating to or affecting the Facilities or the assets of any Johnson Entity;

(d) keep in full force and effect present insurance policies or other comparable insurance pertaining to the Facilities; and

(e) use reasonable commercial efforts to maintain and preserve their business organizations intact, retain their present employees at the Facilities, subject to normal turnovers occurring in the ordinary course of business, and maintain relationships with physicians, suppliers, customers, and others having business relations with the Facilities in the ordinary course of business.

11.4 Access to the Facilities. The Johnson Entities shall provide Saint Francis and its representatives with reasonable access to the Facilities upon reasonable advance written notice to the Johnson Entities. Saint Francis shall at all times (and shall cause Saint Francis's representatives to) conduct its entry onto the Facilities so as to not cause any liability, Lien, damage, loss, cost or expense to the Johnson Entities or the Facilities. The Johnson Entities shall have the right, at their option, to cause a representative of the Johnson Entities to be present for all entries onto the Facilities by Saint Francis or any Saint Francis representative. Saint Francis shall schedule any entry (by it or Saint Francis's representatives) onto any of the Facilities in advance with the Johnson Entities.

11.5 The Johnson Entities' Efforts to Close. The Johnson Entities shall use commercially reasonable efforts to satisfy all of the Conditions to the extent that the Johnson Entities' action or inaction can control or influence the satisfaction of such conditions.

11.6 Saint Francis's Efforts to Close. Saint Francis shall use commercially reasonable efforts to satisfy all of the Conditions to the extent that Saint Francis's action or inaction can control or influence the satisfaction of such conditions.

11.7 Additional Financial Information. Within fifteen (15) business days following the end of each calendar month prior to Closing), the Johnson Entities shall deliver to Saint Francis true and complete copies of the unaudited balance sheets and the related unaudited statements of income (collectively, the "Interim Statements") of, or relating to, the Facilities for each month then ended, together with a year to date compilation and the notes, if any, related thereto, which presentation shall be true, correct and complete in all material respects, shall have been prepared from and in accordance with the books and records of the Johnson Entities, and shall fairly present the financial position and results of operations of the Facilities as of the date and for the period indicated, all in accordance with GAAP consistently applied, except that such financial statements need not include required footnote disclosures.

12. ADDITIONAL JOHNSON COVENANTS

Saint Francis's obligation to make any Additional Payment, with the exception of the First Additional Payment, as of October 1 of any year is conditioned on (a) Johnson's compliance with the covenants set forth in this Section 12 through and including the date such Additional Payment is to be made, and (b) delivery by Johnson of an Update Certificate certifying such compliance as of the preceding June 1 in accordance with Section 2.2(c), above.

12.1 Compliance with Laws. Each Johnson Entity shall comply in all material respects with all applicable laws (including, without limitation, all applicable Health Care Laws), rules, regulations and orders, except for failures to comply that do not, in the aggregate, result in a Material Adverse Effect. Each Johnson Entity shall obtain, maintain and preserve and take all necessary action to timely renew, all permits, licenses, authorizations, approvals, entitlements and accreditations which are necessary or useful in the proper conduct of its business except for failures to do so that do not, in the aggregate, result in a Material Adverse Effect. Each Johnson Entity shall timely file all Medicaid and Medicare cost reports except for failures to do so that do not, in the aggregate, result in a Material Adverse Effect.

12.2 Offices, Records and Books of Account, Names. Each Johnson Entity shall maintain proper books and accounts in which full, true and correct entries in conformity with GAAP in all material respects are made of all dealings and transactions in relation to its business and activities. Each Johnson Entity shall maintain and implement administrative and operating procedures, and keep and maintain all documents, books, records and other information reasonably necessary or advisable for the operation of its business.

12.3 Performance and Compliance with Contracts. Each Johnson Entity shall, at its expense, timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under all material contracts.

12.4 Reporting of Certain Events. Each Johnson Entity will provide Saint Francis with the following:

(a) promptly, and in no event later than three business days following its obtaining actual knowledge thereof, any breach by any Johnson Entity of any covenants or representations and warranties hereunder or under any Financing Document;

(b) immediately (and in no event later than three business days after actual knowledge or notice thereof is obtained or received), notice in reasonable detail, of the following: (A) any Lien asserted or claim made against any Johnson Entity in excess of $100,000; and (B) the occurrence of any other event which could reasonably be expected to have a Material Adverse Effect;

(c) immediately (and in no event later than three business days after actual knowledge or notice thereof is obtained or received), notice in reasonable detail, of any notice of any investigations or audits (including cost reports or similar audits regarding the valuation of receivables payments and audits relating to qualification of Benefit Plans as tax-exempt) of any Johnson Entity being conducted by any federal, state or county Governmental Entity or

its agents or designees (including the Medicare recovery audit contractors), and the results thereof, when known;

(d) promptly, and in any event within two business days after becoming aware of the occurrence thereof, notice of any other matter that has or could reasonably be expected to have or result in a Material Adverse Effect;

(e) promptly, and in any event within two business days after becoming aware of the occurrence thereof, notice that any Johnson Entity has been enjoined, restrained or in any way prevented by the order of any court or any Governmental Entity from conducting all or any material part of its business;

(f) promptly, and in any event within two business days after becoming aware of the occurrence thereof, notice that any Johnson Entity has suffered the loss, revocation or termination of any material license, permit, lease or agreement necessary to its business;

(g) promptly, and in any event within two business days after becoming aware of the same, notice of (i) the assertion of any professional negligence claim against any Johnson Entity, (ii) the institution of any investigation, lawsuit, arbitration, enforcement action, or other similar proceeding of the kind described in Article 9 of this Agreement, (iii) the imposition of any fines or penalties by any Governmental Entity, (iv) the occurrence of any "Sentinel Event", as that term is defined in the guidelines published by the Joint Commission; or (v) the institution of any grievance or similar proceeding against any Johnson Entity related to the relationship between Saint Francis and Johnson;

(h) promptly, and in any event within two business days after the same is submitted to HFG, People's, the PBGC or the Plan Custodian, as applicable, copies of any reports or other documents furnished to HFG, People's, the PBGC or the Plan Custodian under any of the Financing Documents; and

(i) such other information respecting the Johnson Entities that Saint Francis may from time to time reasonably request.

12.5 Financial Reporting. The Johnson Entities shall furnish to Saint Francis:

(a) as soon as available but in any event within one hundred twenty (120) days after the end of each fiscal year of the Johnson Entities, its audited consolidated balance sheet and related audited consolidated statements of operations and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Marcum LLP, or other independent public accountants of recognized national standing (without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Johnson Entities on a consolidated basis in accordance with GAAP consistently applied;

(b) as soon as available but in any event within 20 days after the end of each calendar month, the Johnson Entities' consolidated balance sheet, consolidating balance sheet and consolidated and consolidating related statements of operations, and cash flows as of the end of and for such month, and the then elapsed portion of the fiscal year, setting forth

in each case in comparative form the figures for the corresponding period or periods of the previous fiscal year, all certified by an authorized officer as presenting fairly in all material respects the financial condition and results of operations of the Johnson Entities on a consolidated and consolidating basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) as soon as available but in any event within 20 days after the end of each calendar month, a covenant compliance certificate, certified by the Johnson Entities' chief financial officer, setting forth computations of all financial covenants set forth in any of the Financing Documents;

(d) concurrently with any delivery of financial statements under clause (a) above, (i) a copy of such accounting firm's "management letter", if any, and (ii) an operating and capital budget for the succeeding fiscal year, in form and detail satisfactory to Saint Francis; and

(e) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Johnson Entities, or compliance with the terms of this Agreement, as Saint Francis may reasonably request..

12.6 Taxes.

(a) Each Johnson Entity shall: (1) file when due all federal, national and state income and other tax returns and other reports which it is required to file; and (2) subject to the other terms of this Section 12.6, pay, or provide for the payment, when due, of all taxes (including, without limitation, sales taxes), fees, assessments and other governmental charges against it or upon its property, income or franchises, make all required withholding and other tax deposits, and establish adequate reserves for the payment of all such items, and provide to Saint Francis, upon request, satisfactory evidence of its timely compliance with the foregoing.

(b) So long as Johnson has notified Saint Francis in writing, the applicable Johnson Entity will not be required under this Section 12.6 to pay an amount referred to in clause (2) of Section 12.6 (a) if (l) the applicable Johnson Entity is contesting that amount in good faith by appropriate proceedings diligently pursued; (2) the applicable Johnson Entity has established proper reserves as provided in GAAP with respect to that amount; and (3) no Lien (other than a Permitted Lien) results from non-payment of that amount.

12.7 Preservation of Existence. Each Johnson Entity shall preserve and maintain its existence, rights, franchises and privileges in the jurisdiction of its organization, and qualify and remain qualified in good standing as a foreign corporation in each jurisdiction where the failure to maintain such qualification would have or result in a Material Adverse Effect.

12.8 ERISA Compliance. Each Johnson Entity shall, and shall cause its ERISA Affiliates to, make all required contributions to each Benefit Plan and shall not, nor shall it permit any ERISA Affiliate to, cause or permit to occur: (1) an event that could result in the imposition of a lien under Section 430 of the Code or Section 303 or 4068 of ERISA, (2) an ERISA Event that would have a Material Adverse Effect in the aggregate, (3) the adoption of a new Benefit Plan or the amendment of an existing Benefit Plan, or an agreement to

contribute to any Multiemployer Plan if the increase in its obligations as a result thereof could reasonably be expected to have a Material Adverse Effect in the aggregate.

12.9 Equipment. Each Johnson Entity shall, in accordance with sound business practices, maintain all equipment and other properties used by it in its business (other than obsolete or worn-out equipment) in good repair, working order and condition (normal wear and tear and immaterial impairments of value and damage by the elements excepted) and make all necessary repairs, renewals, replacements and improvements thereof so that the value and operating efficiency thereof shall at all times be maintained and preserved.

12.10 Insurance. Each Johnson Entity shall keep insured by financially sound and reputable insurers all property of a character usually insured by corporations engaged in the same or similar business similarly situated against loss or damage of the kinds and in the amounts customarily insured against by such corporations and carry such other insurance as is usually carried by such corporations conducting a similar business in similar locales. Johnson shall advise Saint Francis promptly of any policy cancellation, reduction, or amendment.

12.11 Compliance with Plan. Each Johnson Entity shall timely make all required payments under the Plan and otherwise comply with its obligations under the Plan.

12.12 Modification of Chapter 11 Plan. No Johnson Entity shall file any motion or other document with the Bankruptcy Court seeking to modify or amend the Plan.

13. GENERAL.

13.1 Supplements to Schedules. From time to time prior to the Closing Date, the Johnson Entities will promptly supplement or amend any Schedules delivered by Johnson pursuant to this Agreement: (a) if any matter hereafter arises which, if existing or occurring at the date of execution of this Agreement, would have been required to be set forth or described in such supplemental or amended Schedule or (b) if it becomes necessary to correct any information in any such Schedule or in this Agreement which has become inaccurate. For purposes of determining the accuracy of the representations and warranties of the Johnson Entities contained in this Agreement in order to determine the fulfillment of the closing condition set forth in Section 2.1 of this Agreement, the applicable Schedules shall be deemed to include only that information contained therein on the date of this Agreement and shall be deemed to exclude any information contained in any subsequent supplement or amendment thereto; provided that if Saint Francis elects to close despite any disclosure made by Johnson prior to the Closing pursuant to this Section 13.1, then following the Closing all information disclosed by Johnson pursuant to this Section 13.1 shall be deemed to have been included in this Agreement and the applicable Schedules as of the time of execution of this Agreement.

13.2 Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the Parties except as may be herein specifically provided to the contrary; provided, however, at the request of any Party, the other Parties shall execute such additional instruments and take such additional acts as are reasonably necessary to effectuate this Agreement.

13.3 Consents, Approvals and Discretion. Whenever this Agreement requires any consent or approval to be given by any Party or any Party must or may exercise discretion, the Parties agree that such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised, except to the extent otherwise expressly provided by this Agreement.

13.4 Waiver of Jury Trial. EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHTS TO TRIAL BY JURY IN CONNECTION WITH ANY LITIGATION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

13.5 Governing Law. This Agreement, and all claims and causes of action arising out of, based upon, or related to this Agreement or the negotiation, execution or performance hereof, shall be governed by, and construed, interpreted and enforced in accordance with, the laws of the State of Connecticut, without regard to choice or conflict of law principles that would result in the application of any laws other than the laws of the State of Connecticut.

13.6 Intentionally Omitted.

13.7 Benefit/Assignment. Subject to the provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective legal representatives, successors and assigns; provided, however, that no Party may assign this Agreement without the prior written consent of the other Parties.

13.8 Cost of Transaction. Whether or not the transactions contemplated hereby shall be consummated, the Parties agree as follows: (a) the Johnson Entities will pay the fees, expenses and disbursements of the Johnson Entities and their respective agents, advisers, attorneys and accountants incurred in connection with the subject matter hereof; and (b) Saint Francis shall pay the fees, expenses and disbursements of Saint Francis and its agents, advisers, attorneys and accountants incurred in connection with the subject matter hereof and any amendments hereto.

13.9 Confidentiality. It is understood by the Parties that any information provided by another Party (the "Providing Party") concerning such Providing Party, obtained directly or indirectly, from the Providing Party in connection with transactions contemplated by this Agreement ("Confidential Information"), and the documents and instruments delivered to, a receiving Party (the "Receiving Party") or its shareholders, members, managers, directors, Affiliates, officers, employees, advisors, attorneys, accountants, investment bankers or agents of the Receiving Party (collectively, "Agents") are of a confidential and proprietary nature. To the extent permitted by law, the Receiving Party agrees that it will and will use its reasonable efforts to cause the Agents to maintain the confidentiality of all such information, documents or instruments acquired by or delivered to the Receiving Party and the Agents in connection with the negotiation of this Agreement or in compliance with the terms, conditions and covenants hereof and only to disclose such information, documents and instruments to such duly authorized persons as are necessary to effect the transactions contemplated hereby. The Parties further agree that if the transactions contemplated hereby are not consummated, the Receiving Party and its Agents will return all documents and instruments acquired from the Providing Party or its Affiliates and all copies thereof in their possession to the Providing Party, and the Receiving Party will not use, and will not

knowingly permit others to use, any such Confidential Information in any way to compete with the Providing Party or Providing Party's respective Affiliates, successors or assigns or in a manner which would be detrimental to the business, financial affairs or reputations of the Providing Party or Providing Party's respective officers and Affiliates, successors and assigns. Each Party for itself and its Agents recognizes that any breach of this Section would result in irreparable harm to the Providing Party and the Providing Party's respective officers and Affiliates and that therefore either the Providing Party, or any of the Providing Party's respective officers and Affiliates shall be entitled to an injunction to prohibit any such breach by the Receiving Party and the Receiving Party's Agents in addition to all of their other legal and equitable remedies. Nothing in this Section shall prohibit the use of such Confidential Information, documents or information for such governmental filings as are required by law or governmental regulations or the disclosure of such Confidential Information if such disclosure is compelled by judicial or administrative process or, in the reasonable opinion of a Party's counsel, other requirements of law, provided in the case of compelled disclosure, the Receiving Party shall promptly notify the Providing Party of the same, join with the Providing Party in seeking confidential treatment of the Receiving Party's Confidential Information required to be disclosed, and, in any event, disclose only so much of the Receiving Party's Confidential Information as may be necessary to preclude the Receiving Party from being in violation of applicable law. For purposes hereof, Confidential Information shall not include information (a) ascertainable or obtained from public or published information, (b) received from a third Party not known by the Receiving Party to be under an obligation to the Providing Party to keep such information confidential, (c) which is or becomes known to the public (other than through a breach of this Agreement), (d) which was in the Receiving Party's possession prior to the disclosure thereof to the Receiving Party in connection herewith, or (e) which the Providing Party utilized in any materials used in connection with the Providing Party's solicitation of buyers for the assets of any Johnson Entity (prior to any such buyers executing an applicable confidentiality agreement), as applicable. Notwithstanding anything contained herein, the Parties acknowledge and understand that this Agreement and all Schedules thereto may be required to be filed by the Johnson Entities with OHCA and will, at that time, become a matter of public record (subject to applicable exemptions in the Connecticut Freedom of Information Act) and will be the subject of public hearings. It is further understood and agreed that any such filings or hearings and any public discussions or releases regarding any such filings or hearings shall not constitute or be interpreted as a violation of this Section 13.9. This Section 13.9 supersedes the existing Confidentiality Agreement between Johnson and Saint Francis dates as of November 28, 2011.

13.10 Waiver. The waiver by any Party of a breach or violation of any term or provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same provision by any Party or of the breach of any other term or provision of this Agreement. The delay or a failure of a Party to transmit any written notice hereunder shall not constitute a waiver by such Party of any default hereunder or of any other or further default under this Agreement except as may expressly be provided for by the terms of this Agreement.

13.11 Interpretation. Each of the Parties has agreed to the use of the particular language of the provisions of this Agreement including all attached Schedules and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the draftsman but rather in accordance with the fair meaning thereof, having due regard to the

benefits and rights intended to be conferred upon the Parties hereto and the limitations and restrictions upon such rights and benefits intended to be provided.

13.12 Notice. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be in writing and shall be deemed effectively given when personally delivered, when received by overnight courier, or five (5) calendar days after being deposited in the United States mail by prepaid certified mail, return receipt requested, addressed as follows:

Saint Francis:	Saint Francis *Care*, Inc. 114 Woodland Street Hartford, Connecticut 06105 Attn: President and Chief Executive Officer
With a copy to:	Hinckley, Allen & Snyder LLP 20 Church Street Hartford, Connecticut 06103 Attn: Thomas S. Marrion
Johnson Entities:	Johnson Memorial Medical Center, Inc. 201 Chestnut Hill Road Stafford Springs, Connecticut 06076 Attn: President and Chief Executive Officer
With a copy to:	Reid and Riege, P.C. One Financial Plaza Hartford, Connecticut 06103 Attention: Eric A. Henzy

or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such Party.

13.13 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms, including, without limitation, those terms which contemplate or require the further agreements of the Parties. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and still be legal, valid or enforceable.

13.14 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

13.15 Divisions and Headings. The divisions of this Agreement into Sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

13.16 Consented Assignment. Anything contained herein to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any claim, right, contract, license, lease, commitment, sales order or purchase order if an attempted assignment thereof without the consent of another Party thereto would constitute a breach thereof or in any material way affect the rights of the Johnson Entities thereunder, unless such consent is obtained. If such consent is not obtained, or if an attempted assignment would be ineffective or would materially affect the Johnson Entities' rights thereunder so that Saint Francis would not in fact receive all such rights, the Johnson Entities shall cooperate in any reasonable arrangement designed to provide for Saint Francis the benefit under any such claims, rights, contracts, licenses, leases, commitments, sales orders or purchase orders, including, without limitation, enforcement, at no out-of-pocket cost to the Johnson Entities, of any and all rights of the Johnson Entities against the other Party or Parties thereto arising out of the breach or cancellation by such other Party or otherwise.

13.17 No Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of Saint Francis and the Johnson Entities and their respective permitted successors or assigns, and it is not the intention of the Parties to confer, and this Agreement shall not confer, third party beneficiary rights upon any other person.

13.18 Entire Agreement/Amendment. This Agreement supersedes all prior contracts, understandings and agreements, whether written or oral, and constitutes the entire agreement of the Parties respecting the within subject matter, including without limitation the Letter of Intent and the Term Sheet, and no Party shall be entitled to benefits other than those specified herein. As between or among the Parties, no oral statements or prior written material not specifically included herein shall be of any force and effect; the Parties specifically acknowledge that in entering into and executing this Agreement, the Parties rely solely upon the representations and agreements contained in this Agreement and no others. No terms, conditions, warranties, or representations, other than those contained herein and no amendments or modifications hereto, shall be binding unless made in writing and signed by the Party to be charged.

13.19 Counterparts. This Agreement may be executed in multiple originals or counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument. The facsimile signature of any Party to this Agreement or any contract delivered in connection with the consummation of the transactions described herein or a PDF copy of the signature of any Party to this Agreement or any contract delivered in connection with the consummation of the transactions described herein delivered by facsimile or electronic mail for purposes of execution or otherwise, is to be considered to have the same binding effect as the delivery of an original signature on an original contract.

13.20 Press Releases. (a) Any release to the public of information concerning this Agreement or the transactions contemplated hereby (including without limitation any disclosure of the type contemplated by the penultimate sentence of Section 13.9) will be made only in the form and manner approved by each of the Parties hereto, and (b) each Party shall furnish the other with drafts of all such releases prior to their publication or dissemination.

13.21 Enforcement of Agreement. The Parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement was not performed in

accordance with its specific terms or was otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions (without the need to post bond or other security) to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of competent jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity.

13.22 Legislative Limitations; Compliance with Law.

(a) The Parties recognize that this Agreement will at all times be subject to applicable local, state and federal statutory and common law, regulations of state and federal agencies, and state and federal judicial and administrative decisions, including without limitation, the Social Security Act, the Rules and Regulations of the Department of Health and Human Services, the Public Health and Safety provisions of the Connecticut General Statutes and the regulations thereunder and the Code and the Regulations (the "Laws and Regulations"). The Parties further recognize that changes and amendments in the Laws and Regulations may materially affect this Agreement.

(b) Notwithstanding any other provisions of this Agreement, if: (i) a Party at any time determines upon the reasonable advice from counsel that any provision of this Agreement does or may violate applicable Laws and Regulations then in effect or to become effective as of a date certain; (ii) the governmental agencies (or their representatives) that administer Medicare or Medicaid, or any other federal, state or local government or agency, should pass, issue, or promulgate any law, rule, regulation, standard, or interpretation at any time while this Agreement is in effect that materially and adversely affects any Party's rights or obligations hereunder; or (iii) any agency of any federal, state or local government issues an order, decree or ruling or takes any other action that will materially and adversely affect, restrict or prohibit the ability of a Party to perform its obligations under this Agreement; then the Parties shall negotiate in good faith an appropriate modification to the terms and conditions of this Agreement to accommodate such provisions of applicable Laws and Regulations or judicial or administrative decisions and to effectuate the existing terms and intent of this Agreement to the greatest possible extent consistent with the requirements of such law or decision. Should the Parties fail to reach agreement as to such modification of this Agreement within ninety (90) days, then any Party may terminate this Agreement on ten (10) days' notice.

(c) The Parties intend that all the terms hereof and their conduct hereunder comply at all times with all provisions of applicable law, including without limitation the Medicare and Medicaid fraud and abuse statute, 42 U.S.C. § 1320a-7b, the federal Stark law, 42 U.S.C. § 1395nn, and related authority, as in effect or amended from time to time. Should any Party at any time determine upon advice from counsel that any provision of this Agreement is or may be in violation of any provision of applicable law, the Parties agree to immediately remove such provision, and to take all reasonable and appropriate steps so as to comply with applicable law and requirements, and to negotiate in good faith to amend this Agreement so as to effect their intent while complying with applicable law and requirements. Should the Parties fail to reach agreement as to such modification of this Agreement within ninety (90) days, any Party may terminate this Agreement on ten (10) days' notice.

(d) Without limiting the foregoing, this Agreement shall not limit any rights or obligations of any Party in respect of compliance audits or other similar activities, and each Party agrees to cooperate with the other Parties and their Affiliates in connection

with any compliance audit, investigation, or other similar activity conducted by or on behalf of each Party. Each Party shall be responsible for the costs of any audit, investigation or similar activity conducted with respect to such Party's activities.

13.23 Regulatory Provisions.

(a) This Agreement is not conditioned in any way on any Party, or any Affiliate of any Party, referring patients to any other Party, or any Affiliate of any other Party.

(b) Payments to Parties or other Persons pursuant to this Agreement or the other agreements contemplated hereby will not be determined (directly or indirectly) based on the volume or value of any actual or anticipated referrals by such Party or other Person to any other Party, any other Person, or any Affiliate of any of the foregoing.

(c) Each Party and its Affiliates are expressly permitted to refer business to any other entities.

13.24 Dispute Resolution.

(a) Mediation by the Parties. Any deadlock, dispute, or controversy arising out of or relating to this Agreement or the breach thereof shall first be referred to the Chief Executive Officer of Saint Francis and the Chief Executive Officer of JMMC, who shall exert their good faith efforts to achieve a resolution. If any such dispute is not resolved by such group within thirty (30) days after notice thereof (or such longer period as the parties may then agree) (the "Voluntary Resolution Period"), then any party to such dispute may submit, within thirty (30) days after the end of the Voluntary Resolution Period, the dispute or controversy to arbitration pursuant to Section 13.24(b).

(b) Arbitration. Any deadlock, dispute or controversy out of or relating to this Agreement or the breach hereof and not resolved under Section 13.24(a) shall be resolved by arbitration pursuant to binding arbitration in Connecticut under the auspices of The American Health Lawyers Association ("AHLA") pursuant to the AHLA Rules of Procedure for Arbitration, before a single arbitrator with experience in the arbitration of disputes of a similar nature. The arbitrator shall have authority to award compensatory damages only and equitable relief only as permitted under this Agreement or state law. The arbitrator shall have no authority to award consequential damages, punitive damages or multiple damages. Each Party will be responsible for its own legal fees and other expenses incurred in connection with such arbitration proceeding, except that the costs of the arbitrator shall be borne equally by the Parties that are involved in the dispute (i.e., Saint Francis shall bear one-half and the Johnson Entities shall bear one-half). The decision of the arbitrator shall be final and binding upon the Parties, and judgment confirming the arbitrator's award may be enforced in any court of competent jurisdiction. The parties hereby waive any right of appeal to any court on the merits of the dispute.

(c) Equitable Relief. The foregoing provisions for mediation and arbitration shall not prevent a Party from applying for and obtaining injunctive or other equitable relief as provided elsewhere in this Agreement or by showing that, in the absence thereof, the rights of such Party cannot be adequately protected.

13.25 Compliance with ERDs.

(a) Saint Francis is organized and operates under the sponsorship of the Roman Catholic Church, and conducts its activities in accordance with the ERDs, as the same may be amended from time to time. The ERDs are applicable to Saint Francis as a Catholic health care institution in relation to its own operations, activities, and administration, and to the manner in which Saint Francis may collaborate or cooperate with Johnson and the Johnson entities as non-Catholic institutions.

(b) Saint Francis will conduct its own activities so that Saint Francis conforms with the ERDs, and so as to avoid any perception by others that Saint Francis has compromised its moral principles by participating in acts that do not conform with the ERDs.

(c) Nothing contained in this Agreement shall require or be deemed to require Saint Francis to participate with Johnson in any activity that does not conform with the ERDs, or otherwise act in any manner that Saint Francis, in its sole discretion, believes could cause Saint Francis to violate the ERDs, or would create any perception by others that Saint Francis has compromised its moral principles by participating in acts that do not conform with the ERDs.

(d) Saint Francis's activities in relation to Johnson always will ensure that any services provided by Saint Francis, and any joint activities among Saint Francis and Johnson, do not entail involvement by Saint Francis with any activities that do not conform with the ERDs. Accordingly, none of Saint Francis's personnel will be involved in any procedures, programs, or activities of, by, or on behalf of Johnson that do not conform with the ERDs, Saint Francis shall not have joint or shared responsibility for any such activities, and Saint Francis shall not share or have involvement with any governance, financial, administrative, or support functions related to any such activities.

(e) In the event that Saint Francis, at any time in its sole discretion, believes that any services provided by Saint Francis, or any joint activities between Saint Francis and Johnson pursuant to this Agreement, or any activities of Johnson, pursuant to the provisions of this Agreement, could cause Saint Francis to violate the ERDs, or would lead others to perceive that Saint Francis has compromised its moral principles by participating in acts that do not conform with the ERDs, then Saint Francis will, at its option and in its sole discretion, terminate this Agreement or Saint Francis's participation in such services or activities.

13.26. Prevailing Purpose. The Parties agree that in performance of this Agreement and the other agreements contemplated hereby, they will place charitable purposes ahead of profit-making purposes.

13.27 No Incidental or Consequential Damages. In no event shall either Party be liable for special, indirect or consequential damages, whether or not caused by or resulting from the negligence of such Party, and whether or not such Party has been advised of the possibility of such damages.

[signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in multiple originals by their duly authorized officers and their corporate seals duly affixed hereto, all as of the day and year first above written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: David R. Morgan
Title: President and Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: David R. Morgan
Title: President and Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By: _____
Name: David R. Morgan
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed in multiple originals by their duly authorized officers and their corporate seals duly affixed hereto, all as of the day and year first above written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: _____
Title: _____

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: _____
Title: _____

THE JOHNSON EVERGREEN CORPORATION

By: _____
Name: _____
Title: _____

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-261
BY: _____ DATE: 5/9/12

50513475

JOHNSON DISCLOSURE SCHEDULES

Reference is made to that certain Master Affiliation Agreement (the "Agreement") by and among Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation, Inc. ("JEC") made as of July 12, 2012. Capitalized terms used but not defined in these Schedules are used with the meanings ascribed to them in the Agreement. Any fact or item which is clearly disclosed on any Schedule will be deemed to be disclosed for the purposes of any other Schedule where such disclosure is appropriate and apparent on its face without further investigation by Saint Francis.

The reference to or listing, description, disclosure or other inclusion of any item or other matter, including, without limitation, any violation, breach, debt, obligation or liability, in these Schedules shall not be construed to be an admission or suggestion that such item or matter constitutes a violation of, breach or default under, any contract, law or otherwise, except as expressly so stated. No disclosure in these Schedules relating to any possible breach or violation of any contract or law shall be construed as an omission or indication that any such breach or violation exists or has actually occurred. The inclusion of any information in these Schedules shall not be deemed to be an admission or acknowledgement, in and of itself, that such information is required by the terms of the Agreement to be disclosed or is material to Johnson or the Business.

Schedule 9.1(b)

Johnson Entities – Interests in other Organizations

(b) Except as set forth in Schedule 9.1(b), no Johnson Entity owns, directly or indirectly, beneficially or equitably, any capital stock or other equity interest in any corporation, partnership, limited partnership, limited liability company or other entity or association, nor does any Johnson Entity own or hold any right of first refusal, purchase option or other rights with respect thereto, nor does any other entity own or hold any right of first refusal, purchase option or other rights related to any Johnson Entity or the assets of any of the Johnson Entities.

Disclosures:

1. JMMC is the sole corporate member of JMH, JEC, Johnson Development Fund, Inc. ("JDF"), Johnson Healthcare, Inc. ("JHC") and Home & Community Health Services, Inc. ("HCHS") (all Connecticut non-stock corporations).

2. Dr. Ian Tucker, M.D., holds 100% of the outstanding common stock of Johnson Professional Associates, P.C. ("JPA") and Johnson Medical Specialists, P.C. ("JMS") (JPA and JMS are each a Connecticut professional corporation) for the benefit of JMMC and JMH .

3. JMMC holds 5,000 shares of common stock in Wellcare Inc. ("Wellcare") (a dormant Connecticut stock corporation with no assets and which JMMC intends to dissolve.)

4. JMH holds a 1.12% membership interest in Health Connecticut LLC, a Connecticut limited liability company.

5. JMH holds a 4.34% membership interest in Connecticut Hospital Laboratory Network LLC, a dormant Connecticut limited liability company with no assets and which JMMC intends to dissolve.

6. JMH holds a 15% membership interest in Tolland Imaging Center, LLC ("TI"), a Connecticut limited liability company.

7. JMH holds a 25% membership interest in Northeast Regional Radiation Oncology Network, Inc. ("NRRON"), a Connecticut non-stock corporation.

8. Johnson Memorial Hospital Auxiliary, Inc., a Connecticut non-stock corporation, is a "supporting organization" of JMH as set forth in Section 509(a)(3) of the Code.

Schedule 9.2(b)

Consents, Approval and Filings

The execution, delivery and performance of this Agreement by each of the Johnson Entities and all other agreements referenced herein, or ancillary hereto, to which any of the Johnson Entities is a party, and the consummation of the transactions contemplated herein by each of the Johnson Entities:

(b) except as set forth on Schedule 9.2(b) do not require any approval or consent of, or filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority.

Disclosures:

None.

Schedule 9.2(c)

Consent, Breach, Encumbrances

The execution, delivery, and performance of this Agreement by each of the Johnson Entities and all other agreements referenced herein, or ancillary hereto, to which any of the Johnson Entities is a party, and the consummation of the transactions contemplated herein by each of the Johnson Entities:

(c) except as set forth on Schedule 9.2(c), will not conflict with, require consent under or result in any breach or contravention of, or the creation of any Lien, charge, or encumbrance under, any indenture, agreement, contract, lease, instrument or understanding to which any Johnson Entity is a party or by which it is bound or any of its assets is subject (provided that with respect to the PBGC Financing Documents and the Plan Custodian Financing Documents, the foregoing representation is made to Johnson's Knowledge);

Disclosures:

1. Consent required under Revolving Loan and Security Agreement dated as of September 27, 2010, among the Johnson Entities and HFG (the "HFG Agreement"). In Section 9.2 of the HFG Agreement the Johnson Entities covenant that they will not incur Debt (as defined in the HFG Agreement). HFG has informed Johnson that it will consent to Johnson entering in to the Agreement and incurring the debt to Saint Francis contemplated thereunder. The Johnson Entities expect to have written consent from HFG as of the time of the closing on the Agreement.

2. Consent required under the People's Financing Documents. In the People's Financing Documents the Johnson Entities covenant that they will not create or assume any liability for borrowed money from any person other than People's Bank. People's Bank has informed Johnson that it will consent to Johnson entering in to the Agreement and incurring the debt to Saint Francis contemplated thereunder. The Johnson Entities expect to have written consent from People's Bank as of the time of the closing on the Agreement.

Schedule 9.5

Material Adverse Effect

Since the Balance Sheet Date, except as set forth on Schedule 9.5, there has not been any Material Adverse Effect on any of the Johnson Entities.

Disclosures:

1. As of March 31, 2012, the Johnson Entities were in violation of the Debt Service Coverage Ratio provided for in Section 10.2 of the HFG Agreement. HFG has informed Johnson that it will waive this covenant default and that HFG will agree to an amendment of the HFG Agreement which eliminates the Debt Service Coverage Ratio covenant. The Johnson Entities expect to have a written amendment and waiver with HFG executed as of the time of the closing on the Agreement.

2. As of March 31, 2012, the Johnson Entities were in violation of the Debt Service Coverage Ratio provided for in the People's Financing Documents. People's Bank has informed Johnson that it will waive this covenant default. The Johnson Entities expect to have a written waiver with Peoples' Bank executed as of the time of the closing on the Agreement.

Schedule 9.7

Government Reimbursement Program Facilities

The Facilities are qualified for participation in the Government Reimbursement Programs set forth on Schedule 9.7.

Except as set forth on Schedule 9.7, no Johnson Entity has received notice of any claims, audits, focused reviews, RAC audits, Medicaid Integrity Program audits, arbitrations, hearings, investigations, litigation, suits, surveys, or other actions pending, or, to Johnson's Knowledge, threatened, involving any of the Government Reimbursement Programs or any other third party payor programs which would result in a Material Adverse Effect.

Disclosures:

1. A final audit report issued by the State of Connecticut Department of Social Services ("DSS") on September 20, 2010 resulted in a total financial disallowance and recovery of $262,022.22 for the period of January 1, 2008 through June 30, 2009, DSS. The entire amount due, $262,022.22, has been repaid to the DSS and, accordingly, this matter has been completely resolved.

2. The Facilities are qualified for participation in the following Government Reimbursement Programs:
    1. Medicare
    2. Medicaid
    3. TRICARE

Schedule 9.8(a)

Health Care Laws and Information Privacy or Security Laws Compliance

To Johnson's Knowledge, except as set forth on Schedule 9.8(a), each of the Facilities, the Business, and the assets of any Johnson Entity are in material compliance with all applicable Health Care Laws and all applicable Information Privacy or Security Laws in all material respects.

Disclosure:

1. Potential Stark violation and overpayment obligation arising out of the payments made to Dr. Dennis Morgan by JMH on and/or after July 6, 2011 related to the contract for services effective July 1, 2011, but not signed until July 30, 2011. JMH is currently investigating whether any claims were submitted to Medicare from July 6, 2011 through July 30, 2011 where Dr. Morgan was the ordering physician, for hospital services and laboratory services, which claims would be subject to repayment to CMS.

Schedule 9.9

State of Connecticut Department of Public Health, the United States General Accounting Office, CMS, HHS, and similar Governmental Agencies Investigations

Except as disclosed on Schedule 9.9, since January 1, 2009, none of the Johnson Entities has been subject to any formal or informal (of which any Johnson Entity has received notice) investigations or proceedings of the State of Connecticut Department of Public Health, the United States General Accounting Office, CMS, HHS, or other similar governmental agencies (except for any investigations being conducted in the ordinary course of business and applicable to all hospitals in the State of Connecticut).

Except as disclosed on Schedule 9.9, there are no claims, actions, proceedings or investigations of which any Johnson Entity has received notice which are pending or, to the Johnson Entities' knowledge, threatened challenging the validity or propriety of the transactions contemplated by this Agreement.

Disclosures:

1. See Schedule 9.13 disclosure regarding State of Connecticut Department of Public Health Drinking Water Order No. DWS 08-134-616.

2. A civil investigation concerning payments made by Medicare to JMH under specific codes related to chemotherapy and/or infusion therapy was conducted by the Office of the Inspector General (OIG) The matter was resolved before litigation was filed. JMH denied all liability, and a settlement agreement dated December 23, 2009 requires JMH to refund overpayments in the amount of $191,193.00. The settlement permitted JMH to make payments over time. There is still approximately $23,000.00 in payments due to secondary payers due to coinsurance adjustments etc. to be refunded. JMH issued checks in the amount of $7,188.00 on Friday May 11, 2012 against the $23,000.00 in payments due. JMH anticipates issuing a check for the remaining amount, approximately $14,000.00, before May 28, 2012. Upon JMH's issuance of this check, this matter will be completely resolved.

3. As set forth in a letter dated July 12, 2010, from Craig J. Lubitski Consulting, LLC ("Lubitski"), DSS retained Lubitski to perform a review of fixed assets and moveable equipment acquisitions contained in the 2003-2006 Annual Report of Long-Term Care Facility. JEC responded timely and provided responsive information to Lubitski. A final notice was issued by Lubitski on this matter on September 30, 2010. The adjustments resulting from this matter are not expected to have a material impact on the rates for fiscal years 2003-2006 nor any material impact for subsequent years.

4. Pursuant to a letter dated August 13, 2010, the State of Connecticut Department of Mental Health and Addictions Services ("DMHAS") is recouping payments made for General Assistance Behavioral Health Program claims by JMH to Advanced Behavioral Health, Inc. for Medicaid-covered services provided on or after April 1, 2010 in the amount of

$29,654.70. JMH issued a check in the amount of $29,654.70 to the Treasurer of the State of Connecticut on October 27, 2010 and, accordingly, this matter has been completely resolved.

Schedule 9.12

Corporate Integrity Agreements or Settlement Agreements

Except as set forth on Schedule 9.12, no Johnson Entity (a) is a party to an outstanding Corporate Integrity Agreement with the Office of Inspector General of HHS or other governmental entity, or (b) has any reporting obligations pursuant to any settlement agreement entered into with any governmental entity.

Set forth on Schedule 9.12 is a description of each audit and investigation conducted by any Johnson Entity pursuant to its compliance program during the last five (5) years. For purposes of this Agreement, the term "compliance program" refers to provider programs of the type described in the compliance guidance published by the Office of Inspector General of HHS.

Disclosures:

1. In October 2011, JMH initiated a compliance investigation with respect to a supervisor employee that utilized JMH's vendor relationship and account to obtain and purchase generators for himself and his employees, with each employees' agreement to reimburse JMH for the cost of the generator, and that allowed employees to use gasoline kept on site for JMH's use for their personal use in violation of JMH's policies. The supervisor employee was ultimately discharged, all other employees involved were counseled as to appropriate policy and conduct, and measures were taken by the hospital to ensure that appropriate sales taxes were paid by the employees.

2. In October 2011, JMH initiated a compliance investigation with respect to a clerical employee who admitted to falsification of preventative maintenance logs prior to an on-site survey by DPH as agent for CMS. JMH took immediate corrective action of ensuring the appropriate preventative maintenance was completed, correcting the preventive maintenance logs, and discharging the employee. JMH will issue a corporate policy specifically to address proper employee conduct during DPH, CMS and Joint Commission surveys and other governmental inspections.

Schedule 9.13

Environmental Matters

To Johnson's Knowledge, except as set forth in Schedule 9.13:

(a) The operations and properties of the Business are and have been in material compliance with all applicable Environmental Laws;

(b) No Johnson Entity has (nor, to the Johnson Entities' knowledge, with respect to its owned Real Property, has any third party) treated, stored, managed, disposed of, transported, handled released or used any Material of Environmental Concern, except in the ordinary course of the Business and in material compliance with all Environmental Laws;

(c) There are no Environmental Claims pending or threatened against the Johnson Entities regarding the assets of any Johnson Entity and no circumstances exist that could reasonably be expected to lead to the assertion of an Environmental Claim against the Johnson Entities;

(d) There are no off-site locations where (a) Materials of Environmental Concern have been stored or disposed of in material violation of applicable Environmental Laws, and (b) the Johnson Entities are a potentially responsible party at any such location under any Environmental Laws;

(e) (i) There are no underground or above-ground storage tanks located on the Real Property, (ii) there is no friable, unmanaged asbestos-containing material (as defined under Environmental Laws) contained in or forming part of any of the Real Property buildings, other than asbestos-containing materials that are being maintained in compliance with applicable Environmental Laws; and (iii) there are no PCBs or PCB-containing items unlawfully contained in or forming part of any of the Real Property buildings; and

(f) The operations of the Business are in material compliance with applicable laws concerning Medical Waste.

Disclosures:

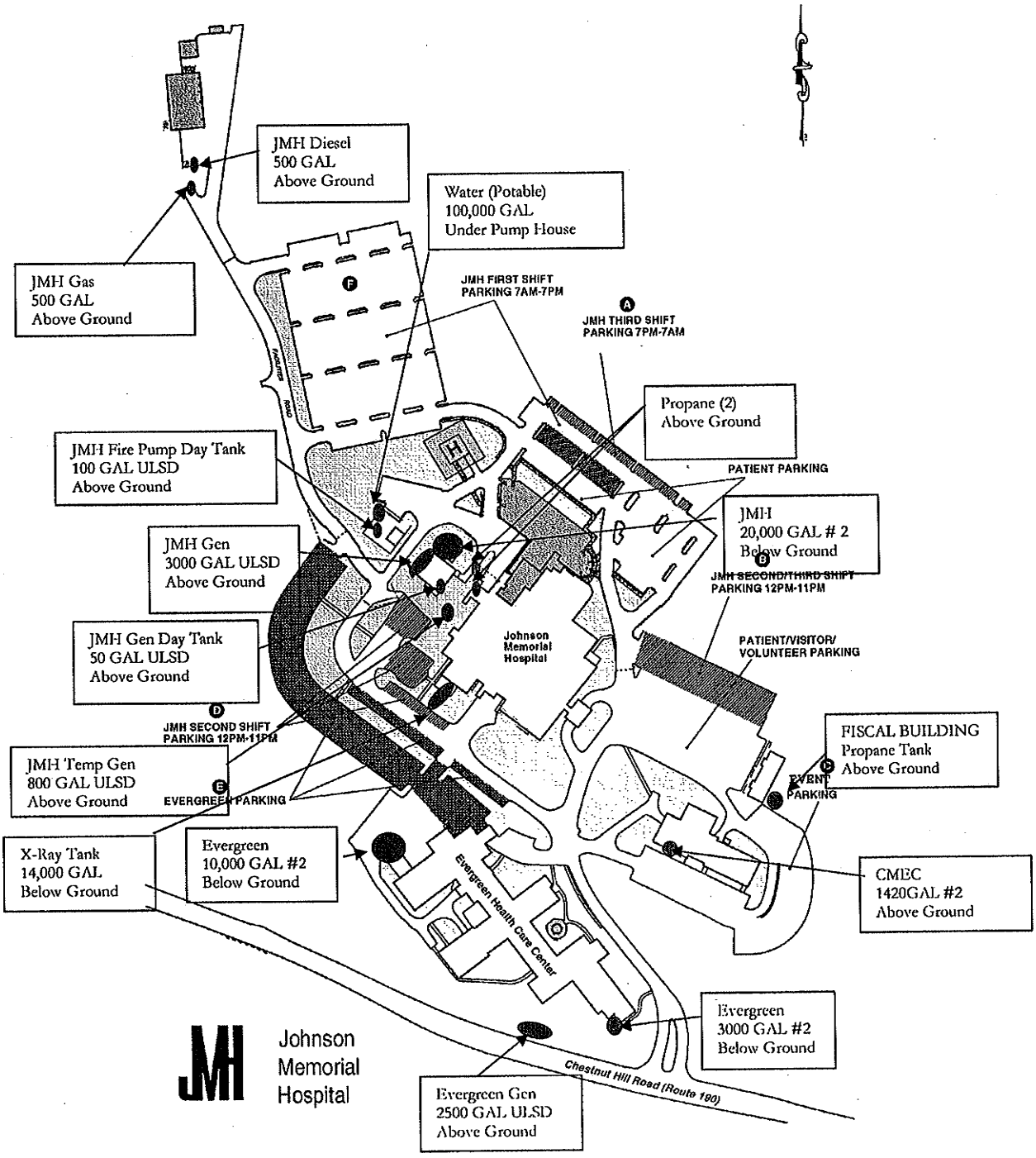
1. See attachment entitled "JMMC Stafford Property Storage Tank Locations" for locations of underground and above-ground storage tanks at the Facilities located at 201 Chestnut Hill Road, Stafford Springs, Connecticut.

2. **Drinking Water Order.** The Connecticut Department of Public Health ("DPH") issued Order No. DWS 08-134-616 which requires JMH to monitor drinking water that comes from its well field, report the results and submit plans for review and approval by DPH for the upgrade of the drinking water supply system to abate the uranium found in the well water. Under the Amended Order which has been negotiated with DPH, JMH and DPH have agreed on plans and specifications for JMH to construct improvements to the well system and report to DPH on or before July 1, 2012 that the work has been completed.

3. **Sewer Order.** The Connecticut Department of Environmental Protection ("DEP") issued Order No. WC-5506 which is a Consent Order (the "Sewer Order") which requires JMH to perform repairs or replacements to the aging on-site wastewater treatment system at JMH. The Sewer Order requires a short-term and a long-term solution. The short-term work has been completed in accordance with the Sewer Order, and JMH has been reporting monthly to DEP as required on the status of the short-term solution. Under the long term solution, JMH had until March 30, 2011 to submit to DEP for review and written approval a schedule for: (i) the investigation of and remedial action alternatives to abate any pollution at the site arising from the operation of the on-site sewage treatment system including a detailed estimate of the cost of performing such remedial actions or (ii) the construction of sanitary sewers to connect the site to the Stafford Water Pollution Control Facility pursuant to the DEP's Approval of Plan and Specifications dated November 27, 2007; the schedule was to provide for completion of the preferred remedial actions as soon as possible but not later than December 31, 2014. On March 22, 2011 JMH provided the DEP a proposed schedule for construction of the sanitary sewer line. The schedule calls for the commencement of construction on or about March 1, 2012; the project is expected to take one year to complete. As of the last monthly status report submitted to the newly renamed Department of Energy and Environmental Protection ("DEEP"), DEEP has still not provided comments or approval of the schedule.

4. **Commissioner of Environmental Protection v. Johnson Memorial Hospital,** HHD-CV-07-4031097-S, CT Superior Court, Hartford: This is a civil enforcement action brought by the DEP against JMH, which was filed in July 2007 in six counts in which the DEP sought civil penalties and temporary and permanent injunctions prohibiting JMH from violating the hazardous waste management regulations, preventing JMH from maintaining a discharge to the waters of the state and violating its air permit. Five of the six counts arise from allegations relating to the use of an improper 2500 gallon underground storage tank for the storage of x-ray developer fixer and the release of the developer fixer from the tank. Use of that tank ended in April 2004. Part of the injunctive relief sought is an order requiring the investigation and remediation of the release of x-ray development fixer. The sixth count alleges that JMH violated its general air permit by submitting 10 months late its annual compliance certification for 2005. The complaint did not allege any other violation with respect to the air permit. The DEEP has filed a claim in the bankruptcy proceeding for any civil penalties which may arise out of this litigation; those penalties will be paid from the bankruptcy estate and not by JMH. The part of the remedy sought in this litigation that will not be disposed of though the bankruptcy proceeding involves the imposition of injunctive relief against JMH by way of an order requiring the investigation and remediation of the release of the x-ray developer fixer. By draft dated April 10, 2012, DEEP proposed a Stipulated Judgment to dispose of this matter. The draft calls for JMH to develop a groundwater monitoring plan, conduct the plan, and if necessary, develop a remediation plan based on the results of the groundwater monitoring plan. In addition, the stipulation settles a late claim of the DEEP with respect to waste character determinations; JMH is to have its wastes streams reviewed and submit a report to DEEP as to the results. JMH has received proposals from its consults to do this work.

JMMC Stafford Property Storage Tank Locations



Schedule 9.14

Certificate of Need, Exemption Certificate or OHCA Declaratory Ruling

Except as set forth on Schedule 9.14 hereto, no application for any Certificate of Need, Exemption Certificate (each as defined below) or declaratory ruling has been made by any Johnson Entity with OHCA or any other applicable agency which is currently pending or open before such agency, and no such application (each, an "Application") filed by any Johnson Entity within the past three (3) years has been ultimately denied by any commission, board or agency or withdrawn by any Johnson Entity.

Except as set forth on Schedule 9.14 hereto, no Johnson Entity has any Applications pending nor any approved Applications which relate to projects not yet completed.

Except as set forth on Schedule 9.14 hereto, the Johnson Entities have properly filed all required Applications which are complete and correct in all material respects with respect to any and all material improvements, projects, changes in services, zoning requirements, construction and equipment purchases, and other changes for which approval is required under any applicable federal or state law, rule or regulation. As used herein, "Certificate of Need" means a written statement issued by OHCA evidencing community need for a new, converted, expanded or otherwise significantly modified health care facility, health service or hospice, and "Exemption Certificate" means a written statement from OHCA stating that a health care project is not subject to the Certificate of Need requirements under applicable state law.

Disclosures:

1. JMH supported a Certificate of Need for NRRON to obtain a CT Simulator which is now pending.

2. JMH is currently supporting a Certificate of Need for TI which is being reviewed by OHCA.

Schedule 9.15

Medical Staff Matters

Except as set forth on Schedule 9.15 or in a writing delivered by the Johnson Entities to Saint Francis which specifically makes reference to this Section 9.15, there are no adverse actions with respect to any medical staff members of the Hospital or any applicant thereto for which a medical staff member or applicant has requested a judicial review hearing which has not been scheduled or has been scheduled but has not been completed, and there are no pending or, to the knowledge of the Johnson Entities, threatened disputes with applicants, staff members, or health professional affiliates, and the Johnson Entities know of no basis therefor, and all appeal periods in respect of any medical staff member or applicant against whom an adverse action has been taken have expired.

Disclosure:

1. Prince v. Johnson Memorial Hospital. This action was commenced on May 11, 2011 by service of a complaint on JMH. Dr. Renee Prince is an orthopedist who had her clinical privileges at JMH terminated. Dr. Prince has sued JMH seeking damages, injunctive relief, and other unspecified relief based upon her alleged claims of breach of contract and tortious interference with her contractual relationships. The injunctive relief sought by Dr. Prince is a court order requiring reinstatement of her clinical privileges at JMH. This is the fourth related action brought by Dr. Prince. The first two actions were dismissed by the Court. The third action (which was brought by Dr. Prince on March 21, 2011) was withdrawn by Dr. Prince after JMH sought to have the action dismissed. JMH will vigorously defend this fourth lawsuit. No insurance coverage is available for this matter.

SAINT FRANCIS DISCLOSURE SCHEDULES

Reference is made to that certain Master Affiliation Agreement (the "Agreement") by and among Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation, Inc. ("JEC") made as of July 12, 2012. Capitalized terms used but not defined in these Schedules are used with the meanings ascribed to them in the Agreement. Any fact or item which is clearly disclosed on any Schedule will be deemed to be disclosed for the purposes of any other Schedule where such disclosure is appropriate and apparent on its face without further investigation by Johnson.

The reference to or listing, description, disclosure or other inclusion of any item or other matter, including, without limitation, any violation, breach, debt, obligation or liability, in these Schedules shall not be construed to be an admission or suggestion that such item or matter constitutes a violation of, breach or default under, any contract, law or otherwise, except as expressly so stated. No disclosure in these Schedules relating to any possible breach or violation of any contract or law shall be construed as an omission or indication that any such breach or violation exists or has actually occurred. The inclusion of any information in these Schedules shall not be deemed to be an admission or acknowledgment, in and of itself, that such information is required by the terms of the Agreement to be disclosed or is material to Saint Francis.

Schedule 10.3(b)

Powers; Consents; Absence of Conflicts with Other Agreements

The execution, delivery, and performance of this Agreement by Saint Francis, and the execution, delivery and performance by Saint Francis, of all other agreements referenced herein, or ancillary hereto, to which Saint Francis is a party, and the consummation of the transactions contemplated herein by Saint Francis:

(b) except as set forth on Schedule 10.3(b), do not require any approval or consent of, or filing with, any governmental agency or authority bearing on the validity of this Agreement which is required by law or the regulations of any such agency or authority.

Disclosures:

None.

Schedule 10.3(b)

Powers; Consents; Absence of Conflicts with Other Agreements

The execution, delivery, and performance of this Agreement by Saint Francis, and the execution, delivery and performance by Saint Francis, of all other agreements referenced herein, or ancillary hereto, to which Saint Francis is a party, and the consummation of the transactions contemplated herein by Saint Francis:

(c) except as set forth on Schedule 10.3(c), will not conflict with, require consent under or result in any breach or contravention of, or the creation of any Lien, charge, or encumbrance under, any indenture, agreement, lease, instrument or understanding to which Saint Francis or its Affiliates is a party or by which it is bound or any of its assets is subject.

Disclosures:

None.

Schedule 10.4

Litigation

Except as disclosed on Schedule 10.4, since January 1, 2009, Saint Francis has not been subject to any formal or informal (of which Saint Francis has received notice) investigations or proceedings of the State of Connecticut Department of Public Health, the United States General Accounting Office, CMS, HHS, or other similar governmental agencies (except for any investigations being conducted in the ordinary course of business and applicable to all hospitals in the State of Connecticut). Except as disclosed on Schedule 10.4, there are no claims, actions, proceedings or investigations of which Saint Francis has received notice which are pending or, to Saint Francis's knowledge, threatened challenging the validity or propriety of the transactions contemplated by this Agreement. Saint Francis is not now, nor has it been, a party to any injunction, order or decree restricting the method of the conduct of its business or the marketing of any of its services; since January 1, 2009, to Saint Francis's knowledge, no governmental agency has investigated or requested (other than on a routine basis) information with respect to such methods of business or marketing of related services; Saint Francis has not received any claim that it currently violates any federal, state, or local law, ordinance, rule or regulation and, to its knowledge, no such claim is or has been threatened.

Disclosures:

None.

FIRST AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This First Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of May 17th, 2013, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Advances. Saint Francis may, in its sole discretion, make advances ("Advances") to Johnson in the amount of up to One Million Dollars ($1,000,000), subject to the terms and conditions of this Amendment. Advances will be made on an as-needed basis and Johnson will use the proceeds of Advances solely for general working capital purposes.

2. Notice of Borrowing Request. Johnson shall submit all requests for Advances in writing, specifying the purposes for which the proceeds of each Advance shall be used.

3. Repayment. Johnson shall repay all Advances on or before August 31, 2013. In the event that Johnson does not repay the Advances on or before August 31, 2013, the Advances will accrue interest at the Prime Rate (as defined below) plus two percentage points (2%) until repaid in full; provided, however, that such interest shall not begin to accrue until October 1, 2013. The "Prime Rate" as of any given date shall mean the rate most recently published in the Wall Street Journal, Eastern Edition, in its Money Rates table as the "prime rate".

4. Amendment to Master Affiliation Agreement. Sections 2.2 (a) and (b) of the Master Affiliation Agreement are amended and restated to read in their entirety as follows (additions are indicated by underlining):

> (a) Saint Francis will have the option, in its sole discretion, to make the following additional payments (together with the First Additional Payment, the "Additional Payments") to Johnson on or before October 1 of each year through and including October 1, 2016, in consideration of which Saint Francis will have the additional governance rights and exclusivity rights set forth in Sections 3 and 4, below:

i. On or before October 1, 2013: $2,050,000
ii. On or before October 1, 2014: $2,050,000
iii. On or before October 1, 2015: $2,050,000
iv. On or before October 1, 2016: $500,000

"(b) Saint Francis shall notify Johnson on or before June 1 of each year whether it will make the next succeeding Additional Payment on October 1 of that year; provided, however, that with respect to the Additional Payment to be made on or before October 1, 2013, Saint Francis shall so notify Johnson on or before August 15, 2013. Time is of the essence with respect to this notice, such that if Saint Francis fails to give notice to Johnson on or before August 15, 2013 (with respect to the Additional Payment to be made on or before October 1, 2013) or June 1 of any subsequent year that Saint Francis either will or will not make the next succeeding Additional Payment, it will be deemed that Saint Francis has elected not to make the next succeeding Additional Payment."

5. Conditions to SFC's Obligation to Make Advances. Without limiting Saint Francis's discretion to elect whether or not to make Advances, Saint Francis's agreement to make Advances is subject to satisfaction of the following conditions precedent:

a. Healthcare Finance Group, Inc. ("HFG") and People's United Bank ("People's") must provide their written consent to this Amendment and the transactions contemplated by this Amendment.

b. People's must agree (i) to defer payments of principal and interest due on April 1, 2013, May 1, 2013, June 1, 2013, July 1, 2013, August 1, 2013, and September 1, 2013, under the People's Financing Documents until October 1, 2013, and (ii) not to declare an event of default by reason of such deferral.

c. People's must waive any previous or existing default and any default during the first, second and/or third quarter of 2013 solely with respect to the debt service coverage ratio under the People's Financing Documents.

d. HFG and Johnson must have entered into that certain Consent Letter, Second Amendment and Forbearance Agreement dated as of May __, 2013, in form and substance satisfactory to SFC.

e. Johnson shall execute and deliver to Saint Francis a promissory note in the form attached hereto as Exhibit A.

f. All consents, waivers, and amendments contemplated by this Section 5 shall be in writing and shall be in form and content satisfactory to Saint Francis in its sole discretion.

6. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

7. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE,* INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Its Interim President
and Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Its Interim President
and Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By_____
Its Interim President
and Chief Executive Officer

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE,* INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Its

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Its

THE JOHNSON EVERGREEN CORPORATION

By_____
Its

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-392-A
BY:_____ DATE: 5-16-13.

EXHIBIT A

PROMISSORY NOTE

$1,000,000

May 17, 2013
Hartford, Connecticut

FOR VALUE RECEIVED, the undersigned, **JOHNSON MEMORIAL MEDICAL CENTER, INC., JOHNSON MEMORIAL HOSPITAL, INC.,** and **THE JOHNSON EVERGREEN CORPORATION** (collectively, "**Johnson**") jointly and severally promise to pay to **SAINT FRANCIS *CARE,* INC.** ("**Saint Francis**") the principal amount of One Million Dollars ($1,000,000.00) or so much thereof as shall have been advanced and be outstanding hereunder, together with interest on the outstanding unpaid principal balance hereof and costs thereon as set forth below.

This promissory note ("**Note**") is issued pursuant to the First Amendment to Master Affiliation Agreement and Interim Financing Agreement of even date herewith between Johnson and Saint Francis (the "**Amendment**"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to those terms in the Amendment.

All payments received by Saint Francis shall be applied first to the payment of costs, fees, and expenses (if any) due from Johnson to Saint Francis, then to the payment of interest (if any), and finally to the payment of principal.

Johnson hereby waives demand, presentment, notice of dishonor, notice of acceptance, protest and notice of protest.

This Note shall be governed by the laws of the State of Connecticut, without regard to rules pertaining to conflicts of law.

In the event of Johnson's failure to make any payment required under this Note as and when the same is due, Johnson shall reimburse Saint Francis for all of its costs of collection, including reasonable attorneys' fees.

[Signature on next page]

Signed as the date first set forth above.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By _____
Its Interim President
and Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By _____
Its Interim President
and Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By _____
Its Interim President
and Chief Executive Officer

SECOND AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Second Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of August 16, 2013, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Section 2.2 (b) of the Master Affiliation Agreement is amended and restated to read in its entirety as follows (additions are indicated by underlining):

> "(b) Saint Francis shall notify Johnson on or before June 1 of each year whether it will make the next succeeding Additional Payment on October 1 of that year; provided, however, that with respect to the Additional Payment to be made on or before October 1, 2013, Saint Francis shall so notify Johnson on or before September 15, 2013. Time is of the essence with respect to this notice, such that if Saint Francis fails to give notice to Johnson on or before September 15, 2013 (with respect to the Additional Payment to be made on or before October 1, 2013) or June 1 of any subsequent year that Saint Francis either will or will not make the next succeeding Additional Payment, it will be deemed that Saint Francis has elected not to make the next succeeding Additional Payment."

2. Section 4.2 of the Master Affiliation Agreement is amended and restated to read in its entirety as follows (additions are indicated by underlining):

> "4.2 In the event that Saint Francis notifies Johnson, on or before September 15, 2013 (with respect to the Additional Payment to be made on or before October 1, 2013) or June 1 of any subsequent year, that it will make the next succeeding Additional Payment on October 1 of that year, the Exclusivity Period will be extended for one (1) additional year (to June 1 of the following year). In the event that Saint Francis notifies Johnson on or before September 15, 2013 (with respect to the Additional Payment to be made on or before October 1, 2013) or June 1 of any subsequent year that it will not make the next succeeding

Additional Payment on October 1 of that year or Saint Francis breaches its obligation to make any Additional Payment, the Exclusivity Period will terminate immediately. Time is of the essence with regard to such notice, such that if Saint Francis fails to give notice to Johnson on or before September 15, 2013 (with respect to the Additional Payment to be made on or before October 1, 2013) or June 1 of any subsequent year that Saint Francis either will or will not make the next succeeding Additional Payment, it will be deemed that Saint Francis has notified Johnson that it will not make the next succeeding Additional Payment and the Exclusivity Period will terminate immediately."

3. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

4. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

THIRD AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Third Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of September 16, 2013, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Extension of Exclusivity Period. Notwithstanding the fact that Saint Francis will not make the Additional Payment scheduled to be made on October 1, 2013, the Exclusivity Period is extended through and including January 1, 2014 so long as People's and HFG are continuing to forbear from exercising their remedies in respect of Johnson's defaults under the People's Financing Documents and the HFG Financing Documents.

2. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

3. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

FOURTH AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Fourth Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of December 20, 2013, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Extension of Exclusivity Period. The Exclusivity Period is extended through and including March 1, 2014 so long as People's and HFG are continuing to forbear from exercising their remedies in respect of Johnson's defaults under the People's Financing Documents and the HFG Financing Documents.

2. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

3. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

FIFTH AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Fifth Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of February 3, 2014, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Extension of Exclusivity Period. The Exclusivity Period is extended through and including June 2, 2014 so long as People's and HFG are continuing to forbear from exercising their remedies in respect of Johnson's defaults under the People's Financing Documents and the HFG Financing Documents.

2. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

3. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE,* INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President and Chief Executive Officer

SIXTH AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Sixth Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of May 30, 2014, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Extension of Exclusivity Period. The Exclusivity Period is extended through and including September 30, 2014, so long as People's and HFG are continuing to forbear from exercising their remedies in respect of Johnson's defaults under the People's Financing Documents and the HFG Financing Documents.

2. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

3. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Its

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Its

THE JOHNSON EVERGREEN CORPORATION

By_____
Its

SEVENTH AMENDMENT TO MASTER AFFILIATION AGREEMENT

This Seventh Amendment to Master Affiliation Agreement ("Amendment"), dated as of June 5, 2014, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Johnson has asked Saint Francis to provide credit support in the amount of up to Two Million Dollars ($2,000,000) (the "Credit Support") related to Johnson's workers' compensation insurance policy (the "Workers' Compensation Policy"). The Credit Support will be in the form of a letter of credit (the "Letter of Credit") issued by Bank of America or another financial institution.

As a condition to Saint Francis providing the Credit Support, Johnson has agreed to reimburse Saint Francis, on demand, for any amounts Saint Francis is required to pay in respect of the Credit Support.

In furtherance of the foregoing, Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Credit Support. Saint Francis agrees to provide the Credit Support as described above. The Credit Support will be limited to providing security for Johnson's obligations under the Workers' Compensation Policy in respect of claims based on events occurring between May 31, 2014 and May 31, 2015.

2. Reimbursement of Credit Support Expenses. Johnson will reimburse Saint Francis, on demand, for any expenses that Saint Francis incurs in respect of the Credit Support (each, a "Credit Support Expense"), including without limitation any fees incurred by Saint Francis in connection with issuance of the Letter of Credit.

3. Credit Support Fee. (a) In addition to Johnson's obligation to reimburse Saint Francis for Credit Support Expenses, Johnson will pay Saint Francis an annual fee for providing the Credit Support (the "Credit Support Fee") in an amount equal to five percent (5%) of the face amount of the Letter of Credit. The Credit Support fee will be payable in two equal installments, the first on June 15, 2014 and the second on July 15, 2014.

(b) Johnson and Saint Francis agree that the Credit Support Fee represents their best judgment of the fair market value of the Credit Support.

(c) Johnson and Saint Francis, on their behalf and on behalf of each of their affiliates, acknowledge and agree that that the provision by Saint Francis of the Credit Support is not intended to constitute remuneration in exchange for, or in order to induce, (i) the referral of individuals for the furnishing, or arranging for the furnishing, of any item or service for which payment may be made by a governmental third-party payor, or (ii) the purchasing, leasing, ordering of any good, facility, service or item for which payment may be made by a governmental third-party payor. Johnson and Saint Francis acknowledge that the Credit Support is not conditioned in any way on either Johnson or Saint Francis, or its affiliates, referring patients to the other party, or its affiliates, and each of Johnson and Saint Francis and its affiliates shall remain free to refer patients to any other entities or healthcare facilities.

4. Repayment of Indebtedness for Borrowed Funds. Pursuant to the First Amendment to Master Affiliation Agreement and Interim Financing dated as of May 17, 2013 (the "First Amendment"), Saint Francis has made cash Advances (as defined in the First Amendment) to Johnson totaling $350,000. In consideration of Saint Francis furnishing the Credit Support, Johnson will, contemporaneous with the provision of the Credit Support, repay the cash Advances.

5. Interest, Costs, Expenses. Any amounts owed by Johnson to Saint Francis in respect of the Credit Support shall accrue interest at the Prime Rate (as defined below) plus two percentage points (2%) from the date due until repaid in full. The "Prime Rate" as of any given date shall mean the rate most recently published in the Wall Street Journal, Eastern Edition, in its Money Rates table as the "prime rate". Johnson will reimburse Saint Francis for any costs and expenses, including legal fees, incurred by Saint Francis in connection with the collection of amounts owed by Johnson in respect of any Credit Support Payments.

6. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

7. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

EIGHTH AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Eighth Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of August __, 2014, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Extension of Exclusivity Period. The Exclusivity Period is extended through and including November 30, 2014, so long as People's and HFG are continuing to forbear from exercising their remedies in respect of Johnson's defaults under the People's Financing Documents and the HFG Financing Documents.

2. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

3. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President/CEO

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Stuart E. Rosenberg
President/CEO

THE JOHNSON EVERGREEN CORPORATION

By_____
Stuart E. Rosenberg
President/CEO

NINTH AMENDMENT TO MASTER AFFILIATION AGREEMENT AND INTERIM FINANCING AGREEMENT

This Ninth Amendment to Master Affiliation Agreement and Interim Financing Agreement ("Amendment"), dated as of November 30, 2014, is by and between Saint Francis *Care*, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation ("JEC") (JMMC, JMH, and JEC are collectively referred to as "Johnson").

RECITALS

Saint Francis and Johnson are parties to a Master Affiliation Agreement dated as of July 12, 2012 (as amended to date, the "Master Affiliation Agreement"). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings assigned to those terms in the Master Affiliation Agreement.

Saint Francis and Johnson desire to amend the Master Affiliation Agreement as more fully set forth below.

NOW, THEREFORE, Saint Francis and Johnson agree as follows:

1. Extension of Exclusivity Period. The Exclusivity Period is extended through and including January 15, 2015, so long as People's and HFG are continuing to forbear from exercising their remedies in respect of Johnson's defaults under the People's Financing Documents and the HFG Financing Documents.

2. Master Affiliation Agreement to Remain in Effect. Except as modified by this Amendment, the terms of the Master Affiliation Agreement shall remain unchanged and in full force and effect.

3. Counterparts. This Amendment may be executed in separate counterparts, each of which will constitute an original and all of which will constitute one and the same instrument.

[Signatures on next page]

In witness whereof, the parties have executed this Amendment as of the date first set forth above.

SAINT FRANCIS *CARE*, INC.

By_____
Christopher M. Dadlez
President and
Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By_____
Stuart E. Rosenberg
President and
Chief Executive Officer

INTERCREDITOR AGREEMENT

This Intercreditor Agreement, made as of July 12, 2012 (this "Intercreditor Agreement"), by and between Saint Francis Care, Inc. (together with its successors and assigns, "Saint Francis"), on behalf of itself and, as applicable, its affiliates, Saint Francis Hospital and Medical Center ("SFH") and Saint Francis Medical Group, P.C., and Healthcare Finance Group, LLC, as "Agent" for the lenders (each a "Lender") from time to time party to the Loan Agreement referred to below (together with its successors and assigns, "HFG") having a usual place of business at 199 Water Street, New York, New York 10038, as acknowledged by Johnson Memorial Medical Center, Inc. f/k/a Johnson Memorial Corporation ("JMMC"), Johnson Memorial Hospital, Inc. ("JMH"), The Johnson Evergreen Corporation ("JEC"), Home & Community Health Services, Inc., Johnson Health Care, Inc., Johnson Development Fund, Inc., Wellcare, Inc., Johnson Professional Associates, P.C. ("JPA"), and Johnson Medical Specialists, P.C. (collectively, the "Borrowers"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Loan Agreement referred to below.

A. The Borrowers have entered into that certain Revolving Loan and Security Agreement, dated as of September 27, 2010 (as it may be amended, modified or supplemented from time to time, the "Loan Agreement"), with each other Person joined thereto from time to time as a Borrower, the Lenders from time to time party thereto and HFG, as Agent, pursuant to which the Lenders have made and will make Revolving Advances (as herein defined) to the Borrowers (the aggregate outstanding principal balance of all Revolving Advances from time to time, the "Revolving Loan"), secured by a security interest in the HFG Collateral (as herein defined).

B. The Debtor-Borrowers have entered into that certain Letter of Intent dated January 23, 2012 (as it may be amended, modified or supplemented from time to time, the "LOI") with Saint Francis regarding a potential affiliation among the Debtor-Borrowers, JPA and Saint Francis.

C. In connection with the LOI and the potential affiliation contemplated thereunder, the Debtor-Borrowers have entered into that certain Master Affiliation Agreement dated July __, 2012 (as it may be amended, modified or supplemented from time to time, the "Master Affiliation Agreement") with Saint Francis, pursuant to which Saint Francis has made a One Million Three Hundred Thousand Dollar ($1,300,000.00) payment to the Debtor-Borrowers (the "Initial Payment"), has committed to make an additional payment of One Million Fifty Thousand Dollars ($1,050,000.00) to the Debtor-Borrowers (the "First Additional Payment") on or before October 1, 2012, has the option to commit by June 1 of each year thereafter through 2015 to making additional payments of Two Million Fifty Thousand Dollars ($2,050,000.00) to the Debtor-Borrowers on or before October 1 of each such year (collectively, the "Additional Payments"), and has the option to commit by June 1, 2016 to making an additional payment of Five Hundred Thousand Dollars ($500,000.00) to the Debtor-Borrowers on or before October 1, 2016 (with the Initial Payment, the First Additional Payment and the Additional Payments, collectively, the "Saint Francis Plan Payments" and each a "Saint Francis Plan Payment").

D. Pursuant to the terms of the Master Affiliation Agreement, the Saint Francis Plan Payments constitute unsecured loans by Saint Francis to the Debtor-Borrowers that become due and payable by the Debtor-Borrowers to Saint Francis upon the occurrence of certain events.

E. Pursuant to the terms and conditions of the Master Affiliation Agreement, upon the occurrence of certain events a "discharge fee" (the "Discharge Fee") shall become due and payable by the Debtor-Borrowers to Saint Francis.

F. HFG and Saint Francis desire to set forth certain rights and obligations between them with respect to the HFG Loan Documents (as herein defined) and the Saint Francis Documents (as herein defined).

In consideration of the mutual covenants herein contained and benefits to be derived herefrom, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

WITNESSETH

1. Definitions.

As used in this Agreement, the following definitions shall apply:

Affiliate. As to any Person, any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or is a director or officer of such Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

Agent Fee Letter. That certain letter dated September 27, 2010, between HFG, as Agent, and the Borrowers, pursuant to which the Borrowers agree to pay certain fees to HFG, as Agent, from time to time, as such letter may be amended, modified or supplemented from time to time.

Billing and Collection Sub-Agreements. Any BPO Sub-Agreement relating to billing and/or collection services and/or related information technology now or hereafter executed or delivered under the Business Process Outsourcing Agreement.

Borrowing Base Report. A certificate, signed by an Authorized Representative (as defined in the Loan Agreement), substantially in the form set forth in Exhibit II to the Loan Agreement, providing the most recently available information with respect to Eligible Receivables of the Borrowers that is set forth in the aged accounts receivable trial balance and books and records of the Borrowers, as such certificate may be amended, modified or supplemented from time to time.

Business Associate Agreement. The business associate agreement, dated as of June 9, 2010, by and among the Borrowers, Home & Community Health Services, Inc., Johnson Health Care, Inc., Johnson Professional Associates, P.C., Johnson Medical Specialists, P.C.

and HFG, as such business associate agreement may be amended, modified or supplemented from time to time.

BPO Sub-Agreement. Any "BPO Sub-Agreement" as defined in the Business Process Outsourcing Agreement now existing or hereafter in effect.

Business Process Outsourcing Agreement. That certain Business Process Outsourcing Agreement now or hereafter executed or delivered by the Debtor-Borrowers and JPA to Saint Francis, on behalf of itself and its affiliates, Saint Francis Hospital and Medical Center ("SFH") and Saint Francis Medical Group, P.C. ("SFMG"), in furtherance of the transactions contemplated by the LOI, as such Business Process Outsourcing Agreement may be amended, modified or supplemented from time to time.

Clinical Affiliation Agreement. That certain Clinical Affiliation Agreement now or hereafter executed or delivered by the Debtor-Borrowers and JPA to Saint Francis on behalf of SFH and SFMG, in furtherance of the transactions contemplated by the LOI, as such Clinical Affiliation Agreement may be amended, modified or supplemented from time to time.

Clinical Services Sub-Agreement. Any "Clinical Services Sub-Agreement" as defined in the Clinical Affiliation Agreement now existing or hereafter in effect.

CMS. The Centers for Medicare & Medicaid Services of the United States Department of Health and Human Services.

Collateral Subordination Agreements. Collectively, that certain Collateral Subordination Agreement, dated as of the date of the Loan Agreement, by and among Clifford Zucker, a partner of JH Cohn, as "Plan Custodian" pursuant to the Chapter 11 Plan, on behalf of the holders of Class A6, B6 and C3 Allowed Claims, and HFG, as Agent, as acknowledged by the Debtor-Borrowers and that certain Collateral Subordination Agreement, dated as of the date of the Loan Agreement, by and among People's United Bank and HFG, as Agent, as acknowledged by the Debtor-Borrowers, as each such Collateral Subordination Agreement may be amended, modified or supplemented from time to time.

Contracts. Collectively, all rights of each Borrower under all leases, contracts and agreements to which such Borrower is now or hereafter a party, including all rights of such Borrower to receive moneys due or to become due thereunder or pursuant thereto (but excluding rights under (but not excluding proceeds of) any lease, contract or agreement (including, without limitation, any license) that by the terms thereof, or under applicable law, cannot be assigned or a security interest granted therein in the manner contemplated by the Loan Agreement, unless consent from the relevant party or parties has been obtained and under the terms of which lease, contract or agreement any such assignment or grant of a security interest therein in the absence of such consent would, or could, result in the termination thereof, but only to the extent that (1) those rights are subject to such contractual or legal restriction and (2) that restriction is not, or could not be, rendered ineffective pursuant to the UCC of any relevant jurisdiction or any other applicable law (including the Bankruptcy Code) or principles of equity. Notwithstanding anything herein to the contrary, "Contracts" shall not include any Excluded Assets (as herein defined).

Control Agreement. Each deposit account control agreement, if any, in favor of HFG, as Agent, relating to a deposit account of a Borrower, as any such deposit account control agreement may be amended, modified or supplemented from time to time.

Depositary Agreement. Each Depositary Agreement, dated the date of the Loan Agreement, among any of the Borrowers, HFG, as Agent, and a Lockbox Bank (as defined in the Loan Agreement), as each such Depositary Agreement may be amended, modified or supplemented from time to time.

Designated Saint Francis Documents. The Master Affiliation Agreement and any Billing and Collection Sub-Agreement.

Eligible Receivables. Receivables of each Borrower that satisfy the "Eligibility Criteria" under the Credit Agreement, as determined by HFG, as Agent.

Excluded Assets. Any and all: (1) cash or other property received by any Borrower in the form of bequests, contributions, donations, or grants (including, but not limited to, special purpose grants made by a Governmental Entity) that are by their terms, restricted in the manner in which they may be utilized by such Borrower; (2) rents, income, profits, security deposits and other occupancy charges and benefits to which any Borrower may now or hereafter be entitled arising from any lease of real property from Borrower to any Person or from any tenancy, use or occupancy of or by any Person of any real property in which any Borrower now or hereafter has an interest, and the proceeds of all of the foregoing (all of the foregoing described in this clause (2), collectively, the "Rents"); (3) proceeds of the sale of equipment by a Borrower to the extent such proceeds are owed by such Borrower to another creditor in connection with indebtedness existing on the date of Loan Agreement (or any refinancing of such indebtedness) and permitted by the terms thereof, or purchase money financing permitted under the Loan Agreement; (4) all proceeds payable by reason of conversion, voluntary or involuntary, of any real property, including buildings, improvements and fixtures, in which any Borrower now or hereafter has an interest; and all proceeds of insurance now or hereafter payable to or on behalf of any Borrower on account of such real property, including on account of any loss or damage thereto or thereof and loss of rents therefrom; all claims of any Borrower under any contract of insurance arising from any loss or damage to any of such real property or loss of rents therefrom or otherwise relating to any of such real property; (5) all awards or payments, including interest thereon, and the right to receive same, which may at any time be made with respect to any real property in which any Borrower now or hereafter has an interest as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade of any street, or (c) any other injury to or decrease in the value of such real property; (6) proceeds and all other sums arising from the sale of any or all real property in which any Borrower has an interest; (7) one-third (1/3) of all moneys received from the United States government (or any agency thereof) as reimbursement for expenditures made by Borrower on electronic medical records funding in expectation of reimbursement under the American Recovery and Reinvestment Act of 2009; and (8) any and all Litigation Claims Proceeds (as that term is defined in the Plan).

Governmental Entity. The United States of America, any state thereof, any political subdivision of a state thereof and any agency or instrumentality of the United States of America or any state or political subdivision thereof and any entity exercising executive,

legislative, judicial, regulatory or administrative functions of or pertaining to government. Payments from Governmental Entities will be deemed to include payments governed under the Social Security Act (42 U.S.C. §§ 1395 et seq.), including payments under Medicare, Medicaid and TRICARE/CHAMPUS, and payments administered or regulated by CMS.

Guarantor. Any Person from time to time, if any, providing a guaranty of, or otherwise becoming obligated with respect to, any of the Lender Debt.

HFG Collateral. All of the rights, title and interest of each of the Borrowers in and to the following assets of such Borrower, whether now existing or hereafter acquired, and wherever located: all Receivables, whether now owned or hereafter acquired; to the maximum extent permitted by law, each lockbox established pursuant to the Loan Agreement and each Lockbox Account (as defined in the Loan Agreement), and amounts held therein; all money and cash (not constituting Excluded Assets); all Records relating to the foregoing; all payment-related general tangibles and all Contracts necessary for the collection of Receivables, including, without limitation, all Medicare and Medicaid provider agreements and provider numbers and licenses and all rights under all contracts between McKesson and any of the Borrowers; and all proceeds of any kind or nature of the foregoing, but in no event will any Excluded Assets constitute or be deemed to be HFG Collateral.

HFG Loan Documents. The Loan Agreement (and each joinder agreement thereto delivered in connection with the terms thereof), the Notes, the Collateral Subordination Agreements, this Intercreditor Agreement, the Business Associate Agreement, each Depositary Agreement, each Borrowing Base Report, each Monthly Report, the Agent Fee Letter, each Control Agreement; and each other document or instrument now or hereafter executed or delivered to HFG, as Agent, or any Lender pursuant to or in connection therewith (including, without limitation, each other agreement now existing or hereafter created providing collateral security for the payment or performance of any Lender Debt), as each such agreement, document or instrument may be amended, modified or supplemented from time to time.

Insurer. Any Person (other than a Governmental Entity) which in the ordinary course of its business or activities agrees to pay for healthcare goods and services received by individuals, including commercial insurance companies, nonprofit insurance companies (such as the Blue Cross, Blue Shield entities), employers or unions which self insure for employee or member health insurance, prepaid health care organizations, preferred provider organizations, health maintenance organizations, commercial hospitals, physicians groups or any other similar Person. "Insurer" includes insurance companies issuing health, personal injury, workers' compensation or other types of insurance but does not include any individual guarantor.

Lender Debt. Any and all amounts due, whether now existing or hereafter arising, under the Loan Agreement, any other Loan Document in respect of the Revolving Loan or this Intercreditor Agreement, including, without limitation, any and all principal, interest, penalties, fees, charges, premiums, indemnities and costs (including costs of enforcing Agent's rights against any Guarantor) owed or owing to the Agent or any Lender by the Borrowers, or any of them (including, without limitation, the Early Termination Fee (as defined in the Loan Agreement)), in each instance, whether absolute or contingent, direct or indirect, secured or unsecured, due or not due, arising by operation of law or otherwise, and all interest and other

charges thereon, including, without limitation, post-petition interest whether or not such interest is an allowable claim in a bankruptcy proceeding.

McKesson. McKesson Technologies, Inc. and its affiliates including, without limitation, McKesson Information Solutions LLC.

Medicaid. The medical assistance program established by Title XIX of the Social Security Act (42 U.S.C. § 1396 et seq.) and any statutes succeeding thereto.

Medicare. The health insurance program for the aged and disabled established by Title XVIII of the Social Security Act (42 U.S.C. § 1395 et seq.) and any statutes succeeding thereto.

Monthly Report. A report to HFG, as Agent, certified as accurate by the Borrowers, containing the following information: (1) the information contained on Exhibit II of the Loan Agreement for the prior month; (2) electronic download of the transaction files for the prior month; and (3) electronic download of the monthly aged final balance for the prior month, as such report may be amended, modified or supplemented from time to time.

Notes. One or more promissory notes, if any, delivered in connection with the Loan Agreement which evidence the Revolving Loan, as any such promissory note may be amended, modified or supplemented from time to time.

Obligor. An Insurer, Governmental Entity or other Person, as applicable, who is responsible for the payment of all or any portion of a Receivable.

Person. An individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or other entity, or a Governmental Entity.

Plan. The Amended Joint Plan of Reorganization, 2010 (the "Plan") for JMH, JMMC, and JEC, confirmed on August 9, 2010 in connection with the chapter 11 cases pending in the United States Bankruptcy Court for the District of Connecticut, Hartford Division and being administered as Case Nos. 08-22188, 08-22187 and 08-22189.

Receivables. All accounts, instruments, health-care-insurance receivables and all other obligations for the payment of money and goodwill, whether now existing or hereafter arising, including, without limitation, all payments due from any Receivables including those based on a cost report settlement or expected settlement, and all proceeds of any of the foregoing, in each case, including rights of payment arising out of the rendition of medical, surgical, diagnostic or other professional medical services or the sale of medical products by each Borrower in the ordinary course of its business, including all third-party reimbursable portions or third-party directly payable portions of health-care-insurance receivables or general intangibles owing (or in the case of Receivables in respect of which the goods have been shipped, or the services rendered, to the relevant customer or patient, rights to payment thereon have accrued, but the invoice has not been rendered to the applicable Obligor, to be owing) by an Obligor, including all rights to reimbursement under any agreements with and payments from Obligors, patients or other Persons, together with all books, records, ledger cards, data

processing records, computer software, and other property at any time used or useful in connection with, evidencing, embodying, referring to, or relating to any of the foregoing, but in no event will any Excluded Assets constitute or be deemed to be Receivables.

Records. All of the Borrowers' present and future books of account of every kind or nature, service and management agreements, invoices, ledger cards, statements, correspondence, memoranda, credit files and other data relating to the Receivables and the other HFG Collateral or any account debtor or Obligor, together with the tapes, disks, diskettes and other data and software storage media and devices, file cabinets or containers in or on which the foregoing are stored (including any rights of the Borrowers with respect to the foregoing maintained with or by any other Person).

Revolving Advances. Amounts advanced by the Lenders to the Borrowers from time to time pursuant to the Loan Agreement.

Saint Francis Documents. The Master Affiliation Agreement, the Business Process Outsourcing Agreement and all other ancillary documents executed in connection therewith including, but not limited to, any BPO Sub-Agreement.

Senior Obligations. All liabilities, debts and obligations of the Borrowers or any Guarantor or Affiliate of the Borrowers to Agent or any Lender, each of every kind, nature and description, now existing and hereafter arising under the HFG Loan Documents and known as Lender Debt.

TRICARE/CHAMPUS. The Civilian Health and Medical Program of the Uniformed Service, a program of medical benefits covering former and active members of the uniformed services and certain of their dependents, financed and administered by the United States Departments of Defense, Health and Human Services and Transportation and established pursuant to 10 USC §§ 1071-1106, and all regulations promulgated thereunder including without limitation (1) all federal statutes (whether set forth in 10 USC §§ 1071-1106 or elsewhere) affecting TRICARE/CHAMPUS; and (2) all rules, regulations (including 32 CFR 199), manuals, orders and administrative, reimbursement, and other guidelines of all Governmental Entities (including, without limitation, the Department of Health and Human Services, the Department of Defense, the Department of Transportation, the Assistant Secretary of Defense (Health Affairs), and the Office of TRICARE/CHAMPUS, or any Person or entity succeeding to the functions of any of the foregoing) promulgated pursuant to or in connection with any of the foregoing (whether or not having the force of law) in each case as may be amended, supplemented or otherwise modified from time to time.

UCC. The Uniform Commercial Code as in effect from time to time in effect in the specified or applicable jurisdiction.

2. Subordination of Saint Francis Plan Payments.

(a) The payment of any and all obligations of the Borrowers on account of, arising from or relating to the Saint Francis Plan Payments or the Discharge Fee under the Master Affiliation Agreement, whether for principal, interest, fees, expenses or otherwise and whether the obligations incurred thereunder are now existing or in the future incurred (such

obligations being the "Junior Obligations"), is hereby expressly subordinated and made junior to the indefeasible payment in full, in immediately available funds, of the Senior Obligations, including without limitation, all sums or debts hereafter incurred under the HFG Loan Documents and all interest, costs and expenses accrued or to accrue on, or in relation to, any of such indebtedness. No payment shall be made by or on behalf of the Borrowers for or on account of the Junior Obligations, and Saint Francis shall not take or receive directly from the Borrowers or indirectly from any other Person, in cash or other property or by set off or in any other manner, including, without limitation, from or by way of collateral, payment of all or any of the Junior Obligations, unless and until the Senior Obligations shall have been indefeasibly paid in full. All payments or distributions upon or with respect to the Junior Obligations which are received by Saint Francis contrary to the provisions of this Intercreditor Agreement shall be received in trust for the benefit of HFG, shall be segregated from other funds and property held by Saint Francis and shall be forthwith paid over to HFG in the same form as so received (with any necessary endorsement) to be applied (in the case of cash) to, or held as collateral (in the case of non cash property or securities) for, the payment or prepayment of the Senior Obligations in accordance with the terms of the HFG Loan Documents.

(b) Notwithstanding the timing of the execution, delivery, recording, filing or perfection of the HFG Loan Documents and the Saint Francis Documents, or the lien or priority of payment thereof, and notwithstanding anything to the contrary whatsoever contained in any of the Saint Francis Documents or any other document or agreement, all of the terms, liens, security interests, rights, powers, remedies, covenants and conditions of the Saint Francis Documents shall be subject and subordinate to all of the terms, liens, security interests, rights, powers, remedies covenants and conditions of the HFG Loan Documents.

(c) Notwithstanding anything in this Agreement to the contrary, "Junior Obligations" shall not include the obligations of the Debtor-Borrowers under the Business Process Outsourcing Agreement, the Clinical Affiliation Agreement, the BPO Sub-Agreements, and the Clinical Services Sub-Agreements.

3. Agreement by the Borrowers. Each of the Borrowers hereby agrees that it will not make any payment of any of the Junior Obligations, or take any other action, in contravention of the provisions of this Agreement.

4. Agreement not to Contest.

(a) Saint Francis agrees that it shall not initiate or prosecute, or participate with or encourage any other Person to initiate or prosecute, any claim, action or proceeding (1) contesting the validity or enforceability of the claims of HFG against the Borrowers, (2) contesting the validity, grant, perfection, priority or enforceability of the security title, lien, and security interest of HFG in the HFG Collateral, (3) asserting any claim which the Borrowers may hold with respect to the rights and interests of any party hereto in the Borrowers and/or their assets, or (4) seeking to equitably subordinate any or all of the Senior Obligations or the interest of HFG in the HFG Collateral. Saint Francis hereby agrees that as between HFG and Saint Francis, the terms of this Intercreditor Agreement shall govern even if part or all of the Senior Obligations or the security title, lien, and security interest securing payment and performance thereof, are avoided, disallowed, set aside or otherwise invalidated in any judicial proceeding or otherwise.

(b) Notwithstanding any statement in the Plan or in any documents or agreements to the contrary, the date, manner or order of perfection of the security interests granted to HFG, and any provisions of any applicable law, Saint Francis hereby acknowledges the first and senior in priority lien and security interest of HFG in and to the HFG Collateral. Saint Francis hereby acknowledges and agrees that HFG shall have the exclusive right to manage, perform and enforce the terms of the HFG Loan Documents with respect to the HFG Collateral, to exercise and enforce all privileges and rights thereunder according to its sole discretion and the exercise of its business judgment, including, without limitation, the exclusive right to take or retake control or possession of the HFG Collateral and to hold, prepare for sale, process, sell, lease, dispose of, or liquidate the HFG Collateral.

5. Right to Make Overadvances. Saint Francis hereby acknowledges that the Lenders in their discretion from time to time in the ordinary course of their business may make overadvances to the Borrowers, or overadvances may occur which overadvances will be entitled to be secured by the HFG Collateral and which overadvances will also be subject to the priorities and have the benefit of the subordination set forth in Section 2 hereof.

6. Agreement Related to Bankruptcy. Saint Francis hereby agrees with HFG that in the event of: any assignment by the Borrowers for the benefit of creditors; any bankruptcy case or proceedings are instituted by or against the Borrowers; the appointment of any receiver for the Borrowers or their business or assets; or any dissolution, liquidation or other winding up of the affairs of the Borrowers; then in all such cases, respectively, the officers or members of the Borrowers, and any assignee, trustee in bankruptcy, receiver, and/or other Person or Persons in charge of the Borrowers' assets or property shall pay to HFG the full amount of the Senior Obligations before making any payments of any nature with respect to the Junior Obligations.

7. Notices.

(a) HFG shall, simultaneous with any delivery of such notice to the Borrowers, provide written notice (an "HFG Default Notice") to Saint Francis of any (a) Event of Default (as defined in the HFG Loan Documents); or (b) event that with the passage of time and failure to cure, would result in the occurrence of a "default" or "Event of Default" under the HFG Loan Documents; provided, however, that failure to give such notice shall not affect the other rights and remedies of HFG against the Borrowers or Saint Francis under the HFG Loan Documents or this Intercreditor Agreement (as applicable).

(b) Saint Francis shall, simultaneous with any delivery of such notice to the Borrowers, provide written notice (a "Saint Francis Event Notice") to HFG of any (a) breach or default under any Designated Saint Francis Document, including, but not limited to, a breach of the exclusivity provisions of Section 4 of the Master Affiliation Agreement; (b) event that, with the passage of time and failure to cure, would result in the occurrence of a breach or default under any Designated Saint Francis Document; (c) termination of any Designated Saint Francis Document by any party thereto; (d) event that, with the passage of time and failure to cure, would result in any Saint Francis Plan Payment or the Discharge Fee becoming due and payable by the Borrowers to Saint Francis; provided, however, that failure to give such notice shall not affect the other rights and remedies of Saint Francis against the Borrowers or HFG under the Saint Francis Documents or this Intercreditor Agreement (as applicable).

8. Limitation on Restricted Remedies.

(a) No Restricted Remedy may be initiated by Saint Francis except as provided herein.

(b) No Restricted Remedy may be initiated by Saint Francis for a period of sixty (60) days (the "Standstill Period") after a Trigger Event unless HFG shall consent in writing to such Restricted Remedy. On and after the day that is sixty (60) days after the occurrence of a Trigger Event, unless such Trigger Event has discontinued, Saint Francis shall be entitled to initiate a Restricted Remedy without the consent of HFG; provided that at least three (3) business days prior to initiating such Restricted Remedy, Saint Francis shall give written notice to all parties to this Agreement (i) certifying that the Standstill Period has elapsed, (ii) certifying that the Trigger Event remains in existence, and (iii) of the type of Restricted Remedy to be initiated. At any time (including, without limitation, during the Standstill Period and during the three (3) business day notice period thereafter) HFG shall have the right (but not the obligation) to cure any such Trigger Event of the Borrowers, but HFG shall not be under any obligation to cure any such Trigger Event by the Borrowers under the Saint Francis Documents.

(c) As used herein:

(i) "Restricted Remedy" shall mean the termination of any Designated Saint Francis Document.

(ii) "Trigger Event" shall mean any event that gives Saint Francis the right, or any event that with the passage of time or the giving of notice or both could reasonably be expected to give Saint Francis the right, to immediately terminate (A) the Master Affiliation Agreement, or (B) the Business Process Outsourcing Agreement or any BPO Sub-Agreement pursuant to Section 12.2.3(b) of the Business Process Outsourcing Agreement.

9. Limited Agency of HFG.

(a) The Borrowers hereby appoint HFG as their limited agent to direct Saint Francis' performance of services under any Billing and Collection Sub-Agreement, to the extent specified by this Section 9.

(b) HFG's limited agency shall become effective upon receipt by Saint Francis of a "Notification of Agency" from an authorized officer of HFG. Such Notification of Agency may be sent only upon HFG's good faith belief that an Event of Default has occurred and is continuing under the Loan Agreement.

(c) Once effective, HFG's limited agency shall remain effective until the earlier of: (i) written notice from an authorized officer of HFG to Saint Francis that it will no longer act as Borrower's limited agent as of a specified date; or (ii) a court of competent jurisdiction holds that such limited agency no longer exists. The Borrowers shall neither have the right to revoke HFG's limited agency once such limited agency becomes effective nor revoke this present grant of future limited agency unless and until all secured obligations under the Loan Agreement have been fully and indefeasibly paid in cash.

(d) HFG's agency shall not include the assumption of any obligation, including without limitation, any indemnification or payment obligations, of the Borrowers under the Saint Francis Agreements, and Saint Francis shall at all times look solely to the Borrowers for payment for services performed under the Saint Francis Agreement.

10. Information Requirements. On the date hereof, and upon any commitment of Saint Francis to make the First Additional Payment and any other Additional Payment, Saint Francis shall provide to HFG (in multiple copies, if requested by HFG) a copy of the audited financial statements (together with explanatory notes thereto) and the auditor's unqualified report letter for the most recently completed fiscal year for Saint Francis, containing financial statements for such year audited by independent certified public accountants of recognized standing and a copy of any management letter or written report submitted to Saint Francis by such independent certified public accountants with respect to the business, condition (financial or otherwise), operations, prospects or properties of Saint Francis, and its most recent year-to-date internally-prepared financial statements.

11. Modifications of the HFG Loan Documents. HFG shall, at any time, have the right, without the consent of Saint Francis in each instance, to enter into any amendment, deferral, extension, modification, renewal, replacement, consolidation, supplement or waiver with respect to the Senior Obligations and/or the HFG Loan Documents (each an "HFG Loan Modification"), including (without limitation) in the case of a workout or other surrender, compromise, release, renewal or indulgence relating to the Senior Obligations during the existence of a continuing default under the HFG Loan Documents. In addition, and notwithstanding anything contained in this Section 11 to the contrary, any amount funded by HFG under the HFG Loan Documents as a result of (A) the making of any protective advances or other advances by HFG under the HFG Loan Documents, or (B) interest accruals or accretions and any compounding thereof permitted under the HFG Loan Documents (including default interest) shall not be deemed to contravene this section.

12. Modifications of Saint Francis Documents. Saint Francis shall not modify, amend or alter any Designated Saint Francis Document without the approval of HFG in its sole discretion. Saint Francis shall not enter into any Billing and Collection Sub-Agreement without the approval of HFG in its sole discretion. If HFG fails to respond to any request of Saint Francis under this Section 12 to modify, amend or alter any Designated Saint Francis Document, or to enter into any Billing and Collection Sub-Agreement, within fifteen (15) business days of HFG's receipt of such request, HFG's approval of such request shall be deemed to have been given as of the end of such fifteen (15) day period.

13. Right to Assign. HFG may, from time to time, in its sole discretion, transfer, assign or participate all or any part of the Senior Obligations or any interest therein, and notwithstanding any such transfer (or subsequent transfer), the Senior Obligations and the HFG Loan Documents shall be and remain a senior obligation in the respects set forth in this Intercreditor Agreement to the Junior Obligations and the Saint Francis Documents, in accordance with the terms hereof. Saint Francis may not sell, assign, pledge, encumber or otherwise dispose of any of the Junior Obligations without the consent of HFG in its sole discretion.

14. HFG's Duties to Saint Francis. Saint Francis agrees that in connection with (a) the administration and enforcement of HFG Loan Documents (including, without limitation, the administration and enforcement of the HFG Obligations and the HFG Collateral in connection therewith) and (b) the exercise of its rights and remedies hereunder, HFG shall have no duty or obligation to Saint Francis of any nature whatsoever (other than as specifically provided herein).

15. Saint Francis' Duties to HFG. HFG agrees that in connection with (a) the administration and enforcement of the Saint Francis Documents and (b) the exercise of its rights and remedies hereunder, Saint Francis shall have no duty or obligation to HFG of any nature whatsoever (other than as specifically provided herein).

16. Representations and Warranties.

(a) At the time of execution of this Intercreditor Agreement and each time the Lenders provide credit or other financial accommodations to the Borrowers, Saint Francis represents and warrants to HFG as follows:

(i) No Contravention. The execution, delivery and performance by it of this Intercreditor Agreement does not and will not (i) violate any provision of any law, order, writ, judgment, injunction, decree, determination, or award presently in effect applicable to it, (ii) result in a breach of or constitute a default under any charter or organizational or governing document, indenture or loan or credit agreement or any other agreement, lease, or instrument to which it is a party or by which it or its properties may be bound or affected, or (iii) result in, or require, the creation or imposition of any lien upon or with respect to any of the properties now owned or hereafter acquired by it.

(ii) Legally Enforceable. This Intercreditor Agreement is its legal, valid and binding obligation, enforceable against Saint Francis in accordance with the terms hereof.

(iii) Authorization. No authorization, approval or other action by, and no notice to or filing with, any Governmental Entity is required (i) for the subordination by it of the Junior Obligations to the Senior Obligations pursuant hereto, (ii) for the execution, delivery or performance by Saint Francis of this Intercreditor Agreement by it, or (iii) for the maintenance of the subordination provided by this Intercreditor Agreement.

17. Remedies. HFG is hereby authorized to demand specific performance of this Intercreditor Agreement at any time that Saint Francis or the Borrowers have failed to comply with any of the provisions of this Intercreditor Agreement. Saint Francis and the Borrowers each hereby irrevocably waives any defense based on the adequacy of a remedy at law, which might be asserted as a bar to such remedy of specific performance to the extent that Saint Francis has failed to comply with any of such provisions.

18. Miscellaneous.

(a) Waiver of Notices.

(i) Saint Francis hereby waives all notices, demands and protests, and all other formalities of every kind in connection with the administration and enforcement by HFG of the HFG Loan Documents, or of its rights and obligations under this Intercreditor Agreement, the omission of or delay in which, but for the provisions of this Section 18(a)(i), might constitute grounds for relieving it of its obligation under this Intercreditor Agreement, including (1) notice of or proof of reliance by HFG upon this Intercreditor Agreement or acceptance of this Intercreditor Agreement, (2) notice of the incurrence of any Lender Debt or the renewal, extension or accrual of any such Lender Debt by the Borrowers, (3) notice of any actions taken by HFG or the Borrowers or any other Person under any documents, or any other agreement of instrument relating to the Lender Debt, and (4) notices of nonpayment or nonperformance, protest, notices of protest and notices of dishonor.

(ii) Notwithstanding the foregoing, nothing in this Section 18(a) shall constitute a waiver or modification of HFG's undertaking to deliver notice as provided pursuant to Section 7(a) hereof.

(b) Obligations Under Intercreditor Agreement Not Affected. Saint Francis waives any and all defenses to the performance by it of its duties and obligations under this Intercreditor Agreement, including any defense based on any of the following, Saint Francis agrees that all rights, priorities and interest of HFG under this Intercreditor Agreement, and all agreements and obligations of Saint Francis under this Intercreditor Agreement, shall remain in full force and effect irrespective of:

(i) Any failure of HFG to disclose any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any party obligated to make payment on any and all Lender Debt, whether as principal or guarantor, now or hereafter known to HFG,

(ii) Any defense to the payment of any or all the Lender Debt, including lack of validity or enforceability of any of such Lender Debt or any documents or agreement executed in connection with such Lender Debt,

(iii) Any change in the time, manner or place of payment of, or in any other term in respect of, all or any of the Lender Debt, or any other amendment or waiver of or consent to any departure from any of the Loan Documents,

(iv) Any exchange or release of, or non-perfection of any security interest on or in any assets securing the payment of the Lender Debt or any guaranty of such Lender Debt,

(v) Any failure to execute any guaranty for all or any part of the Lender Debt, or any release or amendment or waiver of, or consent to any departure from, any guaranty for all or any of the Lender Debt, or any release of any Person at any time primarily or secondarily liable for all or any part of the Lender Debt and/or any collateral or security therefore,

(vi) Any subordination of all or any of the Lender Debt,

(vii) Any act or omission of HFG in connection with the enforcement of, or the exercise of rights and remedies, including any election of, or the order of exercising any, remedies, with respect to (a) the Lender Debt, (b) any guarantor of the Lender Debt, or (c) any assets securing the payment of the Lender Debt,

(viii) Any manner of application of any funds received by HFG on the account of Lender Debt or any other obligations owed to HFG, whether from the sale or disposition of any assets securing the Lender Debt, from a guarantor of the Lender Debt or otherwise, and

(ix) Any failure to give or provide any notices, demands or protests, including those specified under "Waiver of Notices" (Section 18(a)).

(c) Notices. All notices hereunder shall be effective upon receipt and shall be in writing and sent by either certified mail return receipt requested, by hand delivery or by facsimile as follows:

(i) If to Saint Francis:

Saint Francis Care, Inc.
114 Woodland Street
Hartford, Connecticut 06105
Attention: President and Chief Executive Officer
cc: Vice President, Legal Affairs and General Counsel

Tel: (860) 714-9000
Fax: (860) 714-5408

(ii) If to HFG:

Healthcare Finance Group, LLC
199 Water Street, 31st Floor
New York, New York 10038
Attention: Chief Credit Officer and
National Portfolio Manager
cc: General Counsel
Tel: (212) 785-9212
Fax: (212) 785-8501

or to such other address or Person as any of the parties hereto may designate in writing to the other party.

(d) No Benefit to Third Parties. The terms and provisions of this Intercreditor Agreement shall be for the sole benefit of Saint Francis and HFG, and the respective successors and assigns of each of them, and no other Person, firm, entity, or corporation shall have any right, benefit or priority of interest because of this Intercreditor Agreement. In that regard, if any party shall enforce its rights or remedies in violation of the terms of this Intercreditor Agreement, the Borrowers shall not use such violation as a defense

to any action by any such party, nor assert such violation as a counterclaim or basis for set off against such party.

(e) Administration. No amendment or waiver of any provision of this Intercreditor Agreement shall be effective unless in a writing signed by the parties hereto, and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. HFG shall not, by any act, delay, omission or otherwise, be deemed to have waived any of its rights or remedies under this Intercreditor Agreement or otherwise. A waiver by HFG of any right or remedy hereunder on any one occasion, shall not be construed as a ban or waiver of any such right or remedy which HFG would have had on any future occasion nor shall HFG be liable for exercising or failing to exercise any such right or remedy.

(f) Additional Assurances. Saint Francis and the Borrowers each shall execute documents and agreements as may be reasonably requested by HFG to more fully vest, perfect and protect its rights and interests hereunder.

(g) Successors and Assigns; Replacement Lenders.

(i) This Intercreditor Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

(ii) Notwithstanding anything herein to the contrary, the rights and obligations of HFG hereunder shall succeed to any Person (a "Replacement Lender") who makes available to the Borrowers a credit facility, the proceeds of which are used to indefeasibly pay and perform the Lender Debt in full, upon such payment and performance of the Lender Debt in full. Saint Francis hereby agrees that it will acknowledge such succession of the rights and obligations of HFG hereunder to such Replacement Lender, upon request, in a form reasonably acceptable to the Replacement Lender.

(h) Governing Law. THIS AGREEMENT, AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS AGREEMENT, SHALL, IN ACCORDANCE WITH SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ANY CONFLICTS OF LAWS PRINCIPLES THEREOF THAT WOULD CALL FOR THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION, EXCEPT TO THE EXTENT: (A) THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS GRANTED UNDER THE LOAN AGREEMENT, OR REMEDIES RELATED THERETO, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK; AND (B) THE BANKRUPTCY COURT SHALL HAVE JURISDICTION OVER THIS AGREEMENT, IN WHICH CASE THE LAW OF THE STATE OF NEW YORK SHALL APPLY WITH REGARD TO ANY CONFLICTS OF LAWS PRINCIPLES.

(i) Counterparts. This Intercreditor Agreement may be executed in any number of counterparts, each of which will be deemed to be an original hereof and all of which together shall be deemed a single instrument.

IN WITNESS WHEREOF, the parties have caused this Intercreditor Agreement to be executed as of the date first above written.

SAINT FRANCIS CARE, INC.

By: _____
Name: Christopher Dadlez
Title:

HEALTHCARE FINANCE GROUP, LLC, as Agent

By: _____
Name:
Title:

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-372
BY: _____ DATE: 7/11/2012

IN WITNESS WHEREOF, the parties have caused this Intercreditor Agreement to be executed as of the date first above written.

SAINT FRANCIS CARE, INC.

By: _____
Name: Christopher Dadlez
Title:

HEALTHCARE FINANCE GROUP, LLC, as Agent

By: _____
Name: John Calabro
Title: Executive Vice President

ACKNOWLEDGMENT OF BORROWERS

The undersigned, Borrowers, hereby acknowledge and agree to the terms set forth in the foregoing Intercreditor Agreement as of the date first written above.

JOHNSON MEMORIAL MEDICAL CENTER, INC. f/k/a JOHNSON MEMORIAL CORPORATION

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

HOME & COMMUNITY HEALTH SERVICES, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON HEALTHCARE, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON DEVELOPMENT FUND, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

WELLCARE, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON MEDICAL SPECIALISTS, P.C.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

FIRST AMENDMENT TO INTERCREDITOR AGREEMENT

This First Amendment to Intercreditor Agreement, made as of May 17, 2013 (this "First Amendment"), by and between Saint Francis Care, Inc. (together with its successors and assigns, "Saint Francis"), on behalf of itself and, as applicable, its affiliates, Saint Francis Hospital and Medical Center ("SFH") and Saint Francis Medical Group, P.C., and Healthcare Finance Group, LLC, as "Agent" for the lenders (each a "Lender") from time to time party to the Loan Agreement referred to below (together with its successors and assigns, "HFG") having a usual place of business at 199 Water Street, New York, New York 10038, as acknowledged by Johnson Memorial Medical Center, Inc. f/k/a Johnson Memorial Corporation ("JMMC"), Johnson Memorial Hospital, Inc. ("JMH"), The Johnson Evergreen Corporation ("JEC"), Home & Community Health Services, Inc., Johnson Health Care, Inc., Johnson Development Fund, Inc., Wellcare, Inc., Johnson Professional Associates, P.C. ("JPA"), and Johnson Medical Specialists, P.C. (collectively, the "Borrowers"). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Intercreditor Agreement referred to below.

A. The Borrowers have entered into that certain Revolving Loan and Security Agreement, dated as of September 27, 2010 (as amended by that certain Consent Letter and First Amendment of Loan Agreement dated July 12, 2012 and by that certain Consent Letter, Second Amendment of Loan Agreement and Forbearance Agreement dated May 17, 2013, and as it may be further amended, modified or supplemented from time to time, the "Loan Agreement"), with each other Person joined thereto from time to time as a Borrower, the Lenders from time to time party thereto and HFG, as Agent, pursuant to which the Lenders have made and will make Revolving Advances (as herein defined) to the Borrowers (the aggregate outstanding principal balance of all Revolving Advances from time to time, the "Revolving Loan"), secured by a security interest in the HFG Collateral (as herein defined).

B. The Debtor-Borrowers have entered into that certain Letter of Intent dated January 23, 2012 (as it may be amended, modified or supplemented from time to time, the "LOI") with Saint Francis regarding a potential affiliation among the Debtor-Borrowers, JPA and Saint Francis.

C. In connection with the LOI and the potential affiliation contemplated thereunder, the Debtor-Borrowers have entered into that certain Master Affiliation Agreement dated July 12, 2012 (as amended by the First Amendment to Master Affiliation Agreement and Interim Financing Agreement (as herein defined), and as it may be further amended, modified or supplemented from time to time, the "Master Affiliation Agreement") with Saint Francis, pursuant to which Saint Francis has made, will make, or has the option to make certain payments as provided under the Affiliation Agreement.

D. HFG and Saint Francis have entered into that certain Intercreditor Agreement dated July 12, 2012 (the "Intercreditor Agreement") to set forth certain rights and obligations between them with respect to the HFG Loan Documents and the Saint Francis Documents.

E. The Debtor-Borrowers have entered into that certain First Amendment to Master Affiliation Agreement and Interim Financing Agreement dated May 17, 2013 (the "First Amendment to Master Affiliation Agreement and Interim Financing Agreement") with

Saint Francis amending the Affiliation Agreement and providing for potential interim financing (the "Interim Financing").

F. Pursuant to the terms of the First Amendment to Master Affiliation Agreement and Interim Financing Agreement, the Interim Financing constitutes an additional unsecured loan by Saint Francis to the Debtor-Borrowers that becomes due and payable by the Debtor-Borrowers to Saint Francis on August 31, 2013.

G. HFG and Saint Francis desire to amend the Intercreditor Agreement as herein provided to *inter alia* subordinate the Interim Financing to the Senior Obligations (as defined in the Intercreditor Agreement) in accordance with the terms of the Intercreditor Agreement.

In consideration of the mutual covenants herein contained and benefits to be derived herefrom, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

WITNESSETH

1. Paragraph "C" of the Recitals to the Intercreditor Agreement is amended and restated in its entirety as follows:

> C. In connection with the LOI and the potential affiliation contemplated thereunder, the Debtor-Borrowers have entered into (i) that certain Master Affiliation Agreement dated July 12, 2012 (as it may be amended, modified or supplemented from time to time, including, without limitation, as amended by the First Amendment to Master Affiliation Agreement and Interim Financing Agreement (as herein defined), the "Master Affiliation Agreement") with Saint Francis, pursuant to which Saint Francis has made a One Million Three Hundred Thousand Dollar ($1,300,000.00) payment to the Debtor-Borrowers (the "Initial Payment"), has committed to make an additional payment of One Million Fifty Thousand Dollars ($1,050,000.00) to the Debtor-Borrowers (the "First Additional Payment") on or before October 1, 2012, has the option to commit each year thereafter through 2015 as provided under the Master Affiliation Agreement to making additional payments of Two Million Fifty Thousand Dollars ($2,050,000.00) to the Debtor-Borrowers on or before October 1 of each such year (collectively, the "Additional Payments"), and has the option to commit as provided under the Master Affiliation Agreement to making an additional payment of Five Hundred Thousand Dollars ($500,000.00) to the Debtor-Borrowers on or before October 1, 2016 (with the Initial Payment, the First Additional Payment and the Additional Payments, collectively, the "Payments"), and (ii) that certain First Amendment to Master Affiliation Agreement and Interim Financing Agreement dated May 17, 2013 (as it may be amended, modified or supplemented from time to time, the "First Amendment to Master Affiliation Agreement and Interim Financing Agreement") with Saint Francis, pursuant to which (among other things) Saint Francis may, in its sole discretion, make advances in the amount of up to One Million Dollars ($1,000,000) to the Debtor-Borrowers in accordance with the terms and conditions thereof (the "Interim Financing" and, with the Payments,

collectively, the "Saint Francis Plan Payments" and each a "Saint Francis Plan Payment").

2. Section 1 of the Intercreditor Agreement is amended by deleting the definition of "Saint Francis Documents" set forth therein and replacing it in its entirety with the following:

> Saint Francis Documents. The Master Affiliation Agreement, the First Amendment to Master Affiliation Agreement and Interim Financing Agreement, the Business Process Outsourcing Agreement and all other ancillary documents executed in connection therewith including, but not limited to, any BPO Sub-Agreement.

3. Section 2(c) of the Intercreditor Agreement is amended and restated in its entirety as follows:

> (c) Notwithstanding anything in this Agreement to the contrary, (i) "Junior Obligations" shall not include the obligations of the Debtor-Borrowers under the Business Process Outsourcing Agreement, the Clinical Affiliation Agreement, the BPO Sub-Agreements, and the Clinical Services Sub-Agreements, and (ii) to the extent permitted by the terms and conditions of the Loan Agreement, Section 2(a) hereof shall not apply to any principal or interest payments made in accordance with the provisions of the First Amendment to Master Affiliation Agreement and Interim Financing Agreement by any Debtor-Borrower on the Interim Financing.

4. Except as expressly provided above, the Intercreditor Agreement shall remain in full force and effect. Except as expressly set forth herein, nothing contained herein shall amend, modify or alter any term or condition of the Intercreditor Agreement.

5. THIS FIRST AMENDMENT, AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS FIRST AMENDMENT, SHALL, IN ACCORDANCE WITH SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ANY CONFLICTS OF LAWS PRINCIPLES THEREOF THAT WOULD CALL FOR THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION.

6. This First Amendment may be executed in counterparts, each of which when so executed will be deemed to be an original and all of which when taken together will constitute one and the same agreement. Signatures of the parties transmitted by PDF or facsimile shall be deemed to be their original signatures for all purposes.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed as of the date first above written.

SAINT FRANCIS *CARE*, INC.

By: _____
Name: Christopher M. Dadlez
Title: President/Chief Executive Officer

HEALTHCARE FINANCE GROUP, LLC, as Agent

By: _____
Name:
Title:

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 13-352-B
BY: _____ DATE: 5-21-13

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed as of the date first above written.

SAINT FRANCIS CARE, INC.

By: _____
Name:
Title:

HEALTHCARE FINANCE GROUP, LLC, as Agent

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed as of the date first above written.

SAINT FRANCIS CARE, INC.

By: _____
Name:
Title:

HEALTHCARE FINANCE GROUP, LLC, as Agent

By: _____
Name: Dan Chapa
Title:President

ACKNOWLEDGMENT OF BORROWERS

The undersigned, Borrowers, hereby acknowledge and agree to the terms set forth in the foregoing First Amendment to Intercreditor Agreement as of the date first written above.

JOHNSON MEMORIAL MEDICAL CENTER, INC. f/k/a JOHNSON MEMORIAL CORPORATION

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

JOHNSON MEMORIAL HOSPITAL, INC.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

THE JOHNSON EVERGREEN CORPORATION

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

HOME & COMMUNITY HEALTH SERVICES, INC.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

JOHNSON HEALTH CARE, INC.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

JOHNSON DEVELOPMENT FUND, INC.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

WELLCARE, INC.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

JOHNSON MEDICAL SPECIALISTS, P.C.

By:
Name: Stuart E. Rosenberg
Title: Interim President and Chief Executive

CONSENT LETTER AND FIRST AMENDMENT OF LOAN AGREEMENT

July 12, 2012

Via Facsimile and Overnight Courier

Johnson Memorial Hospital, Inc., as Borrower Representative
201 Chestnut Hill Road
Stafford Springs, CT 06076
Attn: David Morgan

Re: Consent and First Amendment of Loan Agreement for the Affiliation with Saint Francis Care, Inc.

Dear Mr. Morgan:

Reference is hereby made in this consent letter and first amendment of loan agreement (the "First Amendment") to that certain Revolving Loan and Security Agreement dated as of September 27, 2010 (the "Loan Agreement") by and between Johnson Memorial Medical Center, Inc. f/k/a Johnson Memorial Corporation ("JMMC"), Johnson Memorial Hospital, Inc. ("JMH"), The Johnson Evergreen Corporation ("JEC"), Home & Community Health Services, Inc., Johnson Health Care, Inc., Johnson Development Fund, Inc., Wellcare, Inc., Johnson Professional Associates, P.C. ("JPA"), Johnson Medical Specialists, P.C. and each other Person joined thereto from time to time as a Borrower, the Lenders from time to time party thereto and Healthcare Finance Group, LLC, as Agent. Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Loan Agreement.

The Borrower Representative has informed the Agent that JMMC, JMH and JEC have entered into that certain Letter of Intent and the Term Sheet attached thereto (a copy of which is attached hereto as Exhibit A, the "LOI") with Saint Francis Care, Inc. ("Saint Francis") regarding a potential affiliation among JMMC, JMH, JEC and Saint Francis, as more fully described in the LOI.

Agent and the Lenders hereby consent to each of JMMC, JMH, JEC and JPA entering into the Definitive Agreement, the Affiliation Agreement and the BPO Agreement, as applicable, each as defined in the LOI, subject to the terms and conditions set forth herein.

SECTION 1 AMENDMENTS TO THE LOAN AGREEMENT

Effective as of the Effective Date (as defined in Section 4 below), the Loan Agreement is hereby amended as follows:

1.1 The definition of "Adjusted Borrowing Limit" in Section 1.1 of the Loan Agreement is amended by adding the following after "Liquidity Block": ", minus (4) the Plan Payment Reserve" and renumbering the existing subsection (4) as subsection (5).

1.2 The definition of "Debt Service Coverage Ratio" in Section 1.1 of the Loan Agreement is deleted in its entirety.

1.3 The definition of "Early Termination Fee" in Section 1.1 of the Loan Agreement is amended by amending and restating the table set forth therein in its entirety to read as follows:

Within 24 months of the Closing Date	2%
Within 36 months but more than 24 months after the Closing Date	1%
More than 36 months after the Closing Date but less than one month prior to the Scheduled Maturity Date	0.5%

1.4 The definition of "Fixed Charge Coverage Ratio" in Section 1.1 of the Loan Agreement is amended by: (i) amending and restating subsection (1) in its entirety to read as follows: "(1)(A) EBIDA for the applicable period; plus (B) any Saint Francis Plan Payments received during such period, so long as the proceeds of such Saint Francis Plan Payments are used to make the Annual Plan Payments and each Debtor-Borrower has timely made all required payments under the Chapter 11 Plan, to"; and (ii) deleting the last sentence thereof which begins with: "For purposes of (D),".

1.5 The definition of "Loan Documents" in Section 1.1 of the Loan Agreement is amended by adding the following after "the Collateral Subordination Agreements,": "the Saint Francis Intercreditor Agreement,".

1.6 The definition of "Liquidity Block" in Section 1.1 of the Loan Agreement is amended and restated in its entirety as follows:

> "Liquidity Block means $500,000; provided; however, the Liquidity Block shall be immediately increased to $750,000 if (i) Saint Francis fails (A) to commit, in a form satisfactory to the Agent by June 1st of either 2013 or 2014, to make the 2013 Additional Payment or the 2014 Additional Payment, as applicable, or (B) to make, any Saint Francis Plan Payment, (ii) Saint Francis, any Debtor-Borrower or JPA shall give notice to terminate a Saint Francis Agreement, or (iii) a Saint Francis Agreement shall terminate."

1.7 The definition of "Scheduled Maturity Date" in Section 1.1 of the Loan Agreement is amended and restated in its entirety as follows:

> **"Scheduled Maturity Date"** means the earliest to occur of (1) September 27, 2014, as such date may be extended thereafter in accordance with Section 13.7(a) and (2) the date that Saint Francis shall exercise the Call Option as contemplated by Section 6 of the Master Affiliation Agreement, unless otherwise agreed by the Agent and Saint Francis.

1.8 Section 1.1 of the Loan Agreement is amended by adding the following defined terms in the appropriate alphabetical order:

> **"2012 Additional Payment"** means the funding by Saint Francis to a Debtor-Borrower of the $1,050,000 Annual Plan Payment by October 1, 2012.

"2013 Additional Payment" means the funding by Saint Francis to a Debtor-Borrower of the $2,050,000 Annual Plan Payment by October 1, 2013.

"2014 Additional Payment" means the funding by Saint Francis to a Debtor-Borrower of the $2,050,000 Annual Plan Payment by October 1, 2014.

"Annual Plan Payment" means each scheduled annual payment to the PBGC and the Unsecured Creditors pursuant to the Chapter 11 Plan.

"BPO Sub-Agreement" has the meaning set forth in the Business Process Outsourcing Agreement.

"Business Process Outsourcing Agreement" means that certain Business Process Outsourcing Agreement, dated as of July 12, 2012, among Saint Francis, on behalf of itself and its affiliates Saint Francis Hospital and Medical Center and Saint Francis Medical Group, P.C., Debtor-Borrowers and JPA.

"Initial Payment" means the funding from escrow by the Master Affiliation Agreement Escrow Agent to a Debtor-Borrower pursuant to the Master Affiliation Agreement of $1,300,000, due from the Debtor-Borrowers to the PBGC and the Unsecured Creditors pursuant to the Chapter 11 Plan in respect of Annual Plan Payments.

"Master Affiliation Agreement" means that certain Master Affiliation Agreement, dated as of July 12, 2012, among Saint Francis and the Debtor-Borrowers.

"Master Affiliation Agreement Escrow Agent" means Hinckley, Allen & Snyder, LLP.

"Plan Payment Reserve" means $0 initially; however, the Plan Payment Reserve shall increase as follows: (1) if (i) Saint Francis fails to make the 2012 Additional Payment, or (ii) Saint Francis, any Debtor-Borrower or JPA shall give notice to terminate a Saint Francis Agreement, on June 30, 2012 (or on such later date thereafter that a notice to terminate the Saint Francis Agreement is given, if such notice is given after June 30, 2012) the Plan Payment Reserve shall be $250,000 and the Plan Payment Reserve shall increase by $250,000 each month thereafter until it totals $1,000,000; and (2) if (i) Saint Francis fails (A) to commit, in a form satisfactory to the Agent, by June 1, 2013 to make, or (B) to make, the 2013 Additional Payment, or (ii) Saint Francis, any Debtor-Borrower or JPA shall give notice to terminate a Saint Francis Agreement, on June 30, 2013 (or on such later date thereafter that a notice to terminate the Saint Francis Agreement is given, if such notice is given after June 30, 2013) the Plan Payment Reserve shall be $250,000 and the Plan Payment Reserve shall increase by $600,000 each month thereafter until it totals $2,050,000; and (3) if (i) Saint Francis fails to commit, in a form satisfactory to the Agent, by June 1, 2014 to make the 2014 Additional Payment, or (ii) Saint Francis, any Debtor-Borrower or JPA shall give notice to terminate a Saint Francis Agreement, on June 30, 2014 (or on such later date thereafter that a notice to terminate the Saint Francis Agreement is given, if such notice is given after June 30, 2014) the Plan Payment Reserve shall be $250,000 and the Plan Payment Reserve shall increase by $600,000 each month thereafter until it totals $2,050,000.

"Saint Francis" means Saint Francis Care, Inc.

"Saint Francis Agreement" means the Master Affiliation Agreement or any BPO Sub-Agreement relating to billing and/or collection services and/or related information technology.

"Saint Francis Intercreditor Agreement" means the Intercreditor Agreement, made as of July __, 2012 by and between Saint Francis and the Agent, as acknowledged by the Borrowers, as amended, restated, supplemented or otherwise modified from time to time.

"Saint Francis Plan Payment" means the Initial Payment, the 2012 Additional Payment, the 2013 Additional Payment, or the 2014 Additional Payment.

"Unsecured Creditors" means the unsecured creditors in Classes A6 and B6 under the Chapter 11 Plan who are represented by Clifford Zucker as "Plan Custodian" pursuant to the Chapter 11 Plan.

1.9 Clauses (a) and (b) of Section 10.1 of the Loan Agreement are amended and restated in their entirety as follows:

"(a) The sum of (1) the aggregate amount of free cash in an operating account of the Borrowers that can be viewed on-line in real time by the Agent, plus (2) the positive difference, if any, between (A) the Adjusted Borrowing Limit and (B) the sum of the then Outstanding Balance of the Revolving Loan, shall at no time be less than the positive difference between $1,000,000 and the Liquidity Block during each day of any month.

(b) Reserved."

1.10 Section 10.2 of the Loan Agreement is amended and restated in its entirety as follows:

"10.2 Reserved."

1.11 Section 10.3 of the Loan Agreement is amended and restated in its entirety as follows:

"10.3 **Fixed Charge Coverage Ratio.** The Fixed Charge Coverage Ratio maintained by the Borrowers, on a consolidated basis and calculated on a trailing six month basis, calculated as of the last day of each calendar month shall not be less than the ratio set forth below opposite such period:

Period Ending	Ratio
June 30, 2012	0.75x
July 31, 2012	0.75x
August 31, 2012	0.85x
September 30, 2012	0.95x
October 31, 2012	1.00x
November 30, 2012	1.00x
December 31, 2012 and thereafter	1.10x

1.12 Section 10.6 of the Loan Agreement is amended and restated in its entirety as follows:

"10.6 Reserved."

1.13 Section 8.15 of the Loan Agreement is amended and restated in its entirety as follows:

"8.15 **Chapter 11 Plan Payments.**

(1) Each Debtor-Borrower shall timely make all required payments under the Chapter 11 Plan.

(2) Each Debtor-Borrower shall promptly use the proceeds of the Saint Francis Plan Payments to make Annual Plan Payments.

(3) If Saint Francis does not make the 2012 Additional Payment, the 2013 Additional Payment or the 2014 Additional Payment, so long as no Default or Event of Default exists, upon the request of the Borrowers and subject to the Agent's approval in its sole discretion, the Plan Payment Reserve shall be released (i.e., the amount of the Plan Payment Reserve shall be reduced to zero) to allow the Debtor-Borrowers to make, and the Debtor-Borrowers shall promptly make, the relevant Annual Plan Payment."

1.14 A new Section 9.20 is added to the Loan Agreement, which shall read as follows:

"9.20 **Modification of Saint Francis Agreements.** No Borrower shall modify, amend or alter any Saint Francis Agreement without the approval of the Agent in its sole discretion. No Borrower shall enter into any BPO Sub-Agreement relating to billing and/or collection services and/or related information technology without the approval of the Agent in its sole discretion. If the Agent fails to respond to any request of the Borrower Representative under this Section 9.20 to modify, amend or alter any Saint Francis Agreement, or to enter into any BPO Sub-Agreement relating to billing and/or collection services and/or related information technology, within fifteen (15) Business Days of the Agent's receipt of such request, the Agent's approval of such request shall be deemed to have been given as of the end of such fifteen (15) Business Day period."

1.15 Section 11.1 of the Loan Agreement is amended by adding new subsection (21), which shall read as follows:

"(21) There shall be a breach or default including, but not limited to, a breach of the exclusivity provisions of Section 4 of the Master Affiliation Agreement, or a Saint Francis Agreement shall terminate, or Saint Francis, a Debtor-Borrower or JPA shall provide notice to the other party that it intends to terminate a Saint Francis Agreement."

SECTION 2 REPRESENTATIONS AND WARRANTIES OF THE BORROWERS

The Borrowers hereby represent and warrant as of the date hereof as follows (which representations and warranties shall survive the execution and delivery of this First Amendment):

2.1 All representations and warranties made by the Borrowers in Article 7 of the Loan Agreement and each of the other Loan Documents are true and correct in all material respects as of the date hereof with the same force and effect as if made on such date, except as set forth on the most recently delivered Borrowing Base Report (and except to the extent that any such representation or warranty relates expressly to an earlier date).

2.2 The Borrowers have the requisite power to execute, deliver and carry out the terms and provisions of this First Amendment.

2.3 This First Amendment has been duly executed and delivered and constitutes the legal, valid and binding obligation of the Borrowers, and is enforceable in accordance with its terms subject (i) as to enforcement of remedies, to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally, from time to time in effect, and (ii) to general principles of equity.

2.4 No unwaived event has occurred and is continuing which constitutes a Default or an Event of Default, except as disclosed on compliance certificates previously delivered by the Borrowers to the Agent.

SECTION 3 WAIVER

Upon the Effective Date, the Agent and the Lenders agree as follows:

3.1 The Agent and the Lenders hereby waive the Events of Defaults arising from: (i) each Debtor-Borrower's failure to comply with Section 8.15 of the Loan Agreement on or prior to the date hereof and each Debtor-Borrowers' failure to remedy such Event of Default in accordance with Section 11.1(5)(b) of the Loan Agreement; and (ii) the Borrowers' failure to comply with Sections 10.2 and 10.3 of the Loan Agreement solely for December 31, 2010 through the Effective Date (such Events of Default collectively, the "Identified Defaults").

3.2 The Agent shall not charge the Borrowers interest in excess of the rate applicable to the Loan pursuant to Section 2.2(a) of the Loan Agreement on account of the Identified Defaults subsequent to the date hereof.

SECTION 4 AMENDMENT FEE

4.1 As consideration for entering into this First Amendment, Borrowers shall pay an amendment fee of $50,000 to the Agent as follows: (i) $12,500 on the Effective Date (the "Initial Installment of Amendment Fee"); and (ii) $12,500 on the first day of each of the next three (3) months following the Effective Date. The amendment fee of $50,000 shall be fully earned by the Agent on the Effective Date.

set forth herein. Except as expressly provided above, the Agreement and the other Loan Documents shall remain in full force and effect. Each Borrower hereby reaffirms, assumes and binds itself to all of the obligations, duties, covenants, terms and conditions that are contained in the Loan Agreement, and each Borrower hereby ratifies, reaffirms and confirms its grant to the Agent for the benefit of the Lender of a first-priority Lien on and security interest in and right of set-off against the Collateral thereunder.

6.2 Each Borrower hereby waives any current existing claims, defenses or set-offs which it has or may have against the Agent or any of the Lenders arising out of the Agreement or the transactions contemplated thereby. Each Borrower further agrees not to assert any claims, defenses, demands, actions or liabilities against Agent or any of the Lenders arising out of the Loan Agreement or the transactions contemplated thereby.

6.3 Except as expressly set forth herein, nothing contained herein shall (i) amend, modify or alter any term or condition of the Loan Agreement or any of the other Loan Documents, or (ii) diminish, prejudice or waive any of Agent' or any Lenders' rights and remedies under the Loan Agreement, any other Loan Document, or applicable law, and each of the Agent and the Lenders hereby reserves all of such rights and remedies. This First Amendment shall constitute a "Loan Document" under the Loan Agreement.

6.4 THIS FIRST AMENDMENT, AND ALL MATTERS ARISING OUT OF OR RELATING TO THIS FIRST AMENDMENT, SHALL, IN ACCORDANCE WITH SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ANY CONFLICTS OF LAWS PRINCIPLES THEREOF THAT WOULD CALL FOR THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION.

6.5 This First Amendment may be executed in counterparts, each of which when so executed will be deemed to be an original and all of which when taken together will constitute one and the same agreement. Signatures of the parties transmitted by PDF or facsimile shall be deemed to be their original signatures for all purposes.

[Remainder of Page Intentionally Left Blank.]

To indicate your agreement to the terms of this First Amendment, please sign in the space provided below and return a signed copy to Christina Van Vort by telecopier: (516) 466-5964.

AGENT:

HEALTHCARE FINANCE GROUP, LLC,
as the Agent

By: _____
Name: John Calabro
Title: Executive Vice President

LENDER:

HFG HEALTHCO-4 LLC, as Lender
By: MASTER HEALTHCO LLC, a Member

By: _____
Name: John Calabro
Title: Executive Vice President

BORROWERS:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON DEVELOPMENT FUND, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

WELLCARE, INC.

By: _____
Name: David Morgan
Title: President and Chief Executive Officer

To indicate your agreement to the terms of this First Amendment, please sign in the space provided below and return a signed copy to Christina Van Vort by telecopier: (516) 466-5964.

AGENT:

HEALTHCARE FINANCE GROUP, LLC,
as the Agent

By:_____
Name:
Title:

LENDER:

HFG HEALTHCO-4 LLC, as Lender
By: MASTER HEALTHCO LLC, a Member

By:_____
Name:
Title:

BORROWERS:

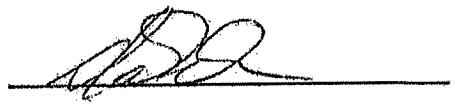
JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:

Name: David Morgan

Title: President and Chief Executive Officer

JOHNSON DEVELOPMENT FUND, INC.

By: 

Name: David Morgan

Title: President and Chief Executive Officer

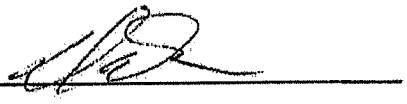
JOHNSON MEMORIAL HOSPITAL, INC.

By:

Name: David Morgan

Title: President and Chief Executive Officer

WELLCARE, INC.

By: 

Name: David Morgan

Title: President and Chief Executive Officer

BORROWERS

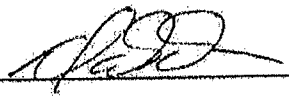
THE JOHNSON EVERGREEN CORPORATION

By:

Name: David Morgan

Title: President and Chief Executive Officer

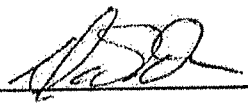
JOHNSON PROFESSIONAL ASSOCIATES, P.C.

By: 

Name: David Morgan

Title: President and Chief Executive Officer

HOME & COMMUNITY HEALTH SERVICES, INC.

By: 

Name: David Morgan

Title: President and Chief Executive Officer

JOHNSON MEDICAL SPECIALISTS, P.C.

By:

Name: David Morgan

Title: President and Chief Executive Officer

JOHNSON HEALTH CARE, INC.

By:

Name: David Morgan

Title: President and Chief Executive Officer

Exhibit A

LOI

SAINT FRANCIS
Hospital and Medical Center

Christopher M. Dadlez, F.A.C.H.E.
President and CEO

114 Woodland Street
Hartford, Connecticut
06105-1299

(860) 714-5541
(860) 714-7920 Fax
cdadlez@stfranciscare.org

January 23, 2012

Mr. David Morgan
Chief Executive Officer
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

LETTER OF INTENT

Dear Mr. Morgan:

The purpose of this letter of intent (the "Letter") is to set forth certain non-binding understandings and certain binding agreements by and among Saint Francis Care, Inc. ("Saint Francis") and Johnson Memorial Medical Center, Inc. ("JMMC") and its affiliates, Johnson Memorial Hospital, Inc. ("JMH") and The Johnson Evergreen Corporation, Inc. ("JEC" and, together with JMMC and JMH, collectively, "Johnson") with respect to an affiliation whereby Johnson and Saint Francis will agree to develop certain arrangements as more particularly described in the attached term sheet (the "Term Sheet"), incorporated herein by reference. Among the goals of the affiliation is establishing a long-term stable relationship between Saint Francis and Johnson which allows us to work together to maintain and strengthen Johnson's operating viability and its presence in the community as a community hospital, expand the array of healthcare services available, support Johnson's medical staff, and enhance Johnson's efforts to fulfill its mission.

Paragraphs 1 through 10 of the Term Sheet (the "Non-Binding Provisions") reflect our mutual understanding of the matters described in them, but each party acknowledges that the Non-Binding Provisions are not intended to create or constitute any legally binding obligation between Saint Francis and Johnson, and neither Johnson nor Saint Francis shall have any liability to the other party with respect to the Non-Binding Provisions until a definitive agreement and other related documents contemplated by Paragraph 1 of the Term Sheet (collectively, the "Definitive Agreement") are prepared, authorized by the governing boards of both parties, executed and delivered by and between all parties. If the Definitive Agreement is not prepared, authorized, executed, or delivered for any reason, no party to this Letter shall have liability to any other party to this Letter based upon or relating to the Non-Binding Provisions.

Upon execution by all parties of this Letter, Paragraphs 11 through 15 of the Term Sheet (collectively, the "Binding Provisions") will constitute the legally binding and enforceable agreement of the parties in recognition of the significant costs to be borne by the parties in pursuing the transaction and further in consideration of the mutual undertakings as to the matters described herein.

The Binding Provisions may be terminated only by mutual written consent; provided, however, that the termination of the Binding Provisions shall not affect the liability of a party for breach of any of the Binding Provisions prior to the termination. This Letter shall be construed and enforced in accordance with the laws of the State of Connecticut. No signatory hereto shall assign this Letter to any party, other than to an affiliate of such party.

Notwithstanding the foregoing, this letter is intended to evidence the understandings which have been reached regarding the proposed transactions and the mutual intent of the parties to negotiate in good faith a Definitive Agreement in accordance with the terms contained in the Term Sheet.

Each party recognizes that it is a party to that certain Confidentiality Agreement dated as of November 11, 2011, and that such Confidentiality Agreement remains in full force and effect.

[Continued on next page]

If the terms herein are acceptable, please sign and date this Letter in the space provided below to confirm the mutual agreements set forth in the Binding Provisions and return a signed copy to the undersigned.

Sincerely:

SAINT FRANCIS CARE, INC.

By: _____
Christopher M. Dadlez
President and Chief Executive Officer

ACKNOWLEDGED AND AGREED:

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
David R. Morgan
President and Chief Executive Officer

Date: January 23, 2012

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
David R. Morgan
President and Chief Executive Officer

Date: January 23 2012

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 12-053
BY: JB/CAR DATE: 1/24/2012
for tracking purposes only

THE JOHNSON EVERGREEN CORPORATION, INC.

By: _____
David R. Morgan
President and Chief Executive Officer

Date: January 23 2012

Saint Francis Care, Inc.
and
Johnson Memorial Medical Center, Inc. and its Affiliates
Term Sheet for an Affiliation Agreement
January 23, 2012

Non-Binding Provisions –

Subject to the terms of the Definitive Agreement

1. Form of Transaction

a) Saint Francis will make a payment to Johnson in the amount of $1,300,000 (the "Initial Payment"), which will be held in escrow with a mutually satisfactory third-party escrow agent (the "Escrow Agent") for a period of 60 days (the "Escrow Period"). During the Escrow Period, Saint Francis and Johnson will negotiate in good faith and use their best efforts to reach agreement on the terms of an Affiliation Agreement as set forth in Section 5, below, and the terms of a Business Process Outsourcing Agreement (the "BPO Agreement") as set forth in Section 6, below. If the conditions set forth below (the "Conditions") have been satisfied before the end of the Escrow Period, the Initial Payment will be released to Johnson and used by Johnson to satisfy outstanding claims owed by Johnson under its confirmed reorganization plan (the "Plan") to the Pension Benefit Guaranty Corporation ("PBGC") and the Plan Custodian appointed under the Plan (the "Claims"), and Saint Francis will agree to make an additional payment of $1,050,000 to Johnson on or before October 1, 2012 (the "First Additional Payment").

The Conditions are as follows:

(i) Saint Francis and Johnson shall have negotiated and executed the Affiliation Agreement and the BPO Agreement;

(ii) People's United Bank ("People's") shall have agreed to the matters set forth in Section 8(a), below;

(iii) Healthcare Finance Group, LLC ("HFG") shall have agreed to the matters set forth in Section 8(b), below;

(iv) Johnson shall have provided Saint Francis satisfactory evidence of the total amounts of the Claims; and

(v) Johnson shall have obtained all necessary approvals for the amendments to its organizational documents contemplated in Section 2, below.

If for any reason the Conditions have not been satisfied by the end of the Escrow Period, Saint Francis may, in its sole discretion, either require that the Initial Payment be returned to Saint Francis or agree to release the Initial Payment to Johnson to be used by Johnson to satisfy the Claims.

As part of the Definitive Agreement, Johnson will represent that following the application of the proceeds of the Initial Payment and the contemporaneous payment by Johnson as contemplated above, Johnson will be in full and complete compliance with its payment obligations under the Plan and, to the best of Johnson's knowledge, the execution, delivery and performance of the Definitive Agreement, the Affiliation Agreement and the BPO Agreement do not require the consent or approval of the

PBGC or the Plan Custodian.

If the Initial Payment is released to Johnson and Saint Francis commits to make the First Additional Payment: (i) Saint Francis will have the governance rights set forth in Section 2, below; (ii) Saint Francis will have the exclusivity rights set forth in Section 3, below; (iii) Saint Francis will have the right to a discharge fee on the terms set forth in Section 4, below; (iv) Saint Francis will have the call rights set forth in Section 7, below; (v) Saint Francis will have all of the other rights set forth in this Term Sheet; and (vi) contemporaneously with the release of the Initial Payment Johnson will pay the amount of the Claims that exceeds $1,300,000.

b) Saint Francis will have the option, in its sole discretion, to make additional payments (together with the First Additional Payment, the "Additional Payments" and, together with the Initial Payment, the "Payments") to Johnson on or before October 1 of each year through and including October 1, 2016, in consideration of which Saint Francis will have the additional governance rights and exclusivity rights set forth in Sections 2 and 3, below:

(i) On or before October 1, 2013, $2,050,000;

(ii) On or before October 1, 2014, $2,050,000;

(iii) On or before October 1, 2015, $2,050,000;

(iv) On or before October 1, 2016, $500,000.

Saint Francis shall notify Johnson on or before June 1 of each year whether it will make the next succeeding Additional Payment on October 1 of that year.

c) Johnson will use the proceeds of each of the Additional Payments to make scheduled payments under the Plan to the PBGC and the Plan Custodian.

d) The Payments will constitute unsecured loans to Johnson. The loans will be payable, together with accrued interest at Wall Street Journal Prime Rate, only upon (i) the closing of an Alternative Transaction (as defined below), but only to the extent the proceeds of such Alternative Transaction exceed the amounts necessary to satisfy all other secured and unsecured debt owed by Johnson at the time of such Alternative Transaction, or (ii) a breach of the exclusivity provision set forth in Section 3 below.

e) The transaction between Saint Francis and Johnson described in Paragraphs a), b), c) and d) above is referred to herein as the "Transaction" and its closing as the "Closing."

2. Governance Structure of Johnson

a) As a condition to the release of the Initial Payment, Johnson will amend the organizational documents of JMMC, JMH, and JEC (the "Organizational Documents") as follows:

(i) to provide that upon Saint Francis making the Initial Payment, the size of the Boards of Trustees of JMMC, JMH, and JEC (the "Boards") will be increased by three seats and Saint Francis shall have the right to appoint three (3) members to each of the Boards;

(ii) to provide that upon Saint Francis, in its sole discretion, making any of the Additional Payments, the size of the Boards will be increased by one additional seat for each Additional Payment and Saint Francis will have the right to appoint one (1) additional member of the Boards for each Additional Payment; ***provided, however,*** that until all the Payments have been made, in no event shall Saint Francis have the right to appoint a majority of the members of any of the Boards absent further

agreement between Johnson and Saint Francis;

(iii) to provide that except as set forth in clause (iv) below, all the Board terms of all Saint Francis appointees shall expire upon the expiration of the Exclusivity Period;

(iv) to provide that at any time after Saint Francis has made all of the Payments, Saint Francis shall have the right to appoint a majority of the members of the Boards; and

(v) to provide that in the case of any Saint Francis board appointment, Saint Francis shall have the right to appoint any employee or member of the Board of Directors of Saint Francis without any need for approval by Johnson and any other proposed Board appointee (except pursuant to Section 2(a)(iv) above) will be subject to Johnson's consent, which will not be unreasonably withheld.

b) During the Exclusivity Period (as defined below), Johnson shall not be permitted to:

(i) enter in to any merger or dissolution, or any other JMC Change Event, JMH Change Event, or JEC Change Event (as those terms are defined in the Plan), or

(ii) amend any of Johnson's organizational documents in a way that would materially affect the arrangements contemplated by this Term Sheet or that would result in dilution of Saint Francis's representation on the Boards beyond what is contemplated by this Term Sheet,

without the approval of Saint Francis, which may be withheld in Saint Francis' sole discretion.

c) During the Exclusivity Period (as defined below), Johnson shall not be permitted to engage in any of the following actions without the approval of Saint Francis, which approval may not be unreasonably withheld:

(i) incurrence of any additional debt other than Permitted Debt (as currently defined in Johnson's Revolving Loan and Security Agreement dated as of September 27, 2010 with HFG (the "HFG Agreement")) and debt necessary to finance the extension of the Town of Stafford sewer line to Johnson

(ii) prepayment of any other debt during the continuance of an event of default under the HFG Agreement or any of the documents governing Johnson's other indebtedness

(iii) creation of any liens other than Permitted Liens (as currently defined in the HFG Agreement) and liens in connection with the extension of the Town of Stafford sewer line to Johnson

(iv) any lease under which the total payment obligations during the term of the lease would exceed $1,000,000

(v) sale or disposition of properties other than (A) sales of inventory in the ordinary course, (B) replacement of equipment in the ordinary course, and (C) sales of assets with a value of less than $250,000 for fair market value

(vi) dividends or distributions in cash or cash equivalents

(vii) addition or termination of any material clinical services

(viii) hiring, firing, renewal of employment, or material changes in compensation of Johnson's chief executive officer (the initial chief

executive officer will be David Morgan)

3. **Exclusivity**

a) In consideration of the Initial Payment and Saint Francis' agreement to make the First Additional Payment, Johnson agrees that for a period beginning on the date of the Initial Payment and ending on June 1, 2013 (the "Exclusivity Period"), Johnson shall not, and will cause its directors, officers, employees, agents and other representatives not to, solicit, initiate or encourage or participate in discussions or negotiations with, or provide any information to, any person or entity concerning any sale of a material portion of the assets of Johnson, affiliation, merger, or other strategic transaction related to Johnson (an "Alternative Transaction"); otherwise solicit, initiate or encourage the submission by any person or entity of any proposal contemplating an Alternative Transaction; or consummate any Alternative Transaction. Johnson will promptly inform Saint Francis of requests for information, inquiries or proposals that come to it in such respect, and the material terms thereof, to the extent known.

b) In the event that Saint Francis notifies Johnson, on or before June 1 of any year, that it will make the next succeeding Additional Payment on October 1 of that year, the Exclusivity Period will be extended for one (1) additional year (to June 1 of the following year). In the event that Saint Francis notifies Johnson on or before June 1 of any year that it will not make the next succeeding Additional Payment on October 1 of that year or Saint Francis breaches its obligation to make any Additional Payment, the Exclusivity Period will terminate immediately.

c) In the event of a breach of the exclusivity provisions of this Section 3 by Johnson, Saint Francis will be entitled to (i) specific performance of the exclusivity provisions of this Section 3 or (ii) on demand by Saint Francis, (A) immediate repayment by Johnson of all of the Payments, together with accrued interest at the Wall Street Journal Prime Rate from the date of each Payment until the date such Payment is repaid, and (B) immediate payment of a fee in the amount of (x) $250,000 times (y) the number of Payments made by Saint Francis prior to such breach, provided that in no event shall the amount payable under this clause (B) exceed $1,000,000. In the event of a breach of the obligation to make an Additional Payment by Saint Francis, in addition to a claim for the amount of such Additional Payment and any other remedies Johnson may have, Johnson will be entitled to a fee in the amount of $250,000.

d) The Affiliation Agreement and the BPO Agreement shall provide that in the event the Exclusivity Period terminates for any reason, Saint Francis and Johnson shall work together to terminate the Affiliation Agreement and the BPO Agreement in an orderly manner to the extent necessary and appropriate.

4. **Discharge Fee**

Without limiting the exclusivity provisions set forth above, in the event that at any time within three years after the date of the last Payment Johnson closes on an Alternative Transaction with an unrelated third party, Saint Francis will be entitled to a discharge fee in the amount of (a) $250,000 times (b) the number of Payments made by Saint Francis, provided that in no event shall the amount payable under this Section 4 exceed $1,000,000. Such fee shall be payable only to the extent the proceeds of such Alternative Transaction exceed the amounts necessary to satisfy all other secured debt owed by Johnson at the time of such Alternative Transaction, and shall not be payable in the event Saint Francis breaches any of its obligation provided herein, including the obligation to make an Additional Payment.

5. **Affiliation Agreement**

Johnson and Saint Francis will agree to negotiate in good faith and use their best efforts to reach agreement, prior to the end of the Escrow Period, on the terms of an affiliation agreement (the "Affiliation Agreement") under which Saint Francis shall provide clinical,

operational and financial support to Johnson, as further developed based upon this Term Sheet, and Johnson and Saint Francis shall closely coordinate and integrate patient care and treatment services with Saint Francis, and provide the agreed upon governance representation to Saint Francis, with the intent to maintain Johnson's provision of health care services in the Stafford Springs/Enfield market and to improve the quality and efficiency of healthcare provided in those communities.

The goals of the Affiliation Agreement are to create a long-term, stable relationship aligning the interests of Saint Francis's and Johnson's physicians, staff and hospital operations to ensure achievement of:

- Clinical integration with the appropriate level of care delivered at the most appropriate location, including developing an integrated continuum of hospital care so that patients may have full access to and benefit from St. Francis's tertiary care services and Johnson's locally-provided community hospital care;
- Operating viability of Johnson's inpatient hospital facility;
- Enhancement of Johnson's and Saint Francis's clinical services;
- Support of Johnson's and Saint Francis's specialty physician network;
- Expansion of referral networks to ensure that physicians and other decision makers are fully informed about and familiar with the array of services available at St Francis and Johnson;
- Funding of Johnson's capital requirements;
- Improving business processes related to managed care contracting;
- Leveraging common support systems to increase quality and efficiency and reduce costs; and
- Positioning Johnson and Saint Francis to meet the challenges and respond to the opportunities arising from state and national health care reform efforts and the resulting changes in the marketplace and the financing of health care services.

This clinical alignment must be achieved with due respect for the delivery of clinical care, financial performance and the teaching and healthcare missions of Johnson and Saint Francis.

The Affiliation Agreement will provide, among other things, that during the term of the Affiliation Agreement, Johnson will conduct its activities in accordance with the Ethical and Religious Directives for Catholic Health Care Services as adopted by the United States Conference of Catholic Bishops (the "ERDs"), as the same may change from time to time.

The parties intend that this clinical affiliation and their conduct pursuant thereto shall comply at all times with all provisions of applicable law, including, without limitation, the Medicare and Medicaid fraud and abuse statute, 42 U.S.C. § 1320-a-7b, and federal and state antitrust laws, including the Section 2 of Sherman Act and the Section 7 of the Clayton Act, as in effect or amended from time to time. The parties acknowledge that this clinical affiliation shall not require and will not be conditioned in any way on any party, or any affiliate of any party, referring patients to any other party, or any affiliate of any other party, and each party and its affiliates shall remain permitted to refer patients to any other entities or healthcare facilities.

6. **Business Process Outsourcing Agreement**

Johnson and Saint Francis will agree to negotiate in good faith and use their best efforts to reach agreement, prior to the end of the Escrow Period, on the terms of the BPO Agreement. The parties shall review the feasibility and cost effectiveness of outsourcing to Saint Francis the following (in whole or in part), subject to their mutual written

agreement:

- Business services:
  - Business development
  - Compliance programs and processes
  - Enterprise risk management
  - Human resources
  - Marketing and communications
  - Supply and material management processes
- Facilities:
  - Biomedical services
  - Engineering
  - Food services
  - Housekeeping
  - Laundry
  - Security
- Clinical:
  - Case management and case coordination services
- Innovation and learning:
  - Educational programs
  - Clinical innovation
  - Clinical library access
  - Performance improvement

The determination of services to be included in the BPO Agreement shall be made based upon consideration of quality improvement and cost efficiency. The fee charged by Saint Francis for the services outsourced shall be reasonable, fair market value as mutually agreed upon by Johnson and Saint Francis.

7. Call Option

Johnson will agree that at any time during the Exclusivity Period, Saint Francis will have the right, subject to any necessary government or third party approvals, but not the obligation, to cause Johnson to be merged with or into Saint Francis, or to acquire all of the equity interests in Johnson, so long as Saint Francis, as the surviving or parent entity, assumes or otherwise satisfies all of Johnson's then-existing indebtedness.

8. People's and HFG

The release of the Initial Payment will be conditioned upon:

(a) People's (i) consenting to the transactions contemplated by this Term Sheet (the "Transactions") (ii) and agreeing not to accelerate any of the indebtedness owed by Johnson to any of them during the Exclusivity Period, except in the event of a payment default in respect of such indebtedness, or agreeing to such other matters as shall be satisfactory to Saint Francis in its sole discretion; and

(b) HFG (i) consenting to the Transactions, (ii) acknowledging that upon the satisfaction

of Johnson's past-due obligations under the Plan to the PBGC and the Plan Custodian, Johnson will not be in default of its obligations under the HFG Agreement or any of the documents executed in connection therewith (or waiving any other existing defaults), (iii) agreeing that upon Saint Francis's commitment to make any Additional Payment as of October 1 of any year (and assuming Saint Francis actually makes such Additional Payment), the minimum liquidity required under the HFG Agreement will be reduced to $750,000 until March of the following year; and (iv) agreeing to reduce the rate of interest payable under the HFG Agreement to the non-default rate.

9. **Joint Development of Capital and Operating Plans**

Pursuant to the Affiliation Agreement and the BPO Agreement, Johnson will collaborate with Saint Francis in Johnson's development of certain aspects of its capital and operating plans addressing, among other things, capital expenditures, upgrades of Johnson's sewage disposal system, clinical and operational support, specialty physician coverage, ER coverage, clinical program support, management information system support, medical records, credentialing, supplies and purchasing, marketing, human resources, other medical staff matters, and clinical quality standards.

10. **Conditions**

a) The Definitive Agreement, the Affiliation Agreement and the BPO Agreement shall contain: (i) the provisions outlined herein; and (ii) representations, warranties, covenants, indemnities, and other terms and conditions consistent herewith and otherwise customary in this type of transaction and acceptable to the parties hereto, including, without limitation, governance and regulatory approvals, and favorable opinions of counsel acceptable to the parties.

b) The representations and warranties to be contained in the Definitive Agreement, the Affiliation Agreement and the BPO Agreement, the survival of such representations and warranties, and the duration of such survival and accompanying indemnity obligations shall be subject to the mutual agreement of the parties.

c) Saint Francis will be provided an opportunity to inspect, conduct studies and tests, review and otherwise analyze Johnson's business operations as reasonably necessary and appropriate to evaluate the Transaction contemplated by the Letter and this Term Sheet.

d) The transactions contemplated by the Letter and this Term Sheet shall be subject in all respects to approval by the respective Boards of Saint Francis and Johnson and all relevant legal and regulatory approvals and other customary conditions.

Binding Provisions

11. **Definitive Agreement**

Each party agrees to negotiate in good faith and consistent with this Letter, with a goal of signing the Definitive Agreement as soon as practicable after approval by both parties but no later than February 11, 2012.

12. **Confidentiality**

With respect to information provided by Saint Francis and Johnson in connection with the proposed Transaction, each party agrees to keep all such information which is not in the public domain confidential, exercising the same care in handling such information as it would exercise with respect to its own information.

13. **Exclusivity**

a) Johnson agrees that for a period beginning on the date of this Letter and continuing until the end of the Escrow Period, Johnson shall not, and will cause its directors, officers, employees, agents and other representatives not to, solicit, initiate or encourage or participate in discussions or negotiations with, or provide any information to, any person or entity concerning any sale of assets, affiliation, merger, or other strategic transaction related to Johnson (an "Alternative Transaction"); otherwise solicit, initiate or encourage

the submission by any person or entity of any proposal contemplating an Alternative Transaction; or consummate any Alternative Transaction. Johnson will promptly inform Saint Francis of requests for information, inquiries or proposals that come to it in such respect, and the material terms thereof, to the extent known.

b) In the event of a breach of the exclusivity provisions of this Section 13, Saint Francis will be entitled to specific performance of this Section 13, and without limiting the foregoing, Saint Francis may, at its option, require the immediate return of the Initial Payment by the Escrow Agent to Saint Francis.

14. Expenses

a) Saint Francis and Johnson shall each bear their respective legal, accounting and other expenses (including the expense of any brokers, agents or finders) in connection with the transactions contemplated herein (the "Transactions") whether or not the Transactions are consummated.

b) Saint Francis will pay for any inspections, studies, tests, review and analysis it undertakes of the Johnson physical plant assets.

15. Press Release

Except as otherwise required by law, all press releases or other public communications of any sort relating to the Transactions, and the method of the release for publication thereof, will be subject to the prior approval of both Saint Francis and Johnson.

Memo of Understanding:

At the request of JHM, and pursuant to the Letter of Intent and Term Sheet dated January 23, 2012 (the "LOI") between Saint Francis Care, Inc. ("St. Francis") and Johnson Memorial Medical Center, Inc. and its affiliates (the "Borrower"), the following terms and conditions between HFG and the Borrowers shall be addressed prior to the completion of the Affiliation and release of the Initial Payment. All terms below are subject to approval by the HFG's credit committee. Capitalized terms herein have meanings defined within the LOI and/or HFG's Revolving Loan and Security Agreement (the "Loan Agreement").

1. Upon payment of the Borrowers past due obligations under the Bankruptcy Plan to the PBGC and the Plan Custodian to be funded by St. Francis per the LOI, HFG will waive all existing events of default and the default rate of interest not charged go forward for those defaults, conditioned upon all other items listed herein, for a one time waiver/amendment/extension fee of $50M.

2. Extension of the HFG Revolving Loan for one additional year to September 27, 2014. Extension fee included within the $50M fee mentioned in item 1. Early Termination Fee of 2% if terminated prior to September 27, 2012, 1% if terminated prior to September 24, 2013, and 0.5% thereafter.

3. Subordination agreement with St. Francis, satisfactory to HFG, addressing all unsecured loans, including any Discharge Fees, made to the Borrowers from St. Francis.

4. Amend Fixed Charge Coverage Ratio requirement to 1.10x per trailing twelve months. If any Additional Payments are funded by St. Francis through additional subordinated debt, subject to HFG's subordination agreement, EBITDA within the FCCR shall be increased by the amount of the Additional Payment funded by St. Francis so long as it is directly used to fund the annual bankruptcy plan payment due October 1 and the Borrower is current on all Plan Payments.

5. Upon the release of the Initial Payment of $1.3MM to fund the outstanding claims owed by the Borrowers under the Plan, the Minimum Liquidity shall be determined as follows:

    a. $1MM at all times met through:

        i. $500M Liquidity Block on the borrowing base, and

        ii. $500M through cash and/or availability on the Revolving Loan.

    b. If St. Francis commits to make the First Additional Payment of $1.05MM on October 1, 2012, the Minimum Liquidity shall remain as outlined in section a.

    c. If St. Francis cancels the commitment at any time, the Minimum Liquidity will be:

        i. $1MM at all times met through:

            1. $750M Liquidity Block on the borrowing base, and

            2. $250M through cash and/or availability on the Revolving Loan.

        ii. Additionally, a separate reserve on the borrowing base (the "Plan Payment Reserve") in the amount of $250M shall be added to the borrowing base by June 30, 2012, or immediately if such date has already past. The Plan Payment Reserve will increase

by $250M per month until it totals $1MM by September 30, 2012. Upon request from the Borrower and subject to HFG approval, the Plan Payment Reserve will be released to fund the Plan Payment.

d. If St. Francis commits, in a form satisfactory to HFG, and notifies Borrower and HFG by June 1, 2013 that they will make the Additional Payment on or before October 1, 2013 in the amount of $2.05MM, the Minimum Liquidity will remain at $1MM as outlined in section a.

e. If St. Francis does not commit to the Additional Payment of $2.05MM by June 1, 2013, or cancels the commitment at any time, the Minimum Liquidity will be:

   i. $1MM at all times met through:

      1. Liquidity Block of $750M, and

      2. $250M in cash and/or availability.

   ii. Additionally, a separate reserve on the borrowing base (the "Plan Payment Reserve") in the amount of $250M shall be added to the borrowing base by June 30, 2013 or immediately if such date has already past. The Plan Payment Reserve will increase by $600M per month thereafter until it totals $2.05MM by September 30, 2013. Upon request from the Borrower and subject to HFG approval, the Plan Payment Reserve will be released to fund the Plan Payment.

f. If St. Francis commits, in a form satisfactory to HFG, and notifies Borrower and HFG by June 1, 2014 that they will make the Additional Payment on or before October 1, 2014 in the amount of $2.05MM, the Minimum Liquidity will remain at $1MM as outlined in section a.

g. If St. Francis does not commit to the Additional Payment of $2.05MM by June 1, 2014, or cancels the commitment at any time, the Minimum Liquidity will be:

   i. $1MM at all times met through:

      1. Liquidity Block of $750M, and

      2. $250M in cash and/or availability.

   ii. Additionally, a separate reserve on the borrowing base (the "Plan Payment Reserve") in the amount of $250M shall be added to the borrowing base by June 30, 2014 or immediately if such date has already past. The Plan Payment Reserve will increase by $600M per month thereafter until it totals $2.05MM by September 30, 2014. Upon request from the Borrower and subject to HFG approval, the Plan Payment Reserve will be released to fund the Plan Payment.

6. HFG consent to the Transaction documentation as outlined in the LOI dated January 23, 2012.

7. All other terms and conditions within the HFG Loan Agreement shall remain the same.

8. Prior to implementing all of the changes listed above, HFG would require delivery of the Borrowers financial statement projections which include the synergies expected from the St. Francis Affiliation, as well as the St. Francis financial statements from the most recently audited fiscal year end and most recent year to date internal financial statements. If St. Francis commits to making any Additional Payments as outlined in section 5, HFG would require the delivery of the most recent St. Francis financial statements as well.

Exhibit B

Form of Legal Opinion

REID AND RIEGE, P.C.
COUNSELLORS AT LAW

ONE FINANCIAL PLAZA
HARTFORD, CT 06103
Phone: (860) 278-1150
Fax: (860) 240-1002
www.rrlawpc.com

July 12, 2012

Healthcare Finance Group, LLC
199 Water Street, 31st Floor
New York, New York 10038

HFG Healthco-4 LLC
c/o Healthcare Finance Group, LLC
199 Water Street, 31st Floor
New York, New York 10038

Re: Consent Letter and First Amendment of Loan Agreement for the Affiliation with Saint Francis Care, Inc.

Ladies and Gentlemen:

We have acted as counsel to Johnson Memorial Medical Center, Inc. f/k/a Johnson Memorial Corporation ("JMMC"), Johnson Memorial Hospital, Inc. ("JMH"), The Johnson Evergreen Corporation ("JEC"), Home & Community Health Services, Inc., Johnson Health Care, Inc., Johnson Development Fund, Inc., Wellcare, Inc., Johnson Professional Associates, P.C. ("JPA"), and Johnson Medical Specialists, P.C. (each, a "Borrower" and collectively, the "Borrowers"), in connection with the amendment of the Revolving Loan and Security Agreement, dated as of September 27, 2010 (the "Loan Agreement") by and between the Borrowers and each other Person joined thereto as a Borrower, the Lenders from time to time party thereto and Healthcare Finance Group, LLC, as Agent (the "Agent"), pursuant to the Consent Letter and First Amendment of Loan Agreement (the "First Amendment of Loan Agreement"), by and between the Agent, HFG Healthco-4 LLC, as Lender and the Borrowers.

In connection with the delivery of this opinion, we have reviewed the following documents:

A. A copy of the Certificate of Incorporation of each Borrower as provided to us by an officer of such Borrower;
B. A copy of the Bylaws of each Borrower as provided to us by an officer of such Borrower;
C. A fully executed copy of the Loan Agreement;
D. A fully executed copy of the First Amendment of Loan Agreement;

E. A fully executed copy of the Master Affiliation Agreement, dated as of July ___, 2012, among Saint Francis Care, Inc. ("Saint Francis") and JMMC, JMH and JEC (the "Master Affiliation Agreement");

F. A fully executed copy of the Business Process Outsourcing Agreement, dated as of July 12, 2012, among Saint Francis, on behalf of itself and its affiliates Saint Francis Hospital and Medical Center and Saint Francis Medical Group, P.C., and JMMC, JMH, JEC and JPA (the "BPO Agreement");

G. A fully executed copy of the Intercreditor Agreement, made as of July 12, 2012 by and between Saint Francis and the Agent, as acknowledged by the Borrowers (the "Intercreditor Agreement"; together with the First Amendment of Loan Agreement, the Master Affiliation Agremeent, the BPO Agreement and the Intercreditor Agreement, the "Transaction Documents");

H. The consent resolutions of each Borrower authorizing each Borrower to enter into the Transaction Documents, as applicable, as provided to us by an officer of such Borrower; and

I. The Certificate of Legal Existence for each Borrower issued by the Secretary of State of the State of Connecticut dated June __, 2012 (the "Legal Existence Certificates") (items i through viii being collectively, the "Reviewed Documents").

When used in this opinion, the phrases "to our knowledge", "known to us" or similar phrases mean the knowledge regarding the Borrowers of attorneys who are presently stockholders or employee-attorneys of this firm and who have devoted substantive attention to the Transaction Documents; and information in the files for the Borrowers we have created for purposes of the Transaction Documents (collectively referred to herein as the "Attorney Information"). Other than our review of the Reviewed Documents and the Attorney Information, we have made no inquiry or other investigation as to any factual matter, including, but not limited to, any review of any other files or records of the Borrowers or of any court or other governmental authority. Further, we have not reviewed and express no opinion with respect to any document incorporated by reference in the Transaction Documents that is not specifically identified above as a Transaction Document.

The opinions set forth in this letter are subject to the following general qualifications:

(a) We have assumed that:

(i) The documents submitted to us as originals are authentic, true, accurate and complete and the documents submitted to us as copies conform to the originals of such documents which are themselves authentic, true, accurate and complete.

(ii) Each natural person who is executing the Transaction Documents, including each person acting on behalf of a business entity, is legally competent to execute the Transaction Documents.

(iii) All signatures (other than those on behalf of the Borrowers) are genuine.

(iv) Except with respect to the Borrowers, each person who is executing the Transaction Documents, whether individually or on behalf of an entity, is authorized to execute such Transaction Documents and each party to the Transaction Documents (other than the Borrowers) has satisfied the legal requirements of all jurisdictions applicable to it to the extent necessary to make the Transaction Documents enforceable.

(v) Except with respect to the Borrowers, the execution, delivery and performance of each of the Transaction Documents by each of the parties thereto: (i) are within its powers, (ii) have been duly authorized, and each of the Transaction Documents has been duly executed and delivered by each of the parties thereto, and (iii) do not require any authorization, approval or consent of, license or permit from, or filings or registrations with, any governmental or regulatory authority or agency that has not been obtained.

(vi) Except with respect to the Borrowers, each of the Transaction Documents constitutes the legal, valid and binding obligations of all parties thereto.

(vii) All public records and documents are accurate and have been properly indexed.

(viii) There has not been any material mistake of fact or material misunderstanding, fraud, duress or undue influence in connection with the Transaction Documents and each of the Lender and the Agent and the other parties thereto (other than the Borrowers) have complied with any requirements of good faith, fair dealing and conscionability.

(ix) Each party to the Transaction Documents (other than the Borrowers) has acted in good faith and without notice of any defense against rights vested in it or created by the Transaction Documents.

(x) There are no agreements or understandings among the parties to the Transaction Documents, written or oral, and there is no usage of trade or course of prior dealing among the parties that would define, supplement or qualify the terms of the Transaction Documents.

(xi) The statements in the Reviewed Documents are accurate as of the date of this letter as well as on the date stated therein if different.

(xii) Each Borrower owns the real and personal property which it purports to own under the Transaction Documents.

(b) We are members of the bar of the State of Connecticut and except as expressly set forth herein, do not express or purport to express any opinion with respect to the law of any other state or jurisdiction other than the federal law of the United States. Except as expressly set forth herein, to the extent the law of any jurisdiction other than the State of

Connecticut may be deemed to govern any provision of any of the Transaction Documents, we have assumed that the law of such jurisdiction is the same as the law of the State of Connecticut, without regard to the conflicts of law principles thereof. In addition, we neither express nor purport to express any opinion with respect to (a) federal or state (including Connecticut) securities laws and regulations, (b) federal or state (including Connecticut) tax laws and regulations, (c) federal or state (including Connecticut) insurance laws and regulations, (d) federal or state (including Connecticut) anti-trust and trade regulation laws and regulations, (e) anti-terrorism, anti-money laundering or doing business with the enemy laws and regulations, (f) bulk sales laws and regulations, (g) zoning, subdivision and other land use laws and regulations, or (h) local ordinances and regulations.

(c) The validity, binding effect or enforceability of any of the Transaction Documents may be limited by: (a) any bankruptcy, insolvency, reorganization, arrangement, moratorium, marshalling, fraudulent conveyance or other similar statutes, rules, regulations or other laws, relating to or generally affecting the enforcement of creditors' rights and remedies; (b) the unavailability of, or any limitation on the availability of, any particular right or remedy (whether in a proceeding in equity or at law) because of the exercise of judicial discretion or equitable limitations; (c) implied covenants of good faith and fair dealing and limitations based upon public policy; or (d) the conduct by the parties thereto when seeking to enforce the terms of the Transaction Documents.

(d) Without limiting the foregoing, we express no opinion as to:

(i) enforceability of provisions releasing, exculpating or exempting a party from, or requiring indemnification of a party for, liability for its own action or inaction to the extent the action or inaction involves negligence, recklessness, willful misconduct, unlawful conduct or conduct against public policy;

(ii) the enforceability of any provision waiving trial by jury, any provision designating an attorney for receipt of service of process or other attorney-in-fact, provisions related to waivers, remedies (or the delay or omission of enforcement thereof), releases of legal or equitable rights, discharge of defenses, or liquidated damages or any other particular waiver, consent or indemnification not expressly permitted by Connecticut law and the federal law of the United States;

(iii) the validity of any non-judicial remedy which may be authorized under any of the Transaction Documents;

(iv) the enforceability of any limitation of liability provision or any provision that purports to limit any duty or responsibility;

(v) the status under any fraudulent conveyance laws of any of the obligations or liens under any of the Transaction Documents;

(vi) the enforceability of any particular provision of any of the Transaction Documents relating to remedies after the occurrence of a default or as to the availability of any specific or equitable relief of any kind including, without limitation, the right to the appointment of a receiver;

(vii) the enforceability of liquidated damages provisions, provisions deemed to be a penalty and provisions relating to releases or waivers of unmatured claims or rights;

(viii) the enforceability of provisions which purport to establish evidentiary standards;

(ix) the enforceability of provisions of the Transaction Documents that purport to affect the rights of third parties; or

(x) the effect of future modifications or amendments of any of the Transaction Documents on the enforceability of the Transaction Documents.

Based upon the foregoing and subject to the qualifications stated herein, we are of the opinion that:

1. Based solely upon our review of the Legal Existence Certificates, each of the Borrowers is a corporation validly existing under the laws of the State of Connecticut.

2. Each Borrower has the corporate power and authority to execute, deliver and perform its obligations under the Transaction Documents and the transactions contemplated thereby.

3. The execution, delivery and performance by each Borrower of each Transaction Document to which it is a party has been duly authorized by all necessary corporate action.

4. The execution, delivery and performance by each of the Borrowers of the Transaction Documents to which it is a party does not (i) violate or conflict with such Borrower's Certificate of Incorporation or Bylaws or (ii) violate or conflict with, or result in a breach or default to our knowledge, any agreement, instrument, order, writ, judgment or decree to which a Borrower is a party or to which a Borrower or any of its property is subject.

5. Each of the Transaction Documents constitute the legal, valid and binding obligations of each Borrower which is a party thereto, enforceable against such Borrower in accordance with their respective terms.

This letter and the opinions expressed in it are solely for the benefit of the Agent and the Lender and the successors and assigns of each, and may not be used, quoted, relied on or otherwise referred to for any other purpose without our prior express written permission; provided, however, that a copy of this letter may be furnished to any regulatory agency requesting a copy, and to any court of competent jurisdiction, any financial institution which may participate in the

loans evidenced by the Transaction Documents, any rating agency rating the Lender and any assignee of the Agent or Lender.

The opinions expressed above are based upon the facts in existence and laws in effect on the date hereof, and this firm expressly disclaims any obligation to update our opinions herein, regardless of whether changes in such facts or laws come to our attention after the delivery hereof.

Very truly yours,

Reid & Riege, P.C.

REID and RIEGE, P.C.

Return to: Neubert, Pepe & Monteith, P.C.
195 Church Street
New Haven, CT 06510

THIRD MODIFICATION AGREEMENT

THIS THIRD MODIFICATION AGREEMENT (the "**Agreement**") is made as of this 12 day of July, 2012 by and among People's United Bank, a federally-chartered banking corporation with a place of business at One Financial Plaza, Hartford, Connecticut 06103 (hereinafter referred to as "**People's**"), and Johnson Memorial Hospital, Inc., a Connecticut corporation ("**JMH**"), The Johnson Evergreen Corporation, a Connecticut corporation ("**JEC**"), and Johnson Memorial Medical Center, Inc. f/k/a Johnson Memorial Corporation, a Connecticut corporation ("**JMC**"), all having an address of 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076, and collectively and individually referred to herein as the "**Obligors**".

WITNESSETH THAT:

WHEREAS, on November 4, 2008 (the "**Petition Date**"), JMC, JMH, and JEC filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code (the "**Bankruptcy Code**"), Case Nos. 08-22188, 08-22187 and 08-22189 respectively (collectively the "**Cases**") in the United States Bankruptcy Court for the District of Connecticut, Hartford Division (the "**Bankruptcy Court**"); and

WHEREAS, the Obligors filed with Bankruptcy Court in the Cases an Amended Joint Plan of Reorganization dated June 18, 2010 (the "**Plan**") which was confirmed by order of Bankruptcy Court dated August 11, 2010; and

WHEREAS, prior to the Petition Date, the Obligors became indebted to People's pursuant to, *inter alia*, certain credit facilities (the "**Credit Facilities**") evidenced by the promissory notes (the "**Notes**") identified on Exhibit A attached hereto and made a part hereof; and

WHEREAS, the documents governing the Credit Facilities include the Loan Agreement among People's, JEC, JMC and JMH dated August 28, 2007 (the "**Evergreen Loan Agreement**"); the Loan Agreement among People's, JMC, and JMH dated August 24, 2004 (the "**2004 Hospital Loan Agreement**"); and the Loan Agreement among People's, JMC and JMH dated August 30, 2006 (the "**2006 Hospital Loan Agreement**") (the Evergreen Loan Agreement, the 2004 Hospital Loan Agreement, and the 2006 Hospital Loan Agreement are hereinafter referred to as the "**Loan Agreements**"); and

WHEREAS, in connection with or to secure the Credit Facilities, or guaranties thereof, the Obligors executed and/or delivered to People's, among other things, the documents set forth on Exhibit B attached hereto and made a part hereof (said documents, including the Notes, the Loan Agreements and all other documents which evidence, secure or relate to the Credit Facilities or any guaranties thereof, as amended or modified to date, are hereinafter referred to as the "**Johnson Loan Documents**"); and

WHEREAS, certain Johnson Loan Documents were amended and modified by (i) a Modification Agreement dated September 27, 2010 and recorded at Volume 571, Page 382 of the Stafford Land Records (the "**First Modification Agreement**") and (ii) a Second Modification Agreement dated December 7, 2010 and recorded at Volume 575, Page 316 of the Stafford Land

Records (the "**Second Modification Agreement**"); and

WHEREAS, the Obligors are currently in default under the Johnson Loan Documents, as modified by the First Modification Agreement and the Second Modification Agreement, by virtue of their failure to maintain the debt service coverage ratio of the financial covenants as required (the "**Existing Default**"); and

WHEREAS, the Obligors contemplate entering into a Master Affiliation Agreement (the "**Master Affiliation Agreement**") with Saint Francis Care, Inc. ("**Saint Francis**"), to, among other things, establish an agreement between them for their affiliation and integration in providing clinical services so as to improve the quality and cost effectiveness of clinical services provided, benefit Obligors' and Saint Francis's patients, and enhance the quality and availability of clinical services in the community; and

WHEREAS, certain restrictions in the Johnson Loan Documents restrict the Obligors from entering into the Master Affiliation Agreement and the other agreements and transactions contemplated thereby (collectively, the "**Transactions**"); and

WHEREAS, as a condition to Saint Francis entering into the Master Affiliation Agreement, the Obligors request that People's (i) consent to the Obligors' entering into the Transactions, (ii) waive certain restrictions in the Johnson Loan Documents with respect to the Transactions, (iii) agree not to accelerate the payment in full of the Obligors' obligations to People's pursuant to the Johnson Loan Documents under certain circumstances; and (iv) waive the Existing Default; and

WHEREAS, the Transactions will enhance the Obligors' financial condition and their ability to comply with their obligations under the Plan, and to make certain payments due to People's to and for the benefit of People's; and

WHEREAS, People's is willing to waive the existing Default and modify the terms and conditions of the Johnson Loan Documents, on the terms and conditions as more fully set forth herein.

NOW, THEREFORE, for valuable consideration, the Obligors and People's hereby agree as follows:

1. The current amount outstanding under the Johnson Loan Documents is set forth on Schedule 1 attached hereto and made a part hereof (the "**Obligations**").

2. In addition to any and all payments due under the Johnson Loan Documents, the Obligors agree to pay to People's at the execution hereof, the sum of $10,000.00 (the "**Payment**").

3. The Obligors and People's agree that the Johnson Loan Documents shall be amended and modified as follows:

(A) Notwithstanding anything to the contrary contained in any of the Johnson Loan Documents, People's hereby consents to the Obligors' entering into the Master Affiliation

Agreement and the Transactions.

(B) People's hereby (i) consents to the incurrence of additional indebtedness by the Obligors pursuant to the Master Affiliation Agreement, and (ii) solely with respect to the indebtedness to be incurred pursuant to the Master Affiliation Agreement, waives the following restrictions in the Johnson Loan Documents on the incurrence of additional indebtedness by the Obligors: (1) Section 3.b of the 2004 Hospital Loan Agreement; (2) Sections 4.11(ii) and (viii) of the 2006 Hospital Loan Agreement; (3) Section 14(b) of that certain Construction Mortgage Deed and Security Agreement made by JMH in favor of People's, dated August 30, 2006 (the "**2006 Construction Mortgage**"); and (4) Sections 4.12(ii) and (viii) of the Evergreen Loan Agreement.

(C) People's hereby agrees that for the purposes of each of the Johnson Loan Documents that provide for a debt service coverage ratio, (i) payments made to Johnson by Saint Francis pursuant to the Master Affiliation Agreement will be treated as income in the calculation of the debt service coverage ratio; and (ii) any default by the Obligors solely with respect to the debt service coverage ratio during the first and/or second quarters of 2012 shall be waived by People's.

4. The Obligors and Saint Francis shall notify People's in a timely manner of any proposed merger, consolidation or acquisition of the Obligors by Saint Francis and any request that Saint Francis assume the existing Obligations. People's reserves its right to review and determine whether to consent to any such request in its sole discretion and further reserves the right to request such further and additional documents as it may require in its sole discretion.

5. The foregoing consents and modifications are limited to the express terms set forth therein, and do not apply to any other covenant or restriction other than as specifically identified therein, and People's grant of these consents and waivers does not obligate People's to grant any other consent or waiver on any other occasion.

6. The Johnson Loan Documents as modified by this Agreement are hereby reaffirmed, and the Obligors acknowledge and agree that the Obligations and the Johnson Loan Documents are modified to incorporate the terms contained in this Agreement. The failure by any of the Obligors to comply with the terms of this Agreement shall be an Event of Default, as defined in the Johnson Loan Documents, all as modified by this Agreement.

7. The Obligors hereby specifically extend the grants, covenants, liens and security interests contained in the Johnson Loan Documents to continue to secure the indebtedness under the Johnson Loan Documents, as modified by this Agreement.

8. JMH is the guarantor of JEC's obligations under the Evergreen Loan Agreement and JMH's obligations under the 2004 Hospital Loan Agreement. JMH hereby consents to the modifications contained herein and hereby ratifies and reaffirms its guaranties, and acknowledges and confirms (a) that it unconditionally guarantees to People's the payment and performance from and by JEC and JMC under the Evergreen Loan Agreement and the 2004 Hospital Loan Agreement and (b) that its reaffirmation and ratification pursuant to this paragraph is a material inducement for People's to enter into this Agreement, and that People's would not do so without said reaffirmation and ratification.

9. The Obligors represent, acknowledge and affirm that none of them has any claim, defense, offset or counterclaim whatsoever against People's with respect to the Johnson Loan Documents, or the modifications and agreements made herein, and that People's is relying on this representation in agreeing to said modifications. The Obligors further acknowledge that People's would not agree to said modifications unless the Obligors made the representations contained in this paragraph freely and willingly, after consultation with their attorneys. The Obligors further represent that this Agreement and all of the Johnson Loan Documents executed by them are their valid and binding obligations and enforceable in accordance with their terms.

10. In furtherance of the immediately preceding paragraph, the Obligors hereby release, and forever discharge People's, its officers, agents, successors and assigns from any and all claims, actions, causes of action, obligations and liabilities of any kind known or unknown which the Obligors have or may have as of the date hereof whether relating to the Johnson Loan Documents or any of the transactions contemplated hereby or consummated in connection herewith, or any negotiations in connection with any of the foregoing.

11. The Obligors agree that nothing contained herein shall in any way impair the Johnson Loan Documents, and the real and personal property and collateral described in the Johnson Loan Documents shall remain in all respects subject to the lien, charge and encumbrance of the Johnson Loan Documents, as amended hereby. The Obligors further agree that nothing contained herein or modified pursuant to this Agreement shall release or be construed to release the lien, charge or encumbrance of, or warranty of title in or to or conveyance effected by the Johnson Loan Documents, or release or limit the liability of any of the Obligors.

12. No waiver shall be deemed to be made by People's of any of its rights hereunder unless the same shall be in writing signed on behalf of People's, and each such waiver, if any, shall be a waiver only with respect to the specific matter or matters to which the waiver relates and shall in no way impair the rights of People's or the obligations of Obligors to People's in any other respect at any other time.

13. This Agreement shall be construed according to the laws of the State of Connecticut. The recitals to this Agreement are incorporated herein. This Agreement shall be binding upon the Obligors, their successors and assigns, and inure to the benefit of People's and its successors and assigns. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts.

14. Capitalized terms not otherwise defined herein shall have the same meaning as in the document to which they refer. Except as modified by this Agreement, the Johnson Loan Documents shall remain unchanged and in full force and effect. Obligors shall keep and perform all of the terms and agreements contained therein, as modified herein, as may be applicable to them.

15. If any term or provision of this Agreement or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

16. THE OBLIGORS WAIVE TRIAL BY JURY IN ANY COURT IN ANY SUIT, ACTION OR PROCEEDING ON ANY MATTER ARISING IN CONNECTION WITH THE CREDIT FACILITIES, JOHNSON LOAN DOCUMENTS, THIS AGREEMENT OR IN ANY WAY RELATED TO THE FINANCING TRANSACTIONS OF WHICH THIS AGREEMENT IS A PART AND/OR THE DEFENSE OR ENFORCEMENT OF ANY OF BANK'S RIGHTS OR REMEDIES. THE OBLIGORS ACKNOWLEDGE THAT THEY MAKE THIS WAIVER KNOWINGLY AND VOLUNTARILY AFTER HAVING BEEN PROVIDED WITH THE OPPORTUNITY TO CONSULT WITH AN ATTORNEY OF THEIR CHOICE.

17. The Obligors will, upon demand, furnish to People's such further information, and will execute and deliver such instruments or documents, and will do all such acts as People's may, at any time or from time to time, reasonably request, or as may be necessary or appropriate to maintain the Johnson Loan Documents.

18. People's and the Obligors acknowledge and agree that Saint Francis is relying on this Agreement as an inducement to enter into the transactions, and therefore Saint Francis is a third party beneficiary and shall have the right to enforce the terms of this Agreement.

19. People's represents that it has obtained the consent of the United States Department of Agriculture to the terms of this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have hereunto executed this Agreement on the day and year first hereinabove written.

Signed, sealed and delivered
in the presence of:

Kelli A. Tora

James V. McGuire

PEOPLE'S UNITED BANK

By: _____
Name: Jon J. Gastor
Title: Vice President

JOHNSON MEMORIAL HOSPITAL, INC.

By: _____
Name: David R. Morgan
Title: President and Chief Executive Officer

THE JOHNSON EVERGREEN CORPORATION

By: _____
Name: David R. Morgan
Title: President and Chief Executive Officer

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: David R. Morgan
Title: President and Chief Executive Officer

State of Connecticut)
) ss: Bridgeport
County of Fairfield)

On the 12th day of July, 2012, before me, the undersigned officer, personally appeared Jon J. Gasior, who acknowledged himself to be the Vice President of People's United Bank, a federally-chartered banking corporation, and that he, as such Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of People's United Bank by himself as such Vice President.

Commissioner of the Superior Court
Notary Public
My commission expires:

JAMES V. McGUIRE
NOTARY PUBLIC
MY COMMISSION EXPIRES SEP. 30, 2013

State of Connecticut)
) ss: Hartford
County of Hartford)

On the 10th day of July, 2012, before me, the undersigned officer, personally appeared David R. Morgan, who acknowledged himself to be the President and Chief Executive Officer of Johnson Memorial Hospital, Inc., a Connecticut corporation, and that he, as such President and Chief Executive Officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of Johnson Memorial Hospital, Inc. by himself as such President and Chief Executive Officer.

Commissioner of the Superior Court
Notary Public
My commission expires:

SHARON S. SPINELLI
NOTARY PUBLIC
MY COMMISSION EXPIRES OCT. 31, 2016

SCHEDULE 1

	Payoff As of 7/12/12
JMC Operating Loan #4660433062-26	$3,150,916.52
EHCC Operating Loan #4660419798-18	$ 986,012.42
EHCC Operating Loan #4660419798-42	$6,878,475.90
EHCC Operating Loan #4660419798-43	$7,000,683.33
JOHNSON MEMORIAL Loan #4660439283-26	$6,238,018.38
JOHNSON MEMORIAL Loan #4660439283-34	$6,324,426.26
Legal Fees and Expenses	$ 12,174.80

EXHIBIT A

NOTES

A. Promissory Note dated August 28, 2007 in the original principal amount of $14,200,000 jointly made by The Johnson Evergreen Corporation and Johnson Memorial Corporation and payable to the order of People's Bank, n/k/a People's United Bank and Promissory Note dated August 28, 2007 in the original principal amount of $1,000,000 jointly made by The Johnson Evergreen Corporation and Johnson Memorial Corporation and payable to the order of People's Bank, n/k/a People's United Bank; and

B. Promissory Note dated August 30, 2006 in the original principal amount of $13,700,000 jointly made by Johnson Memorial Corporation and Johnson Memorial Hospital and payable to the order People's Bank, n/k/a People's United Bank; and

C. Promissory Note dated August 24, 2004 in the original principal amount of $4,500,000 made by Johnson Memorial Corporation and payable to the order of People's Bank (n/k/a People's United Bank).

EXHIBIT B

JOHNSON LOAN DOCUMENTS

1. Pledge Agreement between Johnson Evergreen Corporation and People's Bank, n/k/a People's United Bank, undated

2. Promissory Note from Home & Community Health Services, Inc. to Johnson Memorial Corporation in the principal amount of $990,000.00 dated October 25, 2004 as assigned to People's Bank, n/k/a People's United Bank in accordance with a Collateral Assignment of Note and Mortgage dated October 25, 2004

3. Statutory Form Mortgage Deed from Home & Community Health Services, Inc. to Johnson Memorial Corporation dated October 25, 2004 as assigned to People's Bank, n/k/a People's United Bank in accordance with a Collateral Assignment of Note and Mortgage dated October 25, 2004

4. Collateral Assignment of Note and Mortgage between Johnson Memorial Corporation and People's Bank, n/k/a People's United Bank dated October 25, 2004

5. Mortgage Modification Agreement between Johnson Memorial Corporation, Johnson Memorial Hospital, Inc. and People's Bank, n/k/a People's United Bank dated September 26, 2004

6. Mortgage Modification Agreement between Johnson Memorial Corporation, Johnson Memorial Hospital, Inc. and People's Bank, n/k/a People's United Bank dated September 28, 2004

7. Promissory Note from Johnson Memorial Corporation and Johnson Memorial Hospital, Inc. to People's Bank, n/k/a People's United Bank in the principal amount of $13,700,000.00 dated August 30, 2006

8. Loan Agreement from Johnson Memorial Corporation and Johnson Memorial Hospital, Inc. to People's Bank, n/k/a People's United Bank dated August 30, 2006

9. Construction Mortgage Deed and Security Agreement from Johnson Memorial Hospital, Inc. to People's Bank, n/k/a People's United Bank dated August 30, 2006

10. Collateral Assignment of Leases and Rentals from Johnson Memorial Hospital, Inc. to People's Bank, n/k/a People's United Bank dated August 30, 2006

11. UCC-1 Financing Statement — Johnson Memorial Hospital, Inc., Obligor and People's Bank, n/k/a People's United Bank, Secured Party

12. UCC-1 Financing Statement — Johnson Memorial Hospital, Inc., Obligor and People's Bank, n/k/a People's United Bank, Secured Party

13. Mortgage Modification Agreement between Johnson Memorial Corporation, Johnson Memorial Hospital, Inc. and People's Bank, n/k/a People's United Bank dated August 30, 2006

14. Promissory Note from Johnson Memorial Corporation to People's Bank, n/k/a People's United Bank in the principal amount of $4,500,000.00 dated August 24, 2004

15. Mortgage Deed and Security Agreement from Johnson Memorial Corporation to People's Bank, n/k/a People's United Bank dated August 24, 2004

16. Collateral Assignment of Leases and Rentals from Johnson Memorial Corporation to People's Bank, n/k/a People's United Bank dated August 24, 2004

17. UCC-1 Financing Statement — Johnson Memorial Corporation, Obligor and People's Bank, n/k/a People's United Bank, Secured Party

18. Guaranty from Johnson Memorial Hospital, Inc. to People's Bank, n/k/a People's United Bank dated August 24, 2004

19. Loan Agreement between People's Bank, n/k/a People's United Bank, Johnson Memorial Corporation and Johnson Memorial Hospital, Inc. dated August 24, 2004

20. Security Agreement from Johnson Memorial Corporation to People's Bank, n/k/a People's United Bank dated August 24, 2004

21. UCC-1 Financing Statement — Johnson Memorial Corporation, Obligor and People's Bank, n/k/a People's United Bank, Secured Party

22. Loan Agreement between The Johnson Evergreen Corporation, Johnson Memorial Corporation, Johnson Memorial Hospital, Inc. and People's United Bank, n/k/a People's United Bank dated August 28, 2007

23. Promissory Note from The Johnson Evergreen Corporation and Johnson Memorial Corporation to People's United Bank in the principal amount of $1,000,000.00 dated August 28, 2007

24. Leasehold Mortgage Deed and Security Agreement from The Johnson Evergreen Corporation to People's United Bank dated August 28, 2007

25. Collateral Assignment of Leases and Rentals from The Johnson Evergreen Corporation to People's United Bank dated August 28, 2007

26. Promissory Note from The Johnson Evergreen Corporation and Johnson Memorial Corporation to People's United Bank in the principal amount of $14,200,000.00 dated August 28, 2007

27. UCC-1 Financing Statement — The Johnson Evergreen Corporation, Obligor and People's United Bank, Security Party

28. Construction Leasehold Mortgage Deed and Security Agreement from The Johnson Evergreen Corporation to People's United Bank dated August 28, 2007

29. Collateral Assignment of Leases and Rentals from Johnson Memorial Hospital, Inc. to People's United Bank dated August 28, 2007

30. UCC-1 Financing Statement — The Johnson Evergreen Corporation, Obligor and People's United Bank, Secured Party

31. Security Agreement from Johnson Memorial Corporation to People's United Bank dated August 28, 2007

32. UCC-1 Financing Statement — Johnson Memorial Corporation, Secured Party and People's United Bank, Obligor

33. Guaranty from Johnson Memorial Hospital, Inc. to People's United Bank dated August 28, 2007

34. Mortgage Deed and Security Agreement to Secure Guaranty from Johnson Memorial Hospital, Inc. to People's United Bank dated August 28, 2007

35. UCC-1 Financing Statement — Johnson Memorial Hospital, Inc., Obligor and People's United Bank, Secured Party

36. Loan Note Guaranty dated December 31, 2007; Borrower, Johnson Memorial Hospital, Inc. and Johnson Memorial Corporation; Lender, People's United Bank; Face Amount on Note: $13,700,000.00

37. Lender's Agreement dated December 21, 2007 between People's Bank, n/k/a People's United Bank and United States of America

38. Collateral Pledge Agreement between Johnson Memorial Hospital, Inc. and People's Bank, n/k/a People's United Bank dated May 21, 2007

39. Collateral Assignment of Contracts, Permits, and other Documents between Johnson Memorial Hospital, Inc. and People's United Bank dated August 30, 2006

40. Collateral Assignment of Contracts, Permits, and other Documents between The Johnson Evergreen Corporation and People's United Bank dated August 28, 2007

41. Open-End Mortgage Deed and Security Agreement to Secure Guaranty between Johnson Memorial Hospital, Inc. and People's United Bank, dated August 28, 2007

42. Mortgage Modification Agreement among People's United Bank, Johnson Memorial Hospital, Inc., The Johnson Evergreen Corporation, and Johnson Memorial Corporation, dated September 27, 2010

43. Second Mortgage Modification Agreement among People's United Bank, Johnson Memorial Hospital, Inc., The Johnson Evergreen Corporation, and Johnson Memorial Medical Center, Inc., f/k/a Johnson Memorial Corporation, dated December 7, 2010

EXHIBIT 11

Saint Francis Care, Inc.

Johnson Memorial Medical Center, Inc., ET AL.

Outline of Selected Transaction Milestones and Target Dates

April 7, 2015

Selected Milestone	Target Date
Court approval of Sale Procedures and stalking horse purchase agreement	4/27/15
Filing of CON Application	5/15/15
Completion of CON process	(9 months following filing of CON application) 12/15/15
Closing	12/31/15 promptly following CON approval

Memorandum of Understanding
Between Saint Francis *Care*, Inc. , Saint Francis Hospital and Medical Center and Johnson Memorial Medical Center, Inc. (JMMC) concerning Oncology Services for JMMC's Infusion Center

September 7, 2011

Introduction

The purpose of this Memorandum of Understanding (MOU) is to define the understanding between Johnson Memorial Medical Center, Inc. (JMMC), Saint Francis *Care*, Inc. and Saint Francis Hospital and Medical Center (SAINT FRANCIS) for Oncology Services provided by SAINT FRANCIS to support JMMC's Infusion Center.

Background

SAINT FRANCIS' current understanding is that JMMC has received community donations to be used to expand and relocate the current infusion service. The JMMC Board requires a commitment for appropriate oncology physician coverage in order to proceed.

JMMC previously met with Medical Oncology and Blood Disorders (MO&BD) regarding the group's ability and interest to provide that coverage. MO&BD indicated they could not commit at that time.

JMMC is requesting SAINT FRANCIS to assist in providing medical directorship of a 14-chair infusion center with oncology physicians on site.

Further, SAINT FRANCIS' understands that there is a plan in place for new construction to be built within the existing Phoenix cancer center in Enfield. This project is expected to take approximately 90 days to complete from the date of approval. After completion of the building, Dr. Dennis Morgan, an oncologist practicing at JMMC, is expected to transition his practice under the new medical director.

SAINT FRANCIS has a long standing relationship with MO&BD and would like to engage MO&BD in discussions regarding their interest in working at the infusion center in the short term as well MO&BD's interest in providing services in the intermediate and long term to meet the oncology needs of the market.

Considerations

SAINT FRANCIS understands the need to act expeditiously. SAINT FRANCIS also believes that the need for SAINT FRANCIS to meet with MO&BD quickly to discuss their short and long term role is important to maintain good medical staff relationships.

SAINT FRANCIS is willing to commit to provide oncology coverage to JMMC's infusion center. It is desirable to provide that oncology coverage in concert with the physicians at MO&BD and SAINT FRANCIS will clarify coverage after discussions with that group.

SAINT FRANCIS understands that JMMC sees development of an infusion center offering service to patients in the JMMC service area as vital.

SAINT FRANCIS would like to review the facility development plans, planned capacities, and project capital estimates for infusion therapy to assure that the standards of care are maintained.

As JMMC and SAINT FRANCIS move forward, the parties will develop a business plan and operating agreements regarding the role of JMMC, MO&BD and SAINT FRANCIS. This plan shall include elements including how the economics will work among the parties, the coverage of development and recruitment costs and the role of the medical director in facility and operational planning. Each organization shall provide a representative to work in a team environment to help ensure a commitment to a high standard of care. The upcoming discussions with MO&BD will provide a clearer sense of direction about roles, responsibilities and timing from their perspective.

SAINT FRANCIS and JMMC look forward to working with one another with a common goal of providing quality accessible care to the communities of North Central Connecticut. To that end, a letter of agreement shall be developed between the parties with the intent of clarifying associated issues and action items.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of September 7, 2011.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By:_____
Printed Name: David R. Morgan
Title: Interim President and Chief Executive Officer

SAINT FRANCIS *CARE*, INC.
By:_____
Printed Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SAINT FRANCIS HOSPITAL AND
MEDICAL CENTER

By: _____
Printed Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 11-377
BY: _____ DATE: 4/04/11

CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT is entered into as of the date set forth on the signature page hereof, by and between **Johnson Memorial Medical Center ("JMMC")**, a Connecticut non-stock corporation, and **Saint Francis *Care*, Inc. ("SFC")**, a Connecticut non-stock corporation.

1. Background. The parties are engaged in discussions concerning a possible merger transaction or acquisition by SFC of all or a portion of JMMC and its affiliates. In the course of such discussions, it is anticipated that each party may acquire proprietary or confidential information from the other, including, without limitation, business plans, strategic plans and information, financial information, financial forecasts and information, reimbursement rates, fee schedules, de-identified patient data and information and documents pertaining to employees of consultants to the disclosing party – all for the sole purpose of evaluating the feasibility of such transaction (the "**Purpose**"). As used herein, the term "**Confidential Information**" means (a) any and all information of the type described above which is disclosed by either party to the other, and (b) any and all other information disclosed by either party to the other to the extent in writing marked "Confidential" or the like, or which, if first disclosed orally or by observation, is identified at the time of disclosure as being confidential. The parties have entered into this Agreement in order to protect their rights with respect to any such Confidential Information in accordance with the terms of this Agreement.

2. Disclosure of Confidential Information. Each of the parties shall hold in confidence and shall not disclose to any third party or make use of any Confidential Information disclosed to it by the other, except as expressly permitted under this Agreement. Each of the parties shall use such Confidential Information only for the Purpose and shall not use or otherwise exploit such Confidential Information for its own benefit or the benefit of another without the prior written consent of the other party. Each of the parties shall disclose Confidential Information only to its directors, officers, employees and its advisers and consultants who have a need to know such Confidential Information in the course of the performance of their duties related to the Purpose and who are legally bound to protect the confidentiality of such Confidential Information to the same extent as provided herein.

3. Protection of Confidential Information. Each of the parties shall protect the other party's Confidential Information by using the same degree of care, but not less than a reasonable degree of care, to prevent the unauthorized use, dissemination, publication of, or access to, the disclosing party's Confidential Information as it uses to protect its own Confidential Information.

4. Limitation on Obligations. The obligations of the parties specified in Section 3 above shall not apply to any Confidential Information which (a) is otherwise in the public domain at the time of disclosure, or becomes publicly known, in either case, through no breach of this Agreement by any party; (b) becomes known to the receiving party through disclosure by sources other than the disclosing party having the rights to disclose such Confidential Information; (c) is approved for release by the written authorization of a duly authorized officer of the disclosing party; or (d) is independently developed by the receiving party and the receiving party proves by clear and convincing evidence that such Information was developed without reference to any Confidential Information furnished to the receiving

party hereunder by the disclosing party. In addition, a recipient may disclose Confidential Information if it is the subject of a subpoena or demand for production of documents in connection with any suit, arbitration proceeding, administrative procedure or before any governmental agency, but only to the most limited extent legally obligated to do so. In such event, recipient shall promptly notify the disclosing party and shall cooperate with the disclosing party in its attempts to protect the confidentiality of the Confidential Information such as by seeking a protective order from a court of competent jurisdiction.

5. Return of Documents. All Confidential Information shall remain the property of the disclosing party. Each of the parties shall, upon the written request of the other party, or upon termination of this Agreement, return to the other party all Confidential Information from such party received pursuant to this Agreement and all copies and reproductions thereof.

6. Termination. This Agreement and the discussions undertaken pursuant to this Agreement may be terminated at any time by either party for any reason with or without cause by giving at least two (2) days' prior written notice to the other party (which may be by email); *provided, however*, that the obligations and rights under Sections 2, 3, 4, 5, 7 and 8 hereof, however, shall survive termination of this Agreement for a period of five (5) years thereafter.

7. Disputes. Except for any action seeking equitable relief as provided for in Section 8 below, any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in Hartford, Connecticut, before a single arbitrator. The arbitration shall be administered by JAMS pursuant to its Streamlined Arbitration Rules and Procedures. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude the parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party. The parties agree that all of the negotiations and arbitration proceedings relating to such disputes and all testimony, transcripts and other documents relating to such arbitration shall be treated as confidential and will not be disclosed or otherwise divulged to any other person except as necessary in connection with such negotiations and arbitration proceedings.

8. General. SFC's obligations under this Agreement shall be binding on all affiliates of SFC, and SFC shall cause each of them to satisfy such obligations. JMMC's obligations shall be binding on all affiliates of JMMC, and JMMC shall cause each of them to satisfy such obligations. This Agreement and each party's rights and obligations under this Agreement are not transferable or assignable by that party without the express prior written consent of the other party. This Agreement can only be modified by a written agreement duly signed by the parties. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or be impaired thereby. A waiver of a breach or default under this Agreement shall not be a waiver of any other or subsequent breach or default. The failure or delay in enforcing compliance with any term or condition of this Agreement

shall not constitute a waiver of such term or condition unless such term or condition is expressly waived in writing. In the event of a breach or threatened breach by any party of any of the provisions of this Agreement, the other party, in addition to any other remedies available to it under law, shall be entitled to an injunction restraining the breaching party from the performance of acts which constitute a breach of this Agreement without the proof of irreparable injury or the posting of a bond or other security. This Agreement shall be binding upon the parties hereto and inure to the benefit of the parties hereto, their respective successors and permitted assigns.

9. Entire Agreement. This Agreement sets forth the entire understanding between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective on and as of May 2, 2014.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

By: _____
Name: Stuart E. Rosenberg
Title: President & CEO

SAINT FRANCIS *CARE*, INC.

By: _____
Name: Christopher M. Dadlez
Title: President & CEO

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO. 14-0378
BY: _____ DATE: 5/6/14

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

THIS **AMENDED AND RESTATED ASSET PURCHASE AGREEMENT** (this "Agreement"), made as of the 27th day of March, 2015 (the "Execution Date"), by and among Saint Francis Care, Inc., a Connecticut corporation (the "Buyer"), on the one hand, and the entities executing this Agreement as "Sellers" on the signature page hereof (each a "Seller," and collectively, the "Sellers"), on the other hand.

WITNESSETH:

WHEREAS, on or about January 14, 2015, Sellers filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the Bankruptcy Court (the date on which such petitions were filed hereinafter referred to as the "Petition Date");

WHEREAS, subject to the entry of the Sale Order, this Agreement provides for the sale by Sellers to Buyer of substantially all of the assets, real and personal, tangible and intangible, associated with owning, leasing, managing and operating the Facilities (collectively, the "Business") and having Buyer assume certain liabilities of Sellers, in accordance with sections 105, 363, and/or 365 of the Bankruptcy Code, as applicable; and

WHEREAS, this Agreement amends, restates, and supersedes the Asset Purchase Agreement among Buyer and Sellers dated as of January 14, 2015 (the "Original Purchase Agreement");

NOW, THEREFORE, for and in consideration of the foregoing premises and the agreements, covenants, representations and warranties hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of all of which are acknowledged and agreed, the parties hereto agree as follows:

1. SALE OF ASSETS AND CERTAIN RELATED MATTERS.

1.1 Definitions. Unless otherwise indicated in this Agreement, the following terms shall have the following meanings:

"Accrued Employee Liabilities" shall have the meaning set forth in Section 1.4(a).

"Administrative Expense Escrow" shall mean any escrow established by Sellers or Sellers' counsel for payment of administrative expenses.

"Administrative Expenses" shall have the meaning set forth in Section 1.6(b)(v).

"Affiliate" shall mean, as to the entity in question, any person or entity that, directly or indirectly, Controls, is Controlled by or is under common Control with the entity in question.

"Affiliation Agreements" shall mean that certain (a) Clinical Affiliation Agreement between Buyer and JMMC, JMH and JEC dated as of July 12, 2012, including all sub-agreements thereto, and (b) Business Process Outsourcing Agreement between Buyer and JMMC,

JMH and JEC dated as of July 12, 2012, including all sub-agreements thereto, each as amended, supplemented and modified from time to time.

"Agreement" shall have the meaning set forth in the introduction.

"Alternative Transaction" shall mean the sale, transfer, lease or other disposition, directly or indirectly, including through an asset sale, stock sale, merger or other transaction, of some or all of the Assets in one or more transactions with one or more persons other than the Buyer.

"Assets" shall have the meaning set forth in Section 1.2.

"Assignment and Assumption Agreement" shall have the meaning set forth in Section 1.4(b).

"Assumed Contracts" shall have the meaning set forth in Section 1.2(h).

"Assumed Leases" shall mean, collectively, the Sellers' Real Property Expense Leases and the Sellers' Real Property Income Leases.

"Assumed Liabilities" shall have the meaning set forth in Section 1.4(a).

"Avoidance Actions" means any action that could be brought by any Seller, the trustee in the Bankruptcy Case or any other party in interest in the Bankruptcy Case under Section 544, 545, 547, 548, 549, 550, 551 or 553 of the Bankruptcy Code.

"Bankruptcy Case" means, collectively, the cases instituted by Sellers under the Bankruptcy Code.

"Bankruptcy Code" means title 11 of the United States Code.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Connecticut.

"Benefit Plans" shall mean all "employee benefit plans" as defined in Section 3(3) of ERISA, all specified fringe benefit plans as defined in Section 6039D of the Code, and all other pension, profit sharing, stock bonus, stock option, deferred compensation, or other retirement plans; welfare benefit plans, including group health and group insurance plans; cafeteria, flexible benefit or tuition assistance plans; executive compensation, bonus, or incentive plans; severance plans; salary continuation plans, programs, or arrangements; vacation, holiday, sick-leave, paid-time-off, or other employee compensation plans, procedures, programs, payroll practices, policies, agreements, commitments, contracts, or understandings; or any annuity contracts, custodial agreements, trusts, escrows or other funding arrangements related thereto, whether oral or written, qualified or nonqualified, funded or unfunded, and all employment agreements, programs, policies or other arrangements (i) that are currently, or have been within the past six (6) years, sponsored, maintained or contributed to by Sellers or any Affiliate thereof; (ii) with respect to which any Seller or any Affiliate thereof has any Liability to any current or former officer, employee or service provider, or the dependents of any thereof, or (iii) which could result in the imposition of Liability of any kind or nature, whether accrued, absolute, contingent, direct,

indirect, perfected or inchoate or otherwise, and whether or not now due or to become due, on Sellers or any Affiliate thereof.

"Bill of Sale" shall have the meaning set forth in Section 2.2(c).

"Break-Up Fee" shall mean a fee of $750,000 payable in accordance with Section 11.4 hereof.

"Business" shall have the meaning set forth in the recitals.

"Buyer" shall have the meaning set forth in the introduction.

"Cash Payment" shall have the meaning set forth in Section 1.6(a)(iv).

"Casualty Assets" shall have the meaning set forth in Section 1.13(b).

"Casualty Notice" shall have the meaning set forth in Section 1.13(a).

"Certificate of Need" shall mean a certificate of need issued by OHCA pursuant to Connecticut General Statutes Sections 19a-638 *et seq*.

"Charitable Assets" shall have the meaning set forth in Section 1.2.

"Closing" shall have the meaning set forth in Section 2.1.

"Closing Date" shall have the meaning set forth in Section 2.1.

"CMS" shall mean Centers for Medicare and Medicaid Services.

"CMS Investigation" shall mean the matters related to a survey conducted by the Department of Health with respect to Sellers on August 5, 2014 and subsequent re-surveys conducted based on the initial August 5, 2014 survey, the last of which was conducted on November 25, 2014.

"COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as set forth in Title 42 U.S.C., Section 300bb or, as applicable, Title I, Part 6, of ERISA.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Collective Bargaining Agreement" means that certain collective bargaining agreement among JMH, the Johnson Memorial Hospital Registered Nurses, Local 5046, AFT Healthcare and AFT Connecticut dated October 1, 2013 to September 30, 2016.

"CON" means a Certificate of Need issued by OHCA.

"Contract" means any written or oral agreement, arrangement, lease, license, sublicense, promissory note, binding arrangement or understanding, mortgage, contract, covenant, commitment or instrument.

"Control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any entity, whether through the ownership of voting securities, by contract or otherwise.

"Credit Support" shall mean the credit support in the amount of up to $2,000,000 provided by Buyer to JMMC in respect of JMMC's workers' compensation insurance policy issued by The Hartford, including without limitation a guaranty provided by Buyer to The Hartford, secured by a letter of credit issued by Bank of America, N.A.

"Cure Costs" means all monetary liabilities and obligations of each Seller that must be paid or otherwise satisfied to cure all of such Seller's defaults under the Assumed Contracts and the Assumed Leases at the time of the assumption thereof and assignment to Buyer as provided hereunder, all in the amounts set forth in specific orders of the Bankruptcy Court.

"DEA Power of Attorney" shall have the meaning set forth in Section 2.2(k).

"Department of Health" shall mean the State of Connecticut Department of Public Health.

"Deposit" shall have the meaning set forth in Section 1.14.

"Deposit Escrow" shall have the meaning set forth in Section 1.14.

"Deposit Escrow Holder" shall have the meaning set forth in Section 1.14.

"Designated Contracts" shall have the meaning set forth in Section 10.5.

"Designated Lock Box Account" shall have the meaning set forth in Section 1.12.

"DIP Financing Agreement" means that certain Debtor In Possession Revolving Loan and Security Agreement, dated January 14, 2015, among the Sellers, Johnson Professional Associates, P.C., JEC, HFG and HFG Healthco-4 LLC.

"Effective Time" shall have the meaning set forth in Section 2.1.

"Estimate" shall have the meaning set forth in Section 1.13(a).

"Employee" shall include individuals rendering personal services to Sellers with respect to the Business or the Facilities as employees, including individuals who are treated as "leased employees" under Code Section 414(n).

"Environmental Laws" means the applicable federal, state (including specifically, but not by way of limitation, the State of Connecticut), and local environmental or health laws, regulations, ordinances, rules and common law in effect on the Petition Date and the Closing Date governing the use, refinement, handling, treatment, removal, storage, production, manufacture, transportation or disposal, emission, discharge, release or threatened release of Materials of Environmental Concern, or otherwise governing protection of the environment (including, without limitation, ambient air, surface water, ground water, land surface or

subsurface strata), as the same may be amended or modified as of the Petition Date and the Closing Date, including, without limitation, the statutes listed below:

(a) Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901, et seq.;

(b) Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601, et seq.;

(c) Federal Clean Air Act, 42 U.S.C. Section 7401, et seq.;

(d) Federal Water Pollution Control Act, Federal Clean Water Act of 1977, 33 U.S.C. Section 1251, et seq.;

(e) Federal Insecticide, Fungicide, and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136, et seq.;

(f) Federal Hazardous Materials Transportation Act, 48 U.S.C. Section 1801, et seq.;

(g) Federal Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq.; and

(h) Federal Safe Drinking Water Act, 42 U.S.C. Section 300f, et seq.

"ERISA" shall mean, collectively, the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"Escrow Agreement" shall have the meaning set forth in Section 1.14.

"Evergreen Ground Lease" means the lease between JMH and JEC dated as of January 7, 2015.

"Excluded Assets" shall have the meaning set forth in Section 1.3.

"Excluded Contracts" shall have the meaning set forth in Section 10.5.

"Excluded Liabilities" shall have the meaning set forth in Section 1.5.

"Execution Date" shall have the meaning set forth in the introduction.

"Exemption Certificate" shall mean a written statement from the Department of Health or other applicable Governmental Entity stating that a health care project is not subject to the Certificate of Need requirements under applicable state law.

"Expense Reimbursement" shall have the meaning set forth in Section 11.4.

"Facilities" (each, individually a "Facility") shall mean Johnson Memorial Hospital, Johnson Surgery Center, Advanced Wound Center, Community Cancer Center, Home &

Community Health Services, Johnson Memorial Cancer Center and Karen Davis Krzynowek Infusion Center and certain real property owned by each Seller as set forth on Schedule 1.2(a).

"Final Order" means an order of the Bankruptcy Court (a) as to which the time to appeal shall have expired and as to which no appeal shall then be pending, or (b) if an appeal shall have been filed or sought, either (i) no stay of the order shall be in effect or (ii) if such a stay shall have been granted by the Bankruptcy Court, then (A) the stay shall have been dissolved or (B) a final order of a court having jurisdiction to hear such appeal shall have affirmed the order and the time allowed to appeal from such affirmance or to seek review or rehearing thereof shall have expired and the taking or granting of any further hearing, appeal or petition for certiorari shall not be permissible, and if a timely appeal of such court order or timely motion to seek review or rehearing of such order shall have been made, any court of appeals having jurisdiction to hear such appeal or motion (or any subsequent appeal or motion to seek review or rehearing) shall have affirmed the court's (or lower appellate court's) order upholding the order of the Bankruptcy Court and the time allowed to appeal from such affirmance or to seek hearing, appeal or petition for certiorari shall not be permissible; provided, however, that Buyer in good faith in its reasonable discretion shall have the right to determine that any order for which an appeal, motion to seek review, motion to seek rehearing, or any similar motion is pending is not a Final Order, notwithstanding that such order is not then subject to stay.

"Governmental Entity" means any government or any agency, bureau, board, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local, domestic or foreign.

"Government Patient Receivables" shall mean all accounts receivable arising from the rendering of services and provision of medicine, drugs and supplies to patients by any Seller up to the Effective Time and relating to Government Reimbursement Programs, billed and unbilled, recorded or unrecorded, accrued and existing, and other claims of any Seller for the provision of goods or services to patients due from beneficiaries or governmental third party payors which by law may not be assigned.

"Government Reimbursement Programs" shall mean Medicare, Medicaid and TRICARE and any other federal or state healthcare programs.

"Hazardous Substances" means any toxic or hazardous waste, pollutants or substances, including without limitation asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substance," "toxic substance," "toxic pollutant," or similarly identified substance or mixture, in or pursuant to any Environmental Law.

"Healthcare Reimbursement Obligation" means, collectively, Sellers' reimbursement obligations to their (a) self-paying patients and (b) insurance companies, in each case for any overpayments, duplicate payments or payments in error received by any Seller.

"HFG" means Healthcare Finance Group, LLC and its successors and assigns.

"HFG Debt" means the indebtedness of the Sellers and JEC to HFG, as agent, HFG Healthco-4 LLC, as lender, and the Buyer under the DIP Financing Agreement.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations as amended by the Health Information Technology for Economic and Clinical Health Act.

"Hospital" shall mean Johnson Memorial Hospital, located in Stafford Springs, Connecticut.

"Hospital Loan" shall mean that certain loan from People's to JMMC and JMH in the original principal amount of $13,700,000, dated August 30, 2006, as evidenced by the Hospital Loan Documents.

"Hospital Loan Documents" shall mean all those certain agreements, documents and instruments executed in connection with the Hospital Loan by and among People's, JMMC and JMH.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder, and any successor to such statute, rules or regulations.

"Intercompany Obligations" means all intercompany loans, advances, payables and receivables between any Seller and any other Seller or Johnson Professional Associates, P.C., which were made or arose out of transactions occurring prior to the Closing.

"IRS" shall mean the Internal Revenue Service.

"Inventories" shall have the meaning set forth in Section 1.2(c).

"JEC" shall mean The Johnson Evergreen Corporation, a Connecticut corporation.

"JEC Transaction" shall mean the contemplated sale by JEC of substantially all of its assets to a third party.

"JMH" shall mean Johnson Memorial Hospital, Inc., a Connecticut corporation.

"JMMC" shall mean Johnson Memorial Medical Center, Inc., a Connecticut corporation.

"JMH Real Estate" shall mean the fee simple interest of JMH in all real property it owns as identified and set forth in Schedule 1.2(a).

"Justice Department" shall mean the United States Department of Justice.

"Legacy Creditor Debt" shall mean the debt of JMMC, JMH, and JEC to the Legacy Creditors.

"Legacy Creditors" means the Plan Custodian and the PBGC.

"Legacy Creditor Costs" means the fees and expenses actually incurred by the Legacy Creditors in connection with the Sellers' bankruptcy cases.

"Liability" means any debt, loss, damage, adverse claim, fine, penalty, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, liquidated or unliquidated, or due or to become due, and whether in contract, tort, strict liability or otherwise), and all costs and expenses relating thereto including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation.

"Lien" means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, interest, put, call, easement, servitude, proxy, covenant, hypothecation, voting trust or agreement and transfer restriction under any agreement, against or with respect to tangible or intangible property or rights, whether imposed by agreement, understanding, law, equity or otherwise.

"Material Adverse Effect" shall mean an event, occurrence, condition, change or effect or a series of events, occurrences, conditions, changes or effects that, individually or in the aggregate, is or may be reasonably expected to be materially adverse to the business, financial condition, operations or properties of the person or businesses which has suffered such event, occurrence, condition, change or effect, including, but not limited to (i) the loss or revocation of any provider number or (ii) changes in law or regulations that impose additional burdens or obligations or requirements applicable to operations of not for profit hospitals in Connecticut; provided, however, that Material Adverse Effect shall exclude any changes or conditions as and to the extent such changes or conditions relate to or result from general economic conditions in the United States of America and/or such other conditions that affect the healthcare industry generally.

"Material Loss" shall have the meaning set forth in Section 1.13(b).

"Materials of Environmental Concern" shall mean chemicals, pollutants, contaminants, wastes, toxic substances, petroleum and petroleum products, including Hazardous Substances.

"Medical Records Custody Agreement" shall have the meaning set forth in Section 12.8(a).

"Name Amendments" shall have the meaning set forth in Section 10.2.

"Net Working Capital" shall mean, as of any balance sheet date, an amount equal to (i) the value of Sellers' current assets, including without limitation, all of Sellers' cash and cash equivalents, accounts receivables, prepaid expenses, inventories and other current assets, less (ii) Sellers' accounts payable, accrued payroll and benefits, other accrued expenses and accounts receivable credits due to third parties, unapplied cash, the outstanding amount due from Sellers under the DIP Financing Agreement reduced by any cash payment received by JEC for its receivables and paid to HFG pursuant to the JEC Transaction, in each case determined from Sellers' balance sheet as of the date thereof on a consolidated basis in accordance with the accounting principles applied by Sellers consistently applied. For purposes of this calculation, other accrued expenses shall exclude accrued interest on any debt which is not being assumed by Buyer pursuant to this Agreement. The applicable line items for this calculation, including numbers attributable to the various line items have been previously provided by Sellers to Buyer.

"OHCA" means the Office of Health Care Access, a division of the Department of Health.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"PCBs" shall mean polychlorinated biphenyls.

"People's" means People's United Bank.

"People's Debt" shall mean the Hospital Loan and the Surgery Center Loan together with and as evidenced by the Hospital Loan Documents and the Surgery Center Loan Documents.

"Permits and Licenses" shall have the meaning set forth in Section 1.2(d).

"Permitted Designee" shall have the meaning set forth in Section 1.2.

"Permitted Liens" shall mean Real Property Permitted Encumbrances, liens securing the Restructured People's Debt, liens securing the HFG Debt if the Buyer and HFG agree that the Buyer will assume the HFG Debt, and the Liens listed in Schedule 1.4(a)(ix).

"Petition Date" shall have the meaning set forth in the recitals.

"Plan Custodian" shall mean Clifford Zucker, Plan Custodian under the plan of reorganization confirmed in the prior bankruptcy cases of JMMC, JMH, and JEC in 2010.

"Prepaid Expenses" shall have the meaning set forth in Section 1.2(j).

"Purchase Price" shall have the meaning set forth in Section 1.6(a).

"Purchase Price Allocation" shall have the meaning set forth in Section 12.10.

"Qualified Beneficiaries" shall have the meaning set forth in Section 10.1.

"Real Property" shall mean, collectively, the Sellers' Owned Real Property and the Sellers' Leased Real Property.

"Real Property Permitted Encumbrances" shall mean all of the following: (a) zoning and building laws, ordinances, resolutions and regulations, and land use regulations; (b) real property taxes and assessments for public improvements not due and payable on or before the Closing; (c) such other exceptions as the Title Company shall commit to insure over, without any additional cost to Buyer, whether such insurance is made available in consideration of payment, bonding, or otherwise (but excluding indemnity of Sellers); (d) those encumbrances approved by Buyer, in its sole and absolute discretion; and (e) with respect to the JMH Real Estate, the Evergreen Ground Lease.

"Reimbursement Obligation" shall mean the reimbursement obligations of JMMC, JMH and JEC to Buyer in respect of the Credit Support, as set forth in the Amended and Restated Seventh Amendment to Master Affiliation Agreement dated as of July 14, 2014, among Buyer, JMMC, JMH and JEC, as the same may be amended from time to time.

"Reorganization Plan" means a plan of reorganization under Chapter 11 of the Bankruptcy Code.

"Restructured Legacy Creditor Debt" shall mean the Legacy Creditor Debt, as restructured on terms mutually satisfactory to Buyer and the Legacy Creditors, in their sole and absolute discretion, providing for the assumption by the Buyer of the Legacy Creditor Debt and the payment by Buyer, on the Closing Date, of the sum of (a) $3,000,000 plus (b) one-half of any then-unpaid Legacy Creditor Costs, up to a maximum of $50,000, in full and final satisfaction of the Legacy Creditor Debt.

"Restructured People's Debt" shall mean the People's Debt, as restructured on terms mutually satisfactory to Buyer and People's, in their sole and absolute discretion, providing for among other things, the assumption of (a) the entire principal balance of the Surgery Center Loan and (b) Seven Million Four Hundred Thousand Dollars ($7,400,000) of the principal balance of the Hospital Loan.

"Sale Motion" shall have the meaning set forth in Section 6.2.

"Sale Order" means an order of the Bankruptcy Court in form and substance satisfactory to Buyer, in its sole discretion, with such changes as may be made by Buyer (for the avoidance of doubt, including all exhibits and schedules thereto), that, among other things, finds and provides that: (i) the Assets and Facilities sold to Buyer pursuant to this Agreement shall be transferred to Buyer free and clear of all Liens (other than Permitted Liens) and all Liabilities, causes of action, demands, guaranties, rights, restrictions, remedies, and matters of any kind or nature whatsoever, whether at law or in equity, including, without limitation, free and clear of any rights or claims based on theories of transferee or successor liability under any applicable law, statute, rule, regulation, common law or equitable principle, including, without limitation, any Environmental Laws, labor or employment laws (such as unemployment compensation), ERISA, the Code, and COBRA, of any Governmental Entity, including, without limitation, the Pension Benefit Guaranty Corporation, the IRS, state and local taxing authorities and any Governmental Entity, whether arising before or after the commencement of the Bankruptcy Case and whether imposed by agreement, understanding, law, equity, regulation, custom or otherwise, including, without limitation, the Benefit Plans, save and excepting only those Liabilities expressly assumed by Buyer in writing pursuant to Section 1.4 of this Agreement; (ii) the Bankruptcy Court shall retain jurisdiction over any claims that are not Assumed Liabilities hereunder; (iii) this Agreement was negotiated, proposed and entered into by the parties without collusion, in good faith and from arm's length bargaining positions; (iv) this Agreement and the transactions contemplated hereby may be specifically enforced against and binding upon, and not subject to rejection or avoidance by, Sellers or any Chapter 7 or Chapter 11 trustee of Sellers appointed pursuant to the Bankruptcy Code or other representative of their respective estates; and (v) the Assumed Contracts and the Assumed Leases shall be properly assigned to and assumed by Buyer pursuant to the procedure set forth in Section 10.5 hereof, with only such exceptions as Buyer may agree in writing.

"Second Deposit Account" shall have the meaning set forth in Section 1.12.

"Seller" and "Sellers" shall have the meanings set forth in the introduction.

"Sellers' Leased Real Property" shall have the meaning set forth in Section 1.2(b).

"Sellers' Owned Intellectual Property" shall have the meaning set forth in Section 1.2(m).

"Sellers' Owned Real Property" shall have the meaning set forth in Section 1.2(a).

"Sellers' Real Property Expense Leases" shall have the meaning set forth in Section 1.2(b).

"Sellers' Real Property Income Leases" shall have the meaning set forth in Section 1.2(g).

"Surgery Center Loan" shall mean that certain loan from People's to JMMC in the original principal amount of $4,500,000, dated August 24, 2004, guaranteed by JMH, as evidenced by the Surgery Center Loan Documents.

"Surgery Center Loan Documents" shall mean those certain agreements, documents and instruments executed in connection with the Surgery Center Loan by and among People's, JMMC and JMH.

"Taxes" or "Tax" shall mean all taxes, fees, levies or other assessments, however denominated, including any interest, penalties or other additions to taxes that may become payable in respect thereof, imposed by any federal, territorial, state, local or foreign Governmental Entity, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and state income taxes), unrelated business income taxes, payroll and employee withholding taxes, unemployment insurance, social security taxes, sales and use taxes, ad valorem taxes, excise taxes, taxes under Code Section 4958, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation, alternative or add-on minimum estimated or other taxes, levies or assessments for unclaimed property under applicable escheat or unclaimed property laws and other obligations having the same nature or a nature similar to any of the foregoing.

"Tax Return" or "Tax Returns" shall mean any report, return, declaration, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto and including any amendment thereof.

"The Hartford" shall mean Hartford Fire Insurance Company.

"Title Company" shall mean the title company Buyer selects to issue as of the Closing Date one or more ALTA owner's policies of title insurance (Form 2006), with extended coverage and zoning endorsements and such other endorsements as Buyer shall reasonably require.

"Trade Payables" shall mean accounts payable owed to vendors for goods sold and services rendered, in each case in the ordinary course of business, incurred within the three month period prior to the Petition Date or incurred after the Petition Date, but excluding indebtedness for borrowed money.

"Transfer Taxes" shall have the meaning set forth in Section 1.6(a)(vii).

"Transferred Contracts" shall have the meaning set forth in Section 10.5.

"Transferred Employees" shall have the meaning set forth in Section 9.1(a).

"WARN Act" shall have the meaning set forth in Section 9.1(c).

"Workers' Compensation Liabilities" shall mean the Liability of the Sellers and JEC under their workers' compensation insurance policy with The Hartford for the period May 31, 2014 to the Closing Date.

1.2 Sale of Assets. At the Closing, each Seller shall sell, transfer, convey, assign and deliver to Buyer all of such Seller's respective right, title and interest in, to and under the assets, properties and business of every kind and description that are owned or held by each Seller or used by each Seller in connection with the operation of the Facilities and the Business, except the Excluded Assets (collectively, the "Assets"), including, without limitation, the following assets and properties listed in this Section 1.2. Pursuant to the Sale Order, the Assets shall be sold and conveyed to Buyer free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities), including any and all claims that Buyer is a successor, transferee or continuation of Sellers or the Business. The Assets include, without limitation, the following, except as included among the Excluded Assets:

(a) all real property owned by any Seller, as more specifically described on Schedule 1.2(a), together with all buildings, improvements and fixtures located thereupon, all easements, rights of way, and other appurtenances thereto (including appurtenant rights in and to public streets), all architectural plans or design specifications relating to the development thereof and all construction in progress (collectively, the "Sellers' Owned Real Property");

(b) to the extent elected by Buyer pursuant to Section 10.5 hereof, the real property leasehold or sub-leasehold estates described on Schedule 1.2(b) (collectively, the "Sellers' Leased Real Property;" the leases under which Sellers hold a leasehold or sub-leasehold estate in the Sellers' Leased Real Property are collectively referred to herein as the "Sellers' Real Property Expense Leases");

(c) (i) all tangible personal property used in the operation of the Business as of the Effective Time, including, without limitation, all major, minor or other equipment, furniture, fixtures, machinery, office furnishings and instruments, Sellers' most recent (as of the Petition Date) depreciation list previously provided to Buyer, (ii) all vehicles identified on Schedule 1.2(c)(ii) which continue to be owned by a Seller at the Effective Time, or acquired by a Seller between the Petition Date and the Effective Time and owned at the Effective Time and (iii) all inventories of supplies, non-expired drugs, food, janitorial and office supplies and other disposables and consumables existing at the Effective Time and located at any Facility, or owned or purchased by any Seller for use in connection with the Business (the "Inventories");

(d) to the extent assignable or transferable, all licenses, Certificates of Need, Exemption Certificates, franchises, accreditations and registrations and other licenses or permits issued by a Governmental Entity or pending for issuance by a Governmental Entity in connection

with the Business, including without limitation those described in Schedule 1.2(d) as the same may be renewed from time to time following the Petition Date (collectively, the "Permits and Licenses");

(e) all claims, causes of action and judgments in favor of Sellers relating to the physical condition or repair of the Assets, all insurance proceeds due to Buyer under Section 1.13 and, to the extent assignable, all warranties (express or implied) and rights and claims assertable by (but not against) Sellers related to the Assets;

(f) all financial, patient, medical staff, personnel (after obtaining any requisite employee consents) and other records relating to the Business or the Assets, including, without limitation, all accounts receivable records, equipment records, medical and administrative libraries, medical records, patient billing records, documents, construction plans and specifications, catalogs, books, records, files, operating manuals and current personnel records, including any electronic data relating to such records and information stored in any computer, computer server or computer equipment relating to or used in connection with the Business;

(g) to the extent elected by Buyer pursuant to Section 10.5 hereof, all lease agreements pursuant to which any Seller, as landlord, has leased to a third party, as tenant, all or some portion of the Sellers' Owned Real Property or the Sellers' Leased Real Property, including without limitation those described on Schedule 1.2(g) to the extent still in effect at the Effective Time or entered into by a Seller between the Petition Date and the Effective Time and in effect at the Effective Time (collectively, the "Sellers' Real Property Income Leases");

(h) all rights of any Seller under those Contracts, commitments and agreements and leases (including, without limitation, any design, engineering and construction contracts for planned, pending or ongoing construction projects) described on Schedule 1.2(h) (collectively, the "Assumed Contracts");

(i) all goodwill associated with the operation of the Business and the Assets;

(j) any deposits, other current assets, other assets, escrows, prepaid taxes or other advance payments relating to any expenses of the Business, including without limitation items of the type previously provided to Buyer (collectively, the "Prepaid Expenses");

(k) other than the Government Patient Receivables and any other Excluded Assets, and subject to the Healthcare Reimbursement Obligation, all notes, accounts receivable and other rights to receive payment for goods and services provided by Sellers in connection with the Business or otherwise arising from the operation of the Business, billed or unbilled, recorded or unrecorded, including, without limitation, any such notes, reimbursement credit balances, accounts receivable or other rights that have been charged off as bad debt, and all other notes receivable from patients and notes receivable from physicians as identified in a list previously provided to Buyer to the extent not satisfied prior to the Effective Time, and further including, without limitation, any of the same constituting Intercompany Obligations;

(l) the right to receive an amount of cash equal to the value of the Government Patient Receivables actually collected by Sellers as evidenced by statements provided to Buyer from time to time upon Buyer's request;

(m) the names used in connection with the Business, including, without limitation, Johnson Memorial Hospital, Johnson Surgery Center, Advanced Wound Center, Community Cancer Center, Home & Community Health Services, Johnson Memorial Cancer Center and Karen Davis Krzynowek Infusion Center together with all variations thereof, and the goodwill associated therewith, and all patents, trademarks, tradenames, service marks, domain names, trade secrets, copyrights, software (to the extent owned by Sellers), computer programs (to the extent owned by Sellers) and other intellectual property rights of Sellers (to the extent transferable) used in connection with the Business, including without limitation those described on Schedule 1.2(m) hereto (collectively, the "Sellers' Owned Intellectual Property");

(n) if elected by Buyer prior to Closing, each Seller's Medicare or Medicaid and other government healthcare program and commercial payor provider numbers and agreements to the extent assignable, including those items previously provided to Buyer to the extent still in effect as of the Effective Time, and rights of Sellers to settlement and retroactive adjustments, if any, for open cost reporting periods ending on or prior to the Closing Date (whether open or closed) arising from or against the U.S. Government under the terms of the Medicare program or TRICARE and against any state under its Medicaid program and against any third-party payor program that settles on a cost report basis, together with depreciation "recapture", whether recorded as a current or long-term asset;

(o) all nondisclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of any Seller or with third parties to the extent relating to the Business or the Assets (or any portion thereof) and which are in favor of such Seller, including those set forth on Schedule 1.2(o) hereto to the extent still in effect as of the Effective Time;

(p) to the extent transferable, all of any Seller's rights under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent affecting any other Asset, other than any warranties, representations and guarantees pertaining to any Excluded Assets;

(q) all of Sellers' cash, cash equivalents, and short-term investments, except as set forth in subsection (t);

(r) all of Sellers' bankruptcy estates' interest in any and all Avoidance Actions;

(s) all equity interests in Tolland Imaging Center, LLC and all non-stock corporation membership interests and/or equity ownership interests in Northeast Regional Radiation Oncology Network, Inc. or any successor entity thereto;

(t) any funds remaining in any Administrative Expense Escrow following payment of all Administrative Expenses, which funds will be remitted by Sellers or their counsel to Buyer promptly following full and final payment of all Administrative Expenses; and

(u) except as expressly excluded in Section 1.3 below, all other property owned by Sellers, whether tangible or intangible, located at any Facility or used in connection with the Business, and any claims in favor of any Seller, whether known or unknown, contingent or otherwise.

The foregoing assets, together with the Excluded Assets, comprise substantially all of the property and assets used in the conduct and operation of the Business as of the Petition Date. Unless otherwise specified herein, the "Assets" also include all assets acquired by or leased by any Seller for use in connection with the Business between the Petition Date and the Effective Time.

The parties agree that Sellers have from time to time received or been made the beneficiaries of charitable gifts, transfers, trusts and bequests, and that these monies or any interest therein (the "Charitable Assets") are subject to the oversight of the Office of the Attorney General of Connecticut. It is the intention of the parties that, subject to the intentions of the donors and the approval of the Attorney General and the courts, if necessary, for Charitable Assets owned by any of the Sellers, the Charitable Assets will be transferred to the Buyer or an entity selected by the Buyer, to be used for the same charitable purposes for which they were donated, and for purposes thereof included among the Assets. To the extent they cannot be so transferred, they will constitute Excluded Assets, anything in this Agreement to the contrary notwithstanding. Further, it is the intention of the parties that, for Charitable Assets as to which any of the Sellers may be designated as beneficiary, Buyer or an entity selected by the Buyer will be designated as the successor beneficiary thereof in place of the applicable Seller(s).

Notwithstanding any provision of this Agreement identifying Buyer as the purchaser of the Assets, from time to time, prior to Closing, Buyer may designate one or more subsidiaries or Affiliates of Buyer which are entities formed for not-for-profit purposes entitling them to exemption under Section 501(c)(3) of the Code to be the transferee(s) of some or all of the Assets (any such subsidiary or Affiliate being referred to herein as a "Permitted Designee"). Each Permitted Designee shall be bound by all of the terms and conditions of this Agreement affecting Buyer as if such Permitted Designee were a signatory to this Agreement. In the event of any such designation, Buyer shall guarantee the obligations of such Permitted Designee(s) hereunder.

AS IS/WHERE IS. THE ASSETS SHALL BE TRANSFERRED "AS IS" AND "WHERE IS." EACH SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE (EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT). NO STATUTORY OR OTHER WARRANTIES AS TO THE CONDITION OF THE ASSETS OR THE MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE ASSETS SHALL BE IMPLIED, AND EACH SELLER HEREBY EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO THE CONDITION OF THE ASSETS OR THEIR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

1.3 Excluded Assets; Non-Assignable Contracts.

(a) The following items are not intended by the parties to be a part of the purchase and sale of assets hereunder and are excluded from the Assets (collectively, the

"Excluded Assets"): (i) the corporate record books, minute books and Tax records of each Seller; (ii) all Inventories disposed of in the ordinary course of business prior to the Closing and all accounts receivable collected in the ordinary course of business prior to the Closing; (iii) subject to the terms of Section 1.2(l), the Government Patient Receivables; (iv) except if Buyer elects pursuant to Section 1.2(n) to accept assignment of each Seller's Medicare and Medicaid provider number and provider agreements, rights of Sellers to settlement and retroactive adjustments, if any, for open cost reporting periods ending on or prior to the Closing Date (whether open or closed) arising from or against the U.S. Government under the terms of the Medicare program or TRICARE and against any state under its Medicaid program and against any third-party payor program that settles on a cost report basis, together with depreciation "recapture", whether recorded as a current or long-term asset; (v) rights of any Seller arising pursuant to this Agreement; (vi) all executory contracts or unexpired leases, whether oral or written, to which any Seller is a party which are not Assumed Contracts or Assumed Leases, and all assets leased, licensed or otherwise held pursuant thereto; (vii) personnel records to the extent the employees subject of such records have not consented in writing to the transfer of such records to the extent required by applicable law; (viii) all rights with respect to attorney-client privilege, attorney work product, accountant-client privilege and similar privileges and doctrines; (ix) all claims, counterclaims, rights and defenses of any Seller with respect to any other Excluded Asset and/or any Excluded Liability; and (x) any other assets as identified in a list previously provided to Buyer.

(b) Notwithstanding anything to the contrary in this Agreement, and subject to the provisions of this Section 1.3, to the extent that the assignment or transfer, or attempted assignment or transfer, to Buyer of any Assumed Contract or Assumed Lease would result in a violation of applicable law, or would require the consent, authorization, approval or waiver of a person who is not a party to this Agreement or an Affiliate of a party to this Agreement (including any Governmental Entity), and such consent, authorization, approval or waiver shall not have been obtained prior to the Closing, this Agreement shall not constitute an assignment, or transfer, or an attempted assignment or transfer, thereof; *provided, however*, that, subject to the satisfaction or waiver of the conditions contained in Articles VII and VIII, the Closing shall occur notwithstanding the foregoing without any adjustment to the Purchase Price on account thereof. Following the Closing, Sellers and Buyer shall use commercially reasonable efforts, and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver, or any release, substitution or amendment required to novate all Liabilities under any and all Assumed Contracts and Assumed Leases or to obtain in writing the unconditional release of all parties to such arrangements, so that, in any case, Buyer shall be solely responsible for such Liabilities from and after the Closing Date; *provided, however,* that neither Sellers nor Buyer shall be required to pay any consideration therefor. Once such consent, authorization, approval, waiver, release, substitution or amendment is obtained, Sellers shall be deemed, to have assigned and transferred to Buyer the relevant Assumed Contract or Assumed Lease to which such consent, authorization, approval, waiver, release, substitution or amendment relates for no additional consideration retroactive to the Effective Time, without need for further action of any Person, except as may be required by the Bankruptcy Court.

(c) To the extent that any Assumed Contract or Assumed Lease cannot be transferred to Buyer following the Closing, Buyer and Sellers shall use commercially reasonable efforts to enter into such arrangements (such as subleasing, sublicensing or subcontracting) to

provide to the parties the economic and, to the extent permitted under applicable law, operational equivalent of the transfer of such Assumed Contract or Assumed Lease to Buyer as of the Closing and the performance by Buyer of its obligations with respect thereto. To the extent that Buyer is receiving such economic and operational benefit, Buyer shall, as agent or subcontractor for Sellers, pay, perform and discharge fully the Liabilities of Sellers thereunder from and after the Closing Date. To the extent permitted under applicable law, Sellers shall, at Buyer's expense, hold in trust for and pay to Buyer promptly upon receipt thereof, such Assumed Contract or Assumed Lease and all income, proceeds and other monies received by Sellers to the extent related to such Assumed Contract or Assumed Lease in connection with the arrangements under this Section 1.3.

1.4 Assets Free and Clear; Assignment and Assumption Agreement.

(a) Notwithstanding any other provision hereof to the contrary, the Assets shall be sold and transferred to Buyer free and clear of all Liabilities and Liens, except (i) subject to the terms of Section 1.6(b)(i), the HFG Debt and the Liens securing the HFG Debt; (ii) the Restructured People's Debt in an amount not to exceed Ten Million Five Hundred Thousand Dollars ($10,500,000) of principal plus all outstanding and accrued interest on the Restructured People's Debt and the Liens securing the Restructured People's Debt; (iii) the Trade Payables; (iv) the Reimbursement Obligation directly attributable to the Sellers, in the event Buyer designates a Permitted Designee, and the Workers' Compensation Liabilities directly attributable to the Sellers in an amount not to exceed Two Million Dollars ($2,000,000); (v) the accrued and unpaid obligations of any Seller with respect to payroll, paid-time-off, incentive compensation and expense reimbursements as of the Effective Time (the "Accrued Employee Liabilities"); (vi) the obligations described in subsection (b) below; (vii) obligations of any Seller which are Intercompany Obligations; (viii) Real Property Permitted Encumbrances and other Permitted Liens; (ix) the Liabilities of Sellers, and Liens relating thereto, if any, set forth on Schedule 1.4(a)(ix); (x) the Healthcare Reimbursement Obligation in an amount not to exceed Two Million Two Hundred Thousand Dollars ($2,200,000); (xi) only if Buyer elects to accept assignment of each Seller's Medicare and Medicaid provider number and provider agreements pursuant to Section 1.2(n), all Liabilities under Sellers' Medicare and Medicaid provider numbers and agreements; and (xii) the Restructured Legacy Creditor Debt in an amount not to exceed (A) $3,000,000 plus (B) one-half of the Legacy Creditor Costs, up to a maximum of $50,000, and the Liens securing the Restructured Legacy Creditor Debt (collectively, the "Assumed Liabilities").

(b) Buyer shall expressly assume the Assumed Liabilities and all of Sellers' obligations with respect to events or periods on and after the Effective Time under the Assumed Contracts and the Assumed Leases, including without limitation the Collective Bargaining Agreement, pursuant to the Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") in substantially the form attached hereto as Exhibit 1.4(b).

(c) Except for the Assumed Liabilities, obligations with respect to events or periods on and after the Effective Time under the Assumed Contracts and obligations with respect to events or periods on and after the Effective Time under the Assumed Leases, Buyer is not assuming, and shall not be deemed to have assumed, any other Liability of any Seller, or any

of their Affiliates, fixed or contingent, disclosed or undisclosed, recorded or unrecorded, currently existing or hereafter arising, or otherwise.

(d) With respect to any indebtedness secured by a Lien on the Assets, if the indebtedness is not expressly assumed by Buyer, any such Lien shall attach to the proceeds of sale.

1.5 Excluded Liabilities. Other than the Assumed Liabilities, Buyer shall not assume and shall not be liable for any Liabilities of any Seller (all Liabilities of any Seller that are not Assumed Liabilities are referred to collectively as the "Excluded Liabilities").

1.6 Purchase Price.

(a) Subject to the terms and conditions hereof, in consideration for the Assets, the Buyer agrees to assume the Assumed Liabilities and pay an amount equal to or assume the obligations as follows:

(i) the aggregate amount of (A) the Restructured People's Debt assumed by Buyer in an amount of up to Ten Million Five Hundred Thousand Dollars ($10,500,000) of principal plus all outstanding and accrued interest on the People's Debt, (B) the HFG Debt, which will be assumed or paid in full by Buyer as described below, and (C) the Restructured Legacy Creditor Debt assumed by Buyer in the amount of (I) $3,000,000 plus (II) one-half of the unpaid Legacy Creditor Costs, up to a maximum of $50,000;

(ii) the Cure Costs under all Assumed Leases and Assumed Contracts in an amount up to Five Hundred Thousand Dollars ($500,000);

(iii) without duplication, the aggregate amount of the Reimbursement Obligation directly attributable to the Sellers and assumed by Buyer and the aggregate amount of the Workers' Compensation Liabilities directly attributable to the Sellers and assumed by Buyer in an amount up to Two Million Dollars ($2,000,000);

(iv) Five Hundred Thousand Dollars ($500,000) (such amount being referred to herein as the "Cash Payment");

(v) the aggregate amount of Trade Payables assumed by Buyer;

(vi) the Accrued Employee Liabilities;

(vii) the aggregate amount of any transfer taxes, fees or similar assessments resulting from the sale of the Assets pursuant hereto and paid by Buyer in an amount up to Three Hundred Thousand Dollars ($300,000) (the "Transfer Taxes");

(viii) the Healthcare Reimbursement Obligation in an amount up to Two Million Two Hundred Thousand Dollars ($2,200,000); and

(ix) the aggregate amount of any premiums to obtain the insurance described in Section 5.7 hereof (the items in (i) through (viii) are, together with the assumption of the Assumed Liabilities, collectively, the "Purchase Price").

(b) The Purchase Price shall be payable as follows:

(i) the HFG Debt will be paid in full or assumed by Buyer on terms and conditions mutually acceptable to the Buyer and HFG;

(ii) the accrued and outstanding interest on the People's Debt shall be paid at Closing and the Restructured People's Debt shall be payable over time as set forth in and pursuant to their respective terms;

(iii) the Cure Costs under the Assumed Leases and Assumed Contracts shall be payable as mutually agreed to by Sellers and Buyer;

(iv) the Reimbursement Obligation shall be paid by the applicable Permitted Designee, if any, in the ordinary course of business and the Workers' Compensation Liabilities shall be payable as and when due, provided that if Buyer does not appoint a Permitted Designee and in fact purchases the Assets directly, the Reimbursement Obligation shall be forgiven;

(v) the Cash Payment will be paid as more specifically set forth in Schedule 1.6(b)(v), such Schedule to be completed by Buyer prior to Closing and to include administrative expenses incurred in the Sellers' bankruptcy cases (collectively, the "Administrative Expenses") (Sellers shall have the right to approve the Administrative Expenses set forth in such Schedule, in their reasonable discretion);

(vi) the payment of the premium for the "tail" or other insurance required by Buyer pursuant to Section 5.7 to the applicable insurance carrier;

(vii) the Trade Payables shall be assumed by Buyer;

(viii) the Accrued Employee Liabilities shall be paid to or for the benefit of the applicable employees of Sellers in accordance with applicable law;

(ix) any Transfer Taxes shall be paid by Buyer to the appropriate Governmental Entity on the Closing Date;

(x) the Healthcare Reimbursement Obligation and any other Assumed Liabilities shall be paid by Buyer in the ordinary course of business; and

(xi) the Restructured Legacy Creditor Debt will be assumed and paid in full by Buyer on the Closing Date.

1.7 Additional Investment. In addition to the Purchase Price, Buyer anticipates spending up to Thirteen Million Dollars ($13,000,000) within the first three (3) years following

the Closing on investments in technology, capital improvements, expanded services and routine replacements for the Facilities.

1.8 Taxes. Subject to the last sentence of Section 1.9 hereof, each Seller shall pay all Taxes, if any, applicable to such Seller, but not including any Transfer Taxes resulting from the sale of the Assets pursuant hereto. Buyer shall pay all Taxes, if any, applicable to Buyer, and all Transfer Taxes payable on account of the transactions contemplated by this Agreement.

1.9 Tax Obligations. To the extent necessary to transfer Assets to Buyer free and clear of Liens (other than Permitted Liens) and Liabilities (except Assumed Liabilities), each Seller shall be responsible for and shall pay any Taxes arising or resulting from or in connection with its ownership and/or operation of the Assets for taxable periods (i) ending before the Effective Time or (ii) for those portions up to the Effective Time of a taxable period that begins prior to, but ends after, the Effective Time. Buyer shall be responsible for and shall pay all Taxes in connection with the ownership of the Assets for taxable periods or portions thereof beginning as of the Effective Time. Notwithstanding the foregoing, prior to the Effective Time, each Seller shall pay when due any and all provider taxes and, after the Effective Time, the Buyer shall pay when due any and all provider taxes regardless of whether such taxes are attributable to taxable periods ending before the Effective Time.

1.10 Cooperation With Respect to Taxes. The parties to this Agreement shall reasonably cooperate, including without limitation during times of audit by taxing authorities and in preparation of Tax Returns, to avoid payment of duplicate or inappropriate Taxes, and each party shall furnish, at the reasonable request of the other, proof of payment of any such Taxes or any other documentation that is a prerequisite to avoiding payment of a duplicate or inappropriate Tax. Such cooperation shall include, without limitation, furnishing information regarding prior years' Tax Returns and related work papers, rulings and determinations by any tax authority.

1.11 Reserved.

1.12 Lock Box. Each Seller hereby appoints, from and after the Closing Date, Buyer, and Buyer agrees to act, as its collection agent with respect to its Government Patient Receivables. In connection therewith, on or before the Closing Date, Buyer shall establish on each Seller's behalf (and with such Seller's tax identification number) a "lock box" at a financial institution selected by Buyer (subject to such Seller's approval, which shall not be unreasonably withheld), or alternatively Buyer and such Seller may agree to designate and use an existing "lock box" bank account owned by Seller (the "Designated Lock Box Account"), and after the Closing, Buyer, as agent for such Seller and on such Seller's behalf, shall deposit in such designated lock box all cash, checks, drafts or other similar items of payment of such Government Patient Receivables. Each Seller shall provide standing instructions in writing to the financial institution at which such account is maintained directing all proceeds deposited in the Designated Lock Box Account be swept out on a daily basis to another deposit account at the financial institution owned by such Seller (the "Second Deposit Account"). Such Seller shall assign all such amounts deposited on its behalf into the Second Deposit Account to Buyer in full satisfaction of its obligation to transfer to Buyer an amount equal to the value of its Government Patient Receivables actually collected, as set forth in Section 1.2(l). Each Seller's agreement

with the financial institution shall require such Seller to provide at least ten (10) days prior written notice to the bank and obtain approval from the Bankruptcy Court before any change to these standing instructions shall become effective and shall require the bank to notify the Buyer of any change to these standing instructions at least five (5) days before becoming effective. Any change in the standing instructions not agreed to in writing in advance by Buyer shall constitute a material breach of the applicable Seller's obligations under this Agreement. The provisions of this Section 1.12 shall be subject to the rights of HFG as it relates to the Government Patient Receivables and in the event the Buyer assumes the HFG Debt, the lock box arrangement must be satisfactory to HFG.

1.13 Casualty and Condemnation Loss Provision.

(a) The risk of loss or damage to any of the Assets shall remain with Sellers until the Effective Time, and Sellers shall maintain their insurance policies covering the Assets and all other property through the Effective Time. If any material part or portion of the Assets is damaged, lost or destroyed (whether by fire, theft or other casualty event) prior to the Effective Time, Sellers shall notify Buyer ("Casualty Notice") as soon as possible of such damage, loss or destruction. The Casualty Notice shall set forth Sellers' good faith, reasonable estimate of the fair market value of the cost to repair, replace or restore (as applicable) such damage, loss or destruction (the "Estimate").

(b) In the event that there is damage, loss or destruction to the Assets (collectively, the "Casualty Assets") and (i) it can reasonably be anticipated that such damage, loss or destruction will prevent Buyer from providing a material service at any Facility for more than sixty (60) days after the Closing Date and so as to cause a Material Adverse Effect; or (ii) the Estimate is greater than $3,000,000 in excess of any applicable insurance recovery (either (i) or (ii), a "Material Loss"), Buyer may, within ten (10) days after receipt of the Estimate, by written notice to Sellers, terminate this Agreement.

(c) If, prior to the Effective Time, any part or portion of the Assets is destroyed, lost or damaged (i) to an extent that does not result in a Material Loss or (ii) to an extent that there is a Material Loss and Buyer chooses not to terminate this Agreement, Buyer and Sellers shall consummate the transactions contemplated in this Agreement, subject to the other terms and conditions of this Agreement, and, at the Effective Time, Sellers shall deliver possession of the Assets to Buyer in such physical condition as the same may then exist; provided that, in such event, Sellers shall assign to Buyer the right to receive any net insurance proceeds for the property loss or damage to the Assets and reduce the cash portion of the Purchase Price by an amount equal to any deductible or other reduction below fair market value of the applicable Assets of the net insurance proceeds received in connection therewith. For purposes of effecting this Section 1.13, Buyer will be a named additional insured on Sellers' property insurance.

(d) If, prior to the Effective Time, any Seller becomes aware that any condemnation proceeding is threatened or filed in respect of any Real Property, Sellers shall give prompt written notice thereof to Buyer, in which event Sellers agree to negotiate in good faith with Buyer regarding the effect, if any, such a proceeding shall have on the transactions contemplated herein. In the event that the condemnation proceeding relates to a material portion

of any Facility as determined by Buyer in good faith, Buyer shall have the option to terminate this Agreement or proceed with Closing, provided, that Buyer shall be entitled to receive the entire condemnation award. Buyer shall have the right to approve or disapprove any proposed settlement concerning any filed or threatened condemnation proceeding relating to any of the Assets.

(e) The provisions of this Section 1.13 shall be subject to the rights of People's under the Hospital Loan Documents and the Surgery Center Loan Documents.

1.14 Deposit. Concurrently with the execution of the Original Purchase Agreement Buyer deposited into an escrow (the "Deposit Escrow") with the Title Company as escrow agent (the "Deposit Escrow Holder"), an amount equal to Seven Hundred Fifty Thousand Dollars ($750,000.00) (together with interest earned thereon, the "Deposit") in immediately available, good funds, pursuant to joint instructions to be delivered to the Deposit Escrow Holder. Upon receipt of such funds, the Deposit Escrow Holder deposited the Deposit into an interest-bearing account. The Deposit is held pursuant to an Escrow Agreement (the "Escrow Agreement") entered into by the parties and Deposit Escrow Holder concurrently with the execution of the Original Purchase Agreement. At Closing, the Deposit shall be paid over to Sellers. If this Agreement terminates for any reason, the Deposit shall be paid over to Sellers or returned to Buyer, as set forth in Section 11.3 and the Escrow Agreement.

2. CLOSING.

2.1 Closing. The consummation of the purchase and sale of the Assets (the "Closing") shall take place at the offices of Hinckley, Allen & Snyder LLP or such other agreed upon location, at 10:00 A.M. local time on the last business day of the month in which all of the conditions precedent thereto have been satisfied, except those that are to be satisfied at the time of the Closing, or at such other time as the parties hereto may mutually designate in writing (the "Closing Date"), but in no event later than January 14, 2016, or such other date as the parties may agree in writing. The Closing shall be effective for all purposes at 12:01 A.M. on the first calendar day of the next succeeding month or at such other point in time as the parties may agree in writing (the "Effective Time").

2.2 Actions of Sellers at Closing. At the Closing, each Seller shall deliver, or cause to be delivered, to Buyer the following (each Seller hereby acknowledges and agrees that the agreements described in this Section 2.2 shall expressly provide that the Assets shall be delivered free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities)):

(a) One or more quitclaim deeds or deeds in transferable and recordable form, reasonably acceptable to each of Buyer and the Title Company, executed by a duly appointed duly authorized officer and/or representative of such Seller, conveying to Buyer all of such Seller's right and interest to the Sellers' Owned Real Property, subject only to the applicable Real Property Permitted Encumbrances that affect any such parcel;

(b) An Assignment and Assumption Agreement executed by a duly authorized officer and/or representative of such Seller;

(c) A general bill of sale and assignment substantially in the form attached hereto as Exhibit 2.2(c) (the "Bill of Sale") executed by a duly authorized officer and/or representative of such Seller;

(d) The applicable Name Amendments for filing with the Office of the Connecticut Secretary of the State;

(e) A secretary's certificate, including copies of resolutions duly adopted by its board of directors or other governing body authorizing and approving the performance of each of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein, together with certificates of incumbency, certified as true and of full force as of the Closing by an appropriate officer of such Seller;

(f) A certificate of the respective President or a Vice President of such Seller, certifying that the conditions set forth in Sections 7.1, 7.3 (as it relates to Sellers), 7.4 and 7.6 have been satisfied;

(g) A certificate of existence of such Seller from the Office of the Connecticut Secretary of the State dated not more than ten (10) days prior to Closing;

(h) A title insurance affidavit substantially in the form of Exhibit 2.2(h) hereto as requested by the Title Company;

(i) Reserved;

(j) Copies of insurance policies and certificates of insurance evidencing the insurance described in Section 5.7;

(k) JMH shall deliver a Drug Enforcement Administration limited power of attorney fully executed by a duly authorized officer of JMH (the "DEA Power of Attorney"), substantially in the form attached hereto as Exhibit 2.2(k);

(l) A certificate of non-foreign status, dated as of the Closing Date, executed by a duly authorized officer of such Seller, in form and substance required under the Treasury Regulations pursuant to Section 1445 of the Code, substantially in the form of Exhibit 2.2(l) hereto;

(m) Reserved;

(n) The Medical Records Custody Agreement; and

(o) Such other instruments and documents as Buyer reasonably deems necessary to effectuate the transactions contemplated hereby.

Simultaneously with the delivery of the foregoing items and as reasonably required at any time thereafter, each Seller will take all steps as may reasonably be required to put Buyer in actual possession and operating control of the Assets following the Closing.

2.3 Actions of Buyer at Closing. At the Closing, Buyer shall deliver, or cause to be delivered, to Sellers or their representatives:

(a) Payment of the Purchase Price less the Deposit as determined in accordance with and payable pursuant to Section 1.6 hereof;

(b) The Assignment and Assumption Agreement, all executed by a duly authorized officer of Buyer;

(c) Reserved;

(d) The Medical Records Custody Agreement;

(e) A copy of resolutions duly adopted by the board of directors of Buyer authorizing and approving Buyer's performance of the transactions contemplated hereby and the execution and delivery of the documents described herein, certified as true and of full force as of the Closing by an appropriate officer of Buyer;

(f) A certificate, dated as of the Closing Date, of an appropriate officer of Buyer certifying that the conditions set forth in Sections 8.1 and 8.2 (as it relates to Buyer) have been satisfied;

(g) A certificate of incumbency, dated as of the Closing Date, for the officers of Buyer making certifications for Closing or executing this Agreement, the Assignment and Assumption Agreement, or any other documents, agreements or certificates contemplated by the terms hereof to be executed and delivered by Buyer; and

(h) A certificate of existence of Buyer from the Office of the Connecticut Secretary of the State dated not more than ten (10) days prior to Closing.

3. REPRESENTATIONS AND WARRANTIES OF SELLERS.

As of the Petition Date and as of the Closing Date, Sellers hereby jointly and severally represent and warrant to Buyer the following:

3.1 Existence and Capacity. Each Seller is a nonstock corporation, duly organized, validly existing and in good standing under the laws of the State of Connecticut with all requisite corporate power and authority to own, operate and lease its properties, including, without limitation, the Assets.

3.2 Binding Agreement. This Agreement constitutes the valid, legal and binding obligation of each Seller, enforceable against such Seller in accordance with its terms. Upon the execution and delivery by each Seller of such other agreements as may be required pursuant to Section 2.2, such agreements will constitute valid, legal and binding obligations of such Seller, enforceable against such Seller in accordance with their terms.

3.3 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery, and performance of this Agreement by each Seller and all other agreements referenced

herein, or ancillary hereto, to which such Seller is a party, and the consummation of the transactions contemplated herein by such Seller:

(a) are within such Seller's authority and power, are not in contravention of law or of the terms of such entity's organizational documents and have been duly authorized by all appropriate action of such Seller;

(b) except as set forth on Schedule 3.3, do not require any approval or consent of, or filing with, any Governmental Entity bearing on the validity of this Agreement which is required by law or the regulations of any such Governmental Entity, assuming the accuracy of Buyer's representation and warranty set forth in Section 4.6; and

(c) assuming the accuracy of Buyer's representation and warranty set forth in Section 4.6, will not violate any statute, law, ordinance, rule or regulation of any Governmental Entity to which any Seller or the Assets may be subject; and will not violate any judgment, decree, order, writ or injunction of any court or Governmental Entity to which any Seller, or the Assets may be subject.

3.4 Sufficiency of Assets. Except for the Excluded Assets, the Assets constitute, in the aggregate, all the assets, interests, rights and property used by Sellers in connection with the operation of the Business as currently conducted.

3.5 Title to Tangible Personal Property. Seller has good and valid title to, or a valid leasehold interest in, all tangible personal property included in the Assets.

3.6 Real Property. Schedule 1.2(a) sets forth the Sellers' Owned Real Property. Seller has good and marketable fee simple title to the Sellers' Owned Real Property. Schedule 1.2(b) sets forth the Sellers' Leased Real Property. No Seller has received any written notice of existing, pending or threatened (i) condemnation proceedings affecting the Sellers' Owned Real Property or Sellers' Leased Real Property, or (ii) zoning, building code or other moratorium proceedings, or similar matters which would reasonably be expected to materially and adversely affect the ability to operate the Sellers' Owned Real Property or Sellers' Leased Real Property as currently operated. Neither the whole nor any material portion of any Sellers' Owned Real Property or Sellers' Leased Real Property has been damaged or destroyed by fire or other casualty.

4. REPRESENTATIONS AND WARRANTIES OF BUYER.

As of the Petition Date and as of the Closing Date, Buyer hereby represents and warrants to Sellers the following:

4.1 Existence and Capacity. Buyer is a nonstock corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut with all requisite corporate power and authority to own, operate and lease its properties.

4.2 Binding Agreement. This Agreement constitutes the valid, legal and binding obligation of Buyer enforceable against Buyer in accordance with its terms. Upon the execution and delivery by Buyer of such other agreements as may be required pursuant to Section 2.3

herein, such agreements will constitute valid, legal and binding obligations of Buyer enforceable against Buyer in accordance with their terms.

4.3 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery, and performance of this Agreement by Buyer and the execution, delivery and performance by Buyer of all other agreements referenced herein, or ancillary hereto, to which Buyer is a party, and the consummation of the transactions contemplated herein by Buyer: are within Buyer's corporate powers, are not in contravention of law or of the terms of Buyer's organizational or governing documents and have been duly authorized by all appropriate action; except as set forth on Schedule 4.3, do not require any approval or consent of, or filing with, any Governmental Entity bearing on the validity of this Agreement which is required by law or the regulations of any such Governmental Entity; will not conflict with, require consent under or result in any breach or contravention of, or the creation of any Lien under, any indenture, agreement, lease, instrument or understanding to which Buyer or its Affiliates is a party or by which any of them is bound or any of their assets is subject; will not violate any statute, law, ordinance, rule or regulation of any Governmental Entity to which Buyer or its Affiliates may be subject; and will not violate any judgment, decree, order, writ or injunction of any court or Governmental Entity to which Buyer or its Affiliates may be subject.

4.4 Continuation of Sellers' business. It is the present intention of Buyer to continue the historic business lines and services of Sellers.

4.5 Wherewithal to Perform Obligations. Buyer has sufficient funds, personnel, property, assets and other resources to undertake and perform its obligations under this Agreement.

4.6 HSR Act. The Board of Directors of the "ultimate parent entity" of the "acquiring person" of which Buyer is a part for purposes of the HSR Act has determined that the fair market value of the Assets and the assets to be sold pursuant to the JEC Transaction is less than $75,900,000.

5. COVENANTS PRIOR TO CLOSING.

5.1 Operations. Between the Petition Date and the earlier of the Effective Time or the termination of this Agreement, with respect to the ownership and operation of the Assets and Facilities and subject to the terms of the Affiliation Agreements, each Seller will:

(a) carry on the Business in substantially the same manner as it has been heretofore conducted, and not make any material change in personnel or operations and not make any change in its finance or accounting policies or practices;

(b) maintain the Assets in substantially as good working order and condition as at present, ordinary wear and tear excepted;

(c) perform in all respects their obligations under agreements relating to or affecting the Assets, including, without limitation, stay current on all executory contracts to which it is a party;

(d) keep in full force and effect present insurance policies or other comparable insurance coverage;

(e) keep current in payment of its wages and maintenance of its benefits to its employees;

(f) continue to timely dispose of any expired drugs and pharmaceuticals in the ordinary course of business and as required by applicable law; and

(g) use commercially reasonable efforts to maintain and preserve its business organization intact, to retain its present employees, to maintain its relationships with suppliers, physicians, patients and others having business relations with any Facility and to maintain all Permits and Licenses in full force and effect.

5.2 Performance Under Affiliation Agreements. Until the earlier of the Closing Date and the date that is fifteen (15) days following the date of termination of this Agreement, Saint Francis will continue to be a party to and perform its obligations under the Affiliation Agreements, subject to the terms of those agreements.

5.3 Efforts to Close. Each party hereto shall use commercially reasonable efforts to proceed toward the Closing and to cause the other parties' conditions to Closing to be met as soon as practicable and consistent with the other terms contained herein. Each party hereto shall notify the other parties as soon as practicable of any event or matter which comes to such party's attention which may reasonably be expected to prevent the conditions to such party's obligations being met.

5.4 Consents. Each party hereto will use its respective commercially reasonable efforts to obtain all permits, approvals, authorizations and consents of all third parties necessary or desirable for the purpose of (i) consummating the transactions contemplated hereby or (ii) enabling Buyer to operate the Business in the ordinary course after the Closing. Each Seller agrees to cooperate reasonably with Buyer in Buyer's efforts (A) to make any required filings and to obtain any third party consents or governmental approvals necessary in order to consummate the transactions contemplated hereby, (B) to respond to any governmental investigation of such transactions, and (C) to defend any legal or administrative proceedings challenging such transactions. Each Seller will, upon reasonable request, cooperate with Buyer and its representatives and counsel, in the preparation of any document or other material which may be required by any Governmental Entity as a predicate to or result of the transactions herein contemplated. Buyer's and Sellers' obligations pursuant to filings with Governmental Entities shall be controlled by Section 5.9.

5.5 Notice; Efforts to Remedy. Prior to the Closing, each party shall promptly give written notice to the other parties hereto upon becoming aware of the impending occurrence of any event which would cause or constitute a breach of any such party's representations, warranties or covenants in this Agreement or cause a Material Adverse Effect. Prior to the Closing, each party shall use its commercially reasonable efforts to prevent or promptly remedy any breach of its representations, warranties or covenants contained in this Agreement.

5.6 Termination of Employees. Effective as of the Closing Date, Sellers shall take appropriate action to terminate the employment of all Employees and to remove such Employees from their payrolls, with Buyer responsible for all Accrued Employee Liabilities as an Assumed Liability.

5.7 Tail Insurance. Sellers shall obtain "tail" or other insurance, in form and substance (including cost and amount) acceptable to Buyer, in its commercially reasonable discretion, to insure against Liabilities of the Facilities, Employees (including without limitation professional employees) and the Business relating to all periods prior to the Effective Time.

5.8 Evergreen Ground Lease. Buyer agrees to consent to the assignment by JEC and assumption by the purchaser of the assets in the JEC Transaction of the Evergreen Ground Lease, pursuant to an assignment and assumption agreement, in form and substance acceptable to Buyer.

5.9 CON and Other Regulatory Filings.

(a) Buyer and Sellers shall collaborate on the development and prosecution of a joint certificate of need application to be filed with OHCA for approval of the transactions contemplated by this Agreement. The parties agree that Buyer will prepare the first draft of the CON application, including all documents and exhibits related thereto, which shall be subject to review by the parties and shall be approved by Buyer and Sellers before the final CON application is filed with OHCA. Buyer shall pay for the costs relating to the CON application, including the cost of its financial advisors for the CON, except that each party shall be responsible for its own attorney's fees.

(b) Each Party hereto shall, as promptly as possible, use its reasonable best efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all Governmental Entities in addition to the CON Filing and OHCA approval under Section 5.9(a), that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement. Each party shall cooperate fully with the other party and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders and approvals. The parties hereto shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals.

(c) Buyer and Sellers will coordinate all communications with Governmental Entities. Buyer and Sellers will inform one another of any communication from any Governmental Entity concerning this Agreement and the transactions contemplated herein promptly after receiving such communication.

6. BANKRUPTCY COURT APPROVALS.

6.1 Bankruptcy Court Approvals, Generally. This Agreement is subject to approval by the Bankruptcy Court.

6.2 Sale Procedures Order and Sale Order. Promptly following the Execution Date (and in no event later than two business days following the Execution Date), Sellers shall make a

motion (the "Sale Motion") seeking entry of the Sale Order, in the form attached hereto as Exhibit 6.2, or in such other form that is satisfactory to Buyer, in its sole discretion.

Sellers shall use reasonable good faith efforts to obtain entry of the Sale Order by the Bankruptcy Court as soon as practicable, and in no event later than May 15, 2015, unless Buyer in its sole discretion agrees to a later date. The Sale Order shall (i) approve the sale of the Assets to Buyer on the terms and conditions set forth in this Agreement and authorize Sellers to proceed with the transactions contemplated herein, (ii) include a specific finding that Buyer or its designee is a good faith buyer of the Assets, and (iii) state that the sale of the Assets to Buyer or its designee shall be free and clear of all Liabilities and Liens whatsoever (other than Assumed Liabilities and Permitted Liens).

7. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER.

The obligations of Buyer to purchase the Assets in accordance with the terms of this Agreement are subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by Buyer:

7.1 Representations/Warranties. The representations and warranties of each Seller made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects when made as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date. Each Seller shall have duly performed, complied with and satisfied all covenants, agreements and conditions required by this Agreement to be performed, complied with or satisfied in all material respects by it prior to the time of the Closing.

7.2 Pre-Closing Confirmations. Buyer shall have obtained documentation or other evidence confirming the following:

(a) The Sale Order shall have been issued and have become a Final Order;

(b) confirmation and effective transfer or reissuance (upon Closing) of the appropriate registration and/or licensure of the Facilities to the extent required by the State of Connecticut for continued operation of the Facilities by Buyer after the Closing;

(c) if an assignment of the Medicare and Medicaid provider numbers is elected by Buyer pursuant to Section 1.2(n) hereof, confirmation of Medicare and Medicaid certification of the Facilities or if such assignments are not so elected by Buyer, Buyer and Sellers shall have taken all steps necessary and appropriate, including filing of CMS Form 855 and sending notification and any applicable application to the Connecticut Department of Social Services, to apply for and obtain Medicare and Medicaid certification of the Facilities as soon as practicable after the Closing;

(d) confirmation from the Department of Health as to any necessary registration and licensure matters with respect to the operation by Buyer of the Facilities and all presently authorized services on and after the Closing;

(e) issuance by OHCA of a CON approving this Agreement and the transactions contemplated herein without the imposition of any condition deemed by Buyer to be materially burdensome, as determined in Buyer's reasonable discretion;

(f) confirmation of receipt of all other required approvals, licenses, consents, authorizations, and permits from all Governmental Entities required to consummate the transactions herein contemplated and to permit Buyer to operate the Facilities and all presently authorized services on and after the Closing; and

(g) confirmation of receipt of all required approvals and consents of the Roman Catholic Church approving the transactions contemplated herein.

7.3 Action/Proceeding. No action, proceeding, investigation or administrative hearing before a court or any other Governmental Entity shall have been instituted or threatened against any Seller or Buyer which seeks injunctive relief in anticipation of the sale of the Assets and may reasonably be expected to prohibit the sale of the Assets to Buyer or seeks damages in a material amount by reason of the consummation of the transactions contemplated hereby.

7.4 Adverse Changes. A Material Adverse Effect on the Business, the Hospital, the Assets or a Facility shall not have occurred after the date hereof and be continuing as of the Closing Date, a Material Adverse Effect shall not be in existence, or there shall not have occurred any event that with reasonable certainty would constitute or cause a Material Adverse Effect.

7.5 Proceedings and Documents Satisfactory. Buyer shall have received such certificates, opinions and other documents, including without limitation, those identified in Section 2.2 hereof in order to consummate the transactions contemplated hereby on the terms set forth herein, all of which shall be in form and substance reasonably satisfactory to it and its counsel. All proceedings in connection with the purchase and sale of the Assets and all certificates and documents delivered to Buyer pursuant to this Agreement shall be reasonably satisfactory in form and substance to Buyer and its counsel acting reasonably and in good faith.

7.6 No Investigation; Satisfactory Resolution of CMS Investigation. Except as previously disclosed in writing by Sellers to Buyer prior to the Petition Date, no regulatory investigation or proceeding involving CMS, the Justice Department or any other federal or state agency and involving or related to Seller that had or reasonably would have a Material Adverse Effect on Seller shall have been commenced. Buyer shall be satisfied, in its reasonable discretion, of the resolution of all matters related to the CMS Investigation.

7.7 Sale Order. The Sale Order shall provide that the Assets shall be conveyed free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities) and on the Closing Date shall, in fact, be delivered free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities).

7.8 HSR Act. If a filing is required under the HSR Act on account of the transactions contemplated by this Agreement, the waiting period under the HSR Act shall have expired or been terminated.

7.9 Assumed Liabilities. Each category of Assumed Liabilities set forth in Section 1.4(a)(i) – (iv), (vii) and (viii) shall not exceed the amounts set forth in such subsections relative to each such Assumed Liability.

7.10 Tail or Other Insurance. Sellers shall have obtained "tail" or other insurance, in form and substance (including cost and amount) acceptable to Buyer, in its commercially reasonable discretion as set forth in Section 5.7 hereof.

7.11 HFG Debt. The aggregate outstanding amount of the HFG Debt shall not exceed Seven Million Dollars ($7,000,000).

7.12 Net Working Capital. Sellers' Net Working Capital shall be no less than One Million Dollars ($1,000,000) as of the Closing Date. Not more than five (5) days before the Closing Date, Sellers shall provide the Buyer with their computation of estimated Net Working Capital as of the Closing Date. Such computation shall be subject to Buyer's review and approval.

7.13 Restructured Legacy Creditor Debt. Buyer shall have reached an agreement with the Legacy Creditors regarding the assumption and satisfaction of the Restructured Legacy Creditor Debt that is satisfactory to Buyer in its sole discretion.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS.

The obligations of Sellers to sell the Assets in accordance with the terms of this Agreement are subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by Sellers:

8.1 Representations/Warranties. The representations and warranties of Buyer made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, when made, as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date. Each and all of the terms, covenants, and conditions of this Agreement to be complied with or performed by Buyer on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects.

8.2 Action/Proceeding. No action, proceeding, investigation or administrative hearing before a court or any other Governmental Entity shall have been instituted or threatened against any Seller or Buyer which seeks injunctive relief in anticipation of the sale of the Assets and may reasonably be expected to prohibit the sale of the Assets to Buyer or seeks damages in a material amount by reason of the consummation of the transactions contemplated hereby.

8.3 Proceedings and Documents Satisfactory. Sellers shall have received such certificates, opinions and other documents, including without limitation, those identified in Section 2.3 hereof in order to consummate the transactions contemplated hereby, all of which shall be in form and substance reasonably satisfactory to them and their counsel. All proceedings in connection with the purchase and sale of the Assets and all certificates and documents delivered to Sellers pursuant to this Agreement shall be reasonably satisfactory in form and substance to Sellers and their counsel acting reasonably and in good faith.

8.4 Pre-Closing Confirmations. Sellers shall have obtained documentation or other evidence confirming the following:

(a) The Sale Order shall have been issued and have become a Final Order;

(b) confirmation and effective transfer or reissuance (upon Closing) of the appropriate registration and/or licensure of the Facilities to the extent required by the State of Connecticut for continued operation of the Facilities by Buyer after the Closing;

(c) if an assignment of the Medicare and Medicaid provider numbers is elected by Buyer pursuant to Section 1.2(n) hereof confirmation of Medicare and Medicaid certification of the Facilities or if such assignments are not so elected by Buyer, Buyer and Sellers shall have taken all steps necessary and appropriate, including filing of CMS Form 855 and sending notification and any applicable application to the Connecticut Department of Social Services, to apply for and obtain Medicare and Medicaid certification of the Facilities as soon as practicable after the Closing;

(d) confirmation from the Department of Health as to any necessary registration and licensure matters with respect to the operation by Buyer of the Facilities and all presently authorized services on and after the Closing; and

(e) issuance by OHCA of a CON approving this Agreement and the transactions contemplated herein; and

(f) confirmation of receipt of all other required approvals, licenses, consents, authorizations, and permits from all Governmental Entities required to consummate the transactions herein contemplated and to permit Buyer to operate the Facilities and all presently authorized services on and after the Closing.

8.5 HSR Act. If a filing is required under the HSR Act on account of the transactions contemplated by this Agreement, the waiting period under the HSR Act shall have expired or been terminated.

9. EMPLOYEE MATTERS.

9.1 Transfer of Employment.

(a) Effective as of the Closing Date, Buyer shall offer at will employment to substantially all employees who are employed by Sellers immediately prior to the Effective Time, who satisfy Buyer's standard policies and conditions for employment, and as otherwise provided herein below (the employees who accept such an offer and commence employment with Buyer are collectively referred to herein as the "Transferred Employees"). Each offer of employment shall provide for base salary or hourly wage rates at least equal to such employee's base salary or hourly wage rate in effect immediately prior to the Closing Date. Buyer shall provide employee benefits that are in the aggregate substantially similar, as reasonably determined by Buyer, to the benefits provided to Sellers' employees immediately prior to the Closing Date. Nothing herein shall be deemed to affect or limit in any way management prerogatives of Buyer with respect to employees, including the right to amend or terminate any

employee benefit plans and programs or limit the obligations of Buyer to amend its plans as needed to comply with applicable law.

(b) As of the Effective Time, Buyer shall take the following actions: (i) waive any eligibility waiting periods under any health and welfare plans maintained for the benefit of the Transferred Employees and, to the extent possible, waive any limitations regarding pre-existing conditions under any welfare plans maintained for the benefit of the Transferred Employees, (ii) provide each Transferred Employee with credit for any co-payments and deductibles paid prior to the Effective Time in satisfying any applicable deductible or out-of-pocket requirements under such health plans, and (iii) for purposes of eligibility, vesting and the allocation of employer contributions under a defined contribution plan (but not for purposes of benefit accrual under a defined benefit plan) under the plans and policies of Buyer, treat all service by the Transferred Employees with Sellers and their Affiliates immediately prior to the Effective Time as service with Buyer. The Buyer shall also recognize accrued but unused paid time off as part of assuming the Accrued Employee Liabilities with respect to the employment period of the Transferred Employees including the Effective Time, and shall credit each Transferred Employee all service by such Transferred Employee with Sellers and their Affiliates immediately prior to the Effective Time as service with Buyer for purposes of determining subsequent entitlement to paid time off.

(c) In respect of notices and payments relating to events occurring prior to the Effective Time, Sellers shall be responsible for all Liability for any and all notices, payments, fines or assessments due to any Governmental Entity, pursuant to any applicable laws, with respect to the employment, discharge or layoff of employees by Sellers prior to the Effective Time, including but not limited to the Worker Adjustment and Retraining Notification Act and any rules or regulations as have been issued in connection with the foregoing (jointly, referred to throughout this Agreement as the "WARN Act"). Likewise, in respect of notices and payments relating to events occurring at or prior to the Effective Time, Buyer shall be responsible and assume (and shall indemnify and hold each Seller harmless from and against) all Liability for any and all notices, payments, fines or assessments due to any Governmental Entity, pursuant to the WARN Act, with respect to the employment, discharge, layoff of employees employed by Buyer at or after the Effective Time.

9.2 Assumption of Collective Bargaining Agreement. Buyer agrees to assume all rights, liabilities and obligations of the Sellers under the Collective Bargaining Agreement.

9.3 No Third Party Beneficiaries. Nothing herein shall be deemed to create or grant to any such employee or Transferred Employee third-party beneficiary rights or claims or causes of action of any kind or nature.

10. PARTICULAR COVENANTS.

10.1 COBRA Responsibilities. With respect to any current or former employee of Sellers who (including any eligible spouse and dependent thereof) incurs a qualifying event, as defined by Code Section 4980B or Part 6 of Subtitle B of Title I of ERISA, as a result of the transaction contemplated by this Agreement, whether or not hired by Buyer, or who incurred a qualifying event prior to the Effective Time (all such employees together with their spouses and

eligible dependents are referred to herein as "Qualified Beneficiaries"), Sellers shall retain the obligation, if any, for providing notices and continuation coverage under COBRA or other similar continuation coverage obligation and shall offer, if required, such Qualified Beneficiaries continuation coverage under the group health, dental or other medical plans of Sellers to the fullest extent required by COBRA. In the event that Sellers and its Affiliates do not maintain a group health plan after the Closing, the Qualified Beneficiaries shall become eligible for COBRA continuation coverage under a group health, dental or other medical plan of Buyer.

10.2 Name Change; Change in Case Caption. Each Seller acknowledges and agrees that Buyer will acquire as part of the Assets the exclusive right to use the names Johnson Memorial Hospital, Johnson Surgery Center, Advanced Wound Center, Community Cancer Center, Home & Community Health Services, Johnson Memorial Cancer Center and Karen Davis Krzynowek Infusion Center and all variations thereof and the goodwill associated therewith and that no Seller will use such name(s) or any derivative thereof subsequent to the Closing, except that Sellers' entity names may include such names on a transitional basis until such time as the Name Amendments described below have been effectuated. Sellers further covenant and agree that, on or before the Closing Date, Sellers will have adopted a resolution changing the names of Sellers to such names as mutually agreed to by the parties (the "Name Amendments"). The resolutions and the amendments shall have an effective date that is not more than thirty (30) days following the Closing Date. As contemplated by Section 2.2, Sellers shall deliver the Name Amendments to Buyer at the Closing, and Buyer is hereby authorized to file the Name Amendments with the office of the Connecticut Secretary of the State at any time following the Closing. Within the later of five (5) days of the entry of the Sale Order or two (2) days following Buyer's notice to Sellers that the Name Amendments have been filed with the office of the Connecticut Secretary of the State, Sellers shall file a motion with the Bankruptcy Court to change the case caption of the Bankruptcy Case and the name of each Seller consistent with the provisions of this Section 10.2.

10.3 Terminating Cost Report. Sellers shall prepare and timely file (and provide Buyer a copy) of all terminating cost reports for the Facilities in respect of the Medicare and Medicaid programs, or any successor governmental program, reflecting consummation of the transactions contemplated hereby no later than one hundred fifty (150) days after the Closing. Buyer, upon reasonable notice from Sellers, during normal business hours, will cooperate with Sellers in regard to the preparation, filing, handling and appeals of Sellers' cost reports related to the Business for periods prior to the Effective Time. After the Effective Time, Buyer agrees to provide Sellers with reasonable access to records of the Business necessary and appropriate for the preparation or appeal of Sellers' cost reports and to provide services of Buyer's employees to Sellers as reasonably necessary and appropriate, subject to Buyer's discretion, in connection with the preparation and/or appeal of such cost reports.

10.4 Required Creditor Notices. Sellers shall provide prompt and timely notice of the proposed sale of the Assets, in form and substance reasonably acceptable to Buyer and in such manner as may be required by applicable law, to each Seller's creditors and all parties entitled to notice of the Sale Motion.

10.5 Transferred Contracts. Not less than thirty (30) days prior to the Closing, Buyer shall provide (a) documentation identifying all Contracts Buyer wishes to be assumed by Sellers

and assigned by the Sellers to Buyer at Closing (the "Transferred Contracts"); (b) documentation identifying all Contracts that Buyer may, at a later date, wish to be assigned by the Sellers (the "Designated Contracts"); and (c) all Contracts that Buyer will not be seeking to be assigned by the Sellers (the "Excluded Contracts"). At any time between the Closing and the 10th day following the Closing, Buyer may re-designate any Designated Contract as either a Transferred Contract or an Excluded Contract. If Buyer does not re-designate any Designated Contract by the 10th day following the Closing, such Designated Contract shall be deemed an Excluded Contract as of such date. Sellers agree not to reject any Contract on or before the 10th day following the Closing except for Excluded Contracts. Sellers shall (x) assume in the Bankruptcy Case, any Transferred Contract that is designated by Buyer to Sellers on or before the 10th day following the Closing, provided that Buyer shall pay all cure amounts in connection with such assumption, and (y) assign said Transferred Contracts to Buyer.

10.6 Buyer's Right to Supplement Schedules. Not less than seven (7) days prior to Closing, Buyer shall have the right to supplement the schedules to this Agreement to include any asset acquired by or leased by any Seller after the Petition Date.

10.7 Administrative Expense Escrow. Not more than seven (7) days following full and final satisfaction of all Administrative Expenses, Sellers or their counsel shall remit to Buyer any funds remaining in any Administrative Expense Escrow.

11. TERMINATION.

11.1 Optional Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) by the mutual written consent of Buyer and Sellers;

(b) by Buyer, in accordance with the provisions of Section 1.13;

(c) by Sellers or Buyer, if any court of competent jurisdiction in the United States or other Governmental Entity shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated hereby and such order, decree, ruling or other action shall have become final and non-appealable;

(d) by Sellers, if Buyer commits a material breach of any of the terms hereof, which cannot be or has not been cured within twenty (20) days after the giving of written notice to Buyer of such breach;

(e) by Buyer, if any Seller commits a material breach of any of the terms hereof, which cannot be or has not been cured within twenty (20) days after the giving of written notice to Sellers of such breach;

(f) by Buyer, if Buyer reasonably determines, at any time, that any of the conditions set forth in Article 7 shall not be satisfied on or before the Closing Date; provided, however, that the right to terminate this Agreement under this subsection shall not be available to Buyer if Buyer's failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the condition;

(g) by Sellers or Buyer, if the Closing has not occurred on or prior to January 14, 2016; provided, however, that the right to terminate this Agreement under this subsection shall not be available to a party if such party's failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing; or

(h) by Buyer, in the event (i) that the Bankruptcy Court does not approve the transactions contemplated by this Agreement; (ii) an appeal of the Sale Order is filed and not resolved to Buyer's satisfaction, in its sole and absolute discretion, by January 14, 2016; (iii) the Bankruptcy Court orders that an amendment be made to this Agreement or to the schedules or exhibits to this Agreement and such amendment is not acceptable to Buyer, in its sole and absolute discretion; or (iv) a proposed Reorganization Plan is filed by Sellers that is materially inconsistent with the terms of this Agreement.

11.2 Notice of Termination. In the event of any termination pursuant to Section 11.1, written notice shall forthwith be given to the other parties hereto except with respect to a termination pursuant to Section 11.1(a).

11.3 Effect of Termination. Upon termination of this Agreement, no party hereto shall have liability hereunder to any other party, all of which is hereby waived and released; provided, however, (a) if this Agreement is terminated by Sellers pursuant to Section 11.1(d), the Deposit, including all interest accrued thereon, if any, shall be paid over to Sellers in accordance with the Escrow Agreement as liquidated damages and shall be the exclusive remedy of Sellers for any termination or breach of this Agreement by Buyer; (b) if this Agreement is terminated, for any reason other than pursuant to Section 11.1(d), the Deposit, including all interest accrued thereon, if any, shall be paid over to Buyer in accordance with the Escrow Agreement; and (c) if this Agreement is terminated by Buyer pursuant to Section 11.1(e), Buyer shall be entitled to exercise any and all rights and remedies available to Buyer at law or in equity or as set forth in Section 11.4. Notwithstanding any provision herein to the contrary, in the event that Buyer is entitled to terminate this Agreement pursuant to Section 11.1(e), Buyer may elect to seek specific performance of Sellers' obligations hereunder in accordance with the terms of this Agreement.

11.4 Break-Up Fee and Expense Reimbursement.

(a) If this Agreement is terminated pursuant to Section 11.1(h)(i) and the Bankruptcy Court approves an Alternative Transaction within one year after the termination:

(i) Sellers shall pay to Buyer the Break-Up Fee and Sellers shall reimburse Buyer for all of Buyer's out of pocket costs and expenses in connection with this Agreement and the transactions contemplated herein, not to exceed Two Hundred Thousand Dollars ($200,000) (the "Expense Reimbursement"); provided, however, if the consideration in the Alternative Transaction is less than the consideration contemplated by this Agreement, the amount of the Break-Up Fee and Expense Reimbursement to which Buyer is entitled shall be reduced proportionately (for example, if the consideration in the Alternative Transaction is 80% of the consideration contemplated by this Agreement, Buyer will be entitled to a Break-Up Fee and Expense Reimbursement of $760,000 (80% of $950,000));

(ii) Seller's obligation to pay the Break-Up Fee and the Expense Reimbursement pursuant to this Section 11.4(a) shall survive the termination of this Agreement and shall constitute a super-priority administrative expense of Seller under Section 503(b) and 507(b) of the Bankruptcy Code, junior to HFG's super-priority claim; and

(iii) the Break-Up Fee and Expense Reimbursement shall be paid to Buyer out of the cash proceeds from the Alternative Transaction.

(b) If this Agreement is terminated pursuant to Section 11.1(e) or Section 11.1(h)(iv):

(i) Sellers shall pay to Buyer the Break-Up Fee and Expense Reimbursement; and

(ii) Seller's obligation to pay the Break-Up Fee and Expense Reimbursement pursuant to this Section 11.4(b) shall survive termination of this Agreement and shall constitute an unsecured claim of the Buyer not entitled to super-priority administrative expense status.

12. GENERAL.

12.1 Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the parties except as may be herein specifically provided to the contrary; provided, however, at the request of either party, the other parties shall execute such additional instruments and take such additional acts as are reasonably necessary to effectuate this Agreement.

12.2 Consents, Approvals and Discretion. Whenever this Agreement requires any consent or approval to be given by a party or a party must or may exercise discretion, the parties agree that such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised, except as otherwise expressly set forth in any particular provision of this Agreement.

12.3 Choice of Law. THE PARTIES AGREE THAT THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF CONNECTICUT WITHOUT REFERENCE TO ANY PRINCIPLES OF CONFLICTS OF LAWS. FURTHER, THE PARTIES AGREE THAT THE FEDERAL AND STATE COURTS LOCATED IN THE STATE OF CONNECTICUT SHALL RETAIN EXCLUSIVE JURISDICTION OVER ANY AND ALL DISPUTES BETWEEN THE PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

12.4 Benefit/Assignment. Subject to the provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors and assigns; provided, however, that no party may assign this Agreement without the prior written consent of the other parties. Notwithstanding the foregoing, pursuant to Section 1.2 hereof, Buyer may make any such assignment to any Permitted Designee, without obtaining the written consent of Sellers.

12.5 Finders, Brokerage. Sellers agree to indemnify Buyer from and against all loss, cost, damage or expense arising out of claims for fees or commissions of any advisor, agent or

broker employed or alleged to have been employed by Sellers. Buyer agrees to indemnify Sellers from and against all loss, cost, damage or expense arising out of claims for fees or commissions of any advisor, agent or broker employed or alleged to have been employed by Buyer.

12.6 Cost of Transaction. Whether or not the transactions contemplated hereby shall be consummated, the parties agree as follows: (a) Sellers will pay the fees, expenses and disbursements of Sellers and their respective agents, advisers, attorneys and accountants incurred in connection with the subject matter hereof and any amendments hereto; and (b) Buyer shall pay the fees, expenses and disbursements of Buyer and its agents, advisers, attorneys and accountants incurred in connection with the subject matter hereof and any amendments hereto; Buyer shall pay the costs associated with the filing to be made with the Department of Health, if any, and any requisite filing under the HSR Act; and Buyer shall pay all expenses of inspecting the Facilities and Assets, including the cost of any environmental surveys and the cost of establishing the lock box contemplated by Section 1.12.

12.7 Reserved.

12.8 Preservation and Access to Records After the Closing.

(a) With regard to patient records, from and after the Effective Time, Buyer shall use its commercially reasonable efforts to maintain the patient records held at any Facility relating to periods prior to the Effective Time in accordance with applicable state and federal and state law, statutes, regulations and rules, including without limitation HIPAA. Buyer and Sellers shall enter into a Medical Records Custody Agreement in the form attached as Exhibit 12.8 (the "Medical Records Custody Agreement").

(b) Each party hereto acknowledges that, subsequent to the Closing, the other parties may need access to information or documents in the control or possession of such party for the purposes of concluding the transactions contemplated hereby, audits, compliance with governmental requirements and regulations, confirming compliance herewith and the prosecution or defense of third party claims. Accordingly, Sellers and Buyer agree that after the Effective Time, each shall make reasonably available to the other's representatives or agents, independent auditors and/or Governmental Entities, upon written request and at the expense of the requesting party, and subject to applicable law, such documents and information as may be available relating to the Business for periods prior and subsequent to the Closing to the extent necessary to facilitate concluding the transactions herein contemplated, audits, compliance with governmental requirements and regulations, confirming compliance herewith and the prosecution or defense of claims.

12.9 Waiver. The waiver by any party of a breach or violation of any term or provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same provision by any party or of the breach of any other term or provision of this Agreement. The delay of a party to transmit any written notice hereunder shall not constitute a waiver by such party of any default hereunder or of any other or further default under this Agreement except as may expressly be provided for by the terms of this Agreement.

12.10 Tax Allocation. Buyer shall make an allocation of the Purchase Price (the "Purchase Price Allocation") within 150 days of the Closing Date and shall notify Sellers in writing as to such allocation. Each Seller and Buyer hereby agree that the Purchase Price Allocation shall be used by each of them for all federal and state income tax purposes, and shall be set forth in a statement prepared in accordance with Section 1060 of the Code, which statement shall be prepared in a manner generally consistent with the form of Internal Revenue Service Form 8594. Each party hereto shall file a copy of such statement as required by applicable law.

12.11 Interpretation. Each of the parties has agreed to the use of the particular language of the provisions of this Agreement including all attached Exhibits and Schedules and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the draftsman but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the parties hereto and the limitations and restrictions upon such rights and benefits intended to be provided.

12.12 Notice. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be in writing and shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return receipt requested, addressed as follows:

Sellers:	Johnson Memorial Medical Center, Inc. 201 Chestnut Hill Road Stafford Springs, CT 06076 Attn: CEO
With a copy to:	Eric Henzy and Jon Newton Reid and Riege, P.C. One Financial Plaza Hartford, CT 06103
Buyer:	Saint Francis Care, Inc. 114 Woodland Street Hartford, CT 06105 Attn.: CEO
With copies to:	Thomas S. Marrion and Sarah M. Lombard Hinckley, Allen & Snyder LLP 20 Church Street, 18th Floor Hartford, CT 06103

or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such party.

12.13 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms, including, without limitation, those terms which contemplate or require the further agreements of the parties. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and still be legal, valid or enforceable.

12.14 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

12.15 Divisions and Headings. The divisions of this Agreement into Sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

12.16 Survival. All statements made by the parties hereto herein or in the Schedules or in any certificate delivered pursuant hereto shall be deemed representations and warranties of the parties making or delivering the same regardless of any investigation made by or on behalf of the other parties hereto. Furthermore, the representations, warranties, covenants and agreements made by the parties herein shall survive until the Closing Date and then expire, excepting however covenants and agreements which by their terms are to be performed following the Closing.

12.17 Reserved.

12.18 No Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of Buyer and Sellers and their respective permitted successors or assigns, and it is not the intention of the parties to confer, and this Agreement shall not confer, third party beneficiary rights upon any other person.

12.19 Entire Agreement/Amendment. This Agreement supersedes all prior contracts, understandings and agreements, whether written or oral, and constitutes the entire agreement of the parties respecting the within subject matter and no party shall be entitled to benefits other than those specified herein. As between or among the parties, no oral statements or prior written material not specifically included herein shall be of any force and effect; the parties specifically acknowledge that in entering into and executing this Agreement, the parties rely solely upon the representations and agreements contained in this Agreement and no others. No terms, conditions, warranties, or representations, other than those contained herein and no amendments or modifications hereto, shall be binding unless made in writing and signed by the party to be charged. The foregoing notwithstanding, this Agreement does not replace or modify that certain Confidentiality Agreement dated as of May 2, 2014 between JMMC and Buyer which remains in full force and effect, provided such Agreement shall terminate without need for further action of any Person upon completion of the Closing.

12.20 Counterparts. This Agreement may be executed in multiple originals or counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

12.21 Risk of Loss. Notwithstanding any other provision hereof to the contrary, the risk of loss in respect of casualty to the Assets shall be borne by Sellers through the Effective Time and by Buyer thereafter.

12.22 Press Releases. Except as otherwise required by law, any release to the public of information concerning this Agreement or the transactions contemplated hereby will be made only in the form and manner approved by the parties hereto. Each party shall furnish the others with drafts of all such releases prior to their publication or dissemination.

12.23 Bankruptcy Court Approval. As stated herein, this Agreement is expressly subject to the approval of the Bankruptcy Court.

{signature page follows}

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their duly authorized officers as of the day and year first above written.

BUYER:

Saint Francis Care, Inc.

By:_____
Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SELLERS:

Johnson Memorial Medical Center, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Memorial Hospital, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Home & Community Health Services, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Health Care, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO.
BY: DATE: 5/27/15

53144960 v4

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their duly authorized officers as of the day and year first above written.

BUYER:

Saint Francis Care, Inc.

By:_____
Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SELLERS:

Johnson Memorial Medical Center, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Memorial Hospital, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Home & Community Health Services, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Health Care, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

GUARANTY

THIS GUARANTY is entered into as of December__, 2014, by Saint Francis Hospital and Medical Center (the "Guarantor"), with its principal place of business at 114 Woodland Street Hartford, CT 06105, in favor of **Marcum LLP**, a New York limited liability partnership with its principal place of business at 750 Third Avenue, New York, NY 10017 ("Marcum").

RECITALS

A. Johnson Memorial Hospital ("Obligor") executed a retainer agreement dated December 15, 2014 pursuant to which the Obligor is required to make payments to Marcum aggregating $164,800 plus direct out-of-pocket expenses (the "Agreement").

B. The Guarantor is a party to an agreement with the Obligor and will derive benefit from the services to be provided by Marcum under the Agreement and wishes to grant Marcum security and assurance in order to secure the payment and performance by the Obligor of its payment obligations under the Agreement.

Accordingly, the Guarantor hereby agrees as follows:

1. Guaranty. The Guarantor hereby unconditionally and irrevocably guarantees to Marcum the full and punctual payment and timely performance by the Obligor, when due, of sums payable under the Agreement, whether principal, interest, collection expenses, or otherwise (collectively, the "Guaranteed Obligations"). This Guaranty is an absolute, unconditional, continuing guaranty of payment and not of collection of the Guaranteed Obligations. This Guaranty is in no way conditioned upon any attempt to collect from the Obligor or upon any other event or contingency, and shall be binding upon and enforceable against the Guarantor without regard to the validity or enforceability of the Agreement or any term thereof. If for any reason the Obligor shall fail or be unable duly and punctually to pay any of the Guaranteed Obligations, the Guarantor will forthwith pay the same, in cash, immediately upon demand; provided that Marcum shall not be entitled to receive an amount in excess of the Guaranteed Obligations.

2. Guaranty Continuing, Absolute, Unlimited. The obligations of the Guarantor hereunder shall be continuing, absolute, unlimited, and unconditional, and shall not be subject to any counterclaim, set-off, deduction, or defense based upon any claim the Guarantor may have against the Obligor, and shall remain in full force and effect without regard to, and, to the extent permitted by applicable law, shall not be released, discharged, or in any way affected by any circumstance or condition (whether or not the Guarantor shall have any knowledge or notice thereof) whatsoever which might constitute a legal or equitable discharge or defense.

3. Waiver. The Guarantor unconditionally waives the following, to the extent permitted by applicable law: (a) notice of any of the matters referred to in Section 2 hereof; (b) all notices which may be required by statute, rule of law, or otherwise to preserve any rights against the Guarantor hereunder, including, without limitation, notice of the acceptance of this Guaranty, or the creation, renewal, extension, modification, or accrual of the Guaranteed Obligations or notice of any other matters relating thereto; (c) any requirement for the assertion or exercise of any right, remedy, power or privilege under or in respect of the Agreement; (d) any requirement of diligence; (e) the right to require Marcum to proceed against the Obligor, any other guarantor or any other person liable on the Guaranteed Obligations, to proceed against or exhaust any security held by Marcum or any other person, or to pursue any other remedy in Marcum's power whatsoever, and (f) the right to have the property of the Obligor first applied to the discharge of the Guaranteed Obligations. Marcum may, at its election, exercise any right or remedy it may have against the Obligor or any other guarantor without affecting or impairing in any way the liability of the Guarantor hereunder and the Guarantor waives, to the extent permitted by applicable law, any defense arising out of the absence, impairment or loss of any right of reimbursement, contribution or subrogation or any other right or remedy of the Guarantor against the Obligor, whether resulting from such election by Marcum or otherwise.

4. Parties. This Guaranty shall inure to the benefit of Marcum's successors and assigns, and shall be binding upon the Guarantor. Guarantor may not delegate any of its duties under this Guaranty without the prior written consent of Marcum.

5. Notices. Any notice shall be conclusively deemed to have been received by a party hereto and to be effective on the day on which delivered to such party at the address set forth above, or if sent by registered or certified mail, on the third Business Day after the day on which mailed in the United States, addressed to such party at the address set forth in the introductory paragraph hereof.

6. Other. In the event that a bankruptcy trustee or other third party asserts a claim or initiates an action to recover any payment made by Obligor to Marcum, Marcum shall promptly notify the Guarantor of any such claim or action and the Guarantor shall have the right, but not the obligation, to defend the claim or action. The Guarantor shall have no obligation under this Guaranty to reimburse Marcum for any settlement or other payment in respect of a claim or action unless the Guarantor shall have provided its prior written consent to the settlement or payment, which consent will not be unreasonably withheld, conditioned or delayed.

7. Governing Law. **THE LAWS OF THE STATE OF NEW YORK (IRRESPECTIVE OF ITS CHOICE OF LAW PRINCIPLES) WILL GOVERN THE VALIDITY OF THIS GUARANTY, THE CONSTRUCTION OF ITS TERMS, AND THE INTERPRETATION AND ENFORCEMENT OF THE RIGHTS AND DUTIES OF THE PARTIES HERETO AND ALL CLAIMS RELATING TO OR ARISING OUT OF THIS GUARANTY OR THE BREACH THEREOF SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK (IRRESPECTIVE OF ITS CHOICE OF LAW PRINCIPLES). The parties each expressly agree and acknowledge that the United States District Court for the Southern District of New York, Manhattan Courthouse, shall have exclusive and sole jurisdiction and venue for any actions arising from, relating to or in connection with this Guaranty.**

8. Miscellaneous.

(a) If any term of this Guaranty or any application thereof shall be invalid or unenforceable, the remainder of this Guaranty and any other application of such term shall not be affected thereby.

(b) Any term of this Guaranty may be amended, waived, discharged, or terminated only by an instrument in writing signed by the Guarantor and Marcum.

(c) The headings in this Guaranty are for purposes of reference only and shall not limit or define the meaning hereof.

(d) No delay or omission by Marcum in the exercise of any right under this Guaranty shall impair any such right, nor shall it be construed to be waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise of any other right.

IN WITNESS WHEREOF, the undersigned has caused this Guaranty to be executed and delivered by a duly authorized officer as of the day and year first above written.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

By: David M. Bittner

Its: Senior Vice President and CFO

Attest:

_____

GUARANTY AGREEMENT

This guaranty agreement ("Guaranty") is effective on May 31, 2014 ("Effective Date") between Hartford Fire Insurance Company, a Connecticut corporation, having its principal place of business at One Hartford Plaza, Hartford, Connecticut, 06155, for itself and its affiliated property and casualty insurance companies from time to time (individually and collectively, "Hartford" or "The Hartford"), and Saint Francis Care, Inc., a Connecticut nonstock corporation, having its principal place of business at 114 Woodland Street, Hartford, Connecticut 06105 ("Guarantor"). The Hartford and Guarantor may each be referred to as a "Party" and collectively as the "Parties."

WHEREAS, Johnson Memorial Medical Center, Inc. and its affiliates, including without limitation Johnson Memorial Hospital, Inc. and Johnson Evergreen Corporation (collectively, "JMMC") and Guarantor have engaged in discussions that have resulted in JMMC and Guarantor entering into an affiliation agreement that provides Guarantor with the right to cause JMMC to be merged with or into Guarantor, or to acquire all of the assets of JMMC; and

WHEREAS, JMMC's current workers' compensation policy is set to expire on May 31, 2014; and

WHEREAS, Guarantor and JMMC have requested that The Hartford provide JMMC with a large deductible workers' compensation insurance program for the policy period of May 31, 2014 to May 31, 2015 (the "Policy Period"), which program would be evidenced, in part, by an insurance policy or policies (the "Policies") and an insurance program agreement (the "Agreement")(the Policies and the Agreement covering the Policy Period are sometimes hereinafter collectively referred to as the "Insurance Program").

WHEREAS, pursuant to the terms of the Insurance Program, JMMC's obligations owed to The Hartford, include, but are not limited to, the following: (i) the obligation to pay premium, (ii) the obligation to reimburse The Hartford for certain deductible amounts paid or advanced by The Hartford, (iii) the obligation to provide The Hartford with collateral and security for said financial obligations, and (iv) the obligation to commute the Insurance Program on or about May 31, 2019; and

WHEREAS, in order to induce The Hartford to enter into the Insurance Program with JMMC, Guarantor has agreed to guarantee all of JMMC's obligations due and owing to The Hartford under the Insurance Program, including, but not limited to, the following: (i) the obligation to pay premium, (ii) the obligation to reimburse Hartford for certain deductible amounts paid or advanced by Hartford, (iii) the obligation to provide Hartford with collateral and security for said obligations, and (iv) the obligation to commute the Insurance Program on or about May 31, 2019.

NOW, THEREFORE, in consideration of the promises contained herein and in consideration of The Hartford executing and delivering the Insurance Program to JMMC, the Guarantor does hereby agree as follows:

1. Guaranty. The Guarantor does hereby unconditionally guarantee to The Hartford and become surety for, without offset or deduction, (i) the prompt payment when due of all amounts payable by JMMC pursuant to the Insurance Program; (ii) the punctual and faithful performance by JMMC of each and every duty, promise, covenant and obligation of JMMC under and in accordance with the Insurance Program; and (iii) the prompt remittance of such security as The Hartford may require pursuant to the terms of the Insurance Program (the duties, promises, covenants, and obligations of JMMC hereby guaranteed are hereinafter referred to individually as a "Guaranteed Obligation" and collectively as the "Guaranteed Obligations"). The Guaranteed Obligations do not include any duties, promises, covenants, or obligations under any policies or agreements covering any period

other than the Policy Period. The Hartford acknowledges and agrees that in no event will Guarantor's obligations under this Guaranty exceed $2,190,000 (Basket Maximum Provision for Loss multiplied by the Loss Conversion Factor) minus all Paid Loss (as defined in the Agreement) reimbursements previously paid by JMMC to Hartford under the Insurance Program.

2. Guarantor's Obligations. In the event JMMC for any reason does not or is unable to perform any Guaranteed Obligation in accordance with the terms of the Insurance Program, the Guarantor hereby agrees that it will pay the sums (or post security in amounts equal thereto as The Hartford may require) which JMMC is obligated to pay or provide at the time specified in such Insurance Program or otherwise provide for and bring about promptly the performance of such Guaranteed Obligation(s) under such Insurance Program.

3. Guarantor' Obligations to be Absolute. The obligations of Guarantor under this Guarantee shall be absolute and unconditional and shall remain in full force and effect until all of JMMC's obligations under the Insurance Program have been fully discharged and shall not be released or discharged for any reason whatsoever.

4. Right to Proceed Against Guarantor. In the event JMMC for any reason does not or is unable to perform any Guaranteed Obligation in accordance with the terms of the Insurance Program, The Hartford, in its sole discretion, has the right to proceed first and directly against the Guarantor under this Guaranty for performance of any of the Guaranteed Obligations without proceeding against or exhausting any other remedies that The Hartford may have directly against JMMC for the Guaranteed Obligations. Notwithstanding anything to the contrary set forth in this Guaranty, the Guarantor is entitled in any proceeding, demand or action by The Hartford under this Guaranty for performance of any of the Guaranteed Obligations to use any defense, rights or claims available to JMMC with respect to the Guaranteed Obligations.

5. General Provisions.

   a. Notices. Each Party shall give or make any notice, authorization, request or other communication in connection with this Guaranty in writing by personal delivery, post, express courier, facsimile or e-mail to the addresses listed below unless otherwise stated in this Guaranty. A notice is effective if the addressee received the notice. Notices are deemed received on the date shown on the postal return receipt or the personal delivery, express courier, facsimile or e-mail confirmation of delivery. A Party is entitled to change the person, address, facsimile number or e-mail address for receipt of notices by notice to the other Party.

   If to The Hartford:
   Name or Title: Thomas F. Morgan, AVP, Senior Counsel
   Department: Commercial Law Department
   Address: One Hartford Plaza, Hartford, CT 06155
   Telephone No.: 860-547-3370 *(for verification of notice receipt; not for notice purposes)*
   E-mail: thomas.morgan@thehartford.com

   If to Guarantor:
   Name or Title: David Bittner, Senior Vice President
   Department: Finance
   Address: 114 Woodland Street, Hartford, CT 06105
   Telephone No.: 860-714-4609*(for verification of notice receipt; not for notice purposes)*

E-mail: dbittner@stfranciscare.org

b. Amendment; Termination. The Parties may amend or terminate this Guaranty only by a written agreement that identifies itself as an amendment to this Guaranty and is signed by an authorized representative of each Party.

c. No Waiver. No waiver of any breach of this Guaranty is a waiver of any other breach, and no waiver is effective unless made in writing and signed by an authorized representative of the waiving Party.

d. Merger; Entire Agreement. This Guaranty constitutes the entire and final agreement between the Parties pertaining to the matters contained in this Guaranty. All prior and contemporaneous negotiations and agreements between the Parties on the matters contained in this Guaranty are expressly merged into and superseded by this Guaranty. In entering into this Guaranty, neither Party relied upon any statement, representation, warranty or agreement of the other Party except for those expressly contained in this Guaranty. There are no conditions precedent to the effectiveness of this Guaranty, other than those expressly stated in this Guaranty.

e. Counterparts. This Guaranty may be executed in any number of counterparts (including facsimile counterparts), each of which constitutes an original, and all of which, collectively, constitute only one agreement.

f. Severability. If any provision of this Guaranty is determined to be invalid, illegal or unenforceable, the remaining provisions of this Guaranty remain in full force, if the essential terms and conditions of this Guaranty for each Party remain valid, binding, and enforceable.

g. Duration. This Guaranty shall continue in full force and effect throughout the term of the Insurance Program and for so long as any of JMMC's obligations under the Insurance Program shall remain. This Guaranty shall survive the merger or consolidation of JMMC into an affiliate or subsidiary of the Guarantor or with any other corporation, or the sale or other disposition of all or substantially all of JMMC's assets, properties or business.

h. Default. The occurrence of any breach, failure to perform or default by JMMC under the Insurance Program shall likewise be deemed an event of default hereunder without any further act by The Hartford. Upon the occurrence of any such breach, failure to perform or default, The Hartford shall have all of the rights against JMMC and/or the Guarantor as are specified in the Insurance Program.

i. Assignment. This Guaranty may not be assigned by either Party without the written consent of the other.

j. Binding Effect; Successors and Assigns. This Guaranty shall be binding upon the Guarantor and shall inure to the benefit of The Hartford, and its successors and assigns.

k. Governing Law; Venue.

(i) The laws of the State of Connecticut, without giving effect to its conflict of laws principles, govern all matters arising out of or relating to this Guaranty, including, without limitation, its interpretation, construction, performance, and enforcement.

(ii) Any Party bringing a legal action or proceeding against any other Party arising out of or relating to this Guaranty shall bring the legal action or proceeding in any state or federal court located within Hartford County, Connecticut.

(iii) Each Party waives, to the fullest extent permitted by law, any objection that it may have based on improper venue or inconvenient forum to the conduct of any such action or proceeding in state or federal court located within Hartford County, Connecticut.

IN WITNESS WHEREOF, The Hartford and Guarantor have caused this instrument to be duly executed by their authorized representatives on dates stated below, but to be effective as of the 31st day of May, 2014.

Hartford Fire Insurance Company
on behalf of itself and its affiliates and subsidiaries

By Gregory Boyle
(Signature) Its Duly Authorized Officer

Gregory Boyle
(Printed/Typed Name)
Assistant Vice President

Date: 5/30/14

Saint Francis Care, Inc.

By John N. Giamalis
(Signature) Its Duly Authorized Officer

John N. Giamalis
(Printed/Typed Name)
Executive Vice President
Title: Chief Administrative Officer

Date: 5/30/14

INSURANCE PROGRAM AGREEMENT AMENDMENT # 1
(hereinafter, "**Amendment**")

entered into by and among

HARTFORD FIRE INSURANCE COMPANY
(hereinafter "**Hartford**")

and

JOHNSON MEMORIAL MEDICAL CENTER, INC.
(hereinafter "**Customer**")

and

SAINT FRANCIS CARE, INC
(hereinafter "**Guarantor**")

Pursuant to

INSURANCE PROGRAM AGREEMENT
(hereinafter "**Agreement**")

Effective
05-31-14
WITNESSETH:

This Insurance Program Agreement Amendment #1 (the "**Amendment**") effective this 31st day of May, 2014 (the "Effective Date") by and among Hartford Fire Insurance Company, a Connecticut corporation having a principal place of business at One Hartford Plaza, Hartford, Connecticut 06155 ("Hartford"), on behalf of itself, its subsidiaries and affiliates, Johnson Memorial Medical Center, Inc., a Connecticut nonstock corporation corporation having a principal place of business at 201 Chestnut Hill Road, Stafford Springs, Connecticut 06076 ("Customer"), and Saint Francis Care, Inc., a Connecticut nonstock corporation having a principal place of business at 114 Woodland Street, Hartford, Connecticut 06105 ("Guarantor"). Hartford, Customer and Guarantor are sometimes hereinafter collectively referred to as the "Parties."

WHEREAS, Customer and Guarantor have engaged in discussions that have resulted in Customer and Guarantor entering into an affiliation agreement that provides Guarantor with the right to cause Customer to be merged with or into Guarantor, or to acquire all of the assets of Customer; and

WHEREAS, Customer's current workers' compensation policy is set to expire on May 31, 2014; and

WHEREAS, Customer and Guarantor have requested that Hartford provide Customer and its affiliates with a large deductible workers' compensation insurance program for the policy period of May 31, 2014 to May 31, 2015 (the "Policy Period"), which program is evidenced, in part, by an insurance policy or policies (the "**Policies**") and the insurance program agreement (the "**Agreement**") that is being amended by this **Amendment** (the **Policies** and the **Agreement** covering the Policy Period are sometimes hereinafter collectively referred to as the "Insurance Program"); and

WHEREAS, in order to induce Hartford to enter into the Insurance Program with Customer, Customer has agreed to fully and finally settle, commute and discharge any and all of its obligations and liabilities under the deductible provisions of the **Policies** on a date certain in the future; and

WHEREAS, pursuant to the terms of the Insurance Program, as amended hereby, Customer's obligations owed to Hartford, include, but are not limited to, the following: (i) the obligation to pay premium, (ii) the obligation to reimburse Hartford for certain deductible amounts paid or advanced by Hartford, (iii) the obligation to provide Hartford with collateral and security for said financial obligations, and (iv) the obligation to commute the Insurance Program on or about May 31, 2019; and

WHEREAS, in order to induce Hartford to enter into the Insurance Program with Customer, Guarantor has agreed to guarantee all of Customer's **Obligations** due and owing to Hartford under the Insurance Program, including, but not limited to, the following: (i) the obligation to pay premium, (ii) the obligation to reimburse Hartford for certain deductible amounts paid or advanced by Hartford, (iii) the obligation to provide Hartford with collateral and security for said **Obligations**, and (iv) the obligation to commute the Insurance Program on or about May 31, 2019; and

WHEREAS, Hartford has consented and Guarantor has agreed to have issued on behalf of Customer a **Letter of Credit** for the benefit of Hartford to secure all of Customer's **Obligations** to Hartford, its affiliates and subsidiaries.

NOW THEREFORE, the parties agree that this **Amendment** shall become a part of the **Agreement**, shall have an effective date of May 31, 2014, and shall be read together with the **Agreement** as one single document. All defined terms in the **Agreement** shall have the same meanings for purposes of this **Amendment**. To the extent that there shall be any conflict between terms and provisions contained in the **Agreement** and those contained herein, the terms and provisions set forth herein shall control.

ARTICLE I – AMENDMENT OF THE INSURANCE AGREEMENT

1. Section 2, **Security, Loss Deposits and Prefunded Loss Reimbursement Amounts** of the **Agreement's** Section III, General Terms And Conditions is hereby amended to add this Paragraph 2.7, **Security Provided On Your Behalf:**

2.7 Security Provided On Your Behalf

2.7.1 Hartford consents to Guarantor providing initial, new, or replacement **Security**, in the form of cash in the initial amount of $1,250,000.00 on or before the close of business on May 30, 2014;

2.7.2 The parties agree that Hartford shall deposit said cash in a **Cash Funds Held Account** and that Hartford shall have the sole right to initiate the use or withdrawal of the cash as required to satisfy Customer's **Obligations** under the **Agreement**. All rights and benefits related to the **Cash Funds Held Account** shall be vested exclusively in Hartford.

2.7.3 On or before June 16, 2014, Guarantor agrees to exchange the cash held in the **Cash Funds Held Account** with a clean, irrevocable **Letter of Credit** in the initial amount of $1,250,000.00, as required under the **Agreement**, on behalf of Customer. Upon receipt of an acceptable **Letter of Credit**, Hartford shall return the cash to Guarantor;

2.7.4 Guarantor, through its signature on this **Amendment**, agrees to provide the initial, new or replacement **Security** on Customer's behalf;

2.7.5 Guarantor and Customer hereby represent and warrant that:

2.7.5.1 Guarantor has received fair consideration from Customer in return for providing such **Security**;

2.7.5.2 Guarantor is solvent, as of the date **Security** was received, and will not be made insolvent by providing such **Security**;

2.7.5.3 Guarantor has obtained all corporate and regulatory consents, approvals and authorizations necessary to permit it to provide the **Security**; and

2.7.5.4 by providing the **Security**, Guarantor will not violate any of its organizational documents, laws or agreements by which the Guarantor is bound or subject.

2.7.6 Guarantor and/or Customer will provide supporting documentation in accordance with Sections 2.7.5.1 and 2.7.5.3 above within thirty (30) days of executing this **Amendment**. Customer agrees that failure to provide supporting documentation constitutes a default under the **Agreement**.

2.7.7 If Hartford is prevented for any reason from using the **Security** provided by Guarantor or if Guarantor fails to adjust **Security** as required under the **Agreement**, Hartford may withdraw its consent to have Guarantor post **Security** on Customer's behalf and require that Customer provide replacement or additional **Security**, subject to all the terms and conditions of the **Agreement**.

2. The following is added as Paragraph 18 of the **Agreement's** Section III, General Terms and Conditions:

18. Commutation of Agreement

18.1 The parties agree to commute this **Agreement** as of May 31, 2019 (the "Commutation Date") subject to all requirements and **Obligations** contained within this Paragraph 18 of the **Agreement**.

18.1.1 As of May 31, 2019, Hartford shall calculate the amount that Customer will be obligated to pay to Hartford to commute the **Agreement** (the "Commutation Amount") as follows:

(i) We will add:
- a) The combined premium, Miscellaneous Charges, and Residual Market Loads for all Policies;
- b) The sum required to satisfy the total additional premium and deductible reimbursements expected due to:
  - (i) *Loss development of incurred and incurred but not reported losses and allocated expense;
  - (ii) Additional Miscellaneous Charges including but not limited to Loss Based Assessments and Residual Market Loads; and

(iii) Additional Claim Service Charges calculated by multiplying 9.5% times the result of the Incurred Loss as developed below.

(ii) From this total above Hartford shall subtract the following:

a) The total premium, Miscellaneous Charges, and Residual Market Loads actually paid to Hartford;

b) Deductible reimbursements and claim expense payments actually remitted to Hartford; and

c) Any return premiums and dividends paid to the Customer.

(iii) The Commutation Amount resulting from calculation of (i) and (ii) above, is subject to a premium tax of 2.0%.

*Loss development will be calculated by multiplying **Incurred Losses** by the applicable loss development factor. The loss development factors for this program are shown in the Section I, Program Structure of the **Agreement**.

18.1.2 No less than ten (10) days prior to the Commutation Date, Hartford shall send an invoice to Customer indicating the Commutation Amount due. In no event will the Commutation Amount exceed $2,190,000 (Basket Maximum Provision for Loss multiplied by the Loss Conversion Factor) minus all **Paid Loss** reimbursements previously paid by Customer to Hartford under the Insurance Program. The parties agree that payment of the Commutation Amount shall be received on or before the Commutation Date. If payment is not received on or before the Commutation Date, then Hartford shall be permitted to draw on the **Letter(s) of Credit** referenced in the **Agreement** to pay the Commutation Amount. The balance of the **Letter(s) of Credit** will be returned to Customer within ten (10) business days after Hartford's receipt of the Commutation Amount

18.2 Simultaneous with the payment of the Commutation Amount by Customer to Hartford, Customer, on behalf of itself and its parent, affiliates, subsidiaries, predecessors, successors, assigns, and each of their past, present and future officers, directors, shareholders, employees, agents, and legal representatives (collectively, the "Customer Entities"), hereby releases, acquits and forever discharges Hartford, its parent, affiliates, subsidiaries, predecessors, successors, assigns, and their past, present and future officers, directors, shareholders, employees, agents, and legal representatives (collectively, the "Hartford Entities") from any and all claims, debts, demands, causes of action, liabilities, obligations, costs, disbursements, fees, attorneys' fees, expenses, damages, and injuries of every kind, nature, and description whether arising at law or in equity, which the Customer Entities (collectively or separately) ever had, now have, or hereinafter may have against the Hartford Entities (collectively or separately), including, without limitation, any and all claims, debts, demands, causes of action, liabilities, obligations, costs, disbursements, fees, attorney's fees, expenses, damages, and injuries of every kind, nature, make and description based on, relating to, or arising out of the handling or settlement of claims under the **Policies**, or the calculation and payment of premium or other amounts due under the provisions of the **Policies**, or any other agreements, relating to the **Policies**.

Notwithstanding the above, Hartford shall continue to provide coverage under the **Policies** and to handle, settle and pay (subject to the last sentence in paragraph 18.3 below) for claims under the terms of the **Policies**. However, the Customer agrees that Hartford will assume sole control of management of all claims subject to the **Agreement** in accordance with the terms of the **Policies**.

18.3 Simultaneous with the payment of the Commutation Amount by Customer to Hartford, Hartford, on behalf of itself and its predecessors, successors, assigns, and their past, present, and future officers, directors, shareholders, employees, agents, and legal representatives, hereby releases, acquits, and forever discharges Customer, its predecessors, successors, assigns, and their past, present, and future officers, directors, shareholders, employees, agents and legal representatives from, any and all claims, debts, demands, causes of action, liabilities, obligations, costs, premiums, disbursements, fees, attorneys' fees, expenses, damages, and injuries of every kind, nature, and description based on, relating to, or arising out of the payment of premium or other amounts due under the **Policies** or the retrospective rating provisions of the **Policies**. The release provisions of this paragraph shall not, however, apply to any claims covered by the **Policies** which are known by or have been reported to the Customer as of the Commutation Date, but have not been reported to Hartford.

18.4 The release provisions contained in 18.2 and 18.3 above shall not apply to claims under the **Policies** that are specifically described and listed below:

18.4.1 "Health Hazard (such as, but not limited to asbestos, silica, benzene, etc.) " as determined by the Environmental Protection Agency which shall mean all Claims asserting any actual, potential, threatened, or alleged bodily injury, disease, personal injury, or other damage to human life arising from or relating to any "Health Hazard (such as, but not limited to asbestos, silica, benzene, etc.) " in any form; and all losses or costs arising from or relating to any of the foregoing, including but not limited to any and all past, present, and future costs, benefits, payments, and damages incurred, directly or indirectly, for investigation, testing, study, or arising from the actual or alleged failure to investigate, test, study, or as statutory fines or penalties, or as damages for bodily injury, personal injury or other damage to any Person, or as attorneys' fees, other costs of defense, or court or agency costs involving, arising out of, or related in any way to any of the foregoing.

All other terms and conditions under the **Agreement** remain the same.

ARTICLE II - REPRESENTATIONS AND WARRANTIES

1. The parties to this **Amendment** hereby represent and warrant that:

   a. All judicial, statutory, regulatory, administrative, and/or ministerial actions necessary for the execution, delivery, and performance of this **Amendment** by each party have been or will be duly taken, and that no further action, consent, or approval of any person, entity, court, or other governmental authority is required by either party for the lawful execution or delivery of this **Amendment** or the lawful performance and consummation of the transactions contemplated herein.

b. The individual executing this **Amendment** on behalf of each party has the full legal right, power, and authority to execute and deliver the **Amendment** on behalf of such party.

2. Hartford, Customer and Guarantor further agree and stipulate that they have completely read, fully understand, and voluntarily accept the terms of this **Amendment**, and that:

   a. By entering into this **Amendment**, neither Hartford, nor Customer, nor Guarantor is making any representations as to any fact or circumstance other than those contained within this **Amendment**;

   b. Neither Hartford, nor Customer, nor Guarantor is relying upon the other, nor upon any person, third party, or anything other than its own independent knowledge and judgment and the advice of its own counsel in entering into this **Amendment**; and

   c. Hartford, Customer, and Guarantor acknowledge that there is a risk that subsequent to execution of this **Amendment** certain facts, circumstances, or legal decisions may be discovered, established or adjudicated which were different from, less than, or greater than that believed or known by one of the parties hereto at the time of the execution of this **Amendment**. It is further understood that Hartford, Customer, and Guarantor hereby assume such risk and agree that this **Amendment** shall apply under any such different or unanticipated conditions.

ARTICLE III - CONFIDENTIALITY AND NONDISCLOSURE

1. Hartford, Customer, and Guarantor hereby expressly agree that the terms and conditions of this **Amendment** shall be confidential between the parties and shall not be disclosed by either party except for their Auditors, Attorneys and/or Lenders without the prior written consent of the other, except where required by a court order, administrative tribunal, regulatory body, or arbitration panel.

2. In the event disclosure is to be made pursuant to this section, the disclosing party shall take all steps necessary to preserve the confidentiality of such information, including giving prior written notice to the other party, specifying the information to be disclosed, the manner of disclosure, and to whom disclosure is to be made. The other, non-disclosing, party shall be provided a reasonable opportunity to oppose such disclosure.

3. Any third party to whom disclosure is made shall be bound by this section and shall so state in writing to the parties hereto prior to disclosure.

[REMAINDER OF PAGE BLANK -- SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have caused this **Amendment** to be duly executed by their authorized representatives on dates stated below, but to be effective as of the 31st day of May, 2014.

Hartford Fire Insurance Company
on behalf of itself and its affiliates and subsidiaries

By _____
(Signature) Its Duly Authorized Officer

Gregory Forysey
(Printed/Typed Name)
Assistant Vice President

Date: 5/30/14

Johnson Memorial Medical Center, Inc.

By _____
(Signature) Its Duly Authorized Officer

Stuart E. Rosenberg
(Printed/Typed Name)

Title: President / CEO

Date: 5/30/14

Saint Francis Care, Inc.

By _____
(Signature) Its Duly Authorized Officer

John N. Giamalis
(Printed/Typed Name)

Title: Executive Vice President
Chief Administrative Officer

Date: 5/30/14

EXHIBIT 12

FY 2014
JMMC Discharges by Service Area

Primary Service Area

Town	Total Discharges	% of ttl
ENFIELD	1,289	40.53%
STAFFORD+UNION+S.SPRG	663	20.85%
SOMERS	294	9.25%
SUFFIELD	158	4.97%
subttl	2,404	75.60%

Secondary Service Area

Town	Total Discharges	% of ttl
WINDSOR LOCKS	123	3.87%
EAST WINDSOR	96	3.02%
WILLINGTON	62	1.95%
ELLINGTON	57	1.79%
VERNON	32	1.01%
TOLLAND	27	0.85%
WINDSOR	22	0.69%
ASHFORD	22	0.69%
MIDDLETOWN	19	0.60%
subttl	460	14.47%
Primary and Secondary Service Area total	2,864	90.06%
Other towns	316	9.94%
Grand Total	3,180	100.00%

JMMC Service Area	Total Population				65+ Total Population			
Primary Service area	**Year 2015**	**Year 2020**	**diff**	**% chng**	**Year 2015**	**Year 2020**	**diff**	**% chng**
ENFIELD	44,392	44,278	(114)	-0.26%	7,064	7,799	735	10.40%
STAFFORD+UNION+S.SPRG	12,499	12,396	(103)	-0.82%	1,986	2,317	331	16.67%
SOMERS	11,411	11,240	(171)	-1.50%	1,713	1,965	252	14.71%
SUFFIELD	16,100	16,452	352	2.19%	2,577	3,027	450	17.46%
subttl	84,402	84,366	(36)	-0.04%	13,340	15,108	1,768	13.25%
	Total Population				**65+ Total Population**			
Secondary Service area	**Year 2015**	**Year 2020**	**diff**	**% chng**	**Year 2015**	**Year 2020**	**diff**	**% chng**
WINDSOR LOCKS	12,823	13,118	295	2.30%	2,244	2,592	348	15.51%
EAST WINDSOR	11,497	11,813	316	2.75%	1,988	2,330	342	17.20%
WILLINGTON	5,928	5,820	(108)	-1.82%	806	995	189	23.45%
ELLINGTON	15,860	16,193	333	2.10%	2,260	2,762	502	22.21%
VERNON	28,914	28,804	(110)	-0.38%	5,107	5,666	559	10.95%
TOLLAND	15,025	14,985	(40)	-0.27%	2,176	2,630	454	20.86%
WINDSOR	28,989	29,009	20	0.07%	5,032	5,882	850	16.89%
ASHFORD	4,294	4,222	(72)	-1.68%	596	756	160	26.85%
MIDDLETOWN	47,617	47,743	126	0.26%	7,046	7,880	834	11.84%
subttl	170,947	171,707	760	0.44%	27,255	31,493	4,238	15.55%
Primary & Secondary	255,349	256,073	724	0.28%	40,595	46,601	6,006	14.79%

source: Claritas

Age and Gender Distribution
JMMC Service Area

Primary Service Area	Year 2015 Male	Year 2020 Male	Diff	% chng	Year 2015 Female	Year 2020 Female	Diff	% chng	Year 2015 Total	Year 2020 Total	Diff	% chng
0-17	7,980	7,408	(572)	-7.17%	7,644	7,126	(518)	-6.78%	15,624	14,534	(1,090)	-6.98%
18-24	4,806	4,801	(5)	-0.10%	3,191	3,253	62	1.94%	7,997	8,054	57	0.71%
25-44	13,232	13,360	128	0.97%	8,800	8,841	41	0.47%	22,032	22,201	169	0.77%
45-64	13,247	12,672	(575)	-4.34%	12,162	11,797	(365)	-3.00%	25,409	24,469	(940)	-3.70%
65+	5,817	6,705	888	15.27%	7,523	8,403	880	11.70%	13,340	15,108	1,768	13.25%
Total	45,082	44,946	(136)	-0.30%	39,320	39,420	100	0.25%	84,402	84,366	(36)	-0.04%

Secondary Service Area	Year 2015 Male	Year 2020 Male	Diff	% chng	Year 2015 Female	Year 2020 Female	Diff	% chng	Year 2015 Total	Year 2020 Total	Diff	% chng
0-17	17,055	16,153	(902)	-5.29%	16,384	15,558	(826)	-5.04%	33,439	31,711	(1,728)	-5.17%
18-24	8,171	8,139	(32)	-0.39%	7,778	7,741	(37)	-0.48%	15,949	15,880	(69)	-0.43%
25-44	21,280	21,207	(73)	-0.34%	22,412	21,806	(606)	-2.70%	43,692	43,013	(679)	-1.55%
45-64	24,514	23,949	(565)	-2.30%	26,098	25,661	(437)	-1.67%	50,612	49,610	(1,002)	-1.98%
65+	11,822	13,792	1,970	16.66%	15,433	17,701	2,268	14.70%	27,255	31,493	4,238	15.55%
Total	82,842	83,240	398	0.48%	88,105	88,467	362	0.41%	170,947	171,707	760	0.44%

Total Service Area	Year 2015 Male	Year 2020 Male	Diff	% chng	Year 2015 Female	Year 2020 Female	Diff	% chng	Year 2015 Total	Year 2020 Total	Diff	% chng
0-17	25,035	23,561	(1,474)	-5.89%	24,028	22,684	(1,344)	-5.59%	49,063	46,245	(2,818)	-5.74%
18-24	12,977	12,940	(37)	-0.29%	10,969	10,994	25	0.23%	23,946	23,934	(12)	-0.05%
25-44	34,512	34,567	55	0.16%	31,212	30,647	(565)	-1.81%	65,724	65,214	(510)	-0.78%
45-64	37,761	36,621	(1,140)	-3.02%	38,260	37,458	(802)	-2.10%	76,021	74,079	(1,942)	-2.55%
65+	17,639	20,497	2,858	16.20%	22,956	26,104	3,148	13.71%	40,595	46,601	6,006	14.79%
Total	127,924	128,186	262	0.20%	127,425	127,887	462	0.36%	255,349	256,073	724	0.28%

source: Claritas

FY 2014
Saint Francis Hospital and Medical Center Total Discharges

Town	Discharges	% of total
Primary Service area		
HARTFORD	6,912	22.12%
EAST HARTFORD	2,236	7.16%
WEST HARTFORD	2,112	6.76%
BLOOMFIELD	1,522	4.87%
ENFIELD	1,463	4.68%
MANCHESTER	1,424	4.56%
WINDSOR	1,350	4.32%
SOUTH WINDSOR	718	2.30%
VERNON	685	2.19%
WINDSOR LOCKS	674	2.16%
SIMSBURY	638	2.04%
WETHERSFIELD	626	2.00%
GLASTONBURY	586	1.88%
BRISTOL	576	1.84%
NEWINGTON	535	1.71%
ROCKY HILL	529	1.69%
SUFFIELD	519	1.66%
NEW BRITAIN	484	1.55%
subttl	23,589	75.49%
Secondary Service area	Discharges	% of total
EAST WINDSOR	476	1.52%
AVON	406	1.30%
FARMINGTON	312	1.00%
GRANBY	308	0.99%
ELLINGTON	260	0.83%
STAFFORD+UNION+S.SPRG	232	0.74%
TOLLAND	229	0.73%
CANTON	214	0.68%
SOMERS	210	0.67%
SOUTHINGTON	183	0.59%
MIDDLETOWN	181	0.58%
EAST GRANBY	173	0.55%
WATERBURY	173	0.55%
COVENTRY	164	0.52%
subttl	3,521	11.27%
P&S Service Area	27,110	86.76%
Other towns	4,138	13.24%
GT	31,248	100.00%

Saint Francis Service Area	Total Population				65+ Total Population			
Primary Service area	Year 2015	Year 2020	diff	% chng	Year 2015	Year 2020	diff	% chng
HARTFORD	125,141	125,473	332	0.27%	12,576	14,432	1,856	14.76%
EAST HARTFORD	51,012	51,157	145	0.28%	7,552	8,596	1,044	13.82%
WEST HARTFORD	62,925	63,150	225	0.36%	11,722	13,128	1,406	11.99%
BLOOMFIELD	20,693	20,954	261	1.26%	5,218	5,819	601	11.52%
ENFIELD	44,392	44,278	(114)	-0.26%	7,064	7,799	735	10.40%
MANCHESTER	59,250	60,253	1,003	1.69%	8,461	9,825	1,364	16.12%
WINDSOR	28,989	29,009	20	0.07%	5,032	5,882	850	16.89%
SOUTH WINDSOR	26,049	26,277	228	0.88%	4,427	5,217	790	17.85%
VERNON	28,914	28,804	(110)	-0.38%	5,107	5,666	559	10.95%
WINDSOR LOCKS	12,823	13,118	295	2.30%	2,244	2,592	348	15.51%
SIMSBURY	23,297	23,193	(104)	-0.45%	3,786	4,501	715	18.89%
WETHERSFIELD	27,073	26,789	(284)	-1.05%	5,840	6,303	463	7.93%
GLASTONBURY	34,938	35,467	529	1.51%	5,766	6,834	1,068	18.52%
BRISTOL	60,225	60,184	(41)	-0.07%	9,679	10,874	1,195	12.35%
NEWINGTON	30,603	30,946	343	1.12%	6,119	6,804	685	11.19%
ROCKY HILL	20,055	20,413	358	1.79%	3,885	4,412	527	13.56%
SUFFIELD	16,100	16,452	352	2.19%	2,577	3,027	450	17.46%
NEW BRITAIN	72,673	72,392	(281)	-0.39%	9,036	10,134	1,098	12.15%
subttl	745,152	748,309	3,157	0.42%	116,091	131,845	15,754	13.57%
	Total Population				65+ Total Population			
Secondary Service Area	Year 2015	Year 2020	diff	% chng	Year 2015	Year 2020	diff	% chng
EAST WINDSOR	11,497	11,813	316	2.75%	1,988	2,330	342	17.20%
AVON	19,004	19,458	454	2.39%	3,612	4,316	704	19.49%
FARMINGTON	18,106	18,456	350	1.93%	3,659	4,265	606	16.56%
GRANBY	11,377	11,398	21	0.18%	1,830	2,227	397	21.69%
ELLINGTON	15,860	16,193	333	2.10%	2,260	2,762	502	22.21%
STAFFORD+UNION+S.SPRG	12,499	12,396	(103)	-0.82%	1,986	2,317	331	16.67%
TOLLAND	15,025	14,985	(40)	-0.27%	2,176	2,630	454	20.86%
CANTON	10,640	10,976	336	3.16%	1,866	2,219	353	18.92%
SOMERS	11,411	11,240	(171)	-1.50%	1,713	1,965	252	14.71%
SOUTHINGTON	43,868	44,832	964	2.20%	8,493	9,785	1,292	15.21%
MIDDLETOWN	47,617	47,743	126	0.26%	7,046	7,880	834	11.84%
EAST GRANBY	5,142	5,268	126	2.45%	809	957	148	18.29%
WATERBURY	108,806	107,644	(1,162)	-1.07%	14,734	16,259	1,525	10.35%
COVENTRY	12,266	12,180	(86)	-0.70%	1,697	2,129	432	25.46%
subttl	343,118	344,582	1,464	0.43%	53,869	62,041	8,172	15.17%
Primary & Secondary	1,088,270	1,092,891	4,621	0.42%	169,960	193,886	23,926	14.08%

source: Claritas

Age and Gender Distribution
Saint Francis Service Area

Primary Service Area	Year 2015 Male	Year 2020 Male	Diff	% chng	Year 2015 Female	Year 2020 Female	Diff	% chng	Year 2015 Total	Year 2020 Total	Diff	% chng
0-17	82,002	78,778	(3,224)	-3.93%	78,847	75,924	(2,923)	-3.71%	160,849	154,702	(6,147)	-3.82%
18-24	36,695	37,382	687	1.87%	34,467	34,733	266	0.77%	71,162	72,115	953	1.34%
25-44	95,926	95,924	(2)	0.00%	97,199	95,174	(2,025)	-2.08%	193,125	191,098	(2,027)	-1.05%
45-64	97,819	95,106	(2,713)	-2.77%	106,106	103,443	(2,663)	-2.51%	203,925	198,549	(5,376)	-2.64%
65+	48,302	55,685	7,383	15.29%	67,789	76,160	8,371	12.35%	116,091	131,845	15,754	13.57%
Total	360,744	362,875	2,131	0.59%	384,408	385,434	1,026	0.27%	745,152	748,309	3,157	0.42%

Secondary Service Area	Year 2015 Male	Year 2020 Male	Diff	% chng	Year 2015 Female	Year 2020 Female	Diff	% chng	Year 2015 Total	Year 2020 Total	Diff	% chng
0-17	38,105	35,791	(2,314)	-6.07%	36,643	34,554	(2,089)	-5.70%	74,748	70,345	(4,403)	-5.89%
18-24	16,606	17,284	678	4.08%	15,318	16,077	759	4.95%	31,924	33,361	1,437	4.50%
25-44	40,585	40,360	(225)	-0.55%	42,216	40,544	(1,672)	-3.96%	82,801	80,904	(1,897)	-2.29%
45-64	48,498	47,256	(1,242)	-2.56%	51,278	50,675	(603)	-1.18%	99,776	97,931	(1,845)	-1.85%
65+	23,334	27,117	3,783	16.21%	30,535	34,924	4,389	14.37%	53,869	62,041	8,172	15.17%
Total	167,128	167,808	680	0.41%	175,990	176,774	784	0.45%	343,118	344,582	1,464	0.43%

Total Service Area	Year 2015 Male	Year 2020 Male	Diff	% chng	Year 2015 Female	Year 2020 Female	Diff	% chng	Year 2015 Total	Year 2020 Total	Diff	% chng
0-17	120,107	114,569	(5,538)	-4.61%	115,490	110,478	(5,012)	-4.34%	235,597	225,047	(10,550)	-4.48%
18-24	53,301	54,666	1,365	2.56%	49,785	50,810	1,025	2.06%	103,086	105,476	2,390	2.32%
25-44	136,511	136,284	(227)	-0.17%	139,415	135,718	(3,697)	-2.65%	275,926	272,002	(3,924)	-1.42%
45-64	146,317	142,362	(3,955)	-2.70%	157,384	154,118	(3,266)	-2.08%	303,701	296,480	(7,221)	-2.38%
65+	71,636	82,802	11,166	15.59%	98,324	111,084	12,760	12.98%	169,960	193,886	23,926	14.08%
Total	527,872	530,683	2,811	0.53%	560,398	562,208	1,810	0.32%	1,088,270	1,092,891	4,621	0.42%

source: Claritas

EXHIBIT 13

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0054

General Hospital

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

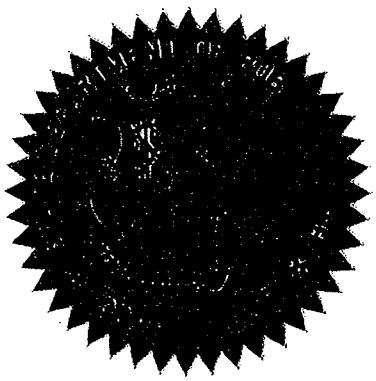
Saint Francis Hospital and Medical Center of Hartford, CT d/b/a Saint Francis Hospital and Medical Center is hereby licensed to maintain and operate a General Hospital.

Saint Francis Hospital and Medical Center is located at 114 Woodland Street and 500 Blue Hills Avenue, Hartford, CT 06105.

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

65 Bassinets
617 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, MD, MPH, MPA
Commissioner

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 17CD

Chronic Disease Hospital

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

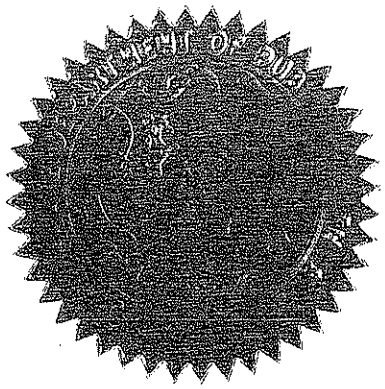
Mount Sinai Rehabilitation Hospital, Inc. of Hartford, CT d/b/a Mount Sinai Rehabilitation Hospital, Inc. is hereby licensed to maintain and operate a Chronic Disease Hospital.

Mount Sinai Rehabilitation Hospital, Inc. is located at 490 Blue Hills Avenue, Hartford, CT 06112.

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

60 Licensed Beds

This license expires **March 31, 2017** and may be revoked for cause at any time.
Dated at Hartford, Connecticut, April 1, 2015. RENEWAL.



Jewel Mullen, MD, MPH, MPA
Commissioner

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0033

General Hospital

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

Johnson Memorial Hospital, Inc. of Stafford Springs, CT d/b/a Johnson Memorial Hospital is hereby licensed to maintain and operate a General Hospital.

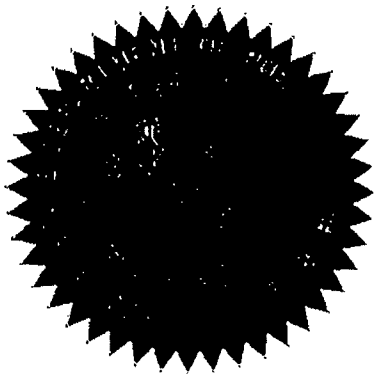
Johnson Memorial Hospital is located at 201 Chestnut Hill Road, Stafford Springs, CT 06076-4005.

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

9 Bassinets
92 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:
JMH Behavioral Health Services, 153 Hazard Avenue, Enfield, CT
JMH Outpatient Surgery at JSC, 148 Hazard Avenue, Enfield, CT



Jewel Mullen, MD, MPH, MPA
Commissioner

EXHIBIT 14

CHRISTOPHER M. DADLEZ, FACHE

HOME:
9 Cobtail Way
Simsbury, CT 06070
(860) 2167-1648
CDadlez@aol.com

OFFICE:
Saint Francis Hospital and Medical Center
114 Woodland Street, Hartford, CT 06105
(860) 714-5541 Fax (860) 714-7920
CDadlez@stfranciscare.org

SUMMARY

A healthcare career of 30 years successfully leading and managing large, complex organizations.

PROFESSIONAL EXPERIENCE

PRESIDENT AND CHIEF EXECUTIVE OFFICER
Saint Francis *Care*, Inc.
Saint Francis Hospital and Medical Center
(2004 to present)

Saint Francis Hospital and Medical Center has been an anchor institution in North Central Connecticut since its founding in 1897 by the Sisters of Saint Joseph. Licensed for 617 beds, it is one of the largest hospitals in Connecticut and is the largest Catholic hospital in New England. We are a multidisciplinary, leading-edge teaching hospital.

Saint Francis affiliated with Mount Sinai Hospital in 1990 to create a new regional healthcare system. This was the first recorded instance of a merger between a Catholic hospital and a Jewish hospital in United States history. In October 1995, the two institutions completed a formal corporate merger.

A regional referral center, Saint Francis provides sophisticated, contemporary medicine with major clinical concentrations in cardiology, orthopedics, oncology, orthopedics, women's services and rehabilitation. The achievement of excellence is emphasized through centers of excellence, which focus on quality, caring and the dignity of every patient.

Saint Francis has been named a Solucient "Top 100 Hospital" seven times, a "Top 100 Cardiac Program" three times, and a "Top 100 Performance Improvement Hospital" twice. It is also the recipient of the Leapfrog Top 50 Hospitals award and has been recognized by Care Science Top 1% of all hospitals in clinical outcomes.

PRESIDENT AND CHIEF EXECUTIVE OFFICER
CSAHS/UHHS-Canton, Inc.
Mercy Medical Center
(2000-2003)
CSAHS/UHHS, Inc. is the not-for-profit Partnership representing the Sisters of Charity of St. Augustine Health System (CSAHS) and University Hospitals Health System (UHHS) of Cleveland. The Partnership operates Mercy Medical Center in Canton, Ohio and its regional health centers in North Canton, Carrollton, Jackson Township, Louisville, and Dover, Ohio

Responsible for efficient and effective operation and strategic direction of the organization reporting directly to the Partnership Board.

Mercy Medical Center was named a "Top 100 Hospital" for 2001 and 2002, Top 100 Cardiovascular Services Hospital for 2001 and 2002 and a Top 50 U.S. News & World Report Best Hospital for cardiovascular services for 2001 and 2002. In 2001 Mercy received the prestigious AHA Nova Award for innovative community outreach programs. For the last three years Mercy has attained record numbers in admissions, outpatient visits, net revenue and productivity.

CHRISTOPHER M. DADLEZ, FACHE

EXECUTIVE VICE PRESIDENT
Saint Barnabas Health Care System
(1996 to 2000)
Parent company of the largest healthcare provider in New Jersey. This 2 billion-dollar annual revenue company consists of ten acute-care hospitals, one children's hospital, 48 ambulatory centers, 23,000 employees, 4,000 physicians and 450 medical residents.

Member of the Office of the President/Executive Management Committee. Responsible for the strategic direction and centralized management of this dynamic organization. System-wide responsibilities include all clinical integration, development of center(s) of excellence, product line operations, marketing and development, and graduate medical education.

PRESIDENT AND CHIEF EXECUTIVE OFFICER
MID-ATLANTIC HEALTH GROUP
Parent company of Monmouth Medical Center. Monmouth Health Care foundation: Mid-Atlantic Health Care: Monmouth Chemical Dependency Treatment Center, MA Resources and Monmouth Medical Surgi Center, Inc. Merged this holding company with two other organizations to form the new Saint Barnabas Health Care System.

PRESIDENT AND CHIEF EXECUTIVE OFFICER
MONMOUTH MEDICAL CENTER
(1992-1996)
Responsible for the efficient and effective operation and strategic direction for this 526-bed community teaching hospital (with 2,000 FTEs and an operating budget of $170 million). Affiliated with the Medical College of Pennsylvania and Hahnemann University

EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER
SINAI HOSPITAL BALTIMORE, MD
(1986-1992)
EXECUTIVE VICE PRESIDENT

SINAI HEALTH SERVICES
(1986-1992)
VICE PRESIDENT
(1984-1986)
Responsible for the day-to-day operation of this 467-bed teaching hospital and medical center. Affiliated with the Johns Hopkins Medical School and with an operating budget exceeding $190 million and 2,700 FTEs. All aspects of this organization reported to the COO with the exception of Finance. Advised the President on operational and strategic policy. Member of Medical Staff and Board Executive Committees. Served as Chief Operating Officer of holding company, which had responsibility for all hospital-affiliated corporations. Acted as CEO during absence of President.

ASSISTANT ADMINISTRATOR
GREATER LAUREL BELTSVILLE HOSPITAL
LAUREL, MD
(1981-1984)
Assistant Administrator of 236-bed acute-care facility which was part of a 900-bed multi-unit system.

ASSISTANT ADMINISTRATOR
WAYNESBORO HOSPITAL
WAYNESBORO, PA.
(1979-1981)
Acting CEO from 1979 to 1980 while recruiting permanent CEO. Responsible for managing all operations of the hospital

ADMINISTRATIVE FELLOW – 4/79-12/79
ADMINISTRATIVE RESIDENT – 8/78-7/79
EVENING ADMINISTRATOR – 7/77-8/78
RICHMOND MEMORIAL HOSPITAL
RICHMOND, VA.

CHRISTOPHER M. DADLEZ, FACHE

EDUCATION

Loyola College, Baltimore, MD
Advanced Graduate Course in Business and Finance
Medical College of Virginia, Virginia Commonwealth University
Richmond, VA Masters in Hospital Administration 1979
University of New Hampshire, Durham NH
Bachelor of Arts, Biology 1975

MEMBERSHIPS & APPOINTMENTS

Alliance of Independent Academic Medical Centers (AIAMC)
Board of Directors and Executive Committee – 2005 to present
American College of Healthcare Executives (ACHE) – Fellow – 1990 to present
American Hospital Association Regional Policy Board – Alternate Delegate and Delegate – 2007 to present
American Hospital Association Equity of Care Committee – 2011
American Hospital Association Fellow in Healthcare Reform - 2011
Association of American Medical Colleges (AAMC) – Member – 1984 to present
Business Hall of Fame – 2011
Council of Teaching Hospitals and Health Systems (COTH) – Member – 1984 to present
Council for Accreditation of Health Management Education – Surveyor – 2006 to present
Catholic Health Association (CHA) – Member – 2000 to present
Connecticut Hospital Association – Board of Directors – 2006 to present
Chairman, Board of Directors – 2010 to present
Vice Chairman, Board of Directors – 2008 to 2010
Chairman, Finance Committee – 2006 to present
Capital Area Health Consortium – Member – 2004 to present
Connecticut Catholic Hospital Council – Member – 2004 to present
Connecticut Catholic Conference – Member – 2004 to present
Governor's Task Force on Hospital Reform – Member – June to December 2007
Governor's Connecticut Healthcare Reform Advisory Board – 2009-2010
Medical College of Virginia, Department of Healthcare Administration
Alumni Executive Committee and Past President
Adjunct Faculty/Lecturer/Preceptor

Ohio Hospital Association
Research & Education Foundation Board of Directors 2001 to 2003
Committee on Workforce Crisis Board of Directors 2001 to 2003
Akron Regional Hospital Assoc. Board of Directors 2003
University Hospitals Regional Network Board of Directors 2000 to 2003
Premier Health Alliance – Chicago, IL – Board of Trustees and various committees (1993 to 1996)
New Jersey Hospital Association (1993 to 2000)
NJHA – Treasurer
NJHA – Chairman, Finance Committee
NJHA – Investment Committee
NJHA – Chairman of the Political Action Committee
NJHA – Member of the Board of Trustees/Executive Committee
NJHA – Member of Health, Research and Educational Trust of New Jersey – Board of Directors
NJHA – Member for Center for Health Affairs Board
NJHA – Past Chairman, Integrated Delivery System Committee
NJHA – Past Chairman, Committee on Managed Care
NJHA – Member of Visioning and Strategic Planning Committee
NJHA – Member of Select Committee for Development of New Payment System
NJHA – Member of Membership Committee
NJHA – Member of Executive Compensation Committee
New Jersey Joint Teaching Hospital Forum
First Option Health Plan of New Jersey, Founder/Board of Trustees/Executive Committee
Council of Teaching Hospitals – Delegate to American Association of Medical Colleges

CHRISTOPHER M. DADLEZ, FACHE

American Hospital Association – Political Action Delegate
Johns Hopkins University, Department of Healthcare Administration
Adjunct Faculty/Lecturer/Preceptor

ITEMS OF NOTE

Served as faculty member and speaker at many national healthcare conferences and have appeared on television and radio programs to discuss all aspects of the healthcare field. In 1992 received the CAPE award for the finest healthcare program aired on cable television in New Jersey.

CONNECTICUT COMMUNITY SERVICE

Governor's Council on Economic Competitiveness and Technology	Member	2006 to present
MetroHartford Alliance	Board of Directors	
Diversity and Inclusion Committee	Chairman	2005 to present
Malta House of Care	Board of Directors	2006 to present
Mayor's Healthy Communities Initiative	Member	2005 to present
Committee to End Chronic Homelessness	Member	2005 to 2006
Greater Hartford Arts Council	Member	2006 to present
Bushnell Ovations Committee	Member	2005 to 2006

OHIO COMMUNITY SERVICE

United Way	Board of Directors	2001 to 2004
Catholic Charities	Board of Directors	2001 to 2004
Walsh University	Board of Directors	2001 to 2004
Boy Scouts of America	Board of Directors	2001 to 2004
Canton Central Catholic High School	Board of Directors	2001 to 2004
YMCA	Board of Directors	2001 to 2004
Stark County Development Board	Board of Directors	2001 to 2004

PRIOR COMMUNITY SERVICE

Asbury Park Soup Kitchen
American Cancer Society
American Heart Association – 1995 Service Award
Catholic Charities
Founder and Chairman, Long Branch Tomorrow
Ronald McDonald House – Board of Trustees
Monmouth Chemical Dependency Center – Board of Trustees
Long Branch Chamber of Commerce – Board of Directors
Children's Psychiatric Center
Girl Scouts – Monmouth Council
Juvenile Diabetes Foundation – Chaired 1996 "Walk for the Cure"
Honored as Long Branch "Man of the Year 1994"
March of Dimes – Chaired "Walk America"
Monmouth University
United Cerebral Palsy – 1995 Service Award
Honored in 1996 by the Urban League with the Founder's Award

PERSONAL

Born June 16, 1953
Married 34 years to Eileen
Children: Nina age 26 Greg age 24

HOBBIES

Tennis, running, soccer, reading, French

STUART E. ROSENBERG
289 Hill Street, Bristol, Connecticut 06010
Home: (860) 584-8845 Cell: (860) 463-8811 Email: stuartrosenberg44@gmail.com

EXECUTIVE PROFILE

- **Senior Level Executive** with over twenty-five (28) years experience in general administrative management, inclusive of President & CEO level, in large Top 100 and Leap Frog designated Academic Healthcare System with $720M gross revenue and 6600 employees. An accomplished visionary leader with extensive knowledge in hospital operations, affiliations/mergers, business development, government relations, strategic planning, physician/hospital relations, human resources, i.e. recruitment, executive compensation, benefits, and HR systems, and employee/labor relations.

- **Proven change agent and visionary leader** and recognized Human Resources professional. Appointed as Senior Vice President of Human Resources and Chief Operating Officer following departure of President and CEO. Implemented several programs to stabilize the work environment and improve efficiency, quality of services rendered, and reduce expenses due to prior year losses. Improved employee morale and patient satisfaction. Goal oriented, energetic leader who motivates subordinates and works hands-on to promote creative problem solving through consensus. Recognized for strength in leadership and ability to identify improvement opportunities by applying broad scope and analytical skills. Known as a solid team player that effectively builds trusting relationships with open and honest communication. Leads by example with highest standards for expectations, performance, and results.

- **Recognized within the State and nationally** as an accomplished Human Resources professional. As President of Connecticut Healthcare and Human Resources Association, received national award for Chapter President of the Year. Extremely knowledgeable in all areas of Human Resource management, such as compensation, benefits, employee/labor relations, recruitment and employment, leadership development, organizational change and strategic planning.

CORE QUALIFICATIONS

- Hospital Operations
- Organizational Change/Turnaround
- Strategic Planning
- Business Development/Affiliations
- Human Resource Management/Employee Communications
- Contract Negotiations
- Team Building and Leadership Development
- Compensation and Benefits
- Recruitment and Employment

PROFESSIONAL EXPERIENCE

Saint Francis Care System
Hartford, Connecticut

President & CEO, Johnson Memorial Medical Center **3/25/13 to Present**
As part of Saint Francis Care System, responsible for overseeing the operating and financial performance of Johnson Memorial Medical Center (JMMC) and its affiliates. Led a turnaround of JMMC by reducing expenses, improving volume and partnering with Saint Francis. This resulted in going from a five (5) million dollar loss to a projected three (3) million dollar gain from operations. Serve on several Community Boards, and developed a revised Strategic Plan in conjunction with Saint Francis Care.

Executive Director North Campus **10/1/10 to 3/24/13**
Responsible for the coordination/operations of the North Campus of Saint Francis Hospital and Medical Center. The campus includes the Mount Sinai Rehabilitation Hospital, Behavioral Health Services, Wound Care Center, Hyperbaric Medicine, Ambulatory Surgery, Long Term Acute Care Program, DaVita Dialysis, Multiple Sclerosis Center, and Burgdorf/Bank of America Health Center. The coordination includes community representation, facility management, The Joint Commission and regulatory compliance. Also responsible for overseeing Human Resources functions such as corporate benefits, and employee/labor relations which is included in the description for Director of Human Resources.

***Overall Results*:** Successful TJC and State inspections.

Director of Human Resources **1/08 to 3/24/13**
As a member of the Human Resources Team responsible for the Human Resource Operations on the North Campus of Saint Francis Hospital and Medical Center. Such Human Resources business partner services include employee and labor relations, executive compensation/benefits and system corporate benefits (5500 employees), behavioral health recruitment, labor contract negotiations, site Human Resources communications, site Human Resources services coordination, site management training, and other strategic initiatives.

***Overall Results*:** Saved in excess of $10 million dollars in corporate benefits. Negotiated new three (3) year labor contract with 1199.

Senior Vice President /Human Resources and COO **1/06-5/07**
As a member of the Senior Management Team at Bristol Hospital an affiliate of Saint Francis, responsible for overall hospital operations with oversight of Patient Care Services, Emergency Services, Radiology, and Laboratory Services. Also responsible for critical support services such as Facilities, Environmental Services, and Food Service. Other areas of oversight included Human Resources, Volunteer Services, Occupational Health, Hospitalists, Management Service Organization, Wellness Center, Physician Relations and Recruitment, affiliations including Saint Francis shared services and Government Relations. Provided labor relations support to Saint Francis Hospital and Medical Center. Bristol had gross revenues in excess of $120M and 1600 employees.

***Overall Results*:** Improved bottom line via expense reductions and revenue enhancement by $1.8M. Hospital achieved budget for the first quarter of FY2007. Exceeded budgeted revenue for the first time in three (3) years. Froze the Defined Benefit Plan projected one-time savings of $8.5M. Established a Defined Contribution Plan and match program.

Successfully negotiated a three (3) year labor contract for Saint Francis Hospital and Medical Center resulting in a savings of $875,000.

Vice President of Human Resources and Administrative Services 12/99-1/06
As a member of the Senior Management Team at Bristol Hospital Health System, responsible for all aspects of Human Resources, i.e., compensation, benefits, employment, employee and labor relations for a workforce of 1,600 employees. Operational oversight for physician recruitment and contracts, Laboratory Services, Occupational Health/Workers Compensation Company with Saint Francis, new business development, and leadership education. Also provided labor relations support to Saint Francis Hospital and Medical Center, and served as the Affiliations Coordinator which included responsibilities for managing the Saint Francis relationship with Bristol Hospital.

***Overall Results*:** Achieved break even budget within division. Implemented enhanced benefit changes and improved benefit expense by over $1M. Developed a comprehensive recruitment and compensation program reducing turnover by over 25%. Vacancy rate improved by 8%.

Director of Human Resources 5/98-12/99
Responsibilities included the executive compensation and bonus program, benefits, recruitment and employment. Served as the Affiliations Coordinator for Bristol Hospital which manages the relationship with Saint Francis. (North Campus) Provided labor relations for Saint Francis Hospital and Medical Center, medical practices, day care services, and leadership education and development.

***Overall Results*:** Reduced benefits budget by $2M. Participated and developed a comprehensive strategic Human Resource plan. Redesigned the Defined Benefit Pension Plan. Achieved division budget. Developed Executive Compensation and Bonus Program. Successfully negotiated the labor agreement for Saint Francis Hospital and Medical Center resulting in a savings of over $1M.

Director of Operations, Collins Medical Management Inc. 2/96-4/98
Responsibilities included daily operations for a fifty (50) Primary Care physician group practice affiliated with Saint Francis Hospital and Medical Center. Duties included practice management, Human Resources, Information Systems, Facilities management, lease and property management, practice acquisitions and oversight of a $10M budget.

***Overall Results*:** Achieved break even budget. Established all compensation/benefits and pension programs. Developed Human Resources policies. Negotiated building leases and reduced lease expenses by $.5M. Transitioned physician practices on time and on budget.

Project Manager, Collins Medical Management, Inc. 10/95-1/96
As Project Manager, responsible for designing billing systems, information technology, Human Resource policies, practice acquisition processes, marketing, budget development and company business plan.

***Overall Results*:** Formed company operations on time and on budget. Physician practices were purchased according to the business plan. Organizational infrastructure was established according to plan.

Director of Human Resources, Mount Sinai Campus **3/90-10/95**
As a member of the Senior Management Team, responsible for overall Human Resources operation (compensation, benefits, recruitment and employment, as well as employee and labor relations) for a workforce of 1,400 employees. Also served as Assistant System Director of Human Resources for Saint Francis Care with overall workforce of 5,000 employees.

***Overall Results*:** Redesigned and rebuilt the Human Resources functions as part of the affiliation integration strategy. Implemented work force redesign/organizational structure to improve operational efficiencies. Overall plan resulted in $2M savings. Successfully negotiated labor contract, resulting in $1M savings.

Assistant System Director, Human Resources,
Saint Francis Hospital and Medical Center **8/87-3/90**
As a member of the Leadership Team, responsibilities included oversight of recruitment and employment, compensation and benefits and employee relations programs for a workforce of 3,000 employees. Heard and rendered decisions on employee grievances. Administered EEO program. Formulated Personnel policies. Managed Human Resources budget in excess of $10M. Recruited for executive, department leader, and physician level positions.

***Overall Results*:** Achieved division budget and operational goals.

Cuno Manufacturing Inc.
Meriden, Connecticut

Manager Industrial Relations **5/86-8/87**
Responsibilities included managing Human Resource programs, compensation and benefits for over 1,500 employees inclusive of multi-site plants in Connecticut, and abroad. Served as Chief Negotiator for union contract.

VA Healthcare System

Personnel Management Specialist, West Haven, Connecticut **3/81-5/86**
Responsibilities included recruitment and employment. Principal negotiator for labor contract negotiations. Heard and rendered decisions on employee grievances. In addition, managed compensation and benefit programs for over 4,000 employees.

Personnel Management Specialist, Newington, Connecticut **6/80-3/81**
Responsibilities included contract negotiations, presenting cases before arbitrators, recruitment/employment, salary and wage administration, benefit programs for a work force of 1,300+ employees.

Hospital Administration Resident, Newington, Connecticut **10/75-5/80**
As a graduate student in Hospital and Health Administration, responsible for Personnel and Ambulatory Care analytical studies.

ADDITIONAL EXPERIENCE

Saint Francis *Care* Administrative Liaison for PGA Events **06/88-Present**
Responsible for planning/coordinating on-course medical services, for the GHO, Buick and

Travelers PGA Tour events in Hartford. This includes planning of staffing, contract negotiations, and day-to-day operations.

AWARDS

- National Chapter President of the Year Award, American Society Healthcare Human Resources
- Dean's List Graduate/Undergraduate Education
- Outstanding Performance Awards

PROFESSIONAL AFFILIATIONS

- Society for Human Resource Management
- American Society for Health Care Human Resources Administration of American Hospital Association
- Connecticut Health Care and Human Resource Association
- American College of Health Care Executives

APPOINTMENTS

2013-Present	Asnuntuck Community College Board of Directors
2013-Present	North Central Connecticut Chamber of Commerce Board of Directors
2013-Present	CHA Committee on Government
2013-Present	CHA Committee on Human Resources
2013-Present	Connecticut Employment & Training Commission
2012-Present	Hartford Federal Credit Union Board of Directors
2011-Present	Co-Chair, Regional Connecticut Allied Health Work Force Policy Board
2011-Present	Upper Albany Main Street Hartford, Connecticut, Board of Directors
2010-2012	Past President, Connecticut Health Care Human Resources Association
2008-2010	President-Elect, Connecticut Health Care Human Resources Association
2008-2012	University Park Board of Directors
2006-Present	Chairman, 1199 Benefits/Pension Multi Employer Fund Trustees
2006-2007	CompCare Board of Directors
2006-2007	Bristol Chamber of Commerce Board of Directors
2006-Present	Saint Francis Hospital and Medical Center Corporator
2004-2007	Collaborative Laboratory Services Board of Directors
2003-2007	Connecticut Hospital Association Committee on Government
2003-2007	Bristol Hospital Fund Development Board of Directors
2004-2007	President, Connecticut Health Care and Human Resources Association
2001-2007	Bristol Hospital Corporator
1992-1993	President, Connecticut Health Care and Human Resources Association
1991-1992	Vice President, Connecticut Hospital and Human Resources Association
1990-1991	Treasurer, Connecticut Hospital and Human Resources Association
1991-Present	Board of Trustees, New England District 1199 Health, Welfare and Pension Funds
1997-1999	Chairperson, Board of Directors, Saint Agnes Home, West Hartford, CT
1993-1999	Board of Directors, Saint Agnes Home, West Hartford, CT Chairperson of Personnel Committee; Member of Executive Committee

EDUCATION

University of Hartford, West Hartford, Connecticut

M.B.A. Hospital and Business Administration
B.S. Business Administration

PERSONAL ACTIVITIES

Basketball, Golfing, Fishing, Cross Country Sking, Cooking

Surendra P. Khera, MD MS

St Francis Hospital and Medical Center
Hartford, CT
e-mail:skhera@stfranciscare.org

Academic Appointments

Assistant Professor of Medicine UCONN School of Medicine	Sept 2006-Current
Clinical Instructor Columbia University School of Medicine	Nov 2002-Nov 2004

Professional Experience

May 2103-Current	Vice President, Medical Affairs Chief Medical Officer |Chief Quality Officer Vice-Chair, Department of Medicine.
Sept. 2006-2014	Director, Academic Inpatient Medical Services Section Chief, Section of Hospital Medicine Department of Medicine St. Francis Hospital and Medical Center Hartford, Connecticut

Post Graduate Experience

Jan. 2005-Jun. 2006	Associate Program Director Internal Medicine Residency Program Orlando Regional Medical Center Orlando Florida
Nov. 2002-Nov. 2004	Clinical Instructor, Columbia University Division of Hospital and General Internal Medicine Columbia Presbyterian Hospital 630 West 168th Street, New York 10032.
Oct 1999- Oct 2002	Hospitalist/Medical Director Hospital of Saint Raphael's New Haven, CT 06511

Education

2010-2013	Master in Healthcare Quality and Pt. Safety (MS-HQS), Jefferson School of Public Health MSHQ-PS Program
June 2007	Fellowship in Patient Safety & Medical Errors Virginia Commonwealth University
Jul. 1998-Jun. 1999	Chief Resident, Internal Medicine St. Vincent's Medical Center Bridgeport, Connecticut
Jul. 1995-Jun. 1998	Residency, Internal Medicine St. Vincent's Medical Center Bridgeport, Connecticut
Aug. 1984-Dec. 1990	Medical School Burdwan Medical College India

Post Graduate Experience-Overseas

Jul. 1994-Feb. 1995	Internal Medicine, Hematology University College Hospital /The Middlesex Hospital, London
Jul. 1993-Jun. 1994	Hematology/Oncology/Geriatrics Bradford UK
Jul. 1992-Jun. 1993	GI/Pulmonary/Hematology UK
Feb. 1992-Jun. 1992	Endocrinology Hartlepoole, UK
Jun. 1990-Jul. 1991	Senior House Officer Dermatology/Internal Medicine Burdwan Medical College India.

Board Certification

1998	American Board of Internal Medicine Certification
2009	ABIM Recertified

Licensure

2002	State of New York
1998	State of Connecticut
2004	State of Florida
1992	PLAB Examination Licensed in UK.

Special Interest Fellowship

Committee/Organization Membership

Current Chair	Value Driven Design Committee
	Quality Informatics Committee
	Healthcare Value and Quality Committee
President	Connecticut Society of Hospital Medicine, 2010-2012
Member of	Quality of Care National, Subcommittee, Society of Hospital Medicine Institute for Innovation, Press Ganey
2003	Core Curriculum Committee Society of Hospital Medicine
1999-Current	Society of Hospital Medicine

Award

2012-2013	University of Connecticut Internal Medicine Residency Program Thomas R. Preston, M.D. Award Excellence in Teaching
2006-2007	University of Connecticut Internal Medicine Residency Program Thomas R. Preston, M.D. Award Excellence in Teaching
2007	Nominated for Top Quality Improvement Initiative award at Connecticut Hospital Association.

Presentations

March 2005	Peri-Operative Medicine Conference, Orlando
April 2007	Grand Round, Peri-Operative Cardiac Risk Assessment, St. Francis Hospital, Hartford
November 2009	UCONN Primary Care Program Hospitalism as a Career
2010	Professional Development Program, UCONN Communication amongst Caregivers
March 2012	Medical Grand Round Hospitalism and Triple Aim St. Francis Hospital, Hartford
May 2014	Medical Grand Round: Redesigning Inpatient Care during Volume to Value times. St. Francis Hospital, Hartford

Curriculum Vitae

Name	John F. Rodis, M.D.
Date of Birth	December 27, 1955
Place of Birth	Brooklyn, New York
Home Address	46 Dorset Lane Farmington, Connecticut 06032-2330
Office Address	Saint Francis Hospital and Medical Center Department of Obstetrics and Gynecology 114 Woodland Street Hartford, Connecticut 06105
Telephone	Office: (860) 714-4457 Home: (860) 678-1218 FAX: (860) 714-8008
Martial status	Marytherese Conway - October 2, 1987
Children	Alexandra - September 8, 1989 Katrina - May 7, 1992 Anna - May 22, 1995

Education

1972-1976	BA- Biology Cornell University Ithaca, New York
1976-1980	MD Autonomous University of Guadalajara Guadalajara, Mexico
1980-1981	Fifth Pathway St. Joseph's Hospital & Medical Center Paterson, New Jersey
1981-1985	Resident, Obstetrics and Gynecology St. Joseph's Hospital & Medical Center Paterson, New Jersey
1985-1987	Fellowship in Maternal-Fetal Medicine

	1993-1996	Fellowship in Human Genetics Department of Pediatrics University of Connecticut Health Center Farmington, Connecticut
	2005	Six Sigma Green Belt Certification
	2007	American College of Physician Executives PIM Course
Licensure	New Jersey Connecticut New York	40792 26709 158721
Boards	1989	Board Certified, American Board of Obstetrics and Gynecology
	1990	Sub-Specialty Certification, Certified by the Division of Maternal-Fetal Medicine, American Board of Obstetrics and Gynecology
	1998	Passed Recertification Examination in Obstetrics and Gynecology and Maternal-Fetal Medicine
Appointments	1985-1987	Instructor, Obstetrics and Gynecology University of Connecticut Health Center Farmington, Connecticut
	1987-1993	Assistant Professor, Obstetrics and Gynecology Division of Maternal-Fetal Medicine Director of Perinatal Genetics University of Connecticut Health Center Farmington, Connecticut
	1987-1995	Assistant Professor, Department of Pediatrics School of Medicine, University of Connecticut Health Center Farmington, Connecticut
	1987 - 2001	Attending Obstetrician and Gynecologist Specializing in Maternal-Fetal Medicine St. Francis Hospital & Medical Center Hartford, Connecticut

1987 - 2001	Associate Attending Obstetrician and Gynecologist Specializing in Maternal-Fetal Medicine New Britain General Hospital New Britain, Connecticut
1991-1993	Residency Coordinator Department of Obstetrics and Gynecology University of Connecticut Health Center Farmington, Connecticut
3/93 – 6/01	Residency Program Director Department of Obstetrics and Gynecology University of Connecticut Health Center Farmington, Connecticut
3/93 – 6/01	Associate Professor, Obstetrics and Gynecology Division of Maternal-Fetal Medicine Director of Perinatal Genetics University of Connecticut Health Center Farmington, Connecticut
1995 – 6/01	Associate Professor, Department of Pediatrics University of Connecticut Health Center Farmington, Connecticut
1/99 – 6/01	Professor, Obstetrics and Gynecology Division of Maternal-Fetal Medicine Director of Perinatal Genetics University of Connecticut Health Center Farmington, Connecticut
7/01-3/04	Chairman, Obstetrics and Gynecology Stamford Hospital Stamford, Connecticut
9/01-5/13	Professor of Clinical Obstetrics and Gynecology Columbia University College of Physicians and Surgeons New York, New York
7/11-present	Chair, Department of Obstetrics and Gynecology Director, Women & Children's Health Services Saint Francis Hospital and Medical Center Hartford, Connecticut

2/13-Present	Saint Francis Faculty Fellow Saint Francis Hospital Education Council Hartford, Connecticut
5/13-present	Professor, Department of Obstetrics and Gynecology University of Connecticut Health Center Farmington, Connecticut

Awards

1993	APGO Excellence in Teaching Award, sponsored by APGO Medical Education Foundation
1998	CREOG National Faculty Teaching Award, sponsored by CREOG
2001	CREOG National Faculty Teaching Award, sponsored by CREOG

Societies

Fellow, American College of Obstetrics and Gynecology
Member, Society for Maternal-Fetal Medicine
Connecticut Perinatal Association
Member, American Institution of Ultrasound in Medicine
International Society of Perinatal Obstetricians
Associate Member, Society of Gynecologic Investigation
New England Perinatal Society - Secretary - 1996-1997
New England Perinatal Society - Vice President 1997-1998
New England Perinatal Society - President 1998-1999
Association of Professors in Gynecology and Obstetrics
Hartford County Medical Association
Connecticut State Medical Society
American College of Physician Executives

Committee Appointments

John Dempsey Hospital/University of Connecticut School of Medicine

1986-88	Transfusion Committee
1987-90	John Dempsey Hospital Quality Assurance/Peer Review Committee
1987-90	Chairman, Obstetrics and Gynecology Quality Assurance/Peer Review
1990-2001	Transfusion Committee
1996-2001	Clinical Practice Subcommittee of the Clinical Governance Committee
1996	Clinical Research Task Force
1995-2001	Committee for Graduate Medical Education
1997-2001	Chairman, Operations Subcommittee of Committee for Graduate Medical Education
1998	Search Committee for OB/GYN Chair
1990-2001	Chairman, CADCARS Review Committee Others
1999-2001	Chairman, Committee on Graduate Medical Education
2002-2004	At-large Member, Medical Board

Stamford Hospital Committees/Positions

2002-2004	Chair, Department of Obstetrics and Gynecology
7/01/03- 2011	Senior Vice President Medical Affairs, Chief Medical Officer
2001-2003	Blood Bank Committee
2001-2011	Patient Safety Committee
2001-2011	OR Committee
2002-2011	Credentials Committee
2003-2011	Strategy and Market Development Committee (Board Committee)
2003-2011	Medical Executive Committee
2003-2011	Bylaws Committee
2003-2011	Clinical Leadership Council
2003-2011	Quality and Clinical Affairs Committee (Board Committee)
2003-2011	Ops Council
2003	Chair- Credentials Task Force
2003	Chair, Ob/Gyn Chair Search Committee
2004	Chair, Surgery Chair Search Committee
2004	Emergency Department Chair Search Committee
2002-2004	Medical Board
2005	Chair, Pathology Chair Search Committee
2006	Co-Chair, Radiology Chair Search Committee

Saint Francis Hospital and Medical Center Committees/Positions

2011–present	Chair, Department of Obstetrics and Gynecology
2011-present	Director, Women & Infants Health Services
2011-present	Co-chair, Women & Infants Quality and Practice Council
2011-present	Medical Staff Quality Committee
2011-present	St. Francis Medical Group Board of Directors
2011-present	Chiefs' Forum
2011-present	Capitol Budget Committee
2011-present	IT Executive Steering Committee
2011–present	Surgical Service Performance Improvement Committee
2011-present	OR Steering Committee
2012-present	Quality & Patient Safety

Others (State and National Ob/Gyn Educational Organizations)

1989-1995	Connecticut Hospital Association Committee on Quality Assessment, Chairman, Panel on Obstetrics
1995-2011	Committee on Quality Assessment, Connecticut Hospital Association
1998 -2001	Alternate Program Director Representative for Region I - Council on Resident Education in Obstetrics & Gynecology
1999-present	American Board of Obstetrics and Gynecology Oral Board Examiner
2009-2011	Chair, Chief Medical Officer Group, New York-Presbyterian Healthcare System

Editorial consultation

American Journal of Obstetrics and Gynecology
Obstetrics and Gynecology
Journal of Clinical Ultrasound
American Journal of Perinatology
Journal of Maternal-Fetal Medicine
Connecticut Medicine- Associate Editor

Grants/Clinical Trials:

NIH grant 1991, "Study of CF carrier screening in primary care settings", Robert M. Greenstein (Principal investigator), John F. Rodis, MD, (Co-Principal Investigator)

CT Research Foundation 1988, "Role of Chlamydia and mycoplasma in villus sampling", John F. Rodis, MD, (Principal investigator)

Adolor Corporation Protocol 14CL306: A Multicenter Phase III, Double-Blind, Placebo-Controlled, Study of ADL8-2698 in Opioid-Induced Postoperative Bowel dysfunction/Postoperative Ileus in Subjects Undergoing Total Abdominal hysterectomy (Principal Investigator)

Publications

1. Cusick W, Leuci D, Viscarello RR, Rodis JF. Anaphylactoid syndrome of pregnancy after intracervical dinoprostone for cervical ripening: a report of 3 cases. J Reprod Med 50:225-228, 2005

2. Cusick W, Provenzano J, Sullivan CA, Gallousis FM, Rodis JF. Fetal nasal bone length in euploid and aneuploid fetuses between 11 and 20 weeks' gestation: a prospective study. J Ultrasound Med 23:1327-1333, 2004

3. Feldman DM, Borgida AF, Rodis JF, Leo MV, Campbell. A randomized comparison of two regimens of misoprostol for second-trimester pregnancy termination. Am J Obstet Gynecol 189:710-713, 2003

4. Cusick W, Stewart J, Parry M, McLoed G, Rakos G, Sullivan C, Rodis J. State mandated prenatal human immunodeficiency virus screening at a large community hospital. Conn Med 67:7-10, 2003

5. Egan JF, Rodis JF, Benn PA. Ultrasound markers of Fetal Down Syndrome. JAMA 285:2856-2857, 2001

6. Feldman DM, Borgida AF, Trymbulak WP, Sanders MM, Barsoom MJ, Rodis JF. Clinical implications of velementous cord insertion in triplet gestations. Am J Obstet Gynecol 184:809-811, 2002

7. Benn PA, Gainey A, Ingardia CJ, Rodis JF, Egan JFX. Second trimester maternal serum analytes in triploid pregnancies: correlation with phenotype and sex chromosome complement. Prenatal Genetics 21:680-686, 2001

8. Borgida AF, Mills AA, Feldman DM, Rodis JF, Egan JFX. Outcomes of pregnancies complicated by ruptured membranes after genetic amniocentesis. Am J Obstet Gynecol 183:937-939, 2000

9. Feldman DM, Borgida AF, Rodis JF, Campbell WA: Irreversible maternal brain injury during pregnancy: a case report and review of the literature. Obstet Gynecol Survey 55:708-714, 2000

10. Barsoom MJ, Prabulos AM, Rodis JF, Turner GW: Vanishing gastroschisis and short bowel syndrome. Obstet Gynecol 96:818-819, 2000

11. Ling PY, Leo MV, Turner G, Rodis JF, Campbell WA. Amnioreduction in triplet fetofetal transfusion. Obstet Gynecol 96:843, 2000

12. Egan JFX, Benn, PA, Borgida AF, Rodis, JF, Campbell WA, Vintzileos AM: Efficacy of screening for fetal Down syndrome in the U.S. from 1974 to 1997. Obstet Gynecol 96:979-985, 2000

13. Benn PA, Craffey A, Horne D, Ramsdell L, Rodis JF: Elevated maternal serum alpha fetoprotein with low unconjugated estriol and the risk for lethal perinatal outcome. J Matern Fetal Med 9:165-169, 2000

14. Benn PA, Rodis JF, Beazoglou T. Cost-effectiveness of estimating gestational age by ultrasound in Down syndrome. Obstet Gynecol 94:29-33, 1999

15. Benn PA, Leo MV, Rodis JF, Beazoglou T, Collin R, Horne D. Maternal serum screening for fetal trisomy 18: a comparison of fixed cut-off patient specific risk protocols. Obstet Gynecol 93:707-711, 1999

16. Rodis JF. Parvovirus infection. Clin Obstet Gynecol 42:107-120, 1999

17. Rodis JF, Arky L, Egan JFX, Borgida AF, Leo, MV, Campbell WA: Comprehensive fetal ultrasound growth measurements in triplet gestations. Am J Obstet Gynecol 181:1128-1132, 1999

18. Feldman DM, Borgida AF, Sauer F, Rodis JF: Rotational versus nonrotational forceps: maternal and neonatal outcomes. Am J Obstet Gynecol 181:1185-1187, 1999

19. Odibo AO, Rodis JF, Sanders M, Borgida AF, Wilson M, Campbell WA. The relationship of amniotic fluid markers of intraamniotic infection with histopathology in cases of preterm labor. J Perinatol 19:407-412, 1999

20. Leo MV, Odibo A, Ling PY, Rodis JF, Borgida A, Campbell W. Transverse arrest: a review of outcomes of rotational forceps and cesarean delivery at a single center. Prim. Care Update Ob Gyns. 5:186, 1998

21. Smulian JC, Egan JF, Rodis JF. Fetal hydrops in the first trimester associated with maternal parvovirus infection. J Clin Ultrasound 26:314-316,1998

22. Odibo AO, Campbell WA, Feldman D, Leo MV, Borgida AF, Rodis JF: Resolution of human parvovirus-induced hydrops after intrauterine transfusion. J Ultrasound Med 17:547-550,1998

23. Feldman DM, Odibo AO, Campbell WA, Rodis JF: Iatrogenic monoamniotic twins as a complication of therapeutic amniocentesis. Obstet Gynecol 91:815-816, 1998

24. Rodis JF, Borgida AF, Wilson M, Egan JFX, Leo MV, Odibo AO, Campbell WA. Management of parvovirus infection in pregnancy and outcomes of hydrops: A survey of the Society of Perinatal Obstetricians members. Am J Obstet Gynecol 179:985-988,1998

25. Rodis JF, Rodner C, Hansen A, Borgida A, Spivey G, Rosengren S. Long-term outcome of children following maternal human B19 parvovirus infection. Obstet Gynecol 91:125-128, 1998

26. Smulian JC, Campbell WA, Vintzileos AM, Rodis JF: Correlation between umbilical artery and vein levels of interleukin-6 and soluble intracellular adhesion molecule-1. J Matern Fetal Med 6:67-70, 1997

27. Oncken CA, Hardardottir H, Hatsukami DK, Lupo VR, Rodis JF, and Smeltzer JS. Effects of transdermal nicotine or smoking on nicotine concentrations and maternal-fetal hemodynamics. Obstet Gynecol 90:569-574, 1997

28. Odibo, AO, Turner GW, Borgida AF, Rodis JF, Campbell WA: Late prenatal ultrasound features of hydrometrocolpos secondary to cloacal anomaly: case reports and review of the literature. Ultrasound Obstet Gynecol. 9:419-421, 1997

29. Benn PA, Borgida AF, Horne D, Briganti S, Collins R, Rodis JF. Down syndrome and neural tube defect screening: The value of using gestational age by ultrasonography. Am J Obstet Gynecol 176:1056-1061, 1997

30. Gottschall D, Borgida AF, Mihalek JJ, Sauer F, Rodis JF. A randomized clinical trial comparing prostaglandin E2 gel for preinduction cervical ripening. Am J Obstet Gynecol 177:1067-1070, 1997

31. Prabulos AM, Chen H, Rodis JF, Ruby S, Campbell WA. Angiographic embolization of a ruptured renal artery aneurysm during pregnancy. Obstet Gynecol 90:663-665, 1997

32. Rodis JF, McIlveen P, Egan JFX, Borgida AF, Turner GW, Campbell WA. Monoamniotic twins: improved perinatal survival with accurate prenatal diagnosis and antenatal fetal surveillance. Am J Obstet Gynecol 177:1046-1049, 1997

33. Smulian JC, Vintzileos AM, Rodis JF, Campbell WA: Community-based obstetrical ultrasound reports - documentation of compliance with suggested minimum standards. J Clin Ultrasound 24:123-127, 1996

34. Bork MD, Egan JFX, Cusick W, Borgida A, Hardardottir H, Rodis JF, Campbell WA: Iliac wing angle as a marker for trisomy 21 in the second trimester fetuses. Obstet Gynecol 89:734-737, 1997

35. Smulian JC, Bhandari, V, Campbell WA, Rodis JF, Vintzileos AM: Value of umbilical artery and vein levels of interleukin-6 and soluble intracellular adhesion molecule-1 as predictors of neonatal hematologic indices and suspected early sepsis. J Matern Fetal Med. 6:254-259, 1997

36. Vintzileos AM, Campbell WA, Rodis JF, Guzman ER, Smulian JC, Knuppel, RA: The use of second trimester genetic sonogram in guiding clinical management of patients at increased risk for fetal trisomy 21. Obstet Gynecol 87:948-952, 1996

37. Vintzileos AM, Egan JFX, Smulian JC, Campbell WA, Guzman ER, Rodis JF: Adjusting the risk for trisomy 21 by a simple ultrasound method using fetal long bone biometry. Obstet Gynecol 87:953-958, 1996

38. Lefcourt LA, Rodis JF: Obstructive sleep apnea in pregnancy. Obstet Gynecol Surv 51:503-506, 1996

39. Benn PA, Horne D, Briganti S, Rodis JF: Elevated second trimester maternal serum hCG alone or in combination with elevated alpha fetoprotein. Obstet Gynecol 87:217-222, 1996

40. Bork MD, Smeltzer JS, Egan JFX, Rodis JF, DiMario FJ, Campbell WA: Prenatal diagnosis of intracranial lipoma associated with agenesis of the corpus callosum. Obstet Gynecol 87:845-848, 1996

41. Hardardottir H, Kelly K, Bork MD, Cusick W, Campbell WA, Rodis JF: Atypical presentation of preeclampsia in high-order multifetal gestations. Obstet Gynecol 87:370-374, 1996

42. Cusick W, Rodis JF, Vintzileos AM, Albini SM, McMahon M, Campbell WA: Predicting pregnancy outcome from the degree of maternal serum alpha fetoprotein elevation. J Reprod Med 41:327-332, 1996

43. Cusick W, Bork MD, Fabbri EL, Benn P, Rodis JF, Buttino L Jr: Trisomy 16 fetus surviving into the second trimester. Prenatal Diag 15:1078-1081, 1995

44. Smulian JC, Campbell WA, Rodis JF, Feeney L, Fabbri EL, Vintzileos AM: Gender-specific second- trimester biometry. Am J Obstet Gynecol 173:1195-1201, 1995

45. Cusick W, Salafia CM, Ernst L, Rodis JF, Campbell WA, Vintzileos AM: Low dose aspirin therapy and placental pathology in women with poor prior pregnancy outcomes. Am J Reprod Immunol 34:141-147, 1995

46. Smulian J, Vintzileos AM, Ciarleglio L, Rodis JF, Campbell WA: Gender-specific patterns of second trimester femur and humerus measurements in fetuses with Down Syndrome. J Mat Fetal Med 4:225-230, 1995

47. Borgida AF, Rodis JF, Hanlon W, Craffey A, Ciarleglio L, Campbell WA: Second- trimester abortion by intramuscular 15-methyl-prostaglandin F_{2alpha} or intravaginal prostaglandin E_2 suppositories: A randomized trial. Obstet Gynecol 85:697-700, 1995

48. Cusick W, Bork MD, Bourque MD, Egan JFX, Rodis JF, Campbell WA: Congenital (Paraesophageal) Hiatal Hernia. The Fetus 4(3):1-5, 1994

49. Smulian JC, Rodis JF, Campbell WA, Grant-Kels JM, Vintzileos AM: Non-oral pyogenic granuloma in pregnancy: a report of two cases. Obstet Gynecol 84:672-674, 1994

50. Campbell WA, Vintzileos AM, Rodis JF, Ciarleglio L, Craffrey A: Efficacy of the biparietal diameter/femur length ratio detect Down syndrome in patients with an abnormal biochemical screen. Fetal Diagn Ther 9:175-182, 1994

51. Cusick W, Vintzileos AM, Rodis JF: The use of second trimester fetal growth curves in predicting intrauterine growth retardation in cases of unexplained maternal serum alpha fetoprotein elevations. J Mat Fetal Med 3:203-207, 1994

52. Lettieri L, Rodis JF, McLean DA, Campbell WA, Vintzileos AM: Incarceration of the gravid uterus. Obstet Gynecol Survey 49:642-646, 1994

53. Gray SE, Rodis JF, Lettieri L, Egan JFX, Vintzileos AM: Effect of intravenous magnesium sulfate on the biophysical profile of the preterm fetus. Am J Obstet Gynecol 170:1131-5, 1994

54. Vintzileos AM, Lettieri L , Tsapanos V, Campbell WA, Rodis JF: The relationship between combined fetal biophysical activities, oligohydramnios and fetal acid-base status. J Mat Fetal Med 3:64-68, 1994

55. Campbell WA, Vintzileos AM, Rodis JF, Turner GW, Egan JFX, Nardi DA: Use of the transverse cerebellar/abdominal circumference ratio in pregnancies at risk for intrauterine growth retardation. J Clin Ultrasound 22:497-502, 1994

56. Egan JFX, Petrikovsky BM, Vintzileos AM, Rodis JF, Campbell WA: Combined pentalogy of Cantrell and sirenomelia - a common etiology? Am J Perinatol 10(4):327-329, 1993

57. Smulian JC, Bandari V, Rodis JF, Egan JFX, Bosse KK, Campbell WA, Vintzileos AM: Fetal inferior vena cava thrombosis: A case report. The Fetus 3(6):7-11, 1993

58. Smulian JC, Rodis JF, Campbell WA, Vintzileos AM: Antenatal diagnosis of severe penile hypospadias. The Fetus 3(4)5-10, 1993

59. Lettieri, L, Vintzileos AM, Rodis JF, Albini SM, Salafia CM: Does "idiopathic" preterm labor resulting in preterm birth exist? Am J Obstet Gynecol 168;1480-1485, 1993

60. Campbell WA, Yamase HT, Salafia CM, Vintzileos AM, Rodis JF: Fetal renal biopsy: Technique development. Fetal Diagn Ther 8:135-143, 1993

61. Wolf EJ, Vintzileos AM, Rosenkrantz T, Rodis JF, Salafia CM, Pezzullo JC: Do survival and morbidity of the very low birthweight infant vary according to the primary pregnancy complication resulting in preterm delivery? Am J Obstet Gynecol 169:1233-1239, 1993

62. Lettieri L, Rodis JF, Vintzileos AM, Feeney L, Ciagleglio L, Craffey A: Ear length in second trimester aneuploid fetuses. Obstet Gynecol 81:57-60, 1993

63. Benn P, Ciarleglio L, Lettieri L, Rodis J, Greenstein R: A rapid (but wrong) prenatal diagnosis (letter). N Engl J Med 326:1638-40,1992

64. Lettieri L, Vintzileos AM, Rodis JF, Egan JFX, Wolf EJ, McLean DA: Transverse cerebellar diameter measurements in twin pregnancies and the effect of intrauterine growth retardation. Am J Obstet Gynecol 167:982-5, 1992

65. Wolf EJ, Vintzileos AM, Rosenkrantz TS, Rodis JF, Lettieri L, Mallozzi A: A comparison of pre-discharge survival and morbidity in singleton and twin very low birth weight infants. Obstet Gynecol 80:436-9, 1992

66. Wolf EJ, Egan JFX, Rodis JF, Vintzileos AM: Intravenous adenosine for the treatment of maternal paroxysmal supraventricular tachycardia. J Maternal Fetal Med 1:3:121-123, 1992

67. Wolf EJ, Mallozzi A, Rodis JF, Campbell WA, Vintzileos AM: The principal pregnancy complications resulting in preterm birth in singleton and twin gestations. J Maternal-Fetal Med 1:4:206-212, 1992

68. Balducci J, Rodis JF, Rosengren S, Vintzileos AM, Spivey G, Vosseller C: Pregnancy outcome following first-trimester varicella infection. Obstet Gynecol 79:5-6, 1992

69. Vintzileos AM, Egan JFX, Rodis JF, Campbell WA, Wolf EJ, Balducci J: Obstetrical factors associated with nuchal cord in a high risk population. J Maternal Fetal Med 1:4:196-201, 1992

70. Vintzileos AM, Egan JFX, Campbell WA, Rodis JF, Scorza WE, Fleming AD, McLean DA: Asphyxia at birth as determined by cord blood pH measurements in preterm and term gestations: Correlations with neonatal outcomes. J Mat Fetal Med 1:7-13, 1992

71. Turner GW, Vintzileos AM, Nardi DA, Feeney L, Campbell WA, Rodis JF: Neck circumference measurements in second trimester fetuses with Down syndrome. J Maternal Fetal Med 1:2:65-69, 1992

72. Egan JFX, Vintzileos AM, Campbell WA, Rodis JF, McLean DA, Fleming AD, Scorza WE: Arterio-venous cord blood pH discordancy in a high-risk population and its clinical significance. J Mat Fetal Med 1:39-44, 1992

73. Vintzileos AM; Campbell WA, Rodis JF: Tests of fetal well-being in premature rupture of membranes. Obstet Gynecol Clin North Am 19:281-307, 1992

74. Campbell WA, Mead JA, Vintzileos AM, Rodis JF: Placental abruption in a twin pregnancy. The Fetus 1:6, 6412/1-4, 1991

75. Lettieri L, Rodis JF, Vintzileos AM: Early ultrasound findings and follow up in twin fetuses with cystic fibrosis. The Fetus 1:6, 2770/1-4, 1991

76. Rodis JF, Vintzileos AM, Fleming AD, Ciarleglio L, Nardi DA, Feeney L, Scorza WE, Campbell WA, Ingardia C: Comparison of humerus length versus femur length in fetuses with Down syndrome. Am J Obstet Gynecol 165:1051-1056, 1991

77. Scorza WE, Nardi DA, Vintzileos AM, Fleming AD, Rodis JF, Campbell WA: The relationship between umbilical artery Doppler velocimetry and fetal biometry. Am J Obstet Gynecol 165:1013-1019, 1991

78. Vintzileos AM, Fleming AD, Scorza WE, Wolf EJ, Balducci J, Campbell WA, Rodis JF: Relationship between fetal biophysical activities and umbilical cord blood gases. Am J Obstet Gynecol 165:707-13, 1991

79. Vintzileos AM, Campbell WA, Rodis JF: Antepartum surveillance in patients with preterm premature rupture of the membranes. Clin Obstet Gynecol 34:779-793, 1991

80. Petrikovsky BM, Nardi DA, Rodis JF, Hoegsberg B: Elevated maternal serum alpha fetoprotein and mild fetal uropathy. Obstet Gynecol 78:262-264, 1991

81. Fleming AD, Vintzileos AM, Rodis JF, Scorza WE, Nardi D, Salafia C: Diagnosis of fetal ectopia cordis by transvaginal ultrasound. J Ultrasound Med 10:413-415, 1991

82. Campbell WA, Nardi DA, Vintzileos AM, Rodis JF, Turner GW, Egan JFX: Transverse cerebellar diameter/abdominal circumference ratio throughout pregnancy: A gestational age-independent method to assess fetal growth. Obstet Gynecol 77:893-895, 1991

83. Vintzileos AM, Petrikovsky BM, Campbell WA, Rodis JF, Pinette MG, Egan JFX: Cord blood gases and abnormal fetal biophysical assessment in preterm premature rupture of the membranes. Am J Perinatol 8:155-160, 1991

84. Wolf EJ, Mallozzi A, Rodis JF, Egan JFX, Vintzileos AM, Campbell WA: Placenta previa is not an independent risk factor for a small for gestational age infant. Obstet Gynecol 77:707-709, 1991

85. Vintzileos AM, Campbell WA, Rodis JF, McLean DA, Fleming AD, Scorza WE: The relationship between fetal biophysical assessment, umbilical artery velocimetry and fetal acidosis. Obstet Gynecol 77:622-626, 1991

86. Fleming AD, Salafia CM, Vintzileos AM, Rodis JF, Campbell WA, Bantham KF: The relationships among umbilical arterial velocimetry, fetal biophysical profile and placental inflammation in preterm premature rupture of the membranes. Am J Obstet Gynecol 164:38-41, 1991

87. Rodis JF, Egan JFX, Craffey A, Ciarleglio L, Greenstein RM, Scorza WE: Calculated risk of chromosomal abnormalities in twin gestations. Obstet Gynecol 76:1037-1041, 1990

88. Rodis JF, Quinn DL, Gary W, Anderson LJ, Rosengren SS, Cartter ML, Campbell WA, Vintzileos AM: Management and outcomes of pregnancies complicated by human B19 parvovirus infection: A prospective study. Am J Obstet Gynecol 163:1168-1171, 1990

89. Rodis JF, Vintzileos AM, Campbell WA, Pinette MG, Nochimson DJ: Intrauterine fetal growth in concordant twin gestations. Am J Obstet Gynecol 162:1025-1029, 1990

90. Rodis JF, Vintzileos AM, Campbell WA, Nochimson DJ: Intrauterine growth of discordant twin gestations. J Ultrasound Med 9:443-448, 1990

91. Vintzileos AM, Campbell WA, Rodis JF, Nochimson DJ, Pinette MG, Petrikovsky BM: Comparison of six different ultrasonic methods for predicting lethal fetal pulmonary hypoplasia. Am J Obstet Gynecol 161:606-612, 1989

92. Pinette MG, Loftus-Brault K, Nardi DA, Rodis JF: Maternal smoking and accelerated placental maturation. Obstet Gynecol 73:379-382, 1989

93. Vintzileos AM, Campbell WA, Rodis JF; Fetal biophysical profile scoring: current status. Clin Perinatol 16:661-689, 1989

94. Hovick TJ, Vintzileos AM, Campbell WA, Rodis JF, Nochimson DJ: Neonatal survival rates based on estimated fetal weights in extremely premature infants. Am J Perinatol 6:329-330, 1989

95. Petrikovsky BM, Vintzileos AM, Rodis JF: Sonographic appearance of occipital fetal hair. J Clin Ultrasound 17:425-427, 1989

96. Hovick TJ, Vintzileos AM, Bors-Koefoed R, Campbell WA, Rodis JF, Nochimson DJ: Use of the fetal biophysical profile in severe oligohydramnios after preterm rupture of the membranes. J Reprod Med 34:353-356, 1989

97. Vintzileos AM, Campbell WA, Bors-Koefoed R, Rodis JF, Gaffney SE, Montgomery JT: Relationship between cyclic variation of fetal heart rate patterns and cord pH in preterm gestations. Am J Perinatol 6:310-313, 1989

98. Rodis JF, Hovick TJ, Quinn DL, Shulman-Rosengren S, Tattersall P: Human parvovirus infection in pregnancy. Obstet Gynecol 72:733-738, 1988

99. Rodis JF, Vintzileos AM, Campbell WA, Nochimson DJ: Spontaneous resolution of fetal cystic hygroma in Down's syndrome. Obstet Gynecol 71:976-977, 1988

100. Saal HM, Rodis JF, Weinbaum PJ, DiMaggio R, Landrey TM: Cytogenetic evaluation of fetal demise: The role of amniocentesis. Obstet Gynecol 70:601-603, 1987

101. Vintzileos AM, Bors-Koefoed R, Pelegano JF, Campbell WA, Rodis JF, Nochimson DJ, Kontopoulos VG: The use of fetal biophysical profile improves pregnancy outcome in premature rupture of the membranes. Am J Obstet Gynecol 157:236-240, 1987

102. Rodis JF, Vintzileos AM, Campbell WA, Deaton JL, Fumia F, Nochimson DJ: Antenatal diagnosis and management of monoamniotic twins. Am J Obstet Gynecol 157;1255-1257, 1987

103. Rodis JF, Deaton JL, Campbell WA, Vintzileos AM, Weinbaum PJ, Nochimson DJ: Maternal hypothermia: an unusual complication of magnesium sulfate therapy. Am J Obstet Gynecol 156:435-436, 1987

104. Vintzileos AM, Campbell WA, Rodis JF, Bors-Koefoed R, Nochimson DJ: Fetal weight estimation formulas using head, abdomen, femur and thigh circumference measurements. Am J Obstet Gynecol 157;410-414, 1987

Non-peer Reviewed Publications

1. Rodis JF: Spring is parvovirus time: how to counsel your patients. Ask the Perinatologist. Sarasota Memorial Hospital, Spring 1994.

2. Vintzileos AM, Campbell WA, Rodis JF: Fetal biophysical and umbilical cord gases. Am J Obstet Gynecol 166:1589, 1992 (Reply to the Editor).

3. Rodis JF, Vintzileos AM: Scanning to diagnose congenital anomalies. Contemp Obstet Gynecol 36:45-54, 1991

4. Rodis JF: Lyme disease in pregnancy. The Unicorn Perinatal Newsletter, 1991, Vol. 1, No. 1.

5. Rodis JF, Vintzileos AM: A sound way to diagnose congenital anomalies. Contemp Obstet Gynecol 36:65-76, 1991

6. Rodis JF, Quinn DL, Garry W, Anderson LJ, Rosengren SS, Cartter M, Campbell WA, Vintzileos AM: Management and outcomes of pregnancies complicated by human B19 parvovirus infection. Clinical Digest Series 2:5-6, 1991.

7. Rodis JF, Vintzileos AM: Congenital heart defects-and other prenatal findings. Contemp Pediatr 8:58-78, 1991

8. Rodis JF, Vintzileos AM: Prenatal diagnosis by ultrasound. Contemp Pediatr 8:77-94, 1991

9. Nochimson DJ, Vintzileos AM, Campbell WA, Rodis JF, Montgomery JT: "Guidelines for Obstetrical Care". The University of Connecticut Health Center, March 1988.

Chapters

1. Rodis JF: Parvovirus Infection. In: Clinical Obstetrics and Gynecology; Roy M. Pitkin, M.D. and James R. Scott, M.D., Eds., Lippincott Williams & Wilkins, Inc., Philadelphia, PA., pp 107-112. 1999

2. Rodis JF: Intraauterine Fetal Demise. In: Fetal Disorders; Editor Boris Petrikovsky, M.D., Ph.D., Wiley and Sons, New York, New York, pp 185-192, 1998

3. Rodis JF: Fetal Infections. In: Fetal Disorders.; Editor Boris Petrikovsky, M.D., Ph.D., Wiley and Sons, New York, New York, pp 249-285, 1998

4. Rodis JF. Multiple Gestation. In: The Physiologic Basis of Gynecologic and Obstetrics, 1st edition, Eds. Seifer, Samuels, Kniss, Williams & Wilkins, Baltimore, MD, 1998

5. Borgida AF, Rodis JF. Twin Pregnancy. In: Quilligan EJ, Zuspan FR, Eds., Current Therapy In Obstetrics and Gynecology 5th Edition. W.B. Saunders, Philadelphia, PA., pp 364-368, 1999

6. Rodis JF: Parvovirus infection in pregnancy. In: Current Obstetric Medicine, Volume 3. Editors Lee, Garner, Barron, Coustan, Mosby-Year Book, Inc., St. Louis. pp159-181, 1995

7. Rodis JF, Vintzileos AM: Parvovirus. In: Viral Diseases in Pregnancy. Ed: Gonik B. Springer-Verlag NewYork, Inc., 1994, 196-214.

8. Vintzileos AM, Campbell WA, Rodis JF: Antepartum fetal assessment by ultrasonography: The fetal biophysical profile. In: Ultrasonography in Obstetrics and Gynecology, Third Edition, Ed. Callen PW, WB Saunders, Philadelphia, 1994, pp 487-502.

9. Vintzileos AM, Campbell WA, Rodis JF: Antepartum surveillance in patients with preterm premature rupture of the membranes, In: Eds. Pitkin RM, Duff P, Clinical Obstet Gynecol, 1991, pp 779-793

10. Vintzileos AM, Campbell WA, Rodis JF: Tests of fetal well being in premature rupture of the membranes, In: Obstet Gynecol Clin North Am, Eds. Weiner CP, Wenstrom KD, WB Saunders, 19:2:281-307, 1992

11. Vintzileos AM, Campbell WA, Rodis JF: Fetal biophysical profile. In: Clinical Maternal-Fetal Medicine. Editors Winn HN, Hobbins JC, The Parthenon Publishing Group, New York, 2000.

12. Vintzileos AM, Campbell WA, Rodis JF: Percutaneous intrauterine fetal shunting, In: Textbook of Operative Obstetrics. Editors Iffy L, Apuzzio JJ, Vintzileos AM. McGraw-Hill, Inc., New York, 1992, pp 110-113

13. Rodis JF, Vintzileos AM: Intrauterine Fetal Death. In: Operative Obstetrics, Second Edition. Editors Iffy L, Apuzzio JJ, Vintzileos AM. McGraw-Hill, Inc., New York, 1992, pp 192-203

14. Vintzileos AM, Campbell WA, Rodis JF: Fetal biophysical profile. In: Antepartum Fetal Assessment. Editor A. Antsaklis (Greece) (In press)

15. Vintzileos AM, Rodis JF: Growth discordancy in twins. In: Abnormal Fetal Growth, Ed. Divon MY, Elsevier Science Publishing Co., New York, 1991, pp 289-317.

16. Vintzileos AM, Campbell WA, Rodis JF: Fetal biophysical profile scoring: current status. In: Clinics in Perinatology, Ed. Manning FA, W.B. Saunders Company, 1989 pp 661-689.

17. Campbell WA, Vintzileos AM, Rodis JF, Bors-Koefoed R, Nochimson DJ: The use of beta-blocking agents to treat hypertension during pregnancy. In: Perinatal Pharmacology, Ed. Petrie RH, Oradell, New Jersey, Medical Economics Co. Inc., 1989, pp 151-162.

Invited Regional and National Lectures:

Invited lecturer for Annual Clinical Meetings of the American College of Obstetricians and Gynecologists. Topic – "Viral Infections in Pregnancy: Cytomegaolvirus, Parvovirus and Varicella". New Orleans, LA May, 1998

Invited lecturer for Annual Clinical Meetings of the American College of Obstetricians and Gynecologists. Topic – "Viral Infections in Pregnancy: Cytomegaolvirus, Parvovirus and Varicella". Philadelphia, PA May,1999

Invited lecturer for Annual Clinical Meetings of the American College of Obstetricians and Gynecologists. Topic – "Viral Infections in Pregnancy: Cytomegaolvirus, Parvovirus and Varicella". San Francisco,CA May, 2000

Invited lecturer for the "71st Annual Meeting of the New England Obstetrical & Gynecological Society, Topic – " Shoulder Dystocia", October 20, 1999

Invited lecturer for the "14th Annual: A Day with the Perinatologists – Perspectives in Practice", Sponsored by Creighton University School of Medicine, Omaha, Nebraska. October 22-23, 1999

Invited Lecturer for Ultrasound Symposium, St. Francis Hospital and Medical Center, Topic: Role of Ultrasound Multiple Gestations. Farmington, CT April 8, 2000

Invited Lecturer for the New Jersey Maternal Fetal Medicine Society, New Brunswick, NJ. Topic: Parvovirus Infection in Pregnancy. December 2000

Invited lecturer for Annual Clinical Meetings of the American College of Obstetricians and Gynecologists. Topic – Fetal Death: Diagnosis, Evaluation and Management. Chicago, IL May, 2001

Invited Lecturer at the 27th Annual Sanford Cole MD Memorial OBGYN Symposium, Miami, Florida. Late Preterm & Early Term Births: Reducing Elective Deliveries before 39 Weeks. January 25, 2013.

Abstracts

1. Feldman DM, Trymbulak W, Sanders MM, Rodis JF, Borgida AF: Clinical implications of velamentous cord insertion in triplet gestations. Society for Maternal-Fetal Medicine Annual Meeting, Reno, Nevada, February 5-10, 2001 (Poster Presentation)

2. Egan JFX, Rodis JF, Feldman DM, Barsoom M, DeRoche M, Borgida AF: Does the Kessler Index reflect trends of Down syndrome livebirths in the U.S.? Society for Maternal-Fetal Medicine Annual Meeting, Reno, Nevada, February 5-10, 2001 (Poster Presentation)

3. Borgida AF, Dixon A, Feldman DM, Rodis JF, Egan, JFX: Recurrence rate of preterm premature rupture of membranes. Society for Maternal-Fetal Medicine Annual Meeting, Reno, Nevada, February 5-10, 2001 (Poster Presentation)

4. Rodis JF, Feldman DM, Barsoom, M, Herndon A, McKenna P: Antenatal hydronephrosis is a sign of neonatal vesicoureteral reflux. Society for Maternal-Fetal Medicine Annual Meeting, Reno, Nevada, February 5-10, 2001 (Poster Presentation)

5. Rodis JF, Feldman DM, Arky L, Campbell WA, Borgida AF: Normal values of laboratory Tests used in the evaluation of preeclampsia in triplet gestations. International Society of Perinatal Obstetricians Annual Meeting, Miami, FL, February 2000 (Oral presentation)

6. Rodis JF, Feldman DM, Arky L, Campbell WA , Borgida AF: Laboratory evaluation for preeclampsia in triplet pregnancies. International Society of Perinatal Obstetricians Annual Meeting, Miami, FL, February 2000 (Oral presentation)

7. Ling PY, Kong E, Borgida AF, Rodis JF, Egan JFX: Outcome of fetuses with echogenic bowel detected by second trimester ultrasound in a non-referral population. International Society of Perinatal Obstetricians Annual Meeting, Miami, FL, February 2000 (Oral presentation)

8. Borgida AF, Mills AA, Feldman DM, Rodis JF, Egan JFX : Outcome of pregnancies complicated by ruptured membranes after genetic amniocentesis. Society for Maternal-Fetal Medicine Annual Meeting, Miami, FL., February 2000 (Poster presentation)

9. Borgida AF, Mills AA, Feldman DM, Rodis JF, Egan JFX: Outcome of pregnancies complicated by second trimester preterm premature rupture of membranes. Society for Maternal-Fetal Medicine Annual Meeting, Miami, FL., February 2000 (Poster presentation)

10. Benn P, Craffey A, Horne D, Ramsdell L, Rodis JF: Elevated maternal serum alpha fetoprotein with low unconjugated estriol and the risk for lethal perinatal outcome. Society for Maternal-Fetal Medicine Annual Meeting, San Francisco, CA., January 1999 (Poster presentation)

11. Rodis JF, Arky L, Borgida AF, Egan JFX, Campbell WA: Discordance in sonographically determined estimated fetal weights and birth weights in triplet pregnancies across gestational age.

Society for Maternal-Fetal Medicine Annual Meeting, San Francisco, CA., January 1999 (Poster presentation)

12. Rodis JF, Arky L, Borgida AF, Egan JFX, Campbell WA: Comprehensive fetal ultrasound growth measurements in triplet gestations. Society for Maternal-Fetal Medicine Annual Meeting, San Francisco, CA., January 1999. (Poster presentation)

13. Benn P, Leo MV, Beazoglou T, Rodis JF: Selecting an optimal strategy for second trimester trisomy 18 screening. Society for Maternal-Fetal Medicine Annual Meeting, San Francisco, CA., January 1999. (Poster presentation)

14. Feldman DM, Borgida AF, Sauer F, Rodis JF: Rotational versus Non-rotational Forceps: Maternal and Neonatal Outcome. Society for Maternal-Fetal Medicine Annual Meeting, San Francisco, CA., January 1999. (Poster presentation)

15. Leo MV, Odibo, AO, Ling, PY, Rodis JF, Borgida AF, Campbell WA; Transverse Arrest: a review of Outcomes of Rotational Forceps and Cesarean Delivery at a Single Center. ACOG National Clinical Meeting, New Orleans, LA, May 1998. (Poster presentation)

16. Klein S and Rodis JF - Devoting time to colposcopy: teaching residents what they need to know. 1998 CREOG/APGO Meeting, Orlando, FL, March 4-7, 1998 (Poster presentation)

17. Odibo AO, Campbell WA, Feldman D, Leo MV, Borgida AF, Rodis JF: Resolution of human parvovirus-induced hydrops after intrauterine transfusion. American Institute of Ultrasound in Medicine Annual Meeting, Boston, MA. March 22-25, 1998 (Oral presentation)

18. Gottschall D, Borgida AF, Feldman D, Alberti W, Rodis JF: Preinduction cervical ripening comparing 50 and 100 mcg of misoprostol. Society of Perinatal Obstetricians Annual Meeting, Miami, Fla. Feb. 2 - 7, 1998. (Poster presentation)

19. Campbell WA, Feeney L, Fabbri EL, Iannucci P, Borgida AF, Rodis JF, Clive J: Assessment of amniotic fluid index using a curvilinear transducer: Society of Perinatal Obstetricians Annual Meeting, Miami, Fla. Feb. 2 - 7, 1998. (Poster presentation)

20. Campbell WA, Sanders M, Rosenkrantz T, Leo MV, Odibo AO, Ling PY, Rodis JF: A center's nine-year outcome experience with congenital diaphragmatic hernia. Society of Perinatal Obstetricians Annual Meeting, Miami, Fla. Feb. 2 - 7, 1998. (Poster presentation)

21. Odibo AO, Rodis JF, Sanders MM, Borgida AF, Wilson M , Campbell WA: Correlation of amniotic fluid markers of intraamniotic infection with histopathology in cases of preterm labor: Society of Perinatal Obstetricians Annual Meeting, Miami, Fla. Feb. 2 - 7 1998. Poster presentation.

22. Odibo AO, Borgida AF, Egan JFX, Rodis JF, Sanders MM, Campbell WA: Relationship of amniotic fluid glucose with histopathologic chorioamnionitis in cases of preterm labor with intact membranes: Society of Perinatal Obstetricians Annual Meeting, Miami, Fla. Feb. 2 – 7, 1998 Poster presentation.

23. Odibo AO, Borgida AF, Rodis JF, Sanders MM, Leo MV, Campbell WA: The relationship of gestational age to histologic chorioamnionitis in preterm labor with intact membranes. Society of Perinatal Obstetricians Annual Meeting, Miami, Fla. Feb. 2 – 7, 1998 Poster presentation.

24. Rodis JF, Borgida AF, Wilson M, Egan JFX, Leo MV, Odibo AO, Campbell WA: Management of Parvovirus Infection in Pregnancy and Outcomes of Hydrops: A Survey of SPO Members. Society of Perinatal Obstetricians, Miami, FL, February 2-7, 1998 (Poster presentation)

25. Rodis JF, Rodner C, Hansen A, Borgida A, Spivey G, and Rosengren S. Long-term outcome of children following maternal human B19 parvovirus infection. Society of Perinatal Obstetricians, Anaheim, CA., January 1997 (Oral presentation)

26. Rodis JF, McIlveen P, Egan JFX, Borgida AF, Turner GW and Campbell WA. Monoamniotic twins: improved perinatal survival with accurate prenatal diagnosis and antenatal fetal surveillance. Society of Perinatal Obstetricians, Anaheim, CA., January 1997 (Poster presentation)

27. Benn PA, Borgida AF, Horne D, Briganti S, and Rodis JF. Maternal serum screening efficiency using ultrasound dating versus LMP dating. Society of Perinatal Obstetricians, Anaheim, CA., January 1997. (Poster presentation)

28. Gottschall D, Borgida AF, Mihalek JJ, Sauer F, Rodis JF. Misoprostol versus Prostin E2 gel for preinduction cervical ripening. Society of Perinatal Obstetricians, Anaheim, CA., January 1997. (Poster presentation)

29. Mihalek JJ, Borgida AF, Gotschall D, Rodis JF. Incidence of prolonged bleeding time and its association to other routine laboratory tests. American College of Obstetricians and Gynecologists, Denver CO., May 1996. (Poster presentation)

30. Karak PK, Borgida AF, Brown SL, Rodis JF, Erkmen Z, Henken ML. Polyhydramnios: a pictoral display of associated fetal structural anomalies. American Roentgen Ray Society, San Diego, May 1996. (Poster presentation)

31. Rodis JF, Rinaldi LM, Cusick W, White C: Continuity clinics in obstetrics and gynecology residency programs: one institution's experience. 1996 CREOG and APGO Annual Meeting, Albuquerque, New Mexico, March 1996. (Poster presentation)

32. Bork MD, Egan JFX, Cusick W, Borgida A, Hardardottir H, Rodis JF, Campbell WA: Iliac wing angle as a marker for trisomy 21 in second trimester fetuses. American Institute of Ultrasound, New York City, March, 1996. (Oral presentation)

33. Smulian JC, Campbell WA, Vintzileos AM, Rodis JF: Correlation of umbilical artery levels of interleukin-6 (IL-6) and soluble intracellular adhesion molecule-1 (SICAM-1) with umbilical arterial blood gas measurements. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

34. Smulian JC, Bhandari V, Campbell WA, Vintzileos AM, Rodis JF: Correlation of umbilical artery and vein levels of interleukin-6 and soluble intracellular adhesion molecule-1 with neonatal hematologic indices and early sepsis. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

35. Smulian JC, Campbell WA, Ernst L, Vintzileos AM, Rodis JF: The relation of umbilical vein interleukin-6 and soluble intracellular adhesion molecule-1 to histologic placental inflammation. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

36. Smulian JC, Campbell WA, Vintzileos AM, Rodis JF: Correlation between umbilical artery and umbilical vein levels of interleukin-6 and soluble intracellular adhesion molecule-1. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

37. Vintzileos AM, Campbell WA, Rodis JF, Guzman ER, Smulian JC, McLean DA: The use of second trimester genetic sonogram in guiding clinical management of patients at increased risk for fetal trisomy 21. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Oral presentation)

38. Vintzileos AM, Egan JFX, Smulian JC, Campbell WA, Guzman ER, Rodis JF: Adjusting the risk for Trisomy 21 by a simple ultrasound method using fetal long bone biometry. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

39. Campbell WA, Vintzileos AM, Smulian JC, Rodis JF, Guzman ER, Egan JFX: Ultrasound to detect trisomy 21 using transverse cerebellar diameter and long bone biometry. Society of Perinatal Obstetricians, Hawaii, February, 1996.

40. Rodis JF, Rodner C, Borgida AF, Spivey G, Shulman-Rosengren S, Campbell WA. Long-term outcome of children following maternal parvovirus infection. Society of Perinatal Obstetricians, Hawaii, February, 1996.

41. Borgida AF, Eng F, Egan JFX, Rodis JF, Smeltzer JS, Turner GW, Campbell WA: Umbilical cord gas assessment in high risk twin gestations. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

42. Bork MD, Egan JFX, Cusick W, Borgida A, Hardardottir H, Rodis JF, Campbell WA: Iliac wing angle as a marker for Trisomy 21 in second trimester fetuses. Society of Perinatal Obstetricians, Hawaii, February, 1996. (Poster presentation)

43. Rodis JF, Sanders M, Ernst L, Fast A, Campbell WA: Placental pathology in preeclamptic pregnancies including decidual vascular pathology and villitis. Society of Gynecologic Investigation, Chicago, March, 1995.

44. Turner GW, Smeltzer JS, Rodis JF, Campbell WA: The value of amniotic fluid index in post term pregnancies. American Institute for Ultrasound in Medicine, San Francisco, March, 1995.

45. Rodis JF, Sanders M, Ernst L, Fast A, Borgida A, Campbell WA: Does placental pathology in preeclampsia correlate to maternal hypertension or neonatal birthweight percentile? New England Perinatal Society, Vermont, February, 1995. (Oral presentation)

46. Smulian JC, Feeney L, Fabbri EL, Rodis JF, Campbell WA: Second trimester sonographic prediction of fetal gender. Society of Perinatal Obstetricians, Atlanta, January, 1995.

47. Smulian JC, Campbell WA, Rodis JF, Feeney L, Fabbri EL: Gender specific second trimester biometry. Society of Perinatal Obstetricians, Atlanta, January, 1995.

48. Vintzileos AM, Campbell WA, Guzman E, Rodis JF, Rosenberg J: The use of "genetic sonogram" in fetuses at high risk for trisomy 21: Preliminary results. Society of Perinatal Obstetricians, Atlanta, January, 1995.

49. Rodis JF, Sanders M, Ernst L, Fast A, Borgida A, Campbell WA: Does placental pathology in preeclampsia correlate to maternal hypertension or neonatal birthweight percentile? Society of Perinatal Obstetricians, Atlanta, January, 1995. (Poster presentation)

50. Rodis JF, Sanders M, Ernst L, Fast A, Campbell WA: Placental pathology in preeclamptic pregnancies including decidual vascular pathology and villitis. Society of Perinatal Obstetricians, Atlanta, January, 1995.

51. Hardardottir H, Kelly K, Bork MD, Cusick W, Rodis JF, Campbell WA: Atypical presentation of preeclampsia in high-order multifetal gestation. Society of Perinatal Obstetricians, Atlanta, January, 1995.

52. Turner GW, Smeltzer JS, Rodis JF, Campbell WA: The value of amniotic fluid index in post term pregnancies. Society of Perinatal Obstetricians, Atlanta, January, 1995.

53. Borgida A, Rodis JF, Hanlon W, Craffey A, Ciarleglio L, Campbell WA: A prospective randomized trial comparing intramuscular 15 methyl-prostaglandin F2a to intravaginal prostaglandin E2 for second-trimester pregnancy termination. Society of Perinatal Obstetricians, Atlanta, January, 1995.

54. Rodis JF, Ciarleglio L, Egan JFX, Campbell WA, Vintzileos, AM: Women's intuition: Fact or fiction? 23rd Annual Meeting of American Society for Psychosomatic Obstetrics and Gynecology, Washington, DC, February, 1995. (Poster presentation)

55. Cusick W, Bork M, Chieffo V, Egan JFX, Smulian J, Rodis JF, Campbell WA, Vintzileos AM: The relationship between birthweight discordancy and amniotic fluid lecithin/ sphingomyelin in twin gestations. American College Obstetricians and Gynecologists, Orlando, May, 1994

56. Cusick W, Ciarleglio L, Briganti S, Feeney L, Benn P, Rodis JF: Pregnancy outcome in patients with a second trimester triple screen positive for both open neural rube defects and down syndrome. American College Obstetricians and Gynecologists, Orlando, May, 1994

57. Ciarleglio L, Cusick W, Briganti S, Feeney L, Benn P, Rodis JF: Pregnancy outcome in patients with a second trimester triple screen positive for trisomy eighteen. Society of Perinatal Obstetricians, Las Vegas, January 1994.

58. Cusick W, Salafia C, Rodis JF, Campbell WA, Vintzileos AM: Low dose aspirin therapy and placental pathology in women with prior poor pregnancy outcomes. Society of Perinatal Obstetricians, Las Vegas, January 1994.

59. Cusick W, Bork M, Chieffo V, Egan JFX, Smulian J, Rodis JF, Campbell WA, Vintzileos AM: The relationship between birthweight discordancy and amniotic fluid lecithin/ sphingomyelin in twin gestations. Society of Perinatal Obstetricians, Las Vegas, January 1994.

60. Cusick W, Ciarleglio L, Briganti S, Feeney L, Benn P, Rodis JF: Pregnancy outcome in patients with a second trimester triple screen positive for both open neural rube defects and down syndrome. Society of Perinatal Obstetricians, Las Vegas, January 1994.

61. Smulian J, Vintzileos AM, Ciarleglio L, Rodis JF, Campbell WA: Gender-specific patterns of long-bone measurements in fetuses with trisomy 21. Society of Perinatal Obstetricians, Las Vegas, January 1994.

62. Rodis JF, Egan JFX, Vintzileos AM, Campbell WA: Defining discordancy in fetal biometric parameters (BPD, HC, AC, FL) and estimated fetal weight in twins throughout gestation. Society of Perinatal Obstetricians, Las Vegas, January 1994.

63. Rodis JF, Egan JFX, Vintzileos AM, Campbell WA: Defining discordancy in fetal biometric parameters (BPD, HC, AC, FL) and estimated fetal weight in twins throughout gestation. Third World on Ultrasound in Obstetrics and Gynecology, Las Vegas, October, 1993.

64. Campbell WA, Yamase HA, Salafia CM, Vintzileos AM, Rodis JF: Fetal renal biopsy: Technique Development. International Fetal Medicine and Surgery Society, April, 1993, (Oral presentation)

65. Vintzileos AM, Lettieri L, Tsapanos V, Campbell WA, Rodis JF: The relationship between combined fetal biophysical activities, oligohydramnios and fetal acid-base status. American Institute of Ultrasound in Medicine, 37th Annual Convention, March, 1993.

66. Gray SE, Rodis JF, Lettieri L, Egan JFX, Vintzileos AM: Effect of intravenous magnesium sulfate on the biophysical profile of the preterm fetus. New England Perinatal Society, February 1993. (Oral presentation-Ross Award for Best Clinical Oral Presentation and Abstract)

67. Cusick W, Vintzileos AM, Antsaklis A, Varvarigos I, Tassis S, Rodis JF: The use of oxytocin during labor and cord blood gas values. New England Perinatal Society, February, 1993. (Oral presentation)

68. Rodis JF, Lettieri L, McLean DA, Cusick W, Smulian J, Campbell WA, Vintzileos AM: A new method to correct the incarcerated retroflexed, retroverted gravid uterus. Society of Perinatal Obstetricians, (SPO), San Francisco, February, 1993.

69. Campbell WA, Vintzileos AM, Rodis JF, Ciarleglio L, Craffey A: Ability of biparietal diameter/femur length ratio to detect down syndrome in patients with an abnormal biochemical screen. Society of Perinatal Obstetricians, (SPO), San Francisco, February, 1993.

70. Gray SE, Rodis JF, Lettieri L, Egan JFX, Vintzileos AM: Effect of intravenous magnesium sulfate on the biophysical profile of the preterm fetus. Society of Perinatal Obstetricians, (SPO), San Francisco, February, 1993.

71. Vintzileos AM, Lettieri L, Tsapanos V, Campbell WA, Rodis JF: The relationship between combined fetal biophysical activities, oligohydramnios and fetal acid-base status. Society of Perinatal Obstetricians, (SPO), San Francisco, February, 1993.

72. Cusick W, Vintzileos AM, Antsaklis A, Varvarigos I, Tassis S, Rodis JF: The use of oxytocin during labor and cord blood gas values. Society of Perinatal Obstetricians, San Francisco, February, 1993.

73. Cusick W, Vintzileos AM, Varvarigos I, Verikios N, Tassis S, Rodis JF: Mixed umbilical cord blood gas measurements. Society of Perinatal Obstetricians, San Francisco, February, 1993.

74. Cusick W, Vintzileos AM, Rodis JF, McMahon M: The use of second trimester fetal growth curves in predicting intrauterine growth retardation in cases of unexplained maternal serum alpha fetoprotein elevations. Society of Perinatal Obstetricians, San Francisco, February, 1993.

75. Mallozzi A, Egan JFX, Attar E, Feeney L, Ciarleglio L, Rodis JF, Lettieri L, Vintzileos AM: Down Syndrome risk modification based on ultrasound. Society of Perinatal Obstetricians, San Francisco, February, 1993.

76. Cusick W, Albini MA, Rodis JF, McLean DA, Vintzileos AM: Longitudinal assessment of fetal growth in cases of unexplained maternal serum alpha fetoprotein elevations. American Institute of Ultrasound in Medicine, 36th Annual Convention, San Diego, March, 1992. (Oral presentation)

77. Lettieri L, Vintzileos AM, McLean DA, Rodis JF, Campbell WA, Wolf EJ: Transcerebellar measurements in twin pregnancies and the effect of intrauterine growth retardation. American Institute of Ultrasound in Medicine, 36th Annual Convention, San Diego, March, 1992. (Presented - Poster session)

78. Lettieri L, Rodis JF, Egan JFX, Vintzileos AM, Feeney L, Dellaripa P: Ear length in second trimester aneuploid fetuses. American Institute of Ultrasound in Medicine, 36th Annual Convention, San Diego, March, 1992. (Oral presentation)

79. Wolf EJ, Vintzileos AM, Rosenkrantz T, Rodis JF, Mead J, Gray S: Does the pregnancy complication resulting in preterm delivery influence predischarge survival and morbidity? New England Perinatal Society, February, 1992. (Presented-Oral session)

80. Albini SM, Cusick W, Rodis JF, Lettieri L, McMahon M, Vintzileos AM: Routine amniocentesis is not indicated to evaluate an unexplained elevated maternal serum alpha fetoprotein. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

81. Cusick W, Rodis JF, Vintzileos AM, Albini SM, McMahon M, Campbell WA: Pregnancy outcome by the degree of maternal serum alpha fetoprotein. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

82. Cusick W, Albini MA, Rodis JF, McLean DA, Vintzileos AM: Longitudinal assessment of fetal growth in cases of unexplained elevated maternal serum alpha fetoprotein. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992.

83. Egan JFX, Vintzileos AM, Turner GT, Rodis JF, Campbell WA, Wolf EJ, Balducci J, Lettieri L, Mead J: Correlation of uterine fundal height with ultrasound in twin gestations. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

84. Rodis JF, Wolf EJ, Lettieri L, Scribner D, Campbell WA, Vintzileos AM: Management and outcome of severe preeclampsia in 209 preterm pregnancies. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992

85. Rodis JF, Vintzileos AM, Albini M, Nardi DA, Feeney L, Lettieri L, Wolf EJ, Ciarleglio L: Transverse cerebellar diameter measurements in second trimester fetuses with trisomy 21 and trisomy 18. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992.

86. Wolf EJ, Vintzileos AM, Rosenkrantz T, Rodis JF, Mead J, Gray S: Does the pregnancy complications resulting in preterm delivery influence predischarge survival and morbidity? Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

87. Wolf EJ, Vintzileos AM, Rosenkrantz T, Rodis JF, Lettieri L, Mallozzi A: A comparison of predischarge survival and morbidity in singleton and twin very low birthweight infants. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

88. Campbell WA, Vintzileos AM, Rodis JF, Turner GW, Egan JFX, Nardi DA: Use of the transverse cerebellar/abdominal circumference ratio to identify growth retarded fetuses. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

89. Campbell WA, Yamase HT, Salafia CM, Vintzileos AM, Rodis JF: Fetal renal biopsy: Technique development. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992.

90. Campbell WA, Vintzileos AM, Rodis JF, Nochimson DJ: Birthweight outcome in pregnancies complicated by an elevated maternal serum alpha fetoprotein. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992.

91. Turner GW, Vintzileos AM, Nardi DA, Feeney L, Campbell WA, Rodis JF: Neck circumference measurements in second trimester fetuses with Down syndrome. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

92. Lettieri L, Vintzileos AM, Rodis JF, Campbell WA: Transcerebellar measurements in twin pregnancies and the effect of intrauterine growth retardation. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session)

93. Lettieri L, Rodis JF, Egan JFX, Vintzileos AM, Feeney L, Dellaripa P: Ear length in second trimester aneuploid fetuses. Society of Perinatal Obstetricians, (SPO), Orlando, February, 1992. (Presented - Poster session

94. Wolf EJ, Egan JFX, Rodis JF, Vintzileos AM, Miller R: Intravenous adenosine for the treatment of maternal paroxysmal supraventricular tachycardia. Armed Forces District, American College of Obstetricians and Gynecologists and Organization for Obstetric, Gynecologic and Neonatal Nurses. Cincinnati, Ohio, October 6-10, 1991.

95. Vintzileos AM, Fleming AD, Scorza WE, Wolf EJ, Balducci J, Campbell WA, Rodis JF: Relationship between fetal biophysical activities and umbilical cord blood gases. Society for Gynecologic Investigation, San Antonio, March, 1991.

96. Egan JFX, Vintzileos AM, Campbell WA, Rodis JF, McLean DA, Fleming AD, Scorza WE: Umbilical cord blood pH discordancy and its relation to fetal acidemia. New England Perinatal Society, Vermont, February, 1991.

97. Campbell WA, Cusick W, Vintzileos AM, Rodis JF, Turner GW, Egan JFX, McLean DA: Outcome of quadruplet pregnancies using early hospitalization. New England Perinatal Society, Vermont, February, 1991.

98. Rodis JF, Vintzileos AM, Fleming AD, Ciarleglio L, Nardi DA, Feeney L, Scorza WE, Campbell WA, Ingardia C: Comparison of humerus length versus femur length in fetuses with Down syndrome. New England Perinatal Society, Vermont, February, 1991.

99. Wolf EJ, Mallozzi A, Rodis JF, Egan JFX, Vintzileos AM, Campbell WA, Lettieri L: Placenta previa is not an independent risk factor for IUGR. New England Perinatal Society, Vermont, February, 1991.

100. Wolf EJ, Mallozzi A, Rodis JF, Campbell WA, Mead JA, Vintzileos AM: A 10-year review of preterm births of twins at a referral tertiary care center. New England Perinatal Society, Vermont, February, 1991.

101. Wolf EJ, Mallozzi A, Rodis JF, Campbell WA, Vintzileos AM: A 10-year review of preterm births a referral tertiary care center. New England Perinatal Society, Vermont, February, 1991.

102. . Wolf EJ, Mallozzi, Rodis JF, Egan JFX, Vintzileos AM, Campbell WA, Lettieri L: Placenta previa is not an independent risk factor for IUGR. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

103. Wolf EJ, Mallozzi A, Rodis JF, Campbell WA, Mead JA, Vintzileos AM: A 10-year review of preterm birth of twins at a referral tertiary care center. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

104. Wolf EJ, Mallozzi A, Rodis JF, Campbell WA, Vintzileos AM: A 10-year review of preterm births at a referral tertiary care center. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

105. Campbell WA, Cusick W, Vintzileos AM, Rodis JF, Turner GW, Egan JFX, McLean DA: Outcome of quadruplet pregnancies using early hospitalization. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

106. Balducci J, Rodis JF, Rosengren S, Vintzileos AM, Davis G, Vosseller C: Neonatal outcome after first trimester varicella infection. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

107. Fleming AD, Salafia CM, Vintzileos AM, Rodis JF, Campbell WA, Bathan KF: The relationships among umbilical artery velocimetry, fetal biophysical profile and placental inflammation in preterm PROM. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

108. Egan JFX, Vintzileos AM, Campbell WA, Rodis JF, McLean DA, Fleming AD, Scorza WE: Umbilical cord blood pH discordancy and its relation to fetal acidemia. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

109. Scorza WE, Nardi DA, Vintzileos AM, Fleming AD, Rodis JF, Campbell WA: The relationship between umbilical artery Doppler velocimetry and fetal biometry. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

110. Vintzileos AM, Egan JFX, Rodis JF, Campbell WA, Wolf EJ, Balducci J: Clinical characteristics and significance of nuchal cord. Society of Perinatal Obstetricians, (SPO), San Francisco, January, 1991.

111. Fleming AD, Rodis JF, Vintzileos AM, Ingardia C, Scorza WE, Ciarleglio L, Craffey A, Feeney L, Nardi D: Comparison of humerus length versus femur length in fetuses with Trisomy 21 and Trisomy 18. Society of Perinatal Obstetricians (SPO), San Francisco, January, 1991.

112. Vintzileos AM, Egan JFX, Campbell WA, Rodis JF, Scorza WE, Fleming AD, McLean DA: Asphyxia at birth as determined by cord blood pH measurements and correlation with neonatal outcomes. New England Perinatal Society, Vermont, February, 1990.

113. Vintzileos AM, Campbell WA, Rodis JF, McLean DA, Egan JFX, Fleming AD, Scorza WE: The relationship between fetal biophysical assessment, umbilical artery velocimetry and fetal acidosis in patients undergoing cesarean section prior to the onset of labor. New England Perinatal Society, Vermont, February, 1990.

114. Fleming DA, Salafia C, Vintzileos AM, Rodis JF, Campbell WA, Bantham KF: The relationships among umbilical arterial velocimetry, fetal biophysical profile and placental inflammation in preterm premature rupture of the membranes. New England Perinatal Society, Vermont, February, 1990.

115. Rodis JF, Ciarleglio L, Petrikovsky BM, Egan JFX, Campbell WA, Vintzileos AM: Women's intuition: fact or fiction? Society of Perinatal Obstetricians (SPO), Houston, January, 1990.

116. Rodis JF, Egan JFX, Craffey A, Greenstein R, Vintzileos AM: Calculated risk of chromosomal abnormalities in twin gestations. Society of Perinatal Obstetricians (SPO), Houston, January, 1990.

117. Campbell WA, Nardi DA, Vintzileos AM, Rodis JF, Egan JFX, McLean DA, Turner GW: The bicerebellar/abdomen ratio: as a gestational age independent method of assessing fetal growth. Society of Perinatal Obstetricians (SPO), Houston, January, 1990.

118. Vintzileos AM, Egan JFX, Campbell WA, Rodis JF, Scorza WE, Fleming AD, McLean DA: Asphyxia at birth as determined by cord blood pH measurements and correlation with neonatal outcomes. Society of Perinatal Obstetricians (SPO), Houston, January, 1990.

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121. Hudgins L, Wilson-Miller K, Quinn D, Rodis JF, Cartter M, Rosengren S. Is human parvovirus B19 teratogenic: follow up on 39 infected pregnancies. Clinical Genetics, Oct 1989.

122. Vintzileos AM, Petrikovsky BM, Campbell WA, Rodis JF, Pinette MG, Egan JFX: Cord blood gases and abnormal fetal biophysical assessment in preterm premature rupture of the membranes. Society of Gynecologic Investigation (SGI), March 1989.

123. Vintzileos AM, Petrikovsky BM, Campbell WA, Rodis JF, Pinette MG, Egan JFX: Comparison of six different ultrasonic methods for predicting lethal fetal pulmonary hypoplasia. New England Perinatal Society, February, 1989.

124. Petrikovsky BM, Vintzileos AM, Nardi DA, Rodis JF, Campbell WA, Hoegsberg B: Association between elevated MSAFP and fetal obstructive uropathy changes. Society of Perinatal Obstetricians (SPO) New Orleans, February, 1989.

125. Campbell WA, Vintzileos AM, Rodis JF, Nochimson DJ, Ciarleglio L: Low maternal serum alpha fetoprotein and abnormal biparietal diameter/femur length ratio to screen for Down syndrome. Society of Perinatal Obstetricians (SPO), New Orleans, February, 1989.

126. Fleming AD, Salafia CM, Rodis JF, Vintzileos AM, Campbell WA: Relationship between umbilical systolic-diastolic ratio, fetal biophysical profile and histologic umbilical vasculitis. Society of Perinatal Obstetricians (SPO), New Orleans, February, 1989.

127. Rodis JF, Vintzileos AM, Campbell WA, Pinette MG, Nochimson DJ: Intrauterine fetal growth in discordant twin gestations. Society of Perinatal Obstetricians (SPO), New Orleans, February, 1989.

128. Rodis JF, Vintzileos AM, Campbell WA, Pinette MG, Nochimson DJ: Intrauterine fetal growth in concordant twin gestations. Society of Perinatal Obstetricians (SPO), New Orleans, February, 1989.

129. Rodis JF, Quinn DL, Garry W, Anderson LJ, Rosengren S, Vintzileos AM, Campbell WA: A large prospective study of human B19 parvovirus infection in pregnancy. Society of Perinatal Obstetricians (SPO), New Orleans, February, 1989.

130. Vintzileos AM, Campbell WA, Rodis JF, Nochimson DJ, Pinette MG, Petrikovsky BM: Comparison of six different ultrasonic methods for predicting pulmonary hypoplasia. Society of Perinatal Obstetricians (SPO), New Orleans, February, 1989.

131. Rosengren S, Quinn DL, Rodis JF: Fetal hydrops and congenital anomalies in association with human parvovirus infection in pregnancy. Teratology Society Meeting, 1988.

132. Rodis JF, Hovick TJ, Quinn DL, Vintzileos AM, Campbell WA, Shulman-Rosengren S, Tattersall P: Human parvovirus infection in pregnancy. New England Perinatal Society Annual Meeting, February, 1988.

133. Vintzileos AM, Campbell WA, Rodis JF, Bors-Koefoed R, Nochimson DJ: Fetal weight estimation formulas using head, abdomen, femur and thigh circumference measurements. Society of Perinatal Obstetricians (SPO), February, 1987.

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Patti M. LaMonica, R.N, M.S.N.

EXPERIENCE:

Saint Francis Hospital and Medical Center, Hartford, CT

2013-present	Interim Chief Nursing Officer
2011-present	Executive Director of Emergency Services, Clinical Resource Coordinators/Bed Control, Intravenous Therapy
2009-2011	Director of Nursing-Emergency Department, Intravenous Therapy, Clinical Resource Coordinators, Bed Control, Staffing Office
2006-2009	Director of Nursing- Emergency Department, Intravenous Therapy
Additional Interim Positions	Vice President, Patient Care Services (2009-2010) Behavioral Health, Nursing Supervision, Creative Therapy: Mount Sinai Hospital (2008) (2010) Surgical Services (2007)

MidState Medical Center, Meriden, CT

2005 - 2006	Director Emergency Department/ Mediquick Walk-in Center / Inpatient Behavioral Health
2003 - 2005	Director Emergency Department/ Mediquick Walk-in Center

New Britain General Hospital, New Britain, CT

1993 - 2003	Director of Nursing/Clinical Nurse Specialist- Emergency Department
1990 - 1993	Clinical Specialist-Emergency Department and PACU

Greater Hartford Community College, Hartford, CT

1989 - 1990	Nursing Instructor: Senior RN Students (classroom and clinical care) Bristol Hospital

Visiting Nurse Services, Torrington, CT

Per diem	Visiting Nurse

Saint Francis Hospital, Hartford, CT

1988	RN, Emergency Department

Charlotte Hungerford Hospital, Torrington, CT

1985 – 1988	Clinical Educator
1971 – 1988	RN (float) ED, ICU, IV team, M/S, Psych, PACU, Nursing

Supervisor: Hospital

EDUCATION:

1994 MSN Adult Nursing	Western CT State University	Danbury CT
1986 BSN Bridge Program	Southern CT State University	New Haven, CT
1985 BA-Psychology	Central CT State University	New Britain, CT
1971 RN	St. Francis School of Nursing	Hartford, CT

CERTIFICATIONS:

BLS, ACLS, TNCC, ENCP, NCI

Sexual Assault Nurse Examiner (SANE)

AWARDS/RECOGNITION:

2003 State Recognition Award for assisting sexual assault victims and families from Connecticut Sexual Assault Crisis Services, Inc.

2000 Management Award from Connecticut Emergency Nurses Association

1993 Original Research Award from Connecticut Emergency Nurses Association

ACCOMPLISHMENTS/PUBLICATIONS:

2009 Provided legislative testimony and support for the initiation of a state-sponsored Sexual Assault Forensic Examiner Program to provide atandardized care to sexual assault victims – unanymously supported by the General Assembly through the Judicial Branch, active through 2012.

2006 Co-authored chapter *Sexual Assault Intervention and the Forensic Examination* in textbook Forensic Nursing: a Handbook for Practice, 2006

2004 Developed initial On-line Sexual Assault Nurse Examiner (SANE) Course and program currently utilized at Quinnipiac University as education for state Sexual Assault Forensic Examiners (SAFE)

2001-2009 Instructor - SANE program, Quinnipiac University

2001 Developed and instructed SANE course and on-line course at University of Connecticut and Quinnipiac University

2001 Initiated and participated in the development of the Sexual Assault Response Team (SART) multidisciplinary , community approach to patient care- includes acute hospital care, sexual assault crisis counseling, police sex crimes division and prosecutor of sex crime cases.
(first SART group in Connecticut and model for other communities)

2000 Developed SANE team response for sexual assault victims in the acute care setting - Emergency Department, New Britain General Hospital.

2003 Developed SANE team response for sexual assault victims, Emergency Department, Midstate Medical Center

2000 Co-authored article *Triage of Patients for a Rapid (5-minute)* Electrocardiogram: A Rule Based on Presenting Chief Complaints in Annals of Emergency medicine, 2001.

LINDA L. SHANLEY

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SENIOR EXECUTIVE • INFORMATION MANAGEMENT • PROJECT ADMINISTRATION
OPERATIONS DESIGN / IMPLEMENTATION • BUDGET DEVELOPMENT / COMPLIANCE • STAFF DEVELOPMENT

PROFILE

- A multi-faceted, results-oriented Senior Executive/Administrator / Consultant offering a wealth of knowledge and experience in the design, development, and execution of projects with technology-driven / transformational clinical operations arenas of the healthcare industry.
- A strategic and analytical decision maker and problem solver who focuses on the overall picture to ascertain needs and goals, identify difficulties, create or streamline systems and processes, and to formulate visionary solutions that support operational and financial goals.
- A dynamic team builder and leader who cultivates an active network of relationships both within and outside of the organizational structure, effectively networking, collaborating, negotiating, and maintaining proactive associations with executive, professional, and support staff, vendors, and other business associates.
- A strategic negotiator and leader proficient in the selection, procurement process, installation, and staff training of information technology systems and software with a demonstrated record of on-time delivery, facility-wide integration and budget sensitive results.
- A partner with industry to create a platform for innovative and disruptive technology solutions which support the mission of the institution and provide the users of the systems a forum to create, innovate and stimulate new visionary solutions.
- A leader for the development and implementation of the Regional Health Information Exchange, creating a collaborative and financially sustainable organization for hospitals, ambulatory practices and long term care facilities.

PROFESSIONAL EXPERIENCE

Saint Francis Care – Hartford, Connecticut 2012-Present

VICE PRESIDENT/CHIEF INFORMATION OFFICER

- Senior Executive providing business leadership and vision for the strategic planning, management, and implementation of information systems in support of the mission and strategic goals of the Medical Center
- Key member of the executive team providing leadership and education of the senior management team in the area of information technology and clinical informatics.
- Responsible for utilization of resources, system integration, data management and metrics defining return on investment for major information system projects.
- Introduces and implements strategic information technology solutions to address cost reductions, operational efficiencies and innovation.
- Provides overall leadership in the implementation and maintenance for the Electronic Patient Record. Sets strategic direction for the planning, organization, integration, implementation, resource utilization and clinical adoption of the Electronic Patient Record for both the inpatient and ambulatory setting.
- Responsible for the Application Development, Infrastructure and Clinical Informatics division.
- Responsible for the implementation of the Health Information Exchange, Connecticut Care Alliance.
- Provide direction and support to ensure the organizations compliance with all State and Federal regulations.
- Coordinates key resources to meet the strategic initiative of the medical center with respect to web strategy, clinical recruitment, videoconferencing, communication initiatives, academic initiatives and clinical resource management.
- Responsible for the Total Cost of Ownership and Strategic initiative for the Epic Implementation.

PROFESSIONAL EXPERIENCE CONTINUED

STONY BROOK UNIVERSITY MEDICAL CENTER – Stony Brook, New York 2007 - 2011

CHIEF INFORMATION OFFICER

- Senior Executive providing business leadership and vision for the strategic planning, management, and implementation of information systems in support of the mission and strategic goals of the Medical Center
- Responsible for supporting the Medical Center, the Health Sciences Campus and the Clinical Practices to ensure information system and network integration as well as maintaining security of the infrastructure.
- Key member of the executive team providing leadership and education of the senior management team in the area of information technology and clinical informatics for an Academic Medical Center.
- Responsible for utilization of resources, system integration, data management and metrics defining return on investment for major information system projects.
- Introduces and implements strategic information technology solutions to address cost reductions, operational efficiencies and innovation.
- Provides overall leadership of the Electronic Patient Record. Sets strategic direction for the planning, organization, integration, implementation, resource utilization and clinical adoption of the Electronic Patient Record for both the inpatient and ambulatory setting.
- Responsible for the Biomedical Engineering, Health Information Management, Communications and Clinical Informatics division.
- Responsible for the oversight and implementation of the Regional Health Information Organization (RHIO), eHealth Network of Long Island.
- Provide direction and support to ensure the organizations compliance with all State and Federal regulations.
- Coordinates key resources to meet the strategic initiative of the medical center with respect to web strategy, clinical recruitment, videoconferencing, communication initiatives, academic initiatives and clinical resource management.
- Coordinate with Residency and Fellowship Coordinators to meet regulatory compliance.

UNIVERSITY OF CONNECTICUT HEALTH CENTER - Farmington, Connecticut 1985 - 2007

ASST VICE PRESIDENT, CLINICAL ENTERPRISE SYSTEMS: INFORMATION TECHNOLOGY (2005-2007)

- Provides overall leadership of the clinical enterprise sector. Designs and launches plans to create vision and set strategic direction for the planning, organization, integration, implementation, upgrading, and continuous maintenance of facility-wide clinical enterprise systems, to include development of innovative technology-based solutions to support the institution's strategic and tactical business objectives.
- Defines and coordinates project activities, sets unit goals and objectives, tracks and resolves issues and works closely with the business owner and IT support staff to optimize system implementation for the fulfillment of current and prospective business needs facility-wide.
- Formulates, administers, and monitors the Clinical Enterprise budget. Authorizes resource allocation and expenditures, and tracks budget position on a continual basis to assess achievement of goals within budgeted parameters.
- Coordinates the development and implementation of policies, procedures, training and support for the operational continuity of clinical information systems and to meet various federal, state and other regulatory requirements.
- Identifies and facilitates the resolution of application and operational problems relating to the information systems, develops solutions to promote cost reduction and operational efficiencies.
- Plans, conducts and analyzes needs assessment and costs analysis for the business unit in the acquisition of clinical information systems. Coordinates and participates in the procurement process, RFP/RFI development, contract negotiation sessions and subsequent vendor management of all clinical information systems.
- Hires, directs, and evaluates the performance of technical staff, developing each individual to reach their maximum potential by setting expectations, providing ongoing training and coaching, and rewarding appropriately.
- Maintains a consistent level of research, interpretation, and integration of new technology and technological tools to reflect in overall direction of information systems development and management.
- Serves on numerous internal and external committees and project teams, including the Baldrige Measurement Team (Leader) and Results Team, Collaborative Center for Clinical Care Improvement Team (C4I), Health Information Management Committee, Application Leads Committee (Chair), Emergency Department Redesign Team, HIPAA Privacy and Security Team, and on the Quality Resource Management Committee, Physician Oversight Committee and eHIM Steering Committee.

PROFESSIONAL EXPERIENCE CONTINUED

DIRECTOR OF THE CLINICAL ENTERPRISE SYSTEMS: INFORMATION TECHNOLOGY (1997-2005)

- Provided oversight of the clinical enterprise sector. Designed and launched plans to create vision and set strategic direction for the planning, organization, integration, implementation, upgrading, and continuous maintenance of facility-wide clinical enterprise systems, to include development of innovative technology-based solutions to support the institution's strategic and business objectives.
- Developed and maintained performance measures for information technology solutions.
- Identified and facilitated the resolution of application and operational problems relating to the information systems, develops solutions to promote cost reduction and operational efficiencies.
- Plans, conducts and analyzes needs assessment and costs analysis for the business unit in the acquisition of clinical information systems. Coordinates and participates in the procurement process, RFP/RFI development, contract negotiation sessions and subsequent vendor management of all clinical information systems.
- Served on numerous internal and external committees and project teams, including the Clinical Information Technology Planning Committee (Co-chair), Financial Improvement Team, Quality Resource Management, Medical Records Committee, Application Leads Committee (Chair), Soft Computer Users Group (Vice President and Executive Committee), HIPAA Privacy and Security Team, and on the JCAHO Information Management Team .

LABORATORY INFORMATION SYSTEM ADMINISTRATOR: LABORATORY MEDICINE (1995-1997)

- Directed and managed the implementation of the Laboratory Information System (LIS) from hardware and software acquisition and set-up through integration with all health center departments.
- Served as liaison to SoftComputer Inc. (vendor), and oversaw continuing maintenance of the system to include quality assessment, error log, triage, and troubleshooting of contained problems and those impacting overall HIS system integration.

DEPUTY LABORATORY MANAGER: LABORATORY MEDICINE (1991-1997)

- Supervised the Laboratory Services Division, collaborating with the Laboratory Manager and Assistant Hospital Director for the development and facilitation of overall departmental objectives and short-term/long-range goals regarding space utilization, human resources, and financials.
- Coordinated monthly financial and statistical reporting systems and billing for clinical research studies, and established purchase orders and service contracts for the department.
- Directed laboratory computer system utilization; compliance with departmental and institutional guidelines regarding personnel, safety, and procedures; marketing initiatives; and communication with sales personnel, healthcare professionals, and the public.
- Designed, launched, and administered the Laboratory Outreach Program, and served as team member for the development of the OSHA Safety Manual (1992), Laboratory Specimen Collection Manual (1992), Clinical Ladders Program (1991-1992), and Health Expo (1991, 1992).

MICROBIOLOGY SUPERVISOR: LABORATORY MEDICINE (1985-1991)

- Directed, counseled, and evaluated medical technologists and clerical staff, and generated procedures for methods manuals and quality control.
- Scheduled activities, troubleshot instruments, compiled antimicrobial susceptibility profiles, and provided extensive interaction with physicians regarding overall problems and assessment of patient cultures.
- Handled inventory control and supply procurement, and assisted in the development of computer reporting.

HARTFORD HOSPITAL - Hartford, Connecticut 1979 - 1984

MICROBIOLOGY INSTRUCTOR (1981-1984)

- Planned and implemented the Medical Technology and Medical Laboratory Technician programs in Clinical Microbiology (Bacteriology, Parasitology, Mycology, Mycobacteriology, and Virology), and the Medical Laboratory Technician program in Clinical Immunology.
- Evaluated laboratory students using competency-based goals.
- Instructed pathology residents and post doctorate fellows in microbiology.

MICROBIOLOGY TECHNOLOGIST III (1979-1981)

- Performed routine bacteriology, immunology, mycobacteriology, clinical microscopy, parasitology, and venipuncture.

OTHER RELEVENT PROFESSIONAL EXPERIENCE

2014	Healthcare IT News- "Connecticut Hospital with multiple EMRs works to integrate clinical care"
2014	Healthcare Informatics – "A Hospital Embraces Accountable Care"
2014	Hartford Business Journal – "St. Francis readies $120M health IT makeover"
2011	Presenter, 37th Annual Family Medicine Update, "Meaningful Use of Electronic Health Records"
2010	E Health Network Long Island awarded a Regional Extension Center (REC) through NYeC
2010-11	Research in Motion (RIM) – Healthcare Customer Advisory Council, Lighthouse Partner
2010	Development Partner, Cerner Corporation
2010-11	Speaker, Cerner Health Conference, Kansas City, Mo.
2009-11	Member, Cerner Strategic CIO Council
2009-11	Guest Lecturer, MPH Program, Mailman School of Public Health, Columbia University, NY, NY
2009	CIO Panel Participant, Association of Information Technology Professionals, Long Island Chapter
2009	Guest Lecturer, MBA Program, St Josephs College, Patchogue, NY
2008	CIO Panel Participant, American College of Healthcare Executives, Stony Brook, NY
2008	GIR Leadership Institute, Association of American Medical Colleges (AAMC)
2007	Development partner, Surgical Information Systems, Anesthesia Module
2007	Reference Site for Surgical Information Systems
2007	Presenter, Access and Use of Pulsecheck and Other Clinical Systems Through CCOW, PICIS Users Group National Meeting
2006	Reference Site for PICIS PulseCheck Emergency Department System
2004	Board Member, University of Hartford, Barney School of Business Executive MBA Alumni Board
1997	Vice President, Soft Computer Consultants User Group
1996	Executive Committee, Soft Computer Consultants Users Group
1995	Reference Site for Soft Computer Consultants, Laboratory Information System
1990	Clinical Director, Northeast Association of Clinical Microbiology and Infectious Disease (NACMID)

EDUCATION

University of Hartford- West Hartford, Connecticut	**MBA (2004)**
University of Connecticut - Storrs, Connecticut	**B.S. in Medical Technology (1979)**
Bloomfield High School – Bloomfield, Connecticut	**Diploma (1975)**

HONORS

MOST WIRED AWARD, HOSPITAL AND HEALTH NETWORKS (2010, 2011, 2012, 2013)
BOARD MEMBER, CONNECTICUT HOSPITAL ASSOCIATION DNS BOARD (20013-14)
MOST WIRED "MOST IMPROVED" AWARD, HOSPITAL AND HEALTH NETWORKS (2009)
BOARD MEMBER, UNIVERSITY OF HARTFORD ALUMNI BOARD FOR EXECUTIVE MBA PROGRAM
STATE OF CONNECTICUT SCHOLAR
DEAN'S LIST

CERTIFICATIONS

ASCP SPECIALIST CERTIFICATION IN MICROBIOLOGY (1985)
ASCP BOARD REGISTERED MEDICAL TECHNOLOGIST (1979)
NATIONAL CERTIFYING AGENCY: CLINICAL LABORATORY SCIENTIST (1979)

PROFESSIONAL AFFILIATIONS

HIMSS • CHIME • GNYHA • HANYS • UHC • ADVISORY BOARD • CHA
GIR INSTITUTE – ASSOCIATION OF AMERICAN MEDICAL COLLEGES (AAMC)
AMERICAN SOCIETY OF CLINICAL PATHOLOGIST (ASCP)
ASSOCIATION AMERICAN SOCIETY FOR MEDICAL TECHNOLOGY
SOFT COMPUTER CONSULTANTS USERS GROUP (VICE PRESIDENT, EXECUTIVE COMMITTEE)
NORTHEAST ASSOCIATION OF CLINICAL MICROBIOLOGY AND INFECTIOUS DISEASE (CLINICAL DIRECTOR: 1990)

David M. Bittner, CPA, MBA, FHFMA

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PROFESSIONAL SUMMARY

Primary Focus: long-range strategic financial planning focusing on building balance sheet strength; improving the consistency and timeliness of financial information; maximizing the System's inherent strength to improve contracting leverage, purchasing power, balance sheet reserves for program/facility development, maintaining external relationships with creditors, improving access to capital, and development of staff.

PROFESSIONAL EXPERIENCE

7/12 – present **Saint Francis Care / Saint Francis Hospital and Medical Center,** Hartford, CT

An integrated health delivery system, including 617-bed Saint Francis Hospital and Medical Center and Mount Sinai Rehabilitation Hospital, an independent rehabilitation hospital. Other system affiliates include a specialist and primary care physician group, behavioral health center, and urgent care and other access centers. The Medical Center discharges over 32,000 inpatients and treats over 500,000 outpatients annually.

SENIOR VP AND CHIEF FINANCIAL OFFICER **December 2014**

Responsible for daily financial operations, revenue cycle, supply chain, budgeting, cost accounting, and treasury functions.

SENIOR VICE PRESIDENT OF FINANCE **February 2014**

Responsible for daily financial operations, budgeting, cost accounting, and treasury functions.

- Successfully negotiated additional reimbursement of over $10 million over two years for the Hospital and Medical Center
- Identified and achieved cost savings of the state provider tax, resulting in additional net income to the health system of over $2 million annually
- Participate in Connecticut Hospital Association's committee on hospital finance and subcommittee on all-payor reimbursement diagnosis related group (ARP-DRG), which assisted the state's transition to modernize its reimbursement.
- Successfully negotiated a $0.5 million reduction in pharmacy overpayments
- Started the Health System's Investment Committee

VICE PRESIDENT OF FINANCE **July 2012**

Responsible for daily financial operations, budgeting, cost accounting, and treasury functions.

- Led the refinancing of $213 million of tax-exempt bonds into private placement debt in collaboration with seven different lending institutions
- Established service line reporting structures to educate physician and executive directors on financial and operational performance.
- Oversee the annual financial statement audit for the health system

8/07 – 7/12 **Memorial Health System,** Springfield, IL

An integrated health delivery system, including 500-bed Memorial Medical Center, Abraham Lincoln Memorial and Taylorville Memorial Hospitals, 25-bed Critical Access hospitals. Other system affiliates include home services and hospice, primary care physician group, mental health centers, urgent care centers, and property management. Annual net operating revenues were $736 million, generating a 2.6% operating margin in FY 2011(5.6% operating margin in FY 2010). The Medical Center discharges over 25,700 inpatients and treats over 490,000 outpatients annually.

DIRECTOR OF FINANCE & GENERAL ACCOUNTING

Responsible for daily financial operations, budgeting, cost accounting, charge description master, property management, treasury functions, and finance information services.

- In FY2012, collaborated with the CFO and Investment Committee to develop a $90 million new money financing plan to provide funds for two new medical office building projects; maintained A+/A1 category credit ratings by S&P and Moody's credit rating agencies.
- In FY2012, collaborated with the COO and his VP team to develop and implement monthly flexible budget to actual reporting, increasing the accountability and involvement of operational leaders in their departments' financial performance.
- Participated with the Investment Committee to review and monitor investment portfolios of over $450 million, which have outperformed the benchmark by over 27 basis points and 190 basis points for the Medical Center investments and Health System Pension investments, respectively.
- Participated in several cost savings initiative teams to reduce operating expenses, increase revenue, and develop financial reporting metrics, which led to a 2% increase in productivity (or approximately $3.2 million in salary costs) and a 20% (or $400,000) reduction in overtime.
- Led various multi-disciplinary Lean / Six Sigma teams within the supply chain, materials management, and the revenue cycle, reducing annual freight costs by over $100,000 and decreasing bad debt expense of the primary care physician group by over 50%.
- In FY 2009, collaborated with the CFO and operational leaders to complete a $150 million financing plan that issued tax-exempt bonds for use by the Medical Center and both Critical Access Hospitals; developed and implemented a credit rating strategy that secured an A+/A1 category rating from S&P and Moody's credit rating agencies.

Ernst & Young, Kansas City, MO **June 2005 – August 2007**

Manager, Assurance and Advisory Services

Ernst & Young is a global leader in assurance, tax, transaction and advisory services. Worldwide, E&Y employs over 152,000 people.

Responsible for the supervision of audits of not-for-profit hospitals and health systems with annual gross revenues ranging from $100 million to over $4 billion, participated in audit committee and board of director meetings, counseled younger staff in career development, including training of new staff and seniors, managed several teams and projects simultaneously, and participated in health care tax-exempt bond issuances and other health care consulting engagements.

BKD, LLP, Kansas City, MO **July 1999 – June 2005**

Manager, Assurance and Advisory Services

BKD, LLP is a top ten CPA and advisory firm that operates 30 offices in the Midwest. BKD employs over 2,000 professionals.

Responsible for the supervision of audits of not-for-profit hospitals and health systems with annual gross revenues ranging from $25 million to over $500 million, presented audit reports and management letters to finance committees and board of directors' meetings, supervised, trained, and reviewed the work of staff accountants, and mentored several staff accountants to establish career goals.

EDUCATION

Bachelor of Science, 1999, Truman State University

Master of Business Administration, 2009, Benedictine University

CERTIFICATIONS

- Certified Public Accountant Exam (passed on first attempt)
- Six Sigma Green Belt Certification
- Certified Healthcare Financial Professional

PROFESSIONAL AND CIVIC AFFILIATIONS

- President of Lincoln Land Drug Awareness Resistance Education (DARE)
  - 2007-2010
- Treasurer and Board Member of Ronald McDonald House Charity of Central Illinois
  - 2011 - 2012
- Fellow of Healthcare Financial Management Association
    - 2011 – Current
    - Treasurer, Board Member, and Sponsorship Chair of McMahon HFMA chapter
- Adjunct Accounting Faculty at the University of Illinois at Springfield
  - 2010 – 2012
- Finance Committee Member of Food Share
  - 2012 - Current

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PROFESSIONAL HISTORY

Saint Francis Hospital and Medical Center
Hartford, Connecticut

Senior Vice President Planning, Business Development and Government Relations	2011 – Present
Senior Vice President Strategic Planning and Facilities Development	1993 - 2011
Vice President Strategic Planning and Facilities Development	1989 - 1993
Director of Strategic Planning	1987 – 1989

During my 27 year tenure at Saint Francis

- Assumed progressive responsibility for a wide range of projects that were an outgrowth of the development of six Strategic Plans and two Master Facilities Plans.
- Working with the CEO and the rest of his Senior Management Team, I was given overall responsibility for all regulatory approvals, functional space planning, budgeting and construction of over 700,000 square feet of new space and 300,000 square feet of renovation which totaled over $300 million.
- Played major roles in the creation of several joint ventures, public private partnerships and new businesses.
- Served the organization as its legislative liaison.

Key Projects:

- As a member of our Construction Management team, I have been involved in implementation of a two campus master plans that resulted in the completion of:
  - 132 bed Patient Care Tower housing 25 new operating suites, four inpatient medical/surgical units, a new Emergency Department and support services for Materials Management and Central Sterile;
  - 150 bed Patient Care Tower housing Critical Care, Medical/Surgical and Women's Services, as well as outpatient programs for Endoscopy, Heart, Women's and Ambulatory Surgery;

- New Cancer Center;
- 60 bed Rehabilitation Hospital;
- 52,000 square feet Ambulatory Care Center;

- Development, build out and management of leases of Primary Care Access Centers in the towns of Enfield, Ellington, East Hartford, Winsted, Bloomfield, Avon, Glastonbury, Simsbury and Manchester, Connecticut.

Business Development Key Accomplishments:

- The merger of the 379 bed – Mount Sinai Hospital with Saint Francis in 1995.

- Involvement in the creation of and successful implementation of affiliations with:
  - Bristol Hospital in Bristol, CT;
  - Eastern Connecticut Health Network – a two hospital system in Rockville and Manchester, CT;
  - Saint Mary's Hospital in Waterbury, CT;
  - Alcohol Drug & Recovery Center in Hartford, CT;
  - Greater Hartford Lithotripsy, LLC
  - Greater Hartford Easter Seals;
  - Sharon Hospital;
  - The Hospital for Special Care;
  - New Directions;
  - Masonicare;
  - Johnson Memorial Medical Center

Business Ventures key Accomplishments:

- A Joint Laboratory known as Collaborative Laboratory Services (CLS) between Bristol Hospital and Saint Francis:

- A Satellite Cardiac Catheterization Laboratory with a smaller community hospital, Rockville General Hospital;

- Mobile Lithotripsy Services involving three hospitals and physician groups;

- A joint laundry known as Total Laundry Collaborative, LLC (TLC) involving three area hospitals;

- A wide range of physician leases and business relationships covering ambulatory surgery, pain services, gastroenterology and recruitment;

- Assisted in the acquisition of a 129 bed psychiatric hospital in Portland, Connecticut;

- Created the only satellite Long Term Acute Care Hospital Satellite in the State of Connecticut with the Hospital for Special Care.

Government Affairs Accomplishments:

- Aided the hospital in seeking improved funding for both Medicaid and Medicare at the state and national level.
- Receipt of a onetime special payment of $1 million for outpatient clinic services;
- Receipt of special startup funds for new programs in child daycare, a regional child abuse center and vocational rehabilitation services;
- Obtained approval for state bond dollars (with zero pay back requirement)
  - $1.8 million for ADRC – a Saint Francis Care affiliate located on the North Campus
  - $3.75 million – Gengras Ambulatory Care Center at 114 Woodland Street
- Passed legislation allowing creation of long term acute care hospital satellite in the State of Connecticut.
- Winner of the 2014 **American Hospital Association Grassroots Champion Award**.

PAST EMPLOYMENT

Sister of Mercy – Province of St. Louis
St. Louis, Missouri

Vice President for Planning, Marketing And Public Relations at Mercy Health System of the Gulf South	1985 - 1987
Strategic Planner for the Management and Consulting Office of the Sisters of Mercy	1982 - 1985

Greater St. Louis Health Systems Agency
St. Louis, Missouri 1978 - 1982

Office of Comprehensive Health Planning
Jefferson City Missouri 1975 – 1976

EDUCATION

University of Missouri
Columbia, Missouri

Master of Arts (M.A.) Geography 1973-1975

Specialized in Urban Spatial Analysis with minor in Urban and Regional Planning. Graduated summa cum laude.

University of South Alabama
Mobile, Alabama

Bachelor of Science (B.S.) Geography

Specialized in Physical Geography and minored in Geology. Graduated cum laude. Awarded a teaching assistantship to University of Missouri

PROFESSIONAL AND BUSINESS ORGANIZATIONS

American Hospital Association's Society of Hospital Planning and Marketing

Connecticut Hospital Association

Metro Hartford Alliance

Lobbyist – State of Connecticut

American College of Healthcare Executives

DAWN L. BRYANT
6 Muirfield Lane
Bloomfield, CT 06002
Home: 860-216-6544 Cell: 860-993-2619 dawnbryant1@comcast.net

CAREER SUMMARY

Human Resources and Organizational Development executive with many years of health care experience. Additional experience and training in health sciences (population management), education, quality improvement, and organizational effectiveness.

PROFESSIONAL EXPERIENCE

Saint Francis Care, Hartford, CT, January 2012-Present
Senior Vice President and Chief Human Resources Officer
Oversight of HR/OD for Saint Francis Care, an integrated delivery system with 5,500 employees. The flagship is New England's largest Catholic hospital with 617 licensed inpatient beds. Saint Francis is a regional referral center and major teaching hospital with key clinical concentrations in women's and children's services, oncology, cardiology, and orthopedics. Rehabilitation and behavioral health services are offered on the System's Mount Sinai campus.

- Serve as management liaison to the Board Compensation and Management Development Committee, responsible for succession planning reviews, aligning and measuring short- and long-term strategic goals for the organization, and coordinating the CEO performance management process.

- Serve as co-leader of a multi-year cultural initiative to implement Relationship Based Care, a trademark program of Creative Health Care Management.

- Work closely with Physician Hospital Organization (Saint Francis Health Care Partners) to develop a "proof of concept" of Saint Francis' ACO and other risk-sharing strategies through the employee health plan.

Carondelet Health, Kansas City, MO, November 1999-January 2012
Vice President of Human Resources and Organizational Development
Carondelet Health is a regional, bi-state health system comprised of two acute care hospitals (both Magnet-designated), three long-term care facilities, a home health agency, and several other corporate entities. The System had approximately 3,300 employed associates. In 2002, CH became part of Ascension Health, the nation's largest not-for-profit health care system.

HealthNet, Kansas City, Missouri, 1987-1999
Vice President of Human Resources and Organizational Effectiveness
(final role in 1999)
Oversight of Human Resources and Organizational Development in a fast-growing managed health care plan (PPO and HMO) with approximately 600 employees and 30% market share in Kansas City. HealthNet was originally owned by 10 Kansas City hospitals that eventually

coalesced into four systems. HealthNet's name changed in 2001 to Mid America Health, a plan that was subsequently sold to Coventry Health Plans.

Lee's Summit R-7 School District, Lee's Summit, Missouri, 1984-1986
Secondary Education Teacher – Language Arts

Taught English in the 8th, 9th, and 10th grades in a Kansas City suburb.

EDUCATION

M.S., Evaluative Clinical Sciences
(focused on quality improvement and population management)
Dartmouth College, Hanover, New Hampshire

B.S., English Education
University of Kansas, Lawrence, Kansas

CURRENT AND PREVIOUS BOARD AFFILIATIONS/MEMBERSHIP

Board of Healthe Mid-America, an employer-driven Regional Health Information Organization (RHIO) (closed in June 2010 due to new bi-state offerings under ARRA)
Saint Francis Retirement Committee
Carondelet Health and Welfare Board of Trustees
Carondelet Health Pension Committee
Board of Animal Haven, a "no kill" animal shelter serving Johnson County, KS
Blue Springs Personnel Board (hearings on city personnel disputes

Robert Falaguerra, CHFM
3 Olivia Lane
Old Lyme, CT 06371

Education

MS, Management Engineering, Rensselaer Polytechnic Institute, Troy, New York, 1974

BE, Mechanical Engineer, State University of New York Maritime College, New York City, NY, 1968

Other

AHA Certified Health Care Facilities Manager

Professional Affiliations

Member, American College of Healthcare Executives
Member, American Society for Healthcare Engineering, past president and board member
Member, National Fire Protection Association
Hospital Engineering Society of Greater NY, past president and board member
New York State Society of Hospital Engineers, past president and board member

Community Activities

Board of Advisors, University of Hartford Construction Institute
Town of Old Lyme – Harbor Commission

Military

U.S. Navy Reserve. Retired with rank of Lieutenant

Job History

1992 – Present
Vice President Facilities, Support Services and Construction, Saint Francis Care, Hartford, CT

Administrative responsibility for all support services including housekeeping, laundry, security, food and nutrition, patient transport, parking, property management, engineering and clinical engineering.

- Responsible for space management, design and construction
- Responsible for preparation and administration of system capital budget
- System Safety Officer and Emergency Preparedness Coordinator

Major Accomplishments Include

While at Saint Francis Hospital and Medical Center oversaw ~$500 million in construction and renovation projects including the 318,000 square foot John T. O'Connell Tower, the 354,000 square foot Patient Care Tower, 46,000 square foot Cancer Center, 45,000 square foot Rehabilitation Hospital of Connecticut, 52,000 square foot Burgdorf/Bank of America Building, 50,000 square foot Avon Access Center, 52,000 Glastonbury Access Center and over 800,000 square feet of renovations. Along with the team at Saint Francis converted an aging hospital into a major teaching facility.

In the area of facilities management has secured three EPA Energy Star awards for Saint Francis. Responsibilities in support services and facilities contribute to patient and employee safety and satisfaction.

1987 – 1992
Vice President/COO
OGDEN Allied Services Corporation (Abatement and Decontamination Subsidiary) (New York, NY)

Recruited by this Fortune 500 company to create a subsidiary aimed at penetrating the asbestos abatement industry. Developed business and marketing plan. Implemented strategies and exceeded original sales target. P&L responsibility.

- Started up subsidiary … created business and marketing plan … achieved $20 million sales level in first year … $50 million in third year.
- Personally prepared abatement proposal for major internationally owned hotel … won contract amounting to $6 million with GPM exceeding 25%.
- Developed mobile trouble-shooting team … capable of responding to any project nationally

1986 – 1997
Associate Executive Director, Bellevue Hospital, New York, NY

Recruited by world renowned health care institution which was in disarray, both managerially and physically. Implemented a series of turnaround procedures. Changed a sub-par environment to meet modern standards.

- Reorganized 250 person operations/maintenance departments … hired several key managers … instilled professionalism.
- Took over a 10 year non-functioning HVAC system … hired expert and made operable in six months … avoided millions of dollars in retrofit and operational costs at an expense of under $500,000.
- Turned around a mismanaged, litigation-riddled construction program.

1978 – 1985
Vice President, Facilities Management, Phelps Memorial Hospital, Sleepy Hollow, NY

Managed administrative and line supervision of all facilities functions including operations, engineering, telecommunications, data processing and support services.

- Developed and implemented an energy management system … reduced utility consumption 25%.
- Managed renovation of 225,000 square foot facility
- Developed a number of for profit operations … added income to parent corporation.

1976 – 1978
Director of Engineering, Bronx Lebanon Hospital, New York, NY

Returned to former organization with assignment of streaming operation. Three separate divisions (hospitals) were integrated under one manager with a single set of operation standards and safety procedures.

- Reorganized managerial structure … integrated three engineering divisions under one corporate head.
- Developed and managed training program for technical and administrative personnel.
- Implemented computerized P.M. and work order system.

Prior to 1976

- Montefiore Hospital and Medical Center, Bronx, NY, Director of Engineering
- Bronx Lebanon Hospital, Associate Director of Engineering
- Officer in U.S. Merchant Marine and U.S. Naval Reserve

IAN S. TUCKER, M.D., FAAFP

Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road – Stafford Springs, CT 06076
(860) 684-8103 – ian.tucker@jmmc.com

Experience:

Johnson Memorial Medical Center, Inc.
- Vice President, Medical Affairs — **2012-Present**
- Vice President, Medical Staff — **2010-2011**
- Chairman, Dept of Family Practice & Pediatrics — **2007-2010**

Owner/Physician — **2003-Present**
Somers Family Practice, LLC – Somers, CT

Staff Physician — **2012 – Current**
Johnson Memorial Advanced Wound Center- Enfield, CT

Staff Physician — **2004-2012**
Department of Emergency Medicine- Johnson Memorial Hospital – Stafford Springs, CT

Education:

Altoona Family Physician Residence – Altoona, PA — **1998-2001**
- Chief Resident — **2000-2001**

University of Maryland, School of Medicine — **1994-1998**
- Degree: M.D.

Cornell University – Ithaca, NY — **1991-1994**
- Degree: BA, Biology, with Distinction in All Subjects

Societies:

Tolland County Medical Association — **2001-Present**
- President (2011-Present)
- Member (2001-Present)

Connecticut Medical Society — **2001-Present**

American Association of Family Practitioners — **2001-Present**
- Awarded Degree of Fellow: 2011

Awards:

- AAFP Teaching Award — **2001**
- First Annual Gastroenterology; Blair Gastroenterology — **2001**
- Chief Resident Award — **2001**
- Army Commendation; Dewitt Army Hospital, Fort Belvoir, Virginia — **2003**

Academic Positions:

- Assistant Professor; UCONN School of Medicine
- Assistant Professor: Scared Heart, Nurse Practitioner/Family Medicine — **2001-Present** **2010-Present**
- Assistant Professor: University of New England, College of Osteopathic Medicine — **2010-Present**

Military:

Army Medical Corps — **2000-2008**
Rank Achieved: Major

Interests:

- Fencing Instructor, Sabre
- Biking

John T. Grish

155 Windermere Road #2408 • Ellington, CT 06029 • 540-878-8297 • tjohn4259@aol.com

SUMMARY

Thirty-two years of hospital financial experience, with the last twenty-four working as a Chief Financial Officer. An analytical, strategic decision maker with strong communication and negotiation skills, as well as a background rounded out with significant exposure to operations and interaction with hospital medical staff.

PROFESSIONAL EXPERIENCE

Johnson Memorial Medical Center, Stafford Springs, CT 12/10-present
Interim Chief Financial Officer 12/10-6/11
Chief Financial Officer 6/11-present
Manages financial operations for Johnson Memorial Medical Center. JMMC consists of: a 98 bed hospital, a 160 bed nursing and skilled nursing home, a development company, a home and community health services company and an affiliated company that oversees the activities of several physician practices. Direct reports include the Controller, Director of Patient Accounts & Patient Access, Director of Managed Care, Director of Hospital Information Management and Director of Materials Management. Total Operating Revenue of $101,000,000 and 794 FTES.
Major accomplishments to date:

- Decreased DNFB from 12 days to 6 days (added $1M in cash)
- Spearheaded a $2M cost reduction program
- Evaluated and recommended new revenue generating programs to be implemented in FY 2011

Howard University Hospital, Washington, D.C. 2/08-5/10
Chief Financial Officer
Managed financial operations for Howard University's 428-Bed teaching hospital. Operating responsibilities for General Accounting, Reimbursement, Patient Access, Medical Records, Patient Accounting, and Managed Care Negotiations. Responsible for the entire revenue cycle. Total Revenue of $300,000,000 net patient revenues and 2150 FTES.
Major accomplishments:

- Lead a twelve-month turnaround, taking a $14.1M operating loss in 2008, to a $2.9M gain from operations in 2009
- Increased Net Patient Revenue $23M in 2009 by enhanced management of the "revenue cycle"
- Replaced and upgraded the entire financial management staff in less than 24 months.
- Upgraded and added the following financial systems:
    1. New Budget System (Vendor: Kreg)
    2. Contract Management System (Vendor : Kreg)
    3. Decision Support / Cost Accounting System (Vendor : Kreg)
    4. Calibration Of Contractual Allowance System (Vendor : Crowe)
    5. Kaufman Hall Forecasting System

Inova Loudoun Hospital, Leesburg, Virginia 1/99 – 2/07
(Through March 2005 merger with Inova Health System)
Formerly Loudoun Hospital Center.
Chief Financial Officer
Managed finance for this system with budgeted gross revenues of $342 million and 1200 FTEs. Operating responsibility for Finance, Medical Records, Materials Management, Patient Accounts and Patient Registration (139 FTEs). Span of responsibility included:

- Inova Loudoun Hospital - 183 acute care beds.
- Loudoun Nursing and Rehabilitation Center - 100 beds.
- Loudoun Health Services. Free-standing outpatient surgical center.
- Loudoun Hospital Foundation

Major Accomplishments:

- Increased licensed bed capacity from 92 to 183.

- Engaged in a three-year turn around initiative, turning an $18.4 million loss into a $14.2 million gain.
- The gain from operations in 2006 was $12.3 million, a 6.1% return on net patient revenue, which was the highest in the hospital's history.
- Reduced gross days in accounts receivable from 70 days in 1999 to 45 days in 2006.
- Increased number of days in cash from 20 in 1999 to 140 days prior to merger.
- Directed successful effort to sell $18.2 million bond issue to add needed capacity in June of 2002. Bond rating BBB from Fitch. Six months later, bond rating was raised to BBB+.
- Completed a successful merger with Inova Health System with a community benefit of $200 million.
- Negotiated a joint venture outpatient surgery center between the hospital and key surgeons.
- Negotiated terms for the construction of an office building on hospital campus that provided up-front lease payments ($2.5 million) while giving county residents access to new services, including Cardiac Catheterization.

Capital Health System, Trenton, New Jersey 12/97 – 8/98
(Consolidation of Mercer Medical Center and Helene Fuld Medical Center into 589 bed system)
Chief Financial Officer
Managed financial operation of the newly-formed Capital Health System, with a $200 million dollar budget, and 3000 employees. Reported to the Chief Executive Officer of the Health System, and met monthly with the Board Finance Committee on the system's financial performance.
Major Accomplishments:

- Teamed with other senior managers on an ad hoc Board Committee, which directed the consolidation of the two hospitals into a major Health System.
- Played a key role, as a member of the oversight committee, in establishing the management team of Capital Health System.
- Evaluated and recommended vendors to provide a new financial CIS system for Capital Health System.
- Developed the overall finance portion of the consolidated business plan for the new entity.
- Negotiated all new contracts with third-party payers.

Mercer Medical Center, Trenton, New Jersey 1/93 – 12/97
Executive Vice President/Chief Financial Officer
Managed the overall operations, including financial, of this 343 bed medical center, with four Vice Presidents as direct reports.
Major Accomplishments:

- Directed a re-design program that reduced annual expenditures by $4.5 million, while developing a patient focus care delivery system. Brought all factions and aspects of the hospital together to support this effort.
- Developed and chaired a cost containment and standardization committee to help reduce costs by $500,000 in six months.
- Participated in the development of a Physician Hospital Organization to negotiate managed care contracts with third-party payers.
- Played a major role in establishing a new corporate relationship with the Voluntary Nurses Association to provide home health care for Mercer Medical Center patients.

Vice President of Finance 12/82 – 1/93
Provided overall fiscal direction for the Medical Center and its affiliated organizations. Reporting departments included general accounting, patient reception/admissions and purchasing/materials management. Managed administration of pharmacy, laboratory, and radiology. Subsidiary activities included home care, cardiopulmonary, physical therapy and sports medicine operations, physician recruitment and real estate ventures.
Major Accomplishments:

- Consistently maintained an operating profitability margin well in excess of state average through revenue maximization and cost containment, without any adverse effect on quality patient care.
- Coordinated a successful $27.4 million, A-rated, tax-exempt bond financing for expansion of the facility.

- Established several diversification and satellite activities through subsidiaries of Mercer Holding Corporation.
- Represented the Medical Center on the Board of Directors of the Mercer County MRI consortium, which was responsible for the implementation and financial oversight of this project.

Director of Finance 11/76 – 12/82
Directed and coordinated the daily operation of the finance department to include preparation of internal financial statements, the budget process and third-party reimbursement.

OTHER WORK EXPERIENCE

United Hospital of Newark 9/75 – 10/76
Director of Budgeting and Reimbursement

Freedman & Strulowitz – Certified Public Accountants 12/74 – 5/75
Senior Accountant

Wiss & Company – Certified Public Accountants 6/72 – 11/74
Senior Accountant

EDUCATION

Philadelphia University, Philadelphia, Pennsylvania 9/81 – 6/84
MBA, Finance

St. Peter's College, Jersey City, New Jersey 9/67 – 6/72
BS – Accounting

Pennsylvania CPA Exam 1981
License Active

PROFESSIONAL MEMBERSHIPS

Healthcare Financial Management Association – Advanced Member
Philadelphia University - Adjunct Professor 9/86 – 12/98

PATRICIA A. JAGOE RN, MSN, CNOR

Patricia.jagoe@jmmc.com
860-515-6752

Objective

A results-oriented leader with extensive experience in perioperative service line oversight and overall patient care areas within multi-hospital healthcare systems is seeking career enhancement with a leading healthcare organization.

Summary of Qualifications

Fourteen years administrative/management experience in the perioperative arena with an excellent track record of leading teams, managing operational and capital budgets, and institution of quality and safety initiatives. Experience with ANCC Magnet ©Designation and Malcolm Baldridge Healthcare Quality initiatives.

Eighteen years experience as a Perioperative Staff Nurse with a broad base of experience across specialty areas including Cardiovascular-Thoracic, ENT, General, Gynecology, Neurosurgery , Ophthalmology, Orthopaedic, Trauma and Urology.

Professional Experience

Currently – Assistant Vice President Patient Care Services Johnson Memorial Medical Center, Stafford Springs, CT
February 2014- present

Responsible for oversight of Patient Care including Inpatient and Outpatient Services: Medical/Surgical, Perioperative, Central Sterile Processing, ED, Critical Care, Infection Control, EMS, Infusion Center, Physical Medicine and Rehabilitation, Labor and Delivery, Nursing Education and Practice.

Executive Director Surgery Service Line
January - 2012-February 2014

Responsible for strategic, quality, safety and clinical oversight for Inpatient and Outpatient Clinical Services within the Surgery Service Line including 17 inpatient operating rooms, 9 outpatient operating rooms, post operative nursing units, pre admission testing, PACU, GI services, Pain Clinic, Day Health, Endoscopy. Program oversight including Ambulatory Surgery, Wound and Hyperbaric services, Denistry, Trauma Servcies, Outpatient Surgery clinics. Responsbilities include oversight of 400 – plus nurses, physicians, PA's and ancillary staff.

Accomplishments

- Development of the Surgery Service Line within a Dyad model.
- Developed and implemented strategies for population health management of the perioperative patient within a complex healthcare organization.
- Named one of the Best Hospitals for Surgery according to Consumer Reports. Highest overall surgery rating in the state. One of two hospitals in the state to achieve this honor.
- Established patient satisfaction strategies with mid- level managers
- Improved on time first case starts in the OR areas
- Improved Turn Around Time for OR procedures
- Instituted patient safety initiatives and culture of safety within multidisciplinary teams.
- Achieved 3.7% increase in revenue capture for the surgery service line through multiple cost-saving and revenue enhancing initiatives.
- Instituted Periop 101 course that resulted in eliminating RN traveler staff in the CVOR at a 1 million dollar cost avoidance over one year.
- Worked with Anesthesia leaders to identify and implement a risk stratification process for pre-procedural testing.
- Worked in partnership with neurosurgeon groups to identify spine strategy inititaives.
- Reorganized reporting structure within the surgery service line in order to enhance accountability and workflow

Assistant Vice President Perioperative Services
Avera McKennan University Health and Hospitals
Sioux Falls, SD
June 2008-January 2012

Responsible for Inpatient and Outpatient Perioperative Services, including fourteen (14) inpatient operating rooms and eight (8) outpatient operating rooms, Anesthesia services, GI services, Pain services and Central Sterile Processing Department (CSPD) at an ANCC Designated Magnet© tertiary hospital in a multi-state healthcare system.

Responsibilities include planning, staffing and opening an outpatient surgery center on hospital campus July 2010 as well as oversight of the Level II trauma inpatient OR's with a combined surgical volume of over 12,000 cases. Strategic planning focusing in development of outpatient and inpatient surgery programs with 6 direct reports and approximately 280 FTE's. Additional

responsibilities include focus on development of physician relationships, performance improvement initiatives, human resource oversight, budgetary oversight, regulatory and quality leadership.

Accomplishments

- Planned, developed, and opened the Avera Surgery Center which includes 8 integrated OR's, 14 phase I recovery bays, 28 private pre/post-op rooms.
- Physically combined and centralized the sterile processing area in order to service both inpatient and outpatient OR suites.
- Reorganized Perioperative Services leadership, brought on additional perioperative director position as well as business director position.
- Built strong relationships with surgeons, staff, senior leaders, peers and leaders from other departments hospital and organization-wide.
- Achievement of aggressively budgeted volume targets for surgery FY2011.
- Increased market share from 25% to close to 30% this fiscal year.
- Brought on new staff to support opening of ASC, CSPD and Main OR
- Participated in Magnet review and successful Magnet designation.
- Leading directors and managers in creating Unit Practice Councils.
- Partnered with Surgery Medical Director to create OR Committee.
- Partnered with Robotic Surgeon champion to initiate Robotic Subcommittee.
- Co-authored Helmsley Foundation Grant to bring IOERT (Mobetron) to Avera McKennan, one of only 13 facilities to offer this in the country and the first in the country to partner with the Salzburg, Austria research protocol for breast IOeRT.
- Conduct monthly "meet and greet" sessions with perioperative staff
- Initiated Surgery VAT team with Co-leader from Regional Health System and NPPC.
- Assisted CNE to lay groundwork for roll-out of Periop 101
- Facilited roll-out of Surgical Safety Checklist
- Created and brought on Business Director position
- Improvement and enhancement of Perioperative Education through addition of two new perioperative educators.

Director Surgical Services
High Point Regional Health System
High Point, North Carolina
Sept. 2006-2008

Responsible for a twelve (12) room OR suite, Pre-admission, Day Hospital, Endoscopy, PACU, Anesthesia, Perfusion Services, Central Sterile Processing, and Bariatric Administration with 10 direct reports and approximately 185 FTE's.

Responsibilities include strategic planning, developing and maintaining physician relationships, performance improvement initiatives, including leading patient throughput and lean six sigma projects, human resource, fiscal and regulatory oversight.

Active on multiple committees and workgroups including co-chair of Operating Room Committee, Surgery and Anesthesia Section, leading Universal Protocol for Prevention of Wrong

Side, Wrong Site, Wrong Patient Surgery initiative, Surgical Services Products Committee, and Education and Leadership workgroup.

Accomplishments

- Reorganization of the Surgical Services leadership team.
- Reorganized Surgical Services Products Committee.
- Conducted focused staff satisfaction survey specific to the Operating Room.
- Institution of a Staff Council in Operating Room that will be rolled out to all of Surgical Services within the year.
- Conducted focused surgeon satisfaction survey specific to the Operating Room.
- Currently working with Operating Room leaders to address results of surgeon satisfaction survey.
- Owner of two Lean Six Sigma teams within Surgical Services.
- Presentation "Controlling the Chaos" Association of Perioperative Nurses Conference; Orlando, Fla. March 2007
- Presentation "OR Efficiencies"; VHA Mid-Atlantic Perioperative Conference ; Durham, NC. May 4, 2007
- Co-authored article "What is Your Succession Plan?", OR Today; May 2007.
- "Surgery Plans? Here's how you can help make is a safe experience" Authored by Patricia Jagoe for the High Point Enterprise Newspaper, Health Beat section; February 20, 2007.
- "This kind of "time out" is a vital part of your surgery" Authored by Patricia Jagoe for the High Point Enterprise Newspaper, Health Beat section; June 12, 2007.
- WMFR Radio interview February 20, 2007 and June 12, 2007 relating to patient safety.

Clinical Manager Operating Room/Acting Director Surgical Services
WakeMed Health and Hospitals
Raleigh Campus
Raleigh, North Carolina
2001-2006

Responsible for a twenty-two (22) room OR and Sterile Processing area with 10 direct reports and approximately 145 FTE's at a Level I trauma center.

Responsibilities also included direction of daily operations, staffing and staff retention, budgeting, performance improvement, patient safety, quality and regulatory activities, staff education, physician and Anesthesia department relationships and active participation in WakeMed initiatives.

Functioned as Acting Director of Surgical Services.

Active participant on various committees within the WakeMed System including, OR, Orthopaedic, Thoracic/Cardiovascular, Infection Control, Safety Committee, Capacity Management Team and North Carolina Surgical Infection Prevention.

Accomplishments

- OR Smoothing Initiative – Successfully decreased variation in the OR schedule, allowing predictability of daily operations thus allowing accurate resource allocation in the surgical services area.
- Successful fiscal budget management.
- Successful management of increased surgical volume (11% over predicted budget for FY 2006).
- Improved on-time first case starts from 42% to 85%.
- Poster presentation 2006 AORN Congress on OR Smoothing initiative.
- Honorable Mention ISIPS 2005 Sharps Injury Prevention Award.
- Implementation of RN First Assist program.
- Introduction of image guidance technology for neurosurgery and ENT.
- Introduction of robotics (DaVinci™) for urology, cardiology and gynecology.
- Implementation of a shared governance staff model for Surgical Services.
- Implemented patient/staff safety initiatives including Universal Protocol, Medication Labeling and use of Safe Zone in the Operating Room.
- Coached and mentored nursing staff entering into supervisory/leadership roles.

Clinical Director of Surgical Services
HealthEast Care System
St. Joseph's Hospital
St. Paul, Minnesota
1997-2001

Responsible for a twelve (12) room OR, PACU, Surgical Admit Unit and Anesthesia Department.

Responsibilities included directing departmental operations, staffing, budgeting, education, performance improvement and integration of departmental functions into St. Joseph's Hospital and the HealthEast Care system.

Co-chair of the Interventional Cardiovascular team which, a multidisciplinary group addressing the total care of the cardiovascular patient, and member of the Heart Care Team which plans, develops and implements marketing strategies for the HealthEast Heart Program. Member of the Surgical Scheduling work group and member of the Anesthesia/ Surgical Services Value Analysis committees. Chair of the Orthopaedic Service Leader Group.

Member of the Surgery Planning/Design and Implementation work team for a new hospital, Woodwinds Health Campus.

Perioperative Nurse 1991-1997
HealthEast Care System
St. Joseph's & St. John's Hospitals
St. Paul, Minnesota

Responsible for direct care of the surgical patient in the operating room. Circulating, scrubbing and assisting on surgical procedures including Cardiovascular-Thoracic, Neurosurgery, General,

Gynecologic, Orthopedic, Urologic and ENT. Assessment, planning, implementing and evaluating outcomes of nursing care. Maintaining up to date knowledge of surgical procedures and care of surgical instrumentation and equipment. Functioned in the Charge Nurse role when needed. Rotated shifts and worked on call. Participated on a committee to implement Service Leader positions for the operating rooms in the HealthEast System. Involvement in task force to initiate "shared positions" between St. Joseph's and St. John's operating room staff.

Perioperative Nurse 1987-1991
Metropolitan-Mount Sinai Medical Center
Minneapolis, Minnesota

Responsible for direct patient care of the surgical patient. Assessment, planning, implementing and evaluating outcome of nursing care. Functioned in Charge Nurse role when needed. Rotated shifts and on-call regularly.

Perioperative Nurse 1985-1987
St. John's Hospital
St. Paul, Minnesota

Responsible for direct patient care of the surgical patient including circulating, scrubbing and assisting on all procedure types. Maintaining up to date knowledge of surgical procedures and equipment. Rotated shifts plus on-call.

Assistant Head Nurse-Ophthalmology 1978-1983
Abbott-Northwestern Hospital
Minneapolis, Minnesota

Additional Experience:

Member of the Twin Cities Chapter of Association of Operating Room Nurses (AORN). Treasurer of Chapter 1978-1981.

Member of House of Delegates-Minnesota Nurse Association 1993-1994.

Member of the AORN Nominating Committee-Twin Cities Chapter-1998-2000.

Former Adjunct faculty member North Carolina State University School Biomedical Engineering.

Member of the VHA Upper Midwest OR Leadership Group. 2001- 2008

Currently:

Member of American College of Healthcare Executives (ACHE)/ CT Chapter

Member of Hartford Association of Perioperative Nursess (AORN) Chapter

Member of Management Special Assembly of Association of Perioperative Nurses

Education

College of St. Catherine
Minneapolis, Minnesota.
Associate of Applied Science, RN.
Awarded May 19, 1978.
Post-Basic Operating Room Course
Completed May 1978.

OR Certification (CNOR). Awarded 1995

Duquesene University
Bachelor's of Science in Nursing.
Awarded May 2005.

Duquesne University
Masters Degree in Nursing with Healthcare Administratiion Focus
Awarded May 2008

References

Upon request.

Karl P. Kamyk
4 Fernwood Drive, Wilbraham, MA 01095
Home: 413-596-2453 Cell: 860-463-4433
Kamykpk@charter.net

Executive Summary

Candidate is forward thinking Executive Professional with over 20 years of managerial experience. A strong team collaborator who works within cross functional teams to obtain goals and achieves optimal results. Masterful at evaluating complex issues, identifying solutions and implementation of solutions using innovative practices.

Areas of expertise include but not limited to:

Process Optimization
Cost Reduction
Customer/Patient Relations
Quality and Performance Improvement
Mitigating Survey Deficiencies
Operational and Strategic Planning
Project Management
Team Motivation, Engagement and Management Metrics
Manages all regulatory site visits and compliance with regulations

Professional Experience

Johnson Memorial Medical Center, Stafford Springs, CT — 2014 – Present
Assistant Vice President, Ancillary Services

Johnson Memorial Hospital affiliated with Saint Francis Care is licensed for 92 beds. Our emergency department has been recently upgraded and addresses any form of acute care needs for our communities. JMMC performs surgeries on site; therefore we have a medical surgical unit as well as an ICU. JMMC also has a labor and delivery unit and an adult inpatient psychiatric unit. The hospital employs just fewer than 700 staff members.

Reports to the Chief Executive Officer, responsible for Ancillary Services at Johnson Memorial Medical Center. In partnership with physician leaders, provides overall leadership for Radiology, Laboratory, Pharmacy, Quality, Risk Management, Performance Improvement, Patient Experience and Compliance. In addition, support s various regional initiatives in collaboration with the Connecticut Hospital Association (CHA) related to these services.

The primary focus is to provide overall leadership and management for the inpatient and ambulatory services in order to enhance patient care and clinical quality, manage costs, and align services to perform effectively in our health care environment. Accountability for the strategic planning as well as administrative, clinical, and operating processes, including oversight of licensure and regulatory requirements for the medical center. Also, responsible for collaborating with, supporting, and developing Directors/Managers, and engages in regular contact with management, staff, and physicians, as well as interaction with patients and families. Demonstrates a strong commitment to the mission and values of Johnson Memorial Medical Center.

Gross Revenue: $69,578,000
Operating Budget: $12,817,805
Division Oversight of 88 FTE's

Chair: Connecticut Hospital Association (CHA) Quality Committee
Member: Connecticut Hospital Association (CHA) Board Quality Committee

Director, Quality, Risk Management & Performance Improvement

Identified Process Improvement opportunities through analysis of comparative and internal data collection and assign preordination and follow through on those activities, including identification of outcome measurements for PI which contributes to the attainment of fiscal and quality goals.

Coordinated data collection, report preparation, and correspondence pertaining to the QI program with payers, collaborating agencies and regulatory bodies

Lead teams, coached others and championed the organizations quality agenda. Worked with line managers and medical leaders to build a continuous quality improvement program and overseen all quality assurance efforts in network.

Worked closely with medical staff leadership integrating quality data into physician-lead performance improvement activities.

Under direction of Medical Staff, facilitated physician peer review program and coordinate re-credentialing information.

Reviewed and revised hospital-wide Quality Improvement Plan and developed annual quality improvement measures and goals in conjunction with senior leadership.

Baystate Medical Center, Springfield, MA 2007 -2011
Assistant Director, Radiology

Baystate Medical Center (BMC), in Springfield, Massachusetts, is an academic, research, and teaching hospital that serves as the western campus of Tufts University School of Medicine. BMC is a 716-bed facility with 57 bassinets. It is the only Level 1 trauma center in western Massachusetts, treating the most critical and urgent cases in the region. BMC is home to the second-busiest emergency department in Massachusetts.

Under the direction of the Director of Diagnostic Services, is accountable for the effective administration, efficient allocation and utilization of resources for the day-to-day operations of the Baystate Medical Center radiology service line.

Gross Revenue: $125,000,000
Operating Budget: $ 15,000,000
Annual Volume: 255,000
Oversight of 157 FTE's and off-site OP imaging facilities.

Wing Memorial Hospital, Palmer, MA 2004 - 2007
Director, Medical Imaging

Wing Memorial is a 74-bed hospital located in Palmer, Massachusetts. The team includes 800 employees, 50 active medical staff and 160 registered Nurses. The facility specializes in adult family medicine, internal, geriatric and pediatric medicine.

Under the direction of the Vice President of Ambulatory services, provides oversight of the Imaging service line inclusive of 1 Assistant Manager and 25 FTE's. Digital Imaging Department: U/S, Nuclear Medicine, General Radiography, Fluoroscopy, CT, Bone Density, and a contracted service with Shields MRI; Analog: Mammography – Vendor selection for digital system underway.

North Adams Regional Hospital, North Adams, MA 2002 - 2004
Manager

North Adams Regional Hospital is a full-service community hospital in North Adams, Massachusetts, in the heart of the Berkshire Hills. For over a century, North Adams Regional

North Adams Regional Hospital provides primary care services, specialty physician services, and diagnostic and treatment services to citizens from Northern Berkshire County and Southern Vermont. NARH offers medical/surgical nursing care, full maternity services, and an inpatient psychiatric unit. The Wilkins Emergency Center treats over 20,000 people each year, and NARH performs more than 2,200 surgeries every year.

Managed, Chief Technologist and 21 FTE's.
Implementation of Power Scribe (Voice Recognition for Reporting), updated Chargemaster – Complete, Accurate, Functional, acquisition of Multi-Slice CT Scanner, Budget Development and Oversight, Business Plan Development for Fixed Site MRI / Obtained Determination of Need (DON).
Maintained compliance with JCAHO, DPH, MQSA, FDA

UMASS Memorial Medical Center, Worcester, MA 1988 - 2002
Manager

Located in Worcester, Massachusetts, UMass Memorial Medical Center is the region's trusted academic medical center, part of the UMass Memorial Health Care system. UMASS is committed to improving the health of people in Central New England through excellence in care, comprehensive health services, teaching and research. On board is over 1200 active medical staff, 2000 Registered Nurses, with over 38,000 annual admissions.

Managed, 6 Lead Technologists and 40+ Registered Technologists.
Budget Development and Oversight M
Maintained compliance with JCAHO, DPH, MQSA, FDA M
Managed daily operations in general Radiology and Mammography.
Hospital Committees: Workflow Committee, Work Redesign, Recruitment / Retainment of Staff

Education

Bay Path College, Longmeadow, MA
Masters in Business Administration, Emphasis on Entrepreneurial Thinking and Innovative Practices

Assumption College, Worcester, MA
Bachelors in Science, Liberal Studies

Memberships

- ARRT – American Registry of Radiologic Technologists
- ARRT Registered in Radiography and Computed Tomography
- Licensed in Massachusetts

Carole Beebe

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Summary

With twenty five years of varied healthcare and information systems experience, this skilled individual can provide a wide range of IS project assistance from project management to specific application level support. She has multiple implementation experience with McKesson Star and Paragon, and has supported environments that have integrated both systems together that make her unique in her field. She is a self-motivated, customer-oriented professional with exceptional communication and interpersonal skills, effective analytical and organization skills and excellent leadership qualities that will make her a valuable asset to any project.

Specialties:- McKesson Star ADT, Financial and Clinical Systems
-Paragon, ADT, Financial and Clinical Systems Support and Upgrades
-Pathways Contract Management
- Cloverleaf
- Revenue Cycle System Support and Implementation
- ADT HL7 Integration and Support

Experience

Information Systems Manager
March 2013 to Current

Johnson Memorial Hospital — Stafford Springs, CT

Manage the [5]-person local IT team, allocating resources to ongoing projects and enforcing deadlines.
Collaborate with the team to resolve IT support cases.
Support all Hospital Systems troubleshoot all issues and resolve.
Upgrade all Hospital systems including, Paragon, PCA, HPF, HBF, APC Core Grouping Software, PCON, and 3M Core Grouping Products.

IT Systems Specialist
June 2007 to March 2013

Johnson Memorial Hospital — Stafford Springs, CT

Implement and support HL7 ADT interfaces between Paragon, Horizon Lab and Empower
Perform system upgrades to Paragon, 3M, Pathways Compliance Adviser, APC Grouper and Grouper Plus, Paragon Eligibility.
Develop HL7 specifications and implement interface for physician table updates.
Provide process documentation for multi-facility merges, ICD9, Grouper and HCPC imports into McKesson Paragon
Assist in setup of UB04 import into Horizon Patient Folder

IT Centers of Excellence Specialist
May 2006 to June 2007

McKesson — Stafford Springs, NC

Support Multiple Hospitals on all Paragon Applications and all interfaced Applications.
Provide IS assistance to implement, test and train staff in all areas.

IT Systems Analyst
January 2000 to May 2006

Johnson Memorial Hospital — Stafford Springs, CT

Provided daily application support for the Star Financial application, Pathways Contract Management and EC2000 Billing.
Performed unit and integrated testing of Star enhancements for dual upgrade from Star 7.0 to 9.0.
Wrote SQL reports as need by departments.

Provided revenue cycle improvements through improving claim edits requiring less manual intervention in the daily billing process.

Financial Application Specialist
August 1998 to January 2000
Johnson Memorial Hospital — Stafford Springs, CT

Provided operational support for the Patient Financial Services department.
Installed, tested and trained staff on all Paragon Financial applications.
Expert Understanding of Paragon Financial System, EC2000 Billing, Pathways Contract Management 3M Coding and Reimbursement System.
Troubleshoot and resolve issues throughout the course of the upgrade and insure go-live had no impact to hospital receivables.

Data Entry Specialist
August 1989 to August 1998
Johnson Memorial Hospital — Stafford, CT

Responsible for entering all patient charges, posting all payment activity and GL Entries. Creating hospital wide financial reports and distributing them. All Blue Cross and Medicare billing. Creating backup tapes for all hospital systems including HIS systems.

Education

Certificate : **Server Maintenance and Application Training**, 2008
HPF/HBF IT and Application Training

Certificate : **Application and Support Training**, 2000
Star HIS

High School Diploma : **General Studies**, 1977
Rockville High School — Vernon, CT, USA

Thomas Gutner
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West Hartford, Connecticut 06107

860-561-2197 (Home)
860-234-0781 (Cell)
203-679-6906 (Work)

PROFESSIONAL EXPERIENCE:

March 2012 to Present
ASSISTANT TO THE PRESIDENT AND CEO OF MASONICARE
Wallingford, Connecticut

Support the President and CEO of Masonicare by completing special projects, monitoring legislation and regulations impacting Masonicare and representing Masonicare at events and professional organizations; provide assistance to Masonicare fraternal relations, community services, and marketing departments.

March 2011 to March 2012
ADMINISTRATOR FOR LONG TERM CARE, Masonicare Health Center
Wallingford, Connecticut

Licensed administrator for 382-bed skilled nursing facility; directly supervised nine department heads with the primary focus to provide the highest quality of care and quality of life for residents and patients.

July 1983 to March 2011
ADMINISTRATOR, Masonicare at Newtown
Newtown, Connecticut

Chief Executive Officer of 154-bed skilled nursing facility and a 56-unit assisted living community, Lockwood Lodge, owned by Masonicare; efforts directed at efficiently providing a high level of resident-centered quality care and services while assuring competitiveness in a changing healthcare and housing environment.

January 1983 to July 1983
ADMINISTRATOR, Marlborough Manor
Marlborough, Connecticut

Coordinated and directed all services of 120-bed intermediate care facility; efforts directed at upgrading programs and services offered residents; developing internal systems to improve efficiency and increase accountability; and changing resident population.

March 1980 to January 1983
ADMINISTRATOR, Seasons Convalescent Home
Bloomfield, Connecticut

Planned, coordinated and directed daily operations of 120-bed skilled nursing facility during a period of change and growth with respect to resident population, the environment, and quality/delivery of services to residents.

August 1976 to March 1980
SOCIAL SERVICE COORDINATOR, Triage, Inc.
Plainville, Connecticut

Responsibilities included the psycho-social, environmental, and financial assessment and reassessment of elderly clients; developing plans of care; and implementing and coordinating service plans. Additional responsibilities entailed community organization and participation in agency internal quality assurance program.

March 1974 to June 1976
LEGISLATIVE ASSISTANT FOR PUBLIC POLICY, American Association of Homes and Services for the Aging (now LeadingAge), Washington, D.C.

Primary responsibility involved monitoring the initiation and development of legislation and regulations related to long term care; formulated AAHSA policy positions on issues concerning non-institutional services for the elderly.

EDUCATION:

University of Connecticut, Storrs, Connecticut
Health Care Management Program for nursing home administration, April 1979. Administrative internship completed at the McLean Home, Simsbury, Connecticut.

The George Washington University, Washington, D.C.
Master's Degree in Public Administration, July 1973. Special areas of study included metropolitan government and administration; urban and regional planning; and administrative management.

The Johns Hopkins University, Baltimore, Maryland
Bachelor of Arts, June 1971. Major course work included urban studies, political science, and architecture.

PROFESSIONAL MEMBERSHIPS AND ACTIVITIES:

Licensed nursing home administrator, State of Connecticut.
August 2013 to August 2015
Appointed member of the Connecticut Commission on Aging.

September 2013 to Present
Member, Board of Directors, United Way of Meriden-Wallingford.

August 2012 to December 2012
Appointed member of the Connecticut Task Force to Study Aging in Place.

May 2012 to Present
Member, Board of Directors, Quinnipiac Chamber of Commerce.

May 2012 to Present
Southwestern Connecticut Area Agency on Aging and Connecticut Department of Social Services Certified CHOICES Counselor, providing health insurance counseling and assistance.

January 2009 to Present
Member, Board of Directors, Institute for Senior Living Education, an affiliate of New England Lifespan; Board Chair through March 2013.

August 2004 to February 2011
Member, Board of Directors, Chamber of Commerce of Newtown, Connecticut.

January 1999 to December 2010
Member, Board of Directors, Connecticut Assisted Living Association; Board Chair, 2007-2008.

August 1983 to Present
Attend LeadingAge Connecticut meetings; currently serve on the education and legislative committees.

Lyndsay C. Tanner M.S. CCEP

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LyndsCTanner@gmail.com

Objective:
To endorse organizational integrity by implementing and maintaining an effective compliance program based on valued ethics and adherence to laws, regulations, and industry obligations in an atmosphere with the flexibility and opportunity to grow personally and professionally.

Work Experience:

Johnson Memorial Medical Corporation – June 2007 to Present

Corporate Compliance & Patient Experience Manager – Administration - March 2014 to Present

- Manages and maintains compliance program to include all seven elements set forth by the Federal Sentencing Guidelines for an Effective Program.
- Developing and maintaining Patient Experience Program to address the needs and satisfaction of our patients and their families.

Corporate Compliance & Ethics Coordinator – Administration – May 2013 to March 2014

- December of 2012 – Began work in Corporate Compliance to begin drafting the program.
- Completed detailed Risk Assessment and identified potential high risk areas.
- Developed, and maintained a Corporate Compliance Program & Corporate Compliance Committee.
- Completed a Certified Compliance & Ethics Professional (CCEP) Program (2013)
- Maintenance of Corporate Compliance Reporting Hotline
- Developed and reviewed policies & procedures for Corporate Compliance & Ethics corporate-wide.
- Developed and maintained Educational Programs for the Board, Leadership, New Employee Orientation, and Staff.
- Developed & implemented a Corporate Compliance Investigation Form & Compliance Log.
- Membership and participation on The Ethics Committee & PeriOperative Steering Committee.

Clinical Informatics Coordinator – Nursing Administration – March 2012 to May 2013

- Built & Maintained Database and Statistical Reports for Surgeon Utilization
- Organized & instituted an electronic inventory system for PeriOperative Services on 2 campuses including purchasing requisitioning & tracking, count sheets, and controlled supply and stocking system.
- Ongoing Regulatory support including survey preparation, participation, education, and survey response.
- Continued oversight of SCIP Compliance including Surgeon education, chart abstraction, statistical analysis, and protocol implementation to improve SCIP compliance.

Quality Data Analyst – Quality & Risk Management - October 2010 to March 2012

- Extensive and thorough chart abstraction, analysis, and reporting of Core Measures data including SCIP, AMI, HF, PN, & OP Measures.
- Proficient in chart abstraction in accordance with current and new measures.
- Extensive physician and staff education initiatives to include training and educational tools.
- Multidisciplinary involvement with PeriOperative Team in ongoing project management, such as extensive build of Excel workbooks to track and analyze surgeon OR utilization and patient delays. Development and maintenance of surgeon scorecards.
- Extensive involvement in multidisciplinary quality improvement initiatives, building audit tools, education follow up, and policy/process improvements.

- Regulatory experience in survey preparedness, CAP organization, and survey involvement.
- Assistance in the departmental compliance with COPs and familiarity of state regulations in both clinical and non-clinical arenas.
- Committee Memberships: Perioperative Committee, Cancer Care Committee, Perinatal Committee

Corporate Purchasing & Inventory Assistant – Materials Management – May 2009 to October 2010

- Buying of clinical and non-clinical items, following purchasing processes from requisition to delivery.
- Participation in ongoing system updates and improvements to initiate and sustain system accuracy.
- Proficient in Purchasing practices including but not limited to: price negotiation, cost savings initiatives, item comparison and replacement with attention to physician/staff satisfaction and fiscal consideration.
- Experience in establishment of par levels, bin locations, stock turnover, expired product elimination, and inventory organization and maintenance.
- Maintenance and authorship of departmental policies and procedures
- Institution and maintenance of NFPA reports and NRAC reports in accordance with state and federal regulations. Development of vendor reports in accordance with OIG standards.
- Initiation and maintenance of quality improvement projects and inter-departmental projects including statistical reporting and graphical representation of product usage and cost savings.

Quality & Risk Assistant – Quality & Risk Management – September 2008 to May 2009

- Departmental preparedness assessment for regulations by The Joint Commission, extensive PowerPoint education programs to directors and mangers, quality auditing, departmental assessment and policy review assistance, policy drafting as well as editing to ensure compliance with standards of TJC, CMS, DPH, and state mandates, as well as contributions to all relevant clerical assignments.

EKG Technician II (Direct Patient Care) – Cardiology – June 2007 to July 2009

Somers Vision Clinic L.L.C. – Optical Assistant & Contact Lens Consultant - May 2006 to May 2007

Education & Membership:

Society of Corporate Compliance & Ethics – Member since January 2013
Certified Compliance & Ethics Professional (CCEP) – March 2013
Southern New Hampshire University – Manchester, NH
Currently working toward MBA degree in Healthcare Management & Administration - 2014
University of Connecticut – Storrs, CT
Graduate Work: 2008 - 2010
Professional Science Masters Degree - Applied Genomics
Undergraduate Work: 2005 - 2008
Bachelors of Arts Degree in Molecular & Cell Biology
Minors in English and Ecological & Evolutionary Biology
Tolland High School: Early Graduate & Member of the *National Honor Society* (Mark Twain Chapter)

Publications:
Compliance Today Magazine, Publication in March 2014.

Computer Skills:
Microsoft Office Suite, Outlook, Paragon, Chime/Quantros, Metriq, Press Ganey

References Available Upon Request

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SUMMARY

Broadly skilled **Human Resource** leader with substantial experience leading high impact HR projects and initiatives including HR strategy development, recruitment, compensation, employee/labor relations and HRIS. Strong command of employment laws, compliance issues and benefit plans. Proven ability to work with senior leaders to integrate human resources into their overall business strategy.

HRIS Conversions	Employee Recognition Programs	Competency Development
Recruitment Strategies	Training Needs Assessment	HR Metrics
Employee/Labor Relations	HR Project Management	Employee Surveys
Organizational Culture	Change Management	Process Improvement

PROFESSIONAL EXPERIENCE

Johnson Memorial Medical Center, Stafford Springs, CT **2012 – present**
Primary community healthcare resource for North Central Ct and Western MA including 1,000 employees at hospital, long term care and home and community facilities.

Assistant Vice President, Human Resources

Senior Human Resource Executive with oversight of all Human Resource strategies, operations, and systems.

- Lead Engagement and Retention Strategic Organization Project Team. Current initiatives are to build consistent processes/foundation, provide education/orientation and identify evaluation tool to measure and evaluate current level of engagement satisfaction.
- Redesigned and consolidated benefit plans and cost structure resulting in $2M+ savings in 2014.
- Oversight of Wellness Committee whose current initiatives include development of walking path and "walking challenge" with over 10% population participation, cafeteria offerings that outline nutrition content, implementation of seasonal farmers market offering, biometrics fair and screenings for employees and implementation of a quarterly wellness newsletter.
- Negotiated successful three year labor contract that will yield $1M savings to organization
- Development of Human Resource quality metrics in alignment with organization strategic goals.
- Development and implementation of annual mandatory education organization-wide.
- Developed and implemented management training sessions for consolidated and redesigned Human Resource policies/procedures, behavioral hiring/interviewing skills, employee relations/employee improvement process, setting effective performance goals including organizational, cultural and behavioral goals, and performance appraisal process.
- Oversight of recruitment initiatives that support approximately 150 hires annually.

Connecticut Children's Medical Center, Hartford, CT **1997 – 2012**
Free-standing acute care children's hospital with 143 beds and over 2,200 employees.

Director, Human Resource Services (2000 -present)
Human Resource Team Leader (1997 – 2000)

Supervised staff in recruitment, employee relations, HRIS, volunteer services and daycare center. Managed project for strategic workforce goal aimed at gaining national recognition as a great place to work. Provided leadership and direction that resulted in the following:

- Reduced first year turnover from 22% to 10% by developing new hiring and on boarding programs and services.
- Led strategic project that resulted in CT recognition as a top place to work. Developed and rolled out culture statement aligned with mission and values. Led team that developed organizational behaviors, gained senior staff buy-in and incorporated into practices and procedures.
- Grew employee volunteer program to over 200.
- Effectively managed two successful HRIS systems conversions.
- Redesigned performance management system to include leadership competencies and staff behaviors and developed total rewards compensation philosophy.
- Developed recognition programs that rewarded 1000+ employees annually in alignment with culture and organization values.
- Redesigned employee relations process and implemented employee improvement policy
- Led recruiting initiatives that support 400+ hires annually.
- Maintained consistent positive regulatory results on all HR standards.
- Implemented service excellence program resulting in 99% positive customer survey results for six consecutive quarters.
- Supervised the relocation and merger of Daycare Center that services cost neutral program for Connecticut Children's and Hartford Hospital.

CIGNA Corporation **1980 – 1997**
Global health services company dedicated to helping people improve their health, well-being and sense of security.

Senior Human Resource Generalist, CIGNA HealthCare Division (1989 – 1997)
Managed customer base of 1000+ employees. Counseled managers and employees on issues related to employee relations, career development, recruitment, compensation and benefits. Provided education on Human Resource policies, and handled EEO litigation and job eliminations.

- Developed and implemented strategic human resource and affirmative action plans in accordance with customer business objectives.
- Initiated successful recruitment campaigns for displaced employees including the placement of 100 displaced employees in a three-month timeframe.
- Conducted training needs assessment and developed and implemented training sessions.
- Provided Human Resource support to customer reorganizations

CIGNA Corporation (continued) **1980 – 1997**

Senior Employment and Placement Recruiter (1986 – 1989)
Employment and Placement Recruiter (1984 – 1986)
Manager, Temporary Employment Programs (1982 – 1984)

- Recruited 100+ employees annually at all levels for assigned customer group.
- Developed strategic recruitment plans in accordance with customer objectives. Recruitment campaigns included community organizations, open houses, job fairs, technical schools. Evaluated market conditions and cost efficiency of temporary personnel and recruitment sources.
- Counseled employees and applicants on resume writing, career opportunities and interviewing techniques. Conducted new employee orientation sessions.
- Managed the Human Resource Administrative Staff. Hired and trained new staff, established goals for the department, analyzed workflow and procedures.

EDUCATION

Bachelor of Science Degree, Bryant College, Smithfield, RI

PROFESSIONAL MEMBERSHIPS

Connecticut Hospital Association (CHA) Senior HR Executives Committee
Child Health Corporation of America (CHCA)

Monica Peyman

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Professional Summary

A driven healthcare professional combining more than 30 years of work in healthcare with proficiency in leadership, quality management, and patient safety. Successful healthcare administrator experienced in designing and implementing regulatory compliance systems and guidelines. Well-trained professional offering vast experience in medical operations, excellent interpersonal communication skills and the organizational savvy to produce positive outcomes. Adaptable healthcare professional accustomed to the integration of new healthcare delivery systems and restructuring of work in an increasingly complex regulatory environment

Skills

- Accomplished leader
- Planning and development
- Supervisory training
- Knowledge of Medicare and Medicaid statutes and regulations
- Quality improvement competency
- Independent judgment and decision making
- Promotes positive behavior
- Attention to detail
- Project planning
- Team building
- HIPAA compliance
- OSHA compliance
- Accreditation professional

Work History

Director of Quality and Patient Safety, 11/2007 to Current
St. Francis Hospital and Medical Center – Hartford, CT

- Organization of the Quality department in accordance with hospital guidelines in order to provide specified support services to regulatory and organizational requirements.
- Strategically plan methods to achieve of hospital goals and objectives consistent with the mission and core values.
- Consistently support the organizations compliance with applicable laws and regulations ensuring facility adhered to Medicare and Medicaid regulations.
- Educate all staff on state and federal statutes, rules and regulations governing hospital services.
- Represent the hospital's quality and safety programs to other institutions, the public, government agencies and other organizations.
- Encourage creative thinking, problem solving, and empowerment of the Quality staff to improve patient care and safe practices through teamwork.
- Achieve high staff productivity through effective communication, prompt problem resolution, proactive supervisory practices and facilitating a proactive work environment.

Nursing Home Administrator, 07/1982 to 07/2007
Manchester Health Center – Manchester, CT

- Established and maintained and environment and health care systems that safely met residents' needs.
- Consistently complied with applicable laws and regulations and ensured facility adhered to Medicare and Medicaid regulations.
- Educated all staff on state and federal statutes, rules and regulations governing nursing home regulations.
- Established and oversaw implementation of an effective budgeting and accounting system that provided efficiency and contained costs.
- Represented and interpreted the facilities functions and services to other institutions, the public, government agencies and other organizations.
- Oversaw private and insurer billing, payroll, AP, and AR and verified that proper procedures were followed.
- Strategically planned methods to achieve operational goals and targets.
- Led the facility management staff, consultants and contracted service in producing a business plan that focused on all aspects of facility operations, including setting priorities and job assignments.
  Reviewed customer survey information to prioritize areas of improvement.
- Encouraged creative thinking, problem solving, and empowerment as part of the facility management group to improve morale and teamwork.

Education
Master of Science: Organizational Management
Eastern Connecticut State University - Willimantic, CT

Bachelor of Science: Education
Eastern Connecticut State College - Willimantic, CT

Healthcare Management Certificate Program, Long Term Care Administration
University of Connecticut - West Hartford, CT

Accomplishments
Licensed Nursing Home Administrator
Certified Professional Healthcare Quality (CPHQ)
Certified Joint Commission Professional (CJCP)
Vice Chair- Connecticut Hospital Association Quality Committee
Member- Connecticut Hospital Association/ Connecticut Hospital Oversight Workgroup

JENNIFER S. SCHNEIDER, CPA
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SUMMARY OF QUALIFICATIONS

- Accomplished executive with 21 years of professional experience serving in various leadership roles in healthcare and public accounting
- Demonstrated competence in healthcare compliance, accounting and finance, auditing, corporate governance and process improvement
- Proven reputation in effectively developing and leading new initiatives within a healthcare system
- Excellent leadership qualities, communication and analytical skills
- Extensive knowledge of hospital operations and complex issues facing healthcare organizations
- Highly motivated individual and well-respected by colleagues and board members
- Dynamic and effective speaker in areas of expertise
- Outstanding reputation for business ethics, integrity and professionalism

PROFESSIONAL EXPERIENCE

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER, HARTFORD, CONNECTICUT

VICE PRESIDENT, FINANCE ***APRIL 2014-PRESENT***

- Responsible for financial reporting, compliance and general accounting functions
- Directs day-to-day accounting activities including payroll, accounts payable and other general accounting and finance functions
- Collaborates with the management team on potential opportunities for improvement including business initiatives and cost savings.
- Oversees financial statement close process and financing reporting including Finance Committee and the boards of directors
- Provides leadership for strategic initiatives and special projects as requested by the Senior Vice President of Finance and Chief Financial Officer (CFO) and Chief Executive Officer (CEO).

VICE PRESIDENT, CONTINUOUS IMPROVEMENT ***2008-MAY 2012***

Responsible for developing and implementing a continuous improvement strategy aligned with Saint Francis' strategic plan and operational goals.

- Developed and continue to implement a system-wide leadership training program to support the integration of Lean principles and a continuous improvement philosophy into the culture at Saint Francis
- Achieved significant results during first year of leading Saint Francis' Lean transformation as acknowledged in the 2009 Saint Francis Hospital and Medical Center Annual Report
- Successfully presented Saint Francis' quality and process improvement initiatives at several national and local conferences
- Provided ongoing coaching on leading a Lean organization to leaders within Saint Francis to ensure achievement of business objectives and sustainment of improvement initiatives
- Facilitated improvement initiatives resulting in effective team-driven solutions and increase in employee engagement

VICE PRESIDENT, CHIEF COMPLIANCE OFFICER ***2005-PRESENT***

Responsible for coordination of the activities of the Saint Francis *Care* Corporate Compliance and Internal
Audit Programs.

- Successfully negotiated favorable outcomes of compliance matters attributable to Saint Francis' effective compliance program and strong relationship with the Office of Inspector General's internal counsel
- Collaborate with department leaders to conduct an annual compliance and financial risk assessments and develop annual internal audit and monitoring plans based on areas of higher risk to the organization including Medicare and Medicaid requirements, healthcare fraud and abuse laws, data privacy and security and financial risks
- Continuously integrate compliance monitoring activities into day-to-day operations to increase awareness of risks by process owners and improve accountability for compliance
- Restructured the compliance program through increased coordination and reporting of compliance activities performed in various departments resulting in significant annual savings to the organization while maintaining the integrity of the program
- Maintain independence and objectivity during evaluation of compliance matters and advise the Chief Executive Officer and the Audit and Corporate Compliance Committee on recommended resolutions
- Successfully developed and implemented policies with respect to governance practices required by changes in the Internal Revenue Service Form 990 reporting
- Assist the board of directors in fulfilling their fiduciary responsibility with respect to compliance by reporting results of the compliance and internal audit activities to the Audit and Corporate Compliance Committee on a regular basis
- Facilitate and ensure successful implementation of Saint Francis' compliance training programs

EASTER SEALS GREATER HARTFORD REHABILITATION CENTER, INC., WINDSOR, CONNECTICUT

CONTROLLER ***2001-2004***

Responsibilities included managing all financial activities of Easter Seals Rehabilitation Center, a comprehensive outpatient rehabilitation center providing medical and vocational services to those in need, with an annual operating budget of $5 million. Supervised, directed and supported the accounting, business office and administrative staff.

- Managed day-to-day accounting functions including payroll, accounts payable, patient accounts receivable, insurance, cash management and investments
- Prepared monthly and annual financial statements for presentation to the Board of Trustees and coordinated the reporting of financial and performance results to national Easter Seals
- Worked collaboratively with operational leaders to develop the organization's budget based on strategic initiatives resulting in improved accountability for financial performance
- Significantly improved the year end close process and coordination with external auditors resulting in significant reduction in annual audit fee
- Responsible coordination, negotiation and administration of employee benefits plans
- Developed and implemented policies and procedures for the finance and accounting operations to improve internal controls and processes
- Responsible for all tax filings including the organizations annual non-profit tax return
- Successfully renegotiated mortgage loan with more favorable terms
- Coordinated all federal and state grant activities including managing relationships with external agencies
- Implemented an inventory system improving accountability and reducing days inventory on hand

ERNST & YOUNG, HARTFORD, CONNECTICUT

SENIOR MANAGER (PROMOTED FROM STAFF AUDITOR) ***1992-2001***

As a Senior Manager in the Health Care Audit practice, responsibilities included managing audit engagements for clients including several large healthcare systems in the State of Connecticut, non-profit independent secondary schools and non-public, privately held companies.

- Effectively managed multiple client engagements and maintained high levels of client satisfaction
- Recommended and guided management in appropriate accounting treatment for complex matters
- Key contributor in the successful roll-out of Ernst & Young's AWS electronic working paper application and global audit methodology in the New England region and in Latin America
- Recognized as a leader within the Connecticut practice
- Guided clients in the decision making process relating to significant business transactions
- Communicated audit results to management and boards of directors in an effective manner
- Provided career guidance and mentoring for staff while fostering a team philosophy
- Facilitated health care audit and accounting technical training for Hartford office staff
- Developed audit strategies based on individual clients' business risks and internal control structure
- Utilized computer automated audit techniques to perform testing which resulted in more efficient audit procedures
- Successfully managed the economics of engagements while consistently meeting clients' expectation

EDUCATION AND PROFESSIONAL CERTIFICATIONS

Bentley College
Bachelor of Science, Accounting, May 1992

National Graduate School
Master of Science, Quality Systems Management, November 2010

Certified Public Accountant, State of Connecticut
Certified in Health Care Compliance
Passed Certified Information Systems Auditor Exam

BOARD MEMBERSHIP

Director and Treasurer, Malta House of Care, Inc. and Malta House of Care Foundation, Inc.

Lisa DeGray

2 North Street, Enfield, CT 06082
Cell: 860-977-4101 - Lisa.DeGray@jmmc.com

Professional Summary

Compassionate, dependable and results-driven non-profit management professional with over 21 year's experience in healthcare. Possesses a wide-ranging background in fund development.

Core Qualifications

- Major Gift Solicitation
- Partnership Building
- Donor Retention
- Program Development
- High End Event Planning
- Community Relations
- Skilled communicator with people of varying backgrounds and levels
- Proficient in wide range of digital applications used in communication, reporting, presentation, and database management
- Excellent team building, conflict resolution, and analytical skills
- Passionate to deliver excellent performance consistently

Experience

Director, Development, Reporting directly to the CEO
March 2011 to Current
Johnson Memorial Medical Center - Stafford Springs, CT

- Re-instituted the Development function post-bankruptcy by successfully exceeding The Blake Challenge Grant initiated by Friendly's Founder, Prestley Blake and his wife Helen D. Blake
- Worked with The Phoenix to re-name the Phoenix Community Cancer Center to the Johnson Memorial Hospital Cancer Center
- Developed, cultivated and led solicitation efforts for major gift and leadership-level capital fundraising initiatives in support of Johnson Memorial Medical Center
- Worked closely with the President, Committee on Philanthropy, Auxiliary, Medical Staff and staff to conceive and execute comprehensive development and constituent relations programs in support of identified funding priorities
- Identified, cultivated and solicited, and stewards a prospect and donor portfolio of 140+ patrons, vendors and friends of JMMC
- Maintained detailed contact reports with donors for future reference
- Conducted an assessment of past and current Development Practices within JMMC and completed the first draft of network-wide policies clarifying the Development function relative to all fundraising events, mailings, proposals. (foundations/corporations/government), major gift solicitations and sponsorships
- Helped revitalize Johnson Memorial Hospital Auxiliary leading them to a successful Centennial celebration
- Coordinated Events/Programs for the Medical Staff to Include Children's Holiday Party, Medical Staff Scholarship Program, Combined Golf Tournament
- Currently working to develop, implement and oversee short and long range strategic initiatives to enhance identification, cultivation and solicitation in traditional and innovative ways aimed to increase annual contributions and the number of donors to JMMC

Executive Assistant to the President
June 2008 to March 2011
Johnson Memorial Medical Center - Stafford Springs, CT

- Promoted to Executive Assistant to the President
- Served as Recording Secretary for the Board of Directors, Turnaround Committee, Senior Management and other meetings as necessary
- Managed the Administration Department through its most tumultuous history first through the financial turnaround, chapter 11 bankruptcy, sale/merger negotiations, reorganization of the corporate and governance structures, reductions in force, union negotiations, creation of several strategic and operational

plans, the overhaul of the Medical Staff bylaws and structure, and replacement of the entire executive team
- Maintained contact with past donors ensuring relationships could continue
- Assured ear-marked funds not used for the expansion of the newly constructed Emergency Department were not lost. (HRSA Grant - $237,367) Assisted with the future purchase of a new Nuclear Scanner which was later dedicated in memory of past Administrator, Alfred A. Lerz
- Coordinated 14th Annual Spring Gala recognizing Congressman Joe Courtney in the absence of a Vice President of Development. Second highest net income recorded.

Assistant to the President
March 2008 to March 2001
Johnson Memorial Medical Center - Stafford Springs, CT
- Primary liaison for employees, medical staff, and board
- Drafted confidential internal/external business documentation
- Produced all formal presentations to include the Annual Meeting, Employee Annual Meetings, Quarterly Medical Staff and Senior Management
- Implemented internal policies/procedures
- Assured conflict resolution while maintaining positive internal/external relationships
- Worked to improve relations with the Medical Staff and Board by establishing recognition events
- Annual budget preparation - Kronos time management
- Worked directly with Executive Management
- Hiring/training and managing daily schedules/activities of administrative staff

Administrative Assistant
March 2001 to March 2000
Johnson Memorial Medical Center - Stafford Springs, CT
- Provided general clerical support to the Office of the President
- Maintained the calendar of the President
- Interacted with organizational staff, executives, clients, vendors and visitors on a daily basis
- Organized the scheduling of meetings, conferences, and events
- Coordinated agendas for meetings with visitors and clients – arranged President's travel accommodations.
- Maintained various office tracking systems
- Purchased office equipment and supplies
- Established and implemented administrative procedures for the office
- Filed and recorded corporate documentation, electronic files and reports
- Supported staff effectively in assigned project-based work.
- Interacted with organization's Board of Directors and arranged for any special meetings/events
- Assisted the Department with Joint Commission preparation

Administrative Secretary, Administration
January 2000 to March 1998
Johnson Memorial Medical Center - Stafford Springs, CT

Certified Nurse Assistant
January 1993 to February 1998
Johnson Memorial Medical Center - Stafford Springs, CT

Education

Associate of Arts : Interior Design, 1989
Bay Path College - Longmeadow, MA

Professional Affiliations

President's Award Recipient - Commendation 2001 - Commendation 2003
Development Department Volunteer - Gala Committee Member 2000-2008

EXHIBIT 15

Exhibit 15
Saint Francis *Care* Awards and Recognitions

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the *Best Hospitals* for Heart Care. The award is based on cardiac and vascular experience and 30-day mortality and readmission rates for heart attacks and heart failure with additional consideration given to patient satisfaction scores. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (January 2015)

Associated Builders and Contractors Excellence - Enterprise Construction Company is the recipient of the *Excellence in Construction Award* for the Comprehensive Women's Health Center. (January 2015)

Becker's Hospital Review – Becker's Hospital Review a leading source of information for healthcare professionals, has listed Saint Francis Hospital and Medical Center among the top 100 hospitals in the country with "great women's health programs." Hospitals were selected for the list based on clinical accolades and recognition for women's health excellence from various healthcare groups and agencies. Those agencies include U.S. News & World Report, Healthgrades, CareChex and UNICEF's Baby-Friendly Hospital Initiative. Saint Francis was one of three hospitals in Connecticut named to the list, along with Hartford Hospital and Yale-New Haven Hospital. (December 2014)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the *Best Hospitals* for Heart Care. The award is based on cardiac and vascular experience and 30-day mortality and readmission rates for heart attacks and heart failure with additional consideration given to patient satisfaction scores. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (January 30, 2015)

Associated Builders and Contractors Excellence - Enterprise Construction Company is the recipient of the *Excellence in Construction Award* for the Comprehensive Women's Health Center. (January 29, 2015)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the 2015 *Best Hospitals for Patient Safety*. The award is based on consistently low rates of infections and surgical errors, and patient recommendations. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (December 3, 2014)

The LeapFrog Group "A" Score –Saint Francis *Care* has again received an "A" rating Hospital Safety Score℠ from the Leapfrog Group, a national hospital quality watchdog organization. The Leapfrog Group has released its fall 2014 Hospital Safety Scores. For the 6th consecutive time Saint Francis has received an "A" rating. Saint Francis is one of only four hospitals in the

state to earn the highest rating and the only Connecticut hospital to receive the "A" rating in both the fall and the spring. Six hospitals received "B" ratings; 12 a "C" rating; and three a "D" rating in the recent rankings. Overall, Connecticut ranked 33rd out of 42 states, with just 16% of its 25 rated hospitals receiving an "A" grade. The Hospital Safety Score℠ for 2014 grades hospitals on their overall performance in keeping patients safe from harm and preventable errors. The grades are derived from analysis of publicly available data using 28 evidence-based, national measures of hospital safety. (November 2014)

CareChex – Saint Francis Hospital and Medical Center has also been recognized by CareChex®, a division of Comparion Medical Analytics, for national and state medical excellence achievements in numerous categories in its 2015 hospital quality award rankings. Saint Francis was ranked 90th nationwide for overall medical excellence in hospital care among nearly 4,200 hospitals reviewed, and was the only Connecticut hospital to score in the top 100.

The Hospital also ranked nationally among the hospitals reviewed as:

- #5 in coronary bypass surgery (out of 1,196 hospitals scored)
- #8 in joint replacement (out of 3,497 hospitals scored)
- #9 in major orthopedic surgery (out of 3,499 hospitals scored)

In addition, Saint Francis ranked #1 in Connecticut in the following eight clinical and surgical areas:

- Overall Hospital Care – Medical Excellence
- Overall Surgical Care – Medical Excellence
- General Surgery – Medical Excellence
- Joint Replacement – Medical Excellence
- Neurological Surgery – Medical Excellence
- Orthopedic Care – Medical Excellence
- Orthopedic Surgery (Major) – Medical Excellence
- Spinal Surgery – Medical Excellence

(November 2014/For internal non-commercial use only.)

Healthgrades® – Saint Francis *Care* has been recognized for clinical excellence in a national report by Healthgrades, a leading provider of information to help consumers make an informed decision about a physician or hospital. Saint Francis has received top national rankings in the most recent *2015 Quality Achievements Report:*

- *Saint Francis Care earned the Distinguished Hospital Award for Clinical Excellence in 2015. (Embargo January 20, 2015)*
- *100 Best Hospitals for Coronary Intervention, 2 years in a row*
- *Coronary Intervention Excellence Award, 2 years in a row*
- *Top 10% in the Nation for Coronary Interventional Procedures*
- *Recipient of the Healthgrades Stroke Care Excellence Award*
- *Top 10% in the Nation for Treatment of Stroke*
- *100 Best Hospitals for Joint Replacement, 3 years in a row*
- *100 Best Hospitals for Orthopedic Surgery, 2 years in a row*

- *Joint Replacement Excellence Award, 3 years in a row*
- *Orthopedic Surgery Excellence Award, 2 years in a row*
- *Top 5% in the Nation for Joint Replacement, 3 years in a row*
- *Top 5% in the Nation for Overall Orthopedic Service, 2 years in a row*

Saint Francis *Care* also earned a 5-star rating from Healthgrades in additional clinical areas for the treatment of: coronary intervention procedures, treatment of heart attack, coronary bypass surgery, treatment of stroke, repair of abdominal aorta, total knee replacement, total hip replacement, and for spinal fusion surgery. (DHACE, January 20, 2015; Specialty Excellence Awards, October 21, 2014)

Becker's Hospital Review – Saint Francis Hospital and Medical Center was named on Becker's Hospital Review list of "125 Hospitals with Great Orthopedic Programs." The announcement recognizes orthopedic surgery departments, programs or dedicated centers that have earned special recognition. Saint Francis is one of only two Connecticut hospitals on the list. This is the fifth year Becker's Hospital Review has compiled this list, and the first time it has included 125 hospitals. (September 2014)

Joint Commission's Gold Seal of Approval/Stroke Center Accreditation – Saint Francis Hospital and Medical Center has earned *The Joint Commission's Gold Seal of Approval®* for accreditation of its Stroke Center by demonstrating compliance with The Joint Commission's national standards for healthcare quality and safety. The accreditation award recognizes Saint Francis's dedication to continuous compliance with state-of-the-art standards in its primary care stroke center operations. (August 2014)

U.S. News & World Report – In a national survey of 4,806 hospitals, Saint Francis Hospital and Medical Center was one of 752 hospitals to achieve at least one "High Performing" rating among 16 medical specialties in the 25th annual U*.S. News & World Report* ranking Best Hospitals in the U.S. Saint Francis was recognized as high performing in 9 specialties: Cardiology and Heart Surgery; Ear, Nose and Throat; Gastroenterology and GI Surgery; Geriatrics; Nephrology; Neurology and Neurosurgery; Orthopedics; Pulmonology; and Urology. (July 2014)

LifeChoice Donor Services – Saint Francis Hospital and Medical Center earned a gold award for their work with LifeChoice Donor Services. LifeChoice Donor Services is among a select group of organ procurement organizations (OPOs) nationwide recognized by the U.S. Department of Health and Human Services (HHS) for reaching gold, silver, and bronze levels of achievement for conducting activities that promote enrollment in state organ, tissue and eye donor registries. The hospitals are part of a national hospital campaign, sponsored by HHS's Health Resources and Services Administration (HRSA), which has added 327,659 donor enrollments to state registries nationwide since 2011, exceeding the goal of 300,000. (July 2014)

American Diabetes Association – The American Diabetes Association Education Recognition Certificate for a quality diabetes self-management education program was recently awarded to the Center for Diabetes and Metabolic Services at Saint Francis. The designation assures that programs meet the national standards for Diabetes Self-Management Education Programs. (July 2014)

Most Wired – 2014 – Saint Francis Hospital and Medical Center has been recognized as one of the nation's *Most Wired* hospitals, according to the results of the 2014 *Most Wired* Survey published in the July issue of Hospitals & Health Networks magazine. This is the fifth consecutive year that Saint Francis was named to the *Most Wired* list. (July 2014)

Healthgrades: Patient Safety & Women's Health Excellence Awards – **Saint Francis Hospital and Medical Center** received the *2014 Patient Safety Excellence Award™* and the *Women's Health Excellence Award*, from Healthgrades, the leading online resource for comprehensive information about physicians and hospitals. (June 2014)

- *The Patient Safety Excellence Award* distinction places Saint Francis within the top 10% of all hospitals for its excellent performance in safeguarding patients from serious, potentially preventable complications during their hospital stays. This is the fourth consecutive year that Saint Francis has received this award, and one of only two Connecticut hospitals to earn the distinction this year.
- The *Women's Health Excellence Award* distinguishes Saint Francis as a top-performing hospital in women's health. Saint Francis is one of only 178 recognized nationally for their outcomes for care provided to women for common conditions and procedures treated in the hospital. Saint Francis is on the only hospital in Connecticut to earn this distinction.

Premier Supply Chain Excellence Award – Saint Francis Hospital and Medical Center has received *Premier, Inc.'s Supply Chain Excellence Award* for superior supply expense performance. Saint Francis is one of only 35 Premier members to receive the award this year. Premier, a leading healthcare improvement company, unites an alliance of approximately 3,000 U.S. hospitals and 110,000 other providers. (Embargo Date: June 11, 2014)

American Heart Association/Get With The Guidelines®–Heart Failure Gold-Plus Quality Achievement Award – Saint Francis has received the *Get With The Guidelines®–Heart Failure Gold-Plus Quality Achievement Award* for implementing specific quality improvement measures outlined by the American Heart Association/American College of Cardiology Foundation secondary prevention guidelines for heart failure patients. This marks the third time that Saint Francis has been recognized with a quality achievement award. (May 2014)

The LeapFrog Group "A" Score – Saint Francis Hospital and Medical Center has again received an "A" rating Hospital Safety Score℠ from The Leapfrog Group, a national hospital quality watchdog organization. This is the 5th consecutive "A" rating received by Saint Francis from The Leapfrog Group. Saint Francis was one of two hospitals in the state to receive an "A" grade from Leapfrog in the latest rating for spring 2014, and the only hospital to receive the "A" rating in both the fall and spring. Among the 25 Connecticut hospitals, 8 received a "B," 13 received a "C," one received a "D," and one received an "F." Scores went down for four hospitals, while three hospitals improved their scores. (April 2014)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the 2014 Best Hospitals for Patient Experience in Heart Care. The award is based on robust criteria that include female patient satisfaction measurements as well as clinical excellence considerations. WomenCertified® represents the collective voice of female consumers and is a trusted referral

source for top businesses and brands identified as meeting the needs and preferences of women. (January 2014)

Becker's Hospital Review – Saint Francis Hospital and Medical Center was named on Becker's Hospital Review list of "100 Hospitals with Great Orthopedic Programs." The announcement recognizes orthopedic surgery departments, programs or dedicated centers that have earned special recognition. Saint Francis is the only Connecticut hospital on the list. (January 2014)

Becker's Hospital Review– Saint Francis Hospital and Medical Center was named on the Becker's Hospital Review list of *100 Hospitals with Great Heart Program*. Becker's rates hospitals based on recognition for quality care, clinical awards and research contributions to cardiovascular care. (December 2013)

Alliance of Independent Academic Medical Centers (AIAMC) – Saint Francis *Care* received the *2014 Innovation Award* from the Alliance of Independent Academic Medical Centers (AIAMC) in recognition of the innovative medical education programs for residents, physicians and staff that have resulted in better patient outcomes. This is the second time the Hospital received the Innovation Award. (December 2013)

Association of American Medical Colleges – The Innovation + Learning Center at Saint Francis was one of national 13 recipients to receive the *Association of American Medical Colleges Learning Health System Challenge and Planning Award*, which recognizes innovations in medical education, care delivery, research, and diversity and inclusion. At Saint Francis, the award was given for emphasis on studying efforts to improve everyday clinical practice and health equity in an accountable care environment across the system. (December 2013)

Healthgrades® – Saint Francis *Care* was recognized for clinical excellence in a new national report by Healthgrades, a leading provider of information to help consumers make an informed decision about a physician or hospital. Saint Francis has received top national rankings in the most recent *American Hospital Quality Outcomes 2014: Healthgrades Report to the Nation*, which evaluates hospital performance at over 4,500 hospitals nationwide for 31 of the most common inpatient procedures and conditions. Saint Francis ranks among the top 5% nationally in Coronary Interventional Procedures, Overall Orthopedic Services, and, for the second year in a row, Joint Replacement; and the top 10% for Spine Surgery. (October 2013)

The LeapFrog Group "A" Score – Saint Francis Hospital and Medical Center has received an "A" rating Hospital Safety Score℠ from The Leapfrog Group, a national hospital quality watchdog organization. The Hospital Safety Score℠ for fall 2013 grades hospitals on their overall performance in keeping patients safe from harm and preventable errors. This is the fourth consecutive "A" rating received by Saint Francis from The Leapfrog Group. The grades are derived from expert analysis of publicly available data using 28 evidence-based, national measures of hospital safety. Saint Francis was one of three hospitals in the state to receive an "A" grade from Leapfrog in the rating for fall 2013, and one of only two to receive the honor twice this year. Among Connecticut hospitals, 7 received a "B," 15 received a "C," one received a "D," and one received an "F." (October 2013)

Daily Point of Light Award – Points of Light, the world's largest volunteer organization, named Michael R. Bourque, M.D., a senior OB/GYN physician at Saint Francis Hospital and Medical

Center, a *Daily Point of Light Award* honoree for his leadership role on the "Blue Team," a medical missionary team with International Medical Missions of Saint Francis Hospital and Medical Center. Dr. Bourque is the recipient of this prestigious award honoring his commitment to bringing first-class medical services to those in need. (October 2013)

CareChex® – Saint Francis Hospital and Medical Center was recognized by CareChex®, a division of Comparion Medical Analytics, for patient safety and medical excellence achievements in numerous categories in its 2014 hospital quality award rankings. Saint Francis ranked #1 in Connecticut in 24 clinical and surgical areas for patient safety and medical excellence. In the area of Patient Safety: Overall Hospital Care, Overall Surgical Care, Cardiac Care, Coronary Bypass Surgery, Gastrointestinal Care, Gastrointestinal Hemorrhage, Interventional Coronary, Joint Replacement, Major Bowel Procedures, Major Neuro-Surgery, and Major Orthopedic Surgery. For Medical Excellence: Overall Hospital Care, Overall Surgical Care, Coronary Bypass Surgery, Gastrointestinal Care, General Surgery, Interventional Coronary Care, Joint Replacement, Major Bowel Procedures, Major Neuro-Surgery, Orthopedic Care, Major Orthopedic Surgery, Spinal Fusion, and Spinal Surgery. (October 2013)

IBCLC Care Award – Saint Francis Hospital and Medical Center received *IBCLC Care Award* from the International Board of Lactation Consultant Examiners® (IBLCE®) and International Lactation Consultant Association® (ILCA®) for excellence in lactation care. The recognition is given to facilities that: have a lactation program that is available 5-7 days a week; provided recent breastfeeding training for medical staff; and have recently completed activities that help protect, promote, and support breastfeeding. (August 2013)

American Heart Association/American Stroke Association *Get With the Guidelines Gold Plus Award* – Saint Francis Hospital and Medical Center received the *Get With The Guidelines®–Heart Failure Gold Plus Quality Achievement Award* from the American Heart Association. The recognition signifies that Saint Francis has reached an exceptional goal of treating heart failure patients according to the guidelines of care recommended by the American Heart Association/American College of Cardiology. This marked the second consecutive year that Saint Francis has been recognized with the *Gold Plus* quality achievement award. Saint Francis was one of just three hospitals in Connecticut to receive *Gold Plus* recognition that year. (August 2013)

Consumer Reports – *"Best Hospital for Surgery"* – Saint Francis Hospital and Medical Center was one of two statewide hospitals to receive the highest ranking available by Consumer Reports Health Ratings Center in their *"Best Hospitals for Surgery"* Ratings report appearing in the September 2013 issue of Consumer Reports magazine. Of the almost 2,500 hospitals rated by Consumer Reports in all 50 states plus Washington, D.C. and Puerto Rico, Saint Francis Hospital and Medical Center received not only the highest overall surgery Rating in state rankings, it was also named among the top five U.S. hospitals that perform the safest knee and hip replacement surgeries, and the only hospital rated in these two categories in the state. (July 2013)

Most Wired – 2013 – Saint Francis Hospital and Medical Center was recognized as one of the nation's *Most Wired* hospitals, according to the results of the 2013 *Most Wired* Survey published in the July issue of Hospitals & Health Networks magazine. Named to the *Most Wired* list for the fourth consecutive year, Saint Francis is one of only eight hospitals in Connecticut to be recognized on the *Most Wired* list that year. (July 2013)

U.S. News & World Report – Best Hospitals – Saint Francis Hospital and Medical Center ranked #3 in the state of Connecticut and #2 in the Hartford metro area, gaining high scores in eight specialties and in patient safety, in the *U.S. News & World Report* ranking of Best Hospitals in the U.S. Top performing specialties at Saint Francis listed in the *U. S. News & World Report* annual rankings of Best Hospitals include Cardiology and Heart Surgery, Diabetes and Endocrinology; Gastroenterology and GI Surgery, Geriatrics, Nephrology, Orthopedics, Pulmonology and Urology. (July 2013)

The LeapFrog Group "A" Score – For the third consecutive year, Saint Francis Hospital and Medical Center was again honored with an "A" Hospital Safety Score by The Leapfrog Group, an independent national nonprofit run by employers and other large purchasers of health benefits. The A score was awarded in the latest update to the Hospital Safety Score℠. The A, B, C, D or F scores are assigned to U.S. hospitals based on preventable medical errors, injuries accidents, and infections. The Hospital Safety Score was compiled under the guidance of experts on patient safety and is designed to give the public information they can use to protect themselves and their families. (May 2013)

HealthGrades® Patient Safety Excellence Award™ – Saint Francis Hospital and Medical Center received the *Healthgrades 2013 Patient Safety Excellence Award™*, according to Healthgrades, the leading online resource that helps consumers search, evaluate, compare and connect with physicians and hospitals. The distinction placed Saint Francis within the top 5% of all hospitals for its excellent performance in safeguarding patients from serious, potentially preventable complications during their hospital stays. This was the third consecutive year that Saint Francis received this prestigious award. Saint Francis was the only hospital in Connecticut to achieve this distinction in 2013. (April 2013)

Practice Greenhealth/Partner for Change Award – for leadership in prioritizing our environmental performance and demonstrating our commitment to a higher standard of excellence in sustainability. This is the fifth time Saint Francis earned this distinction. (April 2013)

CareChex – According to a 2011 CareChex national hospital quality study, Saint Francis Hospital and Medical Center was #1 in the State in the category of "Medical Excellence" for: Major Cardiac Surgery, Coronary Bypass Surgery, Interventional Coronary Care, Joint Replacement, Major Bowel Procedures, Orthopedic Care, Major Orthopedic Surgery, Spinal Surgery, and Trauma Care. Additionally, Saint Francis was #1 in the State for Patient Safety in the areas of: Overall Hospital Care, Overall Surgical Care, Cardiac Care, Major Cardiac Surgery, Coronary Bypass Surgery, Interventional Coronary Care, Joint Replacement, Major Bowel Procedures, Major Neuro-Surgery, Major Orthopedic Surgery, Stroke Care, and Trauma Care. (January 2013)

The LeapFrog Group "A" Score – *Saint Francis Hospital and Medical Center* was honored with a second consecutive "A" Hospital Safety Score℠ by The Leapfrog Group, a nationally recognized organization founded by a consortium of Fortune 500 companies and other large public healthcare purchasers representing 37 million American consumers nationwide. Saint Francis was the largest hospital in Connecticut to merit this distinction, and one of only six statewide to receive this recognition. The Hospital Safety Score℠ was calculated under the guidance of The Leapfrog Group's Blue Ribbon Expert Panel using publicly available data on patient injuries,

medical and medication errors, and infections. U.S. hospitals were assigned an A, B, C, D, or F for their safety records. (November 2012)

Connecticut Breastfeeding Coalition – Saint Francis Hospital and Medical Center received an award of recognition from the Connecticut Breastfeeding Coalition for its contributions to the health of Connecticut's mothers and children through the Connecticut Breastfeeding Initiative 2010-2012. (October 2012)

Healthgrades® – Saint Francis *Care* was listed as #1 in Connecticut for joint replacement outcomes and is one of America's 100 Best Hospitals for Joint Replacement. Saint Francis *Care* also earned a 5-star rating from Healthgrades in additional clinical areas for the treatment of: heart failure, back and neck surgery, stroke, pneumonia, GI bleed, respiratory failure, diabetic acidosis and coma. This is according to a report from Healthgrades, *American Hospital Quality Outcomes 2013: Healthgrades Report to the Nation*. Healthgrades is the leading provider of information to help consumers make an informed decision about a physician or a hospital. (October 2012)

HAVEN Employer Engagement Award – this award was presented to Saint Francis by the Health Assistance InterVention Education Network (HAVEN). The award recognized employers who, through human resources, employee assistance, and/or occupational health, have developed ways to help employees confront the challenges of physical and mental illness with dignity and compassion. (October 2012)

"I Am Who I Am" – recognized by the Walk In the Light Ministries and by Archbishop Louella Tate as an organization that has helped Hartford become a role model for other cities. (September 2012)

National Air Filtration Association (NAFA) Clean Air Award – recognized for leadership and excellence in the use of high efficiency air filtration products and good maintenance practices. It is presented to those who show an outstanding effort in maintaining a clean and healthy indoor work environment, while reducing overall operating costs. (September 2012)

***Most Wired* – 2012** – recognized by *Hospitals & Health Networks Magazine* for making progress toward adoption of Information Technology. (July 2012)

Connecticut Quality Improvement Award Gold Prize – given to Saint Francis Hospital by the Connecticut Quality Improvement Association for our work in improving the Universal Protocol in our operating room, using the Safe Surgery Checklist. (June 2012)

The LeapFrog Group "A" Score –Saint Francis Hospital and Medical Center was only one of four hospitals in the state to receive an "A" grade on the organization's Hospital Safety Score. The Hospital Safety Score℠ was calculated under the guidance of The Leapfrog Group's Blue Ribbon Expert Panel using publicly available data on patient injuries, medical and medication errors, and infections. U.S. hospitals were assigned an A, B, C, D, or F for their safety. (June 2012)

HealthGrades® Patient Safety Excellence Award™ – for patient safety indicators from the Agency for Healthcare Research and Quality (AHRQ) to identify patient safety incidence rates, placing

Saint Francis in the top 5% in the nation for patient safety, and the only Connecticut hospital to achieve this distinction. (May 2012)

American Heart Association/American Stroke Association *Get With the Guidelines Gold Plus Award* – to the Hoffman Heart and Vascular Institute for providing excellent care to heart failure patients. Saint Francis was one of only three hospitals statewide to receive this award. (May 2012)

***Silver Healthy Hospital Award*, Stryker** – for outstanding performance in reducing environmental harm and improving overall hospital quality through medical device remanufacturing and reprocessing. For 2011, Saint Francis saved $235,600 and had a total waste avoidance of 11,900 pounds. (April 2012)

Outcome Excellence Award – the outpatient rehabilitation staff at 95 Woodland Street received this award from Focus on Therapeutic Outcomes (FOTO) for exceeding the predicted national target for outcomes and patient satisfaction over a one-year period. The targets were met for two consecutive years, for both 2010 and 2011. (April 2012)

2012 Top Performer – the inpatient rehabilitation team at Mount Sinai Rehabilitation Hospital received an Outstanding Performance Award from the Uniform Data Systems database for its top ten percent ranking out of 800 programs across the United States. (April 2012)

The Blue Ribbon Award – for the John T. O'Connell Tower presented at the 17th Annual Awards Showcase from the Real Estate Exchange. This is the most significant annual awards event in commercial real estate in Connecticut and a celebration of excellence in the industry. (April 2012)

The BUILDCT 2012 Award – for the John T. O'Connell Tower best new large construction project greater than $10 million from the Association of General Contractors. The award was given to Saint Francis Hospital and Medical Center; TRO/Jung Brannen, the architect and engineer; and Turner Construction Company, the construction manager. (March 2012)

Connecticut Quality Improvement Award Silver Innovation Prize – for the creation of the Connecticut Institute for Primary Care Innovation. (August 2011)

American Heart Association/American Stroke Association Get With The Guidelines Gold Plus Award – for achievement in using evidence-based guidelines in the treatment of stroke patients. (August 2011)

Most Wired – 2011 – recognized by *Hospitals & Health Networks Magazine* for making progress toward adoption of Information Technology. (July 2011)

Community Value Five-Star Hospital – recognized by Cleverly & Associates, a healthcare industry intelligence and education consultancy for value provided to the community, based on financial viability, facility reinvestments, low-cost structures, and high-quality patient care. (July 2011)

Practice Greenhealth Partner for Change with Distinction – for outstanding environmental achievement in healthcare. (April 2011)

HealthGrades® Patient Safety Excellence Award™ – for patient safety indicators from the Agency for Healthcare Research and Quality (AHRQ) to identify patient safety incidence rates. (March 2011)

The American Society for Metabolic and Bariatric Surgery and the Surgical Review Corporation Bariatric Surgery Center of Excellence® Designation – for demonstrating an unparalleled ability to consistently deliver safe, effective, evidence-based care. (March 2011)

Focus on Therapeutic Outcomes, Inc. Outcomes Excellence Award – for exceeding the national average for functional change in the patients treated at the Center for Rehabilitation and Sports Medicine. (March 2011)

The American College of Cardiology Foundation NCDR ACTION Registry Gold Performance Award – for implementing a higher standard of care and reaching the aggressive goal of treating coronary artery disease patients with 85 percent compliance with American College of Cardiology/American Heart Association clinical guidelines and recommendations. (December 2010)

The American Alliance of Healthcare Providers Choice Award – for implementing an excellent healthcare program that successfully results in courteous, compassionate, and caring service to patients, families, and the community. (July 2010)

Most Wired "Most Improved" Award – for the Hospital's level of achievement in business and administrative management, clinical quality and safety, continuum of care, and infrastructure. Based on a survey by *Hospitals & Health Networks* Magazine, McKesson Corporation and the College of Healthcare Information Management Executives. (July 2010)

Practice Greenhealth Partner for Change Award – for continuously improving and expanding upon mercury elimination, waste reduction and pollution prevention. Presented by Practice Greenhealth, a national membership organization for healthcare facilities committed to environmentally responsible operations. (May 2010)

Anthem Blue Cross and Blue Shield Blue Distinction Center for Knee and Hip Replacement – In recognition of clinical excellence in knee and hip replacement surgery. (January 2010)

American Heart Association/American Stroke Association *Get With The Guidelines Gold Plus Performance Achievement Award* – In recognition of implementing excellent care for stroke patients, according to evidence-based guidelines. (January 2010)

U.S. Department of Health and Human Services Silver-2 Medal – In recognition of efforts promoting organ donation. (October 2009)

Employer Support of the Guard and Reserves Program – Connecticut Above and Beyond Award for support of Hospital employees who are members of National Guard and Reserves. (July 2009)

Practice Greenhealth Partner for Change Award – for continuously improving and expanding upon mercury elimination, waste reduction and pollution prevention. Presented by Practice Greenhealth, a national membership organization for healthcare facilities committed to environmentally responsible operations. (May 2009)

ENERGY STAR Label – for superior energy efficiency and environmental protection. Awarded by the U.S. Environmental Protection Agency. Saint Francis was previously awarded ENERGY STAR labels in 2003 and 2006. (April 2009)

Connecticut Breastfeeding Coalition Breastfeeding Friendly Employer Award – Given for Saint Francis' efforts in supporting breastfeeding by working mothers. (January 2009)

American Stroke Association Get with the Guidelines℠ Silver Achievement Award – Given in recognition of Saint Francis' commitment and success in implementing a higher standard of care for stroke patients. To achieve the GWTG-Stroke Silver Achievement Award, Saint Francis consistently followed the treatment guidelines in the GWTG-Stroke program for 12 months. (December 2008)

UnitedHealthcare Premium® Specialty Center for Total Joint Replacement – Given with the designation of ***One Star*** and ***Higher Efficiency***. The program uses national industry standards, medical specialty society and consensus standards to evaluate specialty center programs focused on total joint replacement for the purpose of advancing safe, timely, effective, efficient, equitable and patient-centered care. (September 2008)

American Alliance of Healthcare Providers Hospital of the Year – Top 10 Finalist in 2008 Hospital of the Year Awards, which recognizes the country's most consumer-friendly hospitals. (August 2008)

HealthGrades® 2009 Spine Surgery Excellence Award – This award places Saint Francis among the top 10 percent of hospitals nationwide for spine surgery. (July 2008)

2008 Most Wired Survey and Benchmarking Study – Most Improved Award for information technology enhancements in the survey conducted by *Hospitals & Health Networks* magazine in conjunction with Accenture, McKesson Corp. and the College of Healthcare Information Management Executives. (July 2008)

Connecticut Quality Improvement Award Silver Innovation Prizes – Three awards for projects that streamlined critical areas of healthcare: the treatment of heart attacks, transferring patients from the Emergency Department to nursing units, and vaccinating staff against season influenza outbreaks. (July 2008)

American Stroke Association Get With the Guidelines℠ – Stroke Bronze Performance Award – for Saint Francis' commitment and success in implementing a higher standard of stroke care by ensuring that stroke patients receive treatment according to nationally accepted standards and recommendations. To achieve the GWTG-Stroke Bronze Performance Achievement Award, Saint Francis consistently followed the treatment guidelines in the GWTG-Stroke program for 90 days. (May 2008)

Practice Greenhealth Partner for Change Award – for working to reduce mercury, reduce waste and prevent pollution. Presented by Practice Greenhealth, formerly Hospitals for a Healthy Environment (H2), a source of environmental solutions for the healthcare industry. The award honors organizations creating healthy, healing environments committed to eliminating mercury, reducing pollution and recycling waste. (May 2008)

2008 Alliance Innovation Award – Saint Francis Hospital and Medical Center was named an *Alliance Innovation Award* winner by the Alliance of Independent Academic Medical Centers (AIAMC). The award was presented to Saint Francis for its demonstrated leadership in utilizing graduate medical education as a key driver to improve quality, patient safety, and the cost-effectiveness of care. These creative and innovative approaches to medical education and research have resulted in better patient outcomes. (April 2008)

American Alliance of Healthcare Providers 'Hospital of Choice' Award for First Quarter of 2008 – for consumer friendliness and unparalleled commitment to good citizenship and community service, based on a review of public information, Web site, news releases, announcements, phone surveys of Hospital staff and application review. (April 2008)

Verispan 100 Most Highly Integrated Healthcare Networks Best of the Rest – a Tier 2 category rating for integrated healthcare networks based on eight categories: integrated technology, contractual capabilities, outpatient utilization, financial stability, service and access, hospital utilization and physicians. (February 2008)

United Healthcare Premium Specialty Center – for cardiac care, spine and total joint replacement surgery. The designations signify that Saint Francis has met rigorous quality criteria based on nationally recognized medical standards and expert advice. They are based on detailed information about specialized training, practice capabilities and proficiencies submitted by Saint Francis to United Healthcare. (January 2008)

CQIA Silver Innovation Prize – for being early adopters of bar code point of care (BPOC) technology to prevent errors during medication administration. BPOC systems use a bedside computer and a variety of clinical information systems to cross check bar codes that are printed on patient wristbands with those bar codes printed on medications. In addition to new bedside technology, the BPOC involved an extensive process within the Pharmacy Department. All 2,800 inventoried products required bar code recognition by the Hospital's clinical information system. In the first six months after implementation, 75 percent of inpatient areas were using this technology and 350,000 medication doses had been bar coded. The CQIA Silver Innovation Award is the nation's oldest, state-level quality award program. (October 2007)

U.S. Department of Health and Human Services Medal of Honor – for achieving at least a 75 percent organ donation rate among eligible patients. This was the third year in a row that Saint Francis received this award. Saint Francis is the only hospital in Connecticut and Western Massachusetts to receive the medal three years in a row. (October 2007)

AHA Nova Finalist – Hartford Regional Lead Treatment Center and Lead Safe House Program, which are based at Saint Francis Hospital and Medical Center, named one of ten finalists for the American Hospital Association's Nova Award, which recognizes programs that improve

community health status and are collaborative in nature. The Hartford Regional Lead Treatment Center serves patients both at Saint Francis and the Connecticut Children's Medical Center. (August 2007)

Blue Center of Distinction – designated a *Blue Center of Distinction for Cardiac Care* by the Blue Cross and Blue Shield Association. The nationwide program recognizes those hospitals that meet stringent quality criteria, as established by expert physician panels and national organizations. *Blue Distinction Centers* are required to provide a full range of cardiac services, including inpatient care, cardiac rehabilitation, angioplasty and cardiac surgery. (June 2007)

Hospitals for a Healthy Environment – received the Partners for Change Award in recognition of achievements in improving environmental performance. Also received the Making Medicine Mercury-Free Award for eliminating the use of mercury in medical devices. Hospitals for a Healthy Environment (H2E) is an independent, not-for-profit organization founded by the American Hospital Association, the Environmental Protection Agency, Health Care Without Harm and the American Nurses Association. H2E is focused on improving healthcare environmental performance. (May 2007)

Five-Star Hospital – recognized as a Community Value Provider by Cleverly + Associates, a Columbus, Ohio, healthcare financial consulting firm. Based on the Community Value Index™, a proprietary index that offers a measure of the value that a hospital provides to its community based on financial strength and reinvestment, cost of care and pricing. (April 2007)

The President's Volunteer Service Award – for the service of more than 700 individuals who volunteered at the Hospital in 2006, contributing over 67,400 hours of service to Saint Francis. Presented by the President's Council on Service and Civic Participation on behalf of President George W. Bush to recognize the best in the American spirit and encourage Americans to contribute to their communities through volunteer service. (January 2007)

CareScience Select Practice National Quality Leader – for excellence in overall hospital quality and efficiency. The award placed Saint Francis among the top 1 percent of performers across 4,500 acute care hospitals in the United States as identified by CareScience, a hospital consulting firm. It was based on 16 clinical indicators for both quality and efficiency. (November 2006)

ENERGY STAR Label – for prudent energy management strategies and proven technologies. Awarded by the U.S. Environmental Protection Agency and U.S. Department of Energy. Saint Francis was first awarded an ENERGY STAR label in 2003. (November 2006)

eHealthcare Strategy & Trends Silver Award – in the category "Best Rich Media" in the Physician/Clinician-Focused Site class for the Hospital's web site Grand Rounds Online feature. Since their introduction in April, 15 Grand Rounds presentations were made available to physicians online. After viewing a presentation online, physicians are able to obtain Continuing Medical Education credit by successfully completing a short quiz. (November 2006)

U.S. Department of Health and Human Services Medal of Honor – for achieving at least a 75 percent organ donation rate among eligible patients. This was the second year in a row that Saint Francis received this award. In the most recent reporting period, Saint Francis secured permission from family members for 11 organ donations out of 13 potential donors. Saint

Francis was just one of two hospitals in Northern Connecticut and Western Massachusetts to receive the medal this year. (October 2006)

HealthGrades® Orthopedic Surgery Excellence Award – for superior clinical outcomes in the ninth annual *Hospital Quality in America* study. This award placed Saint Francis among the top 10 percent of hospitals nationwide for orthopedic care. (October 2006)

Leapfrog Top 50 Hospitals – for meeting the quality and safety standards of the Leapfrog Group, a consortium of Fortune 500 companies and other large public healthcare purchasers representing 37 million American consumers. Saint Francis was the only hospital in Connecticut to achieve this distinction. Leapfrog identifies its "Top Hospitals" based on their implementation of practices with the greatest life-saving potential, including computerized physician order entry (CPOE), ICU physician staff, evidence-based hospital referral and the Leapfrog Safe Practices Score. (October 2006)

2006 BEACON Medical Technology Award – for the Hospital's significant investment in advanced technology in the acquisition of the CyberKnife® stereotactic radiosurgery system. The award was presented by the Biomedical Engineering Alliance & Consortium (BEACON), a regional trade association for the advancement of new medical technology. It recognizes innovative approaches that help Connecticut establish a leadership position in the field of medical technology. (October 2006)

Sacred Heart University College of Education and Health Professions 2006 Community Partner Award – for collaboration with the College's Nursing Department to develop and implement the R.N. to B.S.N. program offered at Saint Francis Hospital and Medical Center. This was the first year that the award was given to an individual or organization who has demonstrated exceptional collaboration to further the educational goals and mission of the College. Saint Francis was one of two recipients honored that year. (October 2006)

HealthGrades® Third Annual Patient Safety in American Hospitals Study – for best performing hospitals for overall patient safety. Saint Francis was one of 238 hospitals identified as reaching the top 15 percent nationwide for patient safety. This award was presented by HealthGrades, a healthcare ratings company. As a category, Medicare patients at these top 15 percent hospitals experienced patient safety incidents, on average, 43.27 percent less often than patients at the bottom 15 percent of all hospitals. (October 2006)

CQIA Silver Innovation Prize – for a project that optimized care in patients with congestive heart failure (CHF). Taking note of the fact that each year nearly 900 patients are admitted to the Hospital with CHF, the Congestive Heart Failure Service decided to establish Connecticut's first dedicated unit to provide comprehensive care for CHF patients. Outcomes for patients treated on the CHF unit have been demonstrably better than those of other CHF patients. The CQIA Silver Innovation Award is the nation's oldest, state-level quality award program. (July 2006)

Solucient 100 Top Hospitals® Performance Improvement Leader – for improving faster and more consistently than its peer hospitals across the nation. Nine performance measures were examined including risk adjusted mortality and complications, average length of stay, expenses, profitability, cash-to-debt ratio, growth in percent of community served, tangible assets and risk adjusted patient safety index. Saint Francis was recognized as one of the hospitals that achieved

the fastest rate of consistent annual clinical and organizational improvement over a five-year period. (April 2005)

Solucient 100 Top Hospitals® – for setting benchmarks for the industry in such areas as quality of care, efficiency, financial performance, growing community service and patient safety. This marked the seventh time that Saint Francis was named to the prestigious list of the nation's Top 100 hospitals. At the time, Saint Francis was the only hospital in Connecticut to be named to the Top 100 list on seven or more occasions. (February 2005)

Solucient 100 Top Hospitals® – for setting performance benchmarks across four critical areas: quality of care, operational efficiency, financial performance and adaptation to the environment. This marked the sixth time that Saint Francis had been named to the prestigious list. At the time, Saint Francis was the only major teaching hospital to be named to the Top 100 list on six occasions. (May 2004)

Solucient Performance Improvement Leader – for developing consistent and effective organization-wide performance improvement across critical measures at a faster rate than other U.S. hospitals between 1997 and 2001. Those measures include quality of care, operational efficiency and financial performance. Among 123 major teaching hospitals included in the study, Saint Francis' cumulative scored placed it in the 99th percentile. This signifies that Saint Francis' rate of improvement over the five years was higher and more rapid than 98 percent of the other major teaching hospitals studied by Solucient. (March 2004)

EXHIBIT 16

EXHIBIT 16
List of Residencies

The following is a list of residencies offered at Saint Francis through the University of Connecticut School of Medicine:

* Anesthesiology
* Emergency Medicine
* Family Medicine
* Pediatrics
* Internal Medicine (General)
* Internal Medicine (Cardiology)
* Internal Medicine (Endocrinology)
* Internal Medicine (Gastroenterology)
* Internal Medicine (Hematology/Oncology)
* Internal Medicine (Infectious Disease)
* Internal Medicine (Pulmonary/ Critical Care)
* Maternal Fetal Medicine
* Nuclear Medicine
* Orthopedic Surgery
* Otolaryngology
* Psychiatry
* Radiology
* Surgery
* Urology
* Geriatric Medicine
* Nephrology
* Primary Care Medicine

The following are the Saint Francis Residency and Fellowship programs:

* General Dentistry Residency
* Obstetrics and Gynecology Residency
* Podiatric Medicine and Surgery Residency
* Colon/Rectal Surgery Fellowship

EXHIBIT 17

Applicant: Johnson Memorial Medical Center — NON-PROFIT

Financial Worksheet (A) (In Thousands)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual	(2) FY 2015 Projected	(3) FY 2015 Projected	(4) FY 2015 Projected	(5) FY 2016 Projected	(6) FY 2016 Projected	(7) FY 2016 Projected	(8) FY 2017 Projected	(9) FY 2017 Projected	(10) FY 2017 Projected	(11) FY 2018 Projected	(12) FY 2018 Projected	(13) FY 2018 Projected
	Description	Results	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON
A.	**OPERATING REVENUE**													
1	Total Gross Patient Revenue	184,158	$ 188,103	$ -	$ 188,103	$ 181,697	$ 7,411	$ 189,108	$ 182,900	$ 8,874	$ 191,774	$ 184,115	$ 10,407	$ 194,522
2	Less: Allowances	106,050	109,854		109,854	104,306	3,221	107,527	104,724	3,576	108,300	105,149	4,473	109,622
3	Less: Charity Care	387	317		317	306	12	318	308	15	323	310	18	328
4	Less: Other Deductions	(906)	(183)		(183)	1,027	-	1,027	1,027	-	1,027	1,027	-	1,027
	Net Patient Service Revenue	**$ 78,627**	**$ 78,115**	**$ -**	**$ 78,115**	**$ 76,058**	**$ 4,178**	**$ 80,236**	**$ 76,841**	**$ 5,283**	**$ 82,124**	**$77,629**	**$5,916**	**$83,545**
5	Medicare	29,789	28,708	-	28,708	27,258	1,321	28,579	27,459	1,544	29,003	27,662	1,777	29,439
6	Medicaid	11,908	9,907	-	9,907	9,122	454	9,576	9,191	530	9,721	9,261	608	9,869
7	CHAMPUS & TriCare	368	461	-	461	471	21	492	475	24	499	478	28	506
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	**$42,065**	**$39,076**	**$0**	**$39,076**	**$36,851**	**$1,796**	**$38,647**	**$37,125**	**$2,098**	**$39,223**	**$37,401**	**$2,413**	**$39,814**
9	Commercial Insurers	32,792	35,059	-	35,059	35,243	2,214	37,457	35,725	2,986	38,711	36,210	3,271	39,481
10	Uninsured	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Self Pay	2,221	2,311		2,311	2,326	100	2,426	2,342	118	2,460	2,358	137	2,495
12	Workers Compensation	1,549	1,669	-	1,669	1,638	68	1,706	1,649	81	1,730	1,660	95	1,755
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	**$ 36,562**	**$ 39,039**	**$ -**	**$ 39,039**	**$ 39,207**	**$ 2,382**	**$ 41,589**	**$ 39,716**	**$ 3,185**	**$ 42,901**	**$40,228**	**$3,503**	**$43,731**
	Net Patient Service Revenue[a] (Government+Non-Government)	**$ 78,627**	**$ 78,115**	**$ -**	**$ 78,115**	**$ 76,058**	**$ 4,178**	**$ 80,236**	**$ 76,841**	**$ 5,283**	**$ 82,124**	**$77,629**	**$5,916**	**$83,545**
14	Less: Provision for Bad Debts	4,430	3,907	-	**3,907**	3,594	32	**3,626**	3,631	79	**3,710**	$3,668	$105	**$3,773**
	Net Patient Service Revenue less provision for bad debts	**$ 74,197**	**$ 74,208**	**$ -**	**$ 74,208**	**$ 72,464**	**$ 4,146**	**$ 76,610**	**$ 73,210**	**$ 5,204**	**$ 78,414**	**$73,961**	**$5,811**	**$79,772**
15	Other Operating Revenue	2,157	2,041	-	**2,041**	1,516	50	**1,566**	1,526	47	**1,573**	1,536	45	**1,581**
17	Net Assets Released from Restrictions	270	-	-	**-**	-	-	**-**	-	-	**-**	-	-	**-**
	TOTAL OPERATING REVENUE	**$76,624**	**$76,249**	**$0**	**$76,249**	**$73,980**	**$4,196**	**$78,176**	**$74,736**	**$5,251**	**$79,987**	**$75,497**	**$5,856**	**$81,353**
B.	**OPERATING EXPENSES**													
1	Salaries and Wages	$ 30,651	$ 30,123	$ -	$ 30,123	$ 31,432	$ (529)	$ 30,903	$ 32,817	$ (1,295)	$ 31,522	$ 33,332	$ (1,084)	$ 32,248
2	Fringe Benefits	7,595	7,125	-	7,125	8,434	(425)	8,009	8,762	(606)	8,156	8,884	(557)	8,327
3	Physicians Fees	2,648	4,958	-	4,958	4,506	52	4,558	4,610	36	4,646	4,716	20	4,736
4	Supplies and Drugs	11,667	11,815	-	11,815	10,736	123	10,859	10,984	85	11,069	11,238	47	11,285
5	Depreciation and Amortization	2,641	2,117	-	2,117	2,148	73	2,221	2,264	192	2,456	2,417	187	2,604
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Interest Expense	1,503	1,352	-	1,352	808	(356)	452	758	(367)	391	708	(379)	329
8	Malpractice Insurance Cost	1,360	1,452	-	1,452	1,320	15	1,335	1,350	10	1,360	1,382	6	1,388
9	Lease Expense	1,604	1,661	-	1,661	1,510	17	1,527	1,544	12	1,556	1,580	7	1,587
10	Other Operating Expenses	17,595	16,948	-	16,948	15,401	176	15,577	15,756	121	15,877	16,120	68	16,188
	TOTAL OPERATING EXPENSES	**$ 77,264**	**$ 77,551**	**$ -**	**$ 77,551**	**$ 76,295**	**$ (854)**	**$ 75,441**	**$ 78,845**	**$ (1,812)**	**$ 77,033**	**$80,377**	**($1,685)**	**$78,692**
	INCOME/(LOSS) FROM OPERATIONS	**$ (640)**	**$ (1,302)**	**$ -**	**$ (1,302)**	**$ (2,315)**	**$ 5,050**	**$ 2,735**	**$ (4,109)**	**$ 7,063**	**$ 2,954**	**($4,880)**	**$7,541**	**$2,661**
	NON-OPERATING REVENUE	384	283	**-**	**283**	172	139	**311**	-	209	**209**	-	132	**$132**
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	**$ (256)**	**$ (1,019)**	**$ -**	**$ (1,019)**	**$ (2,143)**	**$ 5,189**	**$ 3,046**	**$ (4,109)**	**$ 7,272**	**$ 3,163**	**($4,880)**	**$7,673**	**$2,793**
	Principal Payments	**$107**	**$239**	**$0**	**$239**	**$1,089**	**$250**	**$1,339**	**$1,089**	**$264**	**$1,353**	**$1,103**	**$250**	**$1,353**
C.	**PROFITABILITY SUMMARY**													
1	Hospital Operating Margin	**-0.8%**	**-1.7%**	**0.0%**	**-1.7%**	**-3.1%**	**116.5%**	**3.5%**	**-5.5%**	**129.4%**	**3.7%**	**-6.5%**	**125.9%**	**3.3%**
2	Hospital Non Operating Margin	**0.5%**	**0.4%**	**0.0%**	**0.4%**	**0.2%**	**3.2%**	**0.4%**	**0.0%**	**3.8%**	**0.3%**	**0.0%**	**2.2%**	**0.2%**
3	Hospital Total Margin	**-0.3%**	**-1.3%**	**0.0%**	**-1.3%**	**-2.9%**	**119.7%**	**3.9%**	**-5.5%**	**133.2%**	**3.9%**	**-6.5%**	**128.1%**	**3.4%**
D.	**FTEs**	**509.0**	**513.0**	**0.0**	**513.0**	**513.1**	**(5.7)**	**507.4**	**516.1**	**(6.6)**	**509.5**	**519.2**	**(7.5)**	**511.7**
E.	**VOLUME STATISTICS[c]**													
1	Inpatient Discharges	3,191	3,158	0	**3,158**	2,775	226	**3,001**	2,775	153	**2,928**	2,775	79	**2,854**
2	Outpatient Visits	144,724	141,760	0	**141,760**	143,178	2,835	**146,013**	144,610	5,783	**150,393**	146,056	8,849	**154,905**
	TOTAL VOLUME	**147,915**	**144,918**	**0**	**144,918**	**145,953**	**3,061**	**149,014**	**147,385**	**5,936**	**153,321**	**148,831**	**8,928**	**157,759**

[a] Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.

[b] Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.

[c] Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Applicant: Saint Francis Care, Inc. including JMMC — NON-PROFIT

Financial Worksheet (A) (In Thousands)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual Results	(2) FY 2015 Projected W/out CON	(3) FY 2015 Projected Incremental	(4) FY 2015 Projected With CON	(5) FY 2016 Projected W/out CON	(6) FY 2016 Projected Incremental	(7) FY 2016 Projected With CON	(8) FY 2017 Projected W/out CON	(9) FY 2017 Projected Incremental	(10) FY 2017 Projected With CON	(11) FY 2018 Projected W/out CON	(12) FY 2018 Projected Incremental	(13) FY 2018 Projected With CON
	Description													
A.	**OPERATING REVENUE**													
1	Total Gross Patient Revenue	$ 2,287,500	$ 2,442,757	$ -	$ 2,442,757	$ 2,613,750	$ 189,108	$ 2,802,858	$ 2,796,713	$ 191,774	$ 2,988,487	$ 2,992,483	$ 194,522	$ 3,187,005
2	Less: Allowances	1,472,725	1,619,505	-	1,619,505	1,769,167	107,527	1,876,694	1,929,350	108,300	2,037,650	2,103,369	109,622	2,212,991
3	Less: Charity Care	19,154	19,537	-	19,537	19,928	318	20,246	20,327	323	20,650	20,734	328	21,062
4	Less: Other Deductions	12,293	18,895	-	18,895	21,055	1,027	22,082	21,055	1,027	22,082	21,055	1,027	22,082
	Net Patient Service Revenue	**$ 783,328**	**$ 784,820**	**$ -**	**$ 784,820**	**$ 803,600**	**$ 80,236**	**$ 883,836**	**$ 825,981**	**$ 82,124**	**$ 908,105**	**$847,325**	**$ 83,545**	**$930,870**
5	Medicare	309,301	297,936	-	297,936	309,049	28,579	337,628	312,752	29,003	341,755	320,169	29,439	349,608
6	Medicaid	105,322	93,503	-	93,503	98,187	9,576	107,763	96,868	9,721	106,589	97,254	9,869	107,123
7	CHAMPUS & TriCare	335	687	-	687	978	492	1,470	1,082	499	1,581	1,112	506	1,618
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	**$414,958**	**$392,126**	**$0**	**$392,126**	**$408,214**	**$38,647**	**$446,861**	**$410,702**	**$39,223**	**$449,925**	**$418,535**	**$39,814**	**$458,349**
9	Commercial Insurers	348,451	372,625	-	372,625	377,191	37,457	414,648	397,391	38,711	436,102	410,757	39,481	450,238
10	Uninsured	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Self Pay	8,806	9,716	-	9,716	8,502	2,426	10,928	8,290	2,460	10,750	8,129	2,495	10,624
12	Workers Compensation	11,113	10,353	-	10,353	9,693	1,706	11,399	9,598	1,730	11,328	9,904	1,755	11,659
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	**$ 368,370**	**$ 392,694**	**$ -**	**$ 392,694**	**$ 395,386**	**$ 41,589**	**$ 436,975**	**$ 415,279**	**$ 42,901**	**$ 458,180**	**$428,790**	**$ 43,731**	**$472,521**
	Net Patient Service Revenue[a] (Government+Non-Government)	**$ 783,328**	**$ 784,820**	**$ -**	**$ 784,820**	**$ 803,600**	**$ 80,236**	**$ 883,836**	**$ 825,981**	**$ 82,124**	**$ 908,105**	**$847,325**	**$ 83,545**	**$930,870**
14	Less: Provision for Bad Debts	26,547	23,635	-	**23,635**	24,914	3,626	**28,540**	24,220	3,710	**27,930**	$22,817	3,773	**$26,590**
	Net Patient Service Revenue less provision for bad debts	**$ 756,781**	**$ 761,185**	**$ -**	**$ 761,185**	**$ 778,686**	**$ 76,610**	**$ 855,296**	**$ 801,761**	**$ 78,414**	**$ 880,175**	**$824,508**	**$ 79,772**	**$904,280**
15	Other Operating Revenue	38,797	42,255	-	**42,255**	40,896	1,566	**42,462**	41,714	1,573	**43,287**	42,632	1,581	**44,213**
17	Net Assets Released from Restrictions	9,644	9,829	-	**9,829**	9,513	-	**9,513**	9,703	-	**9,703**	9,917	-	**9,917**
	TOTAL OPERATING REVENUE	**$805,222**	**$813,269**	**$0**	**$813,269**	**$829,095**	**$78,176**	**$907,271**	**$853,178**	**$79,987**	**$933,165**	**$877,057**	**$81,353**	**$958,410**
B.	**OPERATING EXPENSES**													
1	Salaries and Wages	$ 363,599	$ 374,848	$ -	$ 374,848	$ 384,772	$ 30,903	$ 415,675	$ 396,501	$ 31,522	$ 428,023	$ 405,935	$ 32,248	$ 438,183
2	Fringe Benefits	86,707	91,530	-	91,530	95,201	8,009	103,210	97,757	8,156	105,913	100,722	8,327	109,049
3	Physicians Fees	23,716	23,535	-	23,535	24,197	4,558	28,755	24,726	4,646	29,372	25,352	4,736	30,088
4	Supplies and Drugs	123,408	121,246	-	121,246	122,974	10,859	133,833	125,387	11,069	136,456	128,259	11,285	139,544
5	Depreciation and Amortization	38,308	39,412	-	39,412	41,100	2,221	43,321	43,359	2,456	45,815	45,632	2,604	48,236
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-		-	-
7	Interest Expense	11,620	11,142	-	11,142	10,722	452	11,174	10,427	391	10,818	10,140	329	10,469
8	Malpractice Insurance Cost	11,159	15,217	-	15,217	15,511	1,335	16,846	15,816	1,360	17,176	16,178	1,388	17,566
9	Lease Expense	6,139	8,380	-	8,380	8,464	1,527	9,991	8,549	1,556	10,105	8,634	1,587	10,221
10	Other Operating Expenses	129,043	116,287	-	116,287	116,332	15,577	131,909	118,089	15,877	133,966	120,255	16,188	136,443
	TOTAL OPERATING EXPENSES	**$ 793,699**	**$ 801,597**	**$ -**	**$ 801,597**	**$ 819,273**	**$ 75,441**	**$ 894,714**	**$ 840,611**	**$ 77,033**	**$ 917,644**	**$861,107**	**$ 78,692**	**$939,799**
	INCOME/(LOSS) FROM OPERATIONS	**$ 11,523**	**$ 11,672**	**$ -**	**$ 11,672**	**$ 9,822**	**$ 2,735**	**$ 12,557**	**$ 12,567**	**$ 2,954**	**$ 15,521**	**$15,950**	**$ 2,661**	**$18,611**
	NON-OPERATING REVENUE	**1,201**	**(7,444)**	**-**	**(7,444)**	**-**	**311**	**311**	**-**	**209**	**209**	**$0**	**$132**	**$132**
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	**$ 12,724**	**$ 4,228**	**$ -**	**$ 4,228**	**$ 9,822**	**$ 3,046**	**$ 12,868**	**$ 12,567**	**$ 3,163**	**$ 15,730**	**$15,950**	**$ 2,793**	**$18,743**
	Principal Payments	**$8,819**	**$8,760**	$0	**$8,760**	**$6,951**	$1,339	**$8,290**	**$5,226**	$1,353	**$6,579**	**$3,913**	$1,353	**$5,266**
C.	**PROFITABILITY SUMMARY**													
1	Hospital Operating Margin	**1.4%**	**1.4%**	**0.0%**	**1.4%**	**1.2%**	**3.5%**	**1.4%**	**1.5%**	**3.7%**	**1.7%**	**1.8%**	**3.3%**	**1.9%**
2	Hospital Non Operating Margin	**0.1%**	**-0.9%**	**0.0%**	**-0.9%**	**0.0%**	**0.4%**	**0.0%**	**0.0%**	**0.3%**	**0.0%**	**0.0%**	**0.2%**	**0.0%**
3	Hospital Total Margin	**1.6%**	**0.5%**	**0.0%**	**0.5%**	**1.2%**	**3.9%**	**1.4%**	**1.5%**	**3.9%**	**1.7%**	**1.8%**	**3.4%**	**2.0%**
D.	**FTEs**	**4,698.9**	**4,744.4**	**0.0**	**4,744.4**	**4,768.1**	**507.4**	**5,275.5**	**4,791.9**	**509.5**	**5,301.4**	**4,815.9**	**511.7**	**5,327.6**
E.	**VOLUME STATISTICS[c]**													
1	Inpatient Discharges	31,895	32,212	-	**32,212**	32,328	3,001	**35,329**	32,316	2,928	**35,244**	32,408	2,854	**35,262**
2	Outpatient Visits	1,086,253	1,092,426	-	**1,092,426**	1,113,476	146,013	**1,259,489**	1,134,948	150,393	**1,285,341**	1,156,849	154,905	**1,311,754**
	TOTAL VOLUME	**1,118,148**	**1,124,638**	**0**	**1,124,638**	**1,145,804**	**149,014**	**1,294,818**	**1,167,264**	**153,321**	**1,320,585**	**1,189,257**	**157,759**	**1,347,016**

[a] Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.

[b] Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.

[c] Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Exhibit 17

19. Explain all assumptions used in developing the financial projections reported in the Financial Worksheet.

The following financial information represents Johnson Memorial Medical Center (JMMC), excluding the operating results of JEC, consolidated actual or projected results for the years identified. FY 2015 amounts represent the year to date actual revenue and expenses through February 2015 and the budgeted amounts for the remaining seven months. The following summarizes key assumptions used in projecting the 2016, 2017 and 2018 operating results assuming this proposal is approved:

- Inpatient volume projections include conservative decreases of 4.8%, 2.4 % and 2.5%, respectively, for FY 2016 through FY 2018 as utilization of inpatient services shifts as a result of population health management.
- Slight growth in hospital outpatient visits is expected and the projections include a 3% annual increase in outpatient visits in 2016 through 2018.
- Revenue cycle improvements of $2.5 million over three years are expected to be realized by FY 2018, including documentation and charge capture improvements.
- Projected salary expense includes increase in wages of 3%, 4% and 2% respectively in 2016 through 2018. These increases will help to ensure Johnson has the ability to remain competitive within the market going forward. These increases in salary expense are offset by the reduction in salary costs in non-clinical and administrative departments of $1,250,000 and $750,000 in FY 2016 and 2017 respectively where efficiencies are expected to be gained through centralization and elimination of duplicative support and administrative services.
- Supplies and other expense include increases of approximately 2 % per year in 2016 through 2018.
- Additional expense reduction initiatives relating to supply chain, personnel and insurance costs will result in additional savings of $850,000 by FY 2018 and these amounts are included in the projections. Reduction in outstanding debt of $5.0M based on proposed restructure and decreased interest expense for FYs 2016 through 2018 based on more favorable rate and decrease in principal balance.
- In FY 2016, operating expenses are reduced due to a decrease in legal and consulting expenses that were incurred in FY 2015 relating to this proposed transaction.
- Bad Debts are expected to decrease slightly due to the Patient Protection and Affordable Care Act lowering the uninsured rate by expanding public and private insurance coverage and approximate 4.4% of total revenues for FY 2016-2018.
- Capital expenditures of $5.0, $5.0 and $3.0 million in fiscal years 2016, 2017 and 2018, respectively.

The JMMC consolidated financial projection assumptions without the project include the following:

- Inpatient volume projections include conservative decrease of 12% beginning in FY 2016 and remaining flat in FY 2017 and 2018. This immediate decrease is primarily due the termination of the Clinical Affiliation agreements that support Johnson's current operation if this proposal is not approved.
- Slight growth in hospital outpatient visits is expected and the projections include a 1% annual increase in outpatient visits in 2016 through 2018.
- Projected salary expense includes increase in wages of 1% per year in 2016 through 2018.
- Fringe benefit expense increases in FY 2016 due JMMC's likely inability to obtain favorable workers compensation insurance rates due to their financial position.
- Supplies and other expense include increases of approximately 2 % per year in 2016 through 2018.
- No reductions of outstanding debt would be achieved and interest expense is based on current debt agreements.
- In FY 2016, operating expenses are reduced due to a decrease in legal and consulting expenses that were incurred in FY 2015 relating to this proposed transaction.
- Bad Debts are expected to decrease slightly due to the Patient Protection and Affordable Care Act lowering the uninsured rate by expanding public and private insurance coverage and approximate 4.4% of total revenues for FY 2016-2018.
- Annual capital expenditures based on recent historical levels of approximately $1.0 million per year.

There are no changes to existing services as a result of this proposal. Also, there are no new services planned at this time.

21. Provide a detailed explanation of all assumptions used in the derivation/ calculation of the projected service volume; explain any increases and/or decreases in volume reported in OHCA Tables 4 and 5.

As noted above, inpatient volume projections include conservative decreases of 4.8%, 2.4 % and 2.5%, respectively, for FY 2016 through FY 2018 as utilization of inpatient services shifts as a result of population health management. Slight growth in hospital outpatient visits is expected and the projections include a 3% annual increase in outpatient visits in 2016 through 2018.

Both SFC and Johnson have experienced declines with respective to historical inpatient volume due to the Medicare two-midnight rule that went into effect October 1, 2013.

JOHNSON MEMORIAL MEDICAL CENTER
TABLE 5
HISTORICAL UTILIZATION BY SERVICE

SERVICE**	Actual Volume (Last 3 Completed FYS) FY 2012	FY 2013	FY 2014	CFY Volume* FY 2015
PATIENT DAYS				
Adult Med. & Surg.	11,603	11,294	10,714	10,573
Maternity	590	559	613	575
Psychiatric	3,537	3,818	4,409	4,368
Rehabilitation	-	-	-	-
Pediatric	-	-	-	-
Neonatal ICU	-	-	-	-
Newborn	459	459	534	489
TOTAL	16,189	16,130	16,270	16,005
DISCHARGES:				
Adult Med. & Surg.	2,278	2,191	2,138	2,163
Maternity	213	201	235	204
Psychiatric	551	547	586	591
Rehabilitation	-	-	-	-
Pediatric	-	-	-	-
Neonatal ICU	-	-	-	-
Newborn	209	200	232	200
TOTAL	3,251	3,139	3,191	3,158

* For periods greater than 6 months, report annualized volume, identifying the number of actual months covered and the method of annualizing. For periods less than 6 months, report actual volume and identify the period covered.

** Identify each service type and level adding lines as necessary. Provide the number of visits or or discharges as appropriate for each service type and level listed.

*** Fill in years. If the time period reported is not *identical* to the fiscal year reported in Table 4 of the application, provide the date range using the mm/dd format as a footnote to the table.

1. Fiscal Year is October - September.
2. FY 2015 is Oct. - Feb. (actual) plus Mar. - Sept. (budget)

JOHNSON MEMORIAL MEDICAL CENTER
TABLE 6
PROJECTED UTILIZATION BY SERVICE

SERVICE*	Projected Volume		
	FY 2016	FY 2017	FY 2018
PATIENT DAYS			
Adult Med. & Surg.	10,554	10,296	10,039
Maternity	558	545	531
Psychiatric	3,853	3,759	3,665
Rehabilitation	-	-	-
Pediatric	-	-	-
Neonatal ICU	-	-	-
Newborn	457	445	434
TOTAL	15,422	15,045	14,669
DISCHARGES:			
Adult Med. & Surg.	2,066	2,016	1,965
Maternity	201	196	191
Psychiatric	536	523	510
Rehabilitation	-	-	-
Pediatric	-	-	-
Neonatal ICU	-	-	-
Newborn	198	193	188
TOTAL	3,001	2,928	2,854

* Identify each service type by location and add lines as necessary. Provide the the number of visits/discharges as appropriate for each service listed.

** If the first year of the proposal is only a partial year, provide the first partial year and then the first three full FYs. Add columns as necessary. If the time period is not *identical* to the fiscal year reported in Table 4 of the application, provide the date range using the mm/dd format as a footnote to the table.

1. Fiscal Year is October - September.

SAINT FRANCIS CARE, INC

TABLE 7
APPLICANT'S CURRENT & PROJECTED PAYER MIX

Payer	CURRENT FY 2015		FY 2016		FY 2017		FY 2018	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare *	14,371	44.6%	15,800	44.7%	15,835	44.9%	15,966	45.3%
Medicaid*	8,022	24.9%	8,818	25.0%	8,765	24.9%	8,712	24.7%
Champus & TriCare	85	0.3%	116	0.3%	116	0.3%	116	0.3%
Total Government	22,478	69.8%	24,734	70.0%	24,716	70.1%	24,794	70.3%
Commercial Insurers*	9,284	28.8%	10,088	28.6%	10,020	28.4%	9,956	28.2%
Uninsured	312	1.0%	361	1.0%	358	1.0%	355	1.0%
Workers Compensation	138	0.4%	146	0.4%	150	0.4%	157	0.4%
Total Non-Government	9,734	30.2%	10,595	30.0%	10,528	29.9%	10,468	29.7%
Total Payer Mix	32,212	100.0%	35,329	100.0%	35,244	100.0%	35,262	100.0%

* Includes managed care activity

** Fill in years. Ensure the period covered by this table correspnds to the period covered in the projections provided. provided. New programs may leave the "current" blank.

Assumptions:

1. FY 2015 is Oct. - Feb. (actual) plus Mar. - Sept. (budget)
2. Includes Saint Francis Hospital; Mount Sinai Rehabilitation Hospital and Johnson Memorial Hospital

JOHNSON MEMORIAL MEDICAL CENTER

TABLE 7
APPLICANT'S CURRENT & PROJECTED PAYER MIX

Payer	CURRENT FY 2015		FY 2016		FY 2017		FY 2018	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare *	1,583	50.1%	1,505	50.1%	1,468	50.1%	1,432	50.2%
Medicaid*	633	20.0%	599	20.0%	584	19.9%	569	19.9%
Champus & TriCare	39	1.2%	26	0.9%	26	0.9%	25	0.9%
Total Government	2,255	71.4%	2,130	71.0%	2,078	71.0%	2,026	71.0%
Commercial Insurers*	810	25.6%	807	26.9%	787	26.9%	767	26.9%
Uninsured	90	2.8%	60	2.0%	59	2.0%	57	2.0%
Workers Compensation	3	0.1%	4	0.1%	4	0.1%	4	0.1%
Total Non-Government	903	28.6%	871	29.0%	850	29.0%	828	29.0%
Total Payer Mix	3,158	100.0%	3,001	100.0%	2,928	100.0%	2,854	100.0%

* Includes managed care activity

** Fill in years. Ensure the period covered by this table correspnds to the period covered in the projections provided.
provided. New programs may leave the "current" blank.

Assumptions:

1. FY 2015 is Oct. - Feb. (actual) plus Mar. - Sept. (budget)

Exhibit 17

4. Supplemental Questions

k. Provide monthly financial reports that include statistics for the current month, year-to-date and comparable month from the previous year for the following:

	Saint Francis Care, Inc.				
	Feb 15 YTD	Feb 14 YTD	Feb 15 MTD	Feb 14 MTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin	1.7%	(1.4%)	(0.2%)	(3.7%)	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.9%	4.7%	6.3%	3.1%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	0.9%	1.1%	1.0%	1.2%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.2	2.2	2.2	2.2	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	40.4	35.2	40.4	35.2	net ar/net patient ser rev/days in yr
Average Payment Period	50.1	49.7	50.1	49.7	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	112.5%	96.4%	112.5%	96.4%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.0%	49.1%	53.0%	49.1%	LTD/LTD+net assets
Unrestricted Cash to Debt	66.4%	63.4%	66.4%	63.4%	cash =DCOH calc
Times Interest Earned Ratio	2.2	(0.03)	0.8	(1.2)	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	3.8x**	3.7x*	3.8x**	quarter end (use dec)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	25.2%	31.3%	25.2%	31.3%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	5,695,108	(4,702,751)	(153,797)	(2,262,385)	Net income(loss) from operations
Revenue Over/(Under) Expense	(612,486)	4,715,029	939,475	(795,669)	Net gain(loss)
EBITDA	26,860,255	15,240,155	4,077,834	1,889,950	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	74,313,366	74,208,842	74,313,366	74,208,842	from cons bs
Net Working Capital	129,455,354	128,300,013	129,455,354	128,300,013	current assets-current liabilities
Unrestricted Assets	137,490,777	181,719,287	137,490,777	181,719,287	from cons bs

*Measurement data is December 31, 2014

**Measurement data is December 31,2013

Exhibit 17

4. Supplemental Questions

k. Provide monthly financial reports that include statistics for the current month, year-to-date and comparable month from the previous year for the following:

Saint Francis Hospital and Medical Center Consolidated

Monthly Financial Measurement/Indicators	Feb 15 YTD	Feb 14 YTD	Feb 15 MTD	Feb 14 MTD	Comments
A. Operating Performance:					
Operating Margin	2.4%	(0.9%)	1.1%	(1.2%)	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	9.5%	6.0%	8.6%	6.4%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	0.9%	1.0%	1.0%	1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.4	2.4	2.4	2.4	current assets/current liabilites
Days Cash on Hand	84*	83**	84*	83**	quarter end
Days in Net Accounts Receivables	39.9	33.5	39.9	33.5	net ar/net patient ser rev/days in yr
Average Payment Period	51.0	49.6	51.0	49.6	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	114.0%	101.1%	114.0%	101.1%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.3%	50.3%	53.3%	50.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	57.0%	54.7%	57.0%	54.7%	as calculated monthly
Times Interest Earned Ratio	2.5	0.4	1.7	0.3	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	3.8x**	3.7x*	3.8x**	quarter end (use dec)
Equity Financing Ratio	25.4%	30.8%	25.4%	30.8%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	6,867,218	(2,550,525)	609,013	(659,191)	Net income(loss) from operations
Revenue Over/(Under) Expense	559,508	6,866,634	1,702,834	808,612	Net gain(loss)
EBITDA	27,618,962	17,025,022	4,757,694	3,418,717	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	65,342,903	69,061,798	65,342,903	69,061,798	from cons bs
Net Working Capital	130,839,816	121,140,900	130,839,816	121,140,900	current assets-current liabilities
Unrestricted Assets	136,607,479	170,493,857	136,607,479	170,493,857	from cons bs

*Measurement data is December 31, 2014

**Measurement data is December 31,2013

4. Supplemental Questions

k. Provide monthly financial reports that include statistics for the current month, year-to-date and comparable month from the previous year for the following:

Johnson Memorial Hospital

Monthly Financial Measurement/Indicators	Feb 15 YTD	Feb 14 YTD	Feb 15 MTD	Feb 14 MTD	Comments
A. Operating Performance:					
Operating Margin	4.2%	3.1%	-1.1%	3.8%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	8.7%	8.8%	3.6%	9.7%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	2.0%	2.5%	2.1%	2.4%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	0.4	0.4	0.4	0.4	current assets/current liabilites
Days Cash on Hand	11*	3**	11*	3**	quarter end
Days in Net Accounts Receivables	47.5	43.1	47.5	43.1	net ar/net patient ser rev/days in yr
Average Payment Period	172.9	159.6	172.9	159.6	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	36.4%	31.1%	36.4%	31.1%	total debt/total equity(net assets)
Long-term Debt to Capitalization	26.7%	23.7%	26.7%	23.7%	LTD/LTD+net assets
Unrestricted Cash to Debt	38.4%	28.6%	38.4%	28.6%	as calculated monthly
Times Interest Earned Ratio	5.5	5.0	3.1	5.3	EBIT/Interest expense
Debt Service Coverage Ratio	.8x*	.9x**	.8x*	.9x**	quarter end (use dec)
Equity Financing Ratio	17.5%	19.3%	17.5%	19.3%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	1,189,893	854,098	(55,276)	198,235	Net income(loss) from operations
Revenue Over/(Under) Expense	(318,322)	1,034,282	(386,853)	200,880	Net gain(loss)
EBITDA	2,491,007	2,409,321	175,533	507,138	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	1,155,466	711,033	1,155,466	711,033	from cons bs
Net Working Capital	(16,925,396)	(16,296,684)	(16,925,396)	(16,296,684)	current assets-current liabilities
Unrestricted Assets	3,014,700	3,103,854	3,014,700	3,103,854	from cons bs

*Measurement data is December 31, 2014

**Measurement data is December 31,2013

EXHIBIT 18

Bridging the Divide

2014 COMMUNITY BENEFIT REPORT

SAINT FRANCIS Care

COMMUNITY BENEFIT

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SAINT FRANCIS Care

COMMUNITY BENEFIT

Sir Isaac Newton once wrote, "We build too many walls and not enough bridges."

Today, more than ever, we need bridges between the voices of families in our communities and healthcare providers who seek to focus resources where they are needed most. With the great diversity of our region, we have an opportunity to improve the health of all the communities we serve, including the most vulnerable, by providing culturally appropriate, community-informed, prevention-smart resources that harness the most visionary approaches in healthcare today. Our destiny must be your best*care*.

Our mission will help us build bridges that ensure your health and wellness is easier to maintain by providing better access, less complicated services, mindful of eliminating the barriers to quality care and outcomes.

In the stories that follow, you will see moving examples of how our mission to give back to our community is making a difference. In 2014, over $78,102,500 was targeted to community needs. That amounts to $213,979 each day. Every dollar must pass the mission test to benefit the communities we serve, especially those in most need.

Ask Deborah, whose destination in life crossed a bridge that introduced easier access to care, more meaningful relationships that assisted all aspects of life that made a difference in her outlook. Or Rev. David Massey, who engaged providers at Saint Francis as family...honestly shaping the way care needed to happen for him. Talk with members of the Bhutan Community who see Saint Francis as a neighborhood partner helping them transition to a new home.

After 118 years, Saint Francis' mission is well positioned to build bridges to more personal health and wellness for you, as well. Where relationships matter most. We value our relationship with you and your family, and welcome your insights! More than ever, we are honored to be a trusted provider of healthcare to benefit our communities!

Christopher M. Dadlez, FACHE
President and Chief Executive Officer

Marcus M. McKinney, D. Min., LPC
Vice President, Community Health Equity and Health Policy

Bridging the Divide

The role of community in healthcare is changing – never before has the healthcare system focused so much attention on the needs of patients and the idea that relationships with the people in the community can lead to a better system for providing the care and support needed for optimal health.

Community Benefit is emblematic of that change – from its start as a simple plan for collecting and reporting data about community-based hospital activities, to the development of a required annual reporting to the IRS and periodic Community Health Needs Assessment and the subsequent Strategic Implementation Plan designed to address those needs. Community Benefit at Saint Francis has evolved to target resources where they are needed most and to bridge the divide between the system of healthcare delivery and the current needs of community members who choose Saint Francis as their healthcare provider.

The Saint Francis Strategic Implementation Plan for Community Benefit identifies four priority areas of work based on the findings of the Community Health Needs Assessment completed in 2012. (See call-out box.) These priorities highlight issues that have a significant impact on health outcomes for patients both within the healthcare system and in the community. This report will identify those priorities and then provide examples of patients who have benefited from our commitment to providing services that target community priorities and improve health outcomes. These stories are important, not only for those in need of care, but also for us all. As a community of people who participate together in a healthcare system, we need to understand how that system can help each of us when we need it most. By highlighting a few examples we hope to share our priorities, demonstrate the value of bridging the divide between the community and the healthcare system, and engage the community in this important discussion.

Strategic Priorities for Community Benefit:

Improve Communication

Example: Work with a new immigrant group results in better understanding.

Remove Barriers to Healthcare

Example: Collaboration with community agency improves health outcomes for a patient.

Provide Coordinated Care

Example: A patient with complex health issues gets the services needed to return to health.

Target Social Determinants of Health

Example: Financial counselors help patients enroll in needed health insurance.

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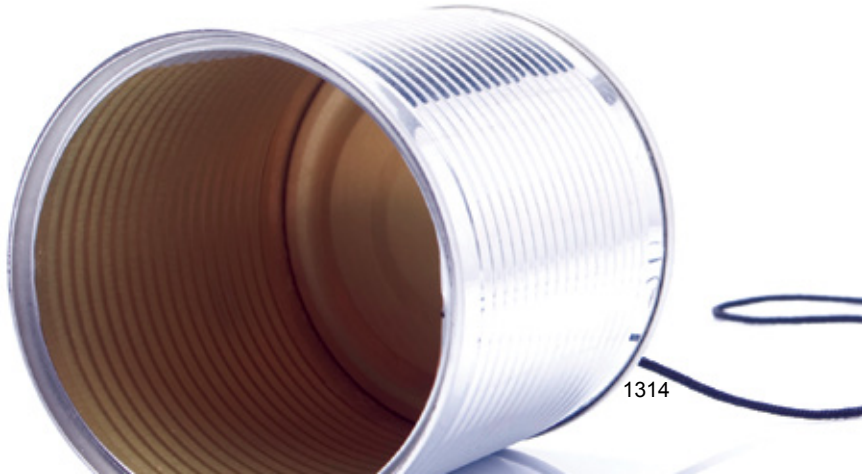
The *Welcoming Committee* meets with new immigrants to offer assistance. [Clockwise, Front to Back] Jennifer Cassidy, Nancy Caddigan, Dr. Janet Bauer, Mary Stuart, Lar Pwe Paw, Reena Shrestha, and Alok Bhatt.

Improving Communication

The *Welcoming Committee* is a sub-committee of the Asylum Hill Neighborhood Association (www.asylumhill.org) and has been meeting monthly at the *Curtis D. Robinson Center for Health Equity at Saint Francis* for the past year. This group is made up of members from both the immigrant and receiving communities, and focuses on supporting new immigrants to integrate into the neighborhood as well as navigate the services they need to make Hartford their new home. The space is offered free to community groups, and provides easy access to parking and is located right on the bus line which enhances the ability of group members to attend regularly, thereby improving group cohesiveness.



Members hail from countries that include Togo, Cameroon, Bhutan, Burma, Peru, the Ivory Coast, Ghana and Nepal. Many are learning English and establishing themselves and their families by connecting with fellow residents, neighborhood agencies and institutions offering them a range of services and targeted assistance. The support of the Center facilitates such connections to multiple resources and serves as a bridge between group members and the services that exist in the community. This past year staff from the Urban League, located in the same building, gave workshops on "Buying Your First Home" and "Finding Employment," topics that group members had asked to learn more about.

The relationship with the *Welcoming Committee* works both ways in that the members sometimes serve as a resource for Saint Francis. One example of this is when a hospital chaplain was working with a patient whose family member was dying; she was not aware of the cultural and religious customs of this family and was trying to find a religious leader from within that community who could assist the family through this difficult time. By contacting a member of the *Welcoming Committee*, an appropriate religious leader was found and the family found some solace during this difficult time. In another case, a social worker from the *Saint Francis Children's Advocacy Center* had concerns about communicating appropriately to the family member of a child who was sexually abused. Again, the *Welcoming Committee* served as a resource for finding the information needed to help the staff member communicate this sensitive information to the family in a culturally appropriate manner.

Reena Shrestha, who recently relocated to Hartford, meets with the *Welcoming Committee* to learn about access and resources.

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Removing Barriers to Healthcare

Management of a chronic illness can be a difficult task, but it is even more challenging when faced with limited resources and insufficient health insurance coverage. Saint Francis has partnered with a national organization called *Community Solutions*, which is engaged locally in community development designed to improve the quality of life for the residents in the North End of Hartford. One focus of this partnership has been to help residents find the services they need to manage chronic illness rather than using the high-cost services of the Emergency Room for their healthcare. In the first nine months of a pilot project, participants experienced a 57 percent decrease in their Emergency Room use. A social worker from *Community Solutions*, Nadia Lugo, says her client Deborah Knowles' story shows how the new approach works.

Heather Applewhite, MD, a first year Family Medicine resident, consults with Deborah about her medical history.

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Evelyn Pianko, MA, checks Deborah's vitals prior to her medical appointment.

Social Worker Nadia Lugo and Deborah leave the Family Medicine Center at Asylum Hill.

Deborah is a North End resident by way of South Carolina. She lives in a very clean and homey apartment, and she has an amazing smile – that becomes even more amazing when you learn she is living with chronic back pain, cirrhosis of the liver, diabetes, and hypertension. It's clear when you sit in her kitchen that she loves to cook. She has a large bag of onions and potatoes on the shelf in the corner along with big bags of both rice and beans. She even has a set of measuring cups adorning the walls.

"When I was a kid we moved to South Carolina and we didn't have any furniture in our new house. My mom said she could buy the furniture if we all agreed to eat beans for a full month. So we did – and we got that furniture. And you know – I still love to cook beans."

When she met Nadia, Deborah was using the Emergency Room to deal with her health issues. She did not have transportation, and because of acute back pain, she was unable to walk to the bus stop. Sometimes her medical cabs did not show up, so she would call the ambulance to get to the Emergency Room and receive the treatment she needed. This use of the Emergency Room was logical, but it was also expensive and time-consuming for Deborah. Nadia helped her develop a better strategy for managing her chronic conditions.

Since she met Nadia, Deborah has seen her quality of life, and her health, improve significantly. She now has a plan set up with her landlord to address back rent, and a walker and stability bars to get around her apartment more easily. Her prescriptions are now delivered to her home, and she has gained control of her diabetes thanks to a primary care doctor and a visiting nurse, who helps with her insulin shots. Deborah no longer spends the day in bed depressed and in chronic pain. Instead, she says she wants to get outside more and visit her friends and family. She is even considering attending the Valentine's Day Dance at the Elks Club.

Community-based care coordination has helped Deborah spend less time in the hospital and more time doing what she loves. She is forever grateful to Nadia for helping her get her life back.

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Reverend David Massey in the sanctuary of Hopewell Baptist Church.

Providing Coordinated Care

Pastor David Massey has seen a lot of Saint Francis in the past few years. First he was diagnosed with heart disease, concurrently he had diabetes and then, just as soon as he recovered his health, he found a lump on the side of his neck. It proved to be nasal pharynx cancer and became the most difficult of his health issues to address. For almost a year he received radiation and chemotherapy treatment at the *Saint Francis/Mount Sinai Regional Cancer Center.* It was a long and difficult journey that included many healthcare providers.

"I've been at Saint Francis a lot lately,
it feels like family to me
and one person can make a big difference."

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Health issues have changed Reverend Massey in many ways. The first thing you notice is that his weight has dropped from over 200 lbs. to a slim 170 – a weight that he describes as "looking good on me." He also says he has a lot more knowledge about how to be an advocate for himself and he actively participates in healthcare decisions. For example, when he saw that his blood sugars were normal after having lost all that weight he suggested that he stop the medicine to see if his blood sugar was now stable, and he was right. Before this journey he was not so good at that. But now he says, "I'm healthy in my mind, and I play a role in my healing and my care."

Pastor Massey is a thoughtful, articulate person – and he describes himself as "particular." So when he was not getting what he needed from Saint Francis staff he asked to talk with a supervisor and things improved; when he felt that he could benefit from taking the Diabetes Class a second time he asked to be enrolled in the next class; and when he found the music in the chemotherapy suite not to his liking, the staff found something more appropriate. Patients appreciate it when they are recognized as individuals and healthcare providers work to coordinate the care they need. Acknowledgement from a healthcare provider of the struggle to stay positive when you are sick can go a long way. The small things can make all the difference in healing. Reverend Massey said it best when he said, "I've been at Saint Francis a lot lately, it feels like family to me and one person can make a big difference." Imagine the difference Pastor Massey can make when he speaks to his congregation of over 1,700 people about his insights on health and the coordination of healthcare services he received from Saint Francis.

[Top] Joerg Rathmann, MD and Michele Bender, RN, BSN, OCN, consult with Reverend Massey, during a follow-up appointment in the Saint Francis/Mount Sinai Regional Cancer Center.

[Bottom] Lillie Tierney, MS, RD, CDE, reviews portion size with Reverend Massey in the Diabetes Care Center.

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Targeting Social Determinants of Health

Issues on the margins of healthcare, but in the center of people's lives can have a huge impact on health outcomes. How much money someone makes, the neighborhood they live in, their level of education, the type of work they do, housing, food security, exposure to violence, experience of trauma – all of these issues are referred to as the "social determinants of health" and must be addressed to maintain good health.

At Saint Francis, five full-time Financial Counselors help patients and community members enroll in health insurance – either Medicare; Medicaid, or insurance on the Health Exchange. Patients are also screened to determine if they qualify for resources available for a specific illness or an expensive drug. Finally, Charity Care, or "financial relief," is offered through this office to those who cannot get health insurance. The staff is a diverse group of committed professionals – 4 out of 5 are bilingual; they work at the Gengras and Burgdorf Clinics; in the Emergency Room; and on the Hospital floors. They provide help when it is needed most.

Maritza Arnold, a Financial Counselor at Burgdorf Clinic, screens a new patient.

Here is what they had to say about their work:

Tell me about a typical day in the life of a Financial Counselor.

"Our work mostly includes talking with people to find out their needs and then matching them up with the programs that can help."

Can you tell me more about those programs?

"We provide information about health insurance that is on the exchange (Access Health CT) and information about Medicaid and Husky, and then we also work with people to see if they qualify for "financial relief," sometimes called Charity Care, and finally we help with payment plans."

When you say payment plans, what do you mean?

"This is when someone has a bill and they cannot pay it all off but they can come up with a plan to pay it off slowly until it is fully paid."

Where do you get referrals?

"All over, the Emergency Room, the 'daily report' which includes all the in-house self pay patients, from case management and now we also get referrals from the State 211 Helpline. The financial counselors at Saint Francis are qualified to help people find health insurance on the State Health Exchange. So that means we might be helping a person with private insurance or state coverage and it also means they might not come to Saint Francis for their healthcare."

You mean you are signing up people who just come into the hospital to find health insurance?

"Yes, now that we are trained to do this work when people call the 211 Helpline they might refer them to us for assistance with their application. Right now is the "Open Enrollment" period so it's pretty busy with people who are trying to find insurance on the exchange."

Tell me a little more about how you do your screening?

"We have to learn about what their needs are so we ask if they are citizens, if they have insurance or not, if they are fully insured or if they need more insurance. We need to know about their income, who they live with, where they work, it's a lot of information that we ask for, so by the end we have a clear picture of what is going on."

Do you have examples of patients that you have helped?

"I helped a family with 6 people; 4 were undocumented and the 2 youngest children were born here, so they were U.S. citizens. They were afraid to ask for help because they thought that only 2 of the kids would qualify for assistance and in filling out that paperwork the others would get found out. So they didn't fill it out for a long time. But I talked to them and explained the others would qualify for help from the hospital and in the end everyone got the healthcare they needed."

"I had a family where the mother was very sick, but she didn't have the money to pay for the premium for her health insurance. The mother did not speak English very well so her daughter helped with communicating and with filling out the paperwork needed to get coverage. The daughter was pregnant and very worried about her mother who needed surgery quickly. So we expedited the approval process and the mother got her surgery. Then after the daughter had her baby we counseled her to tell the insurance company about this change; as a result the premium she was paying decreased significantly. She was so happy when she got this news she came in to the office to tell the news."

What do you want others to know about the work that you do?

"Well it's very rewarding, you know. We see people at their worst and then with our help they get better."

"Sometimes because of our help, they are alive. I once worked with a woman who needed a heart transplant. She had 3 children and was very sick. But we helped her and now she is doing really well."

"We have to develop trust before we can help – sometimes people are too proud to ask for assistance, but we approach it by making a connection and then telling them the information they need to know."

"People have lots of wrong information so it's nice to be able to tell them what we have to offer."

"Also, sometimes we are actually saving the Hospital money. One time I had a patient who was very sick with diabetes and he was coming into the Emergency Room and ending up in the ICU. He was not here legally so he didn't qualify for Medicaid or other insurance. But we finally convinced him to share the documents we needed and were able to get him on financial relief. Then he started taking control of his diabetes and he would come into the clinic instead of going to the Emergency Room."

Community Benefit – Activity at a Glance

During 2014, Saint Francis provided community benefit services to 147,675 individuals who received financial assistance for their medical care and support through our Community Benefit programs.

Charity Care

$5,967,252

Free or discounted health services provided to persons who cannot afford to pay and who meet the organization's financial assistance policy criteria are categorized as Charity Care. This year's report highlights the work of the Financial Counselors who administer Charity Care, sometimes referred to as financial relief. Charity Care is reported in terms of costs, not charges.

+

Community Benefit Services

$30,235,625

Services provided to meet community needs as identified in the Community Health Needs Assessment are refereed to as Community Benefit Services. Included here are clinical patient care services provided despite a negative margin, public health programs, community outreach and education, and partnerships with local community agencies.

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Government-sponsored Healthcare

$41,899,623

Government-sponsored Healthcare community benefits include unpaid costs of public programs for low-income persons. These include the shortfall created when payments are less than the cost-of-caring for program beneficiaries.

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Total Community Benefit

$78,102,500

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Community Benefit – Services

What are the numbers? Community Benefit is categorized into three broad areas which include: Charity Care, Government-Sponsored Healthcare, and Community Benefit Services. The following list outlines, in more detail, the Community Benefit Services portion, which this past year totaled $30,235,625.

A. Community Health Improvement Services

$2,035,780

These activities are carried out to improve community health and are usually subsidized by the healthcare organization. There are four groupings within this category: Community Health Education, Community-Based Clinical Services, Healthcare Support Services and Other Community Health Improvement Services. The following is a sample of programs and activities in each of these categories.

Community Health Education

- Adaptive Rowing Program
- Breast and Cervical Cancer Education and Outreach
- Breastfeeding Support
- Child Abuse Prevention Education and Outreach
- Cancer Support Groups
- Childbirth Education Classes
- Colorectal Screening and Education Program
- Center for Diabetes & Metabolic Care Program Education and Outreach
- Curtis D. Robinson Center for Health Equity Programs:
  - Community Engagement Activities
  - Language Services Education
  - Men's Health Education
  - Navigation Services
  - Pastoral Counseling Training Program
- Golfers in Motion
- Health Promotion Activities
- Healthy Start and Parenting Programs
- Integrative Health Services
- Medical Legal Partnership Program
- Violence and Injury Prevention Program
- Women's Heart Program Outreach

Community-Based Clinical Services

- Preventive Health Screenings:
  - Cardiovascular Risk Assessment
  - Child Seat Safety Screening
  - Diabetes Screening
  - Mammograms
  - Prostate Cancer
- Services for Children and Families Impacted by Child Abuse
- Support for Malta Van Healthcare Support Services
- Cardiac Rehab and Wellness
- Care Management Support Services
- Diabetes Support Services
- Multidisciplinary Case Management Team for Child Abuse
- Nurturing Families Network Case Management Services
- Procurement of Pharmaceuticals for Indigent Clients

Other Health Improvement Services

- Caregiver Support Services
- Health Equity Fellowship
- Literacy Support Programs
- Transportation Support
- Language Support Services
- The Auxiliary Repetitions Thrift Store
- Joan C. Dauber Food Bank
- Keep-the-Power-On Utility Clinic

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B. Health Professions Education

$24,803,442

This category includes the unpaid costs of undergraduate training, internships, clerkships, residencies, nurse training, residency education, and continuing medical education (CME) offered to physicians outside of the medical staff.

- Connecticut Institute for Primary Care Innovation (CIPCI)
- Dental Assistant and Dental Hygienist Training
- Dietitian Training
- Medical Student Education
- Nurses and Nursing Student Education
- OB/GYN Residency Training
- Other Health Professional Education
- Pharm-D Training Site

C. Subsidized Health Services

$2,382,497

This category includes health services and clinical programs that are provided despite a financial loss. These services are provided because they meet an identified community need that is not being fulfilled by the government or another not-for-profit organization.

- Uncompensated Care – Dental Clinic
- Uncompensated Care – Family Medicine

D. Research

$230,090

This category includes clinical and community health research that is shared with the public and funded by the government or a tax-exempt entity (including the organization itself).

- Community Research Grants
- Federal Research Grants
- State and Local Research Grants
- Trainee Research Grants

E. Financial and In-kind Donations

$237,064

This category includes funds and in-kind services donated to individuals not affiliated with the organization, or to community groups and other not-for-profit organizations. In-kind services include hours contributed by staff to the community while on work time; overhead expenses of space donated to not-for-profit community groups; and the donation of food, equipment, and supplies.

- Donations to Charitable Organizations
- In-kind Use of Facilities
- Medical Mission Support
- Support for Local Community Organizations

F. Community-building Activities

$238,668

This category includes programs that address underlying social problems, such as poverty, homelessness, and environmental issues. These activities support community assets by offering the expertise and resources of the healthcare organization.

- CREC Magnet School Partnership
- Disaster Planning
- Board Memberships
- Neighborhood Associations

G. Community-Benefit Operations

$308,084

This category includes the costs associated with staffing the community health department and costs associated with community benefit planning and operations.

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The Curtis D. Robinson Center for Health Equity is located at 140 Woodland Street at the Urban League of Greater Hartford building.

Staff include: [Back Row, L-R] Mary Stuart, Sara Grant, Dr. Luis Diez-Morales, Michelle Safo-Agyeman, Dr. Marcus McKinney, Adriana Medina and Lawrence Young. [Front Row, L-R] Nkemdilim Chi Anako, Rebecca Santiago and Dr. Shirle Moone Childs

Bridge. Navigate. Support.

The mission of the *Curtis D. Robinson Center for Health Equity* is to develop, deliver, and support innovative health equity solutions with and for the communities served by Saint Francis *Care* to improve overall health outcomes.

Founded in 2012 after the Saint Francis *Care* Board of Directors passed a resolution to focus on specific Health Equity priorities, the Center is staffed with a multicultural team committed to a collaborative approach to achieving optimal health through community engagement, education, health advocacy and research.

Staff at the Center for Health Equity focus on accomplishing the Strategic Priorities outlined in this report by:

- Bridging the divide between healthcare providers and patients.
- Navigating the healthcare system to find solutions.
- Supporting the community in addressing health disparities.

We welcome you to join us in this work!

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Our Mission

We are committed to health and healing through excellence, compassionate care and reverence for the spirituality of each person.

Our Core Values

Respect

We honor the worth and dignity of those we serve and with whom we work.

Integrity

We are faithful, trustworthy and just.

Service

We reach out to the community, especially those most in need.

Leadership

We encourage initiative, creativity, learning and research.

Stewardship

We care for and strengthen resources entrusted to us.

Saint Francis *Care* is a healthcare ministry of the Catholic Archdiocese of Hartford.

SAINT FRANCIS Care

114 Woodland Street
Hartford, Connecticut 06105

COMMUNITY BENEFIT

Saint Francis Hospital and Medical Center:

General Information | 860-714-4000

Key Community Benefit Contacts:

Marcus M. McKinney, D.Min., LPC | 860-714-4183
Vice President, Community Health Equity and Health Policy

Mary Stuart, MPH | 860-714-4095
Senior Program Specialist, Curtis D. Robinson Center for Health Equity

Community Benefit Report
FY 2014

jmmc
Johnson Memorial Medical Center
A Partner of
SAINT FRANCIS Care
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Our Mission

Johnson Memorial Medical Center is the local primary health care resource for nearby communities in North Central Connecticut and Western Massachusetts. It seeks to improve the health status of the community through readily accessible emergency care, lifespan health care services, and wellness education in a warm, caring environment.

Our Vision

Johnson Memorial Medical Center will be the region's health care provider and employer of choice, serving our communities with personalized care and compassion while ensuring clinical excellence, teamwork, operational efficiency and financial stability.

Core Values

Accessibility
Commitment
Compassion
Efficiency
Strong Integrity
Service Excellence

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Student Affiliations

- American International College- OT students (EHCC) – Nursing Students (JMH)
- Asnuntuck Community College- Lab Students
- Bay Path College – OT Students
- Bay Path College- Physician Assistant Students
- Capital Community College – Student Nurses
- Central CT Paramedic Education Program Consortium – Paramedic Students
- Fitchburg State University- Nursing Students
- Georgetown University – Student APRNs
- Goodwin College- OT Students/Nursing Students/Histotechnicians
- Manchester Community College- Surgical Technicians
- Manchester Community College- OT Students (EHCC)
- McCook Community College- EMS Students
- Porter & Chester Institute- Student Affiliation
- Porter & Chester Institute- LPN Program – EHCC

Student Affiliations Continued

- Quinnipiac University- OT Students
- Springfield College- Student Affiliations- South II
- Springfield College- Physician Assistants
- Springfield Technical Community College- Student Affiliation
- UCONN- School of Medicine- Medical Students
- UCONN School of Nursing- Nursing Students – EHCC and JMH
- University of Hartford – Nursing Students
- University of Hartford- Radiology Technicians
- University of Massachusetts – Nursing Students
- University of New England- Medical Students
- University of Rhode Island- PT Students
- University of St. Joseph – Pharmacy Students
- University of Southern California- Social Work Interns
- Yale School of Nursing- Clinical Experience- Nurses- Enfield Women's Health - JPA

Community Benefit | Activity at a Glance

During FY 2014 Johnson Memorial Medical Center provided community benefit to 5,926 individuals who received financial assistance for their care and support through our Community Benefit programs.

Community Benefit Services
$ 165,903

These are services provided to meet community needs because the services would otherwise not be available to meet patient demand. This includes clinical patient care services provided despite negative margin, public health programs, community outreach and education and partnerships to meet community

Government Sponsored Healthcare
$ 6,093,987

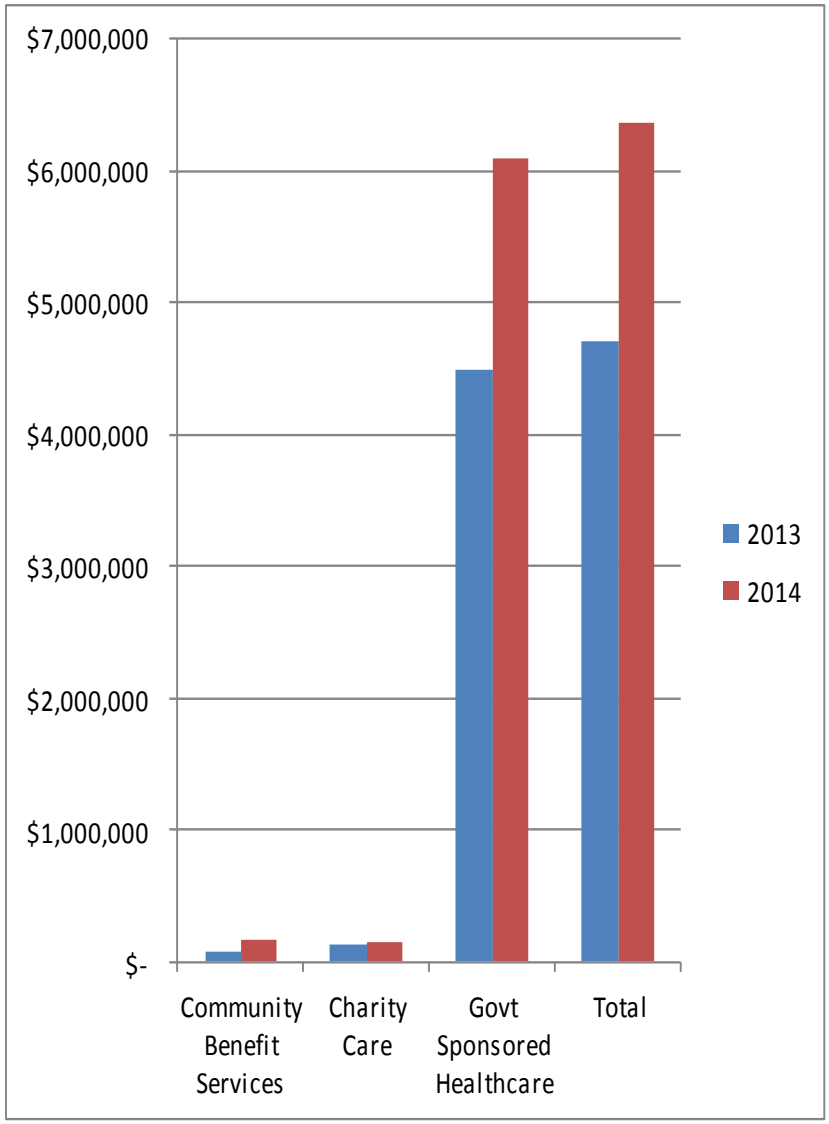
Government sponsored healthcare community benefits include unpaid costs of public programs for low-income persons. These include the shortfall created when a facility receives payments that are less than the cost-of-caring for program beneficiaries

Charity Care
$ 151,372

Free or discounted services are provided to those who cannot afford to pay , but meet JMMC's financial assistance policy criteria. Charity Care is reported in terms of costs, not charges. Charity Care does not include bad debt which, which may be reported elsewhere but not as a community benefit

Total Community Benefit
$6,411,262

This figure represents a 35.4% increase to JMMC's community benefit total.



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Community Benefit | Services

Community Benefits are categorized into three broad areas which include : Charity Care, Government Sponsored Healthcare, and Community Benefit Services. The following list outlines the Community Benefit Services portion, which this past year totaled $165,903.

A) Community Health Improvement Services

$29,821
These activities are carried out to improve community health. The following is a sample of programs and actives offered by JMMC.

Community Health Education

-Ask the Therapist/Therapy Consultation
- Bed Bugs
- Broken Sleep: An Overview of Sleep Apnea
- Caring for Your Aging Parent: The Coming Crisis
- Dementia and Memory Loss
- Domestic Violence
- Drug Abuse in the Elderly
- Eating Healthy on a Budget
- Fall Preventions Courses
- Healthy Heart Education
- How to Maintain Your Brain
- Identifying and Treating Foot Maladies
- Incontinence Etiquette in Public
- Men's Health: Ask the Doctor
- Pacing and Energy Conservation
- Rehab After Joint Replacement
- Safety in Your Home
- Sleep Disturbances
- Smoking Cessation Program
- Strokes and the Importance of Calling 911
- Take a Therapeutic Trip to the Beach
- Traveling Medicine
- Using Humor to Improve Your Life
- What to Expect When You Come to the ER as a Senior?
- Winter Skin Care
- Your Weight and Your Health: Ten Things You Can Change Today

Community Based Clinical Programs

Preventive Screenings
- Blood Pressure
- Flu Clinics
- Foot Screenings
- Memory Screenings
- Skin Screenings
- Stroke Screenings

Health Care Support Services
- Bereavement Support Groups
- Cancer Support Groups and Services
- Dementia Support Services
- Diabetes Support Services
- Parkinson Support Services

Other Health Improvement Services
- Financial and In-Kind Donations
- Food Drives
- Health Fairs
- Student Programs

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Community Benefit | Services (Cont.)

B. Health Professions Education

$90,520
This category includes the unpaid costs of undergraduate training, internships, clerkships, residencies, nursing training, residency education, and continuing medical education (CME) offered to physicians outside of the medical staff.

C. Subsidized Health Services

$0
This category includes health services and clinical programs that are provided despite a financial loss. These services are provided because they meet an identified community need that is not being fulfilled by the government or another not-for-profit organization.

D. Research

$0
This category includes clinical and community health research that is shared with the public and funded by the government or a tax-exempt entity (including the organization itself)

E. Financial and In-Kind Donations

$11,514
This category includes funds and in-kind services donated to individuals not affiliated with the organization or to community groups and other not-for-profit organizations. In-kind services include hours contributed by staff to the community while on work time; overhead expenses of space donated to not-for-profit community groups, and the donation of food, equipment, and supplies.

- Donations to Charitable Organizations
- In-Kind Use of Facilities
- Support for Local Community Organizations

F. Community-Building Activities

$0
This category includes programs that address underlying social problems, such as poverty, homelessness, and environmental issues. These activities support community assets by offering the expertise and resources of the healthcare organization.

G) Community-Benefit Operations

$34,048

This category includes the costs associated with assigned staff and community health needs and/or assets assessment, as well as other costs associated with community benefit strategy and operations

EXHIBIT 19

GEORGE C. JEPSEN
ATTORNEY GENERAL

55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

November 19, 2013

Mr. Christopher M. Dadlez
President & CEO
Saint Francis and Medical Center
114 Woodland Street
Hartford, CT 06105

Re: Request for Information – Disclosure of Facility Fees

Dear Mr. Dadlez:

I am writing to you today to seek your assistance in addressing an important issue that impacts Connecticut citizens and your patients. As you well know, the healthcare industry is undergoing a period of rapid consolidation. Hospitals and health systems continue to acquire independent physician practices, free-standing ambulatory surgical centers and urgent care centers. In addition to potentially raising the cost of outpatient care provided in hospital-owned physician practices, I am troubled by reports that some acquired entities may not be disclosing clearly to patients their affiliation with a hospital or the fact that the hospital will charge these patients a separate and often expensive "facility fee."

To address this concern, on September 19, 2013 I announced my intention to seek legislation that will provide meaningful transparency and cost information to consumers. In order to better understand the scope of these issues, I seek your cooperation in providing information about your hospital's disclosure of facility fees. In particular, I ask that you provide us with:

1. The name, address, specialty type and contact information for each of your off-campus hospital-based provider(s) that currently charges a facility fee.[1]

[1] For purposes of these requests, a "hospital-based provider" means a provider that is owned or employed by or in a joint venture with your hospital, or is licensed as part of the hospital to provide outpatient services. A "facility fee" means any separate charge or billing by a hospital-based provider, in addition to a professional fee, that is intended to cover building, equipment, electronic medical records systems, billing and other administrative and operational expenses. A "campus" means the physical area immediately adjacent to the hospital's main buildings and other areas and structures that are not strictly contiguous to the main buildings but are located within 250 yards of the main buildings, and any other areas determined on an individual case basis by the Centers for Medicare and Medicaid Services to be part of the hospital's campus.

2. The name and address of each of your off-campus hospital-based provider(s) that currently *does not* charge a facility fee. For each such provider identified, identify the specialty type and state the reason why the provider does not charge a facility fee.

3. For each off-campus hospital-based provider identified in your answer to Request No. 1 above, state whether you require that the provider disclose to patients, in writing[2]:

   (a) that the provider is owned, affiliated or part of a joint venture with your hospital;

   (b) that the provider charges separate professional and facility fees;

   (c) the amount that the provider will potentially charge the patient for services to be rendered by the provider, including the amount of any facility fee, and the amount of the professional fee;

   (d) an explanation that the patient will incur a financial liability for a facility fee that he or she may not incur if the provider were not hospital-based;

   (e) an estimate of the amount that the provider will charge the patient for services to be rendered by the provider based on typical or average charges for visits to the facility, including an estimate of the facility fee and the professional fee likely to be charged;

   (f) a statement that the patient's actual liability will depend upon the actual services furnished by the provider; and

   (g) that for additional information regarding the provider's charges and fees, including any payments the patient will be required to make, and the location of other providers that may be available to supply comparable services to the patient at a lower cost, any patient enrolled in an insurance or health care plan should contact that plan for more detailed information.

4. For each off-campus hospital-based provider identified in your answer to Request No. 1 above, please produce exemplars of any written notice sent or provided to your patients and specify:

   (a) whether the written notice is provided when the appointment is scheduled. If not, when is the notice provided? If yes, by what means is the notice communicated (i.e., mail, electronic mail, other)?

   (b) whether the notice is hand-delivered to patients when they arrive at the provider's

---

[2] If the notice is not in writing then state the means by which the information is disseminated to patients.

office to receive non-emergency care?

5. For each off-campus hospital-based provider identified in your answer to Request No. 1 above, state whether you require your off-campus hospital-based provider to identify itself as part of your hospital in the provider's:

(a) signage;

(b) marketing materials;

(c) websites;

(d) stationery; and

(e) other means of disclosure.

Please provide exemplars of any such disclosures.

I am confident that you will agree with me that citizens who require medical care in Connecticut deserve clear and meaningful notice and disclosure of facility fees. Therefore, I am requesting that you provide your responses by December 6, 2013.

Please feel free to contact me or Assistant Attorney General Charles Hulin at 860-808-5253 or Assistant Attorney General Rachel Davis at 860-808-5041 if you have any questions.

I appreciate your cooperation and look forward to working with you on this important legislation.

Sincerely,

GEORGE JEPSEN

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, CT 06105-1299

Tel. 860-714-4000

Teresa M. Bolton, Esq.
Vice President, Department of Legal Affairs
Telephone: (860) 714-4656
Facsimile: (860) 714-8126

December 18, 2013
Via UPS Overnight

Attorney General George Jepsen
State of Connecticut
Office of the Attorney General
55 Elm Street
Hartford, Connecticut 06106

Dear Attorney Jepsen:

Pursuant to your request, this letter responds to the questions raised in your letter dated November 19, 2013. The responses are numbered in corresponding order to your questions.

1. Saint Francis' campus consists of two sites and both sites operate under one joint license. The main campus is located at 114 Woodland Street, Hartford, Connecticut 06105. The North campus is located at 500 Blue Hills Avenue, Hartford, Connecticut 06112.

   We charge facility fees and provide radiology services at the following locations:

   (a) The Mobile MRI at Avon Health Center ("Mobile MRI") provides MRI scanning services and is located at 35 Nod Road, Avon, Connecticut. The Mobile MRI is an outpatient site where Saint Francis provides MRI exams. The days of operation are Monday, Tuesday, Wednesday and Friday. The contact is Len Quartararo who can be reached at (860) 714-9000; and
   (b) Saint Francis *Care* Radiology Suite ("Radiology Suite") provides radiology services and is located at 7 Elm Street, Suite 205 in Enfield, Connecticut 06082. The Radiology Suite is an outpatient site providing diagnostic radiology services. Saint Francis Hospital and Medical Center ("SFHMC") engages Radiology Associates of Hartford ("RAH") to provide professional services in diagnostic radiology to meet both inpatient and outpatient needs of SFHMC. RAH provides the professional services for the exams done at 7 Elm Street. The contact is Len Quartararo who can be reached at (860) 714-9000; and
   (c) The Burgdorf/Fleet Health Center provides primary care clinic services and is located at 131 Coventry Street, Hartford, Connecticut, 06112. The contact is Donna Bennzinger who can be reached at (860) 714-9000.

2. The Burgdorf/Fleet Health Center provides primary care clinic services and is located at 131 Coventry Street, Hartford, Connecticut, 06112. Although we charge a "facility fee" for clinic visits, we do not think this facility is within the scope of question 2 because we do not charge a professional fee for clinic visits. See also footnote one of your letter dated November 19, 2013 "...A "facility fee" means any separate charge or billing by a hospital-based provider, in addition to a professional fee..."

3. With regard to the Mobile MRI and the Radiology Suite, the answers to (a)-(g) are as follows:

   (a) Yes. The Mobile MRI and the Radiology Suite are licensed as part of Saint Francis Hospital and Medical Center ("SFHMC") to provide outpatient services. See also Attachment A, Consent and Acknowledgement Form which reflects SFHMC's logo.

   (b) Yes. See Attachment A which states that the patient agrees to pay all charges for services rendered by both SFHMCand RAH. SFHMC charges a facility fee but RAH charges the professional fee. The patient will get two bills: one from Saint Francis for the exams (the facility fee) and one from RAH for the professional fee. Patients at both locations are required to sign Hospital's Consent and Acknowledgement Form (Attachment A) and are provided a copy of the Form. See also Attachment F which states that there are two fees associated with radiology exams, both the technical and professional fees. Attachment F is customized based on the patient population, i.e, those receiving CT scans, those receiving exams, etc.

   (c) See Attachment F. We provide the approximate cost of the technical portion of the exam (facility fee) and we give patients a telephone number to phone to get additional information about the professional fees. Any and all patient inquiries regarding radiology exam charges and billing are first handled by the SFHMC Department of Radiology's Business Services Manager or the Coding & Billing Specialist. These individuals provide pricing information (gross) technical and professional fees to the patients and the maximum potential amount that the patient could be charged for the procedure. Patients who have questions regarding specific contracted exam rates with their insurance carrier are referred to SHFMC's Business Office. In addition, on the SFHMC billing statement, patients are informed that they can contact the Business Office to set up a payment plan.

   (d) Yes. See Attachment B for 7 Elm Street. No with regard to Mobile MRI.

   (e) Same response as in item (c).

   (f) Same response as in item (d).

   (g) No.

4. (a) Written notice is not provided when the appointment is scheduled. The Notification of Co-Insurance (Attachment B) is posted at the Mobile MRI and the Radiology Suite. Patients see the Notification when they present for an appointment.

(b) Yes, Attachment A is hand-delivered to patients when they arrive at the Mobile MRI and Radiology Suite. In addition, any patient whose services require an Advance Beneficiary Notice receives written notification at the site. See Attachment C.

(a) The signage at the Mobile MRI states Radiology Associates of Hartford, P.C. due to the fact that RAH does the professional reads of the scans taken by the Mobile MRI. The Mobile MRI is a van that is parked at the site Monday, Tuesday, Wednesday and Friday.

The signage outside 7 Elm Street's suite door states

"Radiology
Saint Francis Hospital and Medical Center."

(b) See Attachment E for brochure.

(c) The websites are as follows:

Saint Francis Care at Enfield
http://www.saintfranciscare.com/Programs_and_Services/Medical_Offices_and_Access_Centers/Saint_Francis_Care_at_Enfield.aspx

Radiology and Imaging Services
http://www.saintfranciscare.com/Radiology/Locations.aspx

Saint Francis Care in Avon:
http://www.saintfranciscare.com/Programs_and_Services/Medical_Officesand_Access_Centers/Saint_Francis_Care_at_Avon.aspx

(d) No separate stationary exists for these two sites.

(e) Attachment D is handed to each patient of SFHMC.

Please contact me if you have additional questions or comments.

Sincerely,

Teresa M. Bolton
General Counsel

TMB/bt
cc: Christopher Hartley, Nicole Schulz, David Bittner, Jim Harris, Len Quartararo
t:\users\legal department\contracts - projects\facility fees\2013-12-18 response to george jepson (final).doc

Attachment A

SAINT FRANCIS Hospital and Medical Center

Mount Sinai Rehabilitation Hospital
a SAINT FRANCIS Care Provider

Patient Label

CONSENT AND ACKNOWLEDGMENT

Thank you for choosing Saint Francis Hospital and Medical Center for your health care. We will do our best not only to meet, but to exceed your expectations during your stay or visit. Please read this form in its entirety, and then sign where indicated below.

Consent to Treatment: I hereby consent to diagnostic and treatment procedures that may be performed on me during my stay or visit at the hospital. These procedures are provided under the direction of my attending physician and other physicians involved in my care. I understand that Saint Francis Hospital and Medical Center is a teaching hospital and that medical residents, medical students, nursing students and allied health trainees may be involved in my care under appropriate supervision. In addition, I understand that many physicians and other clinicians, including radiologists and anesthesiologists are not employees of the hospital and these physicians and clinicians assume full responsibility and liability for the services they provide to me. I also understand that these clinicians may wear badges and hospital attire to conform to required hospital policies and practices for the safety of patients, but this is not intended to identify these individuals as employees or agents of the hospital.

Assignment of Benefits: I agree to pay all charges incurred by me between admission and discharge including all charges incurred for ambulatory care or outpatient services rendered to me. I assign any insurance benefits to which I may be entitled to Saint Francis Hospital and Medical Center toward payment of my hospital charges unless I pay my account in full upon hospital discharge or at the time any ambulatory care or outpatient services are rendered. I understand that if my medical condition does not require inpatient hospital care, my physician may place me in Observation Status for further evaluation. **Observation Status is billed as an Outpatient, even if you are placed in a regular hospital bed.** I understand that I may be responsible for charges on my bill if they are not covered by my insurance carrier, Part B Medicare or if I do not have Part B Medicare coverage. I also agree to pay all charges for services rendered by Woodland Anesthesiology Associates, P.C. and Radiology Associates of Hartford, P.C. and hereby assign available insurance benefits directly to these entities toward the payment of their charges. **I understand that if I am a self-pay patient, I may contact a patient representative at 860.714.4952 for a copy of all hospital charges related to my stay. If I am eligible for Medicare, Medicaid or Tricare benefits, I request the hospital process charges according to their requirements. I understand that I am responsible for any charges not covered by this agreement.**

Protected Health Information: I consent to the use or disclosure of my protected health information by Saint Francis Hospital and Medical Center to any person or organization for the purpose of carrying out treatment, obtaining payment or conducting certain healthcare operations. Protected health information will be recorded in the medical record including the electronic medical record. Protected health information used or disclosed by Saint Francis may include HIV/AIDS related information, psychiatric and other mental health information, and drug and alcohol treatment information, as long as such information is used or disclosed in accordance with Connecticut and Federal law, which may require that I provide specific authorization. I understand that information regarding how Saint Francis will use and disclose my information can be found in the hospital's Notice of Privacy Practices. I understand that this consent is effective for as long as Saint Francis maintains my protected health information.

Personal Valuables: I have been advised that I should not retain in my possession any personal valuables if I am admitted to the hospital. I have been informed **that the hospital maintains a safe** for the safekeeping of money and other valuables. I understand that if I choose to retain any money, jewelry, glasses, contact lenses, dentures, hearing aids, or other articles of value **unless placed in the safe, Saint Francis Hospital and Medical Center will not be liable for their loss or damage.**

By signing below I understand and acknowledge the following:

- I have read and understand this consent and acknowledgment;
- I am authorized to execute this form and I agree to its terms;
- I have received a copy of the Saint Francis Hospital and Medical Center Notice of Privacy Practices;
- If I am an inpatient and covered by Medicare, I have received a copy of An Important Message from Medicare.

X _____ _____ _____ _____

Patient or Authorized Representative | Relationship | Date | Time

Unable to obtain written consent and acknowledgment because:

☐ Individual refused ☐ Individual unable to sign

Attachment B

Notification of Coinsurance Liability

As you know, St. Francis Hospital and Medical Center is in continuous pursuit of excellence in patient care delivery. Through our efforts to provide the highest quality and lowest cost healthcare to our patient population, St. Francis Hospital has been delivering care at this location since November, 2007. We are providing you with this document so that you can more fully understand how our delivery of top-quality hospital care in an outpatient setting affects your coinsurance amount.

Because you are receiving care in an outpatient facility of St. Francis Hospital you will receive a coinsurance bill for both the Hospital and the professional services. This "split billing" is required by Medicare for hospital outpatient services. The following is a comparison of what a typical service provided at this facility might cost you in coinsurance here vs at a free-standing, non-hospital site.

Chest X-Ray

Non-Hospital Coinsurance Amount (includes facility fees)	$ 5.51
Coinsurance Amount for Hospital Services: (includes facility fees)	$10.00

These coinsurance amounts are estimated based on typical charges for visits to this St. Francis Hospital Facility. Your actual coinsurance amount will depend upon actual services furnished. The difference in these amounts is due to how Medicare pays for Hospital vs Non-Hospital services.

If you have any questions concerning your coinsurance amount or how it is calculated, please call St. Francis Hospital at 860-714-4952.

We look forward to continuing to deliver you the top-level care that you have come to expect from us.

Attachment C

A. Notifier: St. Francis Hospital & Medical Center and Radiology Associates of Hartford

B. Patient Name: C. Identification Number:

Advance Beneficiary Notice of Noncoverage (ABN)

NOTE: If Medicare doesn't pay for D. _____ below, you may have to pay. Medicare does not pay for everything, even some care that you or your health care provider have good reason to think you need. We expect Medicare may not pay for the D. _____ below.

D.	E. Reason Medicare May Not Pay:	F. Estimated Cost

WHAT YOU NEED TO DO NOW:

- Read this notice, so you can make an informed decision about your care.
- Ask us any questions that you may have after you finish reading.
- Choose an option below about whether to receive the D. _____ listed above.

  Note: If you choose Option 1 or 2, we may help you to use any other insurance that you might have, but Medicare cannot require us to do this.

G. OPTIONS: Check only one box. We cannot choose a box for you.

☐ **OPTION 1.** I want the D. _____ listed above. You may ask to be paid now, but I also want Medicare billed for an official decision on payment, which is sent to me on a Medicare Summary Notice (MSN). I understand that if Medicare doesn't pay, I am responsible for payment, but **I can appeal to Medicare** by following the directions on the MSN. If Medicare does pay, you will refund any payments I made to you, less co-pays or deductibles.

☐ **OPTION 2.** I want the D. _____ listed above, but do not bill Medicare. You may ask to be paid now as I am responsible for payment. **I cannot appeal if Medicare is not billed.**

☐ **OPTION 3.** I don't want the D. _____ listed above. I understand with this choice I am not responsible for payment, and **I cannot appeal to see if Medicare would pay.**

H. Additional Information:

This notice gives our opinion, not an official Medicare decision. If you have other questions on this notice or Medicare billing, call **1-800-MEDICARE** (1-800-633-4227/TTY: 1-877-486-2048). Signing below means that you have received and understand this notice. You also receive a copy.

I. Signature:	J. Date:

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0566. The time required to complete this information collection is estimated to average 7 minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850.

Attachment D

SAINT FRANCIS
Hospital and Medical Center

114 Woodland Street
Hartford, Connecticut
06105-1299

Dear Patient:

To be sure that you receive the best possible health care at the lowest cost and in the most appropriate setting, we work closely with your doctor in evaluating care rendered at Saint Francis Hospital and Medical Center.

Information from your medical record is reviewed regularly by the Utilization/Clinical Resource Management Committee. This Committee acts on behalf of Saint Francis Hospital and Medical Center to ensure appropriate medical utilization standards are achieved, and to meet the requirements of all health care payors like Medicare, Medicaid, CHAMPUS and other private insurances and utilization systems.

Saint Francis Hospital and Medical Center, our federal and state governments, and the private insurers need to be certain that the care provided to you is medically necessary, appropriate and rendered in the most appropriate setting.

When you are admitted to Saint Francis, your doctor will discuss with you your discharge plans. The Case Management Staff, RN Case Managers and Social Workers are available to assist you in making arrangements for home health care, community services and care in other health facilities. If the Saint Francis Utilization/Clinical Resource Management Committee, following consultation with your doctor, believes that you do not need to remain in the hospital, you and your doctor will be informed in writing of this decision.

Statistical information about your care is collected and studied by your insurer. If you want to look at any of this information, contact the review organization affiliated with your insurer.

As one of the nation's top 100 Hospitals, we are constantly expanding our delivery of services to bring Saint Francis *Care* to you in a growing number of locations within the communities we serve. Our goal is to provide top quality care in a manner that is cost effective and convenient to you and your family.

Sincerely,

Christopher M. Dadlez
President and Chief Executive Officer

a SAINT FRANCIS Care Partner

Attachment E

Mammography, Ultrasound, Diagnostic Imaging & Interventional Radiology

Mammography

Located on Women's Health Floor

Digital Mammography

Stereotactic Breast Biopsy

Diagnostic Ultrasound & Interventional Services

Saint Francis offers a full spectrum of diagnostic imaging services. Recognized by the American College of Radiology and Intersocietal Commission of Vascular Laboratories, the Ultrasound Department offers a widely diverse service including:

- Abdominal
- Small Parts
- Vascular/Arterial Studies
- Breast
- Interventional Procedures

Accreditations

American College of Radiology

- Mammography
- Nuclear Medicine/PET/CT
- CT Scan
- MRI

Intersocietal Commission for Vascular Laboratories

Intersocietal Commission of Nuclear Laboratories

Food and Drug Administration

- Mammography

LOCATIONS

Phone: 860-714-XRay (9729)

FAX: 860-714-8802

www.saintfrancisdoctors.com/radiology

Main Radiology/Imaging Department

CT Scan, Diagnostic, Interventional Radiology, Nuclear Medicine, PET/CT, Ultrasound

Saint Francis Hospital & Medical Center

114 Woodland Street, 1st Floor

Hartford, CT 06105

MRI Service Locations

Saint Francis Hospital & Medical Center

114 Woodland Street, 1st Floor

Hartford, CT 06105

Radiology Associates of Hartford

5 Nod Road

Avon, CT 06001

Diagnostic Radiology Ancillary Locations

St. Francis Care at Enfield

7 Elm Street, Suite 205

Enfield, CT 06082

Genglas Radiology

1000 Asylum Street

Suite 2 LL

Hartford, CT 06105

Comprehensive Women's Health Center

Breast Imaging & Surgical Services

114 Woodland Street

Hartford, CT 06105

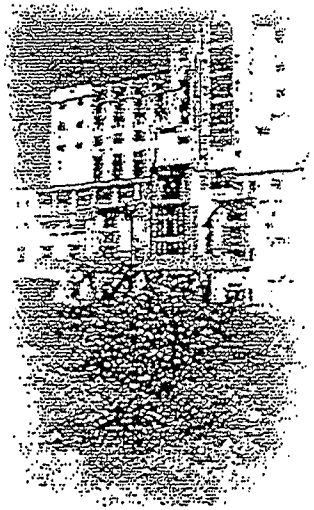
Parking

Main Hospital, Genglas, 1000 Asylum Street Parking Garage – Ticket validated by Radiology – Fee: $1.00 with complimentary valet parking located on Woodland Street.

Avon & Enfield locations – Free

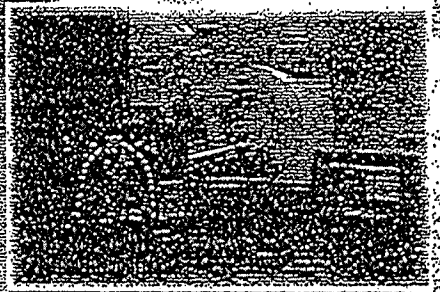
SAINT FRANCIS *Care*

Radiology & Imaging Services



Attachment E

About us...



Every year, Saint Francis Hospital and Medical Center performs over 200,000 imaging procedures, across the full spectrum of diagnostic, screening and interventional procedures. The Radiology/Imaging Department leads the community in offering the latest state-of-the-art imaging in CT Scan, MRI, Interventional Radiology, PET/CT, and Breast Imaging. Our robust Picture Archive and Communications systems combined with outstanding imaging equipment allows us to produce the highest quality diagnostic studies and promptly share both the images and reports with your physician.

CT Scan & MRI Services

CT Scan Services

Using 128 and 16 slice CT (CAT) Scanners, SFHMC employs the strictest radiation safety guidelines to ensure the highest quality cross-sectional imaging specializing in:

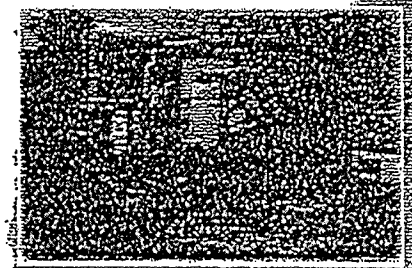
- Cardiac CT Angiography
- Colonoscopy
- Oncologic Imaging/Planning
- Interventional Procedures
- Pulmonary Imaging
- Neurovascular Imaging

MRI Services

With 3 and 1.5 Tesla magnets, SFHMC produces the highest quality Magnetic Resonance Imaging in the region. Using a magnetic field and radio waves, detailed images can be obtained without the use of radiation. SFHMC specializes in the following MRI specialties:

- Breast Imaging and Biopsies
- Neuroradiology including Multiple Sclerosis
- Cardiac Imaging-*greatest volume in the Northeast*
- Musculo-skeletal Imaging

PET/CT



PET/CT Scan

PET-CT is an imaging exam that combines the functional information from a non-invasive PET (positron emission tomography) scan with the anatomical information from a CT scan. When a CT scan is superimposed over a PET scan, doctors can pinpoint the exact location of abnormal activity allowing for earlier and more accurate detection of disease.

Attachment F

Waiver for Non-Medicare Patients

St. Francis Hospital & Medical Center
Department of Radiology
Exam Waiver

p. 860-714-9279 f. 860-714-8002

You are scheduled to receive a XXXXX Radiology Exam that your insurance carrier has not pre-certified and/or will not cover and you have been registered as a Self-Pay. **There are two fees associated with radiology exams technical and professional. The approximate cost of the technical portion of this exam is $XXXXXX. This amount does not include the professional reading fee cost** (please call 860-714-2724 if would like information regarding the professional fee).

Insurance Information: Your insurance has established rules for paying for health care services. The exam you are scheduled for has not been pre-certified and your insurer will not pay for these services without pre-certification. As a result, you will be held financially responsible for payment of your exam. **Please contact our Business Office to arrange payment at 860-714-4952.**

Patient Release and Waiver: Your signature below denotes that you have read this notice and understand and accept this financial responsibility.

_____

Name: Last, First (print) Signature of Patient or responsible party

_____

Date

_____

Patient MRN/ visit #

_____ _____ _____ _____ _____

Pt refused to sign* Witness 1 Date Witness 2 Date

*refusal to sign does not negate patient's financial responsibility

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

December 20, 2013

VIA FEDERAL EXPRESS

Attorney General George Jepsen
State of Connecticut
Office of the Attorney General
55 Elm Street
Hartford, CT 06106

Re: Request for Information – Disclosure of Facility Fees

Dear Attorney General Jepsen:

I am writing in response to your correspondence dated November 19, 2013, wherein you requested that Johnson Memorial Hospital, Inc. ("JMH" or the "Hospital") provide you with certain information pertaining to off-campus Hospital locations and disclosure of facility fees. For ease of reference, our responses are listed below and are numbered corresponding to your questions. Please note, however, that we have enclosed one table containing the address/contact information/specialty for all off-campus locations, marked as Exhibit A. We structured it this way because only one of the listed off-campus locations charges a facility fee.

1) The Johnson Surgery Center is the only off-campus Hospital location that charges a facility fee as described in your letter.[1] Specifically, in addition to the specific charges for items and services provided to the patient and the physician's professional fee, the Surgery Center line item charges may include charges related to the particular clinical rooms that are used in delivery of the services (e.g. recovery room). It is worth noting, however, that hospitals and outpatient surgical facilities both charge some form of facility fees, as the properly licensed infrastructure where the surgery is performed is a central component of the overall service.

2) All of the other off-campus Hospital or Hospital affiliated locations do not charge a facility fee. Of particular note, the Johnson Professional Associates, P.C. ("JPA") locations, which provide services more akin to a physician practice, bill like a physician practice. The other locations bill for items and services provided to the patient and do not include additional charges specific to overhead.

[1] We understand that a "facility fee" is not a charge for any specific item or service provided to the patient, but rather a charge related to an overhead-type expense.

3) Below please find yes or no answers, with some explanations, to the questions listed as (a)-(g).

(a) Yes. Please see, for example, the enclosed Hospital Admission Form, marked as Exhibit B, that is used at the Surgery Center and bears the Hospital's name.

(b) No.

(c) Yes/No. Yes, in that the Hospital's Pricemaster lists all its rates/charges and is publicly available on the Department of Public Health website at: http://www.ct.gov/dph/lib/dph/ohca/customer_assistance/pricemasters/jnson_pm.pdf. No, in that the Hospital does not hand-deliver a written list of its potential charges at the time of service. Additionally, please note that the Hospital is not privy to the fees charged by the surgeons on the medical staff. These fees are negotiated between the surgeon and the patient/payor.

(d) No. We believe that outpatient surgical facilities in the state also bill some version of a facility fee.

(e) No.

(f) Yes. Please see the enclosed Hospital Admission Form.

(g) No.

4) Please see the enclosed Hospital Admission Form. The answers to the related questions are as follows:

(a) No. The Hospital Admission Form is hand-delivered to patients when they arrive at the Surgery Center.

(b) Yes.

5) This question is difficult to answer since the Surgery Center is simply an outpatient department of the Hospital. That is, the Surgery Center is not a separate entity that would control its own marketing, etc. Rather, it is the Hospital that identifies the Surgery Center as part the Hospital's operations in its marketing materials (see the advertisement included as Exhibit C) and on its website (see Exhibit D, which is a screen shot of: http://www.jmmc.com/services/surgerycenter/#top). It also bears noting that the Surgery Center does not have its own stationary (meaning that it uses the same stationary as the Hospital) and, at the time of service, patients fill out the enclosed

Hospital Admission Form just as they would if they came to the Hospital's main campus for surgery.

We hope you find our responses helpful in understanding the manner in which JMH operates its off-campus locations. Please do not hesitate to contact us should you have any further questions.

Very truly yours,

Stuart E. Rosenberg
President & Chief Executive Officer
Johnson Memorial Hospital, Inc.

EXHIBIT A

Off-Campus Hospital-Based Locations

FACILITY	ADDRESS/CONTACT	SERVICE
Advanced Wound Care Center	140 Hazard Avenue, Suite 106 Enfield, CT 06082 Contact Jim Fidanza at 860-684-6341	Wound care
Behavioral Health / Chemical Dependence	153 Hazard Avenue Enfield, CT 06082 Contact Lisa Gagnon at 860-684-8287	Substance abuse disorders / Mental health services
Johnson Memorial Cancer Center	142 Hazard Avenue Enfield, CT 06082 Contact Maria Sierra at 860-272-2929	Infusion / Cancer Center
Johnson Surgery and Outpatient Services Center	148 Hazard Avenue Enfield, CT 06082 Contact Judy Tucker at 860-763-7680	Outpatient surgeries Cardiovascular services Diagnostic imaging Laboratory
Sleep Lab	151 Hazard Avenue, Suite 9 Enfield, CT 06082 Contact Jim Lietz at 860-684-8175	Sleep studies
Tolland Lab Draw Station	Twin Ponds Centre 384 Merrow Road, Suite L Tolland, CT Contact Kimberly Ninteau at 860-684-8514	Lab – Outpatient collection center
Palomba Lab Draw Station	15 Palomba Drive, Suite 1 Enfield, CT 06082 Contact Kimberly Ninteau at 860-684-8514	Lab – Outpatient collection center
Johnson Memorial Hospital Physical Medicine and Rehabilitation Services	151 Hazard Avenue, Suite 2 Enfield, CT 06082 Contact Jim Fidanza at 860-684-6341	Physical therapy and rehabilitation services
Johnson Professional Associates, P.C.*	151 Hazard Avenue, Suite 4 Enfield, CT 06082 Contact Ian Tucker, MD at 860-684-8280	Behavioral Health
Johnson Professional Associates, P.C.*	140 Hazard Avenue, Suite 101 Enfield, CT 06082 Contact Ian Tucker, MD at 860-684-8280	Orthopedic Medicine
Johnson Professional Associates, P.C.*	7 Magauran Drive Stafford Springs, CT 06076 Contact Ian Tucker, MD at 860-684-8280	Orthopedic Medicine Family Medicine
Tolland Imaging Center, LLC	6 Fieldstone Commons Suite E - 159 Merrow Rd Tolland, CT 06084 Contact Dan Delgallo at 860-896-4848	Diagnostic Imaging (Joint Venture with Rockville General Hospital, Manchester Memorial Hospital, and Windham Community Memorial Hospital)
Northeast Regional Radiation Oncology Network, Inc.	100 Haynes Road Manchester, CT 06040 and 142 Hazard Avenue Enfield, CT 06082 Contact Michelle Kane at 860-533-4000	Radiation Oncology (Joint Venture with Rockville General Hospital, Manchester Memorial Hospital, and Hartford Hospital)

*Johnson Professional Associates, P.C. is not technically "hospital-based," but we have included on the list due to its close affiliation with the Hospital.

EXHIBIT B

(See attached Hospital Admission Form)

Johnson Memorial Hospital

"1000608410"

[redacted]A

JOHNSON MEMORIAL HOSPITAL is referenced as "Hospital" in the following paragraphs.

[ ] CONSENT UPON ADMISSION AND FOR MEDICAL TREATMENT : Knowing that I/the patient am/is suffering from a condition requiring diagnosis and medical or surgical treatment do hereby voluntarily consent to such treatment, unless otherwise specified herein, as ordered by my/the patient's physician, his/her assistants or his/her designees as is necessary in his/her judgment.I understand that this consent does not replace informed consent, including discussion of risks and benefits, for specific tests or procedures which may be required. I consent to outpatient treatment/testing as ordered by a physician. If admitted, I consent to the admission. I understand the above conditions of care.

[ ] REFUSAL TO PERMIT BLOOD TRANSFUSION: Due to my/the patient's personal/religious beliefs, I request that no blood/blood derivatives be administered to me/the patient during this hospitalization unless otherwise specified. I hereby release the Hospital, its personnel, and the physicians involved in my/the patient's care from any responsibility whatever for unfavorable reaction or results due to my refusal to permit the use of blood or its derivatives.

[ ] AUTHORIZATION FOR THE DISCLOSURE/RELEASE OF INFORMATION FOR PAYMENT: I hereby authorize the Hospital to disclose/release my/the patient's health information which may **include medical, surgical, alcohol, drug, psychiatric and HIV related treatment** for this period(s) of hospitalization/series of related outpatient/ambulatory services to any person/corporation which is/may be liable under a contract to the Hospital, to me/the patient, a member of my/the patient's family or my/the patient's employer for all or part of the Hospital's charges in order to obtain payment.

I understand that I may revoke this authorization to release information at any time by giving written notice. However, I understand that any information released prior to my revoking this authorization shall not be a breach of my right to confidentiality. Unless I revoke this authorization prior to such time, this authorization shall expire the later of one year from the date of my signature or final resolution of payment for this account.

[ ] ASSIGNMENT OF BENEFITS AND PAYMENT GUARANTY: I hereby authorize direct payment to the Hospital of any group/individual healthcare insurance benefits to which I/the patient may be entitled in order to satisfy my/the patient's obligation to pay the Hospital's charge for my/the patient's hospitalization and/or outpatient/ambulatory care. **I understand that I am responsible for the notification to my insurance company to obtain authorization before service is rendered. I understand that if this is not done, insurance benefits may be reduced.**

I further understand that I/the patient am financially responsible to the Hospital for all charges including non-covered charges not paid by my/the patient's group/individual healthcare insurance benefits and I/the patient agree to pay the Hospital in full, for all services rendered or to be rendered to me/the patient named below. In the event my/the patient's account is not paid, I/the patient agree to pay all court costs, attorney's fees and collection costs reasonably incurred by the Hospital to collect any balance owed.

[ ] INSURANCE COPAYMENT: I have been made aware and understand that my/the patients insurance may require personal payments based on my insurance plan or self pay status.

. Co-payment amount: $_____ Paid: $_____ Cash__ Check ___ Credit Card _____

[ ] MEDICARE INPATIENTS ONLY: I certify that the information given by me in applying for payment under Title XVIII of the Social Security Act is correct. I acknowledge that I have received a copy of "An Important Message from Medicare". My signature acknowledges my receipt of this message from the Hospital and does not waive any of my rights to request a review or make me liable for any payment.

[ ] TRICARE INPATIENTS ONLY: I acknowledge that I have received a copy of "An Important Message from TRICARE". My signature acknowledges my receipt of this message from the Hospital and does not waive any of my rights to request a review or make me liable for any payment.

[ ] NOTICE OF RECEIPT OF PRIVACY STATEMENT: I have received a copy of the Privacy Notice which describes how medical/health information may be disclosed and how I can get access to this information.

[ ] RESPONSIBILITY FOR PERSONAL ITEMS: I understand that I assume full responsibility for any items brought to the Hospital by me/the patient. The Hospital is not responsible for replacement costs of misplaced or lost items.

[ ] **I understand that many physicians/healthcare professionals providing services at the Hospital are independent contractors,** not employees/agents. They can wear lab coats/other Hospital garb and ID badges as required but that the use of this clothing or Hospital badge is not intended to represent that this is an employee/agent of the Hospital. I understand that I can ask any questions concerning the status of my healthcare provider as an independent contractor, employee or agent

I CERTIFY FULL ACCEPTANCE AND ACKNOWLEDGEMENT OF EACH APPLICABLE PARAGRAPH MARKED BY AN [X]. I agree to the terms specified and I am authorized to execute this form. (If admitted, I acknowledge I have received a copy of this form).

Patient/patient representative signature	Relationship to Patient	Date	Witness

EXHIBIT C

(See attached advertisement)

Johnson Memorial Hospital and **Saint Francis *Care***
are giving you *twice* the care in Enfield

*Our skilled **team** treats patients like people, not numbers!*

Johnson Surgery Center

- Same-day surgical services for adults and children including: Ear, Nose and Throat Surgery, Gastrointestinal care and Eye Surgery
- Diagnostic imaging services including: Mammography, Ultrasounds and X-Rays
- Laboratory services including: Phlebotomy, Hematology and Routine Laboratory Tests

Wound Care Center

- Wound care evaluation and treatment including: Diabetic Wounds, Venous Status, Arterial, Vasculitic Ulcers, Burn Wounds ...and more
- Two Hyperbaric Oxygen Therapy Units

Johnson Cancer Center

- 14-Chair Infusion Center
- A wide range of Oncology and Radiation Therapy Services
- Onsite pharmacy & laboratory ...& more!

Conveniently located at 140–142 Hazard Avenue in Enfield, CT.

Visit us online at **jmmc.com**

Johnson Memorial Hospital

jmmc

A Partner of SAINT FRANCIS *Care*

EXHIBIT D

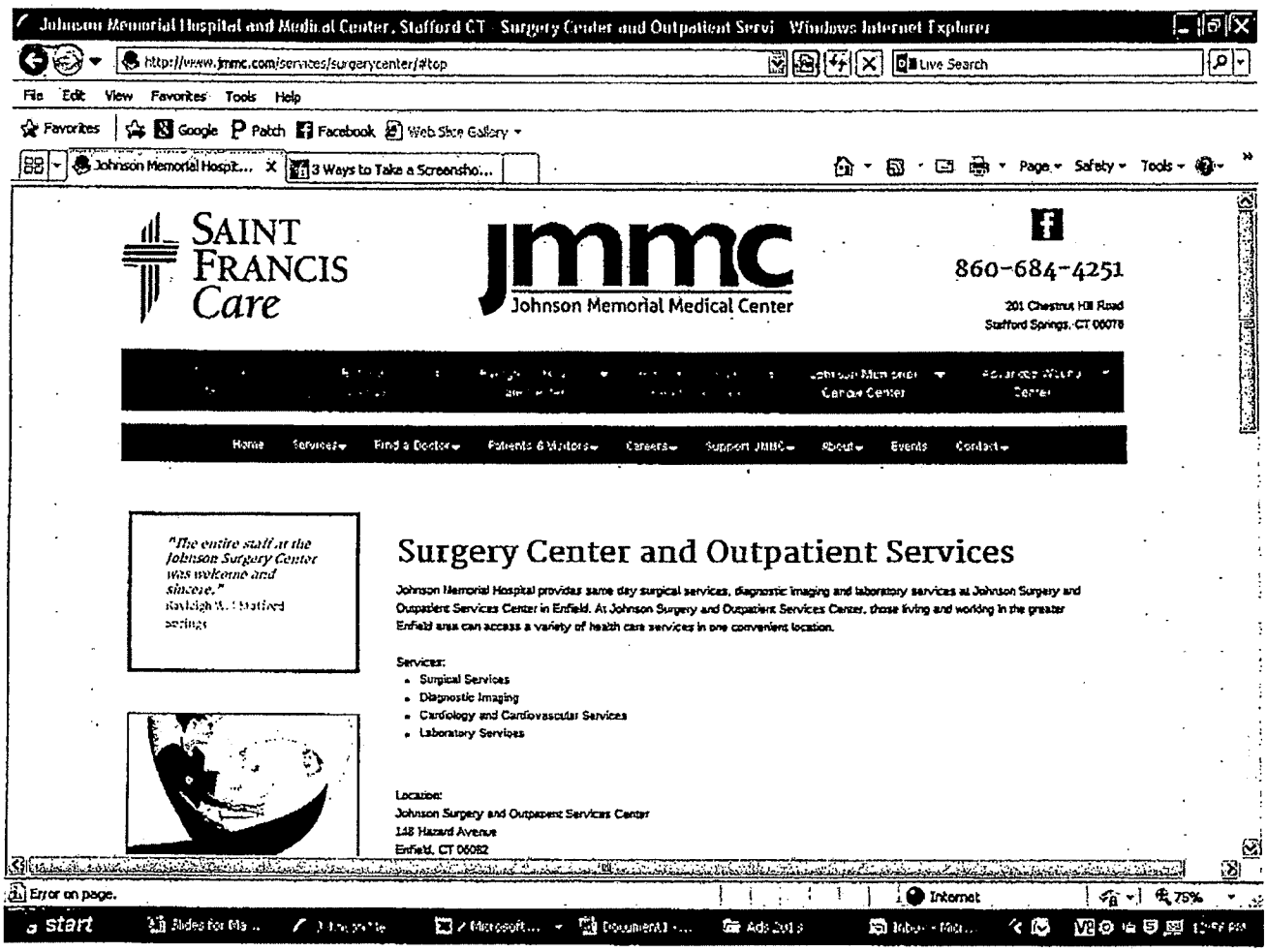

Johnson Memorial Hospital and Medical Center, Stafford CT Surgery Center and Outpatient Servi Windows Internet Explorer
http://www.jmmc.com/services/surgerycenter/#top
Live Search
File Edit View Favorites Tools Help
Favorites
Google
Patch
Facebook
Web Slice Gallery
Johnson Memorial Hospit...
3 Ways to Take a Screensho...
Page
Safety
Tools
SAINT FRANCIS Care
jmmc
Johnson Memorial Medical Center
860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076
Home
Find a Doctor
Careers
About
Events
Contact
"The entire staff at the Johnson Surgery Center was welcome and sincere."
Surgery Center and Outpatient Services
Johnson Memorial Hospital provides same day surgical services, diagnostic imaging and laboratory services at Johnson Surgery and Outpatient Services Center in Enfield. At Johnson Surgery and Outpatient Services Center, those living and working in the greater Enfield area can access a variety of health care services in one convenient location.
Services:
Surgical Services
Diagnostic Imaging
Cardiology and Cardiovascular Services
Laboratory Services
Location:
Johnson Surgery and Outpatient Services Center
148 Hazard Avenue
Enfield, CT 06082
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EXHIBIT 20

Statewide Health Care Facilities and Services Plan

October 2012

Keeping Connecticut Healthy
DPH
Connecticut Department of Public Health

Connecticut Department Of Public Health
Office Of Health Care Access
410 Capitol Avenue • Hartford, CT 06134

1360

1.3 ADVISORY BODY

In October 2010, the Office of Health Care Access invited representatives from a cross section of the health care industry and State government to participate in an advisory body that would be charged with providing guidance on the development of the Plan. Advisory Body members are listed in Appendix B. The advisory body met monthly beginning in November 2010. In May 2011, advisory body subcommittees were formed to conduct more in-depth work in the areas of Acute Care/Ambulatory Surgery, Behavioral Health and Primary Care. Subcommittee members are listed in Appendix C.

Both advisory body and subcommittee members provided OHCA with guidance and expertise in the development of CON guidelines, standards, methodologies and analyses used in the Plan, including:

- Reviewing research conducted by OHCA on other states' facilities plans' standards, guidelines and methodologies and providing feedback and discussion regarding adaptation and applicability for Connecticut's Plan;
- Recommending authoritative professional organizations, published studies, industry-recognized standards/guidelines/methodologies, etc., to be considered by OHCA in the development of its plan;
- Providing insight on industry best practices and evidenced based research;
- Recommending data sources; and
- Offering feedback on OHCA's use and interpretation of available data.

1.4 GUIDING PRINCIPLES

The goal of OHCA's planning and regulation activities is to improve the health of Connecticut's residents; increase the accessibility, continuity and quality of health services; prevent unnecessary duplication of health resources; and provide financial stability and cost containment of health care services.

The guiding principles of the Plan are intended to:

- Promote and support the long term viability of the state's health care delivery system;
- Ensure that any regulated service will maintain overall access to quality health care;
- Promote equitable access to health care services (e.g., reducing financial barriers, increasing availability of physicians) and facilitate access to preventive and medically necessary health care;
- Encourage and support health education, promotion and prevention initiatives;
- Encourage collaboration among health care providers to develop health care delivery networks;
- Support the need for a sufficient health care workforce that facilitates access to the appropriate level of care in a timely manner (e.g., optimal number of primary and specialty care providers);
- Maintain and improve the quality of health care services offered to the state's residents;
- Promote planning that helps to contain the cost of delivering health care services to its residents;
- Encourage regional and local participation in discussions/collaboration on health care delivery, financing and provider supply;
- Promote public policy development through measuring and monitoring unmet need; and
- Promote planning or other mechanisms that will achieve appropriate allocation of health care resources in the state.

EXHIBIT 21

Exhibit 21
JMMC Community Health Outreach Programs

Health Education Programs

2013

January

Sleep Deprivation and Sleep Disorders, Suffield Senior Center – Suffield, CT
Elder Wisdom Circle, Mark Twain Congregate Housing - Enfield, CT

February

Chair Exercise Classes (3), Suffield Senior Center – Suffield, CT
Importance of Eating Healthy, Hobbs Medical – Stafford Springs, CT
Preventative Medicines, Suffield Senior Center – Suffield, CT
Heart Disease Lecture, East Windsor Senior Center – East Windsor, CT

March

Chair Exercise Classes (3), Suffield Senior Center – Suffield, CT
Food Safety and Safe Storage, Mark Twain Congregate Housing – Enfield, CT
Cancer Facts and Myths, Enfield Senior Center – Enfield, CT

April

Ask the Therapist/Therapy Consultation, Enfield Senior Center – Enfield, CT
Diabetes and Foot Care, Enfield Senior Center – Enfield, CT

May

Ask the Therapist/ Therapy Consultation, Enfield Senior Center – Enfield, CT
Aging, Mark Twain Congregate Housing – Enfield, CT
Continuing Medical Education, Community Medical Education Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
8 Week Bereavement Support Group, Enfield Senior Center – Enfield, CT

June

Ask the Therapist/ Therapy Consultation, Enfield Senior Center – Enfield, CT
Osteoporosis, Ellington Senior Center – Ellington, CT
The Truth about Concussions for EMS, Community Medical Education Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
Medicare/Medicaid Eligibility, Enfield Senior Center – Enfield, CT
8 Week Bereavement Support Group, Enfield Senior Center – Enfield, CT

July

Ask the Therapist/ Therapy Consultation, Enfield Senior Center – Enfield, CT
Medicare/Medicaid Eligibility, Suffield Senior Center – Suffield, CT

August
Ask the Therapist/ Therapy Consultation, Enfield Senior Center – Enfield, CT
Skin Cancer, Ellington Senior Center – Ellington, CT

September
Ask the Therapist/ Therapy Consultation, Enfield Senior Center – Enfield, CT
Dementia Training, Multiple Organizations in Local Community
What to Expect When You Come to the ER as a Senior, Enfield Saint Francis Medical Office – Enfield, CT
The Truth about Concussions, Community Medical Education Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
Interactive Lecture on Dementia, Italian Benefit Society Women's Auxiliary of Stafford – Stafford Springs, CT
An Overview of Sleep Apnea, Ellington Saint Francis Medical Office – Ellington, CT
Identifying and Treating Foot Maladies, Enfield Saint Francis Medical Office – Enfield, CT
Public Flu Clinic, St Bernard Church – Enfield, CT

October
Ask the Therapist/ Therapy Consultation, Enfield Senior Center – Enfield, CT
Fall Prevention Lunch and Learn, Somers Senior Center – Somers, CT
What to Expect When You Come to the ER as a Senior, Enfield Senior Center and Vernon Senior Center – Enfield, CT and Vernon, CT
Ask the Doctors: What You May Not Know About Breast Cancer, Community Medical Education Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
Public Flu Clinics (14), Multiple locations in Enfield, CT, Somers, CT Stafford Springs, CT, Union, CT, and Windsor Locks CT

November
Dementia and Memory Loss Lunch and Learn, Somers Senior Center – Somers, CT
Broken Sleep: An Overview of Sleep Apnea, Ellington Saint Francis Medical Office – Ellington, CT
Public Flu Clinic, Enfield Senior Center – Enfield, CT

December
What to Expect When You Come to the ER as a Senior, Ellington Saint Francis Medical Office – Ellington, CT

2014
January

Smoking Cessation Program (8 Week Program), JMH Cancer Center – JMMC Enfield Campus, Enfield, CT
Men's Health Q&A, Ellington Senior Center – Ellington, CT
Sleep Disturbances, Mark Twain Congregate Housing – Enfield, CT

February
Smoking Cessation Program, JMH Cancer Center – JMMC Enfield Campus, Enfield, CT
Using Humor to Improve Your Life, Mark Twain Congregate Housing – Enfield, CT
Traveling Medicine, Suffield EMS Center – Suffield, CT
Fall Prevention: It's Not Just a Case of Improving Your Balance, Ellington Saint Francis Medical Office – Ellington, CT

March
What to Expect When You Come to the ER as a Senior, Ellington Senior Center – Ellington, CT
Winter Skin Care, Mark Twain Congregate Housing – Enfield, CT
Your Journey to Better Health, Enfield Senior Center – Enfield, CT

April
Foot Examines/Education (2), Enfield Senior Center – Enfield, CT
Caring for Your Aging Parents: The Coming Crisis, Evergreen Health Care Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
Safety in the Home, Mark Twain Congregate Housing – Enfield, CT
Broken Sleep: An Overview of Sleep Apnea, Enfield Senior Center – Enfield, CT
Your Weight and Your Health: Ten Things You Can Change Today, Community Medical Education Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
Pacing and Energy Conservation, Ellington Saint Francis Medical Office – Ellington, CT
How to Maintain Your Brain, Enfield Saint Francis Medical Office – Enfield, CT
Look Good Feel Better, JMH Cancer Center – Enfield Campus of JMMC, Enfield, CT

May
Eating Healthy on a Budget, Enfield Senior Center – Enfield, CT
Bed Bugs, Mark Twain Congregate Housing – Enfield, CT
Identifying and Treating Foot Maladies, Ellington Saint Francis Medical Office – Ellington, CT
8 Week Bereavement Support Group, Enfield Senior Center – Enfield, CT

Monthly Clinics and Support Groups

Clinic Programs
Enfield Senior Center, Enfield Square Mall, Windsor Locks Senior Center, Union Senior Center, Mark Twain Housing in Enfield, CT (Odd Months)
Support Groups
Art Therapy (JMCC Cancer Center), Breast Cancer Support Group (JMCC Cancer Center), Dementia Support Group (Evergreen Health Care Center), Diabetic Support Group (Enfield Senior Center), Widow and Widowers Bereavement (Twice a month at Home & Community Health Services), Bereavement for Any Loss (Twice a month at Enfield Senior Center), Parkinson's Support Group (May-August 2013 Ellington Senior Center)

Non-Monthly Screenings and Clinic Programs

2013
February
Blood Pressure Screening, Stafford Springs Campus of JMMC, Stafford Springs, CT
Blood Pressure Screening, East Windsor Senior Center – East Windsor, CT

May
Stroke Screenings (2), Enfield Senior Center – Enfield, CT

June
Blood Pressure Screenings, Felician Open House and Health Fair – Enfield, CT

November
Free Flu Shots, Offered during LifeStyles Expo CT –Tolland, CT

December
Skin Cancer Screenings, CMEC – Stafford Springs Campus of JMMC, Stafford Springs, CT

2014
February
Blood Pressure Screening – Stafford Springs Campus of JMMC, Stafford Springs, CT
Memory Screenings, Somers Senior Center – Somers, CT

March
Memory Screenings, Stafford Senior Center – Stafford, CT
Blood Pressure Screenings, Enfield Square Health Fair - Enfield CT

May
Blood Pressure Screening, Safe Net Ministries – Stafford Springs, CT

Stroke Screenings (2), Enfield Senior Center – Enfield, CT
Foot Screenings, Advanced Wound Center (Monthly Program starting in May) – Enfield Campus of JMMC, Enfield, CT

Health Fairs

2013

March

Health Fair at TTM Technologies, TTM Technologies - Stafford Springs ,CT

May

Life Enrichment Expo for Jewish Community Center, Basketball Hall of Fame - Springfield MA
Lego Health Fair, Lego – Enfield, CT

June

Felician Adult Day Care Open House / Health Fair, Felician Adult Day Care- Enfield, CT

September

Women's Health Expo, Hartford Convention Center – Hartford, CT

November

Lifestyles Expo CT, Starhill Family Athletic Center – Tolland, CT

2014

March

North Central CT Chamber's 45th Annual Home and Product Show, Former Nassau Furniture Building on King Street – Enfield, CT
Enfield Square Health Fair, Enfield Square Mall - Enfield, CT

April

Senior Lifestyles Expo at the Enfield Senior Center, Enfield Senior Center - Enfield, CT
Tolland Chamber Showcase, Maneeley's Banquet Facility - South Windsor, CT
Ellington Senior Center Open House, Ellington Senior Center – Ellington, CT

Other 2013 Events

March

Hospital Tour - Somers Girl Scout Troop – Johnson Memorial Hospital- Stafford Springs Campus, Stafford Springs, CT

May
2nd Annual Cinco K Mayo Enfield Road Race, Fermi High School - Enfield, CT

June
Hospital Tour for *Somers High School Students* – Johnson Memorial Hospital – Stafford Springs Campus, Stafford Springs, CT
Travelers Championship - Cromwell, CT

July
Kara Walters Basketball Camp, Avon High School – Avon, CT

August
Kara Walters Basketball Camp, East Longmeadow High School – East Longmeadow, MA

September
Somers Great Escape Road Race, Somers School Grounds – Somers, CT

November
Survivors Day, Holiday Inn – Springfield, MA and Enfield, CT

Other 2014 Events

January
Warren Event, Community Medical Education Center – Stafford Springs, CT

March
Hospital Tour for Stafford Daycare, Johnson Memorial Hospital – Stafford Springs, CT

April
Job Fair, Community Medical Education Center – Stafford Springs Campus of JMMC, Stafford Springs, CT
Evergreen Health Care Center Tour for Somers Senior Center, Evergreen Health Care Center – Stafford Springs Campus of JMMC, Stafford Springs, CT

May
3rd Annual Cinco K Mayo Enfield Road Race, Fermi High School – Enfield, CT

Outreach Programs from June 2014 - November 2014

Monthly Programs

Breast Cancer Support Group
JMH Cancer Center

Widow and Widowers Bereavement Support Group
Home & Community Health Services

Foot Screenings
Advance Wound Center & Enfield Senior Center

Clinic Program –Blood Pressure Screenings
Enfield Senior Center, Enfield Square Mall, Mark Twain Congregate Housing

Diabetic Support Group
Enfield Senior Center

Bereavement Support Group for Any Lose
Enfield Senior Center

Art Therapy
JMH Cancer Center

Dementia Support Group
Evergreen Health Care Center

<u>June</u>
Memory Screenings
6/3/2014
Saint Francis Medical Office, Enfield CT

Rehab After Joint Replacement
6/5/2014
Saint Francis Medical Office, Ellington CT

Look Good Feel Better
6/9/2014
Hazard Avenue Conference Room

Take a Therapeutic Trip to the Beach
6/12/2014
Mark Twain Congregate Housing

<u>July</u>
Domestic Violence

7/10/2014
Mark Twain Congregate Housing

Memory Screenings
7/30/2014
Saint Francis Medical Office, Ellington CT

Shabazz Napier/ South Windsor Summer Camp
7/28/2014 - 8/1/2014
South Windsor, Connecticut

Kara Walter's Basketball Camp for Girls
7/28/2014 – 8/1/2014
Farmington, Connecticut

August
Look Good Feel Good
8/11/2014
146 Hazard Avenue - Conference Room

Drug Abuse in the Elderly
8/14/2014
Mark Twain Congregate Housing

Clinical Program – Blood Pressure Screenings
8/23/2014
Safe Net Ministries

September
Incontinence Etiquette in Public
9/11/2014
Mark Twain Congregate Housing

Caring for Your Parents: The Coming Crisis
9/11/2014
Enfield Senior Center

Rehabilitation after Joint Replacement
9/18/2014
Saint Francis Medical Office, Ellington CT

Strokes and the Importance of Calling 911
9/18/2014
Italian Benefit Society Ladies' Auxiliary, Stafford CT

How to Maintain Your Brain
9/23/2014
Saint Francis Medical Office, Ellington CT

October

8 Week Bereavement Support Group
10/1/2014, 10/8/2014, 10/15/2014, 10/22/2014, 10/29/2014
Home & Community Health Services

Balance Class Assessment
10/9/2014
Saint Francis Medical Office, Ellington CT

How to Cope with Difficult People
10/9/2014
Mark Twain Congregate Housing

Look Good Feel Better
10/13/2014
146 Hazard Avenue Conference Room

Memory Screenings
10/21/2014
Enfield Senior Center

November
Reducing Your Risk for Heart Disease
11/4/2014
Saint Francis Medical Office, Ellington CT

8 Week Bereavement Support Group
11/5/2014, 11/12/2014, 11/19/2014
Home & Community Health Services

Clinical Program – Blood Pressure Screenings
11/8/2014
Safe Net Ministries

Affordable Health Care Insurance
11/11/2014
Saint Francis Medical Office, Enfield CT

How to Prevent Burnout
11/13/2014
Mark Twain Congregate Housing

Scheduled 2015 JMMC Community Outreach Events

Monthly Non Clinical Programs

- Spouse/Partner Lose Support Group
  - First Thursday of Month at Home & Community Health Services
- Foot Screenings
  - First Monday of Month at Advanced Wound Center
  - Second Thursday of Month at Enfield Senior Center
- Begin Again Support Group
  - Third Thursday of Month at Home & Community Health Services
- Diabetic Support Group
  - Second Thursday of Month at Enfield Senior Center
- Bereavement Support Group – Any Lose
  - Second and Fourth Monday of Month at Enfield Senior Center
- Art Therapy
  - Third Friday of Month at JMH Cancer Center
- Dementia Support Group
  - Fourth Friday of Month at Evergreen Health Care Center

Monthly Clinical Programs

- Clinical Programs – Blood Pressure Screenings
  - Second Wednesday of Month at Enfield Senior Center
  - Third Tuesday of Month at Mark Twain Housing, Enfield CT
  - Third Wednesday of Month at Enfield Square Mall

January 2015

- Evaluating Sleep Hygiene – An Overview of Sleep Apnea
  - January 20, 2015 at Saint Francis Medical Office, Enfield CT

February 2015

- Chronic Wounds; How they Happen, and How we Can Heal Them
  - February 5, 2015 at Saint Francis Medical Office, Ellington CT
- Knee and Hip Pain
  - February 5, 2015 at Enfield Public Library
- A Healthy Heart Lifestyle
  - February 11, 2015 at Enfield Senior Center

- Benefits of Volunteering
  - February 25, 2015 at Enfield Senior Center

March 2015

- How Well Are You Sleeping?
  - March 5, 2015 at Windsor Senior Center
- Exercise for Arthritis
  - March 12, 2015 at Saint Francis Medical Office, Ellington CT
- Blood Pressure Clinic
  - March 14, 2015 at Safe Net Ministries in Stafford Springs CT
- Memory Screening
  - March 28, 2015 at Saint Francis Medical Office, Ellington CT

April 2015

- Caring for Your Aging Parent: The Coming Crisis
  - April 8, 2015 at Saint Francis Medical Office, Ellington CT
- Benefits of Volunteering
  - April 13, 2015 at Ellington Senior Center
- Evaluating Sleep Hygiene – An Overview of Sleep Apnea
  - April 28, 2015 at Saint Francis Medical Office, Ellington CT
- How's Your Balance? (Seminar and Balance Screening)
  - April 29, 2015 at Enfield Senior Center

May 2015

- Tips for Caring for Someone with Dementia
  - May 7, 2015 at Saint Francis Medical Office, Enfield CT
- Blood Pressure Clinic
  - May 9, 2015 at Safe Net Ministries in Stafford Springs CT
- How's Your Balance? (Seminar and Balance Screening)
  - May 20, 2015 at East Windsor Senior Center

June 2015

- Evaluating Sleep Hygiene – An Overview of Sleep Apnea
  - June 23, 2015 at Enfield Public Library

August 2015

- Blood Pressure Clinic
  - August 8, 2015 at Safe Net Ministries in Stafford Springs CT
- Support for Caregivers with Love Ones with Dementia
  - August 13, 2015 at Saint Francis Medical Office, Ellington CT

Saint Francis *Care's* Community Health Outreach Programs

Caring for the community beyond the hospital walls has long been a priority for Saint Francis *Care*. By bringing its services into the community through programs which focus on community health, Saint Francis is able to embrace a myriad of creative solutions for improving our community's health.

Saint Francis' commitment to community health is best demonstrated by the establishment of the Curtis D. Robinson Center for Health Equity (begun as an Institute in 2009) **:** a dedicated platform dedicated to eliminating disparities in healthcare and serving as a leader in health equity. Housed within the Urban League of Greater Hartford, this unprecedented Saint Francis Board-endorsed initiative serves as a hub for community engagement, data collection and use in understanding needs of our community, and bridging the resources of Saint Francis with all communities we serve. Here you will find a multi-cultural, multi-lingual team of physicians, nurses and outreach staff harnessing the health system resources into the identified needs of families in our service areas of Connecticut. They include culturally-appropriate health assessments, health education; community-based clinical services such as health screenings and immunizations. A key principle of the Center's activities is to be culturally and community informed. A survey, for example, indicating the health priorities of 700 African American and Latino members of the community helps give focus to health outreach activities.

Saint Francis *Care* also Saint Francis *Care* partnered with like-minded organizations such as the Hartford Hispanic Council, Tuskegee University, local area places of worship and other community organizations to focus on specific health needs of minority populations in its service area and culturally inclusive training for employees. These health equity initiatives demand a strategic approach to health equity informed by the communities we serve, our partners, and our Saint Francis' team committed to measuring impact on improved care. Hence, research, community engagement, education, and bridging health resources to those seeking care are core activities identified with the Curtis D. Robinson Center for Health Equity.

Examples of our recent successes:

- The 4th Annual Town Hall Meeting – 11/18/14 "Is Our Food Making Us Sick?" sponsored by the Curtis D. Robinson Center For Health Equity provided information to the community in the areas of food policy, nutrition, obesity, reduction and health and community organizing around health issues. The Center nurtures ongoing leadership to bring simple

solutions to complex issues that honor the many contributions needed to assure equitable health for our region.

- Saint Francis Hospital and Medical Center Breast Feeding Heritage and Pride - Saint Francis Hospital and Medical Center in partnership with the Hispanic Health Council has just received a three year grant to expand a program that trains low income African American and Hispanic mothers who are patients of the Saint Francis Center for Women's Health. Through this program women are encouraged to breast feed their newborns using trained peer counselors. The goals of this program are to reduce the risk of Sudden Infant Death syndrome, asthma, allergies, respiratory infections and other problems among newborns in this population of women. Breast feeding also provides vital nutrients for growth and development, encourages development of mouth and jaw and reinforces the mother/baby emotional bonding.
- Maternal Infant Outreach Program (MIOP) – The goals of the City of Hartford MIOP program are to monitor health conditions of high-risk pregnant women in Hartford, to assess preventable risk factors associated with low birth weight, and to help identify effective and ineffective elements of existing efforts. Saint Francis Hospital and Medical Center has participated in this program for many years. Services provided by Saint Francis include pregnancy tests, prenatal care, patient education and nutritional counseling, routine gynecologic care, breast exams, cervical cancer prevention, post-menopausal counseling and hormone therapy along with STD and HIV testing and counseling. MIOP is a system of care that is proven and has demonstrated its effectiveness through reduced infant mortality rates, lower number of babies born with low birth weights, increased number of women accessing prenatal care, higher number of women having full term babies, and more linkages and services to families.

In addition to these targeted programs seeking to address service inequities for minority populations in its service area Saint Francis Care offers a wide range of community education programs to its entire service area population. Those programs are listed below:

Caregiver Support Services

- CREC Magnet School Partnership
- Golfers in Motion Program
- Health Equity Fellowship
- Housing Support
- Joan C. Dauber Food Bank
- Keep-the-Power-On Utility Clinic programs that address underlying social problems, such as poverty, homelessness, and environmental issues.

These activities support community assets by offering the expertise and resources of the healthcare organization.

• Literacy Support Programs
• Medical Legal Partnership Program
• Nurturing Families Network Case Management Services
• Pastoral Counseling Program
• Procurement of Pharmaceuticals for Indigent Clients
• Services for Children and Families Impacted by Child Abuse
• Support for Malta Van Services Healthcare Support Services
• Support of Neighborhood Associations
• The Auxiliary Repetitions Thrift Store

Community Health Education

• Bereavement and Spirituality Classes
• Break Free from Smoking Program
• Breastfeeding Support
• Cancer Support Groups
• Cardiac Rehab and Wellness
• Care Management Support Services
• Center for Diabetes & Metabolic Care Program Education and Outreach
• Child Abuse Prevention Education and Outreach
• Childbirth Education Classes
• Colorectal Screening Program
• Community Lectures on Health Promotion, Early Detection, and Disease Management Topics
• CPR and Safety Programs
• Diabetes Support Services
• Domestic Violence Prevention Training
• Golfers in Motion
• Healthy Start and Parenting Programs
• Integrative Health Services Classes
• Lead Poisoning Prevention Education and Outreach
• Mental Health Alliance and Support
• Multidisciplinary Case Management Team for Child Abuse
• Nutrition and Weight Management Programs
• Powerful Tools for Caregivers Program
• Preventive Health Screenings:
- Bone Density Screenings
- Cardiovascular Risk Assessment
- Child Seat Safety
- Diabetes Screening
- Mammograms
- Prostate Cancer
- Skin Cancer Screenings
• Support Groups including

-Amputee Information Series
-Stroke Support Group
-Aphasia Support Group
-Spinal Cord Injury Support Group
-Living with Multiple Sclerosis
-Living with Congestive Heart Failure
-High-risk Pregnancy
-Pregnancy and Infant Loss
• Violence and Injury Prevention Program
• Women's Heart Program Outreach Community-Based Clinical Services

Other Health Improvement Services
• Access to Recovery for Substance Abuse Clients
• Adaptive Rowing Program
• Breast and Cervical Cancer Education and Outreach

EXHIBIT 22

Saint Francis *Care* Affiliation Sub Agreements Excluding JMMC Agreements as of 5 11 15

Contract Number	Vendor	Contract Type	Contract Description
14-1069	Yale-New Haven Hospital	Affiliation Agreement	Management and staffing services (excluding physicians) for
07-738	Bristol Hospital and Health Care Group, Inc.	Affiliation Agreement	Total Laundry Collaborative, LLC - Operating Agreement
None	University of Connecticut School of Medicine	Affiliation Agreement	Affilliation between parties for the purpose of developing and
11-515	University of Connecticut School of Medicine	Affiliation Agreement	Affiliation for the purpose of developing and maintaining the
NONE	1 Emerson Drive North Operations, LLC d/b/a Kimberly Hall	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Avon Convalescent Home, Inc. d/b/a Avon Health Center	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Bidwell Care Center, LLC d/b/a Touchpoints at Manchester	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Brookview Corporation dba West Hartford Health & Rehabilitation Center	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Harborside Connecticut Limited Partnership d/b/a The Reservoir	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Hughes Health and Rehabilitation, Inc.	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	McLean Health Center	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Riverside Health Care Center, Inc. d/b/a Riverside Health and Rehabilitation Center	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Saint Mary's Home	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Wintonbury Care Center, LLC d/b/a Touchpoints at Bloomfield	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
NONE	Hospital for Special Care	Affiliation Agreement	Affiliation to maintain continuity to patients requiring post-acute care
NONE	Mount Sinai Rehabilitation Hospital, Inc.	Affiliation Agreement	Affiliation to maintain continuity to patients requiring post-acute care
None	Evergreen Health Care Center	Affiliation Agreement	Affiliate to enhance the transitional care services provided to patients
None	Glastonbury Health Care Center	Affiliation Agreement	Affiliate to enhance the transition care services provided to patients
15-1072	Connecticut Affiliate of Susan G. Komen for the Cure	Affiliation Agreement	Sponsorship Agreement for the 2013 Komen Connecticut Hartford
14-0145	South Bay Mental Health Center, Inc.	Affiliation Agreement	Affiliation Agreement
09-024	Connecticut Surgery Center, Limited Partnership	Affiliation Agreement	Program for training residents enrolled in the Program Sponsor's
09-315	University of Connecticut School of Medicine	Affiliation Agreement	Affiliation Agreement for the purposes of developing and maintaining
10-327	University of Connecticut Department of Allied Health Sciences	Affiliation Agreement	Participation in a Dietetics Practicum Program
14-0603-A	iCare Management, LLC	Affiliation Agreement	Priority Admission Agreement - Touchpoints Manchester
14-0603-B	iCare Management, LLC	Affiliation Agreement	Priority Admission Agreement - Touchpoints Bloomfield
NONE	New Directions, Inc. of North Central Connecticut	Affiliation Agreement	Affiliation to provide support systems, prevention programs and
11-229	Saint Francis Hospital and Medical Center	Governance Document	Operating Agreement
13-143	Eastern Connecticut Health Network, Inc.	Governance Document	Amended and Restated Operating Agreement
13-143	Eastern Connecticut Health Network, Inc.	Governance Document	Amended and Restated Operating Agreement
NONE	Bristol Hospital Incorporated	Governance Document	Operating Agreement for Medworks, LLC
NONE	Fitness Forum Services, LLC	Governance Document	SFH-FF, LLC a/k/a RHC-FF, LLC Operating Agreement
NONE	Connecticut VNA Partners, Inc.	Governance Document	Directors' Consent to Action - Organizational Resolution
NONE	Connecticut VNA, Inc.	Governance Document	Members Agreement
NONE	Greater Hartford Lithotripsy, LLC	Governance Document	Resolution transferring Hartford Urology Group's interest to SFHMC

15-1086-B	University of Connecticut Health Center	Professional Services Agreement	Contract #: UCHC58877051; Health Center to provide services of the Department of Family Medicine faculty who will provide clinical and Contract #UCHC58871910
15-1086-C	University of Connecticut Health Center	Professional Services Agreement	Educational site for the training of medical and dental students,
15-1079	University of Connecticut Health Center	Professional Services Agreement	Contract #: UCHC42639027 provide the services of Dr. Walter Contract Number: UCHC57484355
15-1031	University of Connecticut Health Center	Professional Services Agreement	Services of Dorothy Wakefield
14-0563	University of Connecticut Health Center Finance Corporation	Professional Services Agreement	Clinical services and resident education in association with the SFHMC Dermatology Program
14-1076	State of Connecticut, Department of Social Services	Professional Services Agreement	Project: Domestic Violence Professional Education and Consultation;

Note: Johnson Memorial Medical Center Affiliation Agreements are contained in a separate Exhibit in this CON

Saint Francis *Care* Transfer Agreements as of 5 11 15

Contract Number	Vendor	Contract Type	Contract Description
12-390	Charter Oak Health Center	Transfer Agreement	Transfer Agreement between SFHMC and Charter Oak Health Center
14-0857	Baystate Medical Center	Transfer Agreement	Patient Transfer Agreement
14-0517	Connecticut Surgery Center, Limited Partnership	Transfer Agreement	Transfer Agreement
15-1130	State of Connecticut, Department of Veterans Affairs	Transfer Agreement	Transfer Agreement
14-0207	Associated Plastic and Reconstructive Surgeons, P.C.	Transfer Agreement	Transfer Agreement
NONE	Rockville General Hospital, The	Transfer Agreement	Transfer Agreement
14-0354	Hartford Hospital	Transfer Agreement	Transfer Agreement
14-0355	Hartford Hospital	Transfer Agreement	Transfer Agreement

Saint Francis *Care* Other Educational Affiliation Agreements as of 5 12 15

Affiliation	Affiliate Name	Discipline
UConn - Speech-Language Pathology and Audiology	UConn	Audiology / Communication Sciences / Speech-Language Pathology
CCSU Clinical Engineering	Central CT State University	Biomedical Engineering
Quinnipiac - Cardiovascular Perfusion Program	Quinnipiac University	Cardiovascular Perfusion Program
St. Matthew's University Clinical Ethics Rotation	St. Matthew's University	Clinical Ethics Rotation
University of Hartford - Clinical Laboratory Science Program / Medical Technology	University of Hartford	Clinical Laboratory Science Program / Medical Technology
University of Saint Joseph - Clinical Mental Health Counseling Program	University of Saint Joseph	Clinical Mental Health Counseling Program
A.I. Prince Technical School - Dental Assisting	A. I. Prince Technical School	Dental Assisting

Gateway Community College-Diagnostic Medical Sonography	Gateway Community College	Diagnostic Medical Sonography
Springfield Technical Community College - Diagnostic Medical Sonography Degree Program (Ultrasound)	Springfield Technical Community College	Diagnostic Medical Sonography
Naugatuck Valley Community College - Drug and Alcohol Recovery Counseling Program	Naugatuck Valley Community College	Drug and Alcohol Recovery Counseling Program
Capital Community College - Emergency Medical Technician-Paramedic Program	Capital Community College	Emergency Medical Technician - Paramedic Program
Central CT State University - Exercise Science	Central CT State University	Exercise Science Program
Springfield College- Exercise Science	Springfield College	Exercise Science Program
UConn-Food and Nutrition	UConn	Food and Nutrition / Dietary / Dietetic Tech
University of Saint Joseph - Dietetic Internship	University of Saint Joseph	Food and Nutrition / Dietary / Dietetic Tech
Morrison Management Specialists, Inc. - Dietetic Internship Program	Morrison Management Specialists, Inc.	Food and Nutrition / Dietary / Dietetic Tech
Bowling Green State University	Bowling Green State University	Food and Nutrition / Dietary / Dietetic Tech
Lincoln College of New England - Health Information Technology	Lincoln College of New England	Health Information Technology
Sacred Heart University MS in Healthcare Informatics	Sacred Heart University	Health Information Technology
Branford Hall Career Institute - Health Information Management	Branford Hall Career Institute	Health Information Technology
Goodwin - College Health Sciences Program	Goodwin College	Health Sciences
University of Saint Jospeh-Marriage & Family Therapy	University of Saint Joseph	Marriage and Family Therapy
Porter & Chester Institute - Medical Assisting	Porter & Chester Institute	Medical Assisting
Sanford-Brown College - Medical Assisting	Sanford Brown College	Medical Assisting
Stone Academy - Medical Assisting	Stone Academy	Medical Assisting
Capital Community College - Medical Assisting	Capital Community College	Medical Assisting
Asnuntuck Community College - Medical Assisting	Asnuntuck Community College	Medical Assisting
Branford Hall Career Institute - Medical Assisting	Branford Hall Career Institute	Medical Assisting
Tunxis Community College - Medical Assistant	Tunxis Community College	Medical Assisting
Goodwin College -Medical Assisting	Goodwin College	Medical Assisting
Sanford Brown College - Medical Billing & Coding	Sanford Brown College	Medical Coding and Billing Specialist
UConn CLS Medical Laboratory Sciences Program	UConn	Medical Laboratory Science
Quinnipiac University Research Capstone	Quinnipiac University	Medical Student

Gateway Community College-Nuclear Medicine Technology	Gateway Community College	Nuclear Medicine Technology
Central CT State University - Nursing	Central CT State University	Nursing
Goodwin College - Associates Degree Nursing Program	Goodwin College	Nursing
Capital Community College - Nursing	Capital Community College	Nursing
UConn-Nursing	UConn	Nursing
Quinnipiac - Nursing	Quinnipiac University	Nursing
University of Hartford - Graduate Nursing	University of Hartford	Nursing
Yale University School of Nursing-Graduate	Yale University School of Nursing	Nursing
Southern CT State University - Nursing	Southern CT State University	Nursing
MGH Institute of Health Professions-Nursing	MGH Institute of Health Professions	Nursing
Hartwick College-Nursing	Hartwick College	Nursing
University of Saint Joseph - Nursing & Graduate Nursing	University of Saint Joseph	Nursing
Sacred Heart University - Graduate and Undergraduate Nursing	Sacred Heart University	Nursing
University of Massachusetts College of Nursing - Nursing	University of Massachusetts College of Nursing	Nursing
Elms College	Elms College	Nursing
Drexel	Drexel University	Nursing
Duquesne	Duquesne University	Nursing
Georgetown University	Georgetown University	Nursing
Northeastern University	Northeastern University	Nursing
Fairfield University Graduate Nursing	Fairfield University	Nursing
Three Rivers Community College- Nursing	Three Rivers Community College	Nursing
Frontier Nursing University	Frontier Nursing University	Nursing
Westfield State University	Westfield State University	Nursing
SUNY Delhi- Nursing	SUNY Delhi	Nursing
Quinnipiac University School of Nurse Anesthesia - Woodland Anesthesiology Associates	Quinnipiac University School of Nurse Anesthesia	Nursing - Nurse Anesthesia
Yale-New Haven Hospital, Inc. School of Nurse Anesthesia	Yale-New Haven Hospital, Inc. School of Nurse Anesthesia	Nursing - Nurse Anesthesia
Memorial Hospital of Rhode Island School of Nurse Anesthesia	Memorial Hospital of Rhode Island School of Nurse Anesthesia	Nursing - Nurse Anesthesia
George Washington University - Nursing	George Washington University	Nursing - Nurse Practitioner
Simmons College - FNP		Nursing - Nurse Practitioner
Metropolitan State University - Wound, Ostomy & Continence Nursing Education Program	Metropolitan State University	Nursing - Wound, Ostomy & Continence Nursing
WICKS Educational Associates, Inc. - Nursing WNOC	WICKS Educational Associates, Inc. Nursing WNOC	Nursing - Wound, Ostomy & Continence Nursing
Manchester Community College - OT	Manchester Community College	Occupational Therapy
University of New Hampshire - OT	University of New Hampshire	Occupational Therapy

American International College - Occupational Therapy	American International College	Occupational Therapy
Boston University Sargent College - OT	Boston University Sargent College of Health & Rehab Sciences	Occupational Therapy
Goodwin College - Occupational Therapy	Goodwin College	Occupational Therapy
Quinnipiac - OT	Quinnipiac University	Occupational Therapy
Springfield College - OT	Springfield College	Occupational Therapy
University of Scranton - Occupational Therapy	University of Scranton	Occupational Therapy
Worcester State University - OT	Worcester State University	Occupational Therapy
University of Saint Augustine	University of Saint Augustine	Occupational Therapy
Touro University	Touro University California College of Osteopathic Medicine	Osteopathic Medicine
University of Saint Joseph - Pharmacy	University of Saint Joseph	Pharmacy
UConn - Pharmacy	UConn	Pharmacy
Naugatuck Valley Community College - PTA	Naugatuck Valley Community College	Physical Therapist Assistant
Springfield Technical Community College - Physical Therapist Assistant	Springfield Technical Community College	Physical Therapist Assistant
UConn-PT	UConn	Physical Therapy
Quinnipiac-PT	Quinnipiac University	Physical Therapy
Boston University Sargent College - PT	Boston University Sargent College of Health & Rehab Sciences	Physical Therapy
Sacred Heart University - PT	Sacred Heart University	Physical Therapy
Springfield College - PT	Springfield College	Physical Therapy
University of Hartford - PT	University of Hartford	Physical Therapy
American International College - Physical Therapy	American International College	Physical Therapy
University of Saint Augustine	University of Saint Augustine	Physical Therapy
University of Rhode Island	University of Rhode Island	Physical Therapy
Quinnipiac - PA	Quinnipiac University	Physician Assistant
Yale-PA	Yale	Physician Assistant
Springfield College - PA Program	Springfield College	Physician Assistant
George Washington University - PA	George Washington University	Physician Assistant
Bay Path College - PA	Bay Path College	Physician Assistant
Massachusetts College of Pharmacy & Health Sciences - PA	Massachusetts College of Pharmacy & Health Sciences	Physician Assistant
Northeastern University - Physician Assistant	Northeastern University	Physician Assistant
DeSales University Physician Assistant Program	DeSales University	Physician Assistant
University of Bridgeport	University of Bridgeport	Physician Assistant
Misericordia	Misericordia	Physician Assistant
New York Institute of Technology	New York Institute of Technology	Physician Assistant
Kent State University - Podiatric Medicine	Kent State University - Ohio College of Podiatric Medicine	Podiatric Medicine
Barry University-Podiatric Medicine	Barry University	Podiatric Medicine

Temple University - Podiatric Medicine	Temple University College of Podiatric Medicine	Podiatric Medicine
New York College of Podiatric Medicine - Podiatric Medicine	New York College of Podiatric Medicine	Podiatric Medicine
Samuel Merritt University - Podiatric Medicine	Samuel Merritt University	Podiatric Medicine
Des Moines University - Podiatric Medicine	Des Moines University College of Podiatric Medicine	Podiatric Medicine
Scholl College of Podiatric Medicine	Scholl College of Podiatric Medicine	Podiatric Medicine
Midwestern University - Podiatric Medicine	Midwestern University	Podiatric Medicine
Manchester Community College - Polysomnography	Manchester Community College	Polysomnography
University of Saint Joseph - Psychology	University of Saint Joseph	Psychology
Hartford Hospital - Radiation Therapy	Hartford Hospital	Radiation Therapy
Manchester Community College - Radiation Therapy	Manchester Community College	Radiation Therapy
Capital Community College-Radiologic Tech	Capital Community College	Radiologic Tech Program
University of Hartford - Radiologic Technology Program	University of Hartford	Radiologic Tech Program
Manchester Community College - Respiratory Care Therapy	Manchester Community College	Respiratory Care Therapy
University of Hartford - Respiratory Care	University of Hartford	Respiratory Care Therapy
Goodwin College - RN-BSN Nursing Degree Program	Goodwin College	RN-BSN Nursing Degree Program
Manchester Community College - Social Services	Manchester Community College	Social Services
Springfield College-School of Social Work	Springfield College	Social Work
UConn-School of Social Work	UConn	Social Work
Central CT State University - Social Work	Central CT State University	Social Work
Fordham University	Fordham University - Social Work	Social Work
University of New England- Social Work	University of New England	Social Work
Waterbury Hospital	Waterbury Hospital Surgical Residency Program	Surgical Residency
Manchester Community College - Surgical Technology Program	Manchester Community College	Surgical Technology Program
A.I. Prince Technical School - Surgical Technology Program	A. I. Prince Technical School	Surgical Technology Program

EXHIBIT 23

A Community Health Needs Assessment

Department of Health and Human Services

March 2012

Healthy Hartford

The mission of the Hartford Department of Health

and Human Services is:

To protect the well-being of the people in Hartford, to promote an environment conducive to healthy lifestyles, and to prevent adverse health outcomes. Whenever possible, the Department will endeavor to employ strategies, policies and interventions through community partnerships to reduce health disparities.

A Community Health Needs Assesment

Hartford Department of Health and Human Services

This report is funded in part by:

Hartford Hospital

Connecticut Children's MEDICAL CENTER

SAINT FRANCIS Hospital and Medical Center

Acknowledgements

Community Health Needs Assessment Consortium
City of Hartford Department of Health and Human Services
Connecticut Children Medical Center
Hartford Hospital
Saint Francis Hospital and Medical Center
University of Connecticut Health Center

Under the direction of the Community Health Needs Assessment Consortium, the Community Health Needs Assessment Workgroup began planning this assessment in early 2010. Much thought was put into creating a process and document that would be both useful and enlightening to healthcare organizations, community-based health and social services organizations, and the community at large. The City of Hartford Department of Health and Human Services wishes to thank our community health needs assessment partners for their generous support to this project and to their designated representatives on the Community Health Needs Assessment Workgroup for their professional contributions and collaborative efforts throughout the study process. Special thanks go to the Urban Alliance for providing data, analysis, and review of the Hartford Survey Project: Understanding Needs and Service Opportunities.

We would also like to thank Holleran Consulting LLC for their expertise in community health assessments and for preparing the community profile. This document has been produced for the benefit of the community. The City of Hartford Department of Health and Human Services and its community health needs assessment partners encourage use of this report for planning purposes and are interested in learning of its utilization. We would appreciate your comments and questions, which may be directed to the City of Hartford Department of Health and Human Services by phone at (860) 757-4700.

The report, as well as the raw data used to generate our findings is available for download at: http://hhs.hartford.gov.

City of Hartford
Department of Health & Human Services
131 Coventry Street
Hartford, CT 06112

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I. Introduction: What We Hope to Accomplish

National health reform, known as the Patient Protection and Affordable Care Act ("PPACA"), sets forth new requirements via Internal Revenue Code Section 501(r) to hospital organizations to conduct a periodic assessment of health needs of those living in their service area in order to maintain tax-exempt status. The Community Health Needs Assessment ("CHNA") process for Hartford began in October 2010 with an initial meeting of representatives from area hospitals, namely Connecticut Children's Medical Center, Hartford Hospital, Saint Francis Hospital and Medical Center, and the University of Connecticut Health Center. This consortium of health care organizations ("The Consortium"), including the City of Hartford Department of Health and Human Services ("HHS"), came together to address this requirement and to collaborate on a community health needs assessment which would maximize resources and develop a comprehensive and useful document for agencies working in the City of Hartford.

In order to complete the community health needs assessment the Consortium contracted with Holleran, a health research consulting firm, to complete a secondary data analysis and to conduct telephone interviews of 59 Key Informants identified by the steering committee of the CHNA group. The Urban Alliance, a local non-profit organization that provides capacity building and technical assistance to improve the quality of life for under-resourced residents by facilitating a network of faith-based organizations, aided in this process by conducting a resident survey on human service needs. Additionally, the Health Equity Index ("HEI") developed by the Connecticut Association of Directors of Health ("CADH") provided recent trend data that were used to bolster our findings. From these various data sources we are able to present a framework to better understand the importance of social determinants of health.

Social determinants of health refer to factors and resources that are essential to the health of communities and individuals. These include income, shelter, education, access to nutritious food, community norms and cohesion. They are the circumstances in which people are born, grow up, live, and work, as well as the resources available to support their health and help them deal effectively with illness and disease. These social health determinants can be described in terms of factors threatening health, promoting health and protecting health [1]. From the perspective of a Community Health Needs Assessment, the social determinants of health provide a lens through which to view different populations and communities in terms of which community conditions are most important and which are the most limiting for population health.

The goals of this CHNA are:

- To provide a baseline measure of key health indicators
- To inform health policy and health strategies
- To provide a platform for collaboration among community groups including schools, businesses, policy makers, and others to impact current health status
- To act as a resource for individuals, agencies, and institutions looking to identify community health needs and priorities
- To establish benchmarks and monitor trends in health status of Hartford residents
- To assist with community benefit requirements as outlined in the PPACA

The information included in the CHNA provides the foundation upon which community health programs and interventions can be targeted, developed, and evaluated with the ultimate goal of improving the health of the community and its members.

II. Summary of Key Findings

Social Determinants – Many socioeconomic and cultural characteristics of the population living in Hartford drive the main health concerns. The findings in the secondary data profile point to higher concentrations of people that are at increased risk for unhealthy living merely because of their race, age, income, educational status, or family status. The Key Informant interviews, the Hartford Survey Project, and data from the Health Equity Index validate the concern for marginalized and underserved populations.

- The top 5 quality of life issues mentioned by Key Informants as currently having the most negative impact in Hartford were **poverty**, **job opportunities**, **quality of housing**, **neighborhood safety**, and **education**.

- Hartford has a greater number of renters than owners, more households with mothers being the sole head of household, and lower residential property values than the state, overall. These are associated with poor health outcomes. There is also a higher rate of service occupations when compared to the state and nearly 1/5 of the city's labor force unemployed. With subpar housing and employment levels, overall economic security rates low.

- Nearly a third of Hartford's adults do not have a high school diploma, and the average graduation rate is 77%; high educational attainment is one of the key determinants of community health since it leads to increased economic security and occupational prestige.

- More than 10% of all of the crimes committed in Connecticut in 2009 were committed in Hartford, even though Hartford accounts for less than 4% of Connecticut's population, and there are certain types of crimes that occur with greater frequency in Hartford than in the state overall.

- Compared to other Connecticut cities, the overall environmental quality in Hartford is poor; HEI scoring for waste stream and water discharge pollutants were low. The underlying perception of the city as "unclean" could also impact individual health decisions.

- Less than half of Hartford's residents are registered to vote; a trend that is often associated with fewer community resources and support networks.

Health Indicators

Cancer incidence for all types (specifically lung and prostate) is well below the national and state levels; however, it is important to keep in mind that Hartford has a relatively young population when compared to state and national figures. Key Informants also perceived cancer as less of a priority with only 11.9% respondents ranking it within their top five health issues.

- In general, chronic lower respiratory disease death is lower in Hartford than across the nation or in the state; however, asthma hospitalization rates in Hartford are much higher when compared to the state, with children and adult rates that are at least three times higher than the state rate. Asthma, not one of the options provided in the Key Informant survey, was the most frequently written-in health issue by participants.

- Although one of the top health issues identified by Key Informants was violence, most respondents perceive that violent acts, while isolated in Hartford, are a product of a depressed economic situation. Hartford accounts for more than a third of all murders in the state, and experiences a higher percentage of assaults. This disproportionate and avoidable indicator negatively impacts the overall quality of life in the city.

- There is a much younger population in Hartford compared to the state and nation that is reflected in the mortality rate. This is also reflected in a lower occurrence of the top ten national causes of death, which are often age-related. However, the much higher age-adjusted rate suggests that the elderly population, albeit small, is dying at a very high rate. Infant and neonatal death rates are much higher in Hartford than the state and nation. Hartford also has considerably higher rates of infectious/communicable diseases than the state.

- There is an indication that obesity is a concern for Hartford. Health indicators for heart disease are worse for Blacks and Hispanics, and those who live below the poverty threshold; diabetes rates in Hartford have been increasing in recent years.

Access to Care – Access to care was commonly cited in both the Key Informant study and the Hartford Survey Project. While the Hartford Survey Project concluded that the top four barriers to care were lack of knowledge about existing services, lack of available services, inability to pay, and lack of transportation, the Key Informant study showed a need for improving access to care across the board for a variety of underserved populations.

III. Methods: How We Obtained the Data

The data in this report were compiled from a variety of resources, and includes both quantitative and qualitative data. Additionally, it includes very specific information on critical health indicators and broader information regarding the social determinants of health.

The CHNA report synthesizes findings and data from the following three sources:

Key Informant Interviews – Each Workgroup member identified 5 to 10 people in management or leadership positions with various community organizations including health and human services, religious organizations, and government agencies; 85 unique Key Informants were identified by the Workgroup. Respondents were asked to critically evaluate health needs pertinent to the community through their experience. Survey questions focused on underserved populations and access to care issues in Hartford. In total, 59 interviews were conducted; see Appendix for a complete list.

The Hartford Survey Project – In order to better understand Hartford's human service needs and barriers to receiving services, a face-to-face survey conducted by the Urban Alliance was completed between October 2010 and January 2011. 402 resident surveys were completed at 12 locations throughout the city to promote geographical and ethnic diversity among respondents; these locations included grocery stores, pharmacies, and community events and programs. Respondents were asked if they would benefit from any of 12 service areas, the possible barriers to obtaining these services, and which three areas of the 12 have a need for additional services. In addition, they were asked to rank the top three service areas in Hartford that they believed were in most need.

Of the total respondents, 57% were female and 43% were male. The ethnicity breakdown was 39% African American, 37% Latino, 9% white, and 8% West Indian. Age categories for respondents were 27% between 18 and 29 years old, 42% between 30 and 49, 24% between 50 and 64, and 6% were 65 and older.

Secondary Data – Holleran, in coordination with HHS, prepared the initial community profile for Hartford from secondary data sources. In addition the following sources of data were used throughout this assessment:

- Connecticut Department of Public Health Vital Statistics and Health Outcomes
- Women's Health Quick Health Data Online via the Office on Women's Health (US Department of Health and Human Services)
- Health Data Interactive via the Centers for Disease Control and Prevention
- Connecticut Labor Market Information via the Connecticut Department of Labor

There was also an analysis of local, state, and national 2009 U.S. Census Bureau data collected via the annual American Community Survey; this data is available via the Census Bureau's website.

HHS was also able to use the Connecticut Health Equity Index (HEI) to build upon and enhance the findings from the original information. Developed by the Connecticut Association of Directors of Health (CADH), a non-profit membership organization that represents local directors of health departments and/or districts in the state, the HEI can be used to identify social, economic, and environmental conditions and their correlations or relationships to specific health outcomes. Key social determinants of the HEI include: civic involvement, community safety, economic security, education, employment, environmental quality, and housing. Collectively, these social determinants form the fabric of social and economic opportunity and a healthy environment, as well as provide insight to how social determinants may affect health outcomes and health care services of various populations living in the area of interest. The HEI is an excellent tool for determining how social factors are associated with community health, and by using up-to-date data sources, HEI's commitment to quality improvement evolves along with Connecticut's communities.

Hartford is one of three pilot sites in the state that was selected to test and evaluate the HEI for its use in mobilizing a community, stimulating sustainable action, increasing knowledge of health equity concepts and their application, and prompting structural changes that reflect local needs. Data collection for the HEI began in 2007 and continues through 2012. The HEI is based on a ten-point measurement scale, where 1 is a low score, which represents a less favorable community condition or health outcome, and 10 is a high score, which symbolizes a more favorable community condition or health outcome.

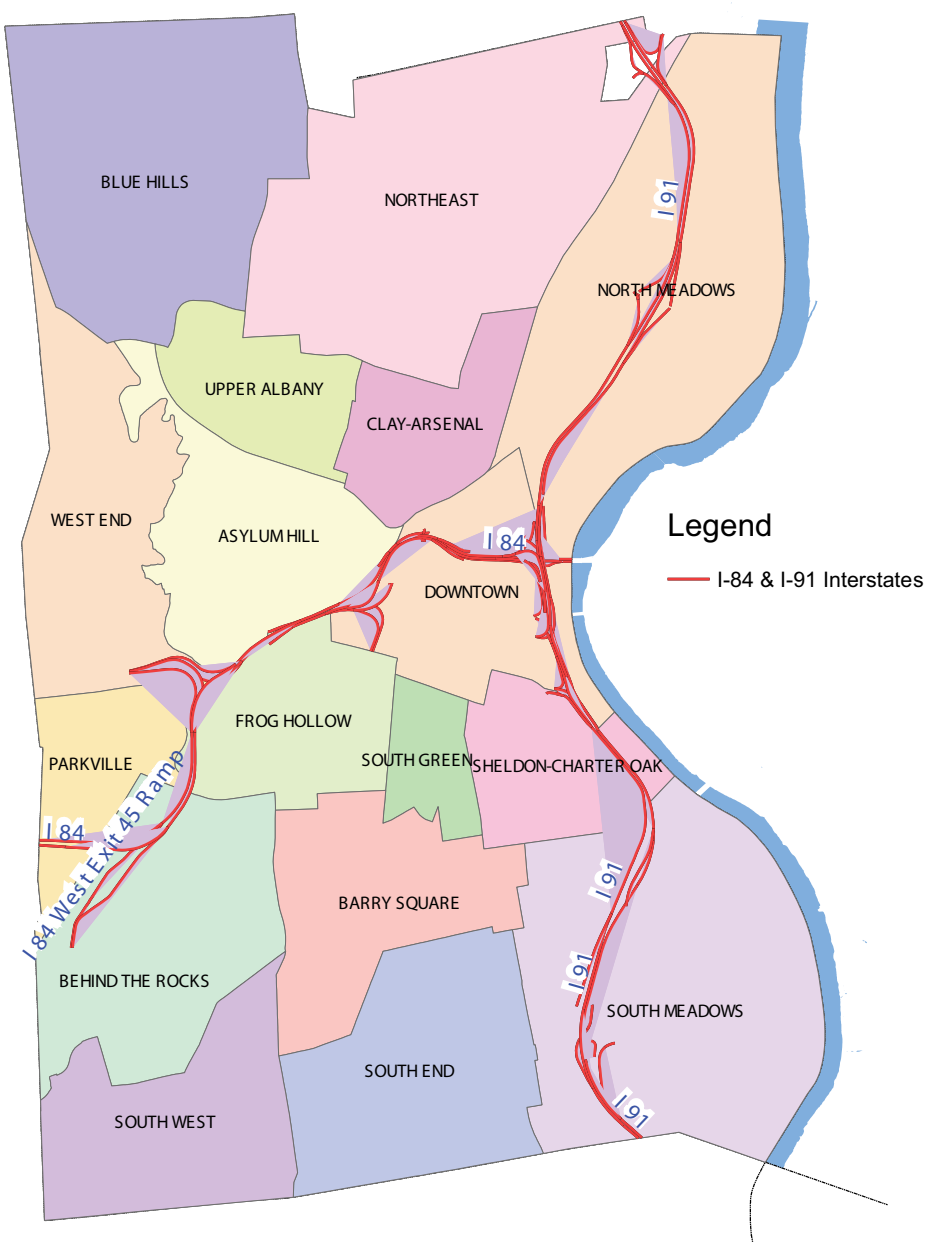
HEI maps were used to compare neighborhoods by social determinant or health outcome indicators. This comparison includes both the North Meadows and South Meadows neighborhoods for analysis, although the former is mainly comprised of car dealerships and landfill, and the latter with a small airport, a water pollution plant, and various commercial and industrial businesses. Together, both neighborhoods are home to less than 3% of Hartford's total population and must be considered when viewing the maps.

A feature of the HEI is that for every social determinant listed (civic involvement, community safety, economic security, education, employment, environmental quality, and housing), the varying factors used to determine the indexing are analyzed with each of the health outcomes in the index (accident/violence, cancer, cardiovascular, childhood illness, diabetes, health care access, infectious disease, life expectancy, liver disease, mental health, prenatal care, renal disease, and respiratory illness). Strength correlations are derived using Spearman's rank correlations, and are generated between the social determinant selected and significant health outcomes. The strength of a correlation is measured between 0 and 1, and the closer the coefficient is to 1 the stronger the correlation between the measures; a correlation of 0

signifies no statistical relationship between measures. Direction of a correlation is measured by signaling a correlation as positive or negative. A positive correlation signals a direct relation between two measures, while a negative correlation signals an inverse relationship. All correlations generated by the HEI are statistically significant.

The maps displayed throughout this report use a color gradient to indicate how Hartford neighborhoods rank with each other with regard to a specific social determinant or health indicator; the darker the color means the lower the rank. The subsequent map is a legend for all Hartford neighborhood names and should be referred to for neighborhood identification.

Map 1. **City of Hartford and Neighborhoods**



IV. Demographics

Hartford is the capital of the State of Connecticut and the seventh largest city in New England. At almost 400 years old, Hartford is one of the oldest cities in the country and at one point was one of the wealthiest. Still rich with history, it is home to the oldest public art museum and oldest public park in the nation. Starting in the late 1950s, many of the city's residents began moving to the suburbs, possibly accelerated by the construction of two major interstate highways intersecting within the city. And even though the metropolitan area ranked 32 out of 318 nationally in total economic production (second behind San Francisco in per capita economic activity) and the sixth lowest poverty rate of all Metropolitan Statistical Areas (metropolitan statistical area is a geographical region with a relatively high population density at its core and close economic ties throughout the area) for the 2010 census, the city itself remains one of the poorest in the nation; 31.9% of all its residents, and 38.3% of its families with children under 18 years old are living below the poverty line.

The population in Hartford is 124,775, with a **gender** ratio close to state and national ratios of 49% male and 51% female. Hartford is proportionally younger than the state and the U.S., which impacts numerous aspects of health including rates of some types of cancer, violence, and levels of unintended injury.

Table 1. **Age Categories for Hartford, Connecticut and the U.S.**

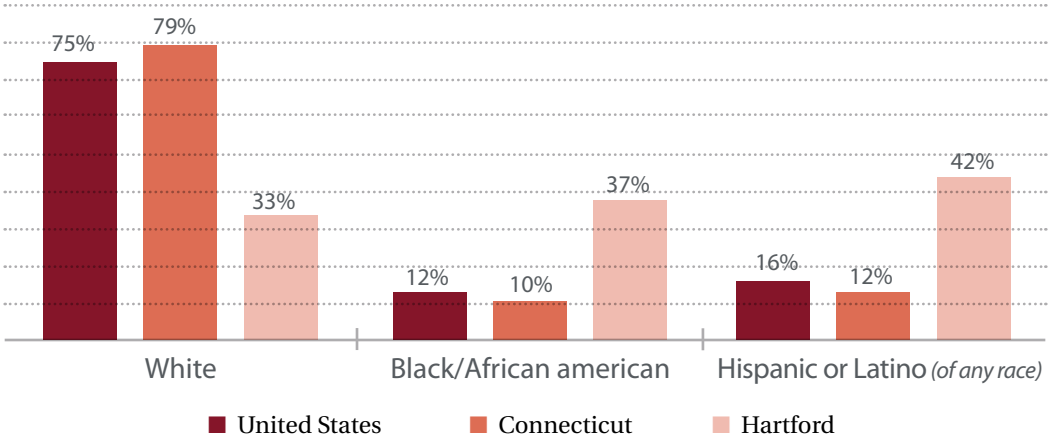
	HARTFORD	CT	US
0-19 years	**34%**	26%	27%
20-44 years	**37%**	32%	34%
45-64 years	**20%**	28%	26%
65 and older	**10%**	14%	13%

The **ethnic composition** of Hartford is mostly a mix between Hispanic/Latino of any race, Black/African American, and white. Hartford's white population is at a lower ratio than the U.S. and state while the proportion of Black and Hispanic/Latino residents is significantly higher. Ethnic variation in cultural norms, English comprehension, and beliefs about health impact the mode of health care delivery and how patients respond to health care services. This variation creates a need for increased awareness and sensitivity among service providers.

A significant percentage of Hartford residents can trace their heritage to Puerto Rico and the West Indies; in the 1940s, many immigrants from these areas moved to Connecticut to work in tobacco fields. 78% of Hartford's Hispanic/Latinos self-reported to be Puerto Rican in the 2010 census. Typically, West Indians are grouped with "Black/African American" in census data, which makes it difficult to highlight cultural differences. However, it is important to

note that the ethnic landscape in Hartford is changing as a greater number of families and individuals from Eastern Europe, Africa, and Southeast Asia continue to make Hartford their home.

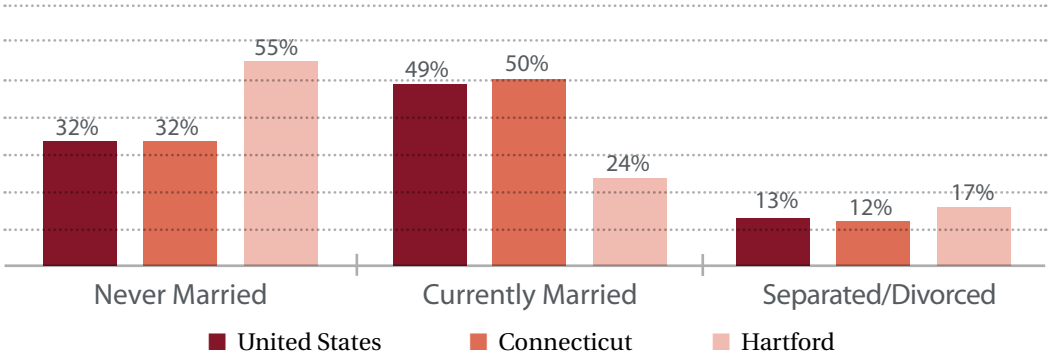
Figure 1. **Ethnic Composition for Hartford, Connecticut, and the U.S. (2009)**



This ethnic breakdown impacts the primary **language spoken** at home. The percentage of Hartford's population who only speak English is 52%, which is lower than a state and the nation comparison. Additionally, approximately 35% of Hartford residents speak a language other than English; the high percentage of non-English speakers could pose a barrier for access to all kinds of health promoting opportunities.

With regard to **marital status**, Hartford's population has a notably larger percentage of people who have never been married when compared to the state and the nation; the City of Hartford also has a smaller comparative percentage of people who are currently married and not separated. The data regarding separated/divorced residents and widowed residents are similar to state and national averages; however, the rate of legally separated couples (de facto separation while remaining legally married) in Hartford (5%) is twice that of the nation (2%).

Figure 2. **Marital Status Statistics for Hartford, Connecticut, and the U.S. (2009)**



VI. Social Determinants of Health

Quality of life issues are indicators that include not only wealth and employment, but also the built environment, physical and mental health, education, recreation and leisure time, and social belonging [2]. During this assessment, Key Informants were asked a variety of questions about quality of life in Hartford. For nearly all quality of life questions, 50% or more of informants ranked them as "Poor" or "Very Poor."

Table 2. **Poorly Rated Quality of Life Measures by Key Informants**

QUALITY OF LIFE	RATED "POOR" OR "VERY POOR"
Poverty	93.1%
Job opportunities	87.3%
Quality of housing (affordable, in good condition)	72.4%
Neighborhood safety	71.9%
Schools/education	65.5%
Clean, litter-free neighborhoods	63.1%
Road/traffic conditions	53.6%
Availability of recreational activities	52.6%
Availability of care for children	31.6%
Water or air pollution	26.4%

This information provides insight for those who are regularly involved in the health and human services sector. The following section will addresses social determinants of health, and how Hartford rates relative to state and national figures.

Housing

Adequate housing provides shelter and comfort to its inhabitants, both of which impact overall well-being. One of the measures used to evaluate the association of housing and health is the number of subsidized housing units per 1000 local residents as defined by the Connecticut Housing Finance Authority. Using 2005 data, the HEI correlated housing strongly with infectious disease in Connecticut, and Hartford received the overall lowest housing score in the HEI when compared to the rest of the state.

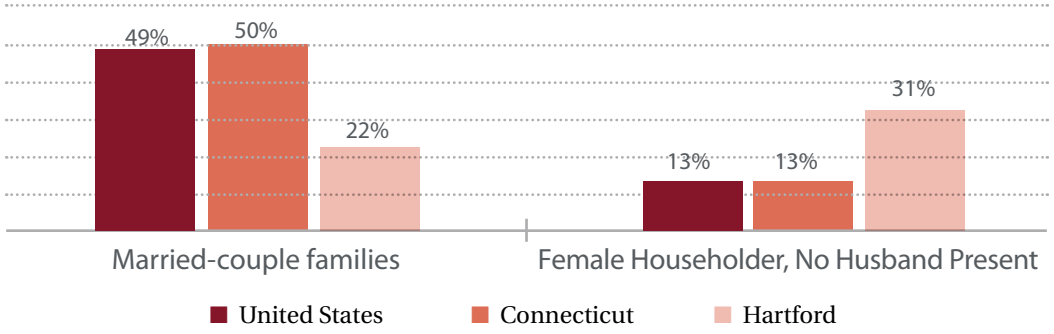
Subsidized housing is abundant in Hartford. As is typical throughout the United States, these subsidized housing units have become a feature of low-income and resource-poor areas. In Hartford, residing in subsidized housing is correlated with numerous health outcomes, such as increased rates of chlamydia and/or gonorrhea, asthma hospitalizations, infectious and parasitic diseases, homicides, drug-induced deaths, mental health hospitalizations, and births not receiving prenatal care in the first trimester.

A cursory analysis of **housing occupancy** in Hartford reveals that the city has over 44,000 occupied housing units of which 26% are owner-occupied; the state average is 69%. A higher rate of rental units is associated with poorer quality of housing and impacts health. Over 70% of Key Informants surveyed ranked housing quality at either "Poor" or "Very Poor." Further highlighting the housing issue, homelessness was the issue recognized as most in need of additional services by those surveyed by the Urban Alliance (45%).

Lower residential property values, accompanied by lower sales prices and a greater number of foreclosures are strongly associated with lower quality neighborhoods. Neighborhoods with these negative housing characteristics typically have higher crime rates, lower quality school systems and a poor physical environment (sidewalks, parks and properties). For 2010, the average assessed residential property value in Hartford was $43,689, which is significantly lower than the state's average value of $209,025; and the average sales price of an existing home was $164,462, which is lower than the state's average home sales price of $288,948.

Hartford **household statistics** for family (59%) and non-family households (42%) are similar to state and national rates, but deviate substantially for the percentage of female householders with no husband present (much higher than state and national) and the percentage of married-couple families (much lower than state and national). Additionally children in Hartford are almost three times as likely (19%) than those in the rest of Connecticut (7%) to live in households with no husband present.

Figure 3. **Household Types for Hartford, Connecticut, and the U.S. (2009)**



In the HEI, Hartford has a housing indexed score of 3, which is a less favorable condition in this category. Some of the calculating factors used to determine this score are rental vacancy rates as a percentage of rental units, owner occupied housing as a percentage of total housing units, and median gross rent as a percent of household income. These measures were calculated using data from the 2000 US Census.

Table 3. **Health Indicators Related to *Housing***

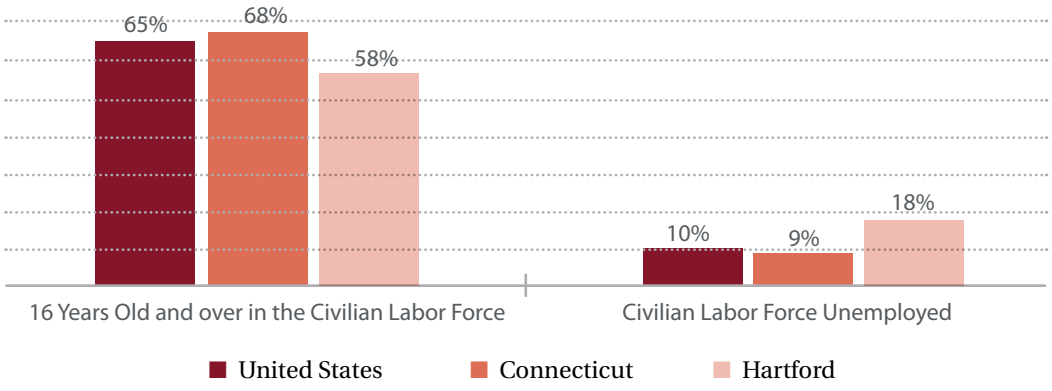
	HEI INDEX	CORRELATION COEFFICIENT
Infectious Disease	2	0.55
Health Care Access	2	0.47
Childhood Illness	1	0.42
Accidents/Violence	3	0.40
Mental Health	2	0.37
Renal Disease	2	0.33
Life Expectancy	3	0.31
Cardiovascular	3	0.29
Respiratory Illness	4	0.29
Diabetes	3	0.24
Perinatal Care	3	0.22
Liver Disease	2	0.20
Cancer	5	0.18

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

Employment

As of September 2011, Hartford's unemployment rate was 15.6% according to the Connecticut Department of Labor's Labor Force Data, which is nearly twice the rate as the United States (8.8%). Against this backdrop, it is fitting that surveyed residents of Hartford rank job training/employment assistance as one of the top three service needs in the community. Key Informants had a similar view with 87% ranking job opportunities in Hartford as "Poor" or "Very Poor."

Figure 4. **Employment in Hartford, Connecticut, and the U.S. (2009)**



The percentage of workers in Hartford in management, professional, and related occupations (21.1%) is smaller than the state and nation (40.3% and 35.7%, respectively). Conversely, the percentage of those in the labor force with service occupations is much higher in Hartford

(34.4%) than across Connecticut and the nation (17.3% and 17.8%, respectively). With this disproportionate representation of Hartford residents across these occupational groups and the strong correlation between employment and health care access, one can see how Hartford struggles to maintain a healthy community profile.

Table 4. **Health Indicators Related to *Employment***

	HEI INDEX	CORRELATION COEFFICIENT
Health Care Access	2	0.54
Childhood Illness	1	0.48
Accidents/Violence	3	0.37
Life Expectancy	3	0.35
Respiratory Illness	4	0.28
Infectious Disease	2	0.28
Cardiovascular	3	0.28
Perinatal Care	3	0.26
Mental Health	2	0.23
Cancer	5	-0.19

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

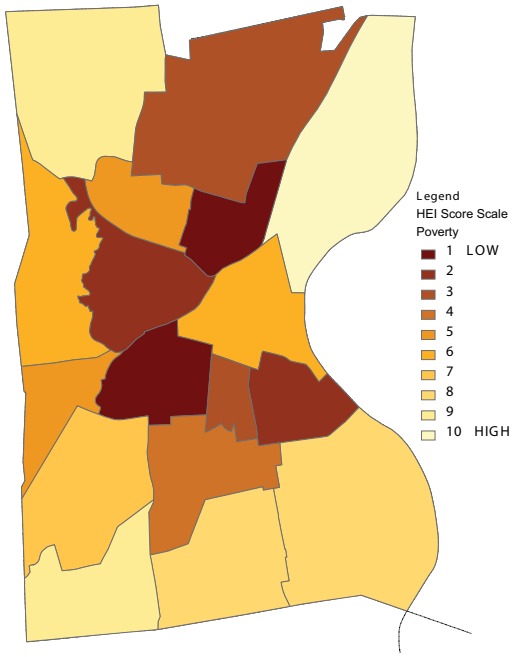
The lack of employment has long been linked to increased rates of mortality. For Connecticut, unemployment has been strongly correlated with decreased health care access, which can serve as a partial explanation for the correlations with a decreased life expectancy, and increased incidences of respiratory illness, and infectious and cardiovascular disease, as well as illness among children. This is reinforced by responses to the Key Informant survey where finances and access to health care were identified as significant barriers.

Economic Security

Hartford received the lowest possible score on the HEI for the majority of factors that determine economic security. Additionally, 93% of Key Informants rated Hartford's poverty level as either "Poor" or "Very Poor" on the Quality of Life section of the survey. Results from the Urban Alliance survey were similar, with employment opportunities and financial assistance topping the list of services needed. According to a report from the Robert Wood Johnson Foundation, income and educational attainment are the two most commonly used markers of socioeconomic status or position in the United States [3]. Both are strongly related measures of health and health-related behaviors. These factors can influence health through the direct effects of extreme poverty (such as malnutrition or exposure to extreme heat or cold) as well as health effects due to chronic stress; these can include the triggering and exacerbation of depression and cardiovascular disease [4].

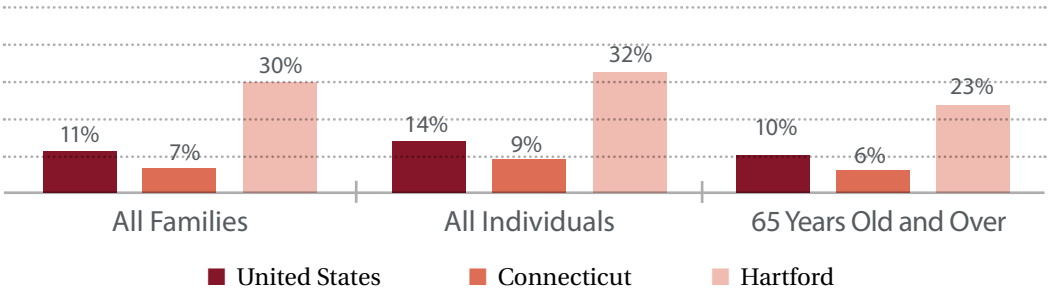
Below is a representation of how Hartford neighborhoods compare to each other with regard to poverty using HEI indexing from the 2000 U.S. Census. Using the color gradient in the legend, the darker colors indicate a lower ranking and higher level of poverty.

Map 2. **HEI Poverty Score by Neighborhood**



With 30.25% of Hartford's families living in poverty, the poverty statistics for the city are three times higher for families than in the United States overall and over 4 times greater than in Connecticut. Similar patterns have been documented for residents and for those over the age of 65.

Figure 5. **Poverty in Hartford, Connecticut, and the U.S. (2009)**



The **income statistics** for Hartford illustrate that the median income per household and family, are significantly less than the state and national figures.

Table 5. **Income Statistics for Hartford versus State and Nation**

	HARTFORD	CT	US
Median Household	**$28,300**	$67,034	$55,221
Median Family	**$33,805**	$83,069	$61,082

In Connecticut, living in poverty is correlated with higher rates of chlamydia and gonorrhea, trauma-related hospitalizations and ED visits, mental health ED treatments, homicide, hepatitis C, diabetes, drug and alcohol induced deaths, low and very low birth weight babies, and infectious and parasitic diseases.

Education

Just as low levels of employment impact community health, so does low educational attainment. 13.9% of Hartford residents perceive education to be one of the top three needs for the community. Key Informant survey respondents noted that the best way to promote wellness and prevention of illnesses in Hartford residents is through education. One respondent noted that starting with school-age children is the best way to achieve these goals. Another declared that it is necessary to tailor the education to "racial, cultural and other different types of understandings to get to the people of the city," and that the frequency of wellness education should be "not just doing it once a year" in order to convey necessary concepts.

Results from the Connecticut Mastery Test and Connecticut Department of Education were used to establish a connection to community health, as indicated in the following table:

Table 6. **Health Indicators Related to *Education***

	INDEX SCORE	CORRELATION COEFFICIENT
Childhood Illness	1	0.73
Life Expectancy	3	0.64
Infectious Disease	2	0.59
Health Care Access	2	0.57
Accidents/Violence	3	0.55
Cardiovascular	3	0.51
Mental Health	2	0.42
Respiratory Illness	4	0.41
Renal Disease	2	0.39
Diabetes	3	0.38
Perinatal Care	3	0.34
Liver Disease	2	0.21

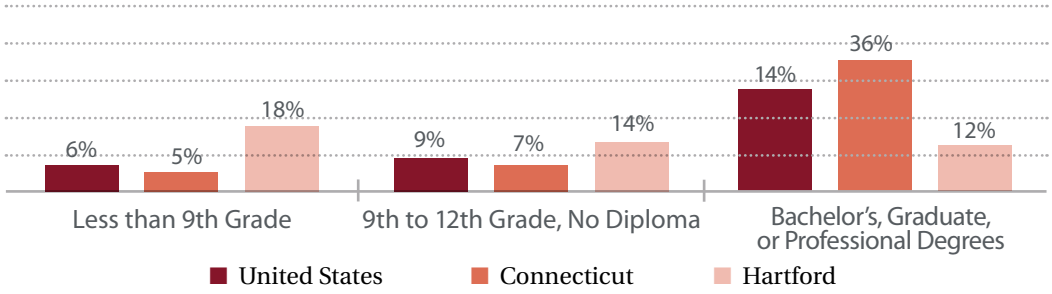
Note: All shown correlations are statistically significant and ranked in order from strong to weak.

As the demographic data indicates, Hartford residents are less likely to graduate from high school and are less likely to obtain post-secondary education when compared to the state or nation as a whole. The strong correlations suggest that a higher educational attainment leads to better health throughout an individual's lifespan, and better health and education enable people to realize their capabilities to be productive members of society [5], with greater potential for positively impacting the community.

In Hartford, low rates of educational attainment are coupled with lower standardized test scores and less frequent renovations of the city's public school facilities; according to the Connecticut State Department of Education's Connecticut Education Data and Research (CEDaR) website, the average number of years since a major renovation for Hartford's elementary, middle, and high schools is 25.8, 33.8, and 17.5 years, respectively. As indicated in the table above, education is correlated with a host of preventable poor health outcomes including increased rates of childhood illness, respiratory illness, renal and liver disease, diabetes, and infectious diseases; poorer cardiovascular health; and frequency of accidents and violent incidents. Other correlations to education include lower life expectancy, lower rates of perinatal care and health care access, and worse mental health outcomes.

Over 30% of Hartford's adults of 25 years and older do not have a high school diploma, which is significantly higher than the 12% for the state. Conversely, the percentage of Hartford's population with a bachelor's degree or higher is also lower than both state and national figures at 12% when compared to 36% for the state. When these data are examined more closely it becomes clear that the problem of low **educational attainment** begins early for many, with 18% of Hartford residents over age 25 having less than a 9th grade education and another 14% having attained from 9th and 12th grade but without a diploma.

Figure 6. **Educational Attainment of Adults 25 Years and Older for Hartford, Connecticut, and the U.S. (2009)**

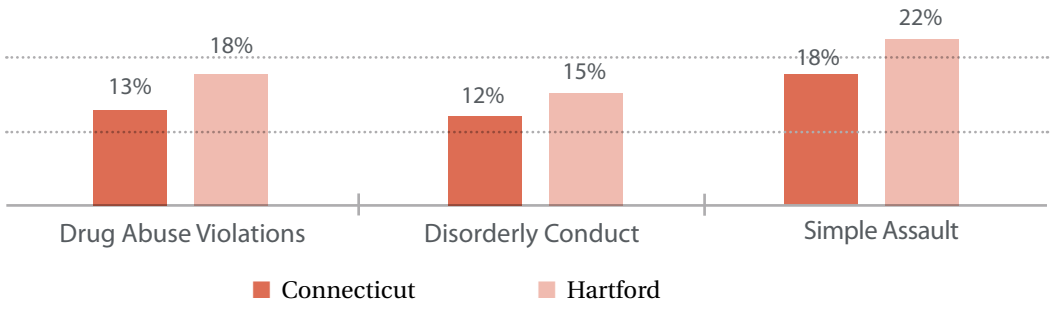


Community Safety

The HEI measures community safety by the rate of crimes against persons or property published by the 2004/2005 Connecticut Uniform Crime Reports, and within this framework Hartford receives the lowest score of 1 indicating high rates of crime. However, the crime statistics found in the Secondary Data Profile are potentially inconclusive because a high

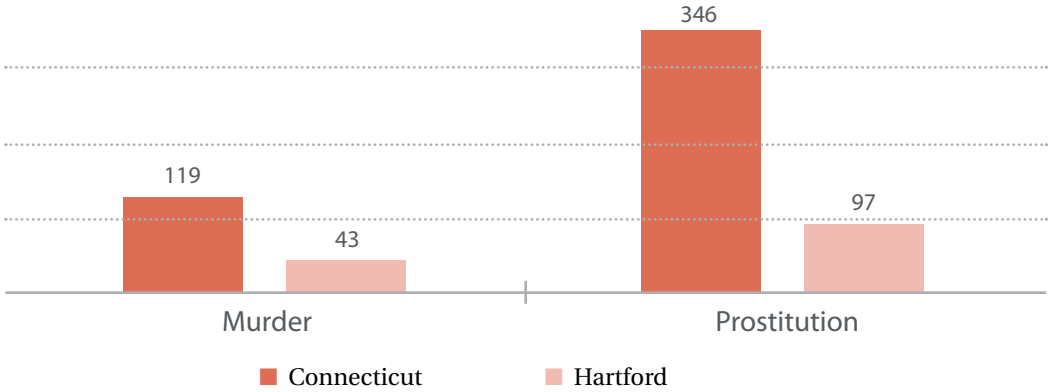
rate of arrests in the city could either indicate that crimes are more prevalent or that more effective law enforcement approaches have been implemented. Nevertheless, according to the 2009 Uniform Crime Report from the Connecticut Department of Public Safety, over one third of all murder arrests in Connecticut occurred in Hartford. Moreover, almost 20% of the state's drug abuse violations occur in the city. Other violent crimes that occur more frequently in the Hartford than in the state are simple assault and disorderly conduct.

Figure 7. **Percent of All Crimes in Hartford and Connecticut (2009)**



Over 70% of Key Informants rated neighborhood safety in Hartford as "Poor" or "Very Poor." Given the opportunity to define a healthy community, one Key Informant stated that it should be "a community where individuals and families would choose to live [and one that can] provide a quality of life that is safe and engaged. People are being physically healthy, not being subject to lead poisoning and toxic things. Violence and noise pollution are not issues." Unfortunately, this community scenario is not widely available for the majority of Hartford residents, but community safety has multiple measures and Hartford experienced proportionally less crime than the state on infractions involving larceny/theft, gambling, liquor laws, and driving under the influence.

Figure 8. **Crime in Hartford and Connecticut (2009)**



In 1982, Wilson and Kelling introduced the broken windows theory to explain urban disorder and vandalism on crime and anti-social behavior [6]. The appearance of the environment can suggest what is acceptable, with a disordered environment implying that behaviors that are usually unacceptable can be perpetrated without fear of consequences. And although this theory has been met with criticism cities such as New York and Albuquerque have implemented policy shifts to address "quality of life" issues and have seen improvements in the overall community security and decreases in crime. Generally speaking, a safer community is synonymous with a healthier community.

Hartford has taken strides to address its issue with violence in the city. Since the re-instatement of the Shooting Task Force in 2011, shootings have decreased by 35% [7]. Although the partnership with neighboring cities, the Connecticut State Police, and the Office of the Attorney General has been effective in reducing shootings, a more comprehensive approach in crime intervention is needed. The City of Hartford is also making a concerted effort to improve the condition of its neighborhoods through the implementation of the Livable and Sustainable Neighborhoods Initiative. As part of this initiative, city government is partnering with homeowners and other neighborhood stakeholders throughout the city to address blighted properties and revitalize Hartford's sense of community. By addressing the needs of some of Hartford's most vulnerable areas, the city is taking proactive steps to rebuild its infrastructure, reduce crime, and restore hope.

Environmental Quality

The environment where we live, work and play; the quality of the air we breathe; the water we drink – all of these have an impact on our health. While individual education and behavior change are important to improving health, the real power in making progress on health is in changing the environment and systems that structure and affect our world.

The HEI measures the relative environmental burden of Connecticut's municipalities by using specific Federal Toxic Release Inventory data, examining levels of locally generated air and water pollution, and industrial density. These two measures are positively correlated with employment opportunities; however, they are however negatively correlated with health outcomes. Hartford receives an average score (4) in the Health Equity Index for both the number of facilities reporting and the total air emissions in pounds. Total water discharge and waste stream in pounds, measures of water pollution, are strong indicators of localized pollution levels, and Hartford has high levels of both. These two measures strongly correlated with the chlamydia and gonorrhea rates.

While potential relationships between high STD rates and a high environmental burden may initially seem attenuated at best, both act as a highly reliable indication of a marginalized neighborhood impacted by blighted property and compromised opportunities for fulfillment. Strong correlations between two seemingly distinct and independent realms such as environment and STDs speak to the vast array of various social and health burdens underserved communities bear disproportionately.

Civic Involvement

According to the HEI, Hartford receives the lowest possible score in terms of civic involvement. Civic involvement impacts health because it is a direct measure of social equity, activism and sustainability of a community; the HEI indicates a strong correlation of low civic involvement with infectious diseases, accident/violence, childhood illness, and life expectancy.

Table 7. **Health Indicators Related to *Civic Involvement***

	INDEX SCORE	CORRELATION COEFFICIENT
Infectious Disease	2	0.59
Accident/Violence	3	0.57
Childhood Illness	1	0.51
Life Expectancy	3	0.50
Mental Health	2	0.45
Cardiovascular	3	0.42
Health Care Access	2	0.42
Liver Disease	2	0.33
Renal Disease	2	0.32
Respiratory Illness	4	0.31
Diabetes	3	0.29
Perinatal Care	3	0.29

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

Communities with demonstrated social cohesiveness are more likely to have greater resources and support networks, which would allow for improved health outcomes. Approximately 45% of Hartford's adult residents are registered to vote indicating that an inadequate proportion of the community selects state and municipal government officials. Several factors may prevent an individual from registering to vote including a lack of motivation, frustration with current leaders, or language or cultural barriers. In order to increase the number of registered voters, community-based education initiatives should be employed and should focus on demonstrating to individual residents that they are valued members of the community, and that their vote does in fact make a difference.

Community Food Security

Although not identified as a social determinant of health within the HEI, food security plays a vital role in urban settings like Hartford. While there are 14 medium and large grocery store retailers in the city, corner markets, convenience stores, and fast-food outlets are far more abundant, making a healthy diet difficult to maintain. Pre-packaged and prepared foods are more readily available at such establishments, and their lack of fresh and healthy foods can contribute to various poor health outcomes. In response to this deficiency, the City of Hartford, in partnership with farmers and community-based organizations, is working to

increase the number of farmers' market in the city. In 2011, there were 6 certified farmers' markets in the city accepting grant funds from the Women, Infants and Children federal program and its supplemental nutrition program, the Farmers' Market Nutrition Program. Furthermore, three of the markets were certified to accept Supplemental Nutrition Assistance Program benefits, which helped low-income people and families buy the food necessary for good health.

A report distributed by the University of Connecticut College of Agriculture and Natural Resources found that the presence of food retail resources were not significantly associated with community food security but income and lack of transportation that limit access to food are significantly associated. Despite high numbers of families enrolled in public food assistance, towns with greater rates of households headed by females or the elderly, or lack of education experience greater rates of food insecurity [8].

Foods that are highly processed contain both trans fats and refined sugars, and can lead to both diabetes and heart disease by increasing weight and cholesterol levels. The healthy food shopping choices available to Hartford residents are limited, and signal poor community health. More attention is needed for the overall food system components, including a greater focus on nutrition and cooking skills development.

VII. Health Indicators

As part of the assessment process, Key Informants were asked to rank the **five most significant health issues** in the City of Hartford. The respondents could choose from a list of 25 health issues as well as suggest their own that were not on the list. The five most identified – obesity, diabetes, mental illness, heart disease, and asthma – consisted of four health issues from the list and one write–in response.Mortality statistics are also noted in this section and infectious disease was included due in part to the unique age distribution of Hartford.

This section will also highlight how Hartford rates low in community health when compared to other Connecticut municipalities. As a result of its relatively low standing, this assessment focuses on a Hartford neighborhood comparative using city–specific indexing from the HEI in order to gain a richer understanding of city health concerns. The health outcomes included here are Life Expectancy, Mortality, Infant Mortality, Infectious Diseases, Respiratory Illness, Obesity/Heart Disease, Diabetes, and Mental Health.

Life Expectancy

Percent of deaths for the City of Hartford due to any of the top 10 causes of death in the U.S. are overall smaller when compared to the state and nation. The strongest positive determinant correlations with life expectancy are education, economic security, and civic involvement; with Hartford rating very low in each (HEI index of 2, 2, and 1, respectively).

Table 8. **Social Determinants of Health Related to *Life Expectancy***

	INDEX SCORE	CORRELATION COEFFICIENT
Education	2	0.64
Economic Security	2	0.61
Civic Involvement	1	0.50
Community Safety	1	0.41
Employment	3	0.35
Environmental Quality	4	0.34
Housing	3	0.31

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

Table 9. **Top 10 Leading Causes of Death for Hartford, Connecticut and the U.S. (ranked from most to least common for Hartford; 2005-2007)**

	CITY OF HARTFORD	CONNECTICUT	U. S.
Heart Disease	**24.2%**	25.6%	25.4%
Malignant Neoplasms (Cancer)	**18.2%**	23.8%	23.1%
Accidents (Unintentional Injuries)	**5.5%**	4.2%	4.8%
Stroke (Cerebrovascular Disease)	**4.8%**	5.2%	5.5%
Chronic Lower Respiratory Diseases	**3.7%**	4.9%	5.3%
Diabetes	**3.4%**	2.6%	3.1%
Septicemia	**2.6%**	2.1%	1.4%
Influenza/Pneumonia	**2.4%**	2.9%	2.2%
Nephritis, Nephrotic Syndrome, and Nephrosis (Kidney Disease)	**2.3%**	1.9%	1.9%
Alzheimer's Disease	**1.2%**	2.6%	2.9%

However, the age-adjusted mortality rate (AAMR; defined as a death rate that controls for the effects of differences in population age distributions.) for all causes of death for the city is notably larger than that of the state and nation (876 compared to 692 and 778, respectively). With a younger population, this dramatic difference in the age-adjusted rate suggests that the mortality rate for older populations in Hartford is very high even though the elderly population itself may not be very large. Therefore, deaths due to heart disease and cancer low compared to the state and the U. S.

The Years of Potential Life Lost (YPLL; defined as an estimate of the average years a person would have lived if he or she had not died prematurely.) for Hartford was 10,647 per 100,000 for 2005-2007 for all causes of death. HEI scores Hartford 2 for YPLL. This measure correlated inversely with obtaining a bachelor's degree, and having a higher median household income and median value for owner occupied housing. It had a reverse effect for adults with less than a 9th grade education, so the lower level of education, the greater the years of potential life lost.

Infant/neonatal mortality is a major concern for Hartford; the mortality rates in Hartford for infants and neonates are markedly greater than those across Connecticut and the United States. Upon further examination, there is a pronounced disparity among infant deaths for infants of different races and ethnicities in Hartford; from 2001 through 2008, the mortality rate for Black infants was consistently higher than either the white or Hispanic infant mortality rate.

Figure 9. **Infant and Neonatal Mortality Rates* for Hartford, Connecticut, and the U.S. (2006)**

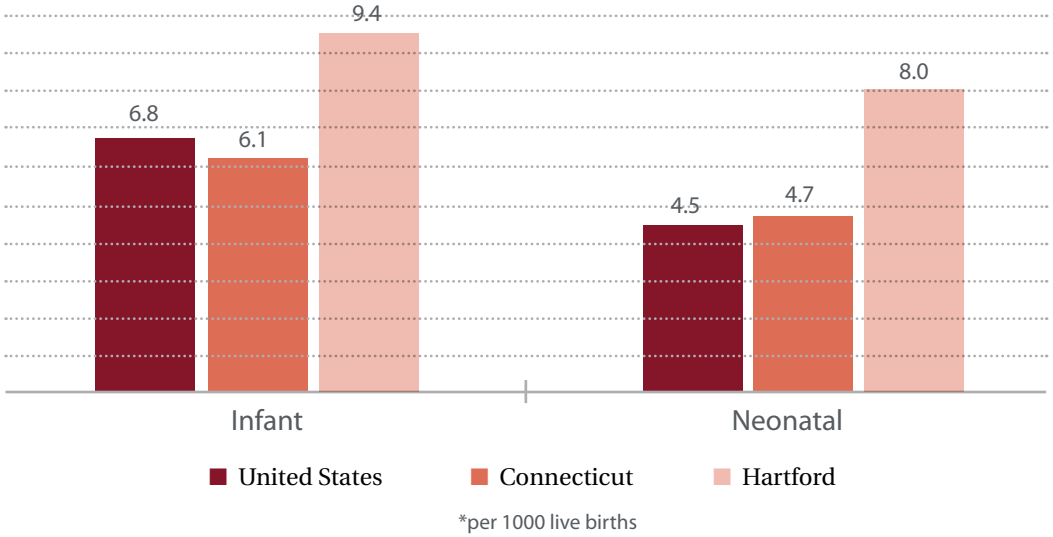
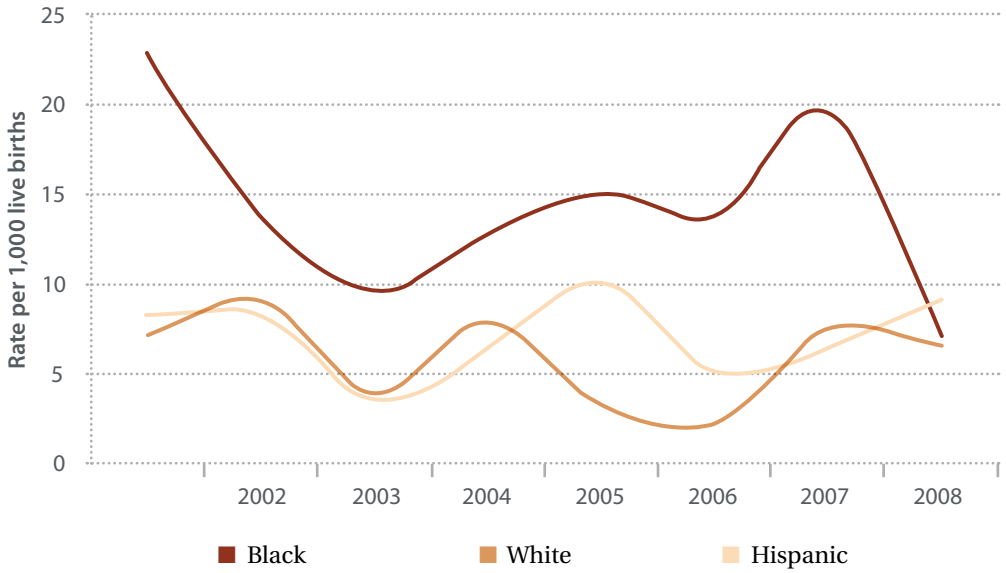
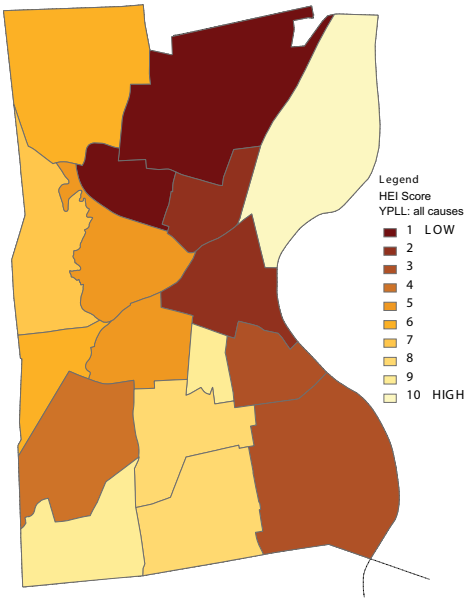


Figure 10. **Infant Mortality Rates by Race/Ethnicity, Hartford, CT (2001-2008)**



These adverse infant health outcomes greatly contribute to a lower than average life expectancy in Hartford. The following map highlights how its neighborhoods compare to each other with regard to the YPLL measure; the darker colors indicate a lower rating (greater number of years) for potential life lost. Six out of 15 neighborhoods (excluding the North and South Meadows neighborhoods) rated low on the YPLL. Per the HEI, the Northeast and Upper Albany neighborhoods were the lowest rated of all Hartford neighborhoods.

Map 3. **HEI Years of Potential Life Loss (YPLL) Score: All Causes by Neighborhood**



Infectious Diseases

In the state of Connecticut, there is a strong correlation of infectious disease with multiple social determinants, as demonstrated in Table 10.

Table 10. **Social Determinants of Health Related to *Infectious Disease***

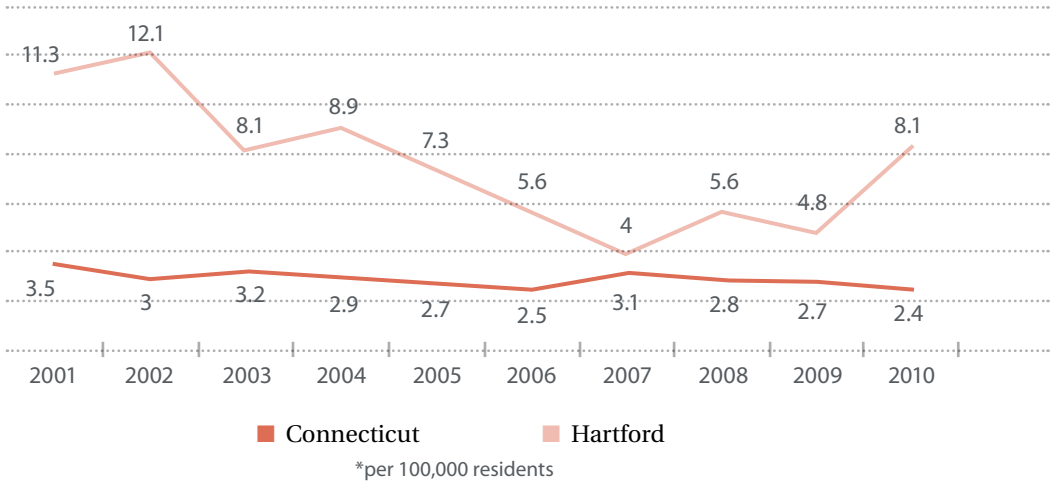
	INDEX SCORE	CORRELATION COEFFICIENT
Community Safety	1	0.67
Education	2	0.59
Environmental Quality	4	0.59
Civic Involvement	1	0.59
Economic Security	2	0.58
Housing	3	0.55
Employment	3	0.28

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

There is particular concern when examining **HIV** trends in the city. From 2002 through 2009 per the Connecticut Department of Public Health HIV Surveillance Program, the number of HIV infection cases declined for the city; however, there has been a 221% increase of new HIV infections among self-reporting men who have sex with men over the same time period, as well as a 123% increase in new infections amongst Hartford's Black residents.

There is an established correlation between HIV rates and rates of tuberculosis infection [9]; however, that does not seem to be the case in Hartford. Data from the Connecticut Department of Public Health's Tuberculosis Control Program shows that while tuberculosis rates in Connecticut are in decline, tuberculosis rates in Hartford are increasing.

Figure 11. **Tuberculosis Prevalence* in Hartford and Connecticut (2004-2010)**



The Connecticut Department of Public Health's STD Control Program provides information on infections more commonly associated with reproductive health. From 2007-2010, a total of 7768 cases of **chlamydia** were reported in Hartford (rate of 157 per 10,000 residents), which is almost 1.5 times higher than the next highest rate of chlamydia infection in the state. Among Blacks and Latinos, the rates were 12.1 and 5.3 times higher than those for whites, respectively. Of all the diagnoses reported during this period, approximately 70% of the cases were among 15 to 24-year olds; Black and Latino female adolescents and young adults accounted for about 36% and 20%, respectively, of all reported chlamydia cases during this same period.

Gonorrhea is the second most commonly reported STI in Hartford after chlamydia. Between 2007 and 2010, approximately 20% of the total reported cases of gonorrhea in the state occurred in Hartford (a rate of 40.5 per 10,000 residents). The rate of infection of women when compared to men was 1.5 times higher (119 versus 78 per 10,000 residents, respectively). Blacks and Latinos also had a disproportionate rate of infection when compared to whites (15.3 and 4.1 times greater, respectively); infection rates were also the highest for 15- to 24-year olds.

Since 2008 the prevalence of **syphilis** in Hartford has increased from 4.1 to 10.5 cases per 100,000 residents; and approximately 94% of all reported cases were male. A racial and ethnic disproportion is also reflected, as African American and Latino male rates were 9.2 and 4.3 times higher than white males, respectively.

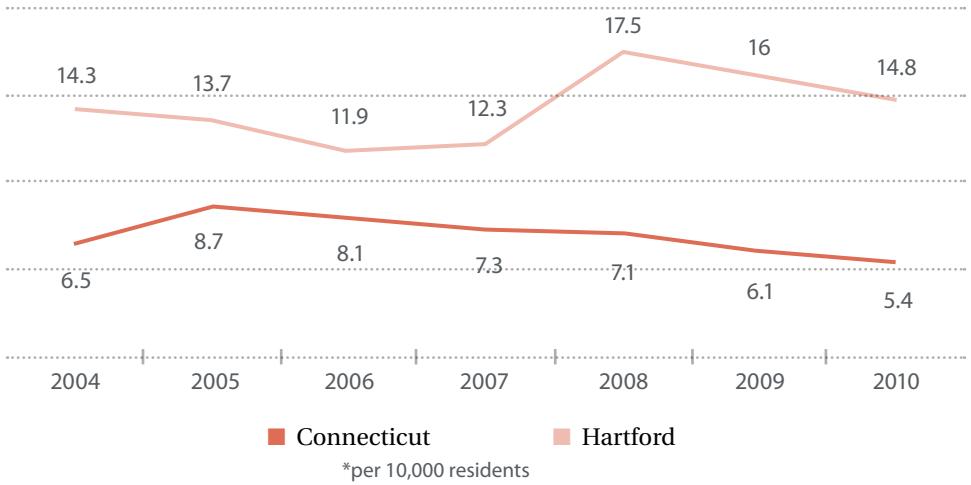
Table 11. **Syphilis in Hartford among Males by Age Category (2007-2010)**

	PERCENT INFECTED
15-24 years old	34%
25-34 years old	10%
35-44 years old	41%

During this same time period, syphilis prevalence among males 25-34 year old increased 81% to 32 cases per 100,000; and among males 35-44 years old it increased 51% to 79 cases per 100,000.

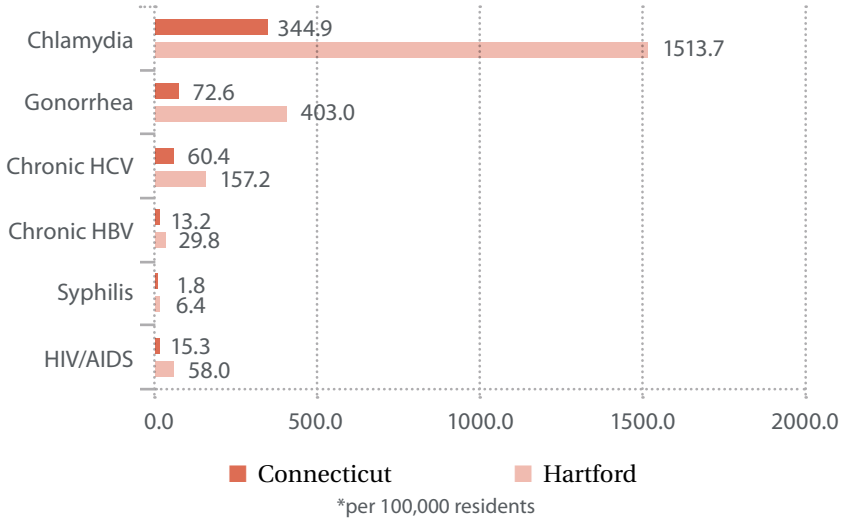
The information concerning **Hepatitis C** (HCV) for the state and the city is limited. From the data available, chronic HCV rates in Hartford have been declining for the past 3 years, yet they still remain 2.7 times greater than the state prevalence.

Figure 12. **Chronic HCV Prevalence* in Hartford and Connecticut (2004-2010)**



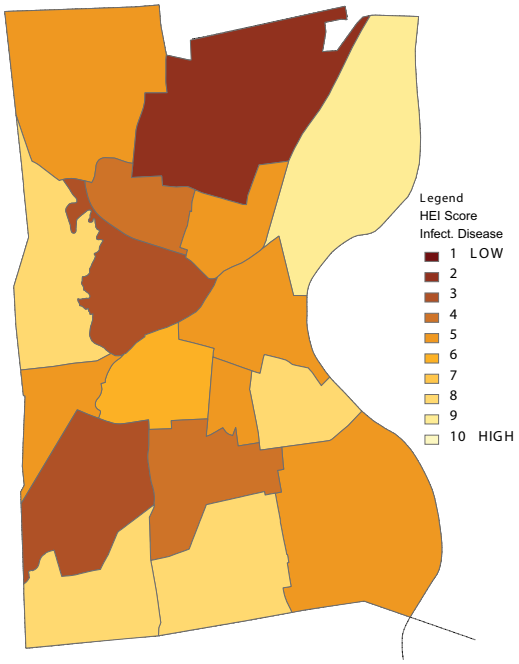
With these disproportionate rates of infection, it is not surprising that when compared to the state the city's HEI rating is 2 for all infectious diseases. The following displays a summary of how the city rates when looking at some of the infectious disease trends:

Figure 13. **Infectious/Communicable Diseases Prevalence* in Hartford and Connecticut (2009)**



Using data from Connecticut's Department of Public Health, a comparison of how Hartford's neighborhoods compare to each other with regard to infectious diseases is demonstrated in the following map using the same HEI rating system; the Northeast rated lowest out of 17 total neighborhoods.

Map 4. **HEI Infectious Disease Score by Neighborhood**



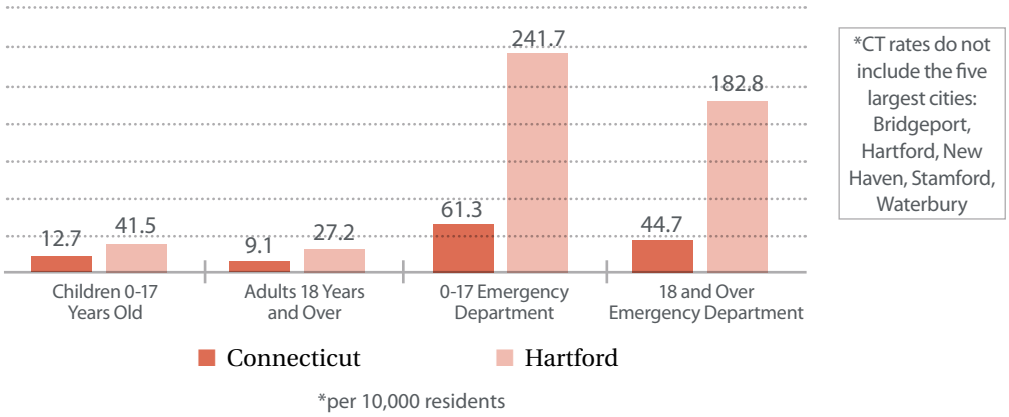
Based on secondary data analysis, Hartford has considerably higher rates of preventable infectious/communicable diseases than the state with the exception of Lyme disease.

The Department of Health and Human Services and the Consortium can identify the prevalence of infectious diseases and provide resources to those who are in most need. The Department's division of Disease Prevention and Health Promotion has both an STD and TB clinic, as well as an HIV program, all geared to curtail infection rates and keep Hartford residents informed and educated. The federal government has passed legislation that provides for individuals who live with HIV/AIDS affordable, high-quality HIV care and related services. For those who are already established Ryan White consumers, there is a network of agencies and area providers that are connected to the city and in position to provide needed services and resources.

Respiratory Illness

Based on data gathered in the Secondary Data Profile, asthma is an area of concern for the community. According to the Connecticut Department of Health, the hospitalization rates for asthma are notably higher for Hartford when compared to the state as seen in the following figure.

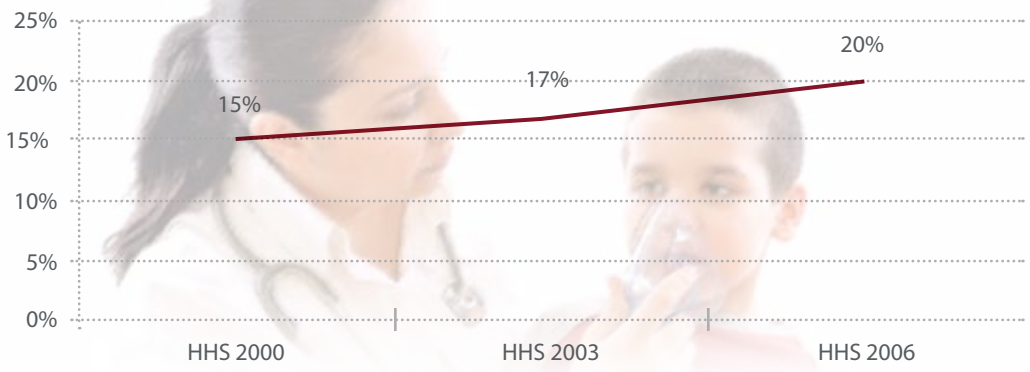
Figure 14. **Asthma Hospitalization Rates* in Hartford and Connecticut (2009)**



*per 10,000 residents

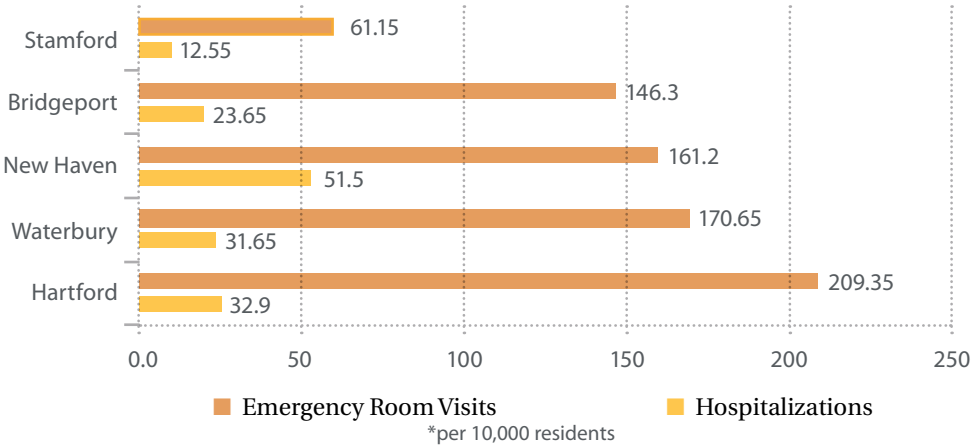
In 2006, the self-reported responses of current asthma among adults were 20%. This is the highest percentage of self-reported asthma in the past three Hartford Health Surveys, an HHS survey conducted through community partners every three years to gauge resident health and access to health care.

Figure 15. **Percent of Self-Reported Asthma from Hartford Health Survey (2006)**



Regardless of how residents self-report, Hartford has the highest rate of emergency room usage (209 ER visits for every 10,000) and the second highest rate of hospitalization for asthma as the primary cause of diagnosis (33 admissions per 10,000) when compared to other major Connecticut cities.

Figure 16. **Asthma Hospitalizations and Emergency Room Visit Rates* for All Residents by Connecticut City (2001-2007)**



Similar to asthma hospitalization rates, mortality rates are also an area of concern when compared to the rest of the state. The asthma-related mortality rate for men in Hartford is 22.4 per 10,000 men compared to 7.9 for the rest of Connecticut. Similarly, the mortality rate for women in Hartford is 42.5 compared to Connecticut's rate of 16.5.

In general, respiratory illness in Hartford has some moderate correlations, as noted in the following table, but the HEI indexed score is very low for each of the social determinants correlated to respiratory illness.

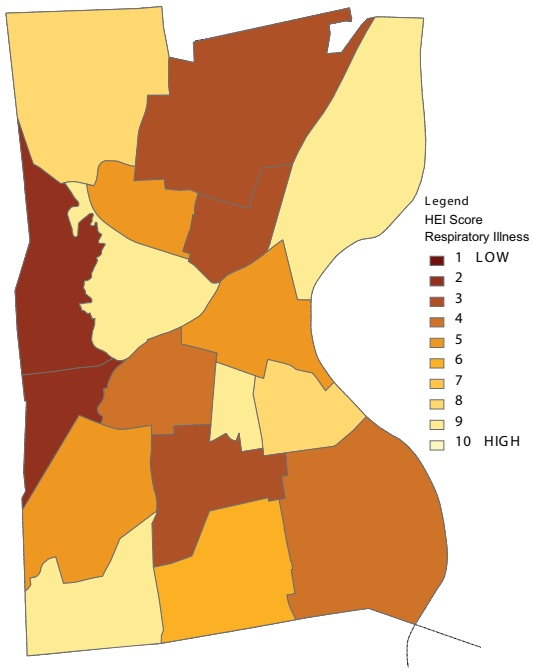
Table 12. **Social Determinants of Health Related to *Respiratory Illness***

	INDEX SCORE	CORRELATION COEFFICIENT
Economic Security	2	0.45
Education	2	0.41
Civic Involvement	1	0.31
Housing	3	0.29
Employment	3	0.28
Community Safety	1	0.26
Environmental Quality	4	0.18

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

Using Connecticut Department of Health Office of Vital Records data, the HEI scores Hartford an overall indexed score of 4 when compared to other Connecticut towns and cities. The following map gives an indication of where the lowest scores lie when comparing among Hartford's neighborhood; the West End and Parkville neighborhoods ranked the lowest among Hartford neighborhoods with regard to respiratory health.

Map 5. **HEI Respiratory Illness Score by Neighborhood**



To help address these issues, the Asthma Call to Action Taskforce, a coalition of representatives from Hartford's Department of Health and Human Services, public schools, area hospitals, community organizations, and other agencies that are concerned about asthma in Hartford, seek to increase awareness about asthma to its residents, improve asthma care, establish a network of individuals and organizations to provide education and resources, and define asthma rate improvement strategies.

Obesity and Cardiovascular Disease

The percentages of obese Connecticut adults 20 years and older are notably higher for the Black and Hispanic populations (39.8% and 29%, respectively) than the state's white population (20.6%) [10]. Obesity is most commonly measured as a percentage of body fat based on height and weight. The following table shows the percent of healthy, overweight, and obese adults in the UnitedStates for all income levels as determined by the National Health and Nutrition Examination Survey. These weight category trends are similar when looking solely at people who are classified as "poor" (those who lived below the poverty threshold, currently set at a yearly income of $11,139 for individuals and $22, 314 for a family of four) by the US government. With a high rate of unemployment and a low HEI ranking for economic security, it can be assumed that obesity trends in Hartford are similar and that there is an increased relative risk for hypertension and adverse cardiovascular outcomes [11]."

Table 13. **United States Weight Categories**

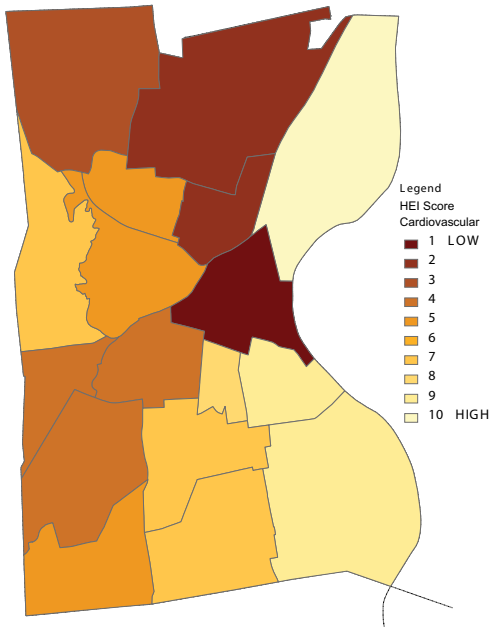
	HEALTHY WEIGHT	OVERWEIGHT	OBESE
1988-1994	41.9%	33.0%	22.7%
2001-2004	32.4%	34.7%	31.2%
2005-2008	30.9%	33.5%	33.9%

Similar rates emerge when looking at people who are classified as "poor" by the US government (those who live below the poverty threshold, currently set at a yearly income of $11,139 for individuals and $22,314 for a family of 4). With high rates of unemployment and a low HEI rating for economic security in Hartford, this trend is most likely mirrored in the city.

Downtown, the neighborhood with the lowest residential density, has the highest economic security and education scores, as well as the largest proportion of white residents. Despite such a low percentage of Hartford residents living Downtown, the fact that this population enjoys greater employment as well as health care coverage contributes to an increase in cardiovascular diagnoses and ultimately prevents undesirable health outcomes. For the remainder of Hartford's residents, cardiovascular health indicators remain elusive.

Obesity has been linked to both cardiovascular health and diabetes [12], and heart disease was the leading cause of death for Hartford from 2005 to 2007. The Northeast and Frog Hollow neighborhoods rate the poorest for these two significant risk factors.

Map 6. **HEI Cardiovascular Disease Score by Neighborhood**



There are several strong and moderate correlations with cardiovascular health, the top being education and economic security; below is a table listing the top five.

Table 14. **Social Determinants of Health Related to *Cardiovascular Health***

	INDEX SCORE	R_S VALUE
Education	2	0.51
Economic Security	2	0.48
Civic Involvement	1	0.42
Environmental Quality	4	0.36
Community Safety	1	0.33
Housing	3	0.29
Employment	3	0.28

Note: All shown correlations are statistically significant and ranked in order from strong to weak.

Diabetes

The fact that diabetes often presents as a co-morbidity with other diseases, it is difficult to segregate the information for just diabetes. The following table shows the age-adjusted percentages for adults 20+ for selected ethnic groups throughout the state; the data are from the Centers for Disease Control Behavioral Risk Factor Surveillance System (BRFSS).

Table 15. **Connecticut Residents with Diabetes by Race**

YEAR	ALL ADULTS	NON-HISPANIC WHITE	NON-HISPANIC BLACK	MEXICAN-AMERICAN
2005	7.2%	6.6%	14.3%	15.1%
2006	6.9%	6.4%	15.0%	10.4%
2007	8.3%	7.1%	20.4%	13.5%
2008	7.2%	6.2%	16.1%	11.6%
2009	6.8%	6.4%	13.0%	9.7%
2010	7.6%	7.0%	13.9%	9.5%

The rates are alarmingly higher for non-Hispanic Blacks, and Hispanics; these trends are the same across all economic levels, and substantially higher for those who live below and near the poverty threshold. Since 2007, there has been a significant improvement in these high rates as both the Black and Hispanic populations in the state have experienced a drop in the rate of diabetes, but there is still a diabetes health disparity drawn along racial lines for the state.

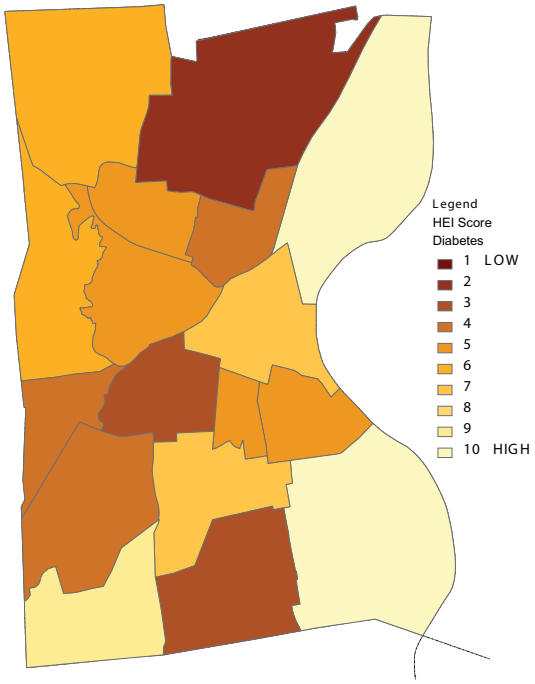
While Hartford's diabetes rate is lower than the state's, the CDC indicates that Hartford's rate is on the rise. If the state trend in diabetes is any indication of how the city is afflicted by this disease, then the assumption would be that the Black population is disproportionately affected when compared to other racial/ethnic groups.

Figure 17. **Diabetes in Hartford for Adults**

Source: US Dept of Health and Human Services, The Office on Women's Health

The neighborhoods are compared to one another in the following map using the HEI indexing giving an indication where in Hartford diabetes is more of a health issue. The Northeast neighborhood ranks the lowest among Hartford neighborhoods.

Map 7. **HEI Diabetes Score by Neighborhood**

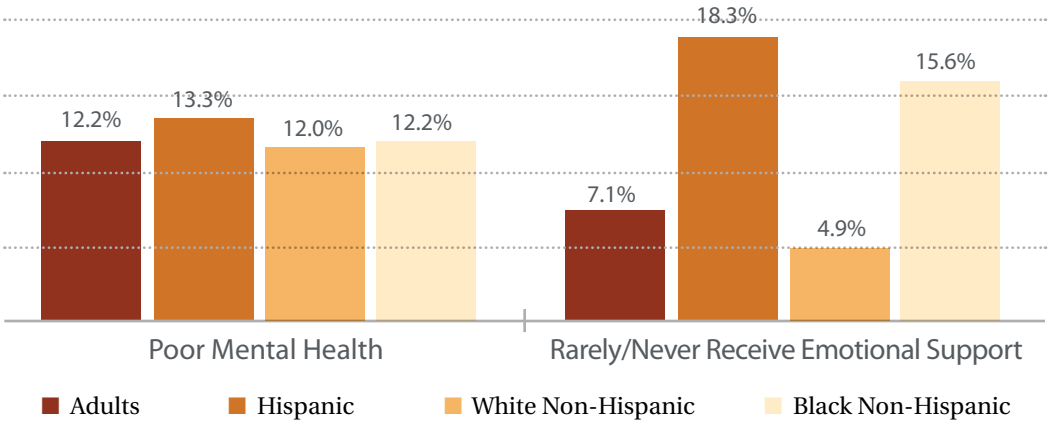


Behavioral Health

The HEI, using discharge data from the Connecticut Hospital Association and death information from the Connecticut Office of Vital Records, calculated an aggregate index score of 2 for mental health as a health indicator for Hartford. There are several significant correlations with mental health, including community safety (Rs=0.55), economic security (Rs=0.47), environmental quality (Rs=0.45), civic involvement (Rs=0.45), education (Rs=0.42), housing (Rs=0.37), and employment (Rs=0.23). With a low-indexed social determinant score, it can be inferred mental health issues are a significant health risk for the city. The BRFSS, a national system of state-based surveys, annually assessed how the residents fare with mental health issues. The results show that there is clearly a greater rate of Hispanics and Blacks self-reporting a lack of emotional support.

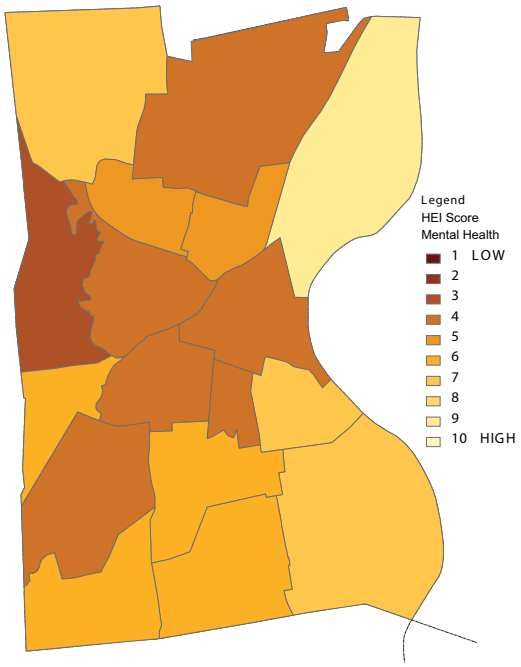
The behavioral health infrastructure is headed by the state through the Department of Mental Health and Addiction Services and its various partners; the complexity of mental health services designed to cater to large geographic regions encompassing the city as well as 37 other municipalities calls for a more thorough investigation and coordinated approach. HHS is currently engaged in a collaborative partnership that includes planning for a Behavioral Health Needs Assessment in order to fully understand the nature of these services.

Figure 18. **Mental Health in Connecticut (Age Adjusted; 2007-2009)**



The neighborhood with the highest utilization of mental health services is the West End, which happens to be relatively affluent when compared to other city neighborhoods. The Consortium could hypothesize that individuals with greater access to specialized health care services would experience higher rates of diagnoses.

Map 8. **HEI Mental Health Score by Neighborhood**



VIII. Barriers to Services

The Urban Alliance survey asked respondents to consider barriers to health services and community resources. The most commonly reported barriers to service areas included not knowing about existing services (27%), lack of available services (22%), not able to pay (20%), and lack of transportation (20%).

Respondents were also asked to identify the most crucial **perceived service needs** for Hartford. Areas perceived as the most in need of additional services included homelessness/ housing (45%), education (41%), job training/employment assistance (39%), and basic needs/food assistance (36%). The top **actual service needs** were determined by respondents indicating that someone in their household would benefit from having additional service in this area. This resident survey found that the actual needs of the respondents were, for the most part, similar to the perceived needs of Hartford; three of the top five needs mentioned were common to both (see table below; ranked by most common responses and common responses bolded). The two areas - perceived and actual service needs - were explored separately to note differences, but with such high correlations in Connecticut between employment, education, and housing, as well as other factors, the overlap between the two areas is not as discordant as they appear to be.

Table 16. **Top 5 Needs for Hartford**

ACTUAL NEEDS	PERCEIVED NEEDS
Basic needs/food assistance services	Homelessness/housing
Financial support services	Education
Job training/employment assistance	Job training/employment assistance
Health and wellness	Basic needs/food assistance
Education	Youth development

The Key Informant interviews completed by the Consortium had similar findings. More than half of Key Informants chose either "Disagree" or "Strongly Disagree" with positive statements about access to care regarding dental services, medical specialists, a comprehensive model of primary care, providers who accept Medicaid, transportation, and health care delivery in Hartford.

Table 17. **Key Informant Perceptions of Health Care**

ACCESS/ BARRIERS TO CARE	"DISAGREE" OR "STRONGLY DISAGREE"
The majorities of Hartford residents are able to access and afford a dentist when needed.	88%
The majority of Hartford residents are able to access needed medical specialists.	83%
The majorities of Hartford residents are able to access and afford a primary care provider.	76%
Transportation to medical appointments is available to residents when needed.	73%
The healthcare delivery system in Hartford has a comprehensive approach to patient care.	71%
There is a sufficient number of providers accepting Medicaid or other forms of medical assistance.	70%
There is a sufficient number of bilingual healthcare providers in Hartford.	63%

IX. Conclusions

This Community Health Needs Assessment was assembled to give readers an overview of Hartford public health trends and to provide a platform to increase the communication across non-governmental as well as governmental agencies to improve the lives of city residents. The findings from this process demonstrate that Hartford residents include high concentrations of people at an increased risk for unhealthy living. After examining all the data sources used to create this report – the Key Informant Survey, the Hartford Survey Project, and the various secondary data that were analyzed – it is clear that marginalized and underserved populations are overrepresented in the city, and the need for establishing and expanding effective partnerships among city agencies is critical. Poverty, job opportunities, education, quality of housing, and neighborhood safety are quality of life measures that were most often mentioned by the Key Informants. All of these were highlighted in the data as areas where collaboration and renewed effort are necessary.

According to a recent model created by the University of Wisconsin's Population Health Institute, at least half of community wellness is driven by non-health factors such as education, housing, and pollution [13]. Connecticut, consistently one of the wealthiest states in the union, is also home to some of the nation's most significant gaps in leading societal determinants of health. For instance, when looking at poverty, Latinos are 4.7 times and Blacks are almost 3.6 times more likely to be living in poverty when compared with their white counterparts in Connecticut. These poverty rates among Black and Latino population reflect, in part, the terribly high unemployment rates in cities like Hartford, which have been crippled by unemployment rates at least 50% higher than that of the state. Coupled with things like a high percentage of single parent households with children present, these compromising circumstances make it difficult for Hartford residents and their families to achieve optimal health.

In addition to a high concentration of poverty, this assessment identifies other actionable non-medical factors that drive the state of health in Hartford. **Education**, for example, is a key indicator for economic security; low educational attainment coupled with limited employment opportunities adversely impact economic security of the city on a whole. Hartford's battle is a difficult one as one-third of Hartford adults do not have a high school diploma. And with one-fifth of the city's labor force unemployed and a high rate of service occupations for those who are employed, it is apparent that when people get off on the wrong foot, the path to occupations with increased responsibility and higher wages become all the more difficult.

The **housing** situation in Hartford makes it difficult to find up-to-date accomodations. The housing stock in Hartford is an aging one, where more than half of the housing available for both renters and buyers was built prior to 1950. And of all the housing occupied, less than a quarter of Hartford residents own their domicile; the majority has to choose from these old housing options.

Crime continues to be a problem in Hartford. With such a high number of youth living in the city, there is going to be an increased rate of violent and injury-related deaths. The city, having about 3.5% of the entire state's population, accounts for more than a third of all murders. In addition, there are some very specific health issues that should be highlighted:

- High age-adjusted mortality rates despite a population that is relatively young suggest that the senior population is dying at a high rate
- The diabetes rate, although well below Connecticut's rate, has climbed steadily in recent years
- As a percent of the total population in Hartford, residents who are obese are increasing while the percent of healthy weight adults declines
- The infant mortality rate in Hartford is much higher than Connecticut and the United States

Preventing problems before they arise is a particularly powerful tool in population health. These prevention efforts will result in a dramatic cost savings and reduction in social problems to our community. In 2009, the Mayor's office in collaboration with HHS designed and launched the Healthy Hartford wellness campaign, focused on many aspects of daily life in our urban environment. The goal of this campaign is to increase the availability of health related information and have community discussions designed to influence the choices that the Hartford citizenry at all ages makes regarding health behaviors like physical activity, proper eating, and other aspects of disease prevention. HHS launched a set of creative teams to design high-impact activities and approaches targeting all residents; the Healthy Hartford campaign was recently recognized by the U.S. Surgeon General and received the *Healthy Youth for a Healthy Future Champion Award* for its efforts to curb and prevent childhood overweight and obesity within our community. The Healthy Hartford campaign along with its many partners strives to reach the largest possible number of residents by designing interactive activities that target specific demographic groups throughout Hartford's 17 neighborhoods.

The Healthy Hartford campaign is a collaborative effort with area health providers and organizations to promote healthy choices and solutions to health problems by focusing efforts on a specific segment of the population or aspect of living in Hartford (i.e., youth, women, and men; Hartford workforce; and public policies that affect the health of the people). As an example, the recently formed Hartford Childhood Wellness Alliance draws on the combined leadership and expertise of community and professional groups across a spectrum of public health, medicine, academia, child care, and recreation to address the critical issue of childhood health and weight in Hartford. The Alliance provides a structure through which individuals and organizations can join together in the common interest of creating healthy environments for children and families, which in turn would be a cost saver to the city. Early in 2011, the Society of Actuaries calculated that the total economic cost of overweight and obesity in the United States is $270 billion per year as a result of an increased need for medical care, loss of worker productivity due to higher rates of death, loss of productivity due to disability of active workers, and loss of productivity due to total disability. Providing increased accurate chronic

disease self-management training to Hartford residents would have a positive impact on total cost to the city.

Collaboration holds the promise of allowing progress on issues where multiple parties are involved. Sustaining collaborations in Hartford is possible not only because of established partnerships but also because of efforts like such as this needs assessment, which will further strengthen existing relationships by highlighting where the major needs are. Any local health department is limited by available resources. Therefore, HHS' standard operating procedure is to constantly search for, and partner with, other organizations in order to better the lives of Hartford's citizenry.

The Public Health Advisory Council, a city charter-supported advisory panel, is an example of a sustained collaboration relative to residential health and chronic disease. Members of the panel include high-level representation from area hospitals, the Hispanic Health Council, the State of Connecticut Department of Mental Health and Addiction Services, the Connecticut Association of Directors of Health, and other community health organizations, and has regularly met for approximately the last 15 years. As experts on community health, the Public Health Advisory Council advices the city on many public health policies and initiatives.

In order to have improved collaborations throughout the city, there needs to be better data exchange among health organizations. Both health and societal data are not consistently collected, are difficult to compare longitudinally, and frequently may not tell the whole story. To improve the health of Hartford residents, HHS and its partners must have access to accurate local data. There are opportunities to make significant improvements in gathering and tracking such data on all of these issues, particularly on the issues of chronic diseases and risk factors that contribute to health disparities. It is imperative that those working in public health and providers of direct clinical services collaborate to develop a strategic plan for delivery of health care (including preventive care and mental health services) in a manner best suited to the community being served.

This report has presented a case that trends in health outcomes are determined not just by individual-level factors such as genetic make-up or access to medical services. Rather, these rates are a result of but also social, political, and environmental conditions. At the population level, major influences on health are structural. Throughout the development of this report, it has become clear that the disproportionate rates of morbidity and mortality borne by the city's marginalized communities result from far more than access to medical services, a result of cumulative social and environmental conditions in which Hartford's low-income residents are born, grow up, live and work. Hartford stakeholders can no longer afford to ignore evidence linking social determinants of health with health outcomes. By building on the analysis in this report and partnerships throughout the city, Hartford will take significant steps to build the capacity to understand and address the conditions contributing to the compromised health of our most vulnerable neighborhoods.

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XI. Appendix

A. Agencies that participated with the Key Informant Interviews:

Alcohol and Drug Recovery Centers, Inc.	Family Life Education
Asian Family Services (CRT)	Gay and Lesbian Health Collective
Blue Hills Civic Association	Greater Hartford Interdenominational Ministerial Alliance, Inc.
Boys and Girls Clubs	Greater Hartford Interfaith Coalition for Equity and justice
Cancer Program at Hartford Hospital	Hartford 2000
Capital Workforce Partners	Hartford Behavioral Health
Capitol Region Education Council	Hartford Community Schools
Casey Family Services	Hartford Foundation for Public Giving
Catholic Charities (Archdiocese of Hartford)	Hartford Hospital
Catholic Worker House	Hartford Office of Youth Services
Charter Oak Health Center	Hartford Public Schools
Child Health and Development Institute of Connecticut, Inc.	Hispanic Health Council
Children's Trust Fund	Immaculate Conception Shelter and Housing Corp.
Clay Arsenal Neighborhood Revitalization Zone	Injury Prevention Center at CCMC
Commission on Children	Institute for Community Research
Community Health Service	Institute for Hispanic Families s
Community Renewal Team, Inc. (CRT)	Interval House
Conference of Churches	Khmer Health Advocates
Connecticut Children's Medical Center (CCMC)	Latino Community Services
Connectikids	Malta House of Care, Inc.
CT African-American Affairs Commission	My Sister's Place
CT Association of Directors of Health (CADH)	Office for Young Children (COH)
CT Association of Human Services	Pediatric Clinic at Saint Francis Hospital
CT Coalition for Environmental Justice	Saint Francis Hospital
CT Department of Mental Health and Addiction Services	The Village for Families and Children
CT Department of Public Health	UConn Health Center
CT Department of Social Services	UConn School of Social Work
CT Voices for Children	United Way
Daughters of Eve	Urban League of Greater Hartford
Department of Community Outreach at Saint Francis Hospital Wellness	Easy Breathing at the Hartford Alliance for Childhood
Emergency Department at Hartford Hospital	Women's League Child Development Center

B. Key Informant Survey

City of Hartford 2010 Key Informant Survey

Good morning/afternoon, my name is _____ and I'm calling on behalf of the City of Hartford Department of Health and Human Services, CCMC, Saint Francis Hospital and Hartford Hospital. You should have received a letter from those institutions soliciting your participation in a brief survey that is part of a community needs assessment for the City of Hartford. You should have received a survey in advance to help us in this process; if that is not the case I could send one now and schedule for a latter time.

Do you have approximately 15-20 minutes to complete the survey with me? If not, I would be glad to schedule a time that is convenient with your schedule and call you back.

Please know that all of your responses will be held in strict confidence. No individual from the sponsoring organizations will have access to your individual survey. I'd like to emphasize that I am not an employee of the City of Hartford, but am affiliated with Holleran, a research firm located in Lancaster, Pennsylvania commissioned to conduct this research.

DEMOGRAPHICS

Area of Expertise:
Education Level:
Years providing services:

1. What is your vision of a healthy community?

2. What are the most significant barriers that residents of Hartford face when they attempt to access healthcare?

3. What specific populations in Hartford do you feel are not being adequately served by the healthcare system?

_____

_____

_____

4. In your opinion, what proportion of the population in Hartford views the hospital emergency room as their key source of primary care? _____%

Key Health Issues

1. In your opinion what are the five most significant health issues (most severe or most serious) you perceive in your community. The first one being the least important and the last one being the most important.

Caller: Read the list only if respondent needs prompting.

☐ Diabetes	☐ Substance Abuse
☐ Cancer	☐ Mental Illness
☐ Heart Disease	☐ Domestic/Family Violence
☐ Stroke	☐ Abuse of Children
☐ Obesity	☐ Sexually Transmitted Diseases – does not include HIV/AIDS
☐ Daily Life Stressors	☐ HIV/AIDS
☐ Reproductive Health	☐ Violence

Other _____

2. In your opinion what would be the best way to promote health prevention and wellness?

3. Regarding health and well-being, what needs of Hartford residents are currently begin met the best?

4. Regarding health and well-being, what would you say are the greatest unmet needs among residents of Hartford?

5 If you had to identify two key improvements that you feel are needed to provide better healthcare for area residents, what would they be?

a. _____
b. _____

Comments regarding Key Health Issues:

_____
_____
_____
_____

Quality of Life

1. On a scale of 1 (very poor) through 5 (excellent), please rate each of the following within the community.

1 = very poor; 2 = poor; 3 = average; 4 = good; and 5 = excellent.

NEIGHBORHOOD/ENVIRONMENT	Very poor « » Excellent
a. Availability of recreational activities	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
b. Neighborhood safety	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
c. Clean, litter-free neighborhoods	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
d. Water or air pollution	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
e. Quality of housing (affordable, in good condition)	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
f. Road/traffic conditions	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
g. Schools/education	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
h. Job opportunities	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
i. Availability of care for children	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
j. Poverty	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

Do you have any additional comments on Quality of Life or any example that illustrates your answers:

2. What specific suggestions do you have for area hospitals and public health agencies to improve the quality of life in the community?

Quality of Care

1. On a scale of 1 (strongly disagree) through 5 (strongly agree), please rate each of the following statements.

1 = strongly disagree; 2 = disagree; 3 = neither agree nor disagree; 4 = agree; 5 = strongly agree

HEALTHCARE	Strongly disagree « » Strongly agree
a. There are a sufficient number of bilingual providers in Hartford.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
b. The majority of residents in the area are able to access a primary care provider.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
c. The majority of residents in the area are able to access a medical specialist.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
d. The majority of residents in the area are able to access a dentist when needed.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
e. Transportation for medical appointments is available to the majority of residents.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
f. There are a sufficient number of providers accepting Medicaid or other forms of medical assistance.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

Do you have any additional comments on Healthcare or any example that illustrates your answers:

SOCIAL SERVICES	Strongly disagree « » Strongly agree
a. The majority of the residents in Hartford would know where to go if they needed mental health/ behavioral health treatment.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
b. The majority of residents in Hartford would know where to go if they needed help with a substance abuse problem.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
c. There are a sufficient number of behavioral health providers in the area.	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5
d. The healthcare delivery system in Hartford has a holistic approach to patient care?	☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

Do you have any additional comments on Social Services or any example that illustrates your answers:

That concludes the survey. Thank you very much for your time today and we appreciate your feedback!

C. Hartford Resident Survey: English

URBAN ALLIANCE

HARTFORD RESIDENT SURVEY

URBANALLIANCE

You are being invited to complete this survey because you are a Hartford resident. We are interested in learning about services that would be helpful to you and your family as well as barriers to receiving these services. It is our hope that the results of this survey will enhance and increase services offered in the city of Hartford.

QUESTIONS ABOUT YOU

This survey begins with questions about you and your family. These help us to describe who completed the survey.

1. Do you live in the city of Hartford?
☐ Yes ☐ No
*Please provide your Zip Code:*_____

2. What is your ethnicity?
☐ Latino ☐ West Indian ☐ Multi-ethnic
☐ White ☐ African ☐ Other
☐ Asian American *Specify:*_____

3. What is your gender? ☐ Female ☐ Male

4. Do you attend a church?
☐ Yes *If yes, please specify which church:*
☐ No _____

5. How many adults live in your household? _____

6. How many children live in your household?_____

7. Check the box that best describes your age:
☐ 18-29 ☐ 30-49 ☐ 50-64 ☐ 65+

QUESTIONS ABOUT SERVICES IN HARTFORD

*In the **first column (questions a & b),** indicate if you or someone in your household (someone who lives with you) would benefit from additional services in each area and barriers to receiving each type of service.*

*In the **second column (question c),** rank (1 through 3) the three areas most in need of additional services in the city of Hartford. Place the ranking in the box corresponding to each service area (1 indicates the area most in need of additional services). Complete this column after you have completed the first column (questions a & b) for each type of service.*

1. SUBSTANCE ABUSE RECOVERY *(e.g. treatment, prevention)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access substance abuse recovery services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Uninsured
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves ☐ Other:

c. Rank the three areas most in need of additional services in Hartford ☐

2. BASIC NEEDS/FOOD ASSISTANCE *(e.g. food pantry, meals, clothing, utility assistance)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access basic needs/food services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

3. HOMELESSNESS/HOUSING *(e.g. emergency shelter, affordable housing)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access housing services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

4. COUNSELING/EMOTIONAL SUPPORT *(e.g. counseling, support group, stress management)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access counseling/emotional support services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Uninsured
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves ☐ Other:

c. Rank the three areas most in need of additional services in Hartford ☐

5. YOUTH DEVELOPMENT *(e.g. leadership training, mentoring, after-school programs)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access youth development services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

6. HEALTH AND WELLNESS *(e.g. health care, screenings)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access health and wellness services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Uninsured
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves ☐ Other:

c. Rank the three areas most in need of additional services in Hartford ☐

7. EDUCATION *(e.g. tutoring, GED classes, ESL, literacy)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access education services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

8. FINANCIAL SUPPORT SERVICES *(e.g. personal finance planning, financial literacy, tax preparation)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access financial support services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

9. ELDERLY SERVICES *(e.g. convalescent home, meals, senior center/programs)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access services for seniors? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

10. PRISONER /RE-ENTRY SERVICES *(e.g. visitation, re-entry assistance, support)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access prisoner/re-entry services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

11. JOB TRAINING/EMPLOYMENT ASSISTANCE *(e.g. skill development, resume assistance)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access job training/employment services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

12. PREGNANCY/PARENTING SUPPORT *(e.g. parenting/prenatal education and support)*

a. I or someone living in my ***household*** would benefit from additional services in this area. ☐ Yes ☐ No

b. Which factors make it difficult to access pregnancy/parenting support services? (mark all that apply)

☐ **Never needed services in this area** ☐ Lack of child care ☐ Lack of transportation ☐ Lack of time
☐ Don't know about existing services ☐ Not able to pay ☐ Language barrier ☐ Other
☐ Lack of available services ☐ Bad past experience ☐ Family/friend disapproves _____

c. Rank the three areas most in need of additional services in Hartford ☐

D. Hartford Resident Survey: Spanish

ALIANZA URBANA
ENCUESTA SOBRE RESIDENTE HARTFORD

Usted está invitado a terminar esta encuesta porque usted es un residente de Hartford. Estamos interesados en aprender sobre los servicios que le serían provechosos a usted y su familia así como barreras para recibir estos servicios. Nuestra meta es mejorar y aumentar el alcance de los servicios ofrecidos en la ciudad de Hartford.

PREGUNTAS DE USTED

Esta encuesta comienza con preguntas sobre usted y su familia y nos ayudan a describir quién terminó la encuesta.

1. ¿Usted vive en la ciudad de Hartford?
☐ Sí ☐ No
*Proporcione por favor su Código postal:*_____

2. ¿Cuál es su pertenencia étnica?
☐ Latino ☐ Oeste Indio ☐ Multi-étnico
☐ Blanco ☐ Africano ☐ Otro
☐ Asiático Americano *Especifique*:_____

3. ¿Género? ☐ Femenino ☐ Masculino

4. ¿Usted asiste a alguna iglesia?
☐ Sí *Especifique por favor qué iglesia:*
☐ No _____

5. ¿Cuántos adultos viven en su casa? _____

6. ¿Cuántos niños viven en su casa?_____

7. ¿Está entre las edades de?:
☐ 18-29 ☐ 30-49 ☐ 50-64 ☐ 65+

PREGUNTAS SOBRE SERVICIOS EN HARTFORD

*En la **primera columna** (preguntas a y b), indique si usted o alguien en su hogar serían beneficiado por servicios adicionales en cada área y también indique las barreras para recibir cada tipo de servicio.*

*En la **segunda columna** (pregunta c), Marque (1 a 3) las tres áreas más necesitadas de servicios adicionales en la ciudad de Hartford. Marque la caja que corresponde a cada área de servicio (1 indica la área más en necesidad de servicios adicionales). Termina esta columna después de que usted haya terminado la primera columna (preguntas a y b) para cada servicio.*

1. RECUPERACIÓN DEL ABUSO DE LA SUSTANCIA *(e.g. tratamiento, prevención)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de recuperacion del abuso de la sustancia?

☐ **Nunca he necesitado estos servicios**	☐ Falta de cuidado de niños	☐ Falta de transporación	☐ Falta de tiempo
☐ No sé sobre los servicios existentes	☐ Familia/amigo desaprueba	☐ Barrera linguística	☐ Sin seguro medico
☐ Falta de servicios disponibles	☐ Malas experiencias	☐ Recursos economicos	☐ Otro:

c. Marque las tres areas más necesitando adicional servicios ☐

2. NECESIDADES BASICAS/ASISTENCIA DE ALIMENTOS *(e.g. despensa de alimento, ropa, ayuda para utilidades)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de necesidades basicas/asistencia de alimentos?

☐ **Nunca he necesitado estos servicios**	☐ Falta de cuidado de ninos	☐ Falta de transporación	☐ Falta de tiempo
☐ No sé sobre los servicios existentes	☐ Familia/amigo desaprueba	☐ Barrera linguistica	☐ Otro
☐ Falta de servicios disponibles	☐ Malas experiencias	☐ Recursos economicos	_____

c. Marque las tres areas más necesitando adicional servicios ☐

3. PERSONAS SIN HOGAR/VIVIENDA *(e.g. abrigo de emergencia, cubierta comprable)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de personas sin hogar/vivienda?

☐ **Nunca he necesitado estos servicios**	☐ Falta de cuidado de ninos	☐ Falta de transporación	☐ Falta de tiempo
☐ No sé sobre los servicios existentes	☐ Familia/amigo desaprueba	☐ Barrera linguistica	☐ Otro
☐ Falta de servicios disponibles	☐ Malas experiencias	☐ Recursos economicos	_____

c. Marque las tres areas más necesitando adicional servicios ☐

4. ASESORAMIENTO/APOYO EMOCIONAL *(e.g. asesoramiento, grupo de ayuda)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de asesoramiento/apoyo emocional?

☐ **Nunca he necesitado estos servicios**	☐ Falta de cuidado de ninos	☐ Falta de transporación	☐ Falta de tiempo
☐ No sé sobre los servicios existentes	☐ Familia/amigo desaprueba	☐ Barrera linguistica	☐ Sin seguro medico
☐ Falta de servicios disponibles	☐ Malas experiencias	☐ Recursos economicos	☐ Otro:

c. Marque las tres areas más necesitando adicional servicios ☐

5. DESARROLLO DE LA JUVENTUD *(e.g. programas después de la escuela)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de desarrollo de la juventud?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

6. SALUD Y BIENESTAR *(e.g. cuidado médico, examenes)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de salud?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Sin seguro medico
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos ☐ Otro:

c. Marque las tres areas más necesitando adicional serivicios ☐

7. EDUCACIÓN *(e.g. tutoria, GED, ESL)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

¿Qué factores hacen difícil de tener acceso a sevicios de educación?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

8. SERVICIOS DE APOYO FINANCIERO *(e.g. preparación de impuesto, planificación financiera)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

9. SERVICIOS ENUEJECIENTES *(e.g. clínica de reposo, comidas, centro mayor/programas)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de enuejecientes?

☐ **Nunca henecesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

10. SERVICIOS DE PRISIÓN Y DE REINTEGRARSE *(e.g. visitation, ayuda del reingreso)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de re-entry del preso?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

11. ENTRENAMIENTO/BUSQUEDA DE TRABAJO *(e.g. ayuda de resume)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios de asistencia trabajo de formación?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

12. SERVICIOS DE EMBARAZO/ CRIANZA DE LOS HIJOS *(e.g. educación y apoyo)*

a. Yo o alguien **en mi hogar** nos beneficiaríamos de servicios adicionales en esta área. ☐ Sí ☐ No

b. ¿Qué factores hacen difícil de tener acceso a sevicios del embarazos o criannza de los hijos?

☐ **Nunca he necesitado estos servicios** ☐ Falta de cuidado de ninos ☐ Falta de transporación ☐ Falta de tiempo
☐ No sé sobre los servicios existentes ☐ Familia/amigo desaprueba ☐ Barrera linguistica ☐ Otro
☐ Falta de servicios disponibles ☐ Malas experiencias ☐ Recursos economicos _____

c. Marque las tres areas más necesitando adicional serivicios ☐

E. Data Sources for HEI Social Determinants

Social Determinants

- Civic Involvement
- Community Safety
- Economic Security
- Education
- Employment
- Environmental Quality
- Housing

Health Outcomes

- Accidents/Violence
- Cancer
- Cardiovascular Disease
- Childhood Illness
- Diabetes
- Health Care Access
- Infectious Disease
- Life Expectancy
- Liver Disease
- Mental Health
- Perinatal Care
- Renal Disease
- Respiratory Illness

For additional information about the HEI social determinants and health outcomes, please visit the Health Equity Index website at http://index.healthequityalliance.us/ or contact Connecticut Association of Directors of Health (CADH) at (860) 727-9874.

F. Data Sources for Health Equity Index

Connecticut Secretary of State Office Voter Registration Statistics

Connecticut Department of Public Safety Uniform Crime Reports

2008 Warren Group Residential Statistics Report

2006-07 Home Mortgage Disclosure Act, Aggregate Reports; 2006-07 FFIEC Census Reports 2006-07

Housingpolicy.org

2000 US Census

Connecticut Department of Health Vital Records

RealtyTrac website, September 2008

2008 Connecticut Department of Social Services Temporary Family Assistance Data

Connecticut Department of Education's CEDaR site

2006 US Annual Economic Census ZIP Code Business Patterns reports; 2000 US Census

Connecticut Housing Finance Authority; 2005 US Census Population Survey

1995-2006 U.S. Annual Economic Survey

2002 US Economic Census Zip Code Statistics

US Environmental Protection Agency Toxic Release Inventory Program

Connecticut Housing Finance Authority; 2005 US Census Population Survey

Connecticut Department of Health, Office of Vital Records Death Certificates; 2007 Nielsen Claritas Population Facts Demographic Report

Connecticut Department of Health Tumor Registry; 2007 Nielsen Claritas Pop-Facts Demographic Report

2005 Connecticut Hospital Association CHIME Hospital Discharge Data

Connecticut Department of Health, Lead Poisoning Prevention and Control Program

Connecticut Department of Health, Office of Vital Records Birth Certificates

Connecticut Department of Health, Sexually Transmitted Surveillance Program

For additional information about the HEI data sources, please visit the Health Equity Index website at http://index.healthequityalliance.us/ or contact Connecticut Association of Directors of Health (CADH) at (860) 727-9874.

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CITY OF HARTFORD DEPARTMENT OF HEALTH AND HUMAN SERVICES
131 Coventry Street | Hartford, CT 06112 | T 860.757.4700

Johnson Memorial Hospital Community Health Needs - 2013 Implementation Plan			
Problem Statement		**JMH Strategies**	**JMH Activities**
Problem	**Why?**	**How?**	**How, Specifically?**
Obesity	Lack of physical activity	Work in conjunction with community to provide beneficial programs	• Zumba at JMMC (bring back)
			• TOPS (Take Off Pounds Sensibly)
	Poor Eating Habits	Work in conjunction with community to provide beneficial programs	• Weight Watchers @ JMMC (bring back)
			• Quarterly Talks by Dr. Timothy Fignar re: Weight Loss and Bariatric Medicine
			• Provide Healthy Eating Tips/Recipes (Nutritional Programs)
Diabetes	Obesity	Work in conjunction with community to provide beneficial programs	• Geriatric Friendly Screening through Emergency Department
			• TOPS (Take Off Pounds Sensibly)
			• Zumba at JMMC
			• Provide Healthy Eating Tips/Recipes (Nutritional Programs)
			• Weight Watchers @ JMMC (bring back)

Johnson Memorial Hospital Community Health Needs - 2013 Implementation Plan			
Problem Statement		**JMH Strategies**	**JMH Activities**
Problem	**Why?**	**How?**	**How, Specifically?**
	Cost of medications – lack of access to medical care or knowledge of available services – Coordination of Care		• Diabetic Foot Clinics provided by Johnson's Advanced Wound Center
Behavioral Health	Lack of support systems for caregivers, family of those with medical and/or behavioral health issues.	Work in conjunction with community and affiliates to provide services.	• Development of Support Group for Parents of children with Special Needs.
			• Bereavement Support Group • Breast Cancer Support Group • Dementia Support Group & Seminars • Memory Screening/How to Maintain your Brain • Geriatric Medicine/Psych
Alcoholism/Substance Abuse	Lack of support system; social concerns (unemployment, home foreclosures, broken families)	Work in conjunction with community to provide services.	• NAR-ANON and NA meetings held weekly at CMEC.
			• Alcoholics Anonymous (bringing back to JMMC)
			• Smoking Cessation Programs

EXHIBIT 24

Consolidated Financial Statements and Supplementary Information

Saint Francis Care, Inc. and Subsidiaries
Years Ended September 30, 2014 and 2013
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

Saint Francis Care, Inc. and Subsidiaries

Consolidated Financial Statements
and Supplementary Information

Years Ended September 30, 2014 and 2013

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Building a better working world

Report of Independent Auditors

The Board of Directors
Saint Francis Care, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Saint Francis Care, Inc. and Subsidiaries (Saint Francis Care), which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the 2014 financial statements of Saint Francis Indemnity Company, LLC (SFICL), a wholly owned subsidiary, which statements reflect total assets of $50.2 million as of September 30, 2014, and total revenues of $13.4 million for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for SFICL for 2014, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not

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for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Saint Francis Care, Inc. and Subsidiaries at September 30, 2014 and 2013, and the consolidated results of their operations and changes in their net assets and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying consolidating balance sheets and consolidating statements of operations and changes in net assets are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, based on our audits, the procedures performed as described above and the report of other auditors, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Ernst & Young LLP

January 6, 2015

Saint Francis Care, Inc. and Subsidiaries

Consolidated Balance Sheets
(In Thousands)

	September 30	
	2014	**2013**
Assets		
Current assets:		
Cash and cash equivalents	**$ 93,155**	$ 97,524
Short-term investments	**42,241**	50,685
Assets whose use is limited for current liabilities	**1,459**	4,883
Current portion of pledges receivable	**1,304**	1,257
Accounts receivable – patients, less allowance for doubtful accounts ($21,874 for 2014 and $15,528 for 2013)	**84,904**	72,901
Accounts receivable – other	**4,243**	4,632
Inventories of supplies	**8,855**	7,209
Prepaid expenses and deposits	**6,778**	5,829
Due from affiliated entities	**1,346**	1,812
Total current assets	**244,285**	246,732
Assets whose use is limited:		
Board-designated	**60,751**	51,522
Donor restricted	**4,286**	4,286
Held under bond indenture	**957**	4,764
Held in trusts by others	**53,033**	51,164
	119,027	111,736
Assets whose use is limited for current liabilities	**(1,459)**	(4,883)
	117,568	106,853
Long-term investments	**16,156**	15,209
Property, plant, and equipment, net	**475,763**	468,216
Other assets:		
Bond issuance costs, less amortization	**1,346**	2,053
Pledges receivable, less current portion	**9,271**	9,481
Other	**12,370**	9,775
Total assets	**$ 876,759**	$ 858,319

	September 30	
	2014	**2013**
Liabilities and net assets		
Current liabilities:		
Accounts payable	**$ 37,210**	$ 37,123
Accrued payroll and other related expenses	**49,723**	46,219
Accrued expenses and interest payable	**7,455**	6,550
Due to third-party reimbursement agencies	**15,780**	14,021
Current portion of long-term debt	**8,760**	8,819
Total current liabilities	**118,928**	112,732
Pension and other accrued expenses	**285,634**	226,377
Long-term debt, less portion classified as a current liability	**251,476**	258,637
Total liabilities	**656,038**	597,746
Net assets:		
Unrestricted	**137,311**	178,467
Temporarily restricted	**26,091**	26,656
Permanently restricted	**57,319**	55,450
	220,721	260,573
Total liabilities and net assets	**$ 876,759**	$ 858,319

See accompanying notes.

Saint Francis Care, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets
(In Thousands)

	Year Ended September 30	
	2014	**2013**
Net patient service revenue	**$ 783,327**	$ 758,163
Less: provision for bad debts	**(26,546)**	(23,311)
Net patient service revenue less provision for bad debts	**756,781**	734,852
Other operating revenue	**38,797**	39,764
Net assets released from restrictions for operations	**9,644**	9,519
Total revenues	**805,222**	784,135
Operating expenses:		
Salaries	**363,599**	349,214
Supplies and other	**380,593**	378,361
Interest	**11,620**	11,601
Depreciation and amortization	**37,887**	36,733
Total operating expenses	**793,699**	775,909
	11,523	8,226
Net gain on investment activity	**3,625**	2,299
Operating income	**15,148**	10,525
Non-operating gains and losses:		
Loss on refunding and refinancing of debt	**(1,719)**	–
Interest cost on interest rate swaps	**(102)**	(305)
Change in fair value of interest rate swaps	**(603)**	22,523
	(2,424)	22,218
Excess of revenues and gains and losses over expenses	**12,724**	32,743

Saint Francis Care, Inc. and Subsidiaries

Consolidated Statements of Operations and Changes in Net Assets (continued)

(In Thousands)

	Year Ended September 30	
	2014	**2013**
Unrestricted net assets:		
Excess of revenues and gains and losses over expenses (continued)	**$ 12,724**	$ 32,743
Net asset transfer	**(4,015)**	(1,943)
Net assets released from restrictions used for property, plant, and equipment	**3,313**	3,204
Change in pension funding and postretirement obligations	**(53,442)**	84,068
Change in minority interest in subsidiary	**264**	(148)
(Decrease) increase in unrestricted net assets	**(41,156)**	117,924
Temporarily restricted net assets:		
Income from investments	**109**	162
Gifts, contributions, and donations	**8,591**	9,183
Net unrealized gain on investments	**44**	43
Net assets released from restrictions for operations	**(9,644)**	(3,447)
Net assets released from restrictions used for property, plant, and equipment	**(3,680)**	(12,723)
Net asset transfer	**4,015**	1,997
Decrease in temporarily restricted net assets	**(565)**	(4,785)
Permanently restricted net assets:		
Increase in assets held in trusts by others	**1,869**	2,626
Increase in permanently restricted net assets	**1,869**	2,626
(Decrease) increase in net assets	**(39,852)**	115,765
Net assets at beginning of year	**260,573**	144,808
Net assets at end of year	**$ 220,721**	$ 260,573

See accompanying notes.

Saint Francis Care, Inc. and Subsidiaries

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended September 30	
	2014	**2013**
Operating activities and other gains		
(Decrease) increase in net assets	**$ (39,852)**	$ 115,765
Adjustments to reconcile (decrease) increase in net assets to net cash provided by operating activities and other gains:		
Depreciation and amortization	**36,168**	36,733
Bad debts	**26,546**	23,311
Change in pension funding and postretirement obligations	**53,442**	(84,068)
Change in fair value of interest rate swaps	**603**	(22,523)
Loss on refunding and refinancing of debt	**1,719**	–
Unrealized gain on investments	**(1,426)**	(2,033)
Increase in assets held in trusts by others	**(1,869)**	(2,626)
Restricted contributions and investment income	**(8,700)**	(9,345)
Increase in pension and other accrued expenses	**7,972**	3,422
Change in working capital, other than cash and cash equivalents	**(30,447)**	(12,080)
Net cash provided by operating activities and other gains	**44,156**	46,556
Investing activities		
Purchase of property, plant, and equipment, net	**(43,429)**	(34,380)
Decrease in investments	**8,923**	4,893
Decrease (increase) in other assets	**(5,355)**	(248)
Increase in noncurrent assets whose use is limited	**(7,642)**	(8,184)
Net cash used in investing activities	**(47,503)**	(37,919)
Financing activities		
Principal payments on long-term debt and capital leases	**(221,810)**	(9,786)
Proceeds from issuance of bonds	**213,215**	–
Payment of bond issuance costs	**(1,127)**	–
Restricted contributions and investment income	**8,700**	9,345
Net cash used in financing activities	**(1,022)**	(441)
Net (decrease) increase in cash and cash equivalents	**(4,369)**	8,196
Cash and cash equivalents at beginning of year	**97,524**	89,328
Cash and cash equivalents at end of year	**$ 93,155**	$ 97,524
Supplemental information		
Non-cash financing:		
Capital lease obligations	**$ 1,298**	$ 11,327

See accompanying notes.

Saint Francis Care, Inc. and Subsidiaries

Notes to Consolidated Financial Statements
(Amounts in Thousands)

September 30, 2014

1. Significant Accounting Policies

Organization

Saint Francis Care, Inc. and Subsidiaries (Saint Francis Care) is a not-for-profit integrated health care delivery system. Subsidiaries of Saint Francis Care include: consolidated Saint Francis Hospital and Medical Center (the Hospital and Medical Center), Mount Sinai Rehabilitation Hospital, Inc., Saint Francis Medical Group, Inc. and Subsidiary, Asylum Hill Family Medicine Center, Inc., Saint Francis Care Medical Group, P.C. and Saint Francis Hospital and Medical Center Foundation, Inc.

Basis of Presentation and Use of Estimates

The accompanying consolidated financial statements include the accounts of Saint Francis Care and Subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and related footnotes. Actual results could differ from those estimates.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by Saint Francis Care has been limited by donors to a specific time frame or purpose. Temporarily restricted net assets consist primarily of contributions and grants restricted for certain health care services, medical research activities, and capital replacement. Permanently restricted net assets, which are primarily endowment gifts and assets held in trusts by others, have been restricted by donors and are to be maintained in perpetuity.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is

1. Significant Accounting Policies (continued)

accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are classified as unrestricted contributions in the accompanying consolidated financial statements.

Interest Rate Swap Agreements

Saint Francis Care utilizes interest rate swap agreements to reduce risks associated with changes in interest rates. Saint Francis Care does not hold or issue derivative financial instruments for trading purposes. Saint Francis Care is exposed to credit loss in the event of nonperformance by the counterparties to its interest rate swap agreements. Interest rate swap agreements are reported at fair value. Changes in fair value are recognized in the performance indicator in the consolidated statements of operations and changes in net assets.

Cash and Cash Equivalents

Saint Francis Care considers all highly liquid investments with remaining maturities of three months or less at the date of purchase to be cash equivalents.

Patient Accounts Receivable

Patient accounts receivable result from health care services provided by Saint Francis Care. The amount of the allowance for uncollectible accounts is based on management’s assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage and other collection indicators.

Inventories of Supplies

Inventories are stated at the lower of cost or market. Saint Francis Care values its inventories using the first-in, first-out method.

1. Significant Accounting Policies (continued)

Investments

Unrealized gains and losses on unrestricted investments are included in the excess of revenues over expenses. Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Fair value is generally determined based on quoted market prices. Alternative investments, which are investments with a non-readily determinable fair value, are stated at fair value based on, as a practical expedient, net asset values derived from the application of the equity method of accounting. Valuations of those investments and, therefore, Saint Francis Care's holdings may be determined by the investment manager and are primarily based on the valuation of the underlying securities. Investment income or loss, including realized and unrealized gains and losses on investments, interest, and dividends, is included in excess of revenues and gains and losses over expenses unless the income or loss is restricted by donor or law. The cost of securities sold is based on the specific identification method.

Saint Francis Care considers all investments with remaining maturities of more than three months but less than one year at the date of purchase to be short-term investments.

Assets Whose Use Is Limited

Assets whose use is limited include assets set aside by the Board of Directors, assets restricted by donors, assets held by trustees under bond indenture agreements related to financing activities with the State of Connecticut Health and Educational Facilities Authority (CHEFA or the Authority), and assets held in trusts by others. The portion of these amounts required for funding current liabilities is included in current assets. Assets set aside by the Board of Directors are established for the purpose of providing for future improvement, expansion, and replacement of property, plant, and equipment and for certain insurance liabilities.

Long-Lived Assets

Property, plant, and equipment are stated at cost and those acquired by gifts are carried at fair value established at the date of acquisition. Saint Francis Care provides for depreciation of property, plant, and equipment using the straight-line method in amounts sufficient to depreciate the cost of the assets over their estimated useful lives or the lesser of the estimated useful life of the asset or lease term.

1. Significant Accounting Policies (continued)

Bond issuance costs are amortized over the life of the bonds using the effective interest method.

Other Assets

Other assets include bond issuance costs, assets related to deferred compensation and workers compensation programs and interest rate swap agreements.

General and Professional Liability Insurance

Saint Francis Care purchases claims made general and professional liability insurance coverage for the benefit of certain of its subsidiaries from a wholly owned insurance captive subsidiary, Saint Francis Indemnity Company, LLC (Saint Francis Indemnity Company). Saint Francis Care, in consultation with its independent actuary, records as a liability an estimate of incurred but not reported claims. Such liability, discounted at 4%, totaled $7,257 and $6,730 at September 30, 2014 and 2013, respectively.

Reserves for losses and loss adjustment expenses are based on management's best estimate determined in consultation with independent consulting actuaries and represent the ultimate net cost of all reported and unreported losses incurred and unpaid through September 30, 2014. These liabilities include estimates of future trends in loss severity and frequency and other factors, which could vary as the losses are ultimately settled. However, there is an absence of a significant amount of experience as to whether the Saint Francis Indemnity Company's actual incurred losses and loss adjustment expenses will conform to the assumptions inherent in the determination of the estimated liability. Accordingly, the ultimate settlement of losses and loss adjustment expenses may vary significantly from the estimated amounts included in the accompanying consolidated financial statements. Although considerable variability is inherent in such estimates, management believes that the reserves for losses and loss adjustment expenses in the accompanying consolidated financial statements are adequate. The method of making such estimates and for establishing reserves is continuously reviewed and updated and adjustments are reflected in operations in the period the need for such adjustments becomes known.

1. Significant Accounting Policies (continued)

Workers' Compensation Insurance

Saint Francis Care purchases a large deductible policy, which effectively self-insures the first portion of the workers' compensation and employers' liability risk. Under the policy, Saint Francis Care is responsible for the first $1,500 of every loss event (first $500 for employers' liability). The accrued workers' compensation self-insurance liabilities of $6,806 and $5,300 at September 30, 2014 and 2013, respectively, have been discounted at 4%. The current portion of the accrued workers' compensation liabilities included in accrued expenses and interest payable is $1,634 and $1,349 at September 30, 2014 and 2013, respectively, and the long-term portion included in pension and other accrued expenses is $5,172 and $3,951 at September 30, 2014 and 2013, respectively.

Retirement Plans

Saint Francis Care has certain noncontributory defined benefit and defined contribution pension plans in effect covering all employees who meet certain eligibility requirements. For plans subject to the Employee Retirement Income Security Act of 1974 (ERISA), Saint Francis Care's funding policy is to contribute amounts to the plans sufficient to meet the applicable minimum funding requirements set forth in ERISA.

Saint Francis Care sponsors a 409(a) deferred compensation plan for certain senior executives. Senior executives are allowed to contribute to the plan up to an annual maximum amount in accordance with Section 457(b) of the Internal Revenue Code. The assets of the plan remain in a trust, which is subject to the claims of Saint Francis Care's creditors. As of September 30, 2014 and 2013, the plan had $3,010 and $2,242, respectively, in other assets with a corresponding liability, included in pension and other accrued expenses, payable upon retirement, death or disability.

Other Operating Revenue

Other operating revenue includes services to other institutions, rental income, pharmacy income, investment income, group purchasing discount revenue, electronic health record program revenue and unrestricted contributions.

1. Significant Accounting Policies (continued)

Excess of Revenues and Gains and Losses Over Expenses

The consolidated statements of operations and changes in net assets include excess of revenues and gains and losses over expenses, which is the performance indicator. Changes in unrestricted net assets, which are excluded from excess of revenues and gains and losses over expenses, include adjustments to the pension funding and postretirement obligations, permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets, and changes in minority interest in subsidiaries.

Income Taxes

Saint Francis Care and its principal subsidiaries are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, are exempt from state and local income taxes. Tax provisions and related liabilities for certain taxable subsidiaries are not material to the consolidated financial statements.

Saint Francis Care Medical Group has net operating loss carryforwards in the amount of $23,331. The net operating loss carryforwards result in a deferred tax asset of $9,332, which is offset by a corresponding valuation allowance of the same amount. These expire between September 30, 2018 and September 30, 2031.

The Saint Francis Hospital and Medical Center has net operating loss carryforwards in the amount of $1,678. These net operating loss carryforwards result in a deferred tax asset of $671, which is offset by a corresponding valuation allowance of the same amount. These expire between September 30, 2027 and September 30, 2032.

Saint Francis Behavioral Health Group, P.C. has net operating loss carryforwards in the amount of $5,000. These net operating loss carryforwards result in a deferred tax asset of $2,000, which is offset by a corresponding valuation allowance of the same amount. These expire between June 30, 2023 and June 30, 2032.

Reclassifications

Certain 2013 amounts have been reclassified to conform to the 2014 presentation. Such reclassifications had no effect on the consolidated statements of operations and changes in net assets.

1. Significant Accounting Policies (continued)

New Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09, *Revenue From Contracts With Customers (Topic 606)*, which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of ASU 2014-09 is required on October 1, 2017, and Saint Francis Care is currently evaluating the effect of this guidance on its consolidated financial statements.

2. Net Patient Service Revenue and Charity Care

Net patient service revenue consists of the following for the years ended:

	September 30	
	2014	**2013**
Gross patient service revenue	**$ 2,287,499**	$ 2,200,109
Deductions:		
Contractual allowances and discounts	**1,485,018**	1,422,379
Charity care at charges	**19,154**	19,567
	1,504,172	1,441,946
Net patient service revenue	**783,327**	758,163
Less: provision for bad debts	**(26,546)**	(23,311)
Net patient service revenue less provision for bad debts	**$ 756,781**	$ 734,852

Patient accounts receivable and revenues are recorded when patient services are performed. Differences between amounts received from most third-party payors and the established billing rates of Saint Francis Care are accounted for as allowances.

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

2. Net Patient Service Revenue and Charity Care (continued)

During 2014 and 2013, 37.2% and 36.2%, respectively, of net patient service revenue was received under the Medicare program; 14.2% and 12.9%, respectively, under the Medicaid program; and 17.2% and 17.5%, respectively, from Blue Cross. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Saint Francis Care believes that it is in compliance with all applicable laws and regulations. Saint Francis Care is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that could have a material adverse effect on the consolidated financial statements. While no such regulatory inquiries are outstanding, compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs.

Saint Francis Care has agreements with third-party payors that provide for payments to Saint Francis Care at amounts different from its established rates. The difference is accounted for as allowances. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, fee-for-service, discounted charges, and per diem payments. Net patient service revenue is affected by the state of Connecticut Disproportionate Share program and is reported at the estimated net realizable amounts due from patients, third-party payors and others for services rendered and includes estimated retroactive revenue adjustments due to ongoing and future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations. In addition, changes in the Medicaid and Medicare programs, the reduction of funding levels, or changes in interpretations or estimates could have an adverse impact on Saint Francis Care. During 2014, Saint Francis Care recorded a net change in estimate of approximately $9,102 increasing operating revenue related to changes in previously estimated third-party payor settlements. During 2013, the net change in estimate was $2,000 decreasing operating revenue.

Saint Francis Care has established estimates based on information presently available, of amounts due to or from Medicare, Medicaid and third-party payors for adjustments to current-and prior-year payment rates, based on industry-wide and Saint Francis Care specific data. Such amounts are included in the accompanying consolidated balance sheets.

2. Net Patient Service Revenue and Charity Care (continued)

Patient service revenue, net of contractual allowances and discounts (not including the reduction for charity care) and before the provision for bad debts, recognized in the period from major payor sources for the year ended September 30, 2014 and 2013, is as follows:

	September 30	
	2014	**2013**
Third-party payors	**$ 765,810**	$ 741,622
Self-pay patients	**36,671**	36,108
	$ 802,481	$ 777,730

Deductibles and copayments under third-party payment programs within the self-pay patient's amounts above are the patient's responsibility, and Saint Francis Care considers these amounts in its determination of the provision for bad debts based on collection experience.

Saint Francis Care accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to the established policies of Saint Francis Care. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, Saint Francis Care utilizes the generally recognized poverty income levels for the state of Connecticut, but also includes certain cases where incurred charges are significant when compared to incomes. In addition, all self-pay patients receive a 45% discount from charges, which are recorded as contractual allowances in net patient service revenue for financial reporting purposes.

The estimated cost of charity care provided was $6,093 and $6,377 for the years ended September 30, 2014 and 2013, respectively. The estimated cost of charity care is based on the ratio of cost to charges, as determined by hospital-specific data.

The significant concentrations of accounts receivable for services to patients include 34.0% from Medicare, 10.1% from Medicaid, and 42.8% from commercial insurance carriers and managed care companies at September 30, 2014 (26.6%, 14.0%, and 35.6%, respectively, at September 30, 2013).

3. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	September 30 2014	2013
Health care services:	**$ 3,112**	$ 3,091
Research and education	**10,753**	10,929
Capital replacement	**12,226**	12,636
Other health care services	**$ 26,091**	$ 26,656

Permanently restricted net assets are restricted for the following purposes:

	September 30 2014	2013
Investments to be held in perpetuity, the income from which is expendable to support health care services	**$ 4,286**	$ 4,286
Restricted funds held in trusts by others, the income from which is expendable to support health care services	**53,033**	51,164
	$ 57,319	$ 55,450

4. Assets Whose Use is Limited

Assets whose use is limited consist of the following:

	September 30	
	2014	**2013**
Board designated:		
Short-term investments	**$ 956**	$ 388
Marketable equity securities and mutual funds	**32,995**	38,923
United States government securities	**11,185**	9,064
Corporate bonds and other fixed income	**12,634**	2,156
Equity method investment	**2,981**	991
	60,751	51,522
Donor restricted:		
Marketable equity securities	**4,286**	4,286
	4,286	4,286
Held under bond indenture:		
Cash and cash equivalents	**594**	1,787
United States government securities	**216**	1,125
Short-term investments	**147**	1,852
	957	4,764

4. Assets Whose Use is Limited (continued)

	September 30 2014	2013
Held in trusts by others:		
Short-term investments	**$ 2,086**	$ 2,163
Marketable equity securities	**15,866**	13,957
Mutual funds	**8,637**	10,402
United States government securities	**2,558**	1,596
Corporate bonds and other fixed income	**7,054**	7,652
Collective trust fund	**14,693**	13,760
Alternative investment	**2,139**	1,634
	53,033	51,164
Total assets whose use is limited	**119,027**	111,736
Assets whose use is limited for current liabilities	**(1,459)**	(4,883)
	$ 117,568	$ 106,853

5. Donor-Restricted Endowment Funds

Saint Francis Care endowments include the donor-restricted endowment funds. Perpetual trust funds held by others are not included under Accounting Standards Codification (ASC) 958-205. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Management of Saint Francis Care has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Saint Francis Care classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time of the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for

5. Donor-Restricted Endowment Funds (continued)

expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, Saint Francis Care considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

(1) The duration and preservation of the fund

(2) The purposes of Saint Francis Care and the donor-restricted endowment fund

(3) General economic conditions

(4) The possible effect of inflation and deflation

(5) The expected total return from income and the appreciation of investments

(6) Other resources of Saint Francis Care

(7) The investment policies of Saint Francis Care

Saint Francis Care has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment.

Changes in endowment funds for the years ended September 30, 2014 and 2013, consisted of the following:

	2014		
	Temporarily Restricted	**Permanently Restricted**	**Total**
Net assets, beginning of the year	**$ –**	**$ 4,286**	**$ 4,286**
Investment income	**32**	**–**	**32**
Appropriation of endowment assets for expenditure	**(32)**	**–**	**(32)**
Net assets, end of year	**$ –**	**$ 4,286**	**$ 4,286**

5. Donor-Restricted Endowment Funds (continued)

	2013		
	Temporarily Restricted	**Permanently Restricted**	**Total**
Net assets, beginning of the year	$ –	$ 4,286	$ 4,286
Investment income	30	–	30
Appropriation of endowment assets for expenditure	(30)	–	(30)
Net assets, end of year	$ –	$ 4,286	$ 4,286

From time to time, the fair value of assets associated with individual donor-restricted endowments funds may fall below the level that the donor of UPMIFA requires Saint Francis Care to retain as a fund of perpetual duration. There were no deficiencies of this nature that are reported in unrestricted or permanently restricted net assets as of September 30, 2014 and 2013.

6. Long-Term Investments and Investment Income

Long-term investments consist of the following:

	September 30	
	2014	**2013**
Money market funds	**$ 1,033**	$ 771
Marketable equity securities	**9,140**	7,769
United States government securities	**778**	599
Corporate bonds and other fixed income	**2,653**	3,587
Equity method investment	**2,552**	2,483
	$ 16,156	$ 15,209

6. Long-Term Investments and Investment Income (continued)

The composition and presentation of net gain on investment activity, which is included in operating income in the consolidated statements of operations and changes in net assets, are as follows:

	September 30 2014	2013
Realized gain on investments	**$ 2,243**	$ 309
Unrealized gain on investments	**1,382**	1,990
	$ 3,625	$ 2,299

7. Property, Plant, and Equipment

Property, plant, and equipment consist of the following:

	September 30 2014	2013
Land and land improvements	**$ 8,208**	$ 8,208
Buildings	**506,164**	488,747
Equipment	**364,590**	310,926
Construction-in-progress (estimated cost to complete of approximately $7,051 as of 2014)	**13,587**	40,032
	892,549	847,913
Less accumulated depreciation	**416,786**	379,697
Total property, plant, and equipment, net	**$ 475,763**	$ 468,216

7. Property, Plant, and Equipment (continued)

During the years ended September 30, 2014 and 2013, there were $956 and $81,799, respectively, of asset retirements related to obsolete and fully depreciated property, plant, and equipment.

Equipment includes gross capitalized leases aggregating approximately $26,640 and $14,014 at September 30, 2014 and 2013, respectively. Accumulated amortization on capital lease assets is approximately $7,891 and $5,588 at September 30, 2014 and 2013, respectively.

Construction in progress includes gross capitalized leases aggregating approximately $11,327 at September 30, 2013.

At September 30, 2014 and 2013, construction-in-progress included $4,666 and $24,186, respectively, of computer software costs relating to projects which were in development and were therefore not yet being depreciated.

8. Pledges Receivable

Pledges receivable include the following unconditional promises to give as of September 30:

	September 30	
	2014	**2013**
Due within one year	**$ 1,304**	$ 1,257
Due within two to five years	**7,168**	6,588
Due within greater than five years	**3,957**	4,991
	12,429	12,836
Allowance for uncollectible pledges	**(737)**	(609)
Discount	**(1,117)**	(1,489)
Present value of pledges receivable, net	**$ 10,575**	$ 10,738

The allowance recognizes the estimated uncollectible portion of pledges and the discount of pledges to net present value based on a range of interest rates of 1% to 4%.

9. Other Operating Revenues

Electronic Health Record (EHR) Program

Certain health care providers can earn incentive payments between 2011 and 2016 from Medicare and Medicaid for establishing an EHR system and maintaining its meaningful use. Saint Francis Care recognizes income when it is reasonably assured that it is in compliance with the program criteria. Saint Francis Care has included $2,424 and $3,767 in other operating revenue related to the program for fiscal year 2014 and 2013, respectively. Included in the amounts are $710 and $959 received from Medicaid and $1,714 and $2,808 from Medicare for the fiscal years 2014 and 2013, respectively. The estimate for the Medicare program is based on cost report data, which is subject to audit and the amounts recognized are subject to change. Saint Francis Care attestation of compliance with the meaningful use criteria is subject to audit by the federal or state government or its designee.

Other operating revenues consist of the following:

	September 30	
	2014	**2013**
EHR income	**$ 2,424**	$ 3,767
Rental income	**4,597**	5,711
Investment income	**5,907**	4,962
Services to other institutions	**5,073**	4,765
Unrestricted contributions	**3,255**	2,451
Pharmacy income	**2,679**	2,165
Equity earnings in group purchasing organization	**849**	1,410
Gain on joint ventures	**1,202**	1,946
Other income	**12,811**	12,587
Total other operating revenues	**$ 38,797**	$ 39,764

10. Professional and General Liability Insurance

During 2009, Saint Francis Care established the Saint Francis Indemnity Company as a successor to Saint Francis Care's financial interest in Partners Interinsurance Exchange (PIE). On July 1, 2009, Saint Francis Care's account in PIE was transferred to the Saint Francis Indemnity Company. Saint Francis Care and certain Subsidiaries continue to purchase limits of professional and general liability from the Saint Francis Indemnity Company at levels previously purchased from PIE. Actuarially determined premiums are paid in order to set aside assets to cover the reasonable value of ultimate expected losses. Saint Francis Care's management, with assistance from its consulting actuaries, accrued its best estimate of professional and general liabilities.

Malpractice claims that fall within the Saint Francis Care's adopted policy of self-insurance have been asserted against Saint Francis Care's various claimants. The claims are in various stages of assessment and resolution. There are also known and unknown incidents that have occurred through September 30, 2014, that may result in the assertion of additional claims. Saint Francis Care's management believes that the ultimate settlement of these claims will not have a material impact on Saint Francis Care's consolidated financial position or results of their operations, as adequate self-insurance reserves, assets and reinsurance are in place.

The Saint Francis Indemnity Company entered into a novation agreement with Saint Francis Care and PIE to assume the existing liabilities effective July 1, 2009. This transaction did not transfer significant insurance underwriting risk to the Saint Francis Indemnity Company, so accordingly, this transaction is accounted for using deposit accounting in accordance with ASC 340-30, *Insurance Contracts that do not Transfer Insurance Risk*. Under deposit accounting, an insurance deposit liability is initially measured based upon the premium received on the insurance contract. At the end of the period, the insurance deposit liability is adjusted to the estimated future cash flows for payments of outstanding losses and loss adjustment expenses. All risk taken on by adverse development on liabilities transferred as part of the novation agreement is guaranteed by the Saint Francis Care.

10. Professional and General Liability Insurance (continued)

Activity in the reserves for losses (discounted at 4%) and loss adjustment expenses for the years ended September 30 and is summarized as follows:

	2014	2013
Balance at beginning of year, net	**$ 26,208**	$ 21,873
Incurred related to:		
Current period	**9,063**	9,619
Prior periods	**(46)**	(1,190)
Total incurred	**9,017**	8,429
Paid related to:		
Current period	**52**	174
Prior periods	**4,989**	3,920
Total paid	**5,041**	4,094
Balance at end of year, net of reinsurance recoverable	**30,184**	26,208
Plus reinsurance recoverable on unpaid losses and loss adjustment expenses	**1,690**	1,650
Gross balance, included in pension and other accrued expenses in the consolidated balance sheets, at end of year	**$ 31,874**	$ 27,858

As described in Note 1, the estimate of losses and loss adjustment expenses may vary significantly from the amounts reported in the Saint Francis Indemnity Company's financial statements and could result in adverse deviation from the recorded reserve amounts. The 2014 and 2013 prior year loss development was favorable due to better than actuarial expected results by $46 and $1,190, respectively.

11. Long-Term Debt

Long-term debt consists of the following:

	September 30 2014	2013
State of Connecticut Health and Educational Facilities Authority (the Authority) revenue bonds:		
Series D	**$ –**	$ 11,34
Series E (interest rate at September 30, 2014 of 6.11%)	**38,950**	39,745
Series F	**–**	175,000
Series G	**–**	28,240
Series H (interest rate at September 30, 2014 of 3.04%)	**49,597**	–
Series I (interest rate at September 30, 2014 of 1.36%)	**59,518**	–
Series J (interest rate at September 30, 2014 of 1.81%)	**39,677**	–
Series K (interest rate at September 30, 2014 of 1.55%)	**34,718**	–
Series L (interest rate at September 30, 2014 of 1.69%)	**19,920**	–
Series M (interest rate at September 30, 2014 of 1.40%)	**8,150**	–
	250,530	254,325
Obligations under capital leases, due in quarterly and monthly installments, at varying rates of interest from 3% to 6.75%	**9,706**	13,131
	260,236	267,456
Less: current portion:		
Scheduled maturities	**8,760**	8,819
	$ 251,476	$ 258,63

In January 2014, the Hospital and Medical Center entered into a financing arrangement with the Authority for the purpose of refunding and refinancing the Series D, F, and G revenue bonds. The Authority sold $213,215 of Series H-M Bond Qualified Tax Exempt Bonds, which mature serially from 2018 to 2021 through private placement. Principal payments will be made based on a redemption schedule as defined in the bond documents. The Series H bonds bear interest at a

11. Long-Term Debt (continued)

fixed rate of 3.04%. The Series I-M bonds bear interest at various rates ranging from 68.00% to 72.00% of one-month LIBOR plus 1.70% to 2.30%. The refunding and refinancing did not impact any of the terms related to the interest rate swap agreements currently in place at the Hospital and Medical Center. Included in non-operating gains and losses is $1.7 million of extinguishment loss resulting from the refunding and refinancing of the Series D, F, and G revenue bonds. The Series D, F, and G revenue bonds were fully redeemed in fiscal 2014.

During 2004, the Hospital and Medical Center entered into a synthetic refinancing of its then existing Series C Fixed Rate Bonds. Through a series of transactions, which involves a total return interest rate swap and a cash flow swap, the Hospital and Medical Center converted its old fixed rate debt to a lower fixed rate debt with substantial anticipated future savings. In March 2008, a financial institution terminated its total return interest rate swap with the Hospital and Medical Center, but the cash flow swap remains.

In May 2008, the Hospital and Medical Center entered into a financing arrangement with the Authority under a Master Indenture for the purpose of refinancing the bridge loan. The Authority sold $39,745 of Series E revenue bonds through a private placement. The bonds mature serially from 2014 to 2027 and bear interest at a fixed rate of 6.11%. The Hospital and Medical Center subsequently entered into a synthetic refinancing of these bonds through a total return interest rate swap with a financial institution that lowers the fixed rate to 3.85% through July 2018.

The total return distribution agreements and interest rate swaps between the Hospital and Medical Center and the financial institutions are considered derivative instruments and are marked to market in accordance with ASC 815. Although the agreements and swaps represent economic hedges of the interest rate on the bonds, they do not qualify for hedge accounting treatment under ASC 815. The changes in the fair value of the swaps and total return distribution agreements are reported in the accompanying consolidated statements of operations and changes in net assets as interest rate swap activity along with the net cash receipts on the swaps.

The Hospital and Medical Center’s swap agreements provide for the interest rates at a level viewed as acceptable by the Hospital and Medical Center. Such agreements expose the Hospital and Medical Center to credit risk in the event of nonperformance by the counterparties.

11. Long-Term Debt (continued)

At September 30, 2014 and 2013, the swaps in a liability position are reported in pension and other accrued liabilities and the swap in an asset position is reported in other assets and are summarized as follows:

Notional Amount	Maturity Date	Fixed Payment Rate	2014 Fair Value (Liability (Asset))
$ 130,000	**July 1, 2047**	**3.535%**	**$ 29,156**
26,620	**July 1, 2023**	**3.349**	**2,487**
26,620	**July 1, 2023**	**3.349**	**2,487**
38,950	**July 1, 2018**	**6.105**	**(5,689)**
			$ 28,441

Notional Amount	Maturity Date	Fixed Payment Rate	2013 Fair Value (Liability (Asset))
$ 130,000	July 1, 2047	3.535%	$ 24,553
26,620	July 1, 2023	3.349	3,023
26,620	July 1, 2047	3.349	3,023
38,950	July 1, 2047	3.850	(2,760)
			$ 27,839

Under the terms of the financing arrangements, the proceeds of the revenue bonds were loaned to the Hospital and Medical Center by the Authority. Pursuant to the loan agreements, the Hospital and Medical Center is obligated to provide amounts that will be sufficient to enable the Authority to pay the principal and interest on the Series E bonds. A significant portion of property, building, and equipment have been collateralized under various debt agreements. The terms of the various financing arrangements between the Authority, certain financial institutions, and the Hospital and Medical Center also provide for financial covenants. As of September 30, 2014, the Hospital and Medical Center was in compliance with such covenants.

11. Long-Term Debt (continued)

The Hospital and Medical Center has a line of credit with a bank with a total line available of $5,000 which expires in March 2015. The rate is LIBOR plus 1.5%. There were no amounts outstanding as of September 30, 2014 and 2013.

Concurrent with the issuance and delivery of the Series C, Series D, Series E, Series F, Series G, and Series H bonds, the Hospital and Medical Center and the trustee entered into a master indenture and supplemental master indentures, which provide for the establishment and maintenance of various funds, a pledge of gross receipts, as defined, restrictions on incurrence of certain indebtedness, and financial covenants. The balances of the funds established pursuant to the master indenture and supplemental master indentures are included in assets whose use is limited.

Scheduled principal payments of long-term debt, including lease obligations, at September 30, 2014, are as follows:

	Debt	Capital Lease Obligations
2015	$ 4,410	$ 4,627
2016	4,517	3,008
2017	4,707	2,244
2018	4,945	281
2019	3,913	–
Thereafter	228,038	–
Less: interest	–	(454)
	$ 250,530	$ 9,706

Interest payments of $10,448 and $8,883 were made during 2014 and 2013, respectively.

12. Retirement Plan and Other Postretirement Benefits

The Hospital and Medical Center has noncontributory defined benefit pension plans in effect covering all employees who meet certain eligibility requirements. Benefits are based on years of service and the employee's compensation and include a cash balance account for each employee. For plans subject to ERISA, the Hospital and Medical Center makes contributions in amounts sufficient to meet ERISA's minimum funding requirements.

Effective March 1, 2006, the Hospital and Medical Center amended its defined benefit pension plans to close the plans to new participants on September 30, 2006, and to freeze accruals as of October 1, 2006, for participants whose age plus years of service (minimum of ten years) total less than 55. As of October 1, 2006, the Hospital and Medical Center established a defined contribution plan for all eligible non-grandfathered employees. Pension expense related to the defined contribution plan for the years ended September 30, 2014 and 2013, was $12,246 and $11,692, respectively. The defined benefit plan became fully frozen effective October 1, 2009.

The Hospital and Medical Center provides health insurance to retirees and spouses who have met certain eligibility and length of service requirements. The Hospital and Medical Center's policy is to fund the cost of those postretirement benefits as incurred. Effective September 30, 2014, a plan amendment for the Hospital and Medical Center permanently capped the subsidy for the grandfathered participants to the 2014 funding level.

Included in unrestricted net assets at September 30 are the following amounts that have not yet been recognized in net periodic benefit cost:

	Pension Benefits		**Postretirement Benefits**	
	2014	**2013**	**2014**	**2013**
Unrecognized actuarial (loss) gain	**$ (192,089)**	$ (139,688)	**$ 2,561**	$ 3,602

The actuarial (loss) gain and transition assets included in unrestricted net assets expected to be recognized in net periodic benefit cost during the year ending September 30, 2015, is $5,203.

12. Retirement Plan and Other Postretirement Benefits (continued)

The following table sets forth the plan's funded status and amounts recognized in the consolidated balance sheets:

	Pension Benefits		Other Postretirement Benefits	
	2014	**2013**	**2014**	**2013**
Change in benefit obligation				
Benefit obligation at beginning of year	**$ 403,091**	$ 458,611	**$ 7,224**	$ 13,833
Interest cost	**21,148**	19,085	**363**	546
Benefits paid	**(18,113)**	(14,984)	**(892)**	(934)
Actuarial losses (gains)	**58,217**	(59,621)	**631**	(1,624)
Plan amendments	**–**	–	**–**	(4,597)
Benefit obligation at end of year	**464,343**	403,091	**7,326**	7,224
Change in plan assets				
Fair value of plan assets at beginning of year	**263,968**	241,281	**–**	–
Actual return on plan assets	**18,723**	28,392	**–**	–
Contributions	**8,893**	9,279	**892**	934
Benefits paid	**(18,113)**	(14,984)	**(892)**	(934)
Fair value of plan assets at end of year	**273,471**	263,968	**–**	–
Funded status of the plan	**(190,872)**	(139,123)	**(7,326)**	(7,224)
Accrued benefit cost recognized in pension and other accrued expenses in the consolidated balance sheets	**$ (190,872)**	$ (139,123)	**$ (7,326)**	$ (7,224)

The accumulated benefit obligations for the plans were $471,669 and $410,315 at September 30, 2014 and 2013, respectively.

	Pension Benefits		Other Postretirement Benefits	
	2014	**2013**	**2014**	**2013**
Components of net periodic benefit cost				
Interest cost	**$ 21,148**	$ 19,085	**$ 363**	$ 546
Expected return on plan assets	**(17,194)**	(16,520)	**–**	–
Net amortization and deferral	**4,287**	6,280	**26**	74
Transition asset	**–**	–	**(436)**	–
Benefit cost (credit)	**$ 8,241**	$ 8,845	**$ (47)**	$ 620

12. Retirement Plan and Other Postretirement Benefits (continued)

Assumptions

The weighted-average assumptions used to determine benefit obligations at September 30 are as follows:

	Pension Benefits		Other Postretirement Benefits	
	2014	**2013**	**2014**	**2013**
Discount rate	**4.70%**	5.35%	**4.70%**	5.35%

The weighted-average assumptions used to determine net periodic benefit cost for the years ended September 30 are as follows:

	Pension Benefits		Other Postretirement Benefits	
	2014	**2013**	**2014**	**2013**
Discount rate	**5.35%**	4.25%	**5.35%**	4.25%
Expected long-term rate of return on assets	**7.00**	7.00	**N/A**	N/A

The Hospital and Medical Center's expected long-term rate of return on assets assumption is derived from a study conducted by its actuaries and investment managers. The study includes a review of anticipated future long-term performance of individual asset classes and consideration of the appropriate asset allocation strategy given the anticipated requirements of the plan to determine the average rate of earnings expected on the funds invested to provide for the pension plan benefits. While the study gives appropriate consideration to recent fund performance and historical returns, the assumption is primarily a long-term, prospective rate.

As of September 30, 2014, the health care cost trend rate no longer applies due to a plan change. Effective as of this date, a plan amendment permanently capped the Hospital and Medical Center's subsidy for the grandfathered participants to the 2014 level.

12. Retirement Plan and Other Postretirement Benefits (continued)

The actuarial loss in 2014 primarily relates to changes in the discount rate and mortality improvement scale to measure the benefit obligation, and the actuarial gain in 2013 primarily relates to changes in the discount rate used to measure the benefit obligation.

Plan Assets

The Hospital and Medical Center's pension plan asset allocations, by asset category are as follows:

	September 30	
	2014	**2013**
Asset category		
Equity securities:		
Domestic	**37%**	35%
International	**16**	17
Debt securities	**40**	38
Commodities	**3**	3
Real estate	**3**	3
Cash	**1**	4
Total	**100%**	100%

The Hospital and Medical Center maintains target allocation percentages among various asset classes based on an investment policy established for the pension plan, which is designed to achieve long-term objectives of return, while mitigating against downside risk and considering expected cash flows. The current weighted-average target asset allocation is as follows: equity securities 40%–80%, debt securities 20%–40%, and real estate 0%–15%. The investment policy is reviewed from time to time to ensure consistency with the long-term objective of funding the plan to a level sufficient to pay plan benefits as they become due.

Contributions

The Hospital and Medical Center expects to contribute $8,923 to its pension plan and $865 to its other postretirement benefits plan in 2015.

12. Retirement Plan and Other Postretirement Benefits (continued)

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, are expected to be paid as follows:

	Pension Benefits	Other Postretirement Benefits
Fiscal year:		
2015	$ 19,931	$ 865
2016	21,709	823
2017	23,243	780
2018	24,235	736
2019	25,561	690
2020–2024	141,665	2,806

13. Fair Values of Financial Instruments

Saint Francis Care measures fair value based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are applied based on the unit of account from Saint Francis Care's perspective. The unit of account determines what is being measured by reference to the level at which the asset or liability is aggregated (or disaggregated) for purposes of applying other accounting pronouncements.

Saint Francis Care follows a valuation hierarchy that is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2 : Observable inputs that are based on inputs not quoted in active markets, but corroborated by market data.

13. Fair Values of Financial Instruments (continued)

Level 3 : Unobservable inputs are used when little or no market data are available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. In determining fair value, Saint Francis Care uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible and considers nonperformance risk in its assessment of fair value.

Financial assets and liabilities carried at fair value as of September 30, 2014, are classified in the table below in one of the three categories described above:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	**$ 93,155**	**$ –**	**$ –**	**$ 93,155**
Short-term investments	**42,241**	**–**	**–**	**42,241**
Other assets				
Interest rate swap agreements	**–**	**5,689**	**–**	**5,689**
Deferred compensation assets:				
Marketable equity securities and mutual funds	**3,010**	**–**	**–**	**3,010**
	3,010	**5,689**	**–**	**8,699**
Assets whose use is limited				
Board designated:				
Short-term investments	**956**	**–**	**–**	**956**
Marketable equity securities and mutual funds	**32,995**	**–**	**–**	**32,995**
United States government securities	**11,185**	**–**	**–**	**11,185**
Corporate bonds and other fixed income	**12,594**	**40**	**–**	**12,634**
	57,730	**40**	**–**	**57,770**

13. Fair Values of Financial Instruments (continued)

	Level 1	Level 2	Level 3	Total
Donor restricted				
Short-term investments	**$ 31**	**$ –**	**$ –**	**$ 31**
Mutual funds:				
Emerging markets	**357**	**–**	**–**	**357**
Equities	**2,713**	**–**	**–**	**2,713**
Fixed income	**175**	**–**	**–**	**175**
Real estate	**273**	**–**	**–**	**273**
Commodities	**317**	**–**	**–**	**317**
International	**420**	**–**	**–**	**420**
	4,286	**–**	**–**	**4,286**
Held under bond indenture				
Cash and cash equivalents	**594**	**–**	**–**	**594**
United States government securities	**216**	**–**	**–**	**216**
Short-term investments	**457**	**–**	**–**	**457**
	957	**–**	**–**	**957**
Held in trust by others				
Short-term investments	**–**	**2,086**	**–**	**2,086**
Marketable equity securities	**–**	**15,866**	**–**	**15,866**
Mutual funds	**–**	**8,637**	**–**	**8,637**
United States government securities	**–**	**2,558**	**–**	**2,558**
Corporate bonds and other fixed income	**–**	**7,054**	**–**	**7,054**
Collective trust fund	**–**	**14,693**	**–**	**14,693**
Alternative investment	**–**	**2,139**	**–**	**2,139**
	–	**53,033**	**–**	**53,033**

13. Fair Values of Financial Instruments (continued)

	Level 1	Level 2	Level 3	Total
Long-term investments				
Money market funds	**$ 1,033**	**$ –**	**$ –**	**$ 1,033**
Mutual funds:				
Emerging markets	**4,929**	**–**	**–**	**4,929**
Equities	**4,211**	**–**	**–**	**4,211**
United States government securities	**778**	**–**	**–**	**778**
Corporate bonds and other fixed income	**2,611**	**42**	**–**	**2,653**
	13,562	**42**	**–**	**13,604**
Liabilities				
Interest rate swap agreements	**–**	**34,130**	**–**	**34,130**
Pension assets				
Cash and short-term investments	**2,233**	**–**	**–**	**2,233**
Fixed income	**76,294**	**1,214**		**77,508**
Mutual funds:				
Other assets	**94,310**	**–**	**–**	**94,310**
Equities	**99,420**	**–**	**–**	**99,420**
	272,257	**1,214**	**–**	**273,471**

13. Fair Values of Financial Instruments (continued)

Financial assets and liabilities carried at fair value as of September 30, 2013, are classified in the table below in one of the three categories described above:

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents	$ 97,524	$ –	$ –	$ 97,524
Short-term investments	50,685	–	–	50,685
Other assets				
Interest rate swap agreements	–	2,760	–	2,760
Deferred compensation assets:				
Marketable equity securities and mutual funds	2,242	–	–	2,242
	2,242	2,760	–	5,002
Assets whose use is limited				
Board designated:				
Short-term investments	388	–	–	388
Marketable equity securities and mutual funds	38,923	–	–	38,923
United States government securities	9,064	–	–	9,064
Corporate bonds and other fixed income	2,131	25	–	2,156
	50,506	25	–	50,531

13. Fair Values of Financial Instruments (continued)

	Level 1	Level 2	Level 3	Total
Donor restricted				
Short-term investments	$ 31	$ –	$ –	$ 31
Mutual funds:				
Emerging markets	357	–	–	357
Equities	2,713	–	–	2,713
Fixed income	175	–	–	175
Real estate	273	–	–	273
Commodities	317	–	–	317
International	420	–	–	420
	4,286	–	–	4,286
Held under bond indenture				
Cash and cash equivalents	1,787	–	–	1,787
United States government securities	1,125	–	–	1,726
Short-term investments	1,852	–	–	1,852
	4,764	–	–	4,764
Held in trust by others				
Short-term investments	–	2,163	–	2,163
Marketable equity securities	–	13,957	–	13,957
Mutual funds	–	10,402	–	10,402
United States government securities	–	1,596	–	1,596
Corporate bonds and other fixed income	–	7,652	–	7,652
Collective trust fund	–	13,760	–	13,760
Alternative investment	–	1,634	–	1,634
	–	51,164	–	51,164

13. Fair Values of Financial Instruments (continued)

	Level 1	Level 2	Level 3	Total
Long-term investments				
Money market funds	$ 711	$ –	$ –	$ 711
Mutual funds:				
Emerging markets	2,508	–	–	2,508
Equities	5,261	–	–	5,261
United States government securities	599	–	–	599
Corporate bonds and other fixed income	3,536	51	–	3,587
	12,615	51	–	12,666
Liabilities				
Interest rate swap agreements	–	30,599	–	30,599
Pension assets				
Cash and short-term investments	15,879	–	–	15,879
Fixed income	72,254	–	–	72,254
Mutual funds:				
Other assets	91,231	–	–	91,231
Equities	84,604	–	–	84,604
	263,968	–	–	263,968

The fair value of the Hospital and Medical Center long-term debt as determined by the Hospital and Medical Center using a discounted cash flow analysis was $254,580 and $257,256 at September 30, 2014 and 2013, respectively, and is classified as Level 2.

The amounts reported in the previous tables exclude investments reported under the equity method of accounting in the amounts of $5,533 and $3,474 at September 30, 2014 and 2013, respectively.

14. Related-Party Transactions

On July 12, 2012, Johnson Memorial Medical Center entered into an affiliation agreement with Saint Francis Care, designed to establish a long-term stable relationship between the two systems. Included in the affiliation agreement, Saint Francis Care obtained a minority voting interest on the Board of Directors of Johnson Memorial Medical Center. Saint Francis Care provides certain management and other services to Johnson Memorial Medical Center for which Saint Francis Care is reimbursed. Saint Francis Care was reimbursed $3,356 and $1,756 for the years ended September 30, 2014 and 2013, respectively. Related accounts receivable were, $844 and $1,515 for the years ended September 30, 2014 and 2013, respectively.

The Hospital and Medical Center has entered into a letter of credit arrangement with Johnson Memorial Medical Center for $1,250 that expires on July 27, 2015. As of September 30, 2014, Johnson Memorial Medical Center has not drawn any amounts.

15. Commitments and Contingencies

The Hospital and Medical Center has guaranteed the payment of a loan made by the City of Hartford to Mount Sinai Hospital Foundation, Inc. This loan matures on August 1, 2016. The balance of this loan at September 30, 2014 and 2013, were $386 and $578, respectively.

Saint Francis Care is a party to various lawsuits incidental to its business. Management believes that the lawsuits will not have a material adverse effect on its consolidated financial position and results of operations.

16. Changes in Components of Working Capital Other Than Cash and Cash Equivalents

	Year Ended September 30	
	2014	**2013**
Changes in current assets:		
Assets whose use is limited for current liabilities	**$ 3,424**	$ 193
Pledges receivable	**163**	1,836
Accounts receivable – patients, net	**(38,549)**	(25,269)
Accounts receivable – other	**389**	(828)
Inventories of supplies	**(1,646)**	(47)
Prepaid expenses and deposits	**(949)**	1,125
Due from affiliated entities	**466**	(1,461)
	(36,701)	(24,451)
Changes in current liabilities:		
Accounts payable	**87**	359
Accrued payroll and other related expenses	**3,504**	1,992
Accrued expenses and interest payable	**905**	(1,007)
Due to third-party reimbursement agencies	**1,759**	11,027
	6,255	12,371
Changes in working capital other than cash and cash equivalents	**$ (30,447)**	$ (12,080)

17. Functional Expenses

Functional expenses are as follows:

	Year Ended September 30	
	2014	**2013**
Health care services	**$ 723,113**	$ 702,240
General, administrative, and teaching	**68,494**	71,662
Fundraising	**2,092**	2,007
	$ 793,699	$ 775,909

18. Subsequent Events

Saint Francis Care evaluated subsequent events through January 6, 2015, which is the date the consolidated financial statements were issued. Saint Francis Care evaluates the impact of subsequent events, which are events that occur after the balance sheet date but before the consolidated financial statements are issued, for potential recognition in the consolidated financial statements as of the balance sheet date for the year ended September 30, 2014.

On December 17, 2014, Saint Francis Care and Trinity Health Corporation (Trinity Health), a multi-institutional Catholic healthcare system serving people and communities in many states, signed a definitive agreement for Trinity Health to become the sole corporate member of Saint Francis Care. Saint Francis Care will become part of Trinity Health and, together with the Sisters of Providence Health System, the organizations will establish a new Trinity Health Regional Health Ministry. Saint Francis Care will continue to serve as the parent and sole corporate member of Saint Francis Hospital and Medical Center, Inc., Mount Sinai Rehabilitation Hospital, Inc., and other entities that are presently subsidiaries of Saint Francis Care. This agreement is contingent upon regulatory review by appropriate state and federal agencies as well as approvals required under Canon Law. During this review period, both organizations will continue to operate independently.

Supplementary Information

Saint Francis Care, Inc. and Subsidiaries

Consolidating Balance Sheet
(In Thousands)

September 30, 2014

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group and Subsidiary	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Assets										
Current assets:										
Cash and cash equivalents	$ –	$ 84,700	$ 3,857	$ –	$ 197	$ 3,116	$ 1,285	$ 93,155	$ –	$ 93,155
Short-term investments	–	33,920	8,270	51	–	–	–	42,241	–	42,241
Assets whose use is limited for current liabilities	–	1,459	–	–	–	–	–	1,459	–	1,459
Current portion of pledges receivable	–	–	–	1,304	–	–	–	1,304	–	1,304
Accounts receivable – patients, less allowance for doubtful accounts	–	72,591	3,797	–	592	7,585	339	84,904	–	84,904
Accounts receivable – other	–	3,686	–	–	–	69	488	4,243	–	4,243
Inventories of supplies	–	8,855	–	–	–	–	–	8,855	–	8,855
Prepaid expenses and deposits	–	6,724	7	–	–	43	4	6,778	–	6,778
Due from affiliated entities	1,000	14,831	1,208	–	415	(15,000)	(945)	1,509	(163)	1,346
Total current assets	1,000	226,766	17,139	1,355	1,204	(4,187)	1,171	244,448	(163)	244,285
Assets whose use is limited:										
Board – designated	–	60,751	–	–	–	–	–	60,751	–	60,751
Donor restricted	–	4,286	–	–	–	–	–	4,286	–	4,286
Held under bond indenture	–	957	–	–	–	–	–	957	–	957
Held in trusts by others	–	53,033	–	–	–	–	–	53,033	–	53,033
Interest in SFHMC Foundation, Inc.	–	10,789	–	–	–	–	–	10,789	(10,789)	–
	–	129,816	–	–	–	–	–	129,816	(10,789)	119,027
Assets whose use is limited for current liabilities	–	(1,459)	–	–	–	–	–	(1,459)	–	(1,459)
	–	128,357	–	–	–	–	–	128,357	(10,789)	117,568
Long-term investments	14,847	15,998	158	–	–	–	–	31,003	(14,847)	16,156
Property, plant, and equipment, net	–	469,060	5,439	11	44	1,106	103	475,763	–	475,763
Other assets:										
Bond issuance costs, less amortization	–	1,346	–	–	–	–	–	1,346	–	1,346
Pledges receivable, less current portion	–	–	–	9,271	–	–	–	9,271	–	9,271
Other	–	11,116	2	–	–	1,252	–	12,370	–	12,370
Total assets	$ 15,847	$ 852,643	$ 22,738	$ 10,637	$ 1,248	$ (1,829)	$ 1,274	$ 902,558	$ (25,799)	$ 876,759

Saint Francis Care, Inc. and Subsidiaries

Consolidating Balance Sheet (continued)
(In Thousands)

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group and Subsidiary	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Liabilities and net assets										
Current liabilities:										
Accounts payable	$ –	$ 34,587	$ 69	$ 140	$ 17	$ 1,109	$ 1,451	$ 37,373	$ (163)	$ 37,210
Accrued payroll and other related expenses	–	35,966	1,700	–	463	11,445	149	49,723	–	49,723
Accrued expenses and interest payable	–	7,378	–	18	43	16	–	7,455	–	7,455
Due to third-party reimbursement agencies	–	14,939	841	–	–	–	–	15,780	–	15,780
Current portion of long-term debt	–	8,760	–	–	–	–	–	8,760	–	8,760
Total current liabilities	–	101,630	2,610	158	523	12,570	1,600	119,091	(163)	118,928
Pension and other accrued expenses	–	284,381	–	–	–	1,253	–	285,634	–	285,634
Long-term debt, less portion classified as a current liability	–	251,476	–	–	–	–	–	251,476	–	251,476
Total liabilities	–	637,487	2,610	158	523	13,823	1,600	656,201	(163)	656,038
Net assets:										
Unrestricted	15,847	133,482	18,392	(310)	725	(15,652)	(326)	152,158	(14,847)	137,311
Temporarily restricted	–	24,355	1,736	10,576	–	–	–	36,667	(10,576)	26,091
Permanently restricted	–	57,319	–	213	–	–	–	57,532	(213)	57,319
	15,847	215,156	20,128	10,479	725	(15,652)	(326)	246,357	(25,636)	220,721
Total liabilities and net assets	$ 15,847	$ 852,643	$ 22,738	$ 10,637	$ 1,248	$ (1,829)	$ 1,274	$ 902,558	$ (25,799)	$ 876,759

Saint Francis Care, Inc. and Subsidiaries

Consolidating Statement of Operations and Changes in Net Assets
(In Thousands)

Year Ended September 30, 2014

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group and Subsidiary	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Net patient service revenue	$ –	$ 687,135	$ 39,026	$ –	$ 4,692	$ 48,775	$ 3,699	$ 783,327	$ –	$ 783,327
Less: provision for bad debts	–	(22,553)	(629)	–	(237)	(2,919)	(208)	(26,546)	–	(26,546)
Net patient service revenue less provision for bad debts	–	664,582	38,397	–	4,455	45,856	3,491	756,781	–	756,781
Other operating revenues	350	34,500	114	1,251	842	42,211	968	80,236	(41,439)	38,797
Net assets released from restrictions for operations	–	3,927	326	5,391	–	–	–	9,644	–	9,644
	350	703,009	38,837	6,642	5,297	88,067	4,459	846,661	(41,439)	805,222
Operating expenses:										
Salaries	–	265,515	11,794	1,191	3,737	78,212	3,150	363,599	–	363,599
Supplies and other	–	369,639	16,347	898	1,267	32,391	1,490	422,032	(41,439)	380,593
Interest	–	11,620	–	–	–	–	–	11,620	–	11,620
Depreciation and amortization	–	36,822	713	3	64	226	59	37,887	–	37,887
	–	683,596	28,854	2,092	5,068	110,829	4,699	835,138	(41,439)	793,699
	350	19,413	9,983	4,550	229	(22,762)	(240)	11,523	–	11,523
Net gain on investment activity	–	3,623	–	2	–	–	–	3,625	–	3,625
Operating income (loss)	350	23,036	9,983	4,552	229	(22,762)	(240)	15,148	–	15,148
Non-operating gains and losses:										
Loss on refunding and refinancing of debt	–	(1,719)	–	–	–	–	–	(1,719)	–	(1,719)
Interest cost on interest rate swaps	–	(102)	–	–	–	–	–	(102)	–	(102)
Change in fair value of interest rate swaps	–	(603)	–	–	–	–	–	(603)	–	(603)
	–	(2,424)	–	–	–	–	–	(2,424)	–	(2,424)
Excess (deficiency) of revenues and gains and losses over expenses	350	20,612	9,983	4,552	229	(22,762)	(240)	12,724	–	12,724

Saint Francis Care, Inc. and Subsidiaries

Consolidating Statement of Operations and Changes in Net Assets (continued)
(In Thousands)

	Saint Francis Care, Inc.	Saint Francis Hospital and Medical Center	Mount Sinai Rehabilitation Hospital, Inc.	Saint Francis Hospital and Medical Center Foundation, Inc.	Saint Francis Care Medical Group, P.C.	Saint Francis Medical Group and Subsidiary	Asylum Hill Family Medicine Center, Inc.	Total Prior to Elimination	Intercompany Elimination	Consolidated Saint Francis Care, Inc.
Unrestricted net assets:										
Excess of revenues and gains and losses over expenses (continued)	$ 350	$ 20,612	$ 9,983	$ 4,552	$ 229	$ (22,762)	$ (240)	$ 12,724	$	$ 12,724
Net asset transfer	–	532	(10,000)	(4,547)	–	10,000	–	(4,015)	–	(4,015)
Net assets released from restrictions used for property, plant, and equipment	–	3,313	–	–	–	–	–	3,313	–	3,313
Change in pension funding and postretirement obligations	–	(53,442)	–	–	–	–	–	(53,442)	–	(53,442)
Change in minority interest in subsidiary	–	264	–	–	–	–	–	264	–	264
(Decrease) increase in unrestricted net assets	350	(28,721)	(17)	5	229	(12,762)	(240)	(41,156)	–	(41,156)
Temporarily restricted net assets:										
Income from investments	–	109	–	–	–	–	–	109	–	109
Gifts, contributions, and donations	–	3,068	295	5,228	–	–	–	8,591	–	8,591
Net unrealized gain on investments	–	44	–	–	–	–	–	44	–	44
Net assets released from restrictions for operations	–	(3,927)	(326)	(5,391)	–	–	–	(9,644)	–	(9,644)
Net assets released from restrictions used for property, plant, and equipment	–	(3,680)	–	–	–	–	–	(3,680)	–	(3,680)
Net asset transfer	–	3,290	725	–	–	–	–	4,015	–	4,015
Increase in interest SFHMC Foundation , Inc.	–	(163)	–	–	–	–	–	(163)	163	–
(Decrease) increase in temporarily restricted net assets	–	(1,259)	694	(163)	–	–	–	(728)	163	(565)
Permanently restricted net assets:										
Increase in assets held in trusts by others	–	1,869	–	–	–	–	–	1,869	–	1,869
Increase in permanently restricted net assets	–	1,869	–	–	–	–	–	1,869	–	1,869
(Decrease) increase in net assets	350	(28,111)	677	(158)	229	(12,762)	(240)	(40,015)	163	(39,852)
Net assets at beginning of year	15,497	243,267	19,451	10,637	496	(2,890)	(86)	286,372	(25,799)	260,573
Net assets at end of year	$ 15,847	$ 215,156	$ 20,128	$ 10,479	$ 725	$ (15,652)	$ (326)	$ 246,357	$ (25,636)	$ 220,721

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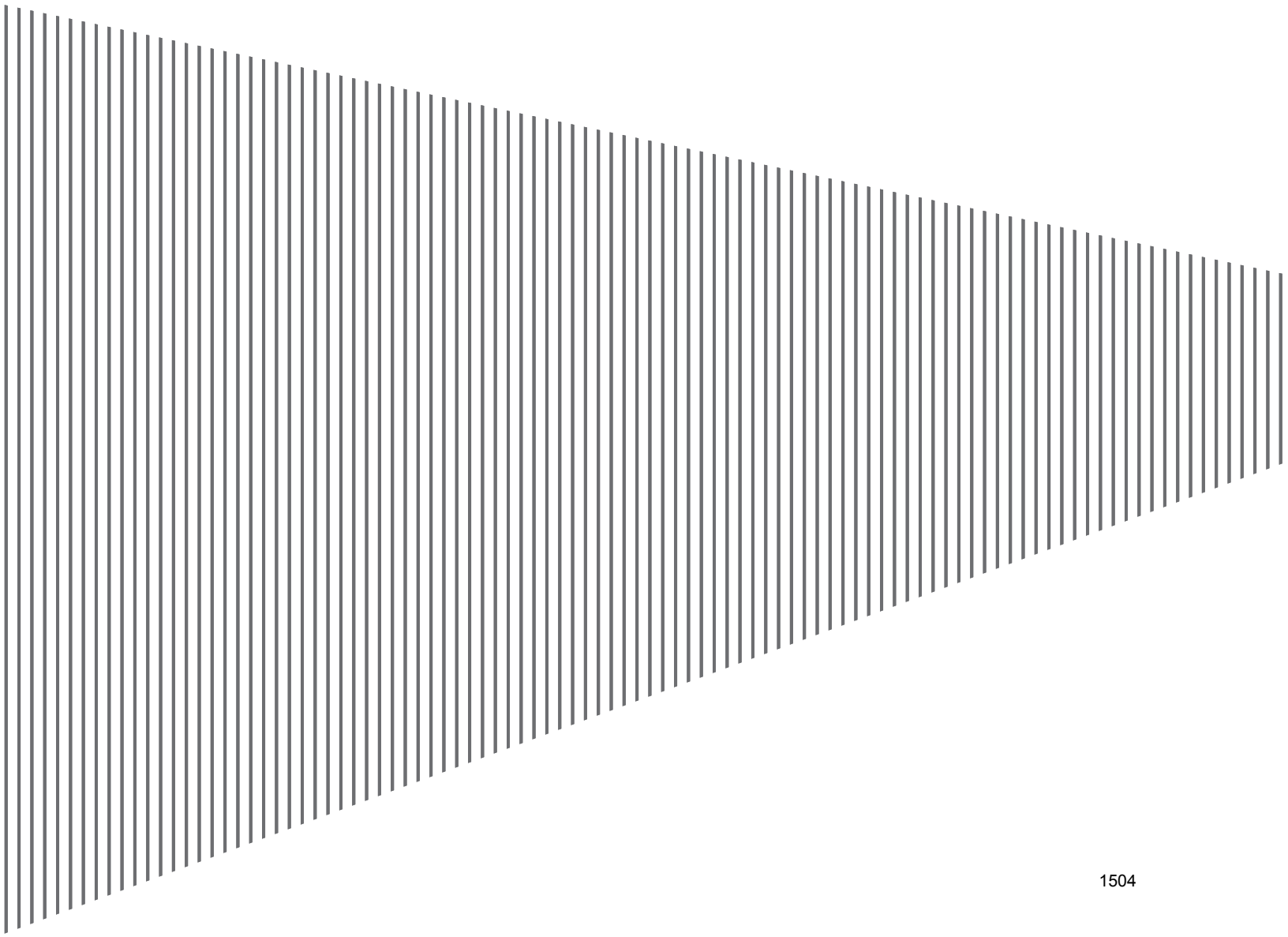

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2014 AND 2013

JOHNSON MEMORIAL MEDICAL CENTER

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MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Johnson Memorial Medical Center

We have audited the accompanying consolidated financial statements of Johnson Memorial Medical Center (the Organization), which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Marcum LLP ▪ City Place II ▪ 185 Asylum Street ▪ 17th Floor ▪ Hartford, CT 06103 ▪ Phone 860.549.8500 / 877.231.5351 ▪ Fax 860.549.8501 ▪ marcumllp.com

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Johnson Memorial Medical Center as of September 30, 2014 and 2013, and the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying consolidated financial statements have been prepared assuming that the Organization will continue as a going concern. As described in Note 1, the Organization experienced recurring losses from operations, had an unrestricted net asset deficit of $12,121,840, and had current liabilities that exceeded current assets by $32,273,795 as of September 30, 2014. The Organization has a credit agreement and mortgages that require certain financial and non-financial covenants be maintained. The Organization failed certain covenants during the year ended September 30, 2014 and defaulted on certain payments due on its mortgages and due to creditors. In addition, the Organization filed for relief under Chapter 11 of the U.S. Bankruptcy Code subsequent to September 30, 2014 and entered into asset purchase agreements for the sale of the Organization which are contingent on a number of conditions, including the approval of the Bankruptcy Court. These conditions raise substantial doubt about the Hospital's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Marcum LLP

Hartford, CT
March 30, 2015

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2014 AND 2013

	2014	2013
Assets		
Current Assets		
Cash and cash equivalents	$ 1,469,221	$ 805,902
Patient trust funds	59,530	69,759
Patients accounts receivable, net of allowances for uncollectible accounts of $5,186,000 in 2014 and $4,170,000 in 2013	11,658,028	10,135,389
Insurance and other receivables	1,078,149	2,026,862
Inventories	1,295,797	1,317,470
Prepaid expenses and other current assets	2,288,803	1,110,135
Total Current Assets	17,849,528	15,465,517
Assets Whose Use is Limited		
Beneficial interests in perpetual trusts	3,793,323	3,729,727
Restricted cash and board designated investments	224,048	268,338
Cash and investments restricted by donor	1,029,209	1,030,601
Total Assets Whose Use is Limited	5,046,580	5,028,666
Other Assets		
Property, plant and equipment, net	23,269,815	27,034,256
Investment in joint ventures and other assets	3,408,630	3,173,049
Investments, other	1,100	1,100
Deferred financing costs, net	288,663	299,787
Other noncurrent assets	1,600,193	476,000
Total Other Assets	28,568,401	30,984,192
	$ 51,464,509	$ 51,478,375

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED BALANCE SHEETS (CONTINUED)

SEPTEMBER 30, 2014 AND 2013

	2014	2013
Liabilities and Net Assets (Deficit)		
Current Liabilities		
Trade accounts payable and accrued expenses	$ 8,408,688	$ 7,095,451
Accrued payroll and related costs	2,789,581	2,807,220
Current portion of payments due under plan of reorganization	4,100,000	2,050,000
Patient trust funds	59,530	69,759
Senior debt under revolving line of credit	1,604,830	2,208,858
Current portion of mortgage payable	29,141,197	29,202,278
Current portion of subordinated and other debt	125,772	457,587
Current portion of capital lease obligations	197,299	14,365
Estimated amounts due to third-party reimbursement agencies	2,911,614	2,784,065
Other current liabilities	784,812	672,681
Total Current Liabilities	50,123,323	47,362,264
Long-Term Liabilities		
Payments due under plan of reorganization - less current portion	2,411,446	4,017,048
Subordinated debt - less current portion	17,435	125,022
Other long-term debt	2,350,000	2,350,000
Self-insurance liabilities and reserves for incurred but not reported professional liability claims	2,344,272	641,424
Other liabilities	401,097	623,786
Obligations under capital lease - less current portion	721,036	45,579
Total Long-Term Liabilities	8,245,286	7,802,859
Total Liabilities	58,368,609	55,165,123
Net Assets (Deficit)		
Unrestricted	(12,121,840)	(8,766,006)
Temporarily restricted	410,595	335,709
Permanently restricted	4,807,145	4,743,549
Total Net Assets (Deficit)	(6,904,100)	(3,686,748)
	$ 51,464,509	$ 51,478,375

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Operating Revenue		
Net patient service revenue	$ 96,614,360	$ 91,030,996
Provision for bad debts	4,537,178	4,709,325
Net patient service revenue less provision for bad debts	92,077,182	86,321,671
Grant and other income	501,330	370,611
Other revenue	550,814	526,531
Net assets released from restriction	269,758	459,171
Total Operating Revenue	93,399,084	87,677,984
Expenses		
Salaries	40,411,635	43,355,432
Employee benefits	10,541,692	10,483,743
Professional fees	6,908,956	5,014,763
Depreciation and amortization	3,226,575	4,269,259
Outsourced staffing and contracted services	5,192,947	4,934,252
Supplies, drugs and patient care	12,822,617	10,543,386
Leases and service contracts	1,624,365	1,622,194
Occupancy costs	3,441,747	3,489,884
Insurance	1,669,982	1,292,568
Provider tax	859,088	899,469
Other expenses	6,010,913	5,267,473
Interest	1,985,339	1,899,374
Total Expenses	94,695,856	93,071,797
Loss from Operations Before Impairment Loss on Long-Lived Assets	(1,296,772)	(5,393,813)
Impairment Loss on Long-Lived Assets	(2,452,326)	(2,355,632)
Loss from Operations	(3,749,098)	(7,749,445)
Nonoperating Revenue (Loss)		
Investment income	166,175	160,097
(Loss) gain on sale of equipment	(13,263)	1,200
Equity earnings in joint ventures	232,022	72,279
	384,934	233,576
Deficiency of Revenues over Expenses	$ (3,364,164)	$ (7,515,869)

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Unrestricted Net Assets		
Deficiency of revenues over expenses	$ (3,364,164)	$ (7,515,869)
Net assets released from restriction for purchase of property and equipment	8,330	89,765
Change in Unrestricted Net Assets	(3,355,834)	(7,426,104)
Temporarily Restricted Net Assets		
Grants and other contributions	352,974	583,123
Income and realized gains on investments	--	148
Net assets released from restriction	(278,088)	(548,936)
Change in Temporarily Restricted Net Assets	74,886	34,335
Permanently Restricted Net Assets		
Increase in fair value of beneficial interest in perpetual trusts	63,596	113,235
Change in Net Assets	(3,217,352)	(7,278,534)
Net Assets (Deficit) - Beginning	(3,686,748)	3,591,786
Net Assets (Deficit) - End	$ (6,904,100)	$ (3,686,748)

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Cash Flows From Operating Activities and Reorganization Items		
Change in net assets	$ (3,217,352)	$ (7,278,534)
Adjustments to reconcile change in net assets (deficit) to net cash provided by operating activities:		
Impairment loss on long-lived assets	2,452,326	2,355,632
Depreciation and amortization	3,226,575	4,269,259
Accretion of asset retirement obligation	11,074	10,374
Provision for bad debt	4,537,178	4,709,325
Loss (gain) on disposal of assets	13,263	(1,200)
Equity earnings in joint ventures	(232,022)	(72,279)
Change in net realized and unrealized gains on investments	(63,596)	(113,235)
Changes in assets and liabilities:		
Patient accounts receivable	(6,059,817)	(3,795,003)
Insurance and other receivables	948,713	(1,318,655)
Prepaid expenses and other current assets	(1,178,668)	32,094
Inventories	21,673	(62,879)
Restricted cash and board designated investments	45,682	96,476
Restricted grants and contributions	(352,974)	(583,123)
Other noncurrent assets	(1,127,752)	(31,000)
Payments due under plan of reorganization	443,398	(658,897)
Accounts payable and accrued expenses	1,313,237	2,249,014
Accrued payroll and related costs	(17,639)	(211,035)
Estimated amounts due to third-party reimbursement agencies	127,549	1,289,797
Self-insurance liabilities	1,702,848	(499,676)
Other current liabilities	112,131	(190,080)
Other liabilities	(222,689)	(159,817)
Net Cash Provided by Operating Activities and Reorganization Items	2,483,138	36,558
Cash Flows From Investing Activities		
Capital expenditures	(961,673)	(502,463)
Net Cash Used in Investing Activities	(961,673)	(502,463)

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Cash Flows From Financing Activities		
Restricted grants and contributions	$ 352,974	$ 583,123
Principal payments on mortgage and subordinated debt	(500,483)	(535,012)
Proceeds from other debt	--	1,400,000
Payments on revolving line of credit	(604,028)	(1,295,355)
Principal payments on capital lease obligations	(106,609)	(72,300)
Net Cash Used in Financing Activities	(858,146)	80,456
Net Change in Cash and Cash Equivalents	663,319	(385,449)
Cash and Cash Equivalents - Beginning	805,902	1,191,351
Cash and Cash Equivalents - Ending	$ 1,469,221	$ 805,902
Supplemental Disclosures of Cash Flow Information		
Cash paid for interest	$ 1,258,348	$ 1,258,897

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

ORGANIZATION

Johnson Memorial Medical Center (the Corporation or JMMC) is a not-for-profit, non-stock holding company located in Stafford Springs, Connecticut. The Corporation through its subsidiaries provides health care services to residents throughout the Hartford and Tolland Connecticut counties. The Corporation's non-profit subsidiaries include Johnson Memorial Hospital (the Hospital or JMH), Johnson Evergreen Corporation (Evergreen or EHCC), Johnson Health Care, Inc. (Health Care or JHC), and Home & Community Health Services, Inc. (HCHS). Johnson Medical Specialists, P.C. (JMS) is a professional corporation that is controlled by the Corporation. The Hospital has controlling interests in Johnson Development Fund, Inc. (Development) and its for-profit subsidiary WellCare, Inc. and Johnson Professional Associates, P.C. (JPA). The above entities are collectively referred to as the Organization in this consolidated presentation.

The Organization's major accounting policies are as summarized below and in Note 2.

JANUARY 14, 2015 BANKRUPTCY FILING

On January 14, 2015, the Corporation, Hospital, HCHS, Health Care and JPA filed a voluntary joint petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for District of Connecticut, Hartford Division (Bankruptcy Court). Evergreen filed a separate Chapter 11 petition on January 14, 2015. The aforementioned entities are collectively referred to as the Debtors.

In connection with these bankruptcy filings, the Debtors filed motions with the Bankruptcy Court under Bankruptcy Code Section 363 to sell the Corporation, Hospital, Evergreen, Home and Community, and Health Care to Saint Francis Care, Inc. (Saint Francis).

Saint Francis and the Corporation have negotiated two separate asset purchase agreements, one for the sale of the Corporation, Hospital, HCHS, and Health Care and a separate agreement for the sale of Evergreen which are both subject to Bankruptcy Court approval. Saint Francis will not purchase Evergreen unless it is successful in executing the other asset purchase agreement.

The sales process in the Bankruptcy Court will be the subject of a number of court hearings and the creditors may object to the proposed sale. Also, the proposed sale of Evergreen to Saint Francis will be subject to the best offer as there will be an opportunity for other potential buyers to submit competing offers and an auction is expected to occur if there are competing bids.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

JANUARY 14, 2015 BANKRUPTCY FILING (CONTINUED)

In addition to Bankruptcy Court approval, approval from the State of Connecticut Office of Health Care Access (OHCA), the Office of the Attorney General and from state and federal antitrust authorities is required.

Saint Francis and People's United Bank (People's) have negotiated the restructuring of the People's mortgage debt owed by the Hospital and JMMC in order for a portion of the debt to be assumed by Saint Francis as part of the proposed sales transactions. None of the People's debt related to Evergreen is expected to be assumed by Saint Francis under the proposed Evergreen asset purchase agreement.

On January 16, 2015, the Debtors and a lender have negotiated the terms of a debtor in possession loan in the amount of up to $7 million, subject to certain limits, to finance the Debtors' operations through the bankruptcy process.

During the year ended September 30, 2014, the Organization expensed legal and consulting costs of approximately $850,000 related to the bankruptcy filing and the proposed sales transactions.

ORIGINAL BANKRUPTCY FILING

As a result of the severe financial operating deficits, management determined it would be unable to pay its obligations in the normal course of business during fiscal year 2009 or service its debt in a timely fashion. On November 4, 2008, the Hospital, the Corporation and Evergreen, filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code. This generally delayed payments of liabilities incurred prior to filing those petitions while the Corporation, the Hospital and Evergreen developed a joint plan of reorganization that was satisfactory to their creditors, and allowed these entities to continue as going concerns.

On August 11, 2010, the Bankruptcy Court confirmed the original plan of reorganization which was subject to the satisfaction of a number of conditions precedent. One of the conditions was that the Hospital, the Corporation, and Evergreen were required to obtain a line of credit of at least $6 million. On September 30, 2010, the plan of reorganization became effective when these debtors received financing under an $8 million line of credit and all other material conditions precedent to the plan becoming binding were resolved. The Bankruptcy Court issued a final decree on December 29, 2010.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

ORIGINAL BANKRUPTCY FILING (CONTINUED)

There was no change in control as the Organization's Board of Directors immediately prior to the confirmation of the plan retained control upon emergence from the Chapter 11 proceedings, therefore, the Organization did not adopt fresh-start reporting.

As of September 30, 2014 and 2013, liabilities compromised by the confirmed plan have been recorded at the present values of amounts to be paid, determined at the interest rate of 6.75%.

The Debtor's original confirmed plan provided for the following:

Secured Debt – The Hospital's secured debt with a bank (secured by a first mortgage lien on land and buildings located in Stafford Springs, Connecticut and a blanket lien on all furniture, fixtures, and equipment) was reinstated as such maturity existed before any default, and is payable in quarterly installments through January 1, 2048. The Hospital will also remain obligated as guarantor of the Corporation's secured debt in the amounts of $2,940,000 and $3,001,081, respectively, as of September 30, 2014 and 2013 and Evergreen's secured debt of $14,213,697 as of September 30, 2014 and 2013.

Evergreen's secured debt with a bank (secured by a first mortgage lien on land and buildings located in Stafford Springs, Connecticut and a blanket lien on all furniture, fixtures, and equipment) was reinstated as such maturity existed before any default, and is payable in quarterly installments through September 1, 2047.

The Corporation's secured debt with a bank (secured by a lien on land and buildings located in Enfield, Connecticut and a blanket lien on all furniture, fixtures, and equipment) was reinstated as such maturity existed before any default, and is payable in monthly installments through September 30, 2014 at which time the outstanding principal balance plus accrued interest thereon became due and payable, however, the loan has not been repaid.

Other Secured Debt – The Hospital's loan to finance information technology equipment was restructured to be paid in 60 monthly installments of $10,000, including interest. The carrying value of this compromised debt was $125,022 and $232,609 as of September 30, 2014 and 2013, respectively.

Priority and Administrative Claims – All priority and administrative claims were to be paid as allowed by the Court.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

ORIGINAL BANKRUPTCY FILING (CONTINUED)

Trade and Other Miscellaneous Claims – The holders of approximately $11 million of trade and other miscellaneous claims were entitled to receive $780,802 on the effective date, $283,525 on the first anniversary of the effective date, $541,275 on the second anniversary of the effective date and $1,056,775 on the each of the third, fourth, and fifth anniversaries of the effective date.

The holders of approximately $175,000 of convenience claims were entitled to receive 50% of their allowed claim. Unexpired leases and contracts not rejected by the Debtors were scheduled to be paid according to their original or negotiated terms.

Pension Benefit Guaranty Corporation (PBGC) Claims – The PBGC was entitled to receive $730,402 on the effective date, $266,475 on the first anniversary of the effective date, $508,725 on the second anniversary of the effective date and $993,225 on the each of the third, fourth, and fifth anniversaries of the effective date. The Hospital has also recorded a liability of $468,384 and $438,767 as of September 30, 2014 and 2013, respectively, for the pension termination premium that is owed to the PBGC prior to October 1, 2016. If the premium is not paid by this date, the pension termination premium will increase to $2 million under the terms of the plan of reorganization.

The Hospital and Evergreen failed to pay the amounts owed to the unsecured creditors and the PBGC that were due on October 1, 2013 and October 1, 2014.

In addition, mortgage payments totaling approximately $5,572,000 were past due under the secured mortgages as of September 30, 2014. The $29,141,197 balance of the mortgages has been classified as a current liability at September 30, 2014 based on the fact that People's Bank had the right to demand repayment at September 30, 2014.

AFFILIATION WITH SAINT FRANCIS CARE, INC.

On July 12, 2012, the Corporation, along with the Hospital and Evergreen (collectively, the Johnson Entities) entered into an affiliation agreement with Saint Francis Care designed to establish a long-term stable relationship between the two systems, allowing them to work together to maintain and strengthen the Corporation's operating viability and the Hospital's presence in the community as a community hospital, expand the array of health care services available, support the Hospital's medical staff, and enhance the Corporation's efforts to fulfill its mission. Saint Francis made an initial payment to the Johnson Entities of $1,300,000 on the date of the affiliation agreement and made an additional payment of $1,050,000 on October 1, 2012, both payments to be used by the Johnson Entities to satisfy outstanding claims owed under the reorganization plan (the Plan) to the Pension Benefit Guaranty Corporation and the unsecured creditors in classes A6 and B6 of the Plan.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

AFFILIATION WITH SAINT FRANCIS CARE, INC. (CONTINUED)

All payments made by Saint Francis under this agreement were considered to be an unsecured loan. Under the terms of the affiliation agreement, this loan would be payable in the event that the Corporation sought the closing of an alternative transaction, if the proceeds of this alternative transaction exceeded the amounts necessary to satisfy all other secured and unsecured debt owed by the Corporation.

In connection with the $1,300,000 initial payment, Saint Francis was provided with the right to appoint three members to the Boards of Directors of Johnson Memorial Medical Center, the Hospital, and Evergreen.

The affiliation agreement requires the Johnson Entities to obtain the consent of Saint Francis prior to the occurrence of the following events: merger, dissolution, dilution of Saint Francis' board representation, incurrence of certain additional debt, prepayment of debt, creation of liens, entering into lease obligations in excess of $1 million, the sale or disposition of properties in excess of defined thresholds, distributions of cash, or the addition or termination of any material clinical service.

Saint Francis will provide medical leadership in the Hospital's oncology program, infectious disease program, hospitalist program and management services in both case management and psychiatry in an effort to help the Hospital to attract additional volume.

On May 17, 2013, the Johnson Entities amended the affiliation agreement with Saint Francis to include additional advances of up to $1,000,000 to be used solely for general working capital purposes. Advances under this amendment are subject to interest effective October 1, 2013 at the prime rate plus 2%. As of September 30, 2014, there were no advances under this letter of credit and $350,000 was advanced to the Hospital as of September 30, 2013.

During 2014, Saint Francis agreed to provide credit support of $2 million to the Johnson Entities in the form of a guaranty and letter of credit issued by a bank as security for the Johnson Entities' deductible under their workers' compensation policy. Certain fees and interest will be owed to Saint Francis under this agreement. As of September 30, 2014, there were no borrowings under this letter of credit.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

GOING CONCERN

The accompanying financial statements have been prepared assuming that the Organization will continue as a going concern. During 2014, the Organization experienced recurring losses from operations, had an unrestricted net asset deficit of $12,121,840, and had current liabilities that exceeded current assets by $32,273,795 as of September 30, 2014. The Hospital, EHCC and JMMC failed certain debt covenants during the year ended September 30, 2014 and defaulted on certain payments due on their mortgages and amounts due to their creditors. In addition, the Corporation filed for relief under Chapter 11 of the U.S. Bankruptcy Code subsequent to September 30, 2014. These conditions raise substantial doubt about the Corporation's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

It is the plan of management to ensure that the Corporation continues as a going concern and the Corporation is pursuing the potential sale of the Hospital and the other Debtors to Saint Francis under Bankruptcy Code Section 363. Management believes that such a sale will preserve and maximize the going concern value of the Debtors' properties, provide jobs for the Debtors' employees, and allow for the continued delivery of health care services to residents of North Central Connecticut.

The actions taken by the Corporation with respect to the potential transaction with Saint Francis and the courses of action taken by Bankruptcy Court and the creditors of the Corporation will have an impact on the Corporation's ability to continue as a going concern.

The Corporation's continuation as a going concern is also ultimately dependent upon its future financial performance, which will be affected by general economic, competitive and other factors, many of which are beyond the Corporation's control. There can be no assurance that the Corporation's plans to ensure continuation as a going concern will be successful.

PRINCIPLES OF CONSOLIDATION AND PRESENTATION

The accompanying consolidated financial statements include the accounts of Johnson Memorial Medical Center, Johnson Memorial Hospital, The Johnson Evergreen Corporation, Home & Community Health Services, Johnson Health Care, Inc., Johnson Professional Associates, P.C., Johnson Medical Specialists, P.C., and Johnson Development Fund, Inc. JPA and Development are entities in which the Hospital has a controlling financial interest. All inter-company accounts have been eliminated in consolidation.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

PRINCIPLES OF CONSOLIDATION AND PRESENTATION (CONTINUED)

ASC 810-25, *Consolidations*, requires a not-for-profit entity, among other things, to consolidate into its financial statements the financial results of another not-for-profit in which it has a controlling financial interest and to make certain disclosures. Reference is made to Note 2.

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

NET ASSET CATEGORIES

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in the following net asset categories:

Unrestricted – Unrestricted net assets represent available resources which can be used for general operations of the Organization. Included in unrestricted net assets are assets set aside by the Board of Directors.

Temporarily Restricted – The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in within the same year as received are reflected as unrestricted contributions in the accompanying financial statements. At September 30, 2014 and 2013, the Organization had temporarily restricted net assets of $410,595 and $335,709, respectively.

Permanently Restricted – Permanently restricted net assets represent contributions received with the donor restriction that the principal be invested in perpetuity and that income earned thereon is available for operations or a specific purpose.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, including estimated uncollectible accounts receivable and contractual allowances and liabilities, including estimated net settlements with third-party reimbursement agencies and professional liabilities, and disclosure of contingent assets and contingent liabilities at the date of the financial statements. Estimates also affect the amounts of revenues and expenses reported during the period. There is at least a reasonable possibility that certain estimates will change by material amounts in the near term. Actual results could differ from those estimates.

REGULATORY MATTERS

The Hospital is required to file annual operating information with the State of Connecticut Office of Health Care Access.

DONOR RESTRICTED GIFTS

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. The gifts are reported as either temporarily or permanently restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets.

CASH AND CASH EQUIVALENTS

The Organization considers all highly liquid investments with remaining maturities of three months or less at date of purchase to be cash equivalents. Cash and cash equivalents are held at a limited number of financial institutions and at times, the amounts on deposit exceed insured limits.

BENEFICIAL INTERESTS IN PERPETUAL TRUSTS

The Hospital is the beneficiary of several trust funds. Although the principal balances in the trust funds are permanently restricted, the income earned on the trust funds is unrestricted. The increases in unrealized gains from the trust funds were $63,596 in 2014 and $113,235 in 2013 and are included in changes in permanently restricted net assets.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

INVESTMENTS PERMANENTLY RESTRICTED BY DONOR

Investments permanently restricted by donor (other than beneficial interests in perpetual trusts) represent the funds held to support the permanently restricted endowment funds and earnings thereon. Investments in securities with readily determinable fair values are measured at fair value in the balance sheets. Fair value is determined based upon quoted market prices. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the deficiency of revenue over expenses unless restricted by the donor or law.

Unrealized gains and losses on investments related to certain permanently restricted net assets (excluding beneficial interests in perpetual trusts) and certain temporarily restricted net assets are included in temporarily restricted net assets under State law which allows the Board of Directors to appropriate as much of the net appreciation of investments as is prudent considering the Organization's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. Reference is made to Note 8.

ACCOUNTS RECEIVABLE

Patient accounts receivable result from the health care services provided by the Corporation's subsidiaries. The amount of the allowance for uncollectible accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage and other collection indicators. See Note 3 for additional information relative to net patient service revenue recognition and third-party payer programs.

INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the deficiency of revenues over expenses unless the income or loss is restricted by donor or law.

Unrealized gains and losses on investments on the Organization's beneficial interests in perpetual trusts are recorded as changes in permanently restricted net assets.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

INVESTMENT IN JOINT VENTURES

The Hospital has three joint ventures that it accounts for using the equity method. The change in the Hospital's share in the equity of these joint ventures is recorded as a component of nonoperating revenues in the consolidated statements of operations. The Hospital has a 25% interest in Northeast Regional Radiation Oncology Network, Inc. (NRRON) ($3,299,195 and $3,108,378 as of September 30, 2014 and 2013, respectively) and has a 15% ownership interest in Tolland Imaging Center, LLC ($81,604 and $41,285 as of September 30, 2014 and 2013, respectively). JMMC leases space to NRRON under the terms of an operating lease and recognized rental income of $232,000 and $225,240 for the years ended September 30, 2014 and 2013, respectively.

INVENTORIES

Inventories of drugs and supplies are stated at the lower of cost or market, determined using the first in first out method.

IMPAIRMENT OF LONG-LIVED ASSETS

The Organization records impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. Evergreen recorded impairment losses of $2,452,326 and $2,355,632 during the years ended September 30, 2014 and 2013, respectively. Management believes that the other entities with long-lived assets included in the consolidated financial statements will generate undiscounted cash flows that will at least recover the value in their long-lived assets at their current carrying values.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost. As of September 30, 2014 and 2013, Evergreen reduced the carrying value of its building and improvements by $2,452,326 and $2,355,632, respectively, related to the aforementioned impairment loss. The adjusted carrying value is the new cost basis. The Organization provides for depreciation of property, plant and equipment and amortization of assets recorded under capital leases using the straight-line method over the estimated useful lives of the assets as follows:

	Useful Lives
Buildings and improvements	5 – 40 years
Land improvements	5 – 20 years
Equipment	3 – 20 years

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures for renewals and betterments are capitalized.

Financial Accounting Standards Board ASC 410-20, *Accounting for Asset Retirement Obligations,* provides guidance on accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. Asset retirement obligations include, but are not limited to, certain types of environmental issues which are legally required to be remediated upon an asset's retirement as well as contractually required asset retirement obligations. ASC 410-20 provides clarifying guidance on conditional asset retirement obligations. Conditional asset retirement obligations are obligations whose settlement may be uncertain. ASC 410-20's guidance requires such conditional asset retirement obligations to be estimated and recognized. Application of these pronouncements affects the Hospital with respect to required future asbestos remediation.

Conditional asset retirement obligations of $346,001 and $334,927 as of September 30, 2014 and 2013, respectively, were recorded in other liabilities on the balance sheets. These retirement obligations have been discounted at a rate of 6.75%. The undiscounted amounts of the obligations were $346,001 at September 30, 2014 and 2013. There were no retirement obligations incurred or settled during 2014 and 2013. Reference is made to Note 16 regarding other environmental exposures.

RISKS AND UNCERTAINTIES

The Hospital and HCHS invest in a variety of investment securities which are exposed to various risks, such as interest rate risk, financial market risk and credit risk. Due to the level of risk associated with investment securities, coupled with the current economic events, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Organization's financial statements.

NONOPERATING REVENUE

Activities, other than in connection with providing health care services, are considered to be nonoperating. Nonoperating revenue consists primarily of income on invested funds, gains and losses on sales of equipment, and the changes in the Organization's share of equity of the joint ventures accounted for under the equity method.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

DEFICIENCY OF REVENUE OVER EXPENSES

The statements of operations and changes in net assets include the deficiency of revenue over expenses as the performance indicator. Changes in unrestricted net assets which are excluded from the deficiency of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets).

INCOME TAXES

The Corporation, the Hospital, Evergreen, HCHS, Health Care, and Development are generally exempt from income taxes under Internal Revenue Code, Section 501(a), as organizations described in Section 501(c)(3). JPA is a professional corporation that has experienced losses since inception and accordingly, no provisions for federal or state income taxes have been recorded.

The Organization accounts for uncertainty in income tax positions in the consolidated financial statements by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Management has analyzed the tax positions taken and has concluded that as of September 30, 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Corporation and its subsidiaries are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes that these organizations are no longer subject to income tax examinations prior to 2011.

ADVERTISING

The Organization expenses advertising costs as incurred. Advertising expenses for the years ended September 30, 2014 and 2013 were $5,039 and $40,673, respectively.

RECOGNITION OF GRANT REVENUE

Grants are generally considered to be exchange transactions in which the grantor requires the performance of specified activities. Entitlement to cost reimbursement grants is conditioned on the expenditure of funds in accordance with grant restrictions and, therefore, revenue is recognized to the extent of grant expenditures. Entitlement to performance based grants is conditioned on the attainment of specific performance.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

CHARITY CARE

The Organization provides care to patients who meet certain criteria under its charity care policies without charge, or at amounts less than its established rates. The Organization does not pursue collection of amounts determined to be charity care and these amounts are not reported as net patient service revenues. For the year ended September 30, 2014 the charges and costs related to charity care were $421,153 and $219,000 and for the year ended September 30, 2013, the charges and costs related to charity care were $353,488 and $152,000, respectively.

ESTIMATED MEDICAL MALPRACTICE AND WORKERS' COMPENSATION COSTS

The provision for estimated medical malpractice and workers' compensation claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

The Organization accounts for its insurance claims and related insurance recoveries in accordance with the provisions of ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which indicates that health care entities should not net insurance recoveries against the related claim liabilities.

BAD DEBTS

ASU 2011-07, *Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts*, requires certain health care entities to present the provision for bad debts associated with patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) rather than as an operating expense Refer to Note 3 for the additional disclosures required by ASU 2011-07.

RECLASSIFICATIONS

Certain 2013 reported amounts have been reclassified to conform to the 2014 financial statement presentation.

SUBSEQUENT EVENTS

The Organization evaluates the impact of subsequent events, events that occur after the balance sheet date but before the financial statements are issued, for potential recognition in the financial statements as of the balance sheet date or for disclosure in the notes to the financial statements. The Organization evaluated events occurring subsequent to September 30, 2014 through March 30, 2015, the date on which the accompanying financial statements were available to be issued. During this period, there were no subsequent events that required disclosure or recognition in the consolidated financial statements, other than the disclosures related to the January 14, 2015 bankruptcy filing.

NOTE 2 – CONSOLIDATED ENTITIES

Johnson Memorial Hospital is an acute care hospital located in Stafford Springs, Connecticut. The Hospital is licensed for 92 beds and provides a broad range of inpatient and outpatient services primarily throughout Hartford and Tolland Connecticut counties. Admitting physicians are primarily practitioners in the same geographic area. The Hospital has a controlling interest in JPA and Development.

JPA is a medical practice that is controlled by the Hospital. Although the Hospital does not have direct ownership interests in JPA, the Hospital has a controlling voting interest in the Board of JPA, thus enabling the Hospital to control the economic activities of JPA. Also, the Hospital provides funding to JPA to fund its operating losses.

Johnson Memorial Hospital Development Fund, Inc. is a not-for-profit organization that raises funds for the Hospital and other affiliates in which the Hospital has a controlling financial interest by virtue of control of its board of directors and the fact that substantially all of Development's assets are for the use of the Hospital.

Johnson Evergreen Corporation is a subsidiary of the Corporation. Evergreen is currently licensed as a 180-bed not-for-profit, skilled nursing facility located in Stafford Springs, CT.

Home & Community Health Services, Inc. is a subsidiary of the Corporation. HCHS is a tax-exempt, non-stock corporation, which provides and administers a comprehensive, multi-disciplinary, home health care and hospice program primarily to residents in North Central Connecticut.

JMS is a medical practice that is controlled by the Corporation. Although the Corporation does not have direct ownership interests in JMS, the Corporation has a controlling voting interest in the Board of JMS, thus enabling the Corporation to control the economic activities of JMS. The Corporation is in the process of dissolving JMS as it has not rendered medical services in several years.

Johnson Health Care Inc. (d/b/a Johnson Occupational Medicine Center) is an occupational medicine practice controlled by JMMC. The facility is located in Enfield, CT to treat patients injured on the job and performs other health care services related to the workplace including physical exams, drug screenings, rehabilitation, ergonomic evaluations, medical surveillance exams and travel immunizations. All services are designed to meet the needs of business and corporate clients.

NOTE 3 – NET REVENUE FROM SERVICES TO PATIENTS AND CHARITY CARE

The following table summarizes net revenue from services to patients during the years ended September 30, 2014 and 2013:

	2014	2013
Gross patient service revenue	$ 208,384,764	$ 199,573,726
Contractual and other allowances	111,770,404	108,542,730
Net patient service revenue	96,614,360	91,030,996
Provision for bad debts	4,537,178	4,709,325
Net patient service revenue less provision for bad debts	$ 92,077,182	$ 86,321,671

Patient accounts receivable and revenue are recorded when patient services are performed. Amounts received from most payers are different from the established billing rates of the Organization, and these differences are accounted for as allowances.

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. For the years ended September 30, 2014 and 2013, the Organization recorded approximately $310,000 and ($469,000), respectively, as an increase (decrease) to net patient service revenue for changes in estimates related to third-party payer settlement accruals recorded in prior years.

The following table represents the percentages of net revenue received from payers during the years ended September 30, 2014 and 2013:

	2014	2013
Medicare	37%	36%
Medicaid	19%	15%
Third Parties	37%	36%
Other	7%	13%

Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Organization.

NOTE 3 – NET REVENUES FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

The current Connecticut Medicaid inpatient hospital reimbursement model of interim per diem rates and case rate settlements will transition to an All Patient Refined Diagnosis Related Group System (APR-DRG) where hospital payments will be established prospectively. Connecticut Medicaid outpatient hospital reimbursement will move from the current system of reimbursement based on Revenue Center Codes to a prospective payment system based on the complexity of services performed. The new inpatient reimbursement methodology will be effective for admissions on or after January 1, 2015; while the new outpatient reimbursement methodology will not be implemented until at least January 1, 2016. The Hospital has not determined the estimated impact of these proposed changes on net patient service revenue in future years.

The significant concentrations of net accounts receivable for services to patients by payer at September 30, 2014 and 2013 follow:

	2014	2013
Medicare	38%	31%
Medicaid	23%	18%
Third Parties	36%	35%
Other	3%	16%

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs. The Organization believes that it is in compliance with all applicable laws and regulations. Cost reports for the Hospital, which serve as a basis for final settlement with government payers, have been settled by final settlement through 2010 for Medicare and 2007 for Medicaid. Other years remain open for settlement.

The health care subsidiaries of the Corporation have agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the HMOs make fee-for-service payments for certain covered services based upon discounted fee schedules.

NOTE 3 – NET REVENUES FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

MEASURING CHARITY CARE

The Organization accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to the established policies of the Organization. Essentially, these policies define charity services as those services for which no payment is possible. In assessing a patient's inability to pay, the Organization utilizes the generally recognized poverty income levels for the state, but also includes certain cases where incurred charges are significant when compared to incomes. These charges are not included in net patient service revenue for financial reporting purposes.

Self-pay revenues are derived primarily from patients who do not have any form of health care coverage. The revenues associated with self-pay patients are generally reported at the Organization's gross charges.

The Organization evaluates these patients, after the patient's medical condition is determined to be stable, for their ability to pay based upon federal and state poverty guidelines, qualifications for Medicaid or other governmental assistance programs, as well as the Organization's policy for charity care. The Organization provides care without charge to certain patients that qualify under its charity care policy. For the years ended September 30, 2014 and 2013, the Organization estimates that its costs of care provided under its charity care programs approximated $219,000 and $152,000, respectively.

The Organization's management estimates its costs of care provided under its charity care programs utilizing a calculated ratio of costs to gross charges multiplied by the Organization's gross charity care charges provided. The Organization's gross charity care charges include only services provided to patients who are unable to pay and qualify under the Organization's charity care policies. To the extent the Organization receives reimbursement through the various governmental assistance programs in which it participates to subsidize its care of indigent patients, the Organization does not include these patients' charges in its cost of care provided under its charity care program. Additionally, the Organization does not report a charity care patient's charges in revenues or in the provision for bad debts as it is the Organization's policy not to pursue collection of amounts related to these patients.

NOTE 3 – NET REVENUES FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

BAD DEBTS

The Organization's estimation of the allowance for uncollectible accounts is based primarily upon the type and age of the patient accounts receivable and the effectiveness of the Organization's collection efforts. The Organization's policy is to reserve a portion of all self-pay receivables, including amounts due from the uninsured and amounts related to co-payments and deductibles, as these charges are recorded. On a monthly basis, the Organization reviews its accounts receivable balances, the effectiveness of the Organization's reserve policies and various analytics to support the basis for its estimates. These efforts primarily consist of reviewing the following:

- Revenue and volume trends by payer, particularly the self-pay components;
- Changes in the aging and payer mix of accounts receivable, including increased focus on accounts due from the uninsured and accounts that represent co-payments and deductibles due from patients; and
- Various allowance coverage statistics.

The Organization regularly performs hindsight procedures to evaluate historical write-off and collection experience throughout the year to assist in determining the reasonableness of its process for estimating the allowance for uncollectible accounts.

A summary of the Organization's allowance for doubtful accounts activity for the years ended September 30, 2014 and 2013 is as follows:

	Balance at Beginning of Period	Additions Recorded in the Provision for Bad Debts	Accounts Written off, Net of Recoveries and Other	Balance at End of Period
Allowance for doubtful accounts:				
Year ended September 30, 2013	$ (3,032,000)	$ (4,709,325)	$ 3,571,325	$ (4,170,000)
Year ended September 30, 2014	$ (4,170,000)	$ (4,537,178)	$ 3,521,178	$ (5,186,000)

NOTE 3 – NET REVENUES FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

ICD-10 IMPLEMENTATION

The Organization is subject to the administrative simplification provisions of HIPAA which require the use of uniform electronic data transmission standards for health care claims and payment transactions submitted or received electronically.

In January 2009, the Centers for Medicare and Medicaid Services (CMS) published its tenth revision of International Statistical Classification of Diseases and Related Health Problems (ICD-10) and related changes to the formats used for certain electronic transactions. ICD-10 contains significantly more diagnostic and procedural codes than the existing ICD-9 coding system, and as a result, the coding for the services provided by the Organization will require much greater specificity when ICD-10 becomes effective on October 1, 2015.

Implementation of ICD-10 will require a significant investment in technology and training. The Organization may experience delays in reimbursement while the Organization and the payers from which it seeks reimbursement make the transition to ICD-10. If the Organization fails to implement the new coding system by the deadline, the Organization will not be paid for services. Management is not able to reasonably estimate the overall financial impact of the Organization's transition to ICD-10.

NOTE 4 – REGULATORY ENVIRONMENT

The health care industry is subject to numerous laws and regulations of federal, state and local government. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed.

NOTE 5 – DEFERRED FINANCING COSTS

Deferred financing costs, which were incurred in connection with the debt, are being amortized over the term of the related debt. Amortization expense for deferred financing costs amounted to $11,124 for the years ended September 30, 2014 and 2013.

NOTE 6 – ASSETS WHOSE USE IS LIMITED

The composition of assets whose use is limited, which include beneficial interests in perpetual trusts, cash restricted for payment of workers' compensation claims, and investments permanently restricted by donors, are set forth in the following table. Investments are recorded on the balance sheets at fair value.

	2014	
September 30, 2014:	Cost	Fair Value
Cash and cash equivalents	$ 1,386,944	$ 1,386,944
Money market funds	12,122	12,122
Mutual funds - equity	56,730	65,074
Mutual funds - fixed	44,414	44,516
Collective funds - equity	496,374	523,180
Collective funds - fixed	332,613	351,046
Equities		
U.S. large cap	783,027	864,449
U.S. mid cap	359,596	414,548
U.S. small cap	189,136	208,034
International developed	487,064	521,272
Emerging markets	256,803	264,411
Real estate	247,151	247,414
Tangible assets - commodities	168,678	143,570
	$ 4,820,652	$ 5,046,580

NOTE 6 – ASSETS WHOSE USE IS LIMITED (CONTINUED)

September 30, 2013:	2013 Cost	2013 Fair Value
Cash and cash equivalents	$ 1,323,359	$ 1,323,359
Money market funds	20,460	20,460
Mutual funds - equity	560,817	577,579
Mutual funds - fixed	110,126	104,946
Collective funds - equity	70,415	80,670
Collective funds - fixed	332,391	401,844
Investment grade taxable bonds	33,233	31,947
Global high yield bonds	99,698	105,211
Equities		
U.S. large cap	807,823	894,907
U.S. mid cap	216,666	258,354
U.S. small cap	201,958	225,209
International developed	329,802	352,583
Emerging markets	260,180	244,309
Real estate	199,572	188,086
Tangible assets - commodities	233,497	219,202
	$ 4,799,997	$ 5,028,666

Investment income on investments recorded in the consolidated statements of operations for the years ended September 30 are below.

	2014	2013
Investment income		
Dividends and interest	$ 210,158	$ 199,475
Less investment management fees	(43,983)	(39,378)
Net investment income	$ 166,175	$ 160,097

NOTE 7 – FAIR VALUE MEASUREMENTS

Assets and liabilities recorded at fair value in the financial statements are categorized, for disclosure purposes, based upon whether the inputs used to determine their fair values are observable or unobservable utilizing a three-level fair value hierarchy that prioritizes the inputs used to measure assets and liabilities at fair value. Level inputs are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access on the reporting date.

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable for the asset or liability.

The fair values of Level 1 securities were determined through quoted market prices, while fair values of Level 2 securities were determined primarily through prices obtained from third party pricing sources, where quoted market prices for such securities were not available. The fair values of Level 3 securities were determined primarily through information obtained from the relevant counterparties for such investments, as information on which these securities' fair values are based is generally not readily available in the market.

NOTE 7 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarizes fair value measurements, by level, at September 30, 2014 and 2013 for all assets and liabilities which are measured at fair value on a recurring basis in the financial statements:

	Level 1	Level 2	Level 3	Total
September 30, 2014				
Beneficial interests in perpetual trusts:				
Cash and cash equivalents	$ 133,687	$ --	$ --	$ 133,687
Money market funds	12,122	--	--	12,122
Mutual funds - equity	65,074	--	--	65,074
Mutual funds - fixed	44,516	--	--	44,516
Collective funds - equity	--	--	523,180	523,180
Collective funds - fixed	--	--	351,046	351,046
Equities				
U.S. large cap	864,449	--	--	864,449
U.S. mid cap	414,548	--	--	414,548
U.S. small cap	208,034	--	--	208,034
International developed	521,272	--	--	521,272
Emerging markets	264,411	--	--	264,411
Real estate	247,414	--	--	247,414
Tangible assets - commodities	--	--	143,570	143,570
Total Beneficial interests in perpetual trusts	2,775,527	--	1,017,796	3,793,323
Restricted cash and board designated investments	224,048	--	--	224,048
Cash and investments permanently restricted by donor	1,029,209	--	--	1,029,209
	$ 4,028,784	$ --	$ 1,017,796	$ 5,046,580

NOTE 7 – FAIR VALUE MEASUREMENTS (CONTINUED)

	Level 1	Level 2	Level 3	Total
September 30, 2013				
Beneficial interests in perpetual trusts:				
Cash and cash equivalents	$ 24,420	$ --	$ --	$ 24,420
Money market funds	20,460	--	--	20,460
Mutual funds - equity	577,579	--	--	577,579
Mutual funds - fixed	104,946	--	--	104,946
Collective funds - equity	--	--	80,670	80,670
Collective funds - fixed	--	--	401,844	401,844
Investment grade taxable bonds	31,947	--	--	31,947
Global high yield bonds	105,211	--	--	105,211
Equities				
U.S. large cap	894,907	--	--	894,907
U.S. mid cap	258,354	--	--	258,354
U.S. small cap	225,209	--	--	225,209
International developed	352,583	--	--	352,583
Emerging markets	244,309	--	--	244,309
Real estate	188,086	--	--	188,086
Tangible assets - commodities	--	--	219,202	219,202
Total Beneficial interests in perpetual trusts	3,028,011	--	701,716	3,729,727
Restricted cash and board designated investments	268,338	--	--	268,338
Cash and investments permanently restricted by donor	1,030,601	--	--	1,030,601
	$ 4,326,950	$ --	$ 701,716	$ 5,028,666

NOTE 7 – FAIR VALUE MEASUREMENTS (CONTINUED)

The changes in fair value of assets measured using significant unobservable inputs (Level 3) were comprised of the following:

	Beneficial interests in perpetual trusts
Balance at September 30, 2012	$ 237,296
Purchases of investments	233,497
Changes in fair value	230,923
Balance at September 30, 2013	701,716
Purchases of investments	426,381
Sales of investments	(64,819)
Changes in fair value	(45,482)
Balance at September 30, 2014	$ 1,017,796

NOTE 8 – RESTRICTED ENDOWMENTS

The Organization's endowments consist of donor-restricted endowment funds and beneficial interests in perpetual trusts. Net assets associated with endowment funds are classified and reported based on donor-imposed restrictions.

The Organization's Board of Directors has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds, absent explicit donor stipulations to the contrary. This does not apply to beneficial interests in perpetual trusts where the fair value of the investments is the basis for the amount recorded as permanently restricted net assets.

As a result of the interpretation of UPMIFA, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and, if applicable, (c) accumulations to the permanent endowment made in accordance with the related gift's donor instructions. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted or unrestricted net assets based on the donors' stipulations and those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard for expenditures as proscribed by UPMIFA.

NOTE 8 – RESTRICTED ENDOWMENTS (CONTINUED)

In accordance with UPMIFA, the Organization considers the following factors in making determinations to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Organization
(7) The investment policies of the Organization

RETURN OBJECTIVES AND RISK PARAMETERS

For the permanently restricted endowment funds, the bank, acting in its capacity as trustee, determines and directs the investment policy and asset allocation. The Organization expects these endowment funds, over time, to provide an average rate of return that exceeds the rate of inflation annually. Actual returns in any given year may vary from this amount.

STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

SPENDING POLICY AND HOW THE INVESTMENT OBJECTIVES RELATE TO THE SPENDING POLICY

The Organization has a policy of evaluating the spending decisions for each endowment fund based upon the intentions of the donors and specific contractual agreements. In determining the annual amount to be spent, the Organization considers the long-term expected return on its endowment. The spending policy is designed to limit spending to the expected long-term real rate of return. The annual distribution from the endowment funds is expected to be contained within a range of the trusts' market value that is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NOTE 8 – RESTRICTED ENDOWMENTS (CONTINUED)

ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND AS OF SEPTEMBER 30, 2014 AND 2013:

September 30, 2014	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (8,047)	$ 23,434	$ 1,013,822	$ 1,029,209
Beneficial interests in perpetual trusts	--	--	3,793,323	3,793,323
	$ (8,047)	$ 23,434	$ 4,807,145	$ 4,822,532

September 30, 2013	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (7,680)	$ 24,459	$ 1,013,822	$ 1,030,601
Beneficial interests in perpetual trusts	--	--	3,729,727	3,729,727
	$ (7,680)	$ 24,459	$ 4,743,549	$ 4,760,328

CHANGES IN ENDOWMENT NET ASSET FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
September 30, 2014				
Endowment net assets, beginning	$ (7,680)	$ 24,459	$ 4,743,549	$ 4,760,328
Investment return:				
Investment income	165,130	--	--	165,130
Net unrealized gains	--	--	63,596	63,596
Total investment return	165,130	--	63,596	228,726
Appropriation of endowment assets for expenditure	(165,497)	(1,025)	--	(166,522)
Endowment net assets, ending	$ (8,047)	$ 23,434	$ 4,807,145	$ 4,822,532

NOTE 8 – RESTRICTED ENDOWMENTS (CONTINUED)

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
September 30, 2013				
Endowment net assets, beginning	$ (7,865)	$ 26,361	$ 4,630,314	$ 4,648,810
Investment return:				
Investment income	158,185	148	--	158,333
Net unrealized gains	--	--	113,235	113,235
Total investment return	158,185	148	113,235	271,568
Appropriation of endowment assets for expenditure	(158,000)	(2,050)	--	(160,050)
Endowment net assets, ending	$ (7,680)	$ 24,459	$ 4,743,549	$ 4,760,328

NOTE 9 – TEMPORARILY RESTRICTED AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30 are as follows:

	2014	2013
Grant proceeds subject to use restrictions	$ 332,881	$ 268,927
Other receivables subject to time restrictions	35,846	31,703
Indigent, elderly women's care	12,130	12,187
Scholarships	8,937	9,997
Other	20,801	12,895
	$ 410,595	$ 335,709

Permanently restricted net assets as of September 30 are restricted in perpetuity, the income from which is expendable to support the following:

	2014	2013
Health care services and operations	$ 4,744,256	$ 4,680,660
Elderly assistance	40,261	40,261
Scholarships	22,628	22,628
	$ 4,807,145	$ 4,743,549

NOTE 10 – PROPERTY, PLANT AND EQUIPMENT

The components of cost and the related accumulated depreciation comprising property, plant and equipment as of September 30, 2014 and 2013 are as follows:

	2014	2013
Land	$ 406,997	$ 406,997
Land improvements	4,084,387	4,074,402
Building and improvements	46,608,488	46,451,537
Fixed and movable equipment	37,638,836	36,276,022
	88,738,708	87,208,958
Less accumulated depreciation	(65,468,893)	(60,174,702)
	$ 23,269,815	$ 27,034,256

Depreciation expense for property, plant and equipment amounted to $3,215,451 and $4,258,135 for the years ended September 30, 2014 and 2013, respectively. Included within depreciation and amortization expense on the statements of operations is amortization for capital leased assets of $21,606 and $19,084 for the years ended September 30, 2014 and 2013, respectively (see Note 12).

IMPAIRMENT OF LONG-LIVED ASSETS

During the years ended September 30, 2014 and 2013, Evergreen continued to experience operating losses and had an average occupancy below the level required to generate positive cash flows from operations and to make debt and other payments as they became due.

As a result of these factors, management performed testing during the years ended September 30, 2014 and 2013 to compare the carrying values of the assets to the undiscounted cash flows expected to result from the continued operations, and in 2014 considered the estimated proceeds from the potential sale of Evergreen, and concluded that the recorded carrying values of the assets were not recoverable.

Fair value was estimated by management based on a cash flow analysis which indicated that the fair value of the property and equipment was approximately $3 million as of September 30, 2014 which was less than the recorded carrying value. As of September 30, 2013, management estimated the carrying value to be $6 million based on cash flows resulting from projected growth in the census that was expected to result from the establishment of an assisted living program and hospice program. However, such growth in the census did not materialize in 2014 and future cash flow projections no longer supported the $6 million carrying value that was estimated at September 30, 2013. Evergreen recorded impairment losses on long-lived assets of $2,452,326 and $2,355,632 during the years ended September 30, 2014 and 2013, respectively.

NOTE 11 – DEBT

On August 1, 2006, the Hospital entered into a $13,700,000 commercial construction mortgage loan with a bank. The loan was used to finance the expansion and renovation of the emergency department, three nursing units, the psychiatric unit, and two medical and surgical units, and to refinance the Hospital's existing loans (collectively, the Project). In December 2007, the loan was converted to a term loan, which is guaranteed by the United States Department of Agriculture (USDA) through the USDA Rural Development Community Facilities Program. The term loan calls for equal quarterly principal payments of $85,625 over 40 years and will mature on January 1, 2048. Fifty percent of the loan bears interest at the bank's five year cost of borrowing plus 1.50% and fifty percent of the loan bears interest at the three month LIBOR plus 1.25%. The interest rates in effect at September 30, 2014 were 6.63% and 1.48%, respectively. The interest rates in effect at September 30, 2013 were 6.63% and 1.52%, respectively.

As of September 30, 2014, there was a principal balance of $11,987,500 due on the Hospital’s mortgage.

The Hospital is required to meet certain financial covenants under the mortgage. During the year ended September 30, 2014, the Hospital failed certain covenants and failed to make any mortgage principal payments resulting in a delinquent balance of approximately $1,256,000 at September 30, 2014. The bank has the right to demand immediate payment of the $11,987,500 balance of the mortgage which has been classified as a current liability as of September 30, 2014.

In 2006, the Hospital entered into a loan to finance certain information systems equipment at an interest rate of 5.5%. The Hospital failed to make payments in accordance with the loan terms. The Hospital’s loan to refinance information equipment was restructured to be paid in 60 monthly installments of $10,000. The present value of the settlement value of this loan was $125,022 and $232,609 at September 30, 2014 and 2013, respectively.

On August 28, 2007, Evergreen entered into a $15,200,000 Loan Agreement with a bank which is evidenced by a promissory note in the amount of $14,200,000 and a second note of $1,000,000. The $1,000,000 note is collateralized by a mortgage deed and security agreement from Evergreen. The $14,200,000 note is collateralized by a mortgage deed and security agreement from Evergreen and was converted from a construction loan to term loan effective November 30, 2010.

Upon conversion to a term loan, fifty percent of the outstanding principal balance of the $14,200,000 note began to accrue interest at the variable rate equal to three month LIBOR plus 1.20% (1.43% at September 30, 2014 and 1.47% at September 30, 2013).

NOTE 11 – DEBT (CONTINUED)

The remaining fifty percent of the principal will accrue interest at the fixed rate based on the bank's ten year cost of borrowing plus 1.20% (4.73%) through November 30, 2020 at which time the fixed rate will be adjusted for another ten year period based on the aforementioned methodology.

Principal is payable in quarterly payments in the amount of $95,946 through September 1, 2047 at which time the outstanding principal balance plus accrued interest thereon shall be due and payable. Interest is payable on a quarterly basis.

The fixed rate portion of the loan may be prepaid, but is subject to a prepayment fee equal to 2% of the amount prepaid. No prepayment fees will be required for prepayments made after November 30, 2020.

The $1,000,000 loan will accrue interest at the fixed rate based on the bank's ten year cost of borrowing plus 1.20% (4.73%) through November 30, 2020 at which time the fixed rate will be adjusted for another ten year period based on the aforementioned methodology. Principal is payable quarterly in the amount of $6,757 through September 1, 2047 at which time the outstanding principal balance plus accrued interest thereon shall be due and payable. Interest is also payable on a quarterly basis. This loan may be prepaid, but is subject to a prepayment fee equal to 2% of the amount prepaid. No prepayment fees will be required for prepayments made after November 30, 2020.

As of September 30, 2014, there was a balance of $14,213,697 due on Evergreen's loans.

Evergreen is required to meet certain financial covenants. During the year ended September 30, 2014, Evergreen failed certain covenants and failed to make certain loan payments resulting in a delinquent balance of $1,308,603 at September 30, 2014. The bank has the right to demand immediate payment of the $14,213,697 balance of the loan which has been classified as a current liability as of September 30, 2014.

In August 2004, JMMC entered into a mortgage loan with a bank in the amount of $4,500,000 for the purpose of refinancing certain mortgage loans. The loan bears interest at a variable rate based on LIBOR plus 1.50% (1.73% at September 30, 2014 and 1.77% at September 30, 2013). Principal is payable in monthly installments of $15,000. The balance of the JMMC mortgage loan was $2,940,000 at September 30, 2014. JMMC failed to make mortgage payments resulting in a delinquent balance at September 30, 2014. The loan has been classified as a current liability as of September 30, 2014.

NOTE 11 – DEBT (CONTINUED)

The other long-term debt of $2,350,000 as of September 30, 2014 and 2013 and $350,000 of other current debt at September 30, 2013, represented the amounts owed to Saint Francis under the terms of the affiliation agreement. Reference is made to Note 1. The long-term portion of this debt is not subject to interest.

In September 2010, the Corporation, the Hospital, Evergreen, HCHS, JHC, Development, WellCare, Inc., JPA and JMS (the Borrowers) entered into a Revolving Loan and Security Agreement (senior debt under revolving line of credit) with a lender for an amount not to exceed the lesser of $8 million or the maximum borrowing base (85% of the book value of all eligible receivables). Under the original agreement, amounts outstanding bear interest at the rate of the 3 month LIBOR rate plus 4.25% payable monthly in arrears. In the event of a default, the agreement provides for an increase in the interest rate by up to 4%. The interest rate as of September 30, 2014 was 7.75%. The Organization has granted the lender a security interest in accounts receivable. In connection with the bankruptcy filing, on January 16, 2015, this lender entered into a debtor in possession loan agreement with the Borrowers which replaced the Revolving Loan and Security Agreement.

As of September 30, 2014 and 2013, there were outstanding borrowings of $1,604,830 and $2,208,858, respectively, under the Loan and Security Agreement.

The Borrowers are subject to a number of covenants and restrictions under the Revolving Loan and Security Agreement. These include the following affirmative and negative covenants: provision of monthly, quarterly and annual financial information, adequate insurance coverage, notice of certain events and changes, change in ownership or management, restrictions on indebtedness and lease agreements, sale of assets, protection of collateral and financial covenants prepared on a consolidated basis for the Borrowers including cash flow and debt service coverage ratio requirements.

During 2014, the Borrowers failed to comply with various covenants under the Revolving Loan and Security Agreement which resulted in the lender imposing an interest penalty.

NOTE 12 – LEASE OBLIGATIONS

CAPITAL LEASES

The Organization has entered into non-cancelable capital lease obligations for certain equipment. The cost of the assets is being amortized over the useful lives of the assets or the shorter of the respective lease term or useful life if the asset does not transfer to the Organization at the end of the lease term and is summarized as of September 30, 2014 and 2013 are as follows:

	2014	2013
Medical and other equipment	$ 1,026,398	$ 132,248
Less accumulated amortization	(43,686)	(37,431)
	$ 982,712	$ 94,817

The Hospital entered into a five year capital lease agreement to lease generators with a cost of $688,000 which commenced on March 1, 2014. The monthly lease payments, including interest, will be $10,500 for the first year and $15,400 for the remainder of the lease term with total payments of $865,296. The Hospital made a security deposit of $206,000 to secure the lease that is returnable at the end of the lease period.

The Hospital entered into a three year capital lease agreement to lease a magnetic chiller with a cost of $277,000 which commenced on September 1, 2014. The monthly lease payments, including interest, will be $7,829 over the lease term with total payments of $281,844. The Hospital made a security deposit of $15,658 to secure the lease that is returnable at the end of the lease period.

Future minimum lease payments under the capital leases together with the present value of future minimum lease payments, as of September 30, 2014 are as follows:

2015	$ 253,947
2016	278,772
2017	270,943
2018	184,824
2019	77,010
Total future minimum lease payments	1,065,496
Less amounts representing interest	147,161
Present value of future minimum lease payments	918,335
Less current portion	197,299
	$ 721,036

NOTE 12 – LEASE OBLIGATIONS (CONTINUED)

OPERATING LEASES

HCHS leases office space from an unaffiliated party in Enfield, Connecticut under a lease agreement. The lease commenced on December 1, 2011 and expires on November 30, 2016. The monthly rent is $8,301 per month under the agreement plus additional rent for HCHS's proportional share of building operating expenses. The rent expense under this lease was $140,762 and $149,233 for the years ended September 30, 2014 and 2013, respectively.

The Organization leases various computer equipment, medical equipment and office space under operating leases, which expire at various dates through 2015. Rent expense under the operating leases was $2,196,762 in 2014 and $2,223,374 in 2013. These leases have various terms and conditions.

Minimum future rental commitments on non-cancelable operating leases with initial or remaining terms of more than one year as of September 30, 2014 are as follows:

2015	$ 493,879
2016	99,612
2017	16,602
	$ 610,093

NOTE 13 – EMPLOYEE BENEFIT PLANS

The Hospital had a defined benefit pension plan that covered certain employees. Pursuant to the plan of reorganization, the Pension Benefit Guaranty Corporation assumed control of the defined benefit plan effective September 1, 2011.

The Hospital has a defined contribution plan (the Plan) whereby all employees who have attained the age of 21 and completed one year of employment (1,000 hours of service) are eligible to participate and become fully vested after 5 years. Annually, the Hospital may contribute a defined amount of employees' salaries to the Plan. Effective January 1, 2011, the Hospital suspended the matching of non-union employee contributions; it continued to pay the match on union employees up until June 2012, at which time only those union employees that had been grandfathered in to the pension plan were matched. The total expense incurred by the Hospital for contributions to the Plan was $272,339 and $147,244 in 2014 and 2013, respectively.

NOTE 13 – EMPLOYEE BENEFIT PLANS (CONTINUED)

Evergreen has a defined contribution plan whereby all employees who have attained the age of 21 and completed one year of employment (1,000 hours of service) are eligible to participate and become fully vested after 5 years. Annually, Evergreen may contribute a defined amount of employees' salaries to the Plan. Effective January 1, 2011, Evergreen suspended the matching of employee contributions. There were no expenses incurred by Evergreen for contributions in 2014 and 2013. It is uncertain whether this match will be reinstituted.

HCHS has a defined contribution pension plan covering substantially all employees who have satisfied certain eligibility requirements. As of January 1, 2011, management suspended the matching of employee contributions and no expense was recorded in the 2014 and 2013 statement of operations. It is uncertain whether this match will be reinstituted.

NOTE 14 – SELF-INSURANCE CLAIMS

There have been medical malpractice and workers' compensation claims that have been asserted against the Organization. In addition, there are known incidents that have occurred through September 30, 2014 that may result in the assertion of claims. Management of the Organization has accrued its best estimate of these contingent losses. Other claims may be asserted arising from services provided to patients or workers' compensation incidents in the past. Management of the Organization has provided reserves for these contingent liabilities.

NOTE 15 – PROFESSIONAL, GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE

For claims incurred through August 31, 2009, the Organization was self-insured for professional liability and general liability claims, under a claims made policy, which covered the Organization's entire health system. The Organization has an excess umbrella claims made policy for claims in excess of the Organization's self-insured limits.

For claims incurred after August 31, 2009, the Organization was covered under commercial claims made policies with no deductible and coverage of $1,000,000 per claim and an annual aggregate of $3,000,000 for all of the entities covered under the policy.

The Organization's independent actuary estimated the expected costs to settle claims incurred during the self-insured period and claims that were incurred but not reported (IBNR) under its claims made insurance policy. Accrued losses have been discounted at 3%.

NOTE 15 – PROFESSIONAL, GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE (CONTINUED)

The Organization has recorded accrued liabilities of $690,063 and $729,965 for the estimated claims that have been incurred but not reported and cases incurred during the self-insured period for its professional liability and general liability insurance risks as of September 30, 2014 and 2013, respectively.

The Organization was also self-insured for workers compensation claims through March 16, 2009 at which time it obtained commercial insurance. The Hospital's workers' compensation policy had no deductible and policy limits of $1,000,000 per case with no aggregate limit for claims incurred after March 16, 2009 through May 30, 2014. Effective May 31, 2014, the Hospital obtained a new workers' compensation insurance policy that had a $250,000 deductible per claim and a $2,000,000 aggregate deductible. The policy provides for policy limits of $1,000,000 per case with no annual limit.

As of September 30, 2014, the Organization recorded a liability of $330,738 related to its estimated portion of the deductible for workers' compensation incidents that occurred between May 31, 2014 and September 30, 2014.

In accordance with the provisions of ASU 2010-24, the Organization recorded recoverables from insurance companies for the estimated costs to settle fully insured malpractice and workers' compensation claims in the amounts of $2,197,508 and $740,156 as of September 30, 2014 and 2013, respectively. The Organization has recorded liabilities equal to these amounts as of September 30, 2014 and 2013.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

The Organization is a party to various lawsuits incidental to its business. The Organization also has the following environmental exposures. The Connecticut Department of Environmental Protection (DEP) issued a consent order (Sewer Order) which requires the Hospital to perform repairs or replacements to the aging wastewater treatment system at the Hospital.

The Sewer Order requires a short-term and a long-term solution. The short-term work has been completed in accordance with the Sewer Order and the Hospital has been reporting to the DEP on the status of the short-term solution. Under the long-term solution, the Hospital was required to submit to the DEP for review and approval a schedule for: (i) the investigation of and remedial action alternatives to abate any pollution at the site arising from the operation of the on-site sewage treatment system or (ii) the construction of sanitary sewers to connect the Hospital to the Stafford Water Pollution Control Facility.

NOTE 16 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

The schedule originally provided for completion of the actions not later than December 31, 2014, but this deadline was extended until July 31, 2015. The Hospital signed a letter of intent with the Town of Stafford to participate in a project that will connect the Hospital to the Stafford Water Pollution Control Facility, as well as to connect it to services from Connecticut Water Company and Yankee Gas. As of September 30, 2014, funds to finance the project had not been secured.

The DEP filed a civil suit in 2007 in which the DEP sought civil penalties and temporary and permanent injunctions prohibiting the Hospital from violating the hazardous waste management regulations, preventing the Hospital from maintaining a discharge to the waters of the state and violating its air permit. Five of the six counts arose from allegations relating to the use of an underground storage tank for the storage of x-ray developer fixer and the release of the developer fixer from the tank. Use of that tank ended in April 2004 and the tank was removed. Part of the injunctive relief sought is an order requiring the investigation and remediation of the release of x-ray development fixer. The sixth count alleged that the Hospital violated its general air permit by submitting its annual compliance certification for 2005 ten months late. The Hospital has recorded a conditional retirement obligation related to the costs of an environmental investigation, but has not recorded a liability for any potential costs to remediate the site due to the fact that such costs, if any, cannot be reasonably estimated until the investigation is performed. The Hospital previously remediated the site when the tank was originally removed.

By letter dated April 7, 2014, the DEP agreed with a recommendation made in the January 2014 report that the consultant cease monitoring for nitrate based on the testing results for that constituent. The DEP expressed a concern and made a request that the consultant establish background concentrations for sulfate in groundwater for the site that is unaffected by release such as the on-site septic system or from the former x-ray developer tank. In October 2014, the DEP staff concurred with the consultant's proposed plan to continue monitoring on a semiannual basis, ammonia and nitrate in the remaining monitoring wells.

The engineer's estimate for semiannual monitoring is approximately $27,000 per year. The duration of monitoring and determination whether soil remediation is warranted is dependent upon the results of future monitoring and an estimate of the total costs was not determinable as of September 30, 2014.

NOTE 17 – CONCENTRATIONS OF CREDIT RISK

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash, investments and accounts receivable.

The Organization places its cash deposits with high credit-quality institutions, which, at times, may exceed the Federal Deposit Insurance Corporation limits of $250,000 per bank. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 18 – FUNCTIONAL EXPENSES

The Organization provides patient care services to residents within its geographic location**.** Expenses related to providing these services are as follows for the years ended September 30:

	2014	2013
Patient care services	$ 77,537,882	$ 76,620,100
General and administrative (including depreciation and amortization, interest and operations)	17,157,974	16,451,697
	$ 94,695,856	$ 93,071,797

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ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
Johnson Memorial Medical Center

We have audited the consolidated financial statements of Johnson Memorial Medical Center as of and for the years ended September 30, 2014 and 2013, and our report thereon dated March 30, 2015, which contained a going concern opinion on those consolidated financial statements, appears on page 1. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Marcum LLP

Hartford, CT
March 30, 2015

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 2014

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Assets								
Current Assets								
Cash and cash equivalents	$ 765,196	$ 445,784	$ 300	$ 800	$ 1,673	$ 255,468	$ --	$ 1,469,221
Patient trust funds	--	--	59,530	--	--	--	--	59,530
Patients accounts receivable, net of allowances for uncollectible accounts	--	8,776,261	1,598,868	1,230,587	--	52,312	--	11,658,028
Insurance and other receivables	3,960	607,918	414,903	51,368	--	--	--	1,078,149
Inventories	--	1,295,797	--	--	--	--	--	1,295,797
Prepaid expenses and other current assets	14,965	1,729,849	426,302	113,043	--	4,644	--	2,288,803
Total Current Assets	784,121	12,855,609	2,499,903	1,395,798	1,673	312,424	--	17,849,528
Assets Whose Use is Limited								
Beneficial interests in perpetual trusts	--	3,793,323	--	--	--	--	--	3,793,323
Restricted cash and board designated investments	--	224,048	--	--	--	--	--	224,048
Cash and investments restricted by donor	--	843,587	--	185,622	--	--	--	1,029,209
Total Assets Whose Use is Limited	--	4,860,958	--	185,622	--	--	--	5,046,580
Other Assets								
Property, plant and equipment, net	3,715,717	16,509,196	3,000,000	44,902	--	--	--	23,269,815
Investment in joint ventures and other assets	--	3,397,937	--	10,693	--	--	--	3,408,630
Investment deficit in affiliated corporations	(3,119,194)	--	--	--	--	--	3,119,194	--
Investments, other	1,100	--	--	--	--	--	--	1,100
Due from affiliated corporations	2,289,450	--	--	--	--	--	(2,289,450)	--
Deferred financing costs, net	--	165,616	123,047	--	--	--	--	288,663
Other noncurrent assets	--	1,600,193	--	--	--	--	--	1,600,193
Total Other Assets	2,887,073	21,672,942	3,123,047	55,595	--	--	829,744	28,568,401
	$ 3,671,194	$ 39,389,509	$ 5,622,950	$ 1,637,015	$ 1,673	$ 312,424	$ 829,744	$ 51,464,509

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING BALANCE SHEET (CONTINUED)

SEPTEMBER 30, 2014

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Liabilities and Net Assets (Deficit)								
Current Liabilities								
Trade accounts payable and accrued expenses	$ 95,585	$ 6,252,350	$ 1,572,806	$ 450,777	$ --	$ 37,170	$ --	$ 8,408,688
Accrued payroll and related costs	--	1,864,833	702,831	204,729	--	17,188	--	2,789,581
Current payments due under plan of reorganization	--	3,895,000	205,000	--	--	--	--	4,100,000
Patient trust funds	--	--	59,530	--	--	--	--	59,530
Senior debt under line of credit	--	1,604,830	--	--	--	--	--	1,604,830
Current portion of mortgage payable	2,940,000	11,987,500	14,213,697	--	--	--	--	29,141,197
Current portion of subordinated debt	18,185	107,587	--	--	--	--	--	125,772
Current portion of capital lease obligations	--	197,299	--	--	--	--	--	197,299
Estimated amounts due to third-party reimbursement agencies	--	2,675,513	187,353	48,748	--	--	--	2,911,614
Due to affiliated corporations	--	--	163,187	678,239	--	9,562	(850,988)	--
Other current liabilities	--	254,953	332,908	196,951	--	--	--	784,812
Total Current Liabilities	3,053,770	28,839,865	17,437,312	1,579,444	--	63,920	(850,988)	50,123,323
Long-Term Obligations								
Due to affiliate corporations	--	1,873,147	--	--	--	--	(1,873,147)	--
Payments due under plan of reorganization - less current portion	--	2,406,796	4,650	--	--	--	--	2,411,446
Mortgage payable - less current portion	--	--	--	--	--	--	--	--
Subordinated debt - less current portion	--	17,435	--	--	--	--	--	17,435
Other long-term debt	--	2,350,000	--	--	--	--	--	2,350,000
Self-insurance liabilities and IBNR	--	2,344,272	--	--	--	--	--	2,344,272
Other liabilities	53,408	346,001	--	--	--	--	1,688	401,097
Obligations under capital lease - less current portion	--	721,036	--	--	--	--	--	721,036
Total Long-Term Obligations	53,408	10,058,687	4,650	--	--	--	(1,871,459)	8,245,286
Total Liabilities	3,107,178	38,898,552	17,441,962	1,579,444	--	63,920	(2,722,447)	58,368,609

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING BALANCE SHEET (CONTINUED)

SEPTEMBER 30, 2014

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Net Assets (Deficit)								
Unrestricted	$ 543,215	$ (4,478,834)	$(11,819,012)	$ (169,577)	$ 1,673	248,504	$ 3,552,191	$(12,121,840)
Temporarily restricted	20,801	332,881	--	56,913	--	--	--	410,595
Permanently restricted	--	4,636,910	--	170,235	--	--	--	4,807,145
Total Net Assets (Deficit)	564,016	490,957	(11,819,012)	57,571	1,673	248,504	3,552,191	(6,904,100)
	$ 3,671,194	$ 39,389,509	$ 5,622,950	$ 1,637,015	$ 1,673	$ 312,424	$ 829,744	$ 51,464,509

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 2013

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Assets								
Current Assets								
Cash and cash equivalents	$ 347,057	$ 210,152	$ 300	$ 400	$ 1,924	$ 246,069	$ --	$ 805,902
Patient trust funds	--	--	69,759	--	--	--	--	69,759
Patients accounts receivable, net of allowances for uncollectible accounts	--	7,632,109	1,560,623	874,130	--	68,527	--	10,135,389
Insurance and other receivables	15,996	1,691,228	296,162	23,476	--	--	--	2,026,862
Inventories	--	1,317,470	--	--	--	--	--	1,317,470
Prepaid expenses and other current assets	14,934	899,407	118,914	74,997	--	1,883	--	1,110,135
Total Current Assets	377,987	11,750,366	2,045,758	973,003	1,924	316,479	--	15,465,517
Assets Whose Use is Limited								
Beneficial interests in perpetual trusts	--	3,729,727	--	--	--	--	--	3,729,727
Restricted cash and board designated investments	--	268,338	--	--	--	--	--	268,338
Cash and investments restricted by donor	--	843,587	--	187,014	--	--	--	1,030,601
Total Assets Whose Use is Limited	--	4,841,652	--	187,014	--	--	--	5,028,666
Other Assets								
Property, plant and equipment, net	3,954,536	17,066,172	6,000,000	13,548	--	--	--	27,034,256
Investment in joint ventures and other assets	--	3,165,915	--	7,134	--	--	--	3,173,049
Investment deficit in affiliated corporations	(3,119,194)	--	--	--	--	--	3,119,194	--
Investments, other	1,100	--	--	--	--	--	--	1,100
Due from affiliated corporations	1,905,133	--	--	70,249	--	--	(1,975,382)	--
Deferred financing costs, net	--	172,864	126,923	--	--	--	--	299,787
Other noncurrent assets	--	476,000	--	--	--	--	--	476,000
Total Other Assets	2,741,575	20,880,951	6,126,923	90,931	--	--	1,143,812	30,984,192
	$ 3,119,562	$ 37,472,969	$ 8,172,681	$ 1,250,948	$ 1,924	$ 316,479	$ 1,143,812	$ 51,478,375

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING BALANCE SHEET (CONTINUED)

SEPTEMBER 30, 2013

Liabilities and Net Assets (Deficit)	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Current Liabilities								
Trade accounts payable and accrued expenses	$ 58,838	$ 5,189,596	$ 1,333,896	$ 494,844	$ --	$ 21,855	$ (3,578)	$ 7,095,451
Accrued payroll and related costs	--	2,048,896	522,912	215,219	--	20,193	--	2,807,220
Current payments due under plan of reorganization	--	1,947,500	102,500	--	--	--	--	2,050,000
Patient trust funds	--	--	69,759	--	--	--	--	69,759
Senior debt under line of credit	--	2,208,858	--	--	--	--	--	2,208,858
Current portion of mortgage payable	3,001,081	11,987,500	14,213,697	--	--	--	--	29,202,278
Current portion of subordinated debt	--	457,587	--	--	--	--	--	457,587
Current portion of capital lease obligations	--	14,365	--	--	--	--	--	14,365
Estimated amounts due to third-party reimbursement agencies	--	2,564,571	176,598	42,896	--	--	--	2,784,065
Due to affiliated corporations	--	--	79,991	--	--	7,465	(87,456)	--
Other current liabilities	--	168,332	296,162	208,187	--	--	--	672,681
Total Current Liabilities	3,059,919	26,587,205	16,795,515	961,146	--	49,513	(91,034)	47,362,264
Long-Term Obligations								
Due to affiliate corporations	--	2,317,342	--	--	--	--	(2,317,342)	--
Payments due under plan of reorganization - less current portion	--	3,930,808	86,240	--	--	--	--	4,017,048
Mortgage payable - less current portion	--	--	--	--	--	--	--	--
Subordinated debt - less current portion	--	125,022	--	--	--	--	--	125,022
Other long term debt	--	2,350,000	--	--	--	--	--	2,350,000
Self-insurance liabilities and IBNR	--	641,424	--	--	--	--	--	641,424
Other liabilities	18,859	604,927	--	--	--	--	--	623,786
Obligations under capital lease - less current portion	--	45,579	--	--	--	--	--	45,579
Total Long-Term Obligations	18,859	10,015,102	86,240	--	--	--	(2,317,342)	7,802,859
Total Liabilities	3,078,778	36,602,307	16,881,755	961,146	--	49,513	(2,408,376)	55,165,123

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING BALANCE SHEET (CONTINUED)

SEPTEMBER 30, 2013

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Net Assets (Deficit)								
Unrestricted	$ 27,889	$ (3,971,579)	$ (8,709,074)	$ 65,680	$ 1,924	$ 266,966	$ 3,552,188	$ (8,766,006)
Temporarily restricted	12,895	268,927	--	53,887	--	--	--	335,709
Permanently restricted	--	4,573,314	--	170,235	--	--	--	4,743,549
Total Net Assets (Deficit)	40,784	870,662	(8,709,074)	289,802	1,924	266,966	3,552,188	(3,686,748)
	$ 3,119,562	$ 37,472,969	$ 8,172,681	$ 1,250,948	$ 1,924	$ 316,479	$ 1,143,812	$ 51,478,375

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Operating Revenue								
Net patient service revenue	$ --	$ 73,858,252	$ 16,587,545	$ 5,638,621	$ --	$ 529,942	$ --	$ 96,614,360
Provision for bad debts	--	4,311,679	107,536	113,657	--	4,306	--	4,537,178
Net patient service revenue less provision for bad debts	--	69,546,573	16,480,009	5,524,964	--	525,636	--	92,077,182
Grant and other income	--	452,889	--	48,441	--	--	--	501,330
Other revenue	1,210,840	--	132,823	52,876	--	--	(845,725)	550,814
Net assets released from restriction	--	235,925	--	33,833	--	--	--	269,758
Total Operating Revenue	1,210,840	70,235,387	16,612,832	5,660,114	--	525,636	(845,725)	93,399,084
Expenses								
Salaries	--	27,728,732	9,138,995	3,256,456	--	287,452	--	40,411,635
Employee benefits	--	6,826,133	2,812,886	863,794	--	38,879	--	10,541,692
Professional fees	28,287	6,456,495	281,426	51,021	--	91,727	--	6,908,956
Depreciation and amortization	288,025	2,341,190	585,708	11,652	--	--	--	3,226,575
Outsourced staffing and contracted services	60,739	4,220,508	551,550	356,751	--	3,399	--	5,192,947
Supplies, drugs and patient care	--	10,710,946	1,152,088	913,521	--	46,062	--	12,822,617
Leases and service contracts	--	1,582,064	27,971	12,830	--	1,500	--	1,624,365
Occupancy costs	196,826	3,357,185	549,739	140,762	--	42,960	(845,725)	3,441,747
Insurance	7,980	1,452,164	133,428	63,427	--	12,983	--	1,669,982
Provider tax	--	--	859,088	--	--	--	--	859,088
Other expenses	65,384	5,005,309	695,512	225,835	250	18,623	--	6,010,913
Interest	48,784	1,454,502	482,053	--	--	--	--	1,985,339
Total Expenses	696,025	71,135,228	17,270,444	5,896,049	250	543,585	(845,725)	94,695,856
Loss from Operations Before Impairment Loss on Long-Lived Assets	514,815	(899,841)	(657,612)	(235,935)	(250)	(17,949)	--	(1,296,772)
Impairment Loss on Long-Lived Assets	--	--	(2,452,326)	--	--	--	--	(2,452,326)
Income (Loss) from Operations	514,815	(899,841)	(3,109,938)	(235,935)	(250)	(17,949)	--	(3,749,098)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING STATEMENT OF OPERATIONS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Nonoperating Revenue (Loss)								
Investment income	$ --	$ 165,497	$ --	$ 678	$ --	$ --	$ --	$ 166,175
Loss on sale of equipment	--	(13,263)	--	--	--	--	--	(13,263)
Equity earnings in joint ventures	--	232,022	--	--	--	--	--	232,022
	--	384,256	--	678	--	--	--	384,934
Excess (Deficiency) of Revenues over Expenses	$ 514,815	$ (515,585)	$ (3,109,938)	$ (235,257)	$ (250)	$ (17,949)	$ --	$ (3,364,164)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2013

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Operating Revenue								
Net patient service revenue	$ --	$ 68,075,182	$ 16,055,367	$ 6,354,913	$ --	$ 545,534	$ --	$ 91,030,996
Provision for bad debts	--	4,584,989	50,053	73,882	--	401	--	4,709,325
Net patient service revenue less provision for bad debts	--	63,490,193	16,005,314	6,281,031	--	545,133	--	86,321,671
Grant and other income	420	324,460	--	30,096	--	15,635	--	370,611
Other revenue	1,209,979	--	98,000	64,277	--	--	(845,725)	526,531
Net assets released from restriction	--	443,523	--	15,648	--	--	--	459,171
Total Operating Revenue	1,210,399	64,258,176	16,103,314	6,391,052	--	560,768	(845,725)	87,677,984
Expenses								
Salaries	--	30,381,654	8,962,330	3,724,353	--	287,095	--	43,355,432
Employee benefits	--	6,806,518	2,629,996	994,891	--	52,338	--	10,483,743
Professional fees	25,000	4,548,191	334,460	45,420	--	61,692	--	5,014,763
Depreciation and amortization	332,413	3,115,981	800,764	20,101	--	--	--	4,269,259
Outsourced staffing and contracted services	23,964	3,902,675	570,293	430,169	--	7,151	--	4,934,252
Supplies, drugs and patient care	--	8,704,335	995,359	800,777	--	42,915	--	10,543,386
Leases and service contracts	--	1,563,348	28,079	13,877	--	16,890	--	1,622,194
Occupancy costs	196,490	3,419,322	527,464	149,233	--	43,100	(845,725)	3,489,884
Insurance	7,541	1,092,058	120,347	61,169	--	11,453	--	1,292,568
Provider tax	--	--	899,469	--	--	--	--	899,469
Other expenses	109,788	4,210,400	718,333	214,952	250	13,750	--	5,267,473
Interest	51,292	1,368,245	479,837	--	--	--	--	1,899,374
Total Expenses	746,488	69,112,727	17,066,731	6,454,942	250	536,384	(845,725)	93,071,797
Loss from Operations Before Impairment Loss on Long-Lived Assets	463,911	(4,854,551)	(963,417)	(63,890)	(250)	24,384	--	(5,393,813)
Impairment Loss on Long-Lived Assets	--	--	(2,355,632)	--	--	--	--	(2,355,632)
Income (Loss) from Operations	463,911	(4,854,551)	(3,319,049)	(63,890)	(250)	24,384	--	(7,749,445)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL MEDICAL CENTER

CONSOLIDATING STATEMENT OF OPERATIONS (CONTINUED)

FOR THE YEAR ENDED SEPTEMBER 30, 2013

	JMMC	Hospital	EHCC	HCHS	JMS	JHC	Elimination	Total
Nonoperating Revenue (Loss)								
Investment income	$ --	$ 158,800	$ --	$ 1,297	$ --	$ --	$ --	$ 160,097
Gain on sale of equipment	--	1,200	--	--	--	--	--	1,200
Equity earnings in joint ventures	--	72,279	--	--	--	--	--	72,279
	--	232,279	--	1,297	--	--	--	233,576
Excess (Deficiency) of Revenues over Expenses	$ 463,911	$ (4,622,272)	$ (3,319,049)	$ (62,593)	$ (250)	$ 24,384	$ --	$ (7,515,869)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2014 AND 2013

JOHNSON MEMORIAL HOSPITAL

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MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Johnson Memorial Hospital

We have audited the accompanying consolidated financial statements of Johnson Memorial Hospital, which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Marcum LLP ▪ City Place II ▪ 185 Asylum Street ▪ 17th Floor ▪ Hartford, CT 06103 ▪ Phone 860.549.8500 / 877.231.5351 ▪ Fax 860.549.8501 ▪ marcumllp.com

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Johnson Memorial Hospital as of September 30, 2014 and 2013, and the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying consolidated financial statements have been prepared assuming that the Hospital will continue as a going concern. As described in Note 1, the Hospital had an unrestricted net asset deficit of $4,478,834 and had current liabilities that exceeded current assets by $15,984,256 as of September 30, 2014. The Hospital is a party to a credit agreement and mortgage that require certain financial and non-financial covenants be maintained. The Hospital failed certain covenants during the year ended September 30, 2014 and defaulted on certain payments due on its mortgage and due to creditors. In addition, the Hospital filed for relief under Chapter 11 of the U.S. Bankruptcy Code subsequent to September 30, 2014 and entered into an asset purchase agreement for the sale of the Hospital which is contingent on a number of conditions, including the approval of the Bankruptcy Court. These conditions raise substantial doubt about the Hospital's ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Marcum LLP

Hartford, CT
March 30, 2015

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2014 AND 2013

	2014	2013
Assets		
Current Assets		
Cash and cash equivalents	$ 445,784	$ 210,152
Patients accounts receivable, net of allowances for uncollectible accounts, $4,679,000 in 2014 and $3,725,000 in 2013	8,776,261	7,632,109
Other receivables	607,918	1,691,228
Inventories	1,295,797	1,317,470
Prepaid expenses and other current assets	1,729,849	899,407
Total Current Assets	12,855,609	11,750,366
Assets Whose Use is Limited		
Beneficial interests in perpetual trusts	3,793,323	3,729,727
Restricted cash and board designated investments	224,048	268,338
Investments permanently restricted by donor	843,587	843,587
Total Assets Whose Use is Limited	4,860,958	4,841,652
Other Assets		
Property, plant and equipment, net	16,509,196	17,066,172
Investments in joint ventures	3,397,937	3,165,915
Deferred financing costs, net	165,616	172,864
Other noncurrent assets	1,600,193	476,000
Total Other Assets	21,672,942	20,880,951
	$ 39,389,509	$ 37,472,969

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED BALANCE SHEETS (CONTINUED)

SEPTEMBER 30, 2014 AND 2013

	2014	2013
Liabilities and Net Assets (Deficit)		
Current Liabilities		
Trade accounts payable	$ 6,252,350	$ 5,189,596
Accrued payroll and related costs	1,864,833	2,048,896
Current portion of payments due under plan of reorganization	3,895,000	1,947,500
Senior debt under revolving line of credit	1,604,830	2,208,858
Current portion of mortgage payable	11,987,500	11,987,500
Current portion of subordinated and other debt	107,587	457,587
Current portion of capital lease obligations	197,299	14,365
Estimated amounts due to third-party reimbursement agencies	2,675,513	2,564,571
Other current liabilities	254,953	168,332
Total Current Liabilities	28,839,865	26,587,205
Long-Term Obligations		
Due to affiliate corporations	1,873,147	2,317,342
Payments due under plan of reorganization - less current portion	2,406,796	3,930,808
Subordinated debt - less current portion	17,435	125,022
Other long-term debt	2,350,000	2,350,000
Obligations under capital lease - less current portion	721,036	45,579
Self-insurance liabilities and reserves for incurred but not reported professional liability claims	2,344,272	641,424
Other liabilities	346,001	604,927
Total Long-Term Obligations	10,058,687	10,015,102
Total Liabilities	38,898,552	36,602,307
Net Assets (Deficit)		
Unrestricted	(4,478,834)	(3,971,579)
Temporarily restricted	332,881	268,927
Permanently restricted	4,636,910	4,573,314
Total Net Assets	490,957	870,662
	$ 39,389,509	$ 37,472,969

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Operating Revenue		
Net patient service revenue	$ 73,858,252	$ 68,075,182
Provision for bad debts	4,311,679	4,584,989
Net patient service revenue less provision for bad debts	69,546,573	63,490,193
Grant and other income	452,889	324,460
Net assets released from restriction	235,925	443,523
Total Operating Revenue	70,235,387	64,258,176
Expenses		
Salaries	27,728,732	30,381,654
Employee benefits	6,826,133	6,806,518
Professional fees and outsourced staffing	6,456,495	4,548,191
Depreciation and amortization	2,341,190	3,115,981
Purchased services	4,220,508	3,902,675
Supplies, drugs and patient care	10,710,946	8,704,335
Leases and service contracts	1,582,064	1,563,348
Occupancy costs	3,357,185	3,419,322
Insurance	1,452,164	1,092,058
Other expenses	5,005,309	4,210,400
Interest	1,454,502	1,368,245
Total Expenses	71,135,228	69,112,727
Loss from Operations	(899,841)	(4,854,551)
Nonoperating Revenue (Loss)		
Investment income	165,497	158,800
(Loss) gain on sale of equipment	(13,263)	1,200
Equity earnings in joint ventures	232,022	72,279
	384,256	232,279
Deficiency of Revenue over Expenses	$ (515,585)	$ (4,622,272)

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS (DEFICIT)

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Unrestricted Net Assets		
Deficiency of revenues over expenses	$ (515,585)	$ (4,622,272)
Net assets released from restriction for purchase of property and equipment	8,330	89,765
Change in Unrestricted Net Assets	(507,255)	(4,532,507)
Temporarily Restricted Net Assets		
Grants and contributions	308,209	539,569
Net assets released from restriction	(244,255)	(533,288)
Change in Temporarily Restricted Net Assets	63,954	6,281
Permanently Restricted Net Assets		
Increase in fair value of beneficial interests in perpetual trusts	63,596	113,235
Change in Net Assets	(379,705)	(4,412,991)
Net Assets - Beginning	870,662	5,283,653
Net Assets - End	$ 490,957	$ 870,662

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Cash Flows From Operating Activities and Reorganization Items		
Change in net assets	$ (379,705)	$ (4,412,991)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	2,341,190	3,115,981
Accretion of asset retirement obligation	11,074	10,374
Provision for uncollectible accounts	4,311,679	4,584,989
Equity earnings in joint ventures	(232,022)	(72,279)
Gain on disposal of equipment	(13,263)	(1,200)
Change in net realized and unrealized gains on investments	(63,596)	(113,235)
Changes in assets and liabilities:		
Patient accounts receivable	(5,455,831)	(3,813,315)
Other receivables	1,083,310	(1,468,699)
Prepaid expenses and other current assets	(830,442)	(46,345)
Inventories	21,673	(62,879)
Restricted cash and board designated investments	44,290	94,759
Other noncurrent assets	(1,124,193)	(31,000)
Restricted grants and contributions	(308,209)	(539,569)
Accounts payable and accrued expenses	1,062,754	1,789,043
Accrued payroll and related costs	(184,063)	(124,015)
Estimated amounts due to third-party reimbursement agencies	110,942	1,291,991
Other liabilities	(172,305)	(108,707)
Self-insurance liabilities	1,702,848	(499,676)
Payments due under plan of reorganization	423,488	(624,637)
Net Cash Provided by (Used in) Operating Activities and Reorganization Items	2,349,619	(1,031,410)
Cash Flows From Investing Activities		
Capital expenditures	(809,777)	(391,219)
Net Cash Used in Investing Activities	(809,777)	(391,219)

The accompanying notes are an integral part of these consolidated financial statements.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Cash Flows From Financing Activities		
Restricted grants and contributions	$ 308,209	$ 539,569
Proceeds from other long-term debt	--	1,400,000
Principal payments on mortgage and subordinated debt	(457,587)	(270,688)
Net payments on revolving line of credit	(604,028)	(1,295,355)
Principal payments on capital lease obligations	(106,609)	(60,246)
Payments (to) from affiliates	(444,195)	500,174
Net Cash (Used in) Provided by Financing Activities	(1,304,210)	813,454
Net Change in Cash and Cash Equivalents	235,632	(609,175)
Cash and Cash Equivalents - Beginning	210,152	819,327
Cash and Cash Equivalents - Ending	$ 445,784	$ 210,152
Supplemental Disclosures of Cash Flow Information		
Cash paid for interest	$ 1,084,115	$ 354,510

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION

ORGANIZATION

Johnson Memorial Hospital (the Hospital) is an acute care hospital located in Stafford Springs, Connecticut. The Hospital is licensed for 92 beds and provides a broad range of inpatient and outpatient services primarily throughout the Hartford and Tolland Connecticut counties. Admitting physicians are primarily practitioners in this same geographic area. The Hospital has controlling interests in Johnson Professional Associates, P.C. (JPA) and Johnson Memorial Hospital Development Fund, Inc. (Development). The Hospital is a subsidiary of Johnson Memorial Medical Center (the Corporation), a not-for-profit, non-stock holding company. The other subsidiaries of the Corporation are Johnson Health Care, Inc. (Health Care), Home & Community Health Services, Inc. (Home and Community) and Johnson Evergreen Corporation (Evergreen), which are not-for-profit companies, and WellCare, Inc., a taxable entity.

The Hospital's major accounting policies are as summarized below and in Note 2.

JANUARY 14, 2015 BANKRUPTCY FILING

On January 14, 2015, the Corporation, Hospital, Home and Community, Health Care and JPA filed a voluntary joint petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for District of Connecticut, Hartford Division (Bankruptcy Court). Evergreen filed a separate Chapter 11 petition on January 14, 2015. The aforementioned entities are collectively referred to as the Debtors.

In connection with these bankruptcy filings, the Debtors filed motions with the Bankruptcy Court under Bankruptcy Code Section 363 to sell the Corporation, Hospital, Evergreen, Home and Community, and Health Care to Saint Francis Care, Inc. (Saint Francis).

Saint Francis and the Corporation have negotiated two separate asset purchase agreements, one for the sale of the Corporation, Hospital, Home and Community, and Health Care and a separate agreement for the sale of Evergreen which are both subject to Bankruptcy Court approval. Saint Francis will not purchase Evergreen unless it is successful in executing the other asset purchase agreement.

The sales process in the Bankruptcy Court will be the subject of a number of court hearings and the creditors may object to the proposed sale. Also, the proposed sale of Evergreen to Saint Francis will be subject to the best offer as there will be an opportunity for other potential buyers to submit competing offers and an auction is expected to occur if there are competing bids.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

JANUARY 14, 2015 BANKRUPTCY FILING (CONTINUED)

In addition to Bankruptcy Court approval, approval from the State of Connecticut Office of Health Care Access (OHCA), the Office of the Attorney General and from state and federal antitrust authorities is required.

Saint Francis and People's United Bank (People's) have negotiated the restructuring of the People's mortgage debt for a portion of it to be assumed by Saint Francis as part of the proposed sales transactions.

On January 16, 2015, the Debtors and a lender negotiated the terms of a debtor in possession loan of up to $7 million, subject to certain limits, to finance the Debtors' operations through the bankruptcy process.

During the year ended September 30, 2014, the Hospital expensed legal and consulting costs of approximately $850,000 related to the bankruptcy filing and the proposed sales transaction.

ORIGINAL BANKRUPTCY FILING

As a result of the Hospital's severe financial operating deficits, management determined it would be unable to pay its obligations in the normal course of business during fiscal year 2009 or service its debt in a timely fashion. On November 4, 2008, the Hospital, the Corporation and Evergreen, filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code (Bankruptcy Code) in the Bankruptcy Court. This generally delayed payments of liabilities incurred prior to filing those petitions while the Hospital developed a plan of reorganization that was satisfactory to its creditors, and allowed it to continue as a going concern.

On August 11, 2010, the Bankruptcy Court confirmed the Hospital's original plan of reorganization which was subject to the Hospital's satisfaction of a number of conditions precedent. One of the conditions precedent was that the Hospital, the Corporation, and Evergreen were required to obtain a line of credit of at least $6 million. On September 30, 2010, the plan of reorganization became effective when these debtors received financing under an $8 million line of credit and all other material conditions precedent to the plan becoming binding were resolved. The Bankruptcy Court issued a final decree on December 29, 2010.

There was no change in control as the Hospital's Board of Directors immediately prior to the confirmation of the plan retained control upon emergence from the Chapter 11 proceedings, therefore, the Hospital did not adopt fresh-start reporting.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

ORIGINAL BANKRUPTCY FILING (CONTINUED)

As of September 30, 2014 and 2013, liabilities compromised by the confirmed plan have been recorded at the present values of amounts to be paid, determined at the interest rate of 6.75%.

The Hospital's original confirmed plan provided for the following:

Secured Debt - The Hospital's secured debt with a bank (secured by a first mortgage lien on land and buildings located in Stafford Springs, Connecticut and a blanket lien on all furniture, fixtures, and equipment) was reinstated as such maturity existed before any default, and is payable in quarterly installments through January 1, 2048. The Hospital will also remain obligated as guarantor of the Corporation's secured debt in the amounts of $2,940,000 and $3,001,081, respectively, as of September 30, 2014 and 2013 and Evergreen's secured debt of $14,213,697 as of September 30, 2014 and 2013.

Other Secured Debt – The Hospital's loan to finance information technology equipment was restructured to be paid in 60 monthly installments of $10,000, including interest. The carrying value of this compromised debt was $125,022 and $232,609 as of September 30, 2014 and 2013, respectively.

Priority and Administrative Claims – All priority and administrative claims were to be paid as allowed by the Court.

Trade and Other Miscellaneous Claims - The holders of approximately $11 million of trade and other miscellaneous claims were entitled to receive $705,232 on the effective date, $256,025 on the first anniversary of the effective date, $488,775 on the second anniversary of the effective date and $954,275 on the each of the third, fourth, and fifth anniversaries of the effective date.

The holders of approximately $145,000 of convenience claims were entitled to receive 50% of their allowed claim. Unexpired leases and executory contracts not rejected by the Hospital were scheduled to be paid according to their original or negotiated terms.

Pension Benefit Guaranty Corporation (PBGC) Claims - The PBGC was entitled to receive $730,402 on the effective date, $266,475 on the first anniversary of the effective date, $508,725 on the second anniversary of the effective date and $993,225 on the each of the third, fourth, and fifth anniversaries of the effective date. The Hospital has also recorded a liability of $468,384 and $438,767 as of September 30, 2014 and 2013, respectively, for the pension termination premium that is owed to the PBGC prior to October 1, 2016. If the premium is not paid by this date, the pension termination premium will increase to $2 million under the terms of the plan of reorganization.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

ORIGINAL BANKRUPTCY FILING (CONTINUED)

The Hospital failed to pay the amounts owed to the unsecured creditors and the PBGC that were due on October 1, 2013 and October 1, 2014.

In addition, mortgage payments totaling approximately $1,256,000 were past due under the secured mortgage as of September 30, 2014. The $11,987,500 balance of the mortgage has been classified as a current liability at September 30, 2014 based on the fact that People's Bank had the right to demand repayment at September 30, 2014.

AFFILIATION WITH SAINT FRANCIS CARE, INC.

On July 12, 2012, the Hospital, along with the Corporation and Evergreen (collectively, the Johnson Entities) entered into an affiliation agreement with Saint Francis Care designed to establish a long-term stable relationship between the two systems, allowing them to work together to maintain and strengthen the Corporation's operating viability and the Hospital's presence in the community as a community hospital, expand the array of health care services available, support the Hospital's medical staff, and enhance the Corporation's efforts to fulfill its mission. Saint Francis made an initial payment to the Johnson Entities of $1,300,000 on the date of the affiliation agreement and made an additional payment of $1,050,000 on October 1, 2012, both payments to be used by the Johnson Entities to satisfy outstanding claims owed under the reorganization plan (the Plan) to the Pension Benefit Guaranty Corporation and the unsecured creditors in classes A6 and B6 of the Plan.

All payments made by Saint Francis under this agreement were considered to be an unsecured loan. Under the terms of the affiliation agreement, this loan would be payable in the event that the Corporation sought the closing of an alternative transaction, if the proceeds of this alternative transaction exceeded the amounts necessary to satisfy all other secured and unsecured debt owed by the Corporation.

In connection with the $1,300,000 initial payment, Saint Francis was provided with the right to appoint three members to the Boards of Directors of Johnson Memorial Medical Center, the Hospital, and Evergreen.

The affiliation agreement requires the Johnson Entities to obtain the consent of Saint Francis prior to the occurrence of the following events: merger, dissolution, dilution of Saint Francis' board representation, incurrence of certain additional debt, prepayment of debt, creation of liens, entering into lease obligations in excess of $1 million, the sale or disposition of properties in excess of defined thresholds, distributions of cash, or the addition or termination of any material clinical service.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

AFFILIATION WITH SAINT FRANCIS CARE, INC. (CONTINUED)

Saint Francis will provide medical leadership in the Hospital's oncology program, infectious disease program, hospitalist program and management services in both case management and psychiatry in an effort to help the Hospital to attract additional volume.

On May 17, 2013 the Johnson Entities amended the affiliation agreement with Saint Francis to include additional advances of up to $1,000,000 to be used solely for general working capital purposes. Advances under this amendment are subject to interest effective October 1, 2013 at the prime rate plus 2%. As of September 30, 2014, there were no advances to the Hospital under this letter of credit and $350,000 was advanced to the Hospital as of September 30, 2013.

During 2014, Saint Francis agreed to provide credit support of $2 million to the Johnson Entities in the form of a guaranty and letter of credit issued by a bank as security for the Johnson Entities' deductible under their workers' compensation policy. Certain fees and interest will be owed to Saint Francis under this agreement. As of September 30, 2014, there were no borrowings under this letter of credit.

GOING CONCERN

The accompanying consolidated financial statements have been prepared assuming that the Hospital will continue as a going concern. As of September 30, 2014, the Hospital had an unrestricted net asset deficit of $4,478,834 and had current liabilities that exceeded current assets by $15,984,256. The Hospital is a party to a credit agreement and mortgage that require certain financial and non-financial covenants be maintained. The Hospital failed certain covenants during the year ended September 30, 2014 and defaulted on certain payments due on its mortgage and payments due to its creditors. In addition, the Hospital filed for relief under Chapter 11 of the U.S. Bankruptcy Code subsequent to September 30, 2014. These conditions raise substantial doubt about the Hospital's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

It is the plan of management to ensure that the Hospital continues as a going concern and the Corporation is pursuing the potential sale of the Hospital and the other Debtors to Saint Francis under Bankruptcy Code Section 363. Management believes that such a sale will preserve and maximize the going concern value of the Debtors' properties, provide jobs for the Debtors' employees, and allow for the continued delivery of health care services to residents of North Central Connecticut.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

GOING CONCERN (CONTINUED)

The actions taken by the Corporation with respect to the potential transaction with Saint Francis and the courses of action taken by Bankruptcy Court and the creditors of the Hospital will have an impact on the Hospital's ability to continue as a going concern.

The Hospital's continuation as a going concern is also ultimately dependent upon its future financial performance, which will be affected by general economic, competitive and other factors, many of which are beyond the Hospital's control. There can be no assurance that the Hospital's plans to ensure continuation as a going concern will be successful.

PRINCIPLES OF CONSOLIDATION AND PRESENTATION

The accompanying consolidated financial statements include the accounts of Johnson Memorial Hospital, Johnson Professional Associates, P.C., and Johnson Memorial Hospital Development Fund, Inc. JPA and Development are entities in which the Hospital has a controlling financial interest. All inter-company accounts have been eliminated in consolidation.

ASC 810-25, *Consolidations*, requires a not-for-profit entity, among other things, to consolidate into its financial statements the financial results of another not-for-profit in which it has a controlling financial interest and to make certain disclosures. Reference is made to Note 2.

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

NET ASSET CATEGORIES

To ensure observance of limitations and restrictions placed on the use of resources available to the Hospital, the accounts of the Hospital are maintained in the following net asset categories:

Unrestricted – Unrestricted net assets represent available resources which can be used for general operations of the Hospital. Included in unrestricted net assets are assets set aside by the Board of Directors.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

NET ASSET CATEGORIES (CONTINUED)

Temporarily Restricted – The Hospital reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in within the same year as received are reflected as unrestricted contributions in the accompanying statements of operations. At September 30, 2014 and 2013 the Hospital had temporarily restricted net assets of $332,881 and $268,927, respectively.

Permanently Restricted – Permanently restricted net assets represent contributions received with the donor restriction that the principal be invested in perpetuity and that income earned thereon is available for operations or a specific purpose.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, including estimated uncollectible accounts receivable and contractual allowances and liabilities, including estimated net settlements with third-party reimbursement agencies and professional liabilities, and disclosure of contingent assets and contingent liabilities at the date of the financial statements. Estimates also affect the amounts of revenues and expenses reported during the period. There is at least a reasonable possibility that certain estimates will change by material amounts in the near term. Actual results could differ from those estimates.

REGULATORY MATTERS

The Hospital is required to file annual operating information with the State of Connecticut Office of Health Care Access.

DONOR RESTRICTED GIFTS

Unconditional promises to give cash are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises to give are received. Amortization of the discounts is included in gifts and bequests on the consolidated statements of operations and changes in net assets.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

DONOR RESTRICTED GIFTS (CONTINUED)

The gifts are reported as either temporarily or permanently restricted net assets if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets.

CASH AND CASH EQUIVALENTS

The Hospital considers all highly liquid investments with remaining maturities of three months or less at date of purchase to be cash equivalents. Cash and cash equivalents are held at a limited number of financial institutions and at times, the amounts on deposit exceed insured limits.

PATIENT ACCOUNTS RECEIVABLE

Patient accounts receivable result from the health care services provided by the Hospital and JPA. The amount of the allowance for uncollectible accounts is based upon management's assessment of historical and expected net collections, business and economic conditions, trends in Medicare and Medicaid health care coverage and other collection indicators. See Note 3 for additional information relative to net patient service revenue recognition and third-party payer programs.

INVENTORIES

Inventories of drugs and supplies are stated at the lower of cost or market, determined using the first in first out method.

INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income or loss (including realized gains and losses on investments, interest and dividends) are included in the deficiency of revenues over expenses unless the income or loss is restricted by donor or law.

Unrealized gains and losses on investments on the Hospital's beneficial interest in perpetual trusts are recorded as changes in permanently restricted net assets.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

INVESTMENT IN JOINT VENTURES

The Hospital has three joint ventures that it accounts for using the equity method. The change in the Hospital's share in the equity of these joint ventures is recorded as a component of nonoperating revenue in the consolidated statements of operations. The Hospital has a 25% interest in Northeast Regional Radiation Oncology Network, Inc. ($3,299,195 and $3,108,378 as of September 30, 2014 and 2013, respectively) and has a 15% ownership interest in Tolland Imaging Center, LLC ($81,604 and $41,285 as of September 30, 2014 and 2013, respectively).

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recorded at cost. The Hospital provides for depreciation of property, plant and equipment and amortization of assets recorded under capital leases using the straight-line method in amounts sufficient to amortize the cost of the assets over their estimated useful lives ranging from 3 to 40 years.

Financial Accounting Standards Board ASC 410-20, *Accounting for Asset Retirement Obligations,* provides guidance on accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. Asset retirement obligations include, but are not limited to, certain types of environmental issues which are legally required to be remediated upon an asset's retirement as well as contractually required asset retirement obligations. ASC 410-20 provides clarifying guidance on conditional asset retirement obligations. Conditional asset retirement obligations are obligations whose settlement may be uncertain. ASC 410-20's guidance requires such conditional asset retirement obligations to be estimated and recognized. Application of these pronouncements affects the Hospital with respect to required future asbestos remediation.

Conditional asset retirement obligations of $346,001 and $334,927 as of September 30, 2014 and 2013, respectively, were recorded in other liabilities on the balance sheets. These retirement obligations have been discounted at a rate of 6.75%. The undiscounted amounts of the obligations were $346,001 at September 30, 2014 and 2013. There were no retirement obligations incurred or settled during 2014 and 2013. Reference is made to Note 14 regarding other environmental exposures.

IMPAIRMENT OF LONG-LIVED ASSETS

The Hospital records impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. There were no impairment losses recorded in 2014 and 2013.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

NONOPERATING REVENUE

Activities, other than in connection with providing health care services, are considered to be nonoperating. Nonoperating revenue consists primarily of income on invested funds, gains and losses on sales of equipment and the changes in the Hospital's share of equity of the joint ventures accounted for under the equity method.

DEFERRED FINANCING FEES

Deferred financing costs, which were incurred in connection with the debt, are being amortized over the term of the related debt. Amortization expense for deferred financing costs amounted to $7,248 for the years ended September 30, 2014 and 2013.

DEFICIENCY OF REVENUE OVER EXPENSES

The statements of operations and changes in net assets include the deficiency of revenue over expenses as the performance indicator. Changes in unrestricted net assets which are excluded from the deficiency of revenue over expenses, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets) and permanent transfers of assets to and from affiliates for other than goods and services.

INCOME TAXES

The Hospital and Development are not-for-profit corporations as defined in Section 501(c)(3) of the Internal Revenue Code, and therefore are exempt from federal and state income taxes, except on net income derived from unrelated business activities. JPA is a professional corporation that has experienced losses since inception and accordingly, no provisions for federal or state income taxes have been recorded.

The Hospital accounts for uncertainty in income tax positions in the consolidated financial statements by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Management has analyzed the tax positions taken and has concluded that as of September 30, 2014, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Hospital, Development, and JPA are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes that these organizations are no longer subject to income tax examinations prior to 2011.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

ADVERTISING

The Hospital expenses advertising costs as incurred. Advertising expenses for the years ended September 30, 2014 and 2013 were $5,039 and $40,673, respectively.

BENEFICIAL INTEREST IN PERPETUAL TRUSTS

The Hospital is the beneficiary of several trust funds. Although the principal balances in the trust funds are permanently restricted, the income earned on the trust funds is unrestricted. The unrealized gains from the trust funds were $63,596 in 2014 and $113,235 in 2013 and are included in changes in permanently restricted net assets.

RECOGNITION OF GRANT REVENUE

Grants are generally considered to be exchange transactions in which the grantor requires the performance of specified activities. Entitlement to cost reimbursement grants is conditioned on the expenditure of funds in accordance with grant restrictions and, therefore, revenue is recognized to the extent of grant expenditures. Entitlement to performance based grants is conditioned on the attainment of specific performance.

CHARITY CARE

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge, or at amounts less than its established rates. The Hospital does not pursue collection of amounts determined to be charity care. For the year ended September 30, 2014 the charges and costs related to charity care were $387,403 and $202,458 and for the year ended September 30, 2013, the charges and costs related to charity care were $310,398 and $134,040, respectively.

ESTIMATED MEDICAL MALPRACTICE AND WORKERS' COMPENSATION COSTS

The provision for estimated medical malpractice and workers' compensation claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

The Hospital accounts for its insurance claims and related insurance recoveries in accordance with the provisions of ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which indicates that health care entities should not net insurance recoveries against the related claim liabilities.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND ORGANIZATION (CONTINUED)

BAD DEBTS

ASU 2011-07, *Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts,* requires certain health care entities to present the provision for bad debts associated with patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) rather than as an operating expense. Refer to Note 2 for the additional disclosures required by ASU 2011-07.

RECLASSIFICATIONS

Certain amounts reported in the prior year's financial statements have been reclassified to conform to the current year's financial statements.

SUBSEQUENT EVENTS

The Hospital evaluates the impact of subsequent events, events that occur after the balance sheet date but before the financial statements are issued, for potential recognition in the financial statements as of the balance sheet date or for disclosure in the notes to the consolidated financial statements. The Hospital evaluated events occurring subsequent to September 30, 2014 through March 30, 2015, the date on which the accompanying financial statements were available to be issued. During this period, there were no subsequent events that required disclosure or recognition in the financial statements other than the disclosures related to the January 14, 2015 bankruptcy filing.

NOTE 2 – CONSOLIDATED ENTITIES

JPA is a medical practice that is controlled by the Hospital. Although the Hospital does not have direct ownership interests in JPA, the Hospital has a controlling voting interest in the Board of JPA, thus enabling the Hospital to control the economic activities of JPA. Also, the Hospital provides funding to JPA to fund its operating losses.

Johnson Memorial Hospital Development Fund, Inc. is a not-for-profit organization that raises funds for the Hospital and other affiliates in which the Hospital has a controlling financial interest by virtue of control of its board of directors and the fact that substantially all of Development's assets are for the use of the Hospital.

NOTE 3 – NET REVENUE FROM SERVICES TO PATIENTS AND CHARITY CARE

The following table summarizes net revenue from services to patients during the years ended September 30, 2014 and 2013:

	2014	2013
Gross patient service revenue		
Inpatients	$ 61,452,314	$ 62,288,196
Outpatients	115,686,167	105,897,974
	177,138,481	168,186,170
Deductions		
Contractual and other allowances	102,892,826	99,800,590
Charity care provided free of charge - at charges	387,403	310,398
	103,280,229	100,110,988
Net patient service revenue	73,858,252	68,075,182
Provision for bad debts	4,311,679	4,584,989
Net patient service revenue less provision for bad debts	$ 69,546,573	$ 63,490,193

Patient accounts receivable and revenues are recorded when patient services are performed. Amounts received from most payers are different from the established billing rates of the Hospital, and these differences are accounted for as allowances. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. For the years ended September 30, 2014 and 2013, the Hospital recorded approximately $310,000 and ($469,000), respectively, as an increase (decrease) to net patient service revenue for changes in estimates related to third-party payer settlement accruals recorded in prior years.

The following table represents the percentages of net revenue received from payers during the years ended September 30, 2014 and 2013:

	2014	2013
Medicare	37%	36%
Medicaid	13%	7%
Third parties	44%	43%
Other	6%	14%

NOTE 3 – NET REVENUE FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

Changes in the Medicare and Medicaid programs and the reduction of funding levels could have an adverse impact on the Hospital.

The current Connecticut Medicaid inpatient hospital reimbursement model of interim per diem rates and case rate settlements will transition to an All Patient Refined Diagnosis Related Group System (APR-DRG) where hospital payments will be established prospectively. Connecticut Medicaid outpatient hospital reimbursement will move from the current system of reimbursement based on Revenue Center Codes to a prospective payment system based on the complexity of services performed. The new inpatient reimbursement methodology will be effective for admissions on or after January 1, 2015; while the new outpatient reimbursement methodology will not be implemented until at least January 1, 2016. The Hospital has not determined the estimated impact of these proposed changes on net patient service revenue in future years.

The significant concentrations of net accounts receivable for services to patients by payer at September 30, 2014 and 2013 follow:

	2014	2013
Medicare	39%	27%
Medicaid	20%	11%
Third parties	37%	44%
Other	4%	18%

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs. The Hospital believes that it is in compliance with all applicable laws and regulations. Cost reports for the Hospital, which serve as a basis for final settlement with government payers, have been settled by final settlement through 2010 for Medicare and 2007 for Medicaid. Other years remain open for settlement.

The Hospital has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the HMOs make fee-for-service payments to the Hospital for certain covered services based upon discounted fee schedules.

NOTE 3 – NET REVENUE FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

MEASURING CHARITY CARE

The Hospital accepts all patients regardless of their ability to pay. A patient is classified as a charity patient by reference to the established policies of the Hospital. Essentially, these policies define charity services as those services for which no payment is possible. In assessing a patient's inability to pay, the Hospital utilizes the generally recognized poverty income levels for the State, but also includes certain cases where incurred charges are significant when compared to incomes. These charges are not included in net patient service revenues for financial reporting purposes.

Self-pay revenues are derived primarily from patients who do not have any form of health care coverage. The revenues associated with self-pay patients are generally reported at the Hospital's gross charges. The Hospital evaluates these patients, after the patient's medical condition is determined to be stable, for their ability to pay based upon federal and state poverty guidelines, qualifications for Medicaid or other governmental assistance programs, as well as the Hospital's policy for charity care. The Hospital provides care without charge to certain patients that qualify under its charity care policy. For the years ended September 30, 2014 and 2013, the Hospital estimates that its costs of care provided under its charity care programs approximated $202,000 and $134,000, respectively.

The Hospital's management estimates its costs of care provided under its charity care programs utilizing a calculated ratio of costs to gross charges multiplied by the Hospital's gross charity care charges provided. The Hospital's gross charity care charges include only services provided to patients who are unable to pay and qualify under the Hospital's charity care policy. To the extent the Hospital receives reimbursement through the various governmental assistance programs in which it participates to subsidize its care of indigent patients, the Hospital does not include these patients charges in its cost of care provided under its charity care program. Additionally, the Hospital does not report a charity care patient's charges in revenues or in the provision for bad debts as it is the Hospital's policy not to pursue collection of amounts related to these patients.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

The Hospital's estimation of the allowance for uncollectible accounts is based primarily upon the type and age of the patient accounts receivable and the effectiveness of the Hospital's collection efforts. The Hospital's policy is to reserve a portion of all self-pay receivables, including amounts due from the uninsured and amounts related to co-payments and deductibles, as these charges are recorded. On a monthly basis, the Hospital reviews its accounts receivable balances, the effectiveness of the Hospital's reserve policies and various analytics to support the basis for its estimates.

NOTE 3 – NET REVENUE FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

ALLOWANCE FOR DOUBTFUL ACCOUNTS (CONTINUED)

These efforts primarily consist of reviewing the following:

- Revenue and volume trends by payer, particularly the self-pay components;
- Changes in the aging and payer mix of accounts receivable, including increased focus on accounts due from the uninsured and accounts that represent co-payments and deductibles due from patients; and
- Various allowance coverage statistics.

The Hospital regularly performs hindsight procedures to evaluate historical write-off and collection experience throughout the year to assist in determining the reasonableness of its process for estimating the allowance for uncollectible accounts.

A summary of the Hospital's allowance for doubtful accounts activity for the years ended September 30, 2014 and 2013 is as follows:

	Balance at Beginning of Period	Additions Recorded in the Provision for Bad Debts	Accounts Written off, Net of Recoveries and Other	Balance at End of Period
Allowance for doubtful accounts:				
Year ended September 30, 2013	$ (2,702,000)	$ (4,584,989)	$ 3,561,989	$ (3,725,000)
Year ended September 30, 2014	$ (3,725,000)	$ (4,311,679)	$ 3,357,679	$ (4,679,000)

ICD-10 IMPLEMENTATION

The Hospital is subject to the administrative simplification provisions of HIPAA which require the use of uniform electronic data transmission standards for health care claims and payment transactions submitted or received electronically.

In January 2009, the Centers for Medicare and Medicaid Services (CMS) published its tenth revision of International Statistical Classification of Diseases and Related Health Problems (ICD-10) and related changes to the formats used for certain electronic transactions. ICD-10 contains significantly more diagnostic and procedural codes than the existing ICD-9 coding system, and as a result, the coding for the patient services provided by the Hospital will require much greater specificity when ICD-10 becomes effective on October 1, 2015.

NOTE 3 – NET REVENUE FROM SERVICES TO PATIENTS AND CHARITY CARE (CONTINUED)

ICD-10 IMPLEMENTATION (CONTINUED)

The implementation of ICD-10 will require a significant investment in technology and training. The Hospital may experience delays in reimbursement while the Hospital and the payers from which it seeks reimbursement make the transition to ICD-10. If the Hospital fails to implement the new coding systems by the deadline, the Hospital will not be paid for services. Management is not able to reasonably estimate the overall financial statement impact of the Hospital's transition to ICD-10.

NOTE 4 – ASSETS WHOSE USE IS LIMITED

The composition of assets whose use is limited, which include beneficial interests in perpetual trusts, cash restricted for payment of workers compensation claims and investments permanently restricted by donors are set forth in the following table. Investments are recorded on the balance sheets at fair value.

	2014		2013	
	Cost	Fair Value	Cost	Fair Value
Cash and cash equivalents	$ 1,201,322	$ 1,201,322	$ 1,136,345	$ 1,136,345
Money market funds	12,122	12,122	20,460	20,460
Mutual funds - equity	56,730	65,074	560,817	577,579
Mutual funds - fixed	44,414	44,516	110,126	104,946
Collective funds - equity	496,374	523,180	70,415	80,670
Collective funds - fixed	332,613	351,046	332,391	401,844
Investment grade taxable bonds	--	--	33,233	31,947
Global high yield bonds	--	--	99,698	105,211
Equities				
U.S. large cap	783,027	864,449	807,823	894,907
U.S. mid cap	359,596	414,548	216,666	258,354
U.S. small cap	189,136	208,034	201,958	225,209
International developed	487,064	521,272	329,802	352,583
Emerging markets	247,151	247,414	260,180	244,309
Real estate	256,803	264,411	199,572	188,086
Tangible assets - commodities	168,678	143,570	233,497	219,202
	$ 4,635,030	$ 4,860,958	$ 4,612,983	$ 4,841,652

NOTE 4 – ASSETS WHOSE USE IS LIMITED (CONTINUED)

Investment income and losses on investments recorded in the consolidated statements of operations for the years ended September 30 are below.

	2014	2013
Income		
Interest and dividend income	$ 209,480	$ 198,178
Less investment management fees	(43,983)	(39,378)
Net investment income	$ 165,497	$ 158,800

NOTE 5 – FAIR VALUE MEASUREMENTS

Assets and liabilities recorded at fair value in the financial statements are categorized, for disclosure purposes, based upon whether the inputs used to determine their fair values are observable or unobservable utilizing a three-level fair value hierarchy that prioritizes the inputs used to measure assets and liabilities at fair value. Level inputs are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Hospital has the ability to access on the reporting date.

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable for the asset or liability.

The fair values of Level 1 securities were determined through quoted market prices, while fair values of Level 2 securities were determined primarily through prices obtained from third party pricing sources, where quoted market prices for such securities were not available. The fair values of Level 3 securities were determined primarily through information obtained from the relevant counterparties for such investments, as information on which these securities' fair values are based is generally not readily available in the market.

NOTE 5 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarizes fair value measurements, by level, at September 30, 2014 and 2013, for all assets and liabilities which are measured at fair value on a recurring basis in the financial statements:

	Level 1	Level 2	Level 3	Total
September 30, 2014				
Beneficial interests in perpetual trusts				
Cash and cash equivalents	$ 133,687	$ --	$ --	$ 133,687
Money market funds	12,122	--	--	12,122
Mutual funds - equity	65,074	--	--	65,074
Mutual funds - fixed	44,516	--	--	44,516
Collective funds - equity	--	--	523,180	523,180
Collective funds - fixed	--	--	351,046	351,046
Equities				
U.S. large cap	864,449	--	--	864,449
U.S. mid cap	414,548	--	--	414,548
U.S. small cap	208,034	--	--	208,034
International developed	521,272	--	--	521,272
Emerging markets	247,414	--	--	247,414
Real estate	264,411	--	--	264,411
Tangible assets-commodities	--	--	143,570	143,570
Total beneficial interests in perpetual trusts	2,775,527	--	1,017,796	3,793,323
Restricted cash and board designated investments	224,048	--	--	224,048
Investments permanently restricted by donor	843,587	--	--	843,587
	$ 3,843,162	$ --	$ 1,017,796	$ 4,860,958

NOTE 5 – FAIR VALUE MEASUREMENTS (CONTINUED)

	Level 1	Level 2	Level 3	Total
September 30, 2013				
Beneficial interests in perpetual trusts				
Cash and cash equivalents	$ 24,420	$ --	$ --	$ 24,420
Money market funds	20,460	--	--	20,460
Mutual funds - equity	577,579	--	--	577,579
Mutual funds - fixed	104,946	--	--	104,946
Collective funds - equity	--	--	80,670	80,670
Collective funds - fixed	--	--	401,844	401,844
Investment grade taxable bonds	31,947	--	--	31,947
Global high yield bonds	105,211	--	--	105,211
Equities				
U.S. large cap	894,907	--	--	894,907
U.S. mid cap	258,354	--	--	258,354
U.S. small cap	225,209	--	--	225,209
International developed	352,583	--	--	352,583
Emerging markets	244,309	--	--	244,309
Real estate	188,086	--	--	188,086
Tangible assets-commodities	--	--	219,202	219,202
Total beneficial interests in perpetual trusts	3,028,011	--	701,716	3,729,727
Restricted cash and board designated investments	268,338	--	--	268,338
Investments permanently restricted by donor	843,587	--	--	843,587
	$ 4,139,936	$ --	$ 701,716	$ 4,841,652

NOTE 5 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following is a reconciliation of Level 3 assets for which significant unobservable inputs were used to determine fair value:

	Beneficial Interests in Perpetual Trusts
Balance at October 1, 2012	$ 237,296
Purchases of investments	233,497
Changes in fair value	230,923
Balance at September 30, 2013	701,716
Purchases of investments	426,381
Sales of investments	(64,819)
Changes in fair value	(45,482)
Balance at September 30, 2014	$ 1,017,796

NOTE 6 – RESTRICTED ENDOWMENTS

The Hospital's endowments consist of donor-restricted endowment funds and beneficial interests in perpetual trusts. Net assets associated with endowment funds are classified and reported based on donor-imposed restrictions.

The Hospital's Board of Directors has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds, absent explicit donor stipulations to the contrary. This does not apply to beneficial interests in perpetual trusts where the fair value of the investments is the basis for the amount recorded as permanently restricted net assets.

As a result of the interpretation of UPMIFA, the Hospital classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and, if applicable, (c) accumulations to the permanent endowment made in accordance with the related gift's donor instructions. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as unrestricted net assets based on the donors' stipulations and those amounts are appropriated for expenditure by the Hospital in a manner consistent with the standard for expenditures as proscribed by UPMIFA.

NOTE 6 – RESTRICTED ENDOWMENTS (CONTINUED)

In accordance with UPMIFA, the Hospital considers the following factors in making determinations to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Hospital and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Hospital
(7) The investment policies of the Hospital

RETURN OBJECTIVES AND RISK PARAMETERS

For the permanently restricted endowment funds, the bank, acting in its capacity as trustee, determines and directs the investment policy and asset allocation. The Hospital expects these endowment funds, over time, to provide an average rate of return that exceeds the rate of inflation annually. Actual returns in any given year may vary from this amount.

STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES

To satisfy its long-term rate-of-return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Hospital targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

SPENDING POLICY AND HOW THE INVESTMENT OBJECTIVES RELATE TO THE SPENDING POLICY

The Hospital has a policy of evaluating the spending decisions for each endowment fund based upon the intentions of the donors and specific contractual agreements. In determining the annual amount to be spent, the Hospital considers the long-term expected return on its endowment. The spending policy is designed to limit spending to the expected long-term real rate of return. The annual distribution from the endowment funds is expected to be contained within a range of the trusts' market value that is consistent with the Hospital's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NOTE 6 – RESTRICTED ENDOWMENTS (CONTINUED)

ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND AS OF SEPTEMBER 30, 2014 AND 2013:

	Unrestricted	Permanently Restricted	Total
September 30, 2014			
Donor-restricted endowment funds	$ --	$ 843,587	$ 843,587
Beneficial interests in perpetual trusts	--	3,793,323	3,793,323
	$ --	$ 4,636,910	$ 4,636,910

	Unrestricted	Permanently Restricted	Total
September 30, 2013			
Donor-restricted endowment funds	$ --	$ 843,587	$ 843,587
Beneficial interests in perpetual trusts	--	3,729,727	3,729,727
	$ --	$ 4,573,314	$ 4,573,314

CHANGES IN ENDOWMENT NET ASSETS FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	Unrestricted	Permanently Restricted	Total
September 30, 2014			
Endowment net assets, beginning	$ --	$ 4,573,314	$ 4,573,314
Investment return:			
Investment income	165,497	--	165,497
Net unrealized gains	--	63,596	63,596
Total investment return	165,497	63,596	229,093
Appropriation of endowment assets for expenditure	(165,497)	--	(165,497)
Endowment net assets, ending	$ --	$ 4,636,910	$ 4,636,910

NOTE 6 – RESTRICTED ENDOWMENTS (CONTINUED)

CHANGES IN ENDOWMENT NET ASSETS FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013 (CONTINUED)

	Unrestricted	Permanently Restricted	Total
September 30, 2013			
Endowment net assets, beginning	$ --	$ 4,460,079	$ 4,460,079
Investment return:			
Investment income	158,000	--	158,000
Net unrealized gains	--	113,235	113,235
Total investment return	158,000	113,235	271,235
Appropriation of endowment assets for expenditure	(158,000)	--	(158,000)
Endowment net assets, ending	$ --	$ 4,573,314	$ 4,573,314

NOTE 7 – TEMPORARILY RESTRICTED AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets of $332,881 and $268,927 as of September 30, 2014 and 2013, respectively, consist of assets restricted to make capital purchases and restricted amounts received from various fundraising events.

Permanently restricted net assets of $4,636,910 and $4,573,314 at September 30, 2014 and 2013, respectively, represent assets to be held in perpetuity, the income from which is expendable to support health care services and the general operations of the Hospital.

NOTE 8 – PROPERTY, PLANT AND EQUIPMENT

The components of cost and the related accumulated depreciation comprising property, plant and equipment as of September 30, 2014 and 2013 are as follows:

	2014	2013
Land	$ 406,997	$ 406,997
Land improvements	1,568,864	1,558,879
Building and improvements	24,689,760	24,574,732
Fixed and movable equipment	34,042,317	32,774,770
	60,707,938	59,315,378
Less accumulated depreciation	(44,198,742)	(42,249,206)
	$ 16,509,196	$ 17,066,172

Depreciation expense for property, plant and equipment amounted to $2,334,000 and $2,932,000 for the years ended September 30, 2014 and 2013, respectively. Included within depreciation and amortization expense on the statements of operations is amortization for capital leased assets of $21,606 and $14,170 for the years ended September 30, 2014 and 2013, respectively (see Note 10).

NOTE 9 – DEBT

MORTGAGE NOTE PAYABLE

On August 1, 2006, the Hospital entered into a $13,700,000 commercial construction mortgage loan with a bank. The loan was used to finance the expansion and renovation of the emergency department, three nursing units, the psychiatric unit, and two medical and surgical units, and to refinance the Hospital's existing loans (collectively, the Project). In December 2007, the loan was converted to a term loan, which is guaranteed by the United States Department of Agriculture (USDA) through the USDA Rural Development Community Facilities Program. The term loan calls for equal quarterly principal payments of $85,625 over 40 years and will mature on January 1, 2048. Fifty percent of the loan bears interest at the bank's five year cost of borrowing plus 1.50% and fifty percent of the loan bears interest at the three month LIBOR plus 1.25%. The interest rates in effect at September 30, 2014 were 6.63% and 1.48%, respectively. The interest rates in effect at September 30, 2013 were 6.63% and 1.52%, respectively.

As of September 30, 2014 and 2013, there was a principal balance of $11,987,500 due on the mortgage.

NOTE 9 – DEBT (CONTINUED)

MORTGAGE NOTE PAYABLE (CONTINUED)

The Hospital is required to meet covenants under the mortgage. During the year ended September 30, 2014, the Hospital failed certain covenants and failed to make any mortgage principal payments resulting in a delinquent balance of approximately $1,256,000 at September 30, 2014. The bank has the right to demand immediate payment of the $11,987,500 balance of the mortgage which has been classified as a current liability as of September 30, 2014.

In 2006, the Hospital entered into a loan to finance certain information systems equipment at an interest rate of 5.5%. The Hospital failed to make payments in accordance with the loan terms. The Hospital's loan to refinance information equipment was restructured to be paid in 60 monthly installments of $10,000. The present value of the settlement value of this loan was $125,022 and $232,609 at September 30, 2014 and 2013, respectively.

Future minimum payments by year and in the aggregate for the mortgage loan and subordinated debt were as follows at September 30, 2014:

2015	$ 12,095,087
2016	17,435
	$ 12,112,522

REVOLVING LOAN

In September 2010, the Hospital, along with several affiliates (the Borrowers), entered into a Revolving Loan and Security Agreement (senior debt under revolving line of credit) with a lender for an amount not to exceed the lesser of $8 million or the maximum borrowing base (85% of the book value of all eligible receivables). Under the original agreement, amounts outstanding bear interest at the rate of the 3 month LIBOR rate plus 4.25% payable monthly in arrears. In the event of a default, the agreement provides for an increase in the interest rate by up to 4%. The interest rate as of September 30, 2014 was 7.75%. The Hospital has granted the lender a security interest in accounts receivable. In connection with the bankruptcy filing, on January 16, 2015, this lender entered into a debtor in possession loan agreement with the Borrowers which replaced the Revolving Loan and Security Agreement.

The Hospital is jointly and severally liable for the full payment of the debt under this agreement, including any debt incurred by Evergreen and Home & Community Health Services, Inc.

As of September 30, 2014 and 2013, there were outstanding borrowings of $1,604,830 and $2,208,858, respectively, under the Loan and Security Agreement.

NOTE 9 – DEBT (CONTINUED)

REVOLVING LOAN (CONTINUED)

The Borrowers are subject to a number of covenants and restrictions under the Revolving Loan and Security Agreement. These include the following affirmative and negative covenants: provision of monthly, quarterly and annual financial information, adequate insurance coverage, notice of certain events and changes, change in ownership or management, restrictions on indebtedness and lease agreements, sale of assets, protection of collateral and financial covenants prepared on a consolidated basis for the Borrowers including cash flow and debt service coverage ratio requirements.

During 2014, the Borrowers failed to comply with various covenants under the Revolving Loan and Security Agreement which resulted in the lender imposing an interest penalty.

OTHER DEBT

The other long-term debt of $2,350,000 as of September 30, 2014 and 2013 and $350,000 of other current debt at September 30, 2013, represented the amounts owed to Saint Francis under the terms of the affiliation agreement. Reference is made to Note 1. The long-term portion of this debt is not subject to interest.

NOTE 10 – LEASE OBLIGATIONS

CAPITAL LEASES

The Hospital has entered into non-cancelable capital lease obligations for certain equipment. The cost of the assets is being amortized over the useful lives of the assets or the shorter of the respective lease term or useful life if the asset does not transfer to the Hospital at the end of the lease term and is summarized as of September 30, 2014 and 2013 are as follows:

	2014	2013
Medical and other equipment	$ 965,000	$ 70,850
Less accumulated amortization	(21,606)	(15,351)
	$ 943,394	$ 55,499

NOTE 10 – LEASE OBLIGATIONS

CAPITAL LEASES (CONTINUED)

The Hospital entered into a five year capital lease agreement to lease generators with a cost of $688,000 which commenced on March 1, 2014. The monthly lease payments, including interest, will be $10,500 for the first year and $15,400 for the remainder of the lease term with total payments of $865,296. The Hospital made a security deposit of $206,000 to secure the lease that is returnable at the end of the lease period.

The Hospital entered into a three year capital lease agreement to lease a magnetic chiller with a cost of $277,000 which commenced on September 1, 2014. The monthly lease payments, including interest, will be $7,829 over the lease term with total payments of $281,844. The Hospital made a security deposit of $15,658 to secure the lease that is returnable at the end of the lease period.

Future minimum lease payments under the capital leases (excluding the aforementioned generator lease), together with the present value of future minimum lease payments, as of September 30, 2014 are as follows:

2015	$ 253,947
2016	278,772
2017	270,943
2018	184,824
2019	77,010
Total future minimum lease payments	1,065,496
Less amounts representing interest	147,161
Present value of future minimum lease payments	918,335
Less current portion	197,299
	$ 721,036

OPERATING LEASES

The Hospital leases various computer equipment, medical equipment and office space under operating leases, which expire at various dates through 2015. Rent expense under the operating leases was $2,196,762 and $2,223,374 in 2014 and 2013, respectively. These leases have various terms and conditions. The Hospital subleases land to an affiliated corporation under a month-to-month lease arrangement. Sublease income was $180,000 for each of the fiscal years ended September 30, 2014 and 2013.

NOTE 10 – LEASE OBLIGATIONS

OPERATING LEASES (CONTINUED)

Minimum future rental commitments on non-cancelable operating leases with initial or remaining terms of more than one year as of September 30, 2014 are as follows:

2015	$ 394,267
	$ 394,267

NOTE 11 – EMPLOYEE BENEFIT PLANS

The Hospital formerly had a defined benefit pension plan that covered certain employees. Pursuant to the plan of reorganization, the Pension Benefit Guaranty Corporation assumed control of the defined benefit plan effective September 1, 2011.

The Hospital has a defined contribution plan (the Plan) whereby all employees who have attained the age of 21 and completed one year of employment (1,000 hours of service) are eligible to participate and become fully vested after 5 years. Annually, the Hospital may contribute a defined amount of employees' salaries to the Plan. Effective January 1, 2011, the Hospital suspended the matching of non-union employee contributions; it continued to pay the match on union employees up until June 2012, at which time only those union employees that had been grandfathered in the Plan were matched. The total expense incurred by the Hospital for contributions to the Plan was $272,339 and $147,244 in 2014 and 2013, respectively.

NOTE 12 – SELF-INSURANCE CLAIMS

There have been medical malpractice and workers' compensation claims that have been asserted against the Hospital. In addition, there are known incidents that have occurred through September 30, 2014 that may result in the assertion of claims. Hospital management has accrued its best estimate of these contingent losses. Other claims may be asserted arising from services provided to patients or workers' compensation incidents in the past. Hospital management has provided reserves for these contingent liabilities.

NOTE 13 – PROFESSIONAL, GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE

For claims incurred through August 31, 2009, the Hospital was self-insured for professional liability and general liability claims, under a claims made policy, which covered the Corporation's entire health system. The Corporation has an excess umbrella claims made policy for claims in excess of the Corporation's self-insured limits.

For claims incurred after August 31, 2009, the Hospital was covered under commercial claims made policies with no deductible and coverage of $1,000,000 per claim and an annual aggregate of $3,000,000 for all of the entities covered under the policy.

The Corporation's independent actuary estimated the expected costs to settle claims incurred during the self-insured period and claims that were incurred but not reported (IBNR) under its claims made insurance policy. Accrued losses have been discounted at 3%. The Hospital has recorded accrued liabilities of $601,390 and $641,424 for the estimated claims that have been incurred but not reported and cases incurred during the self-insured period for its professional liability and general liability insurance risks as of September 30, 2014 and 2013, respectively.

The Hospital was also self-insured for workers compensation claims through March 16, 2009 at which time it obtained commercial insurance. The Hospital's workers' compensation policy had no deductible and policy limits of $1,000,000 per case with no aggregate limit for claims incurred after March 16, 2009 through May 30, 2014. Effective May 31, 2014, the Hospital obtained a new workers' compensation insurance policy that had a $250,000 deductible per claim and a $2,000,000 aggregate deductible. The policy provides for policy limits of $1,000,000 per case with no annual limit.

As of September 30, 2014, the Hospital recorded a liability of $142,689 related to its estimated portion of the deductible for workers' compensation incidents that occurred between May 31, 2014 and September 30, 2014.

In accordance with the provisions of ASU 2010-24, the Hospital recorded recoverables from insurance companies for the estimated costs to settle fully insured malpractice and workers' compensation claims in the amounts of $1,855,146 and $438,332 as of September 30, 2014 and 2013, respectively. The Hospital has recorded liabilities equal to these amounts as of September 30, 2014 and 2013.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The Hospital is a party to various lawsuits incidental to its business.

The Hospital also has the following environmental exposures:

The Connecticut Department of Environmental Protection (DEP) issued a consent order (Sewer Order) which requires the Hospital to perform repairs or replacements to the aging wastewater treatment system at the Hospital.

The Sewer Order requires a short-term and a long-term solution. The short-term work has been completed in accordance with the Sewer Order and the Hospital has been reporting to the DEP on the status of the short-term solution. Under the long-term solution, the Hospital was required to submit to the DEP for review and approval a schedule for: (i) the investigation of and remedial action alternatives to abate any pollution at the site arising from the operation of the on-site sewage treatment system or (ii) the construction of sanitary sewers to connect the Hospital to the Stafford Water Pollution Control Facility. The schedule originally provided for completion of the actions not later than December 31, 2014, but this deadline was extended until July 31, 2015. The Hospital signed a letter of intent with the Town of Stafford to participate in a project that will connect the Hospital to the Stafford Water Pollution Control Facility, as well as to connect it to services from Connecticut Water Company and Yankee Gas. As of September 30, 2014, funds to finance the project had not been secured.

The DEP filed a civil suit in 2007 in which the DEP sought civil penalties and temporary and permanent injunctions prohibiting the Hospital from violating the hazardous waste management regulations, preventing the Hospital from maintaining a discharge to the waters of the state and violating its air permit. Five of the six counts arose from allegations relating to the use of an underground storage tank for the storage of x-ray developer fixer and the release of the developer fixer from the tank. Use of that tank ended in April 2004 and the tank was removed. Part of the injunctive relief sought is an order requiring the investigation and remediation of the release of x-ray development fixer. The sixth count alleged that the Hospital violated its general air permit by submitting its annual compliance certification for 2005 ten months late. The Hospital has recorded a conditional retirement obligation related to the costs of an environmental investigation, but has not recorded a liability for any potential costs to remediate the site due to the fact that such costs, if any, cannot be reasonably estimated until the investigation is performed. The Hospital previously remediated the site when the tank was originally removed.

NOTE 14 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

By letter dated April 7, 2014, the DEP agreed with a recommendation made in the January 2014 report that the consultant cease monitoring for nitrate based on the testing results for that constituent. The DEP expressed a concern and made a request that the consultant establish background concentrations for sulfate in groundwater for the site that is unaffected by release such as the on-site septic system or from the former x-ray developer tank. In October 2014, the DEP staff concurred with the consultant's proposed plan to continue monitoring on a semiannual basis, ammonia and nitrate in the remaining monitoring wells.

The engineer's estimate for semiannual monitoring is approximately $27,000 per year. The duration of monitoring and determination whether soil remediation is warranted is dependent upon the results of future monitoring and an estimate of the total costs was not determinable as of September 30, 2014.

NOTE 15 – TRANSACTIONS WITH AFFILIATES

During 2014 and 2013, the Hospital billed affiliated organizations $729,492 and $662,160, respectively, for certain expenses and rental of space.

The amounts due from (to) affiliates represent receivables from and (payables) to affiliates that do not eliminate in consolidation. These balances are comprised of the following at September 30:

	2014	2013
Due to Johnson Memorial Corporation	$ (2,653,389)	$ (2,263,802)
Due from (to) Home and Community Health Services, Inc.	678,239	(70,249)
Due from Johnson Evergreen Corporation	163,187	79,991
Due to Johnson Health Care, Inc.	(61,184)	(63,281)
	$ (1,873,147)	$ (2,317,342)

The Hospital has provided guarantees of the debt of the Corporation and Evergreen which had balances of $2,940,000 and $14,213,697, respectively, as of September 30, 2014. During the years ended September 30, 2014 and 2013, the Corporation and Evergreen failed to make certain payments due under the terms of these debt agreements and failed other covenants. The bank has the ability to demand repayment of the debt from the Hospital in accordance with the terms of the guarantee.

NOTE 16 – CONCENTRATIONS OF CREDIT RISK

The Hospital's financial instruments that are exposed to concentrations of credit risk consist primarily of cash, investments and accounts receivable. The Hospital places its cash deposits with high credit-quality institutions, which, at times, may exceed the Federal Deposit Insurance Corporation limits of $250,000 per bank. The Hospital has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 17 – FUNCTIONAL EXPENSES

The Hospital provides general patient care services to residents within its geographic location. Expenses related to providing these services are as follows for the years ended September 30:

	2014	2013
Patient care services	$ 59,228,679	$ 58,346,318
General and administrative (including depreciation and amortization, interest and operations)	11,906,549	10,766,409
	$ 71,135,228	$ 69,112,727

MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
Johnson Memorial Hospital

We have audited the consolidated financial statements of Johnson Memorial Hospital as of and for the years ended September 30, 2014 and 2013, and our report thereon dated March 30, 2015, which contained a going concern opinion on those consolidated financial statements, appears on page 1. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Marcum LLP

Hartford, CT
March 30, 2015

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 2014

	Hospital	JPA	Development	Elimination	Total
Assets					
Current Assets					
Cash and cash equivalents	$ 444,722	$ 1,062	$ --	$ --	$ 445,784
Patients accounts receivable, net of allowances for uncollectible accounts	8,595,481	180,780	--	--	8,776,261
Other receivables	580,488	27,430	--	--	607,918
Inventories	1,295,797	--	--	--	1,295,797
Prepaid expenses and other current assets	1,653,559	76,290	--	--	1,729,849
Total Current Assets	12,570,047	285,562	--	--	12,855,609
Assets Whose Use is Limited					
Beneficial interests in perpetual trusts	3,793,323	--	--	--	3,793,323
Restricted cash and board designated investments	224,048	--	--	--	224,048
Investments permanently restricted by donor	843,587	--	--	--	843,587
Total Assets Whose Use is Limited	4,860,958	--	--	--	4,860,958
Other Assets					
Property, plant and equipment, net	16,413,662	95,534	--	--	16,509,196
Investment in joint ventures	3,397,937	--	--	--	3,397,937
Due from affiliated corporations	6,495,322	(1,687)	--	(6,493,635)	--
Deferred financing costs, net	165,616	--	--	--	165,616
Other noncurrent assets	1,600,193	--	--	--	1,600,193
Total Other Assets	28,072,730	93,847	--	(6,493,635)	21,672,942
	$ 45,503,735	$ 379,409	$ --	$ (6,493,635)	$ 39,389,509

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 2014

	Hospital	JPA	Development	Elimination	Total
Liabilities and Net Assets (Deficit)					
Current Liabilities					
Trade accounts payable	$ 5,855,188	$ 397,162	$ --	$ --	$ 6,252,350
Accrued payroll and related costs	1,753,717	111,116	--	--	1,864,833
Current portion of payments due under plan of reorganization	3,895,000	--	--	--	3,895,000
Senior debt under revolving line of credit	1,604,830	--	--	--	1,604,830
Current portion of mortgage payable	11,987,500	--	--	--	11,987,500
Current portion of subordinated and other debt	107,587	--	--	--	107,587
Current portion of capital lease obligations	197,299	--	--	--	197,299
Estimated amounts due to third-party agencies	2,675,513	--	--	--	2,675,513
Other current liabilities	254,953	--	--	--	254,953
Total Current Liabilities	28,331,587	508,278	--	--	28,839,865
Long-Term Obligations					
Due to affiliate corporations	695,633	15,640,134	--	(14,462,620)	1,873,147
Payments due under plan of reorganization - less current portion	2,406,796	--	--	--	2,406,796
Subordinated debt - less current portion	17,435	--	--	--	17,435
Other long-term debt	2,350,000				2,350,000
Obligations under capital lease - less current portion	721,036	--	--	--	721,036
Self-insurance liabilities and IBNR	2,344,272	--	--	--	2,344,272
Other liabilities	346,001	--	--	--	346,001
Total Long-Term Obligations	8,881,173	15,640,134	--	(14,462,620)	10,058,687
Total Liabilities	37,212,760	16,148,412	--	(14,462,620)	38,898,552

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 2014

	Hospital	JPA	Development	Elimination	Total
Net Assets (Deficit)					
Unrestricted	$ 3,321,184	$ (15,769,003)	$ --	$ 7,968,985	$ (4,478,834)
Temporarily restricted	332,881	--	--	--	332,881
Permanently restricted	4,636,910	--	--	--	4,636,910
Total Net Assets (Deficit)	8,290,975	(15,769,003)	--	7,968,985	490,957
	$ 45,503,735	$ 379,409	$ --	$ (6,493,635)	$ 39,389,509

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING BALANCE SHEET

SEPTEMBER 30, 2013

	Hospital	JPA	Development	Elimination	Total
Assets					
Current Assets					
Cash and cash equivalents	$ 188,181	$ 5,860	$ 16,111	$ --	$ 210,152
Patients accounts receivable, net of allowances for uncollectible accounts	7,312,397	319,712	--	--	7,632,109
Other receivables	1,688,323	2,905	--	--	1,691,228
Inventories	1,317,470	--	--	--	1,317,470
Prepaid expenses and other current assets	851,435	47,972	--	--	899,407
Total Current Assets	11,357,806	376,449	16,111	--	11,750,366
Assets Whose Use is Limited					
Beneficial interests in perpetual trusts	3,729,727	--	--	--	3,729,727
Restricted cash and board designated investments	268,338	--	--	--	268,338
Investments permanently restricted by donor	843,587	--	--	--	843,587
Total Assets Whose Use is Limited	4,841,652	--	--	--	4,841,652
Other Assets					
Property, plant and equipment, net	16,922,312	143,860	--	--	17,066,172
Investment in joint ventures	3,165,915	--	--	--	3,165,915
Due from affiliated corporations	5,093,786	--	--	(5,093,786)	--
Deferred financing costs, net	172,864	--	--	--	172,864
Other noncurrent assets	476,000	--	--	--	476,000
Total Other Assets	25,830,877	143,860	--	(5,093,786)	20,880,951
	$ 42,030,335	$ 520,309	$ 16,111	$ (5,093,786)	$ 37,472,969

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING BALANCE SHEET (CONTINUED)

SEPTEMBER 30, 2013

	Hospital	JPA	Development	Elimination	Total
Liabilities and Net Assets (Deficit)					
Current Liabilities					
Trade accounts payable	$ 4,873,903	$ 315,693	$ --	$ --	$ 5,189,596
Accrued payroll and related costs	1,930,115	118,781	--	--	2,048,896
Current portion of payments due under plan of reorganization	1,947,500	--	--	--	1,947,500
Senior debt under revolving line of credit	2,208,858	--	--	--	2,208,858
Current portion of mortgage payable	11,987,500	--	--	--	11,987,500
Current portion of subordinated and other debt	457,587	--	--	--	457,587
Current portion of capital lease obligations	14,365	--	--	--	14,365
Estimated amounts due to third-party agencies	2,564,571	--	--	--	2,564,571
Other current liabilities	168,332	--	--	--	168,332
Total Current Liabilities	26,152,731	434,474	--	--	26,587,205
Long-Term Obligations					
Due to affiliate corporations	1,268,030	14,112,083	--	(13,062,771)	2,317,342
Payments due under plan of reorganization - less current portion	3,930,808	--	--	--	3,930,808
Subordinated debt - less current portion	125,022	--	--	--	125,022
Other long-term debt	2,350,000				2,350,000
Obligations under capital lease - less current portion	45,579	--	--	--	45,579
Self-insurance liabilities and IBNR	641,424	--	--	--	641,424
Other liabilities	604,927	--	--	--	604,927
Total Long-Term Obligations	8,965,790	14,112,083	--	(13,062,771)	10,015,102
Total Liabilities	35,118,521	14,546,557	--	(13,062,771)	36,602,307

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING BALANCE SHEET (CONTINUED)

SEPTEMBER 30, 2013

	Hospital	JPA	Development	Elimination	Total
Net Assets (Deficit)					
Unrestricted	$ 2,069,573	$ (14,026,248)	$ 16,111	$ 7,968,985	$ (3,971,579)
Temporarily restricted	268,927	--	--	--	268,927
Permanently restricted	4,573,314	--	--	--	4,573,314
Total Net Assets (Deficit)	6,911,814	(14,026,248)	16,111	7,968,985	870,662
	$ 42,030,335	$ 520,309	$ 16,111	$ (5,093,786)	$ 37,472,969

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Hospital	JPA	Development	Elimination	Total
Operating Revenue					
Net patient service revenue	$ 70,768,074	$ 3,090,178	$ --	$ --	$ 73,858,252
Provision for bad debts	4,119,249	192,430	--	--	4,311,679
Net patient service revenue less provision for bad debts	66,648,825	2,897,748	--	--	69,546,573
Grant and other income	414,887	404,334	--	(366,332)	452,889
Net assets released from restriction	235,925	--	--	--	235,925
Total Operating Revenues	67,299,637	3,302,082	--	(366,332)	70,235,387
Expenses					
Salaries	25,111,602	1,967,477	--	649,653	27,728,732
Employee benefits	6,443,788	252,227	--	130,118	6,826,133
Professional fees and outsourced staffing	5,168,447	1,335,480	--	(47,432)	6,456,495
Depreciation and amortization	2,314,387	26,803	--	--	2,341,190
Purchased services	4,482,195	829,439	--	(1,091,126)	4,220,508
Supplies, drugs and patient care	10,615,125	95,821	--	--	10,710,946
Leases and service contracts	1,568,797	20,812	--	(7,545)	1,582,064
Occupancy costs	3,157,963	199,222	--	--	3,357,185
Insurance	1,285,657	166,507	--	--	1,452,164
Other expenses	4,854,260	151,049	--	--	5,005,309
Interest	1,454,502	--	--	--	1,454,502
Total Expenses	66,456,723	5,044,837	--	(366,332)	71,135,228
Income (Loss) from Operations	842,914	(1,742,755)	--	--	(899,841)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Hospital	JPA	Development	Elimination	Total
Nonoperating Revenue (Loss)					
Investment income	$ 165,497	$ --	$ --	$ --	$ 165,497
Loss on sale of equipment	(13,263)	--	--	--	(13,263)
Equity earnings in joint ventures	232,022	--	--	--	232,022
	384,256	--	--	--	384,256
Excess (Deficiency) of Revenues over Expenses	$ 1,227,170	$ (1,742,755)	$ --	$ --	$ (515,585)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Hospital	JPA	Development	Elimination	Total
Operating Revenue					
Net patient service revenue	$ 64,089,036	$ 3,986,146	$ --	$ --	$ 68,075,182
Provision for bad debts	4,455,452	129,537	--	--	4,584,989
Net patient service revenue less provision for bad debts	59,633,584	3,856,609	--	--	63,490,193
Grant and other income	275,135	449,053	--	(399,728)	324,460
Net assets released from restriction	443,523	--	--	--	443,523
Total Operating Revenues	60,352,242	4,305,662	--	(399,728)	64,258,176
Expenses					
Salaries	26,864,410	2,743,273	--	773,971	30,381,654
Employee benefits	6,251,065	395,822	--	159,631	6,806,518
Professional fees and outsourced staffing	3,839,636	779,046	--	(70,491)	4,548,191
Depreciation and amortization	3,082,027	33,954	--	--	3,115,981
Purchased services	3,991,908	1,154,759	--	(1,243,992)	3,902,675
Supplies, drugs and patient care	8,594,710	109,625	--	--	8,704,335
Leases and service contracts	1,551,341	30,854	--	(18,847)	1,563,348
Occupancy costs	3,125,850	293,472	--	--	3,419,322
Insurance	818,443	273,615	--	--	1,092,058
Other expenses	4,090,417	119,983	--	--	4,210,400
Interest	1,368,245	--	--	--	1,368,245
Total Expenses	63,578,052	5,934,403	--	(399,728)	69,112,727
Loss from Operations	(3,225,810)	(1,628,741)	--	--	(4,854,551)

See independent auditors' report on supplementary information.

JOHNSON MEMORIAL HOSPITAL

CONSOLIDATING STATEMENT OF OPERATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Hospital	JPA	Development	Elimination	Total
Nonoperating Revenue					
Investment income	$ 158,800	$ --	$ --	$ --	$ 158,800
Gain on sale of equipment	1,200	--	--	--	1,200
Equity earnings in joint ventures	72,279	--	--	--	72,279
	232,279	--	--	--	232,279
Deficiency of Revenues over Expenses	$ (2,993,531)	$ (1,628,741)	$ --	$ --	$ (4,622,272)

See independent auditors' report on supplementary information.

HOME & COMMUNITY HEALTH SERVICES, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013

HOME & COMMUNITY HEALTH SERVICES, INC.

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MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Home & Community Health Services, Inc.

We have audited the accompanying financial statements of Home & Community Health Services, Inc., which comprise the balance sheets as of September 30, 2014 and 2013, and the related statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting polices used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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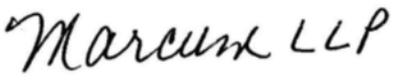
Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Home & Community Health Services, Inc. as of September 30, 2014 and 2013, and the results of its operations, changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying financial statements have been prepared assuming that the Agency will continue as a going concern. As discussed in Note 2 to the financial statements, the Agency's unrestricted net assets decreased by $235,257 to a deficit of $169,577 and cash outflows used in operating activities totaled $705,082 during the year ended September 30, 2014 and the Agency is jointly and severally liable for $1,604,830 of borrowings made by Johnson Memorial Hospital (the Hospital). The Agency has granted the lender a security interest in accounts receivable. In addition, the Agency filed for relief under Chapter 11 of the U.S. Bankruptcy Code subsequent to September 30, 2014 and entered into an asset purchase agreement for the sale of the Agency which is contingent on a number of conditions, including the approval of the Bankruptcy Court. These conditions raise substantial doubt about the Agency's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.



Hartford, CT
March 30, 2015

HOME & COMMUNITY HEALTH SERVICES, INC.

BALANCE SHEETS

SEPTEMBER 30, 2014 AND 2013

	2014	2013
Assets		
Current Assets		
Cash	$ 800	$ 400
Accounts receivable, net of estimated allowance for uncollectible accounts of $80,000 in 2014 and $96,000 in 2013	1,230,587	874,130
Insurance and other receivables	51,368	23,476
Prepaid expenses and other current assets	113,043	74,997
Total Current Assets	1,395,798	973,003
Other Assets		
Cash and cash equivalents limited as to use	185,622	187,014
Property and equipment, net	44,902	13,548
Due from affiliates	--	70,249
Security deposits	10,693	7,134
Total Other Assets	241,217	277,945
	$ 1,637,015	$ 1,250,948
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 450,777	$ 494,844
Due to affiliates	678,239	--
Accrued salaries and benefits	204,729	215,219
Due to third-party payers	48,748	42,896
Deferred revenue	196,951	208,187
Total Current Liabilities	1,579,444	961,146
Net Assets (Deficit)		
Unrestricted	(169,577)	65,680
Temporarily restricted	56,913	53,887
Permanently restricted	170,235	170,235
Total Net Assets (Deficit)	57,571	289,802
	$ 1,637,015	$ 1,250,948

The accompanying notes are an integral part of these financial statements.

HOME & COMMUNITY HEALTH SERVICES, INC.

STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Operating Revenue		
Net patient service revenue	$ 5,638,621	$ 6,354,913
Provision for bad debts	113,657	73,882
Net patient service revenue less provision for bad debts	5,524,964	6,281,031
Other revenue	52,876	64,277
Contributions	36,124	19,774
Grants	12,317	10,322
Net assets released from restriction used for operations	33,833	15,648
Total Operating Revenue	5,660,114	6,391,052
Expenses		
Salaries	3,256,456	3,724,353
Employee benefits and taxes	863,794	994,891
Outsourced staffing	356,751	430,169
Professional fees	51,021	45,420
Supplies, drugs, and patient care	913,521	800,777
Telecommunications and computer	150,177	138,207
Occupancy	140,762	149,233
Other leases	12,830	13,877
Insurance	63,427	61,169
Depreciation	11,652	20,101
Other expense	75,658	76,745
Total Expenses	5,896,049	6,454,942
Loss from Operations	(235,935)	(63,890)
Investment Income	678	1,297
Deficiency of Revenue over Expenses	$ (235,257)	$ (62,593)

The accompanying notes are an integral part of these financial statements.

HOME & COMMUNITY HEALTH SERVICES, INC.

STATEMENTS OF CHANGES IN NET ASSETS (DEFICIT)

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Unrestricted Net Assets		
Deficiency of revenue over expenses	$ (235,257)	$ (62,593)
Change in Unrestricted Net Assets	(235,257)	(62,593)
Temporarily Restricted Net Assets		
Grants	36,859	30,659
Income and realized gains on investments	--	148
Net assets released from restriction	(33,833)	(15,648)
Change in Temporarily Restricted Net Assets	3,026	15,159
Change in Net Assets	(232,231)	(47,434)
Net Assets - Beginning	289,802	337,236
Net Assets - End	$ 57,571	$ 289,802

The accompanying notes are an integral part of these financial statements.

HOME & COMMUNITY HEALTH SERVICES, INC.

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND 2013

	2014	2013
Cash Flows from Operating Activities		
Change in net assets	$ (232,231)	$ (47,434)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	11,652	20,101
Provision for bad debts	113,657	73,882
Disbursements from cash and cash equivalents limited as to use	1,392	1,717
Changes in assets and liabilities:		
Accounts receivable	(470,114)	(142,329)
Insurance and other receivables	(27,892)	(11,109)
Prepaid expenses and other current assets	(38,046)	30,526
Security deposits	(3,559)	--
Accounts payable and accrued expenses	(44,067)	46,674
Accrued salaries and benefits	(10,490)	(22,735)
Due to third-party payers	5,852	(30,427)
Deferred revenue	(11,236)	(65,794)
Net Cash Used in Operating Activities	(705,082)	(146,928)
Cash Flows from Investing Activities		
Purchases of property and equipment	(43,006)	--
Net Cash Used in Investing Activities	(43,006)	--
Cash Flows from Financing Activities		
Net payments from affiliates	748,488	146,928
Net Cash Provided by Financing Activities	748,488	146,928
Net Change in Cash and Cash Equivalents	400	--
Cash and Cash Equivalents - Beginning	400	400
Cash and Cash Equivalents - End	$ 800	$ 400

The accompanying notes are an integral part of these financial statements.

NOTE 1 – ORGANIZATION

Home & Community Health Services, Inc. (the Agency) is a tax-exempt, non-stock corporation, which provides and administers a comprehensive, multi-disciplinary, home health care and hospice program primarily to the residents of towns in the North Central Connecticut area. The Agency is a subsidiary of Johnson Memorial Medical Center (the Corporation), a not-for-profit, non-stock parent company.

JANUARY 14, 2015 BANKRUPTCY FILING

On January 14, 2015, the Agency, along with the Corporation, Johnson Memorial Hospital (the Hospital), and certain other affiliates filed a voluntary joint petition for relief under Chapter 11 of the U.S. Bankruptcy Code in the U.S. Bankruptcy Court for District of Connecticut, Hartford Division (Bankruptcy Court). The aforementioned entities are collectively referred to as the Debtors.

In connection with this bankruptcy filing, the Debtors filed motions with the Bankruptcy Court under Bankruptcy Code Section 363 to sell the Agency, Corporation, Hospital, and certain other affiliates to Saint Francis Care, Inc. (Saint Francis).

Saint Francis and the Corporation have negotiated two separate asset purchase agreements, one for the sale of the Agency, Corporation, Hospital, and other affiliates and a separate agreement for the sale of Johnson Evergreen Corporation (Evergreen) which are both subject to Bankruptcy Court approval.

The sales process in the Bankruptcy Court will be the subject of a number of court hearings and the creditors may object to the proposed sale. Also, the proposed sale of Evergreen to Saint Francis will be subject to the best offer as there will be an opportunity for other potential buyers to submit competing offers and an auction is expected to occur if there are competing bids.

In addition to Bankruptcy Court approval, approval from the State of Connecticut Office of Health Care Access (OHCA), the Office of the Attorney General and from state and federal antitrust authorities is required.

On January 16, 2015, the Debtors and a lender have negotiated the terms of a debtor in possession loan of up to $7 million, subject to certain limits, to finance the Debtors' operations through the bankruptcy process.

It is uncertain whether the Agency will be acquired by Saint Francis.

NOTE 1 – ORGANIZATION (CONTINUED)

AFFILIATION WITH SAINT FRANCIS CARE, INC.

On July 12, 2012, the Corporation, along with the Hospital and Evergreen (collectively, the Johnson Entities) entered into an affiliation agreement with Saint Francis designed to establish a long-term stable relationship between the two systems, allowing them to work together to maintain and strengthen the Corporation's operating viability and the Hospital's presence in the community as a community hospital, expand the array of health care services available, support the Hospital's medical staff, and enhance the Corporation's efforts to fulfill its mission. Saint Francis made an initial payment to the Johnson Entities of $1,300,000 on the date of the affiliation agreement and made an additional payment of $1,050,000 on October 1, 2012. All payments made by Saint Francis under this agreement were considered to be an unsecured loan.

During 2014, Saint Francis agreed to provide credit support of $2 million to the Johnson Entities in the form of a guaranty and letter of credit issued by a bank as security for the Johnson Entities' deductible under their workers' compensation policy. Certain fees and interest will be owed to Saint Francis under this agreement. As of September 30, 2014, there were no borrowings under this letter of credit.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

GOING CONCERN

The accompanying financial statements have been prepared assuming that the Agency will continue as a going concern. During the year ended September 30, 2014, the Agency's unrestricted net assets decreased by $235,257 to a deficit of $169,577 as of September 30, 2014 and cash outflows used in operating activities totaled $705,082. As described in Note 1, the Agency filed for relief under Chapter 11 of the U.S. Bankruptcy Code on January 14, 2015.

As stated in Note 10, the Agency, the Corporation, and affiliates entered into a revolving credit agreement which was in default as of September 30, 2014. As of September 30, 2014, the Agency is jointly and severally liable for $1,604,830 of borrowings made by the Hospital under this agreement. The Agency has granted the lender a security interest in accounts receivable and certain cash received was utilized to make loan repayments to this lender on behalf of the Hospital. Also, the Johnson Entities failed to make certain debt payments in 2014 and failed to make certain payments that were due on under the Corporation's former reorganization plan.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

These conditions raise substantial doubt about the Agency's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

It is the plan of management to ensure that the Agency continues as a going concern and is pursuing the potential sale of some or all of the Debtors to Saint Francis under Bankruptcy Code Section 363. Management believes that such a sale will preserve and maximize the going concern value of the Debtors' properties, provide jobs for the Debtors' employees, and allow for the continued delivery of health care services to residents of North Central Connecticut.

The actions taken by Johnson Memorial Medical Center with respect to the potential transaction with Saint Francis and the courses of action taken by Bankruptcy Court and the creditors of the Corporation will have an impact on the Agency's ability to continue as a going concern. The Agency's continuation as a going concern is also dependent upon its future financial performance, which will be affected by general economic, competitive and other factors, many of which are beyond the Agency's control. There can be no assurance that the Agency's plans to ensure continuation as a going concern will be successful.

BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Reference is made to Note 3 regarding net patient service revenue recognition.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Financial statement areas where management applies the use of estimates consist primarily of the allowance for uncollectible accounts, the allowance for contractual adjustments, amounts due to third-party payers, malpractice reserves and workers' compensation reserves.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are maintained in bank accounts and overnight time deposits and have maturities of three months or less. The carrying value of cash equivalents approximates its fair value.

Cash and cash equivalents limited as to use represent the funds held to support the permanently restricted endowment funds and earnings thereon. Investment income is included in the deficiency of revenue over expenses unless restricted by the donor or law.

Accumulated earnings on investments related to permanently restricted net assets and certain temporarily restricted net assets are included in temporarily restricted net assets under State law which allows the Board of Directors to appropriate as much of the net appreciation of investments as is prudent considering the Agency's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. Reference is made to Note 12.

BAD DEBTS

The Agency records an allowance for doubtful accounts against its outstanding accounts receivable based on the Agency's past experience with collecting its receivables and an analysis of the current accounts receivable aging. The provision for uncollectible accounts recorded in the statements of operations was $113,657 and $73,882 for the years ended September 30, 2014 and 2013, respectively.

PROPERTY AND EQUIPMENT

Property and equipment is recorded at cost. Donated property and equipment is recorded at fair value as of the date of donation, which is then treated as cost. Assets are depreciated using the straight-line method over their estimated useful lives ranging from three to ten years. The cost and accumulated depreciation of assets are removed from the accounts when such assets are retired or otherwise sold and any related gains or losses are reported in income for the period.

IMPAIRMENT OF LONG-LIVED ASSETS

The Agency records impairment losses on long-lived assets used in operations when events and circumstances indicate that the assets might be impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amounts of those assets. There were no impairment losses recorded in 2014 and 2013.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET ASSET CATEGORIES

To ensure observance of limitations and restrictions placed on the use of resources available to the Agency, the accounts of the Agency are maintained in the following net asset categories:

Unrestricted – Unrestricted net assets represent available resources that can be used for the general operations of the Agency.

Temporarily Restricted – The Agency reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements.

Permanently Restricted – Permanently restricted net assets represent contributions received with the donor restriction that the principal be invested in perpetuity and that the income earned thereon is available for operations or a specific purpose.

ESTIMATED MALPRACTICE AND WORKERS' COMPENSATION COSTS

The provision for estimated medical malpractice and workers' compensation claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

The Agency accounts for its insurance claims and related insurance recoveries in accordance with the provisions of ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, which indicates that health care entities should not net insurance recoveries against the related claim liabilities. As of September 30, 2014 and 2013, the Agency recorded $9,454 and $5,662, respectively, in both insurance and other receivables and accounts payable and accrued expenses related to insurance recoveries and the corresponding claim liabilities.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFICIENCY OF REVENUE OVER EXPENSES

The statement of operations includes deficiency of revenue over expenses. Changes in unrestricted net assets which are excluded from deficiency of revenue over expenses consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets (including assets acquired using contributions that were restricted for the purposes of acquiring such assets).

INCOME TAXES

The Agency is a tax-exempt organization under Internal Revenue Code Section 501(c)(3) and its related income is exempt from federal income tax under Section 501(a) except for unrelated business income. The Agency accounts for uncertainty in income tax positions by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be the taken in a tax return.

Management has analyzed the tax positions taken and has concluded that as of September 30, 2014, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Agency is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Agency is no longer subject to income tax examinations prior to 2011.

SUBSEQUENT EVENTS

The Agency evaluates the impact of subsequent events, events that occur after the balance sheet date but before the financial statements are issued, for potential recognition in the financial statements as of the balance sheet date or for disclosure in the notes to the financial statements. The Agency evaluated events occurring subsequent to September 30, 2014 through March 30, 2015, the date on which the accompanying financial statements were available to be issued. During this period, there were no subsequent events that required disclosure or recognition in the financial statements other than the disclosures related to the January 14, 2015 bankruptcy filing described in Notes 1 and 10.

NOTE 3 – THIRD-PARTY RATE ADJUSTMENTS AND REVENUE

NET PATIENT SERVICE REVENUE AND DEFERRED REVENUE

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and such amounts are adjusted in future periods, as final settlements are determined or as years are no longer subject to audits, reviews, or investigations.

Medicare and Medicaid revenue accounted for approximately 72% and 17% in 2014, and 74% and 15% in 2013, respectively, of total net patient service revenue. The Agency's reimbursement for home health services provided to patients under the Medicare program is under a prospective payment system (PPS). Under PPS, the Agency receives a prospective payment for services to be provided based on a case-mix adjusted episodic payment. The length of each episode is sixty days and the episodic payment amount is established at the time of admission of the patient based on established Home Health Resource Group (HHRG) categories. Revenue under PPS is recognized over the term of the episode, with any unearned portion recorded as deferred revenue.

Laws and regulations governing the Medicare program are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. It is management's opinion that the Agency is in compliance with the applicable laws and regulations.

The Agency grants credit without collateral to its patients, most of whom are local residents and are covered under payer agreements. Management has provided an allowance for potential credit losses and such losses have historically been within management's expectations. The significant concentrations of net accounts receivable for services to patients include 75% from Medicare, 10% from Medicaid and 15% from commercial carriers and others at September 30, 2014.

The significant concentrations of net accounts receivable for services to patients include 75% from Medicare, 12% from Medicaid and 13% from commercial carriers and others at September 30, 2013.

NOTE 3 – THIRD-PARTY RATE ADJUSTMENTS AND REVENUE (CONTINUED)

MEASURING CHARITY CARE

Self-pay revenues are derived primarily from patients who do not have any form of health care coverage. The revenues associated with self-pay patients are generally reported at the Agency's gross charges. The Agency evaluates these patients for their ability to pay based upon federal and state poverty guidelines, qualifications for Medicaid or other governmental assistance programs, as well as the Agency's policy for charity care. The Agency provides care without charge to certain patients that qualify for its charity care policy.

For each of the years ended September 30, 2014 and 2013, the Agency estimates that its costs of care provided under its charity care programs approximated $17,000 and $18,000, respectively.

The Agency's management estimates its costs of care provided under its charity care programs utilizing a calculated ratio of costs to gross charges multiplied by the Agency's gross charity care charges provided. The Agency's gross charity care charges include only services provided to patients who are unable to pay and qualify under the Agency's charity care policy. To the extent the Agency receives reimbursement through the various governmental assistance programs in which it participates to subsidize its care of indigent patients, the Agency does not include these patients' charges in its cost of care provided under its charity care program. Additionally, the Agency does not report a charity care patient's charges in revenues or in the provision for uncollectible accounts as it is the Agency's policy not to pursue collection of amounts related to these patients.

NOTE 3 – THIRD-PARTY RATE ADJUSTMENTS AND REVENUE (CONTINUED)

ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The Agency's estimation of the allowance for uncollectible accounts is based primarily upon the type and age of the patient accounts receivable and the effectiveness of the Agency's collection efforts. The Agency's policy is to reserve a portion of its receivables, including amounts due from the uninsured and amounts related to co-payments and deductibles, as these charges are recorded. On a monthly basis, the Agency reviews its accounts receivable balances, the effectiveness of the Agency's reserve policies and various analytics to support the basis for its estimates. These efforts primarily consist of reviewing the following:

- Revenue and volume trends by payer, particularly the self-pay components;
- Changes in the aging and payer mix of accounts receivable, including increased focus on accounts due from the uninsured and accounts that represent co-payments and deductibles due from patients; and
- Various allowance coverage statistics.

The Agency regularly performs hindsight procedures to evaluate historical write-off and collection experience throughout the year to assist in determining the reasonableness of its process for estimating the allowance for uncollectible accounts.

A summary of the Agency's allowance for doubtful accounts activity for the years ended September 30, 2014 and 2013 is as follows:

	Balance at Beginning of Period	Additions Recorded in the Provision for Bad Debts	Accounts Written off, Net of Recoveries and Other	Balance at End of Period
Allowance for doubtful accounts:				
Year ended September 30, 2013	$ (31,000)	$ (73,882)	$ 8,882	$ (96,000)
Year ended September 30, 2014	$ (96,000)	$ (113,657)	$ 129,657	$ (80,000)

NOTE 3 – THIRD-PARTY RATE ADJUSTMENTS AND REVENUE (CONTINUED)

ICD-10 IMPLEMENTATION

The Agency is subject to the administrative simplification provisions of HIPAA which require the use of uniform electronic data transmission standards for health care claims and payment transactions submitted or received electronically.

In January 2009, the Centers for Medicare and Medicaid Services (CMS) published its tenth revision of International Statistical Classification of Diseases and Related Health Problems (ICD-10) and related changes to the formats used for certain electronic transactions. ICD-10 contains significantly more diagnostic and procedural codes than the existing ICD-9 coding system, and as a result, the coding for the services provided by the Agency will require much greater specificity when ICD-10 becomes effective on October 1, 2015.

The implementation of ICD-10 will require a significant investment in technology and training. The Agency may experience delays in reimbursement while the Agency and the payers from which it seeks reimbursement make the transition to ICD-10. If the Agency fails to implement the new coding systems by the deadline, the Agency will not be paid for services. Management is not able to reasonably estimate the overall financial statement impact of the Agency's transition to ICD-10.

NOTE 4 – REGULATORY AND LEGISLATIVE MATTERS

LEGISLATION

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Agency is in compliance with fraud and abuse as well as other applicable government laws and regulations. While no known regulatory inquiries are pending, compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time.

NOTE 5 – CASH AND CASH EQUIVALENTS LIMITED AS TO USE

Cash and cash equivalents limited as to use totaled $185,622 and $187,014 at December 31, 2014 and 2013, respectively.

Unrestricted investment income, consisting of dividends and interest net of fees, were $678 and $1,297 for the years ended September 30, 2014 and 2013, respectively.

The Agency has established a framework for measuring fair value and disclosing fair value measurements based on a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing an asset or liability based on market data obtained from independent sources. Unobservable inputs reflect the Agency's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels, as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Agency has the ability to access on the reporting date.

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs that are unobservable for the asset or liability.

All of the Agency's cash and cash equivalents are considered level 1.

NOTE 6 – PROPERTY AND EQUIPMENT

The components of cost and the related accumulated depreciation comprising property and equipment as of September 30 are as follows:

	2014	2013
Moveable equipment	$ 944,379	$ 901,373
Furniture and equipment	55,827	55,827
	1,000,206	957,200
Less: accumulated depreciation	(955,304)	(943,652)
	$ 44,902	$ 13,548

Depreciation expense for property and equipment was $11,652 and $20,101 for the years ended September 30, 2014 and 2013, respectively.

NOTE 7 – PENSION PLAN

The Agency has a defined contribution pension plan covering substantially all employees who have satisfied certain eligibility requirements. As of January 1, 2011, management suspended the matching of employee contributions and no expense was recorded in the 2014 or 2013 statements of operations. It is uncertain when this match will be reinstituted.

NOTE 8 – TRANSACTIONS WITH AFFILIATES

The Agency has a management contract with the Corporation, which renews annually, unless withdrawn by either party. The cost for such services was $384,600 for each of the years ended September 30, 2014 and 2013. This expense is included in salaries expense in the statements of operations.

As of September 30, the amounts due (to) from affiliates was comprised of the following:

	2014	2013
Net amount due (to) from Johnson Memorial Hospital	$ (678,239)	$ 70,249

NOTE 9 – LEASE OBLIGATIONS

The Agency leases office space from an unaffiliated party in Enfield, Connecticut under a lease agreement. The lease commenced on December 1, 2011 and expires on November 30, 2016. The monthly rent is $8,301 per month under the agreement plus additional rent for the Agency's proportional share of building operating expenses. Rent expense under this lease was $140,762 and $149,233 for the years ended September 30, 2014 and 2013, respectively. As of September 30, 2014, future minimum lease payments for the aforementioned lease are as follows:

Fiscal Year	
2015	$ 99,612
2016	99,612
2017	16,602
	$ 215,826

NOTE 10 – DEBT

In September 2010, the Agency, along with several affiliates (the Borrowers), entered into a Revolving Loan and Security Agreement with a lender for an amount not to exceed the lesser of $8 million or the maximum borrowing base (85% of the book value of all eligible receivables). Under the original agreement, amounts outstanding bear interest at the 3 month LIBOR rate plus 4.25% payable monthly in arrears. In the event of a default, the agreement provides for an increase in the interest rate by up to 4%. The interest rate as of September 30, 2014 was 7.75%. The Agency has granted the lender a security interest in accounts receivable. The Agency is jointly and severally liable for the full payment of the debt under this agreement, including the debt of Johnson Memorial Hospital and Johnson Evergreen Corporation.

As of September 30, 2014, Johnson Memorial Hospital owed the lender $1,604,830 under the Loan and Security Agreement.

The Borrowers are subject to a number of covenants and restrictions under the Revolving Loan and Security Agreement. These include the following affirmative and negative covenants: provision of monthly, quarterly and annual financial information, adequate insurance coverage, notice of certain events and changes, change in ownership or management, restrictions on indebtedness and lease agreements, sale of assets, protection of collateral and financial covenants prepared on a consolidated basis for the Borrowers including cash flow and debt service coverage ratio requirements.

NOTE 10 – DEBT (CONTINUED)

In connection with the bankruptcy filing, on January 16, 2015, this lender entered into a debtor in possession loan agreement with the Borrowers which replaced the Revolving Loan and Security Agreement.

NOTE 11 – PROFESSIONAL, GENERAL LIABILITY AND WORKERS' COMPENSATION INSURANCE

For claims incurred through August 31, 2009, the Agency was self-insured for professional liability and general liability claims under a program which covered the Corporation's entire health system. The Corporation has an excess umbrella claims made policy for claims in excess of the Corporations' self-insured limits.

For claims incurred after August 31, 2009, the Corporation obtained a commercial claims made malpractice insurance policy with no deductible and coverage of $1,000,000 per claim and an annual aggregate of $3,000,000 for all of the entities covered under the policy including the Agency, the Corporation, the Hospital and a number of other affiliates (Insured Group).

The Corporation's independent actuary estimated the ultimate costs to settle claims that were incurred but not reported under its claims made insurance policy. Accrued losses have been discounted at 3%. As of September 30, 2014 and 2013, the Agency had accrued approximately $32,000 for the estimated claims that have been incurred but not reported for its professional liability and general liability insurance risks.

The Agency was also self-insured for workers' compensation claims through March 16, 2009 at which time it obtained commercial insurance. The Agency's workers' compensation policy had no deductible and policy limits of $1,000,000 per case with no aggregate limit for cases incurred by the Insured Group after March 16, 2009 through May 30, 2014. Effective May 31, 2014, the Insured Group obtained a new workers' compensation insurance policy that had a $250,000 deductible per claim and a $2,000,000 aggregate deductible. The policy provides for policy limits of $1,000,000 per case with no annual limit.

As of September 30, 2014, the Agency recorded a liability of $31,470 related to its estimated portion of the deductible for workers' compensation incidents that occurred between May 31, 2014 and September 30, 2014.

NOTE 12 – RESTRICTED ENDOWMENTS

The Agency's endowments consist of donor-restricted endowment funds. Net assets associated with endowment funds are classified and reported based on donor-imposed restrictions.

The Agency's Board of Directors has interpreted the Connecticut Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Agency classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and, if applicable, (c) accumulations to the permanent endowment made in accordance with the related gift's donor instructions. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Agency in a manner consistent with the standard for expenditure as proscribed by UPMIFA.

In accordance with UPMIFA, the Agency considers the following factors in making determinations to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the Agency and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Agency
(7) The investment policies of the Agency

ENDOWMENT FUNDS WITH DEFICIENCIES

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Agency to retain as a fund of perpetual duration. Deficiencies of this nature that were reported in unrestricted net assets were $8,047 and $7,680 as of September 30, 2014 and 2013, respectively.

NOTE 12 – RESTRICTED ENDOWMENTS (CONTINUED)

RETURN OBJECTIVES AND RISK PARAMETERS

The Agency's Board of Directors has adopted investment and spending policies that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets.

The Agency expects these endowment funds, over time, to provide an average rate of return that equals the rate of inflation annually. Actual returns in any given year may vary from this amount.

STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES

To satisfy its long-term rate-of-return objectives, the Agency historically relied on a total return strategy in which investment returns were achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). During 2014 and 2013, the Agency's endowment funds were invested in cash and cash equivalents which placed reliance on interest earnings.

SPENDING POLICY AND HOW THE INVESTMENT OBJECTIVES RELATE TO THE SPENDING POLICY

The Agency has a policy of evaluating the spending decisions for each endowment fund based upon the intentions of the donors and specific contractual agreements. In determining the annual amount to be spent, the Agency considers the long-term expected return on its endowment. The spending policy is designed to limit spending to the expected long-term real rate of return. The annual distribution from the endowment funds is expected to be contained within a range of the trusts' market value that is consistent with the Agency's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND AS OF SEPTEMBER 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (8,047)	$ 23,434	$ 170,235	$ 185,622

NOTE 12 – RESTRICTED ENDOWMENTS (CONTINUED)

CHANGES IN ENDOWMENT NET ASSETS FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning balance	$ (7,680)	$ 24,459	$ 170,235	$ 187,014
Investment return:				
Investment income net of expenses	(367)	--	--	(367)
Total investment loss	(367)	--	--	(367)
Appropriation of endowment assets for expenditure	--	(1,025)	--	(1,025)
Endowment net assets, ending balance	$ (8,047)	$ 23,434	$ 170,235	$ 185,622

ENDOWMENT NET ASSET COMPOSITION BY TYPE OF FUND AS OF SEPTEMBER 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (7,680)	$ 24,459	$ 170,235	$ 187,014

CHANGES IN ENDOWMENT NET ASSETS FOR THE YEAR ENDED SEPTEMBER 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning balance	$ (7,865)	$ 26,361	$ 170,235	$ 188,731
Investment return:				
Investment income net of expenses	185	148	--	333
Total investment return	185	148	--	333
Appropriation of endowment assets for expenditure	--	(2,050)	--	(2,050)
Endowment net assets, ending balance	$ (7,680)	$ 24,459	$ 170,235	$ 187,014

NOTE 12 – RESTRICTED ENDOWMENTS (CONTINUED)

Permanently restricted net assets at September 30, 2014 and 2013 are restricted amounts which are to be held in perpetuity, the income from which is expendable to provide scholarships, elderly care and for the general operations of the Agency. Investment losses of $342 and investment income of $185 on these endowment assets were included in investment income on the statements of operations for the years ended September 30, 2014 and 2013, respectively.

Temporarily restricted net assets are available to provide scholarships, elderly women's care and other items that subject to time restrictions.

Net assets were released from donor restrictions by incurring expenses which satisfied the restricted purposes in providing related services, free care, and various miscellaneous services in the amounts of $1,025 in 2014 and $2,050 in 2013, respectively.

NOTE 13 – TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily restricted net assets as of September 30 are as follows:

	2014	2013
Scholarships	$ 8,937	$ 9,997
Indigent, elderly women's care	12,130	12,187
Subject to a time restriction	35,846	31,703
	$ 56,913	$ 53,887

Permanently restricted net assets as of September 30 are restricted in perpetuity, the income from which is expendable to support the following:

	2014	2013
Scholarships	$ 22,628	$ 22,628
Elderly assistance	40,261	40,261
Operations	107,346	107,346
	$ 170,235	$ 170,235

NOTE 14 – FUNCTIONAL EXPENSES

The Agency provides home health care and hospice service. Expenses related to providing these services for the years ended September 30 is as follows:

	2014	2013
Patient care services	$ 3,824,139	$ 4,056,397
General and administrative	2,071,910	2,398,545
	$ 5,896,049	$ 6,454,942

EXHIBIT 25

Table 9

Services and Service Locations of Existing Providers

Provider Name/Facility Name	Service	Street	Town	State	Zip	Hours/Days of Operation	FY 2014 Utilization (if available)
Eastern Psychological Services	Mental Health	115 Bridge St	East Windsor	CT	06088	M-F 11a-7p Sat by appt only	
Valley counseling Associates	Mental Health	115 Bridge St	East Windsor	CT	06088	Not Available	
ECHN	Family Med, Lab	175 West Rd	Ellington	CT	06029	M 8a-4:30 T-F 7:30-5:30p	
Mathew Dukehart, MD	General Surgery	175 West Rd	Ellington	CT	06029	M 8-4:30 T-F 7:30-5:30p	
Saint Francis Care at Ellington	Cardiology, Lab, Fam Med, Diabetes & Endocrinology	137 West Rd	Ellington	CT	06029	M-F 7:30a -5P	
Ellington OBGYN	OB / GYN	105 West Rd	Ellington	CT	06029	M-F09a-5p	
Michael Bey, MD	Family Med	175 West Rd	Ellington	CT	06029	M-T 8-5 W 8-8p Th-F 8-5	
Ellington Pediatrics	Pediatrics	4 West Rd	Ellington	CT	06029	M-F 9a-5p	
CHR	Mental Health	153 Hazard Ave	Enfield	CT	06082	M-Th 8-8p F 8-5p	
Fresenius Medical Care	dialysis	113 Elm St	Enfield	CT	06082	M-F 5a-4p	
Greater Hartford Orthopedic Group PC	Orthopedics	113 Elm St	Enfield	CT	06082	M-F 8:30am. - 4:30pm.	
Hartford Hospital Family Health Center	Clinical Lab Partners, Connecticut GI, CMG, Farmington Valley Orthopedics, Women's health, Cardiology, diabetes, hepatology, Jefferson Radiology, Rehab, Orthopedic associates of Hartford, Hartford Medical Group	100 Hazard Ave	Enfield	CT	06082	M-F 7:30-12P, 1-4P	
Hartford Hosptial Urgent & Primary Care	urgent care and PCP	100 Hazard Ave Suite 101	Enfield	CT	06082	M-F 8-8,SAT 9-5, SUN 10-4	
Health & Wellness Centers of Enfield and Suffield	PT, chiropractic, Spinal Screens, Dry Needling	143 Hazard Ave	Enfield	CT	06082	M-F 7-6:30(WEDS OPENS 7:30A) SAT 8-10A	
Johnson Memorial Hospital Infusion Center	Oncology and Infusion	142 Hazard Ave	Enfield	CT	06082	M-F 8:00am - 5:00pm.	3,963
Johnson Memorial Hospital Surgical Center	Day Surgery, Radiology, Lab	148 Hazard Ave	Enfield	CT	06082	M - F 7:00am. - 5:00pm. & Sat. 7:00am - 12:00pm.	10,868
Johnson Memorial Hospital Wound Center	Wound Care	140 Hazard Ave	Enfield	CT	06082	M-F 8:00am - 5:00pm.	2,356
Saint Francis Care Medical Group PC	Hematology/Oncology	146 Hazard Ave.	Enfield	CT	06082	M-F 8:30am - 4:30pm	
Saint Francis Care Medical Group PC	Surgeons	140 Hazard Ave	Enfield	CT	06082	M- F 9:00am - 4:30pm	
Johnson Memorial Hospital Cardiac Rehab	Cardiac Rehab	139 Hazard Ave	Enfield	CT	06082	M, W 7:00am - 5:30pm. & Tu 11:00am. - 5:30pm. & F 7:00am - 4:00pm.	5,445
Johnson Memorial Hospital Sleep Center	Sleep Lab	151 Hazard Ave Ste 9	Enfield	CT	06082	Testing 7 days 7:00pm - 7:00am & office hours M-F	410
Johnson Memorial Hospital Physical Medicine	PT	151 Hazard Ave	Enfield	CT	06082	M- F 7:00am. - 5:00pm.	6,560
Johnson Memorial Hospital OP Chemical Dependency	CDP Program	151 Hazard Ave	Enfield	CT	06082	M - F 9:00am - 4:30pm.	961
Johnson Memorial Hospital Lab Draw	Lab Draw Station	15 Palomba Dr Ste 1	Enfield	CT	06082	M-F 6:00 am. - 4:00pm.	4,726
Lisa Howard, MD	Family Med	701 Enfield ST	Enfield	CT	06082	M-F 8-5P	
Miri Daly, DNP, APRN	OB / GYN	140 Hazard Ave	Enfield	CT	06082	M-T 9a-6:30p R 10a-7:30p F 9a-4p CLOSED WEDNESDAYS	
North Central Counseling Svc/Part of CHR	Mental Health	1077 Enfield St	Enfield	CT	06082	PART OF CHR, ENFIELD	
Ron Margolis, MD	Clinic	9 Cranbrook Blvd	Enfield	CT	06082	T 7a-3p (TUES ONLY)	
Saint Francis Care Medical Group PC	Various	7 Elm St Suite 207, 307	Enfield	CT	06082	M-F 8:30-4:30	
Springfield Medical Associates	Internal Med, Peds, Family Med	701 Enfield ST	Enfield	CT	06082	M-F 8-4:30	
Women's health Group	Women's Health	170 Hazard Ave	Enfield	CT	06082	M-F 8-5P	
New England Urgent Care	Urgent care	55 Hazard Ave	Enfield	CT	06082	M-F 8a-8p, SAT-SUN 9a-6p	
The Hand Center of Western MA	Hand specialists	140 Hazard Ave	Enfield	CT	06082	M-F 8-5(4 PM ON WEDS)	
Damiel Shaji, MD	Nephrology	140 Hazard Ave	Enfield	CT	06082	M-F 1p-5p (mornings spent rounding in hospitals)	
Podiatrycare PC	Podiatry	1379 Enfield St	Enfield	CT	06082	M,T,Th 9-5 W9-3 F 8-3	
New Directions, Inc of North Centeral Conn	Addiction Treatment	113 Elm St Ste 204	Enfield	CT	06082	EVERYDAY 8-12 MIDNIGHT	
Preferred Care Walk in Center	Clinic	842 Washington St	Middletwon	CT	06457	M-F 9-6 SAT9-5 SUN 9-2	
Rockville General Hospital	Acute Care Hospital	31 Union St	Rockville / Vernon	CT	06066	M-Sun 24 hours per day	
Johnson Memorial Hospital	Acute Care Hospital	201 Chestnut Hill Road	Stafford Springs	CT	06076	M-Sun 24 hours per day	3,180 discharges
Robert Carlson, MD	Primary Care	47 East Main St	Stafford Springs	CT	06076	M-Th 9a-5p, F 8a-11:30a	
Terry Eccles, MD	Pediatrics	72 West Stafford Rd	Stafford Springs	CT	06076	M,T 8a-8p, W-F 8a-5p, every other SAT & SUN 8a-12p	
William Waldman, MD	Family Med	Magauran Drive	Stafford Springs	CT	06076	MT Th 9a-5p; W,F 9a-12p	
Elizabeth D Rhinehart Ph.D	Mental Health	162 Mountain Rd	Suffield	CT	06078	Not Available	

Provider Name/Facility Name	Service	Street	Town	State	Zip	Hours/Days of Operation	FY 2014 Utilization (if available)
Health & Wellness Centers of Enfield and Suffield	PT, chiropractic, Spinal Screens, Dry Needling	162 Mountain Rd Suite 203	Suffield	CT	06078	M 7:30-6:30p, W 7-6:30p, R 7:30a-2:30p F 7a-5p	
Steven A Kagel, Ph.D	Mental Health	133 Mountain Rd	Suffield	CT	06078	Not Available	
Greater Hartford Orthopedic Group PC	Orthopedics	162 Mountain Rd	Suffield	CT	06078	VARY PLEASE CALL TO MAKE APPT	
Saint Francis Care Medical Group PC	Urology	162 Mountain Rd	Suffield	CT	06078	M-F 8:30-4:30	
General Medical Practice	Osteopathy	230 Mountain Rd	Suffield	CT	06078	BY APPOINTMENT	
Johnson Memorial Hospital Lab Draw	Lab Draw Station	384 Merrow Rd Ste L	Tolland	CT	06083	M, TU, W, F 8-5	240
ECHN	Lab	6 Fieldstone Commons	Tolland	CT	06083	M-F 7-3:30 (CLOSED FOR LUNCH 12-1)	
Alexia Koudellou, MD	Gastroenterology	6 Fieldstone Commons, suite D	Tolland	CT	06084	M-F 9-4:30	
Tolland Imaging Center	Imaging svcs	6 Fieldstone Commons	Tolland	CT	06084	M-F 7:30-5	
Med-East Medical Walk in Center	Urgent Care	200 Merrow Rd	Tolland	CT	06084	M-F 8-6:45, SAT AND SUN 10-2:45	
Sports Medicine & Orthopedic Surgery PC	Orthopedics	100 Gerber Dr Ste 2A	Tolland	CT	06084	M 8:30-5:30, TU-F 7:30-4	
Ali Hemacha, MD	Gastroenterology	428 Hartford Turnpike suite 207	Vernon	CT	06066	M-F 9-12, 1-4	
ECHN	Family Med, Internal Med	428 Hartford Turnpike suite 210	Vernon	CT	06066	M-F 8:30-12, 1:15-4:30	
ECHN	Endocrinology	460 Hartford Turnpike suite A	Vernon	CT	06066	M-F 9-12, 1-4:30	
Health Wise Associates LLP	Surgeons	29 Naek Rd	Vernon	CT	06066	M-F 9-5	
Patricio G Bruno, DO	Family Med	31 Union St	Vernon	CT	06066	ER ROCKVILLE GEN.; HARTFORD OFFICE M, T, R, F 8:30-	
Ronald H D'Angelo, MD	Family Med	31 Union St	Vernon	CT	06066	ER ROCKVILLE GEN.; MANCHESTER MEM.	
Madhuri K Pratinidhi, MD	Family Med	351 Merline Rd Ste 101	Vernon	CT	06066	MTWF 8:30-4:30; R NO APPOINTMENTS,	
Rockville Family Practice	Family Med	520 Hartford Turnpike	Vernon	CT	06066	M-F 7:30-5	
Connecticut Back Center LLC	Orthopedics	460 Hartford Turnpike	Vernon	CT	06066	M-F 9-5	
New England Dermatology Associates	Dermatology	357 Hartford Turnpike	Vernon	CT	06066	M-F 8:30-5	
Vernon Family Medicine	Family Med	554 Talcottville Rd	Vernon	CT	06066	M-F 9-4:30	
Connecticut Neurology Consultants	Neurology	281 Hartford Tpke Ste 106	Vernon	CT	06066	M-F 9-5	
Todd Bickmore, MD (Healthwise)	Family Med	520 Hartford Turnpike	Vernon	CT	06066	M-F 8-4:30	
Saint Francis Care Medical Group PC	OB/GYN	428 Hartford Turnpike	Vernon	CT	06066	M_F 8:00am. - 4:30pm.	
Kristin Giannini, MD (Healthwise)	Family Med	520 Hartford Turnpike	Vernon	CT	06066	M-F 8-4:30	
Medical Oncology and Blood Disorders LLP	Oncology	400 Talcottville Rd	Vernon	CT	06066	M-F 9-5	
P Tp Oral & Mazillofacial Surgeons	Oral surgery	520 Hartford Turnpike	Vernon	CT	06066	NOT ABLE TO LOCATE HOURS FROM INTERNET; PUBLISHED # NO ANSWER	
Steven W Luger, MD (Hartford Medical Group)	Family Med	1060 Day Hill Rd Ste 203	Windsor	CT	06095	M-F 9-4, NOT ACCEPTING NEW PATIENTS	
Kevin J Flanagan, MD (Healthone)	Family Med	851 Marshall Phelps Rd	Windsor	CT	06095	M-F 8-5, SAT 9-12	
Kristina B Bissell, MD (Hartford Medical Group)	Family Med	1060 Day Hill Rd	Windsor	CT	06095	MW Th 8-7, TF 8-5	
Neena K Pursnani, MD (Healthone)	Family Med	851 Marshall Phelps Rd	Windsor	CT	06095	MF 8-5 SAT 9-12	
Shahena Y Master, DO (Windsor Medical Associates)	Family Med	74 Mack St Ste 4	Windsor	CT	06095	MWF 7:45-4:30 TR 7:45-3	
Pamela Griswold, MD (West Hartford Obstetrics)	OB / GYN	40 Center St	Windsor Locks	CT	06095	M-F 9-5	
Prime Healthcare	Internal Med, Gastroenterology	3 Concorde Way Ste 103	Windsor Locks	CT	06096	M-F 9-5	
Saint Francis Care Medical Group PC	General Surgery, Endocine Surgery, Gastroenterological Surgery	2 Concorde Way Bldg 2	Windsor Locks	CT	06096	M-F 8:30am - 4:30pm	
Richard A Cagna, MD	Internist	2 Concorde Way	Windsor Locks	CT	06096	MWF 8-5 T 7:30-5 R 9-5	
Sheldon Kafer, MD	Internist	2 Concorde Way	Windsor Locks	CT	06096	MWF 8-5 T 7:30-5 R 9-5	
Seidel Seth DO	Optometrist	34 Main St	Windsor Locks	CT	06096	M 9a-7p, T-F 9a-5p, EVERY OTHER SATURDAY 9a-1p	
Windsor Locks Medical Center LLP	Family Med, Radiology, Surgeons	73 Old County Rd	Windsor Locks	CT	06096	NOT ABLE TO LOCATE HOURS FROM INTERNET; PUBLISHED # NOT IN SERVICE	
Lenora S. Williams, M.D. (Ellington OB-GYN Associates)	Obstetrics/Gynecology	105 West Road, #1	Ellington	CT	06029	MT Th 9-4:30 F 9-3:30 CLOSED W	
Tamil R. Anban, M.D.	General Surgery	71 Haynes St	Manchester	CT	06066	Manchester Memorial Hospital	
Constantinos A. Constantinou, M.D.	Thoracic Surgery	43 W Main St. #9	Vernon	CT	06066	M-F 9-5	
Timothy R. Silvis, M.D.	Internal Medicine	24 Battle Street	Somers	CT	06071	M-F 9:30-5p	
Steven R. Squillace, O.D.	Optometry	48 South Road, #8	Somers	CT	06071	Sat., MT mornings, W-F afternoons	
Ian S. Tucker, M.D.	Family Medicine	24 Battle Street, Suite 1A	Somers	CT	06071	M 8:15-6p, T 8:15-7p, R 8:15-6p, F 8:15-4p, W by appt.	
Thordur S. Agustsson, D.O.	Psychiatry	Johnson Memorial Hospital - Dept. of Psychiatry	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Matthew W. Barr, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Katherine M. Bates, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Brian D. Baxt, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	

Provider Name/Facility Name	Service	Street	Town	State	Zip	Hours/Days of Operation	FY 2014 Utilization (if available)
Gerald M. Bayona, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Anna J. Bosso, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Shawn R. Brady, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
James J. Brakoniecki, M.D.	Anesthesiology	c/o Johnson Memorial Hospital Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Robert D. Carlson, M.D.	Family Medicine	47 East Main Street	Stafford Springs	CT	06076	M-R 9-5p, F 8-11:30a	
Darren A. Ciccolini, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Barbara A. Clay, NNP	Pediatrics	c/o Johnson Memorial Hospital - OB Unit	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Sharon W. Creighton, CRNA	Anesthesiology	c/o Johnson Memorial Hospital - Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Peter A. Cuniowski, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Matthew J. Curran, M.D.	Pathology	Johnson Professional Associates - Dept. of Pathology	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Adam M. Debin, D.O.	Anesthesiology	c/o Johnson Memorial Hospital - Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Christopher A Desmond, APRN	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Herbert J. DiMeola, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Robert G. Dinwoodie, D.O.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Orland E. Donald, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Mark R. Dziedzic, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Farid Force, M.D.	Psychiatry	Department of Psychiatry	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Adam A. Gallucci, M.D.	Anesthesiology	c/o Johnson Memorial Hospital - Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
John R. Garbarino, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Jeffery J. Giarnese, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Thomas J. Gilmore, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Tracy Hawthorne, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
David H. Herr, M.D.	Emergency Medicine	c/o Johnson Memorial Hospital - Emergency Department	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Janis A. Jaquez, PA-C	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
David P. John, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Roy A. Kellerman, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Laura M. Kielb, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Ryan C. Kissane, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Patricia Z. Labieniec, CRNA	Anesthesiology	c/o Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Donna M. Lowney, CNM	Obstetrics/Gynecology	72-III West Stafford Road	Stafford Springs	CT	06076	M 8a-7p, T closed, W 8:30a-4:30p, R 8:30a-4:30p, F 8a-	
Ryan F. Makuck, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Raja S Manne, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Christine M. Manthorne, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Tommie P. Mathieu, CRNA	Anesthesiology	c/o Johnson Memorial Hospital Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Kevin T. McCrystal, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Eric M. Meisterling, M.D.	Anesthesiology	c/o Johnson Memorial Hospital Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Peter B. Mikhail, M.D.	Psychiatry	Johnson Memorial Hospital - Dept. of Psychiatry	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Joseph F. Mitchel, D.O.	Cardiology	7 Magauran Drive	Stafford Springs	CT	06076	number not in service	
Neil T. Moynihan, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Christopher J. Mozdzanowski, D.O.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	

Provider Name/Facility Name	Service	Street	Town	State	Zip	Hours/Days of Operation	FY 2014 Utilization (if available)
Amy C. Neal, PA-C	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Robert J. Nivison, CRNA	Anesthesiology	c/o Johnson Memorial Hospital O.R.	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Scott M. O'Brien, PA-C	Pediatrics	c/o Johnson Memorial Hospital - OB Unit	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Florence Odutola, M.D.	Anesthesiology	c/o Johnson Memorial Hospital - Operating Room	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Mahendra S. Patel, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Loan T. Phan, PA-C	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Loretta J. Pilagin, M.D.	Family Medicine	7 Magauran Drive	Stafford Springs	CT	06076	MThF 8a-4:30p, T 8a-6p, W closed	
Neil D. Price, M.D.	Psychiatry	201 Chestnut Hill Road	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Swathi Rachoor, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
John V. Scholes, M.D.	Pathology	c/o Johnson Memorial Hospital - Pathology	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Tammy L. Sears-Langevin, NNP	Pediatrics	c/o Johnson Memorial Hospital - OB Unit	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Gregory L. Shangold, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Savita N. Sheth, M.D.	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Desh R. Sindwani, M.D.	Cardiology	7 Magauran Drive	Stafford Springs	CT	06076	number not in service	
Juan B. Sosa, M.D.	Psychiatry	Johnson Memorial Hospital - Dept. of Psychiatry	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Stanley J. Stutz, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Jihong Tang, M.D.	Pathology	c/o Johnson Memorial Hospital - Pathology	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Jeanette Thornton, M.D.	Psychiatry	Johnson Memorial Hospital - Dept. of Psychiatry	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
Michael J. Tocci, M.D.	Emergency Medicine	Johnson Memorial Hospital	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
William J. Waldman, M.D.	Family Medicine	7 Magauran Drive	Stafford Springs	CT	06076	MTR 9-5; W,F 9a-12p	
David C. Woodworth, PA-C	Hospitalist Medicine	c/o Johnson Memorial Hospital - Hospitalist	Stafford Springs	CT	06076	JMH 24/7 365 coverage	
George D. Anastasio, M.D.	Internal Medicine	162 Mountain Road	Suffield	CT	06078	M-F 8-7, SAT-SUN 8-3P	
Carol M. Kagel, Ed.D.	Child and Adolescent Psychology	133 Mountain Road	Suffield	CT	06078	W 9a-8p, T 9a-7p	
Steven A. Kagel, Ph.D.	Psychology	133 Mountain Road	Suffield	CT	06078	M, Th 9a-7p, T 9a-6p	
Virginia P. Riggs, M.D.	Internal Medicine	467 South Main Street	Suffield	CT	06078	number not in service	
Stephen B. Yuan, M.D.	Internal Medicine	162 Mountain Road	Suffield	CT	06078	M-F 8a-7p Sat, Sun 8a-3p (practice hours Suffield Medical Associates)	
Alfredo A. Arbulu, M.D.	General Surgery	15 Palomba Drive	Enfield	CT	06082	MWF afternoons (Dr. Arbulu) MWRF 9-5, T 9a-2:30p	
Edward H. Benjamin, M.D.	Dermatology	St. Francis Healthcare Partners - Dermatology	Enfield	CT	06082	M-F 8-4:15	
Michael P. Bernstein, M.D.	Otolaryngology	146 Hazard Avenue	Enfield	CT	06082	Not Available	
Smita J. Bhagat, M.D.	Gynecology	139 Hazard Avenue	Enfield	CT	06082	M-F 9-5p	
Timothy S. Boyd, M.D.	Radiation Oncology	142 Hazard Avenue - PCCC	Enfield	CT	06082	M-F 7-3:30 Different Doc Daily	
Susan F. Burroughs, M.D.	Hematology/Oncology	146 Hazard Avenue	Enfield	CT	06082	M-F 8-4 DR. BURR T,W,R	
Carmine J. Ciccarelli, M.D.	Orthopedic Surgery	140 Hazard Avenue	Enfield	CT	06082	M-R 8-5,F 8-2	
Kenneth A. Colby, Ph.D.	Clinical Psychology	146 Hazard Avenue	Enfield	CT	06082	M-F 8-5P	
Louis S. Competiello, M.D.	Gastroenterology	139 Hazard Avenue	Enfield	CT	06082	M-F 9-5P NEW CONSULTS M-F9-3:15	
Miri Daly, APRN, D.N.P.	Obstetrics/Gynecology	140 Hazard Avenue	Enfield	CT	06082	M,T 9-5 CLOSED W R 10-6P F 9-3PM	
Robert P. Dudek, M.D.	Orthopedic Surgery	140 Hazard Avenue	Enfield	CT	06082	M-Th 8-5P F 8-2P	
Carlos A. Enciso-Chaves, M.D.	Psychiatry	151 Hazard Avenue	Enfield	CT	06082	M DAY R MORNINGS F MORNINGS (at JMH other days)	
Andrew J. Epstein, M.D.	Ophthalmology	146 Hazard Avenue	Enfield	CT	06082	M-F 9-5P	
Michael Erdil, M.D.	Occupational Medicine	140 Hazard Avenue	Enfield	CT	06082	M-F 8-4 (OCC MED)	
Timothy A. Fignar, M.D.	Family Medicine	15 Palomba Drive	Enfield	CT	06082	M-F 8-5P	

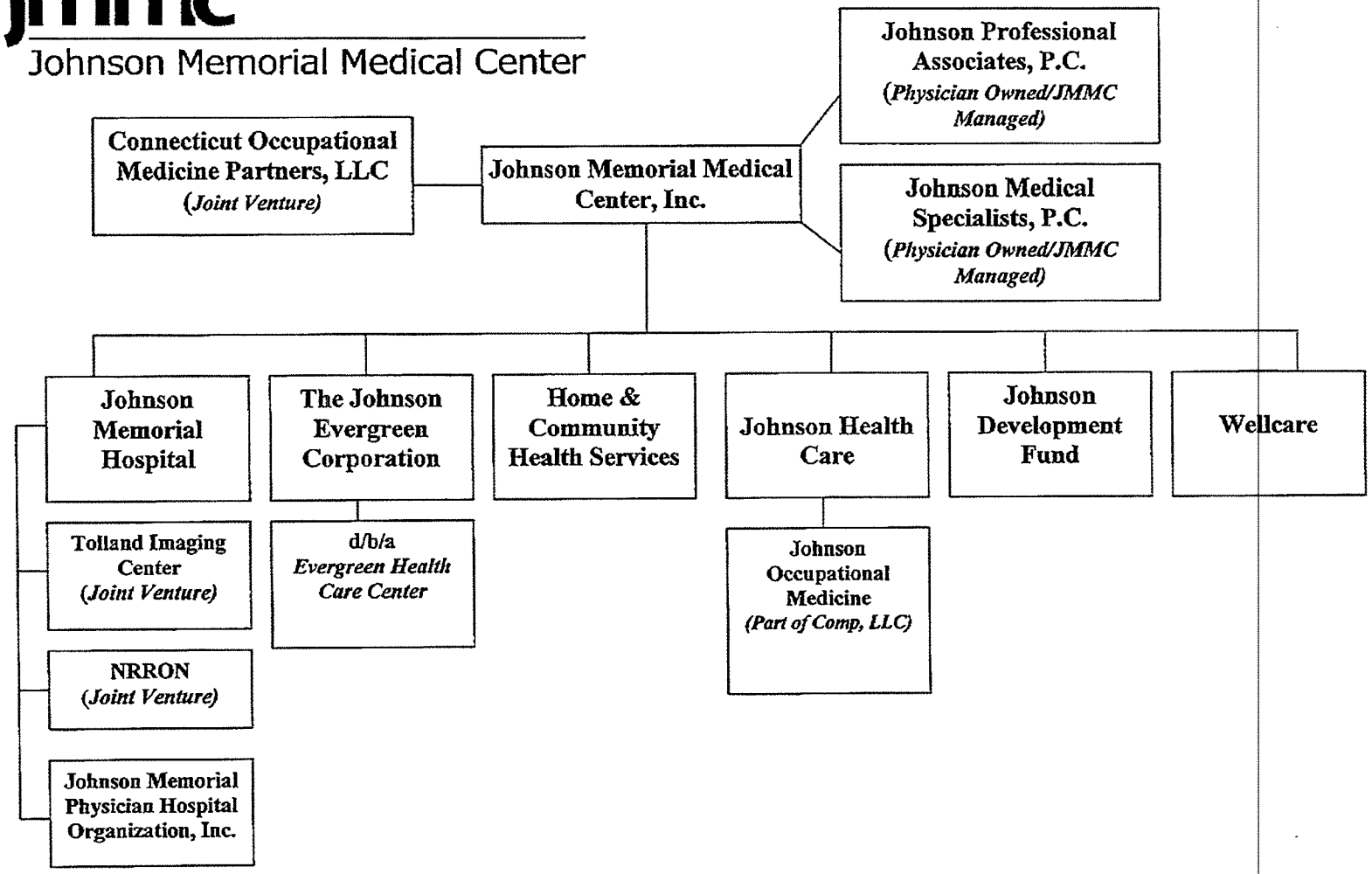
Provider Name/Facility Name	Service	Street	Town	State	Zip	Hours/Days of Operation	FY 2014 Utilization (if available)
Margaret L. Flaherty, Ph.D.	Psychology	146 Hazard Avenue	Enfield	CT	06082	M-W 8-5	
Dawn C. Froonjian, APRN	Wound Care	Advanced Wound Center	Enfield	CT	06082	M-F 8-4:30P	
Brian M. Fry, PA-C	Orthopedic Surgery	100 Hazard Avenue	Enfield	CT	06082	M-R 8-5P F 8-2P	
Lawrence M. Glaubiger, M.D.	Pulmonary Medicine	146 Hazard Avenue	Enfield	CT	06082	M-F 9-5 except for W 2-5 in TOLLAND	
Pamela Haskins, CNM	Obstetrics/Gynecology	9 Cranbrook Boulevard	Enfield	CT	06082	M,T 8-7p WRF 8:30-5p	
Joseph L. Ianello, M.D.	Gastroenterology	113 Elm Street	Enfield	CT	06082	M-F 9-5P	
Shiba P. Jhawar, M.D.	Cardiology	146 Hazard Avenue	Enfield	CT	06082	M-F 9:30-5:30 T 2-5p (at JMH 10-1:30) F 9:30-1:30P	
Alison C. Johnson, PA-C	Hematology/Oncology	142 Hazard Avenue	Enfield	CT	06082	M-F 9-4:30	
Thomas V. Johnson, D.P.M.	Podiatry	1379 Enfield Street	Enfield	CT	06082	T 9-4:30 W 9-2:30 F 8-2:30	
Vasilios D. Karabinis, M.D.	General and Vascular Surgery	115 Elm Street	Enfield	CT	06082	MWF 9:30-5 T,R 9:30-3P	
Jay A. Kimmel, M.D.	Orthopedic Surgery	113 Elm Street	Enfield	CT	06082	M-F 9-4:30 (M Hart/Avon, T Enfield all day W,R Sugery F	
Stephen Lawrence, Ph.D.	Psychology	139 Hazard Avenue	Enfield	CT	06082	M-F 9-4	
Lyndon B. Lee, M.D.	Ophthalmology	137 Hazard Avenue, Building #6	Enfield	CT	06082	IN ENFIELD OFFICE 1-2X PER MONTH	
Lewis I. Levenson, M.D.	Internal Medicine	150 Hazard Avenue	Enfield	CT	06082	M-Th 9-5P, F 9-3P	
Kimberly A. Lucey, M.D.	Ophthalmology	47 Palomba Drive	Enfield	CT	06082	# NOT IN SERVICE	
Robert E. Marra, D.P.M.	Podiatry	1379 Enfield Street	Enfield	CT	06082	M,R 9-5 ENF, T 9-5 S. WINDSOR, W SURGERY	
Younus F. Masih, M.D.	Pulmonary Medicine	15 Palomba Drive	Enfield	CT	06082	M-W 1-4:30p F, 9:30-2:15P, R 9-5:30p	
Marcia Y. Metcalf, APRN	Psychiatry	151 Hazard Avenue	Enfield	CT	06082	M,W,Th 9-4:30P T 8-7P F 8-12P	
Justine Arnessa F. Miranda, M.D.	Infectious Disease	9 Cranbrook Boulevard	Enfield	CT	06082	M-F 8:30-5	
Jigisha P. Morosky, M.D.	Allergy/Immunology	9 Cranbrook Boulevard	Enfield	CT	06082	W 8:30a-7p	
Michael F. Morosky, M.D.	Obstetrics/Gynecology	9 Cranbrook Boulevard	Enfield	CT	06082	MTR 9-5P W 9-11A F 1-5 (F AFTERNOON IN TOLLAND)	
Laura Mulka, APRN	Hematology/Oncology	9 Cranbrook Blvd.	Enfield	CT	06082	M-Th 8:30-5	
David L. Ozimek, PA-C	Occupational Medicine	140 Hazard Avenue	Enfield	CT	06082	M-F 8-4:30	
Dushyant B. Parikh, M.D.	Internal Medicine	146 Hazard Avenue	Enfield	CT	06082	M-F 9-5:30 (M,R STAFFORD; T,W,F ENFIELD)	
Peter E. Pascal, M.D.	Orthopedic Surgery	146 Hazard Avenue	Enfield	CT	06082	M 9-12p T-F 9-4p (WESTFIELD /ENFIELD)	
Ira A. Pollack, M.D.	Neurology	1699 King Street	Enfield	CT	06082	M 9:30-4:30p, T 9a-5p W 12-2p R 9:30a-6p, F Irregualr as	
Renee Prince, M.D.	Orthopedic Surgery	146 Hazard Avenue	Enfield	CT	06082	M 9-12P T-F 9-4P	
Bernadette Quinn, APRN	Internal Medicine	9 Cranbrook Boulevard	Enfield	CT	06082	M-F 8:30a-5p	
Maria C. Renna, M.D.	Internal Medicine	151 Hazard Avenue	Enfield	CT	06082	M-F 9-4:30P	
Nelza I. Rivera-Competiello, M.D.	Physical Medicine & Rehabilitation	139 Hazard Avenue	Enfield	CT	06082	M-F 9-5, CONSULTS 9-3:15	
Robert A. Rossetti, D.M.D., M.D.	Oral Maxillofacial Surgery	76 Palomba Drive	Enfield	CT	06082	M-F 9-5	
Darshan J. Shah, M.D.	Internal Medicine	139 Hazard Avenue	Enfield	CT	06082	M 10:30a-5p, TWR 9a-5p, F 10:30a-5:15p	
Arthur H. Skalski, M.D.	Internal Medicine	151 Hazard Avenue	Enfield	CT	06082	M 8a-5p, T 8a-6p, W 8a-12p, R 8a-5p, F 8a-2p	
Noah H. Starkey, M.D.	Internal Medicine	9 Cranbrook Boulevard	Enfield	CT	06082	M-F 8:30a-5p	
Leo I. Stemp, M.D.	Anesthesiology	c/o Johnson Surgery Center - Operating Room	Enfield	CT	06082	JMH 24/7 365 coverage	
Robert D. Tatoian, D.P.M.	Podiatry	74 Palomba Drive	Enfield	CT	06082	M-F 8:30-5:30, sometimes until 6p	
Jeffrey P. Thompsen, M.D.	Cardiology	15 Palomba Drive	Enfield	CT	06082	MW 8:30-5:30p, TR 8:30-6p, F 8:30-3p	
Jaykumar R. Thumar, M.D.	Hematology/Oncology	142 Hazard Avenue	Enfield	CT	06082	M-F hours very between Enfield/Stafford	
Laura C Vander Poel, D.P.M	Podiatry	1379 Enfield Street	Enfield	CT	06082	T 8:30a-4p, F mornings. Practice hours are M-F 8:30a-4p	
Edward J. White, M.D.	General and Vascular Surgery	140 Hazard Avenue	Enfield	CT	06082	Not Available	
Peter L. Zimmer, M.A.	Alcohol and Drug Abuse Counseling	139 Hazard Avenue	Enfield	CT	06082	MT 8-6p, WThF 8-5p, SAT 8a-12p	
John H. Senechal, M.D.	Pediatrics	231 Merrow Road	Tolland	CT	06084	MT 8-6p, WThF 8-5p, SAT 8a-12p	
Michael E. Yencho, M.D.	Pediatrics	231 Merrow Road	Tolland	CT	06084	M-F 8:30-5p	
James J. Castner, M.D.	Ophthalmology	1080 Day Hill Road	Windsor	CT	06095	M-F 8:30a-5p	
Gilbert R. Balatbat, M.D.	Anesthesiology	c/o Johnson Surgery Center - Operating Room	Enfield	CT	08082	JMH 24/7 365 coverage	
Mark E. Wilson, M.D.	Anesthesiology	c/o Johnson Surgery Center - Operating Room	Enfield	CT	08082	JMH 24/7 365 coverage	
Kristen E. Winters, D.P.M.	Podiatry	1379 Enfield Street	Enfield	CT	06082-5524	Surgery every other T, MWTh 9-4:30, W 9-2:30. Practice hours: M-R 9a-4:30p, F 8:30a-2:30p, in July will start extending hours until 6:30 during week and Sat 9-12:30	

Provider Name/Facility Name	Service	Street	Town	State	Zip	Hours/Days of Operation	FY 2014 Utilization (if available)
Note: The population served is contained in the demographic population Exhibit in this CON. Both Johnson and Saint Francis do not have any population served data for these practitioners.							

EXHIBIT 26

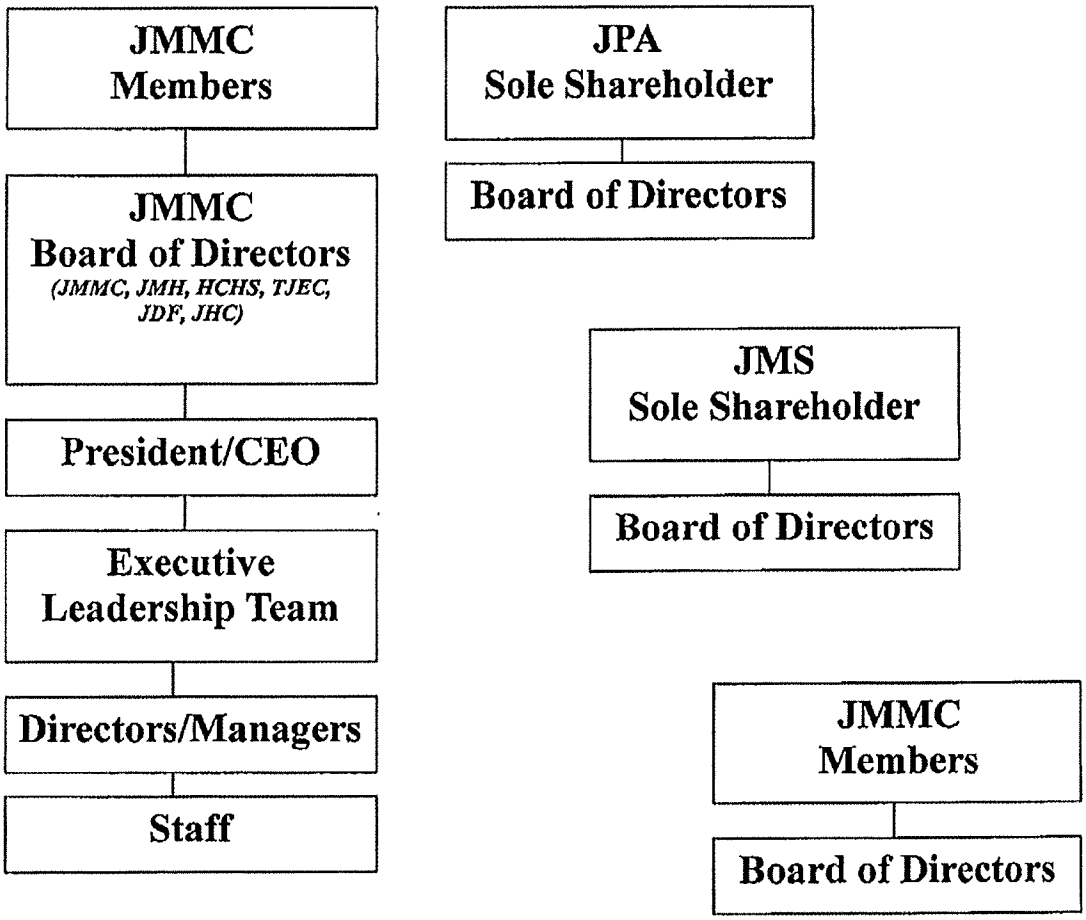
jmmc

Johnson Memorial Medical Center



jmmc

Johnson Memorial Medical Center



List of Johnson's Joint Ventures/Partnerships/Equity Interests:

1. JMMC is the sole corporate member of JMH, JEC, Johnson Development Fund ("JDF"), Johnson Health Care, Inc. ("JHC") and H&CHS – all of which are Connecticut non-stock Corporations.

2. Dr. Ian Tucker, M.D., holds 100% of the outstanding common stock of Johnson Professional Associates, P.C. ("JPA") and Johnson Medical Specialists, P.C. ("JMS"). (JPA and JMS are each a Connecticut professional corporation) for the benefit of JMMC and JMH.

3. JMMC holds 5,000 shares of common stock in Wellcare, Inc. ("Wellcare") (a dormant Connecticut stock corporation with no assets).

4. JMH holds a 1.12% membership interest in Health Connecticut, LLC, a Connecticut limited liability company.

5. JMH holds a 4.34% membership interest in Connecticut Hospital Laboratory Network, LLC, a dormant Connecticut limited liability company with no assets.

6. JMH holds a 15% membership interest in Tolland Imaging Center, LLC ("TIC"), a Connecticut limited liability company. (other parties – Windham Hospital, Rockville General Hospital and Manchester Memorial Hospital).

7. JMH holds a 25% membership interest in Northeast Regional Radiation Oncology Network, Inc. ("NRRON"), a Connecticut non-stock corporation. (other parties: Hartford Hospital, Rockville General Hospital and Manchester Memorial Hospital).

8. Johnson Memorial Hospital Auxiliary, Inc., a Connecticut non-stock corporation, is a "supporting organization" of JMH as set forth in Section 509(a)(3) of the Code.

9. JMMC holds a 20% membership interest in Connecticut Occupational Medicine Partners, LLC, a Connecticut limited liability company. (other parties: ECHN, Western Connecticut Health Affiliates, Inc., Bristol Hospital and Health Care Group, Inc. and Saint Francis Care, Inc.)

A-4: Officers/Members/Directors: A list of all trustees, directors, officers, members and shareholders, as applicable and their occupations.

Johnson Memorial Medical Center Board of Directors and Members: *(includes: Johnson Memorial Hospital, Inc., Home & Community Health Services, Inc., The Johnson Evergreen Corporation, Johnson Development Fund, Inc., and Johnson Health Care, Inc.)*

Board of Directors	
Dadlez, Christopher M.	President/CEO – Saint Francis *Care*
Fleming, Cathryn-Jean, Esq.	Attorney
Giamalis, John	Executive Vice President, Chief Administrative Officer – Saint Francis *Care*
Hartley, R. Christopher	Senior Vice President, Planning & Business Development
Ianello, Joseph, M.D.	Gastroenterologist
Kearney, John P.	
Krol, Michael P.	CPA
Mahon, Patrick	President – Insurance Agency
Makuch, James	CPA – Treasurer – CPA Firm
Masih, Younus, M.D.	Pulmonologist/Internal Medicine
O'Connor, David	President/CEO – Banking (Retired)
Parizek, Evelyne A.	Owner – Real Estate (Retired)
Patton, John W.	Vice President
Rodis, John, M.D.	Executive Vice President, Chief Operating Officer, Chief Physician Executive
Sullivan, Kevin S., Jr.	Owner- Nursery/Greenhouse/Garden Center
Tartsinis, Phil	Vice President – Property Management/Development
Members	
Albert, Ronald, DMD	Dentist
Arute, Tammy	Real Estate Broker
Barry, Timothy, M.	National Sales Manager
Bell, Jerold, S., DVM	Veterinarian
Brennan, Carmela	Realtor
Cassidy, Brian C.	President – Cassidy Financial Services, LLC
Chatis, Jordan	Retired
Devlin, Francis, W., Jr.	Retired
Dewey, Richard H.	Property Agent, State of CT (Retired)
Elwell, Gary	President/Owner- Rocwell Builders, Inc. (Commercial Interior Renovations)
Falk, Peter	Project Engineer – Quest Global Outsourcing (Aerospace)
Fitzgerald, Gena C.	General Manager – Hallmark Cards
Hall, Fred	Captain – Enfield Police Department
Introvigne, Joseph R., Sr.	President – Introvigne Funeral Home
Jackson, Richard, III	Director, Corporate Compliance – Aetna Life & Casualty (Retired)
Keating, Joyce	Owner – Real Estate Management/Development
Kirkpatrick, William	Teacher- Retired
Knorr, Calvin "Bud" G.	VP Marketing & Sales – Lithographic Supplier
Larabee, John T.	Chairman, Automotive Sales/Service

Lefebvre, Steven P.	CFO – Manufacturing & Distribution
Mazzoli, Thomas G.	Manager – Financial Services- Stock Broker
Mendez, Hector Rev.	Pastor – Congregational Church
Morrison, William	
McCaffrey, Carolyn, Esq.	President/Attorney – Law Firm
McCloskey, William J., Sr.	President/Owner – Insurance (Sr. Services)
O'Keefe, John A.	Registered Representative & Financial Advisor
Palomba, Edward J.	Bank Manager
Panciera, John V.	
Perry, Linda	
Persano, James W.	Owner/CPA – CPA Firm
Pinney, David	Owner – Farm
Polek, Mark A.	Owner- Farm
Posocco, Joan C.	Vice President/CFO- Credit Union
Roncari, Deborah A.	President- Valet Parking
Satkowski, Thaddeus	
Silver, Alan	Retail Business Owner (Retired)
Tarbell, Earle	Financial Advisor – Financial Planning
Testa, Melissa, Esq.	Attorney
Tracey, Lawrence	Executive Director- Chamber of Commerce (Retired)
Trevena, Ronald J.	Owner – Off-Site Catering (Retired)
Uhlman, Sharon A.	Connecticut State Marshal
Whitmarsh, Ilene	Broker-Associate- Real Estate
Winters, Kristen M.D.	Podiatrist

EXHIBIT 27

SAINT FRANCIS Care Policy	**Title:** **SELF PAY BILLING AND AR COLLECTION POLICY**		
☒ Saint Francis Hospital and Medical Center ☒ Mount Sinai Rehabilitation Hospital ☐ Saint Francis Medical Group, Inc. ☐ Saint Francis *Care* Medical Group, P.C. ☐ Asylum Hill Family Medicine Center, Inc. ☐ Saint Francis Behavioral Health Group, P.C.	**Proponent Department** Business Office	**Number** ADM 064	**Level** ☒ **System** ☐ **Division** ☐ **Department**
	Category ☒ **Administrative** ☐ **Clinical** ☐ **HR** ☐ **EOC**	**Published Date** 2/6/2014	**Review Cycle** ☐ 1 year ☒ 3 years

PURPOSE: It is the policy of Saint Francis Hospital & Medical Center that all patients who have received services and that have outstanding financial obligations are given fair and objective opportunities to satisfy these responsibilities. To that end, Saint Francis Hospital commits to the following: Patients/patient guarantors shall receive a summarized bill including but not limited to encounter specific information including dates of service, summarized charges, discounts, payments, adjustments and amounts owed.

- Patients/patient guarantors will be properly informed of the various options available to satisfy their outstanding financial obligation(s) including assistance through the Access Health CT, State of Connecticut's Medicaid Assistance Program as well as through St. Francis Hospital's internal financial assistance program, and recurring payment plan guidelines.
- Patients/patient guarantors will be given an appropriate amount of time (4 statements or 120 days) to respond to such notices of outstanding financial obligations.
- Patients/patient guarantors will be treated with respect and compassion in accordance with the Saint Francis Hospital & Medical Center mission.
- Return mail without other non-identified information is returned, the account may to collections before 120 days.

SCOPE:

This policy applies to the Business office and hospital staff

POLICY:

Self-Pay Billing: Execution of the self-pay billing cycle.

Primary self-pay balances, those balances for which there is no insurance coverage, or self pay balances after insurance has been processed, will receive a series of four statements when the account is released from billing.. Self-pay balances resulting from an insurance payment will receive a series of four statements beginning five days from the financial class change to self-pay.

- First, an account is generated and held for the appropriate min days which allows the charges to be associated with the patient encounter. After the min days are satisfied the account is moved from pre-receivable status to active accounts receivable status in the hospital's receivable system.
- Second, a statement displaying a summary of the total charges and the outstanding balance (after any discounts and recent payments have been applied) is generated and mailed to the patient through a contracted agent.
- Simultaneously a file containing the billed inventory is electronically transferred to a contracted self-pay customer service agent to initiate contact and work with patients for account resolution.

Each statement includes a specific message based upon the status and age of the account. The statement cycle can be reset to previously issued datamailer statements through one of two means: Business Office staff can manually reset the dunning cycle or a change in the encounter's financial class. The statement intervals are generated in 30 day intervals and the entire dunning cycle, assuming no interventions, lasts 120 days. All accounts which have an established recurring payment arrangement (payment plan) will receive an alternative self-pay dunning cycle. Payments on payment arrangements must

have consistent payment in accordance with the plan. If installment payments are missed the account is eligible for collection.

Self-pay A/R Management: Execution of Self-pay Collection Efforts

Collection efforts on self pay accounts are assigned to a contracted customer service agent from the day the account is ready for billing. The contracted agent receives daily billing files as self-pay claims are generated.

- Follow-up and collection activities will commence upon receipt of the referral.
- Accounts are run through a predictive dialer application/voice broadcasting system to establish initial contact with the patient/patient guarantor. Patients whose established phone number has a voice answering system are left pre-recorded messages indicating the nature of the call and requesting them to contact the St. Francis Billing & Customer Service Department at the appropriate toll-free number.
- All patients shall be made aware of the various financial assistance options available to them including but not limited to assistance through Access Health CT, the State of Connecticut's Medicaid Assistance program, as well as St. Francis' internal financial relief program and recurring payment plan guidelines.
- All efforts should be made to establish payment plans that resolve an outstanding balance within a reasonable time period. All accounts which have established a recurring payment arrangement in good standing consistent monthly payments for the agreed upon amount are exempt from any bad debt write-off protocols. Should an account become delinquent, a late notice is generated at 15 days a delinquency notice at 30 days past due. If a payment is not received within two months (60 days), a final notice is generated and the account will become eligible for bad debt by changing the financial class and written of at the end of the month.

Self-pay Write-offs: Execution of Bad Debt Write-off Protocols

- If a mutually agreed upon recurring arrangement is not establish or if the account is not resolved within the 120 day billing cycle, the account automatically becomes eligible for bad debt write-off. Automatic assignment is changed to reflect bad debt assignment of one of two contracted collection agent.
- A system generated write off report is run and sent to management and each collection agent to review.

Approval of bad debt accounts are as follows:

$5,000-$24,999 - Supervisor

$25,000-$49,999 - Manager

$50,000-$99,999 - Director of Patient Financial Services

>$100,000 - VP, Revenue Cycle

Upon completion of the report review the account is automatically written off to Bad Debt at the end of the month.

- The account balance is subsequently removed from the active accounts receivable and becomes part of the bad debt receivable. Any patient payments secured on this receivable are classified as recoveries to bad debt. Contracted agents will pursue recoveries of referred accounts for a period of 180 days and perform similar referral management and collection activities as described above.
- Any unpaid balance in bad debt with no activity for 180 days, will be returned to the hospital and get referred for secondary placement see **AAB & LEVIN BAD DEBT RETURNS TO EOS CCA PROCEDURE**

REFERENCES:

CROSS REFERENCES: Financial Relief Policy, Emergency Medical Screening and Stabilization/ EMTALA Policy, and AAB & LEVIN Bad Debt returns to EOS CCA procedure.

APPROVED BY: Policy requires Vice President approval.

Vice President(s):	Date:		Date:
Nicole Schulz Vice President Revenue Cycle	2/6/2014		

REPLACES: 3/1/03

Revised Date: 10/1/03; 3/15/04; 9/1/04; 11/01/04; 03/07/05; 10/1/05; 10/01/06; 3/01/07; 4/11/08; 2/21/11; 07/29/2011; 5/22/2013, 2/6/2014;

SAINT FRANCIS Care Policy	**Title:** **Financial Assistance Policy**		
☒ Saint Francis Hospital and Medical Center ☒ Mount Sinai Rehabilitation Hospital ☐ Saint Francis Medical Group, Inc. ☐ Saint Francis *Care* Medical Group, P.C. ☐ Asylum Hill Family Medicine Center, Inc. ☐ Saint Francis Behavioral Health Group, P.C. ☐ Saint Francis Emergency Medicine Group, P.C.	**Proponent Department** Business Office	**Number** ADM 060	**Level** ☒ **System** ☐ **Division** ☐ **Department**
	Category ☒ **Administrative** ☐ **Clinical** ☐ **HR** ☐ **EOC**	**Published Date** 1/2014	**Review Cycle** ☐ 1 year ☒ 3 years

PURPOSE:

The purpose of this policy is to ensure a socially just practice for billing patients receiving care Saint Francis Hospital and Medical Center and Mount Sinai Rehabilitation Hospital. Financial Relief is a financial assistance program offered for the benefit of our uninsured or underinsured patients who are unable to pay for their care.

SCOPE:

This policy relates to all medically necessary inpatient, outpatient, clinic, and emergency department visits. **Excluded from this policy are cosmetic procedures, bariatric services and secured liens on liability cases.**

Application for Financial Relief

1. Application may be obtained from the appropriate hospital personnel: Financial Counselors, Collection Representatives, and Telephone Representatives.

2. The completed and signed application must be returned to the Business Office with the following requested documentation, in the return envelope provided:
    a. Family size - as reflected on prior year tax return; and
    b. Income verification – to include one of the following:
        i. Four most current pay stubs;
        ii. A letter from employer or government agency which verifies income and previous year's tax return; or
        iii. Active Medicaid eligibility screen print that indicates current full Medicaid coverage

    If any of the above required documents are not received the application will be pended for 30 days. A written notification will be sent to the applicant detailing the missing documentation. If not provided within 20 days the application will be denied.

3. An application for State Medical Assistance (Medicaid) must be completed for those patients with verified income below 100% of the poverty guidelines. If the patient is ineligible for Medicaid they will be offered hospital financial relief based on the Medicare allowed amounts.
    - If a patient is approved for Medicaid with no spenddown, the proof of eligibility determination from the Department of Social Services can be used as verification of their

income and be eligible for 100% financial assistance .

- If the balance on an account is the result of a spenddown the income guidelines will apply to determine eligibility. The Medicare allowed calculation will apply so the balance may not be eligible for financial assistance.

Effective 1/1/2014: Husky D patients will no longer be deemed eligible for a spend down. An application for assistance needs to be completed through Access Health CT during open enrollment.

4. Eligibility is determined on family size and current income.

   a. Income eligibility is based on the federal poverty guidelines. Patients with income levels **under 200%** of the federal poverty guidelines who are ineligible for State Medical Assistance will receive 100% financial relief.

   b. Patients with income levels between **200% to 250%** of the federal poverty guidelines who are ineligible for State Medical Assistance will be eligible for financial assistance based upon Medicare allowed amount. This may or may not provide a discount on the patient balance that is owed.

   Self Pay Patients with income over 250% of the federal poverty guidelines will not be eligible for financial assistance but may still receive a self pay discount if applicable.

Examples:

- **If an insurance payment (cash from insurance) is the same or greater than the Medicare allowed amount for the same service, there will be no patient responsibility. The patient balance will be adjusted 100% with the financial assistance code 97000039.**

- **If the insurance payment is less than the Medicare allowed amount, the patient is responsible to pay up to the Medicare allowed. Any amount over the Medicare allowed will be adjusted with the financial assistance code 97000039.**

- **Patients with health insurance who have medically necessary inpatient and outpatient services will be eligible to apply for financial assistance in the following instances:**

  - **Reached their maximum benefits**

  - **Entire procedure is non covered due to limitations of their policy or diagnosis**

- **Patients within the 200-250% of the federal poverty guidelines will be required to pay the Medicare allowed amount.**

- **Patients over 250% of the federal poverty guidelines will be granted the self pay discount.**

5. The Self Pay Manager and appropriate personnel determine eligibility within 30 days of receipt of a completed application.

6. Assessment for other free bed funding is completed as part of the financial assessment

ADJUSTMENTS GREATER THAN $5,000.00 ARE SUBJECT TO APPROVALS AS FOLLOWS:

<$4,999 - Customer Service Rep/Financial Counselor Team Leader
$5,000-$24,999 - Supervisor
$25,000-$49,999 - Manager
$50,000-$99,999 - Director of Patient Financial Services
>$100,000 - VP, Revenue Cycle
After obtaining approval, staff will apply adjustment.

To be Noted

- For all financial relief cases where the patient or spouse is self employed, the gross income will be used after the business expenses are deducted. This information is obtained from the "Profit and Loss Statement" or income reported on the 1040 or 1040A.
- Patients seeking financial relief who are under sponsorship of relatives are determined eligible if the sponsor provides the appropriate income/household documentation. Eligibility is determined on income.
- Cosmetic and Bariatric Procedures are excluded from Financial assistance
- Liability Cases that have secured liens are excluded from Financial Assistance
- Undocumented patients who are eligible for Medicaid Emergency Medical coverage (for their inpatient emergency account) are automatically eligible for financial assistance when proof of eligibility is determined from the Department of Social Services.

CROSS REFERENCES:

Self Pay Billing and AR Management Policy
Emergency Medical Screening and Stabilization/ EMTALA

APPROVED BY:

Nicole J. Schultz, Vice President Revenue Cycle	Date: 1/15/2014	Committee, if necessary	Date:

REPLACES:

Financial Assistance Policy, 10/1/03; 3/15/04;9/01/04; 11/01/04; 03/07/05; 10/01/05; 10/1/06; 3/1/07; 4/11/08; 5/22/09, 7/1/2011, 1/23/2012 , 7/1/2012, 7/8/2013

KEY CHANGES: Effective 1/1/2014: Husky D patients will no longer be deemed eligible for spend down. An application for assistance needs to be completed through Access Health CT during open enrollment.

JOHNSON MEMORIAL MEDICAL CENTER

PATIENT ACCOUNTS DEPARTMENT

COLLECTION PROCESS FOR SELF PAY ACCOUNTS POLICY

I. POLICY:

It is the policy of the Patient Accounts Department to work with all patients/ guarantors to resolve in a reasonable and timely manner any balances owed to the Hospital.

II. APPLIES TO:

Patient Accounts Staff

III. PROCEDURE:

1. All self-pay accounts will receive a series of four statements, 30 days apart in an attempt to collect on an outstanding debt. Thirty days after the third statement, if no payment and/or communication are received from the patient, the patient is sent a final notice to collect prior to turn-over to an outside collection agency/attorney for collection. Thirty days after submission of the final notice, if there is no payment and/or communication from the patient, the account is then turned over to an outside agency for collection.

2. A self-pay account is any account in-which the patient is responsible for the outstanding balance. This may represent accounts with balances after a third party has paid and/or accounts with no third party payer.

3. Once an account is turned-over to an outside agency, the account is theirs to work.
    a. All patient communication must be referred to the agency.
    b. All notifications for bankruptcy and/or requests for settlement should be forwarded to the agency.
    c. Any changes made to an account which would impact the patient liability needs to be communicated to the agency.
    d. All payments and adjustments made to accounts in Bad Debt are reported to the agency weekly.
    e. Establishing a payment plan after the account has gone to Bad Debt is not reason to recall the account. The patient must be referred to the agency to establish the payment plan.

4. Once the agency has accepted our accounts and commenced working them, any accounts to be recalled from an agency must have management approval.
    a. To recall an account from the agency, notification MUST be made to the agency via fax or e-mail. Notification may also be made via telephone, however, a fax or e-mail provides us with better record of the recall.

b. Once notification is made, a comment must be put on the patient's account and the account status changed to appropriately reflect the recall.

5. If we receive payment or confirmation of coverage via third party on an account that has been turned over to an agency within ten (10) days from turnover, we can recall the account from the agency. We will also recall accounts that have been sent in error regardless of time with agency. All other request will require management approval.

6. While the account is in Bad Debt, we have the ability to bill a third party without removing the account from Bad Debt. These accounts are still considered to be with the bad debt agency

Date of Origination:
10/08/2007

_____
Signature

10/01/09; 12/29/11; 10/17/12
Revision Dates

JOHNSON MEMORIAL MEDICAL CENTER

PATIENT ACCOUNTS DEPARTMENT

FINANCIAL ASSISTANCE POLICY

I. POLICY:

Johnson Memorial Hospital recognizes that there are times when patients in need of medical care will have difficulty paying for the services provided. Johnson Memorial Hospital's Financial Assistance Program provides discounts to qualifying individuals based on their income and assets.

II. APPLIES TO:

Patient Accounts Staff

III. PROCEDURE:

1. In accordance with the Patient Protection and Affordable Care Act of 2010, the hospital will not charge gross charges when billing individuals who qualify for financial assistance. Instead, the hospital will charge no more than the best (or on average of the three best-negotiated commercial or Medicare) rates charged to individuals who have insurance covering such care. All persons unable to pay; or are unable to pay in full for hospital services, may apply for Financial Assistance. In addition, all self-pay patients may receive a 25% discount from charges if paid within 30-days of initial billing.

2. As an additional service to patients, the hospital offers assistance applying for State and Federal programs that may help pay medical bills for uninsured or underinsured patients. This assistance is provided by the Entitlement Specialist and/or by the Patient Accounting Customer Service representatives.

3. Financial Assistance is available for patients with limited incomes and no health insurance or underinsured. Underinsured patients are those who have a deductible* of at least $250.00 regardless of the type of insurance (i.e. private insurance, group insurance, State insurance). *Includes State Spend-down. Everyone who needs emergency services can receive care and get a discount if they meet the income limits provided they applied for State insurance and received a denial letter. Everyone can get a discount on non-emergency, medically necessary services at if they meet the income limits provided they applied for State insurance and received a denial letter. To receive financial assistance, applicant must be a legal resident.

4. All patients with income at or below 250% of the Federal Poverty Guidelines will be approved at 100% discount.

5. All patients with income between 251 % -400% of the Federal Poverty Guidelines will be approved at a 50% discount. Remaining balance up to $1,000 may be paid within 12 months. Remaining balance from $1,001 up may be paid within 24 months or more depending of the total remaining balance.

6. State insurance denial letter will not be necessary if it is determined that applicant will not qualify for State insurance (not US citizen, no SS#, visiting visa, etc).

7. Self pay accounts will not be moved to "Bad Debt" status because State insurance may take from 45 to 60 days to make a determination. While waiting for State insurance determination ROI will not send letters to self-pay accounts either.

After approval of the above new policies/changes a full policy and procedure will be developed.

Date of Origination:
10/17/2007

_____
Signature

02/15/2015
Revision Dates

2014 FINANCIAL ASSISTANCE GUIDELINES

Free Care Standard Size of Family	Federal Poverty Level 100% Assistance Maximum	200% Poverty Federal Poverty Level 100% Assistance Maximum	250% Poverty Federal Poverty Level 75% Assistance Maximum	300% Poverty Federal Poverty Level 50% Assistance Maximum	400% Poverty Federal Poverty Level 25% Assistance Maximum
1	$11,670	$23,340	$29,175	$35,010	$46,680
2	$15,730	$31,460	$39,325	$47,190	$62,920
3	$19,790	$39,580	$49,475	$59,370	$79,160
4	$23,850	$47,700	$59,625	$71,550	$95,400
5	$27,910	$55,820	$69,775	$83,730	$111,640
6	$31,970	$63,940	$79,925	$95,910	$127,880
7	$36,030	$72,060	$90,075	$108,090	$144,120
8	$40,090	$80,180	$100,225	$120,270	$160,360
For each additional person, add	$4,060	$8,120	$10,150	$12,180	$16,240

JOHNSON MEMORIAL MEDICAL CENTER

PATIENT ACCOUNTS DEPARTMENT

FINANCIAL ASSISTANCE APPLICATION POLICY

I. POLICY:

Johnson Memorial Hospital (JMH) recognizes that there are times when patients in need of medical care will have difficulty paying for services provided. JMH's financial assistance program may provide discounts to qualifying individuals based on their income and assets.

II. APPLIES TO:

Patient Accounting Department, Customer Service Representative

III. PROCEDURE:

1. Applications for financial assistance are available upon request. Eligibility is based on the 2014 U.S. Department of Health and Human Services Income Guidelines as shown below:

2015 FINANCIAL ASSISTANCE GUIDELINES

Free Care Standard Size of Family	Federal Poverty Level 100% Assistance Maximum	200% Poverty Federal Poverty Level 100% Assistance Maximum	250% Poverty Federal Poverty Level 75% Assistance Maximum	300% Poverty Federal Poverty Level 50% Assistance Maximum	400% Poverty Federal Poverty Level 25% Assistance Maximum
1	$11,770.	$23,540	$29,425	$35,310	$47,080
2	$15,930	$31,860	$39,825	$47,790	$63,720
3	$20,090	$40,180	$50,225	$60,270	$80,360
4	$24,250	$48,500	$60,625	$72,750	$97,000
5	$28,410	$56,820	$71,025	$85,230	$113,640
6	$32,570	$65,140	$81,425	$97,710	$130,280
7	$36,730	$73,460	$91,825	$110,190	$146,920
8	$40,890	$81,780	$102,225	$122,670	$163,560
For each additional person, add	$4,160	$8,320	$10,400	$12,480	$16,640

2. Financial assistance is available for patients with limited incomes and no health insurance or underinsured. Underinsured patients are those who have a

deductible or combined outstanding balances of at least $500.00 regardless of the type of insurance including State insurance spend-down benefit.

3. All persons unable to payor unable to pay in full for hospital services, may apply for Financial Assistance but must be US citizens of legal aliens. In addition, all self-pay patients may receive a 25% discount from charges if paid within 30-days of initial billing.

4. When requested by a patient, the customer service representative will mail a . Financial Assistance Application (FAA).

5. The FAA will be mailed back to JMH with all the required documentation including but not limited to:
    a. Copy of determination letter from the Department of Social Services (DSS) **(mandatory,** exception: DSS letter will not be necessary if it is determined that applicant will not qualify for State medical assistance or if the bill is more than 3 months old.
    b. **Four** recent employer pay stubs for patient and any dependents or four recent unemployment stubs.
    c. Copy of previous year's 1040-tax form. If requesting financial assistance between the months of January to April the 1040-tax form from 2 years prior may be accepted if no taxes have been filed from previous year.
    d. Proof of alimony, child support, and/or divorce decree.
    e. Proof of estate, dividends, allotments, tips, social security, retirement pension slips, workers compensation or strike benefits, net winning income, royalties, annuity income, welfare benefits or general assistance benefits.
    f. If self-employed, receipts from unincorporated business, professional enterprise, or partnership after deductions for business expenses. If requesting financial assistance between the months of January to April the 1040-tax form from 2 years prior may be accepted if no taxes have been filed from previous year. Also include schedule K-l (1120).
    g. If the hospital charges occurred under part or third party liability suit, please disclose this information.
    h. If none of the above proof-of-income applies, please provide a detailed letter explaining the means of support for you, your family or household unit.

6. Written determination will be made within 30 days after submission of a completed application.

Date of Origination:
09/2011

_____
Signature

12/28/11, 10/17/12, 02/01/15
Revision Dates

EXHIBIT 28

Department of Health & Human Services
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2325
Boston, MA 02203

CENTERS FOR MEDICARE & MEDICAID SERVICES

Northeast Division of Survey & Certification

December 16, 2014

Mr. Stuart Rosenberg, President & CEO
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

Re: CMS Certification Number (CCN): 070008
Survey ID: 16S612, 11/25/2014
Survey ID: VYHC12, 11/25/2014
Survey ID: VYHC22, 11/24/2014
Survey ID: M4GI12, 11/25/2014

Dear Mr. Rosenberg:

I am pleased to inform you that as a result of the revisit survey conducted on November 25, 2014 by the State of Connecticut Department of Public Health (State Survey Agency), Johnson Memorial Hospital was found to be in substantial compliance with the Medicare Conditions of Participation for Hospitals at 42 CFR Part 482.

Your planned termination from the Medicare program on February 1, 2015 is rescinded and will not be put into effect. In addition, based upon this determination, your hospital is returned to "Deemed" status based upon its accreditation by The Joint Commission (TJC). Your hospital is no longer under State Survey Agency jurisdiction.

The State of Connecticut Department of Public Health advised you of the Medicare deficiencies noted during the revisit survey of your hospital, and we are enclosing a complete listing of all deficiencies. Since your hospital has been found to be "in compliance," you do not have to submit a plan for correcting any of the Medicare deficiencies cited. However, you should be aware that copies of the Form CMS-2567 and subsequent plans of correction are releasable to the public upon request in accordance with the provisions of Section 1864(a) of the Act and the Secretary's regulation set forth at 42 CFR §401.133(a) and (b). You may, therefore, wish to submit for public disclosure, if you have not already done so, your comments on the survey findings, and any plans you may have for correcting the cited deficiencies.

We thank you for your cooperation and look forward to working with you on a continuing basis in the administration of the Medicare program.

Sincerely,

Kathy Mackin

Kathy Mackin, Health Insurance Specialist
Survey Branch

Enclosure: CMS-2567

cc: State of Connecticut Department of Public Health
TJC

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION	(X3) DATE SURVEY COMPLETED
	070008	A. BUILDING _____ B. WING _____	R-C 11/25/2014

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
JOHNSON MEMORIAL HOSPITAL	201 CHESTNUT HILL RD STAFFORD SPRINGS, CT 06076

(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
{A 000}	INITIAL COMMENTS On 11/25/14, a revisit concluded at: Johnson Memorial Hospital 201 Chestnut Hill Road Stafford Springs, CT 06076 Based on a review of clinical records, review of facility documentation, tour, interviews, and policy review, the hospital was determined to be back in substantial compliance with the following Conditions of Participation for hospitals: Governing Body 482.12 QAPI 482.21 Pharmaceutical Services 482.25 Physical Environment 482.41 Infection Control 482.42 Standard level deficiencies were identified. Please refer to A-501.	{A 000}		
{A 501}	482.25(b)(1) PHARMACIST SUPERVISION OF SERVICES All compounding, packaging, and dispensing of drugs and biologicals must be under the supervision of a pharmacist and performed consistent with State and Federal laws. This STANDARD is not met as evidenced by: Based on observation, interviews, and policy review, the hospital, who compounds sterile pharmaceuticals, failed to ensure proper infection control practices were maintained. The findings include: During tour of the hospital pharmacy	{A 501}		

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE | TITLE | (X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

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{A 501}	Continued From page 1 compounding rooms on 11/24/14 during the period of 10:25 AM and 3:00 PM with the Acting Pharmacy Director and Representative from the Quality Department identified the following concerns: a. Technician #11 compounding in the biological safety cabinet (BSC) was observed wearing a necklace, although policy directs that no jewelry can be worn upon entry into the ante room. b. Technician #11 was observed placing the overwrap from the sterile gloves on the air vent throughout the compounding process obstructing the air vents. c. Technician #11 working in the BSC, was observed to finish compounding a chemotherapy agent, reach into the Laminar Flow work bench (LAFW) to obtain vial seals without changing any Personal Protective equipment (PPE) including the gloves. This was observed on multiple occasions. d. Technician #10 failed to clean the (BSC) before starting a batch preparation. e. During compounding, Technician #10 was seen stacking all the overwraps from gloves, needles, syringes and other supplies against the back wall of the BSC obstructing the air vents. f. Observed alcohol swabs and needle left in an unused LAFW from previous compounding activities. No explanation could be provided for this practice. g. In the Ante area, dust and construction debris was observed on the coving ledge under the new	{A 501}		

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{A 501}	Continued From page 2 sink that was installed around 9/26/14 (2 months prior to this inspection). Facility policy directs that any horizontal surface must be cleaned daily. h. Observed yellow material on the left side of the LAFW including in the channel where the side partition sits. Using a sterile alcohol pad, parts of the yellow material could be easily removed. Interview with Pharmacy staff stated this substance was not from mixing on that day. Facility policy directs that this area should be cleaned daily. i. Near the door of the Ante area from the main pharmacy, uneven caulking was visualized around the interface between the new door frame and the old door frame. Streaks of caulking was observed on the grid over the HEPA filter in the buffer area. Large beaded caulking was observed behind the BSC at the juncture of ceiling and wall and excess caulking was noted on the areas of the grid holding the ceiling tiles in place and around the duct work used for venting the BSC. This created non-smooth surfaces rendering proper cleaning difficult and creating a potential for dirt to gather. j. Observed abrasions on two ceiling tiles in the buffer area which removed the top layer and exposed the material underneath rendering an inability to properly cleanse the surface. During interview on 11/25/14 at 2:50 PM, the ICN (infection control nurse) stated that while surveillance rounds continued within all parts of the inpatient and outpatient areas of the hospital, the pharmacy had not been surveyed until 11/25/14, for a preplanned visit. Review of the	{A 501}		

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{A 501}	Continued From page 3 plan of correction relative to the initial survey completed on 8/5/14 identified that the ICN would include the pharmacy compounding rooms into routine surveillance with reports back to the Infection Control Committee and Quality Improvement beginning 8/30/14. Interview with the interim Pharmacy Director on 11/24/14 at 3:30 PM stated s/he is new in this position and is working closely with Administration and a Pharmacy Consultant to remediate concerns identified in the Pharmacy Department. Review of the job description for the Manager of Pharmacy reflected responsibility for the management and coordination of resources on a daily basis including anticipation and identification of potential problems in either direct pharmaceutical care and/or assigned area of operations with facilitation of an effective resolution of problems.	{A 501}		

Department of Health & Human Services
Centers for Medicare & Medicaid Services
JFK Federal Building, Government Center
Room 2325
Boston, MA 02203

CENTERS FOR MEDICARE & MEDICAID SERVICES

Northeast Division of Survey & Certification

March 16, 2015

Mr. Stuart Rosenberg, President & CEO
Johnson Memorial Hospital
201 Chestnut Hill Rd
Stafford Springs, CT 06076-0860

Re: CMS Certification Number (CCN): 070008
Survey ID: BSFK12, 03/11/2015

Dear Mr. Rosenberg:

On March 11, 2015, the State of Connecticut Department of Public Health conducted a survey and determined that your hospital is in compliance with the Medicare Conditions of Participation for Hospitals at 42 C.F.R. Part 482.

Your planned termination from the Medicare program on May 26, 2015 has been rescinded. Based upon this determination, your hospital is returned to "Deemed" status based upon its accreditation by The Joint Commission (TJC). Your hospital is no longer under State Survey Agency jurisdiction.

We thank you for your cooperation and look forward to working with you on a continuing basis in the administration of the Medicare program.

Sincerely,

Kathy Mackin, Health Insurance Specialist
Survey Branch

cc: State of Connecticut Department of Public Health
TJC

December 31, 2013

Mr. Stuart E. Rosenberg, President/CEO
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06070

Dear Mr. Rosenberg:

Unannounced visits were made to Johnson Memorial Hospital concluding on October 31, 2013 by representatives of the Facility Licensing and Investigations Section of the Department of Public Health for the purpose of conducting multiple investigations.

Attached are the violations of the Regulations of Connecticut State Agencies and/or General Statutes of Connecticut which were noted during the course of the visits. The state violations cannot be edited by the provider in any way.

You may wish to dispute the violations and you may be provided with the opportunity to be heard. If the violations are not responded to by January 14, 2014 or if a request for a meeting is not made by the stipulated date, the violations shall be deemed admitted.

Please address each violation with a prospective plan of correction which includes the following components:

1. Measures to prevent the recurrence of the identified violation, (e.g., policy/procedure, inservice program, repairs, etc.).

2. Date corrective measure will be effected.

3. Identify the staff member, by title, who has been designated the responsibility for monitoring the individual plan of correction submitted for each violation.

We do not anticipate making any practitioner referrals at this time.

If there are any questions, please do not hesitate to contact this office at (860) 509-7400.

Respectfully,

Susan H. Newton, R.N.
Supervising Nurse Consultant
Facility Licensing and Investigations Section

SHN/HMC:jpf

Complaints #15131, #15157, #15793, #14672 and #16014

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (2) (B) and/or (d) Medical records (2) and/or (e) Nursing service (1).

1. Based on a review of clinical records, interviews and review of hospital policies, for two of three patients (Patients #12 and 13) that had procedures, the hospital failed to ensure the history and physical was comprehensive and/or that intravenous fluids were administered based on a physician's order. The findings include:
    a. Patient #12 was admitted on 10/28/13 at 6:40 A.M. for an upper endoscopy procedure. Interview and review of the clinical record with RN #1, on 10/28/13 at 11:05 A.M., identified that the history and physical failed to contain information regarding past medical and surgical history, pertinent laboratory results and/or current medication regime. Further review of the record with RN #1 identified that post procedure the patient received a continuous intravenous infusion of Lactated Ringers solution absent a physician's order.
    b. Patient #13 was admitted on 10/25/13 at 2:10 P.M. for an upper endoscopy procedure. Interview and review of the clinical record with RN #1, on 10/28/13 at 11:05 A.M., identified that the history and physical failed to contain information regarding past medical and surgical history, pertinent laboratory results and/or current medication regime. Further review of the record with RN #1 identified that post procedure the patient received a continuous intravenous infusion of Lactated Ringers solution absent a physician's order.
    Review of the Medical Staff By-Laws, dated 5/1/13, identified that a comprehensive history and physical includes history of present illness, special reports such as laboratory results.
    Hospital policy and procedure, titled Hospital Wide System for Medication Administration, identified that a physician and/or medical provider order is required in order to administer a medication.

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6).

2. Based on interviews, review of documentation and hospital policies, the hospital failed to ensure that employees were informed and/or educated regarding Advanced Directives and/or informed two of four patients (Patients #20 and 21) about Advanced Directives and/or documented if the patient (Patients #21 and #10) had executed Advanced Directives. The findings include:
    a. During a tour of the Operating Room and Same Day Surgery areas, on 10/28/13 from 10:00 A.M. to 11:40 A.M., an interview with Registration Staff #1 identified that s/he was not aware of the types of Advanced Directives and/or when he/she needs to ask the patient and/or responsible party if he/she has executed Advanced Directives.
    b. Review of Patient #20's record during a tour of the off-site Wound Center on 10/29/13 identified that the patient completed a medical history document that reflected in the

case of an emergency, s/he did not want to be resuscitated. Record review and interview with Nurse Site Director and Secretary #3 failed to reflect that any staff and/or medical providers had provided the patient with information on Advanced Directives and/or assisted the patient to complete Advanced Directives to communicate this specific directive.

c. Patient #10 was admitted to the psychiatric unit on 10/28/13 with a diagnosis of alcohol dependence. Review of the Patient's Advanced Directive information, worksheet and/or patient assessment, with the Psychiatric Nursing Director on 10/28/13 noted that the advanced directive worksheet was blank. The review and interview further indicated that although the nurse documented that the patient had not executed advanced directives, the nurse should have documented whether or not the patient would like an advanced directive information packet and had not done so. The facility advanced directive policy identified that every patient over the age of 18 will be asked by the registration clerk whether or not they have executed advanced directives. The policy further identified that if the patient is incapacitated at the time of admission, nursing staff is to provide such information to the patient when the patient is able to receive it.

Review of the hospital policy and procedure, titled Patients Rights and Responsibilities, identified that each patient has the right to formulate Advanced Directives and expect the hospital staff and practitioners comply with your directives.
Review of the hospital policy and procedure, titled Advance Directives and/or Withdrawal of Life Support Systems, identified that on admission the registration staff will inquire whether or not the patient has executed an Advanced Directive although the policy identified only two of the four types of Advance Directives. In addition, the policy identified that the nursing staff, social services and physician will provide education to the patient and/or representative when needed.
Review of the document, titled Your Rights to Make Health Care Decisions authored by the Office of the Attorney General 2011, identified that Advanced Directives include Health Care Representative, Conservator, Living Will and Anatomical Gift.

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

3. Based on observation, interview and review of hospital policy, the hospital failed to ensure that the posted telephone number in order to file a grievance with the State of Connecticut Department of Public Health was accurate. The finding includes:
    a. During a tour of the off-site Chemical Dependency Unit with Nurse Director #1 on 10/28/13, it was identified that the posted telephone number for the State of Connecticut Department of Public Health was not accurate. Review of the hospital policy and procedure, titled Patients Rights and Responsibilities, identified that each patient has the right to file a grievance about care and services provided with the State Regulatory Agency.

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (f) Diagnostic and therapeutic facilities and/or (i) General (6).

4. Based on observation, interview and review of hospital policies and procedures, the hospital failed to ensure that the hydrocollator was maintained within acceptable temperature ranges and/or that documentation reflected that the hydrocollator unit was cleaned in accordance with policy and procedure. The finding includes:
    a. During a tour of the off-site Physical Therapy area with the Physical Therapy Manager on 10/28/13 from 2:55 P.M. to 3:20 P.M., documentation for the month of October 2013 reflected for nineteen of the twenty days, temperatures recorded for the hydrocollator unit ranged between 172 to 174 degrees Fahrenheit. The Physical Therapy Manager stated that the acceptable range was 150 to 170 degrees Fahrenheit and that the unit temperature could not be adjusted. Additionally, the Manager stated that although the hydrocollator unit was cleaned on a routine basis, the Manager was unable to provide documentation of the cleaning schedule.
    Review of the hospital policy and procedure, titled Hot Packs, identified that the hydrocollator unit temperature acceptable range is 150 to 170 degrees Fahrenheit. A second policy and procedure, titled Cleaning of Hydrocollator, identified that the hydrocollator unit will be cleaned on a monthly basis.

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

5. Based on observation and interviews, the hospital failed to have a Clinical Laboratory Improvement Amendment (CLIA) waiver in place for laboratory tests that are completed in the off-site Wound Center. The finding includes:
    a. During a tour of the off-site Wound Center, on 10/29/13 from 8:00 A.M. to 8:55 A.M., and interview with the Nurse Site Director and Secretary #3 identified that facility staff complete blood glucose tests and the Wound Center did not have a CLIA waiver in place. In addition interview with hospital laboratory Staff #1, on 10/29/13 during the tour, identified that the Wound Center did not require a CLIA waiver.

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b)Administration (2) and/or (f) Diagnostic and therapeutic facilities and/or (i) General (6).

6. Based on observation, interviews and review of hospital policy and procedure, the hospital failed to ensure that patient health protected information was secured. The finding includes:
    a. During a tour of the off-site Infusion Center on 10/29/13 from 9:03 A.M. to 9:40 A.M., with the Administrative Director and Pharmacist #1, patient records were observed to be stored. Interview with the Administrative Director and Pharmacist #1 failed to identify the mechanism in place that assured the patient records were secure after hours when the cleaning company had access to the patient records.
    Review of the hospital policy and procedure, titled Patients Rights and Responsibilities, identified that each patient has the right to confidential treatment of health protected

information.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

7. Based on review of clinical records, review of hospital policy and interviews for two of three patients who were admitted with alcohol intoxication (Patients #10, and #23) the facility failed to ensure that the patient was assessed for alcohol withdrawal in accordance with facility policy and/or for Patient #5, that withdrawal symptoms were treated. The findings include:
    a. Patient #10 was admitted to the psychiatric unit on 10/28/13 with a diagnosis that included alcohol dependence. The physician orders dated 10/28/13 directed vital signs as per the Clinical Institute Withdrawal Assessment (CIWA)/alcohol detox protocol. The physician orders also directed Ativan 2 milligrams every hour as needed for CIWA score of 10 or greater. The patient's CIWA score on the psychiatric unit dated 10/28/13 was "12" at 6:55 PM, Ativan was administered as ordered and the patient was not reassessed until 9:50 PM (almost 3 hours later) with a score of "3". Review of the Patient's record and interview with the Psychiatric Nursing Director on 10/28/13 at 11:30 AM noted that a patient with a CIWA score of greater or equal to 10 should be reassessed in one hour. The CIWA policy/protocol identified to begin patient assessment using the CIWA scale at least once every hour and assess every four hours for a CIWA score of less than 10.
    b. Patient #23 was admitted to the ED on 2/15/13 at 9:59 AM with a diagnosis of generalized overdose and alcohol and Xanax use. Laboratory results dated 2/15/13 identified that the patient's urine was positive for Benzodiazepine (Xanax) and blood alcohol level was 132 milligrams/diluent (reference range = 0-1 mg/dl). Physician notes indicated that the patient was very somnolent at 10:09 AM on 2/15/13 and approximately 15 hours later was more awake with complaints of nausea and headache at 3:31 AM on 2/16/13. Observation sheets noted that the patient was restless, agitated on 2/15/13 at 8:00 PM, 11:00 PM, 12:00 AM and on 2/16/13 at 3:00 AM. Physician notes and/or medication documentation dated 2/16/13 identified that the patient became physically aggressive, punched staff at 7:32 AM required restraints and sedating medications were administered at 7:47 AM and 9:28 AM. Nursing narratives dated 2/16/13 indicated that the patient contracted for safety, restraints were removed at 10:10 AM and the patient was placed back in restraints at 10:47 AM after striking a State police officer. The patient was subsequently arrested by the State Police. Nursing narratives dated 2/16/13 at 5:12 PM identified that MD #4 (psychiatrist) assessed the patient and believed the patient was experiencing alcohol withdrawal symptoms and had been under- medicated. Physician orders dated 2/16/13 at 7:30 PM directed CIWA per protocol. In addition, constant observation sheets dated 2/16/13 noted that the patient was in 4- point restraints, was climbing out of bed and was agitated, restless and hostile

at 10:47 AM, 11:00 AM and 12:00 PM. Progress notes by MD #5 dated 2/16/13 at 12:06 PM identified that Patient #23 continued to fight the restraints and will give additional medication. Although the constant observation sheets indicated that the patient exhibited the same behavior at 1:00 PM, review of the patient's record with the Psychiatric Nursing Director on 10/31/13 at 2:30 PM lacked documentation that additional medications were ordered and/or administered. Interview with the Chairman of Emergency Services on 10/30/10 at 11:20 AM noted that sedating medication for a patient admitted with both Benzodiazepine and alcohol overdose would be administered on an as needed basis to treat agitation. The facility CIWA policy/protocol identified that the purpose of the policy was to prevent alcohol withdrawal symptoms and once a patient is determined/screened and found to have alcohol dependence, the CIWA guidelines will be initiated. The policy further noted that the physician will initiate the protocol for management form and the RN will initiate the CIWA Guidelines form that included, in part, hourly assessments for alcohol withdrawal.

c. Patient #5 was admitted to the ED on 2/7/13 at 7:56 AM for Ambien addiction and initial blood alcohol level was 2mg/dl (reference range = 0-1mg/dl) although the patient denied drinking. ED physician history and physical dated 2/7/13 identified that the patient was alert, oriented and cooperative. Physician orders dated 2/7/13 at 10:02 AM directed to place the CIWA protocol on hold will try one dose of Ativan and Ativan 2 mg intravenous push was ordered and later administered at 11:21 AM. Nursing documentation of CIWA guidelines dated 2/7/13 indicated a score of "0" at 10:15 AM and 1:00 PM. The crisis consultation assessment dated 2/7/13 at 2:00 PM noted that the patient was slightly agitated and incorrectly identified that the patient's alcohol dependence was in early remission despite the patient's positive blood alcohol report. Patient #5 was voluntarily admitted to the psychiatric unit on 2/7/13 at 6:15 PM with a diagnosis of polysubstance/Ambien abuse. Patient #5's history and physical dated 2/7/13 at approximately 7:00 PM indicated that the patient had withdrawal sweats, was slightly anxious and plan included Ativan 1mg by mouth now and await further orders from the psychiatrist. Nursing narratives dated 2/7/13 identified that the patient was angry and upset at times during the admission process, refused the Ativan ordered by the hospitalist, and the psychiatrist was made aware. Nursing CIWA guideline documentation on the psychiatric unit for Patient #5 and/or interventions to monitor/reduce the patient's anxiety could not be provided. CIWA protocol orders and/or additional orders to prevent/treat the patient's withdrawal symptoms and/or anxiety following the patient's refusal of oral Ativan were not documented. Patient #5's nursing narratives and/or the facility adverse event reports dated 2/7/13 noted that, without warning, Patient #5 physically assaulted Patient #6, the patient received sedative medication and that Patient #5 reported having had auditory hallucinations. The facility CIWA policy/protocol identified that the purpose of the policy was to prevent alcohol withdrawal symptoms and once a patient is determined/screened and found to have

alcohol dependence, the CIWA guidelines will be initiated. The policy further noted that the physician will initiate the protocol for management form and the RN will initiate the CIWA Guidelines form that included, in part, hourly assessments for alcohol withdrawal. The facility multidisciplinary care plan policy directed that each member of the team assess the needs of the patient and implement a plan to meet those needs.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) (3), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

8. Based on a tour of the psychiatric unit, review of hospital documentation/ hospital practice and staff interviews the facility failed to ensure that patient treatment groups were conducted as per past practice and/or posted. The finding includes.
    a. A tour of the psychiatric unit was conducted on 10/29/13 with the Psychiatric Nursing Director. Census information noted that there were 15 patients on the psychiatric unit. Observations on 10/29/13 at 11:00 AM identified that the white board on the wall of the unit utilized to post group schedules was blank and the majority of the patients were in a group session. Interview with the Staff nurse and/or the Psychiatric Nursing Director on 10/29/13 at 11:00 AM indicated that they were unaware of the group schedule for the day and that the Occupational Therapist (OT) should have posted the schedule on the board. Review of the weekly group schedule and further interview with the Psychiatric Nursing Director on 10/29/13 at 11:15 AM noted that two groups were conducted on the day shift by the OT Monday through Friday and groups were not scheduled on weekends. He/she further indicated that four additional patient groups were once conducted on the day and evening shifts by mental health workers (MHW) and because seasoned MHW were required to train the (3) new MHW, the groups are conducted sporadically until staff is trained.

The following is a violation of the Regulation of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical Staff (2) and/or (d) Medical records (3) and/or (e) Nursing Services (1) and/or (i) General (6).

9. Based on review of clinical records, review of hospital policy and interviews for two of five patients who were admitted to the psychiatric in- patient unit (Patients #5, and #6) the facility failed to ensure the patients' right to receive treatment in a safe environment and/or document whether or not the patient was given the choice to notify law enforcement authorities following an assault. The finding includes:
    a. Patient #6 had a diagnosis of bipolar disorder, Patient #7 had a diagnosis of schizoaffective disorder and both patients resided on the psychiatric unit on 2/7/13. Patient #5 was voluntarily admitted to the psychiatric unit on 2/7/13 at 6:15 PM with a diagnosis of polysubstance abuse, Ambien detoxification and had an initial blood alcohol level of 2mg/dl (reference range = 0-1mg/dl). Patient #5's history and physical dated 2/7/13 indicated that the patient had withdrawal sweats, was slightly anxious and

plan included Ativan 1.0 mg by mouth now and await further orders from the psychiatrist. Nursing narratives dated 2/7/13 identified that the patient was angry and upset at times during the admission process, refused the Ativan ordered by the hospitalist, the psychiatrist was made aware and a revised plan to address the patient's symptoms was not documented. Patient #5's nursing narratives and/or the facility adverse event reports dated 2/7/13 noted that, without warning, Patient #5 choked and threatened to kill Patient #6 and as staff intervened, Patient #5 was punched and kicked by Patient #7. Subsequent to the event, hospitalist progress notes dated 2/7/13 and/or x-ray reports dated 2/8/13 for Patients #5 and #6 indicated that Patient #5 complained of left ankle pain and sustained a bruise and small hematoma to the right side of the face, Patient #6 complained of eye, jaw and neck pain, x-rays for Patients #5 and #6 were negative for fractures and Patient #7 denied new injuries/pain. Although Patient #5 was placed on close observation and received sedative medication immediately following the event, nursing narratives for Patient #6 identified that Patient #6 required a lot of emotional support and reassurance from staff, was extremely upset and barricaded his/her bedroom door on 2/8/13. Patient #5's medication administration record dated 2/8/13 and 2/9/13 noted that the patient required intermittent Motrin and the application of ice for complaints of pain. The facility policy for patient rights and responsibilities identified that the patient had the right to receive care in a safe environment and be free from all forms of abuse.

In addition, the follow- up documentation for the 2/7/13 adverse events questioned if the local law enforcement agency was contacted subsequent to the event and if any charges had been pressed. Review of Patient #5's, #6's and #7's record with the Psychiatric Nursing Director on 10/31/13 at 2:30 PM noted that the records lacked documentation that Patients #5 or #6 were afforded the option to notify local enforcement authorities. Although the facility did not have an in- patient policy that directed police notification following an assault, interview with the Chairman of Emergency Services on 10/30/13 at 11:20 AM indicated that anyone who is assaulted has the right to call police.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

10. Based on review of clinical records, review of hospital policy and interviews with hospital personnel for 1 of 3 patients (Patient #8), documentation failed to reflect that the hospital pain policy was followed. The findings include:
    a. Patient #8 was admitted to the hospital Emergency Department (ED) on 10/28/13 with left sided abdominal pain that was assessed on admission as unbearable 9-10 as identified on the numerical pain scale (0 -10, 9-10 unbearable). Review of the ED clinical record indicated that the patient received Morphine 5 milligrams (mg) intravenous push (IVP) at 8:25 AM and Dilaudid 1 mg IV at 8:59 AM. Review of the Pain Assessment and Management Policy identified that a reassessment of medication effectiveness would be completed post intervention. The record failed to reflect pain reassessment as per policy.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

11. Based on review of clinical records, review of hospital policy and interviews with hospital personnel for 1 of 3 patients (Patient #10) admitted to the hospital ED, documentation and interviews failed to reflect that the medication administration policy was followed. The findings include:
    a. Patient #10 was admitted to the ED on 10/27/13 with alcohol abuse. Review of the medical orders directed that the Clinical Institute Withdrawal Assessment for Alcohol **(**CIWA) scale patient assessment be initiated. Review of the CIWA Guidelines included administering an initial loading dose of Valium 20 mg by mouth for a score of < 10 on the CIWA scale. Review of Patient #10's CIWA score on 10/27/13 at 5:00 PM identified a score of 8, and the patient was given Valium 20 mg by mouth (po). Review of the Medication Administration Record failed to reflect that the Valium 20 mg po was administered.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (c) Medical staff (2) (B), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

12. Based on review of the clinical record, review of hospital policy, review of hospital documentation and interviews with hospital personnel for one patient (Patient #2) who sustained a fall, documentation and interviews failed to reflect the Fall Prevention Policy was followed. The findings include:
    a. Patient #2 was admitted to the hospital on 9/30/12 for congestive heart failure (CHF) and was noted to have a right facial droop. The Discharge Summary dated 10/2/12 identified that the patient was transferred back to the skilled nursing facility, and identified that Patient #2 sustained a fall and had hit his/her head and right shoulder during the hospitalization. The Summary noted that a head CT scan and shoulder x-ray were negative. Although the Physical Therapy Evaluation dated 10/1/12 identified that the patient was complaining of right lower extremity pain, physician progress notes and nursing documentation failed to reflect post fall assessments of including the patient's lower extremities. Review of the Ruby Slipper Fall Prevention Program Policy identified that the Post Fall Protocol included assessment and documentation: date, time, place of fall, patient complaint of injury, patient recall of the event, level of consciousness, loss of consciousness, vital signs every 15 minutes x 4, neurological check, ambulatory devices, MD and family notification. Review of record, review of hospital documentation and interview with Nurse Director #2 on 10/30/13 at 1 PM identified that the clinical record failed to reflect the fall documentation as per protocol. Patient #2 was readmitted on 10/3/13 with a right femur fracture, an acute MI and renal failure and expired on 10/4/12 at 5:02 PM.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (c) Medical staff (2)(A), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

13. Based on review of the clinical record, review of hospital policy and interviews with hospital personnel for one patient (Patient #2) who expired, documentation and interviews failed to reflect that the hospital death pronouncement policy was followed. The findings include:
    a. Review of the Discharge Summary dated 10/2/12 identified that Patient #2 was admitted on 9/30/12 for congestive heart failure (CHF) and was noted to have a right facial droop. The patient had a past medical history that included CHF, cerebral vascular accident (CVA), coronary artery disease (CAD) and hypertension (HTN). During the hospitalization, the patient was diuresed with Lasix, was ruled out for a myocardial infarction (MI) and the echocardiogram demonstrated an ejection fraction of 55% with no significant disease. A bilateral carotid doppler showed no major disease. The Discharge Summary identified that the patient had a fall during the hospitalization and had hit his/her head and right shoulder. The head CT scan and shoulder x-ray were negative and the physical therapy evaluation identified that Patient #2 was not a candidate for physical therapy. Review of the clinical record identified that the patient was transferred to the long term care facility on 10/2/13. Patient #2 was readmitted on 10/3/13 with right hip pain and a right femur fracture. Review of the Discharge Summary dated 10/4/12 identified that the patient was also admitted with an acute MI and renal failure. The patient expired on 10/4/12 at 5:02 PM and was pronounced by a registered nurse (RN). Review of the Pronouncement of Death by a Registered Nurse Policy identified that the physician orders would include a Do Not Resuscitate (DNR) order and documentation of anticipated death with a Nurse Pronouncement Order. Review of the clinical record failed to reflect the DNR, anticipated death and/or Nurse Pronouncement Order.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (c) Medical staff (2)(B), and/or (d) Medical records (3), and/or (i) General (6).

14. Based on review of the clinical record, review of hospital policy, review of hospital documentation and interviews with hospital personnel for one patient (Patient #1) admitted to the hospital, documentation and interviews failed to reflect that the patient's History and Physical (H & P) was reviewed for accuracy. The findings include:
    a. Patient #1 was admitted to the hospital on 7/26/13 with shortness of breath and a history of prostate cancer and melanoma. Review of the clinical record, review of hospital documentation and interview with the Director of Quality on 10/30/13 at 10:45 AM identified that the H & P dated 7/26/13 had a transcription error and it was incorrectly authenticated by PA #3 (indicating an incorrect current diagnosis of lung cancer rather than metastatic cancer). Interview with the HIM Director on 10/30/13 at 12:30 PM identified that the provider reviews the clinical record for accuracy and then signs the document electronically. Documentation and interviews failed to reflect that the H & P

was reviewed for accuracy by PA #3.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (3) and/or (c) Medical Staff (B) and/or (d) Medical Records (3), and/or (e) Nursing Service (1) and/or (g) Pharmacy (1)

15. Based on observation, review of hospital policy and procedure, and interviews related to medication management in the Emergency Department (ED), the hospital failed to ensure that controlled medications stored in the automated medication dispensing system (accudose) can only be dispensed and/or administered upon the specific order of a hospital physician or licensed independent practitioner (LIP) and/or in accordance with hospital policy. The findings include:

    a. Tour of the Emergency Department (ED) and interview with the Senior Director of Nursing Service (Sr DNS) on 10/29/13 at 11:30 AM identified that in the ED only, controlled medications can be removed from the accudose machine, without a physician's order, by entering the name of a patient currently in the ED and retrieving any medication available in the machine. The patient medication profile, including all orders, does not appear on the accudose machine. In order to check the patient's orders prior to retrieving the medication from the accudose machine, the nurse must refer to another computer system where physician's orders and medication administration are documented. Although the accudose machine produces a discrepancy report at the end of each shift, the report does not identify if medications were dispensed without a corresponding physician's order.
    Tour and interview with the Director of Pharmacy on 10/29/13 at 1:10 PM identified that that the pharmacy is not involved with tracking controlled medications administered without a physician's order in the ED. The in-patient unit accudose machines generate an override list of controlled medications administered on each unit daily that includes the patient's name, medication retrieved, and nurse who requested and retrieved the medications. The Pharmacist reviews the list and determines whether a pattern of controlled medication administration is suggestive of possible diversion. This process is not followed in the ED as the accudose machine is unable to generate an override list. The Director of Pharmacy identified that the Sr. DNS and RN #10 are responsible for monitoring controlled medication use in the ED monthly.

    Interview with Sr. DNS and RN #10 on 10/30/13 at 1:00 PM identified that once a year, in January, they audit controlled medication administration by retrieving a list of all controlled medications administered within a 24 hour period generated by a computerized medication documentation system. This list is then compared with data retrieved from the accudose system for the same period. The audits include checking for physician's orders and corresponding nursing documentation as well of review of all documented occurrences of controlled medications that were disposed of ("wasted"). Additionally, an accudose report might be obtained and verified with other documentation intermittently if a concern was brought to their attention.

    Review of a hospital policy entitled Hospital Wide System for Medication

Administration identified that a medication can only be given upon the specific order of a hospital physician or LIP. Additionally, all medication orders are to be reviewed for completeness.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (3) and/or (c) Medical Staff (B) and/or (d) Medical Records (3) and/or (e) Nursing Service (1).

16. Based on review of clinical records, hospital investigation, hospital policies, and staff interviews for one of four patients who received care and services in the ED, (Patient #16), the hospital failed to ensure that Physician's Assistant (PA) #1 signed the electronically generated prescription prior to the patient's discharge. The findings include:
    a. Patient #16 presented to the ED on 10/08/13 at 2:09 PM with chief complaint of skin rash and was examined by PA #1 at 2:46 PM. Benadryl and Prednisone were administered. At 3:26 PM a second dose of Benadryl was administered and the patient was discharged to home at 4:15 PM.
    Interview with the Chairman of Emergency Medicine on 10/29/13 at 3:45 PM identified that the ED physicians documented electronically and prescriptions contained an electronic signature that appeared in their individual handwriting. Physicians lacked access to the print function on the computers; therefore, the nurses were required to print the discharge instructions from one printer, and the discharge prescriptions from another prescription specific printer. Each prescription was printed with the physician's electronic signature. It was hospital protocol that the nurse would provide the physician with the printed prescription for a pen to paper signature prior to providing the discharge information to the patient. The procedure had been in place for all discharge prescriptions for approximately 1.5 years.

    Review of the clinical record and hospital investigation identified that Patient #16's discharge prescriptions lacked PA #1's pen to paper signature.
    Interview with the Chairman of Emergency Medicine identified that the ED physicians know to look for the nurse so the prescriptions can be signed before the patient discharge and it is the physician's responsibility to ensure that the prescriptions are signed timely.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 Short Term Hospitals, General and Special (a) Physical Plant.

17. During a tour of Johnson Memorial Hospital on 11/20 & 11/21 2013, while accompanied by the Physical Plant Director, Compliance Officer and the St Francis Director of Bio-Medical Engineering, and subsequent documentation review on 11/21/13, the following were observed:
    a. The surveyor, while accompanied by the Compliance Officer and the Labor & Delivery Nursing Supervisor observed that all of the patient, electric beds throughout the Labor & Delivery Nursing Unit lacked valid, current & non-expired preventive maintenance stickers and the facility failed to provide documentation

that all patient care electrical devices are inspected as required by NFPA 99,"*Health Care Facilities*", section 7-5.1.3, 7-5.2.2.1 and 7-6.2.1.2 and as part of the facility's preventive maintenance program; i.e. either no stickers, expired stickers and no documentation to indicate p.m.'s or electrical safety checks (see field notes for types, times & locations);

b. The surveyor, while accompanied by the Compliance Officer observed that both (2) of the hydroculators within the Physical Therapy Nursing Unit lacked valid, current & non-expired preventive maintenance stickers and the facility failed to provide documentation that all patient care electrical devices are inspected as required by NFPA 99,"*Health Care Facilities*", section 7-5.1.3, 7-5.2.2.1 and 7-6.2.1.2 and as part of the facility's preventive maintenance program; i.e. labels indicate re inspection of equipment was due in October 2013;
c. The surveyor, while accompanied by the Compliance Officer, the Engineering Technician and the St Francis Director of Bio-Medical Engineering observed that the remote, bulk oxygen fill valve located on the outside of Johnson Surgery Center was not locked or provided with a means to secure the valve, as required by NFPA 99,"*Health Care Facilities*";i.e. cabinet for filling valve and openings found in the open position;
d. The surveyor, while accompanied by the Compliance Officer, the Engineering Technician and the St Francis Director of Bio-Medical Engineering observed that the corridor in the 1st floor of the building that houses the Johnson, satellite, out-patient, behavioral/substance abuse program at 153 Hazard Avenue was not properly separated from all other parts of the building, as required by the "Life Safety Code"; i.e. non-sprinklered Business Occupancy:
    i. The staff keeps the door between the entry of tenant space and the exit stair enclosure held open with a rug;
    ii. The staff places wedges in the doors throughout the tenant space to keep them open;
    iii. The self-closing device on the fire door in the middle of the tenant space has been disabled so that the door can remain open.
e. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the facility fire alarm at the Johnson, satellite, out-patient, behavioral/substance abuse program at 153 Hazard Avenue is being inspected, tested & maintained every 6 (six) months as required by NFPA 72,*"National Fire Alarm Code* "and by the facility's procedures & policies; i.e. last fire alarm inspection report provided was from 2012;
f. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the facility fire dampers at the main campus building that were identified in the 05/04/10 Fire Damper Inspection Report by Freeman Air have been properly addressed, as required by NFPA 90A, *"Standard for the Installation of Air Conditioning and Ventilation Systems"*; i.e. while some of the repairs are complex and require an RFP, some of the easier issues could have been repaired by now;

g. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the fire drills at the Main Campus Building were being conducted at unexpected times under varying conditions as required by 19.7.1.2; i.e. all the 1st shift drills in the last year have been conducted between 12:45 and 1:00 PM;
h. The surveyor was not **p**rovided with **d**ocumentation by the Physical Plant Director to indicate that the fire drills at the Main Campus Building were being conducted in accordance with section # 19.7.1 of the "*Life Safety Code"*; i.e. no 2nd shift drill conducted in 2nd quarter of 2013 and no 3rd shift drill conducted in 3rd quarter of 2013;
i. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the fire drills at the Johnson, satellite, out-patient, behavioral/substance abuse program at 153 Hazard Avenue were being conducted in accordance with section # 19.7.1 of the "*Life Safety Code"*; i.e.no fire drill reports available for the last 12 months;
j. The surveyor, while accompanied by the Compliance Officer and the Labor & Delivery Unit Nursing Supervisor observed that the windows in the patient rooms throughout the Labor & Delivery Nursing Unit were not designed to protect the physical security of infants, parents & staff and DO NOT minimize the risk of infant abduction, as required by section # 2.2-2.12.1.3 (1) & (2) of the *"Guidelines for Design and Construction of Health Care Facilities*";i.e. several of the windows can be opened-nursing unit is a grade level-windows all were screwed closed at one time;
k. The surveyor was not provided with documentation, a policy or logs from the Compliance Officer, the Labor & Delivery Unit Nursing Supervisor or the Physical Plant Director to indicate that the alarm that is installed on the exit door from the Labor & Delivery Nursing Unit is tested, inspected or maintained at any time as required by section # 2.2-2.12.1.3 of the *"Guidelines for Design and Construction of Health Care Facilities*";i.e.; the Labor & Delivery Unit Nursing Supervisor was unsure of any testing when asked.
l. The surveyor while accompanied by the Physical Plant Director observed that the adult and adolescent psychiatric unit had light fixtures in the bathrooms that lacked tamperproof screws had corners that could be possible ligature points, Med Gas outlets with covers that had looped chains, shower curtain brackets affixed with non-tamper resistant screws and gaps along the edges, and door hinges that posed a potential hanging hazard and were not designed to a psychiatric institutional standard. These items had been identified in a previous inspection and a risk based analysis conducted by the facility prior to this inspection was completed but with no definitive completion date to abatement these hazards;
m. The surveyor and Physical Plant Director during documentation review of the water treatment records for the acute dialysis reverse osmosis machines identified that water was not maintained in accordance with AAMI standards for reverse osmosis water for reverse osmosis machine #1. Review of the water test for 10/11/13 had abnormal water results for calcium. The facility contracts for dialysis services with DaVita Dialysis and was unaware of this test result. The machine had not been used for a treatment after the

last test was drawn and subsequent to surveyor interview the reverse osmosis machine #1 was immediately marked not for patient use. The contractor Da Vita Dialysis couldn’t explain why this redraw and removal of the machine had not happened prior to surveyor review; the contractor immediately redrew the sample on the day of survey and disinfected the machine. The machine will not be used for treatments until a sample within AAMI Guidelines is received.

Klett, Maureen

From: Klett, Maureen
Sent: Friday, March 06, 2015 4:59 PM
To: 'Rosenberg, Stuart E'
Subject: RE: State Citation Letter March 4, 2015

Stu,

I have accepted your plan of correction to the violation letter dated March 4, 2015, as of today March 6, 2015. A follow up visit will be scheduled.

Maureen

From: Rosenberg, Stuart E [mailto:Stuart.Rosenberg@jmmc.com]
Sent: Friday, March 06, 2015 12:40 PM
To: Klett, Maureen
Cc: Kamyk, Karl P; Jagoe, Patricia; Kondracki, Ann; Verny, Kristina L
Subject: State Citation Letter-March 4, 2015

Ms. Klett:

Attached is Johnson Memorial Hospital's Corrective Action Plan (COP) for the above referenced subject matter. Please advise if you approve this COP. As I stated in my letter to you re: CMS COP we are requesting an expedited process for the State review as well.

If you should have any questions please let me know.

Best Regards,

Stu

Stuart E. Rosenberg
President and CEO
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076
Phone: (860) 684-8101
Fax: (860) 684-8165
Email: stuart.rosenberg@jmmc.com

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STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

January 7, 2015

Stuart Rosenberg, President & CEO
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

Dear Mr. Rosenberg:

Unannounced visits were made to Johnson Memorial Hospital commencing on July 16, 2014 and concluding on November 25, 2014 by representatives of the Facility Licensing and Investigations Section of the Department of Public Health for the purpose of conducting multiple investigations and a certification inspection.

Attached are the violations of the Regulations of Connecticut State Agencies and/or General Statutes of Connecticut which were noted during the course of the visits.

An office conference has been scheduled for January 23, 2015 at 10:00 A.M. in the Facility Licensing and Investigations Section of the Department of Public Health, 410 Capitol Avenue, Second Floor, Hartford, Connecticut. Should you wish to retain legal representation, your attorney may accompany you to this meeting.

You may wish to dispute the violations and you may be provided with the opportunity to be heard. If the violations is/are not responded to by January 21, 2015 or if a request for a meeting is not made by the stipulated date, the violations shall be deemed admitted.

Please prepare a written Plan of Correction for the above mentioned violation(s) to be presented at this conference.

Each violation must be addressed with a prospective Plan of Correction which includes the following components:

1. Measures to prevent the recurrence of the identified violation, (e.g., policy/procedure, inservice program, repairs, etc.).
2. Date corrective measure will be effected.
3. Identify the staff member, by title, who has been designated the responsibility for monitoring the individual plan of correction submitted for each violation.

Alternate remedies to violations identified in this letter may be discussed at the office conference. In addition, please be advised that the preparation of a Plan of Correction and/or its acceptance by the Department of Public Health does not limit the Department in terms of other legal remedies, including but not limited to, the issuance of a Statement of Charges or a Summary Suspension Order and it does not preclude resolution of this matter by means of a Consent Order.

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

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

Should you have any questions, please do not hesitate to contact this office at (860) 509-7400.

Respectfully,

Cheryl Davis, R.N., B.S.N.
Supervising Nurse Consultant
Facility Licensing and Investigations Section

CAD:lsl

CT #'s 16514, 17084

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (2)(A) and/or (4)(A) and/or (e) Nursing Service (1) and/or (g) Pharmacy (1) and/or (2) and/or (3) and/or (i) General (6) and/or (l) Infection control (2)(A) and/or (B) and/or (3) and/or (4).

1. *The Governing body failed to function effectively to ensure reports received from Contamination Control Service Specialists (contracted services) were comprehensive and/or complete. (Please refer to A83) and/or that mold/fungus growth in the IV Infusion Center and hospital Pharmacy were reported to the governing body for review and appropriate action.
    a. Based on a review of facility documentation, contractor reports, interviews, and quality plans, the following was ascertained:

    Review of reports completed by Company #1 (contracted service who provides environmental testing) during the period of January 2013 through August 2013 for the IV Infusion Center compounding rooms identified mold growth in various areas in air and surface samples. There was mold growth in October, November, and December 2013. No issues were seen in January 2014 but fungi was again seen in February 2014. No issues were seen in April 2014. There was fungi growth in May and June 2014.

    The first action plan provided by the Pharmacy Manager is dated 4/10/14 for the mold growth seen in February 2014. The Manager was unable to speak to issues prior to employment date of February 1, 2014. It is a "rolling" plan where items are added but failed to address each specific finding in the contractor reports (refer to violation #2 for specific issues). The action plan for 4/10/14 states "passed USP-797 standards but needs corrective action" despite mold growth on surfaces in the ante and chemo buffer areas. There are no action plans seen before 4/10/14.

    During interview on 7/17/14 at approximately 5:15 PM, the Pharmacy Manager stated that s/he informed team members in infection control, environment of care and building services of the mold issue in the pharmacy and notified others via email, however, was unable to provide documentation that supported this. The Manager further stated that an action plan was developed that went to the environment of care committee in June 2014 to include HVAC revision, however, no date of work was identified as IV compounding continued at the infusion center until 7/8/14, when the compounding room at the infusion center was closed.

    Review of the Environment of Care meeting minutes dated 4/16/2014 and attended by Assistant Vice President (AVP) #1, Director of Engineering, Pharmacy Manager and Infection Control Nurse #1, identified that there were concerns of not meeting the requirements of USP-797 for intravenous compounding secondary to the increasing temperatures greater than 68 degrees Fahrenheit and increasing humidity greater than 70%. An undersized HVAC system had been identified in August 2013, as the cause for the increasing humidity levels.

During interview on 7/22/14 at 12:50 PM, the Director of Engineering stated that the former CEO/VP of Patient Care had been aware of the mold issues. Although the issue of mold had been discussed at several EOC (environment of care) meetings, less expensive changes (i.e.., covering the windows in one room) were made with a plan to address the HVAC system in the future.

b. Review of reports completed by Company #1 & Company #2 (contracted service who provides environmental testing) for the Hospital Pharmacy compounding rooms, identified mold growth in various areas in air and surface samples in February 2013, June 2013, and July 2013, with the February 2013 surface sample at the edge of the BSC.

There were no action plans to show any remediation was completed to address these findings.

The February 2014 samples show an actionable level of CFU's (195) in the ante room sink surface sample. There is no action plan to show any remediation was done to address these findings or re-testing done. As of 7/18/14, no EM tests were done in the room since to ensure that sanitary conditions exist.

Review of the Pharmacy & Therapeutics (P&T) meeting minutes during the period of 1/31/13 through 5/28/14, identified that committee members included in part, VP of Patient Care, AVP #1, ICN #1 and Pharmacy Director. The minutes failed to indicate a concern of mold/fungi growth at the IV Infusion Center and/or hospital pharmacy although members were aware of the issues.

Review of the Infection Control Meeting minutes during the period of 1/13 through 7/14 identified that committee members included in part, ICN #1, Pharmacy Director, MD #2, VP of Patient Care, and environment/engineering representation. The minutes failed to indicate a concern of mold/fungi growth at the IV Infusion Center and/or hospital pharmacy although members were aware of the issues.

Review of the Environment of Care Committee (EOC) minutes during the period of 8/13 through 6/18/14 identified that committee members included in part, Director of Engineering, VP of Patient Care, AVP #1, ICN #1 and Pharmacy Director. The minutes reflected humidity issues at the infusion center pharmacy due to undersized HVAC system and ongoing mold issues. Although the EOC committee reports to the Quality Committee of the Board (members include in part, VP of Patient Care and Pharmacy Director) who in turn report to Governing Body, Quality minutes failed to indicate a problem with mold despite members knowledge of this issue.

Review of the Medical Executive Committee minutes (reports to Governing Body) during the period of 1/9/13 through 5/11/14, failed to reflect any notification from the

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

Infection Control Committee and/or the P&T committee (report to Medical Executive committee) regarding evidence of mold in the environmental testing studies for the pharmacy compounding rooms although members from those committees participated in Medical Executive committee meetings and were aware of the issues.
Review of the Governing Body meeting minutes during the period of 1/14/13 through 6/2/14 failed to reflect any acknowledgement that during that period of time, the hospital's pharmacy and outpatient infusion center had grown mold within the compounding areas of the pharmacy. Although the infusion center had been closed during the month of August to September 2013, in an attempt to remediate the problem of mold growth, the Governing Body narratives failed to reflect an oversight of knowledge and/or conformation of the problem and how it was to be handled despite the fact that the mold growth continued at the offsite infusion center. In addition, minutes failed to reflect commencement of the new contract signed in May 2014 with Company #2, to provide testing and certification services to the pharmacies.

During interview on 7/23/14 at 9:15 AM, AVP #1 stated that he/she was unaware of the mold growth problem until 7/8/14, when the issue was brought to the attention of the CEO and the infusion center was closed for remediation. Review of the Environment of Care (EOC) meeting dated March 19, 2014 identified that the clean room did not pass inspection and AVP #1 questioned if the room was "ok" to use. The EOC meeting minutes dated 4/16/14, reflected that AVP #1 was present when the Pharmacy Manager identified mold/fungus was present in the IV infusion center secondary to high temperatures/humidity/room pressures which did not meet the standards of USP-797 for compounding intravenous solutions.

During interview on 7/16/14 at 9:30 AM, the CEO stated that structural changes have been made within the organization with an expectation that pertinent data be forthcoming in an effort to address significant issues and ensure quality care is delivered.

According to the Corporate Quality Improvement Plan for 2014, financial and medical information is utilized to identify improvement opportunities and support the success of corrective actions.

Review of the Quality Assessment Plan identified that the Board of Directors had the ultimate responsibility for ensuring the quality and effectiveness of patient care services provided by its medical and other professional and support staff.

2. *Based on observation, review of facility documentation, contracted service reports, interviews, and policy review, the Governing body failed to ensure the hospital's Quality program assessed services provided by two contractors' to identify quality and performance issues. The findings include the following:

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

a. The IV Infusion Center (Enfield location) was opened by the hospital on March 12, 2012. Review of the testing and certification report dated February 12, 2014, completed by Contamination Control Service Specialists, Company #2, identified the following discrepancies:
   i. The positive pressure from the IV buffer area to the ante area was too low.
   ii. The positive pressure from the ante area to the outside was too low.
   iii. The chemo buffer area failed to qualify for ISO7.
   iv. The humidity seen in all three rooms ranged from 12.5% to 13.1%.
   v. The Room Air Exchange Rate in the ante room incorrectly listed acceptance criteria even though the actual number meets USP-797 standards.
   vi. The particle counts for the chemo buffer area noted in two sections of the report (particle counts and in statistical analysis) do not match.

b. Review of the testing and certification report dated April 2, 2014, completed by Company #2, identified the following discrepancies:
   i. Completed a pressure reading between the rooms. The positive pressure from the ante room to the outside was too low.

c. Review of the testing and certification report dated May 30, 2014, completed by Company #2, identified the following discrepancies:
   i. There is no mention if this certification was done under dynamic conditions.
   ii. The acceptance criteria for the Room Air Exchange Rate in the ante room was incorrectly listed (the actual number meets the standards).
   iii. The ante area is classified as ISO8 even though it should be classified as ISO7 due to chemo buffer area coming off the ante area.

   The facility was unable to provide documentation of follow-up or action plans that the above discrepancies were addressed, remediated and/or that re-testing had occurred.

d. Review of the environmental testing, completed by Company #1 during the period of January 2013 through January 2014, identified the following concerns:
   i. No temperature or dates of incubation.
   ii. Although testing start and completion dates were noted, the report failed to identify dates the samples were taken.
   iii. No documentation if the air samples were volumetric impaction collections.
   iv. No sampling (air or surface) done in the PEC until December 2013.
   v. With the exception of September 2013, no documentation of lot number and expiration dates of the media used. Additionally documentation failed to reflect whether the growth media had neutralizing agents for the surface samples.
   vi. The sample plan was incorrect, showing a BSC in the IV buffer room instead of an LAFW.

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

e. Review of the environmental testing, completed by Company #2 for the February 2014 and April 2014 reports, identified the following concerns:
   i. No temperature or dates of incubation.
   ii. February and April 2014 reports had errors showing the ante room as an ISO8 area which changes the colony forming units (CFU) actionable levels.
   iii. Additionally, the sampling plan reflects tables where none exist in the ante room (surface sample marked S9). In February 2014, no sink was marked in the ante room but was identified as a table in the sampling plan.

   The facility was unable to provide documentation that these errors were addressed.

f. Review of the hospital pharmacy certification reports completed on 7/10/13 and 2/12/14 identified the following concerns:
   i. The 7/10/13 report, showed the positive pressure in the ante room to the outside to be 0.01 inches of water column, which was too low (needs to be between 0.02 -0.05 inch of water column) and the room failed under pressurization.
   ii. The humidity seen in the buffer area ranged from 89.8% to 93.5% for the four readings taken and 86.5% to 86.9% for the 3 readings done in the ante area (facility standard between 30 and 60%).
   iii. The 2/12/14 report, showed the humidity as 8.3% to 8.9% in the ante room and 8.1% to 8.3% in the buffer area. There was no explanation for these numbers and how they compare to the last report.

   There was no action plan to identify what was done to correct these issues.

   During interview on 7/17/14 at 10:40 AM, the Pharmacy Manager stated he/she began employment on February 1, 2014, therefore the 7/10/13 report would have been addressed to the previous Pharmacy Manager. The Manager indicated that his/her concern with the contractor included communication issues and untimely reports. The Manager failed to recognize issues within the reports that required immediate follow-up to ensure a safe environment was maintained.

   During interview on 7/23/14 at 10:20 AM, AVP #1 stated that when a contract was due to be reviewed, it went to quality metrics, a separate group, for a legal review, rather than a quality review prior to renewing the contract.

   Review of the corporate structure for committee reporting identified that the Environment of Care and Quality Improvement Committee report directly to the Quality Committee of the Board while all other committees (Infection Control, Pharmacy and Therapeutics) all report to the Medical Executive Committee. According to the Corporate Quality Improvement Plan for 2014, financial and medical information is utilized to identify improvement opportunities and support the success of corrective actions.

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THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

3. *Based on a review of hospital documentation, contractors' reports, interviews, and policies, the hospital failed to develop quality performance improvement activities regarding high risk area's including the IV compounding rooms in the Pharmacy and the IV infusion center (offsite location) and/or had an effective reporting structure through the various committees that report to Governing body to ensure appropriate intervention when mold was identified in the IV infusion center dating back to 1/13 and the hospital's pharmacy on 2/13. The findings include the following:
    a. Review of reports completed by Company #1 & Company #2 (contracted service who provides environmental testing) during the period of January 2013 through August 2013 for the IV Infusion Center compounding rooms show mold growth in various areas in air and surface samples. The September 2013 sampling was done after a terminal clean of the facility and no issues are seen. There was mold growth in October, November, and December 2013. No issues were seen in January 2014 but fungi was again seen in February 2014. No issues were seen in April 2014. There was fungi growth in May and June 2014.

    Review of the hospital pharmacy EM testing reports, performed by Company #1 and/or #2 identified mold growth in various areas in air and surface samples in February 2013, June 2013, and July 2013, with the February 2013 surface sample at the edge of the BSC.

    The February 2014 samples show an actionable level of CFU's (195) in the ante room sink surface sample. There was no action plan to show any remediation was completed to address these findings and/or re-testing completed. As of 7/18/14, no EM tests were done in the room since to ensure that sanitary conditions exist.

    Review of the Infection Control Meeting minutes during the period of 1/13 through 7/14 identified that committee members included in part, ICN #1, Pharmacy Director, MD #2 (Chairperson), VP of Patient Care, and environment/engineering representation. The minutes failed to indicate a concern of mold/fungi growth at the IV Infusion Center and/or hospital pharmacy although members were aware of the issues. The Infection Control committee failed to institute measures (e.g. surveillance) to remediate mold growth in the Pharmacy compounding rooms.

    During interview on 7/18/2014 at approximately 2:20 PM, the Infection Control Nurse (ICN #1) stated that s/he did know of the mold problem at the outpatient infusion center however, did not complete surveillance rounds of the pharmacy compounding room at the IV Infusion center or the hospital pharmacy. ICN #1 further stated that MD #2 (Infectious disease physician) was aware of the mold problem and suggested that it could be coming from the air handling system however, ICN #1 failed to document any suggestions and/or bring the matter before the Infection Control Committee.

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During interview on 7/17/14, MD #1 (Medical Director of Infusion Center) stated that s/he was first aware of a mold problem approximately one year ago (August 2013) when the infusion center closed for one month for remediation of the problem. MD #1 stated that the Program Director of the Infusion center notified him/her of the mold growth problem in May 2014, however, was unaware of the plan to remediate of the problem.

During interview on 7/22/14 at approximately 11:30 AM, the Nurse Manager of the IV Infusion Center was unable to recall the exact date s/he was notified of the mold issue but had a peripheral awareness of the issue. The Manager explained s/he was responsible for the Infusion Center and that Pharmacy was a separate department where they obtained medications for their patients'. The Nurse Manager stated there were no formal meetings and/or discussion with the infection control department regarding this issue and/or assessment regarding how this affected the safety of the patients treated at the infusion center.

During interview on 7/22/14 at 10:00 AM, the IV Infusion Center Program Director stated the previous pharmacy Manager had notified him/her of the mold problem, however, was unable to provide an exact date of awareness. The Director stated s/he had notified the Medical Director (MD#1) of the issue in August 2013 when the decision to close the compounding room was made, however, did not contact the Infection Control Department as s/he relied on the experts (Engineering and Pharmacy Manager) to address the issues which included reopening of the compounding room on September 23, 2013. The Director further identified that the previous VP of Patient Care Services (no longer employed at the hospital) was aware of the ongoing mold issues.

b. Review of the Pharmacy & Therapeutics meeting minutes during the period of 1/31/13 through 5/28/14, identified that committee members included in part, VP of Patient Care, AVP #1, ICN #1 and Pharmacy Director (Secretary). The minutes failed to indicate a concern of mold/fungi growth at the IV Infusion Center and/or hospital pharmacy although members were aware of the issues.

Review of a memo dated 3/24/14 to IV Infusion Center staff (signed by 7 staff members) from the Pharmacy Manager identified that based on the mold problem on the walls last year and fungi growth on the chemo and anteroom table during last month (2/14) steps to improve environment controls to minimize fungi/mold growth in the mixing (buffer) rooms must be taken. The Manager and the Microbiologist from company #2 strongly suspect that the HVAC system might be the primary culprit since it is not a dedicated Pharmacy system and temperature and humidity controls are not adequate and this concern is being addressed at the administrative level.

During interview on 7/17/14 at approximately 5:15 PM, the Pharmacy Manager stated that s/he told the team members of infection control, environment of care and building services of the mold issue in the pharmacy and notified others via email, however, was unable to provide documentation that supported this. The Manager further stated that an

action plan was developed that went to the environment of care committee in June 2014 to include HVAC revision however, no date of work was identified as IV compounding continued at the infusion center until 7/8/14, when the compounding room at the infusion center was closed.

c. Review of the Environment of Care Committee (EOC) minutes during the period of 8/13 through 6/18/14 identified that committee members included in part, Director of Engineering (Chairperson), VP of Patient Care, AVP #1, ICN #1 and Pharmacy Director. The first notation regarding a concern of mold/fungi growth at the IV Infusion Center and/or hospital pharmacy was dated 4/16/14 with interventions that included, in part, to wipe down all surfaces in the chemo and infusion mixing rooms, all vials and IV bags with IPA (Isopropyl Alcohol), verify floors were properly cleaned at night, staff were to wear new booties everytime they enter the anteroom, removal of cardboard and trash from the area and fix the floor seal. Although the EOC committee reports to the Quality Committee of the Board (members include in part, VP of Patient Care and Pharmacy Director) who in turn report to Governing Body, Quality minutes failed to indicate a problem with mold despite member's knowledge of this issue.

During interview on 7/22/14 at 12:50 PM, the Director of Engineering stated that the former CEO/VP of Patient Care Services had been aware of the mold issues and that s/he had been working to remediate the problem.

During interview on 7/23/14 at 9:15 AM, AVP #1 stated that s/he was unaware of the mold growth problem until 7/8/14, when the issue was brought to the attention of the CEO and the infusion center was closed for remediation. Review of the Environment of Care (EOC) meeting dated March 19, 2014 identified that the clean room did not pass inspection and AVP #1 questioned if the room was "ok" to use. The EOC meeting minutes dated 4/16/14, reflected that AVP #1 was present when the Pharmacy Manager identified mold/fungus was present in the IV infusion center secondary to high temperatures/humidity/room pressures which did not meet the standards of USP-797 for compounding intravenous solutions.

Although members of several committees had knowledge of the mold issues, these members failed to ensure data was incorporated into the Medical Executive Committee and/or Quality Committee of the Board who report directly to the Governing Body.

Review of the Corporate Quality Assessment Plan identified that the Board of Directors had the ultimate responsibility for monitoring all aspects of patient care and safety. The primary goal of the Quality/Performance improvement plan is to systematically plan, design, measure, assess and improve performance of hospital wide key functions and processes relative to patient care and safety; and to improve healthcare outcomes while reducing and preventing errors and preventable adverse outcomes.

d. When asked if the hospital conducted a risk analysis to determine if the positive mold/fungal cultures could potentially impact the health of the patients, interviews with the Director of the Infusion Center and Nurse Manager on 7/22/14 and MD #2 on 7/28/14 failed to reflect that this was done.

On 7/18/14, the hospital arranged for the IV Infusion Center Treatment Room (where patient's received care & services) to be environmentally tested. Review of the report identified that during this testing period, the area (indoor) mold spores were significantly above recommended guidelines and required attention. Possible Causes include: inadequate filtration of the outdoor air, either at the building or test area level and improper building pressurization allowing unfiltered outdoor air to penetrate this space.

4. *Based on observation, review of facility documentation, contractor reports, interviews, and policy review, the hospital failed to provide the necessary supervision of Pharmacy services to ensure that IV compounding rooms were tested/certified in accordance with federal and state laws (USP-797) and/or that mold growth in the IV compounding rooms dating back to 1/13 was addressed in a timely manner, and/or that quality services were provided by a contracted service. The findings include:

a. The IV Infusion Center (Enfield location) was opened by the hospital on March 12, 2012. The facility was unable to provide evidence that certifications were done when the facility was first opened and prior to compounding. Certification involves airborne non-viable particle counting (determining of ISO classification), airflow testing and smoke pattern test, room pressurization, HEPA filter leak test, general temperature and humidity.

During interview on 7/17/14 at 10:40 AM, the Pharmacy Manager stated s/he started employment on February 1, 2014 and that it was the Manager's responsibility to arrange for any testing required at the facility. The Manager was unable to provide documentation that certification was completed. Interview with AVP #1 on 7/22/14 at 2:00 PM stated the contracted company was contacted and was unable to provide documentation that the room was certified prior to compounding medications as required. Documentation was not provided to the surveyor that identified the date compounding of medications commenced.

b. Review of work orders during the period of 2012 and 2013 identified that floors were fixed and then replaced in the ante area as explained by Director of Engineering on 7/22/14 at 12:50 PM, however, failed to provide documentation that the rooms were certified following this work as required by USP 797. This created the potential for unsanitary conditions that could affect compounding of medications at the Center.

c. Review of reports completed by Company #1 & Company #2 (contracted service who provides environmental testing) during the period of January 2013 through August 2013

for the IV Infusion Center compounding rooms show mold growth in various areas in the air and surface samples. The September 2013 sampling was done after a terminal clean of the facility and no issues are seen. There was mold growth in October, November, and December 2013. No issues seen in January 2014 but fungi was again seen in February 2014. No issues were seen in April 2014. There was fungi growth in May and June 2014.

During interview on 7/17/14 at approximately 5:15 PM, the Pharmacy Manager stated that s/he informed team members in infection control, environment of care and building services of the mold issue in the pharmacy and notified others via email of the issues, however, was unable to provide documentation that supported this. The Manager further stated that an action plan was developed that went to the environment of care committee in June 2014 to include HVAC revision, however, no date of work was identified as IV compounding continued at the infusion center until 7/8/14, when the compounding room at the infusion center was closed.

The first action plan provided by the Pharmacy Manager is dated 4/10/14 for the mold growth seen in February 2014. The Manager was unable to speak to issues prior to employment date of February 1, 2014. It is a "rolling" plan where items are added but failed to address each specific finding in the EM testing. The action plan for 4/10/14 states "passed USP-797 standards but needs corrective action" despite mold growth on surfaces in the ante and chemo buffer areas. There were no action plans seen before 4/10/14.

d. Review of the hospital pharmacy EM testing reports, performed by Company #1 and/or #2, identified mold growth in various areas in air and surface samples in February 2013, June 2013, and July 2013, with the February 2013 surface sample at the edge of the BSC.

During interview on 7/17/14 at 10:40 AM, the Pharmacy Manager stated s/he began employment on February 1, 2014 and prior to employment, was unable to provide documentation that these concerns were addressed.

The February 2014 samples show an actionable level of CFU's (195) in the ante room sink surface sample. There is no action plan to show any remediation was done to address these findings or re-testing done. As of 7/18/14, no EM tests were done in the room since to ensure that sanitary conditions exist.

e. Review of the testing and certification report dated February 12, 2014, completed by Company #2, (known for contamination control), for the IV Infusion Center identified the following report discrepancies:
   i. The positive pressure from the IV buffer area to the ante area was too low.
   ii. The positive pressure from the ante area to the outside was too low.

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iii. The chemo buffer area failed to qualify for ISO7.
iv. The humidity seen in all three rooms ranged from 12.5% to 13.1%.
v. The Room Air Exchange Rate in the ante room incorrectly listed acceptance criteria even though the actual number meets USP-797 standards.
vi. The particle counts for the chemo buffer area noted in two sections of the report (particle counts and in statistical analysis) do not match.

The facility was unable to provide documentation of follow-up or action plans that the above discrepancies were addressed, remediated and/or that re-testing had occurred.

f. Review of the testing and certification report dated April 2, 2014, completed by Company #2, identified the following discrepancies:
   i. The company completed pressure reading between the rooms only. The positive pressure from the ante area to the outside was too low.

g. Review of the testing and certification report dated May 30, 2014, completed by Company #2, identified the following discrepancies:
   i. There is no documentation that this certification was completed under dynamic conditions.
   ii. The acceptance criteria for the Room Air Exchange Rate in the ante room was incorrectly listed (the actual number meets the standards).
   iii. The ante area is classified as ISO8 even though it should be classified as ISO7 due to chemo buffer area coming off the ante area.

   The facility was unable to provide documentation of follow-up or action plans that the above discrepancies were addressed, remediated and/or that re-testing had occurred.

h. Review of the environmental testing, by Contamination Service Company #1 during the period of January 2013 through January 2014, identified the following concerns:
   i. No temperature or dates of incubation.
   ii. There was testing start and completion dates that failed to state on what dates the samples were taken.
   iii. No documentation if the air samples were volumetric impaction collections.
   iv. No sampling (air or surface) done in the PEC until December 2013.

   v. With the exception of September 2013, no documentation of lot number and expiration dates of the media used. Additionally documentation failed to reflect whether the growth media had neutralizing agents for the surface samples.
   vi. The sample plan was incorrect, showing a BSC in the IV buffer room instead of an LAFW.

   There is no action plan seen on what was done to correct these issues.

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i. Review of the environmental testing, completed by Company #2 for the February 2014 and April 2014 reports, identified the following concerns:
   i. No temperature or dates of incubation.
   ii. February and April 2014 reports had errors showing the ante room as an ISO8 area which changes the colony forming units (CFU) actionable levels.
   iii. Additionally, the sampling plan reflects tables where none exist in the ante room (surface sample marked S9). In February 2014, no sink was marked in the ante room but was identified as a table in the sampling plan.

   The facility was unable to provide documentation that there errors were addressed.

j. Review of the hospital pharmacy certification reports completed on 7/10/13 and 2/12/14 identified the following concerns:
   i. The 7/10/13 report, showed the positive pressure in the ante room to the outside to be 0.01 inches of water column, which is too low (needs to be between 0.02 - 0.05 inch of water column) and the room failed under pressurization.
   ii. The humidity seen in the buffer area was from 89.8% to 93.5% for the four readings taken and 86.5% to 86.9% for the 3 readings done in the ante area (facility standard between 30 and 60%).
   iii. The 2/12/14 report, showed the humidity as 8.3% to 8.9% in the ante room and 8.1% to 8.3% in the buffer area. There was no explanation for these numbers and how they compare to the last report.

   There was no action plan to identify what was done to correct these issues.

   Review of the aforementioned reports and interview with the Pharmacy Manager on 7/17/14 at 10:40 AM stated s/he began employment on February 1, 2014, therefore the 7/10/13 report would have been addressed to the previous Pharmacy Director. The Manager indicated that his/her concern with the contractor included communication issues and untimely reports. The Director failed to recognize issues within the reports that required immediate follow-up to ensure a safe environment was maintained.

   The minutes failed to indicate a concern of mold/fungi growth at the IV Infusion Center and/or hospital pharmacy although members were aware of the issues.

   Review of the Pharmacy and Therapeutics Committee minutes for the period of 1/31/13 through 5/18/14, identified that the Director of Pharmacy changed in February 2014; other committee members included in part, VP of Patient Care, AVP #1, ICN #1 and Pharmacy Director (Secretary). The minutes failed to reflect that mold was first identified in January 2013 and continued through June 2014 within the compounding rooms at the outpatient infusion center

(with the exception of a few months with negative cultures). From August 2013 into September 2013, the outpatient infusion center was closed to patients and pharmacy compounding secondary to remediation of mold growth at that time. The minutes failed to reflect this.

Review of committee memberships identified that the Pharmacy Manager participated in the environment of care, pharmacy and therapeutics and infection control meetings. None of these meeting minutes reflected concern for mold growth at the pharmacy compounding areas despite knowledge of this concern.

During interview 7/17/14 at 10:40 AM, the Pharmacy Manager on stated the plan included reeducation of staff regarding infection control techniques. Review of the education provided dated 7/17/14 and 7/21/14, indicated that only three (3) of eleven (11) staff received the education.

Review of the job description for the Manager of Pharmacy reflected responsibility for the management and coordination of resources on a daily basis including anticipation and identification of potential problems in either direct pharmaceutical care and/or assigned area of operations with facilitation of an effective resolution of problems.

5. *Based on observation, review of facility documentation, interviews, and policy review, the hospital, who compounds sterile pharmaceuticals, failed to comply with Federal and/or state laws, United States Pharmacopeia, Chapter 797, Pharmaceutical Compounding - Sterile Preparations and/or maintain a sanitary environment to ensure patient safety. During tour of the IV infusion center on 7/16/14 at 11:30 AM with the Pharmacy Director, the Pharmacy Manager, the Program Director, Nurse Manager, and Assistant Vice President of Ancillary Services (AVP #1), the following concerns were identified:
    a. In the storage room, the floor beneath two (2) large racks that contained supplies for provision of services was observed to be dusty. Boxes that stored intravenous (IV) fluids had accumulated dust. Although the program Director stated a monthly cleaning schedule was in place, staff failed to ensure this room was clean.
    b. Review of the temperature and humidity log dated July 2014 for the locked storage closet that stored medication identified that humidity levels were not recorded on seven (7) of ten days and that temperatures were not recorded on two (2) of the ten days secondary to "no thermometer".

    c. During tour of the hospital pharmacy compounding rooms on 7/18/14 at approximately 11:30 AM with the Pharmacy Manager identified the following concerns:

        i. No pressure gauges to monitor pressure of ante, chemo and IV buffer areas. (subsequent to inquiry, they were installed on July 24, 2014).

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ii. The ceiling tiles were not caulked around each perimeter to seal them to the support frame.
iii. Jewelry and makeup was observed to be worn by Pharmacy Technician #1 who had just finished compounding and was exiting the compounding areas. Review of the Preparation of Compounded Sterile Products Assessment for USP-797 identified that the technician passed the test on 5/21/14, which included that jewelry/make-up can not be worn in the compounding area.
iv. Garbing (with PPE) was not done in the sequence as outlined in the facility policy. All the PPE's were kept outside the ante area.
v. No line of demarcation was observed in the ante area that delineated "clean" from "dirty".
vi. Multiple mop heads were kept in a plastic bag on top of the water pump. The water pump was covered in dust and there failed to be documentation of who and when it was last cleaned.
vii. Bins used to hold drug products were dirty.
viii. A ladder was observed in the ante area, where it was placed to fix the ceiling tile in the buffer area.
ix. A corner of the wall above the sink appeared to have black material on two adjacent walls near the ceiling.
x. A large crack in the vinyl seam on the floor was observed.
xi. Both the BSC and LAFW were in positive pressure rooms where the BSC was being used to compound chemo products. The BSC was vented to the outside but there were no closed system vial transfer devices (CSTD) being used to compound chemo products.
xii. The tile above the BSC (hood for sterile preparation of medications) was not properly aligned in its supporting structure with wires hanging through the space created. The tile was discolored on the inside, indicative of a water leak. Staff were unable to identify how long the tile had been askew. Plenum air was being introduced in the room without going through a HEPA filter.

Subsequent to inquiry, the wall and ceiling tile were swabbed by a facility microbiologist and submitted for culture. Review of the description of work completed monthly by cleaning contractor #1 identified that the ceilings and walls were mopped and sanitized on June 26, 2014.
xiii. Two chairs were observed to have considerable amount of rust on the base rendering an inability to effectively sanitize the equipment.
xiv. The LAFW HEPA filter had staining with no EM testing of the stain.

Hospital staff failed to recognize and correct the aforementioned concerns during day-to-day operations.

d. During tour of the hospital pharmacy on 7/21/14 at approximately 2:20 PM with the Pharmacy Manager identified the following concerns:

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i. Patient's personal medications stored in manilla envelopes were observed in a drawer intermingled with coffee supplies. Review of Patient #25's medication envelope identified the patient was admitted on 1/23/07. Interview with the Pharmacy Manager on 7/21/14 identified that medication brought from home are stored in the pharmacy and returned to the patient upon discharge and/or thirty (30) days following discharge if the medications are not requested back.
ii. The narcotic refrigerator was not being monitored for temperature. Subsequent to inquiry, monitoring commenced.
iii. Clean gloves located outside of the infusion room were stored on top of the biohazard box.
iv. Approximately fifteen (15) bags of IV bags were observed to be hanging on hooks defrosting with a metal pan directly beneath to catch the water. The pan had collected dirt/debris from the overhead ceiling tile that was askew. Subsequent to inquiry, the IV bags were removed from circulation.

e. The following observations were made on 7/28/14 at approximately 3:00 PM and identified the following concerns:
   i. Gowns used for compounding were too low on the neck exposing skin of the Technician.
   ii. Pharmacy Technician #2 had a visible piercing. It was confirmed by RPH #2 that s/he had compounded that morning.

   During interview on 7/18/14 at approximately 2:00 PM, the Infection Control Nurse stated that s/he does not perform surveillance activities of the Pharmacy compounding rooms during environmental rounds (approximately every six months) as s/he expects the Department Managers to monitor day to day functions such as handwashing and the environment.

   Review of the Pharmacy policy for sanitizing procedures and staff competency for sterile compounding identify the importance of each step that is required during the sanitizing of the room and appropriate garbing. The policies stipulate that the Director of Pharmacy/Pharmacy designee will ensure adherence to these policy/procedures.

   Review of the compounding personnel hand hygiene and garbing competency directed jewelry and make-up should be removed prior to entry into the ante room and staff are aware of the line of demarcation separating clean and dirty sides.

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6. *Based on observation, review of hospital documentation, policies, and interviews, the hospital failed to ensure that the physical environment and mechanical HVAC systems were being maintained efficiently and in compliance with federal and state laws.
   a. Review of reports completed by Company #1 (contracted service who provides environmental testing) during the period of January 2013 through August 2013 for the IV Infusion Center compounding rooms, identified mold growth in various areas in air and surface samples. There was mold growth in October, November, and December 2013. No issues were seen in January 2014 but fungi was again seen in February 2014. No issues were seen in April 2014. There was fungi growth in May and June 2014.

      The first action plan provided by the Pharmacy Manager is dated 4/10/14 for the mold growth seen in February 2014. The Manager was unable to speak to issues prior to employment date of February 1, 2014. It is a "rolling" plan where items are added but failed to address each specific finding in the contractor reports (refer to A-83 for specific issues). The action plan for 4/10/14 states "passed USP-797 standards but needs corrective action" despite mold growth on surfaces in the ante and chemo buffer areas. There are no action plans seen before 4/10/14 to ensure that the environmental concerns were addressed.

      During interview on 7/17/14 at approximately 5:15 PM, the Pharmacy Manager stated that s/he informed team members in infection control, environment of care and building services of the mold issue in the pharmacy and notified others via email, however, was unable to provide documentation that supported this. The Manager further stated that an action plan was developed that went to the environment of care committee in June 2014 to include HVAC revision however, no date of work was identified as IV compounding continued at the infusion center until 7/8/14, when the compounding room at the infusion center was closed.

      Review of the Environment of Care meeting minutes dated 4/16/2014 and attended by Assistant Vice President (AVP) #1, Director of Engineering, Pharmacy Manager and Infection Control Nurse #1, identified that there were concerns of not meeting the requirements of USP-797 for intravenous compounding secondary to the increasing temperatures greater than 68 degrees Fahrenheit and increasing humidity greater than 70%. An undersized HVAC system had been identified in August 2013, as the cause for the increasing humidity levels.

      During interview on 7/22/14 at 12:50 PM, the Director of Engineering stated that the former CEO/VP of Patient Care had been aware of the mold issues. Although the issue of mold had been discussed at several EOC (environment of care) meetings, less expensive changes (i.e.., covering the windows in one room) were made with a plan to address the HVAC system in the future.

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b. Review of reports completed by Company #1 & Company #2 (contracted service who provides environmental testing) for the Hospital Pharmacy compounding rooms, identified mold growth in various areas in air and surface samples in February 2013, June 2013, and July 2013, with the February 2013 surface sample at the edge of the BSC.

Review of hospital documentation and interviews during the course of the inspection failed to identify that an action plan was developed pursuant to the environmental testing reports in February 2013, June 2013, and July 2013, There were no action plans to demonstrate that remediation was completed to address these findings and ensure that the environment of care was maintained to ensure the safety of the patients.

7. *Based on observation, review of hospital documentation, interviews, and policies and procedures, the hospital failed to ensure that the physical environment of the I.V. Infusion Center (Enfield Campus) and the main hospital was in compliance with federal and state laws (USP-797) as required. The findings include the following:
   a. Observations of dirt and debris were identified in the Ante, Chemo and I.V. Rooms on the floor near the cove base in the Hospital on 7/21/14 and I.V. Infusion Center on 7/16/14.
   b. Ceiling tiles were found in the Ante, Chemo and I.V. rooms that were not sealed/caulked in place to prevent contamination and/or air pressure loss in the Hospital on 7/21/14 and I.V. Infusion Center on 7/16/14.
   c. There were areas on the walls in the Ante, Chemo and I.V. Rooms where paint was chipping in the I.V. Infusion Center identified on 7/16/14.
   d. There was ceiling discoloration and damage identified in the bathroom and storage room in the I.V. Infusion Center identified on 7/16/14.
   e. There was a separation of the welded seam identified in the floor of the Hospital Pharmacy identified on 7/21/14.

   Review of work orders with the Director of Engineering on 7/17/14, it was identified that an adequate and effective preventive maintenance program could not be produced to utilize and track daily preventive maintenance work orders and other daily maintenance performed. The work orders that were supplied had incorrect detailed information such as incorrect staff names performing work, incorrect times of completion, and inadequate work requested/performed and actions taken for correction.

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THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

8. *Based on observation, review of hospital documentation, policies and procedures and interviews the hospital failed to ensure that the air handling equipment in the I.V. Infusion Center (Enfield Campus) and the main hospital was in compliance with federal and state laws (USP-797) as required. The findings include the following:
   a. During a tour of the facility on 7/16/14 with Director of Engineering, it was observed that the Ante room, IV room and Chemo Buffer room were not supplied with an air handling system which was separated from the main air handling system that supplies the entire facility at the I.V. Infusion Center.
   b. There were no pressure gauges to monitor the pressure of the Ante, Chemo and I.V. Buffer rooms in the Hospital and I.V. Infusion Center.
   c. There was a damper attached to the ventilation system on the Biological Safety Cabinet which is non-compliant to the proper ventilation of this area in the I.V. Infusion Center identified on 7/16/14.
   d. The air return registers in these areas were identified as returning room air back into the ceiling plenum and being recirculated back to the room, there was no indication that fresh air was being brought into the room through a compliant HVAC system and supplied to HEPA filters and returning to the air handler as required in the I.V. Infusion Center identified on 7/16/14.
   e. Review of facility documentation and interview with the Director of Engineering on 7/16/14 failed to identify which HEPA filters were changed specifically and the frequency of the changes at the Hospital and I.V. Infusion Center.

9. *Based on a review of hospital documentation, review of hospital policies and interviews, the hospital failed to ensure the Infection Control program effectively evaluated and monitored the presence of mold/fungus identified during environmental testing at the IV Infusion center and the hospital pharmacy dating back to 1/13 to establish a plan of surveillance to maintain a mold-free environment. The findings include the following:
   a. Review of reports completed by Company #1 & Company #2 (contracted service who provides environmental testing) during the period of January 2013 through May 2014 identified the presence of mold/fungus at the IV Infusion Center and the hospital pharmacy compounding room.

      Review of the Infection Control Minutes for the period of 10/14/13 through 5/2014, failed to identify that this was a concern. Although committee membership included physicians, nurses, pharmacists, facility environmental maintenance and microbiology, the hospital representatives failed to share information to establish a plan of surveillance/monitoring to maintain a mold-free environment.

      During interview on 7/18/2014 at approximately 2:20 PM, the Infection Control Nurse (ICN #1) stated that s/he did know of the mold problem at the outpatient infusion center however, did not complete surveillance rounds of the pharmacy compounding room at the IV Infusion center or the hospital pharmacy. ICN #1 further stated that MD #2 was aware of the mold problem and suggested that it could be coming from the air handling

system however, ICN #1 failed to document any suggestions and/or bring the matter before the Infection Control Committee.

During interview on 7/17/14, MD #1 (Medical Director of Infusion Center) stated that s/he was first aware of a mold problem approximately one year ago (August 2013) when the infusion center closed for one month for remediation of the problem. MD #1 stated that the Program Director of the Infusion center notified him/her of the mold growth problem in May 2014, however, was unaware of the plan to remediate of the problem.

During interview on 7/28/14 at 1:00 PM, MD #2 (infectious disease) stated that s/he was aware that there had been a mold problem in the pharmacy since approximately August of 2013. MD #2 stated that the facility (outpatient infusion center) had closed in response. Although the physician was aware of the mold problem, there was a failure to participate in the solution and/or to complete a risk analysis to determine the level of risk to the patients being served.

During interview on 7/23/14 at 9:15 AM, AVP #1 stated that s/he was unaware of the mold growth problem until 7/8/14, when the issue was brought to the attention of the CEO and the infusion center was closed for remediation. Review of the Environment of Care (EOC) meeting dated March 19, 2014 identified that the clean room did not pass inspection and AVP #1 questioned if the room was "ok" to use. The EOC meeting minutes dated 4/16/14, reflected that AVP #1 was present when the Pharmacy Manager identified mold/fungus was present in the IV infusion center secondary to high temperatures/humidity/room pressures which did not meet the standards of USP-797 for compounding intravenous solutions.

Review of the job description of the Infection Control Nurse (ICN) identified that the ICN was accountable to the VP of Patient Care Services and the hospital epidemiologist for effectively managing resources, assessing and evaluating infection control practices and the program itself within the hospital.

Review of the infection control policy for monitoring and compliance directed that infection control and environmental rounds shall be conducted annually in all departments and biannually in patient care/clinical areas in conjunction with the environment of care team (engineering, building services & quality) to monitor adherence to hospital-wide and department specific infection prevention policies.

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The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A) and/or (e) Nursing service (1) and/or and/or (i) General (6).

10. *Based on tour of the facility, review of facility documentation, and interviews, the facility failed to ensure the LDRP unit was maintained in a safe manner to eliminate risk of newborn abduction. The finding includes:
    a. On 10/06/14 at 9:45 hours, the surveyor along with a Supervising Nurse Surveyor and the Director of Facilities observed that the LDRP rooms were located on the first floor (ground level) and the windows were secured with Philips screws through window stops and into the window frame. The LDRP windows had been identified as a security risk for infant abduction during the survey ending 10/31/13 as the windows could be fully opened. Review of the plan of correction to address that concern identified that the plan for high security windows would be initiated on 11/24/13. Interview with the Director of Facilities on 10/6/14 stated the windows were reviewed with security staff and a glass vendor with a plan to replace the glass in the windows with "security glass", however, to date was not completed. Subsequent to these observations and discussion with facility administration, an interim measure of installing security screws (tamper resistant) were installed into the window stops and frames on 10/06/14.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (d) Medical records (3) and/or (e) Nursing service (1) and/or (i) General (6).

11. Based on a review of clinical records and policy review, the facility failed to ensure that one of three patients' reviewed for restraint use (#59) had an order for restraints and/or documentation reflected behaviors that warranted the use of restraints and/or alternatives attempted prior to the implementation of restraints. The finding includes the following:
    a. Patient #59 was admitted to the facilty on 9/14/14 with schizoaffective disorder. Review of Patient #59's monitoring flow sheet dated 9/17/14 identified that the patient was placed in four-point restraints at 3:15 PM. The order failed to direct the type of restraint to be applied, the behavior that necessitated the use of restraints and/or less restrictive interventions considered prior to the use of restraints. Review of the facility policy indicated that orders should include the date, time, behaviors of the patient, type of restraint and duration of use.

12. Based on a review of clinical records, interview and policy review, the facility failed to reduce and/or discontinue restraints at the earliest possible time for one of three patients' reviewed for restraint use (#59). The finding includes the following:
    a. Patient #59 was admitted to the facilty on 9/14/14 with schizoaffective disorder. The clinical record indicated that the patient was placed in four-point restraints on 9/15/14 at 7:30 PM for biting, scratching and fighting. Review of the monitoring flow sheet during the period of 8:45 PM through 9:30 PM reflected the patient was "quiet", however, remained in four-point restraints. The facility failed to ensure that restraints were

reduced and/or discontinued at the earliest possible time based on the behaviors exhibited. Interview with the ED Director on 10/9/14 at 11:00 AM stated facility policy directs the discontinuation of restraints when able and not to decrease based on behaviors. Review of the facility policy indicated that each restraint should be removed at the earliest possible time. The RN should assess the patient for behaviors to discontinue restraints.

13. Based on a review of clinical records and policy review, the facility failed to ensure that for one of three patients' (#59) reviewed for restraint use was monitored in accordance with facility policy. The finding includes the following:
    a. Patient #59 was admitted to the facilty on 9/14/14 with schizoaffective disorder. Patient's #59 was placed in the four-point restraints on 9/16/14 at 10:00 PM for attempting to hit staff. Review of the monitoring flow sheet indicated that the facility failed to ensure that the patient's range of motion was monitored from 10:00 PM through 9/17/14 at 1:45 AM in accordance with facility policy. The policy directed that patient needs, (repositioning, fluid, nutrition, toileting and range of motion) should be addressed every two hours.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (c) Medical staff (4)(A) and/or (d) Medical records (2).

14. Based on a review of clinical records, review of Medical Staff Bylaws & Rules and Regulations, and interview, then hospital failed to ensure the history and physical (H&P) was completed prior to the procedure for one of three endoscopy patients' in accordance with hospital Bylaws. The finding includes:
    a. Review of Patient #32's record identified that on 10/6/14, the patient underwent an upper endoscopy with the use of anesthesia medication. Review of the record failed to identify the completion of an H&P. During interview the VP of Patient Care Services on 10/7/14 at approximately 10 AM stated that the form had been redone within the last year to include the H&P, however, the updated form was not used in this case. Review of the Medical Staff Bylaw Rules and Regulations directed that outpatient procedures require a focused H&P based on a chief complaint with relevant history and the procedure being performed within thirty days prior to the procedure.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (d) Medical records (3) and/or (e) Nursing service (1) and/or (i) General (6).

15. Based on a review of clinical records, interview, and policy review, for one of three records reviewed for blood pressure monitoring (Patient 337), the hospital failed to ensure that physician's orders were followed. The finding includes:
    a. Patient #37 was admitted on 10/2/14 with depression and polysubstance abuse. Review of the physician admission orders dated 10/2/14 directed orthostatic blood pressures twice a day. Review of the clinical record failed to identify that orthostatic blood

pressures were obtained on 10/3/14, and obtained once on 10/4/14.

16. *Based on a review of clinical records, interview, and policy review, for five (5) of five patient's reviewed (Patient #34, 35, 36, #37, and #59), the hospital failed to ensure safety assessments were accurately completed. The findings include the following:
    a. Patient #34 was admitted to the facility on 10/3/14 with depression and suicidal ideation with a plan. Review of the daily nursing flowsheets with the Nursing Director identified a safety section that addressed the patients' risk factors on a scale of 1 (none) to 5 (severe) for suicidality, homicidality, violence, impulsive behaviors, elopement and falls. The record reflected that staff failed to accurately assess the patient utilizing the numeric scale but instead documented, "safe" and/or "remained safe".
    b. Patient #35 was admitted to the facility on 10/1/14 with alcohol abuse. Record review with the Nursing Director failed to identify that staff accurately assessed the patient for suicidality, homicidality, violence, impulsive behaviors, elopement and falls utilizing the numeric scale but instead documented, "safe" and/or "remained safe".
    c. Patient #36 was admitted on 9/30/14 with suicidal ideation with a plan. Record review with the Nursing Director failed to identify that staff accurately assessed the patient for suicidality, homicidality, violence, impulsive behaviors, elopement and falls utilizing the numeric scale but instead documented, "safe" and/or "remained safe".
    d. Patient #37 was admitted on 10/2/14 with depression and polysubstance abuse. Record review with the Nursing Director failed to identify that staff accurately assessed the patient for suicidality, homicidality, violence, impulsive behaviors, elopement and falls utilizing the numeric scale but instead documented, "safe" and/or "remained safe".
    e. Patient #59 was admitted on 9/14/14 after attempting to hurt self with a razor by cutting wrists. Record review with the Nursing Director failed to identify that staff accurately assessed the patient for suicidality, homicidality, violence, impulsive behaviors, elopement and falls utilizing the numeric scale but instead documented, "safe" and/or "remained safe".

    Interview with the Nurse Director of the unit on 10/7/14 at 1:30 PM stated staff should be documenting the assessment utilizing the numeric scale and realized that form needed to be revised. The Director stated there is no policy related to the use of the form, however the form directs staff to document by using a numeric scale related to risk level.

17. Based on a review of clinical records, interview, and policy review, for one of two patient's reviewed for Pitocin therapy (Patient #47), the hospital failed to ensure that uterine resting tone was assessed in accordance with facilty policy. The finding includes the following:
    a. Patient #47 was admitted on 10/5/14 at 6:52 PM for induction of labor. A physician's order dated 10/5/14 at 8 PM directed initiation of the Pitocin protocol. The clinical record identified that Pitocin was started per protocol at 8:19 PM. Review of the nursing flow sheets during the period of 7:44 PM on 10/5/14 through 7:51 AM on 10/6/14 failed

to identify that nursing documented assessments of the patient's uterine resting tone while the patient received Pitocin. Review of the facility policy and interview with the Nurse Manager on 10/6/14 at 2PM identified that the resting tone should be assessed minimally every hour unless otherwise ordered by the physician.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (g) Pharmacy (1).

18. *Based on observation, interviews, and policy review, the hospital failed to ensure the technician followed procedure in preparation for sterile drug compounding activities. The finding includes the following:
    a. On 10/7/14 at 1:32 PM, Pharmacy Technician #6 was observed to enter the compounding room and proceeded to don shoe covers, head cover, and face mask. The technician performed hand hygiene by washing hands for twenty (20) seconds, dried hands then donned a gown that allowed skin exposure (neck). Review of the compounding Personnel Hand Hygiene and Garbing Competency and interview with the Director of Pharmacy on 10/7/14 at 1:45 PM stated the Technician should have washed hands for thirty (30) seconds and prevent skin from being exposed.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (e) Nursing Service (1) and/or (i) General (6).

19. Based on observation and interview, the controlled drug storage area at the Johnson Surgical Center failed to ensure security of drugs. The finding includes:
    a. During tour of the Johnson Surgical Center on 10/10/14, observation of the locked safe for the storage of controlled medication identified a key locking mechanism. The keys utilized to lock the safe were stored in a desk drawer which was locked at the end of the clinical day, however, the key was kept on a hook in a cabinet adjacent to the desk. When interviewed on 10/10/14 at approximately 9:30 AM, about the security of the process, since other services were offered in that same building, the VP of Patient Care Services and the Charge Nurse identified that a locking format (i.e. the acudose medication machine) was a more secure option for storing the key when the surgical center was not occupied and initiated that procedure.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6) and/or (l) Infection control (1).

20. Based on observation and interview, the hospital failed to ensure that an anesthesia medication pump had a current biomedical status check and/or was pulled from use when the pump could no longer be cleaned effectively. The finding includes:
    a. During tour of the endoscopy procedure room (#3) at the Surgical Center on 10/10/14, a medication pump utilized for the administration of anesthesia medication was observed to be lacking a biomedical sticker and the front face of the machine was dented and

curled so that it could not be cleaned effectively between patients. During tour the pump was pulled from service to be reconditioned by the Manager of Peri-operative Services who stated that the pump should have been pulled earlier from service.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6).

21. Based on observation, the emergency carts in the surgical center failed to be free and clear of obstacles. The finding includes:
    a. Observation of the pediatric and adult emergency carts located at the Johnson Surgical Center, identified that their location was blocked by a large patient recliner which were adjacent to a patient recovery area. Although the recliner was empty, the recliner needed to be moved first before the emergency cart could be accessed. Subsequent to inquiry, the recliner was relocated to an adjacent area by the VP of Patient Care Services.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A) and/or (e) Nursing service (1) and/or (i) General (6) and/or (l) Infection control (1).

22. Based on observation and interview, the hospital endoscopy suite (two rooms and a scope cleaning room between) failed to have a soiled to clean pathway for cleaning and movement of the scopes. The finding includes:
    a. During tour of the hospital endoscopy suite on 10/8/14, it was identified that with two procedure rooms on either side feeding into the scope cleaning room (soiled) and the soiled sink located between two scope cleaning machines (clean), there failed to be a pathway of soiled to clean. Additionally, the cleaned scopes were hung in a closet in the soiled room. During interview with the Manager of the Endoscopy Suite on 10/8/14, the Manager stated that a new cupboard for the cleaned scopes was on order, however, no other plan was offered to correct the cleaning process.

23. Based on observation during tour, infection control practices failed to be implemented. The findings include:
    a. During tour of the endoscopy room (#3) on 10/6/14, the scope cleaning room door (connecting to room #3) was observed to be propped open with a cart and miscellaneous supplies. The door located between the scope cleaning room and Room #3 had a round doorknob, failing to give access to the cleaning room that could be accessed by elbows when clinician's hands were full.
    b. During tour of the surgical center, the soiled utility room failed to have a doorknob (lever) that allowed accessibly when clinician's hands were full. Additionally, this door did not self-close but remained open several inches.
    c. Throughout the facility there was delamination of cupboard doors that inhibited cleaning of the environment.

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The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (c) Medical staff (4)(A) and/or (d) Medical records (3).

24. Based on a review of clinical records, interview and policy, for four of six clinical records reviewed (#31, #33, #44 and 46), the hospital failed to ensure that post-anesthesia evaluations were conducted, and/or legible and/or complete. The findings include:
    a. Review of Patient #31's record identfied that the patient underwent a colonoscopy on 10/6/14 and was medicated with 500 mg Propofol. The record failed to reflect that a post anesthesia evaluation was completed. During interview on 10/8/14 at 11:15 AM, the Chief of Anesthesia stated that although s/he was currently working on developing a policy, the expectation is for the outpatient to be evaluated prior to discharge.
    b. Review of Patient #33's record identified that the patient underwent a right carpal tunnel revision on 10/6/14. Although the post anesthesia evaluation was completed, the document failed to be legible and thus it appeared that the patient was evaluated for anesthesia recovery prior to leaving the operating room.
    c. Review of Patient #45's record identified that the patient underwent a right thoracotomy on 10/2/14. Review of the post anesthesia evaluation, while dated and signed, failed to be timed, ensuring the adequate recovery of the patient to participate in the recovery evaluation following general anesthesia.
    d. Patient #46 was admitted to the hospital on 10/3/14 for an open reduction internal fixation (ORIF) of a right hip fracture. Review of the clinical record and interview with the Nurse Manager on 10/7/14 failed to reflect the time in which the post anesthesia evaluation was completed.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (2)(A) and/or (4)(A) and/or (i) General (6).

25. Based on observation, review of hospital documentation, interviews, and hospital policy for patients receiving emergency care and services, documentation and interviews failed to reflect that adequate medical coverage was present in the Emergency Department (ED) as per policy. The finding includes:
    a. Tour and observation in the ED on 10/6/14 at approximately 11:20 AM identified that approximately 20 patients were located in the department. An observation was made of the ED Medical Director being summoned to the Labor and Delivery Department for a possible neonatal resuscitation (Patient #48). Review of the ED Provider Schedule dated 10/6/14 identified that one Physician Assistant was present in the ED for medical coverage. Interview with the ED Medical Director on 10/8/14 at 12:20 PM identified that the ED physicians do have responsibilities outside the ED and that a hospitalist could be called for ED coverage if needed. Review of the Department of Emergency Standards for Staffing Policy indicated that physician coverage was provided 24-hours a day and additional coverage was provided 12 hours per day by midlevel providers (PA/APRN).

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26. Based on a review of clinical records, interview, and policy review, for two of three records reviewed (Patient #42 and 43) , the hospital failed to ensure the referring physician authenticated the outpatient evaluation for therapy services in a timely manner in accordance with hospital policy. The findings include the following:
    a. Patient #42 had a diagnosis that included CVA with hemiparesis. A physician's order dated 9/12/14 directed an Occupational Therapy (OT) evaluation. Although the OT evaluation was completed on 9/17/14, the record failed to reflect that the physician signed the evacuation. Interview with Physical Therapist #5 on 10/5/14 at 2:30 PM stated the process was for the secretary to fax the evaluation to the physician for signature and monitor for timely response. Subsequent to inquiry, the physician signed the evaluation on 10/6/14.
    b. Patient #43 had a physician's order dated 7/28/14 for a Speech Therapy (ST) evaluation. Although the ST evaluation was completed on 8/8/14, the record failed to reflect that the physician signed the evaluation. Interview with Speech therapist on 10/6/14 at 2:45 PM reiterated that the secretary monitors the response and sometimes encounter difficulty with certain physicians. Subsequent to inquiry, the physician signed the evaluation on 10/7/14.

    Review of the Referrals and Responsibilities policy identified that outpatient referrals are faxed to the referring physician within 24 hours of the initial visit for signature by secretarial staff. If the signature is not received within 14 days of faxing, secretarial staff will follow-up with a phone call to the physician's office at least every other day. If the signature is not received by the 25th day following the initial evaluation, the patient and physician will be informed that therapy with be terminated on the 30th day until the signature has been received.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6).

27. The facility did not ensure that emergency lighting of at least 1½-hour duration is provided, as required by " Life Safety Code " section #'s 7.9 & 19.2.9.1
    a. On 10/07/14/12 at 2:00 PM, the surveyor was not provided with documentation from the Director of Engineering to indicate that the battery backup emergency lights were tested for 90 minutes annually at the CDP Building (153 Hazard Ave) as required by section #7.9 of the referenced " Life Safety Code " ; i.e. reports not obtained from property owner.
    b. On 10/07/14/12 at 2:00 PM, the surveyor was not provided with documentation from the Director of Engineering to indicate that the battery backup emergency lights were inspected for 30 seconds a month at the CDP Building (153 Hazard Ave) as required by

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section #7.9 of the referenced " Life Safety Code " ;i.e. reports not obtained from property owner.

28. The facility did not ensure that fire drills were held at unexpected times under varying conditions at least quarterly on each shift as required by the referenced LSC.

    On 10/07/14/12 at 11:00 AM, the surveyor was not provided with documentation from the Maintenance Technician to indicate that fire drills were held at unexpected times at the **Johnson Surgery Center**, as required by section # 21.7.2 of the " Life Safety Code " ; i.e. automated work order system directs maint tech to conduct drills within 10 days of alert-all drills done on 20th or 21st of each month.

29. The facility did not ensure that there is an automatic sprinkler system installed in accordance with NFPA 13, Standard for the Installation of Sprinkler Systems, to provide complete coverage for all portions of the building. The system is properly maintained in accordance with NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems. It is fully supervised. Required sprinkler systems are equipped with water flow and tamper switches, which are electrically connected to the building fire alarm system.

    On 10/07/14 at 1:15 PM, the surveyor along with the Regional Director of Engineering observed that the sprinkler system water supply for the **Main Campus** from the fire pump had valves that were not supervised by the facility fire alarm and all valves lacked tags identifying there function as required.

30. The facility did not ensure that the facilities air conditioning and ventilation equipment was in accordance with NFPA 90A: Standard for the Installation of Air Conditioning and Ventilation Systems, NFPA 72 National Fire Alarm Code and as required by the referenced LSC.

    On 10/08/14 at 10:30 AM, the surveyor was not provided with documentation from the Director of Engineering that indicated the smoke dampers and mechanical fire dampers identified as deficient or that had no access on the damper testing report were repaired and/or that the facility had an plan of correction in place to address the deficiencies as required.

31. The facility did not ensure that Emergency and Standby Power Systems were being installed, inspected and maintained as required in NFPA 110 "Standard for Emergency and Standby Power Systems" and NFPA 99 "Health Care Facilities".

    On 10/07/14 at 1:00 PM, the surveyor along with the Director of Engineering observed that the facilities newly installed (12/2013) emergency generators were not secured to the concrete pad as required and the two housings identified as Generator 1 and Generator lacked emergency

shutdowns as required by section 3-5.5.6 Subsequent interview of the facility electrician identified that the facility was unable to ensure that the facility emergency electrical power was divided into three (3) separate and distinctive branches (1) Life Safety Branch, (2) Critical Branch and (3) Equipment Branch as required by NFPA 99 and NFPA 70, i.e. when interviewed the electrician was unable to tell me which transfer switch covered each branch and the transfer switches were not identified and no drawings were available.

32. The facility did not ensure that Emergency and Standby Power Systems were being inspected and maintained as required in NFPA 110, *" Standard for Emergency and Standby Power Systems ".*

    On 10/07/14 at 9:00 AM, the surveyor while accompanied by the Maintenance Technician observed that consideration was not given for the location of the temporary generator located at Johnson Surgery Center that minimized the possibility of damage from conditions such as vandalism, sabotage, and other similar occurrences, as required by section # 5-2 of NFPA 110, " Standard for Emergency and Standby Power Systems " .i.e. portable generator found to have access panels unlocked, wheels not chocked or secured, trailer tongue not locked or bollards installed.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

33. Based on a review of clinical records and interview, the facility failed to ensure that one of four patients' (#34) were assessed by the social worker. The finding includes the following:
    a. Patient #34 was admitted to the facility on 10/3/13 with depression and suicidal ideation with a plan. Although the record reflected a note by the social worker on 10/3/13 and 10/7/13, the clinical record failed to reflect that a social work assessment had been completed. Interview with the Nursing Director on 10/6/14 indicated that the social work assessments are to be completed within 72 hours of admission.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A).

34. Based on a review of clinical records, interview and policy review the facility failed to ensure that a comprehensive psychiatric evaluation was completed for three of three psychiatric patients (Patient #35, 36, and 37). The findings include the following:
    a. Patient #35 was admitted to the facility on 10/1/14 with Alcohol abuse. Review of the physician's psychiatric admission assessment dated 10/2/14 identified that the areas long term goals and initial treatment plan for the patient were left blank.
    b. Patient #36 was admitted on 9/30/14 with suicidal ideation. Review of the physician's psychiatric admission assessment dated 10/1/14 identified that the areas long term goals and initial treatment plan for the patient were left blank.
    c. Patient #37 was admitted on 10/2/14 with depression and polysubstance abuse. Review

of the physician's psychiatric admission assessment dated 10/3/14 identified that the areas long term goals and initial treatment plan for the patient were left blank.

Interview with the Nurse Manager on 10/7/14 at 1:30 PM indicated that all areas of the psychiatric assessment should be completed. Review of the policy indicated with within twenty-four hours of admission a psychiatric evaluation will be completed. The policy indicated that the evaluation will include in part the patients long-term goals and goals/plan for treatment.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A) and/or (d) Medical records (2).

35. Based on a review of clinical records and policy review, the facility failed to develop individualized psychiatrically focused interventions for three of five sampled patients (#34, 37, and 59). The interventions are generic and denote routine clinical responsibilities for the clinical discipline rather than being patient specific. This deficiency results in treatment plans that do not reflect a comprehensive, integrated individualized approach to patient care.
    a. Patient #34 was admitted to the facility on 10/3/13 with diagnoses that included depression with suicidal ideation with a plan. The master treatment plan dated 10/3/14 listed the physician intervention "clarify diagnosis, assess medication trials for tolerance and effect, establish presence of hopelessness and impulsivity, for the problem, "Depression".

    Nursing interventions to address the same concern include, monitor appetite, hydration, rest/activity, and sleep cycles, develop therapeutic relationship, educate regarding signs and symptoms of depression, exacerbation of symptoms and medication, promote independent ADL's.

    Occupational therapy interventions to address depression include monitor behavior and assess functional status to determine group readiness, positively reinforce socialization and participation and patient will attend 100% of groups.

    Review of the group notes from 10/3/13 through 10/7/13 (discharge) failed to identify that the patient attended 100% of the groups The treatment plan failed to reflect alternative interventions when groups were not attended and/or available on weekends to assist the patient in achieving the desired therapeutic goals.

    b. Patient #37 was admitted on 10/2/14 with depression and polysubstance abuse. The treatment plan dated 10/3/14 listed the physician intervention "clarify diagnosis, assess medication trials for tolerance and effect, establish presence of hopelessness and impulsivity, for the problem, "Depression".

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

Nursing interventions to address the same concern include, monitor appetite, hydration, rest/activity, and sleep cycles, develop therapeutic relationship, educate regarding signs and symptoms of depression, exacerbation of symptoms and medication, promote independent ADL's, encourage patient to seek staff if increase in depression.

Occupational therapy interventions to address depression include monitor behavior and assess functional status to determine group readiness, positively reinforce socialization and participation and patient will attend 85% of groups.

Review of the group notes from 10/4/14 through 10/5/14 failed to identify that the patient attended 85% of the groups The treatment plan failed to reflect alternative interventions when groups were not attended and/or available on weekends to assist the patient in achieving the desired therapeutic goals.

c. Patient #59 was admitted on 9/14/14 with depression and schizoaffective disorder. The treatment plan dated 9/14/14 listed the physician intervention "clarify diagnosis, assess medication trials for tolerance and effect, establish presence of hopelessness and impulsivity, for the problem, "Depression".

Nursing interventions to address the same concern include, monitor appetite, hydration, rest/activity, and sleep cycles, develop therapeutic relationship, educate regarding signs and symptoms of depression, exacerbation of symptoms and medication, promote independent ADL's, encourage patient to seek staff if increase in depression.

Occupational therapy interventions to address depression include monitor behavior and assess functional status to determine group readiness, positively reinforce socialization and participation and patient will attend two thirds (2/3) of the of groups.

Review of the group notes from 9/14/14 through 9/26/14 failed to identify that the patient attended two thirds of the groups The treatment plan failed to reflect alternative interventions when groups were not attended and/or available on weekends to assist the patient in achieving the desired therapeutic goals.

Review of the policy indicated that the treatment plan specifies the methods for achieving the goals. Assessment of the patients progress to reach the goals should be reviewed and any needed changes in the treatment plan should be documented.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

36. Based on a review of facility documentation and interview, the facility failed to ensure there was a qualified Director of Social Services responsible to supervise the quality of Social Services being provided in the psychiatric unit. The finding includes the following:
    a. Review of facility documentation indicated that the Social Worker on the psychiatric

unit reports to the Nursing Director of the unit, who is a Registered Nurse. Interview with the Nurse Manager on 10/7/14 at 2:00 PM indicated that the Social Worker on the unit reports directly to Nurse Director. The Nurse Director indicated that s/he completes the performance evaluations for the Social Worker. The facility failed to ensure that there was a Director of Social Services who monitors and evaluates the quality of the social services provided.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A).

37. Based on a review of facilty documentation and interview, the facility failed to ensure that a sufficient number and/or quality of therapeutic groups to assist the patients to achieve the desired outcomes. The finding includes the following:
    a. Review of the therapeutic program identified that the facility is presently providing two therapeutic occupational therapy groups each day Monday through Friday at 11:00 AM and 1:30 PM. Interview with the Nurse Director of the unit on 10/7/14 at 1:00 PM stated these are the only therapeutic groups offered at this time and there are no groups on the weekends. The Director indicated that presently the Occupational Therapist (OT) runs the two groups and in the process of hiring a second Social Worker to assist in adding more groups.

       Subsequent to surveyor inquiry regarding the content of the groups the Director supplied a binder of mimeograph worksheets. Interview with the Director indicated that all patients are encouraged to attend the groups and the groups are tailored to the patients on the unit at that time.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (g) Pharmacy (1) and/or (i) General (6).

38. *Based on observation, interviews, and policy review, the hospital, who compounds sterile pharmaceuticals, failed to ensure proper infection control practices were maintained. The findings include:
    a. During tour of the hospital pharmacy compounding rooms on 11/24/14 during the period of 10:25 AM and 3:00 PM with the Acting Pharmacy Director and Representative from the Quality Department identified the following concerns:
    b. Technician #11 compounding in the biological safety cabinet (BSC) was observed wearing a necklace, although policy directs that no jewelry can be worn upon entry into the ante room.
    c. Technician #11 was observed placing the overwrap from the sterile gloves on the air vent throughout the compounding process obstructing the air vents.
    d. Technician #11 working in the BSC, was observed to finish compounding a chemotherapy agent, reach into the Laminar Flow work bench (LAFW) to obtain vial

seals without changing any Personal Protective equipment (PPE) including the gloves. This was observed on multiple occasions.

e. Technician #10 failed to clean the (BSC) before starting a batch preparation.
f. During compounding, Technician #10 was seen stacking all the overwraps from gloves, needles, syringes and other supplies against the back wall of the BSC obstructing the air vents.
g. Observed alcohol swabs and needle left in an unused LAFW from previous compounding activities. No explanation could be provided for this practice.
h. In the Ante area, dust and construction debris was observed on the coving ledge under the new sink that was installed around 9/26/14 (2 months prior to this inspection). Facility policy directs that any horizontal surface must be cleaned daily.
i. Observed yellow material on the left side of the LAFW including in the channel where the side partition sits. Using a sterile alcohol pad, parts of the yellow material could be easily removed. Interview with Pharmacy staff stated this substance was not from mixing on that day. Facility policy directs that this area should be cleaned daily.
j. Near the door of the Ante area from the main pharmacy, uneven caulking was visualized around the interface between the new door frame and the old door frame. Streaks of caulking was observed on the grid over the HEPA filter in the buffer area. Large beaded caulking was observed behind the BSC at the juncture of ceiling and wall and excess caulking was noted on the areas of the grid holding the ceiling tiles in place and around the duct work used for venting the BSC. This created non-smooth surfaces rendering proper cleaning difficult and creating a potential for dirt to gather.
k. Observed abrasions on two ceiling tiles in the buffer area which removed the top layer and exposed the material underneath rendering an inability to properly cleanse the surface.

During interview on 11/25/14 at 2:50 PM, the ICN (infection control nurse) stated that while surveillance rounds continued within all parts of the inpatient and outpatient areas of the hospital, the pharmacy had not been surveyed until 11/25/14, for a preplanned visit. Review of the plan of correction relative to the initial survey completed on 8/5/14 identified that the ICN would include the pharmacy compounding rooms into routine surveillance with reports back to the Infection Control Committee and Quality Improvement beginning 8/30/14.

Interview with the interim Pharmacy Director on 11/24/14 at 3:30 PM stated s/he is new in this position and is working closely with Administration and a Pharmacy Consultant to remediate concerns identified in the Pharmacy Department.

Review of the job description for the Manager of Pharmacy reflected responsibility for the management and coordination of resources on a daily basis including anticipation and identification of potential problems in either direct pharmaceutical care and/or assigned area of operations with facilitation of an effective resolution of problems.

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

DATES OF VISIT: Commenced on July 16, 2014 and concluded on November 25, 2014

THE FOLLOWING VIOLATIONS OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

January 10, 2014

Susan H. Newton, R.N.
Supervising Nurse Consultant
Facility Licensing and Investigations Section
410 Capitol Avenue
P.O. Box 340308
Hartford, CT 06134

Sent Via: FedEx

RE: Response to Department of Public Health letter dated December 31, 2013

Dear Ms. Newton:

Enclosed herewith please find Johnson Memorial Medical Center's plan of correction in response to the Statement of Violations related to the Facility and Licensing and Investigations survey on October 28 through October 31, 2013.

The plan of correction includes measures to prevent the recurrence, date corrective actions will be effective, and accountable person(s). Please contact Karl Kamyk, M.B.A., Director of Quality/Risk Management at (860) 684-8498 if you should have any further questions.

Sincerely,

Stuart E. Rosenberg
President/CEO
Johnson Memorial Medical Center

Cc: Karl Kamyk, M.B.A., Director of Quality/Risk Management
Michele Urban, R.N., M.S.N., Vice President of Patient Care Services

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

The following Corrective Actions of the Regulations of Connecticut State Agencies and/or Connecticut General Statutes presented.

Violation: 1 (a, b)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (2) (B) and/or (d) Medical records (2) and/or (e) Nursing service (1).

Effective Action Date: 1/8/2014

Description of violation:
1 a, b. Based on a review of clinical records, interviews and review of hospital policies, for two of three patients (Patients #12 and 13) that had procedures, the hospital failed to ensure the history and physical was comprehensive and/or that intravenous fluids were administered based on a physician's order.

- The following Policies and Prócedures were reviewed and remain appropriate: JMMC Medical Staff Bylaws, Rules and Regulations B. Medical Records, and The Hospital Wide System For Medication Administration.
- Vice President of Medical Affairs, or designee, is responsible for this corrective action.
- Individual providers are re-educated as to required components of H&P; Department of Surgery, Department of Medicine, Perioperative Committee and Medical Executive Committee.
- Revised pre-printed physician order sheet will include postoperative section to include intravenous fluids.
- Audits for H & P for comprehensiveness conducted January, February and March 2014. Audits will be submitted for review at the Medical Executive Committee meetings in February, March and April 2014.
- Audits for written physician order prior to administration of IV fluids, conducted January, February and March 2014. Audit results will be submitted and reviewed at the Quality Improvement Committee (QIC) in February, March, and April 2014.

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 2 (a, b, c)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b)Administration (2)and/or (i) General (6)

***Effective Action* Date: 1/14/2014**

Description of violation:
2a, b, c. Based on interviews, review of documentation and hospital policies, the hospital failed to ensure that employees were informed and/or educated regarding Advanced Directives and/or informed two of four patients (Patients #20 and 21) about Advanced Directives and/or documented if the patient (Patients #21 and #10) had executed Advanced Directives.

- Policy and Procedure Use of the Electronic Utilization of Paragon System & Advanced Directive will be presented for approval at the 01/16/2014 Clinical Leadership Meeting.
- Director of Business Services is responsible for this corrective action.

- Director of Business Services, or designee, will train directors to educate their staff.
- A review of 12 charts twice a week by Director of Business Services for the month of February 2014.
- A review of 10 charts once a week by Registration Coordinator for the month of March and April 2014.
- Audit results will be reported to Quality Improvement Committee (QIC) in March, April and May 2014.

Violation: 3 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

Effective Action Date: 1/14/2014

Description of violation:
3 a. During a tour of the off-site Chemical Dependency Unit with Nurse Director #1 on 10/28/2013, it was identified that the posted telephone number for the State of Connecticut Department of Public Health was not accurate. Review of the hospital policy and procedure, titled Patients Rights and Responsibilities, identified that each patient has the right to file a grievance about care and services provided with the State Regulatory Agency.

- The Director of Psychiatry is the responsible party.
- Correct phone number was obtained from the Department of Public Health website. CDP sign changed to reflect the correct phone number on 1/6/2014.
- The DPH website will be checked annually for updated contact information.

Violation: 4 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (f) Diagnostic and therapeutic facilities and/or (i) General (6)

Effective Action Date: 1/14/2014

Description of violation:
4 a. Based on observation, interview and review of hospital policies and procedures, the hospital failed to ensure that the hydrocollator was maintained within acceptable temperature ranges and/or that documentation reflected that the hydrocollator unit was cleaned in accordance with policy and procedure.

- The Hospital's Hot Packs and Cleaning of Hydrocollator policies have been reviewed and revised with regard to the issues of temperature ranges and documentation of cleaning.
- The Rehabilitation Program Manager is responsible for this corrective action.
- A 'Hydrocollator Cleaning Log' has been initiated to document the cleaning of the hydrocollator by Therapy staff as specified in the Hospital's policy. Therapy staff have been re-educated on the Hospital's Hot Packs and Cleaning of Hydrocollator policies including the initiation of a new cleaning log.
- Weekly audits will be conducted for January, February, and March 2014 to review the Hydrocollator's temperature and cleaning logs for compliance with the Hospital's policies. Audits will be forwarded February, March, and April 2014 to the Quality Improvement Committee (QIC).

Violation: 5 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

Effective Action Date: 12/11/13

Description of violation:
5 a. Based on observation and interviews, the hospital failed to have a Clinical Laboratory Improvement Amendment (CLIA) waiver in place for laboratory tests that are completed in the off-site Wound Center.

- The Policy and Procedure ADM.0063 Compliance with Applicable State and Local Laws and Regulations was reviewed and remains appropriate.
- Lab Site Manager is responsible for this corrective action.
- CLIA Waiver Application submitted to DPH on 12/11/2013 for whole blood glucose testing performed at Advanced Wound Center. Certificate will be posted in patient waiting area once received and will be renewed every 2 years as required.

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 6 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b)Administration (2) and/or (f) Diagnostic and therapeutic facilities and/or (i) General (6).

Effective Action Date: 12/10/2013

Description of violation:
6 a. Based on observation, interviews and review of hospital policy and procedure, the hospital failed to ensure that patient health protected information was secured.

- The policy and procedure Confidentiality – Safeguarding of Protected Health Information During Transmission and Communication (HIPAA) was reviewed and remains appropriate.
- Infusion Center Director is responsible for this corrective action.
- The lock on the Pharmacy Office Door has been changed. The records have been secured. There are three keys available to the office. These keys are provided to personnel needing immediate access to this room as appropriate, including: the Infusion Center Director, the Pharmacist on site, and the Pharmacy Director at Johnson Memorial Hospital, who oversees the Infusion Center Pharmacy.
- Cleaning will be performed by designated pharmacy staff.

Violation: 7 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

Effective Action Date: 1/14/2014

Description of violation:
7 a. Based on review of clinical records, review of hospital policy and interviews for two of three patients who were admitted with alcohol intoxication (Patients #10, and #23) the facility failed to ensure that the patient was assessed for alcohol withdrawal in accordance with facility policy and/or for Patient #5, that withdrawal symptoms were treated.

- The policy and procedure CIWA was reviewed and remains appropriate.
- The Vice President of Medical Affairs is responsible for this corrective action plan.
- Education will be conducted with RN's on South 2 by the Director of Psychiatry.
- Audits for withdrawal symptoms treated will be done by the Director of Psychiatry, or designee, for January, February and March 2014 and results presented to Quality Improvement Committee (QIC).

Violation: 7 (b, c)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

Effective Action Date: **01/08/2014**

Description of violation:
7 b & c. Based on review of clinical records, review of hospital policy and interviews for two of three patients who were admitted with alcohol intoxication (Patients #10, and #23) the facility failed to ensure that the patient was assessed for alcohol withdrawal in accordance with facility policy and/or for Patient #5, that withdrawal symptoms were treated.

- The Emergency Department Policy: Alcohol Intoxication, Acute Management was reviewed and remains appropriate.
- The Vice President of Medical Affairs, or designee, will be responsible for this corrective action.
- Education to Emergency Department physicians regarding timely assessment for alcohol withdrawal will occur at the Department of Emergency Medicine monthly meeting in February 2014.
- 15 Charts will be audited for compliance with the Alcohol Intoxication, Acute Management Policy for three months: February, March and April 2014. Results will be reported to the Quality Improvement Committee (QIC) in March, April and May 2014.

Violation: 8 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) (3), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

Effective Action Date: 12/23/2013

Description of violation:
8 a. Based on a tour of the psychiatric unit, review of hospital documentation/ hospital practice and staff interviews the facility failed to ensure that patient treatment groups were conducted as per past practice and/or posted.

- The Group Policy has been reviewed and remains appropriate.
- The Director of Psychiatry is responsible for this corrective action.
- Psychiatry Team met and formulated a new group schedule. The schedule was implemented and posted on 12/23/2013.
- Visible postings will be checked daily and audit results will be forwarded to Quality Improvement Committee (QIC) January, February and March 2014.

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 9 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical Staff (2) and/or (d) Medical records (3) and/or (e) Nursing Services (1) and/or (i) General (6). (6).

Effective Action Date: 1/1/2014

Description of violation:
9 a. Based on review of clinical records, review of hospital policy and interviews for two of five patients who were admitted to the psychiatric in-patient unit (Patients #5, and #6) the facility failed to ensure the patients' right to receive treatment in a safe environment and/or document whether or not the patient was given the choice to notify law enforcement authorities following an assault.

- The policy Altercation Between Patients was developed on 12/23/2013. The policy and procedure has been approved.
- The Director of Psychiatry is responsible for this corrective action.
- The policy Altercation Between Patients has been implemented and Behavioral Health RN's have been educated.
- If an altercation should occur, an audit will be performed for each incident of physical altercation between patients to ensure documentation/policy followed. Results submitted to Quality Improvement Committee (QIC) for the months of January, February and March 2014 for review.

Violation: 10 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical Records (3), and/or (e) Nursing Service (1), and/or (i) General (6)

Effective Action Date: 1/14/2014

Description of violation:
10 a .Patient #8 was admitted to the hospital Emergency Department (ED) on 10/28/13 with left sided abdominal pain that was assessed on admission as unbearable 9-10 as identified on the numerical pain scale (0 -10, 9-10 unbearable). Review of the ED clinical record indicated that the patient received Morphine 5 milligrams (mg) intravenous push (IVP) at 8:25 AM and Dilaudid 1 mg IV at 8:59 AM. Review of the Pain Assessment and Management Policy identified that a reassessment of medication effectiveness would be completed post intervention. The record failed to reflect pain reassessment as per policy.

- The Multidisciplinary Pain Assessment and Management Policy as well as the Department of Emergency Vital Signs Policy were reviewed and remain appropriate.
- The Senior Director of Nursing or designee is responsible for this corrective action.
- Emergency Department nurses will be re-educated on the Pain Assessment and Management Policy as well as the Vital Signs Policy with specific attention on need to document post medication/intervention assessments related to pain management.
- 30 EmpowER medical records will be audited for post pain medication/intervention documentation for January, February and March 2014 and reported to Quality Improvement Committee (QIC) February, March and April 2014.

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 11 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (d) Medical Records (3), and/or (e) Nursing Service (1), and/or (i) General (6)

Effective Action Date: January 14, 2014

Description of violation
11 a. Patient #10 was admitted to the ED on 10/27/13 with alcohol abuse. Review of the medical orders directed that the Clinical Institute Withdrawal Assessment for Alcohol (CIWA) scale patient assessment be initiated. Review of the CIWA Guidelines included administering an initial loading dose of Valium 20 mg by mouth for a score of < 10 on the CIWA scale. Review of Patient #10's CIWA score on 10/27/13 at 5:00 PM identified a score of 8, and the patient was given Valium 20 mg by mouth (po). Review of the Medication Administration Record failed to reflect that the Valium 20 mg po was administered.

- The Multidisciplinary Policy: Hospital Wide System for Medication Administration was reviewed and changed to reflect documentation of medication administration on MAR forms (printed) or in the EmpowER medical record.
- The Senior Director of Nursing or designee is responsible for this corrective action.
- Emergency Department nurses will be re-educated on the Hospital Wide System for Medication Administration Policy.
- 15 EmpowER medical records will be audited to assess for presence of CIWA medication administrations present on MAR (printed or in EmpowER medical record.) and reported to Quality Improvement Committee (QIC) January, February and March 2014.

Violation: 12 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (c) Medical staff (2) (B), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

Effective Action Date: 1/14/2014

Description of violation:
12 a. Based on review of the clinical record, review of hospital policy, review of hospital documentation and interviews with hospital personnel for one patient (Patient #2) who sustained a fall, documentation and interviews failed to reflect the Fall Prevention Policy was followed.

- The Multidisciplinary Ruby Slipper Fall Prevention Program Policy was reviewed and remains appropriate.
- The Director of Medical/Surgical Services is responsible for this corrective action plan.
- Re-educate Med/Surg RN staff regarding policy no later than 1/14/14.
- Audits regarding Med/Surg patient falls reported through the MIDAS reporting system will be conducted for January, February, March 2014 and forwarded to Quality Improvement Committee (QIC) for February, March and April 2014.

Violation: 13 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (c) Medical staff (2)(A), and/or (d) Medical records (3), and/or (e) Nursing service (1), and/or (i) General (6).

Effective Action Date: 1/8/2014

Description of violation:
13 a. Based on review of the clinical record, review of hospital policy and interviews with hospital personnel for one patient (Patient #2) who expired, documentation and interviews failed to reflect that the hospital death pronouncement policy was followed.

- The following Policies and Procedures were reviewed and remain appropriate: JMMC Medical Staff Bylaws, Rules and Regulations A. Admission and Discharge of Patients #9; Multidisciplinary Patient Care Manual: Advance Directives and/or Withdrawal of Life; and Department of Nursing: Pronouncement of Death by a Registered Nurse.
- Vice President of Medical Affairs, or designee, is responsible for this corrective action.
- Physician re-education on death imminent in progress notes, written DNR and Nurse Pronouncement order at MEC on January 8, 2014, and upcoming department meetings and Hospitalist meetings.
- Med/Surg RN staff educated regarding policy and expectation through policy review and/or staff meetings by no later than 1/14/14.
- Nurse pronouncement following a death on Med/Surg will be audited for required documentation starting 1/15/14. Audits will be submitted to Quality Improvement Committee (QIC) February, March and April 2014 for review.

Violation: 14 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2), and/or (c) Medical staff (2)(B), and/or (d) Medical records (3), and/or (i) General (6).

Effective Action Date: 1/8/2014

Description of violation:
14 a. Based on review of the clinical record, review of hospital policy, review of hospital documentation and interviews with hospital personnel for one patient (Patient #1) admitted to the hospital, documentation and interviews failed to reflect that the patient's History and Physical (H & P) was reviewed for accuracy.

- The Policy and Procedure JMMC Medical Staff Bylaws, Rules and Regulations B. Medical Records #1 was reviewed and remains appropriate.
- The Vice President of Medical Affairs, or designee, is responsible for this corrective action.
- Re-education will occur via in-service at the upcoming Department of Medicine, Department of Surgery, Hospitalist Section, Medical Executive Committee, and Quarterly Medical Staff Meetings.
- 20 charts for individual providers will be audited for compliance in February, March and April 2014. Results of the audits will be reported to Quality Improvement Committee (QIC) for three months: March, April and May 2014.

Violation: 15 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3(b) Administration (3) and/or (c) Medical Staff (B) and/or (d) Medical Records (3), and/or (c) Nursing Services (1) and/or (g) Pharmacy (1)

Effective Action Date: 1/14/2014

Description of violation:
15 a. The hospital failed to ensure that controlled medications stored in the automated medication dispensing system (Acudose) can only be dispensed and/or administered upon the specific order of a hospital physician or licensed independent practitioner (LIP) and/or in accordance with hospital policy.

- The Multidisciplinary Policy Hospital Wide System for Medication Administration was reviewed and remains appropriate.
- The Director of Pharmacy, or designee, is responsible for this corrective action.
- All Emergency Department nurses will be re-educated on the Hospital Wide System for Medication Administration policy to ensure a valid provider order is confirmed for all controlled substances removed from the Acudose system.
- An Acudose report will be generated for each calendar day and reviewed against the EmpowER medical record to ensure the presence of a valid provider order for the controlled substance removed. Audits will be conducted January, February and March 2014 and reported to Quality Improvement Committee (QIC) February, March and April 2014.

Violation: 16 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (3) and/or (c) Medical Staff (B) and/or (d) Medical Records (3) and/or (e) Nursing Service (1).

Effective Action Date: 1/14/2014

Description of violation:
16 a. Based on review of clinical records, hospital investigation, hospital policies, and staff interviews for one of four patients who received care and services in the ED, (Patient #16), the hospital failed to ensure that Physician's Assistant (PA) #1 signed the electronically generated prescription prior to the patient's discharge

- The Chairman of the Department of Emergency Medicine is responsible for this corrective action.
- Emergency Room Providers were re-educated at staff meeting on 1/8/2014. The prescription printer will be relocated to the physician atrium.
- The electronically generated prescription is signed by the provider and given to the RN to provide to the patient.

Violation: 17 (a)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 Short Term Hospitals, General and Special (a) Physical Plant.

***Effective Action Date:* 1/6/2014**

Description of violation:
17 a. The surveyor, while accompanied by the Compliance Officer and the Labor & Delivery Nursing Supervisor observed that all of the patient, electric beds throughout the Labor & Delivery Nursing Unit lacked valid, current & non-expired preventive maintenance stickers and the facility failed to provide documentation that all patient care electrical devices are inspected as required by NFPA 99,"Health Care Facilities", section 7-5.1.3, 7-5.2.2.1 and 7-6.2.1.2 and as part of the facility's preventive maintenance program; i.e. either no stickers, expired stickers and no documentation to indicate p.m.'s or electrical safety checks (see field notes for types, times & locations);

- The Medical Equipment Management Plan has been reviewed and is still appropriate.
- Director of Facilities and Engineering, or designee, is responsible for this corrective action.
- All beds in the Labor and Delivery Unit have been inventoried, inspected, and labeled per the Hospital's Medical Equipment Management Plan. The electronic bed vendor has been informed that they must work through Clinical Engineering to document and control all medical equipment support activity, including new deliveries.
- The electronic bed log book is located in Materials Management and contains all the PM's and Maintenance records for all the beds and stretchers that are included on the Service Agreement.

Violation: 17 (b)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 Short Term Hospitals, General and Special (a) Physical Plant.

Effective Action Date: 11/20/2013

Description of violation:
17 b. The surveyor, while accompanied by the Compliance Officer observed that both (2) of the hydrocollators within the Physical Therapy Nursing Unit lacked valid, current & non-expired preventive maintenance stickers and the facility failed to provide documentation that all patient care electrical devices are inspected as required by NFPA 99,"*Health Care Facilities*", section 7-5.1.3, 7-5.2.2.1 and 7-6.2.1.2 and as part of the facility's preventive maintenance program; i.e. labels indicate re inspection of equipment was due in October 2013;

- The Medical Equipment Management Plan has been reviewed and remains appropriate.
- Director of Facilities and Engineering or designee is responsible for this corrective action.
- Physical Therapy medical equipment inspections were completed on 11/20/2013.
- Clinical Engineering monitors monthly PM completion and reports these findings to EOC on a monthly basis using the "JMMC Medical Equipment Report".

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 17 (c)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3 Short Term Hospitals, General and Special (a) Physical Plant

***Effective Action Date:* 12/2/2013**
Description of violation:
17 c. The surveyor, while accompanied by the Compliance Officer, the Engineering Technician and the St Francis Director of Bio-Medical Engineering observed that the remote, bulk oxygen fill valve located on the outside of Johnson Surgery Center was not locked or provided with a means to secure the valve, as required by NFPA 99,*"Health Care Facilities"*;i.e. cabinet for filling valve and openings found in the open position.

- As required by NFPA 99, *"Health Care Facilities"*; i.e. cabinet for filling valve and openings found in the open position.
- The Director of Facilities and Engineering, or designee, is responsible for this corrective action.
- The on-site Engineering Maintenance Technician was made immediately aware of the situation. A check of this specific bulk oxygen access door lock has been added to the daily rounds check. The Bulk Oxygen provider has been re-educated on 12/2/2013 to have this access door locked.
- The Director of Facilities and Engineering will review the daily rounds sheet that is submitted by the Enfield On-site Engineering Maintenance Technician, on a weekly basis.

Violation: 17 (d)

Violation of the Regulations of Connecticut State Agencies: "Life Safety Code"

Effective Action Date: 11/21/2013

Description of violation
17 d. The surveyor observed that the corridor in the 1st floor of the building that houses the Johnson, satellite, out-patient, behavioral/substance abuse program at 153 Hazard Avenue was not properly separated from all other parts of the building, as required by the "Life Safety Code"; i.e. non-sprinklered Business Occupancy:

- The staff keeps the door between the entry of tenant space and the exit stair enclosure held open with a rug;
- The staff places wedges in the doors throughout the tenant space to keep them open;
- The self-closing device on the fire door in the middle of the tenant space has been disabled so that the door can remain open.

- The Life Safety Management Plan was reviewed and remains appropriate.
- The Director of Facilities & Engineering is responsible.
- Door props and wedges were removed from the space and the disabled door closure was repaired at the time of the survey. All CDP core area staff at the 153 Hazard Ave location have been re-educated on this life safety code.
- Ongoing compliance will be audited via Environment of Care rounds and findings will be reviewed by the Environment of Care Committee.

Violation: 17 (e)

Violation of the Regulations of Connecticut State Agencies: NFPA 72

Effective Action Date: 11/21/2013

Description of violation

17 e. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the facility fire alarm at the Johnson, satellite, out-patient, behavioral/ substance abuse program at 153 Hazard Avenue is being inspected, tested & maintained every 6 (six) months as required by NFPA 72,*"National Fire Alarm Code* "and by the facility's procedures & policies; i.e. last fire alarm inspection report provided was from 2012.

- The Life Safety Management Plan was reviewed and remains appropriate.
- The Director of Facilities & Engineering, or designee, is responsible for this corrective action.
- 153 Hazard Avenue will be inspected, tested & maintained every 6 (six) months as required by NFPA 72,*"National Fire Alarm Code* "and by the facility's procedures and Life Safety Management Plan. Documentation of testing and inspection will be reviewed and kept in the Director of Facilities and Engineering's office and reported to the Environment of Care committee.
- 153 Hazard Avenue Life Safety PM completion percentages will be audited and reported to the Environment of Care Committee.

Violation: 17 (f)

Violation of the Regulations of Connecticut State Agencies: NFPA 90A

Effective Action Date: 11/21/2013

Description of violation:

17 f. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the facility fire dampers at the main campus building that were identified in the 05/04/10 Fire Damper Inspection Report by Freeman Air have been properly addressed, as required by NFPA 90A, *"Standard for the Installation of Air Conditioning and Ventilation Systems"*; i.e. while some of the repairs are complex and require an RFP, some of the easier issues could have been repaired by now.

- The Fire Damper PM was reviewed and remains appropriate.
- The Director of Facilities & Engineering, or designee, is responsible for this corrective action.
- Fire Damper inspection report has been updated to reflect the work performed. Work orders will be entered for outstanding work and tracked in the maintenance database.
- Work orders will be created for the identified repairs. Work orders and progress will be tracked in maintenance database and monitored by the Director of Facilities and Engineering and forwarded to EOC for review.

Violation: 17 (g)

Violation of the Regulations of Connecticut State Agencies: 19.7.1.2

Effective Action Date: 11/21/2013

Description of violation:
17 g. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the fire drills at the Main Campus Building were being conducted at unexpected times under varying conditions as required by 19.7.1.2; i.e. all the 1st shift drills in the last year have been conducted between 12:45 and 1:00 PM.

- The Life Safety Management Plan was reviewed and remains appropriate.
- The Director of Facilities & Engineering, or designee, is responsible for this corrective action.
- Engineering and Security staff are trained to LS 19.7.1.2 and re-educated to the Life Safety Management Plan.
- Life Safety PM completion percentages are reported and monitored by the Director of Facilities and Engineering to the Environment of Care committee.

Violation: 17 (h)

Violation of the Regulations of Connecticut State Agencies: 19.7.1

Effective Action Date: 11/21/13

Description of violation:
17 h. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the fire drills at the Main Campus Building were being conducted in accordance with section 19.7.1 of the *"Life Safety Code"* i.e. no 2nd shift drill conducted in 2nd quarter of 2013 and no 3rd shift drill conducted in 3rd quarter 2013;

- The Life Safety Management Plan and Fire Drill PM were reviewed and remain appropriate.
- Director of Facilities and Engineering is the responsible party for this corrective action.
- Engineering and Security staff have been educated to LS 19.7.1, JMMC Life Safety Plan and Fire Drill PM.
- Life Safety PM completion percentages are reported and monitored by the Director of Facilities and Engineering and submitted to the Environment of Care Committee.

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 17 (i)

Violation of the Regulations of Connecticut State Agencies: LS 19.7.1

Effective Action Date: 11/21/2013

Description of violation:
17 i. The surveyor was not provided with documentation by the Physical Plant Director to indicate that the fire drills at the Johnson, satellite, out-patient, behavioral/substance abuse program at 153 Hazard Avenue were being conducted in accordance with section # 19.7.1 of the *"Life Safety Code"*; i.e.no fire drill reports available for the last 12 months.

- The Life Safety Management Plan and Fire Drill PM were reviewed and remains appropriate.
- The Director of Facilities & Engineering is responsible for this corrective action.
- Engineering staff were trained and re-educated to LS 19.7.1. Life Safety Management Plan and Fire Drill PM.
- Documentation of all drills is available for review in the Director of Facilities and Engineering's office. Life Safety PM completion percentages are reported and monitored by the Director of Facilities & Engineering to the Environment of Care Committee.

Violation: 17 (j)

Violation of the Regulations of Connecticut State Agencies: Section 19-13-D3 Short Term Hospitals, General and Special (a) Physical Plant.

***Effective Action Date*: 11/21/2013**

Description of violation:
17 j. The surveyor, while accompanied by the Compliance Officer and the Labor & Delivery Unit Nursing Supervisor observed that the windows in the patient rooms throughout the Labor & Delivery Nursing Unit were not designed to protect the physical security of infants, parents & staff and DO NOT minimize the risk of infant abduction, as required by section # 2.2-2.12.1.3 (1) & (2) of the *"Guidelines for Design and Construction of Health Care Facilities"*;i.e. several of the windows can be opened-nursing unit is a grade level-windows all were screwed closed at one time.

- The Code Pink PM was reviewed and remains appropriate.
- Director of Facilities & Engineering is responsible for this corrective action.
- Windows were secured at the time of the survey. Labor and Delivery staff have been re-educated maintaining a secure environment. Plan for high security windows was initiated on 11/24/2013.
- Compliance will be monitored through Environment of Care rounds and reported to the Environment of Care committee.

Violation: 17 (k)

Violation of the Regulations of Connecticut State Agencies Section # 2.2-2.12.1.3 of the *"Guidelines for Design and Construction of Health Care Facilities"*

Effective Action Date: 11/21/2013

Description of violation:
17 k. The surveyor was not provided with documentation, a policy or logs from the Compliance Officer, the Labor & Delivery Unit Nursing Supervisor or the physical Plant Director to indicate that the alarm that is installed on the exit door from the Labor & Delivery Nursing Unit is tested, inspected or maintained at any time.

- The policy and procedure Code Pink PM was reviewed and remains appropriate.
- The Director of Facilities and Engineering is responsible for this corrective action.
- Labor and Delivery door alarms are tested and documented twice annually as part of the "Code Pink" drills. The Labor & Delivery Director has been re-educated to this process and will retain the testing documentation/copies on the Labor and Delivery unit.

Violation: 17 (l)

Violation of the Regulations of Connecticut State Agencies:

Effective Action Date: 11/21/2013

Description of violation:
17 l. The surveyor while accompanied by the Physical Plant Director observed that the adult and adolescent psychiatric unit had light fixtures in the bathrooms that lacked tamperproof screws had corners that could be possible ligature points, Med Gas outlets with covers that had looped chains, shower curtain brackets affixed with non-tamper resistant screws and gaps along the edges, and door hinges that posed a potential hanging hazard and were not designed to a psychiatric institutional standard. These items had been identified in a previous inspection and a risk based analysis conducted by the facility prior to this inspection was completed but with no definitive completion date to abatement these hazards.

- The policy: Guidelines for Design and Construction of Health Care Facilities were reviewed and remains appropriate.
- The Director of Facilities & Engineering is responsible for this corrective action plan.
- Behavioral Health room rounds occur daily to identify potential risks.
- Identified risks are entered as work orders and submitted to engineering by the Director of Behavioral Health or designee.
  Time line for abatements:
  1. Light fixtures in the bathrooms that lacked tamperproof screws:
     Completion Date: 3/30/14
  2. Med Gas outlets with covers that had looped chains:
     Completion Date: 11/20/13
  3. Shower curtain brackets affixed with non-tamper resistant screws:
     Completion Date: 3/15/14
  4. Door Hinges replaced: Capital plan by 1/30/14
     Completion Date: Expected completion 6/1/14
- Ongoing compliance is monitored through daily safety rounds, environment of care rounds, and all findings are reported to the Environment of Care Committee.

Johnson Memorial Medical Center
Dates of visit: October 28, 29, 30 and 31, 2013

Violation: 17 (m)

Violation of the Regulations of Connecticut State Agencies Section 19-13-D3: Short Term Hospitals, General and Special (a) Physical Plant

Effective Action Date: 11/11/2013

Description of violation:
17 m. The surveyor and Physical Plant Director during documentation review of the water treatment records for the acute dialysis reverse osmosis machines identified that water was not maintained in accordance with AAMI standards for reverse osmosis water for reverse osmosis machine #1. Review of the water test for 10/11/13 had abnormal water results for calcium. The facility contracts for dialysis services and was unaware of this test result. The machine had not been used for a treatment after the last test was drawn and subsequent to surveyor interview the reverse osmosis machine #1 was immediately marked not for patient use. The contractor for dialysis couldn't explain why this redraw and removal of the machine had not happened prior to surveyor review; the contractor immediately redrew the sample on the day of survey and disinfected the machine. The machine will not be used for treatments until a sample within AAMI Guidelines is received.

- The Contracted Dialysis Service policies General Water Quality and Water Treatment and Responsibilities have been reviewed and remains appropriate.
- The Director of Facilities and Engineering is responsible for this corrective action.
- Contracted Dialysis Service received education in regards to DPH findings on November 11, 2013.
- Contracted Dialysis Service developed a CAP which was submitted to JMH.
- Re-education of the Water Tech and Biomedical staff of the corrective action plan was completed and included areas of monitoring water testing results and reporting schedules.
- The corrective action plan includes monthly monitoring of documentation including: notification requirements when testing results are out of normal ranges and communication with JMMC if abnormal findings have been identified.
- The results of the audits will be submitted to Director of Medical Surgical Services, or designee, on a monthly basis for three months (November, December 2013 and January 2014).
- Results of the audits will be forwarded to Director of Facilities and Engineering and the Environment of Care Committee.

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

Via Facsimile & US Mail

January 19, 2015

Cheryl A. Davis, RN, BSN
Supervising Nurse Consultant
State of Connecticut
Department of Public Health
Facility Licensing & Investigations Section
410 Capitol Avenue, MS #12FLIS
P.O. Box 340308
Hartford, CT 06134-0308

Re: Johnson Memorial Hospital DPH Visits 7/16/2014- 11/25/2014

Dear Ms. Davis:

Enclosed please find the Plan of Correction for the above-referenced DPH visits conducted at Johnson Memorial Hospital. This Plan of Correction is being submitted in advance of our meeting scheduled for Friday, January 23, 2015 at 10:00 a.m.

Should you have any questions or require additional information, I can be reached at (860) 684-8101 or you can contact Mr. Karl Kamyk, Assistant Vice President, Ancillary Services at (860) 684-8498.

I look forward to meeting with you on the 23rd.

Sincerely,

Stuart E. Rosenberg
President/CEO

SER:klv

Enclosures

c: Karl Kamyk, Assistant Vice President, Ancillary Services
Survey File

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (2)(A) and/or (4)(A) and/or (e) Nursing Service (1) and/or (g) Pharmacy (1) and/or (2) and/or (3) and/or (i) General (6) and/or (l) Infection control (2)(A) and/or (B) and/or (3) and/or (4).

1. A, b.-*The Governing body failed to function effectively to ensure reports received from Contamination Control Service Specialists (contracted services) were comprehensive and/or complete. (Please refer to A83) and/or that mold/fungus growth in the IV Infusion Center and hospital Pharmacy were reported to the governing body for review and appropriate action.

   Effective action date: 10/22/2014

   Affected Patients: No patients were identified as being adversely affected by failure to comply with this requirement.

   Plan of Correction: On 7-08-14 Compounding of medications at the Infusion Center was stopped pending remediation of identified mold growth.
   A review of all applicable meetings, Quality Improvement Committee (QIC), Environment of Care, Infection Control and Pharmacy and Therapeutics Committees and their reporting structures was completed on 9-16-14.
   1. Email sent on 9/18/2014 to JMMC Management Team and Executive Leadership, by the Chief Executive Officer (CEO), regarding including a line item to every applicable meeting agenda entitled: Safety/Quality Concern(s). This was also shared with the medical staff committee chairpersons by the CEO.
   2. Environment of Care Committee, Pharmacy and Therapeutics Committee and Infection Control Committee minutes will be reviewed after each meeting by designated Medical/Executive Leader and the chairperson of the Quality Improvement Committee prior to finalization and submission to identify all high risk, high volume, actionable results and/or problem prone areas identified in the organization for inclusion and discussion at the next Medical Executive Committee (MEC) meeting and Quality Improvement Committee (QIC) Meeting.
   3. Minutes from the MEC and QIC, identifying problem prone areas and metrics that do not meet benchmarks will be reviewed at the next scheduled Quality Committee of the Board.
   4. A Memo was sent on 10-27-14, by the CEO, to all Chairpersons of the following Committees, Quality Improvement, Environment of Care, Infection Control and Pharmacy and Therapeutics requiring development of a list of outside vendors performing quality checks on all utility systems, fire, safety equipment or other equipment and the 2014/2015 schedule of quality checks. The lists were added to the

respective committee agendas for review of the vendors reports based on the 2014/2015 schedule of quality checks to be completed by the vendors.
5. Expectations were provided, by the CEO, that all high risk, high volume, actionable results and/or problem prone areas identified are required to be reported to respective committees for minutes and review by the Governing Body to the
1. Management team on 9/16/ 2014
2. Executive Leadership Team on September 18, 2014
3. Board Quality Committee on October 22, 2014
4. Medical Executive Team on September 26, 2014.
5. The Executive Assistant will maintain a master list of all vendors performing quality checks in the organization.

QA/PI
All high risk, high volume, actionable results and/or problem prone areas identified in the organization will be tracked for reporting to governance by the Office of Risk Management.
Annually, the Executive Assistant will plan the review of vendor reports with the respective Chairpersons into the meetings of the QIC, Pharmacy and Therapeutics, Environment of Care and Infection Control Committees.
Effective immediately, copies of the QIC minutes with attachments of vendor test and quality reports will be sent to the Medical Executive Committee and the Board Quality Committee for review.

Responsible Persons:
The CEO provided the expectations and remains responsible for assuring they are followed. The Chairpersons of the Pharmacy and Therapeutics, Infection Prevention and Control, Environment of Care, Quality Improvement and Medical Executive committees are responsible for assuring submission of an appropriate corrective action plan for issues identified within their committees.

2. A-f., *Based on observation, review of facility documentation, contracted service reports, interviews, and policy review, the Governing body failed to ensure the hospital's Quality program assessed services provided by two contractors' to identify quality and performance issues.

Effective action date: 10/27/2014

Affected Patients: No patients were identified as being adversely affected by failure to comply with this requirement.
Plan of Correction:
Compounding of Medications was stopped at the IV Infusion Center effective 7-08-14. The Infusion Center was temporarily closed on 7/16/2014 and all patients were diverted to the temporary location at the main hospital
1. The contractual relationship policy was reviewed and revised on 9/16/2014 to incorporate quality metrics as a required part of all clinical contracts.

2. Senior Leaders were educated, by the CEO, on the policy and procedure for contract review and approval at the weekly Leadership meeting including the following requirement:
a. A summary of all contracts including contractor name, frequency of work and reports, copies of blank quality and test reports provided and agreed upon quality metrics will be sent to the QIC for inclusion in their agendas by departments responsible for such vendor contracts.
3. A review of all Contracts was completed on 10/22/2014. During Contract review, quality metrics were determined, and submitted to the perspective contractors as an addendum to existing contracts. Going forward all contracts will include quality metrics, including timeliness of receipt of final report. Contracts will go to legal review upon CEO request. A Master list of all contracts for quality related testing or checks will be developed and maintained in the office of the CEO.
4. A memo was sent by the CEO on 10/27/14 outlining the responsibility of the appropriate committees to review the Vendor quality checks or tests and address any identified concerns by requiring a submission of an "action plan" for correction of the identified concern to the responsible department within an appropriate time frame based on the severity of the result.
5. Vendor reports and associated hospital corrective action plans will be presented to the board quality committee for review, approval, action and submission into the minutes.

QA/PI:
Annual contract review to be conducted every July, by the department responsible for the contract with written evaluation forms to be completed by responsible departmental leadership, to evaluate identified quality standards/metrics/timeliness of receipt of report/report comprehensiveness, report accuracy and/or staff competencies and will be reported quarterly to Quality Committee of the Board effective immediately.
Summary of all contracts, including identified quality standards/metrics, frequency of testing or quality checks and planned dates of each, timeliness of receipt of report, report comprehensiveness, report accuracy and/or staff competencies will be provided to QIC by the office of the official signatory on the contract.

Responsible Person:
The CEO has the responsibility to assure all above actions are completed.

3. A-d., *Based on a review of hospital documentation, contractors' reports, interviews, and policies, the hospital failed to develop quality performance improvement activities regarding high risk area's including the IV compounding rooms in the Pharmacy and the IV infusion center (offsite location) and/or had an effective reporting structure through the various committees that report to Governing body to ensure appropriate intervention when mold was identified in the IV infusion center dating back to 1/13 and the hospital's pharmacy on 2/13.

Effective action date: 11/14/2014

Affected Patients:
No patients were adversely affected by the failure to report information to the QA/PI Committee.

Plan of Correction:
Compounding of Medications was stopped at the IV Infusion Center effective 7/8/14. The Infusion Center was temporarily closed 7/16/2014 and all patients were diverted to the temporary location at the main hospital
1. The QAPI plan was reviewed and revised, as of 9/24/14.
2. The QAPI plan has been revised to incorporate department quality metrics and review of vendor reports and tests from contracted services.
3. Each committee will report to QIC any actionable items, high risk areas/issues, high volume areas, and problem prone area/issues, identified during committee review of vendor quality check and testing results, utilizing the Committee Communication Tool.
4. QIC will review submitted reports for concerns that may not have been identified.
5. QIC will require corrective action plans from the appropriate department for any identified concerns.
6. QIC will continue to submit minutes with attachments to the Quality Committee of the Board.
7. Members of each of the following committees were educated prior to November 14, 2014 that hence forth review of all contracted vendor reports, tests, and quality metrics will be conducted at the respective meetings; Pharmacy and Therapeutics, Infection Prevention Committee, Environment of Care, and Quality Improvement Committee. Committee members were also oriented to utilization of the committee communication tool for reporting actionable items.

QA/PI:
Monthly review of dashboard quality metrics and any QAPI actionable items by designated executive leader and QIC.

Responsible Person:
The responsible party for this action is the Assistant Vice President of Ancillary Services.

4. A-j., *Based on observation, review of facility documentation, contractor reports, interviews, and policy review, the hospital failed to provide the necessary supervision of Pharmacy services to ensure that IV compounding rooms were tested/certified in accordance with federal and state laws (USP-797) and/or that mold growth in the IV compounding rooms dating back to 1/13 was addressed in a timely manner, and/or that quality services were provided by a contracted service.

Effective action date: 10/01/2014

Affected Patients: No patients were identified as being adversely affected by failure to comply with this requirement.

Plan of Correction:
Plans were immediately developed and implemented to bring the pharmacy compounding area into compliance with USP 797. The Infusion Center ceased operations on 7/16/2014 until renovations completed. Installation of a USP 797 hooded area was completed on 10/1/2014.

1. A USP 797 work group was formed with representatives from Pharmacy, Infection Control, Facilities, Building Services and Nursing to address incoming environmental reports, renovations and standard operating procedures. The work group addressed bringing both areas into compliance with USP 797 standards.

2. The IV Infusion Center, compounding area is being certified for compliance to USP 797 and State of Connecticut regulations through the State of Connecticut Department of Health as part of this Survey.
3. All future Environmental Monitoring reports will be forwarded to Environment of Care Committee, Infection Control Committee, Pharmacy and Therapeutics Committee and Cancer Care Committee and the USP 797 work group for review. All areas of concern will be reported by the above committees using the QAPI Committee Communication tool.

QA/PI:
All future Environmental Monitoring reports will be forwarded to Environment of Care Committee, Infection Control Committee, Pharmacy and Therapeutics Committee and Cancer Care Committee and the USP 797 work group for review. All areas of concern will be reported by the above committees using the QAPI Committee Communication tool.

Responsible Person:
The responsible party for this action is the consulting Pharmacy Manager.

5. A-e., *Based on observation, review of facility documentation, interviews, and policy review, the hospital, who compounds sterile pharmaceuticals, failed to comply with Federal and/or state laws, United States Pharmacopeia, Chapter 797, Pharmaceutical Compounding - Sterile Preparations and/or maintain a sanitary environment to ensure patient safety. During tour of the IV infusion center on 7/16/14 at 11:30 AM with the Pharmacy Director, the Pharmacy Manager, the Program Director, Nurse Manager, and Assistant Vice President of Ancillary Services (AVP

Effective action date: 10/27/2014

Affected Patients: No patients were adversely affected by failure to comply with this requirement.

Plan of Correction:
Compounding of Medications was stopped at the IV Infusion Center effective 7-08-14. The Infusion Center was temporarily closed on 7/16/2014 and all patients were diverted to the temporary location at the main hospital

Infusion Center
1. Compounding of Medications was stopped on 7-08-14. Renovations have been completed to assure the Infusion Center is USP 797 compliant Environmental facility as of 10-27-14.
2. Standardized system improvements have been implemented at the Infusion Center and Hospital Compounding facilities.
3. The storage room floor was cleaned and boxes dusted immediately after identification of dust by the surveyor. Housekeeping staff were educated on cleaning schedule and activities for this room as of 10-27-14.
4. All appropriate staff were educated on need to monitor and record temperature and humidity levels of identified rooms as of 10-27-14.
5. Other items were completed by 10-20-14

1. Pressure, temperature, and humidity
gauges were installed
2. Ceiling tiles at the main pharmacy were replaced caulked, ceiling tiles at Infusion Center were removed and replaced with a hard ceiling.
3. All techs were re-instructed on no jewelry or makeup
4. Hand hygiene and garbing competencies were developed, implemented with direct observation sign off of all staff
5. Line of demarcation identify installed.
6.Mop heads were immediately removed and stored in building services room. The New mop heads were purchased from cleaning company.
7.The bins holding drugs were cleaned and placed on a routine schedule for cleaning.
8.The ladder was removed
9.Grey/black material was solder from previous installation of Pipes. Reported Cultures returned negative results and this material was removed.
10.Vinyl seam crack in the hospital pharmacy clean room was re-seamed
11.Closed vial system was implemented for employee and patient safety
12.Tile above Biological Safety Cabinet has been replaced and caulked so no plenum air is reintroduced into the clean room
13.Rusty chairs removed and replaced
14.HEPA replaced for LAFW
15.Patient Personal meds have been relocated
16.Gloves were immediately removed from the top of the biohazard container
17.RPH assigned to remove patient own meds after 30 days.
18.All medication refrigerators and appropriate rooms are being monitored and documented for appropriate temperature ranges.
19.IV bags were removed and metal pans have been discarded.
20.USP 797 compliant non-shedding gowns purchased and a garbing competency was

initiated.
21.The Infection Prevention and Control Nurse has included the pharmacy compounding rooms into routine surveillance activities and will report results to the Infection Control Committee.
22. Consulting Pharmacy Manager will conduct daily review of compounding items to assure staff adherence to requirements.

QA/PI:
Monthly environmental rounds will be completed and any findings documented and remediated immediately in all compounding areas with the Pharmacy Manager, Infection Control Staff , Housekeeping supervisor and Maintenance Staff.
All Work orders completed: 7/15/2014-8/30/2014
All Education completed:
Education to Pharmacy staff
Hand hygiene and garbing competency– completed 8/30/14
USP 797 competency - completed 7/30/14

Responsible Person:
Consulting Pharmacy Manager is responsible for assuring follow through on all indicated items.

6. A-b., *Based on observation, review of hospital documentation, policies, and interviews, the hospital failed to ensure that the physical environment and mechanical HVAC systems were being maintained efficiently and in compliance with federal and state laws.

Effective action date: 10/15/2014

Affected Patients: No patients were identified as adversely affected by failure to comply with this requirement.

POC:
1. The policies and procedures have been reviewed and remain appropriate. Two policies, Maintain Integrity of Clean Room Space to USP 797 Codes and Clean Room Facility Controls Response, were added and Engineering staff have been educated on these policies at the Engineering dept. huddle on 8/22/14.
2. The physical space and HVAC system was redesigned by 3rd Party Engineering. Construction drawings and submitted to DPH on 8/15/2014.
3. A general contractor rebuilt the space according to the approved plans.
4. Infection control risk assessments were completed prior to performing any work and the addition of furnishings and equipment to the sterile environment. (Clean room)
5. Environmental testing will continue with the current companies.
6. Results of environmental testing will be presented to the Environment of Care, Infection Prevention and Control and Pharmacy and Therapeutic Committees at the next scheduled meeting following receipt.
7. Any results outside of acceptable range will be immediately addressed and remediated

by the Engineering Department.
8. Records will be maintained of all testing results and remediation actions as part of the engineering work order system.
9. Pharmacy staff are monitoring daily pressures, temperature and humidity of the compounding areas to assure safe levels.

QA/PI
Effective November 2014, the environment will be inspected twice annually during Environment of Care rounds, Quarterly during Infection control Surveillance, and daily by Pharmacy staff.
The work order database will be monitored monthly for work order entry compliance and results will be reported monthly to the Environment of Care Committee.

Responsible Persons:
The responsible person for this corrective action is the consulting Facilities Director.

7. A-e. *Based on observation, review of hospital documentation, interviews, and policies and procedures, the hospital failed to ensure that the physical environment of the I.V. Infusion Center (Enfield Campus) and the main hospital was in compliance with federal and state laws (USP-797) as required.

Effective action date: 08/22/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

Plan of Correction:
1. The policies and procedures have been reviewed and remain appropriate.
2. Two policies, Maintain Integrity of Clean Room Space to USP 797 Codes and Clean Room Facility Controls Response, were added and Engineering staff have been educated on these policies at the Engineering dept huddle on 8/22/14.
3. Engineering Staff also educated on the importance of entering detailed information outlining the work performed and specific dates times location in the work order records prior to closing.
4. The environment will be inspected twice annually during Environment of Care rounds, Quarterly during Infection control Surveillance, and daily by Pharmacy staff to identify any actual or potential safety issues.
5. Work orders are entered for any problems identified.
6. Infection control risk assessments were and will continue to be completed prior to performing any work and/or the addition of anything (furniture, equipment) to a sterile environment. (clean room)

QA/PI:
Effective November 1, 2014, the work order database will be monitored monthly for work order entry compliance and comprehensiveness and results will be reported monthly to Environment of Care Committee until compliance is sustained.

Responsible Person:
The responsible person for this corrective action is the consulting Facilities Director.

8. A.e. *Based on observation, review of hospital documentation, policies and procedures and interviews the hospital failed to ensure that the air handling equipment in the I.V. Infusion Center (Enfield Campus) and the main hospital was in compliance with federal and state laws (USP-797) as required.

Effective action date: 10/15/2014

Affected Patients: No patients were identified as adversely affected by failure to comply with this requirement.

Plan of Correction:
1. The physical space and HVAC system was redesigned by 3rd Party Engineering and plans were submitted to DPH on 8/15/2014.
2. A general contractor rebuilt the space according to the approved plans.
3. The redesign of the space incorporates improvements of: a separate HVAC system for the compounding rooms & room pressure monitors.
4. Pressure gauges were installed to measure pressure in the Chemo, IV and Buffer rooms at the hospital and IV Infusion Center.
5. The non-compliant damper attached to the ventilation system was brought to code.
6. The HVAC ventilation was redesigned by an engineering firm; plans were submitted to and approved by DPH. The work was completed 10-15-14.
7. The HEPA filters have been identified by location and added to the PM list with assigned annual frequency of changes.

QA/PI:
1. The environment will be inspected twice annually during Environment of Care rounds, Quarterly during Infection control Surveillance, and daily by Pharmacy staff. Work orders are entered for any problems identified.
2. Infection control risk assessments were and will be completed prior to performing any work and/or the addition of anything (furniture, equipment) to a sterile environment. (clean room).
3. The work order database willl be monitored monthly for work order entry compliance and results reported monthly to Environment of Care Committee.

Responsible Person:
The responsible person for this corrective action is the consulting Facilities Director.

9. A. *Based on a review of hospital documentation, review of hospital policies and interviews, the hospital failed to ensure the Infection Control program effectively evaluated and monitored the presence of mold/fungus identified during environmental testing at the IV Infusion center and the hospital pharmacy dating back to 1/13 to establish a plan of surveillance to maintain a mold-free environment.

   Effective action date: 09/22/2014

   Affected Patients:
   No patients were identified as adversely affected by failure to comply with this requirement

   Plan of Correction:
   1. Infection Prevention Plan reviewed and revised
   2. Infection Prevention Plan reviewed and revised to include surveillance of JMMC Outpatient Chemotherapy Patients and Infection Prevention Rounds to JMMC Outpatient facilities (4) times a year and as necessary.
   3. Environmental monitoring reports to be reviewed monthly in coordination with the consulting Pharmacy Manager and consulting Facilities Director, the Medical Director of Infection Prevention and Control and at the Infection Prevention and Control Meeting.

   QA/PI:
   Effective November 2014, Environmental Monitoring reports and reports of surveillance and rounding to be presented to Infection Prevention Committee monthly for review and recommended actions. If during review of reports, at any point, or during any committee meeting an actionable item is identified immediate corrective action will be taken by the person receiving the report or the Chairperson of the committee.

   Responsible Person:
   The responsible person for this corrective action is the consulting Infection Prevention Director

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A) and/or (e) Nursing service (1) and/or and/or (i) General (6).

10. A. *Based on tour of the facility, review of facility documentation, and interviews, the facility failed to ensure the LDRP unit was maintained in a safe manner to eliminate risk of newborn abduction.

Effective action date: 10/30/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
This standard was sighted during previous survey. Communication shall occur with the Department of Public Health (DPH) should significant changes be necessary for a plan of correction. Tamper proof screws were installed into all windows in Labor and Delivery rooms immediately on day of survey. Security films were installed on October 30, 2014 on all windows in Labor and Delivery.

QA/PI:
Any significant changes to a plan of correction shall have documentation for rationale of changes. Changes are reviewed by Environment of Care Committee (EOC) and if necessary for funding approval, at a higher level.

Status of windows submitted to Environment of Care Committee in November 2014. Environment of Care rounds bi-annually to ensure window security film integrity maintained.

Responsible Person:
The consulting Facilities Director is responsible for this plan of correction and submission of updates to Environment of Care Committee.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (d) Medical records (3) and/or (e) Nursing service (1) and/or (i) General (6).

11. A. Based on a review of clinical records and policy review, the facility failed to ensure that one of three patients' reviewed for restraint use (#59) had an order for restraints and/or documentation reflected behaviors that warranted the use of restraints and/or alternatives attempted prior to the implementation of restraints.

Effective action date: 11/10/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Director of Psychiatry has developed educational tool for nursing staff. This education was completed on 10/27/14 for Directors, Managers, and Clinical Resource Coordinators (CRC). Education for Emergency Room and Behavioral Health staff was completed on 11/12/14. All restraint orders are reviewed by the CRC at time restraint is initiated. The CRC provides immediate feedback to ensure the orders are written as per the restraint and seclusion policy. The CRC is calling Director of Psychiatry (For the remainder of 2014) with RN present to discuss restraint and make sure all components complete. Director of Psychiatry will document and review. Members of the restraint committee review all restraint orders for completeness. Restraint Committee meets monthly to discuss these chart reviews.

QA/PI:
1, Medical Records relating to restraints are monitored monthly for each patient having been placed in restraints.
2. Monitoring is conducted and reported monthly until 100% compliance is achieved for 4 consecutive months.
3. Documentation of findings are reported monthly for at least 4 months and then quarterly to the Quality Improvement Committee.

Responsible person:
The Director of Psychiatry will assure data is collected.
Assistant Vice President of Patient Care Services will assure reporting of audits to the Quality Improvement Committee.

12. A. Based on a review of clinical records, interview and policy review, the facility failed to reduce and/or discontinue restraints at the earliest possible time for one of three patients' reviewed for restraint use (#59).

Effective action date: 11/10/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
1. Nursing staff in the ED were educated on this requirement and a corrective action plan was initiated September 2014 with mandatory read and sign off education.
2. Monitoring and documentation is completed by the assigned Patient Safety Tech (PST), Critical Care Tech (CCT) or RN when a patient is placed in ordered 4pt behavioral restraints.
3. Director of Psychiatry has developed an educational tool for Emergency Room and Behavioral Health nursing staff. All Clinical Resource Coordinators (CRC), Emergency

Department nurses, PST's and CCT's are educated on this CAP, the restraint and seclusion policy, order form, flow sheet and educational tool.
4. CRC's perform concurrent audits for appropriate documentation and care of all patients placed in ordered restraints. The CRC provides immediate feedback to ensure that documentation and care is as per policy. The CRC calls Director of Psychiatry (For the remainder of 2014) with responsible RN present to discuss ordered restraint, and ensure all components are complete. Director of Psychiatry will document and review for compliance as per submitted QAPI.
5. The RN caring for any ordered restrained patient while in the ED is responsible for providing a copy of all restraint documentation to the ED Manager by the end of their assigned shift to review compliance with the restraint and seclusion policy and QAPI.
ED Nursing Leadership audits all episodes of patient ordered restraint, which occur in the ED on a monthly basis and shall continue to report results to QIC monthly for compliance as per QAPI.
7. Restraint Committee meets to discuss charts related to restraint and seclusion. The minutes of these meetings are reported to QIC quarterly.

QA/PI:
1. Concurrent audits are completed on every ordered restrained patient by CRC with review by the Director of Psychiatry.
2. Audits of the documentation for every ordered restrained ED patient is conducted by ED Leadership with results reviewed at QIC monthly.
3. A review of all ordered restrained Emergency Room patients is conducted until 100% compliance is achieved for 4 consecutive months.
Documentation of findings are reported monthly for 4 months and then quarterly to the Quality Improvement Committee.

Responsible person:
ED Manager assures data is collected.
Director of Psychiatry oversees CRC audit.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

13. A. Based on a review of clinical records and policy review, the facility failed to ensure that for one of three patients' (#59) reviewed for restraint use was monitored in accordance with facility policy.

Effective action date: 11/10/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
1. Monitoring and documentation is performed by the assigned Patient Safety Tech (PST), Critical Care Tech (CCT) or RN when a patient is placed in ordered 4pt behavioral restraints.
2. Director of Psychiatry developed a restraint and seclusion educational tool. All CRC's, Emergency Department nurses, Behavioral Health nurses, PST's, and CCT's have been educated on the restraint and seclusion policy, order form, flow sheet and educational tool with mandatory read and sign off education.
3. CRC's perform concurrent audits of documentation and care of all patients placed in ordered restraints. The CRC provides immediate feedback to ensure documentation and care is per the restraint and seclusion policy. The CRC calls the Director of Psychiatry (For the remainder of 2014) with responsible RN present to discuss ordered restraint and ensures all components are complete. Director of Psychiatry documents and reviews restraint documentation the for compliance as per QAPI.
4. The RN caring for any ordered restrained patient in the ED is responsible for providing a copy of all restraint documentation to the ED Manager by the end of their scheduled shift for compliance review with the restraint and seclusion policy and QAPI.
5. ED Nursing Leadership monitors all episodes of patient restraint, which occur in the ED on a monthly basis and reports results to QIC monthly for compliance as per QAPI.
6. Restraint Committee meets to review charts with ordered restraints. The minutes of these meetings are reported to QIC quarterly.

QA/PI:
1. Concurrent audits are completed on every restrained patient by CRC with review by the Director of Psychiatry.
2. Audits of the documentation of every ordered restrained ED patient is conducted by ED Leadership with results submitted and reviewed at QIC monthly.
3. A review of all restrained Emergency Room patients is conducted until 100% compliance is achieved for 4 consecutive months. Documentation of findings are reported monthly for 4 months and then quarterly to the Quality Improvement Committee.

Responsible person:
ED Manager assures data is collected.
Director of Psychiatry oversees CRC audit.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (c) Medical staff (4)(A) and/or (d) Medical records (2).

14. A. Based on a review of clinical records, review of Medical Staff Bylaws & Rules and Regulations, and interview, then hospital failed to ensure the history and physical (H&P) was completed prior to the procedure for one of three endoscopy patients' in accordance with hospital Bylaws.

Effective action date: 1/05/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
On the day of survey all outdated forms were removed and replaced with current forms, which include a focused History and Physical. Perioperative nursing staff have been educated to ensure only current forms are available for the Medical record/ chart. Education was completed November 5, 2014.
An email from the VPMA was sent on November 6, 2014 and November 7, 2014 to the Medical Staff with the expectation for medical staff to ensure no patient will enter an OR without an appropriate History and Physical completed per Medical Staff By-laws.

QA/PI:
Monitoring of History and Physicals for Same Day Surgery patients for completion within 30 days prior to procedures are conducted for 4 consecutive months. Documentation of findings is reported monthly for at least 4 months to the Quality Improvement Committee.

Responsible Person:
Vice President of Medical Affairs assures data is collected.
Vice President of Medical Affairs assures reporting of audits to the Quality Improvement Committee.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (d) Medical records (3) and/or (e) Nursing service (1) and/or (i) General (6).

15. A. Based on a review of clinical records, interview, and policy review, for one of three records reviewed for blood pressure monitoring (Patient 337), the hospital failed to ensure that physician's orders were followed.

Effective action date: 10/24/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement

POC:
Director of Psychiatry educated all Behavioral Health staff on assessing and documenting vital signs as ordered. Education completed on 10/24/14.

QA/PI:
Monitoring completed daily to ensure vitals are being completed as ordered. 2. Monitoring performed to ensure the nursing flow sheet is completed correctly as per The Psychiatric/Nursing Documentation Guideline.
Monitoring is conducted and reported monthly for compliance for 4 consecutive months. Data is collected for the 3 quarters. Documentation of findings is reported monthly for 4 months to the Quality Improvement Committee.

Responsible Person:
Director of Behavioral Health assure data is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

16. A-e.*Based on a review of clinical records, interview, and policy review, for five (5) of five patient's reviewed (Patient #34, 35, 36, #37, and #59), the hospital failed to ensure safety assessments were accurately completed.

Effective action date: 10/24/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Education and expectations on how to complete the Psychiatry nursing flow sheet was completed by the Director of Psychiatry. All Behavioral Health staff has been educated by 10/24/2014.

QA/PI
Monitoring performed to ensure the nursing flow sheet is completed correctly as per The Psychiatric/Nursing Documentation Guideline.
Monitoring is conducted and reported monthly for compliance for 4 consecutive months. Data is collected for the 3 quarters. Documentation of findings is reported monthly for 4 months to the Quality Improvement Committee.

Responsible Person:
Director of Behavioral Health assure data is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

17. Based on a review of clinical records, interview, and policy review, for one of two patient's reviewed for Pitocin therapy (Patient #47), the hospital failed to ensure that uterine resting tone was assessed in accordance with facilty policy.
a.

Effective action date: 11/11/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement

POC:
The Director of Perinatal Services immediately discussed with the Perinatal services RN the findings, and provided education and expectations to the RN for documenting resting tone. The Director of Perinatal Services provided education and expectations at the 10/15/2014 Perinatal Services staff meeting and via an email to all Obstetrical staff nurses. Education completed by 11/11/2014.

QA/PI
Monitoring of all appropriate obstetrical patients charts is conducted for compliance of assessment of the abdominal resting tone during induction as per The Obstetrics /Nursing Documentation Guideline.
Monitoring is conducted and reported monthly for compliance for 4 consecutive months. Data is collected for the 3 quarters. Documentation of findings is reported monthly for 4 months to the Quality Improvement Committee.

Director of Perinatal Services will assure data is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (g) Pharmacy (1).

18. A. *Based on observation, interviews, and policy review, the hospital failed to ensure the technician followed procedure in preparation for sterile drug compounding activities.

Effective action date: 10/31/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Pharmacy staff performing sterile compounds were re-educated and observed by Infection Prevention and Pharmacy Consultant Site Manager for compliance with the 30 second hand washing and garbing requirement. Staff members who routinely compound IV/Chemotherapy completed this competency by 10/31/2014.
A clock with a second hand has been placed in a location easily viewable by staff in order to ensure accurate hand washing consistent with 30 seconds.

QA/PI:
Completed Observed Competencies are located within pharmacy department files.
Monitoring, of hand washing and garbing compliance, of at least two staff members is performed weekly and include one staff member at the hospital and one staff member at the Infusion Center.
Monitoring will be conducted until 100% compliance is achieved for 4 consecutive months. Documentation of findings are reported monthly for 4 months to the Quality Improvement Committee

Responsible person:
The Pharmacy Consultant Site Manager is responsible for this corrective action.
Assigned Pharmacist is responsible for the weekly audits at the Infusion Center.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (e) Nursing Service (1) and/or (i) General (6).

19. A. Based on observation and interview, the controlled drug storage area at the Johnson Surgical Center failed to ensure security of drugs.

Effective action date: 11/11/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC: The Manager of Perioperative Services instructed the charge nurse to secure the keys immediately at the time survey. A new practice was initiated immediately for the narcotic keys to remain with the responsible RN or locked in the accudose. This was discussed during the 11/4/2014 staff meeting. All education completed by 11/11/2014.

QA/PI: The narcotic key security is monitored and reported monthly until 100%compliance is achieved for 4 consecutive months. Documented findings are reported monthly for at least four months to the Quality Improvement Committee.

Responsible person: Manager of Perioperative Services assures dated is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality improvement Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6) and/or (l) Infection control (1).

20. A. Based on observation and interview, the hospital failed to ensure that an anesthesia medication pump had a current biomedical status check and/or was pulled from use when the pump could no longer be cleaned effectively.

Effective action date: 11/13/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
At the time of survey, the medication pump was immediately pulled out of service. The medication pump front face was replaced and preventative maintenance updated. October 10, 2014; w/o # 34308- medication pump placed back into service.

QA/PI:
Education was completed with the Johnson Surgical Center staff on 11/13/2014, regarding, removing from service equipment that cannot be properly cleaned and placing an appropriate work order for maintenance. The medication pump is on a yearly preventative maintenance and as needed schedule. Equipment prior to use is visually inspected at and again yearly via Environment of Care Rounds and quarterly during Infection prevention Surveillance.

Responsible Person:
Manager of Perioperative Services assures dated is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality improvement Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6).

21. A. Based on observation, the emergency carts in the surgical center failed to be free and clear of obstacles.

Effective action date: 11/06/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
The Manager of Perioperative services at the time of survey immediately required RNs to remove chair for quick access to emergency equipment, and set expectations to keep areas in front of emergency equipment clear and unimpeded. Education completed by 11/6/2014.

QA/PI:
Emergency cart is monitored to ensure it is not blocked and reported monthly until 100% compliance is achieved for 4 consecutive months. Documented findings are reported monthly for at least four months to the Quality Improvement Committee.

Responsible Person:
Manager of Perioperative Services assures dated is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality improvement Committee.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A) and/or (e) Nursing service (1) and/or (i) General (6) and/or (l) Infection control (1).

22. A. Based on observation and interview, the hospital endoscopy suite (two rooms and a scope cleaning room between) failed to have a soiled to clean pathway for cleaning and movement of the scopes.

Effective action date: 11/12/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
1. A walk- through the endoscopy suite was conducted with the Manager of Perioperative Services to delineate clean from soiled. A walk-through was conducted again with the manager of Perioperative Services, QRM staff and Consulting Infection Prevention Coordinator to review delineation of clean from soiled in preparation to revamp traffic flow from clean to soiled.
2. Consulting Infection Prevention Coordinator and Manager of Perioperative Services has

reviewed and reinforced/set expectations with endoscopy staff delineation of clean and soiled area traffic flow pattern.

23. A-c. Based on observation during tour, infection control practices failed to be implemented.

Effective action date: 11/12/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
1. Consulting Director of Infection Prevention to attend Environment of Care (EOC) and Infection Prevention (IP) rounds with respective teams in the Endoscopy suite twice a year and report any findings to Infection Prevention Committee.
2. Daily rounds of the endoscopy suite are performed by the perioperative manager(s) and documented daily.
3. The cart was immediately removed by Manager of Perioperative Services. The staff was educated that propping doors open violates Safety and Infection prevention protocols. Education was completed on 11/6/2014. A work order (#87480) for engineering was entered for installation of door levers allowing access for clinicians to use elbows to open doors. Work was completed 11/12/2014
4.. A work order for the soiled utility room (#87899) was entered to install door levers allowing access to clinicians to use elbows to open doors and self closures so door will not remain open. Work was completed on 11/12/2014.
5. A work order was placed for delaminated cupboard doors (#87443). Work completed 10/17/2014.

QA/PI:
The door is monitored to ensure it is not propped open and reported monthly until 100% compliance is achieved for 4 consecutive months. Documented findings are reported monthly for at least four months to the Quality Improvement Committee
Consulting Director of Infection Prevention to attend Environment of Care (EOC) and Infection Prevention (IP) rounds with respective teams in the Endoscopy suite twice a year and report any findings to Infection Prevention Committee.

Responsible Person:
Manager of Perioperative Services assures dated is collected for door propping.
Assistant Vice President of Patient Care Services will assure reporting at Quality Improvement Committee.

Daily rounds of the endoscopy suite are performed by the perioperative manager(s) and documented daily.
The consulting Director of Infection Prevention is responsible for Infection Prevention (IP) rounds with respective teams in the Endoscopy suite twice a year and reports any findings to Infection Prevention Committee.
Assistant Vice President of Patient Care Services will assure reporting at Infection Prevention Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (c) Medical staff (4)(A) and/or (d) Medical records (3).

24. A-d. Based on a review of clinical records, interview and policy, for four of six clinical records reviewed (#31, #33, #44 and 46), the hospital failed to ensure that post-anesthesia evaluations were conducted, and/or legible and/or complete.

Effective action date: 11/14/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Members of the Anesthesia Medical Staff have been educated 1:1 and/or by email with a clinical note on the new Post Anesthesia Care Policy, finalized on November 1, 2014. Every patient receiving anesthesia must have a post anesthesia evaluation within 48 hours of the procedure or prior to discharge from the facility, whichever is sooner. Authentication is mandatory and includes three elements (signature, date and time) as per regulation. The Anesthesia Medical Staff have been educated on the new policy as of 11/14/2014.

QA/PI:
Anesthesia records are reviewed until 100% compliance is achieved for four consecutive months. Document findings are reported monthly for at least four months to the Quality Improvement Committee.

Responsible Person:
Chair of the Anesthesia Department assures data is collected.
Chair of the Anesthesia Department assures reporting at Departmental meetings.
Vice President Medical Affairs assures reporting of audits to the Quality Improvement Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (2)(A) and/or (4)(A) and/or (i) General (6).

25. A. Based on observation, review of hospital documentation, interviews, and hospital policy for patients receiving emergency care and services, documentation and interviews failed to reflect that adequate medical coverage was present in the Emergency Department (ED) as per policy.

Effective action date:11/13/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
To ensure adequate ED coverage present in the Emergency Department effective 11/13/2014 the ED coverage plan is as follows:
1. Currently, ED credentialed Medical Doctor (MD) staff are scheduled within the emergency department (24 hours / 7 days/ 365 days)
2. Currently, a physician assistant PA staff covers the emergency department 7 days per week during the hours of 11am-7amm
3. Additionally, to ensure sufficient ED coverage an additional ED credentialed MD will be available Monday through Friday as needed for emergencies.
4. Additional coverage will also be provided by anesthesia MD or CRNA on Saturday and Sunday for all emergent inpatient responses.

This interim plan is based on our ability to successfully recruit additional ED MD credentialed medical resource:

1. Labor and Delivery nursing staff are educated to contact the OB/GYN doctor sooner to provide appropriate and timely care.
2. Additional scheduling of providers for inpatient /labor and delivery coverage is as follows, although scheduling changes between provider type may change:
Credentialed PA's
Credentialed Pediatricians
Credentialed Nurse Mid-wives
Credentialed Anesthesiologists
Credentialed CRNA's
QA/PI:
1. The VPMA reviews schedule and assigns staff to maintain appropriate Emergency Medicine credentialed physician coverage of the ED / Emergency department.
2. Labor and Delivery nursing staff shall document the time a provider is called to provide appropriate and timely care. The labor and delivery nursing staff shall also

document the time of arrival of the scheduled/called provider. Any failure to comply with timely arrival shall be brought to the immediate attention of the VPMA for review.
3. Monthly monitoring of the coverage schedule, along with times documented for provider call and arrival to ensure compliance. Any compliance failure is brought immediately to the attention of the VPMA for follow-up with the Labor and Delivery medical director.
4. All schedules, and call/arrival documentation is presented at the monthly Medical Executive Committee(MEC) for review and actions as appropriate until successful recruiting of additional ED credentialed medical resource.

Responsible Person:
VP of Medical Affairs and VP Patient Care Services ensure data is collected by Director of Cardiopulmonary. Code Committee minutes are submitted to the Medical Executive Committee and Quality Committee of the Board.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (c) Medical staff (4)(A) and/or (d) Medical records (3).

26. A-b. Based on a review of clinical records, interview, and policy review, for two of three records reviewed (Patient #42 and 43) , the hospital failed to ensure the referring physician authenticated the outpatient evaluation for therapy services in a timely manner in accordance with hospital policy.

Effective action date: 10/24/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
1. The physical, occupational and speech evaluations were immediately re-sent to responsible physicians for signature.
2. The evaluation, progress/discharge forms are revised to incorporate MD signature.
3. Physical Medicine and Rehabilitation: Referrals and Responsibilities policy and procedure has been reviewed and revised. All speech, OT, PT personnel and secretaries have been educated on the revised policy by 10/24/2014.

QA/PI:
The charts are reviewed weekly by the Rehab inpatient and outpatient managers until 100% compliance is achieved for 4 consecutive months.
Documentation of findings is reported monthly for at least 4 months to the Quality Improvement Committee.

Responsible Person:
Inpatient Physical Therapy Manager and outpatient Physical Therapy Manager assures data collection.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (i) General (6).

27. A, b The facility did not ensure that emergency lighting of at least 1½-hour duration is provided, as required by " Life Safety Code " section #'s 7.9 & 19.2.9.1

Effective action date: 11/21/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
A) In order to meet this standard the program will be relocated to 151 Hazard Ave. Enfield, CT on or before 11/21/14. Evidence this standard is being met at the 151 Hazard Ave. location is documented by annual PM #:86682

B) In order to meet this standard the program will be relocated to 151 Hazard Ave. Enfield, CT on or before 11/21/14. Evidence this standard is being met at the 151 Hazard Ave. location is documented by monthly PM #'s:
87778,87284,86681,86286,85778,85014,84602,84026,83493,83106,82726,82231

QA/PI:
Ongoing compliance that this standard is being met will be reported monthly on the facilities metrics report and monitored at the Environment of Care Committee

Responsible Person:
The consulting Facilities Director is responsible of ensuring compliance with this plan of correction and that monitoring results are presented to Environment of Care Committee monthly.

28. The facility did not ensure that fire drills were held at unexpected times under varying conditions at least quarterly on each shift as required by the referenced LSC.

Effective action date: 11/10/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement

POC:
Fire drills are conducted quarterly, at the Johnson Surgical Center, during occupied hours using the fire drill matrix which will randomize times of drills. Effective at time of survey. First drill with matrix conducted 11/10/14.

QA/PI:
Fire drills are reported in Life Safety Metrics at Environment of Care Committee including dates and shifts of drills to ensure randomization.

Responsible Person:
The consulting Facilities Director is responsible of ensuring compliance with this plan of correction and that monitoring results are presented to Environment of Care Committee quarterly.

29. The facility did not ensure that there is an automatic sprinkler system installed in accordance with NFPA 13, Standard for the Installation of Sprinkler Systems, to provide complete coverage for all portions of the building. The system is properly maintained in accordance with NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems. It is fully supervised. Required sprinkler systems are equipped with water flow and tamper switches, which are electrically connected to the building fire alarm system.

Effective action date: 11/06/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Installed five new tamper switches to supervise fire pump valves. Initial system test done 11/6/2014.
All valves have been labeled.
W/o # 87913- completed 11/6/2014

Monitored through Environment of Care rounds once per year and tested annually as part of alarm management.

Responsible Person:
The consulting Facilities Director is responsible of ensuring compliance with this plan of correction and that monitoring results are presented to Environment of Care Committee annually.

30. The facility did not ensure that the facilities air conditioning and ventilation equipment was in accordance with NFPA 90A: Standard for the Installation of Air Conditioning and Ventilation Systems, NFPA 72 National Fire Alarm Code and as required by the referenced LSC.

    Effective action date: 10/23/2014

    Affected Patients:
    No patients were identified as adversely affected by failure to comply with this requirement.

    POC:
    All deficient dampers were inventoried and was completed 10/23/2014. A risk assessment was preformed on all inaccessible dampers. Any accessible damper that failed inspection was repaired at time of inspection on 05/04/2010, 08/12/2010 and 11/22-23/2010.
    The facility is protected by an approved automatic sprinkler system and a fully addressable smoke alarm system. The facility is staffed 24 hours a day and all employees on all shifts are trained annually as to their role and responsibilities in fire response. HVAC units are protected by HVAC shut down devices that are tested annually.

    QA/PI:
    The facility is protected by an approved automatic sprinkler system and a fully addressable smoke alarm system. The facility is staffed 24 hours a day and all employees on all shifts are trained annually as to their role and responsibilities in fire response. HVAC units are protected by HVAC shut down devices that are tested annually. Vendor proposal to assess and aid in gaining access to inaccessible dampers 11/13/2014.

    Responsible Person:
    The consulting Facilities Director is responsible for this plan of correction.

31. The facility did not ensure that Emergency and Standby Power Systems were being installed, inspected and maintained as required in NFPA 110 "Standard for Emergency and Standby Power Systems" and NFPA 99 "Health Care Facilities".

    Effective action date: 11/12/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Generators were secured on 10/17/2014 (w/o # 87493).
Emergency shutdown (E-Stop) was installed 11/7//2014. Purchase order number 68499 and 68530 were issued to vendor on 10/28.
Engaged on 10/8/2014 an electrical engineer to design electrical power distribution gear that will divide into three separate and distinctive branches and meet the code requirement.
All transfer switches were labeled appropriately on 11/12/2014.

QA/PI:
The security of the temporary generator is checked daily as part of daily rounds and submitted to the Director of Engineering beginning 11/7/14.

Responsible Person:
The consulting Facilities Director is responsible of ensuring compliance with this plan of correction and that monitoring results are presented to Environment of Care Committee annually.

32. The facility did not ensure that Emergency and Standby Power Systems were being inspected and maintained as required in NFPA 110, *" Standard for Emergency and Standby Power Systems "*.

Effective action date: 11/12/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
The temporary generator was secured with wheel chocked on: 10/10/14, the Trailer hitch/Pintel and access panels were secured with locks on: 10/14/14
W/O #: 87341.

QA/PI:
The security of the temporary generator is checked daily as part of daily rounds and submitted to the Director of Engineering beginning 11/7/14.

Responsible Person:
The consulting Facilities Director is responsible of ensuring compliance with this plan of correction and that monitoring results are presented to Environment of Care Committee annually.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

33. A. Based on a review of clinical records and interview, the facility failed to ensure that one of four patients' (#34) were assessed by the social worker.

Effective action date: 10/24/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC
Education provided to Social Worker and Crisis Workers with expectation psychosocial assessments are completed within 72 hours of patient admission to unit. Education was completed by 10/24/2014.

QA/PI:
Monitor to ensure the psychosocial are completed within 72 hours. Monitoring until 100% compliance is achieved for 4 consecutive months. Documentation of findings are reported monthly for at least 4 months to the Quality Improvement Committee to ensure sustained compliance.

Responsible Person:
Director of Psychiatry assures data is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A).

34. Based on a review of clinical records, interview and policy review the facility failed to ensure that a comprehensive psychiatric evaluation was completed for three of three psychiatric patients (Patient #35, 36, and 37).
a., b., c.

Effective action date: 11/10/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Medical Director of Psychiatry developed a new template for admitting psychiatric assessments. The psychiatric admission assessment includes long term goals and initial treatment plan. The psychiatric assessment is completed within 24 hours of admission. Education for all psychiatric Providers was completed on November 10, 2014.

QA/PI:
Medical Director of psychiatry reviews medical records on charts after second day of admission, for completeness. Results are presented to Quality Improvement Committee and Medical Executive Committee monthly until 100% compliance is achieved for 4 months. Data will continue to be collected for 3 quarters to ensure sustainability. Documentation of findings will be reported monthly for at least 4 months and then quarterly for 3 quarters to the Quality Improvement Committee and the Medical Executive Committee.

Responsible person:
The Medical Director of Psychiatry is responsible for assuring data is collected and Vice President of Medical Affairs assures report of data to Quality Improvement Committee and Medical Executive Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A) and/or (d) Medical records (2).

35. A,b,c Based on a review of clinical records and policy review, the facility failed to develop individualized psychiatrically focused interventions for three of five sampled patients (#34, 37, and 59). The interventions are generic and denote routine clinical responsibilities for the clinical discipline rather than being patient specific. This deficiency results in treatment plans that do not reflect a comprehensive, integrated individualized approach to patient care.

Effective action date: 10/24/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Director of Psychiatry educated the Behavioral Health staff on individualizing the patient treatment plan. This includes, but is not limited to group attendance being monitored and adjusting treatment plan if patient not meeting the goal. Education completed 10/24/14.

QA/PI:
Monitoring is performed daily to ensure treatment plans are updated on ongoing bases as needed. Audits are performed until 100% compliance for four consecutive months with the plan of correction. Results are reported monthly to the Quality Improvement Committee.

Responsible Person:
Director of Psychiatry will assure data is collected.
Assistant Vice President of Patient Care Services will assure reporting of audits to the Quality Improvement Committee

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2).

36. A. Based on a review of facility documentation and interview, the facility failed to ensure there was a qualified Director of Social Services responsible to supervise the quality of Social Services being provided in the psychiatric unit.

Effective action date: 10/22/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
A Director of Social Work is in place as of 10/22/14.

The Director of Social Work shall report directly to the Assistant Vice President of Patient Care Services.

Responsibilities include oversight of staff social workers on the Behavioral Health Unit including, but not limited to Social Work documentation, competencies and job performance. Director of Social Work works collaboratively with the Nursing Director of Psychiatry to monitor and measure QAPI for potential improvements.

Responsible Person:
Assistant Vice President Patient Care Services

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (c) Medical staff (4)(A).

37. A. Based on a review of facility documentation and interview, the facility failed to ensure that a sufficient number and/or quality of therapeutic groups to assist the patients to achieve the desired outcomes.

Effective action date: 10/20/2014

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
Nursing groups have been added to include weekends, Monday, Wednesday, and Friday. Social Work groups have been added on Tuesday and Thursday. Staff education was completed by 10/20/14. New schedule for nursing groups began 10/20/2014. Social work groups begin no later than 12/15/2014.
Occupational Therapy and Mental Health Worker facilitated groups continue as scheduled at five times per day.

QA/PI:
Daily monitoring to ensure groups are taking place documented correctly and completely. Monitoring is performed until 100% compliant for four consecutive months. Results are reported monthly to QIC.

Responsible Person:
Director of Psychiatry assures data is collected.
Assistant Vice President of Patient Care Services assures reporting of audits to the Quality Improvement Committee.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (g) Pharmacy (1) and/or (i) General (6).

38. A.-k. *Based on observation, interviews, and policy review, the hospital, who compounds sterile pharmaceuticals, failed to ensure proper infection control practices were maintained.

Effective action date: 01/01/2015

Affected Patients:
No patients were identified as adversely affected by failure to comply with this requirement.

POC:
a. Technician #11 was immediately re-educated on garbing policy# 1805B- Cleaning and Disinfecting Procedures for Pharmacy Clean Rooms (includes garbing competencies) at time of visit, 11/24/2014. All full-time pharmacy staff performing sterile compounding were re-educated on above policy which was completed by 12/23/2014. Part-time and per diem staff education will be completed by 1/1/2015.
b.-f. Policies 1804-Laminer Air Flow Hood Maintenance and 1805B- Cleaning and Disinfecting Procedures for Pharmacy Clean Rooms (includes garbing competencies) have been reviewed and revised. Pharmacy staffs performing sterile compounding were educated on policy changes. All full-time pharmacy staff performing sterile compounding were re-educated on above policy which was completed by 12/23/2014. Part-time and per diem staff education will be completed by 1/1/2015.
g. Areas noted were immediately cleaned. Policy Ante-Room/Mixing Room Floor Cleaning Procedure has been reviewed and revised. Building Services staff performing daily cleaning have been educated on policy changes. Education was completed by 12/23/2014.
h. Area of LAFW hood was immediately cleaned. Policy 1805B has been reviewed and revised. Pharmacy staff performing sterile compounding were educated on policy changes. All full-time pharmacy staff performing sterile compounding were re-educated on above policy which was completed by 12/23/2014. Part-time and per diem staff training will be completed by 1/1/2015.
i. and j. re caulking around the door frame (w/o 88185), behind the BSC and around the duct work used for venting the BSC (w/o 88182), to create smooth surfaces for proper cleaning will be redone and the two ceiling tiles observed to have abrasions (w/o 88189) will be replaced. Completion is anticipated prior to the next recertification scheduled for 1/19/2015.

QA/PI:
a. Completed competencies are located within the pharmacy department files. Monitoring of all staff entering the compounding will be conducted by a pharmacist on a daily basis until 100% compliance is achieved for 4 consecutive months. Documentation of findings are reported to the Performance Improvement
Committee until 4 consecutive months of compliance is achieved.
b.-f. Completed competencies are located within the pharmacy department files. Vial seals have been added to BSC to prevent reaching into LAFW. Monitoring of air vents and cleanliness of BSC will be conducted no less than 5 times per week by a pharmacist until 100% compliance is achieved for 4 consecutive months. Documentation of findings is reported to the Performance Improvement Committee until 4 consecutive months of compliance is achieved.
g. Completed competencies are located within the Building Services personnel files for the personnel that clean the floors and coving. Monitoring will be conducted by a pharmacist on a daily basis until 100% compliance is achieved for 4 consecutive months. Documentation of findings are reported to the Performance Improvement
Committee until 4 consecutive months of compliance is achieved.

h. Completed competencies are located within the pharmacy department files.
Monitoring of cleanliness of LAFW will be conducted no less than 5 times per week by a pharmacist until 100% compliance is achieved for 4 consecutive months. Documentation of findings is reported to the Performance Improvement Committee until 4 consecutive months of compliance is achieved.
i.-j. Daily rounds will be conducted Monday-Friday by the Infection Preventionist in collaboration with Pharmacist at both the Stafford Springs, CT and Enfield, CT Infusion Pharmacies which started on 11/17/14.
Documentation of findings is reported monthly to the Infection Control Committee.

Consulting Pharmacy Director has complete oversight of the compounding rooms and no one enters said rooms with approval of consulting Pharmacy Director or designee.

Responsible Person:
The responsible person for this corrective action is the consulting Pharmacy Director and consulting Infection Prevention Director.

March 4, 2015

Stuart Rosenberg, President & CEO
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076-0860

Dear Mr. Rosenberg:

Unannounced visits were made to Johnson Memorial Hospital on February 13, 18 and 19, 2015 by a representative of the Facility Licensing and Investigations Section of the Department of Public Health for the purpose of conducting an investigation.

Attached are the violations of the Regulations of Connecticut State Agencies and/or General Statutes of Connecticut which were noted during the course of the visits.

A tele-conference has been scheduled Monday, March 16, 2015 at 10:00 A.M. in the Facility Licensing and Investigations Section of the Department of Public Health, 410 Capitol Avenue, Second Floor, Hartford, Connecticut. Should you wish to retain legal representation, your attorney may accompany you to this meeting.

You may wish to dispute the violations and you may be provided with the opportunity to be heard. If the violations are not responded to by March 16, 2015 or if a request for a meeting is not made by the stipulated date, the violations shall be deemed admitted.

Please prepare a written Plan of Correction for the above mentioned violation(s) to be presented at this conference.

Each violation must be addressed with a prospective Plan of Correction which includes the following components:

1. Measures to prevent the recurrence of the identified violation, (e.g., policy/procedure, inservice program, repairs, etc.).
2. Date corrective measure will be effected.
3. Identify the staff member, by title, who has been designated the responsibility for monitoring the individual plan of correction submitted for each violation.

Alternate remedies to violations identified in this letter may be discussed at the office conference. In addition, please be advised that the preparation of a Plan of Correction and/or its acceptance by the Department of Public Health does not limit the Department in terms of other legal remedies, including but not limited to, the issuance of a Statement of Charges or a Summary Suspension Order and it does not preclude resolution of this matter by means of a Consent Order.

We do not anticipate making any practitioner referrals at this time.

Should you have any questions, please do not hesitate to contact this office at (860) 509-7400.

Respectfully,

Maureen H. Klett, R.N., C., M.S.N.
Supervising Nurse Consultant
Facility Licensing and Investigations Section

MHK:HC:mk

CT #17868

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (e) Nursing service (1) and/or (i) General (7).

1. Based on review of facility documentation, review of facility policies and procedures and interviews with facility personnel for five of nine patients (#1, #2, #3, #4, #5) residing on the psychiatric unit, identified that visitor sign in sheets were not completed prior to visitors entering the psychiatric unit. The findings include:
    a. Review of visitor sign in sheets for six patients (P#1, P#2, P#3, P#4, P#5) who had visitors between 2/1/15-2/10/15 identified that the sign in sheets were not dated, signed and/or the name of the patient to be visited was not listed. Review of hospital policy identified that all visitors are to read and sign the visitor sign in sheet regarding items that can and/or cannot be brought in to patients on the psychiatric unit. Further review identified that smoking is not allowed at any time at this facility and visitation privileges will be suspended if any smoking or tobacco materials are given to the patient. Interview with the Nursing Director of Psychiatry on 2/13/15 identified the visitor sign in sheets were not completed. Further interview identified that he/she was not aware how P#1 had gotten a smoking excelerant.

       On 2/13/15, the facility submitted an immediate action plan indicating that all staff/visitors would be educated on the visitor's policy and visitors sign in sheet requiring all visitors to review and sign the sheet prior to entering the psychiatric unit.

2. Based on review of the clinical record, review of facility policies and procedures and interviews with facility personnel for one of twelve sampled patients (Patient #1), the facility failed to ensure that the patient's safety status was changed to prevent an incident and/or failed to ensure that P#1 did not have access to a smoking excelerant and/or failed to reevaluate the patient after a change in condition was noted. The findings include:
    a. *Patient #1 was admitted to the hospital on 2/4/15 with a diagnosis of paranoid Schizophrenia. Patient #1 was found to be dehydrated, hypokalemic and had stopped taking her psychiatric medications since 8/2014. Patient #1 was placed on the medical floor and was on constant observation until medically cleared. While on the medical floor, P #1 was agitated, belligerent, hostile spitting on the floor and at staff and refused medications. On 2/5/15, Patient #1 was sent to the psychiatric unit and placed on constant observation through 2/6/15, at which time the patient was placed on every fifteen minute checks. Review of the clinical record dated 2/6/15-2/9/15 (four days) identified that the patient continued to be agitated, belligerent, hostile, spitting on the floor and at staff and refused medications. Patient #1's behaviors continued however, the patient remained on to every fifteen minute checks. On 2/9/15 at 1:45 PM, Patient #1 had behaviors of refusing meals, medications, slamming doors and spitting. Patient #1's behavior continued to escalate and he/she refused to go to her room. P#1 was

escorted to the quiet room, the door remained open due to the need to clean P#1's room and was unrelated to P#1's behavior. Further review identified that MD#1 was notified at 1:45 PM about the patient's escalating behavior and the patient was given Haldol 5mg IM and Cogentin 1mg IM. Patient #1 ' s behaviors continued to be noted, at 2:45 PM, the patient came out of the quiet room and went into his/her room slamming the door and became belligerent with staff. MD #1 was notified and the patient was given Thorazine 50mg IM. The patient remained on every fifteen minute checks. At 2:55 PM, Patient #1 opened the bedroom door and yelled "come on in " to RN #2. Interview with RN #2 on 2/13/15 identified she had entered the patient ' s room after being summoned to the room by P#1 and found the corner end of the mattress from an unoccupied bed in her room on fire. Patient #1 was laughing, psychotic, refused to cooperate with a request to leave the room and laid down on the floor. Patient #1 was removed from the room immediately, after being carried out by multiple staff members and a Code Red was called simultaneously. Patient #1 sustained no injuries.

Review of hospital policy identified that patients whose behavior presents a clinical picture of potentially significant problematic behavior without continuous staff presence should be placed on close observation status. Interview and review of the clinical record on 2/13/15 with MD # 1 identified that since the patient's behaviors had escalated and the patient needed medication administered twice within an hour ' s time, the patients observation status could have been changed to a constant observation (MD#1 had only been employed by the hospital for a two week period).

Further review of the facility policy identified that smoking is not allowed at any time at this facility and visitation privileges will be suspended if any smoking or tobacco materials are given to the patient. Subsequent to the incident, on 2/10/15, the facility assessed all patients in the psychiatric unit for safety status and contraband.

Review of the progress notes dated 2/9/15 failed to identify that P#1 was evaluated by the psychiatrist after the need to emergently medicate P#1 with Haldol 5mg IM and Cogentin 1mg IM and subsequently, with Thorazaine 50mg IM. Review of hospital policy identified any qualified practitioner with clinical privileges can be called for consultation within his/her area of expertise. Interview with MD #1 on 2/13/15 identified that she was on the unit and signed off orders for medications that were given to Patient #1, however never reevaluated the patient. Interview with the Medical Director of Psychiatry on 2/19/15 identified that the physician should have re-evaluated by MD #1 when the patient's behaviors were escalating.

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

Via Facsimile & US Mail

March 6, 2015

Maureen H. Klett, RN, C, MSN
Supervising Nurse Consultant
State of Connecticut
Department of Public Health
Facility Licensing & Investigations Section
410 Capitol Avenue, MS #12FLIS
P.O. Box 340308
Hartford, CT 06134-0308

Re: DPH Survey Concluded 2/19/2015

Dear Ms. Klett:

Enclosed please find the Plan of Correction for the above-referenced DPH visits conducted at Johnson Memorial Hospital. We appreciate your consideration of an expedited review.

Should you have any questions or require additional information, I can be reached at (860) 684-8101 or you can contact Mr. Karl Kamyk, Assistant Vice President, Ancillary Services at (860) 684-8498.

Thank you, in advance, for your consideration of our request.

Sincerely,

Stuart E. Rosenberg
President/CEO

SER:klv

Enclosures

c: Patricia Jagoe, RN, MSN, CNOR, Assistant Vice President, Patient Care Services
Karl Kamyk, Assistant Vice President, Ancillary Services
Survey File

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D3 (b) Administration (2) and/or (e) Nursing service (1) and/or (i) General (7).

1a. Based on review of facility documentation, review of facility policies and procedures and interviews with facility personnel for five of nine patients (#1, #2, #3, #4, #5) residing on the psychiatric unit, identified that visitor sign in sheets were not completed prior to visitors entering the psychiatric unit.

Effective action date: 02/13/2015

On 2/13/15, the facility submitted an immediate action plan indicating that all staff/visitors would be educated on the visitors policy and visitors sign in sheet requiring all visitors to review and sign the sheet prior to entering the psychiatric unit.

Affected Patients: No patients were adversely affected by failure to comply with this requirement.

POC: Immediate plan of correction, per the letter submitted to the DPH, dated February 13, 2015:

1. Immediate search of the Behavioral Health Unit was conducted including patient rooms, common areas, each patient admitted to the Behavioral Health Unit and their belongings to assure no banned items on the unit.
2. All visitors upon entrance to the Behavioral Health Unit are educated on the Visitor Policy.
3. All Visitors are required to review the Visitor Guidelines and sign the Visitor Sign In Sheet Form prior to all visits.
4. Immediate education plan on the Visitor Policy implemented for every Behavioral Health Unit staff member. Completed on February 20, 2015 or required prior to team members return to work.

QA/PI:

Visitor Log is audited on every shift by the charge nurse to assure compliance and completeness. Audits will continue and be reported to Performance Improvement Committee (PIC) monthly until 100% compliance is achieved for 4 consecutive months. Data will continue to be collected for the 3 quarters after 100% is achieved to assure sustainability.

Responsible Person:
Interim/ Consulting Director of Behavioral Health Unit is responsible to assure data is collected and reported to AVP Patient Care Services. The AVP for Patient Care Services is responsible to assure QA/PI is reported to PIC as indicated.

2a. Based on review of the clinical record, review of facility policies and procedures and interviews with facility personnel for one of twelve sampled patients (Patient #1), the facility failed to ensure that the patient's safety status was changed to prevent an incident and/or failed to ensure that P#1 did not have access to a smoking excelerant and/or failed to reevaluate the patient after a change in condition was noted.

Effective action date: 03/04/2015

Affected Patients: No patients were adversely affected by failure to comply with this requirement.

POC:

1. Patient Observation and Safety Policy was reviewed and revised on March 2, 2015.
2. Patients exhibiting change in behavior, which demonstrates behavior that can be a risk to self or others are immediately re-assessed by behavioral health nursing staff and placed on a higher level of observation, if indicated, and the MD will be notified.
3. Behavioral Health team staff have been educated on the Patient Observation and Safety Policy. In addition, recognition of signs and symptoms of behaviors that require a change in observation status was completed on March 4, 2015 or required prior to a team member's return to work.

QA/PI:
Audits will be completed by the Interim /Consulting Director of the Behavioral Health Unit and/or designee every shift to assure compliance and completeness.
Audits will continue and be reported to Performance Improvement Committee (PIC)monthly until 100% compliance is achieved for 4 consecutive months. Data will continue to be collected for the 3 quarters after 100% is achieved to assure sustainability.

Responsible Person:
Interim/ Consulting Director of Behavioral Health Unit is responsible to assure data is collected and reported to AVP Patient Care Services. The AVP for Patient Care Services is responsible to assure QA/PI is reported to PIC as indicated.

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

March 19, 2015

Michele Beverly, Administrator
Home & Community Health Service, Inc.
101 Phoenix Avenue
Enfield, CT 06083-1199

Dear Ms. Beverly:

Unannounced visits were made to Home & Community Health Service, Inc. on March 2, 3, 4, and 5, 2015 by representatives of the Facility Licensing and Investigations Section of the Department of Public Health for the purpose of conducting an investigation, and a certification inspection.

Attached are the violations of the Regulations of Connecticut State Agencies and/or General Statutes of Connecticut which were noted during the course of the visits.

An office conference has been scheduled for April 6, 2015 at 9:00AM in the Facility Licensing and Investigations Section of the Department of Public Health, 410 Capitol Avenue, Second Floor, Hartford, Connecticut. Should you wish to retain legal representation, your attorney may accompany you to this meeting.

You may wish to dispute the violations and you may be provided with the opportunity to be heard. If the violations are not responded to by April 2, 2015 or if a request for a meeting is not made by the stipulated date, the violations shall be deemed admitted.

Please prepare a written Plan of Correction for the above mentioned violations to be presented at this conference.

Each violation must be addressed with a prospective Plan of Correction which includes the following components:

1. Measures to prevent the recurrence of the identified violation, (e.g., policy/procedure, inservice program, repairs, etc.).
2. Date corrective measure will be effected.
3. Identify the staff member, by title, who has been designated the responsibility for monitoring the individual plan of correction submitted for each violation.

Alternate remedies to violations identified in this letter may be discussed at the office conference. In addition, please be advised that the preparation of a Plan of Correction and/or its acceptance by the Department of Public Health does not limit the Department in terms of other legal remedies, including but not limited to, the issuance of a Statement of Charges or a Summary Suspension Order and it does not preclude resolution of this matter by means of a Consent Order.

Should you have any questions, please do not hesitate to contact this office at (860) 509-7400.

Respectfully,

Loan Nguyen

Loan Nguyen, RN, SNC
Supervising Nurse Consultant
Facility Licensing and Investigations Section

LN:mb

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

DATE(S) OF VISIT: March 2, 3, 4, and 5, 2015

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Policies (b) Patient Care Standards (2)(H).

1. Based on review of the clinical record and interview with hospice agency personnel, for one of one patient (Patient #1) with a change in condition, the hospice Interdisciplinary Group (IDG) failed to include in subsequent assessments, the changes in condition that occurred since the initial assessment. The findings include:
   a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week, a social work evaluation, home health aide services 1 to 3 times a week, spiritual counseling services 1 to 4 times a month and volunteer services as needed.
   Interview and review of the clinical notes with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 identified social work visits on 01/07/15 and 01/12/15, a spiritual counseling visit on 01/07/15 and a volunteer visit on 01/13/15 but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/13/15 updated assessments from the social worker, spiritual counselor, and volunteer coordinator;
   Interview and review of the clinical notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified skilled nursing visits on 01/15/15, 01/20/15, 01/26/15 and 01/28/15, home health aide visits on 01/14/15, 01/19/15, 01/21/15 and 01/28/15, social work visits on 01/26/15, spiritual counseling visit on 01/28/15 and a volunteer visit on 01/14/15, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 updated assessments by the nurses, social worker, spiritual counselor, and volunteer coordinator;
   Interview and review of the nursing notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified nursing documentation dated 01/20/15 of a fall out of bed, nursing documentation dated 01/26/15 of enlargement of the neck lesion, nursing documentation dated 01/28/15 of the patient's increasing weakness and the need for mechanical lift transfer from bed to the wheelchair, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 updated assessments by the nurses;
   The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.

DATE(S) OF VISIT: March 2, 3, 4, and 5, 2015

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Policies (b) Patient Care Standards (2)(G).

2. Based on clinical record review and interview with agency staff, for two of seven patients (Patients # 2 and #8) who required pain management, the Interdisciplinary Group failed to ensure clarification of the medication and/or treatment orders. The findings include:
   a. Patient #2 had a start of care date of 10/22/14 and diagnoses that included malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 02/19/15 included skilled nursing services 1 to 2 times a week.
   The physician's orders dated 02/18/15 included insertion of a 16 French Foley catheter as needed, irrigate with sterile water as needed and change as needed. Interview and review of the physician ' s orders with the Director of the Hospice Program on 03/04/15 at 11:30 AM failed to identify nursing attempts to obtain clarification from the physician on the size of the catheter balloon, the amount of sterile water to be used for irrigation, and orders for Foley catheter care and frequency.
   b. Patient #8 elected the hospice benefit on 02/04/15. The patient's diagnoses included Alzheimer ' s disease and pneumonia. Physician ' s orders for the certification period of 02/04/15 to 04/04/15 included skilled nursing visits 2 to 4 times each week.
   Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 identified an order for Morphine sulfate in 0.9% sodium chloride "10 mg/ml syringe" subcutaneous continuous via infusion pump at 2 mg per hour, with 1 mg bolus dose every 15 minutes as needed for pain or shortness of breath, but failed to identify nursing attempt to obtain clarification from the physician that the Morphine was delivered from a cassette housed in a Computerized Ambulatory Drug Delivery (CADD) pump, and not a syringe, and failed to identify in the physician's orders, the specification of the total volume of the cassette;
   Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 failed to identify physician's orders for the nurse to access a subcutaneous administration site, frequency of the dressing change, frequency of the subcutaneous needle change, and frequency of tubing change;
   Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 identified physician's orders for the nurses to "insert catheter, change as needed and irrigate catheter as needed" but failed to identify nursing attempt to obtain clarification from the physician on the type and size of catheter, size of balloon, type and amount of irrigation solution, and frequency of irrigation procedure.

DATE(S) OF VISIT: March 2, 3, 4, and 5, 2015

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D73 Patient Care (a).

3. Based on review of clinical records and interview with agency personnel, for six of six patients (Patients # 1, 2, 3, 4, 5, 8) who required services from multiple disciplines, the agency Interdisciplinary Group (IDG) failed to ensure the plan of care specified the scope and frequency of necessary services. The findings include:
   a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included chaplain visits as desired and volunteer services as needed.
   Interview and review of the physician's orders with the Director of the Hospice Program on 03/04/15 failed to identify the scope and frequency of services for chaplain visits and volunteer services.
   b. Patient #2 had a start of care date of 10/22/14 and diagnoses of malignant neoplasm of the breast and secondary neoplasm.
   The physician's order dated 02/19/15 included skilled nursing services 1 to 2 times a week assess the disease process, pain, activity tolerance, the need for assistive devices and volunteers.
   The clinical notes identified volunteer visits on 02/09/15 and 02/17/15.
   Interview and review of the physician's orders with the Director of the Hospice Program on 03/04/15 failed to identify specification of the scope and frequency of volunteer services.
   c. Patient #3 elected the Hospice benefit on 12/09/14. The patient's diagnoses included severe aortic dissection. Physician ' s orders for the certification period of 12/09/14 to 02/06/15 included volunteers services and bereavement services as needed.
   Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 failed to identify specification of the scope and frequency of volunteer and bereavement services.
   d. Patient #4 had a start of care date of 12/11/14 and diagnoses that included malignant neoplasm of the colon, secondary malignant neoplasm of the liver and lungs, ascites and Alzheimer ' s dementia. The physician's orders dated 02/09/15 included volunteer services.
   The clinical notes identified volunteer visits on 12/17/14, 12/23/14 and 01/07/15.
   Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 failed to identify specification of the scope and frequency of volunteer services.
   e. Patient #5 had a start of care date of 2/10/15 and diagnoses that included secondary malignant neoplasm of bone, bone marrow and kidney. The physician's orders dated 02/10/2015 included volunteer services "on hold for now."
   The clinical notes identified volunteer services on 02/23/15 and 03/02/15.
   Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 at 2:00PM failed to identify specification of the scope and frequency of volunteer services.

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

f. Patient #8 elected the Hospice benefit on 10/02/13. The patient's diagnoses included liver cancer and diabetes mellitus type II. Physician's orders for the recertification period of 07/29/14 to 09/26/14 included volunteer services and spiritual counseling services as needed.
Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 failed to identify specification of the scope and frequency of volunteer services and spiritual counseling services.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Policies (b) Patient Care Standards (iii).

4. Based on review of clinical record and interview with agency personnel, for six of six patients (Patients # 1, 2, 3, 4, 5 and 8) who required updates to the plan of care based on assessments, the hospice Interdisciplinary Group (IDG) failed to ensure the plan of care was updated. The findings include:
   a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week, a social work evaluation, home health aide services 1 to 3 times a week, spiritual counseling services 1 to 4 times a month and volunteer services as needed.
   Interview and review of the clinical notes with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 identified social work visits on 01/07/15 and 01/12/15, a spiritual counseling visit on 01/07/15 and a volunteer visit on 01/13/15 but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/13/15 updated plans of care from the social worker, spiritual counselor, and volunteer coordinator;
   Interview and review of the clinical notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified skilled nursing visits on 01/15/15, 01/20/15, 01/26/15 and 01/28/15, home health aide visits on 01/14/15, 01/19/15, 01/21/15 and 01/28/15, social work visits on 01/26/15, spiritual counseling visit on 01/28/15 and a volunteer visit on 01/14/15, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 revisions to the plan of care by the nurses, social worker, spiritual counselor, and volunteer coordinator;
   Interview and review of the nursing notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified nursing documentation dated 01/20/15 of a fall out of bed, nursing documentation dated 01/26/15 of enlargement of the neck lesion, nursing documentation dated 01/28/15 of the patient's increasing weakness and the need for mechanical lift transfer from bed to the wheelchair, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 revisions to the plan of care by the nurses;
   The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated

01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements, in order to accurately revise the plan of care.

b. Patient #2 had a start of care date of 10/22/14 and diagnoses of malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 02/19/15 included skilled nursing services 1 to 2 times a week to assess disease process, pain, activity tolerance and the need for assistive devices, hospice aide services 3 to 5 times a week to assist with activities of daily living, bereavement and volunteer services, and social work services one to four times a month for social and emotional support.
The nursing note dated 10/27/14 indicated that Patient #2 ' s next-of-kin had requested the patient's child to move out of the house; a subsequent nursing note also dated 10/27/14 indicated that Patient # 2 had requested a portable oxygen container, which was delivered during the hospice nurse visit.
However, interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 10/28/15 and 11/11/14 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect psychosocial issues (request for the child to move out of the house) and/or new portable oxygen therapy, and failed to identify updated plan of care from the volunteers, spiritual counselor, and bereavement staff;
The nursing note dated 11/18/14 identified relocation of the patient's bed (hospital-type) to the living room, and nursing instruction to the patient and family on the use of the hydraulic lift for transferring the patient.
Interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 11/25/14 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect the use of the hospital bed, the hydraulic lift for transfers, and/or updated plan of care from the other disciplines involved (volunteers, spiritual counselor and bereavement staff);
The nursing note dated 12/31/14 indicated that the area immediately above the anus presented with warts in the past, now warts were resolved.
In the same area now was a one centimeter (1cm) open slit with a red center.
The nursing note dated 12/31/14 further indicated that Patient # 2 requested to have own family provide mouth care and shampoo, thus a revision to the hospice aide plan of care was necessary.
In addition, Patient # 2 requested on 12/31/14 that the hospice aide perform range of motion (ROM) with the patient.
Interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 01/06/15 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect changes in the patient's skin integrity, changes to the hospice aide plan following the patient's requests, and failed to identify documentation in the areas of psychospiritual, bereavement, physical progress towards patient goals and/or plan of care interventions (those areas were left blank).

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

c. Patient #3 elected the Hospice benefit on 12/09/14. The patient's diagnoses included severe aortic dissection. Physician ' s orders for the certification period of 12/09/14 to 02/06/15 included skilled nursing visits 2 to 4 times a week, social work services 1 to 4 times a month, volunteer services and bereavement services as needed.
The clinical notes identified nursing visits on 12/09/14, 12/11/14, 12/14/14, 12/15/14 and 12/18/14, and social worker visits on 12/09/14 and 12/16/14.
Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 12/18/14 with the Director of Hospice on 03/05/15 failed to identify updates to the plan of care from nursing services, social work services, spiritual counseling services, volunteer services and bereavement services;
The clinical notes identified nursing visits on 12/20/14, 12/22/14, 12/24/14, 12/26/14 and 12/28/14, and a social worker visit 12/22/14.
Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 12/30/14 with the Director of Hospice on 03/05/15 failed to identify updates to the plan of care from nursing services, social work services, spiritual counseling services, volunteer services and bereavement services.

d. Patient #4 had a start of care date of 12/11/14 and diagnoses that included malignant neoplasm of the colon, secondary malignant neoplasm of the liver and lungs, ascites and Alzheimer ' s disease. The physician's orders dated 2/9/2015 skilled nursing services 1 to 2 times a week, hospice aide services 1 to 3 times a week, social work services 1 to 4 times a month, spiritual counseling and bereavement care as needed.
The social work note dated 01/16/15 indicated that Patient #4's personal care attendant (PCA) was not able to sleep because Patient #4 was up every hour at night, and the PCA felt like experiencing a break down.
The nursing note dated 01/23/15 identified a relief caregiver from 6AM to 2PM.
Interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 01/29/15 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect sleep issues of the PCA and the addition of a relief caregiver.

e. Patient #5 had a start of care date of 02/10/15 and diagnoses that included secondary malignant neoplasm of bone, bone marrow and kidney. The physician's orders dated 02/10/15 included skilled nursing visits 1 to 2 times a week to assess the disease process, pain and activity tolerance, hospice aide services 2 to 4 times a week to assist with activities of daily living and social work evaluation.
The nursing visit note dated 02/13/15 identified a conversation with Patient #5 and the next-of-kin about the effectiveness of pain medication.
On 02/14/15 the therapist documented the completion of a physical therapy (PT) evaluation.

Interview and review of the IDG meeting documentation dated 02/17/15 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect the PT evaluation, the discussion with Patient #5 and the next-of-kin on pain management, and failed to identify updated plans of care from all the disciplines involved

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

(volunteers, spiritual counseling, bereavement and social services).

f. Patient #8 elected Hospice benefit on 10/02/13. The patient's diagnoses included liver cancer and diabetes mellitus type II. Physician's orders for the recertification period of 07/29/14 to 09/26/14 included skilled nursing services twice a week, social work services 1 to 4 times a month, home health aide services 5 to 7 times a week, volunteers services and spiritual counseling services as needed.
The clinical notes identified nursing visits on 07/31/14, 08/02/14, 08/04/14, 08/06/14, 08/08/14, 08/10/14 and 08/11/14, spiritual counseling visit on 07/31/14 and social worker telephone contact on 07/28/14.
Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 08/12/14 with the Director of the Hospice Program on 03/05/15 failed to identify revisions to the plan of care by the nurses, social worker and spiritual counselor;
The clinical notes identified nursing visits on 08/15/14, 08/18/14, 08/22/14, and 08/26/14, a spiritual counselor visit on 08/14/14, a social worker telephone contact on 08/13/14 and a social worker onsite visit on 08/25/14.
Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 08/26/14 with the Director of the Hospice Program on 03/05/15 failed to identify revisions to the plan of care by the nurses, social worker and spiritual counselor.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D76 Quality Assurance Program (b) and/or (c)(5).

5. Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to adequately demonstrate the operation of the performance improvement program upon inquiry. The findings include:
   a. The surveyors requested documentation on hospice QAPI on 03/05/15 and were provided with the Hospice Quality Assurance Improvement Indicators (QAPI) quarterly reports dated 04/01/13 through 09/20/14, which identified the same invariable quality indicators for each quarter: comfort, medication coverage and reconciliation, and comfort kit problems.
   Interview and review of the selected quality indicators with the Administrator and the Director of the Hospice Program on 03/05/15 indicated that the hospice agency subcontracted with an external party to conduct QAPI reports, therefore the outcomes of quarterly clinical record review for 2013 and 2014 were not available for surveyor review onsite, and further indicated that the hospice agency was unable to verbalize the rationale behind the choice of quality measures, the method to ensure consistent data collection, the use of data in patient care planning, the method for data analysis, the use of data analysis in selecting performance improvement project, the method for implementing the project, and the evaluation of the effectiveness of the project.
   Instead, the hospice agency referred the surveyor to the subcontracted external party on 03/05/15 when the surveyor inquired about QAPI projects. The subcontracted external party was also unable to summarize the elements in the operation of the QAPI program in an interview on 03/05/15.

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THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D76 Quality Assurance Program (a).

6. Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to adhere to specific tracking requirements for adverse events during the data collection of QAPI projects. The findings include:
   a. The surveyors requested documentation on hospice QAPI on 03/05/15 and were provided with the Hospice Quality Assurance Improvement Indicators (QAPI) quarterly reports dated 04/01/13 through 09/20/14, which identified the same invariable quality indicators for each quarter: comfort, medication coverage and reconciliation, and comfort kit problems.
   Interview and review of the selected quality indicators with the Administrator and the Director of the Hospice Program on 03/05/15 indicated that the hospice agency subcontracted with an external party to conduct QAPI reports, therefore the outcomes of quarterly clinical record review for 2013 and 2014 were not available for surveyor review onsite, and further indicated that the hospice agency failed to adhere to specific requirements to track adverse events, and show through quantitative data that the hospice agency was able to improve quality.
   Instead, the hospice agency referred the surveyor to the subcontracted external party on 03/05/15 when the surveyor inquired about QAPI projects. In an interview on 03/05/15, the subcontracted external party was unaware of specific tracking requirements, and referred the surveyors to another party from the subcontracted company, who was absent from the third party company at the time of the survey.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D77 Administrative Organization and Records (a).

7. Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to define adverse events, analyze causes and implement preventive actions during data collection of QAPI projects. The findings include:
   a. The surveyors requested documentation on hospice QAPI on 03/05/15 and were provided with the Hospice Quality Assurance Improvement Indicators (QAPI) quarterly reports dated 04/01/13 through 09/20/14, which identified the same invariable quality indicators for each quarter: comfort, medication coverage and reconciliation, and comfort kit problems.
   Interview and review of the selected quality indicators with the Administrator and the Director of the Hospice Program on 03/05/15 indicated that the hospice agency subcontracted with an external party to conduct QAPI reports, therefore the outcomes of quarterly clinical record review for 2013 and 2014 were not available for surveyor review onsite, and further indicated that the hospice agency failed to define adverse events, analyze the causes, and implement preventive actions that included learning throughout the hospice.
   Instead, the hospice agency referred the surveyor to the subcontracted external party on 03/05/15 when the surveyor inquired about QAPI projects. In an interview on 03/05/15, the

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

subcontracted external party was unaware of specific tracking requirements, and referred the surveyors to another party from the subcontracted company, who was absent from the third party company at the time of the survey.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D69 Services (a) Nursing Service (3)(D).

8. Based on clinical record review and staff interview, for one of one hospice patient (Patient #1) who resided in a skilled nursing facility (SNF), the hospice nurse failed to provide direct assessments of the patient's wound status . The findings include:
   a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and 6 additional visits as-needed (prn) for assessment of skin integrity and wound care to left neck cancer lesion using normal saline, Adaptic dressing, Flagyl powder and dressing every day and as needed.
   The documentation from the hospice nurses dated 01/08/15, 01/12/15, 01/15/15, 01/28/15, 02/02/15, 02/04/15, 02/06/15, 02/09/15, 02/13/15 identified a detailed assessment of the patient's wound including drainage amount, drainage color, odor, granulation, color of wound bed and surrounding tissue.
   However, interview and review of the hospice nurse documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 indicated that the hospice nurse visited the patient nine times in the SNF after the SNF nurse completed the wound care, that the hospice nurse documented the details of the wound assessment based on the report provided by the SNF nurse without observing the wound, and failed to identify a direct assessment of the wound status prior to each documentation by the hospice nurse of the patient's skin integrity as ordered by the physician;
   Interview and review of the available nursing documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and RN #1 on 03/03/15 identified direct wound visualization on 01/30/15 and 02/16/15, and failed to identify direct assessment of the patient's wound for sixteen days.
   According to the Director of the Hospice Program in an interview on 03/03/15, the hospice nurses were expected to conduct direct wound observation and assessment as least once a week;
   The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.

DATE(S) OF VISIT: March 2, 3, 4, and 5, 2015

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D69 Services (d) Homemaker-Home Health Aide Service (2).

9. Based on review of personnel files, agency documentation and interview with agency personnel, for one of two hospice aide files (the file of Hospice Aide # 1) the hospice agency failed to ensure the hospice aide met the qualifications. The findings include:
   a. Hospice Aide # 1 was hired on 12/09/98.
   Interview and review of the employee file with the Director of the Hospice Program on 030/5/15 at 2:00PM failed to identify the completion of a Homemaker-Home Health Aide Competency Evaluation since the date of hire.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D69 Services (a) Nursing Service (3)(H).

10. Based on review of the clinical record and staff interview for 3 of 3 patients (Patients #1, 2 and 4) who required hospice aide services, the hospice nurse failed to ensure the development of a written plan of care for the hospice aide. The findings include:
    a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and hospice aide services 1 to 3 times a week.
    Interview and review of the nursing documentation with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/04/15 identified hospice aide services provided 1 to 2 times a week since 01/07/15, but failed to identify a written plan of care for the hospice aide since the start of care date 01/07/15.
    b. Patient #2 had a start of care date of 10/22/14 and diagnoses of malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 10/22/14 and 02/19/15 included hospice aide services 5 to 7 times a week to assist the patient with a partial or complete bed bath and personal care.
    Interview and review of the nursing documentation with the Director of the Hospice Program on 03/05/15 at 2PM identified hospice aide services provided 5 times a week from 10/22/14 through 03/01/15, but failed to identify a written plan of care for the hospice aide since the start of care date 10/22/14.
    c. Patient #4 had a start of care date of 12/11/14 and diagnoses that included malignant neoplasm of the colon, secondary malignant neoplasm of the liver and lungs, ascites and Alzheimer ' s dementia. The physician's orders dated 02/09/15 included hospice aide services 1 to 3 times a week to assist the patient with partial or complete bed bath.
    Interview and review of the nursing documentation with the Director of the Hospice Program on 03/05/15 at 2PM identified hospice aide services provided 3 times a week from 12/11/14 through 03/11/15, but failed to identify a written plan of care for the hospice aide

since the start of care date 12/11/14.

d. Patient #5 had a start of care date of 02/10/15 and diagnoses that included secondary malignant neoplasm of bone, bone marrow and kidney. The physician's orders dated 02/10/15 included hospice aide services 2 to 4 times a week.
Interview and review of the nursing documentation with the Director of the Hospice Program on 03/05/15 at 2PM identified hospice aide services provided twice a week from 02/10/15 through 03/03/15, but failed to identify a written plan of care for the hospice aide since the start of care date 02/10/15.

The following are violations of the Regulations of Connecticut State Agencies Section 19-13-D75 Clinical Record System (b)(6) and/or (7) and/or 19-13-D72 Patient Care Policies (b) Patient Care Standards (2)(H).

11. Based on review of the clinical record, agency documentation and interview with the hospice agency personnel, for two of two patients (Patients #1 and # 2) who received volunteer services, the hospice agency failed to specify the duties of the volunteers in the plan of care, and failed to ensure appropriate documentation of the services provided by the volunteers. The findings include:
    a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included volunteer services as needed.
    Interview and review of the clinical notes with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 identified volunteer visits on 01/13/15 (by Volunteer # 1) and 01/14/15 (by Volunteer # 2), but failed to identify the documentation of specific duties for the volunteers in the plan of care;
    Interview and review of the volunteer documentation dated 01/13/15 with the Director of the Hospice Program and RN #1 on 03/03/15 indicated that Volunteer # 2 planned to visit the patient next on 01/20/15, but failed to identify documentation of a volunteer visit on 01/20/15;
    Interview and review of the volunteer documentation with the Director of the Hospice Program and RN #1 on 03/03/15 further indicated that RN # 1 was unaware of volunteer services being provided, and failed to identify awareness of a schedule of visits for volunteers for each certification period.
    Interview and review of the case communication note dated 02/12/14 with the Director of the Hospice Program and the Volunteer Coordinator on 03/04/15 and 03/05/15 identified a Reiki and reflexology energy therapy session scheduled for Patient # 1 for 02/16/15, but failed to identify documentation of the actual completion of the therapy session on 02/16/15 by the volunteer.
    b. Patient #2 had a start of care date of 10/22/14 and diagnoses that included malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 10/22/14 and 02/19/15 included bereavement services and volunteer services.

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THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

Interview and review of the Case Communication Report dated 12/9/2014 with the Volunteer and Bereavement Coordinator on 03/05/15 at 11:51 AM identified an energy therapy session scheduled for 12/10/14 at 2:30 PM upon the patient's request, but failed to identify documentation of the actual completion of the therapy session on 12/10/14 by the volunteer.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Policies (b) Patient Care Standards (2)(G)(i) and/or (H).

12. Based on clinical record review and staff interview, for one of one hospice patient (Patient #1) who resided in a skilled nursing facility (SNF), the hospice nurse failed to assume professional management of the hospice plan of care. The findings include:
    a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and 6 additional visits as-needed (prn) for assessment of skin integrity and wound care to left neck cancer lesion using normal saline, Adaptic dressing, Flagyl powder and dressing every day and as needed.
    The documentation from the hospice nurses dated 01/08/15, 01/12/15, 01/15/15, 01/28/15, 02/02/15, 02/04/15, 02/06/15, 02/09/15, 02/13/15 identified a detailed assessment of the patient's wound including drainage amount, drainage color, odor, granulation, color of wound bed and surrounding tissue.
    However, interview and review of the hospice nurse documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 indicated that the hospice nurse visited the patient nine times in the SNF after the SNF nurse completed the wound care, that the hospice nurse documented the details of the wound assessment based on the report provided by the SNF nurse without observing the wound, and failed to identify a direct assessment of the wound status prior to each documentation by the hospice nurse of the patient's skin integrity as ordered by the physician;
    Interview and review of the available nursing documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and RN #1 on 03/03/15 identified direct wound visualization on 01/30/15 and 02/16/15, and failed to identify direct assessment of the patient's wound for sixteen days.
    According to the Director of the Hospice Program in an interview on 03/03/15, the hospice nurses were expected to conduct direct wound observation and assessment as least once a week;
    The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length,

width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D75 Clinical Records System.

13. Based on clinical record review and staff interview, for one of one hospice patient (Patient #1) who resided in a skilled nursing facility (SNF), the hospice nurse failed to ensure the documentation of accurate and/or authentic nursing tasks. The findings include:
    a. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and 6 additional visits as-needed (prn) for assessment of skin integrity and wound care to left neck cancer lesion using normal saline, Adaptic dressing, Flagyl powder and dressing every day and as needed.
    The documentation from the hospice nurses dated 01/08/15, 01/12/15, 01/15/15, 01/28/15, 02/02/15, 02/04/15, 02/06/15, 02/09/15, 02/13/15 identified a detailed assessment of the patient's wound including drainage amount, drainage color, odor, granulation, color of wound bed and surrounding tissue.
    However, interview and review of the hospice nurse documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 indicated that the hospice nurse visited the patient nine times in the SNF after the SNF nurse completed the wound care, that the hospice nurse documented the details of the wound assessment based on the report provided by the SNF nurse without observing the wound, and failed to identify the documentation of observations conducted directly by the hospice nurse;
    The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.

The following is a violation of the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Standards (1)(G)(ii) and/or (iv) and/or (E) and/or 19-13-D70 Contracted Services (g) and/or 19-13D68 General Requirements (C) Professional Advisory Committee (2) and/or 19-13-D72 Patient Care Policies (b) Patient Care Standards (2)(p) and/or (m)(i) and/or 19-13-D71 Personnel Policies (a)(5).

14. Based on clinical record review, agency documentation and interviews with agency staff, for one of one patient (Patient #8) who received infusion therapy, the hospice agency failed to

follow the State regulations. The findings include:

a. Patient #8 elected the hospice benefit on 02/04/15. The patient's diagnoses included Alzheimer ' s disease and pneumonia. Physician ' s orders for the certification period of 02/04/15 to 04/04/15 included skilled nursing visits 2 to 4 times each week.
Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 identified an order for Morphine sulfate in 0.9% sodium chloride "10 mg/ml syringe" subcutaneous continuous via infusion pump at 2 mg per hour, with 1 mg bolus dose every 15 minutes as needed for pain or shortness of breath, but failed to identify nursing attempt to obtain clarification from the physician that the Morphine was delivered from a cassette housed in a Computerized Ambulatory Drug Delivery (CADD) pump, and not a syringe, and failed to identify in the physician's orders, the specification of the total volume of the cassette in accordance with the Regulations of Connecticut State Agencies section 19-13-D 72 Patient Care Standards (1) (G) (iv);
Interview and review of the physician ' s order for the certification period 02/04/15 to 04/04/15 and clinical record with the Director of Hospice on 03/05/15 failed to identify physician orders that included the frequency and type of access in accordance with the regulations of State Agencies Section 19-13-D72 Patient Care Standards (1) (G) (iv);
Interview and review of the personnel files for Registered Nurse (RN) #1 and RN #3 with the Director of the Hospice Program on 03/05/15 failed to identify documented competency in site access for continuous subcutaneous infusion, administration of continuous infusion and management of the infusion pump, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Standards (G) (ii);
Interview and review of the Quality Assurance (QA) Program for Infusion Therapy with the Director of the Hospice Program on 03/05/15 failed to identify the development of a program to monitor the effectiveness and safety of the agency ' s infusion therapy services, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Standards (1) (E);
Interview and review of the contract for the infusion therapy vendor with the hospice agency Administrator and the Director of the Hospice Program on 03/04/15 indicated that the contract expired on 01/30/10 and failed to identify the documentation of annual renewal of the contract in accordance with the Regulations of Connecticut State Agencies Section 19-13-D70 Contracted services (g);
Interview and review of the hospice agency policies and procedures on Infusion Therapy with the Director of the Hospice Program on 03/05/15 identified review of the policies and procedures by the professional advisory committee (PAC) on 06/17/09, but failed to identify annual review of the agency policies entitled (A) Scope and services offered, (G) Standards of care and (H) Professional issues, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D68 General requirements (c) Professional Advisory Committee (2);
Interview and review of the hospice agency contract with the pharmacy vendor on 03/04/15 with the Administrator and the Director of the Hospice Program indicated that the contract

THE FOLLOWING VIOLATION(S) OF THE REGULATIONS OF CONNECTICUT STATE AGENCIES AND/OR CONNECTICUT GENERAL STATUTES WERE IDENTIFIED

expired on 08/10/04 and failed to identify documentation of annual renewal in accordance with the Regulations of Connecticut State Agencies Section 19-13-D70 Contracted services (g);

Interview and review of the hospice agency staffing pattern with the Director of Hospice and the Volunteer Coordinator on 03/05/15 indicated that the Volunteer Coordinator also functioned as the Bereavement Coordinator and was employed for both functions at 32 hours per week, and failed to identify the appointment of a full-time employee (who might have other additional responsibilities) to the position of Volunteer Coordinator in accordance with the Regulations of Connecticut State Agencies Section 19-13-D72 Patient care policies (b) Patient Care Standards (2) (P);

Interview and review of the hospice agency staffing pattern with the Administrator and the Director of the Hospice Program on 03/03/15 failed to identify the appointment of a Supervisor of Clinical Services for the Hospice program in accordance with the Regulations of Connecticut State Agencies 19-13-D72 Patient Care Standards (2) (M) (i).

k. Interview and review of the employee file of Hospice Aide #1 with the Director of Hospice on 3/5/15 at 2:00PM identified a date of hire of 12/09/98 and a physical examination completed on 12/22/98, but failed to identify the obtention of a physician statement that Hospice Aide #1 was free from communicable diseases prior to assignment to patient care, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D71 Personnel policies (a) (5).

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

March 18, 2015

Michele Beverly, Administrator
Home & Community Health Servic
101 Phoenix Avenue
Enfield, CT 06083-1199

Dear Ms. Beverly:

A title XVIII Medicare Certification Survey was concluded at Home & Community Health Servic on March 5, 2015. The agency was found not in compliance with the Medicare Conditions of Participation, 42 CFR:

L 536 **CFR 418.56 Interdiciplinary Group, Care Planning and Coordination of Services** as evidenced by L545, L547 and L553

L 559 **CFR 418.58 Quality Assess,ment and Performance Improvement (QAPI)** as evidenced by L560; L562 and L569

In addition, a number of other deficiencies were found out of compliance with Medicare requirements.

Based on the results of the survey, the agency is not certifiable at this time. It is advised that an acceptable plan of correction be prepared and implemented as expeditiously as possible. Consideration for continued certification will be based on the correction of the deficiencies. Failure to achieve compliance with the requirements through a follow-up visit by *April 19, 2015,* will result in a recommendation by this office that the agency's Title XVIII Medicare certification should be terminated effective *June 3, 2015.*

It is necessary to use the enclosed form for recording in the appropriate section your Plan of Correction for the deficiencies cited and dated by which these deficiencies will be corrected according to your Plan.

Your attention is called to the need for specific dates by which you anticipate the deficiencies will be corrected.

The plan of correction for each deficiency shall include the following components:

- **What correction action(s) will be accomplished for those patients found to have been affected by the deficient practice;**
- **How you will identify other patients having the potential to be affected by the same deficient**

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DEPARTMENT OF PUBLIC HEALTH

practice and what corrective action will be taken;

- **What measures will be put into place or systemic changes made to ensure that the deficient practice does not recur; and,**
- **How the Agency will monitor its corrective action(s) to ensure that the deficient practice will not recur, (i.e., what quality assurance or other program will be put into place to monitor the continued effectiveness of the systemic change).**
- **Identify the staff member, by title, who has been designated the responsibility for monitoring the individual plan of correction for each deficiency and the completion date for each component.**

According to The Centers for Medicare & Medicaid Services policy, the form CMS-2567 is to be signed by the professional staff member in charge of the agency. Please check for completeness, date, and signature before returning the original to the Facility Licensing & Investigations Section by *April 1, 2015.*

If you have any questions, please do not hesitate to contact this office at (860) 509-7400.

Sincerely,

Loan Nguyen

Loan Nguyen, R.N., M.S.N., B.C.
Supervising Nurse Consultant
Facility Licensing & Investigations Section

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STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION	(X3) DATE SURVEY COMPLETED
	071520	A. BUILDING _____ B. WING _____	03/05/2015

NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
HOME & COMMUNITY HEALTH SERVIC	101 PHOENIX AVENUE ENFIELD, CT 06083

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L 000	INITIAL COMMENTS Unannounced visits to Home and Community Health Services located at 101 Phoenix Avenue, Enfield CT 06083 were completed on 03/05/15 for the purpose of hospice recertification. Condition-level deficiencies were identified at: L 536 CFR 418.56: Interdisciplinary Group, Care Planning and Coordination of Services, as evidenced by L545, L547 and L553. L559 CFR 418.58: Quality Assessment and Performance Improvement (QAPI), as evidenced by L560, L562 and L569	L 000		
L 533	418.54(d) UPDATE OF COMPREHENSIVE ASSESSMENT The update of the comprehensive assessment must be accomplished by the hospice interdisciplinary group (in collaboration with the individual's attending physician, if any) and must consider changes that have taken place since the initial assessment. It must include information on the patient's progress toward desired outcomes, as well as a reassessment of the patient's response to care. The assessment update must be accomplished as frequently as the condition of the patient requires, but no less frequently than every 15 days. This STANDARD is not met as evidenced by: Based on review of the clinical record and interview with hospice agency personnel, for one of one patient (Patient #1) with a change in condition, the hospice Interdisciplinary Group (IDG) failed to include in subsequent	L 533		

LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE | TITLE | (X6) DATE

Any deficiency statement ending with an asterisk (*) denotes a deficiency which the institution may be excused from correcting providing it is determined that other safeguards provide sufficient protection to the patients. (See instructions.) Except for nursing homes, the findings stated above are disclosable 90 days following the date of survey whether or not a plan of correction is provided. For nursing homes, the above findings and plans of correction are disclosable 14 days following the date these documents are made available to the facility. If deficiencies are cited, an approved plan of correction is requisite to continued program participation.

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L 533	Continued From page 1 assessments, the changes in condition that occurred since the initial assessment. The findings include: Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week, a social work evaluation, home health aide services 1 to 3 times a week, spiritual counseling services 1 to 4 times a month and volunteer services as needed. a. Interview and review of the clinical notes with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 identified social work visits on 01/07/15 and 01/12/15, a spiritual counseling visit on 01/07/15 and a volunteer visit on 01/13/15 but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/13/15 updated assessments from the social worker, spiritual counselor, and volunteer coordinator; b. Interview and review of the clinical notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified skilled nursing visits on 01/15/15, 01/20/15, 01/26/15 and 01/28/15, home health aide visits on 01/14/15, 01/19/15, 01/21/15 and 01/28/15, social work visits on 01/26/15, spiritual counseling visit on 01/28/15 and a volunteer visit on 01/14/15, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 updated assessments by the nurses, social worker,	L 533		

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L 533	Continued From page 2 spiritual counselor, and volunteer coordinator; c. Interview and review of the nursing notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified nursing documentation dated 01/20/15 of a fall out of bed, nursing documentation dated 01/26/15 of enlargement of the neck lesion, nursing documentation dated 01/28/15 of the patient's increasing weakness and the need for mechanical lift transfer from bed to the wheelchair, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 updated assessments by the nurses; d. The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.	L 533		
L 536	418.56 IDG, CARE PLANNING, COORDINATION OF SERVICES This CONDITION is not met as evidenced by: Based on clinical record review and interview with agency staff, for two of seven patients (Patients # 2 and #8) who required pain management, the Interdisciplinary Group failed to	L 536		

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L 536	Continued From page 3 ensure clarification of the medication and/or treatment orders. Refer to L 545. For six of six patients (Patients # 1, 2, 3, 4, 5, 8) who required services from multiple disciplines, the agency Interdisciplinary Group (IDG) failed to ensure the plan of care specified the scope and frequency of necessary services. Refer to L 547. For six of six patients (Patients # 1, 2, 3, 4, 5 and 8) who required updates to the plan of care based on assessments, the hospice Interdisciplinary Group (IDG) failed to ensure the plan of care was updated. Refer to L 553.	L 536		
L 545	418.56(c) CONTENT OF PLAN OF CARE The hospice must develop an individualized written plan of care for each patient. The plan of care must reflect patient and family goals and interventions based on the problems identified in the initial, comprehensive, and updated comprehensive assessments. The plan of care must include all services necessary for the palliation and management of the terminal illness and related conditions, including the following: This STANDARD is not met as evidenced by: Based on clinical record review and interview with agency staff, for two of seven patients (Patients # 2 and #8) who required pain	L 545		

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L 545	Continued From page 4 management, the Interdisciplinary Group failed to ensure clarification of the medication and/or treatment orders. The findings include: 1. Patient #2 had a start of care date of 10/22/14 and diagnoses that included malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 02/19/15 included skilled nursing services 1 to 2 times a week. The physician's orders dated 02/18/15 included insertion of a 16 French Foley catheter as needed, irrigate with sterile water as needed and change as needed. Interview and review of the physician ' s orders with the Director of the Hospice Program on 03/04/15 at 11:30 AM failed to identify nursing attempts to obtain clarification from the physician on the size of the catheter balloon, the amount of sterile water to be used for irrigation, and orders for Foley catheter care and frequency. 2. Patient #8 elected the hospice benefit on 02/04/15. The patient's diagnoses included Alzheimer ' s disease and pneumonia. Physician ' s orders for the certification period of 02/04/15 to 04/04/15 included skilled nursing visits 2 to 4 times each week. a. Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 identified an order for Morphine sulfate in 0.9% sodium chloride "10	L 545		

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:	(X2) MULTIPLE CONSTRUCTION	(X3) DATE SURVEY COMPLETED
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L 545	Continued From page 5 mg/ml syringe" subcutaneous continuous via infusion pump at 2 mg per hour, with 1 mg bolus dose every 15 minutes as needed for pain or shortness of breath, but failed to identify nursing attempt to obtain clarification from the physician that the Morphine was delivered from a cassette housed in a Computerized Ambulatory Drug Delivery (CADD) pump, and not a syringe, and failed to identify in the physician's orders, the specification of the total volume of the cassette; b. Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 failed to identify physician's orders for the nurse to access a subcutaneous administration site, frequency of the dressing change, frequency of the subcutaneous needle change, and frequency of tubing change; c. Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 identified physician's orders for the nurses to "insert catheter, change as needed and irrigate catheter as needed" but failed to identify nursing attempt to obtain clarification from the physician on the type and size of catheter, size of balloon, type and amount of irrigation solution, and frequency of irrigation procedure.	L 545		
L 547	418.56(c)(2) CONTENT OF PLAN OF CARE [The plan of care must include all services necessary for the palliation and management of the terminal illness and related conditions, including the following:]	L 547		

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L 547	Continued From page 6 (2) A detailed statement of the scope and frequency of services necessary to meet the specific patient and family needs. This STANDARD is not met as evidenced by: Based on review of clinical records and interview with agency personnel, for six of six patients (Patients # 1, 2, 3, 4, 5, 8) who required services from multiple disciplines, the agency Interdisciplinary Group (IDG) failed to ensure the plan of care specified the scope and frequency of necessary services. The findings include: 1. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included chaplain visits as desired and volunteer services as needed. Interview and review of the physician's orders with the Director of the Hospice Program on 03/04/15 failed to identify the scope and frequency of services for chaplain visits and volunteer services. 2. Patient #2 had a start of care date of 10/22/14 and diagnoses of malignant neoplasm of the breast and secondary neoplasm. The physician's order dated 02/19/15 included skilled nursing services 1 to 2 times a week assess the disease process, pain, activity tolerance, the need for assistive devices and volunteers. The clinical notes identified volunteer visits on	L 547		

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L 547	Continued From page 7 02/09/15 and 02/17/15. Interview and review of the physician's orders with the Director of the Hospice Program on 03/04/15 failed to identify specification of the scope and frequency of volunteer services. 3. Patient #3 elected the Hospice benefit on 12/09/14. The patient's diagnoses included severe aortic dissection. Physician ' s orders for the certification period of 12/09/14 to 02/06/15 . included volunteers services and bereavement services as needed. Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 failed to identify specification of the scope and frequency of volunteer and bereavement services. 4. Patient #4 had a start of care date of 12/11/14 and diagnoses that included malignant neoplasm of the colon, secondary malignant neoplasm of the liver and lungs, ascites and Alzheimer ' s dementia. The physician's orders dated 02/09/15 included volunteer services. The clinical notes identified volunteer visits on 12/17/14, 12/23/14 and 01/07/15. Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 failed to identify specification of the scope and frequency of volunteer services. 5. Patient #5 had a start of care date of 2/10/15 and diagnoses that included secondary malignant neoplasm of bone, bone marrow and kidney. The	L 547		

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L 547	Continued From page 8 physician's orders dated 02/10/2015 included volunteer services "on hold for now." The clinical notes identified volunteer services on 02/23/15 and 03/02/15. Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 at 2:00PM failed to identify specification of the scope and frequency of volunteer services. 6. Patient #8 elected the Hospice benefit on 10/02/13. The patient's diagnoses included liver cancer and diabetes mellitus type II. Physician's orders for the recertification period of 07/29/14 to 09/26/14 included volunteer services and spiritual counseling services as needed. Interview and review of the physician's orders with the Director of the Hospice Program on 03/05/15 failed to identify specification of the scope and frequency of volunteer services and spiritual counseling services.	L 547		
L 553	418.56(d) REVIEW OF THE PLAN OF CARE A revised plan of care must include information from the patient's updated comprehensive assessment and must note the patient's progress toward outcomes and goals specified in the plan of care. This STANDARD is not met as evidenced by: Based on review of clinical record and interview with agency personnel, for six of six patients (Patients # 1, 2, 3, 4, 5 and 8) who required updates to the plan of care based on assessments, the hospice Interdisciplinary Group (IDG) failed to ensure the plan of care was	L 553		

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(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETION DATE
L 553	Continued From page 9 updated. The findings include: 1. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week, a social work evaluation, home health aide services 1 to 3 times a week, spiritual counseling services 1 to 4 times a month and volunteer services as needed. a. Interview and review of the clinical notes with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 identified social work visits on 01/07/15 and 01/12/15, a spiritual counseling visit on 01/07/15 and a volunteer visit on 01/13/15 but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/13/15 updated plans of care from the social worker, spiritual counselor, and volunteer coordinator; b. Interview and review of the clinical notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified skilled nursing visits on 01/15/15, 01/20/15, 01/26/15 and 01/28/15, home health aide visits on 01/14/15, 01/19/15, 01/21/15 and 01/28/15, social work visits on 01/26/15, spiritual counseling visit on 01/28/15 and a volunteer visit on 01/14/15, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 revisions to the plan of care by the nurses, social worker, spiritual counselor, and volunteer coordinator;	L 553		

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	071520	A. BUILDING _____ B. WING _____	03/05/2015

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L 553	Continued From page 10	L 553		

c. Interview and review of the nursing notes with the Director of the Hospice Program and RN #1 on 03/03/15 identified nursing documentation dated 01/20/15 of a fall out of bed, nursing documentation dated 01/26/15 of enlargement of the neck lesion, nursing documentation dated 01/28/15 of the patient's increasing weakness and the need for mechanical lift transfer from bed to the wheelchair, but failed to identify in the Interdisciplinary Group (IDG) meeting documentation dated 01/29/15 revisions to the plan of care by the nurses;

d. The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements, in order to accurately revise the plan of care.

1. Patient #2 had a start of care date of 10/22/14 and diagnoses of malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 02/19/15 included skilled nursing

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L 553	Continued From page 11 services 1 to 2 times a week to assess disease process, pain, activity tolerance and the need for assistive devices, hospice aide services 3 to 5 times a week to assist with activities of daily living, bereavement and volunteer services, and social work services one to four times a month for social and emotional support. a. The nursing note dated 10/27/14 indicated that Patient #2 ' s next-of-kin had requested the patient's child to move out of the house; a subsequent nursing note also dated 10/27/14 indicated that Patient # 2 had requested a portable oxygen container, which was delivered during the hospice nurse visit. However, interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 10/28/15 and 11/11/14 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect psychosocial issues (request for the child to move out of the house) and/or new portable oxygen therapy, and failed to identify updated plan of care from the volunteers, spiritual counselor, and bereavement staff; b. The nursing note dated 11/18/14 identified relocation of the patient's bed (hospital-type) to the living room, and nursing instruction to the patient and family on the use of the hydraulic lift for transferring the patient. Interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 11/25/14 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect the use of the hospital bed, the hydraulic lift for transfers, and/or updated plan of	L 553		

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L 553	Continued From page 12 care from the other disciplines involved (volunteers, spiritual counselor and bereavement staff); c. The nursing note dated 12/31/14 indicated that the area immediately above the anus presented with warts in the past, now warts were resolved. In the same area now was a one centimeter (1cm) open slit with a red center. The nursing note dated 12/31/14 further indicated that Patient # 2 requested to have own family provide mouth care and shampoo, thus a revision to the hospice aide plan of care was necessary. In addition, Patient # 2 requested on 12/31/14 that the hospice aide perform range of motion (ROM) with the patient. Interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 01/06/15 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect changes in the patient's skin integrity, changes to the hospice aide plan following the patient's requests, and failed to identify documentation in the areas of psychospiritual, bereavement, physical progress towards patient goals and/or plan of care interventions (those areas were left blank). 3. Patient #3 elected the Hospice benefit on 12/09/14. The patient's diagnoses included severe aortic dissection. Physician ' s orders for the certification period of 12/09/14 to 02/06/15 included skilled nursing visits 2 to 4 times a week, social work services 1 to 4 times a month, volunteer services and bereavement services as needed.	L 553		

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L 553	Continued From page 13 a. The clinical notes identified nursing visits on 12/09/14, 12/11/14, 12/14/14, 12/15/14 and 12/18/14, and social worker visits on 12/09/14 and 12/16/14. Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 12/18/14 with the Director of Hospice on 03/05/15 failed to identify updates to the plan of care from nursing services, social work services, spiritual counseling services, volunteer services and bereavement services; b. The clinical notes identified nursing visits on 12/20/14, 12/22/14, 12/24/14, 12/26/14 and 12/28/14, and a social worker visit 12/22/14. Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 12/30/14 with the Director of Hospice on 03/05/15 failed to identify updates to the plan of care from nursing services, social work services, spiritual counseling services, volunteer services and bereavement services. 4. Patient #4 had a start of care date of 12/11/14 and diagnoses that included malignant neoplasm of the colon, secondary malignant neoplasm of the liver and lungs, ascites and Alzheimer ' s disease. The physician's orders dated 2/9/2015 skilled nursing services 1 to 2 times a week, hospice aide services 1 to 3 times a week, social work services 1 to 4 times a month, spiritual counseling and bereavement care as needed. The social work note dated 01/16/15 indicated that Patient #4's personal care attendant (PCA) was not able to sleep because Patient #4 was up every hour at night, and the PCA felt like	L 553		

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L 553	Continued From page 14 experiencing a break down. The nursing note dated 01/23/15 identified a relief caregiver from 6AM to 2PM. Interview and review of the Interdiciplinary Group (IDG) meeting documentation dated 01/29/15 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect sleep issues of the PCA and the addition of a relief caregiver. 5. Patient #5 had a start of care date of 02/10/15 and diagnoses that included secondary malignant neoplasm of bone, bone marrow and kidney. The physician's orders dated 02/10/15 included skilled nursing visits 1 to 2 times a week to assess the disease process, pain and activity tolerance, hospice aide services 2 to 4 times a week to assist with activities of daily living and social work evaluation. The nursing visit note dated 02/13/15 identified a conversation with Patient #5 and the next-of-kin about the effectiveness of pain medication. On 02/14/15 the therapist documented the completion of a physical therapy (PT) evaluation. Interview and review of the IDG meeting documentation dated 02/17/15 with the Director of the Hospice Program on 03/05/15 at 2:00 PM failed to identify updates to the plan of care to reflect the PT evaluation, the discussion with Patient #5 and the next-of-kin on pain management, and failed to identify updated plans of care from all the disciplines involved (volunteers, spiritual counseling, bereavement and social services).	L 553		

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L 553	Continued From page 15 6. Patient #8 elected Hospice benefit on 10/02/13. The patient's diagnoses included liver cancer and diabetes mellitus type II. Physician's orders for the recertification period of 07/29/14 to 09/26/14 included skilled nursing services twice a week, social work services 1 to 4 times a month, home health aide services 5 to 7 times a week, volunteers services and spiritual counseling services as needed. a. The clinical notes identified nursing visits on 07/31/14, 08/02/14, 08/04/14, 08/06/14, 08/08/14, 08/10/14 and 08/11/14, spiritual counseling visit on 07/31/14 and social worker telephone contact on 07/28/14. Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 08/12/14 with the Director of the Hospice Program on 03/05/15 failed to identify revisions to the plan of care by the nurses, social worker and spiritual counselor; b. The clinical notes identified nursing visits on 08/15/14, 08/18/14, 08/22/14, and 08/26/14, a spiritual counselor visit on 08/14/14, a social worker telephone contact on 08/13/14 and a social worker onsite visit on 08/25/14. Interview and review of the hospice Interdisciplinary Group (IDG) documentation dated 08/26/14 with the Director of the Hospice Program on 03/05/15 failed to identify revisions to the plan of care by the nurses, social worker and spiritual counselor.	L 553		
L 559	418.58 QUALITY ASSESSMENT & PERFORMANCE IMPROVEMENT	L 559		

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L 559	Continued From page 16 This CONDITION is not met as evidenced by: Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to adequately demonstrate the operation of the performance improvement program upon inquiry. Refer to L 560. The hospice agency failed to adhere to specific tracking requirements for adverse events during the data collection of QAPI projects. Refer to L 562. The hospice agency failed to define adverse events, analyze causes and implement preventive actions during data collection of QAPI projects. Refer to L 569.	L 559		
L 560	418.58 QUALITY ASSESSMENT & PERFORMANCE IMPROVEMENT The hospice must develop, implement, and maintain an effective, ongoing, hospice-wide data-driven quality assessment and performance improvement program. The hospice's governing body must ensure that the program: reflects the complexity of its organization and services; involves all hospice services (including those services furnished under contract or arrangement); focuses on indicators related to improved palliative outcomes; and takes actions to demonstrate improvement in hospice performance. The hospice must maintain documentary evidence of	L 560		

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L 560	Continued From page 17 its quality assessment and performance improvement program and be able to demonstrate its operation to CMS. This STANDARD is not met as evidenced by: Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to adequately demonstrate the operation of the performance improvement program upon inquiry. The findings include: The surveyors requested documentation on hospice QAPI on 03/05/15 and were provided with the Hospice Quality Assurance Improvement Indicators (QAPI) quarterly reports dated 04/01/13 through 09/20/14, which identified the same invariable quality indicators for each quarter: comfort, medication coverage and reconciliation, and comfort kit problems. Interview and review of the selected quality indicators with the Administrator and the Director of the Hospice Program on 03/05/15 indicated that the hospice agency subcontracted with an external party to conduct QAPI reports, therefore the outcomes of quarterly clinical record review for 2013 and 2014 were not available for surveyor review onsite, and further indicated that the hospice agency was unable to verbalize the rationale behind the choice of quality measures, the method to ensure consistent data collection, the use of data in patient care planning, the method for data analysis, the use of data analysis in selecting performance improvement project, the method for implementing the project, and the evaluation of the effectiveness of the project.	L 560		

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L 560	Continued From page 18 Instead, the hospice agency referred the surveyor to the subcontracted external party on 03/05/15 when the surveyor inquired about QAPI projects. The subcontracted external party was also unable to summarize the elements in the operation of the QAPI program in an interview on 03/05/15.	L 560		
L 562	418.58(a)(2) PROGRAM SCOPE (2) The hospice must measure, analyze, and track quality indicators, including adverse patient events, and other aspects of performance that enable the hospice to assess processes of care, hospice services, and operations. This STANDARD is not met as evidenced by: Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to adhere to specific tracking requirements for adverse events during the data collection of QAPI projects. The findings include: The surveyors requested documentation on hospice QAPI on 03/05/15 and were provided with the Hospice Quality Assurance Improvement Indicators (QAPI) quarterly reports dated 04/01/13 through 09/20/14, which identified the same invariable quality indicators for each quarter: comfort, medication coverage and reconciliation, and comfort kit problems. Interview and review of the selected quality indicators with the Administrator and the Director of the Hospice Program on 03/05/15 indicated that the hospice agency subcontracted with an external party to conduct QAPI reports, therefore	L 562		

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L 562	Continued From page 19 the outcomes of quarterly clinical record review for 2013 and 2014 were not available for surveyor review onsite, and further indicated that the hospice agency failed to adhere to specific requirements to track adverse events, and show through quantitative data that the hospice agency was able to improve quality. Instead, the hospice agency referred the surveyor to the subcontracted external party on 03/05/15 when the surveyor inquired about QAPI projects. In an interview on 03/05/15, the subcontracted external party was unaware of specific tracking requirements, and referred the surveyors to another party from the subcontracted company, who was absent from the third party company at the time of the survey.	L 562		
L 569	418.58(c)(2) PROGRAM ACTIVITIES (2) Performance improvement activities must track adverse patient events, analyze their causes, and implement preventive actions and mechanisms that include feedback and learning throughout the hospice. This STANDARD is not met as evidenced by: Based on review of the agency documentation and interviews with agency personnel, the hospice agency failed to define adverse events, analyze causes and implement preventive actions during data collection of QAPI projects. The findings include: The surveyors requested documentation on hospice QAPI on 03/05/15 and were provided with the Hospice Quality Assurance Improvement	L 569		

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L 569	Continued From page 20 Indicators (QAPI) quarterly reports dated 04/01/13 through 09/20/14, which identified the same invariable quality indicators for each quarter: comfort, medication coverage and reconciliation, and comfort kit problems. Interview and review of the selected quality indicators with the Administrator and the Director of the Hospice Program on 03/05/15 indicated that the hospice agency subcontracted with an external party to conduct QAPI reports, therefore the outcomes of quarterly clinical record review for 2013 and 2014 were not available for surveyor review onsite, and further indicated that the hospice agency failed to define adverse events, analyze the causes, and implement preventive actions that included learning throughout the hospice. Instead, the hospice agency referred the surveyor to the subcontracted external party on 03/05/15 when the surveyor inquired about QAPI projects. In an interview on 03/05/15, the subcontracted external party was unaware of specific tracking requirements, and referred the surveyors to another party from the subcontracted company, who was absent from the third party company at the time of the survey.	L 569		
L 591	418.64(b)(1) NURSING SERVICES (1) The hospice must provide nursing care and services by or under the supervision of a registered nurse. Nursing services must ensure that the nursing needs of the patient are met as identified in the patient's initial assessment, comprehensive assessment, and updated	L 591		

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L 591	Continued From page 21 assessments. This STANDARD is not met as evidenced by: Based on clinical record review and staff interview, for one of one hospice patient (Patient #1) who resided in a skilled nursing facility (SNF), the hospice nurse failed to provide direct assessments of the patient's wound status . The findings include: Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and 6 additional visits as-needed (prn) for assessment of skin integrity and wound care to left neck cancer lesion using normal saline, Adaptic dressing, Flagyl powder and dressing every day and as needed. a. The documentation from the hospice nurses dated 01/08/15, 01/12/15, 01/15/15, 01/28/15, 02/02/15, 02/04/15, 02/06/15, 02/09/15, 02/13/15 identified a detailed assessment of the patient's wound including drainage amount, drainage color, odor, granulation, color of wound bed and surrounding tissue. However, interview and review of the hospice nurse documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 indicated that the hospice nurse visited the patient nine times in the SNF after the SNF nurse completed the wound care, that the hospice nurse	L 591		

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L 591	Continued From page 22 documented the details of the wound assessment based on the report provided by the SNF nurse without observing the wound, and failed to identify a direct assessment of the wound status prior to each documentation by the hospice nurse of the patient's skin integrity as ordered by the physician; b. Interview and review of the available nursing documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and RN #1 on 03/03/15 identified direct wound visualization on 01/30/15 and 02/16/15, and failed to identify direct assessment of the patient's wound for sixteen days. According to the Director of the Hospice Program in an interview on 03/03/15, the hospice nurses were expected to conduct direct wound observation and assessment as least once a week; c. The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.	L 591		
L 609	418.76(a)(1) HOSPICE AIDE QUALIFICATIONS	L 609		

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NAME OF PROVIDER OR SUPPLIER	STREET ADDRESS, CITY, STATE, ZIP CODE
HOME & COMMUNITY HEALTH SERVIC	101 PHOENIX AVENUE ENFIELD, CT 06083

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L 609	Continued From page 23 (1) A qualified hospice aide is a person who has successfully completed one of the following: (i) A training program and competency evaluation as specified in paragraphs (b) and (c) of this section respectively. (ii) A competency evaluation program that meets the requirements of paragraph (c) of this section. (iii) A nurse aide training and competency evaluation program approved by the State as meeting the requirements of §483.151 through §483.154 of this chapter, and is currently listed in good standing on the State nurse aide registry. (iv) A State licensure program that meets the requirements of paragraphs (b) and (c) of this section. This STANDARD is not met as evidenced by: Based on review of personnel files, agency documentation and interview with agency personnel, for one of two hospice aide files (the file of Hospice Aide # 1) the hospice agency failed to ensure the hospice aide met the qualifications. The findings include: Hospice Aide # 1 was hired on 12/09/98. Interview and review of the employee file with the Director of the Hospice Program on 030/5/15 at 2:00PM failed to identify the completion of a Homemaker-Home Health Aide Competency Evaluation since the date of hire.	L 609		
L 625	418.76(g)(1) HOSPICE AIDE ASSIGNMENTS AND DUTIES (1) Hospice aides are assigned to a specific patient by a registered nurse that is a member of the interdisciplinary group. Written patient care instructions for a hospice aide must be prepared	L 625		

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L 625	Continued From page 24 by a registered nurse who is responsible for the supervision of a hospice aide as specified under paragraph (h) of this section. This STANDARD is not met as evidenced by: Based on review of the clinical record and staff interview for 3 of 3 patients (Patients #1, 2 and 4) who required hospice aide services, the hospice nurse failed to ensure the development of a written plan of care for the hospice aide. The findings include: 1. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and hospice aide services 1 to 3 times a week. Interview and review of the nursing documentation with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/04/15 identified hospice aide services provided 1 to 2 times a week since 01/07/15, but failed to identify a written plan of care for the hospice aide since the start of care date 01/07/15. 2. Patient #2 had a start of care date of 10/22/14 and diagnoses of malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 10/22/14 and 02/19/15 included hospice aide services 5 to 7 times a week to assist the patient with a partial or complete bed bath and personal care.	L 625		

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L 625	Continued From page 25 Interview and review of the nursing documentation with the Director of the Hospice Program on 03/05/15 at 2PM identified hospice aide services provided 5 times a week from 10/22/14 through 03/01/15, but failed to identify a written plan of care for the hospice aide since the start of care date 10/22/14. 3. Patient #4 had a start of care date of 12/11/14 and diagnoses that included malignant neoplasm of the colon, secondary malignant neoplasm of the liver and lungs, ascites and Alzheimer ' s dementia. The physician's orders dated 02/09/15 included hospice aide services 1 to 3 times a week to assist the patient with partial or complete bed bath. Interview and review of the nursing documentation with the Director of the Hospice Program on 03/05/15 at 2PM identified hospice aide services provided 3 times a week from 12/11/14 through 03/11/15, but failed to identify a written plan of care for the hospice aide since the start of care date 12/11/14. 4. Patient #5 had a start of care date of 02/10/15 and diagnoses that included secondary malignant neoplasm of bone, bone marrow and kidney. The physician's orders dated 02/10/15 included hospice aide services 2 to 4 times a week. Interview and review of the nursing documentation with the Director of the Hospice Program on 03/05/15 at 2PM identified hospice aide services provided twice a week from 02/10/15 through 03/03/15, but failed to identify a written plan of care for the hospice aide since the start of care date 02/10/15.	L 625		

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L 644	418.78(b) ROLE Volunteers must be used in day-to-day administrative and/or direct patient care roles. This STANDARD is not met as evidenced by: Based on review of the clinical record, agency documentation and interview with the hospice agency personnel, for two of two patients (Patients #1 and # 2) who received volunteer services, the hospice agency failed to specify the duties of the volunteers in the plan of care, and failed to ensure appropriate documentation of the services provided by the volunteers. The findings include: 1. Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included volunteer services as needed. a. Interview and review of the clinical notes with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 identified volunteer visits on 01/13/15 (by Volunteer # 1) and 01/14/15 (by Volunteer # 2), but failed to identify the documentation of specific duties for the volunteers in the plan of care; b. Interview and review of the volunteer documentation dated 01/13/15 with the Director of the Hospice Program and RN #1 on 03/03/15 indicated that Volunteer # 2 planned to visit the patient next on 01/20/15, but failed to identify documentation of a volunteer visit on 01/20/15;	L 644		

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L 644	Continued From page 27 c. Interview and review of the volunteer documentation with the Director of the Hospice Program and RN #1 on 03/03/15 further indicated that RN # 1 was unaware of volunteer services being provided, and failed to identify awareness of a schedule of visits for volunteers for each certification period. d. Interview and review of the case communication note dated 02/12/14 with the Director of the Hospice Program and the Volunteer Coordinator on 03/04/15 and 03/05/15 identified a Reiki and reflexology energy therapy session scheduled for Patient # 1 for 02/16/15, but failed to identify documentation of the actual completion of the therapy session on 02/16/15 by the volunteer. 2. Patient #2 had a start of care date of 10/22/14 and diagnoses that included malignant neoplasm of the breast and secondary neoplasm. The physician's orders dated 10/22/14 and 02/19/15 included bereavement services and volunteer services. Interview and review of the Case Communication Report dated 12/9/2014 with the Volunteer and Bereavement Coordinator on 03/05/15 at 11:51 AM identified an energy therapy session scheduled for 12/10/14 at 2:30 PM upon the patient's request, but failed to identify documentation of the actual completion of the therapy session on 12/10/14 by the volunteer.	L 644		

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L 655	Continued From page 28	L 655		
L 655	418.100(e) PROFESSIONAL MANAGEMENT RESPONSIBILITY A hospice that has a written agreement with another agency, individual, or organization to furnish any services under arrangement must retain administrative and financial management, and oversight of staff and services for all arranged services, to ensure the provision of quality care. Arranged services must be supported by written agreements that require that all services be-- (1) Authorized by the hospice; (2) Furnished in a safe and effective manner by qualified personnel; and (3) Delivered in accordance with the patient's plan of care. This STANDARD is not met as evidenced by: Based on clinical record review and staff interview, for one of one hospice patient (Patient #1) who resided in a skilled nursing facility (SNF), the hospice nurse failed to assume professional management of the hospice plan of care. The findings include: Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and 6 additional visits as-needed (prn) for assessment of skin integrity and wound care to left neck cancer lesion using normal saline, Adaptic dressing, Flagyl powder and dressing every day and as needed.	L 655		

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L 655	Continued From page 29 a. The documentation from the hospice nurses dated 01/08/15, 01/12/15, 01/15/15, 01/28/15, 02/02/15, 02/04/15, 02/06/15, 02/09/15, 02/13/15 identified a detailed assessment of the patient's wound including drainage amount, drainage color, odor, granulation, color of wound bed and surrounding tissue. However, interview and review of the hospice nurse documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 indicated that the hospice nurse visited the patient nine times in the SNF after the SNF nurse completed the wound care, that the hospice nurse documented the details of the wound assessment based on the report provided by the SNF nurse without observing the wound, and failed to identify a direct assessment of the wound status prior to each documentation by the hospice nurse of the patient's skin integrity as ordered by the physician; b. Interview and review of the available nursing documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and RN #1 on 03/03/15 identified direct wound visualization on 01/30/15 and 02/16/15, and failed to identify direct assessment of the patient's wound for sixteen days. According to the Director of the Hospice Program in an interview on 03/03/15, the hospice nurses were expected to conduct direct wound observation and assessment as least once a week;	L 655		

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L 655	Continued From page 30 c. The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.	L 655		
L 679	418.104(b) AUTHENTICATION All entries must be legible, clear, complete, and appropriately authenticated and dated in accordance with hospice policy and currently accepted standards of practice. This STANDARD is not met as evidenced by: Based on clinical record review and staff interview, for one of one hospice patient (Patient #1) who resided in a skilled nursing facility (SNF), the hospice nurse failed to ensure the documentation of accurate and/or authentic nursing tasks. The findings include: Patient #1 elected the Hospice benefit on 01/07/15. The patient's diagnoses included Merkel cell cancer of left neck, dysphagia and dementia. Physician's orders for the certification period of 01/07/15 through 03/07/15 included skilled nursing visits 1 to 2 times a week and 6 additional visits as-needed (prn) for assessment of skin integrity and wound care to left neck cancer lesion using normal saline, Adaptic	L 679		

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L 679	Continued From page 31 dressing, Flagyl powder and dressing every day and as needed. a. The documentation from the hospice nurses dated 01/08/15, 01/12/15, 01/15/15, 01/28/15, 02/02/15, 02/04/15, 02/06/15, 02/09/15, 02/13/15 identified a detailed assessment of the patient's wound including drainage amount, drainage color, odor, granulation, color of wound bed and surrounding tissue. However, interview and review of the hospice nurse documentation from 01/07/15 to 02/25/15 with the Director of the Hospice Program and Registered Nurse (RN) #1 on 03/03/15 indicated that the hospice nurse visited the patient nine times in the SNF after the SNF nurse completed the wound care, that the hospice nurse documented the details of the wound assessment based on the report provided by the SNF nurse without observing the wound, and failed to identify the documentation of observations conducted directly by the hospice nurse; b. The nursing admission note dated 01/07/15 identified a left neck lesion measuring 7.2cm by 7cm by 3.5cm. No further measurement was identified during the nursing visits dated 01/08/15, 01/12/15, 01/15/15 or 01/20/15. On 01/26/15, the visiting nurse documented that the left neck lesion was "larger in size," yet recorded decreased measurements in length, width and depth (7cm by 6.2cm by 1.9cm) and failed to complement the documentation of worsening condition with the appropriate supportive measurements.	L 679		
L 798	418.116 FEDERAL, STATE, LOCAL LAWS &	L 798		

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L 798	Continued From page 32 REGULATIONS The hospice and its staff must operate and furnish services in compliance with all applicable Federal, State, and local laws and regulations related to the health and safety of patients. If State or local law provides for licensing of hospices, the hospice must be licensed. This STANDARD is not met as evidenced by: Based on clinical record review, agency documentation and interviews with agency staff, for one of one patient (Patient #8) who received infusion therapy, the hospice agency failed to follow the State regulations. The findings include: Patient #8 elected the hospice benefit on 02/04/15. The patient's diagnoses included Alzheimer ' s disease and pneumonia. Physician ' s orders for the certification period of 02/04/15 to 04/04/15 included skilled nursing visits 2 to 4 times each week. a. Interview and review of the physician ' s orders for the certification period of 02/04/15 to 04/04/15 with the Director of the Hospice Program on 03/05/15 identified an order for Morphine sulfate in 0.9% sodium chloride "10 mg/ml syringe" subcutaneous continuous via infusion pump at 2 mg per hour, with 1 mg bolus dose every 15 minutes as needed for pain or shortness of breath, but failed to identify nursing attempt to obtain clarification from the physician that the Morphine was delivered from a cassette housed in a Computerized Ambulatory Drug Delivery (CADD) pump, and not a syringe, and failed to identify in the physician's orders, the specification of the total volume of the cassette in	L 798		

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L 798	Continued From page 33 accordance with the Regulations of Connecticut State Agencies section 19-13-D 72 Patient Care Standards (1) (G) (iv); b. Interview and review of the physician ' s order for the certification period 02/04/15 to 04/04/15 and clinical record with the Director of Hospice on 03/05/15 failed to identify physician orders that included the frequency and type of access in accordance with the regulations of State Agencies Section 19-13-D72 Patient Care Standards (1) (G) (iv); c. Interview and review of the personnel files for Registered Nurse (RN) #1 and RN #3 with the Director of the Hospice Program on 03/05/15 failed to identify documented competency in site access for continuous subcutaneous infusion, administration of continuous infusion and management of the infusion pump, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Standards (G) (ii); d. Interview and review of the Quality Assurance (QA) Program for Infusion Therapy with the Director of the Hospice Program on 03/05/15 failed to identify the development of a program to monitor the effectiveness and safety of the agency ' s infusion therapy services, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D72 Patient Care Standards (1) (E);	L 798		

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L 798	Continued From page 34 f. Interview and review of the contract for the infusion therapy vendor with the hospice agency Administrator and the Director of the Hospice Program on 03/04/15 indicated that the contract expired on 01/30/10 and failed to identify the documentation of annual renewal of the contract in accordance with the Regulations of Connecticut State Agencies Section 19-13-D70 Contracted services (g); g. Interview and review of the hospice agency policies and procedures on Infusion Therapy with the Director of the Hospice Program on 03/05/15 identified review of the policies and procedures by the professional advisory committee (PAC) on 06/17/09, but failed to identify annual review of the agency policies entitled (A) Scope and services offered, (G) Standards of care and (H) Professional issues, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D68 General requirements (c) Professional Advisory Committee (2); h. Interview and review of the hospice agency contract with the pharmacy vendor on 03/04/15 with the Administrator and the Director of the Hospice Program indicated that the contract expired on 08/10/04 and failed to identify documentation of annual renewal in accordance with the Regulations of Connecticut State Agencies Section 19-13-D70 Contracted services (g); i. Interview and review of the hospice agency staffing pattern with the Director of Hospice and the Volunteer Coordinator on 03/05/15 indicated	L 798		

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L 798	Continued From page 35 that the Volunteer Coordinator also functioned as the Bereavement Coordinator and was employed for both functions at 32 hours per week, and failed to identify the appointment of a full-time employee (who might have other additional responsibilities) to the position of Volunteer Coordinator in accordance with the Regulations of Connecticut State Agencies Section 19-13-D72 Patient care policies (b) Patient Care Standards (2) (P); j. Interview and review of the hospice agency staffing pattern with the Administrator and the Director of the Hospice Program on 03/03/15 failed to identify the appointment of a Supervisor of Clinical Services for the Hospice program in accordance with the Regulations of Connecticut State Agencies 19-13-D72 Patient Care Standards (2) (M) (i) □ k. Interview and review of the employee file of Hospice Aide #1 with the Director of Hospice on 3/5/15 at 2:00PM identified a date of hire of 12/09/98 and a physical examination completed on 12/22/98, but failed to identify the obtention of a physician statement that Hospice Aide #1 was free from communicable diseases prior to assignment to patient care, in accordance with the Regulations of Connecticut State Agencies Section 19-13-D71 Personnel policies (a) (5).	L 798		

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Lab General**
Checklist:	**LABORATORY GENERAL**
Inspection Date:	9/5/14

CAP#	1185701
AU ID	1177136
SU ID	1177137
II ID	62754
IE ID	474565
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
GEN 74500	II	Specimen Transport Procedures Policy + Practice for transporting specimens within the hospital building states that specimens are transported in "specimen transport bags"
GEN 20425	II	Corrected on site policy did not state how long records are retained after the lab ceases operations.
GEN55500	II	2014 Competency Records complete 2013 Competency Records sporatic suggest follow up - Corrected on site
GEN42800	II	Water sprinkler system host computer area
GEN40515	II	Transport Personnel Training – Employees who package infectious specimens have not completed certified training

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
- *I understand that the health information about any identifiable individual must be kept confidential. If I have seen or heard any such information during this inspection, I will not use it for any purpose other than the CAP inspection.*
- *I understand and attest to no COI's (conflicts of interest) as described in the COI policy on the reverse of this form.*

Primary Inspector:

Print or Type Name: Christine Paolillo	Credentials: MT (ASCP) SBB	☑ Same address as Team's Institution ☐ Different address, see back	
Signature: Christine Paolillo	Date: 9/5/14	Days Used to Inspect This Checklist	1.0 Days

Additional Inspectors - Please Sign Reverse

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Lab General**
Checklist:	**TEAM LEADER ASSESSMENT OF DIRECTOR & QUALITY**
Inspection Date:	9/5/14

CAP#	1185701
AU ID	1177136
SU ID	1177137
II ID	62754
IE ID	474565
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		X This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
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- *I understand and attest to no COI's (conflicts of interest) as described in the COI policy on the reverse of this form.*

Primary Inspector:

Print or Type Name: JIHAD HAYEK	Credentials: MD	☐ Same address as Team's Institution ☐ Different address, see back	
Signature	Date: 9/5/14	Days Used to Inspect This Checklist	.1 Days

Additional Inspectors - Please Sign Reverse

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Blood Bank**
Checklist:	**ALL COMMON**
Inspection Date:	9-5-14

CAP#	1185701
AU ID	1177136
SU ID	1285595
II ID	62754
IE ID	474571
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
COM.10100	II	Procedural Manual Review The director must ensure ..... is complete current and thoroughly reviewed. - several BBIC procedures had cross outs no date or initials as to when the procedure was changed, or review by staff of changes.
COM.10400	II	New director procedure Review - Nursing bld admin policy not reviewed/updated (in process) since Mar 2012. Suggest sign-off of current process review until revisions can be made.

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Primary Inspector:

Print or Type Name	Credentials	☒ Same address as Team's Institution ☐ Different address, see back	
Linda Levins	MLS ASCP, COA ASQ		
Signature	Date 9/5/14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Blood Bank**
Checklist:	**TRANSFUSION MEDICINE**
Inspection Date:	9-9-14

CAP#	1185701
AU ID	1177136
SU ID	1285595
II ID	62754
IE ID	474571
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
TRM.41025	II	Transfusionist training Personnel involved in transfusion..... trained..... with inservice education at least annually
TRM.41650	II	Transfusion Reaction Investigation/Education Criteria for recognition of transfusion reactions ..... documentation of at least annual recognition of such reactions.
TRM.42470	II	-No current process to educate transfusionist for either requirement annually. Acceptance Back into Inventory There is a documented process..... to receive inventory after been issued. - No documented process.
TRM.22000	II	Lis Transfusion Validation - LIS is validated for Blood bank activities - No validation

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Primary Inspector:

Print or Type Name	Credentials	☑ Same address as Team's Institution ☐ Different address, see back	
Linda A LeVins	MLS ASCP, CQA ASQ		
Signature: Linda A LeVins	Date 9/15/14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Blood Gas, Immunology, Urinalysis**
Checklist:	**ALL COMMON**
Inspection Date:	9-5-14

CAP#	1185701
AU ID	1177136
SU ID	1285589
II ID	62754
IE ID	474567
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☑ This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
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Primary Inspector:

Print or Type Name: Susan Cohen	Credentials: MT(ASCP)SM	☐ Same address as Team's Institution ☐ Different address, see back	
Signature: Susan Cohen	Date: 9-5-14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Blood Gas, Immunology, Urinalysis**
Checklist:	**IMMUNOLOGY**
Inspection Date:	9-5-14

CAP#	1185701
AU ID	1177136
SU ID	1285589
II ID	62754
IE ID	474567
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☑ This laboratory section has no deficiencies.

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Primary Inspector:

Print or Type Name: Susan Cohen	Credentials: MT(ASCP)SM	☐ Same address as Team's Institution ☐ Different address, see back	
Signature: Susan Cohen	Date: 9-5-14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Blood Gas, Immunology, Urinalysis**
Checklist:	**URINALYSIS**
Inspection Date:	9-5-14

CAP#	1185701
AU ID	1177136
SU ID	1285589
II ID	62754
IE ID	474567
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☑ This laboratory section has no deficiencies.

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Primary Inspector:

Print or Type Name: Susan Cohen	Credentials: MT(ASCP)SM	☐ Same address as Team's Institution ☐ Different address, see back	
Signature: Susan Cohen	Date: 9-5-14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Chemistry & Toxicology**
Checklist:	**ALL COMMON**
Inspection Date:	9-5-2014

CAP#	1185701
AU ID	1177136
SU ID	1285591
II ID	62754
IE ID	474569
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
COM.04200	II	Instrument Maintenance Evaluation Monthly evaluation of maintenance & function is done.
COM.40620	II	Body Fluid validation Testing of body fluid specimens on Instrument Dimension are not validated.
COM.50100	II	Reference Interval Evaluation Reference Interval evaluation is not verified & approved.

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Primary Inspector:

Print or Type Name: Yin P. Hong	Credentials: c (ASCP) SC	☑ Same address as Team's Institution ☐ Different address, see back	
Signature: Yin Hong	Date: 9-5-2014	Days Used to Inspect This Checklist	Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Chemistry & Toxicology**
Checklist:	**CHEMISTRY AND TOXICOLOGY**
Inspection Date:	9-5-2014

CAP#	1185701
AU ID	1177136
SU ID	1285591
II ID	62754
IE ID	474569
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
CHM.24400	II	Pipette Carryover The laboratory evaluates its atomatic pipetting systems for carryover. Carryover studies are not performed.
CHM-14916	II	monthly QC Review Quality control datas are not consistently reviewed monthly.

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Primary Inspector:

Print or Type Name: YIN P. HONG	Credentials: C(ASCP) SC	☑ Same address as Team's Institution ☐ Different address, see back	
Signature: [signature]	Date: 9-5-2014	Days Used to Inspect This Checklist	Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Cytology**
Checklist:	**ALL COMMON**
Inspection Date:	9/5/14

CAP#	1185701
AU ID	1177136
SU ID	1285598
II ID	62754
IE ID	474573
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☒ This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
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Primary Inspector:

Print or Type Name	Credentials	☐ Same address as Team's Institution ☐ Different address, see back	
JIHAD HAYEK	MD		
Signature	Date 9/5/14	Days Used to Inspect This Checklist	1 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Cytology**
Checklist:	**CYTOPATHOLOGY**
Inspection Date:	9/5/14

CAP#	1185701
AU ID	1177136
SU ID	1285598
II ID	62754
IE ID	474573
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
CYP 01650	I	~~CYP 01650~~ No Cytology specimen exemption policy available

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Primary Inspector:

Print or Type Name	Credentials	☐ Same address as Team's Institution ☐ Different address, see back	
JMAD HAYEK	MD		
Signature	Date 9/5/14	Days Used to Inspect This Checklist	0.2 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Hematology**
Checklist:	**ALL COMMON**
Inspection Date:	9/5/2014

CAP#	1185701
AU ID	1177136
SU ID	1285588
II ID	62754
IE ID	474566
Doc ID	956158

Requirement ID	Phase	Inspector Comments
HE		☑ This laboratory section has no deficiencies.

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Primary Inspector:

Print or Type Name	Credentials	☐ Same address as Team's Institution ☐ Different address, see back
RODELIO ROSALES	MT-ASCP	
Signature	**Date**	**Days Used to Inspect This Checklist**
Rodelio J. Rosales	9/5/2014	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Hematology**
Checklist:	**HEMATOLOGY AND COAGULATION**
Inspection Date:	9/5/2014

CAP#	1185701
AU ID	1177136
SU ID	1285588
II ID	62754
IE ID	474566
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
HEM 34655	II	Blood Parasite Detection Trypanosomiasis and filariasis is not in their Blood Parasite Procedure.
HEM 35338	II	Back ground checks - manual counts The Diluting Fluid is checked for non-specimen background particulates and changed when indicated.
HEM 35395	I	RBC cell CONFIRMATION TECHNIQUES

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Primary Inspector:

Print or Type Name	Credentials	☐ Same address as Team's Institution ☐ Different address, see back
RODELIO ROSALES	MT-ASCP	
Signature: Rodelio J. Rosales	Date: 9/5/2014	Days Used to Inspect This Checklist: . Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Histology**
Checklist:	**ALL COMMON**
Inspection Date:	9/5/14

CAP#	1185701
AU ID	1177136
SU ID	1285597
II ID	62754
IE ID	474572
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☒ This laboratory section has no deficiencies.

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Primary Inspector:

Print or Type Name: JIHAD HAYEK	Credentials: MD	☐ Same address as Team's Institution ☐ Different address, see back	
Signature	Date: 9/5/14	Days Used to Inspect This Checklist	.1 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Histology**
Checklist:	**ANATOMIC PATHOLOGY**
Inspection Date:	_____

CAP#	1185701
AU ID	1177136
SU ID	1285597
II ID	62754
IE ID	474572
Doc ID	956158

Requirement ID	Phase	Inspector Comments
ANP12425	II	☐ This laboratory section has no deficiencies. Recurring Reference Lab results of immunohistochemical studies includes ASR disclaimer, but not included in the hospital final surgical pathology report (Trime) Discussed w new Director not informed about prior deficiency.

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Primary Inspector:

Print or Type Name	Credentials	☐ Same address as Team's Institution ☐ Different address, see back	
JIHAD HAYEK	MD		
Signature	Date 9/5/14	Days Used to Inspect This Checklist	0.3 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Microbiology**
Checklist:	**ALL COMMON**
Inspection Date:	9-5-14

CAP#	1185701
AU ID	1177136
SU ID	1285594
II ID	62754
IE ID	474570
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☑ This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
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Primary Inspector:

Print or Type Name: Susan Cohen	Credentials: MT(ASCP)SM	☐ Same address as Team's Institution ☐ Different address, see back	
Signature: Susan Cohen	Date: 9-5-14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Microbiology**
Checklist:	**MICROBIOLOGY**
Inspection Date:	9-5-14

CAP#	1185701
AU ID	1177136
SU ID	1285594
II ID	62754
IE ID	474570
Doc ID	956158

Requirement ID	Phase	Inspector Comments
GEN.77600	II	☐ This laboratory section has no deficiencies. U.V Light in Biological Safety Cabinet (BSC Not Addressed in Safety Procedure for U.V. Light. Corrected on Site. U.V. Light in BSC WAS removed.

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Primary Inspector:

Print or Type Name	Credentials	☐ Same address as Team's Institution ☐ Different address, see back	
Susan Cohen	MT(ASCP) SM		
Signature: Susan Cohen	Date: 9-5-14	Days Used to Inspect This Checklist	1.0 Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Point-of-Care Testing**
Checklist:	**ALL COMMON**
Inspection Date:	9-5-2014

CAP#	1185701
AU ID	1177136
SU ID	1285590
II ID	62754
IE ID	474568
Doc ID	956158

Requirement ID	Phase	Inspector Comments
COM. 10000	II	☐ This laboratory section has no deficiencies. PROCEDURE MANUAL NO PROCEDURE IN PLACE FOR THE PRECISION PCX BLOOD GLUCOSE TESTING WRITTEN AND/OR ELECTRONICALLY NOTE TO HAVE INCLUDED IN PROCEDURE A POLICY TO HANDLE CRITICAL PATIENT RESULTS SINCE CURRENT NURSING PROCEDURE MANUAL DOES NOT INCLUDE THIS INFORMATION

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
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Primary Inspector:

Print or Type Name	Credentials	☒ Same address as Team's Institution ☐ Different address, see back	
DONALD CARTWRIGHT	BS		
Signature	Date	Days Used to Inspect This Checklist	Days
Donald Cartwright	9-5-2014		

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Ctr Laboratory**
Section:	**Point-of-Care Testing**
Checklist:	**POINT-OF-CARE-TESTING**
Inspection Date:	9-5-2014

CAP#	1185701
AU ID	1177136
SU ID	1285590
II ID	62754
IE ID	474568
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☐ This laboratory section has no deficiencies.
POC.07037	II	DOCUMENTED QC RESULTS - WAIVED TESTS NO DOCUMENTATION, WRITTEN/ELECTRONIC OF MONTHLY REVIEW OF QC DATA

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
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Primary Inspector:

Print or Type Name: DONALD CARTWRIGHT	Credentials: BS	☒ Same address as Team's Institution ☐ Different address, see back	
Signature: Donald Cartwright	Date: 9-5-2014	Days Used to Inspect This Checklist	• Days

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Center Outpatient Laboratory**
Section:	**Lab General**
Checklist:	**LABORATORY GENERAL**
Inspection Date:	9/5/14

CAP#	1185702
AU ID	1177138
SU ID	1177139
II ID	62754
IE ID	474574
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☑ This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
- *I understand that the health information about any identifiable individual must be kept confidential. If I have seen or heard any such information during this inspection, I will not use it for any purpose other than the CAP inspection.*
- *I understand and attest to no COI's (conflicts of interest) as described in the COI policy on the reverse of this form.*

Primary Inspector:

Print or Type Name	Credentials	☑ Same address as Team's Institution ☐ Different address, see back	
Christine Paolillo	MT(ASCP) SBB		
Signature: Christine Paolillo	Date: 9/5/14	Days Used to Inspect This Checklist	1.0 Days

Additional Inspectors - Please Sign Reverse

Return this page to the CAP Central Office within two business days.

College of American Pathologists
325 Waukegan Road, Northfield, Illinois 60093-2750
800-323-4040 • http://www.cap.org
Advancing Excellence

LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Center Outpatient Laboratory**
Section:	**Lab General**
Checklist:	**TEAM LEADER ASSESSMENT OF DIRECTOR & QUALITY**
Inspection Date:	9/5/14

CAP#	1185702
AU ID	1177138
SU ID	1177139
II ID	62754
IE ID	474574
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☒ This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
- *I understand that the health information about any identifiable individual must be kept confidential. If I have seen or heard any such information during this inspection, I will not use it for any purpose other than the CAP inspection.*
- *I understand and attest to no COI's (conflicts of interest) as described in the COI policy on the reverse of this form.*

Primary Inspector:

Print or Type Name: JIHAD HAYEK	Credentials: MD	☐ Same address as Team's Institution ☐ Different address, see back	
Signature:	Date: 9/5/14	Days Used to Inspect This Checklist	0.2 Days

Additional Inspectors - Please Sign Reverse

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LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory:	**Johnson Memorial Medical Center Outpatient Laboratory**
Section:	**Outpatient Laboratory**
Checklist:	**ALL COMMON**
Inspection Date:	9-5-2014

CAP#	1185702
AU ID	1177138
SU ID	1285599
II ID	62754
IE ID	474575
Doc ID	956158

Requirement ID	Phase	Inspector Comments
~~COM.10000~~ ~~COM.01000~~		☒ This laboratory section has no deficiencies. ~~PROCEDURE MANUAL~~ ~~PT PROCEDURE~~ ~~NO PROCEDURE IN PLACE FOR THE~~ ~~PRECISION PCX BLOOD GLUCOSE TESTING~~ ~~WRITTEN AND ELECTRONICALLY~~ OR ~~Note To INCLUDE IN PROCEDURE A POLICY~~ ~~OF HANDLING CRITICAL PATIENT RESULTS~~ ~~SINCE CURRENT NURSING PROCEDURE~~ ~~MANUAL DOES NOT INCLUDE THIS~~ ~~INFORMATION.~~

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
- *I understand that the health information about any identifiable individual must be kept confidential. If I have seen or heard any such information during this inspection, I will not use it for any purpose other than the CAP inspection.*
- *I understand and attest to no COI's (conflicts of interest) as described in the COI policy on the reverse of this form.*

Primary Inspector:

Print or Type Name: DONALD CARTWRIGHT	Credentials: BS	☒ Same address as Team's Institution ☐ Different address, see back	
Signature: Donald Cartwright	Date: 9-5-2014	Days Used to Inspect This Checklist	1 Days

Additional Inspectors - Please Sign Reverse

Return this page to the CAP Central Office within two business days.

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Advancing Excellence

LABORATORY ACCREDITATION PROGRAM
INSPECTOR'S SUMMATION REPORT – DEFICIENCIES

Laboratory: Johnson Memorial Medical Center Outpatient Laboratory
Section: POINT-OF-CARE-TESTING
Checklist:

** EXTRA COPY **

Inspection Date: 9-5-14

CAP#	1185702
AU ID	1177138
SU ID	1285599
II ID	62754
IE ID	474575
Doc ID	956158

Requirement ID	Phase	Inspector Comments
		☒ This laboratory section has no deficiencies.

- *To the best of my knowledge, all applicable requirements in this checklist have been reviewed and documentation of deficiencies and recommendations is complete and accurate.*
- *I understand that the health information about any identifiable individual must be kept confidential. If I have seen or heard any such information during this inspection, I will not use it for any purpose other than the CAP inspection.*
- *I understand and attest to no COI's (conflicts of interest) as described in the COI policy on the reverse of this form.*

Primary Inspector:

Print or Type Name	Credentials	☒ Same address as Team's Institution ☐ Different address, see back	
DONALD CARTWRIGHT	BS		
Signature	Date	Days Used to Inspect This Checklist	• Days
Donald Cartwright	9-5-14		

Additional Inspectors - Please Sign Reverse

Return this page to the CAP Central Office within two business days.

EXHIBIT 29

*** Form 990 Online Filers: Please fax completed and signed form to 866-699-3916 or email a scanned PDF copy of the signed form to efilesigforms@urban.org

Form **8453-EO**

Exempt Organization Declaration and Signature for Electronic Filing

OMB No. 1545-1879

2012

For calendar year 2012, or tax year beginning 10/01, 2012, and ending 09/30, 20 13

Department of the Treasury
Internal Revenue Service

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

Name of exempt organization

JOHNSON MEMORIAL HOSPITAL INC

Employer identification number

06-0646696

Part I Type of Return and Return Information (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a, 2a, 3a, 4a,** or **5a** below and the amount on that line of the return being filed with this form was blank, then leave line **1b, 2b, 3b, 4b,** or **5b,** whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a	**Form 990** check here ▶ ☑	b	**Total revenue,** if any (Form 990, Part VIII, column (A), line 12) . .	1b	65,036,913
2a	**Form 990-EZ** check here ▶ ☐	b	**Total revenue,** if any (Form 990-EZ, line 9)	2b	
3a	**Form 1120-POL** check here ▶ ☐	b	**Total tax** (Form 1120-POL, line 22).	3b	
4a	**Form 990-PF** check here ▶ ☐	b	**Tax based on investment income** (Form 990-PF, Part VI, line 5)	4b	
5a	**Form 8868** check here ▶ ☐	b	**Balance due** (Form 8868, Part I, line 3c or Part II, line 8c) . . .	5b	

Part II Declaration of Officer

6 ☐ I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

☐ If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2012 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS **(a)** an acknowledgement of receipt or reason for rejection of the transmission, **(b)** the reason for any delay in processing the return or refund, and **(c)** the date of any refund.

Sign Here ▶ John Grish — Signature of officer | 8/7/14 — Date ▶ John Grish, Chief Financial Officer — Title

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS *e-file* Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

ERO's Use Only	ERO's signature ▶	Date	Check if also paid preparer ☐	Check if self-employed ☐	ERO's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code ▶				EIN / Phone no.

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self- employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

For Privacy Act and Paperwork Reduction Act Notice, see back of form. Cat. No. 36606Q Form **8453-EO** (2012)

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 10/01 , 2012, and ending 09/30 , 20 13

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization: JOHNSON MEMORIAL HOSPITAL INC

Doing Business As:

Number and street (or P.O. box if mail is not delivered to street address): 201 Chestnut Hill Road

Room/suite:

City, town or post office, state, and ZIP code: Stafford Springs, CT 06076-0860

D Employer identification number: 06-0646696

E Telephone number: 860-684-4251

G Gross receipts $: 65,036,913

F Name and address of principal officer: Stuart E Rosenberg
289 Hill Street, Bristol, CT 06010

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www.jmmc.com

K Form of organization: ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation: 1912

M State of legal domicile: CT

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: Johnson Memorial Hospital provides needed medical care to the community regardless of any individuals ability to pay. Services include inpatient routine, inpatient ancilliary, and outpatient care in support of the hospitals healthcare mission.

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	16
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	16
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	700
6	Total number of volunteers (estimate if necessary)	6	133
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	-65,578
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0

Revenue

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	132,218	222,278
9	Program service revenue (Part VIII, line 2g)	65,469,134	64,583,557
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	177,006	158,800
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	253,450	72,278
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	66,031,808	65,036,913

Expenses

13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	33,345,067	32,997,571
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	32,635,986	35,032,874
18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	65,981,053	68,030,445
19	Revenue less expenses. Subtract line 18 from line 12	50,755	-2,993,532

Net Assets or Fund Balances

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	43,040,899	42,030,335
21	Total liabilities (Part X, line 26)	33,356,298	35,118,521
22	Net assets or fund balances. Subtract line 21 from line 20	9,684,601	6,911,814

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — Date

▶ John Grish, Chief Financial Officer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN

Firm's name ▶ | Firm's EIN ▶

Firm's address ▶ | Phone no.

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission:

Johnson Memorial Hospital provides needed medical care to the community regardless of any individuals ability to pay. Services include inpatient routine, inpatient ancilliary, and outpatient care in support of the hospitals healthcare mission.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses $ 62,619,325 including grants of $ 172,080) (Revenue $ 64,087,176)

Inpatient and Outpatient Care: expenses related to services performed for patients of Johnson Memorial contribute importantly to it's exempt purpose because the expenses are incurred in the diagnosis, cure, mitigation and prevention of disease and for medical purposes affecting the structure or function of the human body (84,172 Outpatient visits and 15,937 Inpatient days)

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O.)
(Expenses $ 0 including grants of $ 0) (Revenue $ 0)

4e **Total program service expenses** ▶ 62,619,325

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	✓	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	✓	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		✓
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		✓
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		✓
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		✓
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		✓
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		✓
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		✓
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	✓	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	✓	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		✓
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c	✓	
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	✓	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	✓	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	✓	
12 a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		✓
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	✓	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		✓
14 a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		✓
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		✓
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		✓
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		✓
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		✓
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		✓
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		✓
20 a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	✓	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	✓	

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		✓
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		✓
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	✓	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	24a		✓
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		✓
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		✓
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		✓
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		✓
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		✓
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		✓
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		✓
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		✓
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		✓
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		✓
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		✓
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I*	33		✓
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	✓	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	✓	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		✓
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		✓
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		✓
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	✓	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	128		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		✓	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	700		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? .	2b		✓	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-*file* (see instructions) . .				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?	3a		✓	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		✓	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			✓
b	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5a			✓
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			✓
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a			✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			✓
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			✓
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			✓
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? .	7f			✓
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities .	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . .	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?	13a			
	Note. See the instructions for additional information the organization must report on Schedule O.				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			✓
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* .	14b			

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a 16		
b	Enter the number of voting members included in line 1a, above, who are independent .	1b 16		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		✓
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? .	3		✓
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		✓
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		✓
6	Did the organization have members or stockholders?	6	✓	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	✓	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		✓
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:			
a	The governing body?	8a	✓	
b	Each committee with authority to act on behalf of the governing body?	8b	✓	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9		✓

Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		✓
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	✓	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	✓	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	✓	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	✓	
13	Did the organization have a written whistleblower policy?	13	✓	
14	Did the organization have a written document retention and destruction policy?	14	✓	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	✓	
b	Other officers or key employees of the organization	15b	✓	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		✓
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ None

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☑ Upon request ☐ Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ Thomas Blazejowski, (860)684-8133

201 Chestnut Hill Road, Stafford Springs, CT 06076-0860

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . . . ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Patrick Mahon Chairman	2	✓						0	0	0
James Makuch Vice Chairman	2	✓						0	0	0
Evelyne A Parizek Secretary	2	✓						0	0	0
David O'Conner Treasurer	2	✓						0	0	0
James A Baum Director	2	✓						0	0	0
Arthur DeTore MD Director	2	✓						0	0	0
Michael P Krol Director	2	✓						0	0	0
John W Patton Director	2	✓						0	0	0
Christopher Dadlez Director	2	✓						0	0	0
John Giamalis Director	2	✓						0	0	0
Younus F Masih MD Director	2	✓						0	0	0
Joseph Ianello MD Director	2	✓						0	0	0
Cathryn-Jean Fleming ESQ Director	2	✓						0	0	0
Kathleen M Roche MS RN Director	2	✓						0	0	0

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Kevin Sullivan	2									
Director		✓						0	0	0
Phil Tartsinis	2									
Director		✓						0	0	0
Stuart E Rosenberg	50									
President/CEO				✓				0	0	114,097
John Grish	50									
Chief Financial Officer				✓				270,973	0	20,007
Michelle Urban	50									
Vice President, Patient Care Services					✓			170,138	0	17,906
Thomas P Blazejowski	50									
Controller						✓		118,053	0	17,421
James Clyburn	50									
Director of Perioperative Care						✓		113,571	0	17,078
Stephen Czaja	50									
RN						✓		142,733	0	19,309
Beth N Vanalstyne	50									
Senior Director Nursing						✓		117,494	0	17,378
Lorelei Sullivan	50									
RN						✓		113,561	0	17,078
David Morgan	50									
Former President/CEO							✓	438,844	0	23,952
1b **Sub-total** ▶								1,485,367	0	264,226
c **Total from continuation sheets to Part VII, Section A** ▶										
d **Total (add lines 1b and 1c)** ▶								1,485,367	0	264,226

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 26

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	✓	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	✓	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
Northeast Emergency Medicine Specialists, PO Box 742528, Dallas, TX 7537	Emergency Room Physician	546,670
Reid and Riege PC, One Financial Plaza, Hartford, CT 06103	Legal Services	521,491
Somers Anesthesiology Associates inc, C/O IPMS, 99 East River Drive 5th	Professional Services	503,020
Deloitte Financial Advisory Services, PO Box 2062, Carol Stream, IL 6013	Financial Services	233,358
Murphy Security Service LLC, PO Box 356, New Britain, CT 06050	Security	158,610

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 7

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII. . . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 0				
	b	Membership dues	1b 0				
	c	Fundraising events	1c 0				
	d	Related organizations	1d 0				
	e	Government grants (contributions)	1e 172,080				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 50,198				
	g	Noncash contributions included in lines 1a-1f: $ 0					
	h	**Total.** Add lines 1a–1f . . . . . ▶		222,278			
Program Service Revenue			Business Code				
	2a	Inpatient and Outpatient Revenues	622000	64,087,176	64,152,754	-65,578	0
	b	Other Operating Revenue	900099	496,381	496,381	0	0
	c						
	d						
	e						
	f	All other program service revenue .		0	0	0	0
	g	**Total.** Add lines 2a–2f . . . . . ▶		64,583,557			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		158,800	0	0	158,800
	4	Income from investment of tax-exempt bond proceeds ▶		0	0	0	0
	5	Royalties . . . . . ▶		0	0	0	0
			(i) Real / (ii) Personal				
	6a	Gross rents . .					
	b	Less: rental expenses					
	c	Rental income or (loss)	0 / 0				
	d	Net rental income or (loss) . . . . . ▶					
	7a	Gross amount from sales of assets other than inventory	(i) Securities / (ii) Other				
	b	Less: cost or other basis and sales expenses .					
	c	Gain or (loss) . .	0 / 0				
	d	Net gain or (loss) . . . . . ▶					
	8a	Gross income from fundraising events (not including $ 0 of contributions reported on line 1c). See Part IV, line 18 . . . . . a					
	b	Less: direct expenses . . . . b					
	c	Net income or (loss) from fundraising events . ▶					
	9a	Gross income from gaming activities. See Part IV, line 19 . . . . . a					
	b	Less: direct expenses . . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . . . a					
	b	Less: cost of goods sold . . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	Equity Investment in Joint Venture	900099	72,278	0	0	72,278
	b						
	c						
	d	All other revenue		0	0	0	0
	e	**Total.** Add lines 11a–11d . . . . . ▶		72,278			
	12	**Total revenue.** See instructions. . . . . ▶		65,036,913	64,649,135	-65,578	231,078

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response to any question in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	941,820		941,820	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	25,984,450	23,968,348	2,016,102	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	156,156	144,049	12,107	
9 Other employee benefits	3,960,123	3,644,257	315,866	
10 Payroll taxes	1,955,022	1,765,651	189,371	
11 Fees for services (non-employees):				
a Management	2,868,131	2,578,158	289,973	
b Legal	535,814		535,814	
c Accounting	88,995		88,995	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	4,338,601	4,338,601		
12 Advertising and promotion				
13 Office expenses				
14 Information technology	1,013,993	1,013,993		
15 Royalties				
16 Occupancy	4,877,223	4,877,223		
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	1,368,245	1,368,245		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,082,027	3,082,027		
23 Insurance	936,340		936,340	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Office Expenses	449,678	449,678	0	0
b Patient Supplies	8,594,708	8,594,708	0	0
c Bad Debt Expense	4,453,593	4,453,593	0	0
d				
e All other expenses	2,425,526	2,340,794	84,732	
25 **Total functional expenses.** Add lines 1 through 24e	68,030,445	62,619,325	5,411,120	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		787,926	1	188,181
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		8,216,784	4	9,000,720
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		1,254,591	8	1,317,470
	9	Prepaid expenses and deferred charges		759,969	9	851,435
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 58,645,694			
	b	Less: accumulated depreciation	10b 42,014,780	19,058,121	10c	16,630,914
	11	Investments—publicly traded securities		4,823,176	11	4,841,652
	12	Investments—other securities. See Part IV, line 11			12	
	13	Investments—program-related. See Part IV, line 11		3,106,905	13	3,165,915
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		5,033,427	15	6,034,048
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		43,040,899	16	42,030,335
Liabilities	17	Accounts payable and accrued expenses		11,249,548	17	14,165,231
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		12,158,750	23	11,987,500
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		9,948,000	25	8,965,790
	26	**Total liabilities.** Add lines 17 through 25		33,356,298	26	35,118,521
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		4,961,876	27	2,069,573
	28	Temporarily restricted net assets		262,646	28	268,927
	29	Permanently restricted net assets		4,460,079	29	4,573,314
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		9,684,601	33	6,911,814
	34	Total liabilities and net assets/fund balances		43,040,899	34	42,030,335

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	65,036,913
2	Total expenses (must equal Part IX, column (A), line 25)	2	68,030,445
3	Revenue less expenses. Subtract line 2 from line 1	3	-2,993,532
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	9,684,601
5	Net unrealized gains (losses) on investments	5	0
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	220,745
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	6,911,814

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		✓
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis	2b	✓	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c	✓	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		✓
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

JOHNSON MEMORIAL HOSPITAL INC

Employer identification number

06-0646696

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33⅓% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III–Functionally integrated **d** ☐ Type III–Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . . . ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? **11g(i)**		
(ii) A family member of a person described in (i) above? **11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1–9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . .						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . .						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) 12

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) . . . . 14 %

15 Public support percentage from 2011 Schedule A, Part II, line 14 . . . . . 15 %

16a **33 1/3% support test—2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **33 1/3% support test—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization . . . . . ▶ ☐

17a **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ▶ ☐

b **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . . ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . . ▶ ☐

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . .						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . .						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons .						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** . . . . . ▶ ☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16	Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f)) . . .	17	%
18	Investment income percentage from **2011** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests—2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization . ▶ ☐

b **33 1/3% support tests—2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

Part IV **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

JOHNSON MEMORIAL HOSPITAL INC

Employer identification number

06-0646696

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
- ☐ Preservation of land for public use (e.g., recreation or education)
- ☐ Preservation of an historically important land area
- ☐ Protection of natural habitat
- ☐ Preservation of a certified historic structure
- ☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

		Held at the End of the Tax Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? . . . . . ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

		Amount
c	Beginning balance	1c
d	Additions during the year	1d
e	Distributions during the year	1e
f	Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? . . . . . ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	841,760	841,760	841,760	841,760	841,760
b	Contributions	0	0	0	0	0
c	Net investment earnings, gains, and losses	0	0	0	0	0
d	Grants or scholarships	0	0	0	0	0
e	Other expenditures for facilities and programs	0	0	0	0	0
f	Administrative expenses	0	0	0	0	0
g	End of year balance	841,760	841,760	841,760	841,760	841,760

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ 0 %
b Permanent endowment ▶ 100 %
c Temporarily restricted endowment ▶ 0 %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

		Yes	No
(i)	unrelated organizations		✓
(ii)	related organizations		✓
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?		

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a	Land	406,997	0		406,997
b	Buildings	23,667,147	0	13,244,358	10,422,789
c	Leasehold improvements	568,114	0	65,118	502,996
d	Equipment	32,160,819	0	27,423,477	4,737,342
e	Other	1,842,617	0	1,281,827	560,790
Total.	Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				16,630,914

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 12.)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) **Investment in Joint Venture**	**3,165,915**	**Cost**
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 13.)* ▶	**3,165,915**	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) **Due From Affiliates**	**5,093,786**
(2) **Deferred Financing Costs, net**	**172,864**
(3) **Other noncurrent assets**	**476,000**
(4) **Property under Capital Leases**	**291,398**
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	**6,034,048**

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	**0**
(2) **Due to Affiliate Corporations**	**1,268,030**
(3) **Payments due under plan of reorganization**	**3,930,808**
(4) **Subordinated Debt**	**125,022**
(5) **Other Long term debt**	**2,350,000**
(6) **Obligations under Capital Leases**	**45,579**
(7) **Self Insurance Liabilities**	**641,424**
(8) **Other Liabilities**	**604,927**
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	**8,965,790**

2. FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII . . . . . ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a		
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines **2a** through **2d**			2e
3	Subtract line **2e** from line **1**			3
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines **4a** and **4b**			4c
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines **2a** through **2d**			2e
3	Subtract line **2e** from line **1**			3
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines **4a** and **4b**			4c
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5

Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Schedule D, Part V, Line 4 - Principal is permanently restricted by donors and income is available for operations.

Schedule D, Part X, Line 2 - Management has analyzed the tax positions taken and has concluded that as of September 30, 2013, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Hospital, Development, and JPA are subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes that these orgaizations are no longer subject to income tax examinations prior to 2010.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization
JOHNSON MEMORIAL HOSPITAL INC

Employer identification number
06 0646696

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	✓	
b	If "Yes," was it a written policy?	✓	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities		
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	✓	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____ %	✓	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	✓	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	✓	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	✓	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		✓
6a	Did the organization prepare a community benefit report during the tax year?		✓
b	If "Yes," did the organization make it available to the public?		

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)		369	127,400	0	127,400	0.2%
b Medicaid (from Worksheet 3, column a)		11,700	9,466,924	4,495,248	4,971,676	7.3%
c Costs of other means-tested government programs (from Worksheet 3, column b)		0	0	0	0	0%
d **Total** Financial Assistance and Means-Tested Government Programs	0	12,069	9,594,324	4,495,248	5,099,076	7.5%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	8	2,850	62,467	0	62,467	0.1%
f Health professions education (from Worksheet 5)	1	8	18,487	0	18,487	0.02%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)	1	300	1,394	0	1,394	0%
j **Total.** Other Benefits	10	3,158	82,348	0	82,348	0.12%
k **Total.** Add lines 7d and 7j	10	15,227	9,676,672	4,495,248	5,181,424	7.62%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing						
2	Economic development						
3	Community support						
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy						
8	Workforce development						
9	Other						
10	**Total**						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		✓	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	4,453,593		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.	3	311,752		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	17,043,448
6	Enter Medicare allowable costs of care relating to payments on line 5	6	21,319,882
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-4,276,434
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used:		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	✓	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	✓	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest—see instructions)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, and primary website address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
1 Johnson Memorial Hospital Inc 201 Chestnut Hill Road Stafford Springs, CT 06074	✓	✓					✓			
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or facility reporting group Johnson Memorial Hospital Inc

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9.	✓	
	If "Yes," indicate what the CHNA report describes (check all that apply):		
a	☑ A definition of the community served by the hospital facility		
b	☑ Demographics of the community		
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	☑ How data was obtained		
e	☑ The health needs of the community		
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	☐ The process for consulting with persons representing the community's interests		
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	☐ Other (describe in Part VI)		
2	Indicate the tax year the hospital facility last conducted a CHNA: 20 12		
3	In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	✓	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI		✓
5	Did the hospital facility make its CHNA report widely available to the public?	✓	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a	☑ Hospital facility's website		
b	☑ Available upon request from the hospital facility		
c	☐ Other (describe in Part VI)		
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):		
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b	☑ Execution of the implementation strategy		
c	☑ Participation in the development of a community-wide plan		
d	☑ Participation in the execution of a community-wide plan		
e	☑ Inclusion of a community benefit section in operational plans		
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA		
g	☑ Prioritization of health needs in its community		
h	☑ Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i	☐ Other (describe in Part VI)		
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs.	✓	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		✓
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $		

Part V Facility Information *(continued)*

Financial Assistance Policy

			Yes	No
	Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	✓	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	10	✓	
	If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing *discounted* care?	11	✓	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care: 400 %			
	If "No," explain in Part VI the criteria the hospital facility used.			
12	Explained the basis for calculating amounts charged to patients?	12	✓	
	If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a	☑ Income level			
b	☐ Asset level			
c	☑ Medical indigency			
d	☑ Insurance status			
e	☑ Uninsured discount			
f	☑ Medicaid/Medicare			
g	☑ State regulation			
h	☐ Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	✓	
14	Included measures to publicize the policy within the community served by the hospital facility?	14	✓	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	☐ The policy was posted on the hospital facility's website			
b	☑ The policy was attached to billing invoices			
c	☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d	☑ The policy was posted in the hospital facility's admissions offices			
e	☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f	☑ The policy was available on request			
g	☐ Other (describe in Part VI)			

Billing and Collections

15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	✓	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP:			
a	☑ Reporting to credit agency			
b	☑ Lawsuits			
c	☑ Liens on residences			
d	☐ Body attachments			
e	☐ Other similar actions (describe in Part VI)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17	✓	
	If "Yes," check all actions in which the hospital facility or a third party engaged:			
a	☑ Reporting to credit agency			
b	☑ Lawsuits			
c	☑ Liens on residences			
d	☐ Body attachments			
e	☐ Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)*

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- a ☐ Notified individuals of the financial assistance policy on admission
- b ☑ Notified individuals of the financial assistance policy prior to discharge
- c ☑ Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d ☑ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e ☐ Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19 ✓	

If "No," indicate why:

- a ☐ The hospital facility did not provide care for any emergency medical conditions
- b ☐ The hospital facility's policy was not in writing
- c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d ☐ Other (describe in Part VI)

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- b ☐ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- d ☑ Other (describe in Part VI)

21	During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	21		✓
	If "Yes," explain in Part VI.			
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	22		✓
	If "Yes," explain in Part VI.			

Part V Facility Information *(continued)*

Section C. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 7

Name and address	Type of Facility (describe)
1 Johnson Memorial Hospital DBA Johnson Surgery Center 148 Hazard Avenue Enfield, CT 06083	Outpatient Surgery Center and Diagnostic Imaging Center with Lab draw
2 Johnson Memorial Hospital 151 Hazard Avenue Enfield, CT 06083	Physical Therapy Services
3 Johnson Memorial Hospital 139 Hazard Avenue Enfield, CT 06083	Cardiac Rehab Services
4 Johnson Memorial Hospital DBA Tolland Medical Specialists 384 L Merrow Road Tolland, CT 06084	Physician Session Space with Lab and Xray services
5 Johnson Memorial Hospital 15 Palomba Drive Enfield, CT 06086	Lab draw station
6 Johnson Memorial Hospital 140 Hazard Avenue Suite 106 Enfield, CT 06083	Wound Care Services (Advanced Wound Center)
7 Johnson Memorial Hospital 142 Hazard Avenue Enfield, CT 06083	Infusion Therapy Services (Karen Davis Krzynowek Infusion Center)
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

Schedule H, Part I, Line 7 - Ratio of Cost to Charges was utilized. Also actual accumulated costs with overhead allocations based on recent Medicare Cost Study

Schedule H, Part I, Line 7g - N/A

Schedule H, Part III, Section A, Line 4 - The Hospital's estimation of the allowance for uncollectible accounts is based primarily upon the type and age of the patient accounts receivable and the effectiveness of the Hospital's collection efforts. The Hospital's policy is to reseve a portion of all self-pay receivables, including amounts due from uninsured and amounts related to co-payments and deductibles, as these charges are recoreded. On a monthly basis, the hospital reviews it accounts receivable balances, the effectiveness of the Hospital's reserve policies and various analytics to support the basis for its estimates. These efforts primarily consist of reviewing the following; Revenue and volume trends by payer, particularly the self-pay components; Changes in the aging and payer mix of accounts receivable, including increased focus on accounts due from uninsured and accounts that represent co-payments and deductibles from patients; Various allowance coverage statistics. The Hospital regularly performs hindsight procedures to evaluate historical write-off and collection experience throughout the year to assist in determining the reasonableness of its process for estimating the allowance for uncollectible accounts. regarding Part III line 3 Gross charges written to bad debt were reduced to cost by applying applicable (updated quarterly) ratio of cost to charges. the Director of Patient Accounts reviewed detailed reports and estimated that approzimately 7% may have been Charity Care.

Schedule H, Part III, Section B, Line 8 - line 5&6 were computed from the 2013 Medicare Cost Study (D/E) worksheets. The shortfall from Medicare contributes importantly to the welfare and benefit of our community by providing high quality healthcare at affordable prices.

Schedule H, Part III, Section C, Line 9b - Patients who can demonstrate that payment of a hospital bill would be a hardship for them may apply for financial assistance.

Schedule H, Part V, Section B, Line 20 - Patients apply for Financial Assistance in accordance with the "Financial Assistance Policy"

Schedule H, Part VI, Line 2 - The CHNA consisted of a series of interviews with local Providers, a community survey and information gathered from local health departments and community based service organizations. In addition, three focus groups were informally surveyed through the JMMC Interfaith Clergy, Post-Acute Care Council and Geographic Council. Community health needs identified through the CHNA include obesity, diabetes, behavioral health, substance abuse/alcoholism and heart failure. An implementation plan was

Part VI- Supplemental Information (Continued)

designed to address those needs with activities that align with Johnson Memorial Hospital's mission, vision, and values.

Schedule H, Part VI, Line 3 - Johnson Memorial Hospital has a "Customer Service" position in the Patient Accounts department. That position assists patients in the Medicaid and/or financial assistance process. The Hospital also has staff that is a "Certified Navigator" for the CT Exchange Programs helping patients with the application process.

Schedule H, Part VI, Line 4 - The Johnson Memorial Hospital (JMH) is an acute-care hospital which serves the communities in North Central Connecticut. The towns in JMH's service area are part of either Tolland or Hartford county, which are included in the Hartford-West Hartford, Hartford-East Hartford, CTMetropolitan Statistical Area. The service area has a population of about 150,000 and is suburban to the city of Hartford. The average household income is in the $80,000 range. About 10% of residents under 65, for all inocme levels, are uninsured. JMH provided Charity care in the amount of 310,398 in FY2013. Eastern Connecticut Health Network & Saint Francis Hospital and Medical Center (a JMH affiliate) also provide services in JMH's service area. Baystate Medical Center, located in Massachusetts, also provides services to this area.

Schedule H, Part VI, Line 6 - Johnosn Memorial Medical Center (JMMC), the parent organization of Johnson Memorial Hospital, Evergreen Health Care Center and Home and Community health Services; and Saint Francis Care inc., the parent organization of Saint Francis Hospital and Medical Center, have formally signed an affiliation agreement designed to maintain Johnson Memorial as an independent source of high quality healthcare and expand its clinical services in North Central Connecticut. Under the terms of the agreement, JMMC is now a Saint Francis Care Partner, but both JMMC and Saint Francis will continue to be separately licensed institutions, each with separate Boards of Directors.

Schedule H, Part VI, Line 7 - CT

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

JOHNSON MEMORIAL HOSPITAL INC

Employer identification number

06-0646696

Part I Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)		
b	If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain **1b**		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? **2**		
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. ☑ Compensation committee ☑ Written employment contract ☐ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a	Receive a severance payment or change-of-control payment? **4a**	✓	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**		✓
c	Participate in, or receive payment from, an equity-based compensation arrangement? **4c**		✓
	If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III.		
	Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a	The organization? **5a**		✓
b	Any related organization? **5b**		✓
	If "Yes" to line 5a or 5b, describe in Part III.		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a	The organization? **6a**		✓
b	Any related organization? **6b**		✓
	If "Yes" to line 6a or 6b, describe in Part III.		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7**		✓
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8**		✓
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)–(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

	(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)–(D)	(F) Compensation reported as deferred in prior Form 990
			(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1	John Grish, Chief Financial Officer	(i)	270,973	0	0	0	20,007	290,980	0
		(ii)	0	0	0	0	0	0	0
2	David Morgan, Former President/CEO	(i)	438,844	0	0	0	23,952	462,796	0
		(ii)	0	0	0	0	0	0	0
3	Michelle Urban, Vice President, Patient Care Services	(i)	170,138	0	0	0	17,906	188,044	0
		(ii)	0	0	0	0	0	0	0
4	Stephen Czaja, RN	(i)	142,733	0	0	0	19,309	162,042	0
		(ii)	0	0	0	0	0	0	0
5		(i)							
		(ii)							
6		(i)							
		(ii)							
7		(i)							
		(ii)							
8		(i)							
		(ii)							
9		(i)							
		(ii)							
10		(i)							
		(ii)							
11		(i)							
		(ii)							
12		(i)							
		(ii)							
13		(i)							
		(ii)							
14		(i)							
		(ii)							
15		(i)							
		(ii)							
16		(i)							
		(ii)							

1902

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Schedule J, Part I, Line 3 - see schedule O, Part VI line 15a&b

Schedule J, Part I, Line 4 - David Morgan received a severence package in the amount of 286,795 which is included in the 438,844 on Part II line 1e of Schedule J. The severence period was 10 months in 2013. Stuart Rosenberg succeeded David Morgan as President/CEO on March 31, 2013.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.

▶ **Attach to Form 990 or 990-EZ.**

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

JOHNSON MEMORIAL HOSPITAL INC

Employer identification number

06-0646696

Form 990, Part VI, Section A, Line 6 - Article 3 of Johnson Memorial Medical Center Bylaws stipulates that there will be not less than 30 nor more than 60 members

Form 990, Part VI, Section A, Line 7a - Members are elected by the Board as recommended by the Governance and Nominating Committee

Form 990, Part VI, Section B, Line 11b - Board policy provides that Members of the Finance Committee are provided the opportunity to review and comment to Executive Leadership before the 990 is filed. All members of the Board have access to any copy of the Form 990 and the Chief Financial Officer provides a summary of the 990 at the Board meeting following the filing of Form 990.

Form 990, Part VI, Section B, Line 12c - An annual disclosure statement is required. Executives, Managers, and Board members are required on an ongoing basis to disclose interests that may give rise to a conflict of interests.

Form 990, Part VI, Section B, Line 15 - A board Committe reviews compensation annually for the Executive team and recommends compensation for Board approval. Comparability data is reviewed and may include industry surveys, documented compensation of similiar positions in similiar organizations, and expert compensation schedules.

Form 990, Part VI, Section C, Line 19 - The Johnson Memorial Medical Center maintains these documents in Administration and are available for viewing upon request during normal business hours. This includes the Johnson Memorial Hospital.

Form 990, Part XI, Line 9 - Other changes in net assets are: 107,509 Net Assets Released from Restriction and 113,236 is Changes in Permanently Restricted Net Assets

Reasonable Cause Explanations

Explanation
N/A

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

JOHNSON MEMORIAL HOSPITAL INC

Employer identification number

06-0646696

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) Section 512(b)(13) controlled entity? No
(1) Johnson Memorial Medical Center (22-2541974) 201 Chestnut Hill Road, Stafford Springs, CT 06076	Parent Corporation	CT	501 (c) (3)	11	N/A		
(2) Johnson Evergreen Corporation dba Evergreen Health Care Cente 205 Chestnut Hill Road, Stafford Springs, CT 06076	Nursing Home	CT	501 (c) (3)	3	N/A		
(3) Johnson Development Fund (22-2541977) 201 Chestnut Hill Road, Stafford Springs, CT 06076	Fund Raising	CT	501 (c) (3)	11	N/A		
(4) Home and Community Health Services (06-0646620) 101 Phoenix Avenue, Enfield, CT 06083	Visiting Nurse Association	CT	501 (c) (3)	9	N/A		
(5) Johnson Health Care Inc (22-2541981) 201 Chestnut Hill Road, Stafford Springs, CT 06076	Occupational Medicine	CT	501 (c) (3)	9	N/A		
(6)							
(7)							

1906

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
(1) Wellcare Inc (22-2541983) 201 Chestnut Hill Road, Stafford Springs, CT 06076	Inactive	CT	N/A	C			0%		
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

			Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II–IV?			
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		✓
b	Gift, grant, or capital contribution to related organization(s)	1b		✓
c	Gift, grant, or capital contribution from related organization(s)	1c		✓
d	Loans or loan guarantees to or for related organization(s)	1d		✓
e	Loans or loan guarantees by related organization(s)	1e		✓
f	Dividends from related organization(s)	1f		✓
g	Sale of assets to related organization(s)	1g		✓
h	Purchase of assets from related organization(s)	1h		✓
i	Exchange of assets with related organization(s)	1i		✓
j	Lease of facilities, equipment, or other assets to related organization(s)	1j	✓	
k	Lease of facilities, equipment, or other assets from related organization(s)	1k	✓	
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l		✓
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m		✓
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		✓
o	Sharing of paid employees with related organization(s)	1o		✓
p	Reimbursement paid to related organization(s) for expenses	1p		✓
q	Reimbursement paid by related organization(s) for expenses	1q	✓	
r	Other transfer of cash or property to related organization(s)	1r		✓
s	Other transfer of cash or property from related organization(s)	1s		✓

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

	(a) Name of other organization	(b) Transaction type (a–s)	(c) Amount involved	(d) Method of determining amount involved
(1)	Johnson Evergreen Corporation, dba Evergreen Health Care Center	k	180,000	reasonable cost
(2)	Johnson Evergreen Corporation, dba Evergreen Health Care Center	q	224,472	reasonable cost
(3)	Johnson Memorial Medical Center	j	494,992	reasonable cost
(4)	Johnson Health Care Inc	q	53,088	resonable allocation
(5)	Home and Community Health Services	q	384,600	reasonable allocation
(6)				

1908

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V–UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

EXHIBIT 30

SAINT FRANCIS Care Policy	**Title:** **Equal Employment Opportunity & Affirmative Action Policy**		
☒ Saint Francis Hospital and Medical Center ☒ Mount Sinai Rehabilitation Hospital ☒ Saint Francis Medical Group, Inc. ☒ Saint Francis *Care* Medical Group, P.C. ☒ Asylum Hill Family Medicine Center, Inc. ☒ Saint Francis Behavioral Health Group, P.C.	**Proponent Department** Human Resources	**Number** 22-1	**Level** ☒ System ☐ Division ☐ Department
	Category ☐ Administrative ☐ Clinical ☒ HR ☐ EOC	**Published Date** 3/30/15	**Review Cycle** ☐ 1 year ☒ 3 years

PURPOSE:

We are committed to providing equal employment opportunity to all employees and applicants for employment without regard to race, color, creed, national origin, age, sex, sexual preference, disability, religion or military veteran status, except where a personal characteristic is a bona fide occupational qualification.

Note: Should an employee who is a member of the bargaining unit be involved, the current labor contract provisions must be consulted.

SCOPE:

This policy applies to Saint Francis Care, Inc., Saint Francis Hospital and Medical Center, Mount Sinai Rehabilitation Hospital, Saint Francis Medical Group, Inc., Asylum Hill Family Medicine, and Saint Francis Behavioral Health Group P.C., collectively referred to as the "covered entities" in this policy and includes all employees, members of the Medical and Dental Staff, residents, students, volunteers, and others who provide services and items on behalf of the covered entities.

POLICY:

The objective of this policy is to comply with all state and federal laws on Equal Employment Opportunity and act in accordance with employment practices and actions, including but not limited to:

1. Recruit, hire, assign, train and compensate persons in all job categories based solely on job-related qualifications.
2. Ensure that promotional decisions are in accordance with principles of equal employment opportunity by providing a clearly defined, written job description.
3. Ensure that all personnel actions such as compensation, benefits, transfers, staff reductions, tuition assistance, social and recreational programs will be administered without regard to race, color, creed, national origin, age, sex, sexual orientation and gender identity, disability, religion, or military veteran status, except where a personal characteristic is a bona fide occupational qualification.
4. Support programs to achieve equal employment opportunity for disabled and Vietnam Era veterans.

It is the responsibility of all management to monitor compliance with the Hospital's policies of Equal Employment Opportunity and Affirmative Action.

Claims of discrimination from any individual or agency should be referred to the Department of Human Resources and will be investigated.

REFERENCES:
Personnel Requisitions/Vacancy Posting Policy 21-2

CROSS REFERENCES:

APPROVED BY: Policy requires Vice President approval.

Vice President(s):	Date:	Committee(s), if applicable:	Date:
Dawn Bryant SVP, Chief Human Resources Officer	3/30/2015		

REPLACES: Equal Employment Opportunity & Affirmative Action Policy 22-1 5/2/11

SAINT FRANCIS Care Policy	**Title:** **Policy on Patients' Rights and Responsibilities**		
☒ Saint Francis Hospital and Medical Center ☒ Mount Sinai Rehabilitation Hospital ☐ Saint Francis Medical Group, Inc. ☐ Saint Francis *Care* Medical Group, P.C. ☐ Asylum Hill Family Medicine Center, Inc. ☐ Saint Francis Behavioral Health Group, P.C.	**Proponent Department** Risk Management	**Number** RM 2.001	**Level** ☒ System ☐ Division ☐ Department
	Category ☒ Administrative ☐ Clinical ☐ HR ☐ EOC	**Published Date** 7/1/2011	**Review Cycle** ☐ 1 year ☒ 3 years

PURPOSE:

The purpose of this policy is to protect and promote the rights and responsibilities of our patient's and ensure all patients are informed of their rights and responsibilities.

SCOPE:

All Saint Francis personnel including employees and members of the medical staff.

POLICY:

Patients are informed of their rights and responsibilities through the patient handbook and/or signs posted in various admitting areas.

The Patient's Bill of Rights is included in the patient information handbook that is available in each inpatient room, and it is posted on the Saint Francis *Care* website and the Infonet.

The Patient's Bill of Rights will be made available to patients in both English and Spanish languages, and copies of both versions are attached to this policy.

REFERENCES:

The Joint Commission – Ethics, Rights and Responsibilities Standards
Conditions of Participation: Patient's Rights, 42 CFR 482.13
Patient's Bill of Rights and Your Responsibilities as a Patient

CROSS REFERENCES:

None

APPROVED BY:

	Date:	Committee(s), if applicable:	Date:
Kathleen M. Roche Executive Vice President and Chief Operating Officer	7/1/2011		

REPLACES:

Patient's Rights and Responsibilities, 2/27/2008; 6/24/2011

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
MOUNT SINAI REHABILITATION HOSPITAL
PATIENT'S BILL OF RIGHTS

YOUR RIGHTS AS A PATIENT

At Saint Francis Hospital and Medical Center, we work to improve people's health; treat people with injury and disease; educate doctors, health professionals, patients and community members; and improve understanding of health and disease. In carrying out these activities, we also have the utmost respect for your values and dignity. This includes working with you to ensure the most successful outcomes possible. We believe the following guidelines will help you understand your rights as a patient and therefore make you an educated partner in your healthcare.

1. You have the right to considerate, respectful care.
2. You have the right to participate in the development and implementation of your plan of care
3. You have the right to make informed decisions about your care including being informed of your health status, being involved in care planning and treatment, being able to request to be involved in care planning and treatment, and being able to request or refuse treatment, as permitted by law. If you refuse a recommended treatment you will receive other needed and available care.
4. You have the right to know the names and roles of people involved in your care planning and treatment.
5. You have the right to have a family member or representative of your choice and your physician notified promptly of your admission to the hospital.
6. You have the right to have an advance directive, such as a living will or other advance directive indicating your health care representative, and to have hospital staff who provide care comply with these directives, as permitted by law. These documents express your choices about your future care as well as name someone to speak on your behalf if you cannot speak for yourself. If you have a written advance directive, you should provide a copy to the hospital, your family, and your doctor.
7. You have the right to personal privacy.
8. You have the right to the confidentiality of your medical information. You have the right to receive a copy of Saint Francis Notice of Privacy Practices which informs you of how your medical information can be used or disclosed.
9. You have the right to access and review your medical records in accordance with the Hospital's Notice of Privacy Practices, and to have the information explained, except when restricted by law.
10. You have the right to expect that the hospital will give you necessary health services to the best of its ability. Treatment, referral, or transfer may be recommended. If transfer is recommended or requested, you will be informed of risks, benefits, and alternatives. You will not be transferred until the other institution agrees to accept you.
11. You have the right to know if this hospital has relationships with outside parties that may influence your treatment and care. These relationships may be with educational institutions, other health care providers, or insurers.
12. You have the right to be told of realistic care alternatives when hospital care is no longer appropriate.

13. You have the right to know about hospital rules that affect you and your treatment, and about charges and payment methods.
14. You have the right to know about hospital resources, such as patient representatives or an Ethics Committee that can help you answer concerns and questions about your hospital stay and care.
15. You have the right to effective communication, including an interpreter or other resources available by the hospital to assist you when needed.
16. You have the right to receive visitors whom you designate. Your visitors cannot be restricted by the Hospital on the basis of race, color, national origin, religion, sex, gender identity, sexual orientation, or disability. However, visitation can be limited if the visitor's presence infringes on others' rights or safety, is medically or therapeutically necessary, or per a court order. You also have the right to withdraw or deny the visitation of any visitor, at any time.
17. You have the right to designate (orally or in writing) a Support Person to exercise visitation rights on your behalf if you are unable to do so. This designation, however, does not extend to medical decision making.
18. You have the right to appropriate assessment and management of pain.
19. You have the right to be free from restraints of any form if they are not medically necessary.
20. You have the right to receive care free of restriction based on race, color, national origin, religion, sex, gender identity, sexual orientation or disability.
21. You have the right to receive care in a safe setting that preserves dignity and contributes to a positive self image.
22. You have the right to be free from mental, physical, sexual, and verbal abuse, neglect and exploitation during your stay and care.
23. You have the right to request that an autopsy be performed at Saint Francis Hospital and Medical Center or by another institution and by a physician unaffiliated with Saint Francis Hospital and Medical Center. You are responsible for any fees incurred when an autopsy is performed by an unaffiliated organization or physician. You have the right to place restrictions and limitations on the autopsy and/or state any specific concerns (i.e. religious considerations etc.).
24. You have a right to receive a copy of the Patient Bill of Rights.
25. You have the right to make a complaint about your care. You may give your complaint to the patient representative, the Patient Ombudsman, your Nurse, your Physician, or Hospital administration. Your care will not be affected by a complaint, and we will look into it as quickly as possible.
26. You have the right to file a written complaint. Letters should be sent to The Office of the President, Saint Francis Care, 114 Woodland Street, Hartford, Connecticut 06105.
27. If, after this Administrative review by the Hospital, you continue to be concerned about safety or quality of care provided in the Hospital, you have the right to contact:

    The Connecticut State Department of Public Health
    410 Capitol Avenue, Hartford, CT 06134 (860)509-7400; TDD: (860) 509-7191

    The Joint Commission
    Office of Quality Monitoring
    One Renaissance Boulevard, Oakbrook Terrace, IL 60181
    To complain, either call 1-800-994-6610 or email complaint@jointcommission.org

YOUR RESPONSIBILITIES AS A PATIENT

1. You are responsible for providing information about your health including past illnesses, hospital stays, and use of medicine. You are responsible for asking questions when you do not understand information or instructions. If you believe you cannot follow through with your treatment, you are responsible for telling your doctor.
2. This hospital works to provide care efficiently and fairly to all patients and the community. You and your visitors are responsible for being considerate of the needs of other patients, staff, and the hospital by:
   a. Ensuring your roommate's privacy;
   b. Limiting your visitors to two at a time during specified visiting hours;
   c. Reminding visitors to maintain a quiet atmosphere and that smoking is not permitted in the hospital; and
   d. Using televisions, radios, telephones and lights in a manner that is not disturbing to others.
3. If you choose to refuse a recommended treatment or procedure, you are responsible for any consequences of this refusal.
4. You are responsible for providing information for insurance and for working with the Hospital to arrange payments, when needed.
5. You are responsible for complying with the Hospital's safety and other regulations.
6. Your health depends not just on your hospital care but, in the long term, on the decisions you make in your daily life. You are responsible for recognizing the effect of life-style upon your personal health.

A hospital serves many purposes. Hospitals work to improve people's health; treat people with injury and disease; educate doctors, patients, and community members; and improve understanding of health and disease. In carrying out these activities, this institution is committed to respecting your values and dignity.

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
MOUNT SINAI REHABILITATION HOSPITAL
LOS DERECHOS DEL PACIENTE

SUS DERECHOS COMO PACIENTE

En el Hospital y Centro Médico Saint Francis, trabajamos para mejorar la salud de las personas, dar tratamiento a quiences sufren lesiones y enfermedades, educar a médicos, professionales de la salud, pacientes y meiembros de la comunidad, y ampliar el conocimiento sobre la salud y las enfermedades. Al llevar a acabo estas actividades, también mostramos el mayor respeto por sus valores y dignidad. Esto incluye trabajar conused para, en la medida de lo posible, asegurar los resultados más exitosos. Creemos que las siguentes pautas le ayudarán a entender sus derechos como paciente y por ello a convertirse en un socio informado sobre su atención médica.

1. Usted tiene derecho a un trato considerado y respetuoso.
2. Usted tiene derecho a participar en el desarrollo y la implementación de su plan de atención médica.
3. Usted tiene derecho a tomar decisiones informadas sobre su atención médica, incluido que le informen de su estado de salud, participar en la planificación de su atención médica y en su tratamiento médico, poder solicitar que le permitan participar en dicha planificación y tratamiento, y poder solicitar o rechazar un tratamiento, según lo permitido por la ley. Si rechaza un tratamiento recomendado, recibirá otro tipo de atención médica necesaria y disponible.
4. Usted tiene derecho a saber los nombres y las funciones que desempeñan las personas que participan en la planificación de su atención médica o en su tratamiento.
5. Usted tiene derecho a que se avise de su hospitalización cuanto antes a un familiar o representante elegido por usted y a su propio médico.
6. Usted tiene derecho a proporcionar instrucciones anticipadas, como un testamento vital u otra directiva de voluntad anticipada sobre tratamiento en caso de incapacidad en la que nombre a su representante de atención médica, y a que la atención médica que le proporcione el personal del hospital cumpla estas instrucciones, según lo permita la ley. Estos documentos expresan lo que usted desea en cuanto a su atención médica futura y en ellos se nombra a una persona para que hable en su nombre si usted no puede hacerlo. Si tiene una instrucción anticipada escrita, deberá proporcionar una copia de ella al hospital, a su familia y a su médico.
7. Usted tiene derecho a la privacidad personal.
8. Usted tiene derecho a que su información médica se mantenga bajo reserva confidencial. Usted tiene derecho a recibir una copia del Aviso de Prácticas de Privacidad de Saint Francis, que le informa de la forma en que su información médica puede utilizarse o divulgarse.
9. Usted tiene derecho a acceder a sus registros médicos y revisarlos de acuerdo con el Aviso de Prácticas de Privacidad del hospital, y a solicitar que la información se le explique, excepto cuando la ley no lo permita.
10. Usted tiene derecho a prever que el hospital le prestará los mejores servicios médicos posibles según su capacidad. Puede que se recomiende aplicarle un tratamiento, remitirle a un médico o transferirle a otro centro. Si se recomienda o solicita una transferencia, se le informará de los riesgos, las ventajas y las alternativas. No se le transferirá hasta que el otro centro le acepte.

11. Usted tiene derecho a saber si el hospital tiene relaciones con terceros que pudieran influir en su tratamiento y cuidado. Estas relaciones pueden ser con centros docentes, otros proveedores de cuidados sanitarios o con compañías de seguros.
12. Usted tiene derecho a que le digan cuáles son las alternativas realistas cuando el cuidado del hospital ya no sea apropiado.
13. Usted tiene derecho a conocer las reglas del hospital que pueden tener un efecto en usted y en su tratamiento, y los cargos y métodos de pago.
14. Usted tiene derecho a conocer los recursos del hospital, por ejemplo representantes del paciente o la Comisión de Ética, que pueden ayudar a responder a sus dudas y preguntas sobre su hospitalización y sobre la atención médica que recibe.
15. Usted tiene derecho a una comunicación eficaz, incluidos los servicios de un intérprete u otros recursos de los que el hospital dispone para asistirle cuando se necesite.
16. Usted tiene derecho a recibir los visitantes que usted designe. El hospital no puede prohibir el acceso a sus visitantes por razones de raza, color, nacionalidad de origen, religión, sexo, identidad de género, orientación sexual o discapacidad. Sin embargo, las visitas podrían limitarse si la presencia del visitante viola los derechos o la seguridad de otros, es médica o terapéuticamente necesario o por una orden judicial. Usted tiene también derecho a retirar su permiso o a rechazar la visita de cualquier visitante en cualquier momento.
17. Usted tiene derecho a designar (verbalmente o por escrito) una persona de apoyo para que ejerza los derechos de visita en su nombre si usted no puede hacerlo. Sin embargo, esta designación no confiere derechos sobre la toma de decisiones médicas.
18. Usted tiene derecho a una evaluación y a un control adecuados del dolor.
19. Usted tiene derecho a que no se restrinja su movimiento de ninguna forma si no es médicamente necesario.
20. Usted tiene derecho a recibir atención médica en un lugar seguro que preserve su dignidad y contribuya a una imagen positiva de sí mismo.
21. Usted tiene derecho a no sufrir abuso mental, físico, sexual ni verbal, a no ser desatendido ni maltratado durante su hospitalización ni mientras recibe atención médica.
22. Usted tiene derecho a solicitar que se realice una autopsia en Saint Francis Hospital and Medical Center o que la realice otro centro o un médico no afiliado con Saint Francis Hospital and Medical Center. Usted es responsable de los gastos incurridos cuando la autopsia la realice una organización o un médico no afiliados. Usted tiene derecho a imponer restricciones y limitaciones en la autopsia y/o expresar cualquier preocupación concreta (por ejemplo de índole religioso, etc.).
23. Usted tiene derecho a recibir una copia de "Los derechos del paciente".
24. Usted tiene derecho a presentar una queja sobre la atención médica recibida. Puede entregar su queja al representante de los pacientes, al defensor del paciente, a su enfermera, a su médico o a la administración del hospital. La atención médica que recibe no se verá afectada por la queja y la investigaremos lo más pronto posible.
25. Usted tiene derecho a presentar una queja escrita. Las cartas deben enviarse a: The Office of the President, Saint Francis Care, 114 Woodland Street, Hartford, Connecticut 06105.
26. Si, después de la revisión administrativa realizada por el hospital, usted sigue preocupado sobre la seguridad o la calidad de la atención médica proporcionada por el hospital, usted tiene derecho a ponerse en contacto con:

The Connecticut State Department of Public Health
410 Capitol Avenue, Hartford, 06134
(860)509-7400; TDD: (860) 509-7191

The Joint Commission
Office of Quality Monitoring
One Renaissance Boulevard, Oakbrook Terrace, IL 60181

Para presentar una queja puede llamar al 1-800-994-6610 o enviarla por correo electrónico a complaint@jointcommission.org

SU RESPONSABILIDAD COMO PACIENTE

1. Usted es responsable de proporcionar información sobre su salud, lo cual incluye enfermedades pasadas, hospitalizaciones y los medicamentos que toma. Usted es responsable de hacer preguntas cuando no entienda la información o las instrucciones. Si cree que no puede seguir las instrucciones de su tratamiento, usted es responsable de decírselo a su médico.
2. Este hospital se esfuerza para brindar atención médica eficaz y justa a todos los pacientes y a la comunidad. Usted y sus visitantes son responsables de respetar las necesidades de los demás pacientes, el personal y el hospital mediante las acciones siguientes:
   a. Garantizar la privacidad de su compañero de cuarto;
   b. Limitar sus visitas a dos personas a la vez durante las horas de visitas especificadas;
   c. Recordar a los visitantes que mantengan un ambiente tranquilo y que no se permite fumar en el hospital; y
   d. Utilizar las televisiones, radios, teléfonos y luces de una manera que no perturbe a los demás.
3. Si decide rechazar un tratamiento o procedimiento recomendado, usted es responsable de todas las consecuencias que se deriven de dicho rechazo.
4. Usted es responsable de proporcionar información para el seguro y de colaborar con el hospital para gestionar los pagos, cuando sea necesario.
5. Usted es responsable de cumplir con las normas de seguridad y otros reglamentos del hospital.
6. Su salud depende no sólo de la atención médica que recibe del hospital sino, a largo plazo, de las decisiones que toma a diario. Usted es responsable de reconocer el efecto que tiene su estilo de vida en su salud personal.

Un hospital tiene muchos propósitos. Los hospitales se esfuerzan para mejorar la salud de las personas, tratan a quienes tienen heridas o enfermedades; educan a médicos, profesionales de salud, pacientes y miembros de la comunidad; y fomentan una mejor comprensión de lo qué es la salud y la enfermedad. Este centro asume el compromiso de respetar sus valores y su dignidad en el desempeño de estas actividades.

SAINT FRANCIS Care Policy	**Title:** **Communication: Language Services-Limited English Proficient, Visually Impaired, Deaf or Hard of Hearing**		
☒ Saint Francis Hospital and Medical Center ☒ Mount Sinai Rehabilitation Hospital ☒ Saint Francis Medical Group, Inc. ☒ Saint Francis *Care* Medical Group, P.C. ☒ Asylum Hill Family Medicine Center, Inc. ☒ Saint Francis Behavioral Health Group, P.C. ☒ Saint Francis Emergency Medicine Group, P.C.	**Proponent Department** Patient Care	**Number** CLIN.0121	**Level** ☒ **System** ☐ **Division** ☐ **Department**
	Category ☐ **Administrative** ☒ **Clinical** ☐ **HR** ☐ **EOC**	**Published Date** 4/16/2015	**Review Cycle** ☐ 1 year ☒ 3 years

PURPOSE:

To provide guidelines and procedures for effective communication between Limited English Proficient, Visually Impaired and Deaf or Hard of Hearing individuals and hospital staff to ensure quality patient care.

SCOPE:

Applies to all patients and families in all acute care and ambulatory clinical areas.

POLICY:

Patients/surrogate decision-makers of Saint Francis Hospital and Medical Center, who are Limited English Proficient (LEP), visually impaired and deaf or hard of hearing, shall have services provided to them in their primary language or have interpreter services provided to them during the delivery of all significant healthcare services. Interpreter services shall be available within a reasonable time, at no cost to patients. This policy and procedure applies to all patients/surrogate decision makers in both acute care and ambulatory clinical areas.

The following types of encounters and procedures which are performed by clinicians who do not speak the primary language spoken by the patient/surrogate decision-maker, and which require the use of healthcare interpreter services, include, but are not limited to:

- Obtaining medical histories
- Explaining any diagnosis and plan for medical treatment
- Explaining patient rights and responsibilities
- Obtaining informed consent
- Explaining discharge plans
- Others

The first access point in which a patient acquires services at Saint Francis Hospital and Medical Center (emergency department registration, admissions, etc.) shall incorporate the determination of language needs into intake procedures. All areas of first patient contact shall be equipped with Language

Determination Cards to assist patients in identifying the patient's primary language if communication barriers prevent hospital staff from effectively determining the language of the patient/surrogate decision-maker.

The patient's primary written and spoken language will be identified and entered into Epicare as part of the demographic record. Each medical record shall show the primary language spoken and the need for interpreter services.

Saint Francis Hospital and Medical Center shall develop, and post in conspicuous locations, notices that advise patients and their families of the availability of interpreters, the procedure for obtaining an interpreter and the telephone numbers where complaints may be filed concerning interpreter service problems, including, but not limited to, a T.D.D. number for the hearing impaired.

Acceptable methods for the provision of interpreter and translation services include, but are not limited to the following:

- Telephone-based interpreting- delivered via telephonic technology
- Video Remote interpreting- video conference with qualified healthcare interpreters (including ASL)
- In-person interpreting- provided onsite by qualified healthcare interpreters (including ASL)
- Written translation of vital and non vital documents (vital documents as determined by the Joint Commission, Department of Health and Human Services and other regulatory agencies)

Whenever possible, arrangements for interpreters/equipment should be made in advance when patients have scheduled appointments.

The following resources and/or devices may be utilized at **no charge to the patient.**

A. <u>Deaf or Hard of Hearing</u>

Pictorial Cards (located in the language resource box)
Amplified Handset/Volume Control Telephone
Large Button Telephones
Telephone Typewriter (TTY)
Martti (video remote interpreting with a qualified ASL interpreter communication)
Contracted onsite ASL interpreters

B. <u>Visually Impaired</u>

Braille Telephones

C. <u>Limited English Proficient</u>

- Pictorial Cards (located in the language resource box)
- Telephone interpreting (telephone based language interpretation)
- Video Remote interpreting (Martti)
- In-person interpreting (including ASL)

- Written translated documents

The clinician will assess the patient, family, and clinical situation to determine the most effective communication method for that encounter. A list of communication options, as stated above, will be provided to the patient/surrogate decision maker to determine what communication method(s) is preferred.

An accompanying family member or friend may be asked to convey this initial information if necessary, but should not be used to interpret or translate medical information to the patient whenever possible.

Deaf or Hearing Impaired patients and/or their families may prefer to use Lip Reading, Paper and Pencil or pictorial cards at this time.

Training

New employees of Saint Francis Hospital and Medical Center will be trained in the procedure for the acquisition of interpreter services during their employee orientation. Training on this procedure for current staff will be incorporated into other ongoing trainings for employees such as diversity trainings, on-line Health Stream training, updates on new regulatory requirements, etc. In-person training will be made available on request to all departments, units and programs that require further assistance. Quarterly trainings will be held for the operators to ensure they are update on all language services. Operators will fulfill the 24/7 requirement of an on-site language services point-person (with Clinical Resource Coordinators as back up) when Program Administrator is off-site.

A laminated card outlining the availability of language services has been posted at all nursing stations and other points of patient registration throughout the hospital.

It shall be the policy of Saint Francis Hospital and Medical Center to conduct an annual review of Language Access Needs of the patient population. The review shall annually update the list of Frequently Utilized Languages and inform changes to the current language policy as needed.

Procedure For Obtaining A Telephone Interpreter

If the patient wishes to utilize the telephone interpreter, staff will phone the hospital operator by dialing **'0'** from any phone and request to be connected to language resources. Dual handset phones are available on all units which are preprogrammed to dial language resources directly.

The requesting staff will provide the following information:

- Requestor's name and a call back telephone phone number
- Department name(including campus)/department code
- Telephone number
- Service and language requested
- Name of patient
- Service or equipment needed
- Date, time, and approximate length of appointment
- Location (specific directions to the location)
- Where and who to report to

- Any special requirements

Procedure For Obtaining A Video Remote Interpreter (VRI) Device

1. The requesting staff will phone the hospital operator, dial '0' and request the Video Remote Interpreter Device to be brought to the patient.

The requesting staff will provide the following:

- Name and telephone number of requester,
- Department - including campus and address,
- Patient name and reason for visit,
- Date, time and approximate length of time needed,
- Any additional requirements that may be needed

2. The hospital operator will validate that the patient is in an area that has wireless communication.

3. The hospital operator will notify the storeroom via phone to request the Video Remote Interpreter Device on behalf of the patient.

4. The VRI device will be deployed to the requesting department within 10 minutes. Storeroom staff will complete the storeroom VRI device log.

5. The equipment will be placed in a location that is easily viewed by both the patient and the clinician, generally near the foot of the bed or stretcher, with the clinician standing near the patient at the head of the bed during the interpretation session.

6. The clinician will initiate the connection and answer a number of required questions such as patient's name, medical record number, location, etc. before beginning the interpretation session.

7. The video remote interpreter will facilitate communication between the clinician and the patient/surrogate decision maker.

NOTE: A. The camera and sound system will pick up **EVERYTHING** that is said and done in the room and **EVERYTHING** will be interpreted to the patient. **There is no selective interpreting**.

B. In the event of a system connectivity failure, the clinician should notify the operator of equipment failure.

8. The same patient may require the interpreter several times during a single hospital visit. The clinician must disconnect at the end of each session or whenever they leave the room and reconnect as needed to start a new session.

9. The clinician must document in the patient's medical record each time the equipment is utilized with dates and start and stop times of each interpretation session and effectiveness of communication method.

10. When the video equipment is no longer required, the clinician will place the VRI in the dirty laundry area for pick up by storeroom staff,

Procedure For Obtaining An In-Person Interpreter (including ASL)

The requesting staff will phone the hospital operator, dial '0' and request a sign-language interpreter Live interpreters will provide their approximate time of arrival. They may or may not be immediately available depending upon availability, weather restrictions etc. If an in-person ASL interpreter is not available, the VRI must be used for ASL Interpretation.

The requesting staff will provide the following information:

- Requestor's name and a call back telephone phone number
- Department name(including campus)/department code
- Telephone number
- Service and language requested
- Name of patient
- Service or equipment needed
- Date, time, and approximate length of appointment
- Location (specific directions to the location)
- Where and who to report to
- Any special requirements

The clinician will document the arrival time of the Interpreter in the patient's medical record including the length of time for the interpretive session and effectiveness of the communication method. Each interpretive session must be documented separately. The same patient may require the interpreter several times during a single hospital visit as additional communications are needed.

Procedure for the Provision of Written Translations

1. Vital documents as defined by the Joint Commission and the Department of Health and Human Services will be translated and made available to patients/surrogate decision makers. These documents include but are not limited to:
    - Informed Consent
    - Advanced Directives
    - HIPPA Forms
    - Patient Rights and Responsibilities
    - Discharge Instructions
    - Release of Information
    - Notices pertaining to denial, reduction, modification or termination of services
    - Complaint forms
    - Others

    Documents will be translated into languages used by more than 15% percent of the patient population. This will be assessed on an annual basis. Translation for other languages will be completed on an as needed basis.

STATUTORY, REULATORY OR OTHER REFERENCES/POLICY CROSSREFERENCE:

Section 504 of the Rehabilitation Act of 1973
Title III of the Americans with Disabilities Act (ADA)

CROSS REFERENCES:

APPROVED BY: Policy requires Vice President approval.

Vice President(s):	Date:	Committee(s), if applicable:	Date:
Patti LaMonica, R.N. M.S.N. Interim Vice President Professional Nursing Practice and Quality Interim Chief Nursing Officer Executive Director Emergency and Pre-hospital Service Line	4/16/15	Surendra P. Khera MD MSc Vice President, Medical Affairs Chief Medical Officer |Chief Quality Officer Vice-Chair, Department of Medicine.	4/16/15

REPLACES:

9/26/14

KEY CHANGES:

Procedures for request of services broadened and clarified.

EXHIBIT 31

The Impact of Medical Interpreter Services on the Quality of Health Care: A Systematic Review

Glenn Flores
Medical College of Wisconsin

Abstract

Twenty-one million Americans are limited in English proficiency (LEP), but little is known about the effect of medical interpreter services on health care quality. A systematic literature review was conducted on the impact of interpreter services on quality of care. Five database searches yielded 2,640 citations and a final database of 36 articles, after applying exclusion criteria. Multiple studies document that quality of care is compromised when LEP patients need but do not get interpreters. LEP patients' quality of care is inferior, and more interpreter errors occur with untrained ad hoc interpreters. Inadequate interpreter services can have serious consequences for patients with mental disorders. Trained professional interpreters and bilingual health care providers positively affect LEP patients' satisfaction, quality of care, and outcomes. Evidence suggests that optimal communication, patient satisfaction, and outcomes and the fewest interpreter errors occur when LEP patients have access to trained professional interpreters or bilingual providers.

Published in Medical Care Research Review

Med Care Res Rev **June 2005** vol. 62 no. 3 **255-299**

EXHIBIT 32

David Herr, M.D.
163 Cemetery Road
Union, CT 06076

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing emergency room physician, many of my patients already use the services of Saint Francis *Care* when they need services not now available at Johnson Memorial. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and my ability as a physician to better manage the health of my patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

David Herr, M.D.
Northeast Emergency Medicine Specialists, LLC

Swathi Rachoor, M.D.
201 Chestnut Hill Road
Stafford Springs, CT 06076

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
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Sincerely,

Swathi Rachoor, M.D.

Timothy Silvis, M.D.
24 Battle Street, Suite 1B
Somers, CT 06071

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
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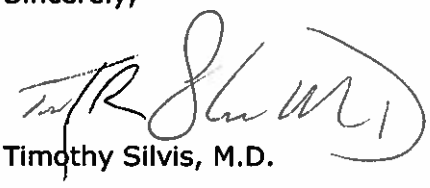
Sincerely,



Timothy Silvis, M.D.

Herbert J. DiMeola, M.D.
112 Kozley Road
Tolland, CT 06084

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
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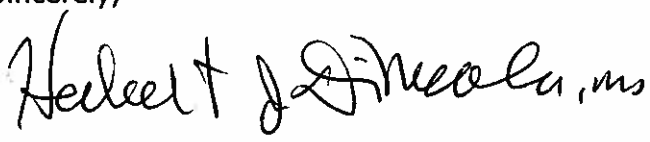

Herbert J. DiMeola, M.D.

James Brakoniecki, M.D.
111 Scantic Road
Hampden, MA 01036

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

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I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing anesthesiologist at Johnson Memorial Hospital, I am aware of the importance of ready access to critical care services only available at a tertiary facility like Saint Francis. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and the ability of physicians to better manage the health of patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

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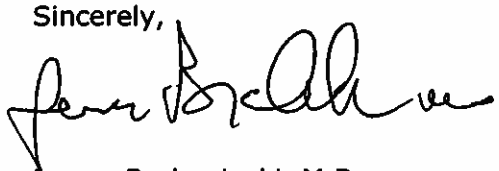

James Brakoniecki, M.D.
Somers Anesthesiology Associates, P.C.

Jeffrey Thompsen, M.D.
15 Palomba Drive
Enfield, CT 06082

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

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Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

Jeffrey Thompsen, M.D.

Town of Stafford
Connecticut
Office of Selectmen
1 Main Street
Warren Memorial Town Hall
Stafford Springs, CT 06076-1208
*Telephone (860) 684-1777 * Fax (860) 684-1785*

Richard Shuck
Deidriene Knowlton
Neil A. Hoss
Board of Selectmen

April 22, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As First Selectman of Stafford, I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford communities, has been outstanding.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Evergreen Health Care Center, an affiliate of Johnson Memorial Medical Center, received a 5-star rating for quality from the Centers for Medicare and Medicaid Services. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care*.

Sincerely,

Richard Shuck
First selectman

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42U.S.C. Section 2000d).

State of Connecticut
SENATE
STATE CAPITOL
300 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1591

SENATOR JOHN A. KISSEL
CHIEF DEPUTY MINORITY LEADER

16 FREW TERRACE
ENFIELD, CONNECTICUT 06082
HARTFORD: (860) 240-0531
HOME: (860) 745-0668
TOLL FREE: 1-800-842-1421
FAX: (860) 240-8306

RANKING MEMBER
JUDICIARY COMMITTEE
PROGRAM REVIEW & INVESTIGATIONS COMMITTEE

MEMBER
APPROPRIATIONS COMMITTEE
GENERAL LAW COMMITTEE

E-MAIL: John.A.Kissel@cga.ct.gov
WEBSITE: www.SenatorKissel.com

April 22, 2015

Ms. Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
PO Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

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Approving this Certificate of Need request is the best possible way for the State of Connecticut to enhance the health care services and quality of the health care system that my constituents depend upon for their care.

I recognize that health care reimbursement is changing at both the state and federal level. Hospitals both large and small must work much more closely together to achieve economies of scale and secure access to much needed capital.

Saint Francis *Care* is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Inc. Together I am sure these two institutions will make an unbeatable team. Please give them every support possible.

Sincerely,

John A. Kissel
State Senator-7th District

CAMPBELL-KEUNE REALTY, INC.

12 Main Street
Ellington, CT 06029
(860) 872-2023
Fax (860) 875-4047

April 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As Chairman of the Ellington Board of Education and a Member of JMMC, I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford Springs communities, has been outstanding.

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Established 1970

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care*.

Sincerely,

Daniel Keune

ANOCOIL™

April 28, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

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Sincerely,

C. G. Knorr, Jr.

C.G. Knorr, Jr.
Selectman, Town of Somers
and Vice President, Marketing & Sales
Anocoil Corporation

SENATOR JOHN A. KISSEL
CHIEF DEPUTY MINORITY LEADER

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State of Connecticut
SENATE

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300 CAPITOL AVENUE
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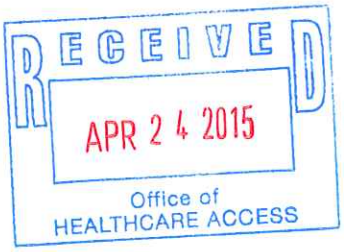

RANKING MEMBER
JUDICIARY COMMITTEE
PROGRAM REVIEW & INVESTIGATIONS COMMITTEE

MEMBER
APPROPRIATIONS COMMITTEE
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E-MAIL: John.A.Kissel@cga.ct.gov
WEBSITE: www.SenatorKissel.com

April 22, 2015

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John A. Kissel
State Senator-7th District

State of Connecticut

HOUSE OF REPRESENTATIVES
STATE CAPITOL

REPRESENTATIVE SAM BELSITO
FIFTY-THIRD ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING, ROOM 4200
300 CAPITOL AVENUE
HARTFORD, CT 06106-1591

CAPITOL: (860) 240-8700
TOLL FREE: 1-800-842-1423
Sam.Belsito@housegop.ct.gov

RECEIVED
MAY - 1 2015
Office of
HEALTHCARE ACCESS

MEMBER
APPROPRIATIONS COMMITTEE
EDUCATION COMMITTEE
PLANNING AND DEVELOPMENT COMMITTEE

April 2015

Ms. Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
PO Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As State Representative for the 53rd district of Connecticut, which includes Ashford, Tolland and Willington, I write to you today in support of the acquisition of Johnson Memorial Medical Center, Inc., by Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center. These two institutions are requesting your agency's approval to combine their two organizations for the purpose of continuing and bolstering Johnson Memorial Medical Center's 100+ year history of service to its communities.

Approving this Certificate of Need request is the best possible way for the State of Connecticut to enhance the health care services and quality of the health care system that my constituents depend upon for their care.

I recognize that health care reimbursement is changing at both the state and federal level. Hospitals both large and small must work much more closely together to achieve economies of scale and secure access to much needed capital.

Saint Francis *Care* is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Inc. Together I am sure these two institutions will make an unbeatable team. Please give them every support possible.

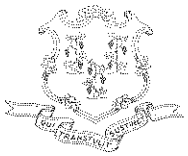
Sincerely,

Sam Belsito

Sam Belsito
State Representative
53rd District

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH

Jewel Mullen, M.D., M.P.H., M.P.A.
Commissioner



Dannel P. Malloy
Governor
Nancy Wyman
Lt. Governor

June 9, 2015

The Honorable David Alexander
Representative, 58th Assembly District
State of Connecticut House of Representatives
Legislative Office Building, Room 1001
Hartford, CT 06106-1591

Re: Certificate of Need Docket Number 15-32002-CON
Saint Francis Care and Johnson Memoairl Medical Center, Inc.
Acquisition of Johnson Memorial Medical Center Inc., Johnson Memorial Hospital, Inc. and certain affiliates.

Dear Representative Alexander:

On May 9, 2015, the Department of Public Health ("DPH") received your letter concerning the Certificate of Need ("CON") for Saint Francis Care's application for the acquisition of Johnson Memorial Medical Center Inc., Johnson Memorial Hospital, Inc. and certain affiliates.

I welcome and appreciate your comments regarding this matter. Your letter will be made part of the Office of Health Care Access (OHCA) formal record of the CON application docket. Please be advised, once a decision has been rendered it will be posted and available on OHCA's website at http:// www.ct.gov/dph/ohca. Meanwhile, OHCA's website maintains status reports that you may review at your convenience.

If you have any further concerns or questions, please feel free to contact Kimberly Martone, Director of Operations for OHCA at (860) 418-7029.

Sincerely,

Janet M. Brancifort

Janet M. Brancifort, MPH, RRT
Deputy Commissioner

Connecticut Department of Public Health

Phone: (860) 509-8000 • Fax: (860) 509-7184 • VP: (860) 899-1611
410 Capitol Avenue, P.O. Box 340308
Hartford, Connecticut 06134-0308
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State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

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HEALTHCARE ACCESS

REPRESENTATIVE DAVID ALEXANDER
58TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 1001
CAPITOL: (860) 240-0457
TOLL FREE: (800) 842-8267
FAX: (860) 240-0206
E-MAIL: David.Alexander@cga.ct.gov

MEMBER
FINANCE, REVENUE & BONDING COMMITTEE
GOVERNMENT ADMINISTRATION & ELECTIONS
PUBLIC HEALTH COMMITTEE
VETERANS COMMITTEE

May 7, 2015

Ms. Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
PO Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As State Representative for the 58th district of Connecticut, which includes Enfield, I write to you today in support of the acquisition of Johnson Memorial Medical Center, Inc., by Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center. These two institutions are requesting your agency's approval to combine their two organizations for the purpose of continuing and bolstering Johnson Memorial Medical Center's 100+ year history of service to its communities.

Approving this Certificate of Need request is the best possible way for the State of Connecticut to enhance the health care services and quality of the health care system that my constituents depend upon for their care.

I recognize that health care reimbursement is changing at both the state and federal level. Hospitals both large and small must work much more closely together to achieve economies of scale and secure access to much needed capital.

Saint Francis *Care* is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Inc. Together I am sure these two institutions will make an unbeatable team. Please give them every support possible.

Sincerely,

David Alexander

David Alexander
State Representative

State of Connecticut

HOUSE OF REPRESENTATIVES
STATE CAPITOL

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SEP 21 2015
Office of
HEALTHCARE ACCESS

REPRESENTATIVE KURT VAIL
FIFTY-SECOND ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING, ROOM 4200
300 CAPITOL AVENUE
HARTFORD, CT 06106-1591

CAPITOL: (860) 240-8700
TOLL FREE: (800) 842-1423
Kurt.Vail@housegop.ct.gov

MEMBER
INSURANCE AND REAL ESTATE COMMITTEE
LABOR AND PUBLIC EMPLOYEES COMMITTEE
PUBLIC SAFETY AND SECURITY COMMITTEE

September 11, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Heath Care Access
410 Capitol Avenue, MS# 13HCA
PO Box 340308
Hartford, CT 06134

RE: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone,

I respectfully write today in strong support of the proposed acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care.

Johnson Memorial holds a special place in my heart as it was actually the hospital at which I was born, and I know that I am only one of thousands who have experienced the dedicated service that the medical professionals here have given members of our community over the years. The approval of this acquisition will allow Johnson Memorial to continue serving so many within our community with the strong backing of Saint Francis Care.

Thank you for your consideration of this request. If I can be of any further assistance in this matter, please do not hesitate to contact my office.

Sincerely,

Kurt Vail
State Representative
52nd District

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH

Jewel Mullen, M.D., M.P.H., M.P.A.
Commissioner

Dannel P. Malloy
Governor
Nancy Wyman
Lt. Governor

September 25, 2015

The Honorable Kurt Vail
Representative -52nd District
House of Representatives
State Capitol, Room 4200
Hartford, CT 06106-1591

Re: Certificate of Need Docket Number 15-32002
Saint Francis Care, Inc. and Johnson Memorial Hospital, Inc.
Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital, Inc. and Certain Affiliates

Dear Representative Vail:

On September 21, 2015, the Department of Public Health ("DPH") received your letter concerning the Certificate of Need ("CON") for Saint Francis Care's acquisition of the assets of Johnson Memorial Hospital, Inc. and Certain Affiliates.

I welcome and appreciate your comments regarding this matter. Your letter will be made part of the Office of Health Care Access (OHCA) formal record of the CON application docket. Please be advised, once a decision has been rendered it will be posted and available on OHCA's website at http:// www.ct.gov/dph/ohca. Meanwhile, OHCA's website maintains status reports that you may review at your convenience.

If you have any further concerns or questions, please feel free to contact Kimberly Martone, Director of Operations for OHCA at (860) 418-7029.

Sincerely,

Janet M. Brancifort

Janet M. Brancifort, MPH, RRT
Deputy Commissioner

Connecticut Department of Public Health

Phone: (860) 509-8000 • Fax: (860) 509-7184 • VP: (860) 899-1611
410 Capitol Avenue, P.O. Box 340308
Hartford, Connecticut 06134-0308
www.ct.gov/dph
Affirmative Action/Equal Opportunity Employer

TOWN OF SOMERS

600 Main Street
P.O. Box 308
Somers, Connecticut 06071
www.somersct.gov

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SEP 21 2015
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TEL. (860) 763-8200
FAX (860) 763-8228

FIRST SELECTMAN
Lisa Pellegrini

SELECTMAN
Kathleen Devlin
Bud Knorr

September 16, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone,

As a Selectman for the Town of Somers, I write to you today in support of the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care, the parent corporation of Saint Francis Hospital and Medical Center. These two institutions are requesting your agency's approval to combine their two organizations for the purpose of continuing and bolstering Johnson Memorial Medical Center, Inc.'s 100+ year history of service to its communities.

Approving this Certificate of Need request is the best possible way for the State of Connecticut to enhance the health care services and quality of the health care system that my constituents depend upon for their care.

I recognize that health care reimbursement is changing at both the state and federal levels. Hospitals both large and small must work much more closely together to achieve economies of scale and secure access to much needed capital.

Saint Francis Care is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Inc. Together I am sure these two institutions will make an unbeatable team. Please give them every support possible.

Sincerely,

C.G. Bud Knorr, Jr.
Selectman

State of Connecticut
HOUSE OF REPRESENTATIVES
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

REPRESENTATIVE DAVID W. KINER
59TH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING
ROOM 4039
HARTFORD, CT 06106-1591

HOME: 860-265-3366
CAPITOL: 860-240-8585
E-MAIL: David.Kiner@cga.ct.gov

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SEP 30 2015
Office of
HEALTHCARE ACCESS

VICE CHAIR
GENERAL LAW

MEMBER
LABOR & PUBLIC EMPLOYEES COMMITTEE
PUBLIC SAFETY COMMITTEE

September 15, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS# 13HCA
P.O. Box 34038
Hartford, CT 06104-0308

RE: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone,

I am a state Representative representing the 59th district of Connecticut which includes Enfield and East Windsor. I write to you today in support of the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care, the parent corporation of Saint Francis Hospital and Medical Center. These two institutions are requesting your agency's approval to combine their two organizations for the purpose of continuing and bolstering Johnson Memorial Center, Inc.'s 100+ year history of service to its communities.

This hospital is highly utilized by my constituents. Those residents residing in the more rural areas have always benefitted from its unique location when seeking emergency medical attention. Working closely together and granting the approval of this Certificate of Need will only enhance the health care services and quality of the health care system that my constituents depend upon for their care.

Saint Francis Care is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Ins.

Thank you in and advance for your support and consideration.

Sincerely,

David

David W. Kiner
State Representative, 59th District

THE FIRST UNITED METHODIST CHURCH
8 CHURCH STREET
STAFFORD SPRINGS, CONNECTICUT 06076
CHURCH OFFICE (860) 684-2468

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OCT - 2 2015
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HEALTHCARE ACCESS

September 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

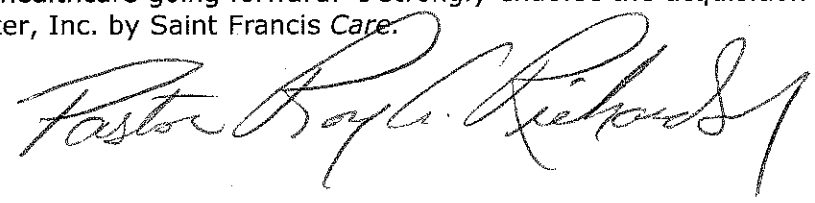
I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford Springs communities, has been outstanding.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care.

Sincerely,



Hazardville United Methodist Church

330 HAZARD AVENUE
ENFIELD, CONNECTICUT 06082
www.hazardvilleumc.net

REV. DAVID B. WILLIAMS, PASTOR
860-749-7098 OFFICE

September 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

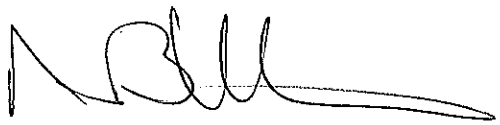
I as pastor living and working in Enfield, I care very deeply about the health, safety and welfare of my parishioners and the individuals who live in our Town. I truly believe that we are very fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford Springs communities, has been outstanding.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care.*

Sincerely,



Rev. David B. Williams, pastor

Greer, Leslie

From: Martone, Kim
Sent: Tuesday, October 06, 2015 11:52 AM
To: Hansted, Kevin
Cc: Riggott, Kaila; Lazarus, Steven; Carney, Brian; Cotto, Carmen; Greer, Leslie
Subject: FW: 15-32002 CON (St Francis-JMMH)
Attachments: CON Letter JMMH-St. Francis.pdf

From: Neil Alper [mailto:NAlper@aftct.org]
Sent: Tuesday, October 06, 2015 11:16 AM
To: Martone, Kim
Cc: Rosenberg, Stuart E
Subject: 15-32002 CON (St Francis-JMMH)

Ms. Martone:

AFT-CT would like to submit the attached document to the formal record regarding the St-Francis JMMH CON and tonight's hearing in Stafford Springs.

Please let me know if you have any questions or concerns. I can provide hard copies tonight or at another point if necessary.

Best,

Neil Alper
Field Representative
AFT CT

AFT Connecticut
A Union of Professionals

October 6, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As Neil Alper, Field Representative for AFT-CT, I represent the nursing staff who provide the quality care to our community at Johnson Memorial Hospital (Johnson Memorial Medical Center). Under challenging conditions, our nurses have continued to provide stellar care to those in need of services. Additionally our nurses have repeatedly made a series of tough economic concessions and decisions in order to help our Hospital survive and advance in an increasingly challenging environment.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. Given that we're the largest representative of acute care Nurses in the State, AFT-CT is uniquely aware of the tough challenges facing our local institutions, community access to high quality care, and our ability to maintain the high levels of patient care for which our member nurses are justly renowned.

By affiliating with Saint Francis *Care*, Johnson Memorial Hospital (Johnson Memorial Medical Center) will better position itself with a partner whose values for providing care are similar to its own. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations. Affiliating with Saint Francis will best position Johnson Medical Center to continue to provide and potentially expand its services and provision of care to the surrounding community.

I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. AFT CT endorses the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care.*

AFT Connecticut
AFT, AFL-CIO

Teachers
PSRP
Higher Education
Public Employees
Nurses and Health Professionals

35 Marshall Road
Rocky Hill, CT 06067
860/257-9782
Fax: 860/257-8214
Toll Free: 888/398-3373
www.aftct.org

Jan Hochadel
PRESIDENT

John Brady, RN
EXECUTIVE VICE PRESIDENT

Jean Morningstar
FIRST VICE PRESIDENT

Ed Leavy
SECRETARY-TREASURER

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David Hayes
Andrea Johnson
Tom Kuroski
Kristen Malloy-Scanlon
Laila A. Mandour
Donna R. Maronde
Bruce LeVine Mellion
Chuck Morrell
Harry Rodriguez
Jim Romano
Kathy Sanner
Martha Shoemaker
Mary Symkowicz

AFT Connecticut
A Union of Professionals

Sincerely,

Neil Alper
Field Representative
AFT CT

AFT Connecticut
AFT, AFL-CIO

Teachers
PSRP
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Nurses and Health Professionals

35 Marshall Road
Rocky Hill, CT 06067
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Fax: 860/257-8214
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Jan Hochadel
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Patti Fusco
MaryAnn Goggin
David Hayes
Andrea Johnson
Tom Kuroski
Kristen Malloy-Scanlon
Laila A. Mandour
Donna R. Maronde
Bruce LeVine Mellion
Chuck Morrell
Harry Rodriguez
Jim Romano
Kathy Sanner
Martha Shoemaker
Mary Symkowicz

Greer, Leslie

From: Lazarus, Steven
Sent: Thursday, July 02, 2015 12:07 PM
To: Hartley, Christopher (CHartley@stfranciscare.org)
Cc: Rotavera, Liz (LRotaver@stfranciscare.org); Greer, Leslie; Riggott, Kaila; Cotto, Carmen; Carney, Brian
Subject: Completeness Letter for Docket Number: 15-32002
Attachments: 15-32002 Completeness Letter.pdf; 15-32002-CON CL 7_2_15_Completeness Letter.docx

Good Afternoon Mr. Hartley,

Please see that attached Completeness Letter for your proposal filed under Docket Number: 15-32002. If you have any questions, please feel free to contact me or any of the team members listed in the closing of the letter.

Sincerely,

Steve

Ps. For your convenience I've attached the actual signed letter, as well as a Word document.

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

July 2, 2015

VIA EMAIL ONLY

R. Christopher Hartley
Sr. Vice President, Planning, Business Development & Government Relations
Saint Francis Care, Inc.
114 Woodland Street
Hartford, CT 06105

RE: Certificate of Need Application; Docket Number: 15-32002-CON
Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc.
Saint Francis Care, Inc. to acquire all assets of Johnson Memorial Medical Center, Inc.

Dear Mr. Hartley:

On June 2, 2015, the Office of Health Care Access ("OHCA") received your initial Certificate of Need ("CON") application filing on behalf of Saint Francis Care, Inc. ("SFC") and Johnson Memorial Medical Center, Inc. ("JMMC") (herein referred to together as "Applicants"), proposing the asset purchase of JMMC by SFC.

OHCA has reviewed the CON application and requests the following additional information pursuant to General Statutes §19a-639a(c):

1. Provide a copy of the current and post-transaction organization chart for each of the Applicants. In the post-transaction organization chart, include SFC's proposed parent corporation (Trinity Health Corporation).

2. In light of SFC's merger with Trinity Health Corporation, explain how the acquisition of JMMC aligns with the Regional Health Ministry goals indicated on pages 14-15 of Certificate of Need Application Docket Number: 15-31979-CON.

3. Elaborate on the anticipated benefits to JMMC discussed on page 24 of the application and include a timeline for implementing the integration. Provide a copy of the integration plan, if available.

4. Page 36 of the application states, "SFC and Johnson are committed to preserving a viable health care organization dedicated to providing health care services that meet the needs of the

Johnson community for the foreseeable future. Together the new health care organization formed as a result of this merger…will improve the community's health by delivering high quality, cost effective, coordinated care across a broad continuum."

a. Discuss how the Applicants plan to maintain access to and provide continuity of care with respect to existing inpatient and outpatient services following the acquisition of JMMC.
b. Discuss plans to expand, consolidate or eliminate any hospital services, including Newborn, Maternity, Psychiatric, Rehabilitation, Pediatric and Medical/Surgical service lines in JMMC's primary service area. Provide a copy of a 3-year services plan for JMMC, if available.

5. Page 24 of the application states that SFC has committed to support up to $13Million in capital investments in the first three years of the proposal. Provide a preliminary plan indicating how the capital commitment will be allocated.

6. Page 35 of the application states that, despite an anticipated decrease in inpatient volume, JMMC's average daily census "will continue to be strong through coordinated care delivery and the availability of SFC's infrastructure and service line support." Elaborate on how the average daily census will continue to be strong despite projected declining inpatient volume.

7. Page 31 of the application states that "…the proposed acquisition will facilitate or enhance access for patients in Johnson's service area to related services, including, Hoffman Heart and Vascular Institute of Connecticut, Saint Francis Mount Sinai Regional Cancer Center Connecticut Joint Replacement Institute, Mount Sinai Rehabilitation Hospital and Stroke Center at Saint Francis." Given these programs/services are all located in Hartford, how will local access in the JMMC primary service area be enhanced by these programs? Will satellite locations of these programs be established at JMMC?

8. As discussed on page 14 of Certificate of Need Application Docket Number: 15-31979-CON, SFC will continue to adhere to Ethical and Religious Directives for Catholic health care services after its acquisition by Trinity Health Corporation. Will Johnson Memorial Hospital adhere to the Directives as well? If yes, how will women's reproductive services at JMMC be affected by the acquisition?

9. As discussed on page 18 of Certificate of Need Application Docket Number: 15-31979-CON, $275 Million will be allocated to SFC. Explain what portion of the $275Million capital investment included in the SFC-Trinity Health Corporation's merger will be used toward JMMC capital and operating expenditures.

10. For all debt related to this proposal indicated on pages 22-23 of the application, complete the table below. Under "Comments," identify the disposition of any outstanding debt not assumed by SFC.

Entity's Name	Liability Description	Total Liability Amount (TB)	Assumed Liability Amount (AL)	Not Assumed Amount (TB-AL/P)	Comments

11. In reference to the Master Affiliation Agreement, Clinical Affiliation Agreement and Business Process Outsourcing Agreement (together refer here as "Agreements"), referenced on pages 20-21 and Exhibits 8 and 10 of the application, please address the following:

    a) Indicate whether the Asset Purchased Agreement ("Hospital APA"), Exhibit 11, supersedes the Agreements Post-Closing; and

    b) Explain the exclusion of the Master Affiliation Agreement from the "Affiliation Agreements" definition listed in the Asset Purchased Agreement ("Hospital APA").

12. In reference to the information provided on page 23 of the application, please indicate the name of the entities controlled by SFC that will make the purchases and elaborate on their ability to finance those purchases.

13. As indicated on page 23 of the application, provide the methodology used in the valuation of Johnson's total purchase price at $30M and the specific source(s) of cash in dollar amounts currently available to SFC to finance this purchase. Also indicate if the $30M includes SFC's commitment to support up to $13M in capital investments for Johnson. If not, provide the funding source for this additional capital commitment.

14. Page 38 of the application indicates that "The financial pro formas included in this application reflect a cumulative 4% price increase over the next 3 years. We feel this increase is necessary in order to continue to reinvest in personnel, equipment and infrastructure planned for Johnson as a result of its integration into the SFC system." Provide the basis for the calculation of the 4% price increase in charges. In addition, are the "financial pro formas" referred to in the statement those submitted with the application as Exhibit 17?

15. Pages 71-72 of the application lists the top priority capital projects that will be allocated to the $13M capital commitment from SFC and further indicates that the listed capital priorities "assumes that the separate municipal bonding project targeted to bring city water, local sewer

district access and natural gas services to the main campus of Johnson is successful. If not Johnson will need an additional $4-$5 million to replace its septic system." Elaborate on the source of financing for the additional $4-$5M needed to complete this project without the bond and how the Applicants would address the capital projects listed as priorities without this proposal.

16. In reference to the Financial Worksheets and their related Financial Assumptions submitted as Exhibit 17, please revised them and address the following:

    a) The numbers reported as Actual results on Johnson Memorial Medical Center Financial Worksheet do not match the Audited Financial Statements ("AFS") that were submitted or referenced. In addition, the Applicants excluded the operating results of JEC from the Financial Worksheet. Provide a revised Financial Worksheet, and related assumptions, inclusive of actual results that match the AFS and of operating results for JEC.

    b) For JMMC's and SFC's Financial Worksheets, the Applicants did not report amounts for the Uninsured Net Patient Revenue, actual and projected, and Non-Operating Revenue projections. Please provide the missing data.

    c) For all revised Financial Worksheets, explain any projected incremental losses from operations resulting from implementation of this CON proposal.

18. Provide a complete Financial Worksheet A providing a summary of revenue, expense, and volume statistics, with and without the CON, and incremental to the CON for Johnson Memorial Hospital ("JMH") only, not inclusive of any affiliates and subsidiaries. Provide the assumptions used in developing the financial projections. Explain any projected incremental losses from operations resulting from implementation of this CON proposal.

19. The Applicants did not submit all assumptions used in developing the financial projections reported in SFC's Financial Worksheet. Provide the missing information.

20. In reference to the monthly financial reports submitted by the Applicants on pages 1305-1307 of the application, please address the following for all three entities, SFC, SFMC and JMH:

    a) Explain the decline in Revenue over Expenses reported between Feb 2014 and Feb 2015 (YTD);

    b) Explain the increases in income from operations reported for all three entities between Feb 2014 and Feb 2015 (YTD); and

c) Provide updated Financial Measurements/Indicators for March, April and May 2015 and comparable months from the previous fiscal year. Provide an explanation for any decreases or increases between FYs 2014 and 2015 that applies to any of the items listed on Section D of this report.

In responding to the questions contained in this letter, please repeat each question before providing your response. Information filed after the initial CON application submission (e.g., completeness response letter, prefiled testimony, late file submissions and the like) must be numbered sequentially from the Applicants' document preceding it. **Paginate and date** your response (i.e., each page in its entirety) beginning with Page Number 1,942. Please reference "Docket Number: 15-32002-CON." Submit one (1) original and four (4) hard copies of your response. Fully paginate each copy. In addition, please submit a scanned copy of your paginated response, including all attachments, on CD in Adobe format (.pdf) and in MS Word format (.docx).

Pursuant to Section 19a-639a(c) you must submit your response to this request for additional information no later than sixty days after the date that this request was transmitted. Therefore, please provide your written responses to OHCA no later than May 12, 2015, otherwise your application will be automatically considered withdrawn. If you have any questions concerning this letter, please feel free to contact me at (860) 418-7012, Brian Carney at (860) 418-7014 or Carmen Cotto at (860) 418-7039.

Sincerely,

Steven W. Lazarus
Associate Health Care Analyst

SAINT FRANCIS *Care*

jmmc
Johnson Memorial Medical Center

August 28, 2015

Via Hand Delivery

Steven Lazarus
Associate Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS#13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Completeness Responses for the Certificate of Need Application for Saint Francis *Care's* Acquisition of the Assets of Johnson Memorial Medical Center, Inc. and Affiliates Docket Number: 15-32002-CON

Dear Mr. Lazarus:

Enclosed please find the original and four copies of our response to OHCA's July 2, 2015 letter regarding the above referenced Certificate of Need Application and a CD with the full document.

If you have any questions, do not hesitate to call Chris Hartley, Senior Vice President, Planning, Business Development and Government Relations at 860-714-5573.

Sincerely,

Saint Francis *Care*

By: _____
Christopher Dadlez, FACHE
President and
Chief Executive Officer
Saint Francis *Care*

Johnson Memorial Medical Center, Inc.

By: _____
Stuart Rosenberg
President and
Chief Executive Officer
Johnson Memorial Medical Center, Inc.

Enclosures

Completeness Letter Responses

1. **Provide a copy of the current and post-transaction organization chart for each of the Applicants. In the post-transaction organization chart, include SFC's proposed parent corporation (Trinity Health Corporation).**

   Please refer to **Exhibit 33.**

2. **In light of SFC's merger with Trinity Health Corporation, explain how the acquisition of JMMC aligns with the Regional Health Ministry goals indicated on pages 14-15 of Certificate of Need Application Docket Number: 15-31979-CON**.

   Saint Francis *Care* is preparing to respond to the changing healthcare landscape, which emphasizes and rewards the provision of value- based care to groups of people using a population management approach. A successful implementation of this approach requires that hospitals and health systems create integrated systems of healthcare providers that share complementary missions and goals. Both Saint Francis *Care* and JMMC have a long tradition (118+ and 100+ years, respectively) of serving the populations that comprise the JMMC primary service area.

   The inclusion of JMMC within the Regional Health Ministry will allow Saint Francis *Care* and JMCC to streamline clinical service delivery, achieve certain economies of scale through the restructuring of selected support services, and stabilize physician availability needed to deliver clinical care in the areas of OB/GYN, Behavioral Health, Cancer, Emergency Medicine, and acute care. It also will allow JMMC to participate in new insurance programs requiring bundled payments or risk sharing arrangements as they evolve in this market.

   The inclusion of JMMC in the Regional Health Ministry allows Saint Francis *Care* to standardize healthcare delivery at JMMC by extending to JMCC the evidence based clinical approach that has been successfully implemented at Saint Francis *Care*. These clinical protocols have resulted in Saint Francis *Care* receiving the many quality awards listed on pages 1,279 - 1,293 of the Certificate of Need Application. This list has been updated and included in **Exhibit 34** to reflect the latest awards received by Saint Francis *Care* for its clinical excellence.

   Furthermore, the ability of JMMC to continue to meet the healthcare needs of its patient population, irrespective of the ability of recipients of care to pay for that care, is consistent with the mission of Trinity Health and Saint Francis *Care* and will be enhanced by becoming a part of the new Regional Health Ministry

Lastly, allowing JMMC to join the Regional Health Ministry will enable JMMC to reduce the cost associated with its long-term debt. Additionally, JMMC will benefit by Saint Francis *Care* assuming the restructured legacy creditor debt as provided for in the Asset Purchase Agreement.

For all of these reasons, the acquisition of JMMC aligns with the Regional Health Ministry goals outlined on pages 14 and 15 of the Saint Francis *Care/*Trinity Health Certificate of Need Application, Docket Number: 15-31979-CON.

3. **Elaborate on the anticipated benefits to JMMC discussed on page 24 of the application and include a timeline for implementing the integration. Provide a copy of the integration plan, if available.**

The foundation for the first phase of the JMMC/Saint Francis *Care* integration plan is the existing affiliation between JMMC and Saint Francis *Care*. This affiliation has been in place for over two years and includes more than two dozen comprehensive agreements designed to support JMMC, its patients, physicians, and community (see Exhibit 8 pages 168-950 of the Certificate of Need Application). These agreements cover a wide range of clinical and non- clinical operations. Through these agreements JMMC has gained access to better pricing for the purchase of goods and support services (*e.g*. laundry), more stable staffing for needed clinical services (*e.g*. Behavioral Health, hospitalists, anesthesiology, and cancer care), and access to Saint Francis *Care's* expertise to support the needed evolution of services. Most notable are the EPIC IT conversion and financial service functions, which will facilitate JMMC's ability to meet emerging and future trends and requirements in health care delivery.

The second phase of the integration plan is detailed in the Asset Purchase Agreement that was filed with the Bankruptcy Court. This Asset Purchase Agreement provides for the reduction of the outstanding debt of JMMC and its affiliates, further enhancing JMMC's long-term financial viability. If approved, the sale of JMMC to Saint Francis *Care* will allow Saint Francis *Care* to assist JMMC's ability to satisfy its long term liabilities in the future..

The third phase of the integration plan will commence after the completion of the transaction under the Asset Purchase Agreement. The exact timeline for this phase of the integration plan has not yet been determined and is dependent on CON approval. However, the benefits to JMMC outlined on page 24 of the Certificate of Need Application will result of phase three of the integration plan and are summarized as follows:

- A commitment to support up to $13,000,000 in capital investments in technology, capital improvements, expanded services, and routine replacements of equipment in the first three years.
- The continued employment of the majority of JMMC personnel.
- Continued access to care management protocols that would further improve quality and best practices and reduce health care costs.
- Access to improvement in software and information technologies.
- Inclusion in an integrated healthcare network that enhances JMMC's ability to attract highly qualified clinical talent.
- Participation in cost reduction programs with respect to supplies and services.
- Enhanced support for revenue cycle, legal, compliance, payor contracting, financial and other non-clinical services.
- Providing support to ensure JMMC will meet its revised long-term debt requirements established as a result of the bankruptcy sale to Saint Francis *Care*.

4. **Page 36 of the application states, "SFC and Johnson are committed to preserving a viable health care organization dedicated to providing health care services that meet the needs of the Johnson community for the foreseeable future. Together the new health care organization formed as a result of this merger…will improve the community's health by delivering high quality, cost effective, coordinated care across a broad continuum."**

    a. **Discuss how the Applicants plan to maintain access to and provide continuity of care with respect to existing inpatient and outpatient services following the acquisition of JMMC.**

    Following the approval to acquire JMMC, Saint Francis *Care* will continue to support the services outlined in the various clinical and non-clinical support agreements included in this Certificate of Need Application as Exhibit 8 pages 168 – 950.

    In addition, Saint Francis *Care* is working with JMMC to recruit a general surgeon and to develop specialty programs in Urology and Neurology similar to the programs made available to JMCC through provider service agreements now in place that support the JMMC Cancer and Infusion Service. In addition, the economies of scale that Saint Francis *Care* will bring to JMMC will allow JMMC to make investments in Information Technology essential to support mandated ICD-10 billing practices as of October 1, 2015 and to upgrade its patient medical record system using the EPIC system. Furthermore, Saint Francis *Care's* commitment will also provide capital

support to help JMMC upgrade the facilities and services used by its physicians and patients.

b. Discuss plans to expand, consolidate or eliminate any hospital services, including Newborn, Maternity, Psychiatric, Rehabilitation, Pediatric and Medical/Surgical service lines in JMMC's primary service area. Provide a copy of a 3-year services plan for JMMC, if available.

JMMC and Saint Francis *Care* have no plans to eliminate or consolidate hospital services at this time. In fact, during the application process JMMC and Saint Francis *Care* have collaborated to improve the availability of both inpatient and outpatient behavioral health services as well as outpatient infusion treatment service for cancer patients at JMMC. In addition, agreements with Saint Francis *Care's* hospitalist program, as well as the physician groups at Saint Francis *Care* who provide Radiology and Anesthesiology services, have helped stabilize Medical, Surgical, Maternity, Newborn, Pediatric and emergency services at JMMC.

Presently, there is no formal three year future services plan for JMMC but recruitment efforts are ongoing for the General Surgery, Neurology and Urology programs.

5. Page 24 of the application states that SFC has committed to support up to $13Million in capital investments in the first three years of the proposal. Provide a preliminary plan indicating how the capital commitment will be allocated.

As described on pages 71 and 72 of the original application, the projects that have been identified to date include (i) implementation of an electronic medical record system, (ii) facility and equipment upgrades to the hospital operating rooms and the ambulatory surgery center in Enfield, and (iii) replacement of clinical equipment to allow for more efficient and effective care delivery. Further capital investments will be made based on identified needs.

6. Page 35 of the application states that, despite an anticipated decrease in inpatient volume, JMMC's average daily census "will continue to be strong through coordinated care delivery and the availability of SFC's infrastructure and service line support." Elaborate on how the average daily census will continue to be strong despite projected declining inpatient volume.

Due to the shift toward population health management, inpatient volume across the nation is anticipated to decrease. As a result of Saint Francis *Care's* infrastructure and service line support, JMH's average daily census is projected to decrease by only 4.5% (44 to 42), whereas without Saint Francis *Care's* infrastructure and service line support,

JMH's average daily census is projected to decrease by 11.4% (44 to 39) through FY 2018.

7. **Page 31 of the application states that "…the proposed acquisition will facilitate or enhance access for patients in Johnson's service area to related services, including, Hoffman Heart and Vascular Institute of Connecticut, Saint Francis Mount Sinai Regional Cancer Center Connecticut Joint Replacement Institute, Mount Sinai Rehabilitation Hospital and Stroke Center at Saint Francis." Given these programs/services are all located in Hartford, how will local access in the JMMC primary service area be enhanced by these programs? Will satellite locations of these programs be established at JMMC?**

   The benefits to the population that resides in JMMC's primary service area are both direct and indirect and are not limited to the service locations currently listed in this question.

   From a direct benefit perspective, the treatment for vascular, heart, cancer and stroke patients often begins with the initial patient visit to the Emergency Department and continues through the full period of treatment for each patient. JMMC uses Saint Francis *Care* hospitalists for much of its inpatient care and Saint Francis *Care* oncologists oversee the cancer treatment of all inpatients and outpatients seen at JMMC. Saint Francis *Care* is also in the process of establishing a satellite program within the JMMC service area for congestive heart failure patients that will use the same treatment protocols and be managed by physicians who operate a similar program through the Hoffman Heart and Vascular Institute of Connecticut. Thus, patient groups at JMMC will receive consistent treatment regardless of the location at which they first present. In addition, due to the integration of the providers who serve patients at the two organizations, the speed of appropriate intervention, timeliness of patient transfer and the consistency of follow up care are expected to improve.

   From a more indirect perspective, as the model of care shifts toward a population management based method of care delivery, patients from the JMMC's primary service area will be able to purchase insurance products that ensure access to bundled payment programs and risk contracts that include the award winning health care programs Saint Francis *Care* offers to all of its heart, cancer, stroke and joint replacement patients.

   Once JMMC is fully integrated into Saint Francis *Care*, JMMC and Saint Francis *Care* will be in a position to determine whether the volume of patients in the JMMC primary service area warrants the creation of additional satellite locations. In such event, a single organizational structure will make the allocation of the resources, providers, and payment programs to such satellite sites seamless.

8. **As discussed on page 14 of Certificate of Need Application Docket Number: 15-31979-CON, SFC will continue to adhere to Ethical and Religious Directives for Catholic health care services after its acquisition by Trinity Health Corporation. Will Johnson Memorial Hospital adhere to the Directives as well? If yes, how will women's reproductive services at JMMC be affected by the acquisition?**

At no time will JMMC deny any mother or infant any service necessary to preserve the life of the mother and infant.

Since its affiliation with Saint Francis *Care* in July 2012, JMMC has eliminated certain procedures that are inconsistent with the Ethical and Religious Directives for Catholic Health Care Services (ERDs). Adherence to these policies has meant that a small number of elective procedures are no longer offered as part of the JMMC OB/GYN program. The number of such cases performed in calendar year 2011 - 2014 are listed below:

	INPATIENT	Calendar Year 2011			Calendar Year 2012			Calendar Year 2013			Calendar Year 2014		
ICD9-CM	Description	Principal	Sec	Cases	Principal	Sec	Cases	Principal	Sec	Cases	Principal	Sec	Cases
66.29	BILAT ENDO OCCL FALL NEC	0	0	0	1	0	1	0	0	0	0	0	0
66.32	BILAT FALL LIG & DIV NEC	7	4	11	1	5	6	0	2	2	0	0	0
66.39	BILAT FALL DESTR NEC	0	6	6	1	2	3	0	3	3	0	0	0

	OUTPATIENT	Calendar Year 2011			Calendar Year 2012			Calendar Year 2013			Calendar Year 2014		
ICD9-CM	Description	Principal	Sec	Cases	Principal	Sec	Cases	Principal	Sec	Cases	Principal	Sec	Cases
58671	LAPAROSCOPIC TUBAL BLOCK	16	0	16	10	0	10	0	0	0	0	0	0

	2011	2012	2013	2014	2015 Annnualized (through June)
Total NewBorns	232	206	207	213	141

None of these elective procedures have been performed in calendar year 2015 year to date.

The OB/GYN physician at JMMC also has privileges at Hartford Hospital. Any patient wishing to undergo reproductive procedures not provided at JMMC can access those services at Hartford Hospital. To the knowledge of JMMC, no women requesting any medically appropriate procedures of the OB/GYN services at JMMC have been denied access to tubal ligations.

9. As discussed on page 18 of Certificate of Need Application Docket Number: 15-31979-CON, $275 Million will be allocated to SFC. Explain what portion of the $275Million capital investment included in the SFC-Trinity Health Corporation's merger will be used toward JMMC capital and operating expenditures.

Saint Francis *Care* has committed to support up to $13,000,000 of JMMC capital investments in technology, capital improvements, expanded services and routine replacements within the first three years after closing. If, upon acquisition of JMMC by Saint Francis *Care*, JMMC has adequate income from operations and cash flow, the $13.0 million capital expenditure would first be funded through JMMC's operations. If JMMC is unable to fund such capital expenditures, any shortfall would be funded by Saint Francis Hospital and Medical Center. If the proposed transaction between Trinity Health and Saint Francis *Care* is approved, any capital expenditure incurred by Saint

Francis *Care* for the benefit of JMMC would be considered to be included in the $275 million capital commitment that Trinity Health has made to Saint Francis *Care*.

10. For all debt related to this proposal indicated on pages 22-23 of the application, complete the table below. Under "Comments," identify the disposition of any outstanding debt not assumed by SFC.

Entity's Name	Liability Description	Total Liability Amount (TB)	Assumed Liability Amount (AL)	Not Assumed Amount (TB-AL/P)	Comments
Johnson Memorial Hospital	Amounts due to Legacy Creditors	$5,930,321	$3,000,000	$2,930,321	Amount to be paid/assumed by SFC based on settlement agreement with Legacy Creditors. Refer to page 10 of Amended APA.
Johnson Memorial Hospital	Peoples Bank long-term debt	$11,987,500	$7,400,000	$4,587,500	Amount to be paid/assumed by SFC based on settlement agreement with Peoples Bank. Refer to page 10 of Amended APA.
Johnson Memorial Hospital	Accrued Interest Expense to Peoples Bank	$629,754	$629,754	$0	
Johnson Memorial Medical Center	Peoples Bank long-term debt	$2,940,000	$2,940,000	$0	
Johnson Memorial Medical Center	Accrued Interest Expense to Peoples Bank	$107,812	$107,812	$0	
Johnson Memorial Hospital	Healthcare Finance Group (HFG) Line of Credit	$2,282,199	$2,282,199	$0	If additional amounts are drawn down prior to closing, SFC will assume the entire amount outstanding.
Johnson Memorial Hospital	Capital leases	$802,028	$802,028		SFC will assume amounts outstanding as of the closing date.

As noted in the original CON, Saint Francis *Care* will assume the balance of other trade payable and accrued liabilities as of the closing date. Lastly as part of the Bankruptcy Court approval any debt not assumed by Saint Francis *Care* will be written off by JMMC's other creditors.

11. In reference to the Master Affiliation Agreement, Clinical Affiliation Agreement and Business Process Outsourcing Agreement (together refer here as "Agreements"), referenced on pages 20-21 and Exhibits 8 and 10 of the application, please address the following:

a) **Indicate whether the Asset Purchased Agreement ("Hospital APA"), Exhibit 11, supersedes the Agreements Post-Closing; and**

The Asset Purchase Agreement will supersede the Agreements referenced. These Agreements served as a vehicle to provide needed services to JMMC prior to closing. All services provided under the terms of these Agreements will continue uninterrupted post-closing.

b) **Explain the exclusion of the Master Affiliation Agreement from the "Affiliation Agreements" definition listed in the Asset Purchased Agreement ("Hospital APA").**

The references in the Asset Purchase Agreement to the "Affiliation Agreements" were intended to address the continued provision of clinical and business services by Saint Francis *Care* to JMMC during the interim period following the execution of the Asset Purchase Agreement. Subject to certain conditions, Saint Francis *Care* agrees to continue to provide clinical and business services under the Affiliation Agreements while the purchase transaction is still pending. The Master Affiliation Agreement was excluded from the definition of "Affiliation Agreements" because Saint Francis *Care* does not provide clinical or business services under the terms of the Master Affiliation Agreement; rather, they will be provided in connection with separate arrangements associated with the umbrella of the Master Affiliation Agreement.

12. In reference to the information provided on page 23 of the application, please indicate the name of the entities controlled by SFC that will make the purchases and elaborate on their ability to finance those purchases.

Saint Francis *Care* will acquire the entities set forth in the Asset Purchase Agreement. The source of funding for this acquisition will be from Saint Francis Hospital and Medical Center. As noted below in the response to question 13, approximately $5.5 million will be paid at closing and will be funded through Saint Francis Hospital and Medical Center cash on hand, which was approximately $78 million as of June 30, 2015.

13. As indicated on page 23 of the application, provide the methodology used in the valuation of Johnson's total purchase price at $30M and the specific source(s) of cash in dollar amounts currently available to SFC to finance this purchase. Also indicate if the $30M includes SFC's commitment to support up to $13M in capital investments for Johnson. If not, provide the funding source for this additional capital commitment.

The purchase price for JMCC was determined based on its current financial position as well as its expected operating margins, which are anticipated to increase if this transaction is approved. The $30 million purchase price includes approximately $5.5

million to be paid by Saint Francis *Care* at closing. Saint Francis *Care* will use its operating cash to fund these amounts. The remaining $24.5 million represents the assumption of JMMC liabilities including the outstanding principle amounts associated with the restructured long-term debt and capital leases in excess of $13.4 million, trade payables, malpractice and other current and long term liabilities. Saint Francis *Care* is also acquiring JMMC assets as part of this transaction. The $13 million commitment to support capital investments in JMMC over the first three years after closing is not included in the purchase price of $30 million. If the Trinity Health transaction is approved intercompany loans from Trinity Health to Saint Francis *Care* would be available if needed to support funding of this capital.

14. **Page 38 of the application indicates that "The financial pro formas included in this application reflect a cumulative 4% price increase over the next 3 years. We feel this increase is necessary in order to continue to reinvest in personnel, equipment and infrastructure planned for Johnson as a result of its integration into the SFC system." Provide the basis for the calculation of the 4% price increase in charges. In addition, are the "financial pro formas" referred to in the statement those submitted with the application as Exhibit 17?**

The cumulative 4% price increase in charges is the result of compounding a 1.25% price increase each year for the next 3 years.

The "financial pro formas" referred to in the statement are those submitted in Exhibit 17.

15. **Pages 71-72 of the application lists the top priority capital projects that will be allocated to the $13M capital commitment from SFC and further indicates that the listed capital priorities "assumes that the separate municipal bonding project targeted to bring city water, local sewer district access and natural gas services to the main campus of Johnson is successful. If not Johnson will need an additional $4-$5 million to replace its septic system." Elaborate on the source of financing for the additional $4-$5M needed to complete this project without the bond and how the Applicants would address the capital projects listed as priorities without this proposal**.

JMMC and Saint Francis *Care* remain supportive of a local government initiative designed to bring natural gas to parts of Enfield, Somers and Stafford Springs. This initiative has been combined with plans of the Stafford Springs Sewer District and Connecticut Water Company to expand water and sewer services in the Stafford Springs community. This initiative is a cooperative effort that involves Yankee Gas, the Lieutenant Governor, the local towns and the Department of Energy and Environmental Protection. See attached letters in **Exhibit 35**. Should this initiative not proceed, JMMC

will address its septic system improvement needs through a separate capital expenditure. Recent studies of the funds needed to address JMMC's sewer needs suggest options for the septic system repair alone are less costly than originally estimated. Regardless of which solution is ultimately chosen, this project is a high priority for JMMC and a portion of the $13 million capital committed as part of this acquisition will be utilized, if needed.

16. In reference to the Financial Worksheets and their related Financial Assumptions submitted as Exhibit 17, please revised them and address the following:

a) **The numbers reported as Actual results on Johnson Memorial Medical Center Financial Worksheet do not match the Audited Financial Statements ("AFS") that were submitted or referenced. In addition, the Applicants excluded the operating results of JEC from the Financial Worksheet. Provide a revised Financial Worksheet, and related assumptions, inclusive of actual results that match the AFS and of operating results for JEC**.

This proposal is to acquire substantially all the assets of JMCC, excluding Johnson Evergreen Corporation ("JEC"). JEC recently held a bankruptcy auction of its assets and a third party (an affiliate of Athena Health Care Systems) was named as the winning bidder and approved by the United States Bankruptcy Court. Accordingly, JEC is not part of this application and is not included in the financial worksheet.

Included in **Exhibit 36** is the revised JMMC Financial Worksheet, excluding JEC to match the FY 2014 Audited Financial Statements. Also included in **Exhibit 36** is the reconciliation to the FY 2014 Audited Financial Statements, which includes JEC plus eliminations.

b) **For JMMC's and SFC's Financial Worksheets, the Applicants did not report amounts for the Uninsured Net Patient Revenue, actual and projected, and Non-Operating Revenue projections. Please provide the missing data**.

Included in **Exhibit 36** are revised JMMC's and Saint Francis *Care's* Financial Worksheet A for Uninsured Net Patient Revenue to match OHCA's definition. Previously, these amounts were reported under Self Pay (which OHCA also defines as uninsured).

JMMC's projected financial worksheets Without, Incremental and With the CON include Non-Operating Revenue.

Saint Francis *Care's* financial worksheet Without the CON excludes Non-Operating Revenue as these amounts are difficult to project and because the Non-Operating Revenue that Saint Francis *Care* reports is for the accounting of its interest rate swap.

c) **For all revised Financial Worksheets, explain any projected incremental losses from operations resulting from implementation of this CON proposal**.

There are no projected incremental losses from operations resulting from implementation of this CON proposal

18. Provide a complete Financial Worksheet A providing a summary of revenue, expense, and volume statistics, with and without the CON, and incremental to the CON for Johnson Memorial Hospital ("JMH") only, not inclusive of any affiliates and subsidiaries. Provide the assumptions used in developing the financial projections. Explain any projected incremental losses from operations resulting from implementation of this CON proposal.

Included in **Exhibit 36** is a JMMC only Financial Worksheet A, as well as the assumptions used in developing the financial projections.

There are no projected incremental losses from operations resulting from implementation of this CON proposal.

19. The Applicants did not submit all assumptions used in developing the financial projections reported in SFC's Financial Worksheet. Provide the missing information.

The key assumptions used in Saint Francis *Care's* financial worksheets include the following:

- FY 2015 amounts represent the year to date actual revenues and expenses through February 2015 and the budgeted amounts for the remaining seven months of Fiscal Year 2015.
- Inpatient volume for FY 2016 is projected to be flat with slight decreases in volume in 2017 and 2018 as a result of decreased utilization of inpatient services as we shift to population health. This overall projected decrease is offset by a slight increase in utilization in the Connecticut Joint Replacement Service line.

- Slight growth in hospital outpatient visits is expected and the projections include increases of .1%, .1% and .2% respectively in 2016 through 2018.
- The projected amounts include an expectation that Saint Francis *Care* will begin to assume risk contracts in FY 2016 and receive per member per month payments to cover the healthcare costs.
- Projected salary expenses includes increases of 3.3%, 3.0% and 2.5%, respectively, in 2016 through 2018. This projection anticipates an increase in the number of employees as well as an inflation increase.
- Supplies and other expenses include increases of approximately 2.8 %, 2.5 % and 2.0 %, respectively, in 2016 through 2018.

The Saint Francis *Care* financial projections for FY 2016-2018 do not include potential synergies to be realized if the Saint Francis *Care*/Trinity Health transaction is approved.

20. In reference to the monthly financial reports submitted by the Applicants on pages 1305-1307 of the application, please address the following for all three entities, SFC, SFMC and JMH:

a) Explain the decline in Revenue over Expenses reported between Feb 2014 and Feb 2015 (YTD);

The cause of the decline in Revenues over Expenses at JMMC was due to the use of legal professionals and consultants in evaluating the pending transaction with Saint Francis *Care* and in connection with the bankruptcy petition filed on January 14, 2015. In the period ending February 2015, the cost of these services totaled to $1,648,000.
For Saint Francis *Care* and Saint Francis Hospital and Medical Center the decline in Revenue over Expenses reported between YTD Feb 2014 and YTD Feb 2015 is due the accounting of its interest rate swap. YTD Feb 2014 had a gain of $5 million and YTD Feb 2015 has a loss of $8 million. These changes were due to the fluctuations interest rates.

b) Explain the increases in income from operations reported for all three entities between Feb 2014 and Feb 2015 (YTD); and

The increase in operating income at JMMC was due to receipt of a settlement with the Medicare program of a payment issue associated with the budget neutrality adjustment. The settlement (net) totaled $518,000.

The increase in income from operations for Saint Francis Hospital and Medical Center between YTD Feb 2014 and YTD Feb 2015 is due an increase in Net Patient Revenue ($9 million), which is primarily due to an increase in inpatient volume (patient days 2,015) and a decrease in bad debt expense ($1 million).

In addition to the increase from Saint Francis Hospital and Medical Center, the increase in income from operations for Saint Francis *Care* between YTD Feb 2014 and YTD Feb 2015 is due an increase in Net Patient Revenue from affiliate Saint Francis Medical Group.

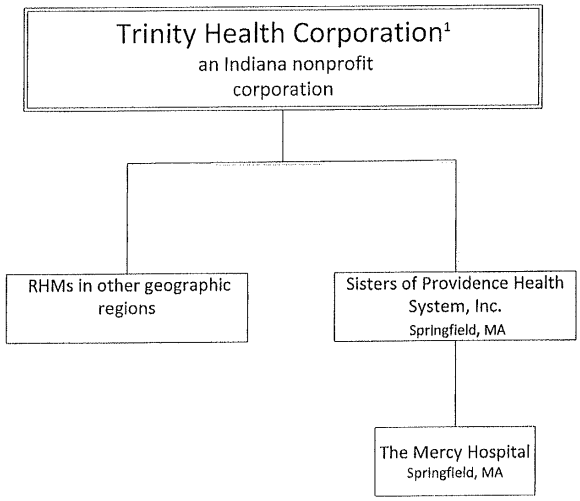
c) Provide updated Financial Measurements/Indicators for March, April and May 2015 and comparable months from the previous fiscal year. Provide an explanation for any decreases or increases between FYs 2014 and 2015 that applies to any of the items listed on Section D of this report.

Please refer to **Exhibit 37**.

EXHIBIT 33

Trinity Health
Livonia, MI

Pre Transaction Depiction of Trinity Health Corporation Operations in Connecticut/Massachusetts



[1] The Mercy Community, a skilled nursing facility in West Hartford, CT, operates as part of the Trinity Health system. The Mercy Community is not the proposed transaction described in the CON application.

Jan. 2015

Post Transaction Trinity Regional Health Ministry Structure

EXHIBIT 34

Saint Francis *Care* Awards and Recognitions

NCDR ACTION Registry – GWTG Platinum Award – Saint Francis has received the American College of Cardiology's NCDR ACTION Registry–GWTG Platinum Performance Achievement Award for 2015. Saint Francis *Care* is one of only 319 hospitals nationwide to receive the honor. The award recognizes Saint Francis's commitment and success in implementing a higher standard of care for heart attack patients and signifies that Saint Francis has reached an aggressive goal of treating these patients to standard levels of care as outlined by the American College of Cardiology/American Heart Association clinical guidelines and recommendations. (July 2015)

Most Wired – 2015 – Saint Francis Hospital and Medical Center has been recognized as one of the nation's *Most Wired* hospitals, according to the results of the 2015 *Most Wired* Survey published in the July issue of Hospitals & Health Networks magazine. This is the sixth consecutive year that Saint Francis was named to the *Most Wired* list. (July 2015)

US News & World Report/Best Hospitals for Common Care – Saint Francis was recognized as "High Performing" for the treatment of COPD and Knee Replacement. (June 2015)

Premier Inc., Diversity Award – Saint Francis *Care* received the *Diversity Award* at Premier's annual Breakthroughs Conference and Exhibition. The *Diversity Award* honors health systems that have established active programs to evaluate and support minority-, women- and veteran-owned enterprises, as well as small businesses, available through the Premier contract portfolio. (June 2015)

American Heart Association/Get With The Guidelines®–Heart Failure Gold-Plus Quality Achievement Award – Saint Francis Hospital and Medical Center has received the *Get With The Guidelines®–Heart Failure Gold-Plus Quality Achievement Award* for implementing specific quality improvement measures outlined by the American Heart Association/American College of Cardiology Foundation's secondary prevention guidelines for patients with heart failure. This marks the sixth year that Saint Francis has been recognized with this award. Saint Francis also received the association's *Target: Heart Failure Honor Roll.* This initiative provides hospitals with educational tools, prevention programs and treatment guidelines designed to reduce the risk of heart failure patients ending up back in the hospital. Saint Francis is the only hospital in the state to earn the *Target: Heart Failure Honor Roll* distinction. (June 2015)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the *Best Hospitals* for Heart Care. The award is based on cardiac and vascular experience and 30-day mortality and readmission rates for heart attacks and heart failure with additional consideration given to patient satisfaction scores. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (January 2015)

Associated Builders and Contractors Excellence - Enterprise Construction Company is the recipient of the *Excellence in Construction Award* for the Comprehensive Women's Health Center. (January 2015)

Becker's Hospital Review – Becker's Hospital Review a leading source of information for healthcare professionals, has listed Saint Francis Hospital and Medical Center among the top 100 hospitals in the country with "great women's health programs." Hospitals were selected for the list based on clinical accolades and recognition for women's health excellence from various healthcare groups and agencies. Those agencies include U.S. News & World Report, Healthgrades, CareChex and UNICEF's Baby-Friendly Hospital Initiative. Saint Francis was one of three hospitals in Connecticut named to the list, along with Hartford Hospital and Yale-New Haven Hospital. (December 2014)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the *Best Hospitals* for Heart Care. The award is based on cardiac and vascular experience and 30-day mortality and readmission rates for heart attacks and heart failure with additional consideration given to patient satisfaction scores. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (January 30, 2015)

Associated Builders and Contractors Excellence - Enterprise Construction Company is the recipient of the *Excellence in Construction Award* for the Comprehensive Women's Health Center. (January 29, 2015)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the 2015 *Best Hospitals for Patient Safety*. The award is based on consistently low rates of infections and surgical errors, and patient recommendations. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (December 3, 2014)

The LeapFrog Group "A" Score –Saint Francis *Care* has again received an "A" rating Hospital Safety Score℠ from the Leapfrog Group, a national hospital quality watchdog organization. The Leapfrog Group has released its fall 2014 Hospital Safety Scores. For the 6th consecutive time Saint Francis has received an "A" rating. Saint Francis is one of only four hospitals in the state to earn the highest rating and the only Connecticut hospital to receive the "A" rating in both the fall and the spring. Six hospitals received "B" ratings; 12 a "C" rating; and three a "D" rating in the recent rankings. Overall, Connecticut ranked 33rd out of 42 states, with just 16% of its 25 rated hospitals receiving an "A" grade. The Hospital Safety Score℠ for 2014 grades hospitals on their overall performance in keeping patients safe from harm and preventable errors. The grades are derived from analysis of publicly available data using 28 evidence-based, national measures of hospital safety. (November 2014)

CareChex – Saint Francis Hospital and Medical Center has also been recognized by CareChex®, a division of Comparion Medical Analytics, for national and state medical excellence achievements in numerous categories in its 2015 hospital quality award rankings. Saint Francis was ranked

90th nationwide for overall medical excellence in hospital care among nearly 4,200 hospitals reviewed, and was the only Connecticut hospital to score in the top 100.

The Hospital also ranked nationally among the hospitals reviewed as:

- #5 in coronary bypass surgery (out of 1,196 hospitals scored)
- #8 in joint replacement (out of 3,497 hospitals scored)
- #9 in major orthopedic surgery (out of 3,499 hospitals scored)

In addition, Saint Francis ranked #1 in Connecticut in the following eight clinical and surgical areas:

- Overall Hospital Care – Medical Excellence
- Overall Surgical Care – Medical Excellence
- General Surgery – Medical Excellence
- Joint Replacement – Medical Excellence
- Neurological Surgery – Medical Excellence
- Orthopedic Care – Medical Excellence
- Orthopedic Surgery (Major) – Medical Excellence
- Spinal Surgery – Medical Excellence

(November 2014/For internal non-commercial use only.)

Healthgrades® – Saint Francis *Care* has been recognized for clinical excellence in a national report by Healthgrades, a leading provider of information to help consumers make an informed decision about a physician or hospital. Saint Francis has received top national rankings in the most recent *2015 Quality Achievements Report:*

- *Saint Francis Care earned the Distinguished Hospital Award for Clinical Excellence in 2015. (Embargo January 20, 2015)*
- *100 Best Hospitals for Coronary Intervention, 2 years in a row*
- *Coronary Intervention Excellence Award, 2 years in a row*
- *Top 10% in the Nation for Coronary Interventional Procedures*
- *Recipient of the Healthgrades Stroke Care Excellence Award*
- *Top 10% in the Nation for Treatment of Stroke*
- *100 Best Hospitals for Joint Replacement, 3 years in a row*
- *100 Best Hospitals for Orthopedic Surgery, 2 years in a row*
- *Joint Replacement Excellence Award, 3 years in a row*
- *Orthopedic Surgery Excellence Award, 2 years in a row*
- *Top 5% in the Nation for Joint Replacement, 3 years in a row*
- *Top 5% in the Nation for Overall Orthopedic Service, 2 years in a row*

Saint Francis *Care* also earned a 5-star rating from Healthgrades in additional clinical areas for the treatment of: coronary intervention procedures, treatment of heart attack, coronary bypass surgery, treatment of stroke, repair of abdominal aorta, total knee replacement, total hip replacement, and for spinal fusion surgery. (DHACE, January 20, 2015; Specialty Excellence Awards, October 21, 2014)

Becker's Hospital Review – Saint Francis Hospital and Medical Center was named on Becker's Hospital Review list of "125 Hospitals with Great Orthopedic Programs." The announcement recognizes orthopedic surgery departments, programs or dedicated centers that have earned special recognition. Saint Francis is one of only two Connecticut hospitals on the list. This is the fifth year Becker's Hospital Review has compiled this list, and the first time it has included 125 hospitals. (September 2014)

Joint Commission's Gold Seal of Approval/Stroke Center Accreditation – Saint Francis Hospital and Medical Center has earned *The Joint Commission's Gold Seal of Approval®* for accreditation of its Stroke Center by demonstrating compliance with The Joint Commission's national standards for healthcare quality and safety. The accreditation award recognizes Saint Francis's dedication to continuous compliance with state-of-the-art standards in its primary care stroke center operations. (August 2014)

U.S. News & World Report – In a national survey of 4,806 hospitals, Saint Francis Hospital and Medical Center was one of 752 hospitals to achieve at least one "High Performing" rating among 16 medical specialties in the 25th annual U*.S. News & World Report* ranking Best Hospitals in the U.S. Saint Francis was recognized as high performing in 9 specialties: Cardiology and Heart Surgery; Ear, Nose and Throat; Gastroenterology and GI Surgery; Geriatrics; Nephrology; Neurology and Neurosurgery; Orthopedics; Pulmonology; and Urology. (July 2014)

LifeChoice Donor Services – Saint Francis Hospital and Medical Center earned a gold award for their work with LifeChoice Donor Services. LifeChoice Donor Services is among a select group of organ procurement organizations (OPOs) nationwide recognized by the U.S. Department of Health and Human Services (HHS) for reaching gold, silver, and bronze levels of achievement for conducting activities that promote enrollment in state organ, tissue and eye donor registries. The hospitals are part of a national hospital campaign, sponsored by HHS's Health Resources and Services Administration (HRSA), which has added 327,659 donor enrollments to state registries nationwide since 2011, exceeding the goal of 300,000. (July 2014)

American Diabetes Association – The American Diabetes Association Education Recognition Certificate for a quality diabetes self-management education program was recently awarded to the Center for Diabetes and Metabolic Services at Saint Francis. The designation assures that programs meet the national standards for Diabetes Self-Management Education Programs. (July 2014)

Most Wired – 2014 – Saint Francis Hospital and Medical Center has been recognized as one of the nation's *Most Wired* hospitals, according to the results of the 2014 *Most Wired* Survey published in the July issue of Hospitals & Health Networks magazine. This is the fifth consecutive year that Saint Francis was named to the *Most Wired* list. (July 2014)

Healthgrades: Patient Safety & Women's Health Excellence Awards – **Saint Francis Hospital and Medical Center** received the *2014 Patient Safety Excellence Award™* and the *Women's Health Excellence Award*, from Healthgrades, the leading online resource for comprehensive information about physicians and hospitals. (June 2014)

- *The Patient Safety Excellence Award* distinction places Saint Francis within the top 10% of all hospitals for its excellent performance in safeguarding patients from serious,

potentially preventable complications during their hospital stays. This is the fourth consecutive year that Saint Francis has received this award, and one of only two Connecticut hospitals to earn the distinction this year.

- The *Women's Health Excellence Award* distinguishes Saint Francis as a top-performing hospital in women's health. Saint Francis is one of only 178 recognized nationally for their outcomes for care provided to women for common conditions and procedures treated in the hospital. Saint Francis is on the only hospital in Connecticut to earn this distinction.

Premier Supply Chain Excellence Award – Saint Francis Hospital and Medical Center has received *Premier, Inc.'s Supply Chain Excellence Award* for superior supply expense performance. Saint Francis is one of only 35 Premier members to receive the award this year. Premier, a leading healthcare improvement company, unites an alliance of approximately 3,000 U.S. hospitals and 110,000 other providers. (Embargo Date: June 11, 2014)

American Heart Association/Get With The Guidelines®–Heart Failure Gold-Plus Quality Achievement Award – Saint Francis has received the *Get With The Guidelines®–Heart Failure Gold-Plus Quality Achievement Award* for implementing specific quality improvement measures outlined by the American Heart Association/American College of Cardiology Foundation secondary prevention guidelines for heart failure patients. This marks the third time that Saint Francis has been recognized with a quality achievement award. (May 2014)

The LeapFrog Group "A" Score – Saint Francis Hospital and Medical Center has again received an "A" rating Hospital Safety Score℠ from The Leapfrog Group, a national hospital quality watchdog organization. This is the 5th consecutive "A" rating received by Saint Francis from The Leapfrog Group. Saint Francis was one of two hospitals in the state to receive an "A" grade from Leapfrog in the latest rating for spring 2014, and the only hospital to receive the "A" rating in both the fall and spring. Among the 25 Connecticut hospitals, 8 received a "B," 13 received a "C," one received a "D," and one received an "F." Scores went down for four hospitals, while three hospitals improved their scores. (April 2014)

Women's Choice Award – Saint Francis Hospital and Medical Center has received the Women's Choice Award from WomenCertified®, distinguishing it as one of the 2014 Best Hospitals for Patient Experience in Heart Care. The award is based on robust criteria that include female patient satisfaction measurements as well as clinical excellence considerations. WomenCertified® represents the collective voice of female consumers and is a trusted referral source for top businesses and brands identified as meeting the needs and preferences of women. (January 2014)

Becker's Hospital Review – Saint Francis Hospital and Medical Center was named on Becker's Hospital Review list of "100 Hospitals with Great Orthopedic Programs." The announcement recognizes orthopedic surgery departments, programs or dedicated centers that have earned special recognition. Saint Francis is the only Connecticut hospital on the list. (January 2014)

Becker's Hospital Review– Saint Francis Hospital and Medical Center was named on the Becker's Hospital Review list of *100 Hospitals with Great Heart Program*. Becker's rates hospitals based on recognition for quality care, clinical awards and research contributions to cardiovascular care. (December 2013)

Alliance of Independent Academic Medical Centers (AIAMC) – Saint Francis *Care* received the *2014 Innovation Award* from the Alliance of Independent Academic Medical Centers (AIAMC) in recognition of the innovative medical education programs for residents, physicians and staff that have resulted in better patient outcomes. This is the second time the Hospital received the Innovation Award. (December 2013)

Association of American Medical Colleges – The Innovation + Learning Center at Saint Francis was one of national 13 recipients to receive the *Association of American Medical Colleges Learning Health System Challenge and Planning Award*, which recognizes innovations in medical education, care delivery, research, and diversity and inclusion. At Saint Francis, the award was given for emphasis on studying efforts to improve everyday clinical practice and health equity in an accountable care environment across the system. (December 2013)

Healthgrades® – Saint Francis *Care* was recognized for clinical excellence in a new national report by Healthgrades, a leading provider of information to help consumers make an informed decision about a physician or hospital. Saint Francis has received top national rankings in the most recent *American Hospital Quality Outcomes 2014: Healthgrades Report to the Nation*, which evaluates hospital performance at over 4,500 hospitals nationwide for 31 of the most common inpatient procedures and conditions. Saint Francis ranks among the top 5% nationally in Coronary Interventional Procedures, Overall Orthopedic Services, and, for the second year in a row, Joint Replacement; and the top 10% for Spine Surgery. (October 2013)

The LeapFrog Group "A" Score – Saint Francis Hospital and Medical Center has received an "A" rating Hospital Safety Score℠ from The Leapfrog Group, a national hospital quality watchdog organization. The Hospital Safety Score℠ for fall 2013 grades hospitals on their overall performance in keeping patients safe from harm and preventable errors. This is the fourth consecutive "A" rating received by Saint Francis from The Leapfrog Group. The grades are derived from expert analysis of publicly available data using 28 evidence-based, national measures of hospital safety. Saint Francis was one of three hospitals in the state to receive an "A" grade from Leapfrog in the rating for fall 2013, and one of only two to receive the honor twice this year. Among Connecticut hospitals, 7 received a "B," 15 received a "C," one received a "D," and one received an "F." (October 2013)

Daily Point of Light Award – Points of Light, the world's largest volunteer organization, named Michael R. Bourque, M.D., a senior OB/GYN physician at Saint Francis Hospital and Medical Center, a *Daily Point of Light Award* honoree for his leadership role on the "Blue Team," a medical missionary team with International Medical Missions of Saint Francis Hospital and Medical Center. Dr. Bourque is the recipient of this prestigious award honoring his commitment to bringing first-class medical services to those in need. (October 2013)

CareChex® – Saint Francis Hospital and Medical Center was recognized by CareChex®, a division of Comparion Medical Analytics, for patient safety and medical excellence achievements in numerous categories in its 2014 hospital quality award rankings. Saint Francis ranked #1 in Connecticut in 24 clinical and surgical areas for patient safety and medical excellence. In the area of Patient Safety: Overall Hospital Care, Overall Surgical Care, Cardiac Care, Coronary Bypass Surgery, Gastrointestinal Care, Gastrointestinal Hemorrhage, Interventional Coronary, Joint Replacement, Major Bowel Procedures, Major Neuro-Surgery, and Major Orthopedic

Surgery. For Medical Excellence: Overall Hospital Care, Overall Surgical Care, Coronary Bypass Surgery, Gastrointestinal Care, General Surgery, Interventional Coronary Care, Joint Replacement, Major Bowel Procedures, Major Neuro-Surgery, Orthopedic Care, Major Orthopedic Surgery, Spinal Fusion, and Spinal Surgery. (October 2013)

IBCLC Care Award – Saint Francis Hospital and Medical Center received *IBCLC Care Award* from the International Board of Lactation Consultant Examiners® (IBLCE®) and International Lactation Consultant Association® (ILCA®) for excellence in lactation care. The recognition is given to facilities that: have a lactation program that is available 5-7 days a week; provided recent breastfeeding training for medical staff; and have recently completed activities that help protect, promote, and support breastfeeding. (August 2013)

American Heart Association/American Stroke Association *Get With the Guidelines Gold Plus Award* – Saint Francis Hospital and Medical Center received the *Get With The Guidelines®–Heart Failure Gold Plus Quality Achievement Award* from the American Heart Association. The recognition signifies that Saint Francis has reached an exceptional goal of treating heart failure patients according to the guidelines of care recommended by the American Heart Association/American College of Cardiology. This marked the second consecutive year that Saint Francis has been recognized with the *Gold Plus* quality achievement award. Saint Francis was one of just three hospitals in Connecticut to receive *Gold Plus* recognition that year. (August 2013)

Consumer Reports – *"Best Hospital for Surgery"* – Saint Francis Hospital and Medical Center was one of two statewide hospitals to receive the highest ranking available by Consumer Reports Health Ratings Center in their *"Best Hospitals for Surgery"* Ratings report appearing in the September 2013 issue of Consumer Reports magazine. Of the almost 2,500 hospitals rated by Consumer Reports in all 50 states plus Washington, D.C. and Puerto Rico, Saint Francis Hospital and Medical Center received not only the highest overall surgery Rating in state rankings, it was also named among the top five U.S. hospitals that perform the safest knee and hip replacement surgeries, and the only hospital rated in these two categories in the state. (July 2013)

Most Wired – 2013 – Saint Francis Hospital and Medical Center was recognized as one of the nation's *Most Wired* hospitals, according to the results of the 2013 *Most Wired* Survey published in the July issue of Hospitals & Health Networks magazine. Named to the *Most Wired* list for the fourth consecutive year, Saint Francis is one of only eight hospitals in Connecticut to be recognized on the *Most Wired* list that year. (July 2013)

U.S. News & World Report – Best Hospitals – Saint Francis Hospital and Medical Center ranked #3 in the state of Connecticut and #2 in the Hartford metro area, gaining high scores in eight specialties and in patient safety, in the *U.S. News & World Report* ranking of Best Hospitals in the U.S. Top performing specialties at Saint Francis listed in the *U. S. News & World Report* annual rankings of Best Hospitals include Cardiology and Heart Surgery, Diabetes and Endocrinology; Gastroenterology and GI Surgery, Geriatrics, Nephrology, Orthopedics, Pulmonology and Urology. (July 2013)

The LeapFrog Group "A" Score – For the third consecutive year, Saint Francis Hospital and Medical Center was again honored with an "A" Hospital Safety Score by The Leapfrog Group, an independent national nonprofit run by employers and other large purchasers of health benefits.

The A score was awarded in the latest update to the Hospital Safety Score℠. The A, B, C, D or F scores are assigned to U.S. hospitals based on preventable medical errors, injuries accidents, and infections. The Hospital Safety Score was compiled under the guidance of experts on patient safety and is designed to give the public information they can use to protect themselves and their families. (May 2013)

HealthGrades® Patient Safety Excellence Award™ – Saint Francis Hospital and Medical Center received the *Healthgrades 2013 Patient Safety Excellence Award™*, according to Healthgrades, the leading online resource that helps consumers search, evaluate, compare and connect with physicians and hospitals. The distinction placed Saint Francis within the top 5% of all hospitals for its excellent performance in safeguarding patients from serious, potentially preventable complications during their hospital stays. This was the third consecutive year that Saint Francis received this prestigious award. Saint Francis was the only hospital in Connecticut to achieve this distinction in 2013. (April 2013)

Practice Greenhealth/Partner for Change Award – for leadership in prioritizing our environmental performance and demonstrating our commitment to a higher standard of excellence in sustainability. This is the fifth time Saint Francis earned this distinction. (April 2013)

CareChex – According to a 2011 CareChex national hospital quality study, Saint Francis Hospital and Medical Center was #1 in the State in the category of "Medical Excellence" for: Major Cardiac Surgery, Coronary Bypass Surgery, Interventional Coronary Care, Joint Replacement, Major Bowel Procedures, Orthopedic Care, Major Orthopedic Surgery, Spinal Surgery, and Trauma Care. Additionally, Saint Francis was #1 in the State for Patient Safety in the areas of: Overall Hospital Care, Overall Surgical Care, Cardiac Care, Major Cardiac Surgery, Coronary Bypass Surgery, Interventional Coronary Care, Joint Replacement, Major Bowel Procedures, Major Neuro-Surgery, Major Orthopedic Surgery, Stroke Care, and Trauma Care. (January 2013)

The LeapFrog Group "A" Score – *Saint Francis Hospital and Medical Center* was honored with a second consecutive "A" Hospital Safety Score℠ by The Leapfrog Group, a nationally recognized organization founded by a consortium of Fortune 500 companies and other large public healthcare purchasers representing 37 million American consumers nationwide. Saint Francis was the largest hospital in Connecticut to merit this distinction, and one of only six statewide to receive this recognition. The Hospital Safety Score℠ was calculated under the guidance of The Leapfrog Group's Blue Ribbon Expert Panel using publicly available data on patient injuries, medical and medication errors, and infections. U.S. hospitals were assigned an A, B, C, D, or F for their safety records. (November 2012)

Connecticut Breastfeeding Coalition – Saint Francis Hospital and Medical Center received an award of recognition from the Connecticut Breastfeeding Coalition for its contributions to the health of Connecticut's mothers and children through the Connecticut Breastfeeding Initiative 2010-2012. (October 2012)

Healthgrades® – Saint Francis *Care* was listed as #1 in Connecticut for joint replacement outcomes and is one of America's 100 Best Hospitals for Joint Replacement. Saint Francis *Care* also earned a 5-star rating from Healthgrades in additional clinical areas for the treatment of: heart failure, back and neck surgery, stroke, pneumonia, GI bleed, respiratory failure, diabetic

acidosis and coma. This is according to a report from Healthgrades, *American Hospital Quality Outcomes 2013: Healthgrades Report to the Nation*. Healthgrades is the leading provider of information to help consumers make an informed decision about a physician or a hospital. (October 2012)

HAVEN Employer Engagement Award – this award was presented to Saint Francis by the Health Assistance InterVention Education Network (HAVEN). The award recognized employers who, through human resources, employee assistance, and/or occupational health, have developed ways to help employees confront the challenges of physical and mental illness with dignity and compassion. (October 2012)

"I Am Who I Am" – recognized by the Walk In the Light Ministries and by Archbishop Louella Tate as an organization that has helped Hartford become a role model for other cities. (September 2012)

National Air Filtration Association (NAFA) Clean Air Award – recognized for leadership and excellence in the use of high efficiency air filtration products and good maintenance practices. It is presented to those who show an outstanding effort in maintaining a clean and healthy indoor work environment, while reducing overall operating costs. (September 2012)

***Most Wired* – 2012** – recognized by *Hospitals & Health Networks Magazine* for making progress toward adoption of Information Technology. (July 2012)

Connecticut Quality Improvement Award Gold Prize – given to Saint Francis Hospital by the Connecticut Quality Improvement Association for our work in improving the Universal Protocol in our operating room, using the Safe Surgery Checklist. (June 2012)

The LeapFrog Group "A" Score –Saint Francis Hospital and Medical Center was only one of four hospitals in the state to receive an "A" grade on the organization's Hospital Safety Score. The Hospital Safety Score℠ was calculated under the guidance of The Leapfrog Group's Blue Ribbon Expert Panel using publicly available data on patient injuries, medical and medication errors, and infections. U.S. hospitals were assigned an A, B, C, D, or F for their safety. (June 2012)

HealthGrades® Patient Safety Excellence Award™ – for patient safety indicators from the Agency for Healthcare Research and Quality (AHRQ) to identify patient safety incidence rates, placing Saint Francis in the top 5% in the nation for patient safety, and the only Connecticut hospital to achieve this distinction. (May 2012)

American Heart Association/American Stroke Association *Get With the Guidelines Gold Plus Award* – to the Hoffman Heart and Vascular Institute for providing excellent care to heart failure patients. Saint Francis was one of only three hospitals statewide to receive this award. (May 2012)

***Silver Healthy Hospital Award*, Stryker** – for outstanding performance in reducing environmental harm and improving overall hospital quality through medical device remanufacturing and reprocessing. For 2011, Saint Francis saved $235,600 and had a total waste avoidance of 11,900 pounds. (April 2012)

Outcome Excellence Award – the outpatient rehabilitation staff at 95 Woodland Street received this award from Focus on Therapeutic Outcomes (FOTO) for exceeding the predicted national target for outcomes and patient satisfaction over a one-year period. The targets were met for two consecutive years, for both 2010 and 2011. (April 2012)

2012 Top Performer – the inpatient rehabilitation team at Mount Sinai Rehabilitation Hospital received an Outstanding Performance Award from the Uniform Data Systems database for its top ten percent ranking out of 800 programs across the United States. (April 2012)

The Blue Ribbon Award – for the John T. O'Connell Tower presented at the 17th Annual Awards Showcase from the Real Estate Exchange. This is the most significant annual awards event in commercial real estate in Connecticut and a celebration of excellence in the industry. (April 2012)

The BUILDCT 2012 Award – for the John T. O'Connell Tower best new large construction project greater than $10 million from the Association of General Contractors. The award was given to Saint Francis Hospital and Medical Center; TRO/Jung Brannen, the architect and engineer; and Turner Construction Company, the construction manager. (March 2012)

Connecticut Quality Improvement Award Silver Innovation Prize – for the creation of the Connecticut Institute for Primary Care Innovation. (August 2011)

American Heart Association/American Stroke Association Get With The Guidelines Gold Plus Award – for achievement in using evidence-based guidelines in the treatment of stroke patients. (August 2011)

Most Wired – 2011 – recognized by *Hospitals & Health Networks Magazine* for making progress toward adoption of Information Technology. (July 2011)

Community Value Five-Star Hospital – recognized by Cleverly & Associates, a healthcare industry intelligence and education consultancy for value provided to the community, based on financial viability, facility reinvestments, low-cost structures, and high-quality patient care. (July 2011)

Practice Greenhealth Partner for Change with Distinction – for outstanding environmental achievement in healthcare. (April 2011)

HealthGrades® Patient Safety Excellence Award™ – for patient safety indicators from the Agency for Healthcare Research and Quality (AHRQ) to identify patient safety incidence rates. (March 2011)

The American Society for Metabolic and Bariatric Surgery and the Surgical Review Corporation Bariatric Surgery Center of Excellence® Designation – for demonstrating an unparalleled ability to consistently deliver safe, effective, evidence-based care. (March 2011)

Focus on Therapeutic Outcomes, Inc. Outcomes Excellence Award – for exceeding the national average for functional change in the patients treated at the Center for Rehabilitation and Sports Medicine. (March 2011)

The American College of Cardiology Foundation NCDR ACTION Registry Gold Performance Award – for implementing a higher standard of care and reaching the aggressive goal of treating coronary artery disease patients with 85 percent compliance with American College of Cardiology/American Heart Association clinical guidelines and recommendations. (December 2010)

The American Alliance of Healthcare Providers Choice Award – for implementing an excellent healthcare program that successfully results in courteous, compassionate, and caring service to patients, families, and the community. (July 2010)

Most Wired "Most Improved" Award – for the Hospital's level of achievement in business and administrative management, clinical quality and safety, continuum of care, and infrastructure. Based on a survey by *Hospitals & Health Networks* Magazine, McKesson Corporation and the College of Healthcare Information Management Executives. (July 2010)

Practice Greenhealth Partner for Change Award – for continuously improving and expanding upon mercury elimination, waste reduction and pollution prevention. Presented by Practice Greenhealth, a national membership organization for healthcare facilities committed to environmentally responsible operations. (May 2010)

Anthem Blue Cross and Blue Shield Blue Distinction Center for Knee and Hip Replacement – In recognition of clinical excellence in knee and hip replacement surgery. (January 2010)

American Heart Association/American Stroke Association *Get With The Guidelines Gold Plus Performance Achievement Award* – In recognition of implementing excellent care for stroke patients, according to evidence-based guidelines. (January 2010)

U.S. Department of Health and Human Services Silver-2 Medal – In recognition of efforts promoting organ donation. (October 2009)

Employer Support of the Guard and Reserves Program – Connecticut Above and Beyond Award for support of Hospital employees who are members of National Guard and Reserves. (July 2009)

Practice Greenhealth Partner for Change Award – for continuously improving and expanding upon mercury elimination, waste reduction and pollution prevention. Presented by Practice Greenhealth, a national membership organization for healthcare facilities committed to environmentally responsible operations. (May 2009)

ENERGY STAR Label – for superior energy efficiency and environmental protection. Awarded by the U.S. Environmental Protection Agency. Saint Francis was previously awarded ENERGY STAR labels in 2003 and 2006. (April 2009)

Connecticut Breastfeeding Coalition Breastfeeding Friendly Employer Award – Given for Saint Francis' efforts in supporting breastfeeding by working mothers. (January 2009)

American Stroke Association Get with the Guidelines℠ Silver Achievement Award – Given in recognition of Saint Francis' commitment and success in implementing a higher standard of care for stroke patients. To achieve the GWTG-Stroke Silver Achievement Award, Saint Francis consistently followed the treatment guidelines in the GWTG-Stroke program for 12 months. (December 2008)

UnitedHealthcare Premium® Specialty Center for Total Joint Replacement – Given with the designation of ***One Star*** and ***Higher Efficiency***. The program uses national industry standards, medical specialty society and consensus standards to evaluate specialty center programs focused on total joint replacement for the purpose of advancing safe, timely, effective, efficient, equitable and patient-centered care. (September 2008)

American Alliance of Healthcare Providers Hospital of the Year – Top 10 Finalist in 2008 Hospital of the Year Awards, which recognizes the country's most consumer-friendly hospitals. (August 2008)

HealthGrades® 2009 Spine Surgery Excellence Award – This award places Saint Francis among the top 10 percent of hospitals nationwide for spine surgery. (July 2008)

2008 Most Wired Survey and Benchmarking Study – Most Improved Award for information technology enhancements in the survey conducted by *Hospitals & Health Networks* magazine in conjunction with Accenture, McKesson Corp. and the College of Healthcare Information Management Executives. (July 2008)

Connecticut Quality Improvement Award Silver Innovation Prizes – Three awards for projects that streamlined critical areas of healthcare: the treatment of heart attacks, transferring patients from the Emergency Department to nursing units, and vaccinating staff against season influenza outbreaks. (July 2008)

American Stroke Association Get With the Guidelines℠ – Stroke Bronze Performance Award – for Saint Francis' commitment and success in implementing a higher standard of stroke care by ensuring that stroke patients receive treatment according to nationally accepted standards and recommendations. To achieve the GWTG-Stroke Bronze Performance Achievement Award, Saint Francis consistently followed the treatment guidelines in the GWTG-Stroke program for 90 days. (May 2008)

Practice Greenhealth Partner for Change Award – for working to reduce mercury, reduce waste and prevent pollution. Presented by Practice Greenhealth, formerly Hospitals for a Healthy Environment (H2), a source of environmental solutions for the healthcare industry. The award honors organizations creating healthy, healing environments committed to eliminating mercury, reducing pollution and recycling waste. (May 2008)

2008 Alliance Innovation Award – Saint Francis Hospital and Medical Center was named an *Alliance Innovation Award* winner by the Alliance of Independent Academic Medical Centers (AIAMC). The award was presented to Saint Francis for its demonstrated leadership in utilizing graduate medical education as a key driver to improve quality, patient safety, and the cost-effectiveness of care. These creative and innovative approaches to medical education and research have resulted in better patient outcomes. (April 2008)

American Alliance of Healthcare Providers 'Hospital of Choice' Award for First Quarter of 2008 – for consumer friendliness and unparalleled commitment to good citizenship and community service, based on a review of public information, Web site, news releases, announcements, phone surveys of Hospital staff and application review. (April 2008)

Verispan 100 Most Highly Integrated Healthcare Networks Best of the Rest – a Tier 2 category rating for integrated healthcare networks based on eight categories: integrated technology, contractual capabilities, outpatient utilization, financial stability, service and access, hospital utilization and physicians. (February 2008)

United Healthcare Premium Specialty Center – for cardiac care, spine and total joint replacement surgery. The designations signify that Saint Francis has met rigorous quality criteria based on nationally recognized medical standards and expert advice. They are based on detailed information about specialized training, practice capabilities and proficiencies submitted by Saint Francis to United Healthcare. (January 2008)

CQIA Silver Innovation Prize – for being early adopters of bar code point of care (BPOC) technology to prevent errors during medication administration. BPOC systems use a bedside computer and a variety of clinical information systems to cross check bar codes that are printed on patient wristbands with those bar codes printed on medications. In addition to new bedside technology, the BPOC involved an extensive process within the Pharmacy Department. All 2,800 inventoried products required bar code recognition by the Hospital's clinical information system. In the first six months after implementation, 75 percent of inpatient areas were using this technology and 350,000 medication doses had been bar coded. The CQIA Silver Innovation Award is the nation's oldest, state-level quality award program. (October 2007)

U.S. Department of Health and Human Services Medal of Honor – for achieving at least a 75 percent organ donation rate among eligible patients. This was the third year in a row that Saint Francis received this award. Saint Francis is the only hospital in Connecticut and Western Massachusetts to receive the medal three years in a row. (October 2007)

AHA Nova Finalist – Hartford Regional Lead Treatment Center and Lead Safe House Program, which are based at Saint Francis Hospital and Medical Center, named one of ten finalists for the American Hospital Association's Nova Award, which recognizes programs that improve community health status and are collaborative in nature. The Hartford Regional Lead Treatment Center serves patients both at Saint Francis and the Connecticut Children's Medical Center. (August 2007)

Blue Center of Distinction – designated a *Blue Center of Distinction for Cardiac Care* by the Blue Cross and Blue Shield Association. The nationwide program recognizes those hospitals that meet stringent quality criteria, as established by expert physician panels and national organizations. *Blue Distinction Centers* are required to provide a full range of cardiac services, including inpatient care, cardiac rehabilitation, angioplasty and cardiac surgery. (June 2007)

Hospitals for a Healthy Environment – received the Partners for Change Award in recognition of achievements in improving environmental performance. Also received the Making Medicine Mercury-Free Award for eliminating the use of mercury in medical devices. Hospitals for a

Healthy Environment (H2E) is an independent, not-for-profit organization founded by the American Hospital Association, the Environmental Protection Agency, Health Care Without Harm and the American Nurses Association. H2E is focused on improving healthcare environmental performance. (May 2007)

Five-Star Hospital – recognized as a Community Value Provider by Cleverly + Associates, a Columbus, Ohio, healthcare financial consulting firm. Based on the Community Value Index™, a proprietary index that offers a measure of the value that a hospital provides to its community based on financial strength and reinvestment, cost of care and pricing. (April 2007)

The President's Volunteer Service Award – for the service of more than 700 individuals who volunteered at the Hospital in 2006, contributing over 67,400 hours of service to Saint Francis. Presented by the President's Council on Service and Civic Participation on behalf of President George W. Bush to recognize the best in the American spirit and encourage Americans to contribute to their communities through volunteer service. (January 2007)

CareScience Select Practice National Quality Leader – for excellence in overall hospital quality and efficiency. The award placed Saint Francis among the top 1 percent of performers across 4,500 acute care hospitals in the United States as identified by CareScience, a hospital consulting firm. It was based on 16 clinical indicators for both quality and efficiency. (November 2006)

ENERGY STAR Label – for prudent energy management strategies and proven technologies. Awarded by the U.S. Environmental Protection Agency and U.S. Department of Energy. Saint Francis was first awarded an ENERGY STAR label in 2003. (November 2006)

eHealthcare Strategy & Trends Silver Award – in the category "Best Rich Media" in the Physician/Clinician-Focused Site class for the Hospital's web site Grand Rounds Online feature. Since their introduction in April, 15 Grand Rounds presentations were made available to physicians online. After viewing a presentation online, physicians are able to obtain Continuing Medical Education credit by successfully completing a short quiz. (November 2006)

U.S. Department of Health and Human Services Medal of Honor – for achieving at least a 75 percent organ donation rate among eligible patients. This was the second year in a row that Saint Francis received this award. In the most recent reporting period, Saint Francis secured permission from family members for 11 organ donations out of 13 potential donors. Saint Francis was just one of two hospitals in Northern Connecticut and Western Massachusetts to receive the medal this year. (October 2006)

HealthGrades® Orthopedic Surgery Excellence Award – for superior clinical outcomes in the ninth annual *Hospital Quality in America* study. This award placed Saint Francis among the top 10 percent of hospitals nationwide for orthopedic care. (October 2006)

Leapfrog Top 50 Hospitals – for meeting the quality and safety standards of the Leapfrog Group, a consortium of Fortune 500 companies and other large public healthcare purchasers representing 37 million American consumers. Saint Francis was the only hospital in Connecticut to achieve this distinction. Leapfrog identifies its "Top Hospitals" based on their implementation of practices with the greatest life-saving potential, including computerized physician order entry

(CPOE), ICU physician staff, evidence-based hospital referral and the Leapfrog Safe Practices Score. (October 2006)

2006 BEACON Medical Technology Award – for the Hospital's significant investment in advanced technology in the acquisition of the CyberKnife® stereotactic radiosurgery system. The award was presented by the Biomedical Engineering Alliance & Consortium (BEACON), a regional trade association for the advancement of new medical technology. It recognizes innovative approaches that help Connecticut establish a leadership position in the field of medical technology. (October 2006)

Sacred Heart University College of Education and Health Professions 2006 Community Partner Award – for collaboration with the College's Nursing Department to develop and implement the R.N. to B.S.N. program offered at Saint Francis Hospital and Medical Center. This was the first year that the award was given to an individual or organization who has demonstrated exceptional collaboration to further the educational goals and mission of the College. Saint Francis was one of two recipients honored that year. (October 2006)

HealthGrades® Third Annual Patient Safety in American Hospitals Study – for best performing hospitals for overall patient safety. Saint Francis was one of 238 hospitals identified as reaching the top 15 percent nationwide for patient safety. This award was presented by HealthGrades, a healthcare ratings company. As a category, Medicare patients at these top 15 percent hospitals experienced patient safety incidents, on average, 43.27 percent less often than patients at the bottom 15 percent of all hospitals. (October 2006)

CQIA Silver Innovation Prize – for a project that optimized care in patients with congestive heart failure (CHF). Taking note of the fact that each year nearly 900 patients are admitted to the Hospital with CHF, the Congestive Heart Failure Service decided to establish Connecticut's first dedicated unit to provide comprehensive care for CHF patients. Outcomes for patients treated on the CHF unit have been demonstrably better than those of other CHF patients. The CQIA Silver Innovation Award is the nation's oldest, state-level quality award program. (July 2006)

Solucient 100 Top Hospitals® Performance Improvement Leader – for improving faster and more consistently than its peer hospitals across the nation. Nine performance measures were examined including risk adjusted mortality and complications, average length of stay, expenses, profitability, cash-to-debt ratio, growth in percent of community served, tangible assets and risk adjusted patient safety index. Saint Francis was recognized as one of the hospitals that achieved the fastest rate of consistent annual clinical and organizational improvement over a five-year period. (April 2005)

Solucient 100 Top Hospitals® – for setting benchmarks for the industry in such areas as quality of care, efficiency, financial performance, growing community service and patient safety. This marked the seventh time that Saint Francis was named to the prestigious list of the nation's Top 100 hospitals. At the time, Saint Francis was the only hospital in Connecticut to be named to the Top 100 list on seven or more occasions. (February 2005)

Solucient 100 Top Hospitals® – for setting performance benchmarks across four critical areas: quality of care, operational efficiency, financial performance and adaptation to the environment. This marked the sixth time that Saint Francis had been named to the prestigious

list. At the time, Saint Francis was the only major teaching hospital to be named to the Top 100 list on six occasions. (May 2004)

Solucient Performance Improvement Leader – for developing consistent and effective organization-wide performance improvement across critical measures at a faster rate than other U.S. hospitals between 1997 and 2001. Those measures include quality of care, operational efficiency and financial performance. Among 123 major teaching hospitals included in the study, Saint Francis' cumulative scored placed it in the 99th percentile. This signifies that Saint Francis' rate of improvement over the five years was higher and more rapid than 98 percent of the other major teaching hospitals studied by Solucient. (March 2004)

EXHIBIT 35

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

August 3, 2015

Mr. Oswald Inglese, Jr., Director
State of Connecticut
Department of Energy & Environmental Protection
Water Permitting and Enforcement Division
79 Elm Street
Hartford, Connecticut 06106-5127

Re: DEEP Consent Order Number WC 5506
Town of Stafford, Connecticut
Status Report

Dear Mr. Inglese:

This status report is provided in reply to your letter of March 19, 2015 and supplements my letter to you of April 16, 2015.

Johnson Memorial Medical Center ("JMMC") remains in reorganization under the federal bankruptcy code pursuant to a case styled: *In RE: Johnson Memorial Medical Center, Inc.*, Docket Number 15-20056, dated January 14, 2015. As such JMMC may not take on financial obligations without first seeking approval of the bankruptcy court.

JMMC remains committed to the development of gas, sewer and water lines, as described in my letter of April 16, 2015. It is now apparent that many of the steps required in your letter of March 19, 2015 will become the responsibilities of others under the Plan of Reorganization.

Moreover, JMMC just received a letter from the First Selectman of the Town of Stafford on July 23, 2015, which provides an outline of the possible construction of gas, sewer and water lines from the Town of Stafford. The communication didn't provide enough detail to address the financial projection methodology. Given the aforementioned future reorganization of JMMC, I am sure you can appreciate our need for all parties to perform due diligence given the cost of the project.

There will be other questions as well from the buyers of the JMMC properties. Pursuant to the bankruptcy plan, JMMC intends to sell its properties to third parties. Those third parties will be the real parties in interest should the sales be approved by the bankruptcy court and will be the parties who actually participate in the construction, financing and use of the utility improvements. JMMC, along with the potential owners will be involved in the negotiations with the Town of Stafford concerning the improvements.

On the current schedule, JMMC expects to have approval of its sale of the nursing home property sometime within the next 90 days and regulatory and court approval of the sale of the hospital in approximately 180 days.

Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
860-684-4251/860-749-2201
TTY: 860-684-8441

Evergreen Health Care Center
205 Chestnut Hill Road
Stafford Springs, CT 06076
860-684-6341

Home & Community Health Services
101 Phoenix Avenue
P.O. Box 1199
Enfield, CT 06083
860-763-7600

After discussing the matter with counsel, our original conclusion remains valid: it would be difficult in good faith to propose a date before September 30, 2016 as a date for completion of the utility improvements, and even this assumes a very aggressive schedule. September 30, 2017 may be more realistic.

As you may know, the utility project will require a successful Town of Stafford referendum, which we believe will be scheduled for sometime mid-fall. As with any decision requiring a vote, it is difficult to forecast the results of the referendum.

We will continue to keep you updated on our progress. In the interim, if you have any questions, please do not hesitate to contact me directly at (860) 684-8101.

Thank you.

Sincerely,

Stuart E. Rosenberg
President and CEO

SER:klv

c: Nicholas Harding, Esq. – Reid and Riege, P.C.
Richard Shuck, First Selectman, Town of Stafford

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

Via email (oswald.inglese@ct.gov)
& U.S. Mail

April 16, 2015

Oswald Inglese, Jr., Director
Water Permitting and Enforcement Division
Department of Energy & Environmental Protection
79 Elm Street
Hartford, Connecticut 06106-5127

RE: Deep Consent Order Number WC 5506
Town of Stafford

Dear Mr. Inglese:

I am in receipt of your letter of approval dated March 19, 2015. Thank you for your response and good faith extension provided with regard to Consent Order Number WC 5506 to July 31, 2015. While we appreciate the Department of Energy and Environmental Protection's ("DEEP") position with regard to this matter, we have some thoughts regarding the extension date and the conditions under which the extension is granted.

As you may be aware, Johnson Memorial Medical Center ("JMMC") is currently in reorganization under the federal bankruptcy code pursuant to a case styled: *In RE: Johnson Memorial Medical Center, Inc.*, Docket Number 15-20056, dated January 14, 2015. As such, JMMC may not take on financial obligations without first seeking approval of the bankruptcy court.

JMMC believes that its participation in the project to bring water, gas and sewer service to the area is key; however, many of the documents referenced in the approval letter, to our knowledge, have not yet been developed beyond a conceptual form and may take 3-6 months to reach completion. While JMMC fully expects to be involved in the negotiation of terms that are applicable to it, preparation of those agreements is the responsibility of others. In addition, there are many other considerations that will ultimately drive the design and construction schedule for the project.

As a result, JMMC is not in a position today to commit that the required action items 1-4 can be drafted, reviewed, have any necessary discussions, presented to the court and completed by July 31, 2015.

Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
860-684-4251/860-749-2201
TTY: 860-684-8441

Evergreen Health Care Center
205 Chestnut Hill Road
Stafford Springs, CT 06076
860-684-6341

Home & Community Health Services
101 Phoenix Avenue
P.O. Box 1199
Enfield, CT 06083
860-763-7600

With regard to the first condition noted in the approval letter, JMMC has already executed a Letter of Interest with the Town of Stafford, including the removal of language with reference to any pre-project deposits, as mutually agreed to by JMMC and the Town of Stafford. A copy of the fully-executed Letter of Interest is attached for you information.

After discussing the matter with our counsel it would be difficult in good faith to propose a date before September 30, 2016. And even this, I am told, is an aggressive schedule.

In addition, the project requires a successful Town of Stafford referendum, which to our knowledge has not yet been scheduled. We are unaware of the development of an out-reach campaign to inform the voters of the benefits of the project and we assume the referendum is another item which is awaiting the development of the specifics of the project.

At this time, we respectfully request either a conference in person or a conference call to discuss the conditions outlined in the Approval letter so we can reach mutually-agreeable terms and conditions with regard to this matter.

If you have questions regarding this request please contact me at your earliest convenience.

Sincerely,

Stuart E. Rosenberg
President and CEO
Johnson Memorial Medical Center

c: Patrick Mahon, Chairman of the Board
Nicholas Harding, Esq., Reid & Riege, P.C.
Eric Henzy, Esq., Reid & Riege, P.C.
Kevin Sullivan, Director

Town of Stafford
Connecticut
Office of Selectmen
1 Main Street
Warren Memorial Town Hall
Stafford Springs, CT 06076-1208
*Telephone (860) 684-1777 * Fax (860) 684-1785*

Richard Shuck
Deidriene Knowlton
Neil A. Hoss
Board of Selectmen

RECEIVED
JAN 23 2015
By

January 22, 2015

Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

Re: Letter of Interest in Utility Expansion Project

Dear JMMC:

This letter confirms your interest to participate in the Town's comprehensive utility expansion project. The opportunity to improve our infrastructure has been afforded by the Governor's vision to deliver low cost natural gas to consumers, also expanding water and sewer service simultaneously where appropriate. The Town is leading the effort to coordinate the construction of the three utilities concurrently so these savings of lower unit costs and overlapping non-essential expenses can be passed directly on to you. If approved, you will have the benefit of being served by one or more of these utilities.

As you know, the Town of Stafford and the State are negotiating with Yankee Gas a new methodology in delivering needed infrastructure to end users like yourself at the lowest possible cost. In addition to Yankee Gas, the Connecticut Water Company and Stafford's Water Pollution Control Authority (collectively, the "Utility Companies") are collaborating with the Town to deliver service at the least cost to the consumer. This collaborative initiative allows the Town to make the following commitments as the lead entity in managing and controlling the costs of the project.

1. Comprehensive design, regulatory permitting and coordination of all three utilities.
2. Construction administration and oversight.
3. Finance - both short term construction financing and long term bonding. (20 yr. term)
4. Collection of special revenue assessments from consumers to service the debt.

The appropriation and bond authorization will require approval by various Town boards and commissions, and by the voters of the Town at a Special Town Meeting or Referendum vote.

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42U.S.C. Section 2000d).

We are now at a critical milestone and, before we can continue with the project, the Town will require assurances from the key, primary "Anchor Customers" as our next step in the process. Thus, the Town is seeking your commitment as a willing, voluntary participant in the project by acknowledging that you fully understand how the plan works and the obligations that come with it, ~~including the contribution described below~~. The Town has identified the following businesses as the Anchor Customers.

1. 3 M Corporation
2. Johnson Memorial Medical Center
3. TTM Corporation
4. American Woolen Corporation
5. Big-Y Corporation

Your individual contribution has been calculated and reviewed with you independent of this letter. To summarize, the contribution was based on your percentage of the total estimated gas "Portfolio Load" consumed by the five Anchor Customers and the Town as calculated at this time. The contribution also includes additional assessments for extension of the sewer and water utilities for those businesses having special need for these services.

Your voluntary commitment will require a Letter of Intent to be signed and returned to the Town by January 28, 2015, which will commit you to the following terms:

1. ~~A deposit representing 2% of your estimated project contribution will be made payable to the Town of Stafford. This equates to $121,620 based on a total estimated project cost contribution of $6,080,870. The deposit will be held in escrow to be used for all or part of the first long-term bond payment once approved by a Special Town Meeting or Bond Referendum. This first payment will be due after your utility service(s) are operational to your site.~~

2. ~~During the pre-bond period, the Town will have the right to use the deposit to pay~~ for professional and consultant costs it incurs in bringing the project through the Town approval process. ~~Costs that may be incurred are those necessary to prepare for the long term bonding vote by the Town, preliminary design, borings, survey costs and other necessary incidentals required for regulatory approvals and permitting. During the pre-bond approval period, we will advise you monthly of expenses and obligations we are incurring on your behalf. Your share of any expense will be equal to your percentage of the total project contribution of the Anchor Customers and the Town. The maximum out-of-pocket risk dollars to you is 50% of your contribution. Prior written authorization shall be required by the Town from you to spend more than 50% under terms approved by both parties at that time. Should the Town reject the project and fail to fund it, we will return any unused portion of your deposit.~~

3. The Town will enter into a "Developer's Utility Agreement" with you, executable within 30 days of the approval by the Town, for both the short term and long term project financing.

Both parties acknowledge that this letter is not intended as, and does not constitute, a binding agreement for the Town or the Utility Companies to provide any services to you, or for you to enter into a service agreement with any of these Utility Companies. This letter is only intended to confirm your desire to utilize these services should they be built. ~~Your deposit constitutes tangible proof of your commitment to this project and the commitment of each of the other Anchor Customers.~~

If you agree to the terms described in this letter, please sign and return one copy of this letter to me, ~~together with your check made payable to "Town of Stafford." The check will be held in escrow for use as described in paragraph one (1) and two (2) above.~~ Thank you, and we look forward to working with you and all interested parties to make this important project a reality.

Very truly yours,

By: _____
Name: Richard Shuck
Title: First Selectman

ACCEPTED AND AGREED AS AMENDED
As of the date first written above.

Johnson Memorial Medical Center

By: _____
Name: Stuart E. Rosenberg
Title: President/CEO

Connecticut Department of
ENERGY &
ENVIRONMENTAL
PROTECTION

79 Elm Street • Hartford, CT 06106-5127 www.ct.gov/deep Affirmative Action/Equal Opportunity Employer

APPROVAL

March 19, 2015

Stuart E. Rosenberg, President and CEO
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

Re: Johnson Memorial Hospital
DEEP Consent Order No. WC 5506
Town of Stafford

Dear Mr. Rosenberg:

This is in response to your letter dated December 4, 2014 requesting an extension to the December 31, 2014 compliance deadline for Johnson Memorial Hospital to connect to the Town of Stafford municipal sanitary sewer pursuant to paragraph B.1.b.(2) of CT DEEP ("Department") Consent Order No. WC 5506. You indicate in your letter that Johnson Memorial Hospital is working with the Town of Stafford, Yankee Gas, CT Water and others to bring water, gas and sewer service into your area. The Department is very supportive of this effort as it will enable the Hospital to obtain substantial energy cost savings while, at the same time, meet its long term sewage disposal needs and achieve compliance with the requirements of Consent Order No. WC 5506.

It is the Department's understanding that the Town of Stafford will need to pursue local funding in support of the economic development project and is reliant upon, in particular, the Hospital to provide necessary commitments for repayment of its share of the estimated project costs. Further, the broader project cannot proceed until the necessary funding is arranged--preferably over the next several months. While your letter specifically requests a two year extension of the Consent Order compliance schedule, the Department believes that a shorter extension of the Consent Order is appropriate at this time in order to allow for necessary funding arrangements to be made. Once funding and repayment commitments are adequately secured, the broader project will be able to proceed and the associated construction phases and timeframes will become apparent.

Therefore, upon careful consideration of your request, please be advised that the Department hereby grants an extension of the compliance deadline in paragraph B.1.b.(2) of Consent Order No. WC 5506 to July 31, 2015 subject to the following conditions:

Johnson Memorial Hospital shall continue good faith efforts to work in coordination with the Town of Stafford and the Stafford Water Pollution Control Authority to secure necessary funding for the broader construction project and formulate a work plan and schedule for the hospital's sewer connection. Johnson Memorial Hospital shall perform all appropriate actions, including but not limited to:

1. Fully execute a letter of intent with the Town of Stafford, including payment of the required commitment fee, to enable the Town to proceed with a referendum to authorize the necessary

Re: Johnson Memorial Hospital
Consent Order WC 5506—Approval to Extend Compliance Deadline

bonding for the broader project,

2. Fully execute a developer agreement with the Town of Stafford for repayment of the Hospital's share of the broader project costs,

3. Submit monthly progress reports in accordance with paragraph B.2 of Consent Order No. WC 5506 describing progress with the timely completion of such actions, and

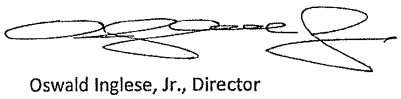
4. On or before July 31, 2015, submit a work plan and schedule describing the remaining actions necessary by Johnson Memorial Hospital in furtherance of the broader economic development project and to comply with Consent Order No. WC 5506.

If the actions approved herein do not result in the prevention and abatement of soil, surface water and groundwater pollution to the satisfaction of the Commissioner of Energy and Environmental Protection, additional remedial action and measures for monitoring the effectiveness of those actions shall be performed in accordance with a supplemental plan and schedule approved by the Commissioner. Unless otherwise specified in writing by the Commissioner, the supplemental plan and schedule shall be submitted to the Commissioner for his review and written approval on or before thirty days after notice they are required.

This approval does not relieve you of the obligation to obtain any other authorizations as may be required by Federal, State or Local laws or regulations.

If you have any questions regarding this matter, please contact Michael Hart at (860) 424-3819.

Sincerely,



Oswald Inglese, Jr., Director
Water Permitting and Enforcement Division
Bureau of Materials Management and
Compliance Assurance

YB:mjh

cc: Richard Shuck, First Selectman—Town of Stafford
North Central District Health Department
Summary of Actions

Town of Stafford

Connecticut

Office of Selectmen
1 Main Street
Warren Memorial Town Hall
Stafford Springs, CT 06076-1208
*Telephone (860) 684-1777 * Fax (860) 684-1785*

Richard Shuck
Deidriene Knowlton
Neil A. Hoss
Board of Selectmen

July 23, 2015

Mr. Stuart E. Rosenberg
President / CEO
Johnson Memorial Medical Center
201 Chestnut Hill Road
Stafford Springs, CT 06076

Dear Mr. Rosenberg:

I want to thank you again for meeting with me and other town representatives to update you on the Town's progress with the *Utility Expansion / Economic Development Initiative* to provide gas, water and sanitary sewers to numerous sites in Stafford. This project, as we both understand, is **VITAL** to the future of Johnson Memorial Medical Center (JMMC) and its 1,100 employees. This activity is the #1 goal for the Town, which would also satisfy the CT Department of Energy and Environmental Protection's (CTDEEP) current consent decree related to your wastewater issues.

Extension of gas pipelines to allow businesses, such as JMMC, and residents expanded access to natural gas. It is also consistent with the recommendations of the Governor's Energy Policy. The lynchpin to offset the construction cost of sewer and water to JMMC is the saving derived from using this domestically produced fuel. These savings help offset the capital investment necessary to extend the sewer and water to your facility. By grouping these utilities into a single project we are leveraging our combined strengths to create a synergistic result.

I have prepared for you a briefing paper titled "Stafford – Past, Present & Future". It includes a project area map outlining the economic development needs that defines our entire capital program. The paper further summarizes the estimated Total project Expense, how it will be paid for and allocated across various stakeholders. We cannot emphasize enough the importance of moving this project forward to save the hospital and its 1,100 jobs; along with aiding local businesses, and offer an improved infrastructure system, which will allow local business and residence alike to reduce energy costs that will positively improve the environment, as well as permit economic expansion, increase property values and create jobs.

In order for this economic development/job saving initiative to reach its desired capacity, the town needs a full commitment from JMMC. The Town is prepared to secure a bond for the project to the sum of $28 +/- million dollars. We are requiring a commitment from JMMC for $6 million for its share, which is needed before we can go to the taxpayers thru a referendum or Town meeting to approve the bond request. The tentative time frame for providing JMMC with gas, water and sewer services upon approval from the taxpayers and authorization for our Consultants to proceed, is as follows:

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42U.S.C. Section 2000d).

- Design & Permitting: Months 0-6
- Bid/Contract Award: Months 7-9
- Construction/Commissioning: Months 10-24

We are prepared to negotiate any reasonable set of terms to assist you. Our concept proposes that the Town will bond your obligation over a period of years up to 20 years at the market rate at the time of closing. Currently we are estimating that a $6 million investment at 3% a year for 20 years. This would translate to a yearly payment from JMMH as a tax or benefit assessment of approximately $400,000. Based in the information you shared with us we estimate that JMMC will net an annual energy cost savings of approximately $460,000 by converting to natural gas. This does not include the savings realized by closing the waste water treatment facility and domestic water production. As previously stated, once the Town has a formal commitment from JMMC we will proceed to obtaining necessary approvals from the tax payers. Simultaneously to obtaining such approvals, construction agreements have to be negotiated and finalized with all the anchor users including JMMC. This should be done as soon as possible.

The Town is aggressively pursuing what we are referring to as phase 1 of the project on RT.190 between Middle River Drive and the intersection of RT.319.It will include the Stafford Housing Authority Woodland Springs project. There is a town meeting scheduled for Wednesday July 23, 1015 where we are seeking approval to appropriate $1,910,000 to complete this phase.

In closing, this project is mutually beneficial to both JMMC and the Town, and trust we have addressed your questions and most immediate needs of the CTDEEP consent order. However, before we can initiate a bond request, the Town will need a firm commitment from JMMC, understanding that you will need authorization form your Board of Directors. Since time is of the essence, we trust this can happen sooner rather than later and I will cooperate in any way I can to assist you to expedite this decision.

We are here to help. But I cannot emphasize enough that without your commitment there is no project. That is an alternative I am unwilling to accept, because JMMC is vitally important to the Town and the region.

Again, thanks for meeting with us and I trust we will hear from you soon on the decision of your board.

Sincerely,

Richard Shuck
First Selectman

C: Bettye Jo Pakulis, Office of Lt. Governor
Honorable Anthony Guglieimo
Honorable Kurt Vail

Utility Expansion / Economic Development Initiative
Stafford, Connecticut
The Past – The Present – The Future

The Town of Stafford and several businesses from the targeted investment area as defined by the State of Connecticut Economic Development Strategy – Spring 2014 including Health Care, Advanced Manufacturing, Tourism and Green Technologies are in need of implementing a local strategy – per the State Plan. A comprehensive economic development strategy looks at the state as an integrated sum of the parts – Housing; Workforce Development; Infrastructure; Business Growth; Energy use; Health and Safety – with each segment interdependent on the strength of the rest. Economic development strategies must address all aspects of the economy in order to create the most gain and a comprehensive energy strategy that's "at its heart". The heart of the strategy is a series of policy proposals aimed at creating cleaner, cheaper and more reliable energy sources for the state.

The Town and the business community believe we have a plan that is "still revolutionary." The following background lead up to our plan and our request for financial partnership of the private sector – the Town – the State of Connecticut.

The Past:

Stafford is the quintessential New England manufacturing town. Built with dams and water power, it has long been a place where things are made by skilled hands. During the revolution, Washington's cannons fired rounds made here. Lincoln's war department ordered uniforms for the union army from our textile mills. No one told us to stop working; and we haven't. 150 years later our mills still produce world class cashmere cloth. Instead of cannon balls we make printed circuit boards for every flying, floating or fighting military device. Our filter maker two years ago imported jobs from France because we have a better work force. We make fishing rods that are coveted by sports fishermen around the world. We make specialty high tech bearings that others try to imitate but cannot replicate.

So it was easy for us to recognize the tremendous opportunity the Governor's Energy plan meant to our town if we had access to natural gas. The reduced cost of energy to our business and municipal facilities is staggering. With the cooperation of: American Woolen, TTM Technologies, 3M Purification, Johnson Memorial Medical Center (JMMC) and Big Y Foods we collected fuel consumption data and combined it with statistics on our own buildings and facilities. Using the Energy Strategy's fuel assumptions and no change in equipment efficiency we calculated that the new savings to last year's fuel cost would have been three million dollars.

The businesses noted above employ over two thousand people, most of whom live in Stafford and surrounding communities. Lowering the operating expenses by hundreds of thousands of dollars is a game changing event. A stable, steady workforce is the

bedrock on which an economic community thrives. Dry cleaners, grocers, and diners are the force multipliers of strong, globally competitive employers.

The Present:

Connecticut and Stafford need to maintain our competitive economic edge in our region, in our state -nationally and worldwide.

Today we have some urgent needs that will require good old Yankee ingenuity, commitment from a unified consolidation to SAVE JOBS, improve our environmental condition, and enhance the quality of life of our community and the region – Connecticut's Plan for Smart Growth and a strong economy.

Stafford has a major employer and a leader in providing for the regional health care needs which is JMMC. With 1,000+ jobs at stake unless a strategic plan is embraced by **all** (the town, the State of Connecticut agencies – DEEP, DOT, DECD and public utilities) and to foster and implement a concept to save Johnson Memorial Hospital. Plus, aid other businesses within the community.

We need to expand our overall public/private utilities to aid Johnson Memorial and other businesses. Searching for ways to expand, i.e. TTM a defense based contractor, American Woolen, a manufacturer of fabrics, 3M a high tech manufacturer of filters/purification materials and on the commerce side Big Y Foods. These are just the main parties in need. There are other secondary beneficiaries which are too numerous to identify.

The Future:

We have a plan and it will work with collaborative energy by ALL.

What is needed now are several major capital public improvement activities using both the public and private sector resources.

Stafford covers 59 square miles and is located in the 2nd Congressional District. Stafford's current work force:

Labor Force	Employed	Unemployed	Percent
6,881	6,443	448	6.5%

Stafford's unemployed rate of 6.5% exceeds the latest Connecticut Labor Department statistics for Connecticut which is 5.8% and the US Unemployment rate at 5.1%.

Outlined below is Stafford's Comprehensive Economic Development Strategy to ensure several things:

- Save jobs – short and long term
- Save a major regional health care provider
- Assist local manufacturers with expansion
- Reduce energy costs
- Create construction jobs
- Improve the environment

Johnson Memorial Medical Center is in ever increasing need to abandon its onsite sewage treatment system or significantly improve it. It has been focused by a recent consent order from DEEP to fix the problem. Procrastination is no longer an option. If we don't connected the Hospital we will lose it. Without JMMC the quality of health care of this area is reduced because travel distance will increase by up to 30 miles while we lose the 3 shifts/1,000 jobs it supports.

If the sewer line to the hospital is an imperative, then logic dictates that we can install multiple utilities in the same construction process. In this case, we wish to install fiber optic conduit, water and gas mains as well. As much as 1/3 of that unit cost is the repair of the road bed and surface. By combining the four utilities into a global expansion, Stafford should be able to save ½ of the installation cost.

The Town has identified thirty commercial, industrial or municipal buildings along a specific route that would benefit from Natural Gas (NG). Others are sure to follow once the line is constructed. Eversource (Formerly Yankee Gas) is prepared to act now on their construction plan, which includes a financial commitment of $6.6 million. We have estimated 21 miles of new gas pipeline from the connection point in Enfield to our farthest outpost in Stafford. Seventeen of those miles are in Stafford; the other 8 miles start in Enfield and run through Somers along Ct Route 190. Each have commercial and municipal users that will benefit by the lower cost energy option and sure to add to the secondary user contributions.

A new subsidized housing project has begun. Its location, behind the Big Y plaza, places it directly in the path of these expanding utilities. If, however, NG was available, it would help them lower operating expense for this low income facility.

TTM have told us that if water, sewer and gas were available at the industrial park, they would expand their capacity by building a new facility with a central combined heat and power, and add 50 more manufacturing positions. This is on top of the 600 people they currently employee at two other sites around town.

The largest single beneficiary of the gas expansion would be our 3M facility just south of Town Hall. Over the last four years they have purchased on average 950,000 gallons of propane. Their use of this fuel represents 42% of the Town's total volume. Had NG been an option for 3M they would have saved approximately $750,000 in energy cost in one year. The community would have saved in excess of $3 million. It must be pointed out that three years ago, 3M initiated an additional work shift. The total workforce today is 200 jobs.

Our Economic Development Strategy is to provide natural gas systems to all of our businesses noted above requiring construction of 21+\- miles of gas main at a cost of $20,600,000. Refer to Attachment 'A' for the Conceptual Utility Routing Plan.

The gas line installation will integrate an extension to the municipal sewer service system, at a significantly lower cost than if constructed as a standalone project, which will include gravity sewers, pump stations and force main construction, encompassing 5.2+\- miles at a cost of $5,800,000.

The combined utility program will further integrate an extension to the existing water distribution system to serve nearly the entire project area, also at a lower construction cost with the integration of utilities, encompassing 6.6 +\- miles at a cost of $4,100,000.

Lastly, the proposed downtown utility upgrade will include – telephone – cable – electric – fiber optics connection, revolutionized as the "Nutmeg Network". This will include the expansion of the Nutmeg fiber optic network-Connecticut Educational Network (CEN) within all properties in downtown village district to upgrade to 100 GB capability including underground of all other utilities at the same time to reduce cost, improve the environment and protect public safety. Cost $3,500,000.

Our request to DECD is to assist the Town with financial support using the MAA program to reduce Town cost/share by a loan/grant that can be phased over a period of time. The project as shown on the Implementation Schedule indicates a phased construction plan to spread the financing over time.

The immediate infrastructure needs are gas, water and sewer to save the JMH, which has direct benefit to businesses in the construction action area.

We are prepared to further discuss in greater detail the Stafford: Past – Present – Future Strategy.

This project will have a major impact on the Town – the Region – the State.

Project Expense Summary:

Total Cost	***$40,000,000***
Expense Distribution:	
Gas	$20,600,000
Water	$ 4,100,000
Sewer	$ 5,800,000
Fiber Optics	$ 3,500,000
Soft Cost	$ 4,400,000
Contingency	$ 1,600,000

Investment Contributions:

Yankee Gas	$ 6,600,000	
CT DOT/Paving	$ 4,700,000	
Subtotal	$11,300,000	
Town Share*	$ 8,000,000	
Secondary User	$ 700,000	
Total		***$20,000,000***

Business Contribution (Phased):

JMMC	$ 6,000,000	
TTM	$ 5,800,000	
Big Y	$ 900,000	
American Woolen	$ 1,200,000	
MR Drive	$ 200,000	
3M Corp	$ 5,900,000	
Total		***$20,000,000***
Grand Total		***$40,000,000***

*Town will bond for $28,000,000. This includes the business contribution share, which they will contribute over time.

Town will request DECD – MAA request ½ of Town Share - $4,000,000

DECD MAA 50% of town share of $8,000,000 = $4,000,000 at 0 interest, principal only 20 years.

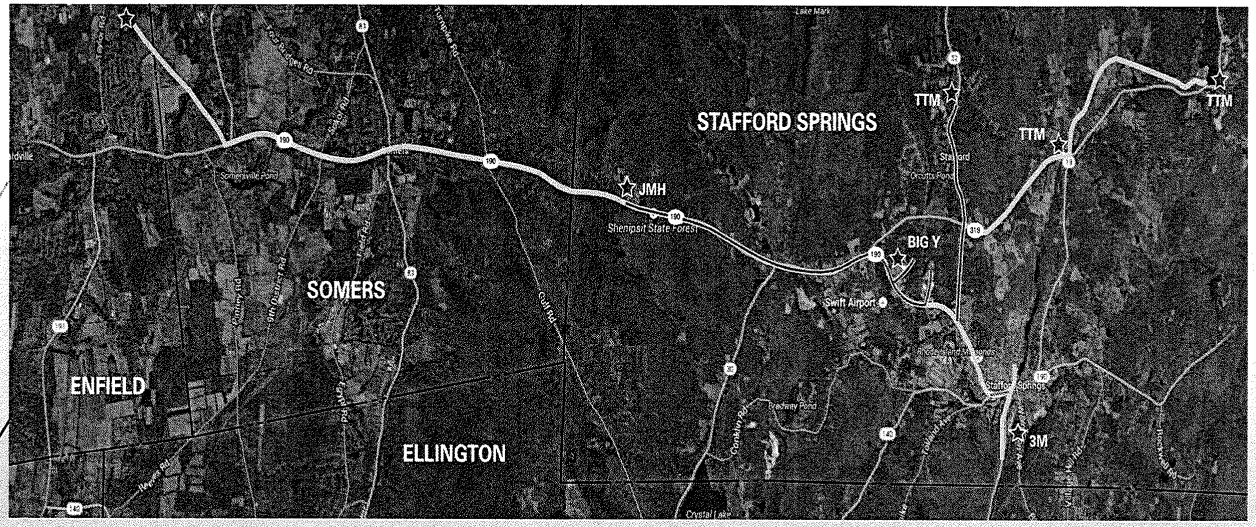
The Combined Utility Extension and Redevelopment Plan is estimated at $40,000,000 as shown in Attachment 'B'.

Cost Allocation Plan for the $40,000,000 is as follows:

YG Contribution	$ 6,600,000	17%
CTDOT Contribution	$ 4,700,000	12%
JMMC	$ 6,000,000	15%
TTM	$ 5,800,000	14%
3M Corp	$ 5,900,000	15%
Big Y	$ 900,000	2%
M.R. Drive	$ 200,000	<1%
American Woolen	$ 1,200,000	3%
Secondary User	$ 700,000	2%
Town Share	$ 8,000,000	20%
Town Bond Amount	***$28,000,000***	

Conceptual Utility Routing Plan

Attachment 'A'



LEGEND

- GAS EXPANSION
- SEWER, WATER AND GAS EXPANSION
- WATER AND GAS EXPANSION
- UNDERGROUND UTILITY AND GAS EXPANSION

Utility Expansion/Economic Development Initiative

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DYMAR

Opinion of Total Estimated Project Costs

Attachment 'B'

UTILITY EXPANSION/ECONOMIC DEVELOPMENT INITIATIVE

Town of Stafford

Issued July 20, 2015

Item Description	Unit	Unit $	Quantity	Value
Construction Costs				
Solo Gas	mile	1,000,000	20.6	$20,600,000
Gravity Sewer	mile	520,000	5.2	$2,704,000
Sewer Pump Stations	Each	510,000	4	$2,040,000
Sewer Force Main	mile	660,000	1.6	$1,056,000
Water Distribution	mile	520,000	6.6	$3,432,000
Water Booster Station (Domestic Supply)	Each	668,000	1	$668,000
Town Center Underground Elec./Tel.	Allowance	3,500,000	1	$3,500,000
Subtotal				**$34,000,000**
Soft Costs				
Planning, Design and Permitting	Allowance	2,200,000	1	$2,200,000
Legal/Bonding/PM	Allowance	500,000	1	$500,000
Construction Administration	Allowance	1,400,000	1	$1,400,000
Subtotal				**$4,100,000**
Other				
Land Aquisition/Easements	Allowance	300,000	1	300,000
Contingency (Sewer, Water, & Underground)	% of Const.	10.00%	1	1,600,000
Subtotal				**$1,900,000**
Total Estimated Project Costs				**$40,000,000**
Say				***$40,000,000***

Welcome to... STAFFORD 1719

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DYMAR

EXHIBIT 36

Applicant: Saint Francis Care, Inc. including JMMC (without Johnson Evergreen corporation) — NON-PROFIT

Financial Worksheet (A)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual Results	(2) FY 2015 Projected W/out CON	(3) FY 2015 Projected Incremental	(4) FY 2015 Projected With CON	(5) FY 2016 Projected W/out CON	(6) FY 2016 Projected Incremental	(7) FY 2016 Projected With CON	(8) FY 2017 Projected W/out CON	(9) FY 2017 Projected Incremental	(10) FY 2017 Projected With CON	(11) FY 2018 Projected W/out CON	(12) FY 2018 Projected Incremental	(13) FY 2018 Projected With CON
	Description													
A.	**OPERATING REVENUE**													
1	Total Gross Patient Revenue	$ 2,287,500	$ 2,442,757	$ -	$ 2,442,757	$ 2,613,750	$ 189,108	$ 2,802,858	$ 2,796,713	$ 191,774	$ 2,988,487	$ 2,992,483	$ 194,522	$ 3,187,005
2	Less: Allowances	1,472,725	1,619,505	-	1,619,505	1,769,167	107,527	1,876,694	1,929,350	108,300	2,037,650	2,103,369	109,622	2,212,991
3	Less: Charity Care	19,154	19,537	-	19,537	19,928	318	20,246	20,327	323	20,650	20,734	328	21,062
4	Less: Other Deductions	12,293	18,895	-	18,895	21,055	1,027	22,082	21,055	1,027	22,082	21,055	1,027	22,082
	Net Patient Service Revenue	**$ 783,328**	**$ 784,820**	**$ -**	**$ 784,820**	**$ 803,600**	**$ 80,236**	**$ 883,836**	**$ 825,981**	**$ 82,124**	**$ 908,105**	**$847,325**	**$ 83,545**	**$930,870**
5	Medicare	309,301	297,936	-	297,936	309,049	28,579	337,628	312,752	29,003	341,755	320,169	29,439	349,608
6	Medicaid	105,322	93,503	-	93,503	98,187	9,576	107,763	96,868	9,721	106,589	97,254	9,869	107,123
7	CHAMPUS & TriCare	335	687	-	687	978	492	1,470	1,082	499	1,581	1,112	506	1,618
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	**$414,958**	**$392,126**	**$0**	**$392,126**	**$408,214**	**$38,647**	**$446,861**	**$410,702**	**$39,223**	**$449,925**	**$418,535**	**$39,814**	**$458,349**
9	Commercial Insurers	348,451	372,625	-	372,625	377,191	37,457	414,648	397,391	38,711	436,102	410,757	39,481	450,238
10	Uninsured	8,806	9,716	-	9,716	8,502	2,426	10,928	8,290	2,460	10,750	8,129	2,495	10,624
11	Self Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Workers Compensation	11,113	10,353	-	10,353	9,693	1,706	11,399	9,598	1,730	11,328	9,904	1,755	11,659
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	**$ 368,370**	**$ 392,694**	**$ -**	**$ 392,694**	**$ 395,386**	**$ 41,589**	**$ 436,975**	**$ 415,279**	**$ 42,901**	**$ 458,180**	**$428,790**	**$ 43,731**	**$472,521**
	Net Patient Service Revenue[a] (Government+Non-Government)	**$ 783,328**	**$ 784,820**	**$ -**	**$ 784,820**	**$ 803,600**	**$ 80,236**	**$ 883,836**	**$ 825,981**	**$ 82,124**	**$ 908,105**	**$847,325**	**$ 83,545**	**$930,870**
14	Less: Provision for Bad Debts	26,547	23,635	-	**23,635**	24,914	3,626	**28,540**	24,220	3,710	**27,930**	$22,817	3,773	**$26,590**
	Net Patient Service Revenue less provision for bad debts	**$ 756,781**	**$ 761,185**	**$ -**	**$ 761,185**	**$ 778,686**	**$ 76,610**	**$ 855,296**	**$ 801,761**	**$ 78,414**	**$ 880,175**	**$824,508**	**$ 79,772**	**$904,280**
15	Other Operating Revenue	38,797	42,255	-	**42,255**	40,896	1,566	**42,462**	41,714	1,573	**43,287**	42,632	1,581	**44,213**
17	Net Assets Released from Restrictions	9,644	9,829	-	**9,829**	9,513	-	**9,513**	9,703	-	**9,703**	9,917	-	**9,917**
	TOTAL OPERATING REVENUE	**$805,222**	**$813,269**	**$0**	**$813,269**	**$829,095**	**$78,176**	**$907,271**	**$853,178**	**$79,987**	**$933,165**	**$877,057**	**$81,353**	**$958,410**
B.	**OPERATING EXPENSES**													
1	Salaries and Wages	$ 363,599	$ 374,848	$ -	$ 374,848	$ 384,772	$ 30,903	$ 415,675	$ 396,501	$ 31,522	$ 428,023	$ 405,935	$ 32,248	$ 438,183
2	Fringe Benefits	86,707	91,530	-	91,530	95,201	8,009	103,210	97,757	8,156	105,913	100,722	8,327	109,049
3	Physicians Fees	23,716	23,535	-	23,535	24,197	4,558	28,755	24,726	4,646	29,372	25,352	4,736	30,088
4	Supplies and Drugs	123,408	121,246	-	121,246	122,974	10,859	133,833	125,387	11,069	136,456	128,259	11,285	139,544
5	Depreciation and Amortization	38,308	39,412	-	39,412	41,100	2,221	43,321	43,359	2,456	45,815	45,632	2,604	48,236
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-		-	-
7	Interest Expense	11,620	11,142	-	11,142	10,722	452	11,174	10,427	391	10,818	10,140	329	10,469
8	Malpractice Insurance Cost	11,159	15,217	-	15,217	15,511	1,335	16,846	15,816	1,360	17,176	16,178	1,388	17,566
9	Lease Expense	6,139	8,380	-	8,380	8,464	1,527	9,991	8,549	1,556	10,105	8,634	1,587	10,221
10	Other Operating Expenses	129,043	116,287	-	116,287	116,332	15,577	131,909	118,089	15,877	133,966	120,255	16,188	136,443
	TOTAL OPERATING EXPENSES	**$ 793,699**	**$ 801,597**	**$ -**	**$ 801,597**	**$ 819,273**	**$ 75,441**	**$ 894,714**	**$ 840,611**	**$ 77,033**	**$ 917,644**	**$861,107**	**$ 78,692**	**$939,799**
	INCOME/(LOSS) FROM OPERATIONS	**$ 11,523**	**$ 11,672**	**$ -**	**$ 11,672**	**$ 9,822**	**$ 2,735**	**$ 12,557**	**$ 12,567**	**$ 2,954**	**$ 15,521**	**$15,950**	**$ 2,661**	**$18,611**
	NON-OPERATING REVENUE	**1,201**	**(7,444)**	**-**	**(7,444)**	**-**	**311**	**311**	**-**	**209**	**209**	**$0**	**$132**	**$132**
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	**$ 12,724**	**$ 4,228**	**$ -**	**$ 4,228**	**$ 9,822**	**$ 3,046**	**$ 12,868**	**$ 12,567**	**$ 3,163**	**$ 15,730**	**$15,950**	**$ 2,793**	**$18,743**
	Principal Payments	**$8,819**	**$8,760**	$0	**$8,760**	**$6,951**	$1,339	**$8,290**	**$5,226**	$1,353	**$6,579**	**$3,913**	$1,353	**$5,266**
C.	**PROFITABILITY SUMMARY**													
1	Hospital Operating Margin	**1.4%**	**1.4%**	**0.0%**	**1.4%**	**1.2%**	**3.5%**	**1.4%**	**1.5%**	**3.7%**	**1.7%**	**1.8%**	**3.3%**	**1.9%**
2	Hospital Non Operating Margin	**0.1%**	**-0.9%**	**0.0%**	**-0.9%**	**0.0%**	**0.4%**	**0.0%**	**0.0%**	**0.3%**	**0.0%**	**0.0%**	**0.2%**	**0.0%**
3	Hospital Total Margin	**1.6%**	**0.5%**	**0.0%**	**0.5%**	**1.2%**	**3.9%**	**1.4%**	**1.5%**	**3.9%**	**1.7%**	**1.8%**	**3.4%**	**2.0%**
D.	**FTEs**	**4,698.9**	**4,744.4**	**0.0**	**4,744.4**	**4,768.1**	**507.4**	**5,275.5**	**4,791.9**	**509.5**	**5,301.4**	**4,815.9**	**511.7**	**5,327.6**

Applicant: **Saint Francis Care, Inc. including JMMC (without Johnson Evergreen corporation)** **NON-PROFIT**

Financial Worksheet (A) Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual	(2) FY 2015 Projected	(3) FY 2015 Projected	(4) FY 2015 Projected	(5) FY 2016 Projected	(6) FY 2016 Projected	(7) FY 2016 Projected	(8) FY 2017 Projected	(9) FY 2017 Projected	(10) FY 2017 Projected	(11) FY 2018 Projected	(12) FY 2018 Projected	(13) FY 2018 Projected
	Description	Results	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON
E.	**VOLUME STATISTICS[c]**													
1	Inpatient Discharges	31,895	32,212	-	**32,212**	32,328	3,001	**35,329**	32,316	2,928	**35,244**	32,408	2,854	**35,262**
2	Outpatient Visits	1,086,253	1,092,426	-	**1,092,426**	1,113,476	144,601	**1,258,077**	1,134,948	147,518	**1,282,466**	1,156,849	150,516	**1,307,365**
	TOTAL VOLUME	**1,118,148**	**1,124,638**	**0**	**1,124,638**	**1,145,804**	**147,602**	**1,293,406**	**1,167,264**	**150,446**	**1,317,710**	**1,189,257**	**153,370**	**1,342,627**

[a]Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.
[b]Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.
[c]Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Applicant: Johnson Memorial Medical Center (excluding Johnson Evergreen Corporation) **NON-PROFIT**

Financial Worksheet (A)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
LINE	Total Entity:	FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2018	FY 2018	FY 2018
		Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Description	Results	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON
A.	**OPERATING REVENUE**													
1	Total Gross Patient Revenue	184,183	$ 188,103	$ -	$ 188,103	$ 181,697	$ 7,411	$ 189,108	$ 182,900	$ 8,874	$ 191,774	$ 184,115	$ 10,407	$ 194,522
2	Less: Allowances	106,049	109,854		109,854	104,306	3,221	107,527	104,724	3,576	108,300	105,149	4,473	109,622
3	Less: Charity Care	387	317		317	306	12	318	308	15	323	310	18	328
4	Less: Other Deductions	(2,280)	(183)		(183)	1,027	-	1,027	1,027	-	1,027	1,027	-	1,027
	Net Patient Service Revenue	**$ 80,027**	**$ 78,115**	**$ -**	**$ 78,115**	**$ 76,058**	**$ 4,178**	**$ 80,236**	**$ 76,841**	**$ 5,283**	**$ 82,124**	**$77,629**	**$5,916**	**$83,545**
5	Medicare	29,789	28,708	-	28,708	27,258	1,321	28,579	27,459	1,544	29,003	27,662	1,777	29,439
6	Medicaid	13,281	9,907	-	9,907	9,122	454	9,576	9,191	530	9,721	9,261	608	9,869
7	CHAMPUS & TriCare	368	461	-	461	471	21	492	475	24	499	478	28	506
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	**$43,438**	**$39,076**	**$0**	**$39,076**	**$36,851**	**$1,796**	**$38,647**	**$37,125**	**$2,098**	**$39,223**	**$37,401**	**$2,413**	**$39,814**
9	Commercial Insurers	32,818	35,059	-	35,059	35,243	2,214	37,457	35,725	2,986	38,711	36,210	3,271	39,481
10	Uninsured	2,221	2,311		2,311	2,326	100	2,426	2,342	118	2,460	2,358	137	2,495
11	Self Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Workers Compensation	1,549	1,669	-	1,669	1,638	68	1,706	1,649	81	1,730	1,660	95	1,755
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	**$ 36,588**	**$ 39,039**	**$ -**	**$ 39,039**	**$ 39,207**	**$ 2,382**	**$ 41,589**	**$ 39,716**	**$ 3,185**	**$ 42,901**	**$40,228**	**$3,503**	**$43,731**
	Net Patient Service Revenue[a] (Government+Non-Government)	**$ 80,026**	**$ 78,115**	**$ -**	**$ 78,115**	**$ 76,058**	**$ 4,178**	**$ 80,236**	**$ 76,841**	**$ 5,283**	**$ 82,124**	**$77,629**	**$5,916**	**$83,545**
14	Less: Provision for Bad Debts	4,430	3,907	-	**3,907**	3,594	32	**3,626**	3,631	79	**3,710**	$3,668	$105	**$3,773**
	Net Patient Service Revenue less provision for bad debts	**$ 75,597**	**$ 74,208**	**$ -**	**$ 74,208**	**$ 72,464**	**$ 4,146**	**$ 76,610**	**$ 73,210**	**$ 5,204**	**$ 78,414**	**$73,961**	**$5,811**	**$79,772**
15	Other Operating Revenue	1,765	2,041	-	**2,041**	1,516	50	**1,566**	1,526	47	**1,573**	1,536	45	**1,581**
17	Net Assets Released from Restrictions	270	-	-	**-**	-	-	**-**	-	-	**-**	-	-	**-**
	TOTAL OPERATING REVENUE	**$77,632**	**$76,249**	**$0**	**$76,249**	**$73,980**	**$4,196**	**$78,176**	**$74,736**	**$5,251**	**$79,987**	**$75,497**	**$5,856**	**$81,353**
B.	**OPERATING EXPENSES**													
1	Salaries and Wages	$ 31,273	$ 30,123	$ -	$ 30,123	$ 31,432	$ (529)	$ 30,903	$ 32,817	$ (1,295)	$ 31,522	$ 33,332	$ (1,084)	$ 32,248
2	Fringe Benefits	7,729	7,125	-	7,125	8,434	(425)	8,009	8,762	(606)	8,156	8,884	(557)	8,327
3	Physicians Fees	2,600	4,958	-	4,958	4,506	52	4,558	4,610	36	4,646	4,716	20	4,736
4	Supplies and Drugs	11,671	11,815	-	11,815	10,736	123	10,859	10,984	85	11,069	11,238	47	11,285
5	Depreciation and Amortization	2,641	2,117	-	2,117	2,148	73	2,221	2,264	192	2,456	2,417	187	2,604
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Interest Expense	1,503	1,352	-	1,352	808	(356)	452	758	(367)	391	708	(379)	329
8	Malpractice Insurance Cost	1,360	1,452	-	1,452	1,320	15	1,335	1,350	10	1,360	1,382	6	1,388
9	Lease Expense	1,596	1,661	-	1,661	1,510	17	1,527	1,544	12	1,556	1,580	7	1,587
10	Other Operating Expenses	17,898	16,948	-	16,948	15,401	176	15,577	15,756	121	15,877	16,120	68	16,188
	TOTAL OPERATING EXPENSES	**$ 78,271**	**$ 77,551**	**$ -**	**$ 77,551**	**$ 76,295**	**$ (854)**	**$ 75,441**	**$ 78,845**	**$ (1,812)**	**$ 77,033**	**$80,377**	**($1,685)**	**$78,692**
	INCOME/(LOSS) FROM OPERATIONS	**$ (639)**	**$ (1,302)**	**$ -**	**$ (1,302)**	**$ (2,315)**	**$ 5,050**	**$ 2,735**	**$ (4,109)**	**$ 7,063**	**$ 2,954**	**($4,880)**	**$7,541**	**$2,661**
	NON-OPERATING REVENUE	384	283	-	**283**	172	139	**311**	-	209	**209**	-	132	**$132**
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	**$ (255)**	**$ (1,019)**	**$ -**	**$ (1,019)**	**$ (2,143)**	**$ 5,189**	**$ 3,046**	**$ (4,109)**	**$ 7,272**	**$ 3,163**	**($4,880)**	**$7,673**	**$2,793**
	Principal Payments	**$107**	**$239**	**$0**	**$239**	**$1,089**	**$250**	**$1,339**	**$1,089**	**$264**	**$1,353**	**$1,103**	**$250**	**$1,353**

Applicant: Johnson Memorial Medical Center (excluding Johnson Evergreen Corporation) NON-PROFIT

Financial Worksheet (A) Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
LINE	Total Entity:	FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2018	FY 2018	FY 2018
		Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Description	Results	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON
C.	**PROFITABILITY SUMMARY**													
1	Hospital Operating Margin	-0.8%	-1.7%	0.0%	-1.7%	-3.1%	116.5%	3.5%	-5.5%	129.4%	3.7%	-6.5%	125.9%	3.3%
2	Hospital Non Operating Margin	0.5%	0.4%	0.0%	0.4%	0.2%	3.2%	0.4%	0.0%	3.8%	0.3%	0.0%	2.2%	0.2%
3	Hospital Total Margin	-0.3%	-1.3%	0.0%	-1.3%	-2.9%	119.7%	3.9%	-5.5%	133.2%	3.9%	-6.5%	128.1%	3.4%
D.	**FTEs**	509.0	513.0	0.0	513.0	513.1	(5.7)	507.4	516.1	(6.6)	509.5	519.2	(7.5)	511.7
E.	**VOLUME STATISTICS**[c]													
1	Inpatient Discharges	3,191	3,158	0	**3,158**	2,775	226	**3,001**	2,775	153	**2,928**	2,775	79	**2,854**
2	Outpatient Visits	144,724	141,760	0	**141,760**	142,956	1,645	**144,601**	144,164	3,354	**147,518**	145,383	5,133	**150,516**
	TOTAL VOLUME	**147,915**	**144,918**	**0**	**144,918**	**145,731**	**1,871**	**147,602**	**146,939**	**3,507**	**150,446**	**148,158**	**5,212**	**153,370**

[a]Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.
[b]Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.
[c]Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Johnson Memorial Hospital (only) **NON-PROFIT**

Applicant:

Financial Worksheet (A)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual Results	(2) FY 2015 Projected W/out CON	(3) FY 2015 Projected Incremental	(4) FY 2015 Projected With CON	(5) FY 2016 Projected W/out CON	(6) FY 2016 Projected Incremental	(7) FY 2016 Projected With CON	(8) FY 2017 Projected W/out CON	(9) FY 2017 Projected Incremental	(10) FY 2017 Projected With CON	(11) FY 2018 Projected W/out CON	(12) FY 2018 Projected Incremental	(13) FY 2018 Projected With CON
	Description	**Results**	**W/out CON**	**Incremental**	**With CON**	**W/out CON**	**Incremental**	**With CON**	**W/out CON**	**Incremental**	**With CON**	**W/out CON**	**Incremental**	**With CON**
A.	**OPERATING REVENUE**													
1	Total Gross Patient Revenue	170,601	$ 176,604	$ -	$ 176,604	$ 170,140	$ 7,411	$ 177,551	$ 171,284	$ 8,874	$ 180,158	$ 172,439	$ 10,407	$ 182,846
2	Less: Allowances	101,725	106,553		106,553	101,441	3,220	104,661	101,937	3,575	105,512	102,282	4,472	106,754
3	Less: Charity Care	387	317		317	305	13	318	307	16	323	310	19	329
4	Less: Other Deductions	(2,280)	(183)		(183)	1,027	-	1,027	1,027	-	1,027	1,027	-	1,027
	Net Patient Service Revenue	**$ 70,769**	**$ 69,917**	**$ -**	**$ 69,917**	**$ 67,367**	**$ 4,178**	**$ 71,545**	**$ 68,013**	**$ 5,283**	**$ 73,296**	**$68,820**	**$5,916**	**$74,736**
5	Medicare	24,671	23,808	-	23,808	22,166	1,269	23,435	22,332	1,481	23,813	22,500	1,703	24,203
6	Medicaid	11,918	9,182	-	9,182	8,273	476	8,749	8,336	556	8,892	8,399	639	9,038
7	CHAMPUS & TriCare	339	439	-	439	444	22	466	447	26	473	450	30	480
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	**$36,928**	**$33,429**	**$0**	**$33,429**	**$30,883**	**$1,767**	**$32,650**	**$31,115**	**$2,063**	**$33,178**	**$31,349**	**$2,372**	**$33,721**
9	Commercial Insurers	30,449	32,872	-	32,872	32,897	2,243	35,140	33,297	3,022	36,319	33,836	3,313	37,149
10	Uninsured	2,130	2,242	-	2,242	2,242	107	2,349	2,249	126	2,375	2,272	146	2,418
11	Self Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Workers Compensation	1,261	1,374	-	1,374	1,345	61	1,406	1,352	72	1,424	1,363	85	1,448
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	**$ 33,840**	**$ 36,488**	**$ -**	**$ 36,488**	**$ 36,484**	**$ 2,411**	**$ 38,895**	**$ 36,898**	**$ 3,220**	**$ 40,118**	**$37,471**	**$3,544**	**$41,015**
	Net Patient Service Revenue[a] (Government+Non-Government)	**$ 70,768**	**$ 69,917**	**$ -**	**$ 69,917**	**$ 67,367**	**$ 4,178**	**$ 71,545**	**$ 68,013**	**$ 5,283**	**$ 73,296**	**$68,820**	**$5,916**	**$74,736**
14	Less: Provision for Bad Debts	4,119	3,633	-	**3,633**	3,099	527	**3,626**	3,129	581	**3,710**	$3,166	$607	**$3,773**
	Net Patient Service Revenue less provision for bad debts	**$ 66,650**	**$ 66,284**	**$ -**	**$ 66,284**	**$ 64,268**	**$ 3,651**	**$ 67,919**	**$ 64,884**	**$ 4,702**	**$ 69,586**	**$65,654**	**$5,309**	**$70,963**
15	Other Operating Revenue	415	533	-	**533**	514	1,052	**1,566**	517	1,056	**1,573**	520	1,061	**1,581**
17	Net Assets Released from Restrictions	236	-	-	**-**	-	-	**-**	-	-	**-**	-	-	**-**
	TOTAL OPERATING REVENUE	**$67,301**	**$66,817**	**$0**	**$66,817**	**$64,782**	**$4,703**	**$69,485**	**$65,401**	**$5,758**	**$71,159**	**$66,174**	**$6,370**	**$72,544**
B.	**OPERATING EXPENSES**													
1	Salaries and Wages	$ 25,112	$ 25,143	$ -	$ 25,143	$ 26,080	$ (527)	$ 25,553	$ 27,337	$ (1,289)	$ 26,048	$ 27,797	$ (1,080)	$ 26,717
2	Fringe Benefits	6,444	6,075	-	6,075	7,302	(427)	6,875	7,606	(612)	6,994	7,716	(561)	7,155
3	Physicians Fees	2,126	3,919	-	3,919	3,731	47	3,778	3,817	33	3,850	3,905	18	3,923
4	Supplies and Drugs	10,615	10,926	-	10,926	10,402	132	10,534	10,641	91	10,732	10,886	51	10,937
5	Depreciation and Amortization	2,314	1,799	-	1,799	1,826	395	2,221	1,924	532	2,456	2,054	550	2,604
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Interest Expense	1,455	1,301	-	1,301	808	(356)	452	758	(367)	391	708	(379)	329
8	Malpractice Insurance Cost	1,129	1,228	-	1,228	1,169	15	1,184	1,196	10	1,206	1,224	6	1,230
9	Lease Expense	1,569	1,641	-	1,641	1,562	20	1,582	1,598	14	1,612	1,635	8	1,643
10	Other Operating Expenses	15,693	13,910	-	13,910	13,242	168	13,410	13,546	116	13,662	13,858	65	13,923
	TOTAL OPERATING EXPENSES	**$ 66,457**	**$ 65,942**	**$ -**	**$ 65,942**	**$ 66,122**	**$ (533)**	**$ 65,589**	**$ 68,423**	**$ (1,472)**	**$ 66,951**	**$69,783**	**($1,322)**	**$68,461**
	INCOME/(LOSS) FROM OPERATIONS	**$ 844**	**$875**	**$ -**	**$ 875**	**$ (1,340)**	**$ 5,236**	**$ 3,896**	**$ (3,022)**	**$ 7,230**	**$ 4,208**	**($3,609)**	**$7,692**	**$4,083**
	NON-OPERATING REVENUE	384	348	**-**	**348**	172	139	**311**	-	209	**209**	-	132	**$132**
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	**$ 1,228**	**$ 1,223**	**$ -**	**$ 1,223**	**$ (1,168)**	**$ 5,375**	**$ 4,207**	**$ (3,022)**	**$ 7,439**	**$ 4,417**	**($3,609)**	**$7,824**	**$4,215**
	Principal Payments	**$107**	**$239**	**$0**	**$239**	**$1,089**	**$250**	**$1,339**	**$1,089**	**$264**	**$1,353**	**$1,103**	**$250**	**$1,353**

Applicant: **Johnson Memorial Hospital (only)** **NON-PROFIT**

Financial Worksheet (A) Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
LINE	Total Entity:	FY 2014	FY 2015	FY 2015	FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	FY 2018	FY 2018	FY 2018
		Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	Description	Results	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON	W/out CON	Incremental	With CON
C.	**PROFITABILITY SUMMARY**													
1	Hospital Operating Margin	1.2%	1.3%	0.0%	1.3%	-2.1%	108.1%	5.6%	-4.6%	121.2%	5.9%	-5.5%	118.3%	5.6%
2	Hospital Non Operating Margin	0.6%	0.5%	0.0%	0.5%	0.3%	2.9%	0.4%	0.0%	3.5%	0.3%	0.0%	2.0%	0.2%
3	Hospital Total Margin	1.8%	1.8%	0.0%	1.8%	-1.8%	111.0%	6.0%	-4.6%	124.7%	6.2%	-5.5%	120.3%	5.8%
D.	**FTEs**	447.0	452.0	0.0	452.0	452.1	(5.7)	446.4	455.1	(6.6)	448.5	458.2	(7.5)	450.7
E.	**VOLUME STATISTICS**[c]													
1	Inpatient Discharges	3,191	3,158	0	**3,158**	2,775	226	**3,001**	2,775	153	**2,928**	2,775	79	**2,854**
2	Outpatient Visits	81,697	82,220	0	**82,220**	83,042	1,645	**84,687**	83,873	3,354	**87,227**	84,711	5,133	**89,844**
	TOTAL VOLUME	**84,888**	**85,378**	**0**	**85,378**	**85,817**	**1,871**	**87,688**	**86,648**	**3,507**	**90,155**	**87,486**	**5,212**	**92,698**

[a]Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.
[b]Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.
[c]Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

JOHNSON MEMORIAL MEDICAL CENTER, INC.

FISCAL YEAR 2014

RECONCILIATION TO AUDITED FINANCIAL STATEMENTS

LINE	DESCRIPTION	JMMC EXCLUDING JEC	JOHNSON EVERGREEN CORPORATION	ELIMINATIONS	TOTAL
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$ 184,183,050	$ 24,201,715	$ -	$ 208,384,765
2	Less: Allowances	106,048,511	7,614,170	-	113,662,681
3	Less: Charity Care	387,404	-	-	387,404
4	Less: Other Deductions	(2,279,679)	-	-	(2,279,679)
	Total Net Patient Revenue	**80,026,814**	**16,587,545**	**-**	**96,614,359**
5	Provision for Bad Debts	4,429,641	107,536	-	4,537,177
	Net Patient Service Revenue less provision for bad debts	**75,597,173**	**16,480,009**	**-**	**92,077,182**
6	Other Operating Revenue	1,765,046	132,823	(845,725)	1,052,144
7	Net Assets Released from Restrictions	269,758	-	-	269,758
	Total Operating Revenue	**77,631,977**	**16,612,832**	**(845,725)**	**93,399,084**
B.	**Operating Expenses:**				
1	Salaries and Wages	31,272,640	9,138,995	-	40,411,635
2	Fringe Benefits	7,728,806	2,812,886	-	10,541,692
3	Physicians Fees	2,600,440	20,000	-	2,620,440
4	Supplies and Drugs	11,670,529	1,152,088	-	12,822,617
5	Depreciation and Amortization	2,640,867	585,708	-	3,226,575
6	Bad Debts	-	-	-	-
7	Interest Expense	1,503,286	482,053	-	1,985,339
8	Malpractice Insurance Cost	1,360,034	97,653	-	1,457,687
9	Lease Expense	1,596,394	27,971	-	1,624,365
10	Other Operating Expenses	17,898,141	2,953,090	(845,725)	20,005,506
	Total Operating Expenses	**78,271,137**	**17,270,444**	**(845,725)**	**94,695,856**
	Income/(Loss) From Operations	**(639,160)**	**(657,612)**	**-**	**(1,296,772)**
	Non-Operating Revenue	384,934	-	-	384,934
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**(254,226)**	**(657,612)**	**-**	**(911,838)**
	Other Adjustments:	-	(2,452,326)	-	(2,452,326)
	Excess/(Deficiency) of Revenue Over Expenses	**(254,226)**	**(3,109,938)**	**-**	**(3,364,164)**

Assumptions Associated with Financial Projections Requested in Question 18.

Set forth below are the key financial assumptions based on the proposed project being approved. These assumptions represent Johnson Memorial Hospital (JMH) only. Additionally, please note that FY 2015 amounts represent the year to date actual revenues and expenses through February 2015 and the budgeted amounts for the remaining seven months of JMH's fiscal year.

- Inpatient volume projections include conservative decreases of 4.8%, 2.4 % and 2.5%, respectively, for FY 2016 through FY 2018 as utilization of inpatient services is expected to shift as a result of population health management.
- Hospital outpatient visits are projected to increase by 3% per year for FY 2016 through FY 2018.
- Revenue cycle improvements of $2.5 million over three years are expected to be realized by FY 2018, including as a result of documentation and charge capture improvements.
- Projected salary expenses include increases in wages of 3%, 4% and 2%, respectively, in 2016 through 2018. These increases will help to ensure JMH has the ability to remain competitive within the market going forward. These increases in salary expenses are offset by the reduction in salary costs in non-clinical and administrative departments of $1,250,000 and $750,000 in FY 2016 and 2017, respectively, where efficiencies are expected to be gained through centralization and elimination of duplicative support and administrative services.
- Supplies and other expenses include increases of approximately 2% per year in 2016 through 2018.
- Additional expense reduction initiatives relating to supply chain, personnel and insurance costs will result in additional savings of $850,000 by FY 2018. The outstanding debt of $5.0M will be reduced as a result of restructuring the debt, decreased interest expenses for FYs 2016 through 2018 based on a more favorable interest rate, and a decrease in principal balance.
- In FY 2016, operating expenses are shown as reduced due to a decrease in legal and consulting expenses that were incurred in FY 2015 relating to this proposed transaction.
- Bad debts are expected to decrease slightly due to the Patient Protection and Affordable Care Act, which reduced the uninsured rate by expanding public and private insurance coverage by approximately 4.4% of total revenues for FY 2016-2018.

Below are the key financial assumptions for JMH (only) if the proposed project were to be denied.

- Inpatient volume projections include a conservative decrease of 12% beginning in FY 2016 and remaining flat in FY 2017 and 2018. This immediate decrease is primarily due the expected termination of the Clinical Affiliation Agreements that support JMH's current operations
- Hospital outpatient visits are projected to increase by 1% per year for FY 2016 through FY 2018.
- Projected salary expenses include an increase in wages of 1% per year in 2016 through 2018.
- Fringe benefit expense increases in FY 2016 are expected due to JMH's likely inability to obtain favorable workers' compensation insurance rates due to its financial position.
- Supplies and other expenses include increases of approximately 2% per year in 2016 through 2018.
- No reductions of outstanding debt would be achieved and interest expense calculations are based on current debt agreements.
- In FY 2016, operating expenses are shown as reduced due to a decrease in legal and consulting expenses that were incurred in FY 2015 relating to this proposed transaction.
- Bad debts are expected to decrease slightly due to the Patient Protection and Affordable Care Act, which reduced the uninsured rate by expanding public and private insurance coverage by approximately 4.4% of total revenues for FY 2016-2018.

There are no changes to existing services as a result of this proposal. Also, no new services are planned as a result of this proposal at this time.

EXHIBIT 37

Johnson Memorial Hospital
Financial Measurements

	Johnson Memorial Hospital						
	Mar 15 MTD	Mar 14 MTD	Apr 15 MTD	Apr 14 MTD	May 15 MTD	May 14 MTD	Comments
Monthly Financial Measurement/Indicators							
A. Operating Performance:							
Operating Margin	5.8%	7.3%	1.5%	2.8%	-5.5%	1.9%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	NA	NA	
Total Margin	7.3%	12.9%	5.4%	8.3%	-1.2%	7.4%	operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	2.1%	3.2%	2.1%	1.5%	1.2%	1.4%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:							
Current Ratio	0.5	0.4	0.5	0.4	0.5	0.5	current assets/current liabilities
	11	0	12	0	15	0	quarter end
Days in Net Accounts Receivables	50.8	46.8	49.4	45.5	56.9	46.3	net ar/net patient ser rev/days in yr
Average Payment Period	184.7	160.9	182.5	153.4	188.8	156.7	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure							
Long-term Debt to Equity	36.1%	36.7%	36.9%	34.0%	38.4%	33.4%	total debt/total equity(net assets)
Long-term Debt to Capitalization	26.5%	26.8%	27.0%	25.4%	27.7%	25.0%	LTD/LTD+net assets
Unrestricted Cash to Debt	62.1%	0.0%	72.9%	10.4%	87.6%	29.5%	as calculated monthly
Times Interest Earned Ratio	-7.9	5.7	4.3	4.0	-0.8	3.5	EBIT/interest expense
Debt Service Coverage Ratio	1.9x	.7x	1.9x	.7x	1.9x	.7x	quarter end (use mar)
Equity Financing Ratio	16.9%	19.7%	16.3%	20.7%	15.6%	19.7%	Net assets/total assets
D. Additional Statistics:							
Income(Loss) from Operations	340,606	426,760	85,933	157,219	(289,816)	109,012	Net income(loss) from operations
Revenue Over/(Under) Expense	6,342	435,530	(217,688)	350,617	(349,671)	129,420	Net gain(loss)
EBITDA	432,799	780,553	303,174	466,741	(63,255)	425,297	based on net income(loss) from operations
Patient Cash Collected							
Cash and Cash Equivalents	1847379	0	2,160,398	315,542	2,578,915	888,074	from cons bs
Net Working Capital	(16,939,486)	(15,671,491)	(17,365,997)	(15,211,756)	(17,521,483)	(14,969,985)	current assets-current liabilities
Unrestricted Assets	3,004,932	3,539,384	2,787,249	3,890,001	2,437,578	4,019,421	from cons bs

Saint Francis Care, Inc.

Monthly Financial Measurement/Indicators	Apr 15 YTD	Apr 14 YTD	Apr 15 MTD	Apr 14 MTD	Comments
A. Operating Performance:					
Operating Margin	1.7%	(0.9%)	4.0%	(5.0%)	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.9%	5.4%	9.8%	1.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	1.0%	1.2%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.2	2.1	2.2	2.1	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	36.8	35.2	36.8	35.2	net ar/net patient ser rev/days in yr
Average Payment Period	50.3	52.1	50.3	52.1	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	115.5%	97.7%	115.5%	97.7%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.6%	49.4%	53.6%	49.4%	LTD/LTD+net assets
Unrestricted Cash to Debt	66.6%	60.9%	66.6%	60.9%	cash =DCOH calc
Times Interest Earned Ratio	2.3	0.4	4.2	(2.6)	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	2.8x**	3.7x*	2.8x**	quarter end (use dec)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	24.4%	30.6%	24.4%	30.6%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	8,217,935	(4,123,898)	2,898,805	(3,248,764)	Net income(loss) from operations
Revenue Over/(Under) Expense	(8,195,333)	(535,578)	3,075,967	(3,175,386)	Net gain(loss)
EBITDA	37,798,081	24,696,579	7,012,991	965,050	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	78,177,366	70,539,843	78,177,366	70,539,843	from cons bs
Net Working Capital	127,071,682	122,870,907	127,071,682	122,870,907	current assets-current liabilities
Unrestricted Assets	128,437,448	176,280,389	128,437,448	176,280,389	from cons bs

Saint Francis Hospital and Medical Center Consolidated

Monthly Financial Measurement/Indicators	Apr 15 YTD	Apr 14 YTD	Apr 15 MTD	Apr 14 MTD	Comments
A. Operating Performance:					
Operating Margin	2.5%	0.3%	4.8%	(1.8%)	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	9.5%	7.4%	11.3%	5.4%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	0.9%	1.0%	1.0%	1.1%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.4	2.3	2.4	2.3	current assets/current liabilites
Days Cash on Hand	89*	83**	89*	83**	quarter end
Days in Net Accounts Receivables	38.1	35.6	38.1	35.6	net ar/net patient ser rev/days in yr
Average Payment Period	50.2	51.0	50.2	51.0	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	116.3%	101.2%	116.3%	101.2%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.8%	50.3%	53.8%	50.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	57.3%	53.6%	57.3%	53.6%	as calculated monthly
Times Interest Earned Ratio	2.5	1.2	4.2	(0.2)	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	2.8x**	3.7x*	2.8x**	quarter end (use mar)
Equity Financing Ratio	24.7%	30.5%	24.7%	30.5%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	10,098,710	1,257,454	2,939,299	(1,030,242)	Net income(loss) from operations
Revenue Over/(Under) Expense	(6,314,956)	4,843,505	3,117,005	(957,837)	Net gain(loss)
EBITDA	39,103,605	29,515,994	6,974,229	3,065,515	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	63,630,351	64,101,916	63,630,351	64,101,916	from cons bs
Net Working Capital	129,904,877	119,519,294	129,904,877	119,519,294	current assets-current liabilities
Unrestricted Assets	128,712,138	168,489,705	128,712,138	168,489,705	from cons bs

Saint Francis Care, Inc.

Monthly Financial Measurement/Indicators	Mar 15 YTD	Mar 14 YTD	Mar 15 MTD	Mar 14 MTD	Comments
A. Operating Performance:					
Operating Margin	1.3%	(0.2%)	(0.6%)	5.6%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.6%	6.0%	5.8%	12.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	1.4%	1.2%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.1	2.1	2.1	2.1	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	38.1	37.3	38.1	37.3	net ar/net patient ser rev/days in yr
Average Payment Period	55.0	55.5	55.0	55.5	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	117.3%	96.8%	117.3%	96.8%	total debt/total equity(net assets)
Long-term Debt to Capitalization	54.0%	49.2%	54.0%	49.2%	LTD/LTD+net assets
Unrestricted Cash to Debt	69.6%	64.6%	69.6%	64.6%	cash =DCOH calc
Times Interest Earned Ratio	1.9	0.9	0.6	3.6	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	2.8x**	3.7x*	2.8x**	quarter end (use Mar)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	23.9%	30.6%	23.9%	30.6%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	5,319,130	(875,134)	(375,978)	3,828,172	Net income(loss) from operations
Revenue Over/(Under) Expense	(11,271,300)	2,639,809	(10,658,814)	(2,074,665)	Net gain(loss)
EBITDA	30,785,091	23,731,529	3,924,836	8,491,374	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	86,874,387	79,327,659	86,874,387	79,327,659	from cons bs
Net Working Capital	123,694,810	127,194,691	123,694,810	127,194,691	current assets-current liabilities
Unrestricted Assets	125,632,772	179,510,453	125,632,772	179,510,453	from cons bs

Saint Francis Hospital and Medical Center Consolidated

Monthly Financial Measurement/Indicators	Mar 15 YTD	Mar 14 YTD	Mar 15 MTD	Mar 14 MTD	Comments
A. Operating Performance:					
Operating Margin	2.0%	0.7%	0.5%	8.1%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	9.2%	7.7%	7.8%	15.7%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	0.9%	1.0%	1.2%	1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.3	2.2	2.3	2.2	current assets/current liabilites
Days Cash on Hand	89*	83**	89*	83**	quarter end
Days in Net Accounts Receivables	37.6	36.1	37.6	36.1	net ar/net patient ser rev/days in yr
Average Payment Period	55.7	55.5	55.7	55.5	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	118.4%	101.1%	118.4%	101.1%	total debt/total equity(net assets)
Long-term Debt to Capitalization	54.2%	50.3%	54.2%	50.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	61.5%	56.7%	61.5%	56.7%	as calculated monthly
Times Interest Earned Ratio	2.3	1.4	1.3	4.2	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	2.8x**	3.7x*	2.8x**	quarter end (use Mar)
Equity Financing Ratio	24.2%	30.3%	24.2%	30.3%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	7,159,410	2,287,697	292,192	4,838,222	Net income(loss) from operations
Revenue Over/(Under) Expense	(9,431,961)	5,801,342	(9,991,470)	(1,065,291)	Net gain(loss)
EBITDA	32,129,376	26,450,479	4,510,414	9,425,457	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	75,453,206	71,979,494	75,453,206	71,979,494	from cons bs
Net Working Capital	126,170,299	120,986,304	126,170,299	120,986,304	current assets-current liabilities
Unrestricted Assets	125,549,040	169,349,660	125,549,040	169,349,660	from cons bs

Saint Francis Care, Inc.

Monthly Financial Measurement/Indicators	May 15 YTD	May 14 YTD	May 15 MTD	May 14 MTD	Comments
A. Operating Performance:					
Operating Margin	1.6%	(1.2%)	2.1%	(2.9%)	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.8%	5.2%	8.2%	3.7%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.1%	1.1%	1.5%	1.2%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.2	2.2	2.2	2.2	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	39.5	39.4	39.5	39.4	net ar/net patient ser rev/days in yr
Average Payment Period	52.2	50.9	52.2	50.9	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	114.9%	97.2%	114.9%	97.2%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.5%	49.3%	53.5%	49.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	68.0%	58.3%	68.0%	58.3%	cash =DCOH calc
Times Interest Earned Ratio	2.2	0.2	2.6	(0.9)	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	2.8x**	3.7x*	2.8x**	quarter end (use Mar)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	24.3%	30.7%	24.3%	30.7%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	8,967,771	(5,995,156)	1,476,571	(1,871,258)	Net income(loss) from operations
Revenue Over/(Under) Expense	(7,428,214)	(1,470,754)	1,493,854	(935,178)	Net gain(loss)
EBITDA	42,781,569	27,075,909	5,710,223	2,379,330	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	80,267,572	61,382,881	80,267,572	61,382,881	from cons bs
Net Working Capital	128,595,260	122,407,647	128,595,260	122,407,647	current assets-current liabilities
Unrestricted Assets	128,837,713	175,252,176	128,837,713	175,252,176	from cons bs

Saint Francis Hospital and Medical Center Consolidated

Monthly Financial Measurement/Indicators	May 15 YTD	May 14 YTD	May 15 MTD	May 14 MTD	Comments
A. Operating Performance:					
Operating Margin	2.4%	0.4%	3.2%	1.0%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	9.4%	7.5%	10.1%	8.4%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	1.6%	1.1%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.4	2.4	2.4	2.4	current assets/current liabilites
Days Cash on Hand	89*	83**	89*	83**	quarter end
Days in Net Accounts Receivables	40.0	39.0	40.0	39.0	net ar/net patient ser rev/days in yr
Average Payment Period	51.9	50.5	51.9	50.5	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	115.2%	99.6%	115.2%	99.6%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.5%	49.9%	53.5%	49.9%	LTD/LTD+net assets
Unrestricted Cash to Debt	57.6%	51.3%	57.6%	51.3%	as calculated monthly
Times Interest Earned Ratio	2.5	1.2	3.1	1.6	EBIT/Interest expense
Debt Service Coverage Ratio	3.7x*	2.8x**	3.7x*	2.8x**	quarter end (use mar)
Equity Financing Ratio	24.8%	30.8%	24.8%	30.8%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	11,302,849	1,818,789	1,930,874	561,336	Net income(loss) from operations
Revenue Over/(Under) Expense	(5,093,856)	6,340,238	1,947,835	1,496,732	Net gain(loss)
EBITDA	44,462,356	34,245,291	6,085,485	4,729,298	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	63,343,811	56,249,049	63,343,811	56,249,049	from cons bs
Net Working Capital	132,513,991	121,221,026	132,513,991	121,221,026	current assets-current liabilities
Unrestricted Assets	130,061,286	168,489,705	130,061,286	168,489,705	from cons bs

Section D - Additional Statistics

SFHMC - Consolidated

	May 2015 YTD	May 2014 YTD	Explanation
Income(Loss) from Operations	11,302,849	1,818,789	Due to the increase in ytd net patient revenue of $14.9M (increase in patient days
Revenue Over(Under) Expenses	(5,093,856)	6,340,238	Due to the variance in swap activity of ($18,882K), $683K in 2014 vs ($18,139K) in
EBITA	44,462,356	34,245,291	Due to the increase in ytd net patient revenue of $14.9M (increase in patient days
Cash and Cash equivalents	63,343,811	56,249,049	operations.
Net Working Capital	132,513,991	121,221,026	Increase in due from affiliated entities in 2015 of $14M.
Unrestricted Assets	130,061,286	168,489,705	Due to the variance in swap activity of ($18,822K), $683K in 2014 vs ($18,139K) in Decrease in investment income of ($3.4)M in 2015. pension funding and post retirement liability of ($53M) (recorded in Sept 2014).

Saint Francis Care

	May 2015 YTD	May 2014 YTD	Explanation
Income(Loss) from Operations	8,967,771	(5,995,156)	Due to the decrease in SFMG's YTD loss of ($5,531K), $(17,307)K in 2014 vs $(11,776)K in 2015.
Revenue Over(Under) Expenses	(7,428,214)	(1,470,754)	See SFH results above
EBITA	42,781,569	27,075,909	Due to the decrease in SFMG's YTD loss of ($5,531K), $(17,307)K in 2014 vs $(11,776)K in 2015.
Cash and Cash equivalents	80,267,572	61,382,881	See SFH results above
Net Working Capital	128,595,260	122,407,647	Increase in patient accounts receivable of 4.5M ($2 million increase for SFMG due to EPIC conversion effective May 1st)
Unrestricted Assets	128,837,713	175,252,176	See SFH results above

Section D – Additional Statistics

Johnson Memorial Hospital

	May 2015 YTD	May 2014 YTD	Explanation
Income (Loss) from Operations	(289,816)	109,012	Due to reduction in DSH funds, $80,000 and decrease in volumes. Admissions down 8%, patient days down 8%, outpatient volumes down 2%.
Revenue Over (Under) Expenses	(349,671)	129,420	Same as above, plus $117,337 in transaction costs.
EBITDA	(63,255)	425,297	Same as explanation for income (loss) from operations.
Cash and Cash equivalents	2,578,915	888,074	Increase in accounts payable (pre-petition debt) $3,942,017 increase in accounts receivable $(1488451).
Net Working Capital	17,521,483	14,969,985	Increase in current assets $3038781, increase in current liabilities $5,590,279. Major changes to current assets: -cash $1,690,841 -accounts receivable $1,488,451 -prepaids and inventories $312,285 Major changes to current liabilities: -increase in accounts payable $3,992,035 -increased borrowing on credit line $231,807 -other current liabilities increase $1,366,725
Unrestricted Assets	2,437,578	4,019,421	Net loss of $1,602,000 from 5/14 to 5/15.

Greer, Leslie

From: Lazarus, Steven
Sent: Monday, September 14, 2015 12:35 PM
To: Hartley, Christopher (CHartley@stfranciscare.org)
Cc: Greer, Leslie; Rotavera, Liz (LRotaver@stfranciscare.org)
Subject: CON Application Deemed Complete
Attachments: 15-32002_Deem Complete.pdf

Good Afternoon Mr. Hartley,

Attached is as letter regarding the above referenced CON matter, deeming it Completer as of September 11, 2015. Any questions, please feel free to contact me.

Thank you,

Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

September 11, 2015 VIA EMAIL ONLY

R. Christopher Hartley
Sr. Vice President, Planning, Business Development & Government Relations
Saint Francis Care, Inc.
114 Woodland Street
Hartford, CT 06105

RE: Certificate of Need Application; Docket Number: 15-32002-CON
Saint Francis Care, Inc. and Johnson Memorial Hospital, Inc.
Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital Inc. and Certain Affiliates

Dear Mr. Hartley:

This letter is to inform you that, pursuant to Section 19a-639a (d) of the Connecticut General Statutes, the Office of Health Care Access has deemed the above-referenced application complete as of September 11, 2015.

If you have any questions regarding this matter, please feel free to contact me at (860) 418-7012.

Sincerely,

Steven W. Lazarus
Associate Health Care Analyst

C:Kimberly Lumia, President and Chief Executive Officer, Sharon Hospital

Greer, Leslie

From: Greer, Leslie
Sent: Wednesday, September 16, 2015 10:37 AM
To: ads@graystoneadv.com
Subject: Hearing Notice DN: 15-32002-CON
Attachments: 15-32002np JI Inquirer.doc

Please run the attached hearing notice in the Journal Inquirer by 9/17/15. For billing purposes, please refer to P.O. # 54772. In addition, please forward me a copy of the "proof of publication" when it becomes available.

Thank you,

Leslie M. Greer
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, Hartford, CT 06134
Phone: (860) 418-7013 Fax: (860) 418-7053
Website: www.ct.gov/ohca

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

September 15, 2015

R. Christopher Hartley
114 Woodland Street
Hartford, CT 06105

RE: Certificate of Need Application, Docket Number 15-32002-CON
Saint Francis Care, Inc. and Johnson Memorial Hospital, Inc.
Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital Inc. and Certain Affiliates

Dear Mr. Hartley,

With the receipt of the completed Certificate of Need ("CON") application information submitted by Saint Francis Care Inc. and Johnson Memorial Hospital, Inc. ("Applicants") on September 11, 2015, the Office of Health Care Access ("OHCA") has initiated its review of the CON application identified above.

Pursuant to General Statutes § 19a-639a (f), OHCA may hold a hearing with respect to any Certificate of Need application.

This hearing notice is being issued pursuant to General Statutes § 19a-639a (f)

Applicant(s):	Saint Francis Care, Inc. Johnson Memorial Hospital, Inc.
Docket Number:	15-32002-CON
Proposal:	Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital Inc. and Certain Affiliates

Notice is hereby given of a public hearing to be held in this matter to commence on:

Date: October 6, 2015

Time: 4:00 p.m.

Place: The Stafford Community Center
3 Buckley Highway
Stafford Springs, CT 06076

The Applicant is designated as party in this proceeding. Enclosed for your information is a copy of the hearing notice for the public hearing that will be published in the *Journal Inquirer* pursuant to General Statutes § 19a-639a (f).

Sincerely,

Kimberly R. Martone
Director of Operations

Enclosure

cc: Henry Salton, Esq., Office of the Attorney General
Antony Casagrande, Department of Public Health
Kevin Hansted, Department of Public Health
Wendy Furniss, Department of Public Health
William Gerrish, Department of Public Health
Jill Kentfield, Department of Public Health
Chris Stan, Department of Public Health
DeVaughn Ward, Department of Public Health
Marielle Daniels, Connecticut Hospital Association

KRM:SWL:BC:lmg

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH
Office of Health Care Access

September 15, 2015 P.O. # 54772

Journal Inquirer
306 Progress Drive
Manchester, CT 06040

Gentlemen/Ladies:

Please make an insertion of the attached copy, in a single column space, set solid under legal notices, in the issue of your newspaper by no later than **Thursday, September 17, 2015**. Please provide the following **within 30 days** of publication:

- Proof of publication (copy of legal ad. acceptable) showing published date along with the invoice.

If there are any questions regarding this legal notice, please contact Kaila Riggott at (860) 418-7001.

KINDLY RENDER BILL IN DUPLICATE ATTACHED TO THE TEAR SHEET.

Sincerely,

Kimberly R. Martone
Director of Operations

Attachment

cc: Danielle Pare, DPH
Marielle Daniels, Connecticut Hospital Association

KRM:SWL:BAC:lmg

Journal Inquirer **September 15, 2015**
Notice of Public Hearing, Docket Number 15-32002-CON

PLEASE INSERT THE FOLLOWING:

Office of Health Care Access Public Hearing

Statute Reference:	19a-638
Applicant(s):	Saint Francis Care, Inc. Johnson Memorial Hospital, Inc.
Town:	Stafford Springs
Docket Number:	15-32002-CON
Proposal:	Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital, Inc. and Certain Affiliates
Date:	October 6, 2015
Time:	4:00 p.m.
Place:	The Stafford Community Center 3 Buckley Highway Stafford Springs, CT 06076

Any person who wishes to request status in the above listed public hearing may file a written petition no later than October 1, 2015 (5 calendar days before the date of the hearing) pursuant to the Regulations of Connecticut State Agencies §§ 19a-9-26 and 19a-9-27. If the request for status is granted, such person shall be designated as a Party, an Intervenor or an Informal Participant in the above proceeding. Please check OHCA's website at **www.ct.gov/ohca** for more information or call OHCA directly at (860) 418-7001. If you require aid or accommodation to participate fully and fairly in this hearing, please phone (860) 418-7001.

Greer, Leslie

From: Greer, Leslie
Sent: Tuesday, September 15, 2015 4:54 PM
To: Hartley, Christopher (CHartley@stfranciscare.org); 'LRotaver@stfranciscare.org'
Cc: Lazarus, Steven; Carney, Brian; Riggott, Kaila
Subject: Saint Francis Care , Inc and Johnson Memorial Hospital, Inc. Hearing Notice
Attachments: 32002 Hearing Notice.pdf

Greetings,
Attached is the hearing notice for DN: 15-32002-CON.

Leslie M. Greer
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, Hartford, CT 06134
Phone: (860) 418-7013 Fax: (860) 418-7053
Website: www.ct.gov/ohca

Greer, Leslie

From: Greer, Leslie
Sent: Tuesday, September 15, 2015 4:58 PM
To: Hansted, Kevin; Martone, Kim; Casagrande, Antony A; Furniss, Wendy; Gerrish, William; Kennedy, Jill; Stan, Christopher; Ward, DeVaughn
Cc: Carney, Brian; Lazarus, Steven; Riggott, Kaila
Subject: Saint Francis Care, Inc. and Johnson Memorial Hospital Hearing Notice
Attachments: 32002 Hearing Notice.pdf

Attached is the hearing notice for DN: 15-32002-CON Saint Francis Care, Inc. and Johnson Memorial Hospital, Inc.

Leslie M. Greer
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, Hartford, CT 06134
Phone: (860) 418-7013 Fax: (860) 418-7053
Website: www.ct.gov/ohca

Greer, Leslie

From: Robert Taylor <RTaylor@graystoneadv.com>
Sent: Wednesday, September 16, 2015 5:31 PM
To: Greer, Leslie
Subject: FW: Hearing Notice DN: 15-32002-CON
Attachments: 15-32002np JI Inquirer.doc

Hi Leslie,

This notice is set to publish tomorrow.
$178.13

Thanks,

Robert Taylor
Graystone Group Advertising
www.graystoneadv.com
2710 North Avenue, Suite 200
Bridgeport, CT 06604
Phone: 203-549-0060
Toll Free: 800-544-0005
Fax: 203-549-0061

From: ADS <ADS@graystoneadv.com>
Date: Wed, 16 Sep 2015 10:52:58 -0400
To: RTaylor <rtaylor@graystoneadv.com>
Subject: FW: Hearing Notice DN: 15-32002-CON

From: <Greer>, Leslie <Leslie.Greer@ct.gov>
Date: Wednesday, September 16, 2015 10:37 AM
To: ads <ads@graystoneadv.com>
Subject: Hearing Notice DN: 15-32002-CON

Please run the attached hearing notice in the Journal Inquirer by 9/17/15. For billing purposes, please refer to P.O. # 54772. In addition, please forward me a copy of the "proof of publication" when it becomes available.

Thank you,

Leslie M. Greer
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, Hartford, CT 06134
Phone: (860) 418-7013 Fax: (860) 418-7053
Website: www.ct.gov/ohca

6236-Graystone

348 FURNITURE

SLEEPER SOFA: Broyhill off-white floral queen sz mattress Like new $300. 860-741-8096

SOFA & LOVE SEAT Sage Green exc cond faux sued $100. 860-423-6595

SOFA: Thomasville 75in. Queen sleeper Exc. Cond. $450/bo. Call 860-742-9675

STUDENT DESK: White "Bassett" 40" x 14" x 30". Exc cond. $35. 860-568-4518

TABLE & 4 chairs, drop leaf, plus 2 9" leaves, never used, $50. 860-649-9210

TABLE: Coffee, Oblong glass top w/ brass base. Asking $60 obo. Please call 860-987-2347

TABLE: Light oak butterfly table 4 chairs 58" by 40 wide $125.00 Call 860-997-8769

TABLE: Solid maple 48 inches round w/ 3 12x48 leaves $100/ obo. Please call 860-742-9675.

TV STAND: Solid Oak, 1 drawer, 2 shelves, 32x20x30. Exc cond $40. 860-872-3257

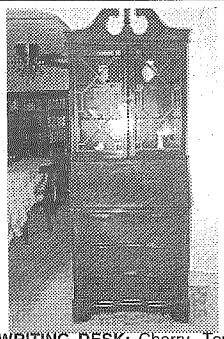
VANITY: Ethan Allen, solid maple, 18x40in for bedroom $125. obo 860-742-9675

CLASSIFIED
646-7767

CLASSIFIED
646-7767

CLASSIFIED
646-7767

348 FURNITURE



WRITING DESK: Cherry. Top has shelves & glass doors Gd Cond $200 860-741-8096

350 HEALTH

BODY-BY-JAKE Exercise Machine. Asking $20. Please call 860-299-3117.

CHAIR: Transport wheel chair 17" wide seat exc cond $150. 860-872-0250

INVERSION:table Teeter hang up hardly used originally $300 asking $150 860-645-8040

MASSAGER: Full body by Homedics $75 obo. Please call 860-987-2347.

SCHWINN BOWFLEX EXERCISE MACHINE: Asking $175. Please call 860-299-3117

TREADMILL: Pro-Form Pacer Circuit. $50 or best offer. Please call 860-742-9675

TREADMILL: Proform Pro-walk LM Good Condition $70 Please Call 860-268-0623

WALKER: w/ wheels folds easily, use standing or seated. Exc cond $40 860-872-6910

350 HEALTH

WHEEL CHAIR: Custom wheel chair, like new. Asking $175. Call 860-299-3117

WHEELCHAIR: (Nova) light, folds, stores easily. Removable foot rest $150 860-872-9610

WHEELCHAIR: Quickie Hudson Custom wheelchair like new $199. 860-299-3117

352 HEATING & AIR CONDITIONING

A/C 5000 btu air conditioner, works good, $40. Call 860-253-0133

ELECTRIC STOVE HEATER: Crofton, Black. Exc. Cond. $75 Please call 860-749-7427.

HEATER Electric 3spd. 240V, 12"x15" great for garage/basement $125/bo 860-918-5444.

356 INDUSTRIAL EQUIPMENT

INDUSTRIAL SHELVES great for garage/basement 30 parts baskets inc. $250/bo. 860-918-5444.

362 LAWN & GARDEN

FENCE: green chain link, 4' x 50'. 12 posts & 3- 21' rails included. $190. 860-749-0189

JOHN DEERE STX38 for parts 5spd trans 2-38" decks 1 bagger. $200. 860-498-1252

LAWNMOWER: push 1yrold excel condition $150 Please Call 860-871-7329

LEAF BLOWER MTD 8HP Tecumseh Ind./Comm. Engine. Exc Cond $295. 860-647-1828

LEAF BLOWER: 8hp Yard Machine Walk Behind Good cond $135. 860-558-8438

362 LAWN & GARDEN

LEAF BLOWER: Craftsman blower/chipper push behind 5hp $150. 860-306-3438.

PICNIC TABLE: w/ 4 chairs cushions & umbrella for outside. $100. 860-299-3117

TRACTOR: Rider John Deere older mulcher 38 $400 Please Call 860-871-7329

TREE SALE ARBORVITAE All sizes, great privacy Call for prices. Landscape Design Stump grinding, shrub removal, stonework **860-533-1572 / 860-209-2079 lic & ins cascadelandscapect.com**

368 MACHINERY & TOOLS

1954 CAT D-4 Serial # 4G4917. Call 860-684-3984.

AIR COMPRESSOR speedaire dual voltage, industrial size. $40. Please call 860-742-6050

BLACK & DECKER Workmate folding work bench w/ vice $25. Call 860-299-3117

368 MACHINERY & TOOLS

CHAIN SAW: Craftsman 18 inch new cond hardly used $120. 860-741-5453

COLEMAN GENERATOR 4000 watt, runs good $250. Please call 860-253-0133

Complete Bell Saw Sawmill Model M excellent condition. Call 860-684-3984.

COMPOUND SAW: Ryobi hardly used runs great $60. 860-741-5453

GREASE GUN w/ mini grease gun never used $20 Please Call 860-633-8646

HORSE DRAWN CULTIVATOR old scythe & many tools. Call 860-684-3984

POOL: 27 ft above ground pool, excellent working condition. You take down and remove FREE 860-306-6384

TABLE SAW 10" Tradesman Tool Kraft model 4125 made in USA $299. 860-749-3694

TILE-SAW: 2.5 HP Commercial grade, diamond blade w/ stand $125 860-268-0623

372 MUSICAL MERCHANDISE

DRUM SET: Sticks not included Only $50. 860-920-2553

ORGAN: Lowrey Adventurer w/ bench & books Like new. $400. 860-658-6845

Piano& Guitars(3): Electric Baby Grand exc. cond. $800 Electric&Acoustic amps, wires, stands, etc B.O. 860-474-5003

TURNTABLE: marantz #6200 beautiful $300. 860-920-2553

CLASSIFIEDS
small ads deals
860-646-7767 OR 800-237-3606

PUBLIC NOTICE

PUBLIC NOTICE

PROPERTY AUCTION

The Town of Stafford auctioned the following properties in Stafford to satisfy delinquent taxes and charges on September 10, 2015:

15 and 19 Upper Hampden Road owned by Stephen F. Cook was sold to Colburn Enterprises, LLC of 135 Colburn Road, Stafford CT 06076 for $15,000.00.

69 Village Hill Road owned by Charlene Fiore, David Masker, and Sharon Weller was sold to Terrence F. Kennedy and Louise H. Kennedy, Co-Trustees, or our successors in Trust, of the Terrence F. Kennedy and Louise H. Kennedy Living Trust Agreement dated May 26, 2015 of 7 DaDalt Street, Stafford Springs CT 06076 for $33,000.00.

27 Lake Shore Boulevard owned by Anthony R. Gregorio, Trustee of the Anthony R. Gregorio Revocable Trust was sold to Hutton Capital Management LLC of 333 7th Avenue, 3rd Floor, New York NY 10001 for $75,000.00.

258 Monson Road owned by David Naglack was sold to Equity Trust Co. FBO Mark McWilliams IRA of 58 Townwoods Road, Old Lyme CT 06371 for $38,000.00.

21 Stony Lane owned by Northeast Land Co., LLC was sold to Walter J. Zigadlo of 4 Kucko Road, Willington CT 06279 for $11,942.26.

65 Gilbert Road owned by Robert B. Notman was sold to Corner Properties, Inc., Trustee of 33 Broad Street, Danielson CT 06239 for $55,000.00.

149 East Street owned by Sean M. Phillips was sold to Equity Trust Co. FBO Mark McWilliams IRA of 58 Townwoods Road, Old Lyme CT 06371 for $35,000.00.

44 West Street owned by April Waugh was sold to Hutton Capital Management LLC of 333 7th Avenue, 3rd Floor, New York NY 10001 for $7,000.00.

205 Old Monson Road owned by Christopher Zepke was sold to Hutton Capital Management LLC of 333 7th Avenue, 3rd Floor, New York NY 10001 for $75,000.00.

The redemption period expires on March 10, 2016. If redemption does not take place by the date stated and in the manner provided by law, the delinquent taxpayers and all mortgagees, lienholders and other encumbrancers who have received actual or constructive notice of the sale as provided by law are hereby notified that their respective titles, mortgages, liens and other encumbrances in these properties shall be extinguished.

Journal Inquirer
September 17, 2015

PUBLIC NOTICE

PUBLIC NOTICE

TOWN OF EAST HARTFORD
ZONING BOARD OF APPEALS
September 24, 2015 Meeting

Public Notice is hereby given that the East Hartford Zoning Board of Appeals will hold a public hearing in the Town Council Chambers, 740 Main Street, East Hartford, Connecticut, on Thursday, **September 24, 2015 at 7:30 p.m.**, when the following applications will be heard:

1. Stephen Berube, **624 Hills Street**, is appealing the Assistant Zoning Enforcement Official's order to remove a structure that was constructed although having been denied a variance to do so by the ZBA.**(Zone R-2)**
2. Eugene Market/First Choice Health Centers, Inc., **110 Connecticut Blvd./411 Prospect Street and 92 Connecticut Blvd.**, Requests a variance from Sections 401.2(s)(1) Substance Abuse Treatment Facilities, to permit a treatment center within 1000 ft. of a Residential Zone . **(Zone B-1)**

RICHARD TORPEY, CHAIRMAN

Journal Inquirer
September 10, 2015
September 17, 2015

PUBLIC NOTICE

Office of Health Care Access Public Hearing

Statute Reference:	19a-638
Applicant(s):	Saint Francis Care, Inc. Jo hnson Memorial Hospital, Inc.
Town:	Stafford Springs
Docket Number:	15-32002-CON
Proposal:	Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital, Inc. and Certain Affiliates
Date:	October 6, 2015
Time:	4:00 p.m.
Place:	The Stafford Community Center 3Buckley Highway Stafford Springs, CT 06076

Any person who wishes to request status in the above listed public hearing may file a written petition no later than October 1, 2015 (5 calendar days before the date of the hearing) pursuant to the Regulations of Connecticut State Agencies §§ 19a-9-26 and 19a-9-27. If the request for status is granted, such person shall be designated as a Party, an Intervenor or an Informal Participant in the above proceeding. Please check OHCA's website at **www.ct.gov/ohca** for more information or call OHCA directly at (860) 418-7001. If you require aid or accommodation to participate fully and fairly in this hearing, please phone (860) 418-7001.

Journal Inquirer
September 17, 2015

77958

PUBLIC NOTICE

PUBLIC NOTICE
NOTICE TO CREDITORS
ESTATE OF
Betty Rae Carr, AKA
Betty R. Carr (15-0517)

The Hon. Michael M. Darby, Judge of the Court of Probate, Greater Manchester Probate District, by decree dated September 9, 2015, ordered that all claims must be presented to the fiduciary at the address below. Failure to promptly present any such claim may result in the loss of rights to recover on such claim.

Debra C. Daniels
Clerk

The fiduciary is:
Paul Timothy Carr
c/o Malcolm F. Barlow, Esq.
Barlow & Murphy, LLP
172 East Center Street
Manchester, CT 06040

Annette Loree Carr
c/o Malcolm F. Barlow, Esq.
Barlow & Murphy, LLP
172 East Center Street
Manchester, CT 06040

Journal Inquirer
September 17, 2015

PUBLIC NOTICE
NOTICE TO CREDITORS
ESTATE OF
Jason L. Marchand
(15-0519)

The Hon. Michael M. Darby, Judge of the Court of Probate, Greater Manchester Probate District, by decree dated September 9, 2015, ordered that all claims must be presented to the fiduciary at the address below. Failure to promptly present any such claim may result in the loss of rights to recover on such claim.

Debra C. Daniels
Clerk

The fiduciary is:
Tammy L. Marchand
22 Rich Lane
Hollis Center, ME 04042

Journal Inquirer
September 17, 2015

PUBLIC NOTICE
NOTICE TO CREDITORS
ESTATE OF
Robert B. MacBeth
(15-00430)

The Hon. Marianne Lassman Fisher, Judge of the Court of Probate, Greater Windsor Probate District, by decree dated September 15, 2015, ordered that all claims must be presented to the fiduciary at the address below. Failure to promptly present any such claim may result in the loss of rights to recover on such claim.

Randall Graff
Assistant Clerk

The fiduciary is:
Ellen L. Cook
c/o Scott A. Storms, Esq.
Storms & Storms
18 Suffield Street
P.O. Box 275
Windsor Locks, CT 06096-0275

Journal Inquirer
September 17, 2015

PUBLIC NOTICE

PUBLIC NOTICE

LEGAL NOTICE
ENFIELD PLANNING AND ZONING COMMISSION

The Enfield Planning and Zoning Commission will hold Public Hearing(s) on Thursday, September 24, 2015, beginning at 7:00 p.m., in the Town Hall Council Chambers, 820 Enfield Street, Enfield, CT, concerning the following application:

PH #2824 - Special Use Permit application to renovate portion of existing building from convent to 57 apartment units located at 1315 Enfield Street (aka 1297 Enfield Street); Zone District HR-33; Map 046 - Lot 0002; Felician Sisters of North America Real Estate Trust, owner/applicant.

XZA #15-11 - Zoning Text Change to Section 8.80.1.5 - Roof-Mounted Small Solar Energy Systems. Enfield Clean Energy Committee, applicant.

SPR #1597.02 - New special use permit to allow increase of height of building; modify previously approved plans to allow partial relocation of handicap ramp, removal of existing shed, modify window design and create entry portico located at 496 Enfield Street; Zone District BL; Map33-Lot 100; Urvashi, LLC, owner/applicant.

Applications are available for inspection at the Planning Office at Town Hall, 820 Enfield Street.

Dated this12th day of September, 2015.

PLANNING AND ZONING COMMISSION
Charles A. Duren, Chairman Peter Falk, Secretary

Journal Inquirer
September 12, 2015
September 17, 2015

PUBLIC NOTICE

The Town of East Hartford Planning and Zoning Commission will hold a public hearing on Wednesday, September 23, 2015 at 7:30 P.M. in the Town Hall Council Chambers located at 740 Main Street, East Hartford, Connecticut 06108 for the following:

- PRELIMINARY AND FINAL SUBDIVISION APPLICATION - Creation of a two (2) lot subdivision located at 585 Goodwin Street.
  Assessor's Map#49 Lots#23, 199
  Applicant: Michael Kreipovich
- ZONE CHANGE APPLICATION-Master Plan modification request to convert two (2) Goodwin College classrooms located at 195 Riverside Drive into early child care program classrooms operated by Community Renewal Team (CRT).
  Assessor's Map#9 Lot#4
  Applicant: Goodwin College, Inc.
- SPECIAL PERMIT USE APPLICATION- Under Section 503.3(b) to allow conversion of two (2) Goodwin College classrooms located at 195 Riverside Drive into early child care program classrooms operated by Community Renewal Team (CRT).
  Assessor's Map#9 Lot#4
  Applicant: Goodwin College, Inc.
- SPECIAL PERMIT USE APPLICATION - Under Section 406.2(c) to allow indoor commercial recreation use including restaurants, office space, and entertainment at a vacant theater site, A.K.A Showcase Cinemas, located at 936 Silver Lane.
  Assessor's Map#46 Lot#107
  Applicant: Silver Lane Partners, c/o Anthony W. Ravosa, Jr.

Journal Inquirer
September 10, 2015
September 17, 2015

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH

Jewel Mullen, M.D., M.P.H., M.P.A.
Commissioner

Dannel P. Malloy
Governor

Nancy Wyman
Lt. Governor

TO: Kevin Hansted, Hearing Officer

FROM: Jewel Mullen, M.D., M.P.H., M.P.A., Commissioner

DATE: September 22, 2015

RE: Certificate of Need Application; Docket Number: 15-32002-CON
Saint Francis Care, Inc. and Johnson Memorial Hospital, Inc.
Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital, Inc. and Certain Affiliates

---

I hereby designate you to sit as a hearing officer in the above-captioned matter to rule on all motions and recommend findings of fact and conclusions of law upon completion of the hearing.

Connecticut Department of Public Health

Phone: (860) 509-8000 • Fax: (860) 509-7184 • VP: (860) 899-1611
410 Capitol Avenue, P.O. Box 340308
Hartford, Connecticut 06134-0308
www.ct.gov/dph
Affirmative Action/Equal Opportunity Employer

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

September 23, 2015 Via FAX Only

R. Christopher Hartley
Sr. Vice President, Planning, Business
Development & Government Relations
Saint Francis Care, Inc.
114 Woodland Street
Hartford, CT 06105

RE: Certificate of Need Application; Docket Number: 15-32002-CON
Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc.
Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.
Prefiled Testimony and Issues

Dear Mr. Hartley:

The Office of Health Care Access ("OHCA") will hold a public hearing on the above docket number on October 6, 2015. The hearing is at 4:00 p.m. at The Stafford Community Center, 3 Buckley Highway Stafford Springs, CT 06076. Given the recent purchase of Saint Francis Care, Inc. by Trinity Health Corporation, pursuant to the Regulations of Connecticut State Agencies § 19a-9-29, OHCA hereby orders that Trinity Health Corporation is made a party in the above-referenced matter. Additionally, OHCA hereby orders Trinity Health Corporation, Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc. ("Applicants") to submit prefiled testimony and responses to the enclosed Issues by **4:00 p.m.** on **October 1, 2015**.

All persons providing prefiled testimony must be present at the public hearing to adopt their written testimony under oath and must be available for cross-examination for the entire duration of the hearing. If you are unable to meet the specified time for filing the prefiled testimony you must request a time extension in writing, detailing the reasons for not being able to meet the specified deadline.

Sincerely,

Kevin T. Hansted
Hearing Officer

Attachment

cc: Anne M. Hesano, Trinity Health Corporation

ISSUES

Office of Health Care Access Docket Number: 15-32002-CON

Johnson Memorial Medical Center, Inc. and Saint Francis Care, Inc. – Transfer of Ownership

The Applicants should be prepared to present and discuss supporting evidence on the following issues:

- The clear public need for and the community benefits of the proposal.
- The effect of the proposed transfer of ownership on the residents of the region regarding existing and future health care providers and services.
- How access to care will be maintained in the service area following the transition of Johnson Memorial Medical Center, Inc. ("JMMC") into Saint Francis Care's ("SFC") new regional health ministry.
- The financial feasibility of the proposal, including a discussion of SFC's ability to purchase JMMC and assume its long-term debt and pension obligations.
- Addressing the specific health-related issues as identified in JMMC's 2012 Community Health Needs Assessment following the transfer of ownership.
- Charity care policies to be implemented following the transfer of ownership and how they compare to JMMC's existing policies and those of Trinity Health Corporation's.

Provide a written response to the following as an attachment to the pre-file testimony, as these questions were not fully addressed in the application/completeness:

1. Please revise payer mix tables on pages 1,303-1,304 to include FY 2014 as the current (most recently completed) year. Adjust FYs 2015-2018 as necessary.
2. Reconcile each liability and payment listed on page 23 of the Application with the amounts provided on page 1,948 of the completeness responses and with JMMC's purchase price value of $30M. Provide dollar amounts for each debt item listed and explain any variances between the two submissions.
3. Given that the Applicants' projections assumed reductions in principal balance as a result of the proposal, explain why Johnson Memorial Hospital's ("JMH") financials on page 1,999 of the completeness responses reflect incremental principal payments.
4. Due to the fact that Johnson Evergreen Corporation ("JEC") was an affiliate of JMH in FY 2014 and FY 2015, revise and resubmit Financial Worksheet A for SFC and JMMC to include JEC's operating results. Provide all assumptions and explain any incremental losses from operations projected as a result of the proposal.

5. Provide Financial Worksheet A for Saint Francis Hospital and Medical Center ("SFHMC") only (exclude affiliates and subsidiaries). Provide all assumptions and explain any incremental losses from operations projected as a result of the proposal.

6. Provide updated Financial Measurement/Indicators for June, July and August 2015 and comparable months from the previous fiscal year for SFC, SFHMC and JMH only (exclude affiliates and subsidiaries). Provide an explanation for any increases or decreases between FY 2014 and FY 2015 that correspond to items listed on Section D on page 2,005 of the completeness responses.

7. Reconcile the $78M cash on hand for SFHMC, listed on page 1,949 of the completeness responses, with June 2015's monthly submission.

8. Provide a current credit rating for SFC and for SFHMC.

* * * COMMUNICATION RESULT REPORT (SEP. 23. 2015 8:02AM) * * *

FAX HEADER:

TRANSMITTED/STORED : SEP. 23. 2015 8:01AM FILE MODE	OPTION	ADDRESS	RESULT	PAGE
295 MEMORY TX		98607148093	OK	4/4

REASON FOR ERROR
E-1) HANG UP OR LINE FAIL
E-2) BUSY
E-3) NO ANSWER
E-4) NO FACSIMILE CONNECTION

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: R. CHRISTOPHER HARTLEY, SENIOR VP PLANNING, BUSINESS DEVELOPMENT AND GOVERNMENT RELATIONS

FAX: 860-714-8093

AGENCY: SAINT FRANCIS CARE, INC.

FROM: BRIAN A. CARNEY

DATE: 9/23/15 **TIME:**

NUMBER OF PAGES: 4
(including transmittal sheet)

Comments:

15-32002-CON - Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.

Request for Prefiled Testimony and Issues

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001 ***Fax: (860) 418-7053***

410 Capitol Ave., MS#13HCA
P.O.Box 340308
Hartford, CT 06134

* * * COMMUNICATION RESULT REPORT (SEP. 23. 2015 8:06AM) * * *

FAX HEADER:

TRANSMITTED/STORED : SEP. 23. 2015 8:05AM

FILE	MODE	OPTION	ADDRESS	RESULT	PAGE
296	MEMORY TX		917343433144	OK	4/4

REASON FOR ERROR
E-1) HANG UP OR LINE FAIL
E-2) BUSY
E-3) NO ANSWER
E-4) NO FACSIMILE CONNECTION

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: ANNE M. HESANO, VP, MERGERS, ACQUISITIONS & PARTNERSHIP DEVELOPMENT

FAX: 734-343-3144

AGENCY: TRINITY HEALTH CORPORATION

FROM: BRIAN A. CARNEY

DATE: 9/23/15 **TIME:**

NUMBER OF PAGES: 4
(including transmittal sheet)

Comments:

15-32002-CON - Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.

Request for Prefiled Testimony and Issues

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001 ***Fax: (860) 418-7053***

410 Capitol Ave., MS#13HCA
P.O.Box 340308
Hartford, CT 06134

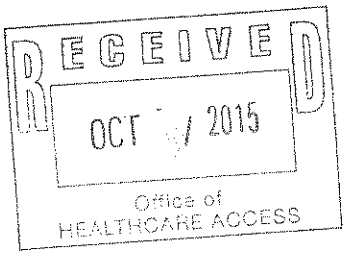
SAINT FRANCIS *Care*

jmmc
Johnson Memorial Medical Center

October 1, 2015

Via Hand Delivery

Brian Carney
Associate Research Analyst
Office of Health Care Access
410 Capitol Avenue
MS#13HCA
P.O. Box 340308
Hartford, CT 06134-0308



Re: Responses to Interrogatories and Pre – File Testimony for the Certificate of Need Application for Saint Francis *Care's* Acquisition of the Assets of Johnson Memorial Medical Center, Inc. and Affiliates DN: 15-32002-CON

Dear Mr. Carney:

Enclosed please find the original and four copies of our responses to OHCA's September 23, 2015 letter along with the prefiled testimonies regarding the above referenced Certificate of Need Application.

If you have any questions, do not hesitate to call Chris Hartley, Senior Vice President, Planning, Business Development and Government Relations at 860-714-5573.

Respectively submitted,

Saint Francis *Care*

By: _____
Christopher Dadlez, FACHE
President and
Chief Executive Officer
Saint Francis *Care*

Johnson Memorial Medical Center, Inc.

By: _____
Stuart Rosenberg
President and
Chief Executive Officer
Johnson Memorial Medical Center, Inc.

Enclosures

ISSUES

Office of Health Care Access Docket Number: 15-32002-CON

Johnson Memorial Medical Center, Inc. and Saint Francis *Care*, Inc. – Transfer of Ownership

The Applicants should be prepared to present and discuss supporting evidence on the following issues:

- **The clear public need for and the community benefits of the proposal.**

In FY 2015 alone, through August Johnson Memorial Medical Center ("JMMC") has treated 2,780 inpatients, seen 17,732 patients in its emergency department, and performed 1,771 outpatient surgeries. JMMC has also treated 639 behavioral health inpatients which represents a growth of 9.2% over the previous year in its inpatient mental health treatment services.

As stated on page 1,946 of the certificate of need application "..... the treatment for vascular, heart, cancer and stroke patients often begins with the initial patient visit to the Emergency Department and continues through the full period of treatment for each patient...."

For a vast majority of the 84,000+ population in the JMMC primary service area the closest hospital services are those provided by the institution. JMMC has provided services to its community for over 100 years and its acquisition by Trinity New England Regional Health Ministry preserves access to care for these patients close to home.

Continuation of the services provided by JMMC will also improve access to behavioral health services, services that have remained in short supply in many areas of the state.

As stated in the certificate of need application on page 36, "SFC's acquisition of Johnson delivers many benefits which will improve the coordination of patient care including:

- Preserves Johnson's viability and the access of its patient populations to needed healthcare services closer to home;
- Provides better use of limited health manpower resources through combination of the treatment of specific patient populations e.g. cancer infusion, ambulatory surgery, physical therapy, primary care between the two organizations;
- Achieves debt reduction at Johnson which will lower the cost of operations for the health system as a whole;
- Adds ambulatory surgery, cancer treatment, rehabilitation, wound care and a variety of ancillary service locations to the SFC System."

Working together for over three years Trinity New England Regional Health Ministry and JMMC have demonstrated their value and met the public's need for health care services. There can be no better way to preserve access to health care services to the local community than the continuation of JMMC.
Please also find attached letters of support in Attachment 1 that demonstrate the need for and public support of this project.

- **The effect of the proposed transfer of ownership on the residents of the region regarding existing and future health care providers and services.**

  As stated in the certificate of need application on page 50, "SFC does not believe this certificate of need proposal will have any effect on existing providers as there will be no expected change in any services at Johnson...."

  However, failure to preserve JMMC would lead to the loss of many highly skilled health care professionals who would probably relocate out of the hospital's service area, some even out of the state. All together, the loss of these highly trained professionals would create even more strain on the remaining providers and could delay timely access to care for patients in the communities now served by JMMC.

  The acquisition of JMMC by Trinity New England Regional Health Ministry will continue to provide both direct and indirect benefits to the residents of the region. As stated on page 1,946 of the certificate of need application "....From a direct benefit perspective, the treatment for vascular, heart, cancer and stroke patients often begins with the initial patient visit to the Emergency Department and continues through the full period of treatment for each patient. JMMC uses Saint Francis *Care* hospitalists for much of its inpatient care and Saint Francis *Care* oncologists oversee the cancer treatment of all inpatients and outpatients seen at JMMC. Saint Francis *Care* is also in the process of establishing a satellite program within the JMMC service area for congestive heart failure patients that will use the same treatment protocols and be managed by physicians who operate a similar program through the Hoffman Heart and Vascular Institute of Connecticut. Thus, patient groups at JMMC will receive consistent treatment regardless of the location at which they first present. In addition, due to the integration of the providers who serve patients at the two organizations, the speed of appropriate intervention, timeliness of patient transfer and the consistency of follow up care are expected to improve. From a more indirect perspective, as the model of care shifts toward a population management based method of care delivery, patients from the JMMC's primary service area will be able to purchase insurance products that ensure access to bundled payment programs and risk contracts that include the award winning health care programs Saint Francis *Care* offers to all of its heart, cancer, stroke and joint replacement patients...."

  Please also refer to our answer to the previous question regarding public need and community benefits.

  Lastly, access to and enhancements of obstetrics, behavioral health, and, urology services (call coverage) can only occur through successful implementation of the partnership between Trinity New England Regional Health Ministry and JMMC. The recruitment of needed physicians, particularly general surgery and other health professionals as well as the extension of services to the local community through satellite program operations sponsored by Trinity New England Regional Health Ministry will positively affect the future healthcare of the residents of the region. Due to the limited availability of neurology coverage, JMMC contracted with The Tele-Neurology program at UMASS Medical Center for a period of one (1) year. This will permit JMMC to provide enhanced services to stroke patients locally. Any complicated cases would be transferred within the Trinity New England Regional Health Ministry's system upon initial evaluation.

- **How access to care will be maintained in the service area following the transition of Johnson Memorial Medical Center, Inc. ("JMMC") into Saint Francis Care's ("SFC") new regional health ministry.**

  The Office of Health Care Access approved the request for Saint Francis *Care* to join Trinity Health as part of Docket Numbers 15-31979-CON and 15-32002-CON.

  As a result of these approvals, Trinity Health and Saint Francis *Care* have formed a new "Regional Health Ministry" currently referred to as Trinity New England Regional Health Ministry. Trinity New England Regional Health Ministry will control all of JMMC and its affiliates (See Organizational Chart in Exhibit 33 on page 1,957 of the CON Application).

  As stated on pages 1,942 of the certificate of need application, "..the inclusion of JMMC within the Regional Health Ministry will allow Saint Francis *Care* and JMCC to streamline clinical service delivery, achieve certain economies of scale through the restructuring of selected support services, and stabilize physician availability needed to deliver clinical care in the areas of OB/GYN, Behavioral Health, Cancer, Emergency Medicine, and acute care. It also will allow JMMC to participate in new insurance programs requiring bundled payments or risk sharing arrangements as they evolve in this market. The inclusion of JMMC in the Regional Health Ministry allows Saint Francis *Care* to standardize healthcare delivery at JMMC by extending to JMCC the evidence based clinical approach that has been successfully implemented at Saint Francis *Care*. Furthermore, the ability of JMMC to continue to meet the healthcare needs of its patient population, irrespective of the ability of recipients of care to pay for that care, is consistent with the mission of Trinity Health and Saint Francis *Care* and will be enhanced by becoming a part of the new Regional Health Ministry...."

  The residents of JMMC's geographic service area will continue to receive services in a fashion that preserves access to a diverse group of health care providers that JMMC alone could not recruit to its communities.

  Equally important JMMC has access to regional expertise as well as corporate support from a national health system which JMMC could not afford to access were it required to purchase those services on its own.

  Clear clinical examples of access to a larger health system include the extension of Trinity Health New England Regional Health Ministry's hospitalists, medical oncologists, psychiatrists, and cardiologists to support similar service lines at JMMC. On the support service side the rapid upgrade of JMMC's IT systems to the EPIC electronic medical record system, implementation of ICD-10 coding changes, revenue enhancement systems, and continuation of Workers Compensation insurance coverage during the interim period until this transaction is approved are just a few of the many examples of how access to care is and will continue to be preserved as part of the transfer of JMMC and its subsidiaries into Trinity New England Regional Health Ministry.

The financial feasibility of the proposal, including a discussion of SFC's ability to purchase JMMC and assume its long-term debt and pension obligations.

As noted on page 1949 of the certificate of need application, Saint Francis Hospital and Medical Center's cash and investments as of June 30, 2015 was $78M. Furthermore, there continues to be sufficient cash on hand to fund the costs related to this transaction to be incurred at closing (approximately $5.5M).

In addition, it is anticipated that as a result of the acquisition of JMMC by Saint Francis and the restructure of JMMC's debt, JMMC's operating results will be sufficient to cover the interest and principal payments associated with the restructured debt. Refer to the updated Financial Worksheet at Attachment 3 noting anticipated operating margins of 3.5%, 3.7% and 3.3% for 2016, 2017 and 2018, respectively, for JMMC if this proposal is approved.

Historically, JMH had a defined benefit pension plan that covered certain employees. Pursuant to the plan of reorganization approved in August 2010, the Pension Benefit Guaranty Corporation assumed control of the defined benefit plan effective September 1, 2011. Accordingly, JMMC does not have any obligations under a defined benefit plan except for the amounts to be paid at closing to the PBGC for this terminated plan. This amount is included in the $3.0M due to legacy creditors described on both pages 23 and 1948. Johnson's pension obligations are limited to its current defined contribution plans. Therefore, the liabilities associated with Johnson's benefit plans are future obligations. Expenses expected to be incurred by Johnson for its employees related to the defined contribution plans and retirement benefits were included in the financial projections and the Financial Worksheet at Attachment 2.

- **Addressing the specific health-related issues as identified in JMMC's 2012 Community Health Needs Assessment following the transfer of ownership.**

Exhibit 23 (pages 1,450 and 1,451 of the certificate of need application) contain JMMC's Community Needs Assessment- Implementation Strategy. In this document JMMC identifies a series of training programs aimed at wellness, reducing obesity, and eating healthy to manage diabetes. JMMC also offers programs to manage foot care for diabetics and sponsors a wide range of community meetings focused on support for and prevention of health problems associated with behavioral health, alcoholism and drug abuse. The institution also provides programs on smoking cessation, blood pressure screenings, dementia support, bereavement support, support for breast cancer patients and families dealing with patients suffering from memory loss.

Many of the issues identified in the CNHAs at both JMMC and Trinity New England Regional Health Ministry overlap including: access to healthcare services including a focus on preventable disease (Diabetes and Obesity); and providing support for behavioral health. The programs and strategies for addressing these issues are organized in consort with local resources and are tailored to specific needs of community members once the acquisition is complete. Trinity New England Regional Health Ministry will continue to prioritize these issues at both locations and will bring additional resources (for example grant writing and community engagement expertise) and new opportunities (for example connections to national organizations such as

Community Solutions and Ariadne Labs) which previously were not available to JMMC. Additionally, Trinity New England Regional Health Ministry will focus on unique areas of need identified in each of the CHNAs such as improving communication and addressing limited substance and alcohol abuse resources. Furthermore, JMMC has already benefited from using Trinity New England Regional Health Ministry's guidance in developing its own translation and interpretation services and these types of synergies will continue to occur.

As noted on pages 69-70 of the certificate of need application "...For the 2015 Community Health Needs Assessment, Saint Francis Hospital has partnered with Data Haven, a non-profit organization with a 25-year history of public service to Greater New Haven and Connecticut whose mission is to improve quality of life by compiling, sharing, and interpreting public data for effective decision making. DataHaven is a formal partner of the National Neighborhood Indicators Partnership of the Urban Institute in Washington, DC. Funding support for the CHNA in the Hartford area include: the Hartford Foundation for Public Giving, the Greater New Britain Community Foundation, Saint Francis Hospital and Medical Center, Trinity College, and the Council of Governments. In addition to the Hartford area, approximately $500,000 has been committed to conduct the survey within other regions of Connecticut. Over the coming months the size of the final study will be determined once all other institutional sponsors have been identified. These research activities will be taking place in late 2015 and 2016. SFC is working closely with the City of Hartford Health and Human Services Department, CT Children's Medical Center, and Johnson Memorial Hospital in the survey design so that critical health questions are included in the final version....."

Going forward the CHNA plan and Implementation Strategy will continue to be a combined effort and will synthesize data from a variety of quantitative and qualitative sources including: a community Well Being Survey to be conducted by Data Haven; Updated data snapshots can be found at https://twitter.com/ctdata/media ; a review of available demographic and community profile data; an analysis of health survey data ; interviews with key informants; focus group data; and other resources as they become available. The CHNA approach selected is an iterative process for the 2016 Plan which allows for on-going assessment of community needs and is influenced by Community Based Participatory Research methodology. This approach engages the community in research and allows for the voice of the community to drive the agenda. [1] (See table below for the CHNA Timeline).

The three year requirement for a CHNA by the IRS requires the creation of a set of specific goals and measurable objectives thereby allowing for evaluation of progress; however, both Trinity Health and JMMC believe the on-going community engagement and relationship building with community members and community leaders is a valuable resource that Trinity Health New England Regional Health Ministry will use to augment and update the 3-year plan on an on-going basis. This approach honors the changing priorities of community groups and the complex set of relationships and needs that makes each community unique.

[1] Israel BA, Eng E, Schulz AJ, Parker EA. (Eds.) (2005). *Methods in Community-Based Participatory Research for Health.* San Francisco: Jossey-Bass Publishers.

Time Line for the next Community Health Needs Assessment (CHNA)

Due Date: 9/30/16

Dates	Activity	Hospital Involved
January – July 2015	Data Analysis from current resources including Community Profile completed by the CT Hospital Association	Saint Francis Johnson Memorial
May – September 2015	Telephone Well- Being Survey completed by Data Haven (with over sampling of Hartford and Enfield communities)	Saint Francis Johnson Memorial
October 2015 – March 2015	Qualitative Data Collection including: • Key Informant Interviews; • Focus Groups ; • Community Member Surveys; • Community Meetings	Saint Francis Johnson Memorial
April 2015 – June 2016	Analysis of Findings	Saint Francis Johnson Memorial
July 29, 2016 *(IRS Proposed Rule 4/3/13)*	Finalization of CHNA	Saint Francis Johnson Memorial
Board Meeting Prior to 9/30/16 *(IRS Notice 2011-51)*	Approval by Board of Directors (Newly formed Trinity Health Northeast – schedule not yet available)	Saint Francis Johnson Memorial
October 30, 2016	Submit final approved CHNA and Implementation Strategy to OCHA	
August 2016 – December 2016 *(IRS Summary 12/31/14 re: CHNA requirements)*	Development of Implementation Strategy	Saint Francis Johnson Memorial
Board Meeting Prior to 1/31/16	Approval of Implementation Strategy by Board of Directors	Saint Francis Johnson Memorial
February 28, 2016	Submit Final Implementation Strategy to OCHA	
March 15, 2016 *(Extension to 8/15/16 optional)*	File CHNA with IRS	Saint Francis Johnson Memorial

- **Charity care policies to be implemented following the transfer of ownership and how they compare to JMMC's existing policies and those of Trinity Health Corporation's.**

  Saint Francis *Care* and JMMC have always provided care to Medicaid and the uninsured. As stated on pages 70 and 71 of the application "...Saint Francis *Care*'s inpatient and outpatient population was comprised of 23.8% Medicaid in FY 2014 and JMMC's Medicaid population represented 18% of its inpatients and outpatients. In FY 2014, Saint Francis *Care* delivered $78 million of community benefit including $6 million of unfunded charity care. JMMC delivered $6 million in community benefit and $151,372 in charity care in FY 2014.

The current charity care policies of both organizations are included in the application in Exhibit 27, pages 1,659 – 1,671.

As a result of this transaction, neither organization plans to change its charity care, uncompensated care, financial assistance for bad debt or bed fund policies.

However, as stated on pages 647 – 650 of the CON application DN: 15-31979 once Saint Francis *Care* joins Trinity Health and becomes Trinity Health New England, "...As a result, we would anticipate Saint Francis *Care's* current practices in the areas of charity care and financial assistance to be further enhanced...." See also Exhibit 27 pages 733 – 754 of DN: 15-31979 for the charity care template for Trinity Health. The target date for adoption of these charity care policies by all RHM's is 1/1/16.

Once the acquisition of JMMC is complete it will become a part of Trinity New England Regional Health Ministry. As a result, JMMC's charity care policies will be enhanced to meet Trinity Health's system charity care policies.

Provide a written response to the following as an attachment to the pre-file testimony, as these questions were not fully addressed in the application/completeness:

1. **Please revise payer mix tables on pages 1,303-1,304 to include FY 2014 as the current (most recently completed) year. Adjust FYs 2015-2018 as necessary.**

   Please refer to Attachment 2.

2. **Reconcile each liability and payment listed on page 23 of the Application with the amounts provided on page 1,948 of the completeness responses and with JMMC's purchase price value of $30M. Provide dollar amounts for each debt item listed and explain any variances between the two submissions.**

   The schedule included on page 1948 of the certificate of need application only represents debt items. The purchase price consists of the following debt items as well as the assumption of other current liabilities and closing costs that are consistent with these types of transactions. The last column provides reconciliation to those items listed on Page 23 of the original application.

Entity's Name	Liability Description	Total Liability Amount (TB)	Assumed Liability Amount (AL)	Not Assumed Amount (TB-AL/P)	Comments	Reconciliation to page 21 of Original Application
Johnson Memorial Hospital	Amounts due to Legacy Creditors	$5,930,321	$3,000,000	$2,930,321	Amount to be paid/assumed by SFC based on settlement agreement with Legacy Creditors. Refer to page 10 of Amended APA.	Included in the assumption and payment of $3.0M to PBGC and the creditors represented by the Plan Custodian
Johnson Memorial Hospital	Peoples Bank long-term debt	$11,987,500	$7,400,000	$4,587,500	Amount to be paid/assumed by SFC based on settlement agreement with Peoples Bank. Refer to page 10 of Amended APA.	Included in the assumption of approximately $10,500,000 of indebtedness
Johnson Memorial Hospital	Accrued Interest Expense to Peoples Bank	$629,754	$629,754	$0		Included in payment of past due interest owed by JMMC to People's
Johnson Memorial Medical Center	Peoples Bank long-term debt	$2,940,000	$2,940,000	$0		Included in the assumption of approximately $10,500,000 of indebtedness
Johnson Memorial Medical Center	Accrued Interest Expense to Peoples Bank	$107,812	$107,812	$0		Included in payment of past due interest owed by JMMC to People's
Johnson Memorial Hospital	Healthcare Finance Group (HFG) Line of Credit	$2,282,199	$2,282,199	$0	If additional amounts are drawn down prior to closing, SFC will assume the entire amount outstanding.	Included in assumption of up to $7,000,000 of indebtedness owed to HFG (this is a cap, only $2,282,199 was drawn down as of the date of this schedule)
Johnson Memorial Hospital	Capital leases	$802,028	$802,028		SFC will assume amounts outstanding as of the closing date.	Included in the assumption of equipment financed with purchase money security interests or capital leases of $2,300,000. Johnson continues to pay these amounts and the balance will continue to decrease.

3. **Given that the Applicants' projections assumed reductions in principal balance as a result of the proposal, explain why Johnson Memorial Hospital's ("JMH") financials on page 1,999 of the completeness responses reflect incremental principal payments.**

   The increase in the principal payments is primarily due to JMMC being unable to make principal payments in FY 2014 and FY 2015 on the JMH and JMMC outstanding loans to People's Bank. As a result of this transaction, these loans will be restructured and principal payments will resume in accordance with the new loan agreement effective after the transaction is approved and closes.

4. **Due to the fact that Johnson Evergreen Corporation ("JEC") was an affiliate of JMH in FY 2014 and FY 2015, revise and resubmit Financial Worksheet A for SFC and JMMC to include JEC's operating results. Provide all assumptions and explain any incremental losses from operations projected as a result of the proposal.**

   Please refer to Attachment 3.

5. **Provide Financial Worksheet A for Saint Francis Hospital and Medical Center ("SFHMC") only (exclude affiliates and subsidiaries). Provide all assumptions and explain any incremental losses from operations projected as a result of the proposal.**

   Please refer to Attachment 3.

6. **Provide updated Financial Measurement/Indicators for June, July and August 2015 and comparable months from the previous fiscal year for SFC, SFHMC and JMH only (exclude affiliates and subsidiaries). Provide an explanation for any increases or decreases between FY 2014 and FY 2015 that correspond to items listed on Section D on page 2,005 of the completeness responses.**

   Please refer to Attachment 4.

7. **Reconcile the $78M cash on hand for SFHMC, listed on page 1,949 of the completeness responses, with June 2015's monthly submission.**

   The $78M cash on hand reported on page 1,949 was for Saint Francis Hospital and Medical Center only and included cash and cash equivalents of $54M and short term investments of $24M. The June 2015 monthly submission of $70.4M represents Saint Francis Hospital and Medical Center **consolidated** cash and cash equivalents and **excludes** short term investments.

8. **Provide a current credit rating for SFC and for SFHMC.**

   Neither SFC nor SFHMC have obtained a credit rating.

ATTACHMENT 1

James Brakoniecki, M.D.
111 Scantic Road
Hampden, MA 01036

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing anesthesiologist at Johnson Memorial Hospital, I am aware of the importance of ready access to critical care services only available at a tertiary facility like Saint Francis. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and the ability of physicians to better manage the health of patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

James Brakoniecki, M.D.
Somers Anesthesiology Associates, P.C.

Stafford Public Schools

OFFICE OF THE SUPERINTENDENT OF SCHOOLS
16 LEVINTHAL RUN
STAFFORD SPRINGS, CT 06076
TEL. 860-684-2208 • FAX 860-684-5172

Patricia A. Collin, Ed.D.
Superintendent of Schools

September 29, 2015

Ms. Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS#13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: CON Application for Affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As Superintendent of Schools, I genuinely care for the health, safety and welfare of the residents of Stafford and its surrounding towns. Inherent in my role with the Board of Education, I am an active participant in school and community events at which I have the privilege of conversing with others about the services of the town and school district. I have spoken directly with parents, guardians and retirees, who have come to rely on access to Johnson Memorial Medical Center/Saint Francis Care for diagnostic, medical and emergency services.

Not only does the hospital staff provide services, but in November 2014, JMMC/SFC hosted a joint forum on public health roles and responsibilities during the Ebola outbreak. Attendees included the First Selectman, fire, ambulance and law enforcement personnel, and school district officials, to name a few. During the meeting, factual information was shared and discussion ensued, which resulted in planned coordinated efforts and identification of resources should Stafford and its surrounding communities be impacted by the virus. This initiative clearly demonstrates Johnson's/Saint Francis's commitment to area residents, who will benefit from the quality of care of both hospitals.

Directly impacting our schools, we contract with JMMC/Saint Francis Care for the services of an athletic trainer, who works closely with our Director of Athletics and Recreation. The athletic trainer provides education to our students, monitors their activity during sporting events, and identifies strategies to prevent and in response to injuries. Not only have the parents and guardians of students attending Stafford Public Schools spoken positively about these "personalized" services, but athletes and parents from visiting towns have also expressed their

appreciation to the district for the services and local access to the hospital to diagnose and treat injuries.

On a personal note, I was born at the original Johnson Memorial Hospital on East Street more than 50 years ago. My family, neighbors and friends have experienced the skilled, knowledgeable and caring staff employed by the hospital for decades. They appreciate the short distance they must travel to visit patients, particularly those with extended care. When my daughter was small, she suffered an allergic reaction when a bee stung her tongue, which immediately began to swell. While we were only traveling from Somers, had JMMC not been located in Stafford, the outcome could have been tragic. And although no one *wants* to have to go to an emergency room, by its mere location in the northeastern corner of Connecticut, it is convenient and may have minimized the anxiety familiesexperience when confronted with a longer commute for such care.

Having been made aware of the plans to merge for a couple of years, I applaud Johnson Memorial Medical Center and Saint Francis Care for sharing vision through the planned merger. I am confident that our immediate and extended community will continue to receive outstanding healthcare through this initiative in the future. It is without reservation that I endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care.

Sincerely,

Patricia A. Collin, Ed.D.
Superintendent of Schools, Stafford
Resident, Somers, Connecticut

Herbert J. DiMeola, M.D.
112 Kozley Road
Tolland, CT 06084

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

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As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing hospitalist, many of my patients already use the services of Saint Francis *Care* when they need services not now available at Johnson Memorial. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and my ability as a physician to better manage the health of my patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

Herbert J. DiMeola, M.D.

65 Park Street
Stafford Springs, CT 06076
October 29, 2015

Kimberly Martone
Director of Operations
CT Department of Health Care Assess
410 Capitol Avenue, MS # 13HCA
P. O. Box 340308
Hartford, CT 16134-0308

Dear Ms. Martone:

As a life-long resident of the town of Stafford, I have profound concerns about the health and welfare of the citizens of the town. The services provided by Johnson Memorial Medical Center are extremely important to all the people in this area.

Since I have been involved as a member of the board of selectmen and served as first selectman for two years and chairman of the board of finance for twenty years, I am well aware of the citizens' needs. During my thirty-five year association with JMMC, I served as a cooperator, a trustee, member of the executive board, and vice-president. In addition, I was involved in the process of finding a suitable partner with which to affiliate. St.Francis Care met the challenge and partnered with JMMC to plan for a merger. I applaud both organizations for their vision and commitment to the merger. I am confident that our community will continue to receive outstanding health care from St. Francis Care and JMMC, Inc. merger that will meet the needs for health care in the future.

I hope you will support this endeavor since it will meet the tremendous needs of this community.

Sincerely,

Richard P. Dobson, Sr.

Senator Tony Guglielmo
Thirty-Fifth Senate District

CHIEF DEPUTY MINORITY LEADER

State of Connecticut
SENATE
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

RANKING MEMBER
PUBLIC SAFETY & SECURITY

MEMBER
PROGRAM REVIEW & INVESTIGATIONS
EXECUTIVE & LEGISLATIVE NOMINATIONS

September 28, 2015

Ms. Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
PO Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As State Senator for the 35th district of Connecticut, which includes Ashford, Chaplin, Coventry, Eastford, Ellington, Pomfret, Stafford, Tolland, Union, Vernon, Willington and Woodstock, I write to you today in support of the acquisition of Johnson Memorial Medical Center, Inc., by Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center. These two institutions are requesting your agency's approval to combine their two organizations for the purpose of continuing and bolstering Johnson Memorial Medical Center's 100+ year history of service to its communities.

Saint Francis *Care* is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Inc. Together I am sure these two institutions will improve access to specialized care. I support this CON application.

Sincerely,

Tony Guglielmo
State Senator

100 STAFFORD STREET · STAFFORD SPRINGS, CONNECTICUT 06076
CAPITOL: (860) 240-0574 · TOLL FREE: (800) 842-1421 · E-MAIL: Tony.Guglielmo@cga.ct.gov · WEB: www.SenatorGuglielmo.com

David Herr, M.D.
163 Cemetery Road
Union, CT 06076

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing emergency room physician, many of my patients already use the services of Saint Francis *Care* when they need services not now available at Johnson Memorial. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and my ability as a physician to better manage the health of my patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

David Herr, M.D.
Northeast Emergency Medicine Specialists, LLC

Introvigne Funeral Home, Inc.

51 East Main Street

Stafford Springs, CT 06076

(860) 684-2538

September 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a life-long resident and business owner of Stafford Springs, I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford Springs communities, has been outstanding.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Evergreen Health Care Center, an affiliate of Johnson Memorial Medical Center, received a 5-star rating for quality from the Centers for Medicare and Medicaid Services. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

Introvigne Funeral Home, Inc.

51 East Main Street

Stafford Springs, CT 06076

(860) 684-2538

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care*.

Sincerely,

Joseph Introvigne

TOWN OF ENFIELD

September 29, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As Mayor of the Town of Enfield, I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford Springs communities has been outstanding.

The services provided at both Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Evergreen Health Care Center, an affiliate of Johnson Memorial Medical Center, received a 5-star rating for quality from the Centers for Medicare and Medicaid Services. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care*.

Sincerely,

Scott Kaupin

Town of Enfield
Town Manager's Office
820 Enfield Street
Enfield, Connecticut 06082

Telephone (860) 253-6350
Fax (860) 253-6310
www.enfield-ct.gov

CAMPBELL-KEUNE REALTY, INC.

12 Main Street
Ellington, CT 06029
(860) 872-2023
Fax (860) 875-4047

April 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As Chairman of the Ellington Board of Education and a Member of JMMC, I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford Springs communities, has been outstanding.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Evergreen Health Care Center, an affiliate of Johnson Memorial Medical Center, received a 5-star rating for quality from the Centers for Medicare and Medicaid Services. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

Established 1970

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care*.

Sincerely,

Daniel Keune

SENATOR JOHN A. KISSEL
CHIEF DEPUTY MINORITY LEADER

18 FREW TERRACE
ENFIELD, CONNECTICUT 06082
HARTFORD: (860) 240-0531
HOME: (860) 745-0688
TOLL FREE: 1-800-842-1421
FAX: (860) 240-8306

State of Connecticut
SENATE
STATE CAPITOL
300 CAPITOL AVENUE
HARTFORD, CONNECTICUT 06106-1591

RANKING MEMBER
JUDICIARY COMMITTEE
PROGRAM REVIEW & INVESTIGATIONS COMMITTEE

MEMBER
APPROPRIATIONS COMMITTEE
GENERAL LAW COMMITTEE

E-MAIL: John.A.Kissel@cga.ct.gov
WEBSITE: www.SenatorKissel.com

April 22, 2015

Ms. Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
PO Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As State Senator for the 7th Senatorial District of Connecticut, which includes East Granby, Enfield, Granby, Somers, Suffield, Windsor and Windsor Locks, I write to you today in support of the acquisition of Johnson Memorial Medical Center, Inc., by Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center. These two institutions are requesting your agency's approval to combine their two organizations for the purpose of continuing and bolstering Johnson Memorial Medical Center's 100+ year history of service to its communities.

Approving this Certificate of Need request is the best possible way for the State of Connecticut to enhance the health care services and quality of the health care system that my constituents depend upon for their care.

I recognize that health care reimbursement is changing at both the state and federal level. Hospitals both large and small must work much more closely together to achieve economies of scale and secure access to much needed capital.

Saint Francis *Care* is a well-known provider of health care services to the people in my community, particularly when they seek specialized services not available at Johnson Memorial Medical Center, Inc. Together I am sure these two institutions will make an unbeatable team. Please give them every support possible.

Sincerely,

John A. Kissel
State Senator-7th District

TOWN OF SOMERS

600 Main Street
P.O. Box 308
Somers, Connecticut 06071
www.somersct.gov

FIRST SELECTMAN
Lisa Pellegrini

SELECTMAN
Kathleen Devlin
Bud Knorr

TEL. (860) 763-8200
FAX (860) 763-8228

September 23, 2015

Mr. Stuart Rosenberg
Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076

Dear Mr. Rosenberg,

As the First Selectman of the Town of Somers, I write to you in enthusiastic support of the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care, the parent corporation of Saint Francis Hospital and Medical Center.

I support this for a variety of reasons. First, this acquisition ensures that quality healthcare continues to be readily accessible to residents in Somers and other small towns in the northeast part of the state. Johnson Memorial Medical Center (JMMC) serves several communities. As you can see by the attached Map of Hospital Community Health Needs Assessment Geographic Coverage and Primary Service Area, JMMC serves as the primary hospital service for 9 surrounding towns. Without JMMC a great gap in coverage would exist and residents in the affected communities would most likely leave Connecticut and go to Massachusetts for easily accessible care.

Second, the availability and continuation of easily accessible and high quality healthcare continues to be a top priority at both the local level and the state level as it is of particular importance for women, children and seniors. This acquisition greatly increases the availability of specialized services to this group. Such specialized services are so necessary for the health and welfare of this particular group.

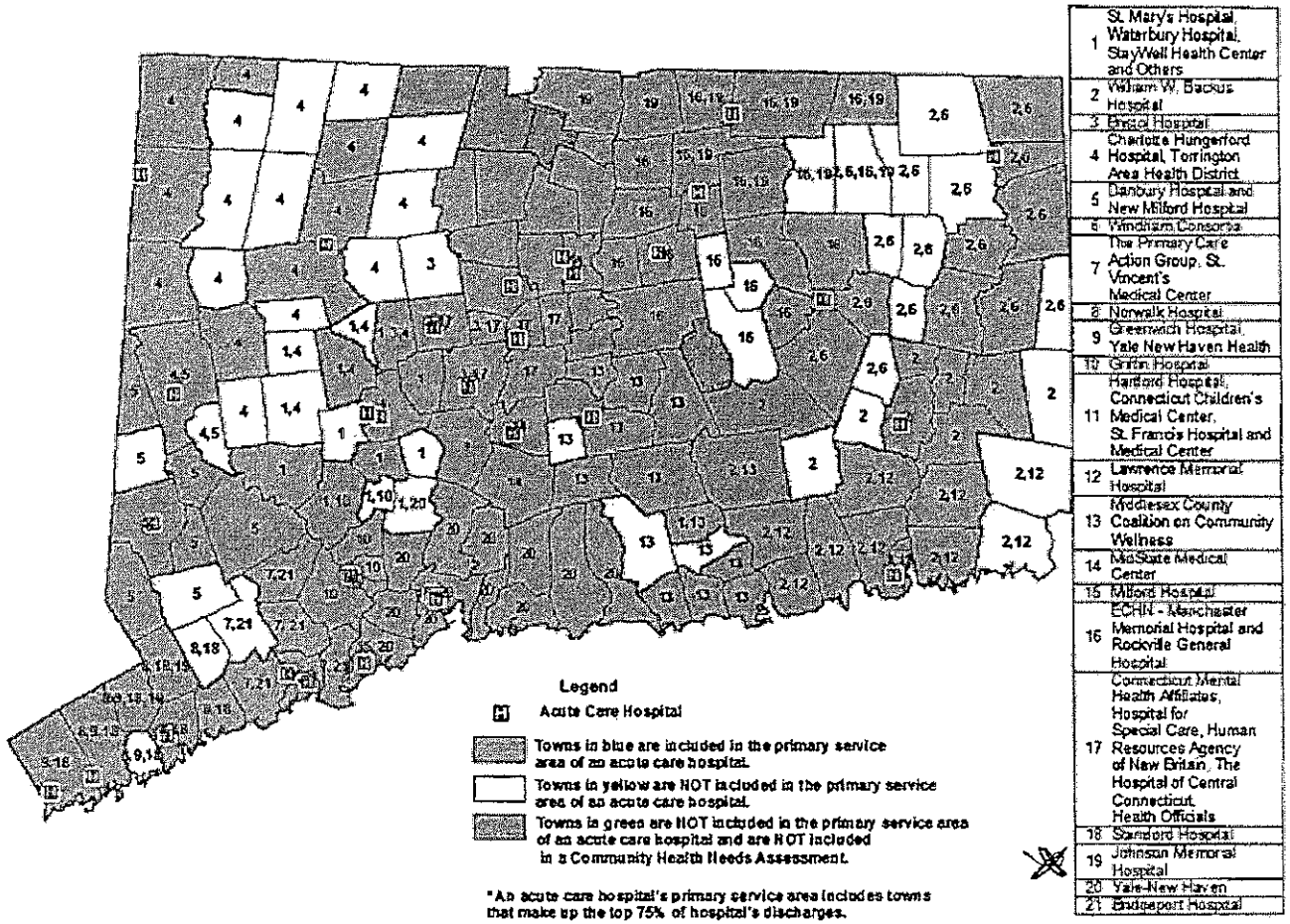
Third, this partnership fulfills the goal of public health equality as outlined in the Connecticut Department of Public Health Healthy Connecticut 2020 State Health Improvement Plan. As an Advisory Council Member and co-chairman for the Healthy Connecticut 2020 Health Systems Committee this merger supports the goals of improved various public health initiatives and community health assessments.

Finally, this merger is also a wonderful economic development opportunity for the area as it provides superb jobs to hundreds of employees. It also creates jobs that support workers and generates business opportunities that will continue to fund job growth. Without this partnership the future of JMMC becomes very uncertain. Please join me in supporting this important and historic partnership.

Sincerely,

Lisa Pellegrini
First Selectman

Figure 30. Map of Hospital Community Health Needs Assessment Geographic Coverage and Primary Service Area, October, 2014



Source: Manual Review of Connecticut's Hospital CHNAs
Department of Public Health, Office of Health Care Access, December 2014

8/25/15

Docket Number: 15-32002-CON

Swathi Rachoor, M.D.
201 Chestnut Hill Road
Stafford Springs, CT 06076

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing hospitalist, many of my patients already use the services of Saint Francis *Care* when they need services not now available at Johnson Memorial. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and my ability as a physician to better manage the health of my patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

Swathi Rachoor, M.D.

Town of Stafford
Connecticut
Office of Selectmen
1 Main Street
Warren Memorial Town Hall
Stafford Springs, CT 06076-1208
*Telephone (860) 684-1777 * Fax (860) 684-1785*

Richard Shuck
Deidriene Knowlton
Neil A. Hoss
Board of Selectmen

April 22, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As First Selectman of Stafford, I care very deeply about the health, safety and welfare of the individuals who live in our Town; we are fortunate to have Johnson Memorial Medical Center, Inc. serving our residents. Since Johnson Memorial's inception 103 years ago, there has been a longstanding commitment to this community and beyond. Johnson Memorial's participation in the health and well-being of the community, evidenced most recently through its commitment to supporting the expansion of the natural gas, water and sewer service in the Enfield, Somers and Stafford communities, has been outstanding.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Saint Francis is a national leader in health care quality and patient safety. Saint Francis *Care* is the winner of many quality awards from such prestigious organizations as Health Grades and Leap Frog. In addition, both Johnson Memorial Hospital and Saint Francis *Care* ranked in the top five percent of all hospitals nationally for clinical excellence by Consumer Reports and U.S. News and World Report. Evergreen Health Care Center, an affiliate of Johnson Memorial Medical Center, received a 5-star rating for quality from the Centers for Medicare and Medicaid Services. Our community has and will continue to benefit from the quality of care of both hospitals.

We all know that healthcare reimbursement is changing on both the federal and state levels, and hospitals will have to do more with less as they evolve to an environment which focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis *Care*, Johnson Memorial Medical Center will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources, and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis *Care*.

Sincerely,

Richard Shuck
First selectman

Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving Federal financial assistance. Specifically, Title VI provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance." (42U.S.C. Section 2000d).

Timothy Silvis, M.D.
24 Battle Street, Suite 1B
Somers, CT 06071

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing physician in the area of Internal Medicine, many of my patients already use the services of Saint Francis *Care* when they need services not now available at Johnson Memorial. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and my ability as a physician to better manage the health of my patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

Timothy Silvis, M.D.

Jeffrey Thompsen, M.D.
15 Palomba Drive
Enfield, CT 06082

April 1, 2015

Ms. Kimberly Martone
Director of Operations
State of Connecticut
Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON Application for Affiliation of Saint Francis *Care* and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

As a member of the medical staff of Johnson Memorial Medical Center, Inc. system, I want to express my support for the acquisition of Johnson Memorial by Saint Francis *Care*. The over 100,000 people who live in our service are need access to the high quality care Johnson Memorial has provided for over 100 years.

I firmly believe that the best opportunity for the preservation of these services is if the merger with Saint Francis *Care*, the parent corporation of Saint Francis Hospital and Medical Center, is approved by the Office of Health Care Access. As a practicing cardiologist, many of my patients already use the services of Saint Francis *Care* when they need services not now available at Johnson Memorial. More importantly, once the two organizations are covered by a single electronic medical record, the transfer of information will be seamless and my ability as a physician to better manage the health of my patients will be enhanced.

I recognize that if we are to preserve access to healthcare in more rural communities, such as those served by Johnson Memorial, hospitals must band together to achieve economies of scale and secure access to the latest health care technology.

Please help me continue to provide high quality healthcare to the people who need such care in my practice.

Sincerely,

Jeffrey Thompsen, M.D.

State of Connecticut

HOUSE OF REPRESENTATIVES
STATE CAPITOL

REPRESENTATIVE KURT VAIL
FIFTY-SECOND ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING, ROOM 4200
300 CAPITOL AVENUE
HARTFORD, CT 06106-1591

CAPITOL: (860) 240-8700
TOLL FREE: (800) 842-1423
Kurt.Vail@housegop.ct.gov

MEMBER
INSURANCE AND REAL ESTATE COMMITTEE
LABOR AND PUBLIC EMPLOYEES COMMITTEE
PUBLIC SAFETY AND SECURITY COMMITTEE

September 11, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Heath Care Access
410 Capitol Avenue, MS# 13HCA
PO Box 340308
Hartford, CT 06134

RE: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone,

I respectfully write today in strong support of the proposed acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care.

Johnson Memorial holds a special place in my heart as it was actually the hospital at which I was born, and I know that I am only one of thousands who have experienced the dedicated service that the medical professionals here have given members of our community over the years. The approval of this acquisition will allow Johnson Memorial to continue serving so many within our community with the strong backing of Saint Francis Care.

Thank you for your consideration of this request. If I can be of any further assistance in this matter, please do not hesitate to contact my office.

Sincerely,

Kurt Vail
State Representative
52nd District

www.RepVail.com

KRISTINA L. VERNY
33 B Hydeville Road
Stafford Springs, CT 06076

September 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 343308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

Dear Ms. Martone:

I am a fourth-generation Stafford resident and an employee of Johnson Memorial Medical Center. In addition, I am one of the founding officers of Safe Net Ministries, an Ecumenical not-for-profit organization formed in 2004 to assist those in need within our community. I care very deeply about the health, safety and welfare of the individuals who live in our Town. The residents of Stafford and surrounding towns are extremely fortunate to have Johnson Memorial Medical Center serving our residents. In the 103 years Johnson has been in service, they have demonstrated a longstanding commitment to this community and beyond.

The services provided both at Johnson Memorial Medical Center and Saint Francis *Care* are stellar. Our community has and will continue to benefit from the quality of care of both hospitals. On a personal note, my husband, Michael, would not be here today if not for the quality care he received in the Johnson Memorial Hospital Emergency Department in April of 2010. Their fast-action and outstanding diagnostics saved his life. He was unresponsive when he arrived by ambulance to Johnson's Emergency Room, they stabilized him and diagnosed a dissected aorta. Without Johnson being only 7 miles from our home, Michael would not be with us today to watch our sons grown up. Johnson Memorial Hospital is a vital part of our community.

With the changes in healthcare throughout the country, hospitals will have to do more with less as they evolve to an environment with focuses even more on health and wellness while also caring for the sick. By affiliating with Saint Francis, Johnson will have a partner whose values for providing care are similar to its own. Both entities seek excellence in the provision of care. Both entities see the possibility of being able to share some resources and take advantage of economies of scale that will work to the benefit of patients who use both organizations.

I applaud both organizations for the vision they have shared and the hard work they have done to reach this merger goal line. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center by Saint Francis *Care*.

Sincerely,

Kristina L. Verny

Kristina L. Verny

THE FIRST UNITED METHODIST CHURCH
8 CHURCH STREET
STAFFORD SPRINGS, CONNECTICUT 06076
CHURCH OFFICE (860) 684-2468

September 30, 2015

Kimberly Martone
Director of Operations
CT Department of Public Health
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: CON application for affiliation of Saint Francis and Johnson Memorial Medical Center, Inc.

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I applaud both organizations for the vision they have shared and their planned merger. I am confident that our community – our residents, employers and visitors – will continue to receive outstanding healthcare going forward. I strongly endorse the acquisition of Johnson Memorial Medical Center, Inc. by Saint Francis Care.

Sincerely,

ATTACHMENT 2

SAINT FRANCIS CARE, INC

TABLE 7
APPLICANT'S CURRENT & PROJECTED PAYER MIX

Payer	CURRENT		PROJECTED							
	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare *	14,130	44.3%	14,371	44.6%	15,800	44.7%	15,835	44.9%	15,966	45.3%
Medicaid*	7,975	25.0%	8,022	24.9%	8,818	25.0%	8,765	24.9%	8,712	24.7%
Champus & TriCare	89	0.3%	85	0.3%	116	0.3%	116	0.3%	116	0.3%
Total Government	22,194	69.6%	22,478	69.8%	24,734	70.0%	24,716	70.1%	24,794	70.3%
Commercial Insurers*	9,248	29.0%	9,284	28.8%	10,088	28.6%	10,020	28.4%	9,956	28.2%
Uninsured	322	1.0%	312	1.0%	361	1.0%	358	1.0%	355	1.0%
Workers Compensation	130	0.4%	138	0.4%	146	0.4%	150	0.4%	157	0.4%
Total Non-Government	9,700	30.4%	9,734	30.2%	10,595	30.0%	10,528	29.9%	10,468	29.7%
Total Payer Mix	31,894	100.0%	32,212	100.0%	35,329	100.0%	35,244	100.0%	35,262	100.0%

* Includes managed care activity
** Fill in years. Ensure the period covered by this table correspnds to the period covered in the projections provided.
provided. New programs may leave the "current" blank.

Assumptions:

1. FY 2014 (actual) includes only Saint Francis Hospital and Mount Sinai Hospital
2. FY 2015 is Oct. - Feb. (actual) plus Mar. - Sept. (budget). Includes only Saint Francis Hospital and Mount Sinai Hospital
3. FY 2016 - FY 2018 includes Saint Francis Hospital; Mount Sinai Rehabilitation Hospital and Johnson Memorial Hospital

JOHNSON MEMORIAL MEDICAL CENTER

TABLE 7
APPLICANT'S CURRENT & PROJECTED PAYER MIX

Payer	CURRENT		PROJECTED							
	FY 2014		FY 2015		FY 2016		FY 2017		FY 2018	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare *	1,571	49.2%	1,583	50.1%	1,505	50.1%	1,468	50.1%	1,432	50.2%
Medicaid*	681	21.3%	633	20.0%	599	20.0%	584	19.9%	569	19.9%
Champus & TriCare	24	0.8%	39	1.2%	26	0.9%	26	0.9%	25	0.9%
Total Government	2,276	71.3%	2,255	71.4%	2,130	71.0%	2,078	71.0%	2,026	71.0%
Commercial Insurers*	870	27.3%	810	25.6%	807	26.9%	787	26.9%	767	26.9%
Uninsured	42	1.3%	90	2.8%	60	2.0%	59	2.0%	57	2.0%
Workers Compensation	3	0.1%	3	0.1%	4	0.1%	4	0.1%	4	0.1%
Total Non-Government	915	28.7%	903	28.6%	871	29.0%	850	29.0%	828	29.0%
Total Payer Mix	3,191	100.0%	3,158	100.0%	3,001	100.0%	2,928	100.0%	2,854	100.0%

* Includes managed care activity
** Fill in years. Ensure the period covered by this table correspnds to the period covered in the projections provided.
provided. New programs may leave the "current" blank.

Assumptions:

1. FY 2015 is Oct. - Feb. (actual) plus Mar. - Sept. (budget)

ATTACHMENT 3

Applicant: Saint Francis Hospital and Medical Center (without affiliates and subsidiaries) NON-PROFIT

Financial Worksheet (A)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual Results	(2) FY 2015 Projected W/out CON	(3) FY 2015 Projected Incremental	(4) FY 2015 Projected With CON	(5) FY 2016 Projected W/out CON	(6) FY 2016 Projected Incremental	(7) FY 2016 Projected With CON	(8) FY 2017 Projected W/out CON	(9) FY 2017 Projected Incremental	(10) FY 2017 Projected With CON	(11) FY 2018 Projected W/out CON	(12) FY 2018 Projected Incremental	(13) FY 2018 Projected With CON
	Description													
A.	OPERATING REVENUE													
1	Total Gross Patient Revenue	$ 1,988,631	$ 2,115,683	$ -	$ 2,115,683	$ 2,263,781	$ -	$ 2,263,781	$ 2,422,246	$ -	$ 2,422,246	$ 2,591,803	$ -	$ 2,591,803
2	Less: Allowances	1,287,002	1,418,907	-	1,418,907	1,553,855	-	1,553,855	1,696,064	-	1,696,064	1,847,286	-	1,847,286
3	Less: Charity Care	18,706	17,382	-	17,382	17,730	-	17,730	18,085	-	18,085	18,447	-	18,447
4	Less: Other Deductions	12,293	18,895	-	18,895	21,055	-	21,055	21,055	-	21,055	21,055	-	21,055
	Net Patient Service Revenue	$ 670,630	$ 660,499	$ -	$ 660,499	$ 671,141	$ -	$ 671,141	$ 687,042	$ -	$ 687,042	$705,015	$ -	$705,015
5	Medicare	275,571	258,929	-	258,929	269,030	-	269,030	271,932	-	271,932	278,533	-	278,533
6	Medicaid	91,908	76,237	-	76,237	80,796	-	80,796	79,129	-	79,129	79,161	-	79,161
7	CHAMPUS & TriCare	329	502	-	502	900	-	900	1,000	-	1,000	1,030	-	1,030
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	$367,808	$335,668	$ -	$335,668	$350,726	$ -	$350,726	$352,061	$ -	$352,061	$358,724	$ -	$358,724
9	Commercial Insurers	287,153	307,846	-	307,846	304,287	-	304,287	319,121	-	319,121	330,229	-	330,229
10	Uninsured	5,740	6,901	-	6,901	6,728	-	6,728	6,560	-	6,560	6,462	-	6,462
11	Self Pay	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Workers Compensation	9,929	10,084	-	10,084	9,400	-	9,400	9,300	-	9,300	9,600	-	9,600
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	$ 302,822	$ 324,831	$ -	$ 324,831	$ 320,415	$ -	$ 320,415	$ 334,981	$ -	$ 334,981	$346,291	$ -	$346,291
	Net Patient Service Revenue[a] (Government+Non-Government)	$ 670,630	$ 660,499	$ -	$ 660,499	$ 671,141	$ -	$ 671,141	$ 687,042	$ -	$ 687,042	$705,015	$ -	$705,015
14	Less: Provision for Bad Debts	21,848	19,728	-	19,728	20,871	-	20,871	20,158	-	20,158	18,896	-	$18,896
	Net Patient Service Revenue less provision for bad debts	$ 648,782	$ 640,771	$ -	$ 640,771	$ 650,270	$ -	$ 650,270	$ 666,884	$ -	$ 666,884	$686,119	$ -	$686,119
15	Other Operating Revenue	28,501	28,647	-	28,647	28,184	-	28,184	28,748	-	28,748	29,380	-	29,380
17	Net Assets Released from Restrictions	3,927	3,250	-	3,250	3,197	-	3,197	3,261	-	3,261	3,333	-	3,333
	TOTAL OPERATING REVENUE	$681,210	$672,668	$0	$672,668	$681,651	$0	$681,651	$698,893	$0	$698,893	$718,832	$0	$718,832
B.	OPERATING EXPENSES													
1	Salaries and Wages	$ 254,219	$ 255,619	$ -	$ 255,619	$ 261,019	$ -	$ 261,019	$ 268,882	$ -	$ 268,882	$ 276,094	$ -	$ 276,094
2	Fringe Benefits	69,078	73,285	-	73,285	76,656	-	76,656	78,965	-	78,965	81,083	-	81,083
3	Physicians Fees	48,711	44,282	-	44,282	45,168	-	45,168	46,071	-	46,071	46,992	-	46,992
4	Supplies and Drugs	99,174	100,922	-	100,922	103,012	-	103,012	105,032	-	105,032	107,445	-	107,445
5	Depreciation and Amortization	35,799	37,314	-	37,314	38,996	-	38,996	41,033	-	41,033	43,186	-	43,186
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Interest Expense	11,620	11,142	-	11,142	10,722	-	10,722	10,427	-	10,427	10,140	-	10,140
8	Malpractice Insurance Cost	8,757	10,425	-	10,425	10,634	-	10,634	10,846	-	10,846	11,063	-	11,063
9	Lease Expense	6,139	6,161	-	6,161	6,265	-	6,265	6,328	-	6,328	6,391	-	6,391
10	Other Operating Expenses	133,292	125,721	-	125,721	126,775	-	126,775	128,616	-	128,616	131,103	-	131,103
	TOTAL OPERATING EXPENSES	$ 666,789	$ 664,871	$ -	$ 664,871	$ 679,147	$ -	$ 679,147	$ 696,200	$ -	$ 696,200	$713,497	$ -	$713,497
	INCOME/(LOSS) FROM OPERATIONS	$ 14,421	$ 7,797	$ -	$ 7,797	$ 2,504	$ -	$ 2,504	$ 2,693	$ -	$ 2,693	$5,335	$ -	$5,335
	NON-OPERATING REVENUE	1,199	(7,444)	-	(7,444)	-	-	-	-	-	-	$0	-	$0
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	$ 15,620	$ 353	$ -	$ 353	$ 2,504	$ -	$ 2,504	$ 2,693	$ -	$ 2,693	$5,335	$ -	$5,335
	Principal Payments	$8,819	$8,760	$0	$8,760	$6,951	$0	$6,951	$5,226	$0	$5,226	$3,913	$0	$3,913
C.	PROFITABILITY SUMMARY													
1	Hospital Operating Margin	2.1%	1.2%	0.0%	1.2%	0.4%	0.0%	0.4%	0.4%	0.0%	0.4%	0.7%	0.0%	0.7%
2	Hospital Non Operating Margin	0.2%	-1.1%	0.0%	-1.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	Hospital Total Margin	2.3%	0.1%	0.0%	0.1%	0.4%	0.0%	0.4%	0.4%	0.0%	0.4%	0.7%	0.0%	0.7%
D.	FTEs	3,802.8	3,800.6	0.0	3,800.6	3,819.6	0.0	3,819.6	3,838.7	0.0	3,838.7	3,857.9	0.0	3,857.9
E.	VOLUME STATISTICS[c]													
1	Inpatient Discharges	31,234	31,477	-	31,477	31,569	-	31,569	31,557	-	31,557	31,649	-	31,649
2	Outpatient Visits	316,322	292,082	0	292,082	297,923	0	297,923	303,882		303,882	309,959	0	309,959
	TOTAL VOLUME	347,556	323,559	0	323,559	329,492	0	329,492	335,439	0	335,439	341,608	0	341,608

[a] Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.

[b] Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.

[c] Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

Applicant: Johnson Memorial Medical Center — NON-PROFIT

Financial Worksheet (A)

Please provide one year of actual results and three years of projections of **Total Entity** revenue, expense and volume statistics without, incremental to and with the CON proposal in the following reporting format:

LINE	Total Entity:	(1) FY 2014 Actual Results	(2) FY 2015 Projected W/out CON	(3) FY 2015 Projected Incremental	(4) FY 2015 Projected With CON	(5) FY 2016 Projected W/out CON	(6) FY 2016 Projected Incremental	(7) FY 2016 Projected With CON	(8) FY 2017 Projected W/out CON	(9) FY 2017 Projected Incremental	(10) FY 2017 Projected With CON	(11) FY 2018 Projected W/out CON	(12) FY 2018 Projected Incremental	(13) FY 2018 Projected With CON
	Description													
A.	OPERATING REVENUE													
1	Total Gross Patient Revenue	208,385	$ 213,274	$ -	$ 213,274	$ 181,697	$ 7,411	$ 189,108	$ 182,900	$ 8,874	$ 191,774	$ 184,115	$ 10,407	$ 194,522
2	Less: Allowances	113,664	118,204		118,204	104,342	3,222	107,564	104,760	3,578	108,338	105,185	4,476	109,661
3	Less: Charity Care	387	317		317	270	11	281	272	13	285	274	15	289
4	Less: Other Deductions	(2,280)	(183)		(183)	1,027	-	1,027	1,027	-	1,027	1,027	-	1,027
	Net Patient Service Revenue	$ 96,614	$ 94,936	$ -	$ 94,936	$ 76,058	$ 4,178	$ 80,236	$ 76,841	$ 5,283	$ 82,124	$77,629	$5,916	$83,545
5	Medicare	34,131	34,820	-	34,820	27,258	1,321	28,579	27,459	1,544	29,003	27,662	1,777	29,439
6	Medicaid	20,611	17,635	-	17,635	9,122	454	9,576	9,191	530	9,721	9,261	608	9,869
7	CHAMPUS & TriCare	368	461	-	461	471	21	492	476	24	499	478	28	506
8	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Government	$55,110	$52,916	$0	$52,916	$36,851	$1,796	$38,647	$37,125	$2,098	$39,223	$37,401	$2,413	$39,814
9	Commercial Insurers	35,094	35,372	-	35,372	35,243	2,214	37,457	35,725	2,986	38,711	36,210	3,271	39,481
10	Uninsured	2,221	2,311	-	2,311	2,326	100	2,426	2,342	118	2,460	2,358	137	2,495
11	Self Pay	2,640	2,668	-	2,668	-	-	-	-	-	-	-	-	-
12	Workers Compensation	1,549	1,669	-	1,669	1,638	68	1,706	1,649	81	1,730	1,660	95	1,755
13	Other	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Government	$ 41,504	$ 42,020	$ -	$ 42,020	$ 39,207	$ 2,382	$ 41,589	$ 39,716	$ 3,185	$ 42,901	$40,228	$3,503	$43,731
	Net Patient Service Revenue* (Government+Non-Government)	$ 96,614	$ 94,936	$ -	$ 94,936	$ 76,058	$ 4,178	$ 80,236	$ 76,841	$ 5,283	$ 82,124	$77,629	$5,916	$83,545
14	Less: Provision for Bad Debts	4,537	4,007	-	4,007	3,594	32	3,626	3,631	79	3,710	$3,668	$105	$3,773
	Net Patient Service Revenue less provision for bad debts	$ 92,077	$ 90,929	$ -	$ 90,929	$ 72,464	$ 4,146	$ 76,610	$ 73,210	$ 5,204	$ 78,414	$73,961	$5,811	$79,772
15	Other Operating Revenue	1,052	1,336	-	1,336	1,516	50	1,566	1,526	47	1,573	1,536	45	1,581
17	Net Assets Released from Restrictions	270	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL OPERATING REVENUE	$93,399	$92,265	$0	$92,265	$73,980	$4,196	$78,176	$74,736	$5,251	$79,987	$75,497	$5,856	$81,353
B.	OPERATING EXPENSES													
1	Salaries and Wages	$ 40,412	$ 40,125	$ -	$ 40,125	$ 31,432	$ (529)	$ 30,903	$ 32,817	$ (1,295)	$ 31,522	$ 33,332	$ (1,084)	$ 32,248
2	Fringe Benefits	10,542	9,983	-	9,983	8,434	(425)	8,009	8,762	(606)	8,156	8,884	(557)	8,327
3	Physicians Fees	2,620	4,958	-	4,958	4,506	52	4,558	4,610	36	4,646	4,716	20	4,736
4	Supplies and Drugs	12,823	12,837	-	12,837	10,736	123	10,859	10,984	85	11,069	11,238	47	11,285
5	Depreciation and Amortization	3,227	2,612	-	2,612	2,148	73	2,221	2,264	192	2,456	2,417	187	2,604
6	Provision for Bad Debts-Other[b]	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Interest Expense	1,985	1,822	-	1,822	808	(356)	452	758	(367)	391	708	(379)	329
8	Malpractice Insurance Cost	1,458	1,452	-	1,452	1,320	15	1,335	1,350	10	1,360	1,382	6	1,388
9	Lease Expense	1,624	1,690	-	1,690	1,510	17	1,527	1,544	12	1,556	1,580	7	1,587
10	Other Operating Expenses	20,005	19,036	-	19,036	15,401	176	15,577	15,756	121	15,877	16,120	68	16,188
	TOTAL OPERATING EXPENSES	$ 94,696	$ 94,515	$ -	$ 94,515	$ 76,295	$ (654)	$ 75,441	$ 78,845	$ (1,812)	$ 77,033	$80,377	($1,685)	$78,692
	INCOME/(LOSS) FROM OPERATIONS	$ (1,297)	$ (2,250)	$ -	$ (2,250)	$ (2,315)	$ 5,050	$ 2,735	$ (4,109)	$ 7,063	$ 2,954	($4,880)	$7,541	$2,661
	NON-OPERATING REVENUE	(2,067)	283	-	283	172	139	311	-	209	209	-	132	$132
	EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES	$ (3,364)	$ (1,967)	$ -	$ (1,967)	$ (2,143)	$ 5,189	$ 3,046	$ (4,109)	$ 7,272	$ 3,163	($4,880)	$7,673	$2,793
	Principal Payments	$107	$239	$0	$239	$1,089	$250	$1,339	$1,089	$264	$1,353	$1,103	$250	$1,353
C.	PROFITABILITY SUMMARY													
1	Hospital Operating Margin	-1.4%	-2.4%	0.0%	-2.4%	-3.1%	116.5%	3.8%	-5.5%	129.4%	3.7%	-6.5%	125.9%	3.3%
2	Hospital Non Operating Margin	-2.3%	0.3%	0.0%	0.3%	0.2%	3.2%	0.4%	0.0%	3.8%	0.3%	0.0%	2.2%	0.2%
3	Hospital Total Margin	-3.7%	-2.1%	0.0%	-2.1%	-2.9%	119.7%	3.9%	-5.5%	133.2%	3.9%	-6.5%	128.1%	3.4%
D.	FTEs	704.0	708.0	0.0	708.0	513.1	(5.7)	507.4	516.1	(6.6)	509.5	519.2	(7.5)	511.7
E.	VOLUME STATISTICS[c]													
1	Inpatient Discharges	3,191	3,158	0	3,158	2,775	226	3,001	2,775	153	2,928	2,775	79	2,854
2	Outpatient Visits	144,724	141,760	0	141,760	142,956	1,645	144,601	144,164	3,354	147,518	145,383	5,133	150,516
	TOTAL VOLUME	147,915	144,918	0	144,918	145,731	1,871	147,602	146,939	3,507	150,446	148,158	5,212	153,370

[a] Total amount should equal the total amount on cell line "Net Patient Revenue" Row 14.

[b] Provide the amount of any transaction associated with Bad Debts not related to the provision of direct services to patients. For additional information, refer to FASB, No.2011-07, July 2011.

[c] Provide projected inpatient and/or outpatient statistics for any new services and provide actual and projected inpatient and/or outpatient statistics for any existing services which will change due to the proposal.

ATTACHMENT 4

Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**June 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Care, Inc.				
	June 15 YTD	June 14 YTD	June 15 MTD	June 14 MTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin	1.1%	(0.9%)	(2.8%)	0.9%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.3%	5.4%	3.4%	6.9%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	0.7%	1.2%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.1	2.1	2.1	2.1	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	39.8	41.7	39.8	41.7	net ar/net patient ser rev/days in yr
Average Payment Period	56.6	54.2	56.6	54.2	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	111.3%	97.2%	111.3%	97.2%	total debt/total equity(net assets)
Long-term Debt to Capitalization	52.7%	49.3%	52.7%	49.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	71.0%	60.2%	71.0%	60.2%	cash =DCOH calc
Times Interest Earned Ratio	1.8	0.4	-1.0	1.6	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use Jun)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	24.9%	30.4%	24.9%	30.4%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	7,048,220	(5,404,482)	(1,924,407)	590,673	Net income(loss) from operations
Revenue Over/(Under) Expense	184,092	(2,289,624)	7,607,452	(818,871)	Net gain(loss)
EBITDA	45,104,313	31,768,389	2,317,887	4,692,479	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	88,758,916	63,851,666	88,758,916	63,851,666	from cons bs
Net Working Capital	127,294,553	123,638,263	127,294,553	123,638,263	current assets-current liabilities
Unrestricted Assets	135,865,390	173,844,367	135,865,390	173,844,367	from cons bs

*Measurement data is June 30, 2015
**Measurement data is June 30,2014

Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**June 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Hospital and Medical Center Consolidated				
	June 15 YTD	June 14 YTD	June 15 MTD	June 14 MTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin	1.7%	0.6%	-3.8%	2.1%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	8.7%	7.7%	3.4%	8.9%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.0%	0.7%	1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.3	2.3	2.3	2.3	current assets/current liabilites
Days Cash on Hand	85*	77**	85*	77**	quarter end
Days in Net Accounts Receivables	40.0	41.1	40.0	41.1	net ar/net patient ser rev/days in yr
Average Payment Period	56.5	54.7	56.5	54.7	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	111.5%	99.2%	111.5%	99.2%	total debt/total equity(net assets)
Long-term Debt to Capitalization	52.7%	49.8%	52.7%	49.8%	LTD/LTD+net assets
Unrestricted Cash to Debt	60.0%	53.4%	60.0%	53.4%	as calculated monthly
Times Interest Earned Ratio	2.1	1.3	-1.3	2.3	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use jun)
Equity Financing Ratio	25.4%	30.5%	25.4%	30.5%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	9,057,771	3,041,375	(2,200,446)	1,222,585	Net income(loss) from operations
Revenue Over/(Under) Expense	2,192,710	6,153,558	7,331,198	(186,679)	Net gain(loss)
EBITDA	46,384,649	39,487,093	1,963,504	5,241,801	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	70,465,499	59,140,353	70,465,499	59,140,353	from cons bs
Net Working Capital	132,988,078	123,885,906	132,988,078	123,885,906	current assets-current liabilities
Unrestricted Assets	137,387,803	169,852,590	137,387,803	169,852,590	from cons bs

*Measurement data is June 30, 2015

**Measurement data is June 30,2014

Saint Francis Care, Inc.

D. Additional Statistics	June 15 YTD	June 14 YTD	Explanation
Income(Loss) from Operations	7,048,220	(5,404,482)	Due to the decrease in SFMG's YTD loss of ($6.3M), ($19.6M) in 2014 vs. ($13.3M) in 2015.
Revenue Over/(Under) Expense	184,092	(2,289,624)	See SFH results below.
EBITDA	45,104,313	31,768,389	Due to the decrease in SFMG's YTD loss of ($6.3M), ($19.6M) in 2014 vs. ($13.3M) in 2015.
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	88,758,916	63,851,666	See SFH results below.
Net Working Capital	127,294,553	123,638,263	Increase in due to affiliated entities in 2015 of $1M and increase in prepaid expense of $800K.
Unrestricted Assets	135,865,390	173,844,367	See SFH results below.

Saint Francis Hospital Consolidation

D. Additional Statistics	June 15 YTD	June 14 YTD	
Income(Loss) from Operations	9,057,771	3,041,375	Due to the increase in ytd net patient revenue of $12M (increase in patient days).
Revenue Over/(Under) Expense	2,192,710	6,153,558	Due to decrease in investment activity of ($4.7M), $5.7M in 2014 vs. $119K in 2015.
EBITDA	46,384,649	39,487,093	Due to the increase in ytd net patient revenue of $12M (increase in patient days).
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	70,465,499	59,140,353	Increase in other accrued expenses in 2015 of $7M.
Net Working Capital	132,988,078	123,885,906	Increase in due from affiliated entities in 2015 of $13M.
Unrestricted Assets	137,387,803	169,852,590	Due to decrease in investment activity of ($4.7M), $5.7M in 2014 vs. $119K in 2015. Due to the variance in swap activity of ($5.7M), ($1.5M) in 2014 vs. ($7.2M) in 2015. Pension funding and post retirement liability of ($53)M (recorded in Sept. 2014).

Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**July 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Care, Inc.				
	July 15 YTD	July 14 YTD	July 15 MTD	July 14 MTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin	1.6%	(0.2%)	5.0%	5.9%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.7%	6.1%	10.8%	11.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.2%	1.0%	1.7%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.2	2.2	2.2	2.2	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	38.2	36.8	38.2	36.8	net ar/net patient ser rev/days in yr
Average Payment Period	52.8	51.2	52.8	51.2	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	109.7%	95.2%	109.7%	95.2%	total debt/total equity(net assets)
Long-term Debt to Capitalization	52.3%	48.8%	52.3%	48.8%	LTD/LTD+net assets
Unrestricted Cash to Debt	70.0%	62.4%	70.0%	62.4%	cash =DCOH calc
Times Interest Earned Ratio	2.1	0.9	4.9	5.7	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use Jun)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	25.3%	31.1%	25.3%	31.1%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	10,687,393	(1,041,025)	3,639,173	4,363,456	Net income(loss) from operations
Revenue Over/(Under) Expense	3,907,486	1,132,071	3,723,394	3,421,695	Net gain(loss)
EBITDA	52,986,915	40,208,610	7,882,602	8,440,220	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	84,805,351	75,929,137	84,805,351	75,929,137	from cons bs
Net Working Capital	129,051,380	124,298,393	129,051,380	124,298,393	current assets-current liabilities
Unrestricted Assets	138,501,553	178,842,148	138,501,553	178,842,148	from cons bs

*Measurement data is June 30, 2015

**Measurement data is June 30,2014

Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**July 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

Saint Francis Hospital and Medical Center Consolidated					
Monthly Financial Measurement/Indicators	July 15 YTD	July 14 YTD	July 15 MTD	July 14 MTD	Comments
A. Operating Performance:					
Operating Margin	2.0%	1.5%	4.8%	9.0%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	9.0%	8.5%	11.4%	15.2%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	1.0%	1.7%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.4	2.4	2.4	2.4	current assets/current liabilites
Days Cash on Hand	85*	79**	85*	79**	quarter end
Days in Net Accounts Receivables	38.1	36.2	38.1	36.2	net ar/net patient ser rev/days in yr
Average Payment Period	52.0	50.3	52.0	50.3	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	109.8%	96.6%	109.8%	96.6%	total debt/total equity(net assets)
Long-term Debt to Capitalization	52.3%	49.1%	52.3%	49.1%	LTD/LTD+net assets
Unrestricted Cash to Debt	59.1%	54.0%	59.1%	54.0%	as calculated monthly
Times Interest Earned Ratio	2.3	1.9	4.3	7.3	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use jun)
Equity Financing Ratio	25.8%	31.4%	25.8%	31.4%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	12,089,124	8,847,286	3,031,353	5,805,911	Net income(loss) from operations
Revenue Over/(Under) Expense	5,309,111	11,017,534	3,116,401	4,863,976	Net gain(loss)
EBITDA	53,580,568	49,275,619	7,195,919	9,788,527	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	66,252,085	67,369,297	66,252,085	67,369,297	from cons bs
Net Working Capital	134,853,605	125,951,367	134,853,605	125,951,367	current assets-current liabilities
Unrestricted Assets	140,124,439	176,288,607	140,124,439	176,288,607	from cons bs

*Measurement data is June 30, 2015

**Measurement data is June 30,2014

Saint Francis Care, Inc.

	July 15 YTD	July 14 YTD	Explanation
D. Additional Statistics			
Income(Loss) from Operations	10,687,393	(1,041,025)	Due to the decrease in SFMG's YTD loss of ($6.7M), ($21.7M) in 2014 vs. ($14.9M) in 2015.
Revenue Over/(Under) Expense	3,907,486	1,132,071	See SFH results below.
EBITDA	52,986,915	40,208,610	Due to the decrease in SFMG's YTD loss of ($6.7M), ($21.7M) in 2014 vs. ($14.9M) in 2015.
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	84,805,351	75,929,137	See SFH results below.
Net Working Capital	129,051,380	124,298,393	Increase in due to third party agencies in 2015 of $1.4M and increase in A/R patients $6.2M.
Unrestricted Assets	138,501,553	178,842,148	See SFH results below.

Saint Francis Hospital Consolidation

	July 15 YTD	July 14 YTD	
D. Additional Statistics			
Income(Loss) from Operations	12,089,124	8,847,286	Due to the increase in ytd net patient revenue of $14M (increase in patient days).
Revenue Over/(Under) Expense	5,309,111	11,017,534	Due to decrease in investment activity of ($4.1M), $4.2M in 2014 vs. $76K in 2015.
EBITDA	53,580,568	49,275,619	Due to the increase in ytd net patient revenue of $14M (increase in patient days).
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	66,252,085	67,369,297	Increase in A/R patient $5M.
Net Working Capital	134,853,605	125,951,367	Increase in due from affiliated entities in 2015 of $10.5M.
Unrestricted Assets	140,124,439	176,288,607	Due to decrease in investment activity of ($4.1M), $4.2M in 2014 vs. $76K in 2015. Due to the variance in swap activity of ($5.7M), ($1,5M) in 2014 vs. ($7.2M) in 2015. Pension funding and post retirement liability of ($53M) (recorded in Sept. 2014).

Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**August 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Care, Inc.				
	August 15 YTD	August 14 YTD	August 15 MTD	August 14 MTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin	1.5%	0.7%	0.6%	8.3%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	7.6%	6.8%	6.8%	14.0%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.1%	1.2%	2.0%	1.2%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.0	2.2	2.0	2.2	current assets/current liabilites
Days Cash on Hand	NA	NA	NA	NA	See SFH for Reported DCOH measurement
Days in Net Accounts Receivables	39.2	40.2	39.2	40.2	net ar/net patient ser rev/days in yr
Average Payment Period	58.0	53.3	58.0	53.3	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	110.9%	92.6%	110.9%	92.6%	total debt/total equity(net assets)
Long-term Debt to Capitalization	52.6%	48.1%	52.6%	48.1%	LTD/LTD+net assets
Unrestricted Cash to Debt	73.2%	64.2%	73.2%	64.2%	cash =DCOH calc
Times Interest Earned Ratio	2.1	1.5	1.4	7.8	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use Jun)/ same as SFHMC reported for DSC measurement
Equity Financing Ratio	24.8%	31.5%	24.8%	31.5%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	11,212,626	4,852,451	401,163	5,893,476	Net income(loss) from operations
Revenue Over/(Under) Expense	1,567,878	8,453,159	(2,463,679)	7,321,088	Net gain(loss)
EBITDA	57,735,775	50,117,010	4,624,790	9,908,401	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	107,237,477	78,412,448	107,237,477	78,412,448	from cons bs
Net Working Capital	128,316,662	129,611,441	128,316,662	129,611,441	current assets-current liabilities
Unrestricted Assets	138,302,561	187,472,586	138,302,561	187,472,586	from cons bs

*Measurement data is June 30, 2015
**Measurement data is June 30,2014

Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**August 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Hospital and Medical Center Consolidated				
Monthly Financial Measurement/Indicators	August 15 YTD	August 14 YTD	August 15 MTD	August 14 MTD	Comments
A. Operating Performance:					
Operating Margin	2.0%	2.4%	1.3%	10.9%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	8.9%	9.3%	8.5%	17.3%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.1%	1.1%	2.1%	1.3%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.3	2.4	2.3	2.4	current assets/current liabilites
Days Cash on Hand	85*	79**	85*	79**	quarter end
Days in Net Accounts Receivables	39.2	40.4	39.2	40.4	net ar/net patient ser rev/days in yr
Average Payment Period	57.2	52.9	57.2	52.9	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	113.2%	93.4%	113.2%	93.4%	total debt/total equity(net assets)
Long-term Debt to Capitalization	53.1%	48.3%	53.1%	48.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	67.1%	55.5%	67.1%	55.5%	as calculated monthly
Times Interest Earned Ratio	2.3	2.5	1.8	8.8	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use jun)
Equity Financing Ratio	25.0%	31.9%	25.0%	31.9%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	12,838,976	15,616,933	749,851	6,769,648	Net income(loss) from operations
Revenue Over/(Under) Expense	3,193,617	19,215,372	(2,115,494)	8,197,838	Net gain(loss)
EBITDA	58,474,242	59,975,764	4,893,671	10,700,146	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	102,262,102	69,186,510	102,262,102	69,186,510	from cons bs
Net Working Capital	129,828,260	132,819,149	129,828,260	132,819,149	current assets-current liabilities
Unrestricted Assets	133,703,977	186,245,561	133,703,977	186,245,561	from cons bs

*Measurement data is June 30, 2015

**Measurement data is June 30,2014

Saint Francis Care, Inc.

	August 15 YTD	August 14 YTD	Explanation
D. Additional Statistics			
Income(Loss) from Operations	11,212,626	4,852,451	Due to the decrease in SFMG's YTD loss of ($6.8M), ($23.6M) in 2014 vs. ($16.8M) in 2015.
Revenue Over/(Under) Expense	1,567,878	8,453,159	See SFH results below.
EBITDA	57,735,775	50,117,010	Due to the decrease in SFMG's YTD loss of ($6.8M), ($23.6M) in 2014 vs. ($16.8M) in 2015.
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	107,237,477	78,412,448	See SFH results below.
Net Working Capital	128,316,662	129,611,441	Increase in a/p of $9.3M. and increase in a/r other of $1.6M.
Unrestricted Assets	138,302,561	187,472,586	See SFH results below.

Saint Francis Hospital Consolidation

	August 15 YTD	August 14 YTD	
D. Additional Statistics			
Income(Loss) from Operations	12,838,976	15,616,933	YTD net patient revenue increased $11M while operating expenses increased $14.5M due to costs of drugs and professional fees for EPIC support, merger due diligence and nurse registry fees.
Revenue Over/(Under) Expense	3,193,617	19,215,372	Due to decrease in investment activity of ($6.7M), $5M in 2014 vs. ($1.7M) in 2015. Variance in swap activity of ($5.5M).
EBITDA	58,474,242	59,975,764	YTD net patient revenue increased $11M while operating expenses increased $14.5M due to costs of drugs and professional fees for EPIC support, merger due diligence and nurse registry fees.
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	102,262,102	69,186,510	Decrease in a/r patient ($1.2), Increase in a/p $9M, decrease in due from affiliates $9.
Net Working Capital	129,828,260	132,819,149	Decrease in a/r patient ($1.2), Increase in a/p $9M, decrease in due from affiliates $9.
Unrestricted Assets	133,703,977	186,245,561	Due to decrease in investment activity of ($6.7M), $5M in 2014 vs. ($1.7M) in 2015. Variance in swap activity of ($5.5M). Pension funding and post retirement liability of ($53M) (recorded in Sept. 2014).

Financial Measurements

	Johnson Memorial Hospital											
	15-Mar MTD	14-Mar MTD	15-Apr MTD	14-Apr MTD	15-May MTD	14-May MTD	14-Jun MTD	15-Jun MTD	14-Jul MTD	15-Jul MTD	14-Aug MTD	15-Aug MTD
Monthly Financial Measurement/Indicators												
A. Operating Performance:												
Operating Margin	5.8%	7.3%	1.5%	2.8%	(5.5%)	1.9%	5.6%	2.8%	6.5%	5.1%	(7.1%)	(5.7%)
Non-Operating Margin	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Margin	7.3%	12.9%	5.4%	8.3%	(1.2%)	7.4%	1.1%	1.7%	6.5%	1.0%	(0.9%)	(1.4%)
Bad Debt as % of Gross Revenue	2.1%	3.2%	2.1%	1.5%	1.2%	1.4%	2.5%	2.1%	2.4%	1.4%	(2.4%)	(2.1%)
B. Liquidity:												
Current Ratio	0.5	0.4	0.5	0.4	0.5	0.5	45.5	48.2	46.9	46.4	0.4	0.48
	11	0	12	0	15	0	0	0	0	54.7	0	0
Days in Net Accounts Receivables	50.8	46.8	49.4	45.5	56.9	46.3	42.9	53	46.3	46.4	55.5	60.6
Average Payment Period	184.7	160.9	182.5	153.4	188.8	156.7	154.5	189.7	157.3	198.2	148.9	181
C. Leverage and Capital Structure:												
Long-term Debt to Equity	36.1%	36.7%	36.9%	34.0%	38.4%	33.4%	27.4%	16.9%	27.5%	19.1%	26.1%	17.3%
Long-term Debt to Capitalization	26.5%	26.8%	27.0%	25.4%	27.7%	25.0%	43.8%	55.3%	57.1%	31.1%	22.0%	19.5%
Unrestricted Cash to Debt	62.1%	0.0%	72.9%	10.4%	87.6%	29.5%	2.5%	7.1%	3.3%	6.5%	0.0%	0.0%
Times Interest Earned Ratio	-7.9	5.7	4.3	4	-0.8	3.5	5.2	5	4.2	.2x	4.1	3.6
Debt Service Coverage Ratio	1.9x	.7x	1.9x	.7x	1.9x	.7x	.8x	.8x	.7x	7.4	.3x	.2x
Equity Financing Ratio	16.9%	19.7%	16.3%	20.7%	15.6%	19.7%	21.5%	20.0%	19.7%	19.2%	20.7%	6.7%
D. Additional Statistics:												
Income (Loss) from Operations	340,606	426,760	85,933	157,219	(289,816)	109,012	312,515	(289,816)	64,839	(177,869)	2,086,116	682,586
Revenue Over/(Under) Expense	6,342	435,530	(217,688)	350,617	(349,671)	129,420	270,900	(349,671)	105,150	289,249	1,853,599	(1,885,589)
EBITDA	432,799	780,553	303,174	466,741	(63,255)	425,297	619,630	(63,255)	378,636	55,760	5,530,763	3,218,610
Patient Cash Collected												
Cash and Cash Equivalents	1,847,379	0	2,160,398	315,542	2,578,915	888,074	856,706	25,781,915	1,131,898	2,748,133	-	-
Net Working Capital	(16,939,486)	(15,671,491)	(17,365,997)	(15,211,756)	(17,521,483)	(14,969,985)	(14,706,307)	17,521,485	14,629,523	(18,524,590)	(15,364,854)	(18,782,444)
Unrestricted Assets	3,004,932	3,539,384	2,787,249	3,890,001	2,437,578	4,019,421	2,069,572	3,316,912	2,069,572	3,316,912	2,069,572	3,316,912

Key Drivers of 2015 Results:
$3.4m in transaction costs
Volume decreases -7%-9%
Expenses exceeded budget by $1.4m
Total projected loss for 2015 $2.5m

Section D - Additional Statistics

Johnson Memorial Hospital

	August 15 YTD	August 14 YTD	Explanation
Income (Loss) from Operations	$ 628,586	$ 2,086,116	Due to decrease in volumes. Admissions down 7%, patient days down 8%, outpatient volumes down 3%. Merger transaction costs $2,813,793.
Revenue Over (Under) Expenses	$ (1,885,591)	$ 1,853,599	Same as above, plus $2,813,793 in transaction costs
EBITDA	$ 3,218,606	$ 5,267,837	3.8% increase in 2015 expenses. Professional fees up 27%, outsourced staffing up 120%, decrease in line of credit paid down accounts payable to $3.3m
Cash and Cash equivalents	$ 2,157,625	-	Decrease in line of credit paid down accounts payable to $3.3m
Net working Capital	$ (18,782,444)	$ (15,394,854)	$8.0 million increase in current liabilities 4.0 in current assets. Accounts payable $7m line of credit up to $6m.
Unrestricted Assets	$ 3,316,912	$ 2,069,572	Net income increases of $1.4m 9/30/2014

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

Certificate of Need Application for Saint Francis Care's Acquisition of the Affiliate's Assets of Johnson Memorial Medical Center, Inc. and Affiliates.

Docket Number: 15-32002-CON October 6, 2105

PRE-FILED TESTIMONY OF CHRISTOPHER M. DADLEZ, REGIONAL PRESIDENT AND CHIEF EXECUTIVE OFFICER, TRINITY NEW ENGLAND REGIONAL HEALTH MINISTRY

Good afternoon.

I am Christopher M. Dadlez, Regional President and Chief Executive Officer of Trinity New England Regional Health Ministry and hereby adopt my testimony as submitted with the Office of Health Care Access.

Thank you for the opportunity to speak to you today about our proposal to acquire Johnson Memorial Medical Center and its subsidiaries. I would like to take a few minutes to emphasize a few key aspects of this proposal.

First, both Trinity New England Regional Health Ministry, formerly Saint Francis Care, and Johnson Memorial Medical Center have been working together on an affiliation since July, 2012 to preserve and enhance health care in our combined service area.

The purpose of this affiliation was . . . "to establish a long-term stable relationship between the Parties, allowing them to work together to maintain and strengthen Johnson's operating viability and its presence in the community as a community hospital, expand the array of healthcare services available, support Johnson's medical staff, and enhance Johnson's efforts to fulfill its mission . . ." (Page 959 of Certificate of Need application.)

Both organizations have made tremendous progress since we began our affiliation despite the great challenges and constant upheaval occurring in the health care system, both nationally and at the state level.

These challenges have led Trinity New England Regional Health Ministry to conclude that the only way to continue to fulfill the purpose of its initial affiliation with Johnson Memorial Medical Center is through the acquisition of Johnson Memorial Medical Center and all of its subsidiaries.

The benefits of this acquisition include,

- Preservation of Johnson's viability and the access of its patient populations to needed healthcare services closer to home;

- Better use of limited health manpower resources through combination of the treatment of specific patient populations, e.g. cancer infusion, ambulatory surgery, physical therapy and primary care, between the two organizations;
- Debt reduction at Johnson which lowers the cost of operations for the health system as a whole;
- Addition of ambulatory surgery, cancer treatment rehabilitation, wound care and a variety of ancillary service locations to the Trinity New England Regional Health Ministry system.

The inclusion of Johnson Memorial Medical Center and its subsidiaries in Trinity New England Regional Health Ministry also preserves it's not for profit status and its 100+ year history of serving the populations of Stafford Springs and its surrounding communities.

Once all regulatory approvals and Canonical approvals are received, Trinity New England Regional Health Ministry will move forward with Johnson to further our common goals of preserving and promoting the health of all who choose to use the health services provided by our combined organizations.

I am available to answer any questions.

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

Certificate of Need Application for Saint Francis *Care's* Acquisition of the Affiliate's Assets of Johnson Memorial Medical Center, Inc. and Affiliates.

Docket Number: 15-32002-CON October 6, 2015

PRE-FILED TESTIMONY OF STUART E. ROSENBERG, PRESIDENT AND CEO, JOHNSON MEMORIAL MEDICAL CENTER

Good afternoon:

I am Stuart Rosenberg, President and CEO of Johnson Memorial Medical Center and I hereby adopt my testimony as submitted with the Office of Health Care Access.

Thank you for the opportunity to speak to you today about the proposal to acquire Johnson Memorial Medical Center and its subsidiaries.

As mentioned by Chris Dadlez, Regional President and Chief Executive Officer of Trinity New England Regional Health Ministry (formerly Saint Francis *Care*), both Trinity New England Regional Health Ministry and Johnson Memorial Medical Center have been working together on an affiliation since July, 2012.

The Partnership with Trinity New England Regional Health Ministry has given Johnson the ability to make significant advancements in the areas of safety, compliance, and facility enhancements to improve the overall patient experience. These improvements have continued to occur despite the fiscal challenges caused by continual reductions occurring in the health care system, both nationally and at the state level.

A few of our specific accomplishments include:

- Installation of emergency generators at both the Stafford Springs and Enfield campuses.
- Addition of Saint Francis *Care* hospitalists and medical oncologists to the Johnson medical staff to support the emergency services and cancer programs offered at Johnson,
- Implementation of the EPIC electronic medical record system upgrade, and
- Recruitment of needed health care personnel, particularly a new Medical Director for the Behavioral Health program at the institution.

To continue the positive momentum, it is imperative that Johnson take that next step to be acquired by Trinity New England Regional Health Ministry.

By taking this action, Johnson Memorial Medical Center helps protect the jobs of its 1,100 employees and preserves a critical community asset providing health care to the community as well as significant economic contributor to the local economy.

Please help us continue to provide healthcare to this community for another 102 years.

I am available to answer any questions.

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

Certificate of Need Application for Saint Francis *Care's* Acquisition of the Affiliate's Assets of Johnson Memorial Medical Center, Inc. and Affiliates.

Docket Number: 15-32002-CON October 6, 2015

PRE-FILED TESTIMONY OF PATRICK MAHON, CHAIRPERSON, BOARD OF DIRECTORS JOHNSON MEMORIAL MEDICAL CENTER

Good afternoon:

I am Patrick Mahon and I serve as the Chairperson of the Board of Directors of Johnson Memorial Medical Center and I hereby adopt my testimony as submitted with the Office of Health Care Access.

I have owned a local insurance business in Stafford Connecticut for the past 28 years. I have been on the Board of Directors for 25 years.

For a vast majority of the 84,000+ population in the JMMC primary service area, the closest hospital services are those provided by Johnson Memorial. Therefore, it is imperative both from a financial perspective and access to care that Johnson Memorial remain part of the Connecticut health care safety net.

Many of the challenges that we are facing as a hospital in a rural, small community include Federal and State reimbursement reductions, aging facilities and difficulties recruiting sufficient numbers of qualified health professionals.

We at Johnson Memorial have been actively pursuing a health care partner for several years since first filing for bankruptcy in 2008. Most recently we interviewed several area hospital systems. Trinity New England Regional Health Ministry was the system of choice. Quite frankly, Trinity New England Regional Health Ministry's strategy closely aligns with our goals for preserving services in our community. Since the affiliation in 2012, Saint Francis *Care* and Johnson have delivered many integration synergies which have had a significant impact on Johnson Memorial's ability to continue to deliver health care to its community. In fact, since Mr. Rosenberg has assumed a leadership role at Johnson, he and the team have worked tirelessly to re-establish community confidence, reduce expenses, improve services and improve Johnson's financial performance. One of the positive results being that of a reduction in expenses of over $6 million dollars for the Johnson system in FY 2014 as compared to FY 2013. Johnson Memorial serves many of the surrounding towns and its closure would leave patients and their families without any option but to travel much greater distances to receive their care.

We believe that Trinity New England Regional Health Ministry is the right partner for Johnson Memorial Medical Center, as together the two organizations will help ensure that the population in North Central Connecticut will have access to health care for their families for years to come.

Without your approval for Johnson Memorial Medical Center to join Trinity New England Regional Health Ministry, I am certain the doors of Johnson Memorial will close and the community will lose access to the health care it needs. Please approve this application.

I am available to answer any questions.

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

TENTATIVE AGENDA

HEARING

Docket Number: 15-32002-CON

Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc.

Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.

October 6, 2015 at 4:00 p.m.

I. Convening of the Public Hearing

II. Applicants' Direct Testimony

III. OHCA's Questions-Applicant

IV. Public Comment

V. Closing Remarks

VI. Public Hearing Adjourned

An Equal Opportunity Provider
(If you require aid/accommodation to participate fully and fairly, contact us either by phone, fax or email)
410 Capitol Ave., MS#13HCA, P.O.Box 340308, Hartford, CT 06134-0308
Telephone: (860) 418-7001 Fax: (860) 418-7053 Email: OHCA@ct.gov

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

TABLE OF THE RECORD

APPLICANTS: **Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc.**

DOCKET NUMBER: **15-32002-CON**

PUBLIC HEARING: **October 6, 2015 at 4:00 p.m.**

PLACE: **The Stafford Community Center**
3 Buckley Highway
Stafford Springs, CT 06076

EXHIBIT	DESCRIPTION
A	Letter from Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc. (Applicants) dated June 2, 2015 enclosing the Certificate of Need (CON) application for the Johnson Memorial Medical Center, Inc. Transfer of Ownership to Saint Francis Care, Inc. under Docket Number 15-32002, received by OHCA on June 2, 2015. (1941 Pages)
B	Letters of support in the matter of the CON application filed under Docket Number 15-32002, received by OHCA on various dates. (9 pages)
C	OHCA's letter to the Applicants dated July 2, 2015, requesting additional information and/or clarification in the matter of the CON application under Docket Number 15-32002.(5 Pages)
D	Applicants' responses to OHCA's letter of July 2, 2015, dated August 28, 2015, in the matter of the CON application under Docket Number 15-32002, received by OHCA on August 28, 2015. (72 Pages)
E	OHCA's letter to the Applicants dated September, 2015 deeming the application complete in the matter of the CON application filed under Docket Number 15-32002. (1 page)
F	OHCA's request for legal notification in the *Journal Inquirer* of OHCA's Notice to the Applicants of the public hearing scheduled for October 6, 2015, in the matter of the CON application under Docket Number 15-32002, dated September 15, 2015. (4 pages)

G	Designation letter dated September 22, 2015 of Hearing Officer in the matter of the CON application under Docket Number 15-32002. (1 page)
H	OHCA's letter to the Applicants dated September 23, 2015 requesting prefile testimony and enclosing issues in the matter of the CON application under Docket Number 15-32002. (3 pages)
I	Letter from the Applicants enclosing Prefile Testimony and responses to issues dated October 1, 2015 in the matter of the CON application under Docket Number 15-32002, received by OHCA on October 1, 2015. (61 pages)

* * * COMMUNICATION RESULT REPORT (OCT. 5. 2015 1:33PM) * * *

FAX HEADER:

TRANSMITTED/STORED : OCT. 5. 2015 1:32PM FILE MODE OPTION	ADDRESS	RESULT	PAGE
313 MEMORY TX	98607148093	OK	4/4

REASON FOR ERROR
E-1) HANG UP OR LINE FAIL
E-2) BUSY
E-3) NO ANSWER
E-4) NO FACSIMILE CONNECTION

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: R. CHRISTOPHER HARTLEY, SENIOR VP PLANNING, BUSINESS DEVELOPMENT AND GOVERNMENT RELATIONS

FAX: 860-714-8093

AGENCY: SAINT FRANCIS CARE, INC.

FROM: BRIAN A. CARNEY

DATE: 10/5/15 **TIME:**

NUMBER OF PAGES:
(including transmittal sheet)

Comments:

15-32002-CON - Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.

Table or Record and Tentative Agenda for hearing

PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001 ***Fax: (860) 418-7053***

410 Capitol Ave., MS#13HCA
P.O.Box 340308
Hartford, CT 06134

* * * COMMUNICATION RESULT REPORT (OCT. 5. 2015 1:35PM) * * *

FAX HEADER:

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314 MEMORY TX		917343433144	OK	4/4

REASON FOR ERROR
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E-2) BUSY
E-3) NO ANSWER
E-4) NO FACSIMILE CONNECTION

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: ANNE M. HESANO, VP, MERGERS, ACQUISITIONS & PARTNERSHIP DEVELOPMENT

FAX: 734-343-3144

AGENCY: TRINITY HEALTH CORPORATION

FROM: OHCA

DATE: 10/5/15 **TIME:**

NUMBER OF PAGES: *(including transmittal sheet)*

Comments:

15-32002-CON - Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.

Table or Record and Tentative Agenda for hearing

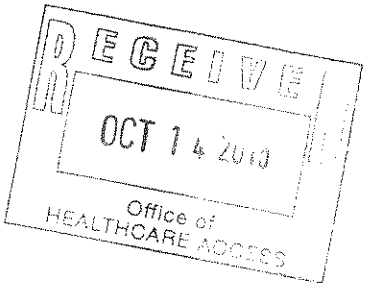
PLEASE PHONE IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001 ***Fax: (860) 418-7053***

410 Capitol Ave., MS#13HCA
P.O.Box 340308
Hartford, CT 06134

October 14, 2015

Via Hand Delivery



Steven Lazarus
Associate Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS#13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Responses to Late Files for the Certificate of Need Application for Saint Francis *Care's* Acquisition of the Assets of Johnson Memorial Medical Center, Inc. and Affiliates DN: 15-32002-CON

Dear Mr. Lazarus:

Enclosed please find our responses to the late files requested from OHCA's Public Hearing held on October 6, 2015 regarding the above referenced Certificate of Need Application.

If you have any questions, do not hesitate to call me at 860-714-5573.

Sincerely,

Chris Hartley
Senior Vice President, Planning, Business Development and Government Relations

Enclosures

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

Certificate of Need Application for Saint Francis *Care's* Acquisition of the Affiliate's Assets for Johnson Memorial Medical Center, Inc. and Affiliates

Docket Number: 15-32002 CON

October 14, 2015

Late File 1 Request from October 6, 2015 Public Hearing

Question:

Please provide the Financial Measurements for June, July and August 2015 for Saint Francis Hospital and Medical Center only.

Please see the attached documents.

Question:

Late File 2 Request from October 6, 2015 Public Hearing

Reconcile the $78M cash on hand for SFHMC, listed on page 1,949 of the completeness responses, with June 2015's monthly submission.

The $78M cash on hand reported on page 1,949 was for Saint Francis Hospital and Medical Center only and included cash and cash equivalents of $54M and short term investments of $24M. The June 2015 monthly submission of $70.4M represents Saint Francis Hospital and Medical Center consolidated cash and cash equivalents and excludes short term investments. Included in this late file is the June financial statistics for Saint Francis Hospital and Medical Center (stand-alone). You will note the cash and cash equivalents for June 30, 2015 was $54,163,398.

Late File 1 Part 1 First Tab
Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**June 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Hospital and Medical Center				
Monthly Financial Measurement/Indicators	June 15 YTD	June 14 YTD	June 15 MTD	June 14 MTD	Comments
A. Operating Performance:					
Operating Margin	1.3%	0.1%	-3.7%	1.7%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	8.4%	7.3%	3.5%	8.6%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	0.6%	1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.1	2.0	2.1	2.0	current assets/current liabilites
Days Cash on Hand	85*	77**	85*	77**	quarter end
Days in Net Accounts Receivables	40.0	41.3	40.0	41.3	net ar/net patient ser rev/days in yr
Average Payment Period	55.8	53.4	55.8	53.4	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	133.9%	116.8%	133.9%	116.8%	total debt/total equity(net assets)
Long-term Debt to Capitalization	57.3%	53.9%	57.3%	53.9%	LTD/LTD+net assets
Unrestricted Cash to Debt	60.0%	53.4%	60.0%	53.4%	as calculated monthly
Times Interest Earned Ratio	1.8	1.1	-1.2	2.0	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use jun)
Equity Financing Ratio	23.4%	28.6%	23.4%	28.6%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	6,569,577	632,679	(2,105,833)	974,735	Net income(loss) from operations
Revenue Over/(Under) Expense	(510,420)	2,194,352	8,123,085	(669,750)	Net gain(loss)
EBITDA	43,133,362	36,309,647	1,977,714	4,910,197	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	54,163,398	45,313,219	54,163,398	45,313,219	from cons bs
Net Working Capital	106,239,960	91,292,941	106,239,960	91,292,941	current assets-current liabilities
Unrestricted Assets	100,524,435	131,445,325	100,524,435	131,445,325	from cons bs

*Measurement data is June 30, 2015
**Measurement data is June 30,2014

Late File 1 Part 1 Second Tab

Saint Francis Hospital and Medical Center

D. Additional Statistics	June 15 YTD	June 14 YTD	
Income(Loss) from Operations	6,569,577	632,679	Due to the increase in ytd net patient revenue of $12M (increase in patient days).
Revenue Over/(Under) Expense	(510,420)	2,194,352	Due to decrease in investment activity of ($4.7M), $4.8M in 2014 vs. $119K in 2015.
EBITDA	43,133,362	36,309,647	Due to the increase in ytd net patient revenue of $12M (increase in patient days).
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	54,163,398	45,313,219	Increase in a/p and other accrued expenses in 2015 of $5M.
Net Working Capital	106,239,960	91,292,941	Increase in due from affiliated entities in 2015 of $19M.
Unrestricted Assets	100,524,435	131,445,325	Due to decrease in investment activity of ($4.7M), $4.8M in 2014 vs. $119K in 2015. Due to the variance in swap activity of ($5.7M), ($1.5M) in 2014 vs. ($7.2M) in 2015. Pension funding and post retirement liability of ($53)M (recorded in Sept. 2014).

Late File 1 Part 2 First Tab
Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**July 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Hospital and Medical Center				
Monthly Financial Measurement/Indicators	July 15 YTD	July 14 YTD	July 15 MTD	July 14 MTD	Comments
A. Operating Performance:					
Operating Margin	1.7%	1.1%	5.3%	8.6%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	8.8%	8.1%	12.0%	14.8%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.0%	1.1%	1.0%	1.7%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.2	2.1	2.2	2.1	current assets/current liabilites
Days Cash on Hand	85*	79**	85*	79**	quarter end
Days in Net Accounts Receivables	38.1	36.3	38.1	36.3	net ar/net patient ser rev/days in yr
Average Payment Period	51.4	49.0	51.4	49.0	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	131.6%	113.6%	131.6%	113.6%	total debt/total equity(net assets)
Long-term Debt to Capitalization	56.8%	53.1%	56.8%	53.1%	LTD/LTD+net assets
Unrestricted Cash to Debt	59.1%	54.0%	59.1%	54.0%	as calculated monthly
Times Interest Earned Ratio	2.1	1.6	4.5	6.8	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use jun)
Equity Financing Ratio	23.9%	29.4%	23.9%	29.4%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	9,838,019	6,010,274	3,268,442	5,377,594	Net income(loss) from operations
Revenue Over/(Under) Expense	2,729,108	7,057,718	3,239,528	4,863,366	Net gain(loss)
EBITDA	50,487,375	45,586,103	7,354,012	9,276,456	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	49,894,362	53,717,549	49,894,362	53,717,549	from cons bs
Net Working Capital	107,425,899	96,099,016	107,425,899	96,099,016	current assets-current liabilities
Unrestricted Assets	103,357,313	137,675,335	103,357,313	137,675,335	from cons bs or rollforward

*Measurement data is June 30, 2015
**Measurement data is June 30,2014

Late File 1 Part 2 Second Tab

Saint Francis Hospital and Medical Center

D. Additional Statistics	July 15 YTD	July 14 YTD	
Income(Loss) from Operations	9,838,019	6,010,274	Due to the increase in ytd net patient revenue of $8M (increase in patient days).
Revenue Over/(Under) Expense	2,729,108	7,057,718	Due to decrease in investment activity of ($4.1M), $4.2M in 2014 vs. $76K in 2015.
EBITDA	50,487,375	45,586,103	Due to the increase in ytd net patient revenue of $8M (increase in patient days).
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	49,894,362	53,717,549	Increase in A/R patient $6M.
Net Working Capital	107,425,899	96,099,016	Due from affiliates increased $18M.
Unrestricted Assets	103,357,313	137,675,335	Due to decrease in investment activity of ($4.1M), $4.2M in 2014 vs. $76K in 2015. Due to the variance in swap activity of ($5.7M), ($1,5M) in 2014 vs. ($7.2M) in 2015. Pension funding and post retirement liability of ($53M) (recorded in Sept. 2014).

Late File 1 Part 3 First Tab
Exhibit 24 Financial Statistics

22. For SFC, the Hospital and Trinity Health, submit monthly financial reports to OHCA that include statistics for the current month (**August 2015**), fiscal year-to-date and comparable month from the previous fiscal year. Provide these statistics for the following measures:

	Saint Francis Hospital and Medical Center				
Monthly Financial Measurement/Indicators	August 15 YTD	August 14 YTD	August 15 MTD	August 14 MTD	Comments
A. Operating Performance:					
Operating Margin	1.3%	2.0%	-2.5%	10.8%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	8.4%	9.0%	4.8%	17.2%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.1%	1.1%	2.0%	1.3%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	2.0	2.1	2.0	2.1	current assets/current liabilites
Days Cash on Hand	85*	79**	85*	79**	quarter end
Days in Net Accounts Receivables	39.3	40.6	39.3	40.6	net ar/net patient ser rev/days in yr
Average Payment Period	56.2	51.8	56.2	51.8	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	137.4%	109.5%	137.4%	109.5%	total debt/total equity(net assets)
Long-term Debt to Capitalization	57.9%	52.3%	57.9%	52.3%	LTD/LTD+net assets
Unrestricted Cash to Debt	67.1%	55.5%	67.1%	55.5%	as calculated monthly
Times Interest Earned Ratio	1.8	2.2	-0.6	8.5	EBIT/Interest expense
Debt Service Coverage Ratio	3.8x*	2.7x**	3.8x*	2.7x**	quarter end (use jun)
Equity Financing Ratio	22.8%	30.0%	22.8%	30.0%	Net assets/total assets
D. Additional Statistics					
Income(Loss) from Operations	8,442,109	12,527,657	(1,395,911)	6,517,383	Net income(loss) from operations
Revenue Over/(Under) Expense	(411,593)	14,352,317	(3,140,701)	7,294,599	Net gain(loss)
EBITDA	53,149,666	55,950,231	2,662,289	10,364,128	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	85,845,312	54,781,658	85,845,312	54,781,658	from cons bs
Net Working Capital	102,020,126	101,569,919	102,020,126	101,569,919	current assets-current liabilities
Unrestricted Assets	95,971,465	146,729,051	95,971,465	146,729,051	from cons bs or rollforward

*Measurement data is June 30, 2015
**Measurement data is June 30,2014

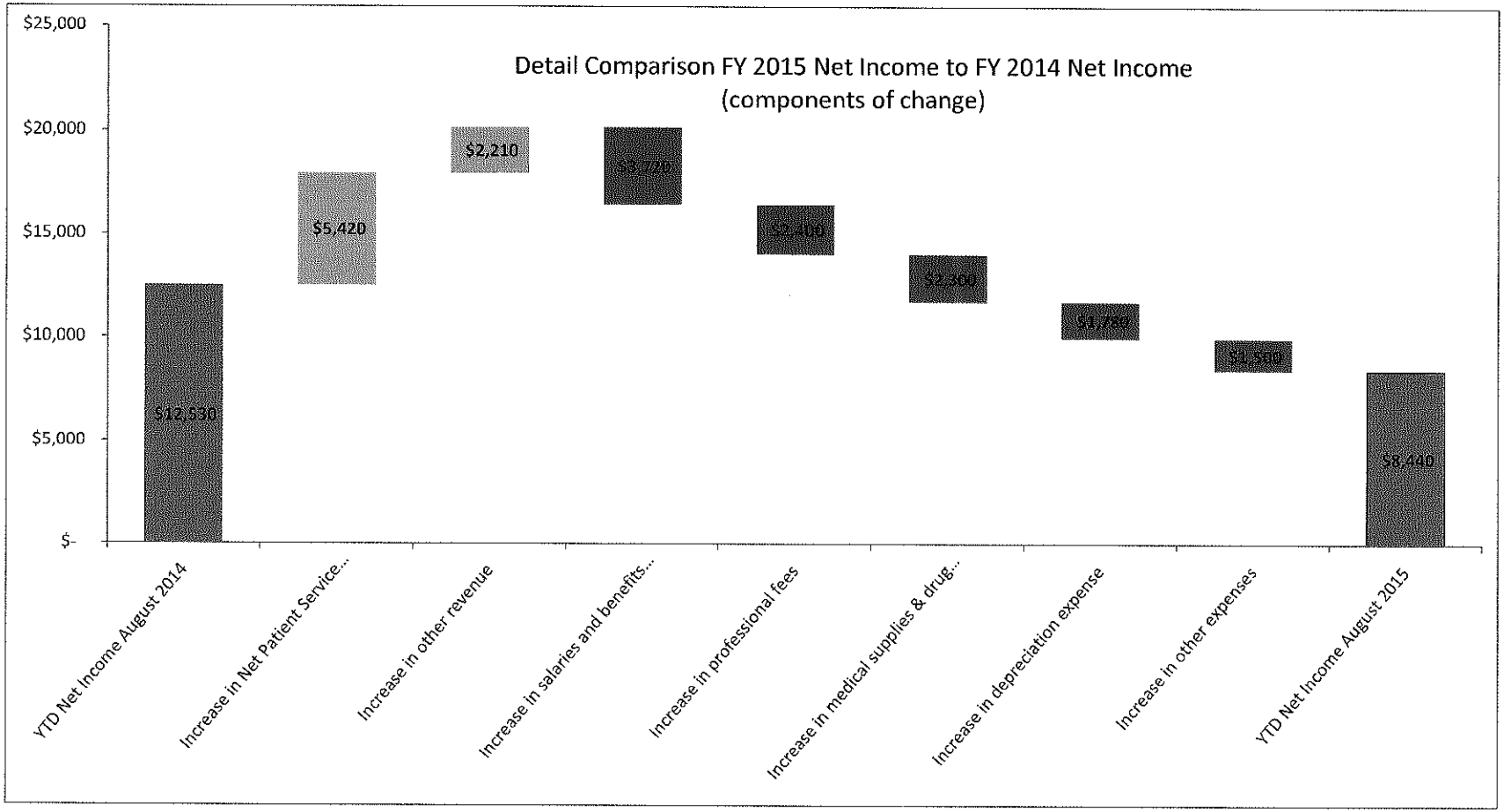
Late File 1 Part 3 Second Tab

Saint Francis Hospital and Medical Center

D. Additional Statistics	August 15 YTD	August 14 YTD	
Income(Loss) from Operations	8,442,109	12,527,657	YTD net patient revenue increased $6M while operating expenses increased $11M due to costs of drugs and professional fees for EPIC support, merger due diligence and nurse registry fees.
Revenue Over/(Under) Expense	(411,593)	14,352,317	Due to decrease in investment activity of ($6.7M), $5M in 2014 vs. ($1.7M) in 2015. Variance in swap activity of ($5.5M).
EBITDA	53,149,666	55,950,231	YTD net patient revenue increased $6M while operating expenses increased $11M due to costs of drugs and professional fees for EPIC support, merger due diligence and nurse registry fees.
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	85,845,312	54,781,658	Decrease in a/r patient ($1.7), Increase in a/p $8.8M. Intercompany paydown of receivable $10M.
Net Working Capital	102,020,126	101,569,919	Decrease in a/r patient ($1.7), Increase in a/p $8.8M.
Unrestricted Assets	95,971,465	146,729,051	Due to decrease in investment activity of ($6.7M), $5M in 2014 vs. ($1.7M) in 2015. Variance in swap activity of ($5.5M). Pension funding and post retirement liability of ($53M) (recorded in Sept. 2014).

Late File 1 Part 4

August Statistics: Additional Information for August Year to Date Net Income Change



Note: This detailed analysis was prepared for August only to provide additional information driving the decrease year to date net income for FY 2015 as compared to FY 2014. June and July have the same trends and are included in this analysis as it is cumulative through August for both years.

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

Certificate of Need Application for Saint Francis *Care's* Acquisition of the Affiliate's Assets for Johnson Memorial Medical Center, Inc. and Affiliates

Docket Number: 15-32002 CON

October 14, 2015

As we reviewed our responses to the OHCA questions from the October 6, 2015 Public Hearing on the above referenced CON we believe a few clarifications are important to include as part of our late file documents. These clarifications are:

a. **Financial Commitment**: The $13 million capital commitment by Trinity New England Regional Health Ministry is in addition to the $32.9 million provided as part of the asset purchase agreement amount identified in the application. As stated in the application, the $32.9 million represents amounts to be paid at closing as well as the assumption of certain liabilities which fluctuates based on Johnson's operating performance.

b. **Pension Status:** As of April 30, 2010, the former Johnson Memorial Hospital's defined benefit pension plan was terminated. The Pension Benefit Guaranty Corporation took over the plan assets as of September 1, 2011, and any further payments received by plan beneficiaries are due from that corporation. (See attached letter). Johnson Memorial Hospital has no further liability for that plan.

   Currently Johnson Memorial Hospital employees have a 401 (k) defined contribution plan that Johnson Memorial Hospital makes no employer contribution to at this time.

   Once JMMC is acquired by Trinity New England Regional Health Ministry the current 401 (k) defined contribution plan will be replaced by another defined contribution plan provided by Trinity New England Regional Health Ministry.

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ORIGINAL

PBGC
Protecting America's Pensions

Pension Benefit Guaranty Corporation
1200 K Street, N.W., Washington, D.C. 20005-4026

David R. Morgan
Diana Rose
Retirement Plan Committee
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

EIN/PN: 060646696/001
PBGC Case Number: 21626700
Date of Plan Termination: April 30, 2010
Date of Trusteeship: September 1, 2011
Plan Name: Retirement Plan for Employees of Johnson Memorial Hospital

Dear Mr. Morgan and Ms. Rose:

We write regarding the termination of the above-referenced pension plan (the Plan). As provided in the Agreement for Appointment of Trustee and Termination of Plan, PBGC is now statutory trustee of the Plan, and the Plan termination date is April 30, 2010. The Agreement became effective on September 1, 2011, the date of the last signature on the Agreement. A fully executed original Agreement is enclosed for your records.

The Employee Retirement Income Security Act of 1974 ("ERISA"), under which Congress established the termination insurance program administered by PBGC, defines certain liabilities owed to PBGC by a plan's sponsor and the related businesses responsible for the plan (called the "controlled group"). This letter is not a request or demand for payment. If a liable controlled group member is a debtor in bankruptcy, PBGC will seek collection of these liabilities by filing claims in the bankruptcy case. If a liable controlled group member is not in bankruptcy, PBGC will determine how best to collect on its claims.

One of PBGC's claims is for the total amount of the Plan's unfunded benefit liabilities as of the Plan termination date—that is, the shortfall in plan assets necessary to pay all the benefits promised under the Plan as of the termination date. PBGC estimates the amount of this liability with respect to the Plan is $33,459,436.00. Interest accrues on the unpaid balance at the rate provided under Section 6621(a) of the Internal Revenue Code from the Plan termination date to the date of payment.

Although by law this liability is due and payable as of the Plan termination date, PBGC will prescribe commercially reasonable payment terms for the amount of the liability that exceeds 30 percent of the collective net worth of the controlled group, as determined by PBGC. (Net worth is also relevant for determining the amount of liability that is subject to PBGC's statutory lien.) Under PBGC's employer liability regulation, 29 C.F.R. § 4062, a liable person who wishes to assert that 30 percent of the collective net worth of all of the controlled group is less than the total amount of the Plan's unfunded benefit liabilities must so notify the PBGC in writing within 30 days after the effective date of the Agreement. Within 120 days after the effective date of the Agreement, the liable

person must provide an estimate of the collective net worth and any supporting documentation.

In addition, ERISA provides that (i) aggregate shortfall and waiver amortization charges, and (ii) any unpaid minimum funding contributions, including any waived amounts, are due and payable as of the Plan termination date to PBGC as statutory trustee of the Plan. Finally, ERISA provides that any unpaid premiums are due PBGC.

All controlled group members are jointly and severally liable for contributions and premiums owed to PBGC as well as for unfunded benefit liabilities.

If you have questions, please feel free to contact me at the above address or by telephone. In any correspondence, please provide the PBGC case Number (listed at the top of this letter) and a telephone number where you may be reached during the day.

Sincerely,

Iona Wertz, Auditor
Benefits Administration and Payment Department
Trusteeship Processing Division 2
(202) 326-4100, ext. 3336 (not a toll-free number)

Enclosure

AGREEMENT FOR APPOINTMENT OF TRUSTEE AND TERMINATION OF PLAN

This is an AGREEMENT between the Pension Benefit Guaranty Corporation ("PBGC") and the Retirement Plan Committee for the Retirement Plan for Employees of Johnson Memorial Hospital (the "Committee").

RECITALS:

A. PBGC is a United States government agency established by Title IV of the Employee Retirement Income Security Act of 1974, *as amended*, 29 U.S.C. §§1301-1461 ("ERISA").

B. Johnson Memorial Hospital ("Hospital") is a non-profit hospital organized under the laws of Connecticut, with its principal place of business located in Stafford Springs, CT.

C. The Hospital maintains the Retirement Plan for Employees of Johnson Memorial Hospital ("Plan") to provide retirement benefits for certain of its employees. The Plan was established effective December 1, 1971.

D. The Plan is an employee pension benefit plan to which 29 U.S.C. § 1321(a) applies and is not exempt under 29 U.S.C. § 1321(b). The Plan is therefore covered by Title IV of ERISA.

E. The Committee is the administrator of the Plan within the meaning of 29 U.S.C. §§ 1002(16) and 1301(a)(1).

F. The Committee has filed a distress termination notice with PBGC under 29 U.S.C. § 1341(c).

G. The Committee has represented that on or before February 26, 2010, a Notice of Intent to Terminate the Plan was provided to each affected party as required by Title IV of ERISA. The Notice of Intent to Terminate the Plan proposed April 30, 2010 as the termination date of the Plan

H. On April 30, 2010, the Hospital was a contributing sponsor of the Plan within the meaning of 29 U.S.C. § 1301(a)(13).

I. PBGC has notified the plan administrator that: (1) PBGC has determined that the requirements for a distress termination are met, and (2) PBGC is unable to determine that the Plan is sufficient for guaranteed benefits as of the termination date.

NOW THEREFORE, the parties agree:

1. The Plan is terminated under 29 U.S.C. § 1341(c).
2. The Plan termination date is April 30, 2010, under 29 U.S.C. § 1348.
3. PBGC is appointed trustee of the Plan under 29 U.S.C. § 1342(c).
4. The Hospital, the Committee and any other person having possession or control of any records, assets or other property of the Plan shall convey and deliver to PBGC any such records, assets or property in a timely manner. PBGC reserves all its rights to pursue such records, assets, and other property by additional means, including but not limited to issuance of administrative subpoenas under 29 U.S.C. § 1303.

5. PBGC will have, with respect to the Plan, all of the rights and powers of a trustee specified in ERISA or otherwise granted by law.

The persons signing this Agreement are authorized to do so. The Agreement will take effect on the date the last person signs below.

Retirement Plan Committee for the Retirement Plan for Employees of Johnson Memorial Hospital, Plan Administrator

Dated: 8/25/11 By: _____
~~Peter J. Betts~~, Member

DAVID R. MORGAN

Diana Rose
Diana Rose, Member

PENSION BENEFIT GUARANTY CORPORATION

Dated: 9/1/11 By: _____
Auditor

SEP 01 2011

PBGC
Protecting America's Pensions

Pension Benefit Guaranty Corporation
1200 K Street, N.W., Washington, D.C. 20005-4026

David R. Morgan
Diana Rose
Retirement Plan Committee
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

EIN/PN: 060646696/001
PBGC Case Number: 21626700
Date of Plan Termination: April 30, 2010
Date of Trusteeship: September 1, 2011
Plan Name: Retirement Plan for Employees of Johnson Memorial Hospital

Dear Mr. Morgan and Ms. Rose:

The Pension Benefit Guaranty Corporation (PBGC) is now statutory trustee of the above referenced Pension Plan ("Plan"). Section 4042(d)(2) of the Employee Retirement Income Security Act (ERISA), as amended, requires that you are to be notified as an interested party. We are notifying you in your capacity as an interested party that we intend to proceed with the processing of this terminated Plan.

As the Auditor responsible for processing the Plan termination for PBGC, I am informing you of the following:

1. You may be contacted regarding the transfer of assets to PBGC. In the event there is an interim period between trusteeship and transfer date(s), continue to manage Plan(s) assets in accordance with pre-trusteeship investment policy or similar investment direction, provided that such policy is consistent with titles I and IV of ERISA. No purchases of assets with known liquidity constraints should be made. Any questions with respect to this policy should be forwarded to the Corporate Investments Department at 202.326.4066.

2. We will send a letter to each Plan participant informing them of the trusteeship.

3. No administrative expenses are to be paid out of Plan assets.

4. All administrative expenses are to be submitted to me for approval and payment.

5. Any liable parties, including the contributing sponsor and members of any relevant controlled group will be sent a statement relating to the payment of employer liability, if any.

In any correspondence, please provide the PBGC Case Number (listed at the top of this letter), a current e-mail address, and a telephone number where you may be reached during the day. Please call me at the number below if you have questions.

Sincerely,

Iona Wertz, Auditor
Benefits Administration and Payment Department
Trusteeship Processing Division 2
(202) 326-4100 ext.3336 (not a toll-free number)

ORIGINAL

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

OFFICE OF HEALTH CARE ACCESS

RECEIVED
OCT 19 2015
Office of
HEALTHCARE ACCESS

SAINT FRANCIS CARE, INC. AND
JOHNSON MEMORIAL MEDICAL CENTER, INC.

JOHNSON MEMORIAL MEDICAL CENTER, INC. TRANSFER OF OWNERSHIP TO SAINT FRANCIS CARE, INC.

DOCKET NO. 15-32002-CON

OCTOBER 6, 2015

4:05 P.M.

STAFFORD COMMUNITY CENTER
3 BUCKLEY HIGHWAY
STAFFORD SPRINGS, CONNECTICUT

POST REPORTING SERVICE
HAMDEN, CT (800) 262-4102

. . .Verbatim proceedings of a hearing before the State of Connecticut, Department of Public Health, Office of Health Care Access, in the matter of Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc., held at Stafford Community Center, 3 Buckley Highway, Stafford Springs, Connecticut, on October 6, 2015 at 4:05 p.m. . . .

HEARING OFFICER KEVIN HANSTED: Good afternoon, everyone. This public hearing before the Office of Health Care Access, identified by Docket No. 15-32002-CON, is being held on October 6, 2015 to consider Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc.'s application for the transfer of ownership of Saint Francis Care, Inc.

This public hearing is being held pursuant to Connecticut General Statutes, Section 19a-639a, and will be conducted as a contested case, in accordance with the provisions of Chapter 54 of the Connecticut General Statutes.

My name is Kevin Hansted, and I have been designated by Commissioner Jewel Mullen of the Department

of Public Health to serve as the Hearing Officer for this matter.

The staff members assigned to assist me in this case are Kaila Riggott, Brian Carney, Carmen Cotto, Steven Lazarus, and the hearing is being recorded by Post Reporting Services.

In making its decision, OHCA will consider and make written findings concerning the principles and guidelines set forth in Section 19a-639 of the Connecticut General Statutes.

Saint Francis Care, Inc., Johnson Memorial Medical Center, Inc. and Trinity Health Corporation have been designated as parties in this proceeding.

At this time, I will ask staff to read into the record those documents already appearing in OHCA's Table of the Record in this matter.

All documents have been identified in the Table for reference purposes. Mr. Lazarus?

MR. STEVEN LAZARUS: Good afternoon. Steven Lazarus. For the record, I would like to enter Exhibits A through I.

HEARING OFFICER HANSTED: Thank you. And this afternoon, first, we will hear from the Applicants for an overview of the project, and then OHCA

will ask its questions.

At that point, we will hear from the public for any public comment that anyone may wish to make.

When we get to the public comment portion, if there are any municipal officials or legislators here, we will defer to them first, and then we will go to the sign-up sheet for the public comment, and we will call you in the order that you have signed up, so please make sure, if you want to comment, please sign up on the sheet in the back of the room.

At this time, I'm going to ask all individuals, who are going to testify, to please stand, raise your right hand and be sworn in by the court reporter.

(Whereupon, the parties were duly sworn in.)

HEARING OFFICER HANSTED: Thank you, everyone. And just as a reminder, before you testify, please state your full name for the record, and, if you've submitted pre-filed testimony, please adopt that for the record today.

At this time, the Applicants may proceed.

MR. CHRISTOPHER DADLEZ: Thank you very

much and good afternoon. Can you hear me?

HEARING OFFICER HANSTED: I can.

MR. DADLEZ: Thank you. I'm Christopher M. Dadlez, Regional President and Chief Executive Officer of Trinity New England Regional Health Ministry and hereby adopt my testimony, as submitted with the Office of Health Care Access.

HEARING OFFICER HANSTED: Thank you.

MR. DADLEZ: Thank you for the opportunity to speak to you today about our proposal to acquire Johnson Memorial Medical Center and its subsidiaries.

I'd like to take a few minutes to emphasize a few key aspects of this proposal. First, both Trinity New England Regional Health Ministry, formerly Saint Francis Care, and Johnson Memorial Medical Center have been working together on an affiliation since July of 2012 to preserve and enhance health care in our combined service area.

The purpose of this affiliation was, quote, "To establish a long-term, stable relationship between the parties, allowing them to work together to maintain and strengthen Johnson's operating viability and its presence in the community as a community hospital, expand the array of health care services available,

support Johnson's medical staff, and enhance Johnson's efforts to fulfill its mission."

This quote was from page 959 of the Certificate of Need application.

Both organizations have made tremendous progress since we began our affiliation, despite the great challenges and constant upheaval occurring in the health care system both nationally and at the state level.

These challenges have led Trinity Health New England's Regional Ministry to conclude that the only way to continue to fulfill the purpose of its initial affiliation with Johnson Memorial Medical Center is through the acquisition of Johnson Memorial Medical Center and all its subsidiaries.

The benefits of this acquisition include preservation of Johnson's viability and the access of its patient populations to needed health care services closer to home, better use of limited health manpower resources through a combination of the treatment of specific patient populations; examples, cancer infusion, ambulatory surgery, physical therapy and primary care between the two organizations; debt reduction at Johnson, which lowers the cost of operations for the health system

as a whole, addition of ambulatory surgery, cancer treatment and rehabilitation, wound care, and a variety of ancillary services, service locations to the Trinity New England Regional Health Ministry system.

The inclusion of Johnson Memorial Medical Center and its subsidiaries in Trinity New England Regional Health Ministry also preserves its not-for-profit status and its 100-plus year history of serving the populations of Stafford Springs and its surrounding communities.

Once all regulatory approvals and codicil approvals are received, Trinity Health New England Regional Health Ministry will move forward with Johnson to further our common goals of preserving and promoting the health of all, who choose to use the health services provided by our combined organizations.

I'm available to answer any questions. Thank you.

HEARING OFFICER HANSTED: Thank you.

MR. STUART ROSENBERG: Good afternoon.

HEARING OFFICER HANSTED: Good afternoon.

MR. ROSENBERG: I'm Stuart E. Rosenberg, President and CEO of Johnson Memorial Medical Center, and I hereby adopt my testimony, as submitted with the Office

of Health Care Access.

HEARING OFFICER HANSTED: Thank you.

MR. ROSENBERG: Thank you for the opportunity to speak to you today about the proposal to acquire Johnson Memorial Medical Center's subsidiaries.

As mentioned by Chris Dadlez, Regional President and Chief Executive Officer of Trinity New England Regional Health Ministry, formerly Saint Francis Care, both Trinity New England Regional Health Ministry and Johnson Memorial Medical Center have been working together since July of 2012.

The partnership between Trinity New England Regional Health Ministry has given Johnson the ability to make significant advancements in the areas of safety, compliance and facility enhancements to improve the overall patient experience.

These improvements have continued to occur, despite the fiscal challenges caused by continued reductions occurring in the health care system at the national and state level.

A few of our specific accomplishments included the installation of emergency generators at both the Stafford Springs and Enfield campuses, addition of St. Francis Care hospitalists and medical oncologists to

the Johnson medical staff to support emergency services and cancer programs offered at Johnson.

Most recently, the implementation of the Epic electronic medical records system upgrade and the recruitment of needed health care personnel, particularly a new Medical Director for the Behavioral Health Program at the Institution.

To continue the positive momentum, it is imperative that Johnson take that next step to be acquired by Trinity New England Regional Health Ministry.

By taking this action, Johnson Memorial Medical Center helps protect the jobs of its 1,100 employees and preserves a critical community asset providing health care to the community, as well as a significant economic contributor to the local economy.

Please help us continue to provide health care to this community for another 102 years. I'm available for any questions. Thank you.

HEARING OFFICER HANSTED: Thank you.

MR. PATRICK MAHON: Good afternoon. I'm Patrick Mahon, and I serve as Chairman of the Board of Directors at Johnson Memorial Medical Center, and I hereby adopt my testimony, as submitted with the Office of Health Care Access.

HEARING OFFICER HANSTED: Thank you.

MR. MAHON: I have owned or run a local insurance business in Stafford, Connecticut for the past 28 years, and I have been a volunteer or served on the Board of Directors at Johnson for 25 years.

For a vast majority of the 84,000 and more population in the Johnson Memorial Medical Center primary service area, the closest hospital services are those provided by Johnson Memorial.

Therefore, it is imperative, both from a financial perspective and an access to care perspective, that Johnson Memorial remain part of the Connecticut health care safety net.

Many of the challenges that we are facing as a hospital in a rural small community include federal and state reimbursement reductions, aging facilities and difficulties recruiting sufficient numbers of qualified health professionals.

We at Johnson Memorial have been actively pursuing a health care partner for several years since filing for bankruptcy in 2008.

Most recently, we interviewed several area hospital systems. Trinity New England Regional Health Ministry was the system of choice. Quite frankly,

Trinity's strategy closely aligns with our goals for preserving services in our community.

Since the affiliation in 2012, Saint Francis Care and Johnson have delivered many integration synergies, which have had a significant impact on Johnson Memorial's ability to continue to deliver health care to this community.

In fact, since Mr. Rosenberg has assumed a leadership role at Johnson, he and the team have worked tirelessly to reestablish community confidence, reduce expenses, improve services and improve Johnson's financial performance.

One of the positive results is a reduction in expenses of over $6 million of the Johnson system in fiscal year 2014 as compared to fiscal year 2013.

Johnson Memorial serves many of the surrounding towns, and its closure would leave patients and their families without any option, but to travel much greater distances to receive their care.

We believe that Trinity New England Regional Health Ministry is the right partner for Johnson Memorial Medical Center, as, together, the two organizations will help to insure that the population in North Central Connecticut will have access to health care

for their families for years to come.

Without your approval for Johnson Memorial Medical Center to join Trinity New England Regional Health Ministry I am certain that the doors of Johnson Memorial will close and that the community will lose access to the health care it needs.

Please approve this transaction. I'm available to answer any questions.

HEARING OFFICER HANSTED: Thank you.

MR. DADLEZ: That concludes our presentation.

HEARING OFFICER HANSTED: Okay, thank you. OHCA has some questions at this point. Mr. Carney?

MR. BRIAN CARNEY: Good afternoon. My name is Brian Carney, and I'm a staff member here at OHCA.

I wanted to start off with a few general questions. I'd like to sort of put the information on the record.

The first question is what is the current status of the Saint Francis Care/Trinity Health Corporation ownership transfer?

MR. DADLEZ: As of October 1st or midnight September 30th, I guess is the date, we officially merged

Saint Francis care into Trinity, which is based in Livonia, Michigan, and we officially created the Regional Health Ministry, Trinity Health New England, which is the oversight organization for this New England region for entities that Trinity owns.

MR. CARNEY: Okay, so, Saint Francis care is now officially Trinity Health New England Regional Health Ministry?

MR. DADLEZ: Yes. Yes, that's correct.

MR. CARNEY: Thank you. The second question, you had submitted an org chart on page 1957. It shows Johnson Memorial Medical Center and Affiliates, which is a system under Trinity Health New England Regional Health Ministry.

I just wanted to double check that that was correct, as it appears to be inconsistent with Saint Francis Hospital Medical Center and Mercy Medical Center, both hospitals on that same line.

I'm not sure if that's correct, or would Johnson Memorial be actually under JMMC?

MR. DADLEZ: Johnson Memorial will be under the Regional Ministry, as highlighted here in this org chart. Is that what you're asking?

MR. CARNEY: Yes.

MR. DADLEZ: It's not a subsidiary of Saint Francis. It's a subsidiary of --

MR. CARNEY: Of Trinity.

MR. DADLEZ: -- Trinity Health.

MR. CARNEY: Right and how about the hospital, itself? That would fall underneath, then, JMMC, correct?

MR. DADLEZ: Yes.

MR. CARNEY: Okay. Thank you. Page 1957 depicts the -- I'm sorry. Page 2015, third paragraph of the pre-filed testimony states that, as the model of care shifts towards the population management-based method of care delivery, patients from JMMC's primary service area will be able to purchase insurance products that insure access to bundled payment programs and risk contracts that include programs at Saint Francis.

Can you provide us with a little more information on these bundled payment programs, risk contracts? Who would be able to purchase these products, what is covered, and kind of how do they work?

MR. DADLEZ: Well all of this initiative is really in its infancy stage this year in the state. The purpose of creating a larger footprint and bringing components of an integrated organization together really

is to do accountable care and population health, so we're putting together products as an organization.

I don't know how well you're aware of the integration of our medical staff with our organization. We've been doing value-based accountable care contracting for quite some time. We have one of the largest Medicare shared savings accountable care organizations.

We have value-based contracts with every insurer as is, and our intent is to develop total risk contracting in short order.

There is no real risk contracting as of yet in the State of Connecticut, but the intent is to develop those initiatives.

We formed an organization with Yale-New Haven Health System, called Total Health, which is specifically to build an infrastructure to get into risk contracting within the next year or so and to develop initiatives with payers in that regard, so what we're expressing is something really the directional, you know, focus of our organization moving forward, and with the addition of Johnson Memorial, that allows us to have even more of a geographic coverage to be able to provide services to populations in different geographic regions.

And the intent of accountable care is to

really push the patient into the highest quality, lowest cost setting, so it's not to bring patients and take patients from this region and bring them into Downtown Hartford. It's really to insure that proper access is available for this community and heighten that to the highest quality possible.

If you need tertiary services, they would come into Hartford, or now, with our relationship with other facilities in the Trinity region, we would allow the patients those opportunities.

So this is directional. There aren't any real specific contracts that I want to point to at this time. I don't know, David, if you want to, from a financial standpoint, if you want to comment on that, also?

MR. DAVID BITTNER: Yeah. The statements around these are in their infancy, so there's no specific contract that this alludes to around what specific risk-based contract Johnson would be included in those, but in the development of those contracts, as they get further developed, they would be included as part of that infrastructure and the total network around the Regional Health ministry.

MR. CARNEY: And from the patients'

perspective, they're getting a product that's going to take care of their all encompassing health care. That's sort of the gist of it.

MR. DADLEZ: Well we hope that's the case, yes. I mean it really is to change the dynamic from volume to value-base and to help our community stay healthier and stay out of the hospital setting and really manage their chronic conditions outside of the hospital walls and so forth, so that's the really the evolution of health care for our region in our community.

MR. CARNEY: Okay, thank you. Page 2016, paragraph three, states that inclusion of Johnson and RHM will allow Saint Francis Care and JMMC to streamline clinical service delivery.

Please explain what you mean by streamlining clinical service delivery and how it will be accomplished.

MR. DADLEZ: Well I can start, and others can comment. I'll give you an example. In order to do real population health and accountable care, we have changed our organization to what we call a service line organization, where all clinical enterprises are really divided up into clinical components, such as cardiology, oncology and so forth, and we're managing those

enterprises across the lines of all the components of the organization, so that cardiology, for example, will be integrated with our cardiology program, where we'll be able to provide access to simple cardiology on site at Johnson Memorial, but then have initiatives to really streamline them having access to interventional procedures at Saint Francis, cardiac surgery and so forth.

We're streamlining oncology by providing, and we've already opened up an infusion center in Enfield for the patients of this region, where we're streamlining cancer care between the organization and creating access points within this region, then in turn providing sophisticated technology and care on the tertiary and quaternary sites, and we're coordinating that care.

So when we're saying that we're streamlining, we're basically coordinating it, we're putting it under an umbrella, where we can have -- use our resources much more effectively and get the redundancies out of the way and the waste out of the system and create very efficient ways to take care of that at the lowest cost, highest quality.

I don't know, Chris, if you want to comment.

MR. HARTLEY: Just to give you some more concrete examples that are a little bit more --

COURT REPORTER: I'm sorry. Your name, please?

MR. HARTLEY: Chris Hartley. Sorry. Chris Hartley from Saint Francis.

If you look at page 2070, which is the pre-filed testimony of Stu Rosenberg, there are three things that are kind of examples of how we will streamline and move forward.

The first is Johnson is now on the Epic system, the same computer electronic medical record system as Saint Francis.

As you know, this state doesn't have an electronic medical record as a state yet, so one of the first concerns you have is if you're creating a medical record and able to transfer information back and forth between systems, having the same medical records system streamlines the passage and improves the quality of the passage of information between the two organizations.

This is a system that, at the expense level of Johnson by itself, will be impossible for Johnson to buy. By being part of the Saint Francis system, they will access, through the affiliation

agreement and our contracts, that system and being part of it. Having the physicians access it, our organizations of the services access, we're able to streamline the care delivery for those patients.

Another good example of that, if you think about behavioral health, our behavioral health program is the same behavioral health program that has employees working with Johnson through the same behavioral health protocols.

Patients that need to be admitted and treated or treated along the same protocols and see the same specialists have the same kind of treatment frameworks and the same evidence-based care.

That streamlines their care and hopefully moves the patient out of the inpatient setting back in the outpatient setting and preserves that patient in the outpatient setting on a much better basis, because we have a standard of care.

Our medical oncologists, through a provider service agreement, are the medical oncologists that provide infusion services in Enfield and, also, inpatient cancer care for patients at Johnson through their neuron system, basically located in Enfield.

Having similar cancer protocols, having

the ability to track that patient through a medical record leads to better outpatient care, more appropriate, we think more cost-effective and more curative care faster, by having the same streamlined service organization, then leads, obviously, to what we've been talking about already, bundled services, bundled risk payments for kinds of patients under the system once we have those products in place.

Those are just some examples that are in the document, as well.

HEARING OFFICER HANSTED: Mr. Hartley, very quickly, what is the approximate cost of the Epic system for the hospital?

MR. BITTNER: David Bittner. I'm the Chief Financial Officer for Saint Francis Care. Just to clarify, you mean Johnson or Saint Francis Care?

HEARING OFFICER HANSTED: For Saint Francis.

MR. BITTNER: It's roughly $30 million.

HEARING OFFICER HANSTED: Thirty million.

MR. BITTNER: Kind of base system.

HEARING OFFICER HANSTED: Okay, thank you.

MR. CARNEY: Okay, thank you. Just one follow-up question. I think maybe this is for you, Mr.

Rosenberg.

You mentioned, on the same page we just talked about, 2070, about the recruitment of a new medical director for the behavior health program. I was just wondering. Has that position been filled, or is the recruitment still ongoing, and what is the status of that program overall?

MR. ROSENBERG: Thank you. The position has been filled. Actually, as stated in my testimony, a physician from Saint Francis Care it was actually established that Johnson Memorial, and we spent a good part of two to three years recruiting to locate a psychiatrist, and it's been totally reorganized and now has been put into place effective October 3rd.

MR. CARNEY: Okay. Thank you very much.

MR. LAZARUS: Steve Lazarus. I just have a couple of questions. Steven Lazarus. Mr. Dadlez, in your pre-filed testimony, you had mentioned that one of the benefits for Johnson includes, basically, it preserves Johnson's viability and access to patients' population to needed health care services closer to home.

MR. DADLEZ: Right.

MR. LAZARUS: And kind of like following on what Mr. Carney just went through, can you please

explain if this means maintaining access to current services provided at Johnson or do the Applicants plan to add new services to Johnson's existing services, and if they're going to be offered at Johnson for the population closer to home?

MR. DADLEZ: Sure. I'd be happy to answer that. When we first were asked to speak to the Board I don't know how many years ago it was now, five, maybe five years ago, we made a sincere commitment that we wanted to make sure that this community had the services, health care services that it needed, and we basically said at that time that we would do whatever we could to organize those services, so that we could do it cost effectively and really improve the quality.

The world is changing in health care. There are no guarantees on how services are going to be delivered.

As an example, there's a company called Theranos now that can do a complete blood panel with one prick of the finger, and you take one blood dot, and you could have your whole profile done with just that one prick of the finger.

Outpatient laboratory drawing stations are going to disappear in the next five years. There will be

things that will disappear, and there will be things that we would be additive, because we want to improve access to care, so to say that everything is going to be exactly the same is not the case, because we're going to have to evaluate, especially with the evaluation of or the understanding of how resources are changing, and everyone needs to be efficient and effective.

The guarantee is is that we're going to do everything in our power to make sure that there's access to health care. We're going to provide those services as close to home and create access as possible.

As another example of innovation that's changing and we're going to be doing it up in this region, also, is Saint Francis has started creating retail access centers in grocery stores, so we're doing our own mini-clinics in Stop & Shops, and we're going to be doing some up here with Big Ys in this region, where patients will be able to go into their grocery store and go into the mini-clinic and get, you know, evaluations, inoculations and so forth as a new contemporary access point to care that is linked to our Epic computer system, that then patients can be presented to primary care physicians and stay within our system.

So I guess it's a longwinded answer to

your question, but I can't guarantee that everything will stay the same, but we're going to be making sure that the services that this community absolutely needs will be here and that we will be adding new services, as well as we'll be changing the models of care, because the models of care, the disruption in health care and the innovation is changing so dramatically with technology and so forth that just treatments, everything is changing.

I don't know if that's specific enough for you, but we are extremely committed to providing the care that's necessary for this community in many different fashions.

MR. LAZARUS: Thank you.

MR. ROSENBERG: In addition, access to care is important, and, since I've been here, there's a few areas that we had to manage. You asked about behavioral health, which has been really reorganized and taken care of.

The other area is neurology, and we've been working collaboratively as a system to evaluate that, and it is a service that is accessible, but there's not enough providers, and, so, for this particular year, we've established a contract with UMass Teleneurology for a year, until we can study it for a year to figure out

what we're going to do as a region, so we introduced more access to care here than what we have right now, and the last one is urology.

Urology has been out of this community for about five years, and we're partnering with the Trinity New England system to be able to provide more access to care for urologists, but it's been really here for awhile to provide consultation services, inpatient/outpatient services, so it's an addition to Chris's comment.

MR. DADLEZ: So you can see I live up here, and he lives down here, but we do talk.

MR. LAZARUS: Mr. Dadlez, in your pre-filed testimony, you also state that another benefit is addition of ambulatory surgery, cancer treatment and wound care and other variety of services.

MR. DADLEZ: Yes.

MR. LAZARUS: Can you please clarify? You're talking about these services are new for Johnson, or are these existing services that they already have access -- if you can give some examples?

MR. HARTLEY: The important thing, that was in reference to Trinity Health New England. If you think about it, Johnson is an independent entity.

It has all of these services and sites in

Enfield and in Stafford Springs. By joining Trinity Regional Health Ministry, basically they become part of our additional service sites, and we can, then, integrate those service sites to make sure that we're providing similar care on the same evidence-based medicine at the same general framework in all those locations, so the benefit is to Trinity, that, basically, we pick up that additional set of service locations to meet the needs of the population closer to home.

Again, closer to home is part of that, and it helps because Johnson -- bankruptcy -- to preserve those sites to be part of the training system, lower their costs and preserve those sites for future operation.

MR. DADLEZ: And you gain your efficiencies, in effect, from this by coordinating care, so we have multiple infusion sites, for example, so now we have another infusion site in the Enfield area that we can raise the quality by managing it comprehensively with others.

The same thing with our surgery centers. This adds another surgery center to the complement of surgery centers that we have, so that we can manage those resources better, because we get scale, and we can do a

better job in doing that and bringing physicians and resources to play and management systems and so forth.

MR. LAZARUS: Thank you very much. The last question I have is the Applicant stated in their response, and this is going back to the completeness letter responses and, specifically, on page 1943, but, generally, you had talked about the third phase of the integration plan, and you had said there were three phases for the overall integration plan, and the third stage would start off after the approval. So we want to get an idea, for example, if this transaction receives approval, say, within 60 days of close of this hearing, what is your time line to then finalize or at least move forward in preparing that integration plan?

MR. DADLEZ: Really immediately. I mean Johnson needs help in a lot of ways. We want to do our best to really shore up what we can, because there are limitations with not being together, obviously, so once you are together, you're allowed to do a lot of different things that you aren't allowed if you're separate organizations, whether it's from an anti-trust point of view, or even a marketing point of view, so we're one organization, so we move forward.

So we would start that process

immediately, really, and really start moving on as quickly as possible, making sure that Johnson and that whole enterprise is as strong as possible.

MR. HARTLEY: Chris Hartley. Also, if you look at page 1944, which is the next page, it provides kind of a summary of some of what phase three would be that obviously we are not allowed to do until we finish the integration.

We have identified for you in the application on other pages how we spend $13 million worth of capital over the next three years. That can't be done until we have an integration.

We've talked about, obviously, as part of the integration, the successful integration prevents the bankruptcy and preserves the employment for the 1,100 people that are part of the Johnson system right at this time.

We talk about, obviously, maintaining and giving access through all the affiliation agreements we have now. All of those programs that we're supporting, Johnson preserves continued access to those programs and the protocols that are there.

We have just talked to you about Epic. Some of these things we had to keep moving forward,

because ICDT and some of the other things don't let you wait for some of those things to be done.

We've moved them to the clinical affiliation, so parts of the third part of the integration have already been going on.

We're looking at and we'll continue to look at cost reduction programs through economies of scale. Some of the back-office things, like buying insurance under one title, for malpractice insurance, for worker's comp insurance, things we can do once we're integrated that we can't do, obviously, until we're an integrated whole.

Just to give you a few, obviously, bankruptcy self-revises Johnson's long-term debt significantly and lowers the overall cost of supporting Johnson as part of that, and that can't happen until we've actually gotten permission to do all the things that are on outlined on page 1944.

MR. LAZARUS: All right, thank you.

MS. CARMEN COTTO: Hi. Carmen Cotto, OHCA staff. My question is of a financial nature. I have a few. I'm going to start with the easiest one.

My first question is, throughout the responses that you provided to OHCA, we heard you talk

about the $13 million in capital funds that will be available to Johnson.

Throughout the responses, we see that you said that it will be available for three years; however, there's one particular moment that, on page 71 to be exact, that you indicated that the capital funds will be available for five years. I just wanted you to confirm. Is it three? Is it five?

MR. BITTNER: The $13 million capital commitment was over originally a five-year term that would start in FY '13.

Some of that timing has passed now since we filed, or, you know, had the relationship with Johnson in 2012, but there's $13 million identified that would be spent over probably a three-year period.

MS. COTTO: So it's three years?

MR. BITTNER: So I think the capital needs from an infrastructure perspective kind of almost dictate that to be over a three-year period versus a five-year period.

MS. COTTO: Okay. Now the $13 million in capital funds, is that also included under -- is that also included as part of the total capital expenditure costs with this proposal that you submitted, $32.9

million, page 53?

MR. BITTNER: The 13 includes the 32.

MS. COTTO: It's included in there?

MR. BITTNER: Yes.

MS. COTTO: Okay, so, what is the total cost for this proposal? We're talking about $30 million related to the purchase price and $13 million related to the capital funds, and now we have the 13 and the 32, so the total cost of the project is -- what is the total cost of the project? Is it 32.9 plus 30?

MR. BITTNER: Right, well, I think this was just an estimate when we provided the information before.

MS. COTTO: Okay.

MR. BITTNER: There's a further breakdown, I'm trying to think of where it is in the application, of kind of what we call the purchase price from an acquisition of liabilities perspective, so we're also assuming the liability to Johnson Memorial Medical Center for the trade payables.

There's a $3 million assumption of liabilities for the legacy creditors. People's Bank, we're assuming a 10 and a half million dollar liability associated with People's Bank on the liability side.

In addition to that, there's a continuing borrowing on the line of credit with the health care financing group, HFG, which continues to provide support to Johnson on an ongoing basis on a month-to-month basis, so that liability is also being assumed by Johnson in that transaction, so that purchase price is an evolving, ever-changing price, so it's not just one price that you can point to and say this is the actual purchase price.

As expenses continue to be accumulated in the last couple of months, Johnson has maintained operating losses associated with their operations, and, so, with those losses, they're also extending the letter of credit associated with that HFG line of credit, which would just increase the purchase price of Johnson over time.

MS. COTTO: Okay. I understand the breakdown that you provided to me of the $30 million. I just wanted to get like total. You got a $32.9, the $13 million is in there. Is the $30 million purchase price in there for the $32.9 million total capital expenditure?

MR. BITTNER: Maybe you can clarify your question. The $30 million is really outlined on page 23, so you can see all the different components of what is made up of that $30 million. In addition to that, we've

committed that $13 million to capital that would be provided to Johnson.

MS. COTTO: Okay, so, if we're adding $13 and $32.9 to combine that number, those numbers, and that will be the total cost of this project?

MR. BITTNER: Yeah. It may actually be more than that. The total cost actually may be more. It's just not a static number, is what I'm saying.

MS. COTTO: Because the sum of those three should be $75 million. Are you saying that those three numbers, the 75.9, is the total cost of the project, or it could be more, it could be less?

MR. BITTNER: Yeah. It could be, depending on how the operation of Johnson performs from now until when this transaction closes, but the transaction costs associated with Johnson have been pretty significant, so, in fiscal year '15, the expectation from a transaction cost perspective is close to $3.4 million, so a lot of those costs, then, from a cash perspective are being loaned to Johnson through the HFG line of credit.

That increases the purchase price of what's in the current application.

MS. COTTO: Okay, thank you. In

reference, also, to the $13 million, the funding source for the $13 million, now that the transactions between Saint Francis Care and Trinity is finalized, will the $13 million still be counted first by Johnson's operations and then any shortfall to Saint Francis Hospital, or will it go straight directly to Trinity?

Can you walk us through the process how the $13 million will be funded now that the Saint Francis Care and Trinity project is complete?

MR. BITTNER: The $13 million is kind of a backstop from Johnson Memorial Medical Center to be funded through the Trinity Health Regional Health Ministry, so, if you recall, the organizational structure chart that we showed before, there's a backstop of the regional system to Saint Francis Hospital Medical Center, which is $275 million, but, in addition to that, not in addition, but part of that $275 million is a part of that $13 million that's for Johnson Memorial Medical Center.

MS. COTTO: Okay, so, the money will not come first for Johnson's operations at all?

MR. BITTNER: It's a backstop, so we're in hopes that Johnson continues to operate a viable health care organization, in which it generates a cash flow margin, in and of itself, that can assist in the payment

of that $13 million.

MS. COTTO: And what if they don't, if they're not able to?

MR. DADLEZ: Then it's a backstop.

MS. COTTO: The backstop will be Trinity, not Saint Francis Hospital?

MR. DADLEZ: Yes.

MR. BITTNER: Trinity Regional Health Ministry.

MS. COTTO: They will cover?

MR. BITTNER: Yeah. The New England Regional Health Ministry.

MS. COTTO: Not Saint Francis Hospital. Okay.

MR. HARTLEY: Just for the record, Chris Hartley, if you remember Docket No. 15-31979, the Trinity CON, we filed a late file, dated July 8, 2015. That describes how this would be backstopped to how it flows through back to the $275 million from Trinity, first through Johnson, then to Saint Francis Care, then, if it isn't paid for, it's paid for out of the $275 million commitment from Trinity.

That's in the late file for the Trinity CON.

MS. COTTO: Correct.

MR. DADLEZ: That hasn't changed.

MS. COTTO: This is the last statement on that particular response. It was if, and now it has changed.

MR. DADLEZ: Right.

MR. HARTLEY: We just want to make sure we're tying the two together. We're not changing anything.

MS. COTTO: My next question is regarding the water and sewer gas line development initiative at Johnson. What is the current funding status of that and the cost as of today?

MR. ROSENBERG: At the current time, we're working with the Town of Stafford leadership, First Selectman and the Town Engineer to come up with a precise price and what kind of commitment it's going to require on behalf of Johnson, and there's several.

We have acquired a consulting engineering firm, a civil engineering firm to really evaluate the entire project. It's a pretty significant project.

Simultaneously with that, we operated a water treatment plant, and we went through and completed a project to get a lot of the 2010 consent order items

complete, and we are currently in the final stage of having the systems evaluated for current use, and, so far to date, we've had really some favorable reports, but we still have the final report to go.

In addition, we've had a meeting with the Lieutenant Governor, along with the First Selectman and Town Engineer, to really look at what kind of funding that we can get for the particular project, because you're really looking at somewhere over 20 years somewhere between $5 and $6 million just on behalf of the hospital, so that is ongoing.

We haven't been able to fulfill the commitment yet, part of which is we've got to complete the consent order, which we're almost done with, but we're waiting for a response, and the other part is, you know, to really get a succinct allocation of how much it's going to cost, a listing of how much, you know, detail the project, and that's going on right now as we speak.

MS. COTTO: So your response is on page 1951. The Applicants indicated that if this project does not succeed, the bonding project does not succeed, then a portion of the $13 million will be used to fund this initiative.

If that's the case, then how would you intend to fund the top priorities capital projects that you introduced to us on page 71 and 72?

MR. HARTLEY: Chris Hartley. The first thing you need to recognize is, as Stu said, the town, itself, and the state haven't finalized to know how much the total project is going to cost, therefore, to be able to tell our engineers to get a sense of what it's going to cost for our portion.

Also, recognize that this would be paid over 20 years, not as a capital commitment upfront. It would paid on an annual basis, based on the 20-year bond cost assignable to Johnson Memorial, so, from a capital cost perspective, we're not going to have to have a large bulk dollar value for the water, sewer and gas project to pay upfront.

We'd be paying it over the 20 years of the bond life, based on usage fee, so that the concept here for this is, once we agree to make a commitment, based on what they believe it's going to cost, then that would be part of our payments for using each of the utilities.

Right now, with well water and with septic system, we're not paying anybody for septic systems or the well water, itself. We would be paying the town

sewer district for the sewer system, we'd be paying the natural gas company for the gas, and we'd be paying the water company for the water once we're hooked up over 20 years, so there's not going to be the requirement to drop down a large capital amount, so it shouldn't affect the $13 million upfront.

There will always be, and this is the case, hookup costs. That is, whenever you put a big system in like that, they bring it to the street below, and there's going to be hookup costs piping to the buildings, themselves, so there's going to be some capital, but, at this stage of the game, there's not enough information for us to be able to guess what that would be.

It will be a much smaller portion than it would be of the total cost to get all three of those utilities to the Johnson site there in Stafford Springs.

And also remember, this also helps the town, because it gets gas to the rest of the town. It helps other projects in the city, like the senior center gets gas, as well, and sewer systems, so this is a community project that many other entities and organizations had to participate in, not just the hospital.

MS. COTTO: I understand that.

MR. BITTNER: Let me try to kind of answer your question more broadly. The $13 million is a minimum capital commitment to Johnson Memorial Medical Center, so what that really means is that, if there's other opportunities from a capital investment perspective, where it's an investment in the community investment to Chris's earlier point, about changes in technology, changes in infrastructure that have to be incorporated, well, that will have a capital cost associated with it, as well.

And, due to that, the $13 million is the minimum capital commitment backstop for Johnson to get the immediate things it needs from an infrastructure perspective back on board. Not to say that that's the maximum amount that Trinity Regional Health Ministry is going to invest into Stafford Springs.

MS. COTTO: So the information that you provided to us gives us an estimate of $6 million. You said that $6 million could be less?

MR. ROSENBERG: It's still being formulated. I mean that wasn't an estimate. The details of the actual cost, as Chris said, it is going to be over 20 years, but the actual startup cost and front end cost

is still to be determined.

The local Town Engineer and the Selectman met with our engineering consulting firm and provided detailed information to them, but they're still working on those details to be able to come up with an actual cost.

MS. COTTO: Okay, I understand that, but will you -- you responded that you will use a portion of the $13 million for this. Now would you or would you not use a portion of the $13 million for this particular initiative?

MR. BITTNER: Yes, we would. Now to point where it's a 20-year commitment, it's about a $300,000 annual commitment, so, against the $13 million over a three-year period, about a $900,000 commitment over five years, about a $1.5 million commitment.

MS. COTTO: Okay. My next question is related to the assumed debt by Saint Francis. You indicated that would be a total of $24.5 million on page 1950, and it will be restructured.

Could you elaborate on the process of how this debt will be restructured?

MR. BITTNER: Yes. We've actually spent quite a few, a lot of time, actually, over the last two

years with People's Bank in conjunction with the USDA and Farmer Mac. People's Bank has acquired most of the debt related to Johnson and their Evergreen Nursing Home, which was subsequently sold to Athenahealth, but we've spent the last 18 to 24 months with People's Bank, Farmer Mac and the USDA to structure out a I guess loan repayment program and what the reduction would be and how to basically pre-negotiate a restructuring of that long-term debt over time.

We also, in conjunction with working with Legacy creditors, worked on a restructure of a current debt with the PBGC and the Legacy creditors to reduce the debt from roughly $6 million down to $3 million, so a lot of this restructuring has already occurred for the long-term debt and Legacy creditors already.

MS. COTTO: Now that $24.5 million, is that the total outstanding debt for Johnson Memorial?

MR. BITTNER: Well that's changing, like I said before. So I think, when that was filed, they still hadn't borrowed as much on their line of credit, and they're starting to borrow more on their line of credit.

As those transaction costs grow, they've seen somewhat of a reduction in their volume, so from an income from operations perspective, they've been

suffering losses over the summer, and, with the transaction costs, they've had a dip in that line of credit to borrow their cash for their operating needs, so that liability has grown over the last couple of months.

MS. COTTO: Okay. The tables that you provided to us on page 1948 and, also, on page 2021 of the interrogatories, we had asked you to reconcile the numbers between what it was in 1948 and page 23.

MR. BITTNER: Yeah.

MS. COTTO: And then you provided us with the table on the interrogatories on page 2021. My question is, the particular item that I don't see moving through from the original application, this is a $2 million in worker's compensation insurance liability? It's not included in any other tables. Is that still an assumed liability, would be an assumed liability by Saint Francis Care?

MR. BITTNER: Well it's really an assumed risk by Saint Francis Care at this point, so Saint Francis Care has basically extended about a $2 million letter of credit to Johnson to basically fund its worker's compensation program, which is through a commercial insurance product that has a high deductible attached to it, so, in essence, the high deductible makes

them self-insured.

The only way they could acquire this commercial plan for their worker's compensation program was for Saint Francis Care to provide this letter of credit to Johnson.

Now they haven't extended this letter of credit. They actually haven't borrowed against that letter of credit, but it's sitting there for the benefit of The Hartford, which is the commercial insurance company that basically provides the coverage in the high-level plan for Johnson, but, to date, Johnson has been paying their worker's compensation claims from their operations and not through borrowing against the letter of credit.

MS. COTTO: You indicated Johnson doesn't have any pension obligations under the defined pension plan, except for the amount due to PBGC at closing.

Who will be in control of the hospital's pension fund after closing? Can you elaborate? I mean you don't have it now, but what will happen? Can you elaborate more on what will happen with the pension after closing?

MR. BITTNER: Well after the first bankruptcy Johnson went through in what year? 2008.

Part of that reorganizational structure of that bankruptcy was the PBGC had the $3 million liability associated with the Pension Guarantee Corporation, so they're the ones who are administering the plan in the future and actually currently.

And, so, in this restructuring, even that, the $3 million that's owed by the PBGC or to the PBGC, is actually restructured, and they'll take a reduction in what they're owed, as well, as part of that restructure that was already pre-structured.

MS. COTTO: So they will continue to have control over the pension?

MR. BITTNER: Of the pension, yeah.

MS. COTTO: Okay. As far as the assumptions for the financial projections, there was an expectation of $2.4 million that will be realized by 2018 in revenue cycle improvements. Could you provide some examples of those improvements?

MR. BITTNER: We allow that number from I guess improvements that we achieved at our own medical group kind of practice, where we start looking at opportunities within the managed care side, so there hasn't been a specific initiative around that, just because of limitations that we've kind of talked about,

because we don't have that integration done yet, because of the CON piece, itself.

Some examples of what we would look at from a revenue cycle perspective is clinical documentation improvement that would basically document more accurately what it is that's being performed and get the reimbursement due the hospital as a result of that, so we've seen some significant improvements in the revenue cycle as a result of those kind of initiatives.

Another example, then, would also be looking at, you know, reimbursement opportunities around the charge structure, so as we've, you know, looked at the integration of the electronic medical record, part of that is looking at the charge master, itself, what charges are being embedded within their billing system, and, so, this integration will allow us to actually look at those charging structures to insure that Johnson is actually charging for all the services that it's performed, and we've seen that historically in other organizations, where there may be a list of charges that they didn't think they could charge for, or, because of the antiquated systems, don't charge for some of those services that are being performed.

MS. COTTO: The application on

CON(phonetic) responses, you indicated that this proposal includes a cumulative four percent price increase over the next three years. Can you elaborate on the need for the four percent increase in price?

MR. BITTNER: What page are you referring to?

MS. COTTO: That was mentioned on page 38 and, also, on page 1950.

MR. BITTNER: Yeah, so, this is just an assumption that we made when we looked at the overall pro forma financial statements.

So, generally, just to keep up with costs of inflation, there's price increases associated with that charge master, and, so, in our assumptions, we basically increased the charges, related to the (coughing) gross charges of four percent, which, in the financial model, were down.

The actual increase from a net patient service revenue percent is a little bit less than four percent, because of the contractual allowances that are added on top of whatever their actual gross charge is.

So, from a health reimbursement perspective, a lot of times from a commercial perspective, you'll negotiate for a specific diagnosis or

specific procedure a fee schedule associated with those services, so, regardless of what you charge, that's the fee schedule that you'll get.

So the way that we ran this financial model was to increase those charges by four percent per year over the three-year period. I'm sorry. A 1.25 percent increase per year.

MS. COTTO: Okay. Let's see. Okay. We understand that JEC, Johnson Evergreen Corporation, is not part of the application, however, I have a general question for you. Because a lot of the debt that I noticed through the financial statements and the notes and all that financial information that you provided to us shows that JEC debt, what's embedded, was part of what Johnson Memorial owes to its creditors.

Now that JEC it's been sold and it's out of the picture, will this sale release Johnson Memorial Medical Center and the hospital of all the debt and pension obligations associated with them?

MR. BITTNER: Related to Johnson Evergreen Corporation?

MS. COTTO: Correct.

MR. BITTNER: Yes.

MS. COTTO: So there's not going to be any

debt related to Johnson Evergreen?

MR. BITTNER: No. And that debt is kind of separate from Johnson Memorial Hospital, so that's really attached and tied to the Johnson Evergreen Corporation building, and that's where all the security of that building from People's Bank resided, and the purchase price was being contemplated by the current owner, you know, the purchaser of Evergreen, is to pay, basically, pay out the remaining balance of the People's debt.

MS. COTTO: Okay. You indicated that, after the implementation of this proposal, Johnson Memorial Medical Center's current commercial contracts will remain in effect. You further stated that, upon expiration of these contracts, Johnson Memorial Medical Center will join Saint Francis Care's payer contracting process.

Could you elaborate on the benefits to Johnson in joining Saint Francis Care's payer contracting process, some of the benefits?

MR. BITTNER: Yeah. The current process that we have now, and Chris kind of alluded to this before, is that there's an integrated physician hospital organization that's tied to Trinity Regional Health

Ministry, so we work collaboratively with the PHO, who has single signing authority for physicians and the hospital to negotiate those rates on the commercial contracts, all except for Blue Cross, which is the only contract that we negotiate separately from the PHL, so including Johnson in that process allows Johnson access to some of the data that we do have around those commercial contracts, themselves, so they benefit from basically tying what the cost of care is to the actual reimbursement of that care, so that we can have a better understanding of those reimbursement rates that Johnson is receiving for the care that it provides.

MS. COTTO: Do you know the expiration date of that contract for Johnson?

MR. BITTNER: They would be various. It would depend on the commercial contract.

MS. COTTO: The current contract, commercial contract hasn't expired, and you mentioned that open expiration that it will join Saint Francis. What will be the expiration date for Johnson's medical --

MR. BITTNER: Each payer has a different contract.

MR. DADLEZ: There's more than one.

MS. COTTO: I understand, but you

mentioned the commercial.

MR. HARTLEY: Well commercial would be any, like Blue Cross, Anthem, Cigna, United Health Care, Harvard Pilgrim, Connecticare. Each one of those, all those are aggregated into a commercial contract.

MS. COTTO: I understand. Okay. All right. Now I'm going to refer you to page 2022, and I'm going to ask you for some additional files of interrogatories.

On page 2022, number six, we have a question of (indiscernible) indicators for June, July and August for Saint Francis Care, Saint Francis Hospital and Johnson Hospital only, excluding affiliates and subsidiaries.

We do not have the documents for Saint Francis Hospital medical care, just the hospital only, not consolidated. You provided consolidated numbers, but we need just the hospital, Saint Francis Hospital Medical Center's numbers only.

MR. BITTNER: Okay.

MS. COTTO: Excluding affiliated and subsidiaries.

MR. BITTNER: Okay.

MS. COTTO: So we're requesting for you to

provide us that.

MR. HARTLEY: So you want a late file?

HEARING OFFICER HANSTED: Yeah. I'll order that as Late File No. 1, and that will be due by October 16th.

MR. HARTLEY: Okay.

MS. COTTO: And then, with the information related to Saint Francis Hospital, could you reconcile $78 million dollars in cash on hand that you listed on page 1948 with the June 2015 monthly submission?

MR. BITTNER: Yeah. I don't know if the explanation was adequate or not.

MS. COTTO: Can you explain it, based on the consolidated numbers that you provided to us now, since you're going to provide us without consolidated numbers?

MR. BITTNER: Right.

MS. COTTO: Then we need you to just confirm it.

MR. BITTNER: Okay.

MS. COTTO: And address it.

MR. BITTNER: So I'll include that in the late submission, as well.

HEARING OFFICER HANSTED: I'll order that

as Late File No. 2, and that will be due October 16th, as well.

MS. COTTO: Number eight, we asked you for the credit ratings for Saint Francis Care and the hospital and you did not provide. Can you explain?

MR. BITTNER: We don't have a credit rating at this time. So credit ratings are you actually have to ask and pay for a credit rating by S&P Moody's or Fitch Ratings.

We've selected not to do that at this time and historically have not chosen to take that route. The last bond refunding that the hospital system had done back in January 2014 was a direct private placement of bonds through CHFA, which did not require -- usually, if you do a public bond offering, the public, themselves, want a bond rating, in order to have sufficiency of what kind of -- what they would rate those bonds at.

Since these were direct placements for the last refunding, it didn't require Saint Francis to have a bond rating.

I would mention that Trinity Health's consolidated bond rating is AA-.

MS. COTTO: I'm sorry?

MR. BITTNER: Trinity Health, which is the

large system located in Livonia, Detroit, they do have a bond rating, which is AA-.

MS. COTTO: Okay. For the most recent?

MR. BITTNER: Yes.

MR. DADLEZ: Last month.

MS. COTTO: Last month?

MR. DADLEZ: Within the last month or so. It was reaffirmed.

MS. COTTO: Okay. All set. Thank you.

HEARING OFFICER HANSTED: All set?

MS. COTTO: Thank you for the responses.

HEARING OFFICER HANSTED: Kaila, do you have anything?

MS. KAILA RIGGOTT: No.

HEARING OFFICER HANSTED: Okay. OHCA has no further questions. Before we get to the public comment section of tonight's hearing, we're going to take a 10-minute break. We're off the record for 10 minutes.

(Whereupon, the hearing portion of the hearing concluded.)

RE: ST. FRANCIS CARE, INC. & JOHNSON MEMORIAL MEDICAL
OCTOBER 6, 2015

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CERTIFICATE

I, Paul Landman, a Notary Public in and for the State of Connecticut, and President of Post Reporting Service, Inc., do hereby certify that, to the best of my knowledge, the foregoing record is a correct and verbatim transcription of the audio recording made of the proceeding hereinbefore set forth.

I further certify that neither the audio operator nor I are attorney or counsel for, nor directly related to or employed by any of the parties to the action and/or proceeding in which this action is taken; and further, that neither the audio operator nor I are a relative or employee of any attorney or counsel employed by the parties, thereto, or financially interested in any way in the outcome of this action or proceeding.

In witness whereof I have hereunto set my hand and do so attest to the above, this 16th day of October, 2015.

Paul Landman
President

Post Reporting Service
1-800-262-4102

Greer, Leslie

From: Lazarus, Steven
Sent: Monday, October 19, 2015 2:01 PM
To: Hartley, Christopher (CHartley@stfranciscare.org)
Cc: Rotavera, Liz (LRotaver@stfranciscare.org); Greer, Leslie
Subject: Docket Number: 15-32002-CON Close of Public Hearing-
Attachments: 15-32002-CON Close of Hearing.pdf

Good Afternoon Mr. Hartley,

Please see the attached correspondence, closing the public hearing, held under Docket Number: 15-32002-CON. Please feel free to contact me if you have any questions.

Thank you,
Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Office of Health Care Access

October 16, 2015

VIA EMAIL ONLY

R. Christopher Hartley
Sr. Vice President, Planning, Business
Development & Government Relations
Saint Francis Care, Inc.
114 Woodland Street
Hartford, CT 06105

RE: Certificate of Need Application; Docket Number: 15-32002-CON
Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc.
Johnson Memorial Medical Center, Inc. transfer of ownership to Saint Francis Care, Inc.
Closure of Public Hearing

Dear Mr. Hartley:

Please be advised, by way of this letter, the public hearing held on October 6, 2015, in the above referenced matter is hereby closed as of October 16, 2015. OHCA will receive no additional public comments or filings.

If you have any questions regarding this matter, please feel free to contact Steven W. Lazarus at (860) 418-7012.

Sincerely,

Kevin T. Hansted
Hearing Officer

KTH:swl

Greer, Leslie

From: Rotavera, Liz <LRotaver@stfranciscare.org>
Sent: Monday, October 19, 2015 4:41 PM
To: Lazarus, Steven; Hartley, Christopher
Cc: Greer, Leslie
Subject: RE: Docket Number: 15-32002-CON Close of Public Hearing-

Thank you very much!

Liz

From: Lazarus, Steven [mailto:Steven.Lazarus@ct.gov]
Sent: Monday, October 19, 2015 2:01 PM
To: Hartley, Christopher
Cc: Rotavera, Liz; Greer, Leslie
Subject: Docket Number: 15-32002-CON Close of Public Hearing-

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Greer, Leslie

From: Hartley, Christopher <CHartley@stfranciscare.org>
Sent: Tuesday, October 20, 2015 9:57 AM
To: Lazarus, Steven
Cc: Rotavera, Liz; Greer, Leslie
Subject: RE: Docket Number: 15-32002-CON Close of Public Hearing-

Thank you .

From: Lazarus, Steven [mailto:Steven.Lazarus@ct.gov]
Sent: Monday, October 19, 2015 2:01 PM
To: Hartley, Christopher
Cc: Rotavera, Liz; Greer, Leslie
Subject: Docket Number: 15-32002-CON Close of Public Hearing-

Good Afternoon Mr. Hartley,

Please see the attached correspondence, closing the public hearing, held under Docket Number: 15-32002-CON. Please feel free to contact me if you have any questions.

Thank you,
Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

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OHCA HEARINGS - EXHIBIT AND LATE FILE FORM

Applicants:	Saint Francis Care, Inc./Johnson Memorial Hospital, Inc
DN:	15-32002-CON
Hearing Date:	October 6, 2015
Time:	4:00 p.m.
Proposal:	Saint Francis Care's Acquisition of the assets of Johnson Memorial Hospital, Inc. and Certain Affiliates

OHCA Exhibit #	Description
1	
2	
3	
4	
5	

Intervenor Late File #	Description	Due Date	Rec'd
1	SFHMC Financial Worksheet	10/16	
2	Reconcile the ~~Reconciliation~~ ~~of~~ the ~~#'s~~ #'s on Pg ~~2022~~ 2022.	10/16	
3			
4			
5			
6			

Notes:

PUBLIC HEARING
APPLICANT
SIGN UP SHEET

October 6, 2015
4:00 p.m.

Docket Number: 15-32002-CON
Saint Francis Care, Inc./Johnson Memorial Hospital, Inc.
St. Francis Care's Acquisition of the assets of Johnson Memorial Hospital., Inc. and Certain Affiliates

PRINT NAME	Phone	Fax	Representing Organization
MARCUS McKINNEY	860 805 5971		SAINT FRANCIS
Chris Hartley	860-714-5573		Saint Francis
Stu Rosenberg Stuart Rosenberg	860-684-8101		JMMC
James Hearn	860-714-4396		Saint Francis
Liz Rotanera	860-714-5153		Saint Francis

Saint Francis Care, Inc./Johnson Memorial Hospital, Inc.

PRINT NAME	Phone	Fax	Representing Organization
Adam R. Silverman M.D	860-714-7351		SFC
Thomas Marrion	860-989-1771		SFC
Kevin Sullivan	860 9660153		JMMC
Deena Tampi	860-593-7911		SFC
Jennifer Schneider	8602168449		SFC
Kathleen Hoang	8607144074		SFC
MZ Moroshy Michael Moroshy MD	8606333101		JMMC
Patti Jagoe	860-515-6758		Jmmc
Janeanne Lubin-Szafranski	203-265-4101		SFC
Eric Henry	860-290-1081		JMMC

Saint Francis Care, Inc./Johnson Memorial Hospital, Inc.

PRINT NAME	Phone	Fax	Representing Organization
PATRICK MAHON	8606849236		JHMC, Chairman
Anne Hesano	4875288333		Trinity Health
CHRISTOPHER DALEY	860-944-2499		TRINITY HEALTH-NE
DAVID BIDNER	860-519-9670		SAINT FRANCIS CARE
~~AMY MODY~~	~~860-818-1537~~		

PUBLIC HEARING
GENERAL PUBLIC
SIGN UP SHEET

October 6, 2015
4:00 p.m.

Docket Number: 15-32002-CON
Saint Francis Care, Inc./Johnson Memorial Hospital, Inc.
Saint Francis Care's Acquisition of the Assets of Johnson Memorial Hospital, Inc. and Certain Affiliates

PRINT NAME	Representing Self or Organization
Neil Alper	AFT-CT

Lazarus, Steven

From: Lazarus, Steven
Sent: Tuesday, November 17, 2015 3:03 PM
To: Rotavera, Liz (LRotaver@stfranciscare.org)
Cc: Hartley, Christopher (CHartley@stfranciscare.org); Riggott, Kaila
Subject: Updated Information regarding: DN: 15-32002-CON.

Liz,

As discussed over the phone, can you please provide updated numbers for FY2015. Looks like these tables were originally submitted on pages 1301-1302. I couldn't find revised tables in the CL, the Pre-file or the Late File. I may have missed them and if I did, please provide the page numbers where these were updated. If not, please provide the revised tables which include complete FY2015 numbers, based on actual FY 2015.

TABLE B
JOHNSON MEMORIAL HOSPITAL
HISTORICAL DISCHARGES

Service	Actual Volume (Last 3 Completed FYs)			
	FY 2012	FY 2013	FY 2014	CFY 2015*
Medical/Surgical (Adult)	2,383	2,302	2,291	2,163
Maternity	218	206	229	204
Psychiatric	423	394	428	591
Rehabilitation		-	-	-
Pediatric	17	10	5	-
Neonatal ICU	-	-	-	-
Newborn	209	200	227	200
Total	**3,250**	**3,112**	**3,180**	**3,158**

*Actual volumes from October-February plus budgeted volumes for March-September
Connecticut Department of Public Health, Office of Health Care Access, *Acute Care Hospital Inpatient Discharge Database*

TABLE C
JOHNSON MEMORIAL HOSPITAL
HISTORICAL PATIENT DAYS

Service	Actual Volume (Last 3 Completed FYs)			
	FY 2012	FY 2013	FY 2014	CFY 2015*
Medical/Surgical (Adult)	11,603	11,294	10,714	10,573
Maternity	590	559	613	575
Psychiatric	3,537	3,818	4,409	4,368
Rehabilitation	-	-	-	-
Pediatric	-	-	-	-
Neonatal ICU	-	-	-	-
Newborn	459	459	534	489
Total	**16,189**	**16,130**	**16,270**	**16,005**

*Actual volumes from October-February plus budgeted volumes for March-September

Please feel free to call me if you have any questions,

Thank you,
Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

Lazarus, Steven

From: Rotavera, Liz <LRotaver@stfranciscare.org>
Sent: Tuesday, November 17, 2015 4:13 PM
To: Lazarus, Steven
Cc: Hartley, Christopher; Riggott, Kaila
Subject: RE: Updated Information regarding: DN: 15-32002-CON.
Attachments: Additional data DN 15-32002 CON.pdf

Hi Steve,

See above pdf which is the data you requested for FY 2015.

Thanks
Liz

From: Lazarus, Steven [mailto:Steven.Lazarus@ct.gov]
Sent: Tuesday, November 17, 2015 3:03 PM
To: Rotavera, Liz
Cc: Hartley, Christopher; Riggott, Kaila
Subject: Updated Information regarding: DN: 15-32002-CON.

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Thank you,
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Rehabilitation	-	-	-	-
Pediatric	-	-	-	-
Neonatal ICU	-	-	-	-
Newborn	459	459	534	452
Total	**16,189**	**16,130**	**16,270**	**15,155**

Greer, Leslie

From: Lazarus, Steven
Sent: Wednesday, November 18, 2015 11:14 AM
To: Greer, Leslie
Cc: Riggott, Kaila
Subject: FW: New Data FY15 data for DN: 15-32002
Attachments: Table 7 FY15 Payer Mix.xlsx

Leslie,

Please add the St. Francis email to DN: 15-32002-CON file.

Thanks,
Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

From: Rotavera, Liz [mailto:LRotaver@stfranciscare.org]
Sent: Wednesday, November 18, 2015 11:03 AM
To: Lazarus, Steven
Cc: Hartley, Christopher
Subject: New Data FY15 data for DN: 15-32002

Steve,

Attached is the JMMC FY 2015 actual payor mix new data you requested this morning for DN: 15-32002.

Please let me know if you need anything else at 714-5153.

Thanks
Liz

NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has

JOHNSON MEMORIAL HOSPITAL

TABLE 7
APPLICANT'S FY15 (final) PAYER MIX

PAYER	FY 2015	
	Discharges	%
Medicare*	1,468	48.6%
Medicaid*	643	21.3%
Champus & TriCare	52	1.7%
Total Government	2,163	71.7%
Commercial Insurers	778	25.8%
Uninsured	75	2.5%
Workers Compensation	2	0.1%
Total Non-Government	855	28.3%
Total Payer Mix	3,018	100.0%

*Includes managed care activity

Greer, Leslie

From: Lazarus, Steven
Sent: Friday, November 20, 2015 8:44 AM
To: Greer, Leslie
Subject: FW: New Data FY15 data for DN: 15-32002

-FYI-

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

From: Lazarus, Steven
Sent: Thursday, November 19, 2015 1:34 PM
To: 'Rotavera, Liz'
Cc: Hartley, Christopher; Riggott, Kaila
Subject: RE: New Data FY15 data for DN: 15-32002

Liz,

Can you please provide updated FY2014 Payer Mix (similar to the FY2015 you provided) that reconciles the 3,191 discharges reported in the revised JMH's Historical Discharges. Any questions, please contact Kaila this afternoon, since I'm stepping out of the office but will be back in the morning. Please be sure to copy Kaila on the response, so one of is sure to get it.

Thanks,
Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012

Fax: 860-418-7053

From: Rotavera, Liz [mailto:LRotaver@stfranciscare.org]
Sent: Wednesday, November 18, 2015 11:03 AM
To: Lazarus, Steven
Cc: Hartley, Christopher
Subject: New Data FY15 data for DN: 15-32002

Steve,

Attached is the JMMC FY 2015 actual payor mix new data you requested this morning for DN: 15-32002.

Please let me know if you need anything else at 714-5153.

Thanks
Liz

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Greer, Leslie

From: Lazarus, Steven
Sent: Friday, November 20, 2015 7:26 AM
To: Greer, Leslie
Subject: FW: Table 7 Current & Projected Payer Mix.xlsx
Attachments: Table 7 Current & Projected Payer Mix.xlsx

Importance: High

Please add to the record.

Steve

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

From: Hartley, Christopher [mailto:CHartley@stfranciscare.org]
Sent: Thursday, November 19, 2015 3:50 PM
To: Riggott, Kaila; Lazarus, Steven
Cc: Rotavera, Liz
Subject: FW: Table 7 Current & Projected Payer Mix.xlsx
Importance: High

We hope this meets your needs.
Thanks
Chris H.

NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has misdirected this email, please notify the author by replying to this message. If you are not the named recipient, you are not authorized to use, disclose, distribute, make copies or print this email, and should immediately delete it from your computer system. Saint Francis Care has scanned this email and its attachments for malicious content. However, the recipient should check this email and any attachments for the presence of viruses. Saint Francis Care accepts no liability for any damage caused by any virus transmitted by this email.

JOHNSON MEMORIAL MEDICAL CENTER

TABLE 7
APPLICANT'S CURRENT & PROJECTED PAYER MIX

PAYER	FY 2014		CURRENT FY 2015		FY 2016		FY 2017		FY 2018	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare*	1,564	49.2%	1,513	50.1%	1,505	50.1%	1,468	50.1%	1,432	50.2%
Medicaid*	677	21.3%	605	20.0%	599	20.0%	584	19.9%	569	19.9%
Champus & TriCare	25	0.8%	37	1.2%	26	0.9%	26	0.9%	25	0.9%
Total Government	**2,266**	**71.3%**	**2,155**	**71.4%**	**2,130**	**71.0%**	**2,078**	**71.0%**	**2,026**	71.0%
Commercial Insurers	869	27.3%	774	25.6%	807	26.9%	787	26.9%	767	26.9%
Uninsured	42	1.3%	85	2.8%	60	2.0%	59	2.0%	57	2.0%
Workers Compensation	3	0.1%	4	0.1%	4	0.1%	4	0.1%	4	0.1%
Total Non-Government	**914**	**28.7%**	**863**	**28.6%**	**871**	**29.0%**	**850**	**29.0%**	**828**	**29.0%**
Total Payer Mix	**3,180**	**100.0%**	**3,018**	**100.0%**	**3,001**	**100.0%**	**2,928**	**100.0%**	**2,854**	**100.0%**

*Includes managed care activity

Greer, Leslie

From: Lazarus, Steven
Sent: Wednesday, November 25, 2015 9:18 AM
To: Hartley, Christopher (CHartley@stfranciscare.org); Rotavera, Liz (LRotaver@stfranciscare.org)
Cc: Martone, Kim; Greer, Leslie; Riggott, Kaila
Subject: 15-32002-CON Final Signed Agreed Settlement

Dear Mr. Hartley and Ms. Rotavera,

Please see the attached final singed agreed settlement in the matter under Docket Number: 15-32002-CON. Please feel free to contact me if you have any questions in this matter.

Sincerely,

Steven

Steven W. Lazarus
Associate Health Care Analyst
Division of Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
Hartford, CT 06134
Phone: 860-418-7012
Fax: 860-418-7053

Department of Public Health
Office of Health Care Access
Certificate of Need Application

Agreed Settlement

Applicants:

Johnson Memorial Medical Center, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076

Saint Francis *Care*, Inc.
114 Woodland Street
Hartford, CT 06105

Trinity Health Corporation
20555 Victor Parkway
Livonia, MI 48152

Docket Number: **15-32002-CON**

Project Title: **Transfer of ownership of Johnson Memorial Medical Center, Inc. to Saint Francis *Care*, Inc.**

Project Description: Johnson Memorial Medical Center, Inc. ("JMMC") and Saint Francis *Care*, Inc., ("SFC")[1] (JMMC and SFC are herein collectively referred to as the "Applicants") seek authorization to transfer ownership of JMMC and substantially all of its assets to SFC, with an associated capital expenditure estimated at $32,923,000.

Procedural History: The Applicants published notice of their intent to file a Certificate of Need ("CON") application in *The Hartford Courant* (Hartford) and the *Journal Inquirer* (Manchester) on March 26, 27 and 28, 2015. On June 2, 2015, the Office of Health Care Access ("OHCA") received the CON application from the Applicants for the above-referenced project and deemed the application complete on September 11, 2015.

[1] SFC has changed its name to Trinity Health-New England Inc. ("THNE-RHM"). For purposes of this decision, SFC will be used to reference SFC and THNE-RHM

On September 15, 2015, the Applicants were notified of the date, time, and place of the public hearing. On September 17, 2015, a notice to the public announcing the hearing was published in *The Journal Inquirer*. Thereafter, pursuant to Connecticut General Statutes ("Conn. Gen. Stat.") § 19a-639a(e), a public hearing regarding the CON application was held on October 6, 2015.

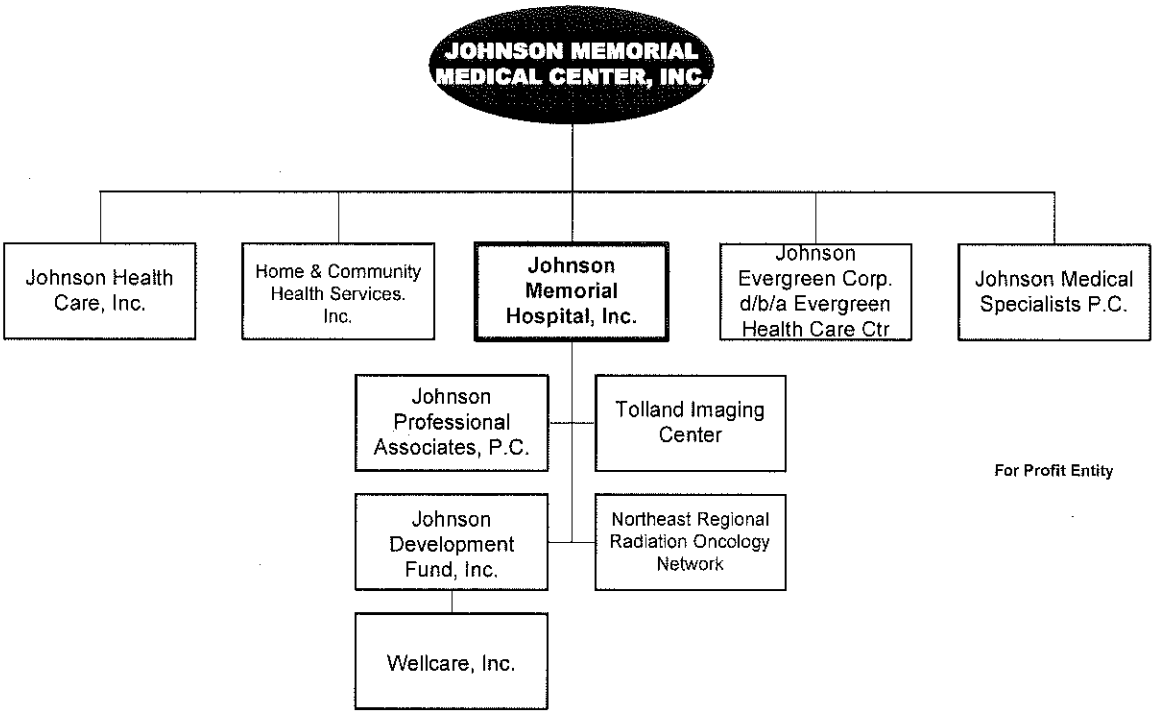
Commissioner Jewel Mullen designated Attorney Kevin T. Hansted as the hearing officer in this matter. The hearing was conducted in accordance with the provisions of the Uniform Administrative Procedure Act (Chapter 54 of the Conn. Gen. Stat.) and Conn. Gen. Stat. § 19a-639a(e).

The record was closed on October 16, 2015. Deputy Commissioner Brancifort considered the entire record in this matter.

Findings of Fact and Conclusions of Law

1. Johnson Memorial Medical Center, Inc. ("JMMC") is a not-for-profit, non-stock holding company. Exhibit A, p. 1574

2. JMMC is the parent company of Johnson Memorial Hospital, Inc. ("JMH" or "Hospital"), its principal asset, and various other subsidiaries and affiliated entities (see legal chart of corporate structure, below[2]).



Department of Public Health, Office of Health Care Access, 2015, *Annual Report on the Financial Status of Connecticut's Short Term Acute Care Hospitals for Fiscal Year 2015*; Appendix AA

3. JMH is an acute care hospital located in Stafford Springs and licensed to operate 92 general hospital beds and 9 bassinets. Exhibit A, pp. 1183, 1574

[2] Following the submission of the legal chart to OHCA, Johnson Evergreen Corporation ("JEC") held a bankruptcy auction of its assets and a third party (an affiliate of Athena Health Care Systems) was named as the winning bidder and approved by the United States Bankruptcy Court. As a result, JEC will not be included in the assets transferred as part of this proposal.

4. JMH treated and discharged more than 3,000 patients in FY 2014; approximately forty-one percent (41%) of these patients resided in Enfield (see table below).

TABLE A
JOHNSON MEMORIAL HOSPITAL
PRIMARY/SECONDARY SERVICE AREA TOWNS

Town*	Discharges (FY 2014)	%
Enfield	1,289	40.53%
Stafford + Union + South Springfield	663	20.85%
Somers	294	9.25%
Suffield	158	4.97%
PSA	**2,404**	**75.60%**
Windsor Locks	123	3.87%
East Windsor	96	3.02%
Willington	62	1.95%
Ellington	57	1.79%
Vernon	32	1.01%
Tolland	27	0.85%
Windsor	22	0.69%
Ashford	22	0.69%
Middletown	19	0.60%
SSA	**460**	**14.47%**
Other	**316**	**9.94%**
Total	**3,180**	**100.00%**

*Listed in descending order of discharge volume.

Exhibit A, p. 1174

5. Saint Francis Care ("SFC") [1] is a not-for-profit health care delivery system and the parent company of Saint Francis Hospital & Medical Center ("SFHMC"), its principal asset, and various other subsidiaries and affiliated entities (see legal chart of corporate structure, below).

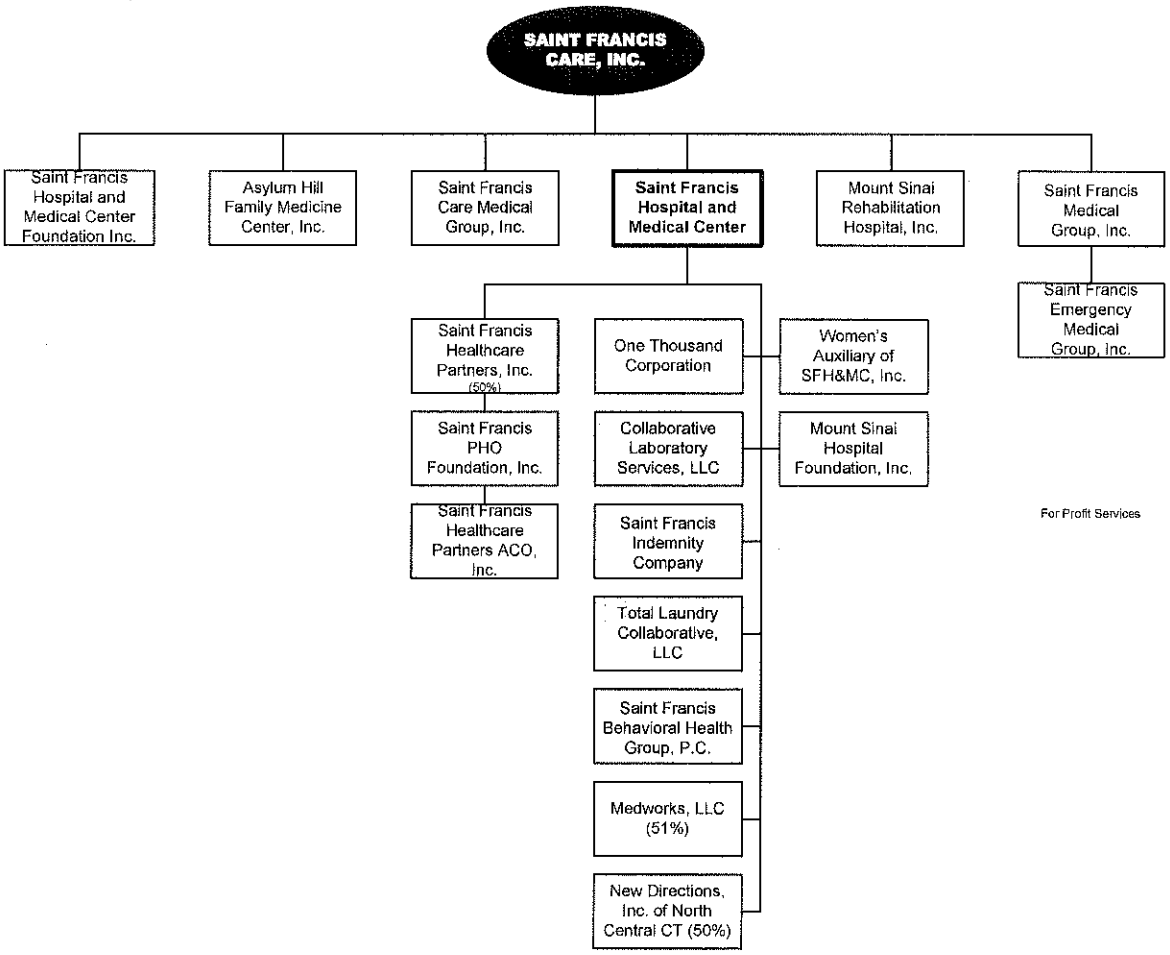


Exhibit A, p. 1462; Department of Public Health, Office of Health Care Access, 2015, *Annual Report on the Financial Status of Connecticut's Short Term Acute Care Hospitals for Fiscal Year 2015*; Appendix AA

6. SFHMC is licensed for 617 acute care beds and 65 bassinets. Exhibit A, p. 1181

7. On August 25, 2015, SFC [1] received OHCA approval for the substitution of Trinity Health Corporation ("THC"), a national Catholic health care system, as the sole member of SFC. OHCA Docket Number 15-31979-CON

8. THC operates a wide range of health care facilities and services in 21 states, including acute care hospitals, home health care and hospice agencies, continuing care facilities and programs for all-inclusive care for the elderly. OHCA Docket Number 15-31979-CON

9. SFC [1] has changed its name to Trinity Health-New England, Inc. ("THNE-RHM"). Exhibit D, p. 1957

10. JMMC has experienced significant operating deficits and struggled to maintain financial stability for nearly ten years. These losses have required JMMC to reduce operating expenses, including limiting employee benefits and delaying capital investments, and have challenged efforts to attract and retain physicians. Exhibit A, p. 19

11. Despite efforts to mitigate financial losses, JMMC has determined that outside assistance and investment will be required to help maintain the current level of services. Exhibit A, p. 19

12. JMMC has made a number of attempts to find a merger/affiliation partner or purchaser to help position itself as part of an integrated health care system to improve the financial stability needed to provide quality health services to patients in Stafford, Enfield and the surrounding communities. Exhibit A, p. 19

13. After several failed attempts to find a partner and the emergence from Chapter 11 bankruptcy, JMMC continued to experience financial problems and had difficulty servicing its remaining $40M in outstanding debt. As of September 30, 2014, JMMC had an unrestricted net asset deficit of $12.1M and current liabilities that exceeded current assets by $32.3M. Exhibit A, pp. 20-21

14. Due to continued financial difficulties, JMMC initiated discussions on a potential affiliation in May 2011, followed by an RFP on June 1, 2011, with SFC, Hartford Hospital, ECHN, Mercy Hospital and Baystate Health. As a result of this process, JMMC decided to pursue an affiliation transaction with SFC. Exhibit A, p. 20

15. In 2011, JMMC initiated discussion with SFC that ultimately resulted in the execution of three related agreements in July 2012: a Master Affiliation Agreement that provided certain financial support, a Clinical Affiliation Agreement that provided certain clinical services and support and a Business Process Outsourcing Agreement that provided certain business services and support. Exhibit A, pp. 9555-1108; Exhibit A, pp. 169-635

16. As a result of the JMMC/SFC clinical affiliation, SFC has provided physicians and staff to support JMH's hospitalist, medical oncology, case management, pathology, imaging, occupational health and behavioral health programs. Exhibit A, p. 40; Tr., Testimony of Christopher M. Dadlez, Regional President and Chief Executive Officer of New England Regional Health Ministry, pp. 8-9.

17. Despite more than $2M in SFC investment to help pay JMMC creditors and anticipation that the affiliation agreements would provide sufficient support for JMMC, it was determined that more financial restructuring would be necessary and that it could best be achieved by SFC acquiring the assets of JMMC. Exhibit A, pp. 1110-1172

18. As a result, SFC and JMMC reached an agreement on restructuring JMMC's debt with major creditors, entered into the Hospital Asset Purchase Agreement ("APA"), effective May 31,

2014, and initiated Chapter 11 bankruptcy. The APA will supersede the Master Affiliation Agreement. Exhibit A, p. 21; Exhibit D, p.1949

19. On May 14, 2015, the Bankruptcy Court entered an order approving the sale of substantially all of Johnson's assets to SFC. Exhibit A, pp. 21, 28

20. As a result of these combined factors, JMMC seeks authorization to transfer ownership of substantially all of its remaining assets to SFC. Exhibit A, p. 17

21. Pursuant to the APA, substantially all of the assets of JMMC and certain of its affiliates will be transferred to newly-formed non-for-profit corporations: the assets of JMMC will be transferred to JMMC Acquisition Corporation ("New JMMC"); the assets of JMH will be transferred to JMH Acquisition Corporation ("New JMH"); the assets of Johnson Health Care, Inc. will be transferred to JHC Acquisition Corporation ("New JHC")' and the assets of Home and Community Health Services, Inc., will be transferred to HCS Acquisition Corporation ("New HCHS"). Following the transfer, the New JMMC, the New JMH, the New JHC and the New HCHS will become subsidiaries of SFC. Exhibit A, pp. 168-197

22. Benefits expected to be achieved from SFC's acquisition of the assets of JMMC and its affiliates include:
    - access to SFC purchased service contracts and supply chain staff;
    - access to Total Laundry Collaborative laundry service;
    - consultative support from facilities engineering, biomedical engineering, information technology and supply chain staff; and
    - overall reduction of JMH's operating costs.

    Exhibit A, p. 274

23. SFC will make the following investments in JMMC's properties in an effort to improve facilities, technological capabilities and operational and financial stability:
    - provide a capital commitment of an estimated $13M for investments in technology, capital improvements, expanded services and routine replacement of equipment in the first three years following the ownership transfer;
    - restructure current debt to strengthen JMMC's financial viability;
    - provide access to care management protocols and programs;
    - provide access to improved software and information technologies ("IT");
    - allow JMMC to participate in cost reduction programs with respect to supplies and/or services;

    Exhibit A, pp. 24, 27, 71.

24. The proposal will allow JMMC to be better positioned to provide population health management to its service area patients through the incorporation of SFC's "Best *C*are for a Lifetime" strategic initiative plan. Exhibit A, p. 26

25. SFC developed the "Best *C*are for a Lifetime" strategy to serve as a guide for future health care delivery. Best *C*are for a Lifetime is a plan to develop an integrated continuum of health care services through model of care improvements, physician partnerships, clinical service

redesign, electronic medical records development, quality improvement, cost reduction and the creation of strategic alignments (see diagram below).

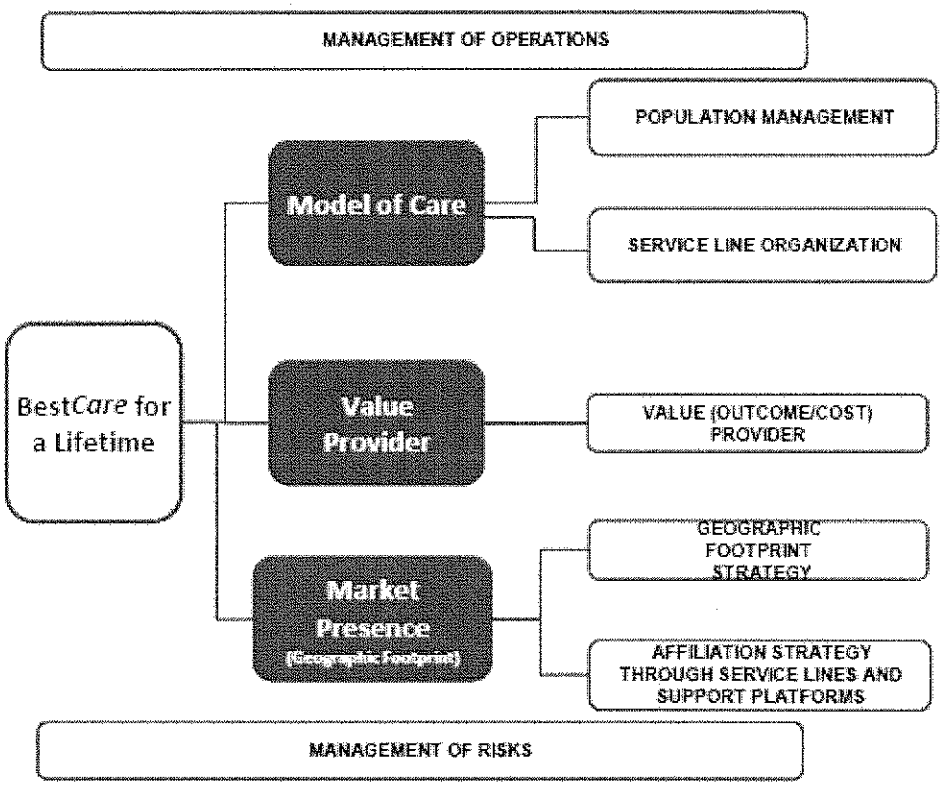


Exhibit A, pp. 22-25

26. No immediate changes to the clinical services provided by either hospital (JMH or SFHMC) are planned as a direct result of this proposal. Exhibit A, p. 32

27. Inclusion of JMMC into the regional health ministry is expected to :
    - streamline clinical service delivery;
    - achieve economies of scale through restructuring of certain support services; and
    - stabilize physician availability needed to deliver care in the areas of OB/GYN, behavioral health, cancer, emergency medicine and acute care.

    Exhibit I, Prefiled Response to Issues, p. 2016

28. The inclusion of JMMC into the SFC system will add a full service cancer program including infusion and radiation therapy care, as well as an ambulatory surgery center, wound care center and various satellite ancillary rehabilitation facilities. Exhibit A, p. 27

29. SFC is also in the process of establishing a satellite program within the JMMC service area for congestive heart failure patients that will use the same protocols and be managed by the same physicians who operate a similar program through the Hoffman Heart and Vascular Institute of Connecticut. Exhibit I, Prefiled Response to Issues, p. 2015

30. In response to the limited availability of physicians, SFC is working with JMMC to recruit a general surgeon and to develop specialty programs in urology and neurology, similar to programs made available to JMMC through provider service agreements now in place (e.g., cancer and infusion services). Exhibit D, p. 1944

31. The Applicants testified that they intend to coordinate care in an effort to more efficiently use resources and deliver health care services closer to home. Tr., Testimony of Christopher M. Dadlez, Regional President and Chief Executive Officer of New England Regional Health Ministry, pp. 22-27

32. Inpatient discharges at JMH decreased by approximately 2% from FY 2012 to FY 2014 and an additional 1% drop is estimated for FY 2015. Inpatient volume is projected to decrease 4.8%, 2.4% and 2.5% respectively, for FY 2016 through FY 2018.

TABLE B
JOHNSON MEMORIAL HOSPITAL
HISTORICAL DISCHARGES

Service	Actual Volume (Last 3 Completed FYs)			
	FY 2012	FY 2013	FY 2014	FY 2015
Medical/Surgical (Adult)	2,383	2,302	2,291	2,002
Maternity	218	206	229	196
Psychiatric	423	394	428	623
Rehabilitation		-	-	-
Pediatric	17	10	5	-
Neonatal ICU	-	-	-	-
Newborn	209	200	227	197
Total	**3,250**	**3,112**	**3,180**	**3,018**

Exhibit O, p. 2014

TABLE C
JOHNSON MEMORIAL HOSPITAL
HISTORICAL PATIENT DAYS

Service	Actual Volume (Last 3 Completed FYs)			
	FY 2012	FY 2013	FY 2014	CFY 2015
Medical/Surgical (Adult)	11,603	11,294	10,714	9,941
Maternity	590	559	613	537
Psychiatric	3,537	3,818	4,409	4,225
Rehabilitation	-	-	-	-
Pediatric	-	-	-	-
Neonatal ICU	-	-	-	-
Newborn	459	459	534	452
Total	**16,189**	**16,130**	**16,270**	**15,155**

Exhibit O, p. 2014

TABLE D
JOHNSON MEMORIAL HOSPITAL
PROJECTED DISCHARGES BY SERVICE

Service	Projected Volume		
	FY 2016	FY 2017	FY 2018
Medical/Surgical (Adult)	2,066	2,016	1,965
Maternity	201	196	191
Psychiatric	536	523	510
Rehabilitation	-	-	-
Pediatric	-	-	-
Neonatal ICU	-	-	-
Newborn	198	193	188
Total	**3,001**	**2,928**	**2,854**

Exhibit A, pp. 1299, 1301-1302

TABLE E
JOHNSON MEMORIAL HOSPITAL
PROJECTED PATIENT DAYS BY SERVICE

Service	Projected Volume		
	FY 2016	FY 2017	FY 2018
Medical/Surgical (Adult)	10,554	10,296	10,039
Maternity	558	545	531
Psychiatric	3,853	3,759	3,665
Rehabilitation	-	-	-
Pediatric	-	-	-
Neonatal ICU	-	-	-
Newborn	457	445	434
Total	**15,422**	**15,045**	**14,669**

Exhibit A, pp. 1299, 1301-1302

33. JMMC outpatient visits are expected to increase 3% annually from FY 2016 through FY 2018. Exhibit A, pp. 1299

34. This proposal will allow SFC to standardize health care delivery at JMMC by extending to JMMC the evidence-based clinical approach that has been successfully implemented at SFC and earned numerous quality awards. Exhibit D, p. 1942

35. Services will be integrated in an effort to ensure that similar care based on the same evidence-based medicine will be delivered to JMH's patients. Tr., Testimony of Christopher Hartley, Senior Vice President, Planning, Business Development and Government Relations, SFC, p. 27

36. SFC quality awards for clinical excellence include the Healthgrades© Distinguished Hospital Award for Clinical Excellence in 2015, CareChex© national and state medical excellence achievements in numerous categories in its 2015 hospital quality award rankings and a LeapFrog Group safety rating score of "A" for the sixth consecutive year. Exhibit A, pp. 1279-1280

37. JMMC's affiliation with SFC, a larger health care system, is expected to facilitate its ability to attract and retain a sufficient number of highly skilled physicians and allied health personnel to support its health program offerings. Exhibit A, p. 40

38. JMMC's physicians and staff will be involved in the education and health care innovation efforts at SFC that include education programs for medical, dental, nursing and other allied health professionals and hospital-based fellowships and residency training programs. Exhibit A, p. 34

39. Following the ownership transfer, SFC will prioritize JMMC's community- based programs and will bring additional resources (e.g., grant writing and community engagement expertise) and new opportunities (i.e., connections to national organizations such as Community Solutions and Ariadne Labs) which were previously unavailable to JMMC. In addition, SFC will focus on areas of need identified in the Community Health Needs Assessment (CHNA), such as improving communication and addressing limited substance and alcohol dependency resources. Exhibit I, Prefiled Response to Issues, p. 2018

40. Medicaid was the primary payer for approximately one out of five patients served by Johnson Memorial Hospital. The Hospital's payer mix is projected to remain stable and reflect historical results.

TABLE F
JOHNSON MEMORIAL HOSPITAL CURRENT & PROJECTED PAYER MIX

Payer	FY 2014		Projected							
			FY 2015		FY 2016		FY 2017		FY 2018	
	Discharges	%	Discharges	%	Discharges	%	Discharges	%	Discharges	%
Medicare	1,564	49.2%	1,513	50.1%	1,505	50.1%	1,468	50.1%	1,432	50.2%
Medicaid*	677	21.3%	605	20.0%	599	20.0%	584	19.9%	569	19.9%
CHAMPUS & TriCare	25	0.8%	37	1.2%	26	0.9%	26	0.9%	25	0.9%
Total Government	**2,266**	**71.3%**	**2,155**	**71.4%**	**2,130**	**71.0%**	**2,078**	**71.0%**	**2,026**	**71.0%**
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Uninsured	42	1.3%	85	2.8%	60	2.0%	59	2.0%	57	2.0%
Workers Compensation	3	0.1%	4	0.1%	4	0.1%	4	0.1%	4	0.1%
Total Non-Government	**914**	**28.7%**	**863**	**28.6%**	**871**	**29.0%**	**850**	**29.0%**	**828**	**29.0%**
Total Payer Mix	**3,180**	**100.0%**	**3,018**	**100.0%**	**3,001**	**100.0%**	**2,928**	**100.0%**	**2,854**	**100.0%**

Exhibit A, 1304; Exhibit Q, p. 2016

41. SFC will fund JMMC's $30M purchase price through SFHMC cash on hand or through intercompany financing from THC. Fiscal year-to- date financial data submitted by the Applicants indicates that SFHMC's cash and cash equivalent totaled $54M as of June 30, 2015. Exhibit D, p.1949; Exhibit K, Late File, p. 2

42. SFHMC's earnings before interest, taxes, depreciation and amortization (EBITDA), net working capital, income from operations and debt service coverage ratio improved from YTD June 2014 to YTD June 2015.

TABLE G
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER FINANCIAL STATISTICS FISCAL YEAR-TO-DATE (YTD) JUNE 2014 AND 2015

Financial Statistics*	YTD June 2014	YTD June 2015
EBITDA	$36,310,000	$43,133,000
Net Working Capital	$91,293,000	$106,240,000
Income from Operations	$632,000	$6,570,000
Debt Service Coverage Ratio**	2.7x	3.8x

*Net working capital is current assets minus current liabilities
Income from operations is operating revenue minus operating expenses.
**Debt service coverage ratio measures an entity's ability to repay debt principal plus interest, an increase is considered favorable by creditors.
The "x" means times. For example, in FY 2014 the total amount of available funds was approximately three times the amounts owed in principal and interest by the entity.
Exhibit K, Late File, p. 4

43. The $30M purchase price consists of $5.5 million that will be paid in cash at closing to fund costs associated with this proposal. The remaining amount represents the assumption by SFC of JMMC's and JMH's debt obligations and payments estimated at $24.5M. The total purchase price may be higher depending upon JMMC's financial operational activity and need to borrow additional funds from its Healthcare Finance Group line of credit at the time of closing.

TABLE H
JOHNSON MEMORIAL MEDICAL CENTER AND JOHNSON MEMORIAL HOSPITAL LIABILITIES AND PAYMENTS ASSUMED BY SAINT FRANCIS CARE, (in Millions)

Entity's Name	Liability Description	Assumed Liability and Payments
JMH	Pension Benefit Guaranty Corporation and Clifford Zucker, Plan Custodian*	$3.0
	Healthcare Finance Group	$7.0
	Capital Leases	$2.3
JMMC and JMH	People's United Bank	$10.5
	Other**	$1.7

* The Pension Benefit Guaranty Corporation took over JMH's pension plan assets as of September 1, 2011.
**Includes contract defaults, transfer taxes, bankruptcy costs, and tail insurance. SFC will also assume the balance of other trade payable and accrued liabilities as of the closing date.
Exhibit A, p.23; Exhibit D, pp.1948-1950; Exhibit I, p.2021 and Exhibit Late File; Tr., Testimony of Mr. David Bittner, Chief Financial Officer at SFC, pp. 32-39.

44. As part of the Bankruptcy Court approval, any debt which is not assumed by SFC will be written off by JMMC's creditors. Exhibit D, p.1948

45. In addition to the $13M in capital investments, the proposal will provide JMMC and JMH with the following financial benefits:

    - The reduction of outstanding debt and interest expenses by $5.0M and $1.1M by FY 2018, respectively, as a result of restructuring the debt;
    - The anticipated realization of revenue cycle improvements of $2.5M by FY 2018, such as improvements in clinical documentation and reimbursement capture accuracy;
    - The reduction of administrative and overhead costs through economies of scale and centralization of nonclinical and administrative functions of $1.25M in FY 2016 and $750,000 in FY 2017; and
    - The reduction of supply costs through group purchasing contracts, with anticipated annual savings of $400,000.

    Exhibit A, pp. 36, 1299

46. The $13M will be allocated to the following capital projects priorities:
    - Electronic medical record conversion (Epic and other systems) $5.4M;
    - Hospital operating room and Ambulatory Surgery Center upgrades - $5.7M;
    - Generator replacement - $500,000 thousand; and
    - Replacement of clinical equipment - $1.4M.

    Exhibit A, pp.71-72.

47. Funding for the $13M in capital expenditures would primarily be sourced from JMMC's operating income; any shortfall would be funded by SFC's $275M capital commitment from THC. Exhibit L, Tr., Testimony of Mr. Christopher Hartley, Senior Vice President, Planning, Business Development and Government Relations at SFC, p. 36

48. The Applicants are supportive of a local government initiative designed to bring city water, local sewer district access and natural gas services to the main campus of JMMC. If needed, a portion of the $13M will be used to fund this initiative. Exhibit D, pp. 1950-1951, 1976-1977;Exhibit L, Tr., Testimony of Mr. David Bittner, Chief Financial Officer at SFC, p. 42

49. There are no projected incremental losses from JMMC's operations resulting from implementation of this proposal. Exhibit A, p.49.

50. The following table represents JMMC's projected revenues and expenses from operations without this proposal:

TABLE I
PROJECTED REVENUES AND EXPENSES WITHOUT CON

	FY 2016	FY 2017	FY 2018
Revenue from Operations	$73,980,000	$74,736,000	$75,497,000
Total Operating Expenses	$76,295,000	$78,845,000	$80,377,000
Gain/Loss from Operations	($2,315,000)	($4,109,000)	($4,880,000)

Exhibit I, p. 2053

51. The following table represents JMMC's projected revenues and expenses from operations with this proposal:

TABLE J
PROJECTED REVENUES AND EXPENSES WITH CON

	FY 2016	FY 2017	FY 2018
Revenue from Operations	$78,176,000	$79,987,000	$81,353,000
Total Operating Expenses	$75,441,000	$77,033,000	$78,692,000
Gain/Loss from Operations	$2,735,000	$2,954,000	$2,661,000

Exhibit A, p.54 and Exhibit I, p. 2053

52. JMMC's charity care and financial assistance procedures and guidelines will be enhanced to meet SFC's policies. Exhibit I, p. 2020

53. SFC's payer contracting process will allow JMMC to have additional access to cost of care and actual reimbursements data not currently available through JMMC's contracting process. Exhibit A, p.73; Exhibit L, Tr., Testimony of Mr. David Bittner, Chief Financial Officer at SFC, p. 47,50-51.

54. There are no anticipated changes to JMMC's and SFC's collection policies and procedures as a result of this proposal. Exhibit A, p.74.

55. OHCA is currently in the process of establishing its policies and standards as regulations. Therefore, OHCA has not made any findings as to this proposal's relationship to any regulations not yet adopted by OHCA. (Conn. Gen. Stat. § 19a-639(a)(1))

56. This CON application is consistent with the Statewide Health Care Facilities and Service Plan. (Conn. Gen. Stat. § 19a-639(a)(2))

57. The Applicants have established that there is a clear public need for the proposal. (Conn. Gen. Stat. § 19a-639(a)(3))

58. The Applicants have demonstrated that the proposal will improve the overall financial strength of the health care system and that it is financially feasible. (Conn. Gen. Stat. § 19a-639(a)(4))

59. The Applicants have satisfactorily demonstrated that the proposal will maintain quality, accessibility and cost effectiveness of health care delivery in the region. (Conn. Gen. Stat.§ 19a-639(a)(5))

60. The Applicants have shown that there would be no adverse change in the provision of health care services to the relevant populations and payer mix, including access to services by Medicaid recipients and indigent persons. (Conn. Gen. Stat. § 19a-639(a)(6))

61. The Applicants have satisfactorily identified the population to be affected by this proposal. (Conn. Gen. Stat. § 19a-639(a)(7))

62. The historical utilization of Johnson Memorial Hospital's services in the service area support this proposal. (Conn. Gen. Stat. § 19a-639(a)(8))

63. The Applicants have satisfactorily demonstrated that this proposal would not result in an unnecessary duplication of existing services in the area. (Conn. Gen. Stat. § 19a-639(a)(9))

64. The Applicants have demonstrated that there will be no reduction in access to services by Medicaid recipients or indigent persons. (Conn. Gen. Stat. § 19a-639(a)(10))

65. The Applicants have satisfactorily demonstrated that the proposal will not have a negative impact on the diversity of health care providers in the area. (Conn. Gen. Stat. § 19a-639(a)(11))

66. The Applicants have satisfactorily demonstrated that the proposal will not result in any consolidation that would affect health care costs or accessibility to care. (Conn. Gen. Stat. § 19a-639(a)(12))

DISCUSSION

CON applications are decided on a case by case basis and do not lend themselves to general applicability due to the uniqueness of the facts in each case. In rendering its decision, OHCA considers the factors set forth in § 19a-639(a) of the Statutes. The Applicants bear the burden of proof in this matter by a preponderance of the evidence. Jones v. Connecticut Medical Examining Board, 309 Conn. 727 (2013).

Johnson Memorial Medical Center, Inc. ("JMMC") is a not-for-profit entity and the parent company of Johnson Memorial Hospital, Inc. ("JMH" or "Hospital"). *FF1,2* JMH is a 92-bed, 9-bassinet acute care hospital located in Stafford Springs, CT. *FF3* Saint Francis Care ("SFC") is a not-for-profit health care system and the parent company of Saint Francis Hospital and Medical Center ("SFHMC"), a 617-bed, 65-bassinet acute care hospital located in Hartford, CT. *FF5,6* In August 2015, OHCA granted CON approval for the substitution of SFC ~~I~~to Trinity Health Corporation ("THC"), a national Catholic health care system, which operates a wide range of health care facilities and services in 21 states as the sole member of SFC[1]., SFC has been renamed TrinityHealth-New England, Inc. ("THNE-RHM"). *FF7*

For nearly ten years, and despite efforts such as delaying capital improvements to mitigate losses, JMMC has experienced significant operating deficits and struggled to maintain financial stability. *FF10,11* Although JMMC's earlier attempts to find a merger/affiliation partner or purchaser were unsuccessful, in 2012 JMMC and SFC executed three related agreements (a Master Affiliation Agreement, a Clinical Affiliation Agreement and a Business Process Outsourcing Agreement) that provided financial, clinical and business services and support to JMMC. *FF12-15*

However, despite an infusion of more than $2M from SFC to help pay JMMC's creditors and the anticipation that the affiliation agreements would provide sufficient support for JMMC, it was eventually determined that additional financial restructuring would be necessary and that it could best be achieved by SFC acquiring the assets of JMMC. *FF17*As a result, in 2014 SFC and JMMC reached an agreement on restructuring JMMC's debt with major creditors, entered into a Hospital Asset Purchase Agreement ("APA") and initiated Chapter 11 bankruptcy. *FF18* In May 2015, the Bankruptcy Court entered an order approving the sale of substantially all of Johnson's assets to SFC. *FF19* JMMC now seeks authorization to transfer ownership of substantially all of its remaining assets to SFC. *FF20* Pursuant to the APA, substantially all of the assets of JMMC and certain of its affiliates will be transferred to newly-formed not-for-profit corporations: the assets JMMC will be transferred to JMMC Acquisitions Corporation ("New JMMC"); the assets of JMH will be transferred to JMH Acquisitions Corporation ("New JMH"); the assets of Johnson Health Care, Inc. will be transferred to JHC Acquisitions Corporation ("New JMH"); the assets of Home and Community Health Services, Inc. will be transferred to HCHS Acquisitions Corporation ("New HCHS"). Following the transfer, New JMMC, New JMH, New JHC and New HCHS will become subsidiaries of SFC[1]

SFC will make investments in JMMC's properties in an effort to improve facilities, technological capabilities and operational and financial stability. These investments will include a capital commitment of an estimated $13M for investments in technology, capital improvements, expanded services and routine replacement of equipment in the first three years following the transfer of ownership. SFC will also restructure current debt to improve JMMC's financial viability and provide access to care management protocols and programs. *FF23*

By adopting SFC's Best *C*are for a Lifetime strategy, JMMC will be better positioned to provide health care to its service area patients with an integrated continuum of health care services through model of care improvements, physician partnerships, clinical service redesign, electronic medical records development, quality improvement, cost reduction and the creation of strategic alignments. *FF24,25* The inclusion of Johnson in the SFC system will add a full service cancer program containing infusion and radiation therapy care as well as an ambulatory surgery center, wound care center and various satellite ancillary rehabilitation facilities. *FF28*

No immediate changes to the clinical services provided by either hospital (JMH or SFHMC) are planned as a direct result of this proposal. *FF26* The Applicants testified that they intend to coordinate care in an effort to more efficiently use resources and deliver health care services closer to home. *FF31* This proposal will allow SFC to standardize health care delivery at JMMC by extending to JMMC the evidence-based clinical approach that has been successfully implemented at SFC and earned numerous quality awards. *FF34* Services will be integrated in an effort to ensure that similar care based on the same evidence-based medicine will be delivered to JMH's patients. *FF35*

While JMMC has had challenges in attracting and retaining physicians, JMMC's affiliation with a larger health care system is expected to facilitate its ability to attract and retain a sufficient number of highly skilled physicians and allied health personnel. *FF37* Inclusion of JMMC into the regional health ministry is expected to stabilize physician availability needed to deliver care in the areas of OB/GYN, behavioral health, cancer, emergency medicine and acute care. *FF27*

Additionally, the transfer of ownership will ensure that several key successes are achieved: JMMC will have access to improved software and information technologies as well as consultative support from facilities engineering, biomedical engineering, information technology and supply chain staff, allowing JMMC to participate in cost reduction programs with respect to services and supplies. *FF22*

The Hospital will continue to serve Medicaid patients and the indigent. Medicaid is the primary payer for approximately one out of five patients served by Johnson Memorial Hospital. The Applicants do not anticipate any significant changes in payer mix over the next three years. *FF40* There are no anticipated changes to JMMC's or SFC's collection policies and procedures as a result of this proposal. *FF54* Further, JMMC's charity care and financial assistance procedures and guidelines will be enhanced to meet SFC's policies. *FF52*

The $30M purchase price consists of $5.5 million that will be paid in cash at closing while the remaining amount represents the assumption by SFC of JMMC's and JMH's debt obligations and payments estimated at $24.5M. *FF43* SFC will fund the $30M purchase of JMMC through SFHMC cash on hand or through intercompany financing from THC. SFHMC's cash and cash equivalents totaled $54M as in June 2015. *FF41* Therefore, OHCA finds the proposal financially feasible.

$13M will be allocated to electronic medical record conversion, hospital operating room and ambulatory surgery center upgrades, generator replacement and replacement of clinical equipment. *FF46* Funding for these capital expenditures would come from JMMC's operating income and any shortfall will be funded by SFC's $275M capital commitment from THC. *FF47* In addition to the $13M in capital investments, the proposal will provide JMMC and JMH with the following financial benefits: the reduction of outstanding debt and interest; the realization of revenue cycle improvements (e.g., clinical documentation and reimbursement capture accuracy); the reduction of administrative and overhead costs through economies of scale and centralization of nonclinical and administrative functions; and the reduction of supply costs through group purchasing contracts. *FF45* The proposal is expected to result in operational gains for JMMC in each of the first three years following the transfer of ownership. *FF51* Without the proposal, JMMC is projected to suffer losses in each of the three years. *FF50* As a result of the potential for improved financial performance, cost savings and capital improvements, the Applicants have demonstrated that the proposal will improve the financial strength of the state's health care system.

Johnson's future financial viability and its patient population's access to community health services can be best achieved by maintaining and building upon the relationship and affiliation with SFC and integrating its services into the SFC health system. The proposed acquisition will provide an opportunity for Johnson to improve its financial condition by restructuring its debt and aligning with an integrated health care system that will help preserve Johnson as an important access point for health care services in the local community. Thus, the Applicants have demonstrated clear public need for the proposal.

The new health care organization formed as a result of this merger will improve the community's health by delivering high quality, cost effective, coordinated care across a broad continuum. Therefore, the Applicants have demonstrated that the proposal is consistent with the Statewide Health Care Facilities and Services Plan.

Order

NOW, THEREFORE, the Department of Public Health, Office of Health Care Access ("OHCA"), Johnson Memorial Medical Center, Inc., Trinity Health-New England, Inc., f/k/a Saint Francis *Care*, Inc., and Trinity Health Corporation hereby stipulate and agree to the terms of settlement with respect to the transfer of ownership of Johnson Memorial Medical Center, Inc. ("JMMC") and substantially all of its assets to Trinity Health-New England, Inc., f/k/a Saint Francis *Care*, Inc. ("SFC"), including the assets of Johnson Memorial Hospital ("JMH") , as follows:

1. Unless expressly provided otherwise, all conditions of this Order (referred to herein as the "Conditions") shall, to the extent applicable, be binding on the Applicants, their successors and assigns, including Trinity Health-New England ("THNE"), and its successors and assigns, regardless of whether THC or its successor remains a member of THNE -RHM. THNE-RHM shall directly own and operate New JMMC, New JMHNew JHC and New HCHS, and New JMH will hold the hospital license post-closing as proposed in the CON application.

2. Unless expressly provided otherwise or there is a change in law that would render any Condition of this Order unenforceable, a request for modification must be submitted and approved as required by C.G.S. §4-181a to change or eliminate any Conditions set forth herein.

3. OHCA and any successor agency shall have the right to enforce the Conditions by all means and remedies available to it under law and equity, including, but not limited, Conn. Gen. Stat. § 19a-642 and the right to impose and collect a civil penalty under Conn. Gen. Stat. § 19a-653 against any person or health care facility or institution that fails to file required data or information within the prescribed time periods set forth in this Order.

4. Applicants shall notify OHCA in writing of the Closing Date of the change of ownership transaction authorized by this Order and provide evidence of New JMMC's non-profit status and evidence of the change of name of SFC to THNE within ten (10) days of such closing. All references to days in these Conditions shall mean calendar days.

5. Applicants shall submit to OHCA certain information as required by these Conditions on an annual basis (the "Annual Report") up to and including the third (3rd) anniversary of the Closing Date. The Annual Report shall be furnished to OHCA within thirty (30) days of each anniversary of the Closing Date.

    a. All reports and other information required shall be posted on New JMMC's website page.
    b. All reports shall remain posted until the third (3rd) anniversary of the Closing Date, except to the extent they are superseded or otherwise rendered inaccurate by subsequent reports and/or information required to be posted pursuant to these Conditions.

6. Unless on a temporary basis and not before the completion of the next CHNA for the JMMC service area, there shall be no reduction or relocation of any inpatient or outpatient services that reduces access to care specific to those services that existed at JMH on the date of OHCA's Final Decision in this matter. A reduction in service shall constitute any reduction in allocated beds, hours of operation or any other act or omission by the Applicants. Within twenty (20) days following the date of OHCA's Final Decision in this matter, the Applicants shall submit schedules to OHCA setting forth JMH's inpatient bed allocation and hours of operation for all outpatient services and publish this same information on the JMMC website page.

7. Within sixty (60) days following the Closing Date, the Applicants shall submit to OHCA a plan demonstrating how inpatient and outpatient health care services will be provided by New JMH for the first three (3) years following the transfer of ownership, including any consolidation, reduction, elimination or expansion of existing services or introduction of new services.

8. The Applicants shall submit to OHCA the 2016 Community Health Needs Assessment (CHNA) and the Implementation Plan for New JMH's service area that will address the identified health care needs of the community (e.g., obesity, diabetes, behavioral health and substance abuse) including any new areas of concern. Such CHNA and the Implementation Plan shall be filed with OHCA within thirty (30) days of their finalization and release.

9. Within one hundred and fifty (150) days following the Closing Date and thereafter on an annual basis, the Applicants shall submit to OHCA its Capital Investment Plan specific to New JMMC and New JMH detailing the proposed allocation of the capital investment commitment over the three-year period post-closing. The submitted plans shall account for the full commitment as stated in this proposal and include the following in a format to be agreed upon:

    a. A list of planned capital expenditures with detailed descriptions and associated estimated costs; and
    b. A timeframe for the roll out of the capital projects (including estimated beginning, ending and startup/operation dates); and
    c. Written reports updating OHCA on the implementation of the Capital Investment Plan in each Annual Report submitted under this Order. Such reports shall describe all activities and expenditures undertaken as part of the Capital Investment Plan, including but not limited to, a description of the capital project, the dates and amounts of withdrawals from New JMMC's operating account and/or any other sources of funding used to fulfill the capital commitment. The reports shall be signed by New JMMC's Chief Financial Officer.

10. For three (3) years following the Closing Date, the Applicants shall file the following information with OHCA on a semi-annual basis for both New JMH and JMMC. For purposes of this Order, semi-annual periods are October 1- March 31 and April 1 - September 30. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016:

    a. The cost saving totals achieved in the following Operating Expense Categories for both New JMH and New JMMC: Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The semi-annual submission shall also contain narratives describing:

        1. the major cost savings achieved for each expense category for the semi-annual period; and
        2. the effect of these cost savings on the clinical quality of care.

b. A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for JMH and JMMC. The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/150, 300/350 or successor reports.

11. For three (3) years following the Closing Date, the Applicants shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for New JMH and New JMMC. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016. The following financial measurements/indicators should be addressed in the report:

Financial Measurement/Indicators

A. Operating Performance
a. Operating Margin
b. Non-Operating Margin
c. Total Margin
B. Liquidity
a. Current Ratio
b. Days Cash on Hand
c. Days in Net Accounts Receivables
d. Average Payment Period
C. Leverage and Capital Structure
a. Long-term Debt to Equity
b. Long-term Debt to Capitalization
c. Unrestricted Cash to Debt
d. Times Interest Earned Ratio
e. Debt Service Coverage Ratio
f. Equity Financing Ratio

D. Additional Statistics
a. Income from Operations
b. Revenue Over/(Under) Expense
c. Cash and Cash Equivalents
d. Net Working Capital
e. Unrestricted Assets
f. Bad Debt as % of Gross Revenue
g. Credit Ratings (S&P, FITCH or Moody's)

12. New JMH shall adopt whichever charity care and financial assistance policies, as between SFC or its successor entity, or JMMC, whichever is the more generous and benevolent to the public and submit final copies of same to OHCA within thirty (30) days following the Closing Date. These policies shall also be posted on the New JMMC website page upon their adoption.

13. For three (3) years following the Closing Date, the Applicants shall provide written notice to OHCA of any modification, amendment or revision to its charity care and financial assistance policies within thirty (30) days of such change. The notice of these changes shall be accompanied by copies of any revised policies and the notice and revised policies shall be posted on the New JMMC website page simultaneously with their submission to OHCA.

14. New JMMC and New JMH shall ensure that culturally and linguistically appropriate services are available and integrated throughout its hospital operations, including appropriate interpreter and insurance navigator services for patients, English as a second language training for employees, and cultural competency training for employees. In complying with this Condition, New JMMC and New JMH shall be guided by the culturally and linguistically appropriate standards published by the U.S. Department of Health and Human Services' Office of Minority Health. For three (3) years following the Closing Date, SFCRHM shall submit a written report on its activities directed at meeting this Condition as part of the Annual Report. The written report shall be posted on New JMMC website Page simultaneously with the submission of the Annual Report.

15. The Applicants shall file with OHCA, within ten (10) days of execution, any and all agreements related to the acquisition of the assets of JMMC and its affiliates by SFC[1] or its successor entity, including but not limited to:

    a. the final, signed and dated Asset Purchase Agreement, including any and all attachments thereto; and
    b. Certificate of Incorporation and Bylaws for New JMMC and New JMH.
    c. any other agreements directly related to this transaction.

11/24/15
Date

Duly Authorized Agent for
Trinity Health-New England, Inc.
f/k/a Saint Francis Care, Inc.

Signed by Christopher M. Dadlez
Title President and CEO

Signed by D. Scott Nordlund, EVP, Growth, Strategy & Innovation
(Print name) (Title)

11/24/2015
Date

Duly Authorized Agent for
Trinity Health Corporation

Signed by Stuart E. Rosenberg, President and CEO
(Print name) (Title)

11/24/2015
Date

Duly Authorized Agent for
Johnson Memorial Medical Center, Inc.

The above Agreed Settlement is hereby accepted and so ordered by the Department of Public Health Office of Health Care Access on November 24, 2015.

11/24/15
Date

Janet M. Brancifort, MPH, RRT
Deputy Commissioner

Huber, Jack

From: Huber, Jack
Sent: Wednesday, November 25, 2015 1:57 PM
To: CHartley@stfranciscare.org
Cc: Roberts, Karen
Subject: Notice of CON Expiration Date for the Agreed Settlement Rendered under Docket Number: 15-32002-CON

Dear Mr. Hartley:

On November 24, 2015, in an agreed settlement under Docket Number: 15-32002-CON, the Office of Health Care Access authorized a Certificate of Need ("CON") to Trinity Health Corporation, Saint Francis Care, Inc. and Johnson Memorial Medical Center, Inc. for the transfer of ownership of Johnson Memorial Medical Center, Inc. and substantially all of its assets to Saint Francis Care, Inc. Pursuant to Section 19a-639b of the Connecticut General Statutes ("C.G.S."), *"a certificate of need shall be valid for two years from the date of issuance by this office."*

With this letter, please be advised that pursuant to Section 19a-639b, C.G.S., the current CON authorization issued under Docket Number: 15-32002-CON will expire on November 24, 2017. Please contact me at (860) 418-7069 or Karen Roberts, Principal Health Care Analyst at (860) 418-7041, if you have any questions regarding this notification.

Sincerely,

Jack A. Huber

Jack A. Huber
Health Care Analyst
Department of Public Health | Office of Health Care Access |410 Capitol Avenue
P.O. Box 340308 MS #13HCA | Hartford, CT 06134 |Ph: 860-418-7069| Fax: 860-418-7053| email: Jack.Huber@ct.gov

SAINT FRANCIS
Hospital and Medical Center

RECEIVED
JAN - 8 2016
Office of
HEALTHCARE ACCESS

114 Woodland Street
Hartford, CT 06105
860-714-5573
Fax: 860-714-8093

January 8, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Dear Mrs. Roberts:

In accordance with Item 4 of the above referenced Agreed Settlement Order dated November 24, 2015, the closing relating to the Asset Purchase Agreement between Johnson Memorial Hospital, Inc. and certain affiliates, and Trinity Health – New England, Inc. (formerly known as Saint Francis *Care* Inc.) and Trinity Health occurred on December 31, 2015, with an effective date of January 1, 2016. As requested, a copy of the Certificate of Amendment reflecting the change of name of Saint Francis Care, Inc. to Trinity Health – New England, Inc. is included on the enclosed CD.

In response to Item 15, I have also included on the enclosed CD, the following documents:

- Final Asset Purchase Agreement, including all updated schedules and exhibits;
- Amended Certificate of Incorporation and Amended Bylaws of:
    1. HCHS Acquisition Corporation
    2. JHC Acquisition Corporation
    3. JMH Acquisition Corporation
    4. JMMC Acquisition Corporation

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-5573.

Thank you for your attention to this matter.

Sincerely,

Chris Hartley

R. Christopher Hartley
Senior Vice President
Planning, Business Development & Government Relations

Enclosures

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

01/04/2016

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
JOHNSON MEMORIAL MEDICAL CENTER, INC.

Type of Request:
AMEND NAME

Work Order Number	: 2016001221-005	Business Filing Number	: 0005457839
Filing Date/Time	: 01/04/2016 11:00 AM	Effective Date/Time	: 01/04/2016 11:00 AM
Work Order Payment Total	: $560.00	Payment Received	: $70.00
Credit on Account	: $1,885.00	Customer ID	: 000308053
Business ID	: 1188471		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

RUBY VEAL
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

4. VOTE INFORMATION *(CHECK A,B or C)*

☒ **A. THE AMENDMENT WAS DULY APPROVED BY THE MEMBERS IN THE MANNER REQUIRED BY SECTIONS 33-1140 TO 33-1147 OF THE CONNECTICUT GENERAL STATUTES, AND BY THE CERTIFICATE OF INCORPORATION.**

☐ **B. THE AMENDMENT WAS DULY APPROVED BY THE INCORPORATORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

☐ **C. THE AMENDMENT WAS DULY APPROVED BY THE BOARD OF DIRECTORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

5. EXECUTION:

DATED THIS 31st **DAY OF** December **, 20** 15

NAME OF SIGNATORY	CAPACITY/TITLE OF SIGNATORY	SIGNATURE
Christopher Dadlez	President and Chief Executive Officer of Trinity Health – New England, Inc., sole member	

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF INCORPORATION
NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder, LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $50
MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:
JMMC Acquisition Corp.

THE CORPORATION IS NONPROFIT AND SHALL NOT HAVE OR ISSUE SHARES OF STOCK OR MAKE DISTRIBUTIONS.

2. PLACE A CHECK NEXT TO THE APPROPRIATE STATEMENT:

☐ A. THE CORPORATION SHALL NOT HAVE MEMBERS.

☐ B. THE CORPORATION SHALL ONLY HAVE MEMBERS, WHICH ARE NOT ENTITLED TO VOTE.

☒ C. THE CORPORATION SHALL HAVE ONE CLASS OF MEMBERS.

☐ D. THE CORPORATION SHALL HAVE MULTIPLE CLASSES OF MEMBERS WHICH CLASSES ARE DESIGNATED AS FOLLOWS:

PLEASE NOTE: THE MANNER OF ELECTION AND APPOINTMENT OF MEMBERS ALONG WITH THEIR QUALIFICATIONS AND RIGHTS MAY BE SET FORTH IN THIS CERTIFICATE OR IN THE CORPORATION'S BYLAWS. PLEASE SEE C.G.S.§ 33-1055 & -1056.

3. APPOINTMENT OF REGISTERED AGENT: *(PLEASE SELECT ONLY ONE A. OR B.)*

A. INDIVIDUAL'S AGENT NAME:

BUSINESS ADDRESS: *(P.O.BOX UNACCEPTABLE)*	RESIDENCE ADDRESS: *(P.O.BOX UNACCEPTABLE)*
ADDRESS:	ADDRESS:
CITY:	CITY:
STATE: ZIP:	STATE: ZIP:

B. BUSINESS ENTITY AGENT NAME: CT Corporation System

ADDRESS: *(P.O.BOX UNACCEPTABLE)*

ADDRESS: One Corporate Center
CITY: Hartford
STATE: CT ZIP: 06103

Certificate of Incorporation of

JMMC Acquisition Corp.

A Connecticut Nonstock Corporation

ARTICLE I

Name

The name of the Corporation is JMMC Acquisition Corp.

ARTICLE II

Definitions

For the purposes of this Certificate, the following defined terms shall have the following meanings:

"Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

"Certificate of Incorporation" means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Corporation" shall mean JMMC Acquisition Corp., a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Code of Regulations, System Authority Matrix, Bylaws or equivalent organizational documents of a corporation or other entity.

all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation or applicable law, including, without limitation, to assist JMH Acquisition Corporation ("JMH"), a Connecticut nonstock corporation, in carrying out its tax-exempt functions;

C. To engage in the teaching and education of medical students, residents and fellows, to perform medical and related research activities, and to render professional medical services to persons in need of such services and to do so in connection with Saint Francis Hospital and Medical Center ("Saint Francis"), and under the common control and direction of Trinity Health – New England, Inc. and in pursuit thereof the corporation may engage in the following activities:

a. providing and employing physicians to render medical services in the Greater Hartford area including those areas which are in need of additional professional medical services in one or more medical specialties;

b. improving and developing the scope, quality and availability of medical care and related services in the Greater Hartford area to the extent possible or reasonably feasible;

c. recruiting physicians to the Greater Hartford area;

d. promoting high quality medical care and other human services for the benefit of persons suffering from illness and for the benefit of the sick and injured generally;

e. providing teaching services to Saint Francis for its programs in undergraduate and graduate medical education;

f. conducting medical and related research in cooperation with Saint Francis;

g. taking an active part in the planning for and the promotion of the general medical and physician health and human needs of persons in the Greater Hartford area ; and

h. providing for a responsive and cost-effective administrative organization and information system as a means of ensuring high-quality management and accountability in the accomplishment of the aforesaid purposes.

deductible under Section 170(c)(2) of the Code; and a corporation described in Section 509(a)(3) of the Code (or, if the Corporation is classified, Section 509(a)(1) or 509(a)(2) of the Code).

ARTICLE IV

Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

ARTICLE V

Organization

The Corporation is a religious corporation, organized on a non-stock basis as a membership corporation. The Corporation's sole member is Trinity Health – New England, Inc., a Connecticut nonstock corporation.

ARTICLE VI

Registered Office and Resident Agent

The address of the Corporation's registered office is c/o CT Corporation System, One Corporate Center, Hartford, CT 06103. The resident agent of the Corporation is CT Corporation System, One Corporate Center, Hartford, CT 06103. The address of the Corporation's registered office and/or name of the Corporation's resident agent may be changed from time to time by the Board of Directors of the Corporation.

ARTICLE VII

Membership

Trinity Health – New England, Inc., a Connecticut nonstock corporation ("Member"), is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonstock corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

b. As reserved to Trinity Health:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

ARTICLE VIII

Indemnification and Standard of Care

Section 1. Indemnification. The Corporation shall, to the maximum extent allowed by law, indemnify those persons who are serving or have served as members, trustees, directors, religious congregations or other canonical persons serving as sponsors, officers, employees, committee members, or agents of the Corporation, and those who are serving or have served at the request of the Corporation as a trustee, director, religious congregation or other canonical person serving as sponsor, officer, manager, partner, employee, committee member, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 2. Insurance. Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of the Corporation, or who is or was serving at the request of the Corporation as a trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under state law.

Section 3. Standard of Care. Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 4. Justifiable Reliance. In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

a. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
b. Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
c. A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and which are organized and operated exclusively for such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

ARTICLE X

Effective Date

This Certificate of Incorporation is effective as of November 24, 2015.

55294762 v4

BYLAWS OF JMMC ACQUISITION CORP.

JMMC Acquisition Corp. (the "Corporation") changed its to name to Johnson Memorial Medical Center, Inc. effective January 4, 2015. The Bylaws of the Corporation are attached hereto.

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

"Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

"Certificate of Incorporation" means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Control" or "Ownership" will be deemed to exist:

> (i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one's own directors or officers who then serve ex officio as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one's own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or
>
> (ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Certificate of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

"We serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities."

The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successors or assigns.

Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

(a) Elect the officers of the Corporation (except the President);

(b) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;

(c) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;

(d) Conduct an annual review of the Corporation's quality and safety performance; and

(e) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation is designated as the Member Director, the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be established by the Member, by policy or otherwise.

of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Certificate of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. Absences of a Director from three (3) consecutive regular meetings of the Board of Directors may constitute cause for removal from the Board of Directors.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and Chief Executive Officer who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

(a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or

(b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

(a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or

(b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of September of each year and shall begin on the 1st day of October of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

EXHIBIT A

System Authority Matrix

The Trinity Health Board retains control over its statutory obligations in carrying out the purposes of the corporation as the parent of a large Catholic health system. The Board is responsible for key strategic decisions and issues that will significantly impact the Trinity Health System. Delegations are established taking into account the balance between making efficient decisions close to the business activity and the need for the board and management to oversee areas of significant impact on the system as a whole in terms of Catholic Identity, strategic direction, risk and value.

The Board has adopted a process of Mission Discernment, which is intended to ensure that in the course of making major decisions, the Mission and Core Values are used as a measure to evaluate the effect of the proposed action.

This Authority Matrix is not intended to be an exclusive listing of the various actions reserved to Trinity Health or its affiliated entities. Trinity Health may clarify these delegations through policies. State law may confer additional rights or require additional actions. Those variations will be set forth in the governing documents of the entity and prevail over any conflicting authorities described in this System Authority Matrix. Different rights may also be set forth in the terms of joint venture organizing documents or other agreements. Decisions related to those joint venture entities should be made in accordance with the organizing documents; however, decisions which exceed financial thresholds or which may, in management's judgment, affect the reputation or identity of the Trinity Health System are required to be reviewed by Trinity Health management, regardless of the minority position held by the CHE Trinity affiliate in the joint venture.

Entities:

Catholic Health Ministries or CHM means the public juridic person that sponsors the Trinity Health system and exercises all canonical responsibilities related to its operations, subject to certain rights retained by sponsoring congregations or public juridic persons until such time as the stable patrimony (property) under the control of those sponsoring congregations or public juridic persons is alienated (transferred) to CHM.

Trinity Health means Trinity Health Corporation, an Indiana nonprofit corporation, which is the parent of the Trinity Health System.

Trinity Health System means Trinity Health, together with its subsidiaries and affiliates.

Ministry or Ministries means any or all RHMs, NHMs, and MHMs.

Mission Health Ministry or MHM means a first tier subsidiary of Trinity Health that maintains a governing body and which has oversight of non-institutional health operations and/or grant making. A list of MHMs is set forth on Exhibit A to this Matrix.

National Health Ministry or NHM means a first tier (direct) subsidiary that maintains a governing body that has day to day management oversight of a business line throughout the Trinity Health System. A list of NHMs is set forth on Exhibit A to this Matrix.

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
I	**Statements of Identity**					
I a	Trinity Health System Mission Statement	-	-	-		Approve
1 b	Trinity Health System Core Values	-	-	-		Approve
II	**Governing Documents**					
II a	Articles and Bylaws of Trinity Health Corporation	-	-	Recommend	Approve and Recommend	Ratify
II b	Governing Documents of Ministries consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governing Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
III d	Appointment or removal of Ministry Board Chairs		Approve		Ratify (Executive and Governance Committee)	
III e	Appointment or removal of Second Tier Subsidiaries Governing Body	Recommend	Approve			
III f	Appointment or removal of Trinity Health CEO				Approve	Ratify
III g	Appointment or removal of Ministry CEOs	Participate	Recommend	Approve		
III h	Appointment or removal of Second Tier Subsidiaries CEOs	Approve				
IV	**Strategy**					
IV a	Trinity Health System Strategic Plans			Recommend	Approve	
IV b	Group I RHM and NHM Strategic Plans	Recommend	Approve	Approve		
IV c	Group 2 RHM and MHM Strategic Plans	Recommend	Approve	Participate		

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V d	System Operating and Capital Budget			Recommend	Approve (upon recommendation by Stewardship Committee)	
V e	RHM Operating and Capital Budget	Recommend	Approve	Approve		
V f	Second Tier Operating and Capital Budget	Recommend	Approve			
V g	Contracts (including leases) in which the Trinity Health is the financially obligated			Approve up to $25 million	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	
V h	Contracts (including leases) in which a Group I RHM or a NHM is financially obligated	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI b	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) not related to an Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Approve	Approve as related to Sponsorship obligations
VI c	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) related to a Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Stewardship Committee Approve	Approve as related to Sponsorship obligations
VI d	Major change affecting Second Tier Subsidiaries (merger, consolidation, creation, transfer, sale of all assets)	Recommend	Approve	Approve		Approve as related to Sponsorship obligations
VI e	Internal operational reorganization affecting tier structure	Participate	Recommend	Approve		

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VII b	RHM Quality and Safety Standards (consistent with Trinity Health System Quality Standards)	Recommends	Approves			
VII c	Annual review of Trinity Health System Quality and Safety			Recommends	People Centered Care Committee Approves, Board Receives Report	
VII d	Annual review of RHM Quality and Safety	Recommends	Approves	Receive Report		

Approved by Trinity Health Executive and Governance Committee 6/18/14, effective 7/1/14; revised and approved by the Trinity Health Executive and Governance Committee on January 27, 2015; revised and approved by the Trinity Health Board of Directors on February 25, 2015; revised and approved by the Trinity Health Executive and Governance Committee on April 9, 2015; approved by Catholic Health Ministries on June 25, 2015.

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

THIS **AMENDED AND RESTATED ASSET PURCHASE AGREEMENT** (this "Agreement"), made as of the 27th day of March, 2015 (the "Execution Date"), by and among Saint Francis Care, Inc., a Connecticut corporation (the "Buyer"), on the one hand, and the entities executing this Agreement as "Sellers" on the signature page hereof (each a "Seller," and collectively, the "Sellers"), on the other hand.

WITNESSETH:

WHEREAS, on or about January 14, 2015, Sellers filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the Bankruptcy Court (the date on which such petitions were filed hereinafter referred to as the "Petition Date");

WHEREAS, subject to the entry of the Sale Order, this Agreement provides for the sale by Sellers to Buyer of substantially all of the assets, real and personal, tangible and intangible, associated with owning, leasing, managing and operating the Facilities (collectively, the "Business") and having Buyer assume certain liabilities of Sellers, in accordance with sections 105, 363, and/or 365 of the Bankruptcy Code, as applicable; and

WHEREAS, this Agreement amends, restates, and supersedes the Asset Purchase Agreement among Buyer and Sellers dated as of January 14, 2015 (the "Original Purchase Agreement");

NOW, THEREFORE, for and in consideration of the foregoing premises and the agreements, covenants, representations and warranties hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of all of which are acknowledged and agreed, the parties hereto agree as follows:

1. SALE OF ASSETS AND CERTAIN RELATED MATTERS.

1.1 Definitions. Unless otherwise indicated in this Agreement, the following terms shall have the following meanings:

"Accrued Employee Liabilities" shall have the meaning set forth in Section 1.4(a).

"Administrative Expense Escrow" shall mean any escrow established by Sellers or Sellers' counsel for payment of administrative expenses.

"Administrative Expenses" shall have the meaning set forth in Section 1.6(b)(v).

"Affiliate" shall mean, as to the entity in question, any person or entity that, directly or indirectly, Controls, is Controlled by or is under common Control with the entity in question.

"Affiliation Agreements" shall mean that certain (a) Clinical Affiliation Agreement between Buyer and JMMC, JMH and JEC dated as of July 12, 2012, including all sub-agreements thereto, and (b) Business Process Outsourcing Agreement between Buyer and JMMC,

JMH and JEC dated as of July 12, 2012, including all sub-agreements thereto, each as amended, supplemented and modified from time to time.

"Agreement" shall have the meaning set forth in the introduction.

"Alternative Transaction" shall mean the sale, transfer, lease or other disposition, directly or indirectly, including through an asset sale, stock sale, merger or other transaction, of some or all of the Assets in one or more transactions with one or more persons other than the Buyer.

"Assets" shall have the meaning set forth in Section 1.2.

"Assignment and Assumption Agreement" shall have the meaning set forth in Section 1.4(b).

"Assumed Contracts" shall have the meaning set forth in Section 1.2(h).

"Assumed Leases" shall mean, collectively, the Sellers' Real Property Expense Leases and the Sellers' Real Property Income Leases.

"Assumed Liabilities" shall have the meaning set forth in Section 1.4(a).

"Avoidance Actions" means any action that could be brought by any Seller, the trustee in the Bankruptcy Case or any other party in interest in the Bankruptcy Case under Section 544, 545, 547, 548, 549, 550, 551 or 553 of the Bankruptcy Code.

"Bankruptcy Case" means, collectively, the cases instituted by Sellers under the Bankruptcy Code.

"Bankruptcy Code" means title 11 of the United States Code.

"Bankruptcy Court" means the United States Bankruptcy Court for the District of Connecticut.

"Benefit Plans" shall mean all "employee benefit plans" as defined in Section 3(3) of ERISA, all specified fringe benefit plans as defined in Section 6039D of the Code, and all other pension, profit sharing, stock bonus, stock option, deferred compensation, or other retirement plans; welfare benefit plans, including group health and group insurance plans; cafeteria, flexible benefit or tuition assistance plans; executive compensation, bonus, or incentive plans; severance plans; salary continuation plans, programs, or arrangements; vacation, holiday, sick-leave, paid-time-off, or other employee compensation plans, procedures, programs, payroll practices, policies, agreements, commitments, contracts, or understandings; or any annuity contracts, custodial agreements, trusts, escrows or other funding arrangements related thereto, whether oral or written, qualified or nonqualified, funded or unfunded, and all employment agreements, programs, policies or other arrangements (i) that are currently, or have been within the past six (6) years, sponsored, maintained or contributed to by Sellers or any Affiliate thereof; (ii) with respect to which any Seller or any Affiliate thereof has any Liability to any current or former officer, employee or service provider, or the dependents of any thereof, or (iii) which could result in the imposition of Liability of any kind or nature, whether accrued, absolute, contingent, direct,

indirect, perfected or inchoate or otherwise, and whether or not now due or to become due, on Sellers or any Affiliate thereof.

"Bill of Sale" shall have the meaning set forth in Section 2.2(c).

"Break-Up Fee" shall mean a fee of $750,000 payable in accordance with Section 11.4 hereof.

"Business" shall have the meaning set forth in the recitals.

"Buyer" shall have the meaning set forth in the introduction.

"Cash Payment" shall have the meaning set forth in Section 1.6(a)(iv).

"Casualty Assets" shall have the meaning set forth in Section 1.13(b).

"Casualty Notice" shall have the meaning set forth in Section 1.13(a).

"Certificate of Need" shall mean a certificate of need issued by OHCA pursuant to Connecticut General Statutes Sections 19a-638 *et seq*.

"Charitable Assets" shall have the meaning set forth in Section 1.2.

"Closing" shall have the meaning set forth in Section 2.1.

"Closing Date" shall have the meaning set forth in Section 2.1.

"CMS" shall mean Centers for Medicare and Medicaid Services.

"CMS Investigation" shall mean the matters related to a survey conducted by the Department of Health with respect to Sellers on August 5, 2014 and subsequent re-surveys conducted based on the initial August 5, 2014 survey, the last of which was conducted on November 25, 2014.

"COBRA" shall mean the Consolidated Omnibus Budget Reconciliation Act of 1985, as set forth in Title 42 U.S.C., Section 300bb or, as applicable, Title I, Part 6, of ERISA.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Collective Bargaining Agreement" means that certain collective bargaining agreement among JMH, the Johnson Memorial Hospital Registered Nurses, Local 5046, AFT Healthcare and AFT Connecticut dated October 1, 2013 to September 30, 2016.

"CON" means a Certificate of Need issued by OHCA.

"Contract" means any written or oral agreement, arrangement, lease, license, sublicense, promissory note, binding arrangement or understanding, mortgage, contract, covenant, commitment or instrument.

"Control" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any entity, whether through the ownership of voting securities, by contract or otherwise.

"Credit Support" shall mean the credit support in the amount of up to $2,000,000 provided by Buyer to JMMC in respect of JMMC's workers' compensation insurance policy issued by The Hartford, including without limitation a guaranty provided by Buyer to The Hartford, secured by a letter of credit issued by Bank of America, N.A.

"Cure Costs" means all monetary liabilities and obligations of each Seller that must be paid or otherwise satisfied to cure all of such Seller's defaults under the Assumed Contracts and the Assumed Leases at the time of the assumption thereof and assignment to Buyer as provided hereunder, all in the amounts set forth in specific orders of the Bankruptcy Court.

"DEA Power of Attorney" shall have the meaning set forth in Section 2.2(k).

"Department of Health" shall mean the State of Connecticut Department of Public Health.

"Deposit" shall have the meaning set forth in Section 1.14.

"Deposit Escrow" shall have the meaning set forth in Section 1.14.

"Deposit Escrow Holder" shall have the meaning set forth in Section 1.14.

"Designated Contracts" shall have the meaning set forth in Section 10.5.

"Designated Lock Box Account" shall have the meaning set forth in Section 1.12.

"DIP Financing Agreement" means that certain Debtor In Possession Revolving Loan and Security Agreement, dated January 14, 2015, among the Sellers, Johnson Professional Associates, P.C., JEC, HFG and HFG Healthco-4 LLC.

"Effective Time" shall have the meaning set forth in Section 2.1.

"Estimate" shall have the meaning set forth in Section 1.13(a).

"Employee" shall include individuals rendering personal services to Sellers with respect to the Business or the Facilities as employees, including individuals who are treated as "leased employees" under Code Section 414(n).

"Environmental Laws" means the applicable federal, state (including specifically, but not by way of limitation, the State of Connecticut), and local environmental or health laws, regulations, ordinances, rules and common law in effect on the Petition Date and the Closing Date governing the use, refinement, handling, treatment, removal, storage, production, manufacture, transportation or disposal, emission, discharge, release or threatened release of Materials of Environmental Concern, or otherwise governing protection of the environment (including, without limitation, ambient air, surface water, ground water, land surface or

subsurface strata), as the same may be amended or modified as of the Petition Date and the Closing Date, including, without limitation, the statutes listed below:

(a) Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901, et seq.;

(b) Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601, et seq.;

(c) Federal Clean Air Act, 42 U.S.C. Section 7401, et seq.;

(d) Federal Water Pollution Control Act, Federal Clean Water Act of 1977, 33 U.S.C. Section 1251, et seq.;

(e) Federal Insecticide, Fungicide, and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136, et seq.;

(f) Federal Hazardous Materials Transportation Act, 48 U.S.C. Section 1801, et seq.;

(g) Federal Toxic Substances Control Act, 15 U.S.C. Section 2601, et seq.; and

(h) Federal Safe Drinking Water Act, 42 U.S.C. Section 300f, et seq.

"ERISA" shall mean, collectively, the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"Escrow Agreement" shall have the meaning set forth in Section 1.14.

"Evergreen Ground Lease" means the lease between JMH and JEC dated as of January 7, 2015.

"Excluded Assets" shall have the meaning set forth in Section 1.3.

"Excluded Contracts" shall have the meaning set forth in Section 10.5.

"Excluded Liabilities" shall have the meaning set forth in Section 1.5.

"Execution Date" shall have the meaning set forth in the introduction.

"Exemption Certificate" shall mean a written statement from the Department of Health or other applicable Governmental Entity stating that a health care project is not subject to the Certificate of Need requirements under applicable state law.

"Expense Reimbursement" shall have the meaning set forth in Section 11.4.

"Facilities" (each, individually a "Facility") shall mean Johnson Memorial Hospital, Johnson Surgery Center, Advanced Wound Center, Community Cancer Center, Home &

Community Health Services, Johnson Memorial Cancer Center and Karen Davis Krzynowek Infusion Center and certain real property owned by each Seller as set forth on Schedule 1.2(a).

"Final Order" means an order of the Bankruptcy Court (a) as to which the time to appeal shall have expired and as to which no appeal shall then be pending, or (b) if an appeal shall have been filed or sought, either (i) no stay of the order shall be in effect or (ii) if such a stay shall have been granted by the Bankruptcy Court, then (A) the stay shall have been dissolved or (B) a final order of a court having jurisdiction to hear such appeal shall have affirmed the order and the time allowed to appeal from such affirmance or to seek review or rehearing thereof shall have expired and the taking or granting of any further hearing, appeal or petition for certiorari shall not be permissible, and if a timely appeal of such court order or timely motion to seek review or rehearing of such order shall have been made, any court of appeals having jurisdiction to hear such appeal or motion (or any subsequent appeal or motion to seek review or rehearing) shall have affirmed the court's (or lower appellate court's) order upholding the order of the Bankruptcy Court and the time allowed to appeal from such affirmance or to seek hearing, appeal or petition for certiorari shall not be permissible; provided, however, that Buyer in good faith in its reasonable discretion shall have the right to determine that any order for which an appeal, motion to seek review, motion to seek rehearing, or any similar motion is pending is not a Final Order, notwithstanding that such order is not then subject to stay.

"Governmental Entity" means any government or any agency, bureau, board, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether federal, state or local, domestic or foreign.

"Government Patient Receivables" shall mean all accounts receivable arising from the rendering of services and provision of medicine, drugs and supplies to patients by any Seller up to the Effective Time and relating to Government Reimbursement Programs, billed and unbilled, recorded or unrecorded, accrued and existing, and other claims of any Seller for the provision of goods or services to patients due from beneficiaries or governmental third party payors which by law may not be assigned.

"Government Reimbursement Programs" shall mean Medicare, Medicaid and TRICARE and any other federal or state healthcare programs.

"Hazardous Substances" means any toxic or hazardous waste, pollutants or substances, including without limitation asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substance," "toxic substance," "toxic pollutant," or similarly identified substance or mixture, in or pursuant to any Environmental Law.

"Healthcare Reimbursement Obligation" means, collectively, Sellers' reimbursement obligations to their (a) self-paying patients and (b) insurance companies, in each case for any overpayments, duplicate payments or payments in error received by any Seller.

"HFG" means Healthcare Finance Group, LLC and its successors and assigns.

"HFG Debt" means the indebtedness of the Sellers and JEC to HFG, as agent, HFG Healthco-4 LLC, as lender, and the Buyer under the DIP Financing Agreement.

"HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations as amended by the Health Information Technology for Economic and Clinical Health Act.

"Hospital" shall mean Johnson Memorial Hospital, located in Stafford Springs, Connecticut.

"Hospital Loan" shall mean that certain loan from People's to JMMC and JMH in the original principal amount of $13,700,000, dated August 30, 2006, as evidenced by the Hospital Loan Documents.

"Hospital Loan Documents" shall mean all those certain agreements, documents and instruments executed in connection with the Hospital Loan by and among People's, JMMC and JMH.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder, and any successor to such statute, rules or regulations.

"Intercompany Obligations" means all intercompany loans, advances, payables and receivables between any Seller and any other Seller or Johnson Professional Associates, P.C., which were made or arose out of transactions occurring prior to the Closing.

"IRS" shall mean the Internal Revenue Service.

"Inventories" shall have the meaning set forth in Section 1.2(c).

"JEC" shall mean The Johnson Evergreen Corporation, a Connecticut corporation.

"JEC Transaction" shall mean the contemplated sale by JEC of substantially all of its assets to a third party.

"JMH" shall mean Johnson Memorial Hospital, Inc., a Connecticut corporation.

"JMMC" shall mean Johnson Memorial Medical Center, Inc., a Connecticut corporation.

"JMH Real Estate" shall mean the fee simple interest of JMH in all real property it owns as identified and set forth in Schedule 1.2(a).

"Justice Department" shall mean the United States Department of Justice.

"Legacy Creditor Debt" shall mean the debt of JMMC, JMH, and JEC to the Legacy Creditors.

"Legacy Creditors" means the Plan Custodian and the PBGC.

"Legacy Creditor Costs" means the fees and expenses actually incurred by the Legacy Creditors in connection with the Sellers' bankruptcy cases.

"Liability" means any debt, loss, damage, adverse claim, fine, penalty, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, liquidated or unliquidated, or due or to become due, and whether in contract, tort, strict liability or otherwise), and all costs and expenses relating thereto including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation.

"Lien" means any lien, encumbrance, pledge, mortgage, deed of trust, security interest, claim, lease, charge, option, right of first refusal, interest, put, call, easement, servitude, proxy, covenant, hypothecation, voting trust or agreement and transfer restriction under any agreement, against or with respect to tangible or intangible property or rights, whether imposed by agreement, understanding, law, equity or otherwise.

"Material Adverse Effect" shall mean an event, occurrence, condition, change or effect or a series of events, occurrences, conditions, changes or effects that, individually or in the aggregate, is or may be reasonably expected to be materially adverse to the business, financial condition, operations or properties of the person or businesses which has suffered such event, occurrence, condition, change or effect, including, but not limited to (i) the loss or revocation of any provider number or (ii) changes in law or regulations that impose additional burdens or obligations or requirements applicable to operations of not for profit hospitals in Connecticut; provided, however, that Material Adverse Effect shall exclude any changes or conditions as and to the extent such changes or conditions relate to or result from general economic conditions in the United States of America and/or such other conditions that affect the healthcare industry generally.

"Material Loss" shall have the meaning set forth in Section 1.13(b).

"Materials of Environmental Concern" shall mean chemicals, pollutants, contaminants, wastes, toxic substances, petroleum and petroleum products, including Hazardous Substances.

"Medical Records Custody Agreement" shall have the meaning set forth in Section 12.8(a).

"Name Amendments" shall have the meaning set forth in Section 10.2.

"Net Working Capital" shall mean, as of any balance sheet date, an amount equal to (i) the value of Sellers' current assets, including without limitation, all of Sellers' cash and cash equivalents, accounts receivables, prepaid expenses, inventories and other current assets, less (ii) Sellers' accounts payable, accrued payroll and benefits, other accrued expenses and accounts receivable credits due to third parties, unapplied cash, the outstanding amount due from Sellers under the DIP Financing Agreement reduced by any cash payment received by JEC for its receivables and paid to HFG pursuant to the JEC Transaction, in each case determined from Sellers' balance sheet as of the date thereof on a consolidated basis in accordance with the accounting principles applied by Sellers consistently applied. For purposes of this calculation, other accrued expenses shall exclude accrued interest on any debt which is not being assumed by Buyer pursuant to this Agreement. The applicable line items for this calculation, including numbers attributable to the various line items have been previously provided by Sellers to Buyer.

"OHCA" means the Office of Health Care Access, a division of the Department of Health.

"PBGC" shall mean the Pension Benefit Guaranty Corporation.

"PCBs" shall mean polychlorinated biphenyls.

"People's" means People's United Bank.

"People's Debt" shall mean the Hospital Loan and the Surgery Center Loan together with and as evidenced by the Hospital Loan Documents and the Surgery Center Loan Documents.

"Permits and Licenses" shall have the meaning set forth in Section 1.2(d).

"Permitted Designee" shall have the meaning set forth in Section 1.2.

"Permitted Liens" shall mean Real Property Permitted Encumbrances, liens securing the Restructured People's Debt, liens securing the HFG Debt if the Buyer and HFG agree that the Buyer will assume the HFG Debt, and the Liens listed in Schedule 1.4(a)(ix).

"Petition Date" shall have the meaning set forth in the recitals.

"Plan Custodian" shall mean Clifford Zucker, Plan Custodian under the plan of reorganization confirmed in the prior bankruptcy cases of JMMC, JMH, and JEC in 2010.

"Prepaid Expenses" shall have the meaning set forth in Section 1.2(j).

"Purchase Price" shall have the meaning set forth in Section 1.6(a).

"Purchase Price Allocation" shall have the meaning set forth in Section 12.10.

"Qualified Beneficiaries" shall have the meaning set forth in Section 10.1.

"Real Property" shall mean, collectively, the Sellers' Owned Real Property and the Sellers' Leased Real Property.

"Real Property Permitted Encumbrances" shall mean all of the following: (a) zoning and building laws, ordinances, resolutions and regulations, and land use regulations; (b) real property taxes and assessments for public improvements not due and payable on or before the Closing; (c) such other exceptions as the Title Company shall commit to insure over, without any additional cost to Buyer, whether such insurance is made available in consideration of payment, bonding, or otherwise (but excluding indemnity of Sellers); (d) those encumbrances approved by Buyer, in its sole and absolute discretion; and (e) with respect to the JMH Real Estate, the Evergreen Ground Lease.

"Reimbursement Obligation" shall mean the reimbursement obligations of JMMC, JMH and JEC to Buyer in respect of the Credit Support, as set forth in the Amended and Restated Seventh Amendment to Master Affiliation Agreement dated as of July 14, 2014, among Buyer, JMMC, JMH and JEC, as the same may be amended from time to time.

"Reorganization Plan" means a plan of reorganization under Chapter 11 of the Bankruptcy Code.

"Restructured Legacy Creditor Debt" shall mean the Legacy Creditor Debt, as restructured on terms mutually satisfactory to Buyer and the Legacy Creditors, in their sole and absolute discretion, providing for the assumption by the Buyer of the Legacy Creditor Debt and the payment by Buyer, on the Closing Date, of the sum of (a) $3,000,000 plus (b) one-half of any then-unpaid Legacy Creditor Costs, up to a maximum of $50,000, in full and final satisfaction of the Legacy Creditor Debt.

"Restructured People's Debt" shall mean the People's Debt, as restructured on terms mutually satisfactory to Buyer and People's, in their sole and absolute discretion, providing for among other things, the assumption of (a) the entire principal balance of the Surgery Center Loan and (b) Seven Million Four Hundred Thousand Dollars ($7,400,000) of the principal balance of the Hospital Loan.

"Sale Motion" shall have the meaning set forth in Section 6.2.

"Sale Order" means an order of the Bankruptcy Court in form and substance satisfactory to Buyer, in its sole discretion, with such changes as may be made by Buyer (for the avoidance of doubt, including all exhibits and schedules thereto), that, among other things, finds and provides that: (i) the Assets and Facilities sold to Buyer pursuant to this Agreement shall be transferred to Buyer free and clear of all Liens (other than Permitted Liens) and all Liabilities, causes of action, demands, guaranties, rights, restrictions, remedies, and matters of any kind or nature whatsoever, whether at law or in equity, including, without limitation, free and clear of any rights or claims based on theories of transferee or successor liability under any applicable law, statute, rule, regulation, common law or equitable principle, including, without limitation, any Environmental Laws, labor or employment laws (such as unemployment compensation), ERISA, the Code, and COBRA, of any Governmental Entity, including, without limitation, the Pension Benefit Guaranty Corporation, the IRS, state and local taxing authorities and any Governmental Entity, whether arising before or after the commencement of the Bankruptcy Case and whether imposed by agreement, understanding, law, equity, regulation, custom or otherwise, including, without limitation, the Benefit Plans, save and excepting only those Liabilities expressly assumed by Buyer in writing pursuant to Section 1.4 of this Agreement; (ii) the Bankruptcy Court shall retain jurisdiction over any claims that are not Assumed Liabilities hereunder; (iii) this Agreement was negotiated, proposed and entered into by the parties without collusion, in good faith and from arm's length bargaining positions; (iv) this Agreement and the transactions contemplated hereby may be specifically enforced against and binding upon, and not subject to rejection or avoidance by, Sellers or any Chapter 7 or Chapter 11 trustee of Sellers appointed pursuant to the Bankruptcy Code or other representative of their respective estates; and (v) the Assumed Contracts and the Assumed Leases shall be properly assigned to and assumed by Buyer pursuant to the procedure set forth in Section 10.5 hereof, with only such exceptions as Buyer may agree in writing.

"Second Deposit Account" shall have the meaning set forth in Section 1.12.

"Seller" and "Sellers" shall have the meanings set forth in the introduction.

"Sellers' Leased Real Property" shall have the meaning set forth in Section 1.2(b).

"Sellers' Owned Intellectual Property" shall have the meaning set forth in Section 1.2(m).

"Sellers' Owned Real Property" shall have the meaning set forth in Section 1.2(a).

"Sellers' Real Property Expense Leases" shall have the meaning set forth in Section 1.2(b).

"Sellers' Real Property Income Leases" shall have the meaning set forth in Section 1.2(g).

"Surgery Center Loan" shall mean that certain loan from People's to JMMC in the original principal amount of $4,500,000, dated August 24, 2004, guaranteed by JMH, as evidenced by the Surgery Center Loan Documents.

"Surgery Center Loan Documents" shall mean those certain agreements, documents and instruments executed in connection with the Surgery Center Loan by and among People's, JMMC and JMH.

"Taxes" or "Tax" shall mean all taxes, fees, levies or other assessments, however denominated, including any interest, penalties or other additions to taxes that may become payable in respect thereof, imposed by any federal, territorial, state, local or foreign Governmental Entity, which taxes shall include, without limiting the generality of the foregoing, all income or profits taxes (including, but not limited to, federal income taxes and state income taxes), unrelated business income taxes, payroll and employee withholding taxes, unemployment insurance, social security taxes, sales and use taxes, ad valorem taxes, excise taxes, taxes under Code Section 4958, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation, alternative or add-on minimum estimated or other taxes, levies or assessments for unclaimed property under applicable escheat or unclaimed property laws and other obligations having the same nature or a nature similar to any of the foregoing.

"Tax Return" or "Tax Returns" shall mean any report, return, declaration, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto and including any amendment thereof.

"The Hartford" shall mean Hartford Fire Insurance Company.

"Title Company" shall mean the title company Buyer selects to issue as of the Closing Date one or more ALTA owner's policies of title insurance (Form 2006), with extended coverage and zoning endorsements and such other endorsements as Buyer shall reasonably require.

"Trade Payables" shall mean accounts payable owed to vendors for goods sold and services rendered, in each case in the ordinary course of business, incurred within the three month period prior to the Petition Date or incurred after the Petition Date, but excluding indebtedness for borrowed money.

"Transfer Taxes" shall have the meaning set forth in Section 1.6(a)(vii).

"Transferred Contracts" shall have the meaning set forth in Section 10.5.

"Transferred Employees" shall have the meaning set forth in Section 9.1(a).

"WARN Act" shall have the meaning set forth in Section 9.1(c).

"Workers' Compensation Liabilities" shall mean the Liability of the Sellers and JEC under their workers' compensation insurance policy with The Hartford for the period May 31, 2014 to the Closing Date.

1.2 Sale of Assets. At the Closing, each Seller shall sell, transfer, convey, assign and deliver to Buyer all of such Seller's respective right, title and interest in, to and under the assets, properties and business of every kind and description that are owned or held by each Seller or used by each Seller in connection with the operation of the Facilities and the Business, except the Excluded Assets (collectively, the "Assets"), including, without limitation, the following assets and properties listed in this Section 1.2. Pursuant to the Sale Order, the Assets shall be sold and conveyed to Buyer free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities), including any and all claims that Buyer is a successor, transferee or continuation of Sellers or the Business. The Assets include, without limitation, the following, except as included among the Excluded Assets:

(a) all real property owned by any Seller, as more specifically described on Schedule 1.2(a), together with all buildings, improvements and fixtures located thereupon, all easements, rights of way, and other appurtenances thereto (including appurtenant rights in and to public streets), all architectural plans or design specifications relating to the development thereof and all construction in progress (collectively, the "Sellers' Owned Real Property");

(b) to the extent elected by Buyer pursuant to Section 10.5 hereof, the real property leasehold or sub-leasehold estates described on Schedule 1.2(b) (collectively, the "Sellers' Leased Real Property;" the leases under which Sellers hold a leasehold or sub-leasehold estate in the Sellers' Leased Real Property are collectively referred to herein as the "Sellers' Real Property Expense Leases");

(c) (i) all tangible personal property used in the operation of the Business as of the Effective Time, including, without limitation, all major, minor or other equipment, furniture, fixtures, machinery, office furnishings and instruments, Sellers' most recent (as of the Petition Date) depreciation list previously provided to Buyer, (ii) all vehicles identified on Schedule 1.2(c)(ii) which continue to be owned by a Seller at the Effective Time, or acquired by a Seller between the Petition Date and the Effective Time and owned at the Effective Time and (iii) all inventories of supplies, non-expired drugs, food, janitorial and office supplies and other disposables and consumables existing at the Effective Time and located at any Facility, or owned or purchased by any Seller for use in connection with the Business (the "Inventories");

(d) to the extent assignable or transferable, all licenses, Certificates of Need, Exemption Certificates, franchises, accreditations and registrations and other licenses or permits issued by a Governmental Entity or pending for issuance by a Governmental Entity in connection

with the Business, including without limitation those described in Schedule 1.2(d) as the same may be renewed from time to time following the Petition Date (collectively, the "Permits and Licenses");

(e) all claims, causes of action and judgments in favor of Sellers relating to the physical condition or repair of the Assets, all insurance proceeds due to Buyer under Section 1.13 and, to the extent assignable, all warranties (express or implied) and rights and claims assertable by (but not against) Sellers related to the Assets;

(f) all financial, patient, medical staff, personnel (after obtaining any requisite employee consents) and other records relating to the Business or the Assets, including, without limitation, all accounts receivable records, equipment records, medical and administrative libraries, medical records, patient billing records, documents, construction plans and specifications, catalogs, books, records, files, operating manuals and current personnel records, including any electronic data relating to such records and information stored in any computer, computer server or computer equipment relating to or used in connection with the Business;

(g) to the extent elected by Buyer pursuant to Section 10.5 hereof, all lease agreements pursuant to which any Seller, as landlord, has leased to a third party, as tenant, all or some portion of the Sellers' Owned Real Property or the Sellers' Leased Real Property, including without limitation those described on Schedule 1.2(g) to the extent still in effect at the Effective Time or entered into by a Seller between the Petition Date and the Effective Time and in effect at the Effective Time (collectively, the "Sellers' Real Property Income Leases");

(h) all rights of any Seller under those Contracts, commitments and agreements and leases (including, without limitation, any design, engineering and construction contracts for planned, pending or ongoing construction projects) described on Schedule 1.2(h) (collectively, the "Assumed Contracts");

(i) all goodwill associated with the operation of the Business and the Assets;

(j) any deposits, other current assets, other assets, escrows, prepaid taxes or other advance payments relating to any expenses of the Business, including without limitation items of the type previously provided to Buyer (collectively, the "Prepaid Expenses");

(k) other than the Government Patient Receivables and any other Excluded Assets, and subject to the Healthcare Reimbursement Obligation, all notes, accounts receivable and other rights to receive payment for goods and services provided by Sellers in connection with the Business or otherwise arising from the operation of the Business, billed or unbilled, recorded or unrecorded, including, without limitation, any such notes, reimbursement credit balances, accounts receivable or other rights that have been charged off as bad debt, and all other notes receivable from patients and notes receivable from physicians as identified in a list previously provided to Buyer to the extent not satisfied prior to the Effective Time, and further including, without limitation, any of the same constituting Intercompany Obligations;

(l) the right to receive an amount of cash equal to the value of the Government Patient Receivables actually collected by Sellers as evidenced by statements provided to Buyer from time to time upon Buyer's request;

(m) the names used in connection with the Business, including, without limitation, Johnson Memorial Hospital, Johnson Surgery Center, Advanced Wound Center, Community Cancer Center, Home & Community Health Services, Johnson Memorial Cancer Center and Karen Davis Krzynowek Infusion Center together with all variations thereof, and the goodwill associated therewith, and all patents, trademarks, tradenames, service marks, domain names, trade secrets, copyrights, software (to the extent owned by Sellers), computer programs (to the extent owned by Sellers) and other intellectual property rights of Sellers (to the extent transferable) used in connection with the Business, including without limitation those described on Schedule 1.2(m) hereto (collectively, the "Sellers' Owned Intellectual Property");

(n) if elected by Buyer prior to Closing, each Seller's Medicare or Medicaid and other government healthcare program and commercial payor provider numbers and agreements to the extent assignable, including those items previously provided to Buyer to the extent still in effect as of the Effective Time, and rights of Sellers to settlement and retroactive adjustments, if any, for open cost reporting periods ending on or prior to the Closing Date (whether open or closed) arising from or against the U.S. Government under the terms of the Medicare program or TRICARE and against any state under its Medicaid program and against any third-party payor program that settles on a cost report basis, together with depreciation "recapture", whether recorded as a current or long-term asset;

(o) all nondisclosure or confidentiality, non-compete, or non-solicitation agreements with employees and agents of any Seller or with third parties to the extent relating to the Business or the Assets (or any portion thereof) and which are in favor of such Seller, including those set forth on Schedule 1.2(o) hereto to the extent still in effect as of the Effective Time;

(p) to the extent transferable, all of any Seller's rights under or pursuant to all warranties, representations and guarantees made by suppliers, manufacturers and contractors to the extent affecting any other Asset, other than any warranties, representations and guarantees pertaining to any Excluded Assets;

(q) all of Sellers' cash, cash equivalents, and short-term investments, except as set forth in subsection (t);

(r) all of Sellers' bankruptcy estates' interest in any and all Avoidance Actions;

(s) all equity interests in Tolland Imaging Center, LLC and all non-stock corporation membership interests and/or equity ownership interests in Northeast Regional Radiation Oncology Network, Inc. or any successor entity thereto;

(t) any funds remaining in any Administrative Expense Escrow following payment of all Administrative Expenses, which funds will be remitted by Sellers or their counsel to Buyer promptly following full and final payment of all Administrative Expenses; and

(u) except as expressly excluded in Section 1.3 below, all other property owned by Sellers, whether tangible or intangible, located at any Facility or used in connection with the Business, and any claims in favor of any Seller, whether known or unknown, contingent or otherwise.

The foregoing assets, together with the Excluded Assets, comprise substantially all of the property and assets used in the conduct and operation of the Business as of the Petition Date. Unless otherwise specified herein, the "Assets" also include all assets acquired by or leased by any Seller for use in connection with the Business between the Petition Date and the Effective Time.

The parties agree that Sellers have from time to time received or been made the beneficiaries of charitable gifts, transfers, trusts and bequests, and that these monies or any interest therein (the "Charitable Assets") are subject to the oversight of the Office of the Attorney General of Connecticut. It is the intention of the parties that, subject to the intentions of the donors and the approval of the Attorney General and the courts, if necessary, for Charitable Assets owned by any of the Sellers, the Charitable Assets will be transferred to the Buyer or an entity selected by the Buyer, to be used for the same charitable purposes for which they were donated, and for purposes thereof included among the Assets. To the extent they cannot be so transferred, they will constitute Excluded Assets, anything in this Agreement to the contrary notwithstanding. Further, it is the intention of the parties that, for Charitable Assets as to which any of the Sellers may be designated as beneficiary, Buyer or an entity selected by the Buyer will be designated as the successor beneficiary thereof in place of the applicable Seller(s).

Notwithstanding any provision of this Agreement identifying Buyer as the purchaser of the Assets, from time to time, prior to Closing, Buyer may designate one or more subsidiaries or Affiliates of Buyer which are entities formed for not-for-profit purposes entitling them to exemption under Section 501(c)(3) of the Code to be the transferee(s) of some or all of the Assets (any such subsidiary or Affiliate being referred to herein as a "Permitted Designee"). Each Permitted Designee shall be bound by all of the terms and conditions of this Agreement affecting Buyer as if such Permitted Designee were a signatory to this Agreement. In the event of any such designation, Buyer shall guarantee the obligations of such Permitted Designee(s) hereunder.

AS IS/WHERE IS. THE ASSETS SHALL BE TRANSFERRED "AS IS" AND "WHERE IS." EACH SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE (EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT). NO STATUTORY OR OTHER WARRANTIES AS TO THE CONDITION OF THE ASSETS OR THE MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE ASSETS SHALL BE IMPLIED, AND EACH SELLER HEREBY EXPRESSLY DISCLAIMS ANY REPRESENTATION OR WARRANTY AS TO THE CONDITION OF THE ASSETS OR THEIR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

1.3 Excluded Assets; Non-Assignable Contracts.

(a) The following items are not intended by the parties to be a part of the purchase and sale of assets hereunder and are excluded from the Assets (collectively, the

"Excluded Assets"): (i) the corporate record books, minute books and Tax records of each Seller; (ii) all Inventories disposed of in the ordinary course of business prior to the Closing and all accounts receivable collected in the ordinary course of business prior to the Closing; (iii) subject to the terms of Section 1.2(l), the Government Patient Receivables; (iv) except if Buyer elects pursuant to Section 1.2(n) to accept assignment of each Seller's Medicare and Medicaid provider number and provider agreements, rights of Sellers to settlement and retroactive adjustments, if any, for open cost reporting periods ending on or prior to the Closing Date (whether open or closed) arising from or against the U.S. Government under the terms of the Medicare program or TRICARE and against any state under its Medicaid program and against any third-party payor program that settles on a cost report basis, together with depreciation "recapture", whether recorded as a current or long-term asset; (v) rights of any Seller arising pursuant to this Agreement; (vi) all executory contracts or unexpired leases, whether oral or written, to which any Seller is a party which are not Assumed Contracts or Assumed Leases, and all assets leased, licensed or otherwise held pursuant thereto; (vii) personnel records to the extent the employees subject of such records have not consented in writing to the transfer of such records to the extent required by applicable law; (viii) all rights with respect to attorney-client privilege, attorney work product, accountant-client privilege and similar privileges and doctrines; (ix) all claims, counterclaims, rights and defenses of any Seller with respect to any other Excluded Asset and/or any Excluded Liability; and (x) any other assets as identified in a list previously provided to Buyer.

(b) Notwithstanding anything to the contrary in this Agreement, and subject to the provisions of this Section 1.3, to the extent that the assignment or transfer, or attempted assignment or transfer, to Buyer of any Assumed Contract or Assumed Lease would result in a violation of applicable law, or would require the consent, authorization, approval or waiver of a person who is not a party to this Agreement or an Affiliate of a party to this Agreement (including any Governmental Entity), and such consent, authorization, approval or waiver shall not have been obtained prior to the Closing, this Agreement shall not constitute an assignment, or transfer, or an attempted assignment or transfer, thereof; *provided, however*, that, subject to the satisfaction or waiver of the conditions contained in Articles VII and VIII, the Closing shall occur notwithstanding the foregoing without any adjustment to the Purchase Price on account thereof. Following the Closing, Sellers and Buyer shall use commercially reasonable efforts, and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver, or any release, substitution or amendment required to novate all Liabilities under any and all Assumed Contracts and Assumed Leases or to obtain in writing the unconditional release of all parties to such arrangements, so that, in any case, Buyer shall be solely responsible for such Liabilities from and after the Closing Date; *provided, however,* that neither Sellers nor Buyer shall be required to pay any consideration therefor. Once such consent, authorization, approval, waiver, release, substitution or amendment is obtained, Sellers shall be deemed, to have assigned and transferred to Buyer the relevant Assumed Contract or Assumed Lease to which such consent, authorization, approval, waiver, release, substitution or amendment relates for no additional consideration retroactive to the Effective Time, without need for further action of any Person, except as may be required by the Bankruptcy Court.

(c) To the extent that any Assumed Contract or Assumed Lease cannot be transferred to Buyer following the Closing, Buyer and Sellers shall use commercially reasonable efforts to enter into such arrangements (such as subleasing, sublicensing or subcontracting) to

provide to the parties the economic and, to the extent permitted under applicable law, operational equivalent of the transfer of such Assumed Contract or Assumed Lease to Buyer as of the Closing and the performance by Buyer of its obligations with respect thereto. To the extent that Buyer is receiving such economic and operational benefit, Buyer shall, as agent or subcontractor for Sellers, pay, perform and discharge fully the Liabilities of Sellers thereunder from and after the Closing Date. To the extent permitted under applicable law, Sellers shall, at Buyer's expense, hold in trust for and pay to Buyer promptly upon receipt thereof, such Assumed Contract or Assumed Lease and all income, proceeds and other monies received by Sellers to the extent related to such Assumed Contract or Assumed Lease in connection with the arrangements under this Section 1.3.

1.4 Assets Free and Clear; Assignment and Assumption Agreement.

(a) Notwithstanding any other provision hereof to the contrary, the Assets shall be sold and transferred to Buyer free and clear of all Liabilities and Liens, except (i) subject to the terms of Section 1.6(b)(i), the HFG Debt and the Liens securing the HFG Debt; (ii) the Restructured People's Debt in an amount not to exceed Ten Million Five Hundred Thousand Dollars ($10,500,000) of principal plus all outstanding and accrued interest on the Restructured People's Debt and the Liens securing the Restructured People's Debt; (iii) the Trade Payables; (iv) the Reimbursement Obligation directly attributable to the Sellers, in the event Buyer designates a Permitted Designee, and the Workers' Compensation Liabilities directly attributable to the Sellers in an amount not to exceed Two Million Dollars ($2,000,000); (v) the accrued and unpaid obligations of any Seller with respect to payroll, paid-time-off, incentive compensation and expense reimbursements as of the Effective Time (the "Accrued Employee Liabilities"); (vi) the obligations described in subsection (b) below; (vii) obligations of any Seller which are Intercompany Obligations; (viii) Real Property Permitted Encumbrances and other Permitted Liens; (ix) the Liabilities of Sellers, and Liens relating thereto, if any, set forth on Schedule 1.4(a)(ix); (x) the Healthcare Reimbursement Obligation in an amount not to exceed Two Million Two Hundred Thousand Dollars ($2,200,000); (xi) only if Buyer elects to accept assignment of each Seller's Medicare and Medicaid provider number and provider agreements pursuant to Section 1.2(n), all Liabilities under Sellers' Medicare and Medicaid provider numbers and agreements; and (xii) the Restructured Legacy Creditor Debt in an amount not to exceed (A) $3,000,000 plus (B) one-half of the Legacy Creditor Costs, up to a maximum of $50,000, and the Liens securing the Restructured Legacy Creditor Debt (collectively, the "Assumed Liabilities").

(b) Buyer shall expressly assume the Assumed Liabilities and all of Sellers' obligations with respect to events or periods on and after the Effective Time under the Assumed Contracts and the Assumed Leases, including without limitation the Collective Bargaining Agreement, pursuant to the Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") in substantially the form attached hereto as Exhibit 1.4(b).

(c) Except for the Assumed Liabilities, obligations with respect to events or periods on and after the Effective Time under the Assumed Contracts and obligations with respect to events or periods on and after the Effective Time under the Assumed Leases, Buyer is not assuming, and shall not be deemed to have assumed, any other Liability of any Seller, or any

of their Affiliates, fixed or contingent, disclosed or undisclosed, recorded or unrecorded, currently existing or hereafter arising, or otherwise.

(d) With respect to any indebtedness secured by a Lien on the Assets, if the indebtedness is not expressly assumed by Buyer, any such Lien shall attach to the proceeds of sale.

1.5 Excluded Liabilities. Other than the Assumed Liabilities, Buyer shall not assume and shall not be liable for any Liabilities of any Seller (all Liabilities of any Seller that are not Assumed Liabilities are referred to collectively as the "Excluded Liabilities").

1.6 Purchase Price.

(a) Subject to the terms and conditions hereof, in consideration for the Assets, the Buyer agrees to assume the Assumed Liabilities and pay an amount equal to or assume the obligations as follows:

(i) the aggregate amount of (A) the Restructured People's Debt assumed by Buyer in an amount of up to Ten Million Five Hundred Thousand Dollars ($10,500,000) of principal plus all outstanding and accrued interest on the People's Debt, (B) the HFG Debt, which will be assumed or paid in full by Buyer as described below, and (C) the Restructured Legacy Creditor Debt assumed by Buyer in the amount of (I) $3,000,000 plus (II) one-half of the unpaid Legacy Creditor Costs, up to a maximum of $50,000;

(ii) the Cure Costs under all Assumed Leases and Assumed Contracts in an amount up to Five Hundred Thousand Dollars ($500,000);

(iii) without duplication, the aggregate amount of the Reimbursement Obligation directly attributable to the Sellers and assumed by Buyer and the aggregate amount of the Workers' Compensation Liabilities directly attributable to the Sellers and assumed by Buyer in an amount up to Two Million Dollars ($2,000,000);

(iv) Five Hundred Thousand Dollars ($500,000) (such amount being referred to herein as the "Cash Payment");

(v) the aggregate amount of Trade Payables assumed by Buyer;

(vi) the Accrued Employee Liabilities;

(vii) the aggregate amount of any transfer taxes, fees or similar assessments resulting from the sale of the Assets pursuant hereto and paid by Buyer in an amount up to Three Hundred Thousand Dollars ($300,000) (the "Transfer Taxes");

(viii) the Healthcare Reimbursement Obligation in an amount up to Two Million Two Hundred Thousand Dollars ($2,200,000); and

(ix) the aggregate amount of any premiums to obtain the insurance described in Section 5.7 hereof (the items in (i) through (viii) are, together with the assumption of the Assumed Liabilities, collectively, the "Purchase Price").

(b) The Purchase Price shall be payable as follows:

(i) the HFG Debt will be paid in full or assumed by Buyer on terms and conditions mutually acceptable to the Buyer and HFG;

(ii) the accrued and outstanding interest on the People's Debt shall be paid at Closing and the Restructured People's Debt shall be payable over time as set forth in and pursuant to their respective terms;

(iii) the Cure Costs under the Assumed Leases and Assumed Contracts shall be payable as mutually agreed to by Sellers and Buyer;

(iv) the Reimbursement Obligation shall be paid by the applicable Permitted Designee, if any, in the ordinary course of business and the Workers' Compensation Liabilities shall be payable as and when due, provided that if Buyer does not appoint a Permitted Designee and in fact purchases the Assets directly, the Reimbursement Obligation shall be forgiven;

(v) the Cash Payment will be paid as more specifically set forth in Schedule 1.6(b)(v), such Schedule to be completed by Buyer prior to Closing and to include administrative expenses incurred in the Sellers' bankruptcy cases (collectively, the "Administrative Expenses") (Sellers shall have the right to approve the Administrative Expenses set forth in such Schedule, in their reasonable discretion);

(vi) the payment of the premium for the "tail" or other insurance required by Buyer pursuant to Section 5.7 to the applicable insurance carrier;

(vii) the Trade Payables shall be assumed by Buyer;

(viii) the Accrued Employee Liabilities shall be paid to or for the benefit of the applicable employees of Sellers in accordance with applicable law;

(ix) any Transfer Taxes shall be paid by Buyer to the appropriate Governmental Entity on the Closing Date;

(x) the Healthcare Reimbursement Obligation and any other Assumed Liabilities shall be paid by Buyer in the ordinary course of business; and

(xi) the Restructured Legacy Creditor Debt will be assumed and paid in full by Buyer on the Closing Date.

1.7 Additional Investment. In addition to the Purchase Price, Buyer anticipates spending up to Thirteen Million Dollars ($13,000,000) within the first three (3) years following

the Closing on investments in technology, capital improvements, expanded services and routine replacements for the Facilities.

1.8 Taxes. Subject to the last sentence of Section 1.9 hereof, each Seller shall pay all Taxes, if any, applicable to such Seller, but not including any Transfer Taxes resulting from the sale of the Assets pursuant hereto. Buyer shall pay all Taxes, if any, applicable to Buyer, and all Transfer Taxes payable on account of the transactions contemplated by this Agreement.

1.9 Tax Obligations. To the extent necessary to transfer Assets to Buyer free and clear of Liens (other than Permitted Liens) and Liabilities (except Assumed Liabilities), each Seller shall be responsible for and shall pay any Taxes arising or resulting from or in connection with its ownership and/or operation of the Assets for taxable periods (i) ending before the Effective Time or (ii) for those portions up to the Effective Time of a taxable period that begins prior to, but ends after, the Effective Time. Buyer shall be responsible for and shall pay all Taxes in connection with the ownership of the Assets for taxable periods or portions thereof beginning as of the Effective Time. Notwithstanding the foregoing, prior to the Effective Time, each Seller shall pay when due any and all provider taxes and, after the Effective Time, the Buyer shall pay when due any and all provider taxes regardless of whether such taxes are attributable to taxable periods ending before the Effective Time.

1.10 Cooperation With Respect to Taxes. The parties to this Agreement shall reasonably cooperate, including without limitation during times of audit by taxing authorities and in preparation of Tax Returns, to avoid payment of duplicate or inappropriate Taxes, and each party shall furnish, at the reasonable request of the other, proof of payment of any such Taxes or any other documentation that is a prerequisite to avoiding payment of a duplicate or inappropriate Tax. Such cooperation shall include, without limitation, furnishing information regarding prior years' Tax Returns and related work papers, rulings and determinations by any tax authority.

1.11 Reserved.

1.12 Lock Box. Each Seller hereby appoints, from and after the Closing Date, Buyer, and Buyer agrees to act, as its collection agent with respect to its Government Patient Receivables. In connection therewith, on or before the Closing Date, Buyer shall establish on each Seller's behalf (and with such Seller's tax identification number) a "lock box" at a financial institution selected by Buyer (subject to such Seller's approval, which shall not be unreasonably withheld), or alternatively Buyer and such Seller may agree to designate and use an existing "lock box" bank account owned by Seller (the "Designated Lock Box Account"), and after the Closing, Buyer, as agent for such Seller and on such Seller's behalf, shall deposit in such designated lock box all cash, checks, drafts or other similar items of payment of such Government Patient Receivables. Each Seller shall provide standing instructions in writing to the financial institution at which such account is maintained directing all proceeds deposited in the Designated Lock Box Account be swept out on a daily basis to another deposit account at the financial institution owned by such Seller (the "Second Deposit Account"). Such Seller shall assign all such amounts deposited on its behalf into the Second Deposit Account to Buyer in full satisfaction of its obligation to transfer to Buyer an amount equal to the value of its Government Patient Receivables actually collected, as set forth in Section 1.2(l). Each Seller's agreement

with the financial institution shall require such Seller to provide at least ten (10) days prior written notice to the bank and obtain approval from the Bankruptcy Court before any change to these standing instructions shall become effective and shall require the bank to notify the Buyer of any change to these standing instructions at least five (5) days before becoming effective. Any change in the standing instructions not agreed to in writing in advance by Buyer shall constitute a material breach of the applicable Seller's obligations under this Agreement. The provisions of this Section 1.12 shall be subject to the rights of HFG as it relates to the Government Patient Receivables and in the event the Buyer assumes the HFG Debt, the lock box arrangement must be satisfactory to HFG.

1.13 Casualty and Condemnation Loss Provision.

(a) The risk of loss or damage to any of the Assets shall remain with Sellers until the Effective Time, and Sellers shall maintain their insurance policies covering the Assets and all other property through the Effective Time. If any material part or portion of the Assets is damaged, lost or destroyed (whether by fire, theft or other casualty event) prior to the Effective Time, Sellers shall notify Buyer ("Casualty Notice") as soon as possible of such damage, loss or destruction. The Casualty Notice shall set forth Sellers' good faith, reasonable estimate of the fair market value of the cost to repair, replace or restore (as applicable) such damage, loss or destruction (the "Estimate").

(b) In the event that there is damage, loss or destruction to the Assets (collectively, the "Casualty Assets") and (i) it can reasonably be anticipated that such damage, loss or destruction will prevent Buyer from providing a material service at any Facility for more than sixty (60) days after the Closing Date and so as to cause a Material Adverse Effect; or (ii) the Estimate is greater than $3,000,000 in excess of any applicable insurance recovery (either (i) or (ii), a "Material Loss"), Buyer may, within ten (10) days after receipt of the Estimate, by written notice to Sellers, terminate this Agreement.

(c) If, prior to the Effective Time, any part or portion of the Assets is destroyed, lost or damaged (i) to an extent that does not result in a Material Loss or (ii) to an extent that there is a Material Loss and Buyer chooses not to terminate this Agreement, Buyer and Sellers shall consummate the transactions contemplated in this Agreement, subject to the other terms and conditions of this Agreement, and, at the Effective Time, Sellers shall deliver possession of the Assets to Buyer in such physical condition as the same may then exist; provided that, in such event, Sellers shall assign to Buyer the right to receive any net insurance proceeds for the property loss or damage to the Assets and reduce the cash portion of the Purchase Price by an amount equal to any deductible or other reduction below fair market value of the applicable Assets of the net insurance proceeds received in connection therewith. For purposes of effecting this Section 1.13, Buyer will be a named additional insured on Sellers' property insurance.

(d) If, prior to the Effective Time, any Seller becomes aware that any condemnation proceeding is threatened or filed in respect of any Real Property, Sellers shall give prompt written notice thereof to Buyer, in which event Sellers agree to negotiate in good faith with Buyer regarding the effect, if any, such a proceeding shall have on the transactions contemplated herein. In the event that the condemnation proceeding relates to a material portion

of any Facility as determined by Buyer in good faith, Buyer shall have the option to terminate this Agreement or proceed with Closing, provided, that Buyer shall be entitled to receive the entire condemnation award. Buyer shall have the right to approve or disapprove any proposed settlement concerning any filed or threatened condemnation proceeding relating to any of the Assets.

(e) The provisions of this Section 1.13 shall be subject to the rights of People's under the Hospital Loan Documents and the Surgery Center Loan Documents.

1.14 Deposit. Concurrently with the execution of the Original Purchase Agreement Buyer deposited into an escrow (the "Deposit Escrow") with the Title Company as escrow agent (the "Deposit Escrow Holder"), an amount equal to Seven Hundred Fifty Thousand Dollars ($750,000.00) (together with interest earned thereon, the "Deposit") in immediately available, good funds, pursuant to joint instructions to be delivered to the Deposit Escrow Holder. Upon receipt of such funds, the Deposit Escrow Holder deposited the Deposit into an interest-bearing account. The Deposit is held pursuant to an Escrow Agreement (the "Escrow Agreement") entered into by the parties and Deposit Escrow Holder concurrently with the execution of the Original Purchase Agreement. At Closing, the Deposit shall be paid over to Sellers. If this Agreement terminates for any reason, the Deposit shall be paid over to Sellers or returned to Buyer, as set forth in Section 11.3 and the Escrow Agreement.

2. CLOSING.

2.1 Closing. The consummation of the purchase and sale of the Assets (the "Closing") shall take place at the offices of Hinckley, Allen & Snyder LLP or such other agreed upon location, at 10:00 A.M. local time on the last business day of the month in which all of the conditions precedent thereto have been satisfied, except those that are to be satisfied at the time of the Closing, or at such other time as the parties hereto may mutually designate in writing (the "Closing Date"), but in no event later than January 14, 2016, or such other date as the parties may agree in writing. The Closing shall be effective for all purposes at 12:01 A.M. on the first calendar day of the next succeeding month or at such other point in time as the parties may agree in writing (the "Effective Time").

2.2 Actions of Sellers at Closing. At the Closing, each Seller shall deliver, or cause to be delivered, to Buyer the following (each Seller hereby acknowledges and agrees that the agreements described in this Section 2.2 shall expressly provide that the Assets shall be delivered free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities)):

(a) One or more quitclaim deeds or deeds in transferable and recordable form, reasonably acceptable to each of Buyer and the Title Company, executed by a duly appointed duly authorized officer and/or representative of such Seller, conveying to Buyer all of such Seller's right and interest to the Sellers' Owned Real Property, subject only to the applicable Real Property Permitted Encumbrances that affect any such parcel;

(b) An Assignment and Assumption Agreement executed by a duly authorized officer and/or representative of such Seller;

(c) A general bill of sale and assignment substantially in the form attached hereto as Exhibit 2.2(c) (the "Bill of Sale") executed by a duly authorized officer and/or representative of such Seller;

(d) The applicable Name Amendments for filing with the Office of the Connecticut Secretary of the State;

(e) A secretary's certificate, including copies of resolutions duly adopted by its board of directors or other governing body authorizing and approving the performance of each of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein, together with certificates of incumbency, certified as true and of full force as of the Closing by an appropriate officer of such Seller;

(f) A certificate of the respective President or a Vice President of such Seller, certifying that the conditions set forth in Sections 7.1, 7.3 (as it relates to Sellers), 7.4 and 7.6 have been satisfied;

(g) A certificate of existence of such Seller from the Office of the Connecticut Secretary of the State dated not more than ten (10) days prior to Closing;

(h) A title insurance affidavit substantially in the form of Exhibit 2.2(h) hereto as requested by the Title Company;

(i) Reserved;

(j) Copies of insurance policies and certificates of insurance evidencing the insurance described in Section 5.7;

(k) JMH shall deliver a Drug Enforcement Administration limited power of attorney fully executed by a duly authorized officer of JMH (the "DEA Power of Attorney"), substantially in the form attached hereto as Exhibit 2.2(k);

(l) A certificate of non-foreign status, dated as of the Closing Date, executed by a duly authorized officer of such Seller, in form and substance required under the Treasury Regulations pursuant to Section 1445 of the Code, substantially in the form of Exhibit 2.2(l) hereto;

(m) Reserved;

(n) The Medical Records Custody Agreement; and

(o) Such other instruments and documents as Buyer reasonably deems necessary to effectuate the transactions contemplated hereby.

Simultaneously with the delivery of the foregoing items and as reasonably required at any time thereafter, each Seller will take all steps as may reasonably be required to put Buyer in actual possession and operating control of the Assets following the Closing.

2.3 Actions of Buyer at Closing. At the Closing, Buyer shall deliver, or cause to be delivered, to Sellers or their representatives:

(a) Payment of the Purchase Price less the Deposit as determined in accordance with and payable pursuant to Section 1.6 hereof;

(b) The Assignment and Assumption Agreement, all executed by a duly authorized officer of Buyer;

(c) Reserved;

(d) The Medical Records Custody Agreement;

(e) A copy of resolutions duly adopted by the board of directors of Buyer authorizing and approving Buyer's performance of the transactions contemplated hereby and the execution and delivery of the documents described herein, certified as true and of full force as of the Closing by an appropriate officer of Buyer;

(f) A certificate, dated as of the Closing Date, of an appropriate officer of Buyer certifying that the conditions set forth in Sections 8.1 and 8.2 (as it relates to Buyer) have been satisfied;

(g) A certificate of incumbency, dated as of the Closing Date, for the officers of Buyer making certifications for Closing or executing this Agreement, the Assignment and Assumption Agreement, or any other documents, agreements or certificates contemplated by the terms hereof to be executed and delivered by Buyer; and

(h) A certificate of existence of Buyer from the Office of the Connecticut Secretary of the State dated not more than ten (10) days prior to Closing.

3. REPRESENTATIONS AND WARRANTIES OF SELLERS.

As of the Petition Date and as of the Closing Date, Sellers hereby jointly and severally represent and warrant to Buyer the following:

3.1 Existence and Capacity. Each Seller is a nonstock corporation, duly organized, validly existing and in good standing under the laws of the State of Connecticut with all requisite corporate power and authority to own, operate and lease its properties, including, without limitation, the Assets.

3.2 Binding Agreement. This Agreement constitutes the valid, legal and binding obligation of each Seller, enforceable against such Seller in accordance with its terms. Upon the execution and delivery by each Seller of such other agreements as may be required pursuant to Section 2.2, such agreements will constitute valid, legal and binding obligations of such Seller, enforceable against such Seller in accordance with their terms.

3.3 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery, and performance of this Agreement by each Seller and all other agreements referenced

herein, or ancillary hereto, to which such Seller is a party, and the consummation of the transactions contemplated herein by such Seller:

(a) are within such Seller's authority and power, are not in contravention of law or of the terms of such entity's organizational documents and have been duly authorized by all appropriate action of such Seller;

(b) except as set forth on Schedule 3.3, do not require any approval or consent of, or filing with, any Governmental Entity bearing on the validity of this Agreement which is required by law or the regulations of any such Governmental Entity, assuming the accuracy of Buyer's representation and warranty set forth in Section 4.6; and

(c) assuming the accuracy of Buyer's representation and warranty set forth in Section 4.6, will not violate any statute, law, ordinance, rule or regulation of any Governmental Entity to which any Seller or the Assets may be subject; and will not violate any judgment, decree, order, writ or injunction of any court or Governmental Entity to which any Seller, or the Assets may be subject.

3.4 Sufficiency of Assets. Except for the Excluded Assets, the Assets constitute, in the aggregate, all the assets, interests, rights and property used by Sellers in connection with the operation of the Business as currently conducted.

3.5 Title to Tangible Personal Property. Seller has good and valid title to, or a valid leasehold interest in, all tangible personal property included in the Assets.

3.6 Real Property. Schedule 1.2(a) sets forth the Sellers' Owned Real Property. Seller has good and marketable fee simple title to the Sellers' Owned Real Property. Schedule 1.2(b) sets forth the Sellers' Leased Real Property. No Seller has received any written notice of existing, pending or threatened (i) condemnation proceedings affecting the Sellers' Owned Real Property or Sellers' Leased Real Property, or (ii) zoning, building code or other moratorium proceedings, or similar matters which would reasonably be expected to materially and adversely affect the ability to operate the Sellers' Owned Real Property or Sellers' Leased Real Property as currently operated. Neither the whole nor any material portion of any Sellers' Owned Real Property or Sellers' Leased Real Property has been damaged or destroyed by fire or other casualty.

4. REPRESENTATIONS AND WARRANTIES OF BUYER.

As of the Petition Date and as of the Closing Date, Buyer hereby represents and warrants to Sellers the following:

4.1 Existence and Capacity. Buyer is a nonstock corporation duly organized, validly existing and in good standing under the laws of the State of Connecticut with all requisite corporate power and authority to own, operate and lease its properties.

4.2 Binding Agreement. This Agreement constitutes the valid, legal and binding obligation of Buyer enforceable against Buyer in accordance with its terms. Upon the execution and delivery by Buyer of such other agreements as may be required pursuant to Section 2.3

herein, such agreements will constitute valid, legal and binding obligations of Buyer enforceable against Buyer in accordance with their terms.

4.3 Powers; Consents; Absence of Conflicts With Other Agreements. The execution, delivery, and performance of this Agreement by Buyer and the execution, delivery and performance by Buyer of all other agreements referenced herein, or ancillary hereto, to which Buyer is a party, and the consummation of the transactions contemplated herein by Buyer: are within Buyer's corporate powers, are not in contravention of law or of the terms of Buyer's organizational or governing documents and have been duly authorized by all appropriate action; except as set forth on Schedule 4.3, do not require any approval or consent of, or filing with, any Governmental Entity bearing on the validity of this Agreement which is required by law or the regulations of any such Governmental Entity; will not conflict with, require consent under or result in any breach or contravention of, or the creation of any Lien under, any indenture, agreement, lease, instrument or understanding to which Buyer or its Affiliates is a party or by which any of them is bound or any of their assets is subject; will not violate any statute, law, ordinance, rule or regulation of any Governmental Entity to which Buyer or its Affiliates may be subject; and will not violate any judgment, decree, order, writ or injunction of any court or Governmental Entity to which Buyer or its Affiliates may be subject.

4.4 Continuation of Sellers' business. It is the present intention of Buyer to continue the historic business lines and services of Sellers.

4.5 Wherewithal to Perform Obligations. Buyer has sufficient funds, personnel, property, assets and other resources to undertake and perform its obligations under this Agreement.

4.6 HSR Act. The Board of Directors of the "ultimate parent entity" of the "acquiring person" of which Buyer is a part for purposes of the HSR Act has determined that the fair market value of the Assets and the assets to be sold pursuant to the JEC Transaction is less than $75,900,000.

5. COVENANTS PRIOR TO CLOSING.

5.1 Operations. Between the Petition Date and the earlier of the Effective Time or the termination of this Agreement, with respect to the ownership and operation of the Assets and Facilities and subject to the terms of the Affiliation Agreements, each Seller will:

(a) carry on the Business in substantially the same manner as it has been heretofore conducted, and not make any material change in personnel or operations and not make any change in its finance or accounting policies or practices;

(b) maintain the Assets in substantially as good working order and condition as at present, ordinary wear and tear excepted;

(c) perform in all respects their obligations under agreements relating to or affecting the Assets, including, without limitation, stay current on all executory contracts to which it is a party;

(d) keep in full force and effect present insurance policies or other comparable insurance coverage;

(e) keep current in payment of its wages and maintenance of its benefits to its employees;

(f) continue to timely dispose of any expired drugs and pharmaceuticals in the ordinary course of business and as required by applicable law; and

(g) use commercially reasonable efforts to maintain and preserve its business organization intact, to retain its present employees, to maintain its relationships with suppliers, physicians, patients and others having business relations with any Facility and to maintain all Permits and Licenses in full force and effect.

5.2 Performance Under Affiliation Agreements. Until the earlier of the Closing Date and the date that is fifteen (15) days following the date of termination of this Agreement, Saint Francis will continue to be a party to and perform its obligations under the Affiliation Agreements, subject to the terms of those agreements.

5.3 Efforts to Close. Each party hereto shall use commercially reasonable efforts to proceed toward the Closing and to cause the other parties' conditions to Closing to be met as soon as practicable and consistent with the other terms contained herein. Each party hereto shall notify the other parties as soon as practicable of any event or matter which comes to such party's attention which may reasonably be expected to prevent the conditions to such party's obligations being met.

5.4 Consents. Each party hereto will use its respective commercially reasonable efforts to obtain all permits, approvals, authorizations and consents of all third parties necessary or desirable for the purpose of (i) consummating the transactions contemplated hereby or (ii) enabling Buyer to operate the Business in the ordinary course after the Closing. Each Seller agrees to cooperate reasonably with Buyer in Buyer's efforts (A) to make any required filings and to obtain any third party consents or governmental approvals necessary in order to consummate the transactions contemplated hereby, (B) to respond to any governmental investigation of such transactions, and (C) to defend any legal or administrative proceedings challenging such transactions. Each Seller will, upon reasonable request, cooperate with Buyer and its representatives and counsel, in the preparation of any document or other material which may be required by any Governmental Entity as a predicate to or result of the transactions herein contemplated. Buyer's and Sellers' obligations pursuant to filings with Governmental Entities shall be controlled by Section 5.9.

5.5 Notice; Efforts to Remedy. Prior to the Closing, each party shall promptly give written notice to the other parties hereto upon becoming aware of the impending occurrence of any event which would cause or constitute a breach of any such party's representations, warranties or covenants in this Agreement or cause a Material Adverse Effect. Prior to the Closing, each party shall use its commercially reasonable efforts to prevent or promptly remedy any breach of its representations, warranties or covenants contained in this Agreement.

5.6 Termination of Employees. Effective as of the Closing Date, Sellers shall take appropriate action to terminate the employment of all Employees and to remove such Employees from their payrolls, with Buyer responsible for all Accrued Employee Liabilities as an Assumed Liability.

5.7 Tail Insurance. Sellers shall obtain "tail" or other insurance, in form and substance (including cost and amount) acceptable to Buyer, in its commercially reasonable discretion, to insure against Liabilities of the Facilities, Employees (including without limitation professional employees) and the Business relating to all periods prior to the Effective Time.

5.8 Evergreen Ground Lease. Buyer agrees to consent to the assignment by JEC and assumption by the purchaser of the assets in the JEC Transaction of the Evergreen Ground Lease, pursuant to an assignment and assumption agreement, in form and substance acceptable to Buyer.

5.9 CON and Other Regulatory Filings.

(a) Buyer and Sellers shall collaborate on the development and prosecution of a joint certificate of need application to be filed with OHCA for approval of the transactions contemplated by this Agreement. The parties agree that Buyer will prepare the first draft of the CON application, including all documents and exhibits related thereto, which shall be subject to review by the parties and shall be approved by Buyer and Sellers before the final CON application is filed with OHCA. Buyer shall pay for the costs relating to the CON application, including the cost of its financial advisors for the CON, except that each party shall be responsible for its own attorney's fees.

(b) Each Party hereto shall, as promptly as possible, use its reasonable best efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all Governmental Entities in addition to the CON Filing and OHCA approval under Section 5.9(a), that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement. Each party shall cooperate fully with the other party and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders and approvals. The parties hereto shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals.

(c) Buyer and Sellers will coordinate all communications with Governmental Entities. Buyer and Sellers will inform one another of any communication from any Governmental Entity concerning this Agreement and the transactions contemplated herein promptly after receiving such communication.

6. BANKRUPTCY COURT APPROVALS.

6.1 Bankruptcy Court Approvals, Generally. This Agreement is subject to approval by the Bankruptcy Court.

6.2 Sale Procedures Order and Sale Order. Promptly following the Execution Date (and in no event later than two business days following the Execution Date), Sellers shall make a

motion (the "Sale Motion") seeking entry of the Sale Order, in the form attached hereto as Exhibit 6.2, or in such other form that is satisfactory to Buyer, in its sole discretion.

Sellers shall use reasonable good faith efforts to obtain entry of the Sale Order by the Bankruptcy Court as soon as practicable, and in no event later than May 15, 2015, unless Buyer in its sole discretion agrees to a later date. The Sale Order shall (i) approve the sale of the Assets to Buyer on the terms and conditions set forth in this Agreement and authorize Sellers to proceed with the transactions contemplated herein, (ii) include a specific finding that Buyer or its designee is a good faith buyer of the Assets, and (iii) state that the sale of the Assets to Buyer or its designee shall be free and clear of all Liabilities and Liens whatsoever (other than Assumed Liabilities and Permitted Liens).

7. CONDITIONS PRECEDENT TO OBLIGATIONS OF BUYER.

The obligations of Buyer to purchase the Assets in accordance with the terms of this Agreement are subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by Buyer:

7.1 Representations/Warranties. The representations and warranties of each Seller made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects when made as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date. Each Seller shall have duly performed, complied with and satisfied all covenants, agreements and conditions required by this Agreement to be performed, complied with or satisfied in all material respects by it prior to the time of the Closing.

7.2 Pre-Closing Confirmations. Buyer shall have obtained documentation or other evidence confirming the following:

(a) The Sale Order shall have been issued and have become a Final Order;

(b) confirmation and effective transfer or reissuance (upon Closing) of the appropriate registration and/or licensure of the Facilities to the extent required by the State of Connecticut for continued operation of the Facilities by Buyer after the Closing;

(c) if an assignment of the Medicare and Medicaid provider numbers is elected by Buyer pursuant to Section 1.2(n) hereof, confirmation of Medicare and Medicaid certification of the Facilities or if such assignments are not so elected by Buyer, Buyer and Sellers shall have taken all steps necessary and appropriate, including filing of CMS Form 855 and sending notification and any applicable application to the Connecticut Department of Social Services, to apply for and obtain Medicare and Medicaid certification of the Facilities as soon as practicable after the Closing;

(d) confirmation from the Department of Health as to any necessary registration and licensure matters with respect to the operation by Buyer of the Facilities and all presently authorized services on and after the Closing;

(e) issuance by OHCA of a CON approving this Agreement and the transactions contemplated herein without the imposition of any condition deemed by Buyer to be materially burdensome, as determined in Buyer's reasonable discretion;

(f) confirmation of receipt of all other required approvals, licenses, consents, authorizations, and permits from all Governmental Entities required to consummate the transactions herein contemplated and to permit Buyer to operate the Facilities and all presently authorized services on and after the Closing; and

(g) confirmation of receipt of all required approvals and consents of the Roman Catholic Church approving the transactions contemplated herein.

7.3 Action/Proceeding. No action, proceeding, investigation or administrative hearing before a court or any other Governmental Entity shall have been instituted or threatened against any Seller or Buyer which seeks injunctive relief in anticipation of the sale of the Assets and may reasonably be expected to prohibit the sale of the Assets to Buyer or seeks damages in a material amount by reason of the consummation of the transactions contemplated hereby.

7.4 Adverse Changes. A Material Adverse Effect on the Business, the Hospital, the Assets or a Facility shall not have occurred after the date hereof and be continuing as of the Closing Date, a Material Adverse Effect shall not be in existence, or there shall not have occurred any event that with reasonable certainty would constitute or cause a Material Adverse Effect.

7.5 Proceedings and Documents Satisfactory. Buyer shall have received such certificates, opinions and other documents, including without limitation, those identified in Section 2.2 hereof in order to consummate the transactions contemplated hereby on the terms set forth herein, all of which shall be in form and substance reasonably satisfactory to it and its counsel. All proceedings in connection with the purchase and sale of the Assets and all certificates and documents delivered to Buyer pursuant to this Agreement shall be reasonably satisfactory in form and substance to Buyer and its counsel acting reasonably and in good faith.

7.6 No Investigation; Satisfactory Resolution of CMS Investigation. Except as previously disclosed in writing by Sellers to Buyer prior to the Petition Date, no regulatory investigation or proceeding involving CMS, the Justice Department or any other federal or state agency and involving or related to Seller that had or reasonably would have a Material Adverse Effect on Seller shall have been commenced. Buyer shall be satisfied, in its reasonable discretion, of the resolution of all matters related to the CMS Investigation.

7.7 Sale Order. The Sale Order shall provide that the Assets shall be conveyed free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities) and on the Closing Date shall, in fact, be delivered free and clear of all Liens (other than Permitted Liens) and Liabilities (other than Assumed Liabilities).

7.8 HSR Act. If a filing is required under the HSR Act on account of the transactions contemplated by this Agreement, the waiting period under the HSR Act shall have expired or been terminated.

7.9 Assumed Liabilities. Each category of Assumed Liabilities set forth in Section 1.4(a)(i) – (iv), (vii) and (viii) shall not exceed the amounts set forth in such subsections relative to each such Assumed Liability.

7.10 Tail or Other Insurance. Sellers shall have obtained "tail" or other insurance, in form and substance (including cost and amount) acceptable to Buyer, in its commercially reasonable discretion as set forth in Section 5.7 hereof.

7.11 HFG Debt. The aggregate outstanding amount of the HFG Debt shall not exceed Seven Million Dollars ($7,000,000).

7.12 Net Working Capital. Sellers' Net Working Capital shall be no less than One Million Dollars ($1,000,000) as of the Closing Date. Not more than five (5) days before the Closing Date, Sellers shall provide the Buyer with their computation of estimated Net Working Capital as of the Closing Date. Such computation shall be subject to Buyer's review and approval.

7.13 Restructured Legacy Creditor Debt. Buyer shall have reached an agreement with the Legacy Creditors regarding the assumption and satisfaction of the Restructured Legacy Creditor Debt that is satisfactory to Buyer in its sole discretion.

8. CONDITIONS PRECEDENT TO OBLIGATIONS OF SELLERS.

The obligations of Sellers to sell the Assets in accordance with the terms of this Agreement are subject to the satisfaction, on or prior to the Closing Date, of the following conditions unless waived in writing by Sellers:

8.1 Representations/Warranties. The representations and warranties of Buyer made in this Agreement qualified as to materiality shall be true and correct, and those not so qualified shall be true and correct in all material respects, when made, as of the Closing Date as though such representations and warranties had been made on and as of such Closing Date. Each and all of the terms, covenants, and conditions of this Agreement to be complied with or performed by Buyer on or before the Closing Date pursuant to the terms hereof shall have been duly complied with and performed in all material respects.

8.2 Action/Proceeding. No action, proceeding, investigation or administrative hearing before a court or any other Governmental Entity shall have been instituted or threatened against any Seller or Buyer which seeks injunctive relief in anticipation of the sale of the Assets and may reasonably be expected to prohibit the sale of the Assets to Buyer or seeks damages in a material amount by reason of the consummation of the transactions contemplated hereby.

8.3 Proceedings and Documents Satisfactory. Sellers shall have received such certificates, opinions and other documents, including without limitation, those identified in Section 2.3 hereof in order to consummate the transactions contemplated hereby, all of which shall be in form and substance reasonably satisfactory to them and their counsel. All proceedings in connection with the purchase and sale of the Assets and all certificates and documents delivered to Sellers pursuant to this Agreement shall be reasonably satisfactory in form and substance to Sellers and their counsel acting reasonably and in good faith.

8.4 Pre-Closing Confirmations. Sellers shall have obtained documentation or other evidence confirming the following:

(a) The Sale Order shall have been issued and have become a Final Order;

(b) confirmation and effective transfer or reissuance (upon Closing) of the appropriate registration and/or licensure of the Facilities to the extent required by the State of Connecticut for continued operation of the Facilities by Buyer after the Closing;

(c) if an assignment of the Medicare and Medicaid provider numbers is elected by Buyer pursuant to Section 1.2(n) hereof confirmation of Medicare and Medicaid certification of the Facilities or if such assignments are not so elected by Buyer, Buyer and Sellers shall have taken all steps necessary and appropriate, including filing of CMS Form 855 and sending notification and any applicable application to the Connecticut Department of Social Services, to apply for and obtain Medicare and Medicaid certification of the Facilities as soon as practicable after the Closing;

(d) confirmation from the Department of Health as to any necessary registration and licensure matters with respect to the operation by Buyer of the Facilities and all presently authorized services on and after the Closing; and

(e) issuance by OHCA of a CON approving this Agreement and the transactions contemplated herein; and

(f) confirmation of receipt of all other required approvals, licenses, consents, authorizations, and permits from all Governmental Entities required to consummate the transactions herein contemplated and to permit Buyer to operate the Facilities and all presently authorized services on and after the Closing.

8.5 HSR Act. If a filing is required under the HSR Act on account of the transactions contemplated by this Agreement, the waiting period under the HSR Act shall have expired or been terminated.

9. EMPLOYEE MATTERS.

9.1 Transfer of Employment.

(a) Effective as of the Closing Date, Buyer shall offer at will employment to substantially all employees who are employed by Sellers immediately prior to the Effective Time, who satisfy Buyer's standard policies and conditions for employment, and as otherwise provided herein below (the employees who accept such an offer and commence employment with Buyer are collectively referred to herein as the "Transferred Employees"). Each offer of employment shall provide for base salary or hourly wage rates at least equal to such employee's base salary or hourly wage rate in effect immediately prior to the Closing Date. Buyer shall provide employee benefits that are in the aggregate substantially similar, as reasonably determined by Buyer, to the benefits provided to Sellers' employees immediately prior to the Closing Date. Nothing herein shall be deemed to affect or limit in any way management prerogatives of Buyer with respect to employees, including the right to amend or terminate any

employee benefit plans and programs or limit the obligations of Buyer to amend its plans as needed to comply with applicable law.

(b) As of the Effective Time, Buyer shall take the following actions: (i) waive any eligibility waiting periods under any health and welfare plans maintained for the benefit of the Transferred Employees and, to the extent possible, waive any limitations regarding pre-existing conditions under any welfare plans maintained for the benefit of the Transferred Employees, (ii) provide each Transferred Employee with credit for any co-payments and deductibles paid prior to the Effective Time in satisfying any applicable deductible or out-of-pocket requirements under such health plans, and (iii) for purposes of eligibility, vesting and the allocation of employer contributions under a defined contribution plan (but not for purposes of benefit accrual under a defined benefit plan) under the plans and policies of Buyer, treat all service by the Transferred Employees with Sellers and their Affiliates immediately prior to the Effective Time as service with Buyer. The Buyer shall also recognize accrued but unused paid time off as part of assuming the Accrued Employee Liabilities with respect to the employment period of the Transferred Employees including the Effective Time, and shall credit each Transferred Employee all service by such Transferred Employee with Sellers and their Affiliates immediately prior to the Effective Time as service with Buyer for purposes of determining subsequent entitlement to paid time off.

(c) In respect of notices and payments relating to events occurring prior to the Effective Time, Sellers shall be responsible for all Liability for any and all notices, payments, fines or assessments due to any Governmental Entity, pursuant to any applicable laws, with respect to the employment, discharge or layoff of employees by Sellers prior to the Effective Time, including but not limited to the Worker Adjustment and Retraining Notification Act and any rules or regulations as have been issued in connection with the foregoing (jointly, referred to throughout this Agreement as the "WARN Act"). Likewise, in respect of notices and payments relating to events occurring at or prior to the Effective Time, Buyer shall be responsible and assume (and shall indemnify and hold each Seller harmless from and against) all Liability for any and all notices, payments, fines or assessments due to any Governmental Entity, pursuant to the WARN Act, with respect to the employment, discharge, layoff of employees employed by Buyer at or after the Effective Time.

9.2 Assumption of Collective Bargaining Agreement. Buyer agrees to assume all rights, liabilities and obligations of the Sellers under the Collective Bargaining Agreement.

9.3 No Third Party Beneficiaries. Nothing herein shall be deemed to create or grant to any such employee or Transferred Employee third-party beneficiary rights or claims or causes of action of any kind or nature.

10. PARTICULAR COVENANTS.

10.1 COBRA Responsibilities. With respect to any current or former employee of Sellers who (including any eligible spouse and dependent thereof) incurs a qualifying event, as defined by Code Section 4980B or Part 6 of Subtitle B of Title I of ERISA, as a result of the transaction contemplated by this Agreement, whether or not hired by Buyer, or who incurred a qualifying event prior to the Effective Time (all such employees together with their spouses and

eligible dependents are referred to herein as "Qualified Beneficiaries"), Sellers shall retain the obligation, if any, for providing notices and continuation coverage under COBRA or other similar continuation coverage obligation and shall offer, if required, such Qualified Beneficiaries continuation coverage under the group health, dental or other medical plans of Sellers to the fullest extent required by COBRA. In the event that Sellers and its Affiliates do not maintain a group health plan after the Closing, the Qualified Beneficiaries shall become eligible for COBRA continuation coverage under a group health, dental or other medical plan of Buyer.

10.2 Name Change; Change in Case Caption. Each Seller acknowledges and agrees that Buyer will acquire as part of the Assets the exclusive right to use the names Johnson Memorial Hospital, Johnson Surgery Center, Advanced Wound Center, Community Cancer Center, Home & Community Health Services, Johnson Memorial Cancer Center and Karen Davis Krzynowek Infusion Center and all variations thereof and the goodwill associated therewith and that no Seller will use such name(s) or any derivative thereof subsequent to the Closing, except that Sellers' entity names may include such names on a transitional basis until such time as the Name Amendments described below have been effectuated. Sellers further covenant and agree that, on or before the Closing Date, Sellers will have adopted a resolution changing the names of Sellers to such names as mutually agreed to by the parties (the "Name Amendments"). The resolutions and the amendments shall have an effective date that is not more than thirty (30) days following the Closing Date. As contemplated by Section 2.2, Sellers shall deliver the Name Amendments to Buyer at the Closing, and Buyer is hereby authorized to file the Name Amendments with the office of the Connecticut Secretary of the State at any time following the Closing. Within the later of five (5) days of the entry of the Sale Order or two (2) days following Buyer's notice to Sellers that the Name Amendments have been filed with the office of the Connecticut Secretary of the State, Sellers shall file a motion with the Bankruptcy Court to change the case caption of the Bankruptcy Case and the name of each Seller consistent with the provisions of this Section 10.2.

10.3 Terminating Cost Report. Sellers shall prepare and timely file (and provide Buyer a copy) of all terminating cost reports for the Facilities in respect of the Medicare and Medicaid programs, or any successor governmental program, reflecting consummation of the transactions contemplated hereby no later than one hundred fifty (150) days after the Closing. Buyer, upon reasonable notice from Sellers, during normal business hours, will cooperate with Sellers in regard to the preparation, filing, handling and appeals of Sellers' cost reports related to the Business for periods prior to the Effective Time. After the Effective Time, Buyer agrees to provide Sellers with reasonable access to records of the Business necessary and appropriate for the preparation or appeal of Sellers' cost reports and to provide services of Buyer's employees to Sellers as reasonably necessary and appropriate, subject to Buyer's discretion, in connection with the preparation and/or appeal of such cost reports.

10.4 Required Creditor Notices. Sellers shall provide prompt and timely notice of the proposed sale of the Assets, in form and substance reasonably acceptable to Buyer and in such manner as may be required by applicable law, to each Seller's creditors and all parties entitled to notice of the Sale Motion.

10.5 Transferred Contracts. Not less than thirty (30) days prior to the Closing, Buyer shall provide (a) documentation identifying all Contracts Buyer wishes to be assumed by Sellers

and assigned by the Sellers to Buyer at Closing (the "Transferred Contracts"); (b) documentation identifying all Contracts that Buyer may, at a later date, wish to be assigned by the Sellers (the "Designated Contracts"); and (c) all Contracts that Buyer will not be seeking to be assigned by the Sellers (the "Excluded Contracts"). At any time between the Closing and the 10th day following the Closing, Buyer may re-designate any Designated Contract as either a Transferred Contract or an Excluded Contract. If Buyer does not re-designate any Designated Contract by the 10th day following the Closing, such Designated Contract shall be deemed an Excluded Contract as of such date. Sellers agree not to reject any Contract on or before the 10th day following the Closing except for Excluded Contracts. Sellers shall (x) assume in the Bankruptcy Case, any Transferred Contract that is designated by Buyer to Sellers on or before the 10th day following the Closing, provided that Buyer shall pay all cure amounts in connection with such assumption, and (y) assign said Transferred Contracts to Buyer.

10.6 Buyer's Right to Supplement Schedules. Not less than seven (7) days prior to Closing, Buyer shall have the right to supplement the schedules to this Agreement to include any asset acquired by or leased by any Seller after the Petition Date.

10.7 Administrative Expense Escrow. Not more than seven (7) days following full and final satisfaction of all Administrative Expenses, Sellers or their counsel shall remit to Buyer any funds remaining in any Administrative Expense Escrow.

11. TERMINATION.

11.1 Optional Termination. This Agreement may be terminated at any time prior to the Closing as follows:

(a) by the mutual written consent of Buyer and Sellers;

(b) by Buyer, in accordance with the provisions of Section 1.13;

(c) by Sellers or Buyer, if any court of competent jurisdiction in the United States or other Governmental Entity shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated hereby and such order, decree, ruling or other action shall have become final and non-appealable;

(d) by Sellers, if Buyer commits a material breach of any of the terms hereof, which cannot be or has not been cured within twenty (20) days after the giving of written notice to Buyer of such breach;

(e) by Buyer, if any Seller commits a material breach of any of the terms hereof, which cannot be or has not been cured within twenty (20) days after the giving of written notice to Sellers of such breach;

(f) by Buyer, if Buyer reasonably determines, at any time, that any of the conditions set forth in Article 7 shall not be satisfied on or before the Closing Date; provided, however, that the right to terminate this Agreement under this subsection shall not be available to Buyer if Buyer's failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the condition;

(g) by Sellers or Buyer, if the Closing has not occurred on or prior to January 14, 2016; provided, however, that the right to terminate this Agreement under this subsection shall not be available to a party if such party's failure to fulfill any obligation under this Agreement shall have been the cause of, or shall have resulted in, the failure of the Closing; or

(h) by Buyer, in the event (i) that the Bankruptcy Court does not approve the transactions contemplated by this Agreement; (ii) an appeal of the Sale Order is filed and not resolved to Buyer's satisfaction, in its sole and absolute discretion, by January 14, 2016; (iii) the Bankruptcy Court orders that an amendment be made to this Agreement or to the schedules or exhibits to this Agreement and such amendment is not acceptable to Buyer, in its sole and absolute discretion; or (iv) a proposed Reorganization Plan is filed by Sellers that is materially inconsistent with the terms of this Agreement.

11.2 Notice of Termination. In the event of any termination pursuant to Section 11.1, written notice shall forthwith be given to the other parties hereto except with respect to a termination pursuant to Section 11.1(a).

11.3 Effect of Termination. Upon termination of this Agreement, no party hereto shall have liability hereunder to any other party, all of which is hereby waived and released; provided, however, (a) if this Agreement is terminated by Sellers pursuant to Section 11.1(d), the Deposit, including all interest accrued thereon, if any, shall be paid over to Sellers in accordance with the Escrow Agreement as liquidated damages and shall be the exclusive remedy of Sellers for any termination or breach of this Agreement by Buyer; (b) if this Agreement is terminated, for any reason other than pursuant to Section 11.1(d), the Deposit, including all interest accrued thereon, if any, shall be paid over to Buyer in accordance with the Escrow Agreement; and (c) if this Agreement is terminated by Buyer pursuant to Section 11.1(e), Buyer shall be entitled to exercise any and all rights and remedies available to Buyer at law or in equity or as set forth in Section 11.4. Notwithstanding any provision herein to the contrary, in the event that Buyer is entitled to terminate this Agreement pursuant to Section 11.1(e), Buyer may elect to seek specific performance of Sellers' obligations hereunder in accordance with the terms of this Agreement.

11.4 Break-Up Fee and Expense Reimbursement.

(a) If this Agreement is terminated pursuant to Section 11.1(h)(i) and the Bankruptcy Court approves an Alternative Transaction within one year after the termination:

(i) Sellers shall pay to Buyer the Break-Up Fee and Sellers shall reimburse Buyer for all of Buyer's out of pocket costs and expenses in connection with this Agreement and the transactions contemplated herein, not to exceed Two Hundred Thousand Dollars ($200,000) (the "Expense Reimbursement"); provided, however, if the consideration in the Alternative Transaction is less than the consideration contemplated by this Agreement, the amount of the Break-Up Fee and Expense Reimbursement to which Buyer is entitled shall be reduced proportionately (for example, if the consideration in the Alternative Transaction is 80% of the consideration contemplated by this Agreement, Buyer will be entitled to a Break-Up Fee and Expense Reimbursement of $760,000 (80% of $950,000));

(ii) Seller's obligation to pay the Break-Up Fee and the Expense Reimbursement pursuant to this Section 11.4(a) shall survive the termination of this Agreement and shall constitute a super-priority administrative expense of Seller under Section 503(b) and 507(b) of the Bankruptcy Code, junior to HFG's super-priority claim; and

(iii) the Break-Up Fee and Expense Reimbursement shall be paid to Buyer out of the cash proceeds from the Alternative Transaction.

(b) If this Agreement is terminated pursuant to Section 11.1(e) or Section 11.1(h)(iv):

(i) Sellers shall pay to Buyer the Break-Up Fee and Expense Reimbursement; and

(ii) Seller's obligation to pay the Break-Up Fee and Expense Reimbursement pursuant to this Section 11.4(b) shall survive termination of this Agreement and shall constitute an unsecured claim of the Buyer not entitled to super-priority administrative expense status.

12. GENERAL.

12.1 Additional Assurances. The provisions of this Agreement shall be self-operative and shall not require further agreement by the parties except as may be herein specifically provided to the contrary; provided, however, at the request of either party, the other parties shall execute such additional instruments and take such additional acts as are reasonably necessary to effectuate this Agreement.

12.2 Consents, Approvals and Discretion. Whenever this Agreement requires any consent or approval to be given by a party or a party must or may exercise discretion, the parties agree that such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised, except as otherwise expressly set forth in any particular provision of this Agreement.

12.3 Choice of Law. THE PARTIES AGREE THAT THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF CONNECTICUT WITHOUT REFERENCE TO ANY PRINCIPLES OF CONFLICTS OF LAWS. FURTHER, THE PARTIES AGREE THAT THE FEDERAL AND STATE COURTS LOCATED IN THE STATE OF CONNECTICUT SHALL RETAIN EXCLUSIVE JURISDICTION OVER ANY AND ALL DISPUTES BETWEEN THE PARTIES ARISING OUT OF OR RELATED TO THIS AGREEMENT.

12.4 Benefit/Assignment. Subject to the provisions herein to the contrary, this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors and assigns; provided, however, that no party may assign this Agreement without the prior written consent of the other parties. Notwithstanding the foregoing, pursuant to Section 1.2 hereof, Buyer may make any such assignment to any Permitted Designee, without obtaining the written consent of Sellers.

12.5 Finders, Brokerage. Sellers agree to indemnify Buyer from and against all loss, cost, damage or expense arising out of claims for fees or commissions of any advisor, agent or

broker employed or alleged to have been employed by Sellers. Buyer agrees to indemnify Sellers from and against all loss, cost, damage or expense arising out of claims for fees or commissions of any advisor, agent or broker employed or alleged to have been employed by Buyer.

12.6 Cost of Transaction. Whether or not the transactions contemplated hereby shall be consummated, the parties agree as follows: (a) Sellers will pay the fees, expenses and disbursements of Sellers and their respective agents, advisers, attorneys and accountants incurred in connection with the subject matter hereof and any amendments hereto; and (b) Buyer shall pay the fees, expenses and disbursements of Buyer and its agents, advisers, attorneys and accountants incurred in connection with the subject matter hereof and any amendments hereto; Buyer shall pay the costs associated with the filing to be made with the Department of Health, if any, and any requisite filing under the HSR Act; and Buyer shall pay all expenses of inspecting the Facilities and Assets, including the cost of any environmental surveys and the cost of establishing the lock box contemplated by Section 1.12.

12.7 Reserved.

12.8 Preservation and Access to Records After the Closing.

(a) With regard to patient records, from and after the Effective Time, Buyer shall use its commercially reasonable efforts to maintain the patient records held at any Facility relating to periods prior to the Effective Time in accordance with applicable state and federal and state law, statutes, regulations and rules, including without limitation HIPAA. Buyer and Sellers shall enter into a Medical Records Custody Agreement in the form attached as Exhibit 12.8 (the "Medical Records Custody Agreement").

(b) Each party hereto acknowledges that, subsequent to the Closing, the other parties may need access to information or documents in the control or possession of such party for the purposes of concluding the transactions contemplated hereby, audits, compliance with governmental requirements and regulations, confirming compliance herewith and the prosecution or defense of third party claims. Accordingly, Sellers and Buyer agree that after the Effective Time, each shall make reasonably available to the other's representatives or agents, independent auditors and/or Governmental Entities, upon written request and at the expense of the requesting party, and subject to applicable law, such documents and information as may be available relating to the Business for periods prior and subsequent to the Closing to the extent necessary to facilitate concluding the transactions herein contemplated, audits, compliance with governmental requirements and regulations, confirming compliance herewith and the prosecution or defense of claims.

12.9 Waiver. The waiver by any party of a breach or violation of any term or provision of this Agreement shall not operate as, or be construed to be, a waiver of any subsequent breach of the same provision by any party or of the breach of any other term or provision of this Agreement. The delay of a party to transmit any written notice hereunder shall not constitute a waiver by such party of any default hereunder or of any other or further default under this Agreement except as may expressly be provided for by the terms of this Agreement.

12.10 Tax Allocation. Buyer shall make an allocation of the Purchase Price (the "Purchase Price Allocation") within 150 days of the Closing Date and shall notify Sellers in writing as to such allocation. Each Seller and Buyer hereby agree that the Purchase Price Allocation shall be used by each of them for all federal and state income tax purposes, and shall be set forth in a statement prepared in accordance with Section 1060 of the Code, which statement shall be prepared in a manner generally consistent with the form of Internal Revenue Service Form 8594. Each party hereto shall file a copy of such statement as required by applicable law.

12.11 Interpretation. Each of the parties has agreed to the use of the particular language of the provisions of this Agreement including all attached Exhibits and Schedules and any questions of doubtful interpretation shall not be resolved by any rule or interpretation against the draftsman but rather in accordance with the fair meaning thereof, having due regard to the benefits and rights intended to be conferred upon the parties hereto and the limitations and restrictions upon such rights and benefits intended to be provided.

12.12 Notice. Any notice, demand or communication required, permitted, or desired to be given hereunder shall be in writing and shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return receipt requested, addressed as follows:

Sellers:	Johnson Memorial Medical Center, Inc. 201 Chestnut Hill Road Stafford Springs, CT 06076 Attn: CEO
With a copy to:	Eric Henzy and Jon Newton Reid and Riege, P.C. One Financial Plaza Hartford, CT 06103
Buyer:	Saint Francis Care, Inc. 114 Woodland Street Hartford, CT 06105 Attn.: CEO
With copies to:	Thomas S. Marrion and Sarah M. Lombard Hinckley, Allen & Snyder LLP 20 Church Street, 18th Floor Hartford, CT 06103

or to such other address, and to the attention of such other person or officer as any party may designate, with copies thereof to the respective counsel thereof as notified by such party.

12.13 Severability. In the event any provision of this Agreement is held to be invalid, illegal or unenforceable for any reason and in any respect, such invalidity, illegality, or unenforceability shall in no event affect, prejudice or disturb the validity of the remainder of this Agreement, which shall be in full force and effect, enforceable in accordance with its terms, including, without limitation, those terms which contemplate or require the further agreements of the parties. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and still be legal, valid or enforceable.

12.14 Gender and Number. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

12.15 Divisions and Headings. The divisions of this Agreement into Sections and subsections and the use of captions and headings in connection therewith are solely for convenience and shall have no legal effect in construing the provisions of this Agreement.

12.16 Survival. All statements made by the parties hereto herein or in the Schedules or in any certificate delivered pursuant hereto shall be deemed representations and warranties of the parties making or delivering the same regardless of any investigation made by or on behalf of the other parties hereto. Furthermore, the representations, warranties, covenants and agreements made by the parties herein shall survive until the Closing Date and then expire, excepting however covenants and agreements which by their terms are to be performed following the Closing.

12.17 Reserved.

12.18 No Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of Buyer and Sellers and their respective permitted successors or assigns, and it is not the intention of the parties to confer, and this Agreement shall not confer, third party beneficiary rights upon any other person.

12.19 Entire Agreement/Amendment. This Agreement supersedes all prior contracts, understandings and agreements, whether written or oral, and constitutes the entire agreement of the parties respecting the within subject matter and no party shall be entitled to benefits other than those specified herein. As between or among the parties, no oral statements or prior written material not specifically included herein shall be of any force and effect; the parties specifically acknowledge that in entering into and executing this Agreement, the parties rely solely upon the representations and agreements contained in this Agreement and no others. No terms, conditions, warranties, or representations, other than those contained herein and no amendments or modifications hereto, shall be binding unless made in writing and signed by the party to be charged. The foregoing notwithstanding, this Agreement does not replace or modify that certain Confidentiality Agreement dated as of May 2, 2014 between JMMC and Buyer which remains in full force and effect, provided such Agreement shall terminate without need for further action of any Person upon completion of the Closing.

12.20 Counterparts. This Agreement may be executed in multiple originals or counterparts, each and all of which shall be deemed an original and all of which together shall constitute but one and the same instrument.

12.21 Risk of Loss. Notwithstanding any other provision hereof to the contrary, the risk of loss in respect of casualty to the Assets shall be borne by Sellers through the Effective Time and by Buyer thereafter.

12.22 Press Releases. Except as otherwise required by law, any release to the public of information concerning this Agreement or the transactions contemplated hereby will be made only in the form and manner approved by the parties hereto. Each party shall furnish the others with drafts of all such releases prior to their publication or dissemination.

12.23 Bankruptcy Court Approval. As stated herein, this Agreement is expressly subject to the approval of the Bankruptcy Court.

{signature page follows}

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their duly authorized officers as of the day and year first above written.

BUYER:

Saint Francis Care, Inc.

By:_____
Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SELLERS:

Johnson Memorial Medical Center, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Memorial Hospital, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Home & Community Health Services, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Health Care, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

SAINT FRANCIS HOSPITAL
AND MEDICAL CENTER
LEGAL REVIEW
CONTRACT NO.
BY: PAHOJC DATE: 5/27/15

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in multiple originals by their duly authorized officers as of the day and year first above written.

BUYER:

Saint Francis Care, Inc.

By:_____
Name: Christopher M. Dadlez
Title: President and Chief Executive Officer

SELLERS:

Johnson Memorial Medical Center, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Memorial Hospital, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Home & Community Health Services, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

Johnson Health Care, Inc.

By:_____
Name: Patrick Mahon
Title: Chairperson of the Board

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

11/17/2015

Attn: LINDA T. LUTZ, PARALEGAL
SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
114 WOODLAND STREET, LEGAL/2-6
HARTFORD, CT 06106

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:	Type of Request:
TRINITY HEALTH - NEW ENGLAND, INC.	AMEND NAME

Work Order Number	: 2015343522-001	Business Filing Number	: 0005431396
Filing Date/Time	: 11/17/2015 12:53 PM	Effective Date/Time	: 11/17/2015 12:53 PM
Work Order Payment Total	: $70.00	Payment Received	: $70.00
Credit on Account	: $0.00	Customer ID	: 002689776
Business ID	: 0568101		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

SHERRI LEMIRE
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF AMENDMENT

NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Janeanne Lubin-Szafranski, JD
ADDRESS:
c/o Hinckley, Allen & Snyder LLP, 20 Church St.
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $20

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

SAINT FRANCIS CARE, INC.

2. THE CERTIFICATE OF INCORPORATION IS *(check A, B or C)*:

☒ A. AMENDED

☐ B. RESTATED

☐ C. AMENDED AND RESTATED

THE RESTATED CERTIFICATE CONSOLIDATES ALL AMENDMENTS INTO A SINGLE DOCUMENT

3. TEXT OF EACH AMENDMENT / RESTATEMENT:

The first paragraph of Article I of the Amended and Restated Certificate of Incorporation is hereby deleted in its entirety and substituted as follows:

"The name of the Corporation is Trinity Health - New England, Inc."

FORM CAN-1-1.0
Rev. 7/2010

4. VOTE INFORMATION *(CHECK A,B or C)*

☒ **A. THE AMENDMENT WAS DULY APPROVED BY THE MEMBERS IN THE MANNER REQUIRED BY SECTIONS 33-1140 TO 33-1147 OF THE CONNECTICUT GENERAL STATUTES, AND BY THE CERTIFICATE OF INCORPORATION.**

☐ **B. THE AMENDMENT WAS DULY APPROVED BY THE INCORPORATORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

☐ **C. THE AMENDMENT WAS DULY APPROVED BY THE BOARD OF DIRECTORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

5. EXECUTION:

DATED THIS 17th **DAY OF** November **, 20** 15

NAME OF SIGNATORY	CAPACITY/TITLE OF SIGNATORY	SIGNATURE
Christopher M. Dadlez	President and CEO	

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

01/04/2016

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
HOME & COMMUNITY HEALTH SERVICES, INC.

Type of Request:
AMEND NAME

Work Order Number	: 2016001221-008	Business Filing Number	: 0005457845
Filing Date/Time	: 01/04/2016 11:00 AM	Effective Date/Time	: 01/04/2016 11:00 AM
Work Order Payment Total	: $560.00	Payment Received	: $70.00
Credit on Account	: $1,885.00	Customer ID	: 000308053
Business ID	: 1188472		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

RUBY VEAL
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF AMENDMENT
NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $20

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

HCHS Acquisition Corp.

2. THE CERTIFICATE OF INCORPORATION IS *(check A, B or C)*:

☒ A. AMENDED

☐ B. RESTATED

☐ C. AMENDED AND RESTATED

THE RESTATED CERTIFICATE CONSOLIDATES ALL AMENDMENTS INTO A SINGLE DOCUMENT

3. TEXT OF EACH AMENDMENT / RESTATEMENT:

Article I of the Certificate of Incorporation is hereby deleted in its entirety and substituted as follows:

"The name of the Corporation is Home & Community Health Services, Inc."

The definition of "Corporation" under Article II is hereby deleted in its entirety and substituted as follows:

""Corporation" shall mean Home & Community Health Services, Inc., a Connecticut nonstock corporation."

FORM CAN-1-1.0
Rev. 7/2010

4. VOTE INFORMATION *(CHECK A,B or C)*

☒ **A. THE AMENDMENT WAS DULY APPROVED BY THE MEMBERS IN THE MANNER REQUIRED BY SECTIONS 33-1140 TO 33-1147 OF THE CONNECTICUT GENERAL STATUTES, AND BY THE CERTIFICATE OF INCORPORATION.**

☐ **B. THE AMENDMENT WAS DULY APPROVED BY THE INCORPORATORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

☐ **C. THE AMENDMENT WAS DULY APPROVED BY THE BOARD OF DIRECTORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

5. EXECUTION:

DATED THIS 31st **DAY OF** December **, 20** 15

NAME OF SIGNATORY	CAPACITY/TITLE OF SIGNATORY	SIGNATURE
Christopher Dadlez	President and Chief Executive Officer of Trinity Health – New England, Inc., sole member	

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

11/24/2015

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
HCHS ACQUISITION CORP.

Type of Request:
CERTIFICATE OF INCORPORATION

Work Order Number	: 2015351374-001	Business Filing Number	: 0005436383
Filing Date/Time	: 11/24/2015 12:00 PM	Effective Date/Time	: 11/24/2015 12:00 PM
Work Order Payment Total	: $100.00	Payment Received	: $100.00
Credit on Account	: $2,065.00	Customer ID	: 000308053
Business ID	: 1188472		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

ELISSA MACMILLAN
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF INCORPORATION
NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder, LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $50
MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:
HCHS Acquisition Corp.

THE CORPORATION IS NONPROFIT AND SHALL NOT HAVE OR ISSUE SHARES OF STOCK OR MAKE DISTRIBUTIONS.

2. PLACE A CHECK NEXT TO THE APPROPRIATE STATEMENT:

☐ **A. THE CORPORATION SHALL NOT HAVE MEMBERS.**

☐ **B. THE CORPORATION SHALL ONLY HAVE MEMBERS, WHICH ARE NOT ENTITLED TO VOTE.**

☒ **C. THE CORPORATION SHALL HAVE ONE CLASS OF MEMBERS.**

☐ **D. THE CORPORATION SHALL HAVE MULTIPLE CLASSES OF MEMBERS WHICH CLASSES ARE DESIGNATED AS FOLLOWS:**

PLEASE NOTE: THE MANNER OF ELECTION AND APPOINTMENT OF MEMBERS ALONG WITH THEIR QUALIFICATIONS AND RIGHTS MAY BE SET FORTH IN THIS CERTIFICATE OR IN THE CORPORATION'S BYLAWS. PLEASE SEE C.G.S.§ 33-1055 & -1056.

3. APPOINTMENT OF REGISTERED AGENT: *(PLEASE SELECT ONLY ONE A. OR B.)*

A. INDIVIDUAL'S AGENT NAME:

BUSINESS ADDRESS: *(P.O.BOX UNACCEPTABLE)*	**RESIDENCE ADDRESS:** *(P.O.BOX UNACCEPTABLE)*
ADDRESS:	ADDRESS:
CITY:	CITY:
STATE: ZIP:	STATE: ZIP:

B. BUSINESS ENTITY AGENT NAME: CT Corporation System

ADDRESS: *(P.O.BOX UNACCEPTABLE)*

ADDRESS: One Corporate Center
CITY: Hartford
STATE: CT ZIP: 06103

FORM CIN-1-1.0
Rev. 1/1/2015

ACCEPTANCE OF APPOINTMENT

SIGNATURE OF AGENT Lisa Indeed, V.P.

4. THE NATURE OF THE ACTIVITIES TO BE CONDUCTED OR THE PURPOSES TO BE PROMOTED BY THE CORPORATION:

See attached.

5. OTHER INFORMATION:

See attached.

6. CORPORATION EMAIL ADDRESS - **REQUIRED:** (IF NONE, MUST STATE "NONE.")

None

7. EXECUTION: CERTIFICATE MUST BE SIGNED BY EACH INCORPORATOR

DATED THIS 24 DAY OF November ,2015

NAME OF INCORPORATOR	ADDRESS	SIGNATURE(S)
Thomas S. Marrion	ADDRESS: 20 Church Street CITY Hartford STATE: CT ZIP: 06103	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	

FORM CIN-1-1.0
Rev. 1/1/2015

Certificate of Incorporation of

HCHS Acquisition Corp.

A Connecticut Nonstock Corporation

ARTICLE I

Name

The name of the Corporation is HCHS Acquisition Corp.

ARTICLE II

Definitions

For the purposes of this Certificate, the following defined terms shall have the following meanings:

"Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

"Certificate of Incorporation" means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Corporation" shall mean HCHS Acquisition Corp., a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Code of Regulations, System Authority Matrix, Bylaws or equivalent organizational documents of a corporation or other entity.

"Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

"Member" shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

"System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.

"Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

ARTICLE III

Purposes

The Corporation shall be organized and operated exclusively for religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Code. The Corporation shall not have or issue shares of stock or make distributions. The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health Corporation, an Indiana nonprofit corporation, or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

A. To carry out the purposes of Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successor, which is the Member of the Corporation, and to further the apostolate of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States;

B. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Directors of the Corporation, are appropriate in carrying out the health care mission of the Trinity Health and Catholic Health Ministries. The Corporation shall take all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation or applicable law, including,

without limitation, to assist JMH Acquisition Corporation ("JMH"), a Connecticut nonstock corporation, in carrying out its tax-exempt functions;

C. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Code;

D. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;

E. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;

F. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;

G. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from taxation under Section 501(c)(3) of the Code and the regulations promulgated thereunder as they now exist or as they may be amended;

H. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and

I. Notwithstanding any other provisions of this Certificate of Incorporation, the Corporation shall not carry on any activity not permitted to be carried

on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Code; and a corporation described in Section 509(a)(3) of the Code (or, if the Corporation is classified, Section 509(a)(1) or 509(a)(2) of the Code).

ARTICLE IV

Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

ARTICLE V

Organization

The Corporation is a religious corporation, organized on a non-stock basis as a membership corporation. The Corporation's sole member is Trinity Health – New England, a Connecticut nonstock corporation.

ARTICLE VI

Registered Office and Resident Agent

The address of the Corporation's registered office is c/o CT Corporation System, One Corporate Center, Hartford, CT 06103. The resident agent of the Corporation is CT Corporation System, One Corporate Center, Hartford, CT 06103. The address of the Corporation's registered office and/or name of the Corporation's resident agent may be changed from time to time by the Board of Directors of the Corporation.

ARTICLE VII

Membership

Trinity Health – New England, Inc., a Connecticut nonstock corporation ("Member"), is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a member under Connecticut law, this Certificate of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member and Trinity Health under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member and Trinity Health, as required, shall have exercised their respective reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:

a. As reserved to the Member:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonstock corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

b. As reserved to Trinity Health:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in addition to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in this Certificate, or (iii) transfers in the ordinary course of business.

ARTICLE VIII

Indemnification and Standard of Care

Section 1. Indemnification. The Corporation shall, to the maximum extent allowed by law, indemnify those persons who are serving or have served as members, trustees, directors, religious congregations or other canonical persons serving as sponsors, officers, employees, committee members, or agents of the Corporation, and those who are serving or

have served at the request of the Corporation as a trustee, director, religious congregation or other canonical person serving as sponsor, officer, manager, partner, employee, committee member, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 2. Insurance. Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of the Corporation, or who is or was serving at the request of the Corporation as a trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under state law.

Section 3. Standard of Care. Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 4. Justifiable Reliance. In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

a. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
b. Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
c. A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.
d. A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 5. Consideration of Factors. In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which

offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 6. Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation.

Section 7. Personal Liability of Director. No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

ARTICLE IX

Dissolution

Subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the Member of this Corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health Corporation, an Indiana nonprofit corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and which are organized and operated exclusively for

such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

ARTICLE X

Effective date

This Certificate of Incorporation is effective as of November 24, 2015.

55294796 v4

BYLAWS OF HCHS ACQUISITION CORP.

HCHS Acquisition Corp. (the "Corporation") changed its to name to Home & Community Health Services, Inc. effective January 4, 2015. The Bylaws of the Corporation are attached hereto.

BYLAWS

OF

HCHS ACQUISITION CORPORATION

A CONNECTICUT NONSTOCK CORPORATION

Effective Date: _____ ____, 2015

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

“Certificate of Incorporation” means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

> (i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve ex officio as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or
>
> (ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean HCHS Acquisition Corporation, a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Key Bylaws Provisions” shall refer to sections of these Bylaws that concern any of the following: (a) the name and corporate purposes of the Corporation; (b) the Catholic Identity and Mission and Core Values of the Corporation and the powers exercisable by CHM; (c) the identity of, reserved powers exercisable by, and other matters pertaining to, the Member and Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Board of Directors of the Corporation.

"Member” shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Regional Health Ministry" or “RHM” is an Affiliate or operating division within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Certificate of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

"We serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities."

The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the

Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

(a) Elect the officers of the Corporation (except the President);

(b) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;

(c) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;

(d) Conduct an annual review of the Corporation's quality and safety performance; and

(e) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation is designated as the Member Director, the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be established by the Member, by policy or otherwise.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held at any time during the last six months of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the Chief Executive Officer prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction

of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Certificate of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. Absences of a Director from three (3) consecutive regular meetings of the Board of Directors may constitute cause for removal from the Board of Directors.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. MEDICAL STAFF

Section 5.01 Medical Staff

The Board of Directors shall have final responsibility for (i) appointment and reappointment of the members of the Medical staff and delineation of their staff privileges; (ii) taking such corrective action relating to Medical staff members as it deems appropriate; (iii) ratifying the selection of Medical staff officers made by the Medical staff; (iv) ratifying the selection of heads of the departments of the Medical staff; (v) reviewing and monitoring the quality improvement programs developed by the Medical staff; and (vi) determining which categories of practitioners are eligible for appointment to the Medical staff. The Board of Directors reserves the authority to take any direct action with respect to any Medical staff appointee action it deems to be in the best interests of the Corporation, whether initiated by the Medical staff or not, and the decision of the Board shall be final.

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the Chief Executive Officer, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their successors are appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting. The President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and Chief Executive Officer who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all

transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

(a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or

(b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

(a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or

(b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent,

manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.

(b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.

(c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to

them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of September of each year and shall begin on the 1st day of October of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and members of the Board shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's community benefit purposes. The Corporation's officers and members of the Board shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and members of the Board shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

June 25, 2015
Ministry Schedule updated October 1 2015

TRINITY HEALTH
System Authority Matrix

This Authority Matrix summarizes a number of important activities that might be taken by an entity within the Trinity Health System and the corresponding actions or approvals that must be taken before proceeding with such activity. Many of these actions are delegations from the Board of Trinity Health to management, to Committees of the Board of Directors of Trinity Health and to governance of entities affiliated with Trinity Health. Trinity Health has adopted the following Operating Principles which apply to these delegations:

Unity: We act as a unified system, recognizing the interdependency of all its parts in fulfillment of its mission and vision while promoting the strength of our ministries serving our unique communities.

Excellence: We seek to continually innovate and improve our performance excellence and to add value by leveraging our skill and scale.

Simplicity and Clarity: Local, regional and system office leadership work in partnership to make decisions in a timely and collaborative manner that takes into account the variety of interests being affected.

Accountability: We are flexible in shaping roles, responsibilities and accountabilities at all leadership levels of the organization.

The Trinity Health Board retains control over its statutory obligations in carrying out the purposes of the corporation as the parent of a large Catholic health system. The Board is responsible for key strategic decisions and issues that will significantly impact the Trinity Health System. Delegations are established taking into account the balance between making efficient decisions close to the business activity and the need for the board and management to oversee areas of significant impact on the system as a whole in terms of Catholic Identity, strategic direction, risk and value.

The Board has adopted a process of Mission Discernment, which is intended to ensure that in the course of making major decisions, the Mission and Core Values are used as a measure to evaluate the effect of the proposed action.

This Authority Matrix is not intended to be an exclusive listing of the various actions reserved to Trinity Health or its affiliated entities. Trinity Health may clarify these delegations through policies. State law may confer additional rights or require additional actions. Those variations will be set forth in the governing documents of the entity and prevail over any conflicting authorities described in this System Authority Matrix. Different rights may also be set forth in the terms of joint venture organizing documents or other agreements. Decisions related to those joint venture entities should be made in accordance with the organizing documents; however, decisions which exceed financial thresholds or which may, in management's judgment, affect the reputation or identity of the Trinity Health System are required to be reviewed by Trinity Health management, regardless of the minority position held by the CHE Trinity affiliate in the joint venture.

Entities:

Catholic Health Ministries or CHM means the public juridic person that sponsors the Trinity Health system and exercises all canonical responsibilities related to its operations, subject to certain rights retained by sponsoring congregations or public juridic persons until such time as the stable patrimony (property) under the control of those sponsoring congregations or public juridic persons is alienated (transferred) to CHM.

Trinity Health means Trinity Health Corporation, an Indiana nonprofit corporation, which is the parent of the Trinity Health System.

Trinity Health System means Trinity Health, together with its subsidiaries and affiliates.

Ministry or Ministries means any or all RHMs, NHMs, and MHMs.

Mission Health Ministry or MHM means a first tier subsidiary of Trinity Health that maintains a governing body and which has oversight of non-institutional health operations and/or grant making. A list of MHMs is set forth on Exhibit A to this Matrix.

National Health Ministry or NHM means a first tier (direct) subsidiary that maintains a governing body that has day to day management oversight of a business line throughout the Trinity Health System. A list of NHMs is set forth on Exhibit A to this Matrix.

Regional Health Ministries or RHM means a first tier (direct) subsidiary, affiliate or operating division of Trinity Health that maintains a governing body that has day to day management oversight of a designated portion of the Trinity Health System within a geographical market. A list of RHMs is set forth Exhibit A to this Matrix.

Group 1 RHM means an RHM which had a minimum total operating revenue of $300 million in the previous fiscal year or an RHM that has been selected by management for inclusion in Group 1 RHMs based on operational objectives.

Group 2 RHM means an RHM which is not a Group 1 RHM.

Second Tier Subsidiaries means subsidiaries and affiliates of Ministries.

Actions:

Approve means to have ultimate authority over an action. Approval includes the authority to adopt, accept, modify, disapprove or send back for further consideration an action recommended or approved by another entity in the Trinity Health System. Some actions required approval at more than one level. Final approval authority is exercised by the highest level independently of any recommendation or participation actions. If more than one entity has Approval authority, the matter may be initiated and approved by the highest level of Approval authority when permitted by law.

Participate means a timely, meaningful, collaborative and consultative process among interested parties to inform the decision under consideration.

Ratify means to confirm and adopt the act of another even if it was not approved beforehand. It also means final decision making authority, but without the power to initiate or change a recommendation.

Recommend means to review and present a matter for approval by another entity in the Trinity Health System. Recommending authority does not limit the right of the approving entity to initiate an action without a recommendation.

Other:

Governing documents are documents which establish and describe an entity, including the purposes, the powers reserved to the members or shareholders, and which set forth the rights of partners or joint owners relative to each other. Governing documents include documents filed with the state (such as articles or certificates of incorporation), bylaws (whether a corporation or an unincorporated division which has its own governing body), operating agreements and partnership agreements.

Key Bylaws Provisions are variations from the standard Governing Documents that concern any of the following: (a) the Ministry name and corporate purposes; (b) the Mission, Core Values and Catholic Identity of the Ministry and powers exercisable by CHM; (c) the identity of, reserved powers exercisable by and other matters pertaining to Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Ministry Board of Directors. All other variations are not Key Bylaw Provisions.

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
I	**Statements of Identity**					
I a	Trinity Health System Mission Statement	-	-	-		Approve
1 b	Trinity Health System Core Values	-	-	-		Approve
II	**Governing Documents**					
II a	Articles and Bylaws of Trinity Health Corporation	-	-	Recommend	Approve and Recommend	Ratify
II b	Governing Documents of Ministries consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governing Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
II c	Governing Documents of Second Tier Subsidiary which operates licensed healthcare facilities consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governance Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-
II d	Governing Documents of Second Tier Subsidiary	Recommend	Approve	Approve		
III	**Appointments and Removals**					
III a	Appointment or removal of CHM Members (which comprise the Trinity Health Board of Directors)					Approve
III b	Appointment or removal of Trinity Health Board Chair				Approve	Ratify
III c	Appointment or removal Ministry Boards of Directors		Recommend	Recommend	Approve (Executive and Governance Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
III d	Appointment or removal of Ministry Board Chairs		Approve		Ratify (Executive and Governance Committee)	
III e	Appointment or removal of Second Tier Subsidiaries Governing Body	Recommend	Approve			
III f	Appointment or removal of Trinity Health CEO				Approve	Ratify
III g	Appointment or removal of Ministry CEOs	Participate	Recommend	Approve		
III h	Appointment or removal of Second Tier Subsidiaries CEOs	Approve				
IV	**Strategy**					
IV a	Trinity Health System Strategic Plans			Recommend	Approve	
IV b	Group I RHM and NHM Strategic Plans	Recommend	Approve	Approve		
IV c	Group 2 RHM and MHM Strategic Plans	Recommend	Approve	Participate		

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V	**Finance Matters**					
V a	Group I RHM and NHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law
V b	Group II RHM and MHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law
V c	Additional Debt and System Five Year Plan of Finance			Recommends	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V d	System Operating and Capital Budget			Recommend	Approve (upon recommendation by Stewardship Committee)	
V e	RHM Operating and Capital Budget	Recommend	Approve	Approve		
V f	Second Tier Operating and Capital Budget	Recommend	Approve			
V g	Contracts (including leases) in which the Trinity Health is the financially obligated			Approve up to $25 million	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	
V h	Contracts (including leases) in which a Group I RHM or a NHM is financially obligated	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V i	Contracts (including leases) in which a Group II RHM or MHM is financially obligated	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	
V j	Auditor Selection (Trinity Health System and separate audits)			Recommend	Approve (upon recommendation by the Audit Committee)	
V k	Annual Trinity Health System Audit			Recommend	Approve (upon recommendation by the Audit Committee)	
VI	**New Organizations and Major Transactions**					
VI a	Major change affecting Trinity Health (merger, consolidation, creation, transfer, sale of substantially all assets)			Recommend	Approve	Approve

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI b	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) not related to an Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Approve	Approve as related to Sponsorship obligations
VI c	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) related to a Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Stewardship Committee Approve	Approve as related to Sponsorship obligations
VI d	Major change affecting Second Tier Subsidiaries (merger, consolidation, creation, transfer, sale of all assets)	Recommend	Approve	Approve		Approve as related to Sponsorship obligations
VI e	Internal operational reorganization affecting tier structure	Participate	Recommend	Approve		

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI f	Formation or acquisition of an entity in which Trinity Health will be the sole parent			Recommend	Approve	Approve as related to Sponsorship obligations
VI g	Joint venture or other enterprise affecting ownership of a Group I RHM or NHM	Recommend	Approve	Recommend	Approve	Approve as related to Sponsorship obligations
VI h	Joint venture or other enterprise affecting ownership of a Group II RHM or MHM	Recommend	Approve	Recommend	Approval by Stewardship Committee	Approve as related to Sponsorship obligations
VII	**People Centered Care**					
VII a	Trinity Health System Wide Quality and Safety Standards	Participates		Recommends	Approves (upon recommendation of the People Centered Care Committee	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VII b	RHM Quality and Safety Standards (consistent with Trinity Health System Quality Standards)	Recommends	Approves			
VII c	Annual review of Trinity Health System Quality and Safety			Recommends	People Centered Care Committee Approves, Board Receives Report	
VII d	Annual review of RHM Quality and Safety	Recommends	Approves	Receive Report		

EXHIBIT A

MINISTRIES
Based on the FY 2015 Income Statement and Supplemental Materials

October 1, 2015

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP I

Holy Cross Health (Maryland)
Holy Cross Hospital (Florida)
Loyola University Health System (Illinois)
Mercy Health (Michigan)
Mercy Health Services – Iowa (Iowa)
Mercy Health System of Southeastern Pennsylvania (Pennsylvania)
Mount Carmel Health System (Ohio)
Our Lady of Lourdes Health Care Services (New Jersey)
Saint Agnes Medical Center (California)
Saint Alphonsus Health System (Idaho)
St. Francis Care, Inc. (Connecticut)
Saint Joseph Mercy Health System (Michigan)
Saint Joseph Regional Medical Center (Indiana)
St. Joseph's Hospital Health Center (New York)
Sisters of Providence Health System (Massachusetts)
St. Mary Medical Center (Pennsylvania)
St. Mary's Health Care System (Georgia)
St. Peter's Health Partners (New York)

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP II

Mercy Health System of Chicago (Illinois)
Saint Michael's Medical Center (New Jersey)
St. Francis Hospital (Delaware)
St. Francis Medical Center (New Jersey)

NATIONAL HEALTH MINISTRIES (NHMs)

Trinity Home Health Services (multi-state)
Trinity Senior Living Communities (multi-state)
Trinity PACE

MISSION HEALTH MINISTRIES (MHMs)

Allegany Franciscan Ministries (Florida)
Global Health Ministry (Pennsylvania)
Mercy Medical (Alabama)
Pittsburgh Mercy Health System (Pennsylvania)
Saint Joseph's Health System (Georgia)

Approved by Trinity Health Executive and Governance Committee 6/18/14, effective 7/1/14; revised and approved by the Trinity Health Executive and Governance Committee on January 27, 2015; revised and approved by the Trinity Health Board of Directors on February 25, 2015; revised and approved by the Trinity Health Executive and Governance Committee on April 9, 2015; approved by Catholic Health Ministries on June 25, 2015.

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

01/04/2016

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:	Type of Request:
JOHNSON HEALTH CARE, INC.	AMEND NAME

Work Order Number	: 2016001221-007	Business Filing Number	: 0005457843
Filing Date/Time	: 01/04/2016 11:00 AM	Effective Date/Time	: 01/04/2016 11:00 AM
Work Order Payment Total	: $560.00	Payment Received	: $70.00
Credit on Account	: $1,885.00	Customer ID	: 000308053
Business ID	: 1188473		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

RUBY VEAL
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF AMENDMENT
NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $20

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

JHC Acquisition Corp.

2. THE CERTIFICATE OF INCORPORATION IS *(check A, B or C)*:

☒ A. AMENDED

☐ B. RESTATED

☐ C. AMENDED AND RESTATED

THE RESTATED CERTIFICATE CONSOLIDATES ALL AMENDMENTS INTO A SINGLE DOCUMENT

3. TEXT OF EACH AMENDMENT / RESTATEMENT:

Article I of the Certificate of Incorporation is hereby deleted in its entirety and substituted as follows:

"The name of the Corporation is Johnson Health Care, Inc."

The definition of "Corporation" under Article II is hereby deleted in its entirety and substituted as follows:

""Corporation" shall mean Johnson Health Care, Inc., a Connecticut nonstock corporation."

FORM CAN-1-1.0
Rev. 7/2010

4. VOTE INFORMATION *(CHECK A,B or C)*

☒ **A. THE AMENDMENT WAS DULY APPROVED BY THE MEMBERS IN THE MANNER REQUIRED BY SECTIONS 33-1140 TO 33-1147 OF THE CONNECTICUT GENERAL STATUTES, AND BY THE CERTIFICATE OF INCORPORATION.**

☐ **B. THE AMENDMENT WAS DULY APPROVED BY THE INCORPORATORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

☐ **C. THE AMENDMENT WAS DULY APPROVED BY THE BOARD OF DIRECTORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

5. EXECUTION:

DATED THIS 31st **DAY OF** December **, 20** 15

NAME OF SIGNATORY	CAPACITY/TITLE OF SIGNATORY	SIGNATURE
Christopher Dadlez	President and Chief Executive Officer of Trinity Health – New England, Inc., sole member	

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

11/24/2015

HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
JHC ACQUISITION CORP.

Type of Request:
CERTIFICATE OF INCORPORATION

Work Order Number	: 2015351361-001	Business Filing Number	: 0005436374
Filing Date/Time	: 11/24/2015 12:00 PM	Effective Date/Time	: 11/24/2015 12:00 PM
Work Order Payment Total	: $100.00	Payment Received	: $100.00
Credit on Account	: $2,165.00	Customer ID	: 000308053
Business ID	: 1188473		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

ELISSA MACMILLAN
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF INCORPORATION

NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder, LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $50

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

JHC Acquisition Corp.

THE CORPORATION IS NONPROFIT AND SHALL NOT HAVE OR ISSUE SHARES OF STOCK OR MAKE DISTRIBUTIONS.

2. PLACE A CHECK NEXT TO THE APPROPRIATE STATEMENT:

☐ **A. THE CORPORATION SHALL NOT HAVE MEMBERS.**

☐ **B. THE CORPORATION SHALL ONLY HAVE MEMBERS, WHICH ARE NOT ENTITLED TO VOTE.**

☒ **C. THE CORPORATION SHALL HAVE ONE CLASS OF MEMBERS.**

☐ **D. THE CORPORATION SHALL HAVE MULTIPLE CLASSES OF MEMBERS WHICH CLASSES ARE DESIGNATED AS FOLLOWS:**

PLEASE NOTE: THE MANNER OF ELECTION AND APPOINTMENT OF MEMBERS ALONG WITH THEIR QUALIFICATIONS AND RIGHTS MAY BE SET FORTH IN THIS CERTIFICATE OR IN THE CORPORATION'S BYLAWS. PLEASE SEE C.G.S.§ 33-1055 & -1056.

3. APPOINTMENT OF REGISTERED AGENT: *(PLEASE SELECT ONLY ONE A. OR B.)*

A. INDIVIDUAL'S AGENT NAME:

BUSINESS ADDRESS: *(P.O.BOX UNACCEPTABLE)*	**RESIDENCE ADDRESS:** *(P.O.BOX UNACCEPTABLE)*
ADDRESS:	ADDRESS:
CITY:	CITY:
STATE: ZIP:	STATE: ZIP:

B. BUSINESS ENTITY AGENT NAME: CT Corporation System

ADDRESS: *(P.O BOX UNACCEPTABLE)*

ADDRESS: One Corporate Center
CITY: Hartford
STATE: CT ZIP: 06103

FORM CIN-1-1.0
Rev. 1/1/2015

ACCEPTANCE OF APPOINTMENT Lisa Shaw, V.P.

SIGNATURE OF AGENT

4. THE NATURE OF THE ACTIVITIES TO BE CONDUCTED OR THE PURPOSES TO BE PROMOTED BY THE CORPORATION:

See attached.

5. OTHER INFORMATION:

See attached.

6. CORPORATION EMAIL ADDRESS - REQUIRED: (IF NONE, MUST STATE "NONE.")

None

7. EXECUTION: CERTIFICATE MUST BE SIGNED BY EACH INCORPORATOR

DATED THIS 24 **DAY OF** November , 20 15

NAME OF INCORPORATOR	ADDRESS	SIGNATURE(S)
Thomas S. Marrion	ADDRESS: 20 Church Street CITY Hartford STATE: CT ZIP: 06103	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	

Certificate of Incorporation of

JHC Acquisition Corp.

A Connecticut Nonstock Corporation

ARTICLE I

Name

The name of the Corporation is JHC Acquisition Corp.

ARTICLE II

Definitions

For the purposes of this Certificate, the following defined terms shall have the following meanings:

"Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

"Certificate of Incorporation" means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Corporation" shall mean JHC Acquisition Corp., a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Code of Regulations, System Authority Matrix, Bylaws or equivalent organizational documents of a corporation or other entity.

"Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

"Member" shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

"System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.

"Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

ARTICLE III

Purposes

The Corporation shall be organized and operated exclusively for religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Code. The Corporation shall not have or issue shares of stock or make distributions. The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health Corporation, an Indiana nonprofit corporation, or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

A. To carry out the purposes of Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successor, which is the Member of the Corporation, and to further the apostolate of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States;

B. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Directors of the Corporation, are appropriate in carrying out the health care mission of the Trinity Health and Catholic Health Ministries. The Corporation shall take all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation or applicable law, including,

without limitation, to assist JMH Acquisition Corporation ("JMH"), a Connecticut nonstock corporation, in carrying out its tax-exempt functions;

C. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Code;

D. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;

E. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;

F. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;

G. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from taxation under Section 501(c)(3) of the Code and the regulations promulgated thereunder as they now exist or as they may be amended;

H. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and

I. Notwithstanding any other provisions of this Certificate of Incorporation, the Corporation shall not carry on any activity not permitted to be carried

on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Code; and a corporation described in Section 509(a)(3) of the Code (or, if the Corporation is classified, Section 509(a)(1) or 509(a)(2) of the Code).

ARTICLE IV

Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

ARTICLE V

Organization

The Corporation is a religious corporation, organized on a non-stock basis as a membership corporation. The Corporation's sole member is Trinity Health – New England, Inc., a Connecticut nonstock corporation.

ARTICLE VI

Registered Office and Resident Agent

The address of the Corporation's registered office is c/o CT Corporation System, One Corporate Center, Hartford, CT 06103. The resident agent of the Corporation is CT Corporation System, One Corporate Center, Hartford, CT 06103. The address of the Corporation's registered office and/or name of the Corporation's resident agent may be changed from time to time by the Board of Directors of the Corporation.

ARTICLE VII

Membership

Trinity Health – New England, Inc., a Connecticut nonstock corporation ("Member"), is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a member under Connecticut law, this Certificate of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member and Trinity Health under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member and Trinity Health, as required, shall have exercised their respective reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:

a. As reserved to the Member:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonstock corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

b. As reserved to Trinity Health:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in addition to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in this Certificate, or (iii) transfers in the ordinary course of business.

ARTICLE VIII

Indemnification and Standard of Care

Section 1. Indemnification. The Corporation shall, to the maximum extent allowed by law, indemnify those persons who are serving or have served as members, trustees, directors, religious congregations or other canonical persons serving as sponsors, officers, employees, committee members, or agents of the Corporation, and those who are serving or

have served at the request of the Corporation as a trustee, director, religious congregation or other canonical person serving as sponsor, officer, manager, partner, employee, committee member, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 2. Insurance. Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of the Corporation, or who is or was serving at the request of the Corporation as a trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under state law.

Section 3. Standard of Care. Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 4. Justifiable Reliance. In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

a. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
b. Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
c. A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.
d. A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 5. Consideration of Factors. In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which

offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 6. Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation.

Section 7. Personal Liability of Director. No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

ARTICLE IX

Dissolution

Subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the Member of this Corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health Corporation, an Indiana nonprofit corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and which are organized and operated exclusively for

such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

ARTICLE X

Effective Date

This Certificate of Incorporation is effective as of November 24, 2015.

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BYLAWS OF JHC ACQUISITION CORP.

JHC Acquisition Corp. (the "Corporation") changed its to name to Johnson Health Care, Inc. effective January 4, 2015. The Bylaws of the Corporation are attached hereto.

BYLAWS

OF

JHC ACQUISITION CORPORATION

A CONNECTICUT NONSTOCK CORPORATION

Effective Date: _____ ____, 2015

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

“Certificate of Incorporation” means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

> (i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve ex officio as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or
>
> (ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean JHC Acquisition Corporation, a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Key Bylaws Provisions” shall refer to sections of these Bylaws that concern any of the following: (a) the name and corporate purposes of the Corporation; (b) the Catholic Identity and Mission and Core Values of the Corporation and the powers exercisable by CHM; (c) the identity of, reserved powers exercisable by, and other matters pertaining to, the Member and Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Board of Directors of the Corporation.

"Member” shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Regional Health Ministry" or “RHM” is an Affiliate or operating division within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Certificate of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

"We serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities."

The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the

Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

(a) Elect the officers of the Corporation (except the President);

(b) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;

(c) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;

(d) Conduct an annual review of the Corporation's quality and safety performance; and

(e) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation is designated as the Member Director, the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be established by the Member, by policy or otherwise.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held at any time during the last six months of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the Chief Executive Officer prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction

of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Certificate of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. Absences of a Director from three (3) consecutive regular meetings of the Board of Directors may constitute cause for removal from the Board of Directors.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. MEDICAL STAFF

Section 5.01 Medical Staff

The Board of Directors shall have final responsibility for (i) appointment and reappointment of the members of the Medical staff and delineation of their staff privileges; (ii) taking such corrective action relating to Medical staff members as it deems appropriate; (iii) ratifying the selection of Medical staff officers made by the Medical staff; (iv) ratifying the selection of heads of the departments of the Medical staff; (v) reviewing and monitoring the quality improvement programs developed by the Medical staff; and (vi) determining which categories of practitioners are eligible for appointment to the Medical staff. The Board of Directors reserves the authority to take any direct action with respect to any Medical staff appointee action it deems to be in the best interests of the Corporation, whether initiated by the Medical staff or not, and the decision of the Board shall be final.

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the Chief Executive Officer, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their successors are appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting. The President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and Chief Executive Officer who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all

transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

(a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or

(b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

(a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or

(b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent,

manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.

(b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.

(c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to

them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of September of each year and shall begin on the 1st day of October of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation's business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and members of the Board shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's community benefit purposes. The Corporation's officers and members of the Board shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and members of the Board shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

June 25, 2015
Ministry Schedule updated October 1 2015

TRINITY HEALTH
System Authority Matrix

This Authority Matrix summarizes a number of important activities that might be taken by an entity within the Trinity Health System and the corresponding actions or approvals that must be taken before proceeding with such activity. Many of these actions are delegations from the Board of Trinity Health to management, to Committees of the Board of Directors of Trinity Health and to governance of entities affiliated with Trinity Health. Trinity Health has adopted the following Operating Principles which apply to these delegations:

Unity: We act as a unified system, recognizing the interdependency of all its parts in fulfillment of its mission and vision while promoting the strength of our ministries serving our unique communities.

Excellence: We seek to continually innovate and improve our performance excellence and to add value by leveraging our skill and scale.

Simplicity and Clarity: Local, regional and system office leadership work in partnership to make decisions in a timely and collaborative manner that takes into account the variety of interests being affected.

Accountability: We are flexible in shaping roles, responsibilities and accountabilities at all leadership levels of the organization.

The Trinity Health Board retains control over its statutory obligations in carrying out the purposes of the corporation as the parent of a large Catholic health system. The Board is responsible for key strategic decisions and issues that will significantly impact the Trinity Health System. Delegations are established taking into account the balance between making efficient decisions close to the business activity and the need for the board and management to oversee areas of significant impact on the system as a whole in terms of Catholic Identity, strategic direction, risk and value.

The Board has adopted a process of Mission Discernment, which is intended to ensure that in the course of making major decisions, the Mission and Core Values are used as a measure to evaluate the effect of the proposed action.

This Authority Matrix is not intended to be an exclusive listing of the various actions reserved to Trinity Health or its affiliated entities. Trinity Health may clarify these delegations through policies. State law may confer additional rights or require additional actions. Those variations will be set forth in the governing documents of the entity and prevail over any conflicting authorities described in this System Authority Matrix. Different rights may also be set forth in the terms of joint venture organizing documents or other agreements. Decisions related to those joint venture entities should be made in accordance with the organizing documents; however, decisions which exceed financial thresholds or which may, in management's judgment, affect the reputation or identity of the Trinity Health System are required to be reviewed by Trinity Health management, regardless of the minority position held by the CHE Trinity affiliate in the joint venture.

Entities:

Catholic Health Ministries or CHM means the public juridic person that sponsors the Trinity Health system and exercises all canonical responsibilities related to its operations, subject to certain rights retained by sponsoring congregations or public juridic persons until such time as the stable patrimony (property) under the control of those sponsoring congregations or public juridic persons is alienated (transferred) to CHM.

Trinity Health means Trinity Health Corporation, an Indiana nonprofit corporation, which is the parent of the Trinity Health System.

Trinity Health System means Trinity Health, together with its subsidiaries and affiliates.

Ministry or Ministries means any or all RHMs, NHMs, and MHMs.

Mission Health Ministry or MHM means a first tier subsidiary of Trinity Health that maintains a governing body and which has oversight of non-institutional health operations and/or grant making. A list of MHMs is set forth on Exhibit A to this Matrix.

National Health Ministry or NHM means a first tier (direct) subsidiary that maintains a governing body that has day to day management oversight of a business line throughout the Trinity Health System. A list of NHMs is set forth on Exhibit A to this Matrix.

Regional Health Ministries or RHM means a first tier (direct) subsidiary, affiliate or operating division of Trinity Health that maintains a governing body that has day to day management oversight of a designated portion of the Trinity Health System within a geographical market. A list of RHMs is set forth Exhibit A to this Matrix.

Group 1 RHM means an RHM which had a minimum total operating revenue of $300 million in the previous fiscal year or an RHM that has been selected by management for inclusion in Group 1 RHMs based on operational objectives.

Group 2 RHM means an RHM which is not a Group 1 RHM.

Second Tier Subsidiaries means subsidiaries and affiliates of Ministries.

Actions:

Approve means to have ultimate authority over an action. Approval includes the authority to adopt, accept, modify, disapprove or send back for further consideration an action recommended or approved by another entity in the Trinity Health System. Some actions required approval at more than one level. Final approval authority is exercised by the highest level independently of any recommendation or participation actions. If more than one entity has Approval authority, the matter may be initiated and approved by the highest level of Approval authority when permitted by law.

Participate means a timely, meaningful, collaborative and consultative process among interested parties to inform the decision under consideration.

Ratify means to confirm and adopt the act of another even if it was not approved beforehand. It also means final decision making authority, but without the power to initiate or change a recommendation.

Recommend means to review and present a matter for approval by another entity in the Trinity Health System. Recommending authority does not limit the right of the approving entity to initiate an action without a recommendation.

Other:

Governing documents are documents which establish and describe an entity, including the purposes, the powers reserved to the members or shareholders, and which set forth the rights of partners or joint owners relative to each other. Governing documents include documents filed with the state (such as articles or certificates of incorporation), bylaws (whether a corporation or an unincorporated division which has its own governing body), operating agreements and partnership agreements.

Key Bylaws Provisions are variations from the standard Governing Documents that concern any of the following: (a) the Ministry name and corporate purposes; (b) the Mission, Core Values and Catholic Identity of the Ministry and powers exercisable by CHM; (c) the identity of, reserved powers exercisable by and other matters pertaining to Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Ministry Board of Directors. All other variations are not Key Bylaw Provisions.

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
I	**Statements of Identity**					
I a	Trinity Health System Mission Statement	-	-	-		Approve
1 b	Trinity Health System Core Values	-	-	-		Approve
II	**Governing Documents**					
II a	Articles and Bylaws of Trinity Health Corporation	-	-	Recommend	Approve and Recommend	Ratify
II b	Governing Documents of Ministries consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governing Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
II c	Governing Documents of Second Tier Subsidiary which operates licensed healthcare facilities consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governance Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-
II d	Governing Documents of Second Tier Subsidiary	Recommend	Approve	Approve		
III	**Appointments and Removals**					
III a	Appointment or removal of CHM Members (which comprise the Trinity Health Board of Directors)					Approve
III b	Appointment or removal of Trinity Health Board Chair				Approve	Ratify
III c	Appointment or removal Ministry Boards of Directors		Recommend	Recommend	Approve (Executive and Governance Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
III d	Appointment or removal of Ministry Board Chairs		Approve		Ratify (Executive and Governance Committee)	
III e	Appointment or removal of Second Tier Subsidiaries Governing Body	Recommend	Approve			
III f	Appointment or removal of Trinity Health CEO				Approve	Ratify
III g	Appointment or removal of Ministry CEOs	Participate	Recommend	Approve		
III h	Appointment or removal of Second Tier Subsidiaries CEOs	Approve				
IV	**Strategy**					
IV a	Trinity Health System Strategic Plans			Recommend	Approve	
IV b	Group I RHM and NHM Strategic Plans	Recommend	Approve	Approve		
IV c	Group 2 RHM and	Recommend	Approve	Participate		

	MHM Strategic Plans					
	Action	**Ministry Management**	**Ministry Governance**	**Trinity Health Management**	**Trinity Health Governance**	**Catholic Health Ministries**
V	**Finance Matters**					
V a	Group I RHM and NHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law
V b	Group II RHM and MHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law

V c	Additional Debt and System Five Year Plan of Finance			Recommends	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	
	Action	**Ministry Management**	**Ministry Governance**	**Trinity Health Management**	**Trinity Health Governance**	**Catholic Health Ministries**
V d	System Operating and Capital Budget			Recommend	Approve (upon recommendation by Stewardship Committee)	
V e	RHM Operating and Capital Budget	Recommend	Approve	Approve		
V f	Second Tier Operating and Capital Budget	Recommend	Approve			
V g	Contracts (including leases) in which the Trinity Health is the financially obligated			Approve up to $25 million	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship	

					Committee)	
V h	Contracts (including leases) in which a Group I RHM or a NHM is financially obligated	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	
	Action	**Ministry Management**	**Ministry Governance**	**Trinity Health Management**	**Trinity Health Governance**	**Catholic Health Ministries**
V i	Contracts (including leases) in which a Group II RHM or MHM is financially obligated	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	
V j	Auditor Selection (Trinity Health System and separate audits)			Recommend	Approve (upon recommendation by the Audit Committee)	
V k	Annual Trinity Health System Audit			Recommend	Approve (upon recommendation by the Audit Committee)	
VI	**New Organizations and Major Transactions**					

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI a	Major change affecting Trinity Health (merger, consolidation, creation, transfer, sale of substantially all assets)			Recommend	Approve	Approve
VI b	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) not related to an Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Approve	Approve as related to Sponsorship obligations
VI c	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) related to a Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Stewardship Committee Approve	Approve as related to Sponsorship obligations
VI d	Major change affecting Second Tier Subsidiaries (merger, consolidation,	Recommend	Approve	Approve		Approve as related to Sponsorship obligations

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
	creation, transfer, sale of all assets)					
VI e	Internal operational reorganization affecting tier structure	Participate	Recommend	Approve		
VI f	Formation or acquisition of an entity in which Trinity Health will be the sole parent			Recommend	Approve	Approve as related to Sponsorship obligations
VI g	Joint venture or other enterprise affecting ownership of a Group I RHM or NHM	Recommend	Approve	Recommend	Approve	Approve as related to Sponsorship obligations
VI h	Joint venture or other enterprise affecting ownership of a Group II RHM or MHM	Recommend	Approve	Recommend	Approval by Stewardship Committee	Approve as related to Sponsorship obligations
VII	**People Centered**					

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
	Care					
VII a	Trinity Health System Wide Quality and Safety Standards	Participates		Recommends	Approves (upon recommendation of the People Centered Care Committee	
VII b	RHM Quality and Safety Standards (consistent with Trinity Health System Quality Standards)	Recommends	Approves			
VII c	Annual review of Trinity Health System Quality and Safety			Recommends	People Centered Care Committee Approves, Board Receives Report	
VII d	Annual review of RHM Quality and Safety	Recommends	Approves	Receive Report		

EXHIBIT A

MINISTRIES
Based on the FY 2015 Income Statement and Supplemental Materials

October 1, 2015

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP I

Holy Cross Health (Maryland)
Holy Cross Hospital (Florida)
Loyola University Health System (Illinois)
Mercy Health (Michigan)
Mercy Health Services – Iowa (Iowa)
Mercy Health System of Southeastern Pennsylvania (Pennsylvania)
Mount Carmel Health System (Ohio)
Our Lady of Lourdes Health Care Services (New Jersey)
Saint Agnes Medical Center (California)
Saint Alphonsus Health System (Idaho)
St. Francis Care, Inc. (Connecticut)
Saint Joseph Mercy Health System (Michigan)
Saint Joseph Regional Medical Center (Indiana)
St. Joseph's Hospital Health Center (New York)
Sisters of Providence Health System (Massachusetts)
St. Mary Medical Center (Pennsylvania)
St. Mary's Health Care System (Georgia)
St. Peter's Health Partners (New York)

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP II

Mercy Health System of Chicago (Illinois)
Saint Michael's Medical Center (New Jersey)
St. Francis Hospital (Delaware)
St. Francis Medical Center (New Jersey)

NATIONAL HEALTH MINISTRIES (NHMs)

Trinity Home Health Services (multi-state)
Trinity Senior Living Communities (multi-state)
Trinity PACE

MISSION HEALTH MINISTRIES (MHMs)

Allegany Franciscan Ministries (Florida)
Global Health Ministry (Pennsylvania)
Mercy Medical (Alabama)
Pittsburgh Mercy Health System (Pennsylvania)
Saint Joseph's Health System (Georgia)

Approved by Trinity Health Executive and Governance Committee 6/18/14, effective 7/1/14; revised and approved by the Trinity Health Executive and Governance Committee on January 27, 2015; revised and approved by the Trinity Health Board of Directors on February 25, 2015; revised and approved by the Trinity Health Executive and Governance Committee on April 9, 2015; approved by Catholic Health Ministries on June 25, 2015.

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

01/04/2016

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
JOHNSON MEMORIAL HOSPITAL, INC.

Type of Request:
AMEND NAME

Work Order Number	: 2016001221-006	Business Filing Number	: 0005457842
Filing Date/Time	: 01/04/2016 11:00 AM	Effective Date/Time	: 01/04/2016 11:00 AM
Work Order Payment Total	: $560.00	Payment Received	: $70.00
Credit on Account	: $1,885.00	Customer ID	: 000308053
Business ID	: 1188474		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

RUBY VEAL
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF AMENDMENT
NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $20

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

JMH Acquisition Corp.

2. THE CERTIFICATE OF INCORPORATION IS *(check A, B or C)*:

☒ A. AMENDED

☐ B. RESTATED

☐ C. AMENDED AND RESTATED

THE RESTATED CERTIFICATE CONSOLIDATES ALL AMENDMENTS INTO A SINGLE DOCUMENT

3. TEXT OF EACH AMENDMENT / RESTATEMENT:

Article I of the Certificate of Incorporation is hereby deleted in its entirety and substituted as follows:

"The name of the Corporation is Johnson Memorial Hospital, Inc."

The definition of "Corporation" under Article II is hereby deleted in its entirety and substituted as follows:

""Corporation" shall mean Johnson Memorial Hospital, Inc., a Connecticut nonstock corporation."

4. VOTE INFORMATION *(CHECK A,B or C)*

☒ **A. THE AMENDMENT WAS DULY APPROVED BY THE MEMBERS IN THE MANNER REQUIRED BY SECTIONS 33-1140 TO 33-1147 OF THE CONNECTICUT GENERAL STATUTES, AND BY THE CERTIFICATE OF INCORPORATION.**

☐ **B. THE AMENDMENT WAS DULY APPROVED BY THE INCORPORATORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

☐ **C. THE AMENDMENT WAS DULY APPROVED BY THE BOARD OF DIRECTORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

5. EXECUTION:

DATED THIS 31st **DAY OF** December **, 20** 15

NAME OF SIGNATORY	CAPACITY/TITLE OF SIGNATORY	SIGNATURE
Christopher Dadlez	President and Chief Executive Officer of Trinity Health – New England, Inc., sole member	

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

11/24/2015

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
JMH ACQUISITION CORP.

Type of Request:
CERTIFICATE OF INCORPORATION

Work Order Number	: 2015351353-001	Business Filing Number	: 0005436373
Filing Date/Time	: 11/24/2015 12:00 PM	Effective Date/Time	: 11/24/2015 12:00 PM
Work Order Payment Total	: $100.00	Payment Received	: $100.00
Credit on Account	: $2,265.00	Customer ID	: 000308053
Business ID	: 1188474		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

ELISSA MACMILLAN
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF INCORPORATION

NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder, LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $50

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

JMH Acquisition Corp.

THE CORPORATION IS NONPROFIT AND SHALL NOT HAVE OR ISSUE SHARES OF STOCK OR MAKE DISTRIBUTIONS.

2. PLACE A CHECK NEXT TO THE APPROPRIATE STATEMENT:

☐ **A. THE CORPORATION SHALL NOT HAVE MEMBERS.**

☐ **B. THE CORPORATION SHALL ONLY HAVE MEMBERS, WHICH ARE NOT ENTITLED TO VOTE.**

☒ **C. THE CORPORATION SHALL HAVE ONE CLASS OF MEMBERS.**

☐ **D. THE CORPORATION SHALL HAVE MULTIPLE CLASSES OF MEMBERS WHICH CLASSES ARE DESIGNATED AS FOLLOWS:**

PLEASE NOTE: THE MANNER OF ELECTION AND APPOINTMENT OF MEMBERS ALONG WITH THEIR QUALIFICATIONS AND RIGHTS MAY BE SET FORTH IN THIS CERTIFICATE OR IN THE CORPORATION'S BYLAWS. PLEASE SEE C.G.S.§ 33-1055 & -1056.

3. APPOINTMENT OF REGISTERED AGENT: *(PLEASE SELECT ONLY ONE A. OR B.)*

A. INDIVIDUAL'S AGENT NAME:

BUSINESS ADDRESS: *(P.O.BOX UNACCEPTABLE)*	**RESIDENCE ADDRESS:** *(P.O.BOX UNACCEPTABLE)*
ADDRESS:	ADDRESS:
CITY:	CITY:
STATE: ZIP:	STATE: ZIP:

B. BUSINESS ENTITY AGENT NAME: CT Corporation System

ADDRESS: *(P.O.BOX UNACCEPTABLE)*

ADDRESS: One Corporate Center
CITY: Hartford
STATE: CT ZIP: 06103

FORM CIN-1-1.0
Rev. 1/1/2015

ACCEPTANCE OF APPOINTMENT

Lisa Shleed. V.P.

SIGNATURE OF AGENT

4. THE NATURE OF THE ACTIVITIES TO BE CONDUCTED OR THE PURPOSES TO BE PROMOTED BY THE CORPORATION:

See attached.

5. OTHER INFORMATION:

See attached.

6. CORPORATION EMAIL ADDRESS - REQUIRED: (IF NONE, MUST STATE "NONE.")

None

7. EXECUTION: CERTIFICATE MUST BE SIGNED BY EACH INCORPORATOR

DATED THIS 24 DAY OF November ,2015

NAME OF INCORPORATOR	ADDRESS	SIGNATURE(S)
Thomas S. Marrion	ADDRESS: 20 Church Street CITY Hartford STATE: CT ZIP: 06103	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	

FORM CIN-1.1.0
Rev. 1/1/2018

Certificate of Incorporation of

JMH Acquisition Corp.

A Connecticut Nonstock Corporation

ARTICLE I

Name

The name of the Corporation is JMH Acquisition Corp.

ARTICLE II

Definitions

For the purposes of this Certificate, the following defined terms shall have the following meanings:

"Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

"Certificate of Incorporation" means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Corporation" shall mean JMH Acquisition Corp., a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Code of Regulations, System Authority Matrix, Bylaws or equivalent organizational documents of a corporation or other entity.

"Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

"Member" shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

"System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.

"Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

ARTICLE III

Purposes

The Corporation shall be organized and operated exclusively for religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Code. The Corporation shall not have or issue shares of stock or make distributions. The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health Corporation, an Indiana nonprofit corporation, or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

A. To carry out the purposes of Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successor, which is the Member of the Corporation, and to further the apostolate of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States;

B. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Directors of the Corporation, are appropriate in carrying out the health care mission of the Trinity Health and Catholic Health Ministries. The Corporation shall take

all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation or applicable law, including, without limitation, promoting and carrying on scientific research and educational activities related to the care of the sick and promotion of health, and establishing, maintaining, owning, managing, operating, transferring, conveying, supporting, assisting and acquiring institutions, facilities and programs in several states, directly or through one or more affiliates, including, but not limited to, hospitals and clinics, which shall provide diagnosis and treatment to inpatients and outpatients and shall provide such support services as, but not limited to, extended care, shared services, pastoral care, home care, long-term care, operation of senior residences, care of the elderly and the handicapped, care of the economically needy, child care, social services, mental health and substance abuse services;

C. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Code;

D. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;

E. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;

F. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;

G. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from

taxation under Section 501(c)(3) of the Code and the regulations promulgated thereunder as they now exist or as they may be amended;

H. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and

I. Notwithstanding any other provisions of this Certificate of Incorporation, the Corporation shall not carry on any activity not permitted to be carried on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Code; and a corporation described in Section 509(a)(3) of the Code (or, if the Corporation is classified, Section 509(a)(1) or 509(a)(2) of the Code).

ARTICLE IV

Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

ARTICLE V

Organization

The Corporation is a religious corporation, organized on a non-stock basis as a membership corporation. The Corporation's sole member is Trinity Health – New England, Inc., a Connecticut nonstock corporation.

ARTICLE VI

Registered Office and Resident Agent

The address of the Corporation's registered office is c/o CT Corporation System, One Corporate Center, Hartford, CT 06103. The resident agent of the Corporation is CT Corporation System, One Corporate Center, Hartford, CT 06103. The address of the Corporation's registered office and/or name of the Corporation's resident agent may be changed from time to time by the Board of Directors of the Corporation.

ARTICLE VII

Membership

Trinity Health – New England, Inc., a Connecticut nonstock corporation ("Member") is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a member under Connecticut law, this Certificate of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member and Trinity Health under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member and Trinity Health, as required, shall have exercised their respective reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:

a. As reserved to the Member:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated

operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonstock corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

b. As reserved to Trinity Health:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health

receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in addition to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in this Certificate, or (iii) transfers in the ordinary course of business.

ARTICLE VIII

Indemnification and Standard of Care

Section 1. Indemnification. The Corporation shall, to the maximum extent allowed by law, indemnify those persons who are serving or have served as members, trustees, directors, religious congregations or other canonical persons serving as sponsors, officers, employees, committee members, or agents of the Corporation, and those who are serving or have served at the request of the Corporation as a trustee, director, religious congregation or other canonical person serving as sponsor, officer, manager, partner, employee, committee member, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 2. Insurance. Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of the Corporation, or who is or was serving at the request of the Corporation as a trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under state law.

Section 3. Standard of Care. Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 4. Justifiable Reliance. In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

a. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
b. Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
c. A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.
d. A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 5. Consideration of Factors. In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 6. Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation.

Section 7. Personal Liability of Director. No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

ARTICLE IX

Dissolution

Subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the

Member of this Corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health Corporation, an Indiana nonprofit corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and which are organized and operated exclusively for such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

ARTICLE X

Effective Date

This Certificate of Incorporation is effective as of November 24, 2015.

55293639 v4

BYLAWS OF JMH ACQUISITION CORP.

JMH Acquisition Corp. (the "Corporation") changed its to name to Johnson Memorial Hospital, Inc. effective January 4, 2015. The Bylaws of the Corporation are attached hereto.

BYLAWS

OF

JMH ACQUISITION CORPORATION

A CONNECTICUT NONSTOCK CORPORATION

Effective Date: _____ ____, 2015

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

“Certificate of Incorporation” means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

> (i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve ex officio as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or
>
> (ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean JMH Acquisition Corporation, a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Key Bylaws Provisions” shall refer to sections of these Bylaws that concern any of the following: (a) the name and corporate purposes of the Corporation; (b) the Catholic Identity and Mission and Core Values of the Corporation and the powers exercisable by CHM; (c) the identity of, reserved powers exercisable by, and other matters pertaining to, the Member and Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Board of Directors of the Corporation.

"Member” shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

“Operating Unit” shall have the definition set forth in Section 5.04 of these Bylaws.

"Regional Health Ministry" or “RHM” is an Affiliate or operating division within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Certificate of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

"We serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities."

The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the

Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, cosponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

(a) Elect the officers of the Corporation (except the President);

(b) Approve the Medical/Dental staff credentials for the hospital facilities owned and operated by the Corporation;

(c) Oversee the Corporation's relationship with the Medical/Dental staff as contemplated in Article V of these Bylaws;

(d) Adopt, amend, or repeal the Medical/Dental staff bylaws;

(e) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;

(f) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;

(g) Conduct an annual review of the Corporation's quality and safety performance; and

(h) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation is designated as the Member Director, the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation

(who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be established by the Member, by policy or otherwise.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held at any time during the last six months of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the Chief Executive Officer prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Certificate of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. Absences of a Director from three (3) consecutive regular meetings of the Board of Directors may constitute cause for removal from the Board of Directors.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. MEDICAL/DENTAL STAFF

Section 5.01 Medical/Dental Staff Bylaws

The Medical/Dental staff of the hospital operated by the Corporation shall be organized pursuant to the bylaws of the Medical/Dental staff. The bylaws shall (i) describe the organization of the medical staff, (ii) describe the qualifications and criteria for Medical/Dental staff appointment and privilege determinations, (iii) state the duties and privileges of each category of the Medical/Dental staff, (iv) include procedures for recommendations by the Medical/Dental staff on the appointment of members of the Medical/Dental staff, the delineation of their staff privileges and the initiation of corrective action taken against any member, and (v) state the requirements for completion and documentation of patient histories and physical exams. The Medical/Dental staff bylaws also shall contain procedures for the resolution of disputes that may arise regarding the granting, denial or limitation of staff privileges or corrective action taken against any member of the Medical/Dental staff, including a hearing and appeal process and the circumstances in which such hearing/appeal rights will be made available. Bylaws, rules, regulations, and policies of the Medical/Dental staff may be proposed and adopted by the Medical/Dental staff of the hospital (or other health care provider that has a Medical/Dental staff), but the bylaws, rules, regulations, policies, and amendments thereto shall not become effective until approved by the Corporation's Board of Directors.

The Board of Directors shall have final responsibility for (i) appointment and reappointment of the members of the Medical/Dental staff and delineation of their staff privileges; (ii) taking such corrective action relating to Medical/Dental staff members as it deems appropriate; (iii) ratifying the selection of Medical/Dental staff officers made by the Medical/Dental staff; (iv) ratifying the selection of heads of the departments of the Medical/Dental staff; (v) reviewing and monitoring the quality improvement programs developed by the Medical/Dental staff; and (vi) determining which categories of practitioners are eligible for appointment to the Medical/Dental Staff. The Medical/Dental staff bylaws are not deemed to be a contract and are not intended to create contractual rights or responsibilities. The Board of Directors reserves the authority to take any direct action with respect to any Medical/Dental staff appointee action it deems to be in the best interests of the hospital operated by the Corporation, whether initiated by the Medical/Dental staff or not, and the decision of the Board shall be final.

Section 5.02 Medical/Dental Staff of Operating Units

The powers described in this Article V may be delegated to the governing body of an unincorporated operating division of governance and management of the Corporation

("Operating Unit") where such Operating Unit governing body is responsible for the operation of a hospital under applicable state law or standards of accrediting agencies. Such delegation may be accomplished by resolution or by setting forth the powers and duties of such governing body in the bylaws of the Operating Unit.

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the Chief Executive Officer, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their successors are

appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting. The President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and Chief Executive Officer who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of three (3)

consecutive complete one year terms. The Chair, Treasurer and Secretary of the Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

(a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or

(b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

(a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or

(b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.

(b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.

(c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY HOSPITAL SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Hospital Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of September of each year and shall begin on the 1st day of October of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation’s business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and members of the Board shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's community benefit purposes. The Corporation's officers and members of the Board shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and members of the Board shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

June 25, 2015
Ministry Schedule updated October 1 2015

TRINITY HEALTH
System Authority Matrix

This Authority Matrix summarizes a number of important activities that might be taken by an entity within the Trinity Health System and the corresponding actions or approvals that must be taken before proceeding with such activity. Many of these actions are delegations from the Board of Trinity Health to management, to Committees of the Board of Directors of Trinity Health and to governance of entities affiliated with Trinity Health. Trinity Health has adopted the following Operating Principles which apply to these delegations:

Unity: We act as a unified system, recognizing the interdependency of all its parts in fulfillment of its mission and vision while promoting the strength of our ministries serving our unique communities.

Excellence: We seek to continually innovate and improve our performance excellence and to add value by leveraging our skill and scale.

Simplicity and Clarity: Local, regional and system office leadership work in partnership to make decisions in a timely and collaborative manner that takes into account the variety of interests being affected.

Accountability: We are flexible in shaping roles, responsibilities and accountabilities at all leadership levels of the organization.

The Trinity Health Board retains control over its statutory obligations in carrying out the purposes of the corporation as the parent of a large Catholic health system. The Board is responsible for key strategic decisions and issues that will significantly impact the Trinity Health System. Delegations are established taking into account the balance between making efficient decisions close to the business activity and the need for the board and management to oversee areas of significant impact on the system as a whole in terms of Catholic Identity, strategic direction, risk and value.

The Board has adopted a process of Mission Discernment, which is intended to ensure that in the course of making major decisions, the Mission and Core Values are used as a measure to evaluate the effect of the proposed action.

This Authority Matrix is not intended to be an exclusive listing of the various actions reserved to Trinity Health or its affiliated entities. Trinity Health may clarify these delegations through policies. State law may confer additional rights or require additional actions. Those variations will be set forth in the governing documents of the entity and prevail over any conflicting authorities described in this System Authority Matrix. Different rights may also be set forth in the terms of joint venture organizing documents or other agreements. Decisions related to those joint venture entities should be made in accordance with the organizing documents; however, decisions which exceed financial thresholds or which may, in management's judgment, affect the reputation or identity of the Trinity Health System are required to be reviewed by Trinity Health management, regardless of the minority position held by the CHE Trinity affiliate in the joint venture.

Entities:

Catholic Health Ministries or CHM means the public juridic person that sponsors the Trinity Health system and exercises all canonical responsibilities related to its operations, subject to certain rights retained by sponsoring congregations or public juridic persons until such time as the stable patrimony (property) under the control of those sponsoring congregations or public juridic persons is alienated (transferred) to CHM.

Trinity Health means Trinity Health Corporation, an Indiana nonprofit corporation, which is the parent of the Trinity Health System.

Trinity Health System means Trinity Health, together with its subsidiaries and affiliates.

Ministry or Ministries means any or all RHMs, NHMs, and MHMs.

Mission Health Ministry or MHM means a first tier subsidiary of Trinity Health that maintains a governing body and which has oversight of non-institutional health operations and/or grant making. A list of MHMs is set forth on Exhibit A to this Matrix.

National Health Ministry or NHM means a first tier (direct) subsidiary that maintains a governing body that has day to day management oversight of a business line throughout the Trinity Health System. A list of NHMs is set forth on Exhibit A to this Matrix.

Regional Health Ministries or RHM means a first tier (direct) subsidiary, affiliate or operating division of Trinity Health that maintains a governing body that has day to day management oversight of a designated portion of the Trinity Health System within a geographical market. A list of RHMs is set forth Exhibit A to this Matrix.

Group 1 RHM means an RHM which had a minimum total operating revenue of $300 million in the previous fiscal year or an RHM that has been selected by management for inclusion in Group 1 RHMs based on operational objectives.

Group 2 RHM means an RHM which is not a Group 1 RHM.

Second Tier Subsidiaries means subsidiaries and affiliates of Ministries.

Actions:

Approve means to have ultimate authority over an action. Approval includes the authority to adopt, accept, modify, disapprove or send back for further consideration an action recommended or approved by another entity in the Trinity Health System. Some actions required approval at more than one level. Final approval authority is exercised by the highest level independently of any recommendation or participation actions. If more than one entity has Approval authority, the matter may be initiated and approved by the highest level of Approval authority when permitted by law.

Participate means a timely, meaningful, collaborative and consultative process among interested parties to inform the decision under consideration.

Ratify means to confirm and adopt the act of another even if it was not approved beforehand. It also means final decision making authority, but without the power to initiate or change a recommendation.

Recommend means to review and present a matter for approval by another entity in the Trinity Health System. Recommending authority does not limit the right of the approving entity to initiate an action without a recommendation.

Other:

Governing documents are documents which establish and describe an entity, including the purposes, the powers reserved to the members or shareholders, and which set forth the rights of partners or joint owners relative to each other. Governing documents include documents filed with the state (such as articles or certificates of incorporation), bylaws (whether a corporation or an unincorporated division which has its own governing body), operating agreements and partnership agreements.

Key Bylaws Provisions are variations from the standard Governing Documents that concern any of the following: (a) the Ministry name and corporate purposes; (b) the Mission, Core Values and Catholic Identity of the Ministry and powers exercisable by CHM; (c) the identity of, reserved powers exercisable by and other matters pertaining to Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Ministry Board of Directors. All other variations are not Key Bylaw Provisions.

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
I	**Statements of Identity**					
I a	Trinity Health System Mission Statement	-	-	-		Approve
1 b	Trinity Health System Core Values	-	-	-		Approve
II	**Governing Documents**					
II a	Articles and Bylaws of Trinity Health Corporation	-	-	Recommend	Approve and Recommend	Ratify
II b	Governing Documents of Ministries consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governing Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
II c	Governing Documents of Second Tier Subsidiary which operates licensed healthcare facilities consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governance Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-
II d	Governing Documents of Second Tier Subsidiary	Recommend	Approve	Approve		
III	**Appointments and Removals**					
III a	Appointment or removal of CHM Members (which comprise the Trinity Health Board of Directors)					Approve
III b	Appointment or removal of Trinity Health Board Chair				Approve	Ratify
III c	Appointment or removal Ministry Boards of Directors		Recommend	Recommend	Approve (Executive and Governance Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
III d	Appointment or removal of Ministry Board Chairs		Approve		Ratify (Executive and Governance Committee)	
III e	Appointment or removal of Second Tier Subsidiaries Governing Body	Recommend	Approve			
III f	Appointment or removal of Trinity Health CEO				Approve	Ratify
III g	Appointment or removal of Ministry CEOs	Participate	Recommend	Approve		
III h	Appointment or removal of Second Tier Subsidiaries CEOs	Approve				
IV	**Strategy**					
IV a	Trinity Health System Strategic Plans			Recommend	Approve	
IV b	Group I RHM and NHM Strategic Plans	Recommend	Approve	Approve		
IV c	Group 2 RHM and	Recommend	Approve	Participate		

	MHM Strategic Plans					
	Action	**Ministry Management**	**Ministry Governance**	**Trinity Health Management**	**Trinity Health Governance**	**Catholic Health Ministries**
V	**Finance Matters**					
V a	Group I RHM and NHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law
V b	Group II RHM and MHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law

V c	Additional Debt and System Five Year Plan of Finance			Recommends	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	
	Action	**Ministry Management**	**Ministry Governance**	**Trinity Health Management**	**Trinity Health Governance**	**Catholic Health Ministries**
V d	System Operating and Capital Budget			Recommend	Approve (upon recommendation by Stewardship Committee)	
V e	RHM Operating and Capital Budget	Recommend	Approve	Approve		
V f	Second Tier Operating and Capital Budget	Recommend	Approve			
V g	Contracts (including leases) in which the Trinity Health is the financially obligated			Approve up to $25 million	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship	

					Committee)	
V h	Contracts (including leases) in which a Group I RHM or a NHM is financially obligated	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	
	Action	**Ministry Management**	**Ministry Governance**	**Trinity Health Management**	**Trinity Health Governance**	**Catholic Health Ministries**
V i	Contracts (including leases) in which a Group II RHM or MHM is financially obligated	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	
V j	Auditor Selection (Trinity Health System and separate audits)			Recommend	Approve (upon recommendation by the Audit Committee)	
V k	Annual Trinity Health System Audit			Recommend	Approve (upon recommendation by the Audit Committee)	
VI	**New Organizations and Major Transactions**					

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI a	Major change affecting Trinity Health (merger, consolidation, creation, transfer, sale of substantially all assets)			Recommend	Approve	Approve
VI b	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) not related to an Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Approve	Approve as related to Sponsorship obligations
VI c	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) related to a Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Stewardship Committee Approve	Approve as related to Sponsorship obligations
VI d	Major change affecting Second Tier Subsidiaries (merger, consolidation,	Recommend	Approve	Approve		Approve as related to Sponsorship obligations

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
	creation, transfer, sale of all assets)					
VI e	Internal operational reorganization affecting tier structure	Participate	Recommend	Approve		
VI f	Formation or acquisition of an entity in which Trinity Health will be the sole parent			Recommend	Approve	Approve as related to Sponsorship obligations
VI g	Joint venture or other enterprise affecting ownership of a Group I RHM or NHM	Recommend	Approve	Recommend	Approve	Approve as related to Sponsorship obligations
VI h	Joint venture or other enterprise affecting ownership of a Group II RHM or MHM	Recommend	Approve	Recommend	Approval by Stewardship Committee	Approve as related to Sponsorship obligations
VII	**People Centered**					

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
	Care					
VII a	Trinity Health System Wide Quality and Safety Standards	Participates		Recommends	Approves (upon recommendation of the People Centered Care Committee	
VII b	RHM Quality and Safety Standards (consistent with Trinity Health System Quality Standards)	Recommends	Approves			
VII c	Annual review of Trinity Health System Quality and Safety			Recommends	People Centered Care Committee Approves, Board Receives Report	
VII d	Annual review of RHM Quality and Safety	Recommends	Approves	Receive Report		

EXHIBIT A

MINISTRIES
Based on the FY 2015 Income Statement and Supplemental Materials

October 1, 2015

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP I

Holy Cross Health (Maryland)
Holy Cross Hospital (Florida)
Loyola University Health System (Illinois)
Mercy Health (Michigan)
Mercy Health Services – Iowa (Iowa)
Mercy Health System of Southeastern Pennsylvania (Pennsylvania)
Mount Carmel Health System (Ohio)
Our Lady of Lourdes Health Care Services (New Jersey)
Saint Agnes Medical Center (California)
Saint Alphonsus Health System (Idaho)
St. Francis Care, Inc. (Connecticut)
Saint Joseph Mercy Health System (Michigan)
Saint Joseph Regional Medical Center (Indiana)
St. Joseph's Hospital Health Center (New York)
Sisters of Providence Health System (Massachusetts)
St. Mary Medical Center (Pennsylvania)
St. Mary's Health Care System (Georgia)
St. Peter's Health Partners (New York)

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP II

Mercy Health System of Chicago (Illinois)
Saint Michael's Medical Center (New Jersey)
St. Francis Hospital (Delaware)
St. Francis Medical Center (New Jersey)

NATIONAL HEALTH MINISTRIES (NHMs)

Trinity Home Health Services (multi-state)
Trinity Senior Living Communities (multi-state)
Trinity PACE

MISSION HEALTH MINISTRIES (MHMs)

Allegany Franciscan Ministries (Florida)
Global Health Ministry (Pennsylvania)
Mercy Medical (Alabama)
Pittsburgh Mercy Health System (Pennsylvania)
Saint Joseph's Health System (Georgia)

Approved by Trinity Health Executive and Governance Committee 6/18/14, effective 7/1/14; revised and approved by the Trinity Health Executive and Governance Committee on January 27, 2015; revised and approved by the Trinity Health Board of Directors on February 25, 2015; revised and approved by the Trinity Health Executive and Governance Committee on April 9, 2015; approved by Catholic Health Ministries on June 25, 2015.

DENISE W. MERRILL
CONNECTICUT SECRETARY OF THE STATE

Connecticut
eRegulations System

Official V

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Browse > List of Titles > Title 19 Contents > Subtitle 19-13-B

Browse the Regulations of Connecticut State Agencies

Last updated: 12/23/2015

Section 19-13-B102

Title 19 - Public Health and Safety
Department of Public Health
Printer-Friendly

12/23/2015

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Regulations of Connecticut State Agencies

Sec. 19-13-B102. Standards for quality of public drinking water

(a) **Definitions.** As used in this section:

(1) "Action level" means the concentration of lead or copper in water specified in subsection (j)(6)(B) of this section which determines, in some cas treatment requirements contained in subsection (j)(6) of this section that a system is required to complete;

(2) "Active source of supply" means all springs, streams, watercourses, brooks, rivers, lakes, ponds, wells, or underground water from which water is take regular or periodic basis for water supply purposes. A number of wells drawing water from a single aquifer or more than 1 surface water body or a combina surface water and ground water sources connected to a common distribution system may be considered a single source of supply;

(3) "Annual average" means the arithmetic average of the quarterly averages of 4 consecutive quarters of monitoring;

(4) "Bag filters" means pressure-driven separation devices that remove particulate matter larger than 1 micrometer using an engineered porous filtration mec are typically constructed of a non-rigid, fabric filtration media housed in a pressure vessel in which the direction of flow is from the inside of the bag to the out

(5) "Bank filtration" means a water treatment process that uses a well to recover surface water that has naturally infiltrated into ground water through a riv or bank(s). Infiltration is typically enhanced by the hydraulic gradient imposed by a nearby pumping water supply or other well(s);

(6) "Cartridge filters" means pressure-driven separation devices that remove particulate matter larger than 1 micrometer using an engineered porous fil media and are typically constructed as rigid or semi-rigid, self-supporting filter elements housed in pressure vessels in which flow is from the outside of the ca to the inside;.

(7) "CFR" means Code of Federal Regulations;

(8) "Certified distribution system operator" means an operator who has met the education, experience, and examination requirements specified in section 25 of the Regulations of Connecticut State Agencies and has been certified by the department;

(9) "Certified operator" means an operator who has met the education, experience, and examination requirements specified in sections 25-32-7a to 25- inclusive, of the Regulations of Connecticut State Agencies and has been certified by the department;

(10) "Certified water treatment plant operator" means an operator who has met the education, experience, and examination requirements of section 25-32-9 Regulations of Connecticut State Agencies and has been certified by the department;

(11) "Coagulation" means a process using coagulant chemicals and mixing by which colloidal and suspended materials are destabilized and agglomerate flocs;

(12) "Coliform" means a group of bacteria found in the intestines of warm-blooded animals (including humans) and found in plants, soil, air, and water;

(13) "Combined distribution system" means the interconnected distribution system consisting of the distribution systems of wholesale systems and

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SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

01/04/2016

Attn: DANIELLE RYAN-PRAUS
HINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**
This letter is to confirm the acceptance of the following business filing:

Business Name:	Type of Request:
JOHNSON MEMORIAL MEDICAL CENTER, INC.	AMEND NAME

Work Order Number	: 2016001221-005	Business Filing Number	: 0005457839
Filing Date/Time	: 01/04/2016 11:00 AM	Effective Date/Time	: 01/04/2016 11:00 AM
Work Order Payment Total	: $560.00	Payment Received	: $70.00
Credit on Account	: $1,885.00	Customer ID	: 000308053
Business ID	: 1188471		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

RUBY VEAL
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF AMENDMENT
NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS)*:

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $20

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

JMMC Acquisition Corp.

2. THE CERTIFICATE OF INCORPORATION IS *(check A, B or C)*:

☒ A. AMENDED

☐ B. RESTATED

☐ C. AMENDED AND RESTATED

THE RESTATED CERTIFICATE CONSOLIDATES ALL AMENDMENTS INTO A SINGLE DOCUMENT

3. TEXT OF EACH AMENDMENT / RESTATEMENT:

Article I of the Certificate of Incorporation is hereby deleted in its entirety and substituted as follows:

"The name of the Corporation is Johnson Memorial Medical Center, Inc."

The definition of "Corporation" under Article II is hereby deleted in its entirety and substituted as follows:

"'Corporation" shall mean Johnson Memorial Medical Center, Inc., a Connecticut nonstock corporation."

4. VOTE INFORMATION *(CHECK A,B or C)*

☒ **A. THE AMENDMENT WAS DULY APPROVED BY THE MEMBERS IN THE MANNER REQUIRED BY SECTIONS 33-1140 TO 33-1147 OF THE CONNECTICUT GENERAL STATUTES, AND BY THE CERTIFICATE OF INCORPORATION.**

☐ **B. THE AMENDMENT WAS DULY APPROVED BY THE INCORPORATORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

☐ **C. THE AMENDMENT WAS DULY APPROVED BY THE BOARD OF DIRECTORS AND MEMBER APPROVAL WAS NOT REQUIRED.**

5. EXECUTION:

DATED THIS 31st **DAY OF** December **, 20** 15

NAME OF SIGNATORY	CAPACITY/TITLE OF SIGNATORY	SIGNATURE
Christopher Dadlez	President and Chief Executive Officer of Trinity Health – New England, Inc., sole member	

SECRETARY OF THE STATE OF
CONNECTICUT
30 TRINITY STREET
P.O. BOX 150470
HARTFORD, CT 06115-0470

11/24/2015

Attn: DANIELLE RYAN-FRAUS
BINCKLEY ALLEN & SNYDER, LLP
20 CHURCH STREET
HARTFORD, CT 06103

RE: Acceptance of Business Filing **THIS IS NOT A BILL**

This letter is to confirm the acceptance of the following business filing:

Business Name:
JMMC ACQUISITION CORP.

Type of Request:
CERTIFICATE OF INCORPORATION

Work Order Number	: 2015351379-001	Business Filing Number	: 0005436389
Filing Date/Time	: 11/24/2015 12:00 PM	Effective Date/Time	: 11/24/2015 12:00 PM
Work Order Payment Total	: $100.00	Payment Received	: $100.00
Credit on Account	: $1,965.00	Customer ID	: 000308053
Business ID	: 1188471		

If you would like copies of this filing you must complete a Request for Corporate Copies and submit it with the appropriate fee.

ELISSA MACMILLAN
Commercial Recording Division
860-509-6003
www.concord-sots.ct.gov

SECRETARY OF THE STATE OF CONNECTICUT

MAILING ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, P.O. BOX 150470, HARTFORD, CT 06115-0470
DELIVERY ADDRESS: COMMERCIAL RECORDING DIVISION, CONNECTICUT SECRETARY OF THE STATE, 30 TRINITY STREET, HARTFORD, CT 06106
PHONE: 860-509-6003 WEBSITE: www.concord-sots.ct.gov

CERTIFICATE OF INCORPORATION

NONSTOCK CORPORATION

USE INK. COMPLETE ALL SECTIONS. PRINT OR TYPE. ATTACH 81/2 X 11 SHEETS IF NECESSARY.

FILING PARTY *(CONFIRMATION WILL BE SENT TO THIS ADDRESS):*

NAME: Danielle Ryan-Praus
ADDRESS: Hinckley, Allen & Snyder, LLP
20 Church Street
CITY: Hartford
STATE: CT ZIP: 06103

FILING FEE: $50

MAKE CHECKS PAYABLE TO "SECRETARY OF THE STATE"

1. NAME OF CORPORATION:

JMMC Acquisition Corp.

THE CORPORATION IS NONPROFIT AND SHALL NOT HAVE OR ISSUE SHARES OF STOCK OR MAKE DISTRIBUTIONS.

2. PLACE A CHECK NEXT TO THE APPROPRIATE STATEMENT:

☐ A. THE CORPORATION SHALL NOT HAVE MEMBERS.

☐ B. THE CORPORATION SHALL ONLY HAVE MEMBERS, WHICH ARE NOT ENTITLED TO VOTE.

☒ C. THE CORPORATION SHALL HAVE ONE CLASS OF MEMBERS.

☐ D. THE CORPORATION SHALL HAVE MULTIPLE CLASSES OF MEMBERS WHICH CLASSES ARE DESIGNATED AS FOLLOWS:

PLEASE NOTE: THE MANNER OF ELECTION AND APPOINTMENT OF MEMBERS ALONG WITH THEIR QUALIFICATIONS AND RIGHTS MAY BE SET FORTH IN THIS CERTIFICATE OR IN THE CORPORATION'S BYLAWS. PLEASE SEE C.G.S.§ 33-1055 & -1056.

3. APPOINTMENT OF REGISTERED AGENT: *(PLEASE SELECT ONLY ONE A. OR B.)*

A. INDIVIDUAL'S AGENT NAME:

BUSINESS ADDRESS: *(P.O.BOX UNACCEPTABLE)*	**RESIDENCE ADDRESS:** *(P.O.BOX UNACCEPTABLE)*
ADDRESS:	ADDRESS:
CITY:	CITY:
STATE: ZIP:	STATE: ZIP:

B. BUSINESS ENTITY AGENT NAME: CT Corporation System

ADDRESS: *(P.O.BOX UNACCEPTABLE)*

ADDRESS: One Corporate Center
CITY: Hartford
STATE: CT ZIP: 06103

FORM CIN-1-1.0
Rev. 1/1/2015

ACCEPTANCE OF APPOINTMENT

Lisa Shleed, V.P.

SIGNATURE OF AGENT

4. THE NATURE OF THE ACTIVITIES TO BE CONDUCTED OR THE PURPOSES TO BE PROMOTED BY THE CORPORATION:

See attached.

5. OTHER INFORMATION:

See attached.

6. CORPORATION EMAIL ADDRESS - REQUIRED: (IF NONE, MUST STATE "NONE.")

None

7. EXECUTION: CERTIFICATE MUST BE SIGNED BY EACH INCORPORATOR

DATED THIS 24 DAY OF November ,20 15

NAME OF INCORPORATOR	ADDRESS	SIGNATURE(S)
Thomas S. Marrion	ADDRESS: 20 Church Street CITY Hartford STATE: CT ZIP: 06103	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	
	ADDRESS: CITY STATE: ZIP:	

Certificate of Incorporation of

JMMC Acquisition Corp.

A Connecticut Nonstock Corporation

ARTICLE I

Name

The name of the Corporation is JMMC Acquisition Corp.

ARTICLE II

Definitions

For the purposes of this Certificate, the following defined terms shall have the following meanings:

"Affiliate" means a corporation or other entity that is subject to the direct or indirect Control or Ownership (as defined in the Bylaws) of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term "Director" means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

"Certificate of Incorporation" means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Corporation" shall mean JMMC Acquisition Corp., a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Code of Regulations, System Authority Matrix, Bylaws or equivalent organizational documents of a corporation or other entity.

"Health System" or "Trinity Health System" means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

"Member" shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Significant Finance Matters" shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

"System Authority Matrix" refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, as may be amended by Trinity Health from time to time.

"Trinity Health" means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

ARTICLE III

Purposes

The Corporation shall be organized and operated exclusively for religious, charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Code. The Corporation shall not have or issue shares of stock or make distributions. The Corporation shall have no power to act in a manner which is not exclusively within the contemplation of Section 501(c)(3) of the Code, and the Corporation shall not engage directly or indirectly in any activity which would prevent it from qualifying, and continuing to qualify, as a Corporation as described in Section 501(c)(3) of the Code. Without limiting the generality of the foregoing, the purposes for which the Corporation is organized are to advance, promote, support, and carry out the purposes of Trinity Health Corporation, an Indiana nonprofit corporation, or its successor, and to further the apostolate and charitable works of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States. Without limiting the generality of the foregoing, the specific purposes of the Corporation shall include the following:

A. To carry out the purposes of Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successor, which is the Member of the Corporation, and to further the apostolate of Catholic Health Ministries on behalf of and as an integral part of the Roman Catholic Church in the United States;

B. To engage in the delivery of and to carry on, sponsor or participate, directly or through one or more affiliates, in any activities related to the delivery of health care and health care related services of every kind, nature and description which, in the opinion of the Directors of the Corporation, are appropriate in carrying out the health care mission of the Trinity Health and Catholic Health Ministries. The Corporation shall take

all such actions including, but not limited to, support and assistance of affiliates, as may be necessary or desirable to accomplish the foregoing purpose within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation or applicable law, including, without limitation, to assist JMH Acquisition Corporation ("JMH"), a Connecticut nonstock corporation, in carrying out its tax-exempt functions;

C. To engage in the teaching and education of medical students, residents and fellows, to perform medical and related research activities, and to render professional medical services to persons in need of such services and to do so in connection with Saint Francis Hospital and Medical Center ("Saint Francis"), and under the common control and direction of Trinity Health – New England, Inc. and in pursuit thereof the corporation may engage in the following activities:

   a. providing and employing physicians to render medical services in the Greater Hartford area including those areas which are in need of additional professional medical services in one or more medical specialties;

   b. improving and developing the scope, quality and availability of medical care and related services in the Greater Hartford area to the extent possible or reasonably feasible;

   c. recruiting physicians to the Greater Hartford area;

   d. promoting high quality medical care and other human services for the benefit of persons suffering from illness and for the benefit of the sick and injured generally;

   e. providing teaching services to Saint Francis for its programs in undergraduate and graduate medical education;

   f. conducting medical and related research in cooperation with Saint Francis;

   g. taking an active part in the planning for and the promotion of the general medical and physician health and human needs of persons in the Greater Hartford area ; and

   h. providing for a responsive and cost-effective administrative organization and information system as a means of ensuring high-quality management and accountability in the accomplishment of the aforesaid purposes.

D. To promote, support and further any and all charitable, scientific, religious and educational purposes within the meaning of Section 501(c)(3) of the Code;

E. To coordinate and oversee the activities of Affiliates, and to allocate the assets, liabilities and resources of the Corporation and its Affiliates within the Health System;

F. To acquire, purchase, own, loan and borrow, erect, maintain, hold, use, control, manage, invest, exchange, convey, transfer, sell, mortgage, lease and rent all real and personal property of every kind and nature, which may be necessary or incidental to the accomplishment of any and all of the above purposes;

G. To accept, receive and hold, in trust or otherwise, all contributions, legacies, bequests, gifts and benefactions which may be left, made or given to the Corporation, or its predecessor or constituent corporations, by any person, persons or organizations;

H. To take all such actions as may be necessary or desirable to accomplish the foregoing purposes within the restrictions and limitations of this Certificate of Incorporation, the Bylaws of the Corporation and applicable law, provided that no substantial part of the activities of the Corporation shall be to carry out propaganda, or to otherwise attempt to influence legislation; and the Corporation shall not participate or intervene in any political campaign on behalf of or in opposition of any candidate for public office (by the publishing or distribution of statements or otherwise), in violation of any provisions applicable to corporations exempt from taxation under Section 501(c)(3) of the Code and the regulations promulgated thereunder as they now exist or as they may be amended;

I. The Corporation shall not be operated for the pecuniary gain or profit, incidental or otherwise, of any private individual, and no part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Directors, Officers or other private individuals, except the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Corporation and to make payments and distributions in furtherance of the purposes set forth herein consistent with applicable law; and

J. Notwithstanding any other provisions of this Certificate of Incorporation, the Corporation shall not carry on any activity not permitted to be carried on by: (i) a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) a corporation, contributions to which are

deductible under Section 170(c)(2) of the Code; and a corporation described in Section 509(a)(3) of the Code (or, if the Corporation is classified, Section 509(a)(1) or 509(a)(2) of the Code).

ARTICLE IV

Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time). Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

ARTICLE V

Organization

The Corporation is a religious corporation, organized on a non-stock basis as a membership corporation. The Corporation's sole member is Trinity Health – New England, Inc., a Connecticut nonstock corporation.

ARTICLE VI

Registered Office and Resident Agent

The address of the Corporation's registered office is c/o CT Corporation System, One Corporate Center, Hartford, CT 06103. The resident agent of the Corporation is CT Corporation System, One Corporate Center, Hartford, CT 06103. The address of the Corporation's registered office and/or name of the Corporation's resident agent may be changed from time to time by the Board of Directors of the Corporation.

ARTICLE VII

Membership

Trinity Health – New England, Inc., a Connecticut nonstock corporation ("Member"), is the sole member of the Corporation. The Member shall be entitled to all rights and powers of a

member under Connecticut law, this Certificate of Incorporation and the Bylaws of the Corporation. Certain rights and powers related to the Corporation are reserved to the Member and Trinity Health under the Corporation's Governance Documents. Action by the Corporation shall not be taken or authorized until the Member and Trinity Health, as required, shall have exercised their respective reserved powers in the manner provided in the Governance Documents. The following powers are reserved to the Member and Trinity Health:

a. As reserved to the Member:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonstock corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

b. As reserved to Trinity Health:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in addition to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in this Certificate, or (iii) transfers in the ordinary course of business.

ARTICLE VIII

Indemnification and Standard of Care

Section 1. Indemnification. The Corporation shall, to the maximum extent allowed by law, indemnify those persons who are serving or have served as members, trustees, directors, religious congregations or other canonical persons serving as sponsors, officers, employees, committee members, or agents of the Corporation, and those who are serving or have served at the request of the Corporation as a trustee, director, religious congregation or other canonical person serving as sponsor, officer, manager, partner, employee, committee member, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 2. Insurance. Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of the Corporation, or who is or was serving at the request of the Corporation as a trustee, religious congregation or other canonical person serving as sponsor, officer, director, committee member, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have power to indemnify him or her against such liability under state law.

Section 3. Standard of Care. Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 4. Justifiable Reliance. In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

a. One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.
b. Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.
c. A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

d. A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 5. Consideration of Factors. In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 6. Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation.

Section 7. Personal Liability of Director. No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

ARTICLE IX

Dissolution

Subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation, upon the dissolution and final liquidation of the Corporation, all of its assets, after paying or making provision for payment of all its known debts, obligations and liabilities, and returning, transferring or conveying assets held by the Corporation conditional upon their return, transfer or conveyance upon dissolution of the Corporation, shall be distributed to the Member of this Corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any such assets not disposed of in accordance with the foregoing shall be distributed to Trinity Health Corporation, an Indiana nonprofit corporation or its successor, so long as such distributee is an organization exempt from federal income tax by virtue of being an organization as described in Section 501(c)(3) of the Code. Any assets not so disposed of in accordance with the foregoing shall be distributed to one or more corporations, trusts, funds or organizations which at the time appear in the Official Catholic Directory published annually by

P.J. Kenedy & Sons or any successor publication, or are controlled by any such corporation, trust, fund or organization that so appears, and are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code, as in the sole judgment of the Catholic Health Ministries have purposes most closely aligned to those of the Corporation, subject to any approvals described in this Certificate of Incorporation or the Bylaws of the Corporation and applicable law. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively to one or more corporations, trusts, funds or other organizations as said court shall determine, which at the time are exempt from federal income tax as organizations described in Section 501(c)(3) of the Code and which are organized and operated exclusively for such purposes. No private individual shall share in the distribution of any Corporation assets upon dissolution of the Corporation.

ARTICLE X

Effective Date

This Certificate of Incorporation is effective as of November 24, 2015.

55294762 v4

BYLAWS OF JMMC ACQUISITION CORP.

JMMC Acquisition Corp. (the "Corporation") changed its to name to Johnson Memorial Medical Center, Inc. effective January 4, 2015. The Bylaws of the Corporation are attached hereto.

BYLAWS

OF

JMMC ACQUISITION CORPORATION

A CONNECTICUT NONSTOCK CORPORATION

Effective Date: _____ ____, 2015

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Article I. DEFINITIONS

For the purposes of these Bylaws, the following defined terms shall have the following meanings:

“Affiliate” means a corporation or other entity that is subject to the direct or indirect Control or Ownership of the Corporation.

"Board" or "Board of Directors" means the Board of Directors of the Corporation, and the term “Director” means an individual member of the Board.

"Catholic Health Ministries" or "CHM" means Catholic Health Ministries, a public juridic person that is the religious sponsor of the Corporation under the canon law of the Roman Catholic Church.

"Catholic Identity" means the theological, ethical, and canonical underpinnings of a Catholic-sponsored organization without which the entity cannot be considered a Roman Catholic church-related ministry.

“Certificate of Incorporation” means the Certificate of Incorporation of the Corporation, as amended or restated from time to time.

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

“Control” or “Ownership” will be deemed to exist:

> (i) as to a corporation: (a) through ownership of the majority of voting stock or the ownership of the class of stock which exercises reserved powers, if it is a stock corporation; or (b) through serving as member and having the power to appoint (including through appointing one’s own directors or officers who then serve ex officio as to the Affiliate) the majority of the voting members or the class of members which exercises reserved powers, if it is a corporation with members; or (c) through having the power to appoint (including through appointing one’s own directors or officers who then serve *ex officio* as to the Affiliate) the majority of the voting directors or trustees or the controlling class of directors or trustees, if it is a corporation without members; or
>
> (ii) as to a partnership or other joint venture: through the possession of sufficient controls over the activities of the partnership or joint venture that the entity having control is permitted to consolidate the activities of the partnership or joint venture on its financial statements under generally accepted accounting principles.

The terms “Controlled,” “Controlling,” “Owned” or “Owning” shall be subsumed within the definitions of “Control” or “Ownership.”

“Corporation” shall mean JMMC Acquisition Corporation, Inc., a Connecticut nonstock corporation.

"Governance Documents" means the Articles of Incorporation, Certificate of Incorporation, Bylaws, System Authority Matrix, Code of Regulations or equivalent organizational documents of a corporation or other entity.

“Health System” or “Trinity Health System” means the health system which consists of Trinity Health and its subsidiaries and Affiliates.

“Key Bylaws Provisions” shall refer to sections of these Bylaws that concern any of the following: (a) the name and corporate purposes of the Corporation; (b) the Catholic Identity and Mission and Core Values of the Corporation and the powers exercisable by CHM; (c) the identity of, reserved powers exercisable by, and other matters pertaining to, the Member and Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Board of Directors of the Corporation.

"Member” shall refer to Trinity Health – New England, Inc., a Connecticut nonstock corporation which is the sole member of the Corporation.

"Regional Health Ministry" or “RHM” is an Affiliate or operating division within the Health System that maintains a governing body that has day to day management oversight of a designated portion of the Health System, subject to certain authorities that are reserved to Trinity Health. RHMs may be based on a geographical market or dedicated to a service line or business.

“Significant Finance Matters” shall refer to the following matters which pursuant to the System Authority Matrix are subject to the approval of Trinity Health: (a) capital expenditures and dispositions; (b) incurrence of additional debt; and (c) execution of contracts and leases.

“System Authority Matrix” refers to the document that sets forth an allocation of corporate governance authority that is binding on the Corporation and its Affiliates as part of the Health System, a copy of which is attached and incorporated into these Bylaws as Exhibit A, and as may be amended by Trinity Health from time to time.

“Trinity Health” means Trinity Health Corporation, an Indiana nonprofit corporation, its successors and assigns.

Article II. PURPOSES

Section 2.01 Purposes

The purposes of the Corporation are set forth in the Certificate of Incorporation of the Corporation.

Section 2.02 Catholic Identity

The activities of the Corporation shall be carried out in a manner consistent with the teachings of the Roman Catholic Church and "Founding Principles of Catholic Health Ministries" or successor documents which set forth principles describing how the apostolic and charitable works of Catholic Health Ministries are to be carried out, as well as the values and principles inherent in the medical-moral teachings of the Roman Catholic Church (such as the *Ethical and Religious Directives for Catholic Health Care Services* as promulgated from time to time by the United States Conference of Catholic Bishops (or any successor organization), as amended from time to time).

Section 2.03 Mission Statement

The Mission and Core Values of the Corporation shall be as adopted and approved from time to time by Catholic Health Ministries. The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation. The mission statement of the Corporation shall be as follows:

"We serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities."

The mission statement may by action of the Corporation's Board of Directors be supplemented by reference to the purposes of the Corporation.

Section 2.04 Alienation of Property

Under Canon Law, Catholic Health Ministries shall retain its canonical stewardship with respect to those facilities, real or personal property, and other assets that constitute the temporal goods belonging, by operation of Canon Law, to Catholic Health Ministries. No alienation, within the meaning of Canon Law, of property considered to be stable patrimony of Catholic Health Ministries shall occur without prior approval of Catholic Health Ministries.

Article III. MEMBER

Section 3.01 Sole Member

The sole member of the Corporation is Trinity Health – New England, Inc., a Connecticut nonstock corporation, or its successors or assigns.

Section 3.02 Member Authority

The following actions shall be reserved exclusively to the Member of the Corporation. Subject to the reserved powers of Trinity Health, the Member may initiate and implement any proposal with respect to any of the following, or if any proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approvals and other actions shall have been taken by the Member and Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Approve the amendment or restatement of the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, and recommend the same to Trinity Health for adoption;

(b) Appoint and remove members of the Corporation's Board of Directors;

(c) Appoint and remove the President of the Corporation;

(d) Approve the strategic plan of the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption as part of the consolidated strategic plan of the Regional Health Ministry in which the Corporation participates;

(e) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of the Member, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(f) Approve the annual operating and capital budgets of the Corporation, and recommend the same to Trinity Health for adoption as part of the consolidated operating and capital budgets of the Regional Health Ministry in which the Corporation participates;

(g) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(h) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(i) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the

Corporation, and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(j) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), and if required by the System Authority Matrix, recommend the same to Trinity Health for adoption and authorization;

(k) Approve any change to the structure or operations of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and recommend the same to Trinity Health for approval; and

(l) Approve all other matters and take all other actions reserved to members of nonprofit corporations (or shareholders of for-profit-corporations, as the case may be) by the laws of the state in which the Corporation is domiciled or as reserved in the Governance Documents of the Corporation.

Section 3.03 Reserved Powers of Trinity Health

The following actions shall be reserved exclusively to Trinity Health. Trinity Health may initiate and implement any proposal with respect to any of the following, or if a proposal with respect to any of the following is otherwise initiated, it shall not become effective unless the requisite approval and other actions shall have been taken by Trinity Health, as required pursuant to the Corporation's Governance Documents:

(a) Adopt, amend, modify or restate the Certificate of Incorporation and Bylaws of the Corporation, in whole or in part, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(b) Approve those Significant Finance Matters which pursuant to the System Authority Matrix are subject to the authority of Trinity Health, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(c) Approve any merger, consolidation, transfer or relinquishment of membership rights, or the sale of all or substantially all of the operating assets of the Corporation (certain transactions and transfers of real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(d) Approve any dissolution, winding up or abandonment of operations, liquidation, filing of action in bankruptcy, receivership or similar action affecting the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(e) Approve any formation or dissolution of Affiliates, partnerships, co-sponsorships, joint membership arrangements, and other joint ventures involving the Corporation, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(f) Approve any pledge or encumbrance of assets whether pursuant to a sale, capital lease, mortgage, disposition, hypothecation, or other transaction in excess of limits established by Trinity Health (pledges or encumbrances of certain real property and immovable goods may also be subject to the approval of Catholic Health Ministries), or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(g) Approve any change to the structure or operation of the Corporation which would affect its status as a nonprofit entity, exempt from taxation under Section 501(c) of the Internal Revenue Code, or if Trinity Health receives a recommendation as to any such action, approve such action as recommended;

(h) Appoint and remove the independent fiscal auditor of the Corporation;

(i) In recognition of the benefits accruing to the Corporation from Trinity Health, and in accordance to any other rights reserved to Trinity Health under applicable law or Governance Documents of the Corporation, Trinity Health shall have the power to transfer assets of the Corporation, or to require the Corporation to transfer assets, to Trinity Health or an entity Controlled by, Controlling or under common Control with Trinity Health, whether within or without the state of domicile of the Corporation, to the extent necessary to accomplish Trinity Health's goals and objectives. The Corporation shall not be required to violate its corporate or charitable purposes, the terms of any restricted gifts, the covenants of its debt instruments, or the law of any applicable jurisdiction as a result of any asset transfers to be made to or directed by the Member or Trinity Health pursuant to this provision; and

(j) Neither the Corporation, nor any of its Affiliates, shall transfer assets to entities other than Trinity Health without the approval of Trinity Health, except for (i) transfers previously approved by Trinity Health, either individually or as part of Trinity Health's budget process, (ii) transfers to any entity which is a direct or indirect subsidiary of Trinity Health and that is subject to the reserved powers set forth in Sections 3.02 and 3.03 of these Bylaws, or (iii) transfers in the ordinary course of business.

Section 3.04 Meetings of the Member

Meetings of the Member shall be held at the principal office of the Member or as otherwise provided in the bylaws of the Member at such time and date determined in accordance with the bylaws of the Member. Notice of meetings of the Member shall be given in accordance with the bylaws of the Member.

Article IV. BOARD OF DIRECTORS

Section 4.01 Duties and Powers

With the exception of the powers reserved to the Member, Trinity Health or Catholic Health Ministries under the Corporation's Governance Documents or applicable law, the Board of Directors shall govern, regulate and direct the affairs and business of the Corporation, carry out such policies and guidelines as adopted by the Member and Trinity Health and carry out such responsibilities as shall be delegated to it by the Member and Trinity Health, all in a manner consistent with the Mission and Core Values of the Corporation. Additional descriptions of the duties and powers of the Board of Directors are set forth in the System Authority Matrix. Among the matters under the direction of the Corporation's Board of Directors are the following actions:

(a) Elect the officers of the Corporation (except the President);

(b) Adopt and amend from time to time rules, regulations, and policies for the conduct of the operations and affairs of the Corporation;

(c) Develop and monitor the Corporation's quality improvement programs and approve quality and safety standards that shall be consistent with Trinity Health System quality and safety standards;

(d) Conduct an annual review of the Corporation's quality and safety performance; and

(e) Recommend to the Member or Trinity Health matters relating to the Corporation that require the approval or other action of the Member or Trinity Health pursuant to the Corporation's Governance Documents.

Section 4.02 Appointments and Composition

The Member shall appoint a Board of Directors on the basis of qualifications and criteria established by the Member. Except as otherwise authorized by action of the Member, the members of the Corporation's Board of Directors shall include: (i) at least one representative of the Member, designated by the Member (who shall serve ex officio with vote) (the "Member Director"), and, unless the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation is designated as the Member Director, the Chief Executive Officer/Executive Vice Chief Executive Officer of the Corporation (who shall serve ex officio with vote), (ii) at least one physician, and (iii) members of the local community or members or associates of a Roman Catholic religious congregation who need not reside in the local community. Any exception to the Board composition requires the approval of the Member. The size of the Board shall be established by the Member, by policy or otherwise.

Section 4.03 Term

Directors shall serve a three-year term, or such shorter term as may be determined by the Member in order to achieve continuity in board composition. Ex officio members of the Board of Directors shall cease to be Directors upon the termination of their service in the office resulting in their ex officio service on the Board of Directors. Other than ex officio members, no Directors may serve for more than nine (9) consecutive years, unless appointed to complete the unexpired term of another Director, in which case a Director may serve for up to ten (10) consecutive years. Former Directors are eligible for reappointment after a one-year absence from service.

Section 4.04 Annual Meeting of the Board of Directors

An annual meeting of the Board of Directors shall be held at any time during the last six months of the calendar year for the purpose of the appointment of officers and the transaction of such other business as may properly come before the meeting. Notice of the annual meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting. The meeting notice shall specify the date, time and place of the meeting. Presence at any such meeting shall be deemed to be waiver of notice of said meeting.

Section 4.05 Regular Meetings and Notice

Regular meetings of the Board of Directors shall be held as determined by the Board but no less frequently than quarterly at such time, place and date as determined from time to time by the Board of Directors. An agenda, indicating items requiring a vote of the members of the Board of Directors, together with copies of reports, statements and other supporting information shall be mailed by the Chief Executive Officer prior to meetings. No notice of regular meetings shall be required other than the resolution setting the time, place and date of the meeting.

Section 4.06 Special Meetings and Notice

Special meetings of the Board may be called by or at the request of the Chair, by written request of any two (2) members of the Board, or by the Member. The special meeting shall be held within five (5) days after receipt of such request. Notice of the special meeting shall be given in writing, personally, by telephone, electronic transmission or by facsimile transmission at least forty-eight (48) hours prior to the special meeting. The notice of any special meeting shall state the purpose for which it is called. No other business shall be transacted at the special meeting except for that business stated in the notice.

Section 4.07 Waiver of Notice

Attendance of a Director at a meeting constitutes a waiver of notice of the meeting except where a Director attends a meeting for the express purpose of objecting to the transaction

of any business because the meeting is not lawfully called or convened. Notice also may be waived in writing, either before or after the meeting.

Section 4.08 Quorum and Valid Director Action

At all meetings of the Board, a simple majority of the Directors then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Directors present and voting at any meeting at which a quorum is present shall constitute the act of the Board, unless the vote of a larger number is specifically required by law, or by the Certificate of Incorporation, Bylaws or policies of the Corporation.

Section 4.09 Written Consents

Any action required or permitted to be taken by vote at any meeting of the Board or of any committee thereof may be taken without a meeting, if before or after the action, all members of the Board or committee consent in writing. The written consents shall be filed with the minutes of proceedings of the Board or committee. Such consents shall have the same effect as a vote of the Board or committee for all purposes.

Section 4.10 Communication Equipment

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or committee by means of teleconference, video conference or similar communications equipment by virtue of which all persons participating in the meeting may hear each other if all participants are advised of the communications equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 4.11 Resignation

Any Director may resign by written notice to the Chair of the Board. The Chair of the Board may resign by written notice to the Corporation's President who shall promptly thereafter notify the entire Board of Directors. Resignations shall be effective upon receipt or at a subsequent time if specified in the notice of resignation.

Section 4.12 Removal

Any Director may be removed with or without cause at any time by the Member. Absences of a Director from three (3) consecutive regular meetings of the Board of Directors may constitute cause for removal from the Board of Directors.

Section 4.13 Periodic Performance Review

The Board of Directors shall periodically review its own performance and issue reports to Trinity Health summarizing the results of its review.

Article V. RESERVED

Article VI. COMMITTEES

Section 6.01 Committees

The Executive Committee of the Board of Directors and such other committees as state law may require shall be standing committees of the Corporation. The Board of Directors may establish such additional standing or special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and shall define the powers and responsibilities of such committees. Those other committees shall serve at the pleasure of the Board. The Corporation shall not have a separate audit committee as matters related to the audit of the Corporation's finances are consolidated at the Trinity Health level. The Board shall establish the purpose, composition, term and other operating matters relative to each such other committee. Each committee shall keep minutes in some manner reasonably intended to record the business that occurred at the meeting and shall forward these minutes to the Board of Directors.

Section 6.02 Executive Committee

There shall be an Executive Committee, consisting of the Chair of the Board, who shall serve as chair of the Executive Committee, the Chief Executive Officer, and at least two (2) other Directors selected by vote of the Board of Directors. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet on the call of the Chair or President. Except as otherwise provided by resolution of the Board or as limited by law, the Executive Committee shall exercise the power and authority of the Board when necessary or advisable between meetings of the Board and shall exercise such other powers as may be assigned from time to time by the Board. The Executive Committee shall report on its actions at the next meeting of the Board and such actions shall be subject to revision and alteration of the Board; provided, however, that the rights of third parties shall not be affected by any such revision or alteration.

Section 6.03 Service on Committees

The committees shall establish rules and regulations for meetings and shall meet at such times as are necessary, provided that a reasonable notice of all meetings shall be given to committee members. No act of a committee shall be valid unless approved by the vote or written consent of a majority of its members. Committees shall keep regular minutes of their proceedings and report the same to the Board from time to time as the Board may require. Members of the committees (except the Executive Committee) shall be appointed for one (1) year by the Chair of the Board of Directors as soon as possible after the annual meeting of the Board. Members of the committees shall serve on their respective committees through the next annual meeting or until their successors are appointed. The Chair of the Board shall fill vacancies on committees (except the Executive Committee) and appointees shall serve through the next annual meeting. The

President shall be an ex officio member of all committees, except for any committee that reviews compliance or executive compensation matters.

Section 6.04 Quorum, Meetings, Rules and Procedures

A quorum for any meeting of a committee shall be a simple majority of the committee members or as otherwise required by applicable law, except that any ex officio members of the committee shall not be included in calculating the quorum requirement unless they are present at the meeting, in which event they shall be included towards meeting the quorum requirement. The affirmative vote of a majority of the quorum is necessary to take action of the committee, including the affirmative vote of at least one (1) member of the Board present at the meeting of the committee in order to take any action other than recommendation by the committee to the Board or Executive Committee. Minutes of all committee meetings shall be kept and forwarded to the Board. Each committee shall adopt rules for its own governance not inconsistent with these Bylaws or the acts of the Board.

Section 6.05 Committee Composition

The members and all chairs of committees other than the Executive Committee shall be appointed by the Chair of the Board. The chair of each committee shall be a Director. Committees, other than the Executive Committee, may include persons other than members of the Board of Directors; provided that each standing committee shall have at least two (2) Director members in addition to the Chair and Chief Executive Officer who shall serve ex officio; and provided further, that no authority of the Board may be delegated to a committee unless the majority of the members of such committee with Board delegated authority are members of the Board of Directors and otherwise in accordance with applicable law.

Article VII. OFFICERS

Section 7.01 Officers

The officers of the Corporation shall be the Chair, President, Secretary and Treasurer. Additionally, upon recommendation of the President, the Board of Directors may appoint a Vice Chair, an Assistant Secretary, an Assistant Treasurer, and such other officers of the Corporation as shall be deemed necessary and appropriate from time to time. Officers shall hold their respective offices until their successors are chosen and qualified.

Section 7.02 Appointment and Election of Officers

The President of the Corporation shall be appointed, evaluated, reappointed and/or removed by the Member. The President shall be Chief Executive Officer of the Corporation and any vacancy in the office of President shall be filled by the Member. The Chair shall serve a term of one (1) year and may be elected for a total of three (3) consecutive complete one year terms. The Chair, Treasurer and Secretary of the

Corporation shall be elected at the annual meeting of the Directors by the Board of Directors. The Treasurer and Secretary need not be members of the Board.

Section 7.03 Vacancies

Vacancies, occurring for any reason, shall be filled in the same manner as appointment or election and the officer so appointed or elected shall hold office until a successor is chosen and qualified.

Section 7.04 Chair

The Chair shall preside at the Board meetings and shall be an ex-officio voting member of all committees.

Section 7.05 President

The President shall have general and active management responsibility for the business of the Corporation and shall see that all orders and resolutions of the Board of Directors and the policies of the Member are carried into effect, consistent with the Mission and Core Values of the Corporation. The President shall be responsible for the appointment, evaluation, compensation and removal of the respective executive officers of those corporations of which the Corporation is the member or other controlling shareholder or owner. The President shall be a voting ex officio member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President of a corporation.

Section 7.06 Secretary

The Secretary of the Corporation shall issue, or cause to be issued, notices of all Board meetings, shall be responsible for the keeping and the reporting of adequate records of all transactions of the Board, and shall record the minutes of all meetings of the Board of Directors. The Secretary shall further perform such other duties incident to his or her office and as the Board of Directors may from time to time determine.

Section 7.07 Treasurer

The Treasurer of the Corporation shall be responsible for all funds of the Corporation, shall make reports to the Board of Directors as requested by the Board of Directors, and shall see that an accounting system is maintained in such a manner as to give a true and accurate accounting of the financial transactions of the Corporation. The Treasurer shall further perform such other duties incident to his or her office as the Board of Directors may from time to time determine. The Treasurer may delegate any of the functions, powers, duties, and responsibilities to any agent or employee of the Corporation. In the event of such delegation, the Treasurer shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Article VIII. INDEMNIFICATION AND STANDARD OF CARE

Section 8.01 Indemnification

The Corporation shall, to the maximum extent allowed by law, indemnify those persons (including religious congregations and their members or other canonical persons and their members) who

(a) are serving or have served as members, trustees, directors, sponsors, officers, employees, committee or subcommittee members, or agents of the Corporation, or

(b) are serving or have served at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred in connection with such action, suit, or proceeding.

Section 8.02 Insurance

Except as may be limited by law, the Corporation may purchase and maintain insurance on behalf of any person (including religious congregations and their members or other canonical persons and their members) who

(a) is or was a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, or agent of the Corporation, or

(b) is or was serving at the request of the Corporation as a member, trustee, director, sponsor, officer, employee, committee or subcommittee member, agent, manager, or partner of another corporation, partnership, joint venture, trust, employee benefit plan, limited liability company or other enterprise, whether for profit or nonprofit, to protect against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not this Corporation would have power to indemnify him or her against such liability under state law.

Section 8.03 Standard of Care

Each Director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, the Member and Trinity Health, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 8.04 Justifiable Reliance

In performing his or her duties, a Director (including when such Director is acting as an officer of the Corporation) shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented.

(b) Counsel, public accountants or other persons on matters that the Director reasonably believes to be within the professional or expert competence of such person.

(c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 8.05 Consideration of Factors

In discharging the duties of their respective positions, the Board of Directors, committees of the Board and individual Directors may, in considering the best interests of the Corporation, the Member and Trinity Health, consider the effects of any action upon employees, upon suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation, the Member and Trinity Health are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the standards described herein.

Section 8.06 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any actions shall be presumed to be in the best interests of the Corporation, the Member and Trinity Health.

Section 8.07 Personal Liability of Directors

No Director shall be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the standards described herein, has engaged in self-dealing, or the action or inaction constitutes willful misconduct or recklessness. The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Nothing in this Article is intended to preclude or limit the application of any other provision of law that may provide a more favorable standard or higher level of protection for the Corporation's Directors.

Article IX. SUBSIDIARIES AND VOLUNTARY SERVICE ORGANIZATIONS

Section 9.01 Authority

In accordance with policies of Trinity Health, including without limitation those referenced in the System Authority Matrix, each organization of which the Corporation is the sole or majority member or owner shall have reserved certain powers to be exercised by this Corporation.

Section 9.02 Voluntary Service Organizations

The Board of Directors may authorize the establishment or dissolution of voluntary service organizations, such as an auxiliary to the Corporation or any Operating Unit of the Corporation. Such organization may be a non-profit corporation or voluntary association. No service organization may be established without approval of the Board of Directors, subject to the reserved powers of the Member and Trinity Health and any guidelines or policies established by Trinity Health with respect to voluntary organizations.

Article X. OPERATING UNITS

Section 10.01 Authority

The Board of Directors of the Corporation may organize the operations of the Corporation into one or more other Operating Units of governance and management that shall have such powers and shall carry out such responsibilities as shall be delegated to them pursuant to the policies of the Corporation and Trinity Health in effect from time to time.

Article XI. MISCELLANEOUS

Section 11.01 Fiscal Year

The fiscal year of the Corporation shall end on the 30th day of September of each year and shall begin on the 1st day of October of each year.

Section 11.02 Required Records

The officers, agents and employees of the Corporation shall maintain such books, records and accounts of the Corporation’s business and affairs as may be from time to time required by the Board of Directors, or required by the laws of the state in which the Corporation is domiciled.

Section 11.03 Confidentiality

Except as otherwise publicly disclosed, or in order to appropriately conduct the Corporation's business, the records and reports of the Corporation shall be held in confidence by those persons with access to them.

Section 11.04 Conflict of Interest

Each of the Corporation's officers and members of the Board shall at all times act in a manner that furthers the Corporation's charitable purposes and shall exercise care that he or she does not act in a manner that furthers his or her private interests to the detriment of the Corporation's community benefit purposes. The Corporation's officers and members of the Board shall fully disclose to the Corporation any potential or actual conflicts of interest, if such conflicts cannot be avoided, so that such conflicts are dealt with in the best interests of the Corporation. Conflicts of interest shall be resolved in accordance with the Corporation's conflict of interest policy. The Corporation and all its officers and members of the Board shall comply with any policies of the Corporation and Trinity Health regarding conflicts of interest, as well as the requirements of applicable state law regarding such conflicts, and shall complete any and all disclosure forms as may be deemed necessary or useful by the Corporation for identifying potential conflicts of interest.

Article XII. AMENDMENT AND REVIEW

Section 12.01 Amendment

These Bylaws may be amended only in accordance with Article III of these Bylaws.

Section 12.02 Periodic Review

These Bylaws shall be reviewed periodically by the Board of Directors and any recommended revisions shall be forwarded to the Member and Trinity Health for action.

EXHIBIT A

System Authority Matrix

June 25, 2015
Ministry Schedule updated October 1 2015

TRINITY HEALTH
System Authority Matrix

This Authority Matrix summarizes a number of important activities that might be taken by an entity within the Trinity Health System and the corresponding actions or approvals that must be taken before proceeding with such activity. Many of these actions are delegations from the Board of Trinity Health to management, to Committees of the Board of Directors of Trinity Health and to governance of entities affiliated with Trinity Health. Trinity Health has adopted the following Operating Principles which apply to these delegations:

Unity: We act as a unified system, recognizing the interdependency of all its parts in fulfillment of its mission and vision while promoting the strength of our ministries serving our unique communities.

Excellence: We seek to continually innovate and improve our performance excellence and to add value by leveraging our skill and scale.

Simplicity and Clarity: Local, regional and system office leadership work in partnership to make decisions in a timely and collaborative manner that takes into account the variety of interests being affected.

Accountability: We are flexible in shaping roles, responsibilities and accountabilities at all leadership levels of the organization.

The Trinity Health Board retains control over its statutory obligations in carrying out the purposes of the corporation as the parent of a large Catholic health system. The Board is responsible for key strategic decisions and issues that will significantly impact the Trinity Health System. Delegations are established taking into account the balance between making efficient decisions close to the business activity and the need for the board and management to oversee areas of significant impact on the system as a whole in terms of Catholic Identity, strategic direction, risk and value.

The Board has adopted a process of Mission Discernment, which is intended to ensure that in the course of making major decisions, the Mission and Core Values are used as a measure to evaluate the effect of the proposed action.

This Authority Matrix is not intended to be an exclusive listing of the various actions reserved to Trinity Health or its affiliated entities. Trinity Health may clarify these delegations through policies. State law may confer additional rights or require additional actions. Those variations will be set forth in the governing documents of the entity and prevail over any conflicting authorities described in this System Authority Matrix. Different rights may also be set forth in the terms of joint venture organizing documents or other agreements. Decisions related to those joint venture entities should be made in accordance with the organizing documents; however, decisions which exceed financial thresholds or which may, in management's judgment, affect the reputation or identity of the Trinity Health System are required to be reviewed by Trinity Health management, regardless of the minority position held by the CHE Trinity affiliate in the joint venture.

Entities:

Catholic Health Ministries or CHM means the public juridic person that sponsors the Trinity Health system and exercises all canonical responsibilities related to its operations, subject to certain rights retained by sponsoring congregations or public juridic persons until such time as the stable patrimony (property) under the control of those sponsoring congregations or public juridic persons is alienated (transferred) to CHM.

Trinity Health means Trinity Health Corporation, an Indiana nonprofit corporation, which is the parent of the Trinity Health System.

Trinity Health System means Trinity Health, together with its subsidiaries and affiliates.

Ministry or Ministries means any or all RHMs, NHMs, and MHMs.

Mission Health Ministry or MHM means a first tier subsidiary of Trinity Health that maintains a governing body and which has oversight of non-institutional health operations and/or grant making. A list of MHMs is set forth on Exhibit A to this Matrix.

National Health Ministry or NHM means a first tier (direct) subsidiary that maintains a governing body that has day to day management oversight of a business line throughout the Trinity Health System. A list of NHMs is set forth on Exhibit A to this Matrix.

Regional Health Ministries or RHM means a first tier (direct) subsidiary, affiliate or operating division of Trinity Health that maintains a governing body that has day to day management oversight of a designated portion of the Trinity Health System within a geographical market. A list of RHMs is set forth Exhibit A to this Matrix.

Group 1 RHM means an RHM which had a minimum total operating revenue of $300 million in the previous fiscal year or an RHM that has been selected by management for inclusion in Group 1 RHMs based on operational objectives.

Group 2 RHM means an RHM which is not a Group 1 RHM.

Second Tier Subsidiaries means subsidiaries and affiliates of Ministries.

Actions:

Approve means to have ultimate authority over an action. Approval includes the authority to adopt, accept, modify, disapprove or send back for further consideration an action recommended or approved by another entity in the Trinity Health System. Some actions required approval at more than one level. Final approval authority is exercised by the highest level independently of any recommendation or participation actions. If more than one entity has Approval authority, the matter may be initiated and approved by the highest level of Approval authority when permitted by law.

Participate means a timely, meaningful, collaborative and consultative process among interested parties to inform the decision under consideration.

Ratify means to confirm and adopt the act of another even if it was not approved beforehand. It also means final decision making authority, but without the power to initiate or change a recommendation.

Recommend means to review and present a matter for approval by another entity in the Trinity Health System. Recommending authority does not limit the right of the approving entity to initiate an action without a recommendation.

Other:

Governing documents are documents which establish and describe an entity, including the purposes, the powers reserved to the members or shareholders, and which set forth the rights of partners or joint owners relative to each other. Governing documents include documents filed with the state (such as articles or certificates of incorporation), bylaws (whether a corporation or an unincorporated division which has its own governing body), operating agreements and partnership agreements.

Key Bylaws Provisions are variations from the standard Governing Documents that concern any of the following: (a) the Ministry name and corporate purposes; (b) the Mission, Core Values and Catholic Identity of the Ministry and powers exercisable by CHM; (c) the identity of, reserved powers exercisable by and other matters pertaining to Trinity Health; and (d) the authority and membership (including election, composition and removal) of the Ministry Board of Directors. All other variations are not Key Bylaw Provisions.

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
I	**Statements of Identity**					
I a	Trinity Health System Mission Statement	-	-	-		Approve
1 b	Trinity Health System Core Values	-	-	-		Approve
II	**Governing Documents**					
II a	Articles and Bylaws of Trinity Health Corporation	-	-	Recommend	Approve and Recommend	Ratify
II b	Governing Documents of Ministries consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governing Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
II c	Governing Documents of Second Tier Subsidiary which operates licensed healthcare facilities consistent with standard form approved by Trinity Health Board	-	Approve and Recommend	Approve variations from the approved standard Bylaws which are not Key Bylaws Provisions (determination by the General Counsel)	Approval of Governance Documents by Executive and Governance Committee, except as to Bylaws limited to approval of variations from the approved standard which are Key Bylaws Provisions	-
II d	Governing Documents of Second Tier Subsidiary	Recommend	Approve	Approve		
III	**Appointments and Removals**					
III a	Appointment or removal of CHM Members (which comprise the Trinity Health Board of Directors)					Approve
III b	Appointment or removal of Trinity Health Board Chair				Approve	Ratify
III c	Appointment or removal Ministry Boards of Directors		Recommend	Recommend	Approve (Executive and Governance Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
III d	Appointment or removal of Ministry Board Chairs		Approve		Ratify (Executive and Governance Committee)	
III e	Appointment or removal of Second Tier Subsidiaries Governing Body	Recommend	Approve			
III f	Appointment or removal of Trinity Health CEO				Approve	Ratify
III g	Appointment or removal of Ministry CEOs	Participate	Recommend	Approve		
III h	Appointment or removal of Second Tier Subsidiaries CEOs	Approve				
IV	**Strategy**					
IV a	Trinity Health System Strategic Plans			Recommend	Approve	
IV b	Group I RHM and NHM Strategic Plans	Recommend	Approve	Approve		
IV c	Group 2 RHM and MHM Strategic Plans	Recommend	Approve	Participate		

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V	**Finance Matters**					
V a	Group I RHM and NHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law
V b	Group II RHM and MHM Capital Acquisitions and Dispositions	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	Approval as required by Canon Law
V c	Additional Debt and System Five Year Plan of Finance			Recommends	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V d	System Operating and Capital Budget			Recommend	Approve (upon recommendation by Stewardship Committee)	
V e	RHM Operating and Capital Budget	Recommend	Approve	Approve		
V f	Second Tier Operating and Capital Budget	Recommend	Approve			
V g	Contracts (including leases) in which the Trinity Health is the financially obligated			Approve up to $25 million	Approval up to $50 million by the Stewardship Committee and above that level by the Board (upon recommendation by Stewardship Committee)	
V h	Contracts (including leases) in which a Group I RHM or a NHM is financially obligated	Recommend	Approve up to 2% of net assets with a maximum of $5million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
V i	Contracts (including leases) in which a Group II RHM or MHM is financially obligated	Recommend	Approve up to 2% of net assets with a minimum of $250,000 and a maximum of $2 million	Approve above the RHM Governance level up to $25 million	Approval $25-$50 million by Stewardship Committee and above that level by Board (upon recommendation by Stewardship Committee)	
V j	Auditor Selection (Trinity Health System and separate audits)			Recommend	Approve (upon recommendation by the Audit Committee)	
V k	Annual Trinity Health System Audit			Recommend	Approve (upon recommendation by the Audit Committee)	
VI	**New Organizations and Major Transactions**					
VI a	Major change affecting Trinity Health (merger, consolidation, creation, transfer, sale of substantially all assets)			Recommend	Approve	Approve

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI b	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) not related to an Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Approve	Approve as related to Sponsorship obligations
VI c	Major change affecting Ministry (merger, consolidation, creation, transfer, sale of all assets) related to a Trinity Health System reorganization	Recommend	Recommend (Approve if required by State law)	Recommend	Stewardship Committee Approve	Approve as related to Sponsorship obligations
VI d	Major change affecting Second Tier Subsidiaries (merger, consolidation, creation, transfer, sale of all assets)	Recommend	Approve	Approve		Approve as related to Sponsorship obligations
VI e	Internal operational reorganization affecting tier structure	Participate	Recommend	Approve		

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VI f	Formation or acquisition of an entity in which Trinity Health will be the sole parent			Recommend	Approve	Approve as related to Sponsorship obligations
VI g	Joint venture or other enterprise affecting ownership of a Group I RHM or NHM	Recommend	Approve	Recommend	Approve	Approve as related to Sponsorship obligations
VI h	Joint venture or other enterprise affecting ownership of a Group II RHM or MHM	Recommend	Approve	Recommend	Approval by Stewardship Committee	Approve as related to Sponsorship obligations
VII	**People Centered Care**					
VII a	Trinity Health System Wide Quality and Safety Standards	Participates		Recommends	Approves (upon recommendation of the People Centered Care Committee	

	Action	Ministry Management	Ministry Governance	Trinity Health Management	Trinity Health Governance	Catholic Health Ministries
VII b	RHM Quality and Safety Standards (consistent with Trinity Health System Quality Standards)	Recommends	Approves			
VII c	Annual review of Trinity Health System Quality and Safety			Recommends	People Centered Care Committee Approves, Board Receives Report	
VII d	Annual review of RHM Quality and Safety	Recommends	Approves	Receive Report		

EXHIBIT A

MINISTRIES
Based on the FY 2015 Income Statement and Supplemental Materials

October 1, 2015

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP I

Holy Cross Health (Maryland)
Holy Cross Hospital (Florida)
Loyola University Health System (Illinois)
Mercy Health (Michigan)
Mercy Health Services – Iowa (Iowa)
Mercy Health System of Southeastern Pennsylvania (Pennsylvania)
Mount Carmel Health System (Ohio)
Our Lady of Lourdes Health Care Services (New Jersey)
Saint Agnes Medical Center (California)
Saint Alphonsus Health System (Idaho)
St. Francis Care, Inc. (Connecticut)
Saint Joseph Mercy Health System (Michigan)
Saint Joseph Regional Medical Center (Indiana)
St. Joseph's Hospital Health Center (New York)
Sisters of Providence Health System (Massachusetts)
St. Mary Medical Center (Pennsylvania)
St. Mary's Health Care System (Georgia)
St. Peter's Health Partners (New York)

REGIONAL HEALTH MINISTRIES (RHMs) – GROUP II

Mercy Health System of Chicago (Illinois)
Saint Michael's Medical Center (New Jersey)
St. Francis Hospital (Delaware)
St. Francis Medical Center (New Jersey)

NATIONAL HEALTH MINISTRIES (NHMs)

Trinity Home Health Services (multi-state)
Trinity Senior Living Communities (multi-state)
Trinity PACE

MISSION HEALTH MINISTRIES (MHMs)

Allegany Franciscan Ministries (Florida)
Global Health Ministry (Pennsylvania)
Mercy Medical (Alabama)
Pittsburgh Mercy Health System (Pennsylvania)
Saint Joseph's Health System (Georgia)

Approved by Trinity Health Executive and Governance Committee 6/18/14, effective 7/1/14; revised and approved by the Trinity Health Executive and Governance Committee on January 27, 2015; revised and approved by the Trinity Health Board of Directors on February 25, 2015; revised and approved by the Trinity Health Executive and Governance Committee on April 9, 2015; approved by Catholic Health Ministries on June 25, 2015.

Greer, Leslie

From: Roberts, Karen
Sent: Monday, February 01, 2016 3:34 PM
To: Huber, Jack; Greer, Leslie
Subject: Fw: 15-32002 Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis Care CON
Attachments: Cover letter 1 29 to Karen Roberts re JMH Financial Assistance Policy.doc; 1.4.3 Revised Financial Assistance Application Policy effective 3~1~2016.docx; Letter to Karen Roberts 2 1 16 via email and regular mail.pdf

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From: Rotavera, Liz <LRotaver@stfranciscare.org>
Sent: Monday, February 1, 2016 12:19 PM
To: Roberts, Karen
Cc: Hartley, Christopher
Subject: DN: 15-32002 Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis Care CON

Hi Karen,

Happy New Year.

We hope all is well.

See above documents for the filing requirements for the above referenced CON in word and pdf.

I will put the original in the regular mail today.

Thanks
Liz and Chris

NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has misdirected this email, please notify the author by replying to this message. If you are not the named recipient, you are not authorized to use, disclose, distribute, make copies or print this email, and should immediately delete it from your computer system. Saint Francis Care has scanned this email and its attachments for malicious content. However, the recipient should check this email and any attachments for the presence of viruses. Saint Francis Care accepts no liability for any damage caused by any virus transmitted by this email.

114 Woodland Street
Hartford, CT 06105
860-714-5573
Fax: 860-714-8093

R. Christopher Hartley
Senior Vice President
Planning, Business Development &
Government Relations

February 1, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Dear Mrs. Roberts:

In accordance with Item 12 of the above-referenced Agreed Settlement Order dated November 24, 2015, the revised JMH Charity Care and Financial Assistance Policy, effective March 1, 2016, is attached. This policy will be published on the JMH website on March 1, 2016 after education and changes to the system have been put in place.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-5573.

Thank you for your attention to this matter.

Sincerely,

R. Christopher Hartley
Senior Vice President
Planning, Business Development & Government Relations

Enclosures

C-tag: 1.4.3

JOHNSON MEMORIAL MEDICAL CENTER

PATIENT ACCOUNTS DEPARTMENT

FINANCIAL ASSISTANCE APPLICATION POLICY

I. POLICY:

Johnson Memorial Hospital (JMH) recognizes that there are times when patients in need of medical care will have difficulty paying for services provided. JMH's financial assistance program may provide discounts to qualifying individuals based on their income and assets. Excluded from this policy are cosmetic procedures, bariatric services and liability cases.

II. APPLIES TO:

Patient Accounting Department, Customer Service Representative

III. PROCEDURE:

Application for Financial Relief

1. Application may be obtained from the appropriate hospital personnel: Financial Counselors, Collection Representatives, and Telephone Representatives.

2. The completed and signed application must be returned to the Business Office with the following requested documentation, in the return envelope provided:
   a. Family size - as reflected on prior year tax return; and
   b. Income verification – to include one of the following:
      i. Four most current pay stubs;
      ii. A letter from employer or government agency which verifies income and previous year's tax return; or
      iii. Active Medicaid eligibility screen print that indicates current full Medicaid coverage

   If any of the above required documents are not received, the application will be pending for thirty (30) days. A written notification will be sent to the applicant detailing the missing documentation. If the missing documentation is not provided within twenty (20) days, the application will be denied. An approved application will cover all previous covered services and as well as future qualifying services for the next six (6) months.

3. An application for State Medical Assistance (Medicaid) must be completed for those patients with a verified income below 100% of the poverty guidelines. If the patient is ineligible for Medicaid they will be offered hospital financial relief based on the Medicare allowed amounts.

- If a patient is approved for Medicaid with no spenddown, the proof of eligibility determination from the Department of Social Services can be used as verification of their income and be eligible for 100% financial assistance .
- If the balance on an account is the result of a spenddown, the income guidelines will apply to determine eligibility. The Medicare allowed calculation will apply so the balance may not be eligible for financial assistance.

Effective 1/1/2014: Un-insured applicants must complete an application through Access Health during open enrollment for eligibility determination for a qualified health plan, or HUSKY Health..

4. Eligibility is determined on family size and current income.

   a. Income eligibility is based on the federal poverty guidelines. Patients with income levels **under 200%** of the federal poverty guidelines who are ineligible for State Medical Assistance will receive 100% financial relief.

   b. Patients with income levels ranging between **200% to 250%** of the federal poverty guidelines and who are ineligible for State Medical Assistance will be eligible for financial assistance based upon Medicare allowed amount. This may or may not provide a discount on the patient balance that is owed.

Self Pay Patients with income over 250% of the federal poverty guidelines will not be eligible for financial assistance but may still receive a self pay discount if applicable.

Examples:

- If an insurance payment (cash from insurance) is the same or greater than the Medicare allowed amount for the same service, there will be no patient responsibility. The patient balance will be adjusted 100% with the financial assistance code 97000039.

- If the insurance payment is less than the Medicare allowed amount, the patient is responsible to pay up to the Medicare allowed amount. Any amount over the Medicare allowed amount will be adjusted with the financial assistance code 97000039 or 5017.

- Patients with health insurance who have medically necessary inpatient and outpatient services will be eligible to apply for financial assistance in the following instances:

  - Reached their maximum benefits

  - Entire procedure is non covered due to limitations of their policy or diagnosis

Patients within the 200-250% of the federal poverty guidelines will be required to pay the Medicare allowed amount.

Patients over 250% of the federal poverty guidelines will be granted the self pay discount.

5. The Self Pay Manager and appropriate personnel must determine eligibility within thirty (30) days of receipt of a completed application.

6. Assessment for other free bed funding is completed as part of the financial assessment.

PRESUMPTIVE SUPPORT:

The Hospital recognizes that not all patients are able to provide complete financial information. Therefore, approval for Financial Support may be determined based on limited available information. When such approval is granted, it is classified as "Presumptive Support." No application is required for this group.

Examples of presumptive cases include:

- Deceased patients with no known estate;
- Homeless patients;
- Patient bankruptcies;
- Members of religious organizations who have taken a vow of poverty and have no resources individually or through religious order and
- Patients who are qualified for other State Assistance Programs that are income based.

ADJUSTMENTS GREATER THAN $5,000.00 ARE SUBJECT TO APPROVALS AS FOLLOWS:

<$4,999 - Customer Service Rep/Financial Counselors/Team Leads
$5,000-$24,999 - Supervisor
$25,000-$49,999 - Manager
$50,000-$99,999 - Director of Patient Financial Services
>$100,000 - VP, Revenue Cycle
After obtaining approval, staff will apply adjustment.

To be Noted

- For all financial relief cases where the patient or spouse is self employed, the gross income will be used after the business expenses are deducted. This information is obtained from the "Profit and Loss Statement" or income reported on the 1040 or 1040A.

- Patients seeking financial relief who are under sponsorship of relatives are determined eligible if the sponsor provides the appropriate income/household documentation. Eligibility is determined on income.
- Cosmetic and Bariatric Procedures are excluded from financial assistance
- Liability Cases that have secured liens are excluded from financial assistance
- Undocumented patients who are eligible for Medicaid Emergency Medical coverage (for their inpatient emergency account) are automatically eligible for financial assistance when proof of eligibility is determined from the Department of Social Services.
- Applications are approved for six (6) months.
- Patients with non-contracted insurance carriers or medically necessary non-covered services may be eligible for a discount up to 45% on a case by case review (no application required).

Date of Origination:

_____
Signature

12/28/11, 10/17/12, 02/01/15; 3/01/16
Revision Dates

jmmc
Johnson Memorial Medical Center
Health care. The way it should be.

February 24, 2016

Ms. Kimberly Martone
Director of Operations
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Hospital, Inc. to Trinity Health-New England

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As stated in our application, after working together under the Affiliation Agreement, Johnson and SFC (now Trinity Health-New England), determined that a greater integration of Johnson and SFC was needed to ensure the continuity of services in the communities served by Johnson. On January 1, 2016 Johnson Memorial Hospital Inc. became a formal part of Trinity Health – New England.. The integration of Johnson under the Trinity Health-New England umbrella will benefit both organizations and the community by ensuring the ongoing operation of Johnson, thereby continuing the 104-year legacy of providing quality healthcare services in North Central Connecticut. Both Trinity Health-New England and Johnson understand the importance of treating and improving the overall health of its populations. Johnson will benefit from Trinity Health-New England's knowledge and experience with improving chronic diseases.

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Please do not hesitate to contact me if you have any questions regarding this matter at (860) 684-8101.

Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

STATE OF CONNECTICUT

Department of Public Health

LICENSE

License No. 0072

General Hospital

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Dated at Hartford, Connecticut, January 1, 2016.

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License revised to reflect:
*Amended name of Licensee effective 2/4/16

Raul Pino, MD, MPH
Acting Commissioner

JOHNSON MEMORIAL HOSPITAL SERVICES

Advanced Wound Care

Behavioral Health

Cancer Center

Cardiac and Pulmonary Rehabilitation

Cardiology and Cardiovascular Services

Chemical Dependency Program

Diagnostic Imaging

Electroencephalography

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Neonatal intensive care bassinette - 0
Normal Newborn Bassinets - 6

Greer, Leslie

From: Roberts, Karen
Sent: Monday, February 29, 2016 9:02 AM
To: Huber, Jack; Greer, Leslie
Cc: Cotto, Carmen
Subject: FW: OHCA Letter - revised
Attachments: OHCA Letter - Transfer of Ownership.PDF

Jack and Leslie – please see attached CON compliance submission. Karen

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From: Hartley, Christopher [mailto:CHartley@stfranciscare.org]
Sent: Monday, February 29, 2016 8:01 AM
To: Martone, Kim
Cc: Rotavera, Liz; Rosenberg, Stuart E (Stuart.Rosenberg@jmmc.com); Lubin-Szafranski, Janeanne; Schneider, Jennifer; Roberts, Karen
Subject: OHCA Letter - revised

Dear Ms. Martone

Please find a replacement letter for our earlier 2/24/16 letter on this topic .This letter more accurately reflects the corporate names and relationships of the entities involved . Please call me if you have any questions regarding this matter at 860-714-5573.We are also sending you a copy of this letter by regular mail.

Thank you for your assistance in this matter.
Chris Hartley

NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has misdirected this email, please notify the author by replying to this message. If you are not the named recipient, you are not authorized to use, disclose, distribute, make copies or print this email, and should immediately delete it from your computer system. Saint Francis Care has scanned this email and its attachments for malicious content. However, the recipient should check this email and any attachments for the presence of viruses. Saint Francis Care accepts no liability for any damage caused by any virus transmitted by this email.

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February 29, 2016

Ms. Kimberly Martone
Director of Operations
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

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Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

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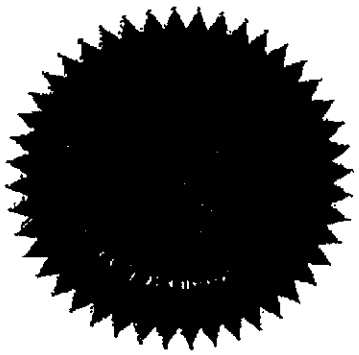

Raul Pino, MD, MPH
Acting Commissioner

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Health care. The way it should be.

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MAR - 1 2016
Office of
HEALTHCARE ACCESS

February 24, 2016

Ms. Kimberly Martone
Director of Operations
Office of Health Care Access
410 Capitol Avenue, MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Hospital, Inc. to Trinity Health-New England

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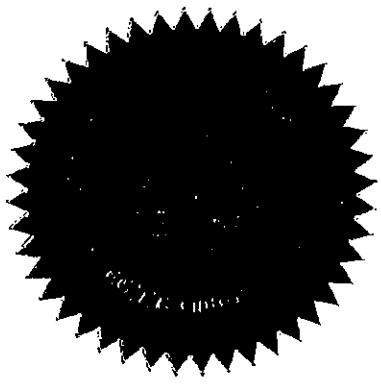

Raul Pino, MD, MPH
Acting Commissioner

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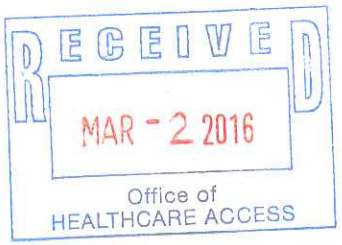

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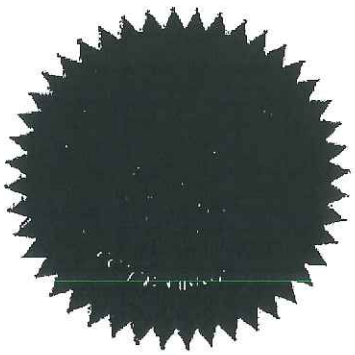

Raul Pino, MD, MPH
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STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH

Raul Pino, M.D., M.P.H.
Commissioner

Dannel P. Malloy
Governor
Nancy Wyman
Lt. Governor

Office of Health Care Access

April 18, 2016 FACSIMILE TRANSMISSION ONLY

Mr. R. Christopher Hartley
Senior Vice President – Planning,
Business Development & Government Relations
Saint Francis Hospital and Medical Center
114 Woodland Street
Hartford, CT 06105-1299

Re: Compliance with Agreed-Upon Stipulations set forth in the Certificate of Need ("CON") Authorization under Docket Number: 15-32002-CON for the Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis Care, Inc.
Notification of Compliance Reporting Deficiencies Relating to Stipulations 6 and 7

Dear Mr. Hartley:

On November 24, 2015, Johnson Memorial Medical Center, Saint Francis Care, Inc., and Trinity Health Corporation, collectively hereinafter referred to as the "Applicants", entered into an Agreed Settlement with the Department of Public Health, Office of Health Care Access ("OHCA") under Docket Number: 15-32002-CON, to transfer the ownership of Johnson Memorial Medical Center and substantially all of its assets to Trinity Health – New England f/k/a Saint Francis Care, Inc., including the assets of Johnson Memorial Hospital.

On February 29, 2016, OHCA received on behalf of all the Applicants, Johnson Memorial Medical Center's ("Hospital's") submission in accordance with Stipulations 6 and 7 of the Order authorizing the CON. A copy of the relevant stipulations is enclosed as Attachment 1 of this letter for reference proposes.

Keeping Connecticut Healthy
DPH
Connecticut Department of Public Health

Phone: (860) 509-8000 • Fax: (860) 509-7184
410 Capitol Avenue, P.O. Box 340308
Hartford, Connecticut 06134-0308
www.ct.gov/dph
Affirmative Action/Equal Opportunity Employer

OHCA has reviewed your compliance reporting in support of Stipulations 6 and 7 and finds that the compliance reporting information provided for each stipulation is insufficient.

OHCA requires the following service information with regard to Stipulation 6:

1. Verify the inpatient bed allocation is reflective of the January 1, 2016, effective date of the ownership change.
2. As agreed to in the Agreed Settlement, provide a document, which can be readily entered into the record of the docket, which identifies each outpatient service by location and hours of operation that is reflective of January 1, 2016, date of the ownership change. This listing must be posted on the Hospital's website in accordance with Stipulation 6. Be informed that a listing of the links to the Hospital's website is not in compliance with the wording and intent of Stipulation 6.
3. With respect to your response to items 1 and 2 above, identify and explain all service changes undertaken by Johnson Memorial Medical Center since January 1, 2016.

OHCA requires the following service plan information with regard to Stipulation 7:

1. As agreed to in the Agreed Settlement, provide a three-year plan demonstrating how inpatient and outpatient health care services will be provided by the Hospital, including any consolidation, reductions, elimination or expansion of existing services or introduction of new services.

Kindly respond to this letter by the close of business on Friday May 2, 2016. If you have any questions regarding the above, please feel to contact me at (860) 418-7069.

Sincerely,

Jack A. Huber

Jack A. Huber
OHCA Health Care Analyst

Cc: Stuart E. Rosenberg, President & CEO, Johnson Memorial Medical Center
Karen Roberts, DPH, OHCA, Principal Health Care Supervisor

ATTACHMENT 1

- **Stipulation 6 of the agreed settlement reads as follows:**

  "Unless on a temporary basis and not before the completion of the next CHNA for the JMMC service area, there shall be no reduction or relocation of any inpatient or outpatient services that reduces access to care specific to those services that existed at JMH on the date of OHCA's Final Decision in this matter. A reduction in service shall constitute any reduction in allocated beds, hours of operation or any other act or omission by the Applicants. Within twenty (20) days following the date of OHCA's Final Decision in this matter, the Applicants shall submit schedules to OHCA setting forth JMH's inpatient bed allocation and hours of operation for all outpatient services and publish this same information on the JMMC website page."

- **Stipulation 7 of the agreed settlement reads as follows:**

  "Within sixty (60) days following the Closing Date, the Applicant shall submit to OHCA a plan demonstrating how inpatient and outpatient health care services will be provided by the New JMH for the first three (3) years following the transfer of ownership, including any consolidation, reduction, elimination or expansion of existing services or introduction of new services."

* * * COMMUNICATION RESULT REPORT (APR. 18. 2016 10:12AM) * * *

FAX HEADER:

TRANSMITTED/STORED : APR. 18. 2016 10:10AM FILE MODE	OPTION	ADDRESS	RESULT	PAGE
570 MEMORY TX		98607148093	OK	4/4

REASON FOR ERROR
E-1) HANG UP OR LINE FAIL
E-2) BUSY
E-3) NO ANSWER
E-4) NO FACSIMILE CONNECTION

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: R. CHRISTOPHER HARTLEY

FAX: (860) 714-8093

AGENCY: SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

FROM: JACK HUBER

DATE: 4/18/2016 **Time:** ~ 10:20 AM

NUMBER OF PAGES: 4
(including transmittal sheet)

Comments: Transmitted: CON Compliance Letter
Docket Number: 15-31979-CON
Transfer of Ownership of Saint Francis Care, Inc. to
Trinity Health Corporation

PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001 ***Fax: (860) 418-7053***

410 Capitol Ave., MS#13HCA
P.O.Box 340308
Hartford, CT 06134

* * * COMMUNICATION RESULT REPORT (APR. 18. 2016 10:11AM) * * *

FAX HEADER:

TRANSMITTED/STORED : APR. 18. 2016 10:09AM FILE MODE	OPTION	ADDRESS	RESULT	PAGE
569 MEMORY TX		918606848165	OK	4/4

REASON FOR ERROR
E-1) HANG UP OR LINE FAIL
E-2) BUSY
E-3) NO ANSWER
E-4) NO FACSIMILE CONNECTION

STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC HEALTH
OFFICE OF HEALTH CARE ACCESS

FAX SHEET

TO: MR. STUART E. ROSENBERG

FAX: (860) 684-8165

AGENCY: JOHNSON MEMORIAL HOSPITAL

FROM: JACK HUBER

DATE: 4/18/2016 **Time:** ~ 10:20 AM

NUMBER OF PAGES: 4
(including transmittal sheet)

Comments: Transmitted: CON Compliance Letter
Docket Number: 15-32002-CON
Transfer of Ownership of JMMC to St. Francis Care

PLEASE PHONE Jack A. Huber at (860) 418-7069
IF THERE ARE ANY TRANSMISSION PROBLEMS.

Phone: (860) 418-7001 ***Fax: (860) 418-7053***

410 Capitol Ave., MS#13HCA
P.O.Box 340308
Hartford, CT 06134

Greer, Leslie

Subject: FW: Extension of time Request for Compliance letters

From: Rotavera, Liz [mailto:LRotaver@stfranciscare.org]
Sent: Wednesday, April 20, 2016 12:54 PM
To: Roberts, Karen
Cc: Hartley, Christopher; Cable, Kimberly; Rotavera, Liz
Subject: Extension of time Request for Compliance letters

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Dear Karen,

Saint Francis Trinity Health – New England, Inc. would like to formally request and extension in the due date for the Compliance letters we received on DN:15-31979-CON and 15-32002- CON from May 2, 2016 to May 20, 2016.

This extension will allow us to better manage work load and availability of key staff in our organization.

We are sorry we missed speaking with you directly about our questions regarding these two letters.

Please give us the times you are available tomorrow afternoon and Chris Hartley will place a follow up call to you.

He can be reached at 860-714-5573.

Thank you for your help.

Chris Hartley
Senior Vice President Planning, Business Development and Government Relations

NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has misdirected this email, please notify the author by replying to this message. If you are not the named recipient, you are not authorized to use, disclose, distribute, make copies or print this email, and should immediately delete it from your computer system. Saint Francis Hospital and Medical Center has scanned this email and its attachments for malicious content. However, the recipient should check this email and any attachments for the presence of viruses. Saint Francis Hospital and Medical Center and its affiliated entities accepts no liability for any damage caused by any virus transmitted by this email.

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Chris Hartley
Senior Vice President Planning, Business Development and Government Relations
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Greer, Leslie

From: Roberts, Karen
Sent: Wednesday, April 20, 2016 1:04 PM
To: Rotavera, Liz
Cc: Hartley, Christopher; Cable, Kimberly; Huber, Jack; Greer, Leslie; Martone, Kim
Subject: RE: Extension of time Request for Compliance letters

Hi Liz – with this email, OHCA is allowing the extension of the date by which the Hospital is required to respond to the matters outlined in the two Compliance Letters sent by OHCA staff on April 18th for DNs 15-31979-CON and 15-32002-CON. The response date is now ***May 20, 2016***. This email will be placed in the record for these two docket numbers.

I will email you separately to set up a conference call related to the two compliance letters if the Hospital determines that the follow up call is needed for further clarification on Compliance matters.

Sincerely,

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS #13HCA, P.O. Box 340308, Hartford, CT 06134-0308
P: (860) 418-7041 / F: (860) 418-7053 / E: *karen.roberts@ct.gov*

From: Rotavera, Liz [mailto:LRotaver@stfranciscare.org]
Sent: Wednesday, April 20, 2016 12:54 PM
To: Roberts, Karen
Cc: Hartley, Christopher; Cable, Kimberly; Rotavera, Liz
Subject: Extension of time Request for Compliance letters

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue
MS #13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Dear Karen,

Saint Francis Trinity Health – New England, Inc. would like to formally request and extension in the due date for the Compliance letters we received on DN:15-31979-CON and 15-32002- CON from May 2, 2016 to May 20, 2016.

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Chris Hartley
Senior Vice President Planning, Business Development and Government Relations
NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has misdirected this email, please notify the author by replying to this message. If you are not the named recipient, you are not authorized to use, disclose, distribute, make copies or print this email, and should immediately delete it from your computer system. Saint Francis Hospital and Medical Center has scanned this email and its attachments for malicious content. However, the recipient should check this email and any attachments for the presence of viruses. Saint Francis Hospital and Medical Center and its affiliated entities accepts no liability for any damage caused by any virus transmitted by this email.

Greer, Leslie

From: Roberts, Karen
Sent: Friday, May 20, 2016 10:03 AM
To: Verny, Kristina L
Cc: Christopher Hartley; Liz Rotavera; Stuart Rosenberg; Greer, Leslie
Subject: RE: Docket # 15-32002-CON - Transfer of Ownership of Johnson to Saint Francis - Compliance with Reporting Deficiencies

Thanks Kristina – I'll be taking a look at the attachments in the next week or so. I will make sure they get into the record for this docket number.

Regarding the Certificate of Need (CON) issued under CON Docket Number 15-32002-CON, please submit any further filings or documentation related to the CON conditions via electronic mail by using the OHCA general email inbox which is OHCA@ct.gov. In addition, please continue to reference the CON docket number in the subject line of the email when transmitting. Please be assured that any material that will be received in this general inbox referenced above will become part of the public record for this docket number. If the submission is 20 pages in length or longer, please mail the document to the Office of Health Care Access using the mailing address below in addition to electronic transmission.

Thank you and let me know if you have any questions on this email.

Sincerely,

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS #13HCA, P.O. Box 340308, Hartford, CT 06134-0308
P: (860) 418-7041 / F: (860) 418-7053 / E: *karen.roberts@ct.gov*

From: Verny, Kristina L [mailto:Kristina.Verny@jmmc.com]
Sent: Friday, May 20, 2016 9:50 AM
To: Roberts, Karen
Cc: Christopher Hartley; Liz Rotavera; Stuart Rosenberg
Subject: Docket # 15-32002-CON - Transfer of Ownership of Johnson to Saint Francis - Compliance with Reporting Deficiencies

Good Morning,

Attached please find Johnson Memorial Hospital's response to your letter dated April 18, 2016, together with the requested information related to the above-referenced Certificate of Need. The original is being mailed to you today.

Should you have any questions, or require additional information, I can be reached at (860) 684-8235.

Thank you.

Kris

Kris Verny

Executive Assistant to the President
Johnson Memorial Hospital, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076
P: (860) 684-8235
F: (860) 684-8165
C: (860) 207-0604
Email: kristina.verny@jmmc.com

jmmc

Johnson Memorial Medical Center

May 20, 2016

Ms. Karen Roberts
Principal Health Care Supervisor
Office of Health Care Access
410 Capitol Avenue
P.O. Box 340308
Hartford, CT 06134-0308

Re: Compliance with Agreed-Upon Stipulations set forth in the Certificate of Need ("CON") Authorization under Docket Number: 15-32002-CON for the Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care*, Inc. Notification of Compliance Reporting Deficiencies Relating to Stipulations 6 and 7

Dear Ms. Roberts:

Pursuant to your letter dated April 18, 2016, our responses to the requested information with regard to Stipulations 6 and 7 of the above-referenced Certificate of Need Authorization are as follows:

With regard to Stipulation 6:

1. ***Verify the inpatient hospital bed allocation is reflective of the January 1, 2016, effective date of the ownership change.***

   This is the inpatient bed compliment reflective of the January, 2016 effective date of the ownership change:

FY2015 Johnson Memorial Hospital

Total Licensed Beds	92 (9 bassinets)
Total Staffed Beds	67
Bassinets Staffed	6
Staffed Beds Breakdown:	
General Medical Surgical	37
Maternity	6
ICU	6
Neonatal Intensive Care	0
Psychiatric	18
Total	**67**

2. ***As agreed to in the Agreed Settlement, provide a document, which can be readily entered into the record of the docket, which identifies each outpatient service by location and hours of operation that is reflective of the January 1, 2016, effective date of the ownership change. This listing must then be posted on the Hospital's website in accordance with Stipulation 6.***

Be informed that a listing of the links to the Hospital's website is not in compliance with the wording and intent of Stipulation 6.

In an effort to fully comply with the Agreed Settlement Stipulation 6, Johnson Memorial Hospital added a link on its website labeled www.jmmc.com/about/ohcareportiongrequi/. This site provides an electronic link on the website to all of the services listed on our February 29, 2016 letter. The organization will keep this site available on its website and notify OHCA should any changes occur in the site affecting the listing of services and programs included on this website. We have enclosed an Attachment 1 that contains the face page of each health service included on the web page that identifies hours of operation and how to access more information on each particular health service.

3. ***With respect to your response to Items 1 and 2, identify and explain all service changes undertaken by Johnson Memorial Hospital since January 1, 2016.***

   There have been no service changes undertaken at Johnson Memorial Hospital since January 1, 2016.

With regard to Stipulation 7:

1. ***As agreed to in the Agreed Settlement, provide a three-year plan demonstrating how inpatient and outpatient health care services will be provided by the Hospital, including any consolidation, reductions, elimination or expansion of existing services or introduction of new services.***

   As stated in our February 29, 2016 letter, Trinity Health-New England, Inc., previously known as Saint Francis *Care*, Inc. has no written plan to consolidate, reduce, eliminate, expand or add any services at Johnson Memorial Hospital in SFY16, SFY17 or SFY18 as of this date.

   For purposes of this response, the health services covered by this stipulation are also identified by Johnson Memorial Medical Center's American Hospital Association's Survey. These health services are listed below:

   Ambulatory Surgery Center
   Birthing Room – LDR Room – LDRP Room
   Breast Cancer Screening/Mammograms
   Cardiology Services
   Cardiac Rehabilitation
   Chemotherapy
   Electrodiagnostic Services
   Emergency Services
   Endoscopic Services
   Free Standing Outpatient Care Center
   Hospital Based Outpatient Care Center
   Infusion Services
   Medical Surgical Care
   Medical Surgical Intensive Care

Neonatal Care
Obstetrics
Oncology Services
Outpatient Surgery
Physical Rehabilitation Outpatient Services
Psychiatric Care
Psychiatric Partial Hospital Services
Radiology, Diagnostic CT Scanner
Magnetic Resonance Imaging
Multi-slice spiral computer tomography
Radiation Therapy Services
Sleep Center Services
Ultrasound
Wound Care Management Services

The definitions of each of these health services are included in Attachment 2 of this letter and noted by an asterisk. Furthermore, should Johnson Memorial Medical Center Inc. wish to make changes in the health services offered at Johnson Memorial Medical Center or change the number of licenses it operates, such a change would follow all applicable OHCA notification and approval processes.

Please do not hesitate to contact me if you have any questions with regarding these responses at (860) 684-8101.

Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

c: R. Christopher Hartley, Sr. Vice President- Planning, Business Development & Government Relations – Saint Francis Hospital and Medical Center

Attachment 1

Advanced Wound Center
140 Hazard Avenue, Suite 106
Enfield, CT 06082

Hours:
Monday-Friday, 8 a.m. – 5 p.m.

Contact: Phone: 860-272-2960

Cancer Center
142 Hazard Avenue
Enfield, CT 06082

Hours:
Monday – Friday, 8 a.m. – 5 p.m.

Contact: 860-272-2911

Cardiac and Pulmonary Rehabilitation
15 Palomba Drive, Unit 4
Enfield, CT 06082

Hours:
Monday & Wednesday, 7:30 a.m.–5:30 p.m.
Tuesday, 12 - 2 p.m.
Friday, 7:30 a.m. – 4:00 p.m.

Contact: 860-763-7683

Cardiology and Cardiovascular Services

Locations:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

Johnson Surgery Center
148 Hazard Avenue
Enfield, CT 06082

Hours:
Cardiology Services (Stafford)
Monday – Friday, 7 a.m. – 3:30 p.m.
Saturday & Sunday – 7 a.m. – 12 p.m.

Cardiovascular Services (Stafford)
Monday – Friday, 8 a.m. – 4 p.m.
Saturday & Sunday, 8 a.m. – 12 p.m.

Cardiovascular Services (Enfield)
Monday, Tuesday, Thursday & Friday
8:00 a.m. – 4:00 p.m.

Contact:
Stafford: 860-684-8183
Enfield: 860-763-7681

Chemical Dependency Program
151 Hazard Avenue
Enfield, CT 06082

Hours:
Monday – Friday, 9 a.m. – 4:30 p.m.

Contact: 860-684-8287

Diagnostic Imaging

Stafford Location:
201 Chestnut Hill Road
Stafford Springs, CT 06076

Enfield Location:
148 Hazard Avenue
Enfield, CT 06082

Hours:
X-ray Services
(Stafford) 24/7
(Enfield) Monday – Friday, 8 a.m. – 5 p.m.
Saturday, 8 a.m. – 12 p.m.

MRI Services – 8 a.m. – 4:30 p.m.
(Stafford) – Monday, Wednesday & Friday
(Enfield) – Tuesday & Thursday

Nuclear Medicine Services
(Stafford) - 7 days a week, 7 a.m. – 3 p.m.
(Enfield) - Tuesday & Wednesday, 7 a.m.–3 p.m.

Ultrasound Services
(Stafford) – Monday – Saturday, 7 a.m. – 7 p.m.
(Enfield) – Monday – Friday, 8 a.m. – 4 p.m.

Scheduled CT/Fluoro/Elective Procedures
(Stafford) - Monday – Friday, 8 a.m. – 5 p.m.
(Enfield) - Monday – Friday, 8 a.m. – 4:30 p.m.

Contact:
Stafford: 860-684-8170
Enfield: 860-763-7651

Electroencephalography
201 Chestnut Hill Road
Stafford Springs, CT 06076

Hours:
Monday – Friday, by appointment only

Contact: 860-763-8241

Karen Davis Krzynowek Infusion Center
148 Hazard Avenue
Enfield, CT 06082

Hours:
Monday – Friday, 8 a.m. – 5 p.m.

Contact: 860-272-2920

Laboratory Services

Locations:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

Johnson Surgery Center
148 Hazard Avenue
Enfield, CT 06082

15 Palomba Drive
Enfield, CT 06082

Tolland Medical Specialists
Twin Ponds Centre
384 Merrow Road, Suite L
Tolland, CT 06084

Hours:
Johnson Memorial Hospital (Stafford)
Monday – Saturday, 7 a.m. – 7 p.m.

Johnson Surgery Center (Enfield)
Monday – Friday, 7 a.m. – 5 P.m.
Saturday, 7 a.m. – 12 p.m.

15 Palomba Drive (Enfield)
Monday – Friday, 6* a.m. – 4 p.m.
* early hours for fasting patients

Tolland Medical Specialists (Tolland)
Monday – Wednesday and Friday
8 a.m. – 5 p.m.

Contact:
Stafford – 860-684-8500
Enfield Surgery Center – 860-763-7658
Enfield (Palomba) – 860-272-2951
Tolland – 860-871-0891

Physical Medicine & Rehabilitation

Locations:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

151 Hazard Avenue
Enfield, CT 06082

Hours:
Stafford
Monday – Thursday, 8 a.m. – 5:30 p.m.
Friday – (OT only), 8 a.m. – 12 p.m.

Enfield
Monday & Thursday, 8 a.m. – 7 p.m.
Tuesday & Wednesday, 8 a.m. – 4:30 p.m.
Friday, 8 a.m. – 4 p.m.

Contact:
Stafford: 860-684-8260
Enfield: 860-763-7637

Sleep Laboratory & Pulmonary Medicine
151 Hazard Avenue, Suite 9
Enfield, CT 06082

Hours:
Office Hours: Monday-Friday, 8 a.m. – 4:30 p.m.
Testing Hours: 7 days a week, 7 a.m. – 7 p.m.

Contact: 860-684-8569

Surgical Services

Locations:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076

Johnson Surgery Center
148 Hazard Avenue
Enfield, CT 06082

Hours:
Johnson Memorial Hospital (Stafford)
Monday – Friday, 6:30 a.m. – 6:30 p.m.

Johnson Surgery Center (Enfield)
Monday – Thursday, 7:30 a.m. – 4:00 p.m.

Contact:
Stafford: 860-684-8210
Enfield: 860-763-7650

860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076

jmmc
Johnson Memorial Medical Center
(http://www.jmmc.com/)

Surgical Services

Johnson Memorial Hospital (JMH) enables local residents to access cutting-edge surgical services in the comfort of their own community.

Inpatient and outpatient surgeries are offered at JMH's main campus in Stafford Springs, and outpatient surgeries are also offered in Enfield at The Johnson Surgery Center. Both locations are supported by skilled, credentialed physicians representing many surgical and medical specialties.

Services:

- Adult and Pediatric Services
- Anesthesia Services
- Cosmetic and Reconstructive Surgery
- Dental/Oral Maxillofacial Surgery
- Ear, Nose and Throat Surgery
- Eye Surgery
- Gastrointestinal Surgery
- General Surgery
- Gynecological Surgery
- High-Definition Laparoscopic, Arthroscopic and Endoscopic Surgery
- Mammotome Breast Biopsy

- Neoprobe Sentinel Lymph Node Biopsy
- Orthopedic Surgery
- Pain Management
- Podiatric Surgery
- Thoracic Surgery
- Vascular Surgery

Surgical Team Supporting Breast Cancer Awareness

Locations:

Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
Get Directions (../../contact/locations/)

Outpatient Surgery at Johnson Surgery Center
148 Hazard Avenue
Enfield, CT 06082
Get Directions (../../contact/locations/)

Contact:
Stafford Springs: 860-684-8210
Enfield: 860-763-7650

Login

Med Staff Login (http://www.jmmc.com/medstaff)

860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076

jmmc
Johnson Memorial Medical Center
(http://www.jmmc.com/)

Nirenberg Center for Woman and Infants

Johnson Memorial Hospital (JMH) strives to make each family's childbirth experience as positive, comfortable and memorable as possible.

Childbirth is an experience to be cherished. JMH incorporates the most modern birthing technology available, a knowledgeable staff that shares in the joy of each new arrival, and highly personalized attention that's hard to find anywhere else.

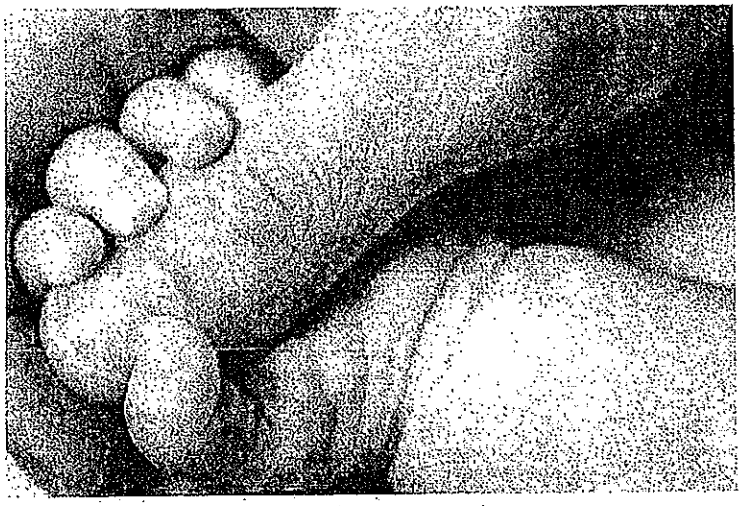
("/getimage.asp?id=/components/medialibrary/&filename=Nirenberg_Women_Infants.jpg&mode=6")

The six birthing suites at JMH are designed to accommodate patients throughout their stay - for labor, delivery, recovery and postpartum care. A highly advanced monitoring system to constantly assess mother's contractions and baby's heartbeat, ultrasound equipment, and state-of-the-art anesthesia technology are all tucked within the attractive furnishings of each suite. Each suite's adjustable birthing bed increases the mother's comfort during labor and delivery. In addition, each suite contains its own bathroom and shower; a rocking chair; television and DVD player; a refrigerator; and other comforting touches of home. If a cesarean birth is necessary, a sophisticated surgical suite is located adjacent to the suites.

The birthing suites at JMH are staffed by caring and compassionate nurses and physicians, all of whom possess high standards and credentials. Each nurse has been specially trained in all aspects of childbirth and newborn care to guide the family through the birth experience and the days to follow. For mothers and babies requiring

highly specialized care, JMH is affiliated with Hartford Hospital, guaranteeing access to the area's top perinatologists and neonatologists.

To help families through pregnancy, birth and early parenting, a full range of educational programs are offered by JMH. These programs cover such topics as childbirth, breastfeeding, sibling and more. For more information about these and other programs, please visit Johnson Memorial Medical Center's class and events page.



Location:

Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
860-684-BABY
Get Directions (../../contact/locations/)

Hours:
24 hours a day, seven days a week

Contact:
Terri Spencer, RN
Director of Perinatal Services
860-684-8119
terri.spencer@jmmc.com (mailto:terri.spencer@jmmc.com)

Good Afternoon,

I have been meaning to reach out to you for many weeks now, but haven't had a chance to do so yet as work has been hectic. So at 4:40 here on a rainy Monday, I finally have an opportunity to do so. I wanted to tell you what a fantastic experience my wife and I had at your birthing center. Without going into too much detail, it has been a very hard 10-year journey for us to have a child. We have been to many facilities over those 10 years including Fletcher Allen Healthcare in Burlington, VT, McGill University Healthcare in Montreal, Quebec, Canada, Massachusetts General Hospital in Boston, MA, Brigham and Women's Hospital in Boston, MA, and Boston IVF, in Waltham, MA, and none were more welcoming and professional than your staff at the birthing center. Don't get me wrong, we had some good experiences at the aforementioned institutions, but in terms of courteousness, professionalism, patience, and knowledge sharing, yours was the best.

Our son, was born at JMMC on March 18, 2015. He is our first child and the only one we will ever have as my wife and I are in our 40's. The 2-day stay at JMMC was relaxing, informative, and just what we needed as new parents in our 40's. I also like the fact that our son very rarely left us during those first 2 days. I would highly recommend JMMC to anyone who approached me asking my advice on whether or not they should go there to give birth. The care we received from both a personal

and technical perspective was top notch.

I want to give special thanks to the staff who helped us out during those two days. They include Daphnie, Kim, Lorrie, Stacy, and Jackie. They were all fantastic!

Allen W

860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076

jmmc
Johnson Memorial Medical Center
(http://www.jmmc.com/)

Cancer Center

Local residents living with cancer benefit from convenient access to a range of cancer care services, thanks to the Johnson Memorial Cancer Center.

From radiation therapy to medical oncology, and American Cancer Society resources to support services, the Center offers virtually every component of cancer care. Saint Francis Care provides medical directorship of the Johnson Memorial Cancer Center.

Located within the JMMC is the 14-chair Karen Davis Krzynowek Infusion Center (KDKIC), which provides chemotherapy and biotherapy administration, transfusions, injections and other outpatient services in a comfortable environment. KDKIC also houses a pharmacy and laboratory onsite.

A full-time oncology/hematology practice is located within the JMMC, and it is staffed by Jay Thumar, M.D., a member of Saint Francis Medical Group.

The Center features a radiation therapy provided by Community CancerCare, a unique partnership of four area hospitals. Clinical oversight for radiation therapy is provided by Hartford Hospital's highly-acclaimed Helen & Harry Gray Cancer Center.

In addition to radiation therapy and medical oncology services, patients also have access to a wide variety of programs offered by JMMC, including social work services, nutrition consultation, educational programs, pastoral care consultation, support groups, and visiting nurse services. The Cancer Program's Enfield location is also home to a satellite office of the American Cancer Society.

Learn more about Johnson Memorial Cancer Center's clinical services, support services, and multidisciplinary team.

Location:
Johnson Memorial Cancer Center
142 Hazard Avenue
Enfield, CT 06082
860-272-2911

Get Directions (/jmmc/contact/locations/)

Hours:
Monday-Friday, 8 a.m. to 5 p.m.

Contact:
Maria Frassinelli Sierra, LCSW
Director, Cancer Program
860-272-2929
(mailto:maria.sierra@jmmc.com)maria.sierra@jmmc.com

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201 Chestnut Hill Road
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Cardiology and Cardiovascular Services

Cardiology and Cardiovascular Services

Johnson Memorial Hospital (JMH) offers cardiology and cardiovascular services in Stafford Springs and Enfield.

Our cardiology and cardiovascular services include:

- Stress Tests (JMH only)
- EKGs
- Holter Monitors
- 30-Day Event Monitors
- Echocardiograms
- Carotid Doppler Ultrasound
- Lower Extremity Arterial Examinations

JMH offers cardiology and cardiovascular services at both its Stafford Springs location and at the Johnson Surgery Center in Enfield.

Locations:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06082
860-684-8183
Get Directions (/jmmc/contact/locations/)

Johnson Surgery Center
148 Hazard Avenue
Enfield, CT 06082
860-763-7650
Get Directions (/jmmc/contact/locations/)

Stafford Springs Cardiology Hours:
Monday-Friday, 7 a.m. to 3:30 p.m.
Saturday and Sunday, 7 a.m. to 12 p.m.

Stafford Springs Cardiovascular Services Hours:
Monday-Friday, 8 a.m. to 4 p.m.
Saturday and Sunday, 8 a.m. to 12 p.m.

Enfield Cardiovascular Services Hours:
Monday, Tuesday, Thursday, Friday 8 a.m. to 4 p.m.

Contacts:
Mary Turley
Manager, Cardiopulmonary Services
860-684-8175
Mary.Turley@jmmc.com (mailto:james.lietz@jmmc.com)

Harry White, RCS
Supervisor (Stafford Springs)
860-684-8183
harry.white@jmmc.com (mailto:harry.white@jmmc.com)

Pat Cecere, RDCS, RVS
Supervisor (Enfield)
860-763-7681
patricia.cecere@jmmc.com (mailto:patricia.cecere@jmmc.com)

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Cardiac and Pulmonary Rehabilitation

Cardiac and Pulmonary Rehabilitation

Johnson Memorial Hospital's (JMH) Heart Helpers Cardiac Rehabilitation Program is intended for those who have had a heart attack, heart surgery or angioplasty.

Our focus is on helping each patient change his or her lifestyle to prevent a second occurrence. Services include phase II and III cardiac rehabilitation.

JMH's Pulmonary Rehabilitation Program helps patients combat chronic obstructive pulmonary disease through education and exercise. It helps patients enjoy an improved quality of life and fewer hospital admissions. Services include phase II and III pulmonary rehabilitation and the Better Breathers Club.

View Our Cardiac and Pulmonary Rehab Rack Card (http://www.jmmc.com/Data/medlafiles/rackcards/jmmc_cardiac_pulmonary.pdf)

View Our Better Breathers Club Rack Card (http://www.jmmc.com/Data/mediafiles/rackcards/Better_Breathers_Rack_Card.pdf)

Location:
15 Palomba Drive, Unit 4
Enfield, CT 06082

Get Directions (/jmmc/contact/locations/)

Hours:
Monday and Wednesday, 7:30 a.m. to 5:30 p.m.
Tuesday, 12 to 2 p.m.
Friday, 7:30 a.m. to 4 p.m.

Contact:
Diane Kessler-Hartnett, RN
Supervisor, Cardiology/Cardiopulmonary Rehabilitation Services
860-763-7683 or 860-763-7684
Dianne.Kessler-Hartnett@jmmc.com (mailto:Dianne.Kessler-Hartnett@jmmc.com)

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Chemical Dependency Program

Chemical Dependency Program

The Chemical Dependency Program (CDP) is part of the psychiatric services offered by Johnson Memorial Medical Center (JMMC). The outpatient program, located in Enfield, treats individuals who have substance abuse disorders, as well as those with co-occurring disorders.

Many complete acute care detoxification at JMMC, receive treatment at CDP during early recovery, then transition to outpatient services provided by JMMC. CDP has been providing evening, intensive outpatient treatment for over 20 years.

The staff at CDP focuses on education and support of those in early recovery, easing the transition toward healthier functioning. Groups are led by licensed professionals trained in substance abuse treatment. In addition, the program provides psychiatric consults. CDP treats adults age 18 and over. The cost of the program is generally covered by insurance.

Chemical Dependency Program Services Include:

- Substance Abuse Assessments
- In-patient Substance Abuse Consults
- Psychiatric Consults
- Group Counseling
- Individualized Treatment Planning
- Aftercare Planning
- Referrals
- Addiction Education
- Disease Management
- Relapse Prevention Skills
- Twelve Step Education
- Family Education
- Alumni Services

Referrals of self-referrals should be directed to CDP at **860-763-8043**. CDP staff members are available to meet with providers and other organizations to explain services and treatment.

Location:
151 Hazard Ave.
Enfield, CT 06082
860-763-8043

Get Directions (http://maps.google.com/?q=153 Hazard Ave., Enfield, CT 06082)

Hours:
Monday-Friday: 9 a.m. to 4:30 p.m.

Contacts:
Charlene Baker
Addiction Counselor
860-763-8043
charlene.baker@jmmc.com (mailto:charlene.baker@jmmc.com)

Julio Duran
Director of Behavioral Health
860-684-8287
Julio.Duran@jmmc.com (mailto:lisa.gagnon@jmmc.com)

860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076

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Electroencephalography

Electroencephalography

Johnson Memorial Hospital offers electroencephalography for a variety of neurological disorders.

Location:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
860-763-8241
Get Directions (../../contact/locations/)

Hours:
Monday-Friday, by appointment only

Contact:
Clinical EEG Service
Kathy Choinski
Registered Electroencephalographic Technologist
860-324-7800 or 860-871-9340

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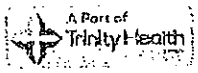

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Karen Davis Krzynowek Infusion Center

Karen Davis Krzynowek Infusion Center

The Karen Davis Krzynowek Infusion Center (KDKIC) at the Johnson Memorial Cancer Center offers each patient a pleasant, comfortable and safe setting to accommodate their infusion needs.

Keeping patients' needs and efficiency in mind, the KDKIC has a laboratory onsite and offers medication mixing by a pharmacist. The laboratory is open not only to infusion patients, but for community members needing blood draws.

(/getimage.asp?id=/components/medialibrary/&filename=Cancer_Infusion_Center_JMMC.png&mode=6)

The amenities for infusion patients include:

- 14 Power-controlled recliners with heat and massage
- Individual 19" televisions with expanded cable, DVD, CD, and Bluetooth
- Free wireless internet
- Collections of DVDs, books and magazines
- Walls of windows for natural light
- Divider cabinets for semi-private space and storage for belongings
- Refreshments

The services provided by KDKIC include most medications that can be administered intravenously in an outpatient setting.

- Chemotherapy and Biotherapy Administration
- Medication Administration
- IVIG
- Reclast for Osteoporosis
- Remicade for Rheumatoid Arthritis and Crohn's Disease
- Iron Infusions
- Antibiotic Therapy
- Antiemetic Therapy
- Central Line Catheter Maintenance (port flushes) and Blood Draws
- Injections and Injection Teaching
- Blood and Blood Product Transfusions
- Hydration Therapy
- Therapeutic Phlebotomy

These services are also offered at Johnson Memorial Hospital Stafford on certain days.

The KDKIC is led by a nurse manager, certified in oncology care, and staffed with registered nurses who have received special training and certification in the administration of chemotherapy and other types of intravenous therapy.

Medical Directorship and clinical oversight of KDKIC is provided by Saint Francis Care's Jonathan Sporn, M.D., Chief of Hematology/Oncology from Saint Francis Medical Group. Jay Thumar, M.D., Hematologist/Oncologist, staffs the Medical Oncology practice onsite and provides full-time, clinical management with a compassionate touch. He is available for consultation services and exams onsite in Enfield and in-patient at JMH.

Radiation oncology, provided by Community Cancer Care, is housed within the Johnson Memorial Cancer Center, as well as an American Cancer Society satellite office, monthly support groups, and a free energy healing program.

To schedule an appointment, please contact OneCall Scheduling at 860-684-8555, and select infusion. For more information about the Infusion Center, or to speak to one of our Infusion Nurses, please contact us at 860-272-2911 or toll-free 888-511-3311. We are open 8:30 a.m. to 5 p.m., Monday through Friday.

For laboratory questions, please call 860-272-2920. Laboratory services are available from 8 a.m. to 4:30 p.m. and closed noon to 12:30 p.m.

860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076

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JMMC Diagnostic Imaging

JMMC Diagnostic Imaging

X-rays (xrays/)

- Abdominal X-ray
- Chest X-ray
- Extremity X-ray
- Facial X-ray
- Skull X-ray
- Spinal X-ray

Fluoroscopy (fluoroscopy/)

- Arthrogram (Joint X-ray
- Barium Enema
- Esophagram
- Small Bowel Series
- Upper Gastrointestinal Series

CT SCAN (ctscan/)

- Angiography
- Chest
- Abdomen
- Pelvis

- Extremities
- Head

Ultrasound (ultrasound/)

- Abdominal X-ray
- Obstetrical (pregnancy) Ultrasound
- Pelvic/Gyn Ultrasound
- Renal Ultrasound
- Leg or Arm Venous Doppler
- Testicular/Scrotal
- Thyroid

MRI/MRA (mrimra/)

- Magnetic Resonance Imaging
- Angiography (MRA)

Mammography (mammography/)

- Screening Mammogram
- Diagnostic Mammogram
- Breast Biopsy
- DEXA

Nuclear Medicine (nuclearmedicine)

- Bone Scan
- Gastric Emptying Study
- Hepatobiliary (HIDA) Scan
- Stress Test
- Thyroid and Thyroid Uptake Scans
- Captopril Renal Scan

Ultrasound Accreditation Report (../../../files/JMMC_FR_UAP_01350.pdf)

FOR ALL PATIENTS

PLEASE BRING A LIST OF ALL MEDICATIONS AND DOSAGES (including over-the-counter medicines, herbal supplements and vitamins) WITH YOU TO YOUR APPOINTMENT.

FOR CHILDREN AND DIABETICS, CONTACT RADIOLOGY AT (860) 684-8170 OR (860) 749-2201 EXT. 8170.

Location:
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06082
860-684-8170

Get Directions (../../contact/locations/)

Location:
Johnson Surgery Center
148 Hazard Avenue
Enfield, CT 06082
860-763-7651

Get Directions (http://maps.google.com/?q=148 Hazard Avenue, Enfield, CT 06082)

Contacts:
Karl P. Kamyk
MBA, BS, RT(R)(CT)
Interim Director of Radiology
(860) 684-8173
Karl.Kamyk@jmmc.com (mailto:Karl.Kamyk@jmmc.com)

CT SCAN - Computerized Tomography

More » (/jmmc/services/jmmcradiology/ctscan/)

Preparing for Your Exam

More » (/jmmc/services/jmmcradiology/examprep/)

Fluoroscopy

More » (/jmmc/services/jmmcradiology/fluoroscopy/)

Mammography

More » (/jmmc/services/jmmcradiology/mammography/)

MRI/MRA

More » (/jmmc/services/jmmcradiology/mrimra/)

Nuclear Medicine

More » (/jmmc/services/jmmcradiology/nuclearmedicine/)

Ultrasound

More » (/jmmc/services/jmmcradiology/ultrasound/)

X-Rays

More » (/jmmc/services/jmmcradiology/xrays/)

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Laboratory and Pathology Services

Laboratory and Pathology Services

Johnson Memorial Hospital's (JMH) Laboratory is accredited by the College of American Pathologists. The hospital offers outpatient collection centers in Stafford Springs, Enfield and Tolland.

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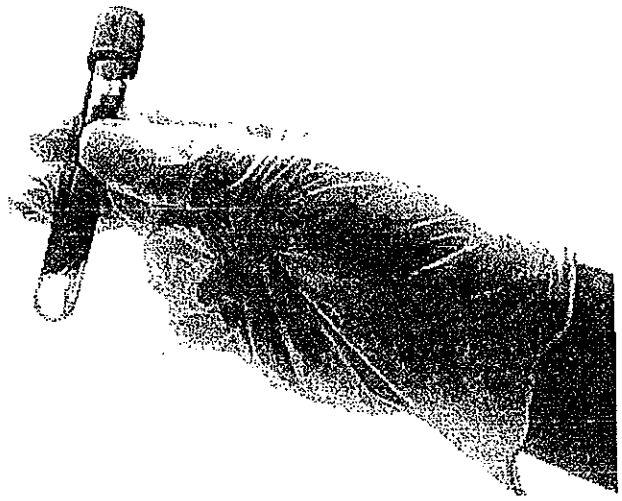
Services:

- Home Draw Phlebotomy
- Routine Laboratory Tests
- Stat Laboratory Tests
- Anatomic Pathology
- Cytopathology
- Blood Gases

- Hematology and Coagulation
- Clinical Chemistry
- Urinalysis and Clinical Microscopy
- Microbiology
- Point-of-Care Testing
- Immunology
- Transfusion Medicine



Forms:
CLICK HERE (http://www.jmmc.com/Data/forms/outpatientauthrequ/outpatient_auth_request_form2012.docm) for the Medicaid Pre-Authorization Laboratory Form.

Locations:

Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
Phone: 860-684-8230
Fax: 860-684-8500

Get Directions (http://maps.google.com/?q=201+Chestnut+Hill+Road,+Stafford+Springs,+CT+06076)

Johnson Surgery Center
148 Hazard Avenue
Enfield, CT
Phone: 860-763-7658
Fax: 860-272-2909

Get Directions (http://maps.google.com/?q=148+Hazard+Avenue,+Enfield,+CT)

15 Palomba Drive
Suite 1
Enfield, CT
Phone: 860-272-2951
Fax: 860-272-2955

Get Directions (http://maps.google.com/?q=15+Palomba+Drive,+Suite+1,+Enfield,+CT)

Tolland Medical Specialists
Twin Ponds Centre
384 Merrow Road, Suite L
Tolland, CT
Phone: 860-871-0891
Fax: 860-871-0860
Get Directions (http://maps.google.com/?q=384+Merrow+Road,+Suite+L,+Tolland,+CT)

Stafford Springs Hours:
Monday-Saturday, 7 a.m. to 7 p.m.

Johnson Surgery Center Hours:
Monday-Friday, 7 a.m. to 5 p.m.
Saturday, 7 a.m. to 12 p.m.

15 Palomba Drive Hours:
Monday-Friday, 6 a.m. to 4 p.m. - Early hours for fasting patients

Tolland Medical Specialists
Monday - Wednesday and Friday, 8 a.m. to 5 p.m.

Contact:
Claudia Simard, BS, MT(ASCP)
Manager, Technical Services
(860) 684-8514

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Physical Medicine and Rehabilitation

Johnson Memorial Hospital's (JMH) Physical Medicine and Rehabilitation Services enjoy a reputation for excellence, successfully restoring health, and functional capabilities to thousands of area residents coping with a vast array of conditions or injuries.

While services are offered at the hospital's Stafford Springs location on an inpatient and outpatient basis, a full-service, outpatient Physical Medicine and Rehabilitation office is conveniently located at 151 Hazard Avenue - in The Hazard Place Plaza - in Enfield.

("/getimage.asp?id=/components/medialibrary/&filename=Physical_Medicine_JMMC.png&mode=6")

JMH's experienced team consists of licensed physical therapists, occupational therapists and speech and language pathologists. No matter what their specialty, members of the team share a common goal - to improve the quality of life for those in their care.

Physical Medicine and Rehabilitation Services Include:

- Breast Cancer Rehabilitation
- General Strength Training and Conditioning
- Injured Workers Rehabilitation
- Lymphedema Management
- Pediatric Therapy
- Sports Related Injuries
- Physical Therapy
- Neurological and Orthopedic Condition Rehabilitation
- Neck, Back and Musculoskeletal Injury Rehabilitation
- Speech Therapy

If you think you could benefit from JMH's Physical Medicine and Rehabilitation Services, talk to your doctor today. Physician referrals are required for most programs.

Locations:
201 Chestnut Hill Road
Stafford Springs, CT 06076
860-684-8260

Get Directions (/jmmc/contact/locations/)

Speech Rehabilitation Therapy

We offer rehabilitative services for adults and adolescents with speech, language, cognitive-linguistic, and swallowing disorders, including:

- Stroke, Traumatic Brain Injury, Brain Tumor
- Head and Neck Cancer, Laryngectomy, Vocal Fold Nodules
- Multiple Sclerosis, Parkinson's disease, or other neurological conditions
- Intellectual and Developmental Disorders (IDD)

We also offer Modified Barium Swallow evaluations (MBS)

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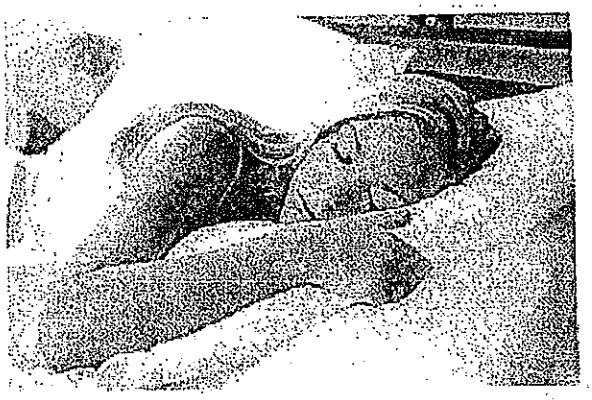
Sleep Laboratory& Pulmonary Medicine

Sleep Laboratory and Pulmonary Medicine

Forty million Americans are chronically ill with various sleep disorders, and an additional 20 to 30 million experience intermittent sleep problems.

Among the most prominent and costly disorders are insomnia and obstructive sleep apnea. With health consequences such as congestive heart failure, increased risk of heart attack, higher accident rates, reduced productivity, lowered cognitive performance and decreased quality of life, these disorders can have a major impact on those who suffer from them. Fortunately, help is available.

Since 1993, Johnson Memorial Hospital's (JMH) Pulmonary Department has conducted hundreds of sleep studies for those suffering from various sleep disorders, including snoring, sleep apnea, insomnia, restless leg syndrome and narcolepsy. Now, the Hospital is pleased to offer fully expanded services and a technologically advanced Sleep Center located at 151 Hazard Avenue, Enfield.



The new Sleep Center, which is accredited by The American Association of Sleep Medicine, is equipped with the most advanced software and hardware technology available and features a more expansive array of services than found at most sleep laboratories. Services include:

- Testing for obstructive sleep apnea. restless limb movement and narcolepsy
- CPAP testing
- Insomnia behavior modification
- Testing for daytime wakefulness (required for trucking licenses) and narcolepsy
- Daytime testing for third-shift workers
- Pediatric sleep services
- Pre-surgical screenings for bariatric patients
- 24-hour "fast-track" turnaround for those requiring immediate intervention
- "Awake" monthly support groups
- A comprehensive sleep management program

Four tastefully appointed private rooms featuring "Sleep-By-NumberÂ®" adjustable beds help to ensure patients' comfort during their stay in the Sleep Center. Patients arrive in the early evening and retire for the night wearing a simple telemetric halter. As they sleep, staff members in an adjoining room monitor oxygen in the blood, restlessness, body position, snoring, heart and brain activity and other pertinent factors. Upon departing early the next morning, patients are free to resume their daily routine and activities.

Sleep studies are covered by most major health insurers, including Medicare and Medicaid. For more information about JMH's Sleep Center, please call 860-684-8569. You may also take JMH's online sleep test, which will be returned to the Pulmonary Department for assessment.

Location:
151 Hazard Avenue, Suite 9
Enfield, CT 06082
860-684-8569

Get Directions (http://maps.google.com/?q=151 Hazard Avenue, Enfield, CT 06082)

Hours:
Office hours: Monday-Friday, 8 to 4:30 p.m.
Testing hours: seven days a week, 7 p.m. to 7 a.m.

Contact:
Dilpreet Singh
Supervisor, Sleep Laboratory
860-684-8569

860-684-4251
201 Chestnut Hill Road
Stafford Springs, CT 06076

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(http://www.jmmc.com/)

Advanced Wound Center

Advanced Wound Center

The Advanced Wound Center offers expert care for difficult wounds.

Its team of physicians, nurses, dietitians, and other staff are specially trained in wound care evaluation and treatment, including hyperbaric oxygen therapy. We recognize that each patient's wounds and circumstances are different. At the initial consultation, a team member evaluates the patient's wound and any factors that

may be delaying the healing process.

Our Services Include:

» **Hyperbaric Oxygen Therapy** – breathing pure oxygen in a pressurized chamber to promote healing

» **Debridement** – removal of damaged or infected tissue to improve the healing potential of remaining healthy tissue

» **Specialized wound dressings** – application of medication and bandages to promote healing and reduce infection

» **Compression therapy** – compression bandaging or hosiery to heal leg ulcers

» **Bio-engineered skin grafts** – surgery to transplant skin and promote healing

» **Vacuum-assisted closure therapy** – removal of blood or fluid from a wound

» **Infectious disease management** – controlling disease as a result of a wound

» **Patient and family education** – providing information to help you become informed about your condition and care

Wounds that can be healed at the Advanced Wound Center include:

» Diabetic Wounds

» Pressure Ulcers

» Venous Stasis Ulcers

» Arterial Ulcers

» Vasculitic Ulcers

» Non-Healing Surgical Wounds

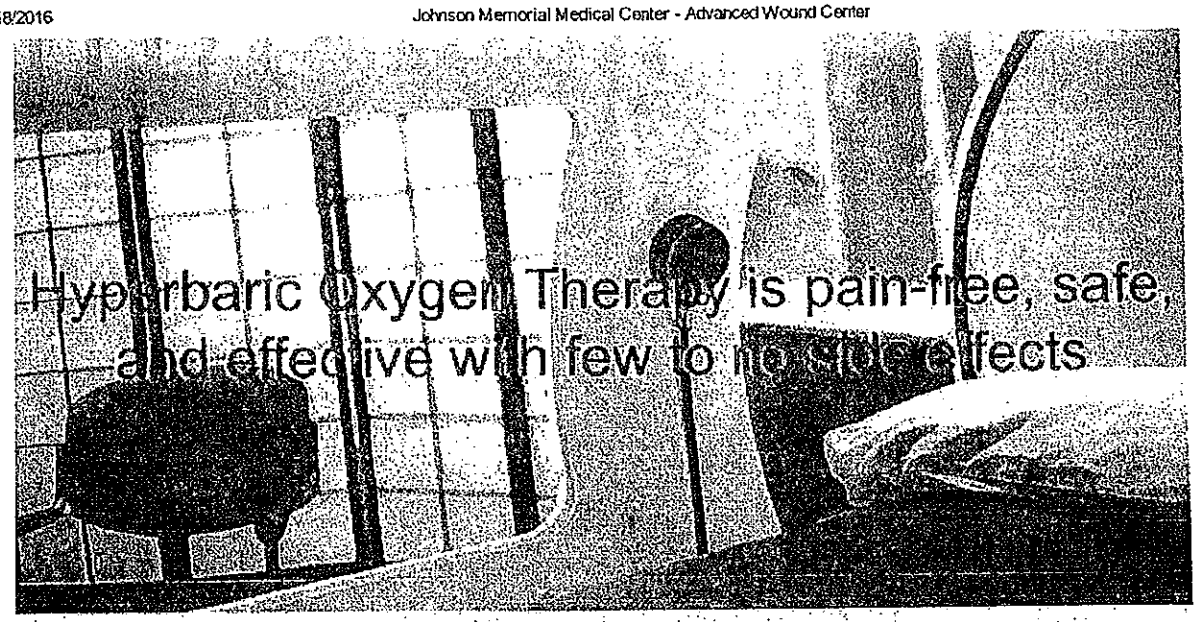
» Complex Soft Tissue Wounds

» Traumatic Wounds

» Infected Wounds

» Radiation-Induced Injuries

» Burn Wounds



During Hyperbaric Oxygen Therapy patients lie in a see-through atmosphere-controlled chamber that allows freedom of movement. All treatment sessions are supervised by specialty trained Physicians, Nurse Practitioners and Nursing staff. During treatment patients are monitored at all times by a trained technician. Most patients listen to music, watch TV or nap during their treatment. Individual treatments last 90 to 120 minutes. Therapy may be considered for many conditions, including:

» Chronic Refractory Osteomyelitis

» Compromised Surgical Flap/Graft

» Diabetic Ulcer of the lower extremities

» Progressive necrotizing infection/fasciitis

» Soft Tissue Radionecrosis and Osteoradionecrosis

» Crush Injury

» Acute Peripheral Arterial Insufficiency

» Central Retinal Artery Occlusion

» Acute Sensorineural Hearing Loss

View Our Wound Center Rack Card (/Data/mediafiles/rackcards/jmmc_Wound_Center.pdf)

Location:
Advanced Wound Center
140 Hazard Avenue, Suite 106

Enfield, CT 06082

Hours:
Monday-Friday, 8 a.m. to 5 p.m.

Contact:
Phone - 860-272-2960

Fax - 860-684-8756

Directions

More » (/advancedwoundcarecenter/directions/)

Wound Care Center Photo Gallery

More » (/advancedwoundcarecenter/woundcarecenterpho/)

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Volunteer Opportunities

Learn About Volunteering at JMMC

Volunteers are terrific members of the JMMC care team, and we are proud of their commitment. Frankly, we think they are the best! They are kind, generous individuals whose work supports our mission to provide excellent care to patients, residents and clients.

Volunteering is a very rewarding experience. Studies have demonstrated that it can be a positive factor in a long, healthy life. Also, if you're considering healthcare as a career, it's an excellent opportunity to experience it.

We offer many different volunteer opportunities at our three entities and we are committed to finding one that matches your interests, skills and schedule. Let us help you to understand more about volunteering at JMMC today.

Learn more about volunteering at Johnson Memorial Hospital (JMH) (/jmmc/supportjmmc/johnsonmemorialhospital/)

Johnson Memorial is an acute care hospital with outpatient offices

Learn more about volunteering at Home & Community Health Services and Hospice (/jmmc/supportjmmc/homeandcommunityhealthservices/)

Home & Community Health provides in home care and hospice services

We have volunteers from Enfield, Somers, Stafford, Willington, Ellington, Ashford, East Granby, Windsor Locks, South Windsor, Storrs,

Suffield, Tolland, East Longmeadow, MA and Longmeadow, MA.

Entity Menu

- Johnson Memorial Hospital (http://www.jmmc.com/components/entitymenu/#johnsonmemorialhos)
  - Find a Physician (/jmmc/findadoctor/search/)
  - Emergency Department (/jmmc/services/emergencydepartment/)
  - Laboratory & Pathology Services (/jmmc/services/laboratory/)
  - Diagnostic Imaging (/jmmc/services/jmmcradiology/)

Contact

(/johnsonmemorialhos/contact/)
Johnson Memorial Hospital
201 Chestnut Hill Road
Stafford Springs, CT 06076
Tel: (Phone) (860) 684-4251
Tel: (Phone) (860) 749-2201
TTY: (Phone) (860) 684-8441

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Attachment 2

SECTION C
FACILITIES AND SERVICES
Definitions

Owned/provided by the hospital or its subsidiary. All patient revenues, expenses and utilization related to the provision of the service are reflected in the hospital's statistics reported elsewhere in this survey.

Provided by my Health System (in my local community). Another health care provider in the same system as your hospital provides the service and patient revenue, expenses, and utilization related to the provision of the service are recorded at the point where the service was provided and would not be reflected in your hospital's statistics reported elsewhere in this survey. (A system is a corporate body that owns, leases, religiously sponsors and/or manages health providers)

Provided through a formal contractual arrangement or joint venture with another provider that is not in my system. All patient revenues and utilization related to the provision of the service are recorded at the site where the service was provided and would not be reflected in your hospital statistics reported elsewhere in this survey. (A joint venture is a contractual arrangement between two or more parties forming an unincorporated business. The participants in the arrangement remain independent and separate outside of the venture's purpose.)

1. **General medical-surgical care.** Provides acute care to patients in medical and surgical units on the basis of physicians' orders and approved nursing care plans.
2. **Pediatric medical-surgical care.** Provides acute care to pediatric patients on the basis of physicians' orders and approved nursing care plans.
3. **Obstetrics.** For service owned or provided by the hospital, level should be designated: (1) unit provides services for uncomplicated maternity and newborn cases; (2) unit provides services for uncomplicated cases, the majority of complicated problems, and special neonatal services; and (3) unit provides services for all serious illnesses and abnormalities and is supervised by a full-time maternal/fetal specialist.
4. **Medical surgical intensive care.** Provides patient care of a more intensive nature than the usual medical and surgical care, on the basis of physicians' orders and approved nursing care plans. These units are staffed with specially trained nursing personnel and contain monitoring and specialized support equipment for patients who because of shock, trauma or other life-threatening conditions require intensified comprehensive observation and care. Includes mixed intensive care units.
5. **Cardiac intensive care.** Provides patient care of a more specialized nature than the usual medical and surgical care, on the basis of physicians' orders and approved nursing care plans. The unit is staffed with specially trained nursing personnel and contains monitoring and specialized support or treatment equipment for patients who, because of heart seizure, open-heart surgery, or other life-threatening conditions, require intensified, comprehensive observation and care. May include myocardial infarction, pulmonary care, and heart transplant units.
6. **Neonatal intensive care.** A unit that must be separate from the newborn nursery providing intensive care to all sick infants including those with the very lowest birth weights (less than 1500 grams). NICU has potential for providing mechanical ventilation, neonatal surgery, and special care for the sickest infants born in the hospital or transferred from another institution. A full-time neonatologist serves as director of the NICU.
7. **Neonatal intermediate care.** A unit that must be separate from the normal newborn nursery and that provides intermediate and/or recovery care and some specialized services, including immediate resuscitation, intravenous therapy, and capacity for prolonged oxygen therapy and monitoring.
8. **Pediatric intensive care.** Provides care to pediatric patients that is of a more intensive nature than that usually provided to pediatric patients. The unit is staffed with specially trained personnel and contains monitoring and specialized support equipment for treatment of patients who, because of shock, trauma, or other life-threatening conditions, require intensified, comprehensive observation and care.
9. **Burn care.** Provides care to severely burned patients. Severely burned patients are those with any of the following: (1) second-degree burns of more than 25% total body surface area for adults or 20% total body surface area for children; (2) third-degree burns of more than 10% total body surface area; (3) any severe burns of the hands, face, eyes, ears, or feet; or (4) all inhalation injuries, electrical burns, complicated burn injuries involving fractures and other major traumas, and all other poor risk factors.
10. **Other special care.** Provides care to patients requiring care more intensive than that provided in the acute area, yet not sufficiently intensive to require admission to an intensive care unit. Patients admitted to this area are usually transferred here from an intensive care unit once their condition has improved. These units are sometimes referred to as definitive observation, step-down or progressive care units.
11. **Other intensive care.** A specially staffed, specially equipped, separate section of a hospital dedicated to the observation, care, and treatment of patients with life threatening illnesses, injuries, or complications from which recovery is possible. It provides special expertise and facilities for the support of vital function and utilizes the skill of medical nursing and other staff experienced in the management of these problems.
12. **Physical rehabilitation.** Provides care encompassing a comprehensive array of restoration services for people with disabilities and all support services necessary to help patients attain their maximum functional capacity.
13. **Alcoholism-drug abuse or dependency care.** Provides diagnosis and therapeutic services to patients with alcoholism or other drug dependencies. Includes care for inpatient/residential treatment for patients whose course of treatment involves more intensive care than provided in an outpatient setting or where patient requires supervised withdrawal.
14. **Psychiatric care.** Provides acute or long-term care to patients with mental or emotional disorders, including patients admitted for diagnosis and those admitted for treatment of psychiatric disorders, on the basis of physicians' orders and approved nursing care plans. Long-term care may include intensive supervision to persons with chronic/severe mental illness.
15. **Skilled nursing care.** Provides non-acute medical and skilled nursing care services, therapy, and social services under the supervision of a licensed registered nurse on a 24-hour basis.
16. **Intermediate nursing care.** Provides health-related services (skilled nursing care and social services) to residents with a variety of physical conditions or functional disabilities. These residents do not require the care provided by a hospital or skilled nursing facility, but do need supervision and support services.
17. **Acute long-term care.** Provides specialized acute hospital care to medically complex patients who are critically ill, have multisystem complications and/or failure, and require hospitalization averaging 25 days, in a facility offering specialized treatment programs and therapeutic intervention on a 24-hour/7 day a week basis.
18. **Other long-term care.** Provision of long-term care other than skilled nursing care or intermediate care for those who do not require daily medical or nursing services, but may requires some assistance in the activities of daily living. This can include residential care, elderly care, or care facilities for those with developmental or intellectual disabilities.
19. **Other care.** (specify) Any type of care other than those listed above.
    The sum of the beds reported in Section C 1-19 should equal what you have reported in Section D(1b) for beds set up and staffed.
20. **Adult day care program.** Program providing supervision, medical and psychological care, and social activities for older adults who live at home or in another family setting, but cannot be alone or prefer to be with others during the day. May include intake assessment, health monitoring, occupational therapy, personal care, noon meal, and transportation services.
21. **Airborne infection isolation room.** A single-occupancy room for patient care where environmental factors are controlled in an effort to minimize the transmission of those infectious agents, usually spread person to person by droplet nuclei associated with coughing and inhalation. Such rooms typically have specific ventilation requirements for controlled ventilation, air pressure and filtration.
22. **Alcoholism-drug abuse or dependency outpatient services.** Organized hospital services that provide medical care and/or rehabilitative treatment services to outpatients for whom the primary diagnosis is alcoholism or other chemical dependency.

23. **Alzheimer center.** Facility that offers care to persons with Alzheimer's disease and their families through an integrated program of clinical services, research, and education.
24. **Ambulance services.** Provision of ambulance service to the ill and injured who require medical attention on a scheduled and unscheduled basis.
25. **Ambulatory surgery center.** Facility that provides care to patients requiring surgery that are admitted and discharged on the same day. Ambulatory surgery centers are distinct from same day surgical units within the hospital outpatient departments for purposes of Medicare payment.
26. **Arthritis treatment center.** Specifically equipped and staffed center for the diagnosis and treatment of arthritis and other joint disorders.
27. **Assisted living.** A special combination of housing, supportive services, personalized assistance and health care designed to respond to the individual needs of those who need help in activities of daily living and instrumental activities of daily living. Supportive services are available, 24 hours a day, to meet scheduled and unscheduled needs, in a way that promotes maximum independence and dignity for each resident and encourages the involvement of a resident's family, neighbor and friends.
28. **Auxiliary.** A volunteer community organization formed to assist the hospital in carrying out its purpose and to serve as a link between the institution and the community.
29. **Bariatric/weight control services.** The medical practice of weight reduction.
30. **Birthing room/LDR room/LDRP room.** A single-room type of maternity care with a more homelike setting for families than the traditional three-room unit (labor/delivery/recovery) with a separate postpartum area. A birthing room combines labor and delivery in one room. An LDR room accommodates three stages in the birthing process--labor, delivery, and recovery. An LDRP room accommodates all four stages of the birth process--labor, delivery, recovery, and postpartum.
31. **Blood donor center.** A facility that performs, or is responsible for the collection, processing, testing or distribution of blood and components.
32. **Breast cancer screening/mammograms.** Mammography screening - The use of breast x-ray to detect unsuspected breast cancer in asymptomatic women. Diagnostic mammography - The x-ray imaging of breast tissue in symptomatic women who are considered to have a substantial likelihood of having breast cancer already.
33. **Cardiology and cardiac surgery services.** Services which include the diagnosis and treatment of diseases and disorders involving the heart and circulatory system.
    a-b. **Cardiology services.** An organized clinical service offering diagnostic and interventional procedures to manage the full range of heart conditions.
    c-d. **Diagnostic catheterization.** (also called coronary angiography or coronary arteriography) is used to assist in diagnosing complex heart conditions. Cardiac angiography involves the insertion of a tiny catheter into the artery in the groin then carefully threading the catheter up into the aorta where the coronary arteries originate. Once the catheter is in place, a dye is injected which allows the cardiologist to see the size, shape, and distribution of the coronary arteries. These images are used to diagnose heart disease and to determine, among other things, whether or not surgery is indicated.
    e-f. **Interventional cardiac catheterization.** Nonsurgical procedure that utilizes the same basic principles as diagnostic catheterization and then uses advanced techniques to improve the heart's function. It can be a less invasive alternative to heart surgery.
    g-h. **Cardiac surgery.** Includes minimally invasive procedures that include surgery done with only a small incision or no incision at all, such as through a laparoscope or an endoscope and more invasive major surgical procedures that include open chest and open heart surgery.
    i-j. **Cardiac electrophysiology.** Evaluation and management of patients with complex rhythm or conduction abnormalities, including diagnostic testing, treatment of arrhythmias by catheter ablation or drug therapy, and pacemaker/defibrillator implantation and follow-up.
    k. **Cardiac rehabilitation.** A medically supervised program to help heart patients recover quickly and improve their overall physical and mental functioning. The goal is to reduce risk of another cardiac event or to keep an already present heart condition from getting worse. Cardiac rehabilitation programs include: counseling to patients, an exercise program, helping patients modify risk factors such as smoking and high blood pressure, providing vocational guidance to enable the patient to return to work, supplying information on physical limitations and lending emotional support.
34. **Case management.** A system of assessment, treatment planning, referral and follow-up that ensures the provision of comprehensive and continuous services and the coordination of payment and reimbursement for care.
35. **Chaplaincy/pastoral care services.** A service ministering religious activities and providing pastoral counseling to patients, their families, and staff of a health care organization.
36. **Chemotherapy.** An organized program for the treatment of cancer by the use of drugs or chemicals.
37. **Children's wellness program.** A program that encourages improved health status and a healthful lifestyle of children through health education, exercise, nutrition and health promotion.
38. **Chiropractic services.** An organized clinical service including spinal manipulation or adjustment and related diagnostic and therapeutic services.
39. **Community outreach.** A program that systematically interacts with the community to identify those in need of services, alerting persons and their families to the availability of services, locating needed services, and enabling persons to enter the service delivery system.
40. **Complementary and alternative medicine services.** Organized hospital services or formal arrangements to providers that provide care or treatment not based solely on traditional western allopathic medical teachings as instructed in most U.S. medical schools. Includes any of the following: acupuncture, chiropractic, homeopathy, osteopathy, diet and lifestyle changes, herbal medicine, massage therapy, etc.
41. **Computer assisted orthopedic surgery (CAOS).** Orthopedic surgery using computer technology, enabling three-dimensional graphic models to visualize a patient's anatomy.
42. **Crisis prevention.** Services provided in order to promote physical and mental wellbeing and the early identification of disease and ill health prior to the onset and recognition of symptoms so as to permit early treatment.
43. **Dental Services.** An organized dental service or dentists on staff, not necessarily involving special facilities, providing dental or oral services to inpatients or outpatients.
44. **Emergency services.** Health services that are provided after the onset of a medical condition that manifests itself by symptoms of sufficient severity, including severe pain, that the absence of immediate medical attention could reasonably be expected by a prudent layperson, who possesses an average knowledge of health and medicine, to result in placing the patient's health in serious jeopardy.
    a-b. **Emergency department.** Hospital facilities for the provision of unscheduled outpatient services to patients whose conditions require immediate care.
    c. **Satellite Emergency Department.** A facility owned and operated by the hospital but physically separate from the hospital for the provision of unscheduled outpatient services to patients whose conditions require immediate care. A freestanding ED is not physically connected to a hospital, but has all necessary emergency staffing and equipment on-site.
    e. **Trauma center (certified).** A facility to provide emergency and specialized intensive care to critically ill and injured patients. For service owned or provided by the hospital, please specify trauma level. Level 1: A regional resource trauma center, which is capable of providing total care for every aspect of injury and plays a leadership role in trauma research and education. Level 2: A community trauma center, which is capable of providing trauma care to all but the most severely injured patients who require highly specialized care. Level 3: A rural trauma hospital, which is capable of providing care to a large number of injury victims and can resuscitate and stabilize more severely injured patients so that they can be transported to level 1 or 2 facilities. Please provide explanation on page 13 if necessary.
45. **Enabling services.** A program that is designed to help the patient access health care services by offering any of the following: transportation services and/or referrals to local social services agencies.

46. **Endoscopic services.**
    a. **Optical colonoscopy.** An examination of the interior of the colon using a long, flexible, lighted tube with a small built-in camera.
    b. **Endoscopic ultrasound.** Specially designed endoscope that incorporates an ultrasound transducer used to obtain detailed images of organs in the chest and abdomen. The endoscope can be passed through the mouth or the anus. When combined with needle biopsy the procedure can assist in diagnosis of disease and staging of cancer.
    c. **Ablation of Barrett's esophagus.** Premalignant condition that can lead to adenocarcinoma of the esophagus. The nonsurgical ablation of premalignant tissue in Barrett's esophagus by the application of thermal energy or light through an endoscope passed from the mouth into the esophagus.
    d. **Esophageal impedance study.** A test in which a catheter is placed through the nose into the esophagus to measure whether gas or liquids are passing from the stomach into the esophagus and causing symptoms.
    e. **Endoscopic retrograde cholangiopancreatography (ERCP).** A procedure in which a catheter is introduced through an endoscope into the bile ducts and pancreatic ducts. Injection of contrast material permits detailed x-ray of these structures. The procedure is used diagnostically as well as therapeutically to relieve obstruction or remove stones.
47. **Enrollment (insurance) assistance services.** A program that provides enrollment assistance for patients who are potentially eligible for public health insurance programs such as Medicaid, State Children's Health Insurance, or local/state indigent care programs. The specific services offered could include explanation of benefits, assist applicants in completing the application and locating all relevant documents, conduct eligibility interviews, and/or forward applications and documentation to state/local social service or health agency.
48. **Extracorporeal shock wave lithotripter (ESWL).** A medical device used for treating stones in the kidney or urethra. The device disintegrates kidney stones noninvasively through the transmission of acoustic shock waves directed at the stones.
49. **Fertility clinic.** A specialized program set in an infertility center that provides counseling and education as well as advanced reproductive techniques such as: injectable therapy, reproductive surgeries, treatment for endometriosis, male factor infertility, tubal reversals, in vitro fertilization (IVF), donor eggs, and other such services to help patients achieve successful pregnancies.
50. **Fitness center.** Provides exercise, testing, or evaluation programs and fitness activities to the community and hospital employees.
51. **Freestanding outpatient care center.** A facility owned and operated by the hospital, that is physically separate from the hospital and provides various medical treatments and diagnostic services on an outpatient basis only. Laboratory and radiology services are usually available.
52. **Geriatric services.** The branch of medicine dealing with the physiology of aging and the diagnosis and treatment of disease affecting the aged. Services could include: Adult day care; Alzheimer's diagnostic-assessment services; Comprehensive geriatric assessment; Emergency response system; Geriatric acute care unit; and/or Geriatric clinics.
53. **Health fair.** Community health education events that focus on the prevention of disease and promotion of health through such activities as audiovisual exhibits and free diagnostic services.
54. **Community health education.** Education that provides health information to individuals and populations as well as support for personal, family and community health decisions with the objective of improving health status.
55. **Genetic testing/counseling.** A service equipped with adequate laboratory facilities and directed by a qualified physician to advise patients on potential genetic diagnosis of vulnerabilities to inherited diseases. A genetic test is the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites in order to detect heritable disease-related genotypes, mutations, phenotypes, or karyotypes for clinical purposes. Genetic tests can have diverse purposes, including the diagnosis of genetic diseases in newborns, children, and adults; the identification of future health risks; the prediction of drug responses; and the assessment of risks to future children.
56. **Health screening.** A preliminary procedure such as a test or examination to detect the most characteristic sign or signs of a disorder that may require further investigation.
57. **Health research.** Organized hospital research program in any of the following areas: basic research, clinical research, community health research, and/or research on innovative health care delivery.
58. **Hemodialysis.** Provision of equipment and personnel for the treatment of renal insufficiency on an inpatient or outpatient basis.
59. **HIV/AIDS services.** Diagnosis, treatment, continuing care planning, and counseling services for HIV/AIDS patients and their families. Could include: HIV/AIDS unit, special unit or designated team, general inpatient care, or specialized outpatient program.
60. **Home health services.** Service providing nursing, therapy, and health-related homemaker or social services in the patient's home.
61. **Hospice.** A program providing palliative care, chiefly medical relief of pain and supportive services, addressing the emotional, social, financial, and legal needs of terminally ill patients and their families. Care can be provided in a variety of settings, both inpatient and at home.
62. **Hospital-based outpatient care center-services.** Organized hospital health care services offered by appointment on an ambulatory basis. Services may include outpatient surgery, examination, diagnosis, and treatment of a variety of medical conditions on a nonemergency basis, and laboratory and other diagnostic testing as ordered by staff or outside physician referral.
63. **Immunization program.** Program that plans, coordinates and conducts immunization services in the community.
64. **Indigent care clinic.** Health care services for uninsured and underinsured persons where care is free of charge or charged on a sliding scale. This would include "free clinics" staffed by volunteer practitioners, but could also be staffed by employees with the sponsoring health care organization subsidizing the cost of service.
65. **Linguistic/translation services.** Services provided by the hospital designed to make health care more accessible to non-English speaking patients and their physicians.
66. **Meals on wheels.** A hospital sponsored program which delivers meals to people, usually the elderly, who are unable to prepare their own meals. Low cost, nutritional meals are delivered to individuals' homes on a regular basis.
67. **Mobile health services.** Vans and other vehicles used for delivery to primary care services.
68. **Neurological services.** Services provided by the hospital dealing with the operative and nonoperative management of disorders of the central, peripheral, and autonomic nervous systems.
69. **Nutrition programs.** Services within a health care facility which are designed to provide inexpensive, nutritionally sound meals to patients.
70. **Occupational health services.** Includes services designed to protect the safety of employees from hazards in the work environment.
71. **Oncology services.** Inpatient and outpatient services for patients with cancer, including comprehensive care, support and guidance in addition to patient education and prevention, chemotherapy, counseling and other treatment methods.
72. **Orthopedic services.** Services provided for the prevention or correction of injuries or disorders of the skeletal system and associated muscles, joints and ligaments.
73. **Outpatient surgery.** Scheduled surgical services provided to patients who do not remain in the hospital overnight. The surgery may be performed in operating suites also used for inpatient surgery, specially designated surgical suites for outpatient surgery, or procedure rooms within an outpatient care facility.
74. **Pain management program.** A recognized clinical service or program providing specialized medical care, drugs or therapies for the management of acute or chronic pain and other distressing symptoms, administered by specially trained physicians and other clinicians, to patients suffering from acute illnesses of diverse causes.
75. **Palliative care program.** An organized program providing specialized medical care, drugs or therapies for the management of acute or chronic pain and/or the control of symptoms administered by specially trained physicians and other clinicians; and supportive care services, such as counseling on advanced directives, spiritual care, and social services, to patients with advanced diseases and their families.

76. **Palliative care inpatient unit.** An inpatient palliative care ward is a physically discreet, inpatient nursing unit where the focus is palliative care. The patient care focus is on symptom relief for complex patients who may be continuing to undergo primary treatment. Care is delivered by palliative medicine specialists.
77. **Patient controlled analgesia (PCA).** Intravenously administered pain medicine under the patient's control. The patient has a button on the end of a cord than can be pushed at will, whenever more pain medicine is desired. This button will only deliver more pain medicine at predetermined intervals, as programmed by the doctor's order.
78. **Patient education center.** Written goals and objectives for the patient and/or family related to therapeutic regimens, medical procedures, and self-care.
79. **Patient representative services.** Organized hospital services providing personnel through whom patients and staff can seek solutions to institutional problems affecting the delivery of high quality care and services.
80. **Physical rehabilitation services.** Program providing medical, health-related, therapy, social, and/or vocational services to help people with disabilities attain or retain their maximum functional capacity.
    a. **Assistive technology center.** A program providing access to specialized hardware and software with adaptations allowing individuals greater independence with mobility, dexterity, or increased communication options.
    b. **Electrodiagnostic services.** Diagnostic testing services for nerve and muscle function such as nerve conduction studies and needle electromyography.
    c. **Physical rehabilitation outpatient services.** Outpatient program providing medical, health-related, therapy, social, and/or vocational services to help people with disabilities attain or retain their maximum functional capacity.
    d. **Prosthetic and orthotic services.** Services providing comprehensive prosthetic and orthotic evaluation, fitting, and training.
    e. **Robot-assisted walking therapy.** A form of physical therapy that uses a robotic device to assist patients who are relearning how to walk.
    f. **Simulated rehabilitation environment.** Rehabilitation focused on retraining functional skills in a contextually appropriate environment (simulated home and community settings) or in a traditional setting (gymnasium) using motor learning principles.
81. **Primary care department.** A unit or clinic within the hospital that provides primary care services (e.g., general pediatric care, general internal medicine, family practice, gynecology) through hospital-salaried medical and/or nursing staff, focusing on evaluating and diagnosing medical problems and providing medical treatment on an outpatient basis.
82. **Psychiatric services.** Services provided by the hospital that offer immediate initial evaluation and treatment to patients with mental or emotional disorders.
    a. **Psychiatric child-adolescent services.** Provides care to children and adolescents with mental or emotional disorders, including those admitted for diagnosis and those admitted for treatment.
    b. **Psychiatric consultation-liaison services.** Provides organized psychiatric consultation/liaison services to nonpsychiatric hospital staff and/or departments on psychological aspects of medical care that may be generic or specific to individual patients.
    c. **Psychiatric education services.** Provides psychiatric educational services to community agencies and workers such as schools, police, courts, public health nurses, welfare agencies, clergy, and so forth. The purpose is to expand the mental health knowledge and competence of personnel not working in the mental health field and to promote good mental health through improved understanding, attitudes, and behavioral patterns.
    d. **Psychiatric emergency services.** Services of facilities available on a 24-hour basis to provide immediate unscheduled outpatient care, diagnosis, evaluation, crisis intervention, and assistance to persons suffering acute emotional or mental distress.
    e. **Psychiatric geriatric services.** Provides care to elderly patients with mental or emotional disorders, including those admitted for diagnosis and those admitted for treatment.
    f. **Psychiatric outpatient services.** Provides medical care, including diagnosis and treatment, of psychiatric outpatients.
    g. **Psychiatric partial hospitalization program.** Organized hospital services providing intensive day/evening outpatient services of three hours or more duration, distinguished from other outpatient visits of one hour.
    h. **Psychiatric residential treatment.** Overnight psychiatric care in conjunction with an intensive treatment program in a setting other than a hospital.
83. **Radiology, diagnostic.** The branch of radiology that deals with the utilization of all modalities of radiant energy in medical diagnoses and therapeutic procedures using radiologic guidance. This includes, but is not restricted to, imaging techniques and methodologies utilizing radiation emitted by x-ray tubes, radionuclides, and ultrasonographic devices and the radiofrequency electromagnetic radiation emitted by atoms.
    a. **CT Scanner.** Computed tomographic scanner for head or whole body scans.
    b. **Diagnostic radioisotope facility.** The use of radioactive isotopes (Radiopharmaceuticals) as tracers or indicators to detect an abnormal condition or disease.
    c. **Electron beam computed tomography (EBCT).** A high tech computed tomography scan used to detect coronary artery disease by measuring coronary calcifications. This imaging procedure uses electron beams which are magnetically steered to produce a visual of the coronary artery and the images are produced faster than conventional CT scans.
    d. **Full-field digital mammography (FFDM).** Combines the x-ray generators and tubes used in analog screen-film mammography (SFM) with a detector plate that converts the x-rays into a digital signal.
    e. **Magnetic resonance imaging (MRI).** The use of a uniform magnetic field and radio frequencies to study tissue and structure of the body. This procedure enables the visualization of biochemical activity of the cell in vivo without the use of ionizing radiation, radioisotopic substances or high-frequency sound.
    f. **Intraoperative magnetic resonance imaging.** An integrated surgery system which provides an MRI system in an operating room. The system allows for immediate evaluation of the degree to tumor resection while the patient is undergoing a surgical resection. Intraoperative MRI exists when a MRI (low-field or high-field) is placed in the operating theater and is used during surgical resection without moving the patient from the operating room to the diagnostic imaging suite.
    g. **Magnetoencephalography (MEG).** A noninvasive neurophysiological measurement tool used to study magnetic fields generated by neuronal activity of the brain. MEG provides direct information about the dynamics of evoked and spontaneous neural activity and its location in the brain. The primary uses of MEG include assisting surgeons in localizing the source of epilepsy, sensory mapping, and the study of brain function. When it is combined with structural imaging, it is known as *magnetic source imaging* (MSI).
    h. **Multi-slice spiral computed tomography (<64+slice CT).** A specialized computed tomography procedure that provides three-dimensional processing and allows narrower and multiple slices with increased spatial resolution and faster scanning times as compared to a regular computed tomography scan.
    i. **Multi-slice spiral computed tomography (64+ slice CT).** Involves the acquisition of volumetric tomographic x-ray absorption data expressed in Hounsfield units using multiple rows of detectors. 64+ systems reconstruct the equivalent of 64 or more slices to cover the imaged volume.
    j. **Positron emission tomography (PET).** A nuclear medicine imaging technology which uses radioactive (positron emitting) isotopes created in a cyclotron or generator and computers to produce composite pictures of the brain and heart at work. PET scanning produces sectional images depicting metabolic activity or blood flow rather than anatomy.
    k. **Positron emission tomography/CT (PET/CT).** Provides metabolic functional information for the monitoring of chemotherapy, radiotherapy and surgical planning.
    l. **Single photon emission computerized tomography (SPECT).** A nuclear medicine imaging technology that combines existing technology of gamma camera imaging with computed tomographic imaging technology to provide a clearer and more precise image.

m. **Ultrasound.** The use of acoustic waves above the range of 20,000 cycles per second to visualize internal body structures.

84. **Radiology, therapeutic.** The branch of medicine concerned with radioactive substances and using various techniques of visualization, with the diagnosis and treatment of disease using any of the various sources of radiant energy. Services could include: megavoltage radiation therapy; radioactive implants; stereotactic radiosurgery; therapeutic radioisotope facility; X-ray radiation therapy.
    a. **Image-guided radiation therapy (IGRT).** Automated system for image-guided radiation therapy that enables clinicians to obtain high-resolution x-ray images to pinpoint tumor sites, adjust patient positioning when necessary, and complete a treatment, all within the standard treatment time slot, allowing for more effective cancer treatments.
    b. **Intensity-Modulated Radiation Therapy (IMRT).** A type of three-dimensional radiation therapy which improves treatment delivery by targeting a tumor in a way that is likely to decrease damage to normal tissues and allows for varying intensities.
    c. **Proton beam therapy.** A form of radiation therapy which administers proton beams. While producing the same biologic effects as x-ray beams, the energy distribution of protons differs from conventional x-ray beams: proton beams can be more precisely focused in tissue volumes in a three-dimensional pattern, resulting in less surrounding tissue damage than conventional radiation therapy, permitting administration of higher doses.
    d. **Shaped beam radiation system.** A precise, noninvasive treatment that involves targeted beams of radiation that mirror the exact size and shape of a tumor at a specific area to shrink or destroy cancerous cells. This procedure delivers a therapeutic dose of radiation that conforms precisely to the shape of the tumor, thus minimizing the risk to nearby tissues.
    e. **Stereotactic radiosurgery.** A radiotherapy modality that delivers a high dosage of radiation to a discrete treatment area in as few as one treatment session. Includes Gamma Knife, Cyberknife, etc.
85. **Retirement housing.** A facility that provides social activities to senior citizens, usually retired persons, who do not require health care but some short-term skilled nursing care may be provided. A retirement center may furnish housing and may also have acute hospital and long-term care facilities, or it may arrange for acute and long-term care through affiliated institutions.
86. **Robotic surgery.** The use of mechanical guidance devices to remotely manipulate surgical instrumentation.
87. **Rural health clinic.** A clinic located in a rural, medically under-served area in the United States that has a separate reimbursement structure from the standard medical office under the Medicare and Medicaid programs.
88. **Sleep center.** Specially equipped and staffed center for the diagnosis and treatment of sleep disorders.
89. **Social work services.** Could include: organized services that are properly directed and sufficiently staffed by qualified individuals who provide assistance and counseling to patients and their families in dealing with social, emotional, and environmental problems associated with illness or disability, often in the context of financial or discharge planning coordination.
90. **Sports medicine.** Provision of diagnostic screening, assessment, clinical and rehabilitation services for the prevention and treatment of sports-related injuries.
91. **Support groups.** A hospital sponsored program that allows a group of individuals with common experiences or issues who meet periodically to share experiences, problems, and solutions in order to support each other.
92. **Swing bed services.** A hospital bed that can be used to provide either acute or long-term care depending on community or patient needs. To be eligible a hospital must have a Medicare provider agreement in place, have fewer than 100 beds, be located in a rural area, not have a 24-hour nursing service waiver in effect, have not been terminated from the program in the prior two years, and meet various service conditions.
93. **Teen outreach services.** A program focusing on the teenager which encourages an improved health status and a healthful lifestyle including physical, emotional, mental, social, spiritual and economic health through education, exercise, nutrition and health promotion.
94. **Tobacco treatment/cessation program.** Organized hospital services with the purpose of ending tobacco-use habits of patients addicted to tobacco/nicotine.
95. **Transplant services.** The branch of medicine that transfers an organ or tissue from one person to another or from one body part to another, to replace a diseased structure or to restore function or to change appearance. Services could include: Bone marrow transplant; heart, lung, kidney, intestine, or tissue transplant. Please include heart/lung or other multi-transplant surgeries in 'other'.
96. **Transportation to health facilities.** A long-term care support service designed to assist the mobility of the elderly. Some programs offer improved financial access by offering reduced rates and barrier-free buses or vans with ramps and lifts to assist the elderly or people with disabilities; others offer subsidies for public transport systems or operate mini-bus services exclusively for use by senior citizens.
97. **Urgent care center.** A facility that provides care and treatment for problems that are not life threatening but require attention over the short term.
98. **Virtual colonoscopy.** Noninvasive screening procedure used to visualize, analyze and detect cancerous or potentially cancerous polyps in the colon.
99. **Volunteer services department.** An organized hospital department responsible for coordinating the services of volunteers working within the institution.
100. **Women's health center/services.** An area set aside for coordinated education and treatment services specifically for and promoted to women as provided by this special unit. Services may or may not include obstetrics but include a range of services other than OB.
101. **Wound management services.** Services for patients with chronic wounds and nonhealing wounds often resulting from diabetes, poor circulation, improper seating and immunocompromising conditions. The goals are to progress chronic wounds through stages of healing, reduce and eliminate infections, increase physical function to minimize complications from current wounds and prevent future chronic wounds. Wound management services are provided on an inpatient or outpatient basis, depending on the intensity of service needed.
102a. **Physician arrangements.** An integrated healthcare delivery program implementing physician compensation and incentive systems for managed care services.
    a. **Independent practice association (IPA).** A legal entity that holds managed care contracts. The IPA then contracts with physicians, usually in solo practice, to provide care either on a fee-for-service or capitated basis. The purpose of an IPA is to assist solo physicians in obtaining managed care contracts.
    b. **Group practice without walls.** Hospital sponsors the formation of, or provides capital to physicians to establish, a "quasi" group to share administrative expenses while remaining independent practitioners.
    c. **Open physician-hospital organization (PHO).** A joint venture between the hospital and all members of the medical staff who wish to participate. The PHO can act as a unified agent in managed care contracting, own a managed care plan, own and operate ambulatory care centers or ancillary services projects, or provide administrative services to physician members.
    d. **Closed physician-hospital organization (PHO).** A PHO that restricts physician membership to those practitioners who meet criteria for cost effectiveness and/or high quality.
    e. **Management services organization (MSO).** A corporation, owned by the hospital or a physician/hospital joint venture, that provides management services to one or more medical group practices. The MSO purchases the tangible assets of the practices and leases them back as part of a full-service management agreement, under which the MSO employs all non-physician staff and provides all supplies/administrative systems for a fee.
    f. **Integrated salary model.** Physicians are salaried by the hospital or another entity of a health system to provide medical services for primary care and specialty care.
    g. **Equity model.** Allows established practitioners to become shareholders in a professional corporation in exchange for tangible and intangible assets of their existing practices.

h. **Foundation.** A corporation, organized either as a hospital affiliate or subsidiary, which purchases both the tangible and intangible assets of one or more medical group practices. Physicians remain in a separate corporate entity but sign a professional services agreement with the foundation.

102b. Of all physician arrangements listed in question 102a (a-l), indicate the total number of physicians (count each physician only once) that are engaged in an arrangement with your hospital that allows for joint contracting with payors or shared responsibility for financial risk or clinical performance between the hospital and physician (arrangement may be at the hospital, system or network level). *Joint contracting* does not include contracting between physicians participating in an independent practice.

103. **Joint venture.** A contractual arrangement between two or more parties forming an unincorporated business. The participants in the arrangement remain independent and separate outside of the venture's purpose.

104a. **Accountable Care Organization (ACO) Contract.** An ACO contract has two essential elements: (1) accountability for the total costs of care for the population of patients attributed to the primary care physicians in the organization; (2) financial incentives that link the magnitude of bonus payments to performance on quality measures (which could include technical quality, patient experience and/or health outcome measures) This will generally involve a contract where the payor establishes a target budget for one or more years for the total costs of care for the agreed-upon patient population, the payor tracks actual spending and performance on quality; and the provider receives bonus payments that could include a share of savings that are (or are not) contingent on meeting quality targets, with (or without) additional bonuses related to performance on those quality measures.

105. **Patient-Centered Medical Home.** The medical home concept refers to the provision of comprehensive primary care services that facilitates communication and shared decision-making between the patient, his/her primary care providers, other providers, and the patient's family.

106. **Bundling.** Bundling is a payment mechanism whereby a provider entity receives a single payment for services provided across one or parts of the care continuum. For example, an entity might receive a single payment for the hospital and physician services provided as part of an inpatient stay or might receive a single payment for the post-acute care services involved in a single episode of care. The entity then has responsibility for compensating each of the individual providers involved in the episode of care.

109. **Capitation.** An at-risk payment arrangement in which an organization receives a fixed prearranged payment and in turn guarantees to deliver or arrange all medically necessary care required by enrollees in the capitated plan. The fixed amount is specified within contractual agreements between the payor and the involved organization. The fixed payment amount is based on an actuarial assessment of the services required by enrollees and the costs of providing these services, recognizing enrollees' adjustment factors such as age, sex, and family size.

110. **Shared risk payments.** A payment arrangement in which a hospital and a managed care organization share the risk of adverse claims experience. Methods for sharing risk could include: capitation with partial refunds or supplements if billed hospital charges or costs differ from capitated payments, and service or discharge-based payments with withholds and bonus payouts that depend on expenditure targets.

114. **Quality/Safety Survey.** Examples of a patient safety culture survey are the Safety Attitudes Questionnaire and the AHRQ Hospital Survey on Patient Safety Culture. Impromptu surveys of only certain staff or units, and other narrowly based initiatives do not qualify as quality/safety surveys for the purpose of this question.

Greer, Leslie

From: Verny, Kristina L <Kristina.Verny@jmmc.com>
Sent: Tuesday, May 31, 2016 2:58 PM
To: Roberts, Karen; User, OHCA
Cc: Liz Rotavera; Rosadini, Mary Lou; Christopher Hartley; Stuart Rosenberg; jschneider@stfranciscare.org
Subject: Docket Number: 15-32002 CON Transfer of Ownership - Items 10 and 11 of Agreed Settlement Order
Attachments: Docket Number -15-32002 -CON.ITEMS 10 and 11.05-31-2016.PDF

Ms. Roberts:

Attached please find the requested information with regard to the above-referenced Docket Number and Agreed Settlement Order Item numbers.

Thank you.

Kris

Kris Verny
Executive Assistant to the President
Johnson Memorial Hospital, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076
P: (860) 684-8235
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C: (860) 207-0604
Email: kristina.verny@jmmc.com

jmmc

Johnson Memorial Medical Center

May 31, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Dear Mrs. Roberts:

In accordance with Items 10 and 11 of the above referenced Agreed Settlement Order dated November 24, 2015, we have enclosed the required information for your review.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-5573.

Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

CON Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care*, Inc.

Response to Items #10 and #11 of the Settlement and Order dated 11/24/2015 for the Six Month Period Ended March 31, 2016

10. For three (3) years following the Closing Date, the Applicants shall file the following information with OHCA on a semi-annual basis for both JMH and its immediate parent, JMMC. For purposes of this Order, semi-annual periods are October 1- March 31 and April 1 - September 30. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016:

a) The cost saving totals achieved in the following Operating Expense Categories for both JMH and its immediate parent, JMMC: Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The semi-annual submission shall also contain narratives describing:

1. the major cost savings achieved for each expense category; and

Since January 1, 2016, the leaders within the functional areas at Saint Francis Hospital and Medical Center have been working closely with Johnson to identify and implement changes to realize cost savings opportunities. One benefit was successful restructure of Johnson's debt as of 12/31/2015 with an intercompany loan from Trinity Health – New England. In addition, Saint Francis Hospital and Medical Center forgave a loan from Johnson of a $2,350,000 upon the closing of the transaction. The restructured debt has resulted in a decrease of interest expense in the amount of $34,000 for the three month period ended March 31, 2016 with expected annual savings of approximately $137,000.

Another significant savings realized to date was the inclusion of Johnson into the Trinity Health insurance program. This was an overall decrease in annual premiums of approximately $695,000 with savings realized to date of $174,000, exclusive of one time tail coverage costs incurred as part of the transaction.

Lastly, on March 7th, the Johnson Physician Associates operations were consolidated into Saint Francis Medical Group. Quantification of the savings has not been completed at this time, however, decrease in costs are expected in administrative and overhead costs as these physicians and other staff are now part of a larger physician practice.

Interest and insurance savings related to JMMC are included in the amounts described above. We continue to identify cost saving opportunities as we align our vendor contracts with Trinity Health

system contracts. These cost savings will be reported when realized in future reporting periods. See **Attachment A** for expense savings by category.

2. the effect of these cost savings on the clinical quality of care.

There has been no negative impact to clinical quality of care as a result of these cost savings.

b) A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for JMH and its immediate parent, JMMC. The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/150, 300/350 or successor reports.

See **Attachment B.**

11) For three (3) years following the Closing Date, SFCRHM shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for the Hospital and for SFCRHM. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016.

See **Attachment C** for Financial Indicators.

Attachment A

Attachment A

Johnson Memorial Hospital
Cost Savings/Synergies 1/1/2016-3/31/2016

LINE	DESCRIPTION	Savings 1/1-3/31 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	
B.	Fringe Benefits (pension and workers comp)	
C.	Contractual Labor Fees	
D.	Medical Supplies and Pharmaceutical Cost	
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$34
H.	Malpractice Insurance Cost	$174
I.	Utilities	
J.	Business Expenses (insurance)	
K.	Other Operating Expense	
	Total savings 1/1-3/31	$208

Attachment B

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$1,675,853	$255,865	($1,419,988)	-85%
2	Short Term Investments	$0	$0	$0	0%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$9,554,938	$13,005,342	$3,450,404	36%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,506,354	$1,510,725	$4,371	0%
8	Prepaid Expenses	$1,497,131	$960,351	($536,780)	-36%
9	Other Current Assets	$329,908	$247,287	($82,621)	-25%
	Total Current Assets	**$14,564,184**	**$15,979,570**	**$1,415,386**	**10%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$3,425,921	$0	($3,425,921)	-100%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$224,917	$18,809	($206,108)	-92%
4	Other Noncurrent Assets Whose Use is Limited	$843,587	$0	($843,587)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$4,494,425**	**$18,809**	**($4,475,616)**	**-100%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,467,074	$3,362,073	($105,001)	-3%
7	Other Noncurrent Assets	$8,986,456	$0	($8,986,456)	-100%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$66,495,422	$67,716,112	$1,220,690	2%
2	Less: Accumulated Depreciation	$45,821,926	$47,158,368	$1,336,442	3%
	Property, Plant and Equipment, Net	**$20,673,496**	**$20,557,744**	**($115,752)**	**-1%**
3	Construction in Progress	$0	$0	$0	0%
	Total Net Fixed Assets	**$20,673,496**	**$20,557,744**	**($115,752)**	**-1%**
	Total Assets	**$52,185,635**	**$39,918,196**	**($12,267,439)**	**-24%**

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$8,861,782	$8,093,590	($768,192)	-9%
2	Salaries, Wages and Payroll Taxes	$1,895,078	$1,844,876	($50,202)	-3%
3	Due To Third Party Payers	$2,212,362	$1,600,272	($612,090)	-28%
4	Due To Affiliates	$0	$5,674,015	$5,674,015	0%
5	Current Portion of Long Term Debt	$11,987,500	$0	($11,987,500)	-100%
6	Current Portion of Notes Payable	$838,274	$800,839	($37,435)	-4%
7	Other Current Liabilities	$10,142,734	$432,990	($9,709,744)	-96%
	Total Current Liabilities	**$35,937,730**	**$18,446,582**	**($17,491,148)**	**-49%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$4,572,057	$4,194,516	($377,541)	-8%
3	Other Long Term Debt	$0	$21,264,260	$21,264,260	0%
	Total Long Term Debt	**$4,572,057**	**$25,458,776**	**$20,886,719**	**457%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$7,433,424	$739,031	($6,694,393)	-90%
	Total Long Term Liabilities	**$12,005,481**	**$26,197,807**	**$14,192,326**	**118%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($498,600)	($4,717,193)	($4,218,593)	846%
2	Temporarily Restricted Net Assets	$471,516	($9,000)	($480,516)	-102%
3	Permanently Restricted Net Assets	$4,269,508	$0	($4,269,508)	-100%
	Total Net Assets	**$4,242,424**	**($4,726,193)**	**($8,968,617)**	**-211%**
	Total Liabilities and Net Assets	**$52,185,635**	**$39,918,196**	**($12,267,439)**	**-24%**

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
LINE	DESCRIPTION	FY 2015 ACTUAL	FY 2016 JAN - MARCH	AMOUNT DIFFERENCE	% DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$171,319,321	$42,014,049	($129,305,272)	-75%
2	Less: Allowances	$102,596,531	$26,280,078	($76,316,453)	-74%
3	Less: Charity Care	$221,056	$3,316	($217,740)	-98%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$68,501,734**	**$15,730,655**	**($52,771,079)**	**-77%**
5	Provision for Bad Debts	$3,114,000	$782,425	($2,331,575)	-75%
	Net Patient Service Revenue less provision for bad debts	**$65,387,734**	**$14,948,230**	**($50,439,504)**	**-77%**
6	Other Operating Revenue	$590,810	$148,736	($442,074)	-75%
7	Net Assets Released from Restrictions	$23,905	$0	($23,905)	-100%
	Total Operating Revenue	**$66,002,449**	**$15,096,966**	**($50,905,483)**	**-77%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$24,833,219	$6,454,474	($18,378,745)	-74%
2	Fringe Benefits	$6,111,895	$1,465,112	($4,646,783)	-76%
3	Physicians Fees	$4,050,496	$1,455,408	($2,595,088)	-64%
4	Supplies and Drugs	$10,665,670	$2,275,687	($8,389,983)	-79%
5	Depreciation and Amortization	$1,804,654	$607,463	($1,197,191)	-66%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$975,626	$222,172	($753,454)	-77%
8	Malpractice Insurance Cost	$1,058,521	$74,313	($984,208)	-93%
9	Other Operating Expenses	$20,739,982	$3,963,206	($16,776,776)	-81%
	Total Operating Expenses	**$70,240,063**	**$16,517,835**	**($53,722,228)**	**-76%**
	Income/(Loss) From Operations	**($4,237,614)**	**($1,420,869)**	**$2,816,745**	**-66%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$228,556	$29,251	($199,305)	-87%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$0	($100,342)	($100,342)	0%
	Total Non-Operating Revenue	**$228,556**	**($71,091)**	**($299,647)**	**-131%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($4,009,058)**	**($1,491,960)**	**$2,517,098**	**-63%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - MARCH	DIFFERENCE	DIFFERENCE
	Excess/(Deficiency) of Revenue Over Expense	**($4,009,058)**	**($1,491,960)**	**$2,517,098**	**-63%**
	Principal Payments	$184,222	$10,740	($173,482)	-94%

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$1,805,602	$759,956	($1,045,646)	-58%
2	Short Term Investments	$0	$0	$0	0%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$12,246,951	$13,755,352	$1,508,401	12%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,523,756	$1,510,725	($13,031)	-1%
8	Prepaid Expenses	$1,880,119	$1,043,720	($836,399)	-44%
9	Other Current Assets	$537,387	$286,540	($250,847)	-47%
	Total Current Assets	**$17,993,815**	**$17,356,293**	**($637,522)**	**-4%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$4,452,119	$0	($4,452,119)	-100%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$224,917	$18,809	($206,108)	-92%
4	Other Noncurrent Assets Whose Use is Limited	$0	$0	$0	0%
	Total Noncurrent Assets Whose Use is Limited:	**$4,677,036**	**$18,809**	**($4,658,227)**	**-100%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,467,074	$3,362,073	($105,001)	-3%
7	Other Noncurrent Assets	$1,486,054	$7,134	($1,478,920)	-100%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$97,485,005	$78,651,426	($18,833,579)	-19%
2	Less: Accumulated Depreciation	$70,147,136	$54,394,287	($15,752,849)	($0)
	Property, Plant and Equipment, Net	**$27,337,869**	**$24,257,139**	**($3,080,730)**	**-11%**
3	Construction in Progress	$0	$0	$0	0%
	Total Net Fixed Assets	**$27,337,869**	**$24,257,139**	**($3,080,730)**	**-11%**
	Total Assets	**$54,961,848**	**$45,001,448**	**($9,960,400)**	**-18%**

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$12,652,911	$8,835,801	($3,817,110)	-30%
2	Salaries, Wages and Payroll Taxes	$2,677,952	$2,035,434	($642,518)	-24%
3	Due To Third Party Payers	$2,446,731	$1,752,378	($694,353)	-28%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$29,141,197	$3,809,664	($25,331,533)	-87%
6	Current Portion of Notes Payable	$838,274	$837,749	($525)	0%
7	Other Current Liabilities	$11,243,011	$519,007	($10,724,004)	-95%
	Total Current Liabilities	**$59,000,076**	**$17,790,033**	**($41,210,043)**	**-70%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$4,572,057	$4,194,516	($377,541)	-8%
3	Other Long Term Debt	$0	$21,292,961	$21,292,961	0%
	Total Long Term Debt	**$4,572,057**	**$25,487,477**	**$20,915,420**	**457%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$4,932,692	$739,031	($4,193,661)	-85%
	Total Long Term Liabilities	**$9,504,749**	**$26,226,508**	**$16,721,759**	**176%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($18,535,995)	$994,837	$19,530,832	-105%
2	Temporarily Restricted Net Assets	$553,275	($9,930)	($563,205)	-102%
3	Permanently Restricted Net Assets	$4,439,743	$0	($4,439,743)	-100%
	Total Net Assets	**($13,542,977)**	**$984,907**	**$14,527,884**	**-107%**
	Total Liabilities and Net Assets	**$54,961,848**	**$45,001,448**	**($9,960,400)**	**-18%**

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
LINE	DESCRIPTION	FY 2015 ACTUAL	FY 2016 JAN - MARCH	AMOUNT DIFFERENCE	% DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$206,688,056	$43,042,368	($163,645,688)	-79%
2	Less: Allowances	$113,763,631	$26,531,504	($87,232,127)	-77%
3	Less: Charity Care	$221,056	$3,316	($217,740)	-98%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$92,703,369**	**$16,507,548**	**($76,195,821)**	**-82%**
5	Provision for Bad Debts	$3,470,135	$899,305	($2,570,830)	-74%
	Net Patient Service Revenue less provision for bad debts	**$89,233,234**	**$15,608,243**	**($73,624,991)**	**-83%**
6	Other Operating Revenue	$1,190,422	$258,829	($931,593)	-78%
7	Net Assets Released from Restrictions	$36,593	$0	($36,593)	-100%
	Total Operating Revenue	**$90,460,249**	**$15,867,072**	**($74,593,177)**	**-82%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$40,500,652	$7,225,328	($33,275,324)	-82%
2	Fringe Benefits	$10,064,877	$1,621,980	($8,442,897)	-84%
3	Physicians Fees	$4,050,496	$1,459,908	($2,590,588)	-64%
4	Supplies and Drugs	$12,485,965	$2,331,212	($10,154,753)	-81%
5	Depreciation and Amortization	$2,419,144	$680,775	($1,738,369)	-72%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$1,503,067	$222,172	($1,280,895)	-85%
8	Malpractice Insurance Cost	$1,056,331	$81,719	($974,612)	-92%
9	Other Operating Expenses	$25,211,129	$4,054,817	($21,156,312)	-84%
	Total Operating Expenses	**$97,291,661**	**$17,677,911**	**($79,613,750)**	**-82%**
	Income/(Loss) From Operations	**($6,831,412)**	**($1,810,839)**	**$5,020,573**	**-73%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$159,517	$29,251	($130,266)	-82%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$69,138	($100,342)	($169,480)	-245%
	Total Non-Operating Revenue	**$228,655**	**($71,091)**	**($299,746)**	**-131%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($6,602,757)**	**($1,881,930)**	**$4,720,827**	**-71%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - MARCH	DIFFERENCE	DIFFERENCE
	Total Other Adjustments	$0	$0	$0	0%
	Excess/(Deficiency) of Revenue Over Expenses	($6,602,757)	($1,881,930)	$4,720,827	-71%

Attachment C

Provide monthly financial reports that include statistics for the current month, year-to-date and comparable month from the previous year for the following:

Johnson Memorial Hospital					
Monthly Financial Measurement/Indicators	Mar 16 YTD*	Mar 15 YTD*	Mar 16 MTD	Mar 15 MTD	Comments
A. Operating Performance:					
Operating Margin	(9.4%)	4.8%	(13.7%)	5.8%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	(3.9%)	8.2%	(5.6%)	7.3%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.9%	1.9%	1.9%	2.1%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	1.3	0.5	1.3	0.5	current assets/current liabilites
Days Cash on Hand	1.4	10.5	1.4	10.5	(cash and cash equiv+board restr. cash)/(total exp-depr)/YT
Days in Net Accounts Receivables	78.3	50.9	78.3	50.9	net ar/net patient ser rev/days in yr
Average Payment Period	72.3	183.8	72.3	183.8	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	(397.6%)	177.4%	(397.6%)	177.4%	total debt/total equity(net assets)
Long-term Debt to Capitalization	135.6%	22.2%	135.6%	22.2%	LTD/LTD+net assets
Unrestricted Cash to Debt	1.4%	12.6%	1.4%	12.6%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio	(5.4)	6.6	(5.9)	(5.3)	EBIT/Interest expense
Debt Service Coverage Ratio	(0.58)	0.11	(0.58)	0.11	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio	(11.8%)	16.9%	(11.8%)	16.9%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations**	$ (1,421)	$ 817	$ (708)	$ 341	Net income(loss) from operations
Revenue Over/(Under) Expense	$ (1,492)	$ (370)	$ (800)	$ 6	Net gain(loss)
EBIDA	$ (592)	$ 1,404	$ (291)	$ 433	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	$ 256	$ 1,847	$ 256	$ 1,847	from bs
Net Working Capital	$ 3,207	$ (16,940)	$ 3,207	$ (16,940)	current assets-current liabilities
Unrestricted Assets	$ (4,717)	$ 3,005	$ (4,717)	$ 3,005	from bs

*1/1-3/31

**Loss from operations due to timing of State payments including Small Hospital Funding of approximately $770 for period ending June 30, 2016

Provide monthly financial reports that include statistics for the current month, year-to-date and comparable month from the previous year for the following:

Johnson Memorial Medical Center

Monthly Financial Measurement/Indicators	Mar 16 YTD*	Mar 15 YTD*	Mar 16 MTD	Mar 15 MTD	Comments
A. Operating Performance:					
Operating Margin	42.2%	32.1%	22.0%	22.0%	operating income/operating revenues
Non-Operating Margin	NA	NA	NA	NA	
Total Margin	67.6%	59.7%	47.3%	49.0%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	NA	NA	NA	NA	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio	3.3	0.04	3.3	0.04	current assets/current liabilites
Days Cash on Hand	90.0	63.0	90.0	63.0	(cash and cash equiv+board restr. cash)/(total exp-depr)/YT
Days in Net Accounts Receivables	7.2	2.8	7.2	2.8	net ar/net patient ser rev/days in yr
Average Payment Period	38.0	0.3	38.0	0.3	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity	1.0%	380.7%	1.0%	380.7%	total debt/total equity(net assets)
Long-term Debt to Capitalization	0.4%	3.5%	0.4%	3.5%	LTD/LTD+net assets
Unrestricted Cash to Debt	136.4%	3.0%	136.4%	3.0%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio	NA**	8.8	NA**	6.5	EBIT/Interest expense
Debt Service Coverage Ratio	2.8	4.3	2.82	4.3	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio	99.0%	20.2%	99.0%	20.2%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations	$ 116	$ 94	$ 20	$ 22	Net income(loss) from operations
Revenue Over/(Under) Expense	$ 116	$ 92	$ 20	$ 22	Net gain(loss)
EBIDA	$ 186	$ 175	$ 43	$ 49	based on net income(loss) from operations
Patient Cash Collected	NA	NA	NA	NA	
Cash and Cash Equivalents	$ 90	$ 91	$ 90	$ 91	from bs
Net Working Capital	$ 88	$ (2,972)	$ 88	$ (2,972)	current assets-current liabilities
Unrestricted Assets	$ 6,623	$ 3,887	$ 6,623	$ 3,887	from bs

*1/1-3/31

**no interest exp incurred

Greer, Leslie

From: Verny, Kristina L <Kristina.Verny@jmmc.com>
Sent: Wednesday, June 01, 2016 1:14 PM
To: Roberts, Karen; User, OHCA
Cc: Rosenberg, Stuart; Liz Rotavera; Rosadini, Mary Lou; Christopher Hartley; jschneider@stfranciscare.org
Subject: Docket #15-32002-CON - Response to Item 9 of Agreed Settlement Order
Attachments: Docket #15-32002-CON - Transfer of Ownership. Item 9 of Agreed Settlement Order.PDF

Good Afternoon,

Attached please find the response to Item 9 of the above-referenced Agreed Settlement Order dated November 24, 2015. Should you have any questions or require additional information, please do not hesitate to contact our office.

Thank you.

Kris

Kris Verny
Executive Assistant to the President
Johnson Memorial Hospital, Inc.
201 Chestnut Hill Road
Stafford Springs, CT 06076
P: (860) 684-8235
F: (860) 684-8165
C: (860) 207-0604
Email: kristina.verny@jmmc.com

jmmc

Johnson Memorial Medical Center

June 1, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Dear Mrs. Roberts:

In accordance with Item 9 of the above referenced Agreed Settlement Order dated November 24, 2015, please see the attached Capital Investment Plan.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-5573.

Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

CON Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Response to Item #9 of the Settlement and Order dated 11/24/2015 for the Six Month Period Ended March 31, 2016

9. Within one hundred and fifty (150) days following the Closing Date and thereafter on an annual basis, the Applicants shall submit to OHCA its Capital Investment Plan specific to JMMC and JMH detailing the proposed allocation of the capital investment commitment over the three-year period post-closing. The submitted plans shall account for the full commitment as stated in this proposal and include the following in a format to be agreed upon:

> *a) A list of planned capital expenditures with detailed descriptions and associated estimated costs; and b) A timeframe for the roll out of the capital projects (including estimated beginning, ending and startup/operation dates); and c) Written reports updating OHCA on the implementation of the Capital Investment Plan in each Annual Report submitted under this Order. Such reports shall describe all activities and expenditures undertaken as part of the Capital Investment Plan, including but not limited to, a description of the capital project, the dates and amounts of withdrawals from the JMMC's operating account and/or any other sources of funding used to fulfill the capital commitment. The reports shall be signed by JMMC's Chief Financial Officer.*

Since the approval of the Certificate of Need, Johnson has been in the process of developing the capital budget for FY 2017 (July 1, 2016 through June 30, 2017).

For the period January 1, 2016 through March 31, 2016, Johnson incurred capital expenditures of $790,019 (See **Attachment A**). Due to the ICD-10 requirements that were effective October 1, 2015, Trinity Health – New England (formerly known as Saint Francis *Care, Inc.)* and Johnson accelerated the timing of the implementation of the Epic electronic medical record system. The total capital cost of this system implementation relating to Johnson was approximately $6.8 million which was paid by Saint Francis Hospital and Medical Center and ultimately structured as a capital lease to Johnson. Annual capital lease payments from Johnson to Saint Francis Hospital and Medical Center total $960,000 annually for seven years, $240,000 for the 3 month period ended March 31, 2016 which has been included in the capital expenditure report attached.

The FY 2017 preliminary capital budget for Johnson (see **Attachment B**) was developed as part of the Trinity Health capital and operating budget processes. Trinity Health's overall budget will be reviewed with Trinity Health governance in mid-June. It is likely that the total Trinity Health's capital spend will be reduced for FY 2017 due to unfavorable financial performance across the System including that of the Connecticut hospitals. This could impact Trinity Health – New England and therefore Johnson. In addition, individual items on Johnson's capital request will be continuously evaluated as we are constantly assessing the strategic needs of the facilities and expect this draft capital list may change in the future. Johnson will provide to OHCA the approved capital expenditure budget for FY 2017 as well as details regarding the final plan.

As noted in Trinity Health – New England's submission regarding 15-31979-CON stipulation #9 on May 19, 2015, the minimum capital commitment to be incurred relating to Johnson is expected to be approximately $3.0 million in both FY 2017 and 2018 and $1.5M in 2019 and 2020. However, depending upon financial performance and strategic priorities, the capital commitment could shift between years with no change in the overall total capital commitment.

Attachment A
Johnson Memorial Hospital
Capital Expenditures - Jan 1, 2016 - March 31, 2016

Description of Project	Project Total	Payment Date	Payment Amount	Vendor	Other Sources
CMEC Renovations	$ 357,215	4/1, 4/29	$ 249,264	All-Phase Enterprises, Inc	Insurance payment of $214,727
Rebuild due to water		4/8, 5/6	$ 56,351	All-Phase Enterprises, Inc	
Damage		4/8	$ 40,790	All-Phase Enterprises, Inc	
		4/8	$ 6,013	All-Phase Enterprises, Inc	
			$ 4,797	misc vendors	
Cardiac - New office	$ 67,954	2/12, 4/1	$ 49,980	All-Phase Enterprises, Inc	
Build out and move		3/11	$ 11,130	Valcore Communications Corp	
		2/26	$ 4,454	More Direct	
		4/22	$ 2,390	Commercial Moving	
Software	$ 13,052.99	3/4	$ 13,052.99	Draeger Medical	
HD LED CD monitor/stand/basket	$ 14,259.79	3/25	$ 14,259.79	Olympus America Inc	
Endo cleaning station	$ 7,311.79	3/25	$ 7,311.79	ARC heatlhcare solutions	
Upgrad to hum/temp controls	$ 20,423.00	2/26,3/25,4/1	$ 20,423.00	Automated Building Systems	
Analog video monitor syste -icu	$ 4,987.00	4/15	$ 4,987.00	Raintech	
Pneumatic Tube system	$ 10,276.00	3/18	$ 10,276.00	Aerocom	
Accudose door locks	$ 15,949.00	2/19	$ 15,949.00	Aesynt Inc	
Professional fees - waste water tie to town	$ 38,590	3/4,3/11,4/1,4/	$ 38,590	GZA Geoenvironmental Inc.	
EPIC (electronic medical record)	$ 240,000	Jan/Feb/Mar	$ 240,000	Saint Francis Hospital	
Total Capital	$ 790,019		$ 790,019		

Johnson Memorial Medical Center
Preliminary Capital Budget Summary
FY 2017 to FY 2019

Year	
FY 2017	$ 3,766,513
FY 2018	$ 3,326,418
FY 2019 and after	$ 2,846,240
Total	**$ 9,939,171**

Johnson Memorial Medical Center
Preliminary Capital Budget Requests by Year
FY 2017 to FY 2019

Entity/Leader/Dept	Item Description	FY 2017	FY 2018	FY 2019 and after
Plant Operations (8060)	Electrical upgrades - Phase One (FY18= $600k, FY19=$100k)	700,000		
Pharmacy (7330)	IV room @ JMH	500,000		
Radiology (7240)	Digital Mammography upgrad 2D @ JSC and Digital @J	430,000		
Radiology (7240)	R&F Digital room - remove old equip, install	369,750		
Pharmacy (7330)	AcuDose Equipment for OR suites @ JSC OR suites	274,001		
Plant Operations (8060)	Kitchen Exhaust System	235,797		
Radiology (7240)	Digital Radiology room - remove old equip, install	210,000		
Nursing Admin (6010)	R Series ALC biphasic ZOLL Defibrillators (11 defibrillat	208,611		
Plant Operations (8060)	Paving Visitor Parking Lot	126,165		
Plant Operations (8060)	Boiler,Energy Saving Controls/Hawk system	125,915		
Plant Operations (8060)	Paving Roadway, Loading Dock area, parking	122,841		
Administration (9110)	Upgrade LCD Projector and Screen in Amphitheater	85,000		
Pharmacy (7330)	AcuDose Software Upgrade Connect	76,118		
Pharmacy (7330)	Guardrails Service contract for Alaris IV pumps	72,000		
Plant Operations (8060)	Repairs to main Entrance Canopy	65,418		
Plant Operations (8060)	Uranium System	35,000		
Perioperative Svcs (6610)	Urology Instrumentation	34,000		
Food & Nutrition (8050	Reach in & Roll Thru Refrigerator	21,876		
Radiology (7240)	Raometeric - one for JSC & JMH	18,000		
Plant Operations (8060)	I-Net Sysetm Upgrade	13,285		
Pharmacy (7330)	3-card reader controller Locks (2 Stfd, 1 Enf)	10,000		
Radiology (7240)	Stryker Stretcher - trauma - JMH	9,100		
Plant Operations (8060)	Remove & install new Fire Hydrant	8,100		
Plant Operations (8060)	Install 9 bollards in front of Generator	7,786		
Plant Operations (8060)	New Doors at Physician Entrance	7,750		
Nuclear Medicine (7300)	Siemens Symbia T6 Spect/CT camera		599,600	
CT Scan (7230)	Siemens Somatome Perspective 64 slice scanner		$525,000	
Radiology (7240)	RadSpeed Auto Dr Radiographic Room		273,350	
Radiology (7240)	GE OEC C-Arm		200,000	
Information Tech. (9101)	Complete Refreshed of all workstations		200,000	

Johnson Memorial Medical Center
Preliminary Capital Budget Requests by Year
FY 2017 to FY 2019

Entity/Leader/Dept	Item Description	FY 2017	FY 2018	FY 2019 and after
Information Tech. (9101)	Replace old Clarion SAN		200,000	
Information Tech. (9101)	Cisco Phone Upgrade		190,000	
Ultrasound (7280)	Ultrasound room & removal of old u/s equip		135,395	
Ultrasound (7280)	Philips EPIQ 7 Diamond Select System		118,000	
Information Tech. (9101)	Fee to have Core Switch move to Saint Francis		90,000	
Nursing Admin (6010)	Carefusion Alaris PCA modules, Unites, ETC02 modules		75,768	
Cardiolvascular (7250)	Cardiovascular Ultrasound Scanner		$75,150	
Plant Operations (8060)	Bobcat for Snow removal & grounds work		70,000	
Central Sterile Proc. (6760)	Getinge 733 sterilizer		$69,636	
JSC (Surgery Ctr) (6600)	OR Surgical Lights in OR 1, 2 & 3		66,492	
Plant Operations (8060)	ABS - JMH OR/Pharmacy/Heat Exchanger		61,320	
Plant Operations (8060)	Lighting Protections: Main Bldg; BH; PH; & WWTP		55,550	
Plant Operations (8060)	Truck		50,000	
JSC (Surgery Ctr) (6600)	Stryker Video Equipment Incl display & camera heads		40,101	
Enfield Phys Med (7093)	Mediware MediLinks OP CUL License		$39,960	
Nursing Admin (6010)	Carefusion Alaris syringe modules and software		33,252	
Nursing Admin (6010)	3 EZZ way 1000 lb ceiling lifts w continuous charge		32,262	
Plant Operations (8060)	Paint Boiler House Smoke Stack		31,180	
Psychiatry (6070)	Psychiatric Safe Medical Beds - 5 beds @ $5,900		29,500	
CT Scan (7230)	ACR CT phantoms for JSC & JMH		26,000	
Pharmacy (7330)	Camera Security System for pharm (4 Stfd, 2 Enf)		12,000	
Plant Operations (8060)	Fleet Guard Key System - control system		11,818	
Plant Operations (8060)	Backup Myers Pump for Bed 6 WWTP		9,084	
Ultrasound (7280)	Stryker OB Stretcher for JSC		6,000	
CT Scan (7230)	64 slice Ct Scanner with install & remove old equip,			569,170
Plant Operations (8060)	Contingency - Emergency Repairs			500,000
Anesthesia (7370)	Anesthisia Machines			400,000
Plant Operations (8060)	Nirenberg - Generators			350,000
Laboratory (7020)	Hematology replacemsnt (2) Sysmex XN2000 analyzers			173,918
Same Day Surgury (6605)	GE patient monitors & Central station monitor			145,834
Plant Operations (8060)	Hot Water System			130,000

Johnson Memorial Medical Center
Preliminary Capital Budget Requests by Year
FY 2017 to FY 2019

Entity/Leader/Dept	Item Description	FY 2017	FY 2018	FY 2019 and after
Laboratory (7020)	(2) ACL TOP 300 Coagulation analyzers			90,000
Perioperative Svcs (6610)	Mammotome			$65,526
Radiology (7240)	Bone Density (remove old equip, install)			65,000
Central Sterile Proc. (6760)	Getinge 8668 Washer Disinfecter 12 Tray unit			55,598
Plant Operations (8060)	Fuel duplex pump set			47,919
Home & Community	Upgrade computer system to EPIC home care standards			34,000
Plant Operations (8060)	Medical Vacuum System			31,997
Respiratory Therapy (7400)	Maquet SERVO - 1 Universal Core			30,681
Cardiac Rehab (7590)	complete phase 3 of business plan for relocation			23,100
Radiology (7240)	C-Arm Table			20,000
Plant Operations (8060)	New Well Install #9 - LaFamboise			17,155
Anesthesia (7370)	Glide Scope			14,422
CT Scan (7230)	Renovation of Ct area - stretcher, curtain, paint/floor			10,000
Radiology (7240)	renovation of main xray viewing room			10,000
Emergency Rm (6850)	Stryker Stretcher - Trauma/2 Big Wheel			9,405
Post Anesthesia Care (6660)	Transport Monitor			8,530
Laboratory (7020)	Ortho Workstation for ID-MTS Gel Cards			7,060
Central Sterile Proc. (6760)	Getinge Prep & Pack table			6,883
Enfield Phys Med (7093)	NuStep Recumbent Cross Trainer w/oversized seat			6,670
Laboratory (7020)	Hematology micro scope			6,400
CT Scan (7230)	Countertop Blanket Warmer			6,000
Radiology (7240)	GE 9" Laser Aimer for OEC 9899 +C-Arm Part			6,000
Enfield Phys Med (7093)	AC5000M Treadmill w handrails/wght cap of 550 lbs			4,972
Grand Totals JMMC		$ 3,766,513	$ 3,326,418	$ 2,846,240

Preliminary Capital Investment Plan for Saint Francis *Core* , Inc. (Revised as of 5/15 for actual expenditures through 4/30/2016)
Dollars in Thousands

	(a)	(b)	(C)	← (d) →			
	Five Year Total	2016 YTD Capital	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget	FY 2020 Budget	Estimated Five Year Capital Spend
Preliminary capital expenditures summary							
Investment in facilities, medical and non-medical equipment and technology	$ 184,000	$ 22,327	$ 33,835	$ 25,000	$ 25,000	$ 25,000	$ 131,162
Capital leases associated with Epic and other	4,500	1,028	1,300				2,328
Facility & program improvements for various service lines (e.g., CJRI, Rehab)	5,000		3,000	1,000	1,000		5,000
Expansion/renovations of clinical facilities	10,000		1,500	15,000			16,500
Physician acquisitions/ambulatory network development	23,500		3,200	2,500	2,500	2,500	10,700
Unspecified; to be allocated based on organizional priorities each year	48,000	20,015		5,000	5,000	5,000	35,015
							-
Adjustments to preliminary capital expenditure summary:							-
Reallocation to Johnson Memorial - part of strategic growth of RHM			3,000	3,000	1,500	1,500	9,000
Reallocation to Saint Mary's-part of strategic growth of RHM (contingent upon CON approval)			20,000	20,000	20,000	20,000	80,000
Total estimated annual capital expenditures	$ 275,000	$ 43,370	$ 65,835	$ 71,500	$ 55,000	$ 54,000	$ 289,705

(a) Preliminary plan for capital commitment as noted on page 635 of CON.
(b) Capital expenditures 10/1/2015-4/30/2016 see detail at Attachment 3a (SFHMC and Johnson)
(C) FY 2017 Preliminary budget for Saint Francis $42.8 M and Johnson $3.0 as of May 15th pending TH approval. St Mary's capital contingent upon approval of CON.
(d) Amounts are very preliminary based on evolving RHM strategy and expected investment necessary for Saint Francis facilities and equipment, etc.
Note: $20,015 was investment in Johnson Memorial Hospital which closed on 1/1/2016

jmmc

Johnson Memorial Medical Center

RECEIVED
JUL - 6 2016
Office of
HEALTHCARE ACCESS

July 5, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care*, Inc.

Dear Mrs. Roberts:

In accordance with Item 8 of the above-referenced Agreed Settlement Order dated November 24, 2015, the 2016 Community Health Needs Assessment "CHNA" for Johnson is enclosed. In addition, we will notify OHCA within 30 days of the CHNA Implementation Plan being completed.

Please do not hesitate to contact me if you have any questions regarding this matter at (860) 684-8101.

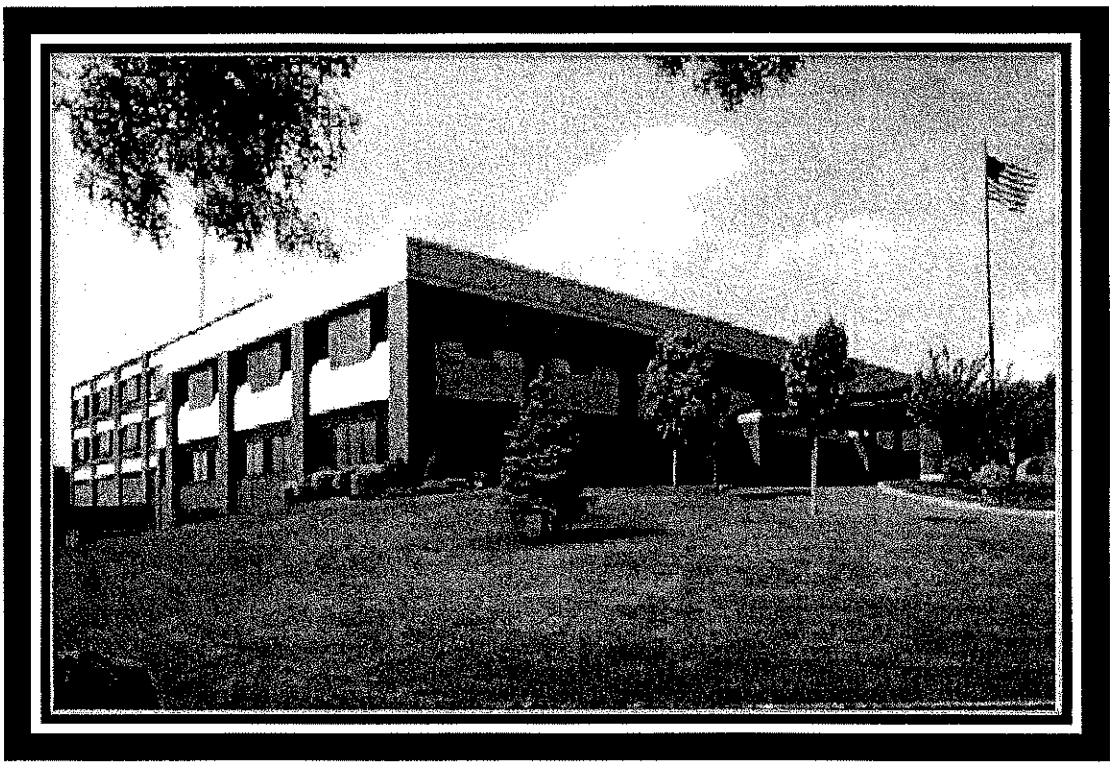
Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

c: R. Christopher Hartley, Sr. Vice President- Planning, Business Development & Government Relations – Saint Francis Hospital and Medical Center



Johnson Memorial Hospital

Trinity Health – New England

Community Health Needs Assessment

2016

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Executive Summary

Johnson Memorial Hospital conducted a Community Health Needs Assessment for its service area, targeting the Connecticut towns of East Windsor, Ellington, Enfield, Somers, Stafford/Union, Suffield, Tolland, Willington, Windsor and Windsor Locks and the Massachusetts towns of East Longmeadow, Hampden, Longmeadow, Monson, and Wilbraham.

The purpose of the assessment was to gather information about perceived health needs from the citizens and health care providers of this area.

Over the last year, the assessment consisted of a series of interviews with local providers, a community phone survey and information gathered from local health departments, community-based organizations and focus groups.

Health needs identified through this process include: asthma, behavioral health, cardiovascular disease, diabetes, obesity, and substance abuse. A Strategic Plan for Community Transformation is being designed to address those needs with activities that align with Johnson Memorial Hospital's mission, vision and values. With the guidance of the Trinity Health New England partners, the Corporate Strategic Planning Team and identified community partners, the goals, objectives and outcome measures identified for the Strategic Plan will be reviewed annually for the positive impact and improvement of the perceived health needs of the community.

Introduction

In recent years, the world of healthcare has undergone tremendous upheaval; old norms have imploded and new expectations have taken hold. Yet, more than a century after its birth, Johnson Memorial Hospital remains steadfast in its mission: *to serve in the spirit of the Gospel as a compassionate and transforming healing presence in the community.* Johnson Memorial Hospital is committed to improving and enriching the lives of individuals and families in north central Connecticut and western Massachusetts; through readily accessible emergency care, lifespan health care services, and prevention-orientated education in a warm, caring environment.

The Community Health Needs Assessment (CHNA) is the first step in a process designated to better understand community needs by engaging healthcare providers, community leaders and community members in a conversation about how to improve health and wellbeing. We are excited to share what we have learned and to find ways to collaborate on solutions. The exchanges that took place during the implementation of the CHNA point to readiness for the collaboration across disciplines and in ways that respect community input. New ideas about the role of hospitals and healthcare systems in supporting community development are beginning to take hold, and Johnson Memorial Hospital is ready to embrace a leading role in north central Connecticut and western Massachusetts. Becoming part of Trinity Health has brought to the table significant expertise in this area. We look

forward to the next steps in the process of developing a strategic plan for community health and wellbeing designed to address the needs identified within this document.

A Mission with Staying Power

Mission

We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

Our Core Values

Reverence

We honor the sacredness and dignity of every person.

Commitment to Those Who are Poor

We stand with and serve those who are poor, especially those most vulnerable.

Justice

We foster right relationships to promote the common good, including sustainability of Earth.

Stewardship

We honor our heritage and hold ourselves accountable for the human, financial and natural resources entrusted to our care.

Integrity

We are faithful to who we say we are.

More Than a Century of Caring

Johnson Memorial Hospital is a 92-bed hospital located in Stafford Springs Connecticut that has been an anchor institution in north central Connecticut for 104 years. The Hospital moved from its original location on East Street in Stafford Springs to its present location on Chestnut Hill Road in 1975. During the 1980s, few health care organizations throughout the United States were branching out by creating subsidiaries, and Johnson Memorial Medical Center (JMMC) - known then as Johnson Memorial Corporation - was one of the first to bring this type of business structure to Connecticut. Early in the decade, Johnson Health Care, Johnson Development Fund and Wellcare joined Johnson Memorial Hospital under the Johnson Memorial Corporation umbrella. Soon after, the organization opened Connecticut's first free-standing, hospital-affiliated outpatient surgery center, Johnson Surgery Center. In the intervening years, Johnson has continued expanding services to meet the community's needs. In September 2010, JMMC emerged from Chapter 11 as an independent, community-based health care provider as it had been for nearly a century. In July of 2012, JMMC and Saint Francis Care signed an Affiliation Agreement, resulting in a mutually beneficial relationship that has provided the community with a sustainable, high quality

healthcare resource. As a result, JMMC has experienced improved operations by all measures of financial performance.

In 2016, Johnson Memorial Hospital and the other Johnson entities became part of Trinity Health - New England, an integrated health care delivery system that is a member of Trinity Health, Livonia, MI, one of the largest multi-institutional Catholic health care delivery systems in the nation. Today, Johnson Memorial Hospital, Johnson Health Care and Home & Community Health Services provide a continuum of health care services to those living and working in north central Connecticut and western Massachusetts.

While Johnson Memorial Hospital strives to honor the legacy of the Hospital's founders, Cyril and Julia C. Johnson, through its mission of compassionate care, the hospital is hardly focused on the past. Johnson Memorial Hospital is continually looking ahead to anticipate better ways to deliver care in a rapidly changing environment. The result is a patient-centered model of care designed to produce a patient experience of the highest measureable quality for the communities the hospital serves. The resources and benefits available to Johnson Memorial Hospital as a result of the acquisition have positioned the hospital to respond nimbly to the changes in health care that the future will inevitably bring.

The CHNA: A Metric and a Mission

The federal Patient Protection and Affordable Care Act, passed into law in 2010, requires hospitals to conduct a CHNA – a periodic evaluation of the health needs of the community they serve. The CHNA may be a modern-day metric, but it fits easily into Johnson Memorial Hospital's ongoing efforts to be a center of healing for its local and regional communities.

Johnson Memorial Hospital published its first federal mandated CHNA in 2013. The 2016 assessment will serve as a starting point for data-based goals and strategies on how to address the needs that have been identified. The health needs acknowledged by the CHNA will be integrated into a three-year community outreach plan and implementation strategy to combat the issues. By utilizing existing resources, strengthening partnerships and creating innovative programs on both the hospital campus and within the community, Johnson Memorial Hospital hopes to make a positive impact on these identified needs

Report on Progress Since 2013 CHNA

In 2013, the top health concerns conveyed by the survey interviewees of the Johnson Memorial Hospital service area included obesity, diabetes, behavioral health, substance abuse (including alcoholism and tobacco use) and heart failure. The health needs acknowledged by the 2013 Community Health Needs Assessment were integrated into a three-year community outreach plan. After reviewing current community collaborations and partnerships, and internal resources, Johnson Memorial Hospital identified its strengths and weaknesses for the four prioritized health needs. The difficult economic climate for all Hospitals in the state of Connecticut, but especially smaller community Hospitals, was an obstacle that Johnson Memorial Hospital had to overcome in order to provide the desired outcomes. Because of these challenges Johnson Memorial Hospital relied on the Medical Staff and other health care professionals in the Johnson Memorial Medical Center health system to put an emphasis on community outreach education and screenings. Fortunately,

that request was met with great excitement and Johnson Memorial Hospital was able increase the number of educational programs and screenings it provided. This led to an increase in programs centered on obesity and behavioral health (Weight Loss Programs, Healthy Eating Programs, Depression Programs and monthly Grief Groups, etc) and the creation of a monthly diabetic support group. Johnson also worked with community partners by offering space in the Community Medical Education Center on the Stafford Springs campus to groups such as the American Red Cross, Nar-Anon, TOPS (Take off Pounds Sensibly), and local churches to increase the availability of health and wellbeing services to the community.

During the past three years, Johnson Memorial Hospital worked closely with St. Francis Hospital and Medical Center to build up its community outreach presence in the community. The two hospitals' worked as partners and leveraged existing resources to coordinate community outreach initiatives in an effective and efficient way. For example, the two hospitals jointly attended numerous health fairs and free public screening events. By working together, the hospitals were able to avoid duplicate efforts and strengthen their presence in the Johnson Memorial Hospital service area.

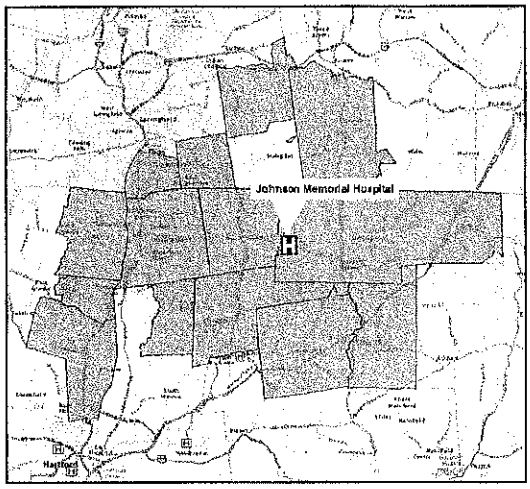
The affiliation also gave Johnson Memorial Hospital access to Saint Francis Medical Office buildings, the Saint Francis call center, and increased marketing opportunities for educational programs. Johnson Memorial Hospital is now able to offer programs more frequently and to a wider audience due to the availability of the Medical Offices in Enfield, Manchester and Glastonbury. The Saint Francis Call Center gives Johnson Memorial Hospital the ability to track who attends outreach programs allowing Johnson to identify what populations are and are not being reached. Finally, Johnson Memorial Hospital's community outreach programs are now included in the Saint Francis BestCare magazine, on its website, in advertisements and other marketing materials.

Overview of Hospital Service Area and Facilities

Service Area

The Johnson Memorial Hospital service area covers 15 U.S. Census zip code tabulation areas. The primary service area of Johnson Memorial Hospital encompasses ten zip codes, which relate to the towns of East Windsor, Ellington, Enfield, Somers, Stafford/Union, Suffield, Tolland, Willington, Windsor and Windsor Locks. These Connecticut towns are located in Tolland and Hartford Counties.

Johnson Memorial Hospital's secondary service area consists of five towns in Massachusetts, all of which fall under Hampden County. These towns are: East Longmeadow, Hampden, Longmeadow, Monson, and Wilbraham.



*JMH Community Health Profile

Demographic Category	Indicator	Service Area Total		CT Total	
Total Population	Total Population	222,746	100%	3,583,561	100%
Age	Less than 18 Years Old	47,773	21%	802,718	22%
	Over 64 Years Old	33,801	15%	519,616	15%
Race and Ethnicity	White	184,610	83%	2,526,401	70%
	Black	17,003	8%	337,758	9%
	Hispanic	11,437	5%	496,939	14%
	Asian	5,834	3%	140,592	4%
	Other	3,862	2%	81,871	2%
Gender	Male	111,899	50%	1,745,194	49%
	Female	110,847	50%	1,838,367	51%
Socio-economics	Below Poverty	12,219	6%	354,348	10%
	w/BA or Higher	53,113	34%	886,514	36%

* US Census Data 2009-2012

Population

The combined population for these communities is roughly 222,746 residents. The population is mostly white (83%), followed by Black/African American (8%), Hispanic/Latino (5%), and Asian (3%). This makes the Johnson service area less diverse than the state as a whole (CT Total 70% white). That being said, the service area meets state averages for age and gender demographics. 21% of the Johnson service area is younger then 18 years old and 15% is over 64 years of age. The state total is 22% and 15% respectively. The Johnson service area population has an even 50-50 split in terms of gender, which is almost identical to the state total of 49% male and 51% female. According to County Health Rankings, published by countyhealthrankings.org, 91% of residents in Tolland County have a high school degree and 72% have some college experience. This is higher than the CT average of 86% having a high school degree and 68% with college experience. Hampden County has a high school graduation rate of 73% while 57.9% of residents have college experience. This falls below the 85% High School graduation and 71% college experience Massachusetts average.

Connecticut Health Rankings were reviewed for 2015 and 2016 with regard to Health Outcomes and Health Factors. Health Outcome rankings are based on mortality and morbidity measures (weighted equally) and Health Factors are weighted on scores with regard to behavioral health, clinical, social and economic and environmental factors. Of the eight counties in Connecticut, Tolland County is ranked #1 for Health Outcomes and #2 in the state for Health Factors for both years. Hartford County is ranked #7 for Health Outcomes and #5 for Health Factors. These rankings put Tolland County in the 90th percentile, meaning only 10% in the country are better.

Massachusetts Health Rankings with regard to Health Outcome and Health Factors for 2015 and 2016 for Hampden County were not as favorable. Hampden County ranked last in Massachusetts at number 14 in both areas for both years.

Description of Facilities

Johnson Memorial Hospital

Johnson Memorial Hospital, which is located in Stafford Springs Connecticut, is a general, acute-care facility offering a comprehensive span of inpatient and outpatient services, including medical and surgical care, obstetrics and gynecology, pediatrics, mental health, emergency and intensive care, oncology, rehabilitation, pain management, and more. The hospital achieved the maximum award for its quality of care from The Joint Commission, which accredits Health Care organizations. It is also accredited by the College of American Pathologists, the American Association of Blood Banks, and the American College of Radiology Mammography Accreditation Program. The 92-bed hospital, which has been an anchor institution in north central Connecticut and neighboring Massachusetts towns for over 100 years, and Johnson Memorial Hospital's other entities are now are members of Trinity Health - New England.

Home & Community Health Services

Since 1908, Home & Community Health Services has provided home health and hospice care to residents of north central Connecticut and the bordering towns of western Massachusetts. Home & Community Health Services is located on 101 Phoenix Avenue in Enfield, CT and is licensed by both the states of Connecticut and Massachusetts.

Johnson Occupational Medicine Center

Johnson Occupational Medicine Center is an occupational health facility in Enfield. CT which provides occupational and industrial medicine services to local businesses.

Johnson Surgery and Outpatient Services Center

An outpatient department of Johnson Memorial Hospital located on the Enfield, CT Campus, offering technologically advanced same-day surgical procedures. The Center also offers a state-of-the-art diagnostic imaging center which features a full range of radiology, nuclear medicine and laboratory services,

Johnson Memorial Cancer Center

The Johnson Memorial Cancer Center is a state-of-the-art facility located on the Enfield, CT Campus that offers a full range of cancer care services. Located within the Cancer Center is the 14-chair Karen Davis Krzynowek Infusion Center (KDKIC), which provides chemotherapy and biotherapy administration, transfusions, injections and other outpatient services in a comfortable environment. KDKIC also houses a pharmacy and laboratory onsite. Saint Francis Hospital and Medical Center provides medical directorship for the Johnson Memorial Cancer Center.

Advanced Wound Center

The Advanced Wound Center, which is located on the Enfield, CT Campus, offers expert care for difficult wounds. Its team of physicians, nurses, dietitians and other staff are specially trained in would care evaluation and treatment, including hyperbaric oxygen therapy.

Cardiac and Pulmonary Rehabilitation

Johnson Memorial Hospital's Cardiac and Pulmonary Rehabilitation Center is located in Enfield, CT. The Cardiac Rehabilitation Program is intended for those who have had a heart attack, heart surgery or angioplasty. Johnson Memorial Hospital's Pulmonary Rehabilitation Program helps patients combat chronic obstructive pulmonary disease through education and exercise. It helps patients enjoy an improved quality of life and fewer hospital admissions. Services include phase II and III pulmonary rehabilitation and the Better Breathers Club support group.

Johnson Chemical Dependency

The Chemical Dependency Program is part of the psychiatric services offered by Johnson Memorial Hospital. The outpatient program, located in Enfield, CT treats individuals who have substance abuse disorders, as well as those with co-occurring disorders.

Laboratory and Pathology Services

Johnson Memorial Hospital's Laboratory is accredited by the College of American Pathologists. The hospital offers outpatient collection centers in Stafford Springs, Enfield and Tolland.

Outpatient Rehabilitation

Johnson Memorial Hospital's Physical Medicine and Rehabilitation Services enjoy a reputation for excellence, successfully restoring health, and functional capabilities to thousands of area residents coping with a vast array of conditions or injuries. Outpatient Physical Medicine and Rehabilitation services are provided in Enfield and Stafford.

Sleep Laboratory Center

The Sleep Center, which is accredited by The American Association of Sleep Medicine, is equipped with the most advanced software and hardware technology available and features a more expansive array of services than found at most sleep laboratories. The Sleep Laboratory is located in Enfield CT.

The CHNA Process

Johnson Memorial Hospital's 2016 CHNA is based on an iterative community engagement and data collection strategy that began in July of 2015 and continued for the next eleven months. The goal: long-term community transformation, resulting in stronger community engagement that can lead to improved health.

The process began with the identification of a team representing healthcare, community development, government and local groups and community foundation agencies. Work officially began with an agreement among these groups to review existing data sets; engage DataHaven, a nonprofit data-collection organization specializing in public health, to complete telephone interviews of community residents; involve program participants and conduct interviews with "Key Informants" (community leaders and leaders of partner agencies).

All aspects of the information-gathering process were designed to reach beyond the walls of the hospital to get answers to the questions: *Who? What? Where? How?* Throughout, the emphasis was on significant community input—in the form of telephone interviews with community members, surveys of program participants, informal discussions with community leaders and interviews with Key Informants & Focus Groups to gain a better understanding of *what* is affecting the health of the Johnson Memorial Hospital service area. The team collected data at the local level to facilitate and identify *where* the greatest needs are concentrated and gathered information from collaborative partners through Key Informant interviews to maximize *who* should be included for collective impact. The resulting assessment will serve as a starting point for data-based goals and strategies on *how* to address the needs that have been identified.

Findings from the CHNA will be used to develop a balanced portfolio of interventions in the areas of:

- Socioeconomic factors and the physical environment
- Health behaviors
- Clinical care

Analysis of Existing Data Sets

The CHNA team consulted existing data sets from a variety of sources including:

Healthy Connecticut 2020: State Health Assessment report (2014)

Healthy Connecticut 2020: State Health Assessment Report (2014) was developed by the Connecticut Department of Public Health with the assistance of the Connecticut Health Improvement Planning Coalition's Advisory Council. Data was compiled from an abundance of sources from the past year and decade, including 2010 census data, hospital and numerous state reports. Seven focus areas were described: maternal, infant, child health; chronic diseases and their risk factors; infectious disease, mental health, alcohol and substance use; injuries and violence, environmental risk factors, and health system data. http://www.ct.gov/dph/lib/dph/state_health_planning/shaship/hct2020/hct2020_state_hlth_assmt_032514.pdf

The ALICE Study of Financial Hardship Report

This study is based on 2012 data and commissioned by the Connecticut United Ways. The study, carried out by the Rutgers University – Newark School of Public Affairs and Administration (SPAA), utilizes substantial community social and economic data to calculate

indicators of financial viability and marginality, such as the "ALICE Threshold". ALICE is an acronym for Asset Limited Income Constrained Employed; the ALICE Threshold is "the actual cost of basic household necessities on a per county basis'" i.e., the adequate survival level above the federal poverty guidelines. This metric provides a more realistic assessment of the "working poor". Data are provided by state, by county and major municipal areas.

http://alice.ctunitedway.org/files/2014/11/14UW-ALICE-Report_CT.pdf

US Center for Disease Control and Prevention

US Center for Disease Control and Prevention (CDC) works 24/7 to protect America from health, safety and security threats, both foreign and in the U.S. CDC researchers, scientists, doctors, nurses, economists, communicators, educators, technologists, epidemiologists and many other professionals all contribute their expertise to improving public health.

http://www.cdc.gov/

Johnson Memorial Hospital Community Health Profile (2015)

The Johnson Memorial Hospital Community Health Profile (2015) was provided by the Connecticut Hospital Association. This document summarizes the Johnson Memorial service area hospital admissions and related data, with statewide comparisons extracted from data annually reported to the CHA by most hospitals in the state. The report features a demographic and social profile, summaries and key insights concerning 13 "leading health indicators."

Community Input Sources

The CHNA research team used multiple techniques to engage community member input, including a comprehensive randomized telephone survey, a written participant survey, interviews and informal discussions with "Key Informants"—community leaders and leaders of partner agencies.

The 2015 DataHaven Community Health and Wellbeing Survey

The 2015 DataHaven Community Health and Wellbeing Survey was conducted by DataHaven, a nonprofit public service organization, and was supported by over 100 state and local government, healthcare, academic and community partners. DataHaven, whose mission is "to improve quality of life by collecting, interpreting and sharing public data for effective decision-making," designed and conducted a telephone survey that collected information from a sampling of 16,820 residents of Connecticut and several zip codes in Westchester County, New York State. The sample was drawn with a random-digit dialing methodology and included subjects from all 169 Connecticut towns. Questions derived from a variety of standard surveys yielded data on residents' perceptions of their wellbeing, quality of life, neighborhood, employment and public health. The raw data and weighted data aggregated by various demographic variables are available online. This study represents an enormous resource for healthcare and social service agencies throughout Connecticut. 469 residents were surveyed in the Johnson Memorial Hospital service area.

Community Program Survey

The data was gathered from information residents who attended Johnson Memorial Hospital's community outreach programs. This came in the form of questionnaires and verbal conversations.

"Key Informant" interviews and informal discussions with community leaders (focus groups)

"Key Informant" interviews and informal discussions with community leaders (focus groups) were also used to gain insight into issues affecting the health of the community. The CHNA research team conducted qualitative interviews of community leaders. The majority of Key Informants consulted for this study have lived and/or worked in the Johnson Memorial Hospital service area for many years. Some grew up in the area and have worked there all their lives. Most have been working in the public health field for 10 to 20 years.

CHNA Findings: The Health Needs of the Communities

The top health concerns in the Johnson Memorial Hospital service area identified through analysis of existing data, community survey results and key informant interviews were asthma, behavioral health, diabetes, heart failure, obesity, and substance abuse. Socioeconomic factors identified include employment and poverty, transportation, access to healthcare, & wellness/prevention education.

Once the CHNA team collected all of the data, they analyzed and organized it using a modified version of the "Invest in Your Community: 4 Considerations to Improve Health and Wellbeing for All", as a guide and framework for its work. The "Invest in Your Community", graphic model for community health and wellbeing published by the federal Centers for Disease Control and Prevention (CDC),which can be found on page 22 of the CHNA, proved to be an effective way to frame the data and organize the findings into focused categories that impact health.

The team focused on the CDC's breakdown of the elements of good health:

- Socioeconomic Factors and Physical Environment, which accounts for 50% of the health "pie"

- Health Behaviors, which account for 30%

- Clinical Care, which accounts for 10%

Please note, that the CDC model considers socioeconomic factors and the physical environment as two separate elements of good health; however, the CHNA team chose to consider them together, as they are often interdependent.

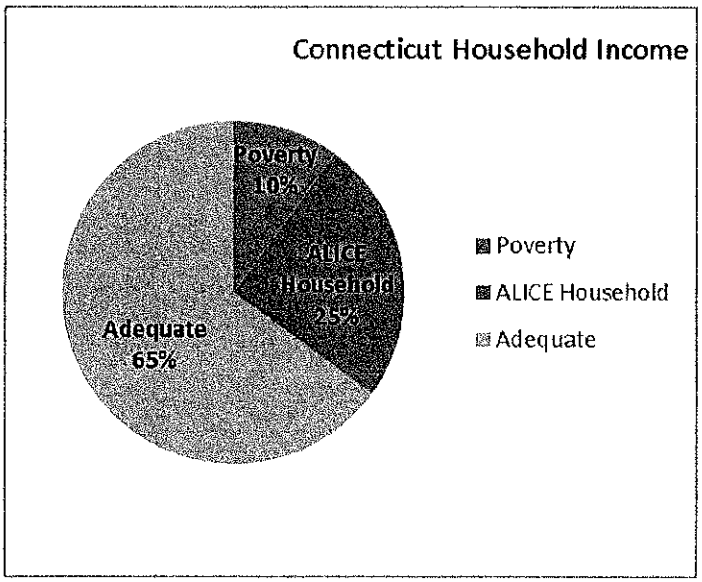
Socioeconomic Factors and Physical Environment

Socioeconomic factors and physical environment have the largest impact on ones health according the CDC model of community health and wellbeing. Good health can be credited to a combination of factors: genetics, lifestyle, environment, medical care, education, and

most importantly, place. Where you live is the greatest predictor of how healthy you will be. People are born with their genetic makeup, but the other factors that contribute to health depend on resources like a good education, safe neighborhood, employment opportunities, affordable housing, appropriate medical care, community support, and an environment that allows for good lifestyle choices. These factors are know as the "social determinates" of health. The key informants consulted for CHNA 2016 had much to say about the socioeconomic factors impacting health, as did the quantitative demographic and public health sources analyzed. Many interviewees said that access to the resources needed for good health is based on economics – specifically, on an individual's of household's income. Good lifestyle choices are easier to make when there is enough money available to follow through on them; healthy environments are likewise more easily accessible when an individual or household has the income to afford them.

Employment & Poverty

Connecticut is rarely associated with significant poverty. According to the ALICE Report, the state's poverty rate of 10% is well below the U.S. average of 15%, and the median household income of $67,276 is 24% above the U.S. median of $51,371. That being said, when combined, the numbers of households living below the federal defined poverty level and those living at the ALICE Threshold (Asset Limited Income Constrained Employment) reveal that 35% of households in Connecticut struggle to support themselves. Because income is distributed unequally in Connecticut, there is both great wealth and significant economic hardship. Currently, the top 20% of Connecticut's population earns 53% of all income earned in the state, while the bottom 20 percent earns only 3%.



*ALICE Report

Many interviewees said that access to the resources needed for good health is based on economics – specifically, on an individual's or household's income. According the DataHaven community survey, 19% of residents in the service area chose a rating of "poor"

when asked "Ability of residents to obtain suitable employment". According to that same survey, 23% of participants answered yes when asked "Was there anytime during past 12 months when you put off or postponed getting medical care you thought you needed?" Of those that answered yes, their reason for postponing broke down as follows:

If Postponed		
	Connecticut	JMMC
Because of Cost	49%	56%
Dr of Hospital wouldn't accept health insurance	16%	11%
Your health plan wouldn't pay for the treatment	28%	27%
You couldn't get an appointment soon enough	25%	25%
You couldn't get there when the doctor's office or clinic was open	26%	27%

*DataHaven Health and Wellbeing Survey

Key Informants for this CHNA maintained that poverty is the underlying factor in all the other barriers to good health. This impacts all aspects of life and makes it difficult for individuals to meet their basic needs, including food. A troubling 12% of participants from the DataHaven Health and Wellbeing survey reported not having enough money to buy food for themselves and/or their family; and 17% of those respondents said this is a monthly trend.

Have there been times in the past 12 months when you did not have enough money to buy food that you or your family needed?	Connecticut	JMMC
Yes	12%	12%
No	87%	87%
Don't know	0%	0%
Refused	1%	1%

How often did this happen - almost every month, some months but not every month, or in only 1 or 2 months?	Connecticut	JMMC
Almost every month	24%	17%
Some months but not every month	37%	46%
Only 1 or 2 months	37%	34%
Don't know	1%	3%
Refused	0%	0%

* DataHaven Health and Wellbeing Survey

As mentioned, underemployment and lack of financial resources provide barriers to health care in this area, which leads to other issues and tough decisions for families. Both also lead to issues with health insurance, delayed medical appointments and housing. Although the

town has services to help people with underemployment and limited financial resources, many ALICE Households don't meet the established criteria and therefore don't qualify for assistance. These people may rely on the food bank, other local services and their church rather than social services.

Education

Clearly, the level of educational attainment is correlated with employment and poverty. According to County Health Rankings 91% of residents in Tolland County have a high school degree and 72% have some college experience. For Hampden County, 73% have high school degrees and 59% have some college experience. The high school graduation rate for the United States is about 80% so overall the Johnson Memorial Hospital service area is a well educated population.

Neighborhoods

Violence and neighborhood safety have a direct impact on health. Neighborhoods and towns in the Johnson Memorial Hospital service area are extremely safe when compared to the rest of the country. Tolland County has a crime rate of .47 per 1000 residents. That's well below the 2.3 state rate and the national rate of 3.8. The DataHaven Health supports the CDC data which shows that residents believe the live in a safe community.

Percent that strongly agree		
	Connecticut	JMMC
There are places to bicycle in or near my neighborhood that are safe from traffic, such as on the street or on special lanes, separate paths or trails.	59%	59%
I do not feel safe to go on walks in my neighborhood at night.	28%	20%
People in this neighborhood can be trusted.	83%	88%

The job done by the police to keep residents safe	Connecticut	JMMC
Excellent	30%	30%
Good	45%	48%
Fair	15%	12%
Poor	6%	5%
Don't know enough about it in order to say	4%	4%
Refused	0%	1%

*DataHaven Health and Wellbeing Survey

Transportation

Most residents in the Johnson Memorial Hospital service area have their own car or have access to a car, but the lack of public transportation prevents access to health care and

services among people without a car or those who are unable to drive. This has a negative impact on their health by making it difficult to get to medical appointments, grocery stores to buy healthy food, and can contribute to depression and loneliness.

Most people have access to transportation but the small percentage who don't are often from the most vulnerable population. There are a few transportation services for this population such as car or taxi services, but there are many limitations. People need to notify the services ahead of time and even so, the service may not be available due to high demand. This can make it difficult if someone has multiple appointments in one week or if someone has an acute illness. In some cases the criteria to be eligible for a ride is so strict that people don't qualify for the services.

Do you have access to a car when you need it? Would you say you have access...	Connecticut	JMMC
Very often	85%	89%
Fairly often	4%	3%
Sometimes	5%	4%
Almost never	1%	1%
Never at all	5%	4%
Don't know	0%	0%
Refused	0%	0%

* DataHaven Survey Results

Health Behaviors

In the CDC's model for community health and wellbeing, healthy behaviors account for 30% of the "health equation". The term refers to choices that individuals make with regard to their lifestyle that are know to influence their health.

Yet, as the CHNA research team discovered, individual choices are profoundly affected by socioeconomic factors and physical environment. Simple activities like walking around the block for exercise or sending the kids to play in a park are out of the question for many residents in the Johnson Memorial Hospital service area because sidewalks are limited and most of the population lives outside of walking distance for parks. Likewise, choosing healthy foods to prevent or fight obesity can be a struggle for those with limited funds who do not have easy access to healthy choices.

Obesity

The problem of obesity has gained renewed attention in recent years, especially thanks to First Lady Michelle Obama's efforts to promote healthy eating. The health risks of obesity have become well known; it has been linked to diabetes, heart disease, and high blood pressure. Although Connecticut has a lower obesity rank than the National average, 26.3% compared to 28.9% according to the US Center for Disease and Prevention, it remains a key concern among providers. Hampden County has an adult obesity rate of 29% according to County Health Rankings.

BMI (Based on Q24 Weight and Q25 Height)	Connecticut	JMMC
Underweight	2%	2%
Normal weight	37%	32%
Overweight	36%	43%
Obese	26%	23%

*DataHaven Health and Wellbeing Survey

66% of participants from the Johnson Memorial Hospital service area in the DataHaven Health and Wellbeing were either overweight or obese. The obesity problem in the Johnson Memorial Hospital service area, which in many cases is caused by individual health choices, is also evident when looking at data for the top conditions for inpatient hospitalizations at Johnson Memorial Hospital. Of the top five conditions, four have a direct relationship with obesity: High Blood Pressure (1), Diabetes (2), Heart Failure (4) and COPD (5).

Substance Abuse

Smoking – Smoking, an individual health choice, causes a spectrum of serious and life threatening illnesses. It can lead to a host of lung diseases including cancer, as well as cardiovascular disease. Yet smoking is a habit among both adults and young people. It is well known that becoming addicted at a young age makes it harder to quit smoking in adulthood. Changes in smoking regulations over the past decade have affected overall smoking rates, but the current rates of smoking among youth and adults is similar, highlighting the challenges to further impact the behavior. Smoking can be influenced by socioeconomic forces, but its addictive properties reach across economic classes. In Connecticut, 16% of adults smoked cigarettes in 2012, a decrease of 1.1% from the previous year. Overall, Connecticut ranked 4th lowest among all states (Healthy Connecticut 2020).

Other Substances - The misuse and abuse of prescription medication and opioid-based drugs has increased significantly over the years to become a public health concern in Connecticut. This misuse or abuse includes taking these medications in higher doses than prescribed, for a purpose other than that for which it was prescribed, or taking a medication that was prescribed for another person or obtained off the streets. In Connecticut, residents are more likely to die from unintentional drug overdose than from a motor vehicle accident. The majority of these deaths are linked to overdose of prescription opioid painkillers. Key Informants stressed that the misuse/abuse of painkillers often leads to heroin abuse. According to 2013 CDC report, the Connecticut age-adjusted rate for drug induced mortality is 16.4 per 100,000 population compared to the nation rate of 14.6. Alcohol abuse was frequently mentioned by key informants also.

Clinical Care

The CDC's model of community health and wellbeing identifies one other factor: clinical care. Clinical care encompasses the many types of health care services that modern society relies on, from preventive care to treatment - everyday illnesses to serious, chronic conditions - mental health care to dental care and more.

Access to providers and necessary preventives and treatments is the foundation of clinical care. Yet, the data collected for this CHNA showed that, as with other aspects of the CDC, socioeconomic barriers can and do interfere with access to care.

Socioeconomic Barriers to Care

The Affordable Care Act has done much to ensure that citizens can enroll in a health insurance plan, but it is only part of the equation. As with food insecurity, lack of money and reliance on public options for transportation can and do interfere with access to care. Further, so can the parameters that are set by insurance plans: co-pays, referral policies and specific "in-network" providers.

Finally, certain providers may not be available in our community due to the population, or a provider's business hours might not match the clients' needs. All of these socioeconomic realities can result in people postponing needed clinical care.

Access to care continues to be a problem in both our service area and the state of Connecticut as a whole. In Johnson Memorial Hospital's service area, 23% of residents reported delaying care in the past, primarily due to finances, availability of care and insurance concerns.

Was there any time during the past 12 months when you put off or postponed getting medical care you thought you needed?		
	Connecticut	JMMC
Yes	21%	23%
No	79%	77%
Don't know	0%	0%
Refused	1%	1%

If Postponed		
	Connecticut	JMMC
Because of Cost	49%	56%
Dr of Hospital wouldn't accept health insurance	16%	11%
Your health plan wouldn't pay for the treatment	28%	27%
You couldn't get an appointment soon enough	25%	25%
You couldn't get there when the doctor's office or clinic was open	26%	27%

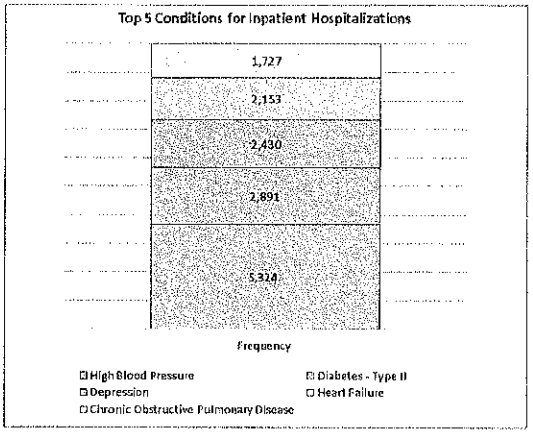
*DataHaven Health and Wellbeing Survey Results

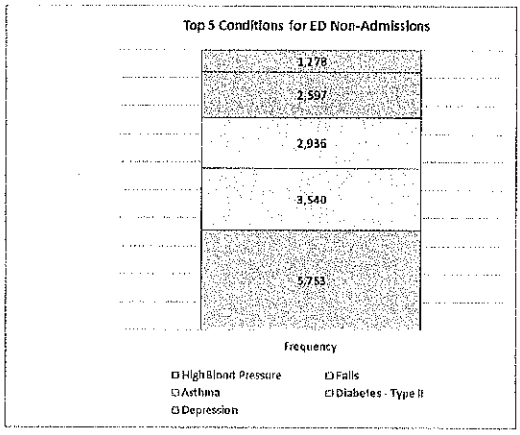
Health Problems of Community's Residents

As mentioned earlier, this CHNA explored the specific health problems in the community – many of which are exacerbated by both poverty and barriers to health outlined above. For example, diabetes is a disease where control is dependent on at least two of the major barriers to community health (food insecurity and access to clinical care). It was among the

top-five reasons for both inpatient admissions and Emergency Department non-admissions at Johnson Memorial Hospital. Hospital data also counted high blood pressure, depression, substance abuse, heart failure and asthma.

Community Health Profiles, developed by the Connecticut Hospital Association for the Johnson Memorial service area, show the top five reasons for both inpatient admissions and Emergency Department non-admissions at Johnson Memorial Hospital

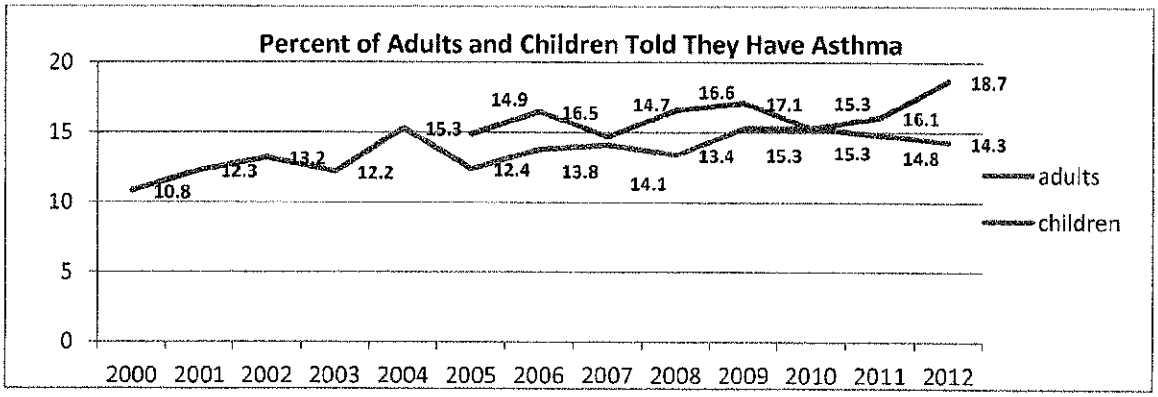




* JMH CHA Health Profile

Asthma

According to Healthy Connecticut 2020, the prevalence of asthma among adults increased significantly from a low of 10.8% in 2000 to 15.3% in 2010. In 2012, 14.3% of Connecticut adults were told that they have asthma. The proportion of children with asthma ranged from 14.9% in 2005 to 18.7% in 2012. In 2012, asthma affected an estimated 400,000 adults. In 2012, the proportion of children with asthma was significantly greater than that for adults, suggesting that childhood asthma may be increasing at a greater rate than asthma among adults.



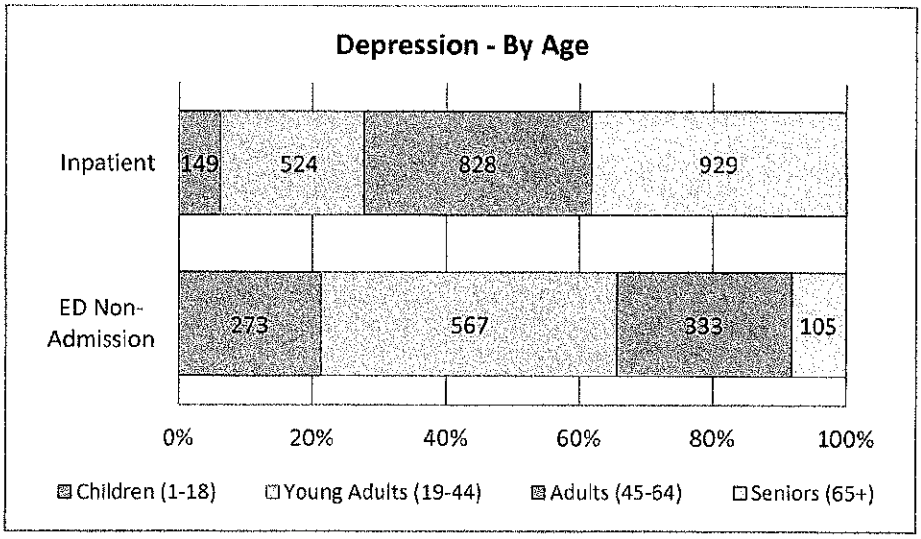
*Healthy CT 2020

Behavioral Health

Mental health can have profound effect on quality of life. According the Healthy Connecticut 2020, 18% of adults in Connecticut will have a diagnosis of depression in their lifetime. The quantitative data and key informant interviews highlight the magnitude of the mental health issue. It is a well-recognized fact that poverty has important implications for both physical and mental health. Several key informants advocated that mental health is a disease that requires care, but the challenges of living in poverty are a barrier to care when treating the disease.

One example used by a key informant to demonstrate the relationship between depression and poverty was a hypothetical story of a senior resident who didn't have access to a vehicle. Because this individual didn't have access to a vehicle, and public transportation isn't an option in the community, the result is missed doctor appointments and spending all of their time alone in their house. This barrier can lead to isolation, which leads to depression and other health concerns. According to the U.S. Census Bureau 11 million, or 28% of people aged 65 and older in the United States, lived alone in 2010. While living alone doesn't inevitably lead to social isolation, it is certainly a predisposing factor.

Depression was the third most prevalent condition among hospitalizations in the inpatient setting and the fifth most prevalent condition in the emergency department non-admission setting. Seniors had the largest number of inpatient encounters for depression, closely followed by adults, while young adults had the largest number of emergency department non-admission encounters for depression. During FY2014, Johnson Memorial Hospital had 132 emergency department non- admission visits and 151 inpatient admissions for suicides and self-inflicted injuries.



*JMH Community Health Profile

Cardiovascular Disease (heart failure)

Connecticut is experiencing over 27,000 years of potential life lost due to premature death as a result of heart disease, according to Healthy Connecticut 2020. The rates of high blood pressure and heart disease in Connecticut are approximately 30%.

Cardiac issues can cause a ripple effect that touches every area of life, which is especially hard for those who live in poverty or near-poverty. This, in turn, affects their wellbeing dramatically. For example, cardiac issues can result in mobility problems, which impact an individual's ability to get to the doctor, move around in the house and even bathe.

Diabetes

In Connecticut, over 9% of adults are diagnosed with diabetes. This represents a significant increase in the past 10 years. Diabetes is often the result of other health concerns, including obesity, limited access to healthy food, and lack of physical activity. As with obesity, behavior changes related to diabetes is a long process and requires patients to remain motivated to make lasting changes.

Going Forward: Making our Community a Healthier Place to Live and Work

Many of the key informants consulted during this CHNA had strong opinions on the ingredients for a healthy community. These typically focused directly on the socioeconomic and clinical care factors that affect health outcomes. The socioeconomic and clinical care factors mentioned most often were:

- Adequate employment that pays enough for people to support their families
- Safe and Affordable Housing/Neighborhoods
- Healthy food options and information about nutrition
- Leadership that promotes healthy living and lifestyles
- Quality education for children
- Access to health care and physicians
- Access to health education services
- Supportive community with high community involvement

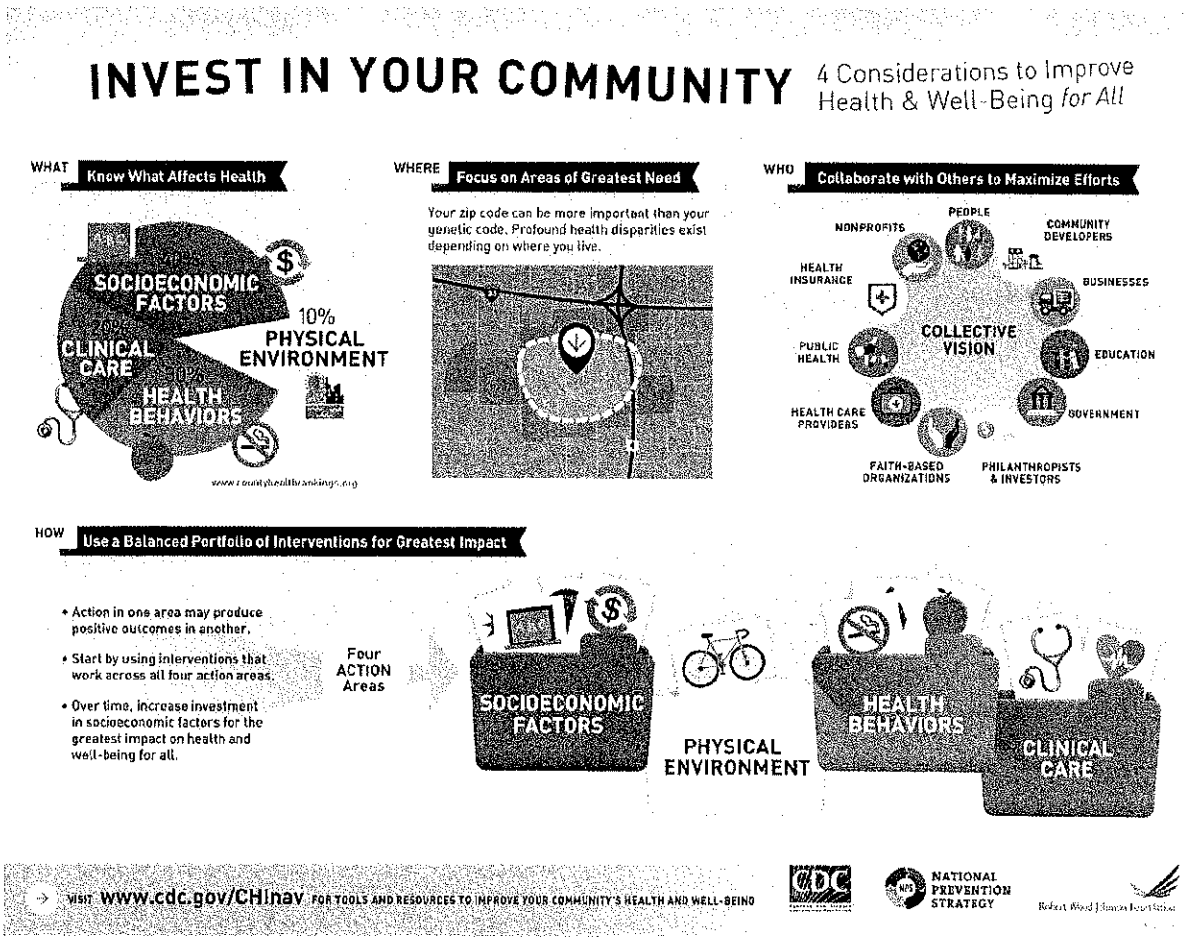
Another common theme was the need for communication and dissemination of information between the various organizations and local and state agencies to each other and residents.

Johnson Memorial Hospital will use the information gathered from the 2016 CHNA to develop a Strategic Plan for Community Transformation. This Strategic Plan will be framed using the CDC model of community health and welling. Johnson Memorial Hospital will work with community residents, local organizations, the CHNA team, and partners from Trinity

Health - New England to develop a plan that is consistent with its mission. Having affiliated with Trinity-Health, Johnson Memorial is poised to meet the challenges that will come.

The Hospital reserves the right to amend the implementation strategy, which will be finalized by mid-November of 2016, as circumstances warrant. For example, certain needs may become more pronounced and require enhancements to the described strategic initiatives. During the three years ending 6/30/2019, other organizations in the community may address certain needs, indicating that the Hospital could then refocus its limited resources to best serve the community.

Invest in Your Community Template



Acknowledgments

Creating a comprehensive, useful and engaging CHNA is a difficult task. Including the voices of the community, analyzing the data available and focusing the findings in a meaningful way requires input from many sources. This document would not have been possible without the generous support from the following groups and individuals, who took the time to share their knowledge, tell their stories and engage in discussion about potential solutions.

CHNA Team	
Name	**Organization**
Tung Nguyen	City of Hartford Department of Health and Human Services
Gina Federico-Musli	Community Solutions
Steve Balcanoff	Connecticut Children's Medical Center
Mary Stuart	Curtis D. Robinson Center for Health Equity
Lawrence Young	Curtis D. Robinson Center for Health Equity
Mark Abraham	DataHaven
Yvette Bello	Hartford Foundation for Public Giving
Scott Gaul	Hartford Foundation for Public Giving
Greg Palmer	Johnson Memorial Hospital
Rebecca Crowell	Saint Francis Hospital and Medical Center
Marcus McKinney	Trinity Health - New England
Deborah Pacik	University of Connecticut Medical School

Key Informants		
Name	**Title**	**Organization**
Ian S Tucker	M.D.	Family Practice Doctor
Laura Panciera	Director, Elderly Outreach & Municipal Agent on Aging	Town of Stafford
Patrice Sulik	Director of Health	North Central District Health Department
Laura Marin	Board Member & Director	Safe Net Ministries

Focus Group	
Group	**Description**
Enfield Hunger Action Team	Hunger Action Teams aim to jumpstart the conversation about food insecurity and the causes of hunger.

jmmc

Johnson Memorial Medical Center

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Office of
HEALTHCARE ACCESS

July 5, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care*, Inc.

Dear Mrs. Roberts:

In accordance with Item 8 of the above-referenced Agreed Settlement Order dated November 24, 2015, the 2016 Community Health Needs Assessment "CHNA" for Johnson is enclosed. In addition, we will notify OHCA within 30 days of the CHNA Implementation Plan being completed.

Please do not hesitate to contact me if you have any questions regarding this matter at (860) 684-8101.

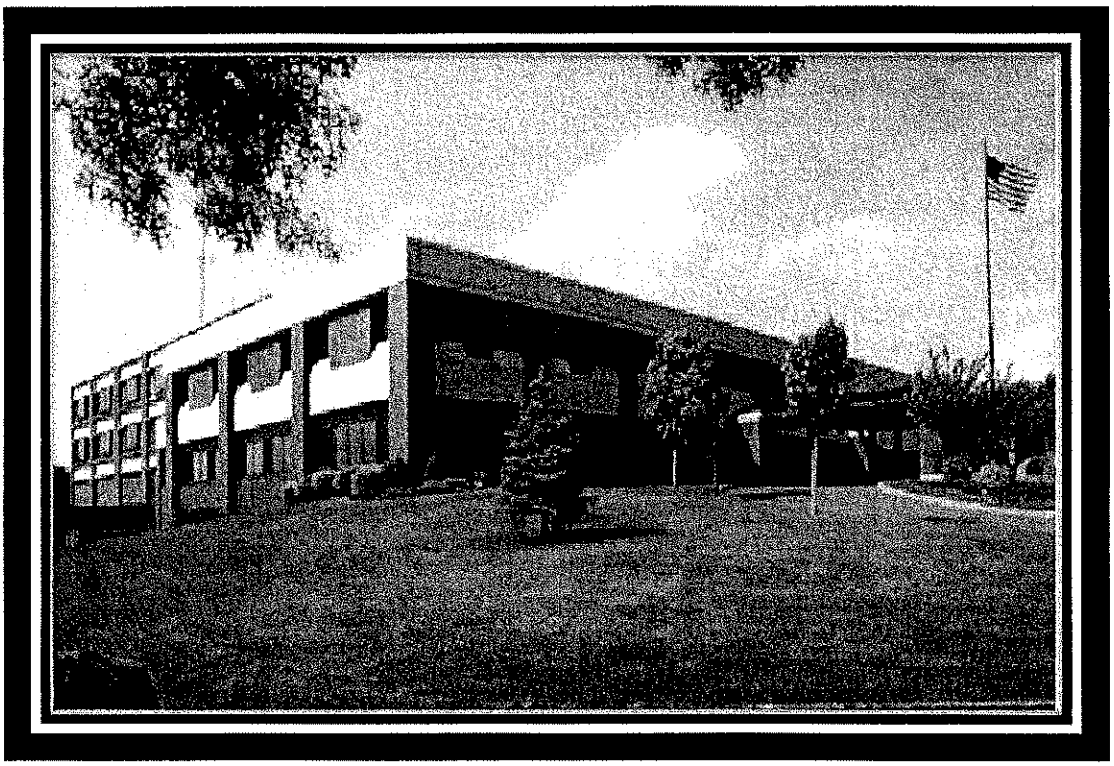
Thank you for your attention to this matter.

Sincerely,

Stuart E. Rosenberg
President

Enclosures

c: R. Christopher Hartley, Sr. Vice President- Planning, Business Development & Government Relations – Saint Francis Hospital and Medical Center



Johnson Memorial Hospital

Trinity Health – New England

Community Health Needs Assessment

2016

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Executive Summary

Johnson Memorial Hospital conducted a Community Health Needs Assessment for its service area, targeting the Connecticut towns of East Windsor, Ellington, Enfield, Somers, Stafford/Union, Suffield, Tolland, Willington, Windsor and Windsor Locks and the Massachusetts towns of East Longmeadow, Hampden, Longmeadow, Monson, and Wilbraham.

The purpose of the assessment was to gather information about perceived health needs from the citizens and health care providers of this area.

Over the last year, the assessment consisted of a series of interviews with local providers, a community phone survey and information gathered from local health departments, community-based organizations and focus groups.

Health needs identified through this process include: asthma, behavioral health, cardiovascular disease, diabetes, obesity, and substance abuse. A Strategic Plan for Community Transformation is being designed to address those needs with activities that align with Johnson Memorial Hospital's mission, vision and values. With the guidance of the Trinity Health New England partners, the Corporate Strategic Planning Team and identified community partners, the goals, objectives and outcome measures identified for the Strategic Plan will be reviewed annually for the positive impact and improvement of the perceived health needs of the community.

Introduction

In recent years, the world of healthcare has undergone tremendous upheaval; old norms have imploded and new expectations have taken hold. Yet, more than a century after its birth, Johnson Memorial Hospital remains steadfast in its mission: *to serve in the spirit of the Gospel as a compassionate and transforming healing presence in the community.* Johnson Memorial Hospital is committed to improving and enriching the lives of individuals and families in north central Connecticut and western Massachusetts; through readily accessible emergency care, lifespan health care services, and prevention-orientated education in a warm, caring environment.

The Community Health Needs Assessment (CHNA) is the first step in a process designated to better understand community needs by engaging healthcare providers, community leaders and community members in a conversation about how to improve health and wellbeing. We are excited to share what we have learned and to find ways to collaborate on solutions. The exchanges that took place during the implementation of the CHNA point to readiness for the collaboration across disciplines and in ways that respect community input. New ideas about the role of hospitals and healthcare systems in supporting community development are beginning to take hold, and Johnson Memorial Hospital is ready to embrace a leading role in north central Connecticut and western Massachusetts. Becoming part of Trinity Health has brought to the table significant expertise in this area. We look

forward to the next steps in the process of developing a strategic plan for community health and wellbeing designed to address the needs identified within this document.

A Mission with Staying Power

Mission

We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

Our Core Values

Reverence

We honor the sacredness and dignity of every person.

Commitment to Those Who are Poor

We stand with and serve those who are poor, especially those most vulnerable.

Justice

We foster right relationships to promote the common good, including sustainability of Earth.

Stewardship

We honor our heritage and hold ourselves accountable for the human, financial and natural resources entrusted to our care.

Integrity

We are faithful to who we say we are.

More Than a Century of Caring

Johnson Memorial Hospital is a 92-bed hospital located in Stafford Springs Connecticut that has been an anchor institution in north central Connecticut for 104 years. The Hospital moved from its original location on East Street in Stafford Springs to its present location on Chestnut Hill Road in 1975. During the 1980s, few health care organizations throughout the United States were branching out by creating subsidiaries, and Johnson Memorial Medical Center (JMMC) - known then as Johnson Memorial Corporation - was one of the first to bring this type of business structure to Connecticut. Early in the decade, Johnson Health Care, Johnson Development Fund and Wellcare joined Johnson Memorial Hospital under the Johnson Memorial Corporation umbrella. Soon after, the organization opened Connecticut's first free-standing, hospital-affiliated outpatient surgery center, Johnson Surgery Center. In the intervening years, Johnson has continued expanding services to meet the community's needs. In September 2010, JMMC emerged from Chapter 11 as an independent, community-based health care provider as it had been for nearly a century. In July of 2012, JMMC and Saint Francis Care signed an Affiliation Agreement, resulting in a mutually beneficial relationship that has provided the community with a sustainable, high quality

healthcare resource. As a result, JMMC has experienced improved operations by all measures of financial performance.

In 2016, Johnson Memorial Hospital and the other Johnson entities became part of Trinity Health - New England, an integrated health care delivery system that is a member of Trinity Health, Livonia, MI, one of the largest multi-institutional Catholic health care delivery systems in the nation. Today, Johnson Memorial Hospital, Johnson Health Care and Home & Community Health Services provide a continuum of health care services to those living and working in north central Connecticut and western Massachusetts.

While Johnson Memorial Hospital strives to honor the legacy of the Hospital's founders, Cyril and Julia C. Johnson, through its mission of compassionate care, the hospital is hardly focused on the past. Johnson Memorial Hospital is continually looking ahead to anticipate better ways to deliver care in a rapidly changing environment. The result is a patient-centered model of care designed to produce a patient experience of the highest measureable quality for the communities the hospital serves. The resources and benefits available to Johnson Memorial Hospital as a result of the acquisition have positioned the hospital to respond nimbly to the changes in health care that the future will inevitably bring.

The CHNA: A Metric and a Mission

The federal Patient Protection and Affordable Care Act, passed into law in 2010, requires hospitals to conduct a CHNA – a periodic evaluation of the health needs of the community they serve. The CHNA may be a modern-day metric, but it fits easily into Johnson Memorial Hospital's ongoing efforts to be a center of healing for its local and regional communities.

Johnson Memorial Hospital published its first federal mandated CHNA in 2013. The 2016 assessment will serve as a starting point for data-based goals and strategies on how to address the needs that have been identified. The health needs acknowledged by the CHNA will be integrated into a three-year community outreach plan and implementation strategy to combat the issues. By utilizing existing resources, strengthening partnerships and creating innovative programs on both the hospital campus and within the community, Johnson Memorial Hospital hopes to make a positive impact on these identified needs

Report on Progress Since 2013 CHNA

In 2013, the top health concerns conveyed by the survey interviewees of the Johnson Memorial Hospital service area included obesity, diabetes, behavioral health, substance abuse (including alcoholism and tobacco use) and heart failure. The health needs acknowledged by the 2013 Community Health Needs Assessment were integrated into a three-year community outreach plan. After reviewing current community collaborations and partnerships, and internal resources, Johnson Memorial Hospital identified its strengths and weaknesses for the four prioritized health needs. The difficult economic climate for all Hospitals in the state of Connecticut, but especially smaller community Hospitals, was an obstacle that Johnson Memorial Hospital had to overcome in order to provide the desired outcomes. Because of these challenges Johnson Memorial Hospital relied on the Medical Staff and other health care professionals in the Johnson Memorial Medical Center health system to put an emphasis on community outreach education and screenings. Fortunately,

that request was met with great excitement and Johnson Memorial Hospital was able increase the number of educational programs and screenings it provided. This led to an increase in programs centered on obesity and behavioral health (Weight Loss Programs, Healthy Eating Programs, Depression Programs and monthly Grief Groups, etc) and the creation of a monthly diabetic support group. Johnson also worked with community partners by offering space in the Community Medical Education Center on the Stafford Springs campus to groups such as the American Red Cross, Nar-Anon, TOPS (Take off Pounds Sensibly), and local churches to increase the availability of health and wellbeing services to the community.

During the past three years, Johnson Memorial Hospital worked closely with St. Francis Hospital and Medical Center to build up its community outreach presence in the community. The two hospitals' worked as partners and leveraged existing resources to coordinate community outreach initiatives in an effective and efficient way. For example, the two hospitals jointly attended numerous health fairs and free public screening events. By working together, the hospitals were able to avoid duplicate efforts and strengthen their presence in the Johnson Memorial Hospital service area.

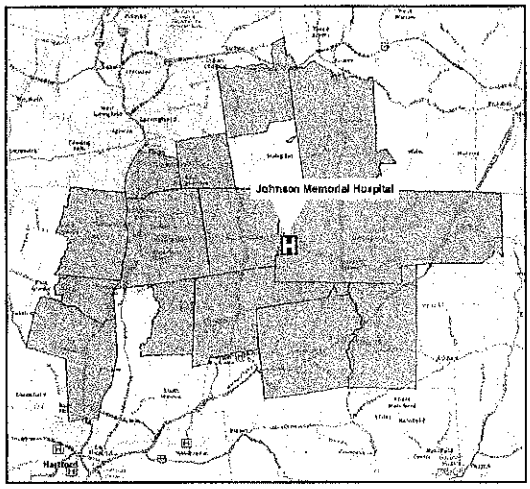
The affiliation also gave Johnson Memorial Hospital access to Saint Francis Medical Office buildings, the Saint Francis call center, and increased marketing opportunities for educational programs. Johnson Memorial Hospital is now able to offer programs more frequently and to a wider audience due to the availability of the Medical Offices in Enfield, Manchester and Glastonbury. The Saint Francis Call Center gives Johnson Memorial Hospital the ability to track who attends outreach programs allowing Johnson to identify what populations are and are not being reached. Finally, Johnson Memorial Hospital's community outreach programs are now included in the Saint Francis BestCare magazine, on its website, in advertisements and other marketing materials.

Overview of Hospital Service Area and Facilities

Service Area

The Johnson Memorial Hospital service area covers 15 U.S. Census zip code tabulation areas. The primary service area of Johnson Memorial Hospital encompasses ten zip codes, which relate to the towns of East Windsor, Ellington, Enfield, Somers, Stafford/Union, Suffield, Tolland, Willington, Windsor and Windsor Locks. These Connecticut towns are located in Tolland and Hartford Counties.

Johnson Memorial Hospital's secondary service area consists of five towns in Massachusetts, all of which fall under Hampden County. These towns are: East Longmeadow, Hampden, Longmeadow, Monson, and Wilbraham.



*JMH Community Health Profile

Demographic Category	Indicator	Service Area Total		CT Total	
Total Population	Total Population	222,746	100%	3,583,561	100%
Age	Less than 18 Years Old	47,773	21%	802,718	22%
	Over 64 Years Old	33,801	15%	519,616	15%
Race and Ethnicity	White	184,610	83%	2,526,401	70%
	Black	17,003	8%	337,758	9%
	Hispanic	11,437	5%	496,939	14%
	Asian	5,834	3%	140,592	4%
	Other	3,862	2%	81,871	2%
Gender	Male	111,899	50%	1,745,194	49%
	Female	110,847	50%	1,838,367	51%
Socio-economics	Below Poverty	12,219	6%	354,348	10%
	w/BA or Higher	53,113	34%	886,514	36%

* US Census Data 2009-2012

Population

The combined population for these communities is roughly 222,746 residents. The population is mostly white (83%), followed by Black/African American (8%), Hispanic/Latino (5%), and Asian (3%). This makes the Johnson service area less diverse than the state as a whole (CT Total 70% white). That being said, the service area meets state averages for age and gender demographics. 21% of the Johnson service area is younger then 18 years old and 15% is over 64 years of age. The state total is 22% and 15% respectively. The Johnson service area population has an even 50-50 split in terms of gender, which is almost identical to the state total of 49% male and 51% female. According to County Health Rankings, published by countyhealthrankings.org, 91% of residents in Tolland County have a high school degree and 72% have some college experience. This is higher than the CT average of 86% having a high school degree and 68% with college experience. Hampden County has a high school graduation rate of 73% while 57.9% of residents have college experience. This falls below the 85% High School graduation and 71% college experience Massachusetts average.

Connecticut Health Rankings were reviewed for 2015 and 2016 with regard to Health Outcomes and Health Factors. Health Outcome rankings are based on mortality and morbidity measures (weighted equally) and Health Factors are weighted on scores with regard to behavioral health, clinical, social and economic and environmental factors. Of the eight counties in Connecticut, Tolland County is ranked #1 for Health Outcomes and #2 in the state for Health Factors for both years. Hartford County is ranked #7 for Health Outcomes and #5 for Health Factors. These rankings put Tolland County in the 90th percentile, meaning only 10% in the country are better.

Massachusetts Health Rankings with regard to Health Outcome and Health Factors for 2015 and 2016 for Hampden County were not as favorable. Hampden County ranked last in Massachusetts at number 14 in both areas for both years.

Description of Facilities

Johnson Memorial Hospital

Johnson Memorial Hospital, which is located in Stafford Springs Connecticut, is a general, acute-care facility offering a comprehensive span of inpatient and outpatient services, including medical and surgical care, obstetrics and gynecology, pediatrics, mental health, emergency and intensive care, oncology, rehabilitation, pain management, and more. The hospital achieved the maximum award for its quality of care from The Joint Commission, which accredits Health Care organizations. It is also accredited by the College of American Pathologists, the American Association of Blood Banks, and the American College of Radiology Mammography Accreditation Program. The 92-bed hospital, which has been an anchor institution in north central Connecticut and neighboring Massachusetts towns for over 100 years, and Johnson Memorial Hospital's other entities are now are members of Trinity Health - New England.

Home & Community Health Services

Since 1908, Home & Community Health Services has provided home health and hospice care to residents of north central Connecticut and the bordering towns of western Massachusetts. Home & Community Health Services is located on 101 Phoenix Avenue in Enfield, CT and is licensed by both the states of Connecticut and Massachusetts.

Johnson Occupational Medicine Center

Johnson Occupational Medicine Center is an occupational health facility in Enfield. CT which provides occupational and industrial medicine services to local businesses.

Johnson Surgery and Outpatient Services Center

An outpatient department of Johnson Memorial Hospital located on the Enfield, CT Campus, offering technologically advanced same-day surgical procedures. The Center also offers a state-of-the-art diagnostic imaging center which features a full range of radiology, nuclear medicine and laboratory services,

Johnson Memorial Cancer Center

The Johnson Memorial Cancer Center is a state-of-the-art facility located on the Enfield, CT Campus that offers a full range of cancer care services. Located within the Cancer Center is the 14-chair Karen Davis Krzynowek Infusion Center (KDKIC), which provides chemotherapy and biotherapy administration, transfusions, injections and other outpatient services in a comfortable environment. KDKIC also houses a pharmacy and laboratory onsite. Saint Francis Hospital and Medical Center provides medical directorship for the Johnson Memorial Cancer Center.

Advanced Wound Center

The Advanced Wound Center, which is located on the Enfield, CT Campus, offers expert care for difficult wounds. Its team of physicians, nurses, dietitians and other staff are specially trained in would care evaluation and treatment, including hyperbaric oxygen therapy.

Cardiac and Pulmonary Rehabilitation

Johnson Memorial Hospital's Cardiac and Pulmonary Rehabilitation Center is located in Enfield, CT. The Cardiac Rehabilitation Program is intended for those who have had a heart attack, heart surgery or angioplasty. Johnson Memorial Hospital's Pulmonary Rehabilitation Program helps patients combat chronic obstructive pulmonary disease through education and exercise. It helps patients enjoy an improved quality of life and fewer hospital admissions. Services include phase II and III pulmonary rehabilitation and the Better Breathers Club support group.

Johnson Chemical Dependency

The Chemical Dependency Program is part of the psychiatric services offered by Johnson Memorial Hospital. The outpatient program, located in Enfield, CT treats individuals who have substance abuse disorders, as well as those with co-occurring disorders.

Laboratory and Pathology Services

Johnson Memorial Hospital's Laboratory is accredited by the College of American Pathologists. The hospital offers outpatient collection centers in Stafford Springs, Enfield and Tolland.

Outpatient Rehabilitation

Johnson Memorial Hospital's Physical Medicine and Rehabilitation Services enjoy a reputation for excellence, successfully restoring health, and functional capabilities to thousands of area residents coping with a vast array of conditions or injuries. Outpatient Physical Medicine and Rehabilitation services are provided in Enfield and Stafford.

Sleep Laboratory Center

The Sleep Center, which is accredited by The American Association of Sleep Medicine, is equipped with the most advanced software and hardware technology available and features a more expansive array of services than found at most sleep laboratories. The Sleep Laboratory is located in Enfield CT.

The CHNA Process

Johnson Memorial Hospital's 2016 CHNA is based on an iterative community engagement and data collection strategy that began in July of 2015 and continued for the next eleven months. The goal: long-term community transformation, resulting in stronger community engagement that can lead to improved health.

The process began with the identification of a team representing healthcare, community development, government and local groups and community foundation agencies. Work officially began with an agreement among these groups to review existing data sets; engage DataHaven, a nonprofit data-collection organization specializing in public health, to complete telephone interviews of community residents; involve program participants and conduct interviews with "Key Informants" (community leaders and leaders of partner agencies).

All aspects of the information-gathering process were designed to reach beyond the walls of the hospital to get answers to the questions: *Who? What? Where? How?* Throughout, the emphasis was on significant community input—in the form of telephone interviews with community members, surveys of program participants, informal discussions with community leaders and interviews with Key Informants & Focus Groups to gain a better understanding of *what* is affecting the health of the Johnson Memorial Hospital service area. The team collected data at the local level to facilitate and identify *where* the greatest needs are concentrated and gathered information from collaborative partners through Key Informant interviews to maximize *who* should be included for collective impact. The resulting assessment will serve as a starting point for data-based goals and strategies on *how* to address the needs that have been identified.

Findings from the CHNA will be used to develop a balanced portfolio of interventions in the areas of:

- Socioeconomic factors and the physical environment
- Health behaviors
- Clinical care

Analysis of Existing Data Sets

The CHNA team consulted existing data sets from a variety of sources including:

Healthy Connecticut 2020: State Health Assessment report (2014)

Healthy Connecticut 2020: State Health Assessment Report (2014) was developed by the Connecticut Department of Public Health with the assistance of the Connecticut Health Improvement Planning Coalition's Advisory Council. Data was compiled from an abundance of sources from the past year and decade, including 2010 census data, hospital and numerous state reports. Seven focus areas were described: maternal, infant, child health; chronic diseases and their risk factors; infectious disease, mental health, alcohol and substance use; injuries and violence, environmental risk factors, and health system data. http://www.ct.gov/dph/lib/dph/state_health_planning/shaship/hct2020/hct2020_state_hlth_assmt_032514.pdf

The ALICE Study of Financial Hardship Report

This study is based on 2012 data and commissioned by the Connecticut United Ways. The study, carried out by the Rutgers University – Newark School of Public Affairs and Administration (SPAA), utilizes substantial community social and economic data to calculate

indicators of financial viability and marginality, such as the "ALICE Threshold". ALICE is an acronym for Asset Limited Income Constrained Employed; the ALICE Threshold is "the actual cost of basic household necessities on a per county basis'" i.e., the adequate survival level above the federal poverty guidelines. This metric provides a more realistic assessment of the "working poor". Data are provided by state, by county and major municipal areas.

http://alice.ctunitedway.org/files/2014/11/14UW-ALICE-Report_CT.pdf

US Center for Disease Control and Prevention

US Center for Disease Control and Prevention (CDC) works 24/7 to protect America from health, safety and security threats, both foreign and in the U.S. CDC researchers, scientists, doctors, nurses, economists, communicators, educators, technologists, epidemiologists and many other professionals all contribute their expertise to improving public health.

http://www.cdc.gov/

Johnson Memorial Hospital Community Health Profile (2015)

The Johnson Memorial Hospital Community Health Profile (2015) was provided by the Connecticut Hospital Association. This document summarizes the Johnson Memorial service area hospital admissions and related data, with statewide comparisons extracted from data annually reported to the CHA by most hospitals in the state. The report features a demographic and social profile, summaries and key insights concerning 13 "leading health indicators."

Community Input Sources

The CHNA research team used multiple techniques to engage community member input, including a comprehensive randomized telephone survey, a written participant survey, interviews and informal discussions with "Key Informants"—community leaders and leaders of partner agencies.

The 2015 DataHaven Community Health and Wellbeing Survey

The 2015 DataHaven Community Health and Wellbeing Survey was conducted by DataHaven, a nonprofit public service organization, and was supported by over 100 state and local government, healthcare, academic and community partners. DataHaven, whose mission is "to improve quality of life by collecting, interpreting and sharing public data for effective decision-making," designed and conducted a telephone survey that collected information from a sampling of 16,820 residents of Connecticut and several zip codes in Westchester County, New York State. The sample was drawn with a random-digit dialing methodology and included subjects from all 169 Connecticut towns. Questions derived from a variety of standard surveys yielded data on residents' perceptions of their wellbeing, quality of life, neighborhood, employment and public health. The raw data and weighted data aggregated by various demographic variables are available online. This study represents an enormous resource for healthcare and social service agencies throughout Connecticut. 469 residents were surveyed in the Johnson Memorial Hospital service area.

Community Program Survey

The data was gathered from information residents who attended Johnson Memorial Hospital's community outreach programs. This came in the form of questionnaires and verbal conversations.

"Key Informant" interviews and informal discussions with community leaders (focus groups)

"Key Informant" interviews and informal discussions with community leaders (focus groups) were also used to gain insight into issues affecting the health of the community. The CHNA research team conducted qualitative interviews of community leaders. The majority of Key Informants consulted for this study have lived and/or worked in the Johnson Memorial Hospital service area for many years. Some grew up in the area and have worked there all their lives. Most have been working in the public health field for 10 to 20 years.

CHNA Findings: The Health Needs of the Communities

The top health concerns in the Johnson Memorial Hospital service area identified through analysis of existing data, community survey results and key informant interviews were asthma, behavioral health, diabetes, heart failure, obesity, and substance abuse. Socioeconomic factors identified include employment and poverty, transportation, access to healthcare, & wellness/prevention education.

Once the CHNA team collected all of the data, they analyzed and organized it using a modified version of the "Invest in Your Community: 4 Considerations to Improve Health and Wellbeing for All", as a guide and framework for its work. The "Invest in Your Community", graphic model for community health and wellbeing published by the federal Centers for Disease Control and Prevention (CDC),which can be found on page 22 of the CHNA, proved to be an effective way to frame the data and organize the findings into focused categories that impact health.

The team focused on the CDC's breakdown of the elements of good health:

- Socioeconomic Factors and Physical Environment, which accounts for 50% of the health "pie"

- Health Behaviors, which account for 30%

- Clinical Care, which accounts for 10%

Please note, that the CDC model considers socioeconomic factors and the physical environment as two separate elements of good health; however, the CHNA team chose to consider them together, as they are often interdependent.

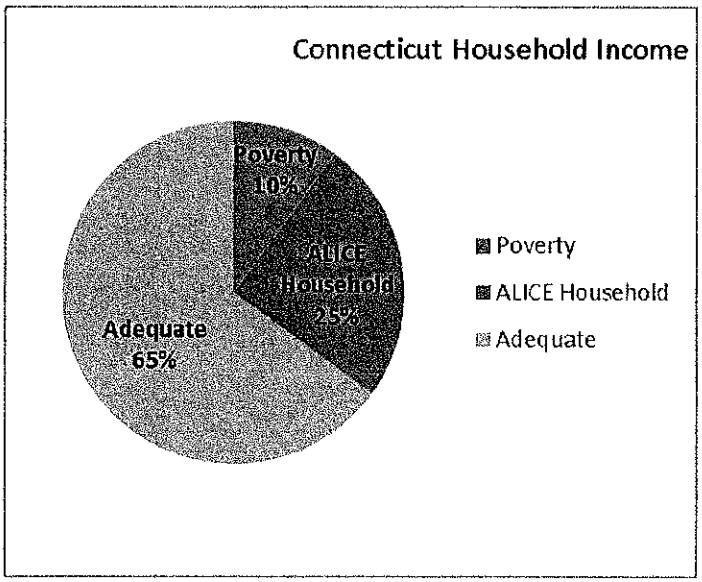
Socioeconomic Factors and Physical Environment

Socioeconomic factors and physical environment have the largest impact on ones health according the CDC model of community health and wellbeing. Good health can be credited to a combination of factors: genetics, lifestyle, environment, medical care, education, and

most importantly, place. Where you live is the greatest predictor of how healthy you will be. People are born with their genetic makeup, but the other factors that contribute to health depend on resources like a good education, safe neighborhood, employment opportunities, affordable housing, appropriate medical care, community support, and an environment that allows for good lifestyle choices. These factors are know as the "social determinates" of health. The key informants consulted for CHNA 2016 had much to say about the socioeconomic factors impacting health, as did the quantitative demographic and public health sources analyzed. Many interviewees said that access to the resources needed for good health is based on economics – specifically, on an individual's of household's income. Good lifestyle choices are easier to make when there is enough money available to follow through on them; healthy environments are likewise more easily accessible when an individual or household has the income to afford them.

Employment & Poverty

Connecticut is rarely associated with significant poverty. According to the ALICE Report, the state's poverty rate of 10% is well below the U.S. average of 15%, and the median household income of $67,276 is 24% above the U.S. median of $51,371. That being said, when combined, the numbers of households living below the federal defined poverty level and those living at the ALICE Threshold (Asset Limited Income Constrained Employment) reveal that 35% of households in Connecticut struggle to support themselves. Because income is distributed unequally in Connecticut, there is both great wealth and significant economic hardship. Currently, the top 20% of Connecticut's population earns 53% of all income earned in the state, while the bottom 20 percent earns only 3%.



*ALICE Report

Many interviewees said that access to the resources needed for good health is based on economics – specifically, on an individual's or household's income. According the DataHaven community survey, 19% of residents in the service area chose a rating of "poor"

when asked "Ability of residents to obtain suitable employment". According to that same survey, 23% of participants answered yes when asked "Was there anytime during past 12 months when you put off or postponed getting medical care you thought you needed?" Of those that answered yes, their reason for postponing broke down as follows:

If Postponed		
	Connecticut	JMMC
Because of Cost	49%	56%
Dr of Hospital wouldn't accept health insurance	16%	11%
Your health plan wouldn't pay for the treatment	28%	27%
You couldn't get an appointment soon enough	25%	25%
You couldn't get there when the doctor's office or clinic was open	26%	27%

*DataHaven Health and Wellbeing Survey

Key Informants for this CHNA maintained that poverty is the underlying factor in all the other barriers to good health. This impacts all aspects of life and makes it difficult for individuals to meet their basic needs, including food. A troubling 12% of participants from the DataHaven Health and Wellbeing survey reported not having enough money to buy food for themselves and/or their family; and 17% of those respondents said this is a monthly trend.

Have there been times in the past 12 months when you did not have enough money to buy food that you or your family needed?	Connecticut	JMMC
Yes	12%	12%
No	87%	87%
Don't know	0%	0%
Refused	1%	1%

How often did this happen - almost every month, some months but not every month, or in only 1 or 2 months?	Connecticut	JMMC
Almost every month	24%	17%
Some months but not every month	37%	46%
Only 1 or 2 months	37%	34%
Don't know	1%	3%
Refused	0%	0%

* DataHaven Health and Wellbeing Survey

As mentioned, underemployment and lack of financial resources provide barriers to health care in this area, which leads to other issues and tough decisions for families. Both also lead to issues with health insurance, delayed medical appointments and housing. Although the

town has services to help people with underemployment and limited financial resources, many ALICE Households don't meet the established criteria and therefore don't qualify for assistance. These people may rely on the food bank, other local services and their church rather than social services.

Education

Clearly, the level of educational attainment is correlated with employment and poverty. According to County Health Rankings 91% of residents in Tolland County have a high school degree and 72% have some college experience. For Hampden County, 73% have high school degrees and 59% have some college experience. The high school graduation rate for the United States is about 80% so overall the Johnson Memorial Hospital service area is a well educated population.

Neighborhoods

Violence and neighborhood safety have a direct impact on health. Neighborhoods and towns in the Johnson Memorial Hospital service area are extremely safe when compared to the rest of the country. Tolland County has a crime rate of .47 per 1000 residents. That's well below the 2.3 state rate and the national rate of 3.8. The DataHaven Health supports the CDC data which shows that residents believe the live in a safe community.

Percent that strongly agree		
	Connecticut	JMMC
There are places to bicycle in or near my neighborhood that are safe from traffic, such as on the street or on special lanes, separate paths or trails.	59%	59%
I do not feel safe to go on walks in my neighborhood at night.	28%	20%
People in this neighborhood can be trusted.	83%	88%

The job done by the police to keep residents safe	Connecticut	JMMC
Excellent	30%	30%
Good	45%	48%
Fair	15%	12%
Poor	6%	5%
Don't know enough about it in order to say	4%	4%
Refused	0%	1%

*DataHaven Health and Wellbeing Survey

Transportation

Most residents in the Johnson Memorial Hospital service area have their own car or have access to a car, but the lack of public transportation prevents access to health care and

services among people without a car or those who are unable to drive. This has a negative impact on their health by making it difficult to get to medical appointments, grocery stores to buy healthy food, and can contribute to depression and loneliness.

Most people have access to transportation but the small percentage who don't are often from the most vulnerable population. There are a few transportation services for this population such as car or taxi services, but there are many limitations. People need to notify the services ahead of time and even so, the service may not be available due to high demand. This can make it difficult if someone has multiple appointments in one week or if someone has an acute illness. In some cases the criteria to be eligible for a ride is so strict that people don't qualify for the services.

Do you have access to a car when you need it? Would you say you have access...	Connecticut	JMMC
Very often	85%	89%
Fairly often	4%	3%
Sometimes	5%	4%
Almost never	1%	1%
Never at all	5%	4%
Don't know	0%	0%
Refused	0%	0%

* DataHaven Survey Results

Health Behaviors

In the CDC's model for community health and wellbeing, healthy behaviors account for 30% of the "health equation". The term refers to choices that individuals make with regard to their lifestyle that are know to influence their health.

Yet, as the CHNA research team discovered, individual choices are profoundly affected by socioeconomic factors and physical environment. Simple activities like walking around the block for exercise or sending the kids to play in a park are out of the question for many residents in the Johnson Memorial Hospital service area because sidewalks are limited and most of the population lives outside of walking distance for parks. Likewise, choosing healthy foods to prevent or fight obesity can be a struggle for those with limited funds who do not have easy access to healthy choices.

Obesity

The problem of obesity has gained renewed attention in recent years, especially thanks to First Lady Michelle Obama's efforts to promote healthy eating. The health risks of obesity have become well known; it has been linked to diabetes, heart disease, and high blood pressure. Although Connecticut has a lower obesity rank than the National average, 26.3% compared to 28.9% according to the US Center for Disease and Prevention, it remains a key concern among providers. Hampden County has an adult obesity rate of 29% according to County Health Rankings.

BMI (Based on Q24 Weight and Q25 Height)	Connecticut	JMMC
Underweight	2%	2%
Normal weight	37%	32%
Overweight	36%	43%
Obese	26%	23%

*DataHaven Health and Wellbeing Survey

66% of participants from the Johnson Memorial Hospital service area in the DataHaven Health and Wellbeing were either overweight or obese. The obesity problem in the Johnson Memorial Hospital service area, which in many cases is caused by individual health choices, is also evident when looking at data for the top conditions for inpatient hospitalizations at Johnson Memorial Hospital. Of the top five conditions, four have a direct relationship with obesity: High Blood Pressure (1), Diabetes (2), Heart Failure (4) and COPD (5).

Substance Abuse

Smoking – Smoking, an individual health choice, causes a spectrum of serious and life threatening illnesses. It can lead to a host of lung diseases including cancer, as well as cardiovascular disease. Yet smoking is a habit among both adults and young people. It is well known that becoming addicted at a young age makes it harder to quit smoking in adulthood. Changes in smoking regulations over the past decade have affected overall smoking rates, but the current rates of smoking among youth and adults is similar, highlighting the challenges to further impact the behavior. Smoking can be influenced by socioeconomic forces, but its addictive properties reach across economic classes. In Connecticut, 16% of adults smoked cigarettes in 2012, a decrease of 1.1% from the previous year. Overall, Connecticut ranked 4th lowest among all states (Healthy Connecticut 2020).

Other Substances - The misuse and abuse of prescription medication and opioid-based drugs has increased significantly over the years to become a public health concern in Connecticut. This misuse or abuse includes taking these medications in higher doses than prescribed, for a purpose other than that for which it was prescribed, or taking a medication that was prescribed for another person or obtained off the streets. In Connecticut, residents are more likely to die from unintentional drug overdose than from a motor vehicle accident. The majority of these deaths are linked to overdose of prescription opioid painkillers. Key Informants stressed that the misuse/abuse of painkillers often leads to heroin abuse. According to 2013 CDC report, the Connecticut age-adjusted rate for drug induced mortality is 16.4 per 100,000 population compared to the nation rate of 14.6. Alcohol abuse was frequently mentioned by key informants also.

Clinical Care

The CDC's model of community health and wellbeing identifies one other factor: clinical care. Clinical care encompasses the many types of health care services that modern society relies on, from preventive care to treatment - everyday illnesses to serious, chronic conditions - mental health care to dental care and more.

Access to providers and necessary preventives and treatments is the foundation of clinical care. Yet, the data collected for this CHNA showed that, as with other aspects of the CDC, socioeconomic barriers can and do interfere with access to care.

Socioeconomic Barriers to Care

The Affordable Care Act has done much to ensure that citizens can enroll in a health insurance plan, but it is only part of the equation. As with food insecurity, lack of money and reliance on public options for transportation can and do interfere with access to care. Further, so can the parameters that are set by insurance plans: co-pays, referral policies and specific "in-network" providers.

Finally, certain providers may not be available in our community due to the population, or a provider's business hours might not match the clients' needs. All of these socioeconomic realities can result in people postponing needed clinical care.

Access to care continues to be a problem in both our service area and the state of Connecticut as a whole. In Johnson Memorial Hospital's service area, 23% of residents reported delaying care in the past, primarily due to finances, availability of care and insurance concerns.

Was there any time during the past 12 months when you put off or postponed getting medical care you thought you needed?		
	Connecticut	JMMC
Yes	21%	23%
No	79%	77%
Don't know	0%	0%
Refused	1%	1%

If Postponed		
	Connecticut	JMMC
Because of Cost	49%	56%
Dr of Hospital wouldn't accept health insurance	16%	11%
Your health plan wouldn't pay for the treatment	28%	27%
You couldn't get an appointment soon enough	25%	25%
You couldn't get there when the doctor's office or clinic was open	26%	27%

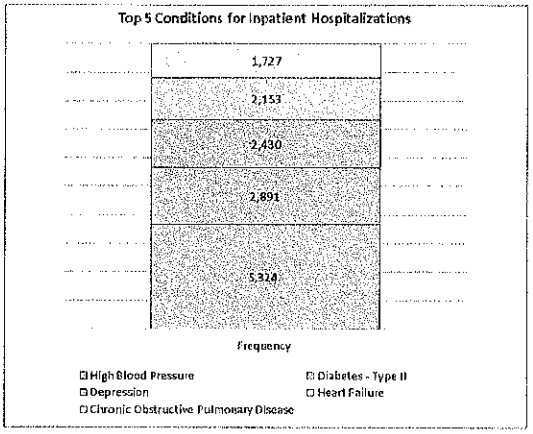
*DataHaven Health and Wellbeing Survey Results

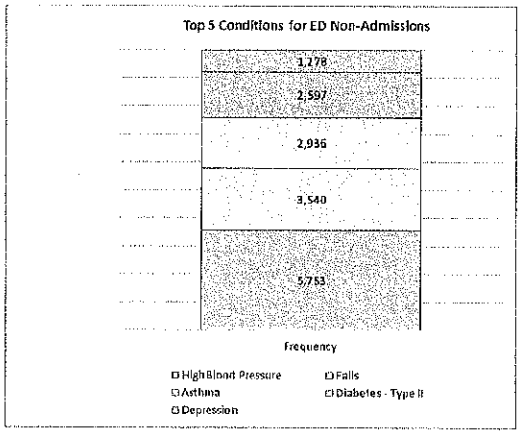
Health Problems of Community's Residents

As mentioned earlier, this CHNA explored the specific health problems in the community – many of which are exacerbated by both poverty and barriers to health outlined above. For example, diabetes is a disease where control is dependent on at least two of the major barriers to community health (food insecurity and access to clinical care). It was among the

top-five reasons for both inpatient admissions and Emergency Department non-admissions at Johnson Memorial Hospital. Hospital data also counted high blood pressure, depression, substance abuse, heart failure and asthma.

Community Health Profiles, developed by the Connecticut Hospital Association for the Johnson Memorial service area, show the top five reasons for both inpatient admissions and Emergency Department non-admissions at Johnson Memorial Hospital

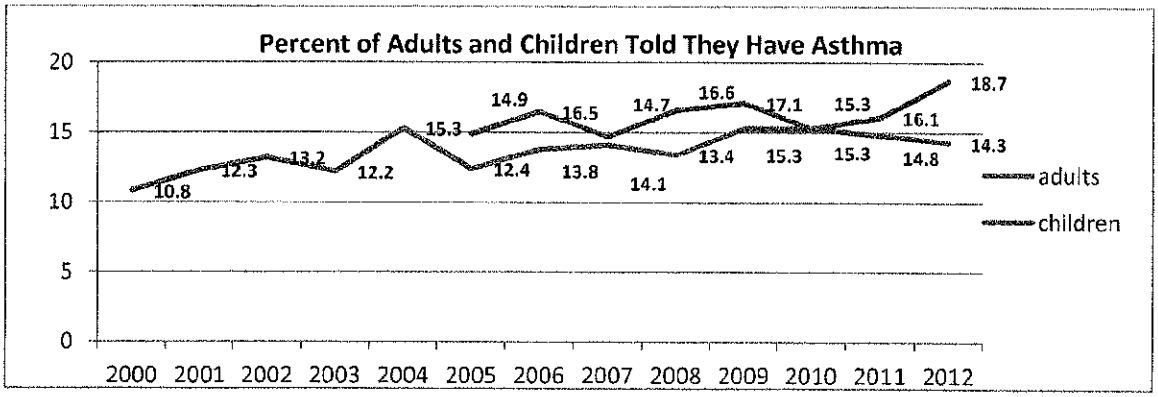




* JMH CHA Health Profile

Asthma

According to Healthy Connecticut 2020, the prevalence of asthma among adults increased significantly from a low of 10.8% in 2000 to 15.3% in 2010. In 2012, 14.3% of Connecticut adults were told that they have asthma. The proportion of children with asthma ranged from 14.9% in 2005 to 18.7% in 2012. In 2012, asthma affected an estimated 400,000 adults. In 2012, the proportion of children with asthma was significantly greater than that for adults, suggesting that childhood asthma may be increasing at a greater rate than asthma among adults.



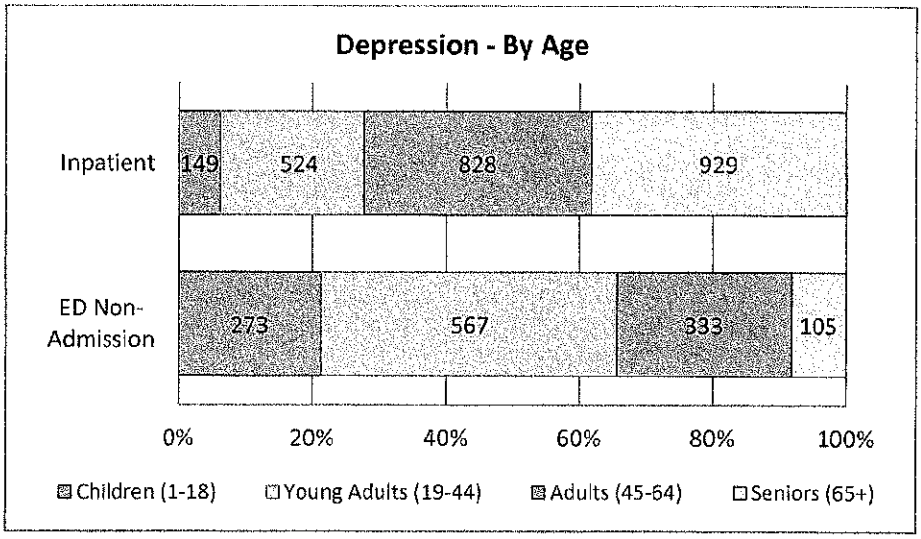
*Healthy CT 2020

Behavioral Health

Mental health can have profound effect on quality of life. According the Healthy Connecticut 2020, 18% of adults in Connecticut will have a diagnosis of depression in their lifetime. The quantitative data and key informant interviews highlight the magnitude of the mental health issue. It is a well-recognized fact that poverty has important implications for both physical and mental health. Several key informants advocated that mental health is a disease that requires care, but the challenges of living in poverty are a barrier to care when treating the disease.

One example used by a key informant to demonstrate the relationship between depression and poverty was a hypothetical story of a senior resident who didn't have access to a vehicle. Because this individual didn't have access to a vehicle, and public transportation isn't an option in the community, the result is missed doctor appointments and spending all of their time alone in their house. This barrier can lead to isolation, which leads to depression and other health concerns. According to the U.S. Census Bureau 11 million, or 28% of people aged 65 and older in the United States, lived alone in 2010. While living alone doesn't inevitably lead to social isolation, it is certainly a predisposing factor.

Depression was the third most prevalent condition among hospitalizations in the inpatient setting and the fifth most prevalent condition in the emergency department non-admission setting. Seniors had the largest number of inpatient encounters for depression, closely followed by adults, while young adults had the largest number of emergency department non-admission encounters for depression. During FY2014, Johnson Memorial Hospital had 132 emergency department non- admission visits and 151 inpatient admissions for suicides and self-inflicted injuries.



*JMH Community Health Profile

Cardiovascular Disease (heart failure)

Connecticut is experiencing over 27,000 years of potential life lost due to premature death as a result of heart disease, according to Healthy Connecticut 2020. The rates of high blood pressure and heart disease in Connecticut are approximately 30%.

Cardiac issues can cause a ripple effect that touches every area of life, which is especially hard for those who live in poverty or near-poverty. This, in turn, affects their wellbeing dramatically. For example, cardiac issues can result in mobility problems, which impact an individual's ability to get to the doctor, move around in the house and even bathe.

Diabetes

In Connecticut, over 9% of adults are diagnosed with diabetes. This represents a significant increase in the past 10 years. Diabetes is often the result of other health concerns, including obesity, limited access to healthy food, and lack of physical activity. As with obesity, behavior changes related to diabetes is a long process and requires patients to remain motivated to make lasting changes.

Going Forward: Making our Community a Healthier Place to Live and Work

Many of the key informants consulted during this CHNA had strong opinions on the ingredients for a healthy community. These typically focused directly on the socioeconomic and clinical care factors that affect health outcomes. The socioeconomic and clinical care factors mentioned most often were:

- Adequate employment that pays enough for people to support their families
- Safe and Affordable Housing/Neighborhoods
- Healthy food options and information about nutrition
- Leadership that promotes healthy living and lifestyles
- Quality education for children
- Access to health care and physicians
- Access to health education services
- Supportive community with high community involvement

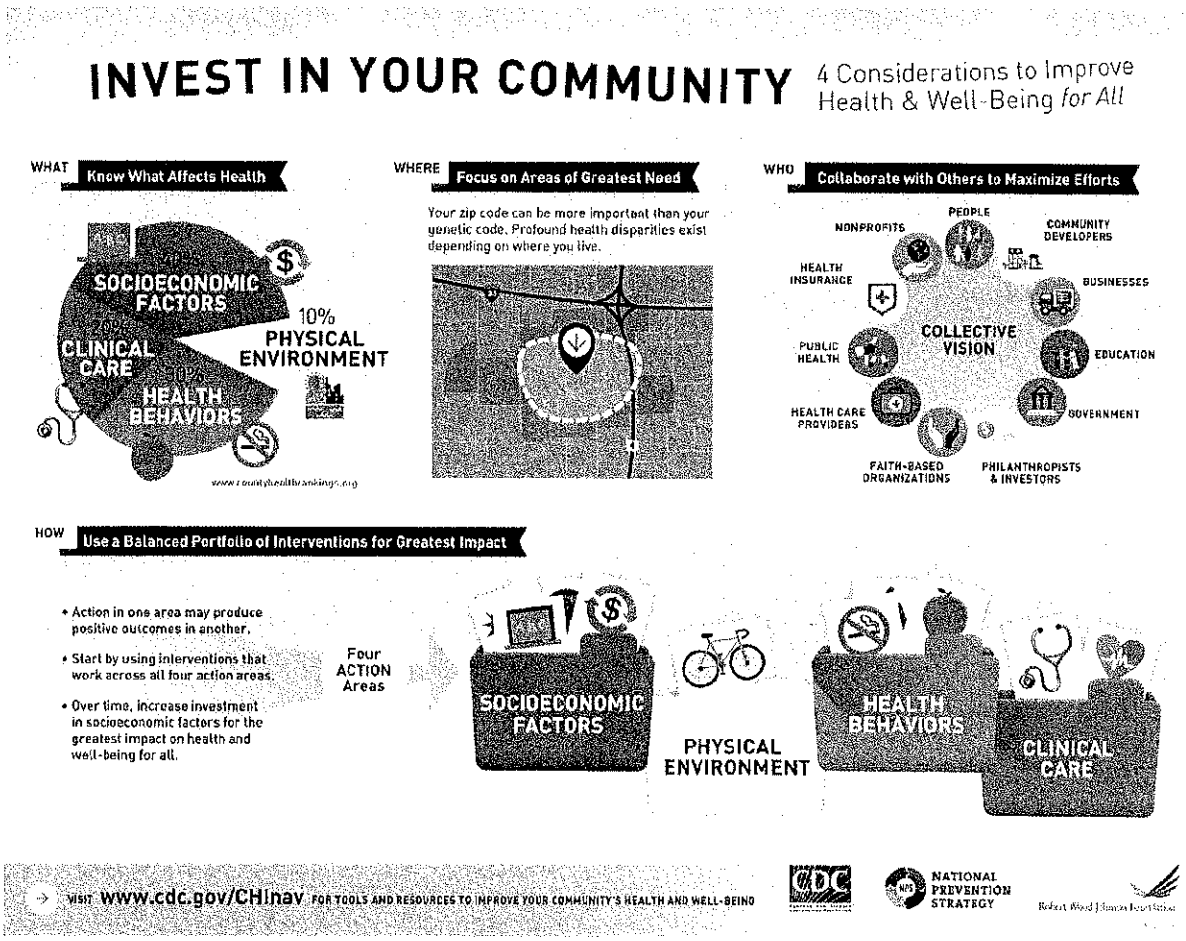
Another common theme was the need for communication and dissemination of information between the various organizations and local and state agencies to each other and residents.

Johnson Memorial Hospital will use the information gathered from the 2016 CHNA to develop a Strategic Plan for Community Transformation. This Strategic Plan will be framed using the CDC model of community health and welling. Johnson Memorial Hospital will work with community residents, local organizations, the CHNA team, and partners from Trinity

Health - New England to develop a plan that is consistent with its mission. Having affiliated with Trinity-Health, Johnson Memorial is poised to meet the challenges that will come.

The Hospital reserves the right to amend the implementation strategy, which will be finalized by mid-November of 2016, as circumstances warrant. For example, certain needs may become more pronounced and require enhancements to the described strategic initiatives. During the three years ending 6/30/2019, other organizations in the community may address certain needs, indicating that the Hospital could then refocus its limited resources to best serve the community.

Invest in Your Community Template



Acknowledgments

Creating a comprehensive, useful and engaging CHNA is a difficult task. Including the voices of the community, analyzing the data available and focusing the findings in a meaningful way requires input from many sources. This document would not have been possible without the generous support from the following groups and individuals, who took the time to share their knowledge, tell their stories and engage in discussion about potential solutions.

CHNA Team	
Name	**Organization**
Tung Nguyen	City of Hartford Department of Health and Human Services
Gina Federico-Musli	Community Solutions
Steve Balcanoff	Connecticut Children's Medical Center
Mary Stuart	Curtis D. Robinson Center for Health Equity
Lawrence Young	Curtis D. Robinson Center for Health Equity
Mark Abraham	DataHaven
Yvette Bello	Hartford Foundation for Public Giving
Scott Gaul	Hartford Foundation for Public Giving
Greg Palmer	Johnson Memorial Hospital
Rebecca Crowell	Saint Francis Hospital and Medical Center
Marcus McKinney	Trinity Health - New England
Deborah Pacik	University of Connecticut Medical School

Key Informants		
Name	**Title**	**Organization**
Ian S Tucker	M.D.	Family Practice Doctor
Laura Panciera	Director, Elderly Outreach & Municipal Agent on Aging	Town of Stafford
Patrice Sulik	Director of Health	North Central District Health Department
Laura Marin	Board Member & Director	Safe Net Ministries

Focus Group	
Group	**Description**
Enfield Hunger Action Team	Hunger Action Teams aim to jumpstart the conversation about food insecurity and the causes of hunger.

Trinity Health
New England

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

November 30, 2016

RE: Docket Number: Trinity Health – New England Transfer of Ownership CON Conditions for:

- Docket Number: 15-32045-CON Transfer of ownership of Saint Mary's Health System, Inc. to Trinity Health Corporation and Trinity Health - New England
- Docket Number: 15-31979-CON Transfer of Ownership of Saint Francis *Care*, Inc. to Trinity Health Corporation and Trinity Health - New England
- Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care*, Inc.

Dear Mrs. Roberts,

In accordance with Trinity Health – New England's approved CONs for the transfers of ownership of Saint Francis *Care,* Inc*,.* and Saint Mary's Health Systems, Inc. to Trinity Health Corporation and Trinity Health - New England and for the transfer of ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc*. (NKA Trinity Health – New England),* attached are the responses to the conditions set forth in each of the CON decisions.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio A. Capone
Regional Vice President
Strategic Planning and Business Development

Enc.

Docket Number: 15-32045-CON
Transfer of ownership of Saint Mary's Health System, Inc. to Trinity Health Corporation and Trinity Health - New England

Trinity Health
New England

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

November 30, 2016

RE: Docket Number: 15-32045-CON Transfer of ownership of Saint Mary's Health System, Inc. to Trinity Health Corporation and Trinity Health-New England

Dear Mrs. Roberts:

In accordance with Items 6, 7, 8, 9 & 10 of the Order dated July 27, 2016, enclosed is responses for each of the conditions noted above. Responses to the remaining conditions will be submitted prior to the requested deadline.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio A. Capone
Regional Vice President
Strategic Planning and Business Development

Enc.

6. ***Until such time as the Services Plan is submitted, TH-NE shall provide OCHA with notice of any reallocation of inpatient beds and relocation of outpatient services for the Hospital specific to those services that existed at the Hospital as of the Decision Date. Such notice shall be provided within ten (10) of any such reallocation or relocation and published on the website pages of Saint Mary's Hospital. OCHA is imposing this Condition to ensure continued access to health care services for patient population.***

   In accordance with Condition 6 of the Order, Trinity Health – New England, Inc. ("TH-NE") is notifying OCHA that there are no plans to reallocate inpatient beds or relocate any outpatient services for Saint Mary's Hospital at this time.

7. ***Within one hundred and eighty (180) days following the Closing Date and thereafter on the same semi-annual schedule as set forth in Condition 8 below until the capital commitment is satisfied TH-NE shall submit to OHCA a report on the capital investments ("Capital Investment Report") it has made in the Hospital and its affiliates from the minimum $100 million Commitment Amount. The Capital Investment Report shall include the following in a format to be agreed upon:***
   - ***A. A list of the of the capital expenditures that have been made in the prior one hundred and eighty (180) days with descriptions of each associated project; and***
   - ***B. An explanation of why each expenditure was made and a timeframe for the roll out of the associated capital project (including estimated beginning, ending, and startup/operation dates); and***
   - ***C. The funding source of the capital investment; indicate whether it was drawn from intercompany loans, operating revenue, capital contributions from THC or another source. If funding was drawn from another source, indicate the source.***

   The reports shall be signed by the Hospital's or TH-NE's Chief Financial Officer.

   See Attachment 1.

8. ***For three (3) years following the Closing Date, TH-NE shall file the following information with OHCA on a semi-annual basis for the Hospital and TH-NE:***

   a. The cost saving totals achieved in the following Operating Expense Categories for the Hospital and TH-NE: Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The

categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The semi-annual submission shall also contain narratives describing:

1. the major cost savings achieved for each expense category for the semi-annual period; and

Since August 1, 2016, the leaders within the functional areas at Saint Mary's Hospital have been working closely with Trinity Health and Trinity Health New England to identify and implement changes to realize cost savings opportunities. This process takes time to implement and we have not implemented any significant costs savings in the two month period ending September 30, 2016.

2. the effect of these cost savings on the clinical quality of care.

There has been no impact to clinical quality of care.

b. A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for the Hospital and TH-NE. The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/300 (balance sheets), 150/300 (statement of operations), or successor reports.

See Attachment 2.

9. ***For three (3) years following the Closing Date, TH-NE shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for the Hospital and for TH-NE. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning November 30, 2016.***

See Attachment 3 for financial indicators.

10. ***TH-NE shall ensure that the Hospital maintains and adheres to the Hospital's current policies regarding charity care, indigent care and community volunteer services after the Closing Date, or adopt other policies that are at least as generous and benevolent to the community as the Hospital's current policies, consistent with state and federal law. These policies shall be posted on the website pages of the Hospital and as additionally required by applicable law. OHCA is imposing this Condition to ensure continued access to health care services for the patient population.***

In accordance with Condition 10 of the Order, Trinity Health – New England, Inc. will ensure that Saint Mary's will maintain and adhere to all of their current policies regarding charity care, indigent care and community volunteer services. Currently, all policies are located on the Saint Mary's Hospital website (www.stmh.org).

ATTACHMENT 2

DESCRIPTION	CLASS	TYPE	ACQ DATE	AMT	Explanation	To be paid from
FABIUSTIRO ANESTHESIA MACHINES	MOVEABLE	MEDICAL	8/31/2016	59,992.08	2 new Anesthesia Fabious Tiro machines	Operating cash
INTELLIVUE MONITORS & ACCESSORIES	MOVEABLE	MEDICAL	8/31/2016	50,254.20	2 new patient monitors with easy care cuffs	Operating cash
STERILIZATION CONTAINER	MOVEABLE	MEDICAL	8/31/2016	13,894.57	new sterilization container w/accessories	Operating cash
ISTAT 1 WIRELESS ANALYZER	MOVEABLE	MEDICAL	8/31/2016	28,060.47	new ISTAT 1 WIRELESS ANALYZER	Operating cash
SCOPES 0 DEG & 30 DEG CURETTATE	MOVEABLE	MEDICAL	8/31/2016	9,618.00	new scopes and tray sterilization sterrads	Operating cash
VC- 10 VACUUM	MOVEABLE	MEDICAL	8/31/2016	5,205.50	VC- 10 VACUUM curettate system	Operating cash
BLADDER SCAN BVI 9400	MOVEABLE	MEDICAL	8/31/2016	18,316.00	new Bladder scan w/rolling cart	Operating cash
LIPOSCULTPTOR & ACCESSORIES	MOVEABLE	MEDICAL	8/31/2016	19,376.45	new LIPOSCULTPTOR handpiece & ACCESSORIES	Operating cash
SUTURE RETRIEVER ACCESSORIES	MOVEABLE	MEDICAL	8/31/2016	38,916.00	SUTURE RETRIEVER ACCESSORIES	Operating cash
SCOPE HOPKINS 11 30 DEG	MOVEABLE	MEDICAL	8/31/2016	9,300.40	Sheath High flow arthroscopy & Hopkins scope	Operating cash
B3000 BLACK BADGE & BATTERIES	MOVEABLE	MEDICAL	8/31/2016	20,552.00	B3000 BLACK BADGE & BATTERIES	Operating cash
CO2 MONITOR & ACCESSORIES	MOVEABLE	MEDICAL	8/31/2016	5,453.04	CO2 MONITOR & ACCESSORIES	Operating cash
ARTIC SUN 5000E TEMP	MOVEABLE	NONMEDICAL	8/31/2016	50,494.00	Artic Sun 5000E Temp manage system & calibration test unit	Operating cash
OPTIPLEX 7040 PC & MONITORS	MOVEABLE	NONMEDICAL	8/31/2016	27,050.40	20 monitors & 10 Optiplex 7040 SFF w/dual monitor stands	Operating cash
BUILDING SIGN	MOVEABLE	NONMEDICAL	8/31/2016	2,200.00	new bldg signage	Operating cash
CONDENSING UNIT	MOVEABLE	NONMEDICAL	8/31/2016	23,316.00	replace condensing unit	Operating cash
HVAC CLEANING & SANTIZING	MOVEABLE	NONMEDICAL	8/31/2016	23,203.50	HVAC duct CLEANING & SANTIZING	Operating cash
FIRE & SMOKE DAMPER	MOVEABLE	NONMEDICAL	8/31/2016	3,650.00	FIRE & SMOKE DAMPER	Operating cash
FLOOR SCRUBBERS SINGLE & DUAL	MOVEABLE	NONMEDICAL	8/31/2016	14,248.40	New Floor scrubbers (single & dual) and burnisher	Operating cash
DEHUMIDIFIER TRAGER BASEMENT	MOVEABLE	NONMEDICAL	8/31/2016	2,647.50	deposit for DEHUMIDIFIER in TRAGER BASEMENT	Operating cash
EXPANSION VALVE TRAGER	MOVEABLE	NONMEDICAL	8/31/2016	2,618.00	depoisit for EXPANSION VALVE in TRAGER office	Operating cash
WALL COVERING - AUDITORIUM	MOVEABLE	NONMEDICAL	8/31/2016	10,530.30	deposit for WALL COVERING in AUDITORIUM	Operating cash
COOLONG COL REPLACEMENT	MOVEABLE	NONMEDICAL	8/31/2016	45,350.00	AHU-1 Cooling coil replacement	Operating cash
CATH LAB # 2 RENOVATION	BLDG IMPR	NONMEDICAL	8/31/2016	70,203.36	CATH LAB # 2 RENOVATION	Operating cash
SLEEP LAB RENOVATION	BLDG IMPR	NONMEDICAL	8/31/2016	24,400.75	SLEEP LAB RENOVATION	Operating cash
BOARDROOM RENOVATION	BLDG IMPR	NONMEDICAL	8/31/2016	18,518.50	Boardroom Project is now complete	Operating cash
10 FT HOSES	MOVEABLE	NONMEDICAL	8/31/2016	647.44	4 each of 02 CS hoses & Air CS hoses 10FT Diss Hand	Operating cash
REVERSE OSMOSIS SYSTEM	MOVEABLE	NONMEDICAL	8/31/2016	16,500.00	REVERSE OSMOSIS SYSTEM	Operating cash
HARMONYAIR LIGHT SYSTEM	FIXED	NONMEDICAL	8/31/2016	49,805.83	2 Harmonyair G5 Dual Pkg Light systems	Operating cash
RECUMBENT CROSS TRAINER	MOVEABLE	MEDICAL	9/30/2016	4,189.00	RECUMBENT CROSS TRAINER-the Foundation reimbursed us for this purchase	Foundation Funds
CONTAINERS FOR STERILIZATION	MOVEABLE	MEDICAL	9/30/2016	5,130.40	75 sterilization containers	Operating cash
TITANIUM GE MRI TOOL KIT	MOVEABLE	MEDICAL	9/30/2016	3,775.95	TITANIUM GE MRI TOOL KIT	Operating cash
LIPOTOWER ASPIRATOR / INFIL	MOVEABLE	MEDICAL	9/30/2016	6,922.35	new LIPOSCULTPTOR handpiece & ACCESSORIES	Operating cash
LIGHT HANDLE CAMERA COVER	MOVEABLE	MEDICAL	9/30/2016	295.92	LIGHT HANDLE CAMERA COVER	Operating cash
CART, SINGLE TIER CORNER	MOVEABLE	MEDICAL	9/30/2016	10,865.17	CART, SINGLE TIER CORNER	Operating cash
CAMERA, CODER & STORAGE	MOVEABLE	MEDICAL	9/30/2016	5,500.00	CAMERA, CODER & STORAGE	Operating cash
VOLUSON P8	MOVEABLE	MEDICAL	9/30/2016	8,480.00	VOLUSON P8	Operating cash
CARBON FIBER BOARD	MOVEABLE	NONMEDICAL	9/30/2016	2,250.00	Board, Carbon fiber TTL ACS Radial	Operating cash

CHESHIRE UC INSTALL	FIXED	NONMEDICAL	9/30/2016	8,485.00	Security Alarm install	Operating cash
DELL OPTOPLEX 7040	MOVEABLE	NONMEDICAL	9/30/2016	14,596.44	24 monitors & 12 Optiplex 7040 SFF w/dual monitor stands, plus software	Operating cash
MARKETING FURNITURE	MOVEABLE	NONMEDICAL	9/30/2016	7,144.73	MARKETING FURNITURE-chairs, credenza, tabletop, etc	Operating cash
NVSC PAINTING (WATER DAMAGE)	BLDG IMPR	NONMEDICAL	9/30/2016	5,020.00	interior painting from water damage	Operating cash
NVSC PAINTING (WATER DAMAGE)	BLDG IMPR	NONMEDICAL	9/30/2016	28,024.00	interior painting from water damage	Operating cash
COUNTER FOR PSYCHIATRIC WARD	FIXED	NONMEDICAL	9/30/2016	2,527.20	Counter Fabrication	Operating cash
FEASABILITY STUDY OPEN OFFICE	BLDG IMPR	NONMEDICAL	9/30/2016	2,545.00	Prof srvs for FEASABILITY STUDY OPEN OFFICE	Operating cash
COUNTER TOPS THROUGHOUT HOSPITAL	FIXED	NONMEDICAL	9/30/2016	15,880.90	Labor & Materials for COUNTER TOPS THROUGHOUT HOSPITAL	Operating cash
AUDITORIUM RENOVATION	BLDG IMPR	NONMEDICAL	9/30/2016	18,662.55	Prof Srvs for AUDITORIUM RENOVATION	Operating cash
FIRE STOP	BLDG IMPR	NONMEDICAL	9/30/2016	9,818.00	FIRE STOP Labor & Materials	Operating cash
MAIN MEGAWATT METER REPLACEMENT	FIXED	NONMEDICAL	9/30/2016	2,750.00	MAIN MEGAWATT METER REPLACEMENT	Operating cash
EPOXY COATED SHOWER BASE	MOVEABLE	NONMEDICAL	9/30/2016	10,455.00	EPOXY COATED SHOWER BASE	Operating cash
BLASIUS 2014 CHEVROLET CRUZE	AUTO	NONMEDICAL	9/30/2016	12,805.60	BLASIUS 2014 CHEVROLET CRUZE	Operating cash
SLEEP LAB BUDGETED CONTRACT	BLDG IMPR	NONMEDICAL	9/30/2016	49,863.27	SLEEP LAB RENOVATION	Operating cash
MEP	BLDG IMPR	NONMEDICAL	9/30/2016	1,400.00	MEP-SLEEP LAB RENOVATION	Operating cash
RODI PIPING & INSTALL	FIXED	NONMEDICAL	9/30/2016	13,500.00	RODI PIPING & INSTALL	Operating cash

Regular additions	915,209.17
CIP project addtions	2,156,778.13
Total additions	3,071,987.30

Project Name	Project Description	Balance as of 7/31/16	Aug-Sep Additions	Balance as of 9/30/16	Project Start Date	Project expected end date	Project Budget	To be paid from
Oncology Center Project	Renovations to Dr Bowen's office located in the HLRCC	495,723.17	145,129.30	640,852.47	Apr-16	FY 2017	940,000	Operating cash
MRI Project	Renovations to new MRI area and Behavoiral Health in Emer Rm - 4 Phases to project	3,387,211.50	591,856.05	3,979,067.55	Sep-15	FY 2017	5,800,000	Operating cash, plus a 767,013 from a State grant
Atrion Project	Phase I of new phone system project	529,483.69	38,021.76	567,505.45	Jan-16	Nov-16	652,550	Operating cash
Cheshire Project	New construction for a Cheshire Urgent Care Ctr and a Primary Care/Specialty Practice	411,202.86	1,173,005.58	1,584,208.44	Mar-16	FY 2017	2,320,388	Operating cash
Northwest 911 Project	Renovations to 2nd floor of Lawlor Bldg for 911 Call Center	342,014.94	6,475.00	348,489.94	Feb-16	Nov-16	250,000	Operating cash
Cardiac Cath Lab Project	Renovations for a new Cardiac Cath Lab	450,631.00	198,601.69	649,232.69	May-16	FY 2017	815,823	Operating cash
Naugatuck Urgent Care	Construction for a new Urgent Care Ctr in Naugatuck - Project was put off until after FY2017, expenses were for Architect designs	7,377.50	3,688.75	11,066.25	FY 2018	FY 2019	2,100,000	Operating cash
		Total	2,156,778.13					

ATTACHMENT 2

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$13,310,000	$20,572,000	$7,262,000	55%
2	Short Term Investments	$17,000	$23,000	$6,000	35%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$28,548,000	$24,965,000	($3,583,000)	-13%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$3,701,000	$3,889,000	$188,000	5%
8	Prepaid Expenses	$3,301,000	$2,930,000	($371,000)	-11%
9	Other Current Assets	$3,792,000	$3,114,000	($678,000)	-18%
	Total Current Assets	**$52,669,000**	**$55,493,000**	**$2,824,000**	**5%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$14,764,000	$15,480,000	$716,000	5%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$20,166,000	$6,000	($20,160,000)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$34,930,000**	**$15,486,000**	**($19,444,000)**	**-56%**
5	Interest in Net Assets of Foundation	$4,908,000	$5,549,000	$641,000	13%
6	Long Term Investments	$124,000	$10,973,000	$10,849,000	8749%
7	Other Noncurrent Assets	$25,663,000	$25,740,000	$77,000	0%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$205,415,000	$91,358,000	($114,057,000)	-56%
2	Less: Accumulated Depreciation	$139,994,000	$2,656,000	($137,338,000)	-98%
	Property, Plant and Equipment, Net	**$65,421,000**	**$88,702,000**	**$23,281,000**	**36%**
3	Construction in Progress	$0	$7,780,000	$7,780,000	0%
	Total Net Fixed Assets	**$65,421,000**	**$96,482,000**	**$31,061,000**	**47%**
	Total Assets	**$183,715,000**	**$209,723,000**	**$26,008,000**	**14%**

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$21,871,000	$15,420,000	($6,451,000)	-29%
2	Salaries, Wages and Payroll Taxes	$3,962,000	$5,045,000	$1,083,000	27%
3	Due To Third Party Payers	$727,000	$1,262,000	$535,000	74%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$3,180,000	$89,000	($3,091,000)	-97%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$13,976,000	$15,912,000	$1,936,000	14%
	Total Current Liabilities	**$43,716,000**	**$37,728,000**	**($5,988,000)**	**-14%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$10,589,000	$0	($10,589,000)	-100%
	Total Long Term Debt	**$10,589,000**	**$0**	**($10,589,000)**	**-100%**
3	Accrued Pension Liability	$74,894,000	$83,306,000	$8,412,000	11%
4	Other Long Term Liabilities	$9,352,000	$10,485,000	$1,133,000	12%
	Total Long Term Liabilities	**$94,835,000**	**$93,791,000**	**($1,044,000)**	**-1%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$27,411,000	$59,686,000	$32,275,000	118%
2	Temporarily Restricted Net Assets	$1,922,000	$1,970,000	$48,000	2%
3	Permanently Restricted Net Assets	$15,831,000	$16,548,000	$717,000	5%
	Total Net Assets	**$45,164,000**	**$78,204,000**	**$33,040,000**	**73%**
	Total Liabilities and Net Assets	**$183,715,000**	**$209,723,000**	**$26,008,000**	**14%**

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016*	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$746,752,000	$136,060,000	($610,692,000)	-82%
2	Less: Allowances	$483,477,000	$90,093,000	($393,384,000)	-81%
3	Less: Charity Care	$3,174,000	$1,021,000	($2,153,000)	-68%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$260,101,000**	**$44,946,000**	**($215,155,000)**	**-83%**
5	Provision for Bad Debts	$8,180,000	$935,000	($7,245,000)	-89%
	Net Patient Service Revenue less provision for bad debts	**$251,921,000**	**$44,011,000**	**($207,910,000)**	**-83%**
6	Other Operating Revenue	$8,206,000	$1,078,000	($7,128,000)	-87%
7	Net Assets Released from Restrictions	$0	$0	$0	0%
	Total Operating Revenue	**$260,127,000**	**$45,089,000**	**($215,038,000)**	**-83%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$88,793,000	$15,392,000	($73,401,000)	-83%
2	Fringe Benefits	$27,562,000	$4,065,000	($23,497,000)	-85%
3	Physicians Fees	$6,099,000	$1,655,000	($4,444,000)	-73%
4	Supplies and Drugs	$41,890,000	$7,502,000	($34,388,000)	-82%
5	Depreciation and Amortization	$11,023,000	$2,659,000	($8,364,000)	-76%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$963,000	$5,000	($958,000)	-99%
8	Malpractice Insurance Cost	$3,338,000	$798,000	($2,540,000)	-76%
9	Other Operating Expenses	$61,720,000	$9,341,000	($52,379,000)	-85%
	Total Operating Expenses	**$241,388,000**	**$41,417,000**	**($199,971,000)**	**-83%**
	Income/(Loss) From Operations	**$18,739,000**	**$3,672,000**	**($15,067,000)**	**-80%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$1,315,000	$56,000	($1,259,000)	-96%
2	Gifts, Contributions and Donations		$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$1,207,000	($11,000)	($1,218,000)	-101%
	Total Non-Operating Revenue	**$2,522,000**	**$45,000**	**($2,477,000)**	**-98%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$21,261,000**	**$3,717,000**	**($17,544,000)**	**-83%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**$21,261,000**	**$3,717,000**	**($17,544,000)**	**-83%**
	*** FY16 represents the period 8/1/16 - 9/30/16**				

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$15,091,000	$22,818,000	$7,727,000	51%
2	Short Term Investments	$17,000	$23,000	$6,000	35%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$32,905,000	$29,301,000	($3,604,000)	-11%
4	Current Assets Whose Use is Limited for Current Liabilities	$3,418,000	$3,418,000	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$3,701,000	$3,889,000	$188,000	5%
8	Prepaid Expenses	$3,300,000	$3,515,000	$215,000	7%
9	Other Current Assets	$4,618,000	$3,192,000	($1,426,000)	-31%
	Total Current Assets	**$63,050,000**	**$66,156,000**	**$3,106,000**	**5%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$14,764,000	$15,480,000	$716,000	5%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$43,057,000	$19,537,000	($23,520,000)	-55%
	Total Noncurrent Assets Whose Use is Limited:	**$57,821,000**	**$35,017,000**	**($22,804,000)**	**-39%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$4,244,000	$15,428,000	$11,184,000	264%
7	Other Noncurrent Assets	$11,454,000	$6,263,000	($5,191,000)	-45%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$219,963,000	$95,973,000	($123,990,000)	-56%
2	Less: Accumulated Depreciation	$149,672,000	$2,835,000	($146,837,000)	-98%
	Property, Plant and Equipment, Net	**$70,291,000**	**$93,138,000**	**$22,847,000**	**33%**
3	Construction in Progress	$0	$7,873,000	$7,873,000	0%
	Total Net Fixed Assets	**$70,291,000**	**$101,011,000**	**$30,720,000**	**44%**
	Total Assets	**$206,860,000**	**$223,875,000**	**$17,015,000**	**8%**

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$22,665,000	$16,465,000	($6,200,000)	-27%
2	Salaries, Wages and Payroll Taxes	$6,002,000	$8,160,000	$2,158,000	36%
3	Due To Third Party Payers	$727,000	$1,262,000	$535,000	74%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$3,409,000	$337,000	($3,072,000)	-90%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$12,980,000	$13,842,000	$862,000	7%
	Total Current Liabilities	**$45,783,000**	**$40,066,000**	**($5,717,000)**	**-12%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$11,018,000	$586,000	($10,432,000)	-95%
	Total Long Term Debt	**$11,018,000**	**$586,000**	**($10,432,000)**	**-95%**
3	Accrued Pension Liability	$74,894,000	$83,306,000	$8,412,000	11%
4	Other Long Term Liabilities	$24,062,000	$22,539,000	($1,523,000)	-6%
	Total Long Term Liabilities	**$109,974,000**	**$106,431,000**	**($3,543,000)**	**-3%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$955,000	$2,588,000	$1,633,000	171%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$32,395,000	$56,272,000	$23,877,000	74%
2	Temporarily Restricted Net Assets	$1,922,000	$1,970,000	$48,000	2%
3	Permanently Restricted Net Assets	$15,831,000	$16,548,000	$717,000	5%
	Total Net Assets	**$50,148,000**	**$74,790,000**	**$24,642,000**	**49%**
	Total Liabilities and Net Assets	**$206,860,000**	**$223,875,000**	**$17,015,000**	**8%**

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016*	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$832,217,000	$152,831,000	($679,386,000)	-82%
2	Less: Allowances	$536,081,000	$100,069,000	($436,012,000)	-81%
3	Less: Charity Care	$1,072,000	$1,021,000	($51,000)	-5%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$295,064,000**	**$51,741,000**	**($243,323,000)**	**-82%**
5	Provision for Bad Debts	$9,675,000	$1,442,000	($8,233,000)	-85%
	Net Patient Service Revenue less provision for bad debts	**$285,389,000**	**$50,299,000**	**($235,090,000)**	**-82%**
6	Other Operating Revenue	$10,072,000	$1,365,000	($8,707,000)	-86%
7	Net Assets Released from Restrictions	$0	$0	$0	0%
	Total Operating Revenue	**$295,461,000**	**$51,664,000**	**($243,797,000)**	**-83%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$123,197,000	$22,400,000	($100,797,000)	-82%
2	Fringe Benefits	$32,298,000	$4,765,000	($27,533,000)	-85%
3	Physicians Fees	$9,916,000	$1,659,000	($8,257,000)	-83%
4	Supplies and Drugs	$43,411,000	$7,978,000	($35,433,000)	-82%
5	Depreciation and Amortization	$11,636,000	$2,834,000	($8,802,000)	-76%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$980,000	$8,000	($972,000)	-99%
8	Malpractice Insurance Cost	$4,154,000	$1,088,000	($3,066,000)	-74%
9	Other Operating Expenses	$67,708,000	$11,150,000	($56,558,000)	-84%
	Total Operating Expenses	**$293,300,000**	**$51,882,000**	**($241,418,000)**	**-82%**

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016*	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE	DIFFERENCE
	Income/(Loss) From Operations	**$2,161,000**	**($218,000)**	**($2,379,000)**	**-110%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$1,565,000	$53,000	($1,512,000)	-97%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$963,000	($11,000)	($974,000)	-101%
	Total Non-Operating Revenue	**$2,528,000**	**$42,000**	**($2,486,000)**	**-98%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$4,689,000**	**($176,000)**	**($4,865,000)**	**-104%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**$4,689,000**	**($176,000)**	**($4,865,000)**	**-104%**
	*** FY16 represents the period 8/1/16 - 9/30/16**				

ATTACHMENT 3

	Saint Mary's Hospital (Hospital Only)	Month		Year to Date	
		Sept 2016	Prior Year	Sept 2016*	Prior Year
A.	**Operating Performance**				
	Operating Margin	10.9%	9.0%	8.1%	7.2%
	Non-Operating Margin	0.1%	-6.0%	0.1%	1.0%
	Total Margin	11.0%	3.0%	8.2%	8.2%
	Bad Debt as % of Gross Revenue	0.1%	0.4%	0.7%	1.2%
B.	**Liquidity**				
	Current Ratio	1.76	1.62	1.79	1.62
	Days Cash on Hand	31	23	31	23
	Days in Net Accounts Receivable	37	41	37	41
	Average Payment Period	52	61	52	61
C.	**Leverage and Capital Structure**				
	Long-term Debt to Equity	-	0.32	-	0.32
	Long-term Debt to Capitalization	-	0.24	-	0.24
	Unrestricted Cash to Debt	231.15	0.97	231.15	0.97
	Times Interest Earned Ratio	1170.1	30.5	735.40	22.65
	Debt Service Coverage Ratio	214.8	11.3	71.20	9.82
	Equity Financing Ratio	2.70	4.23	2.70	4.23
D.	**Additional Statistics (in thousands)**				
	Income from Operations	$ 2,523	$ 1,821	$ 3,672	$ 18,739
	Revenue Over/(Under) Expense	$ 2,537	$ 601	$ 3,717	$ 21,261
	EBITDA	$ 3,866	$ 2,835	$ 6,335	$ 30,507
	Patient Cash Collected	$ 20,601	$ 18,920	$ 42,323	$ 239,372
	Cash and Cash Equivalents	$ 20,572	$ 13,310	$ 20,572	$ 13,310
	Net Working Capital	$ 17,764	$ 8,953	$ 17,764	$ 8,953
	Unrestricted Assets	$ 59,686	$ 27,411	$ 59,686	$ 27,411
	Credit Ratings (S&P, FITCH and Moody's)				

Note: September 2016 YTD is only for the period 8/1-9/30. The prior year YTD is the full fiscal year for FY15

	Saint Mary's Health System (Consolidated)	Month		Year to Date	
		Sept 2016	Prior Year	Sept 2016*	Prior Year
A.	**Operating Performance**				
	Operating Margin	1.3%	-0.1%	-0.4%	0.7%
	Non-Operating Margin	0.1%	-5.0%	0.1%	0.9%
	Total Margin	1.4%	-5.0%	-0.3%	1.6%
	Bad Debt as % of Gross Revenue	0.5%	0.7%	0.9%	1.1%
B.	**Liquidity**				
	Current Ratio	1.65	1.38	1.65	1.38
	Days Cash on Hand	27	19	27	19
	Days in Net Accounts Receivable	37	42	37	42
	Average Payment Period	52	58	52	58
C.	**Leverage and Capital Structure**				
	Long-term Debt to Equity	0.01	0.29	0.01	0.28
	Long-term Debt to Capitalization	0.01	0.23	0.01	0.22
	Unrestricted Cash to Debt	24.72	0.98	24.72	0.98
	Times Interest Earned Ratio	37.4	-57.7	(26.30)	3.20
	Debt Service Coverage Ratio	44.4	4.9	7.79	4.33
	Equity Financing Ratio	2.88	4.05	2.88	4.05
D.	**Additional Statistics (in thousands)**				
	Income from Operations	$ 332	$ (3)	$ (218)	$ 2,161
	Revenue Over/(Under) Expense	$ 373	$ (1,137)	$ (176)	$ 4,689
	EBITDA	$ 1,776	$ 1,240	$ 2,624	$ 14,777
	Patient Cash Collected	$ 23,617	$ 21,477	$ 48,614	$ 272,841
	Cash and Cash Equivalents	$ 22,818	$ 15,091	$ 22,818	$ 15,091
	Net Working Capital	$ 27,488	$ 17,267	$ 27,488	$ 17,267
	Unrestricted Assets	$ 56,272	$ 32,395	$ 56,272	$ 32,395
	Credit Ratings (S&P, FITCH and Moody's)				

Note: September 2016 YTD is only for the period 8/1-9/30. The prior year YTD is the full fiscal year for FY15

Docket Number: 15-31979-CON
Transfer of Ownership of Saint Francis Care, Inc. to Trinity Health Corporation and Trinity Health - New England

1000 Asylum Street
Hartford, CT 06105
860-714-6165

November 30, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Docket Number: 15-31979 CON Transfer of Ownership of Saint Francis Care, Inc. to Trinity Health Corporation

Dear Ms. Roberts:

Please see the attached documents in satisfaction of Stipulation 9 of the above-referenced Agreed Settlement Order dated August 1, 2015.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio Capone
Regional Vice President of
Business Development and Strategic Planning
claudio.capone@trinityhealth-ne.org

Enclosures

CON Docket No. 15-31979-CON- Transfer of ownership of Saint Francis Care, Inc. to Trinity Health Corporation
Response to Item 9 of the Settlement and Order dated 8/1/2015
Annual Report for the Capital Investment Plan due 11/30/2016

Question 1

Provide a five-year post-closing capital investment plan detailing the proposed allocation of the $275 million capital investment commitment. The submitted plan shall account for the full $275 million commitment as stated in the proposal and include the following information:

a. A list of planned capital expenditures with detailed descriptions and associated estimated costs, and

Please refer to Attachment 1 for FY 2016 actual capital expenditures for the twelve month period ended September 30, 2016.

Attachment 2 includes the final approved capital budget (see column C) for Trinity Health –New England, Inc. (TH-NE) which has been approved by both Trinity Health's governing body as well as TH-NE's finance committee. The FY 2017 budget is for the period 7/1/2016-6/30/2017.

Attachment 2 has also been updated to reflect preliminary capital budget for FY 2018-2020. TH-NE, including Saint Francis Hospital and Medical Center, is in the process of developing their three to five year strategic plan. Future year's capital expenditures will be further defined and aligned with the outcome of the strategic planning process.

Since our last filing, Saint Mary's Hospital joined Trinity Health-New England. Attachment 2 has also been updated to reflect Saint Mary's FY 2017 routine and strategic capital budget. Furthermore, one critical investment necessary to effectively provide care to members of our community is to implement a single electronic health record across all of the hospitals and ambulatory providers. TH-NE will be investing in this technology at Saint Mary's and has allocated $20.5 million to this project.

b. A timeframe for the rollout of the capital projects, including estimated beginning, ending and start-up/operation dates.

See Attachment 3 for the FY 2017 individual capital projects greater than $500,000 that have been approved to proceed at Saint Francis. The remaining dollars relating to the capital budget will be allocated based upon current priorities and any critical needs that arise.

As the strategic plan is finalized and the more significant capital investments are identified, TH-NE will provide OHCA with an update for this stipulation. Trinity Health – New England, Inc. believes this approach will ensure the greatest accuracy as well as meet the intent of this stipulation.

Updated Capital Expenditure Summary 10/1/2015-9/30/2016

Entity	Service Line	Project Description	Budget	Actual Expenditures
Saint Francis Hospital and Medical Center	Facilities	Trinity Signage Branding	$ 627,000	$ -
Saint Francis Hospital and Medical Center	Facilities	Facilities Gen. - Renoc-Elect.Wholesalers Facility For Parking		$ 878,286
Saint Francis Hospital and Medical Center	Facilities	Gengras 5th Floor Renovations		$ 763,217
Saint Francis Hospital and Medical Center	Women and Infants	Women and Infants Build Out Addition to Women's Center	$ 1,000,000	553,569
Saint Francis Hospital and Medical Center	Facilities	Collins Parking Garage Repairs	$ 750,000	776,371
Saint Francis Hospital and Medical Center	Business Development	Various Construction Projects*	$ 1,000,000	-
Saint Francis Hospital and Medical Center	Cardiovascular	Cath Lab Renovation and Replacement FY16	$ 1,500,000	770,948
Saint Francis Hospital and Medical Center	Facilities	Renovation General - Office Renovations	$ 2,000,000	120,636
Saint Francis Hospital and Medical Center	Facilities	Renovation General - Burgdorf Renovation	$ 800,000	437,271
Saint Francis Hospital and Medical Center	Facilities: Engineering	Medical Office Building Renovations	$ 500,000	161,967
Saint Francis Hospital and Medical Center	Information Technology	Infrastructure Movement and Replacement of Data Center	$ 6,000,000	4,997,817
Saint Francis Hospital and Medical Center	Information Technology	EMC Project-Buid and Archive SFS Data To EMC		747,634
Saint Francis Hospital and Medical Center	Administration	Contingency FY16 Major Items	$ 1,220,229	-
Mount Sinai Hospital	Physical Medicine and Rehabilitation	Vision Center Renovation - Replace Back Center ***	$ 975,550	-
Mount Sinai Hospital	Physical Medicine and Rehabilitation	Replace 800K Absorber	$ 520,000	-
Saint Francis Medical Group	SFMG	Renovation for Rheumatology Bariatrics and Endocrine	$ 1,500,000	93,213
Saint Francis Hospital and Medical Center	CJRI	CJRI TWO O.R.s	$ 1,583,500	1,686,256
Saint Francis Hospital and Medical Center	Information Technology	Epic Ambulatory Implementation	$ 5,164,190	4,206,039
		Total of projects budgeted over $500,000 FY2016	**$ 25,140,469**	**$ 16,193,224**
Saint Francis Hospital and Medical Center	Strategic Investments	Acquisition of Johnson Memorial**	$ 20,015,000	$ 20,015,000
		Total of projects budgeted under $500,000 FY 2016	$ 12,778,531	$ 13,292,542
		Johnson Capital Expenditures		1,496,335
		Total Capital Budget for FY 2016 and Expenditures to Date	**$ 57,934,000**	**$ 50,997,102**
		Capital expenditures specific to Saint Francis	**$ 37,919,000**	**$ 29,485,767**

* Construction budget reduced to $250,000 to reallocate capital to other project
** $18 million funded through an intercompany loan from Trinity Health Corporate

Attachment 2
Preliminary Capital Investment Plan for Saint Francis *Care* , Inc.
Dollars in Thousands

	(a)	(b)	(C)	(d)			
	Five Year Total	Expenditures (10/1/2015-9/30/2016)	FY 2017 Budget (7/1/2016-6/30/2017)	FY 2018 Budget (7/1/2017-6/30/2018)	FY 2019 Budget (7/1/2018-6/30/2019)	FY 2020 Budget (7/1/2019-6/30/2020)	Estimated Five Year Capital Spend
Preliminary capital expenditures summary							
Investment in facilities, medical and non-medical equipment and technology	$ 184,000	21,428	$ 10,355	$ 25,000	$ 20,000	$ 20,000	$ 96,783
Capital leases associated with Epic and other	4,500	1,028	1,300				2,328
Facility & program improvements for various service lines (e.g., CJRI, Rehab)	5,000	3,104	3,000	1,000	1,000		8,104
Expansion/renovations of clinical facilities	10,000		1,500	15,000			16,500
Physician acquisitions/ambulatory network development	23,500		3,200	2,500	2,500	2,500	10,700
Information Technology		3,926					3,926
Unspecified; to be allocated based on organizional priorities each year	48,000	20,015		5,000	10,000	15,000	50,015
							-
Adjustments to preliminary capital expenditure summary:							-
Reallocation to Johnson Memorial - part of strategic growth of RHM		1,496	1,512	3,000	3,000	1,500	10,508
Reallocation to Saint Mary's-part of strategic growth of RHM			20,272	15,000	15,000	20,000	70,272
Saint Mary's Epic Implementation			20,475				20,475
Total estimated annual capital expenditures	$ 275,000	$ 50,997	$ 61,614	$ 66,500	$ 51,500	$ 59,000	$ 289,611

(a) Preliminary plan for capital commitment as noted on page 635 of CON.
(b) Capital expenditures 10/1/2015-9/30/2016 see detail at Attachment 2 (SFHMC and Johnson acquistion)
(C) Budget for FY 2017 reduced due to Trinity Corporate financial objectives. Approved Trinity Health-New England Capital budget for Saint Francis and Johnson was $20,867,000
Saint Mary's routine and strategic capital for FY 2017 is $20,272,000. In addition, the implementation of Epic is $20,475,000 million.
(d) Amounts continue to be preliminary based on evolving RHM strategy and expected investment necessary for Saint Francis facilities and equipment, etc. Strategic plan currently being developed.
$15 million in FY 2018 for expansion of clinical facilities is for an Ambulatory Surgery Center (pending any required approvals and finalization of strategic plan)

Note: $20,015 in FY 2016 was investment in Johnson Memorial Hospital which closed on 1/1/2016

CON Docket No. 15-31979-CON- Transfer of ownership of Saint Francis Care, Inc. to Trinity Health Corporation

Stipulation # 9

Attachment 3: Saint Francis Hospital and Medical Center Specific Projects Approved for FY 2017 (7/1/2016-6/30/2017) > $500,000

Project Type	Project Name (50 characters)	Long Description (250 characters)	2017 Budget
Clinical	Replace Beds	Critical Care SL, Department # 71800 - CICU	$ 881,136
IT	Infrastructure - Primary Backup Data Domain / Centera Growth	IT SL, Department # 15130 - IES	$ 600,000
Clinical	Stryker Power Equipment	CJRI SL, Department # 50020 - CJRI OR	$ 1,302,000
Clinical	OMNINAV Robotic Unit	CJRI SL, Department # 50020 - CJRI OR	$ 500,000
Clinical	Tele monitors for Bldg 1 and 2	Tele monitors for Bldg 1 and 2	$ 1,018,000
Furniture, Fixtures & Non-Clinical Equipment	Miscellaneous General - Trinity Signage - 2054	Facilities SL, Engineering Department # 35100	$ 600,000
Facilities	Facilities & Infrastructure	Fairbanks Energy LED: Energy Audit SFHMC, RHHCT, JMMC	$ 766,961
IT	New maintenance management system	New maintenance management system	$ 756,950
IT	IT system	Replacment of the treatment planning system; Pinncle and transition to Raytstation.	$ 500,000
Clinical	Philips Medical System		$ 885,970
Planning, Design & Construction	Renovation of oncology units	Renovate 8-1, 8-1a (donor funded)	$ 2,599,759
Planning, Design & Construction	Renovation of oncology units	Renovate 8-2	$ 675,000
		Sub-total projects >$500,000	**$ 11,085,776.00**

1000 Asylum Street
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November 30, 2016

Karen Roberts
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410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

Re: Docket Number: 15-31979 CON Transfer of Ownership of Saint Francis Care, Inc. to Trinity Health Corporation

Dear Ms. Roberts:

Please see the attached documents in satisfaction of Stipulations 10 and 11 of the above-referenced Agreed Settlement Order dated August 1, 2015.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio Capone
Regional Vice President of
Business Development and Strategic Planning
claudio.capone@trinityhealth-ne.org

Enclosures

CON Docket No. 15-31979-CON- Transfer of ownership of Saint Francis Care, Inc. to Trinity Health Corporation

Response to Items #10 and #11 of the Settlement and Order dated 8/1/2015 for the Six Month Period Ended September 30, 2016

10. For three (3) years following the Closing Date, the Applicants shall file the following information with OHCA on a semi-annual basis for both the Hospital and its immediate parent (SFC or its successor legal entity) for purposes of this Order, semi-annual periods are October 1 - March 31 and April l - September 30. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31 and November 30, beginning May 31, 2016:

a) The cost saving totals achieved in the following Operating Expense Categories for both the Hospital and its immediate parent (SFC or its successor legal entity, SFCRHM): Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The information shall also contain narratives describing:

1. the major cost savings achieved for each expense category; and

Since October 1, 2015, the leaders within the functional areas at Saint Francis Hospital and Medical Center have been working closely with Trinity Health to identify and implement changes to realize cost savings opportunities. As previously reported, a significant benefit with annual ongoing savings for Saint Francis was the defeasance of Saint Francis' long term debt of approximately $246 million with proceeds from an intercompany loan. In addition, the Series F Fixed Pay SWAP was novated to Trinity Health on October 1, 2015. The result of this SWAP was an improvement in Saint Francis' net assets of $44 million. Furthermore, the transfer of this SWAP removes the financial risks associated with the change in interest rates and the impact on Saint Francis net assets. For example, in FY 2015, Saint Francis recorded a $14.8 million non-operating loss related to this interest rate SWAP. Interest expense savings for the twelve months ended September 30, 2016 was $2.5 million with $2.0 million being realized in the six month period ended September 30, 2016 due to an interest rate rebate from system office received in June 2016 for approximately $1.0 million.

Another significant change was the inclusion of Saint Francis into the Trinity Health insurance program. This was an overall decrease in annual premiums of approximately $1.3 million exclusive of one time tail coverage costs incurred as part of the transaction. The benefit related to this change was $621,000 for the six month period ended 9/30/2016.

Lastly, leveraging the Trinity Health actuarial expertise whose approach is to more closely align mortality assumptions with plan participant demographics in the Trinity Health pension plans, Saint Francis' projected benefit obligation was further evaluated. As a result, Saint Francis

recognized an annual benefit in pension expense of $4.2 million for the twelve month period ended September 30, 2016. For the period from April 1, 2016 to September 30, 2016, the realized benefit was $2.9 million.

Since the last report provide to OHCA on May 31st, Saint Francis transitioned to the Trinity Health Group Purchasing Organization, HPG. This has resulted in supply chain savings of approximately $713,000 for the period April 1, 2016 to September 30, 2016. In addition, Saint Francis received HPG rebates of approximately $214,000 in September 2016. In addition to the pricing benefits realized under the HPG agreement, the Supply Chain leadership has been identifying contracts at Saint Francis that can be shifted to Trinity contracts which will also result in incremental savings in FY 2017.

As Saint Francis benefits from Trinity Health's pricing arrangements with vendors, we have also realized $1.2 million in cost savings for capital information technology relating to Epic hardware in the twelve months ended September 30, 2016. Operating expense savings relating to information technology was $53,000 for the six month period ended September 30, 2016.

There were no cost savings specific to Trinity Health – New England, Inc. (formerly known as Saint Francis *Care*, Inc.) as there are no operating expenses currently within this entity.

Except where otherwise noted, these cost savings will continue to be realized in future years. Furthermore, we continue to identify cost saving opportunities with vendors and will report those cost savings when realized in future reporting periods. See **Attachment A** for expense savings by category.

2. the effect of these cost savings on the clinical quality of care.

There has been no negative impact to clinical quality of care as a result of these cost savings.

b) A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for the Hospital and its immediate parent (SFC or its successor legal entity, SFCRHM). The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/150, 300/350 or successor reports.

See **Attachment B.**

11) For three (3) years following the Closing Date, SFCRHM shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for the Hospital and for SFCRHM. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016.

See **Attachment C** for Financial Indicators.

Attachment A

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
Cost Savings/Synergies 4/1/2016-9/30/2016

LINE	DESCRIPTION	Savings 4/1/2016-9/30/2016 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	
B.	Fringe Benefits (pension)	$2,921
C.	Contractual Labor Fees	
D.	Medical Supplies and Pharmaceutical Cost	$927
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$1,953
H.	Malpractice Insurance Cost	$621
I.	Utilities	
J.	Business Expenses (insurance and IT)	$141
K.	Other Operating Expense	
	Total savings 10/1-3/31	$6,563

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$76,694,000	$22,557,000	($54,137,000)	-71%
2	Short Term Investments	$9,418,000	$33,338,000	$23,920,000	254%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$65,284,000	$67,940,000	$2,656,000	4%
4	Current Assets Whose Use is Limited for Current Liabilities	$1,521,000	$0	($1,521,000)	-100%
5	Due From Affiliates	$4,864,000	$47,485,000	$42,621,000	876%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$9,701,000	$8,912,000	($789,000)	-8%
8	Prepaid Expenses	$8,457,000	$4,378,000	($4,079,000)	-48%
9	Other Current Assets	$2,211,000	$2,134,000	($77,000)	-3%
	Total Current Assets	**$178,150,000**	**$186,744,000**	**$8,594,000**	**5%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$48,893,000	$51,025,000	$2,132,000	4%
2	Board Designated for Capital Acquisition	$26,070,000	$27,789,000	$1,719,000	7%
3	Funds Held in Escrow	$817,000	$0	($817,000)	-100%
4	Other Noncurrent Assets Whose Use is Limited	($1,521,000)	$0	$1,521,000	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$74,259,000**	**$78,814,000**	**$4,555,000**	**6%**
5	Interest in Net Assets of Foundation	$9,394,000	$11,681,000	$2,287,000	24%
6	Long Term Investments	$25,350,000	$20,027,000	($5,323,000)	-21%
7	Other Noncurrent Assets	$7,117,000	$12,802,000	$5,685,000	80%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$873,910,000	$418,811,000	($455,099,000)	-52%
2	Less: Accumulated Depreciation	$427,558,000	$43,734,000	($383,824,000)	-90%
	Property, Plant and Equipment, Net	**$446,352,000**	**$375,077,000**	**($71,275,000)**	**-16%**
3	Construction in Progress	$8,411,000	$14,907,000	$6,496,000	77%
	Total Net Fixed Assets	**$454,763,000**	**$389,984,000**	**($64,779,000)**	**-14%**
	Total Assets	**$749,033,000**	**$700,052,000**	**($48,981,000)**	**-7%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$36,361,000	$24,750,000	($11,611,000)	-32%
2	Salaries, Wages and Payroll Taxes	$33,492,000	$35,638,000	$2,146,000	6%

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
3	Due To Third Party Payers	$12,528,000	$13,400,000	$872,000	7%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$7,298,000	$6,926,000	($372,000)	-5%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$6,680,000	$5,962,000	($718,000)	-11%
	Total Current Liabilities	**$96,359,000**	**$86,676,000**	**($9,683,000)**	**-10%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$244,154,000	$237,731,000	($6,423,000)	-3%
2	Notes Payable (Net of Current Portion)	$0	$0	$0	0%
	Total Long Term Debt	**$244,154,000**	**$237,731,000**	**($6,423,000)**	**-3%**
3	Accrued Pension Liability	$234,591,000	$226,613,000	($7,978,000)	-3%
4	Other Long Term Liabilities	$43,991,000	$15,130,000	($28,861,000)	-66%
	Total Long Term Liabilities	**$522,736,000**	**$479,474,000**	**($43,262,000)**	**-8%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$52,342,000	$49,025,000	($3,317,000)	-6%
2	Temporarily Restricted Net Assets	$24,417,000	$29,566,000	$5,149,000	21%
3	Permanently Restricted Net Assets	$53,179,000	$55,311,000	$2,132,000	4%
	Total Net Assets	**$129,938,000**	**$133,902,000**	**$3,964,000**	**3%**
	Total Liabilities and Net Assets	**$749,033,000**	**$700,052,000**	**($48,981,000)**	**-7%**

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -SEPT	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$2,104,370,392	$2,252,204,000	$147,833,608	7%
2	Less: Allowances	$1,420,599,391	$1,498,710,000	$78,110,609	5%
3	Less: Charity Care	$13,558,599	$8,463,000	($5,095,599)	-38%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$670,212,402**	**$745,031,000**	**$74,818,598**	**11%**
5	Provision for Bad Debts	$20,980,833	$14,575,000	($6,405,833)	-31%
	Net Patient Service Revenue less provision for bad debts	**$649,231,569**	**$730,456,000**	**$81,224,431**	**13%**
6	Other Operating Revenue	$31,281,747	$38,574,000	$7,292,253	23%
7	Net Assets Released from Restrictions	$4,156,122	$3,397,000	($759,122)	-18%
	Total Operating Revenue	**$684,669,438**	**$772,427,000**	**$87,757,562**	**13%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$257,621,228	$258,412,000	$790,772	0%
2	Fringe Benefits	$68,082,765	$63,421,000	($4,661,765)	-7%
3	Physicians Fees	$47,535,764	$52,062,000	$4,526,236	10%
4	Supplies and Drugs	$99,464,711	$115,390,000	$15,925,289	16%
5	Depreciation and Amortization	$37,713,710	$44,179,000	$6,465,290	17%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$11,151,596	$8,115,000	($3,036,596)	-27%
8	Malpractice Insurance Cost	$10,303,205	$8,753,000	($1,550,205)	-15%
9	Other Operating Expenses	$149,739,353	$211,691,000	$61,951,647	41%
	Total Operating Expenses	**$681,612,332**	**$762,023,000**	**$80,410,668**	**12%**
	Income/(Loss) From Operations	**$3,057,106**	**$10,404,000**	**$7,346,894**	**240%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	($2,527,631)	$6,882,000	$9,409,631	-372%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	($17,532,605)	($4,960,000)	$12,572,605	-72%
	Total Non-Operating Revenue	**($20,060,236)**	**$1,922,000**	**$21,982,236**	**-110%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($17,003,130)**	**$12,326,000**	**$29,329,130**	**-172%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**($17,003,130)**	**$12,326,000**	**$29,329,130**	**-172%**
	Principal Payments	$8,785,000	$0	($8,785,000)	-100%

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
LINE	DESCRIPTION	FY 2015 ACTUAL	FY 2016 SEPTEMBER	AMOUNT DIFFERENCE	% DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$102,071,000	$54,842,000	($47,229,000)	-46%
2	Short Term Investments	$33,496,000	$43,685,000	$10,189,000	30%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$77,445,000	$78,467,000	$1,022,000	1%
4	Current Assets Whose Use is Limited for Current Liabilities	$1,521,000	$0	($1,521,000)	-100%
5	Due From Affiliates	$3,400,000	$30,984,000	$27,584,000	811%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$9,701,000	$8,912,000	($789,000)	-8%
8	Prepaid Expenses	$7,851,000	$4,819,000	($3,032,000)	-39%
9	Other Current Assets	$6,745,000	$5,743,000	($1,002,000)	-15%
	Total Current Assets	**$242,230,000**	**$227,452,000**	**($14,778,000)**	**-6%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$48,894,000	$51,025,000	$2,131,000	4%
2	Board Designated for Capital Acquisition	$27,242,000	$27,789,000	$547,000	2%
3	Funds Held in Escrow	$43,133,000	$0	($43,133,000)	-100%
4	Other Noncurrent Assets Whose Use is Limited	($1,521,000)	$0	$1,521,000	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$117,748,000**	**$78,814,000**	**($38,934,000)**	**-33%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$25,097,000	$22,193,000	($2,904,000)	-12%
7	Other Noncurrent Assets	$15,864,000	$41,494,000	$25,630,000	162%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$912,915,000	$429,833,000	($483,082,000)	-53%
2	Less: Accumulated Depreciation	$454,078,000	$45,381,000	($408,697,000)	($1)
	Property, Plant and Equipment, Net	**$458,837,000**	**$384,452,000**	**($74,385,000)**	**-16%**
3	Construction in Progress	$8,411,000	$14,931,000	$6,520,000	78%
	Total Net Fixed Assets	**$467,248,000**	**$399,383,000**	**($67,865,000)**	**-15%**
	Total Assets	**$868,187,000**	**$769,336,000**	**($98,851,000)**	**-11%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
1	Accounts Payable and Accrued Expenses	$41,686,000	$30,149,000	($11,537,000)	-28%
2	Salaries, Wages and Payroll Taxes	$51,151,000	$57,548,000	$6,397,000	13%
3	Due To Third Party Payers	$13,630,000	$15,584,000	$1,954,000	14%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$7,298,000	$7,292,000	($6,000)	0%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$8,658,000	$6,583,000	($2,075,000)	-24%
	Total Current Liabilities	**$122,423,000**	**$117,156,000**	**($5,267,000)**	**-4%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$244,154,000	$255,276,000	$11,122,000	5%
2	Notes Payable (Net of Current Portion)	$0	$0	$0	0%
	Total Long Term Debt	**$244,154,000**	**$255,276,000**	**$11,122,000**	**5%**
3	Accrued Pension Liability	$276,965,000	$230,820,000	($46,145,000)	-17%
4	Other Long Term Liabilities	$43,991,000	$18,208,000	($25,783,000)	-59%
	Total Long Term Liabilities	**$565,110,000**	**$504,304,000**	**($60,806,000)**	**-11%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$101,295,000	$61,336,000	($39,959,000)	-39%
2	Temporarily Restricted Net Assets	$26,180,000	$31,229,000	$5,049,000	19%
3	Permanently Restricted Net Assets	$53,179,000	$55,311,000	$2,132,000	4%
	Total Net Assets	**$180,654,000**	**$147,876,000**	**($32,778,000)**	**-18%**
	Total Liabilities and Net Assets	**$868,187,000**	**$769,336,000**	**($98,851,000)**	**-11%**

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -SEPT	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$2,433,798,000	$2,622,172,000	$188,374,000	8%
2	Less: Allowances	$1,621,115,000	$1,728,774,000	$107,659,000	7%
3	Less: Charity Care	$14,331,000	$9,009,000	($5,322,000)	-37%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$798,352,000**	**$884,389,000**	**$86,037,000**	**11%**
5	Provision for Bad Debts	$25,600,000	$18,334,000	($7,266,000)	-28%
	Net Patient Service Revenue less provision for bad debts	**$772,752,000**	**$866,055,000**	**$93,303,000**	**12%**
6	Other Operating Revenue	$38,303,000	$49,826,000	$11,523,000	30%
7	Net Assets Released from Restrictions	$10,911,000	$7,952,000	($2,959,000)	-27%
	Total Operating Revenue	**$821,966,000**	**$923,833,000**	**$101,867,000**	**12%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$378,595,000	$402,540,000	$23,945,000	6%
2	Fringe Benefits	$86,980,000	$86,331,000	($649,000)	-1%
3	Physicians Fees	$24,836,000	$28,805,000	$3,969,000	16%
4	Supplies and Drugs	$119,805,000	$137,840,000	$18,035,000	15%
5	Depreciation and Amortization	$39,696,000	$45,487,000	$5,791,000	15%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$11,152,000	$8,116,000	($3,036,000)	-27%
8	Malpractice Insurance Cost	$6,887,000	$12,151,000	$5,264,000	76%
9	Other Operating Expenses	$148,043,000	$201,439,000	$53,396,000	36%
	Total Operating Expenses	**$815,994,000**	**$922,709,000**	**$106,715,000**	**13%**
	Income/(Loss) From Operations	**$5,972,000**	**$1,124,000**	**($4,848,000)**	**-81%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	($2,530,000)	$5,904,000	$8,434,000	-333%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	($17,533,000)	($4,960,000)	$12,573,000	-72%
	Total Non-Operating Revenue	**($20,063,000)**	**$944,000**	**$21,007,000**	**-105%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($14,091,000)**	**$2,068,000**	**$16,159,000**	**-115%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$58,589,000	$58,589,000	0%
	Total Other Adjustments	**$0**	**$58,589,000**	**$58,589,000**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**($14,091,000)**	**$60,657,000**	**$74,748,000**	**-530%**

TRINITY HEALTH - NEW ENGLAND, INC.
(FORMERLY SAINT FRANCIS *CARE* , INC.)
CONSOLIDATED STATEMENT OF CASH FLOW

		Twelve Months Ended September 30 2016
Operating activities and non-operating income		
Excess of revenues over expenses	**$**	**60,657,000**
Adjustments to reconcile excess of revenues over expenses to net cash provided in operating activities and non-operating activities:		
Depreciation and amortization		**45,487,000**
Bad debts		**18,334,000**
Increase in assets held in trust by others		**(2,131,000)**
Increase in accrued pension liability		**(46,145,000)**
Decrease in other long term liabilities		**(25,783,000)**
Purchase accounting		**(30,319,000)**
Transfer of swap to TH-NE		**(44,000,000)**
Other changes in net assets		**(19,116,000)**
Change in working capital, other than cash and cash equivalents		**(45,857,000)**
Net cash used in operating activities		**(88,873,000)**
Investing activities		
Purchase of property, plant and equipment, net		**(36,317,000)**
Purchase accounting, property, plant and equipment		**58,695,000**
Increase in investments		**(7,285,000)**
Increase in other noncurrent assets		**(25,630,000)**
Decrease in noncurrent assets whose use is limited		**41,065,000**
Net cash used in investing activities		**30,528,000**
Financing activities		
Issuance of long term debt		**18,000,000**
Principal payments on long-term debt		**(6,884,000)**
Net cash provided by financing activities		**11,116,000**
Net decrease in cash and cash equivalents		**(47,229,000)**
Cash and cash equivalents at beginning of period		**102,071,000**
Cash and cash equivalents at end of period	**$**	**54,842,000**

(FORMERLY SAINT FRANCIS *CARE* , INC.)
CONSOLIDATED STATEMENT OF CHANGES IN
COMPONENTS OF WORKING CAPITAL OTHER THAN
CASH AND CASH EQUIVALENTS

		Twelve Months Ended September 30 2016
Changes in current assets:		
Assets whose use is limited required for current liabilities	**$**	**1,521,000**
Accounts receivable--patients, net		**(19,356,000)**
Other current assets		**1,002,000**
Inventory of supplies		**789,000**
Prepaid expenses		**3,032,000**
Due from affiliated entities		**(27,584,000)**
		(40,596,000)
Changes in current liabilities:		
Accounts payable		**(11,537,000)**
Salary and wages, payroll taxes and amounts withheld from employees		**6,397,000**
Other current liabilities		**(2,075,000)**
Due to third party reimbursement agencies		**1,954,000**
		(5,261,000)
Changes in working capital other than cash and cash equivalents	**$**	**(45,857,000)**

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
CONSOLIDATED STATEMENT OF CASH FLOW

		Twelve Months Ended September 30 2016
Operating activities and non-operating income		
Excess of revenues over expenses	**$**	**12,326,000**
Adjustments to reconcile excess of revenues over expenses to net cash provided in operating activities and non-operating activities:		
Depreciation and amortization		**44,179,000**
Bad debts		**14,575,000**
Increase in interest in Saint Francis Hospital and Medical Center Foundation		**(2,287,000)**
Increase in assets held in trust by others		**(2,132,000)**
Increase in accrued pension liability		**(7,978,000)**
Decrease in other long term liabilities		**(28,861,000)**
Other changes in net assets		**(8,362,000)**
Change in working capital, other than cash and cash equivalents		**(62,697,000)**
Net cash used in operating activities		**(41,237,000)**
Investing activities		
Purchase of property, plant and equipment, net		**(34,704,000)**
Purchase accounting, property, plant and equipment		**55,304,000**
Increase in investments		**(18,597,000)**
Increase in other noncurrent assets		**(5,685,000)**
Increase in noncurrent assets whose use is limited		**(2,423,000)**
Net cash used in investing activities		**(6,105,000)**
Financing activities		
Principal payments on long-term debt		**(6,795,000)**
Net cash used in financing activities		**(6,795,000)**
Net decrease in cash and cash equivalents		**(54,137,000)**
Cash and cash equivalents at beginning of period		**76,694,000**
Cash and cash equivalents at end of period	**$**	**22,557,000**

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
CONSOLIDATED STATEMENT OF CHANGES IN COMPONENTS OF WORKING CAPITAL OTHER THAN CASH AND CASH EQUIVALENTS

	Twelve Months Ended September 30 2016
Changes in current assets:	
Assets whose use is limited required for current liabilities	**$ 1,521,000**
Accounts receivable--patients, net	**(17,231,000)**
Other current assets	**77,000**
Inventory of supplies	**789,000**
Prepaid expenses	**4,079,000**
Due from affiliated entities	**(42,621,000)**
	(53,386,000)
Changes in current liabilities:	
Accounts payable	**(11,611,000)**
Salary and wages, payroll taxes and amounts withheld from employees	**2,146,000**
Accrued expenses and interest payable	**(718,000)**
Due to third party reimbursement agencies	**872,000**
	(9,311,000)
Changes in working capital other than cash and cash equivalents	**$ (62,697,000)**

Attachment C

Saint Francis Hospital and Medical Center

		Sept 16 YTD		Sept 15 YTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin		1.3%		0.4%	operating income/operating revenues
Non-Operating Margin		NA		NA	
Total Margin		8.1%		7.6%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue		0.6%		1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio		2.2		1.8	current assets/current liabilites
Days Cash on Hand		42.6		63.6	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
Days in Net Accounts Receivables		33.9		36.7	net ar/net patient ser rev(after bd)/days in yr
Average Payment Period		44.1		54.6	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity		182.7%		193.5%	total debt/total equity(net assets)
Long-term Debt to Capitalization		64.0%		65.3%	LTD/LTD+net assets
Unrestricted Cash to Debt		34.2%		44.6%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio		2.3		1.3	EBIT/Interest expense
Debt Service Coverage Ratio		4.2 x		2.8 x	(Net income+int+depr)/(st debt+int exp)
Equity Financing Ratio		19.1%		17.3%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations	$	10,404	$	3,057	Net income(loss) from operations
Revenue Over/(Under) Expense	$	12,326	$	(17,003)	Net gain(loss)
EBITDA	$	62,698	$	51,923	based on net income(loss) from operations
Patient Cash Collected		NA		NA	
Cash and Cash Equivalents	$	55,895	$	86,112	from cons bs
Net Working Capital	$	100,068	$	81,791	current assets-current liabilities
Unrestricted Assets	$	49,025	$	52,342	from cons bs

Attachment C

Trinity Health - New England (Hartford)

		Sept 16 YTD		Sept 15 YTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin		0.1%		0.7%	operating income/operating revenues
Non-Operating Margin		NA		NA	
Total Margin		5.9%		6.9%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue		0.7%		1.1%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio		1.9		2.0	current assets/current liabilites
Days Cash on Hand		52.6		76.5	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
Days in Net Accounts Receivables		33.1		36.6	net ar/net patient ser rev/days in yr
Average Payment Period		48.7		57.6	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity		177.6%		139.2%	total debt/total equity(net assets)
Long-term Debt to Capitalization		63.3%		57.5%	LTD/LTD+net assets
Unrestricted Cash to Debt		0.5		0.6	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio		1.1		1.5	EBIT/Interest expense
Debt Service Coverage Ratio		3.6 x		3.1 x	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio		19.2%		20.8%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations	$	1,124	$	5,972	Net income(loss) from operations
Revenue Over/(Under) Expense	$	60,657 *	$	(14,091)	Net gain(loss)
EBITDA	$	54,727	$	56,820	based on net income(loss) from operations
Patient Cash Collected		NA		NA	
Cash and Cash Equivalents	$	98,527	$	135,567	from cons bs
Net Working Capital	$	110,296	$	119,807	current assets-current liabilities
Unrestricted Assets	$	61,336	$	101,295	from cons bs

* includes puchase accounting goodwill adjustment

Attachment C

Trinity Health - New England (Hartford)

	Sept 16 YTD	Sept 15 YTD	Explanation
D. Additional Statistics			YTD net patient revenue increased $93.3M, Operating expenses increased $106.7M due to costs of drugs and medical supplies, professional fees for EPIC support, merger due diligence, JMMC acquisition and purchase accounting including
Income(Loss) from Operations	1,124	5,972	depreciation and SFMG's increased loss of ($5.4M).
Revenue Over/(Under) Expense	60,657	(14,091)	Purchase accounting goodwill adjustment of $58.6 million. Swap activity of $15.5M for year end Sept 2015. SWAP transferred on 10/1 to Trinity Health.
EBITDA	54,727	56,820	YTD net patient revenue increased $93.3M, Operating expenses increased $106.7M due to costs of drugs and medical supplies, professional fees for EPIC support, merger due diligence, JMMC acquisition and purchase accounting including depreciation and SFMG's increased loss of ($5.4M).
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	98,527	135,567	Decrease in a/p ($11.5M); increase in due from affiliates $27.5M; funds expended for tail liablility $8.5M; JMMC purchase $2.3M; SWAP and debt termination expenses.
Net Working Capital	110,296	119,807	Decrease in cash and cash equivalents ($37M), decrease in a/p ($11.5M).
Unrestricted Assets	61,336	101,295	Change in PPE ($74M) due to purchase accounting adjustments; Increase pension liability due to change in mortality tables offset by transfer of SWAP liability to Trinity

Saint Francis Hospital

	Sept 16 YTD	Sept 15 YTD	
D. Additional Statistics			YTD net patient revenue increased $87M. Operating expenses increased $80M due to costs of drugs and medical supplies,
Income(Loss) from Operations	10,404	3,057	professional fees for EPIC support, nurse registry fees, merger due diligence, JMMC acquisiton and purchase accounting adjustments including depreciation.
Revenue Over/(Under) Expense	12,326	(17,003)	Swap activity of ($15.5M) for year end Sept 2015. SWAP transferred on 10/1 to Trinity Health.
EBITDA	62,698	51,923	YTD net patient revenue increased $87M. Operating expenses increased $80M due to costs of drugs and medical supplies, professional fees for EPIC support, nurse registry fees, merger due diligence, JMMC acquisiton and purchase accounting adjustments including depreciation.
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	55,895	86,112	Decrease in a/p ($11.6M), increase in due from affiliates $42.6M
Net Working Capital	100,068	81,791	Decrease in cash and cash equivelents ($30M), decrease in a/p ($11.6M), increase in due from affiliates $42.6M.
Unrestricted Assets	49,025	52,342	YTD income $10.4M; Change in PPE ($71M) due to purchase accounting adjustments; Increase pension liability due to change in mortality tables offset by transfer of SWAP liability to Trinity

Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis Care, Inc.

1000 Asylum Street
Hartford, CT 06105
860-714-6165

November 30, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Dear Mrs. Roberts:

Please see the attached documents in satisfaction of Stipulation 9 of the above-referenced Agreed Settlement Order dated November 24, 2015.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio Capone
Regional Vice President of
Business Development and Strategic Planning
claudio.capone@trinityhealth-ne.org

Enclosures

CON Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Response to Item #9 of the Settlement and Order dated 11/24/2015 for the Six Month Period Ended September 30, 2017

9. Within one hundred and fifty (150) days following the Closing Date and thereafter on an annual basis, the Applicants shall submit to OHCA its Capital Investment Plan specific to JMMC and JMH detailing the proposed allocation of the capital investment commitment over the three-year period post-closing. The submitted plans shall account for the full commitment as stated in this proposal and include the following in a format to be agreed upon:

> *a) A list of planned capital expenditures with detailed descriptions and associated estimated costs; and b) A timeframe for the roll out of the capital projects (including estimated beginning, ending and startup/operation dates); and c) Written reports updating OHCA on the implementation of the Capital Investment Plan in each Annual Report submitted under this Order. Such reports shall describe all activities and expenditures undertaken as part of the Capital Investment Plan, including but not limited to, a description of the capital project, the dates and amounts of withdrawals from the JMMC's operating account and/or any other sources of funding used to fulfill the capital commitment. The reports shall be signed by JMMC's Chief Financial Officer.*

Since the approval of the Certificate of Need, Johnson has been in the process of developing the capital budget for FY 2017 (July 1, 2016 through June 30, 2017).

For the period April 1, 2016 through September 30, 2016, Johnson incurred capital expenditures of $1.1 million (See **Attachment A**). As previously reported, Trinity Health – New England (formerly known as Saint Francis *Care,* Inc.*)* and Johnson accelerated the timing of the implementation of the Epic electronic medical record system. The total capital cost of this system implementation relating to Johnson was approximately $6.8 million, which was paid by Saint Francis Hospital and Medical Center and ultimately structured as a capital lease to Johnson. Annual capital lease payments from Johnson to Saint Francis Hospital and Medical Center total $960,000 annually for seven years, $480,000 for the six month period ended September 30, which has been included in the capital expenditure report attached.

The FY 2017-FY2020 preliminary capital budget for Johnson (see **Attachment B**) was developed as part of the Trinity Health-New England's capital and operating budget processes as well as the current strategic financial planning process for the fiscal years 2018-2020. While capital projects are inventoried and identified during the strategic planning process, the actual expenditure for FY 2017, 2018 and 2019 will likely be $1.5 million, $3.0 million and $3.0 million, respectively. Individual items on Johnson's capital request will be continuously evaluated as we are constantly assessing the strategic needs of the facilities.

Johnson Memorial Hospital/Johnson Memorial Medical Center
New Acquisition Jan - Sept 16
Stipulation # 9 Attachment A

Row Labels	Sum of ORIGINAL COST
1/1/2016	**$ 102,509**
AccuDose Door Lock	$ 50,603
MRI Portico work	$ 31,904
software	$ 13,053
(blank)	$ 6,949
2/1/2016	**$ 40,656**
HD LED CD monitor/stand/basket	$ 14,260
JSC humidity & temp control	$ 26,396
3/1/2016	**$ 43,475**
AccuDose Door Lock	$ 7,425
analog video monitor syste -icu	$ 4,987
Endo cleaning station	$ 7,312
JSC humidity & temp control	$ 4,695
pneumatic Tube system	$ 10,276
upgrad to hum/temp controls	$ 8,780
4/1/2016	**$ 55,385**
Anesthesia monitors- lease buyout	$ 12,000
Psych room renovations	$ 19,825
renov for steris washer/sink,counter	$ 11,900
Steris/Amsco Washer	$ 11,660
5/1/2016	**$ 111,352**
Centricity Perinatal Intrapartum System	$ 86,343
Cystoscope equipment	$ 25,009
6/1/2016	**$ 279,465**
EPIQ 7G Ultrasound System	$ 259,640
Psych room renovations	$ 19,825
7/1/2016	**$ 23,496**
Endo cleaning station	$ 17,061
LF-DP Tracheal Intubation Fib rscope	$ 6,435
8/1/2016	**$ 119,998**
Kawneed series alum doors	$ 7,750
PeopleSoft Licenses	$ 112,248
Grand Total	**$ 776,335**

Epic Capital Lease	$	720,000
Total Capital Expenditures including Lease 1/1-9/30	$	1,496,335
Total Capital Expenditures including Lease 4/1-9/30	$	1,069,696

Johnson Memorial Medical Center/Johnson Memorial Hospital

FY 2017 to FY 2020 Preliminary Capital Plan

Stipulation #9 Attachment B

N=New
R = Replace

Entity/Leader/Dept	Item Description	Priority		FY 2017	FY 2018	FY 2019	FY 2020
Plant Operations (8060)	Electrical upgrades - Phase One (FY18= $600k, FY19=$100k)	1		460,909	239,091		
Plant Operations (8060)	Kitchen Exhaust System	1		235,797			
Radiology (7240)	Digital Radiology room - remove old equip, install	1	R	210,000			
Nursing Admin (6010)	R Series ALC biphasic ZOLL Defibrillators (11 defibrillators)	1	R	208,611			
Plant Operations (8060)	Paving Visitor Parking Lot	2	R	126,165			
Plant Operations (8060)	Patient Room windows - recalk for blurry			50,000			
Pharmacy (7330)	Guardrails Service contract for Alaris IV pumps	1	R	72,000			
Plant Operations (8060)	Repairs to main Entrance Canopy	1		65,418			
Plant Operations (8060)	Uranium System	1		35,000			
Radiology (7240)	Raometeric - one for JSC & JMH	1	N	18,000			
Pharmacy (7330)	3-card reader controller Locks (2 Stfd, 1 Enf)	1	N	10,000			
Plant Operations (8060)	Remove & install new Fire Hydrant	1		8,100			
Pharmacy (7330)	IV room @ JMH	1	N		500,000		
Radiology (7240)	Digital Mammography upgrad 2D @ JSC and Digital @JMH	1	R		430,000		
Radiology (7240)	R&F Digital room - remove old equip, install	1	R		$369,750		
Pharmacy (7330)	AcuDose Equipment for OR suites @ JSC OR suites	1	N	-	274,001		
Radiology (7240)	GE OEC C-Arm	2	R		200,000		
Ultrasound (7280)	Ultrasound room & removal of old u/s equip	1	R		135,395		
Ultrasound (7280)	Philips EPIQ 7 Diamond Select System	1	R		118,000		
Plant Operations (8060)	Boiler,Energy Saving Controls/Hawk system	1	R		125,915		
Plant Operations (8060)	Paving Roadway, Loading Dock area, parking	2	R		$122,841		
Pharmacy (7330)	AcuDose Software Upgrade Connect	1	R		76,118		
Nursing Admin (6010)	Carefusion Alaris PCA modules, Unites, ETC02 modules	1	R		75,768		
Cardiolvascular (7250)	Cardiovascular Ultrasound Scanner	1	R		75,150		
Plant Operations (8060)	Bobcat for Snow removal & grounds work	2			$70,000		
Central Sterile Proc. (6760)	Getinge 733 sterilizer	1	N		69,636		
JSC (Surgery Ctr) (6600)	OR Surgical Lights in OR 1, 2 & 3	1	R		66,492		
Plant Operations (8060)	ABS - JMH OR/Pharmacy/Heat Exchanger	2			61,320		
Plant Operations (8060)	Lighting Protections: Main Bldg; BH; PH; & WWTP	2			$55,550		
Plant Operations (8060)	Truck	2			50,000		

Johnson Memorial Medical Center/Johnson Memorial Hospital

FY 2017 to FY 2020 Preliminary Capital Plan

Stipulation #9 Attachment B

N=New
R = Replace

Entity/Leader/Dept	Item Description	Priority		FY 2017	FY 2018	FY 2019	FY 2020
JSC (Surgery Ctr) (6600)	Stryker Video Equipment Incl display & camera heads	2	R		40,101		
Enfield Phys Med (7093)	Mediware MediLinks OP CUL License	1	N		39,960		
Perioperative Svcs (6610)	Urology Instrumentation	1	R		34,000		
Nursing Admin (6010)	Carefusion Alaris syringe modules and software	2	R		33,252		
Nursing Admin (6010)	3 EZZ way 1000 lb ceiling lifts w continuous charge	2	N		32,262		
Plant Operations (8060)	Paint Boiler House Smoke Stack	2			$31,180		
Psychiatry (6070)	Psychiatric Safe Medical Beds - 5 beds @ $5,900	2	N		29,500		
CT Scan (7230)	ACR CT phantoms for JSC & JMH	1	N		26,000		
Plant Operations (8060)	I-Net Sysetm Upgrade	1			13,285		
Pharmacy (7330)	Camera Security System for pharm (4 Stfd, 2 Enf)	1	N		12,000		
Plant Operations (8060)	Fleet Guard Key System - control system	2			11,818		
Radiology (7240)	Stryker Stretcher - trauma - JMH	1	R		$9,100		
Plant Operations (8060)	Backup Myers Pump for Bed 6 WWTP	2			9,084		
Ultrasound (7280)	Stryker OB Stretcher for JSC	1	N		6,000		
Plant Operations (8060)	Install 9 bollards in front of Generator	1			$7,786		
	Carefusion					2,000,000	
	Pixis						
Nuclear Medicine (7300)	Siemens Symbia T6 Spect/CT camera	1	R			599,600	
CT Scan (7230)	Siemens Somatome Perspective 64 slice scanner	1	R			525,000	
Radiology (7240)	RadSpeed Auto Dr Radiographic Room	2	R			273,350	
Laboratory (7020)	Hematology replacemsnt (2) Sysmex XN2000 analyzers	2	R			173,918	
Same Day Surgury (6605)	GE patient monitors & Central station monitor	2	R			145,834	
Plant Operations (8060)	Hot Water System	3				130,000	
Laboratory (7020)	(2) ACL TOP 300 Coagulation analyzers	1	R			90,000	
Perioperative Svcs (6610)	Mammotome	1	N			$65,526	
Radiology (7240)	Bone Density (remove old equip, install)	3	R			65,000	
Central Sterile Proc. (6760)	Getinge 8668 Washer Disinfecter 12 Tray unit	3	N			55,598	
Plant Operations (8060)	Fuel duplex pump set	3				47,919	
Plant Operations (8060)	Medical Vacuum System	3				$31,997	
Respiratory Therapy (7400)	Maquet SERVO - 1 Universal Core	1	N			30,681	

Johnson Memorial Medical Center/Johnson Memorial Hospital

FY 2017 to FY 2020 Preliminary Capital Plan

Stipulation #9 Attachment B

N=New
R = Replace

Entity/Leader/Dept	Item Description	Priority		FY 2017	FY 2018	FY 2019	FY 2020
Cardiac Rehab (7590)	complete phase 3 of business plan for relocation	1	N			23,100	
Radiology (7240)	C-Arm Table	3	R			20,000	
Plant Operations (8060)	New Well Install #9 - LaFamboise	3				17,155	
Anesthesia (7370)	Glide Scope	1	R			$14,422	
CT Scan (7230)	Renovation of Ct area - stretcher, curtain, paint/floor		R			10,000	
Radiology (7240)	renovation of main xray viewing room		N			10,000	
Emergency Rm (6850)	Stryker Stretcher - Trauma/2 Big Wheel	1	N			9,405	
Post Anesthesia Care (6660	Transport Monitor	1	N	-		8,530	
Laboratory (7020)	Ortho Workstation for ID-MTS Gel Cards	1	N			7,060	
Central Sterile Proc. (6760)	Getinge Prep & Pack table	3	N			6,883	
Enfield Phys Med (7093)	NuStep Recumbent Cross Trainer w/oversized seat	2	R			6,670	
Laboratory (7020)	Hematology micro scope	1	R			$6,400	
CT Scan (7230)	Countertop Blanket Warmer		N			6,000	
Radiology (7240)	GE 9" Laser Aimer for OEC 9899 +C-Arm Part		N			6,000	
Enfield Phys Med (7093)	AC5000M Treadmill w handrails/wght cap of 550 lbs	3	R			4,972	
CT Scan (7230)	64 slice Ct Scanner with install & remove old equip,	2	R				$569,170
Plant Operations (8060)	Contingency - Emergency Repairs	3					500,000
Anesthesia (7370)	Anesthisia Machines	3	R				400,000
Plant Operations (8060)	Nirenberg - Generators	3					350,000
Grand Totals JMMC				$ 1,500,000	$ 3,450,355	$ 4,391,020	$ 1,819,170

Note: Based on current infrastructure issues at Johnson, the creation of a sewer system is expected over the next three years. The estimated costs for Johnson relating to this project is approximately $4.0 million. This amount is not included in the schedule above.

1000 Asylum Street
Hartford, CT 06105
860-714-6165

November 30, 2016

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
410 Capitol Avenue
MS# 13HCA
P.O. Box 340308
Hartford, CT 06134-0308

RE: Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Dear Mrs. Roberts:

Please see the attached documents in satisfaction of Stipulations 10 and 11 of the above-referenced Agreed Settlement Order dated November 24, 2015.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio Capone
Regional Vice President of
Business Development and Strategic Planning
claudio.capone@trinityhealth-ne.org

Enclosures

CON Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Response to Items #10 and #11 of the Settlement and Order dated 11/24/2015 for the Six Month Period Ended September 30, 2016

10. For three (3) years following the Closing Date, the Applicants shall file the following information with OHCA on a semi-annual basis for both JMH and its immediate parent, JMMC. For purposes of this Order, semi-annual periods are October 1- March 31 and April 1 - September 30. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016:

a) The cost saving totals achieved in the following Operating Expense Categories for both JMH and its immediate parent, JMMC: Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The semi-annual submission shall also contain narratives describing:

1. the major cost savings achieved for each expense category; and

Since January 1, 2016, the leaders within the functional areas at Saint Francis Hospital and Medical Center have been working closely with Johnson to identify and implement changes to realize cost savings opportunities. As previously reported, one immediate benefit was the successful restructuring of Johnson's debt as of December 31, 2015 with an intercompany loan from Trinity Health – New England, Inc. In addition, Saint Francis Hospital and Medical Center forgave a loan due from Johnson in the amount of $2,350,000 upon the closing of the transaction. The restructured debt has resulted in a decrease of interest expense in the amount of $49,000 for the six month period ended September 30, 2016.

Another significant savings realized to date was the inclusion of Johnson into the Trinity Health insurance program. This produced an overall decrease in annual premiums for malpractice, workers compensation and other business policies of approximately $1.0 million with savings realized for the six month period ended September 30, 2016 of $496,000, exclusive of one time tail coverage costs incurred as part of the transaction.

There have been significant efforts to centralize support functions across Trinity Health-New England including Finance, Revenue Cycle, and Information Systems. This has resulted in reduction of costs at Johnson of $315,000 for the six months ended September 30, 2016.

In addition, Johnson has benefited from the utilization of regional Legal Services and Compliance and Audit departments. The decrease in legal and auditing costs associated with this transition were $258,000 for the six month period ended September 30, 2016.

In addition to the cost savings, Johnson has been able to leverage the expertise and resources at Saint Francis Hospital and Medical Center, Trinity Health-New England and Trinity Health in each of the areas identified above.

The above savings are offset by a regional allocation of $319,000 for the six month period included in other operating expenses in **Attachment A.**

Interest and insurance savings related to JMMC are included in the amounts described above. There are no additional cost savings within JMMC.

In addition to the synergies realized to date, Johnson is in the process of transitioning to the Trinity Total Rewards program for employee compensation and benefits. Johnson provided its employees with a 2% pay increase on September 1st. This was the first across the board, cost of living increase that Johnson has been able to give its employees since 2008. In addition, effective 1/1/2017, Johnson employees will be participating in Trinity Health's defined contribution plan which provides for a core employer contribution for all employees and matching contributions funded bi-weekly for those employees who make deferrals into the plan.

We continue to identify cost saving opportunities as we align our vendor contracts with Trinity Health system contracts. These cost savings will be reported when realized in future reporting periods. See **Attachment A** for expense savings by category.

2. the effect of these cost savings on the clinical quality of care.

There has been no negative impact to clinical quality of care as a result of these cost savings.

Since joining Trinity Health – New England, Johnson has received the Gold Seal 3-year Joint Commission Accreditation, and has experienced improvements in both patient experience and clinical quality. Areas of clinical quality improvement have been in decreased Sepsis rates, decreased readmission rates and notices of serious safety events were marginal.

Also, Johnson's average daily census during the months of September and October have been two of the higher months since prior to filing for bankruptcy.

b) A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for JMH and its immediate parent, JMMC. The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/150, 300/350 or successor reports.

See **Attachment B.**

11) For three (3) years following the Closing Date, SFCRHM shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for the Hospital and for SFCRHM. The

required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016.

See **Attachment C** for Financial Indicators.

Attachment A

Johnson Memorial Hospital
Cost Savings/Synergies 4/1/2016-9/30/2016

LINE	DESCRIPTION	Savings 4/1/2016-9/30/2016 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	$315
B.	Fringe Benefits (workers comp)	$101
C.	Contractual Labor Fees	$0
D.	Medical Supplies and Pharmaceutical Cost	$30
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$49
H.	Malpractice Insurance Cost	
I.	Utilities	
J.	Business Expenses (insurance)	$395
K.	Other Operating Expense	($61)
	Total savings 1/1-3/31	$829

JOHNSON MEMORIAL HOSPITAL					
TWELVE MONTHS ACTUAL FILING					
FISCAL YEAR 2016					
REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION					
(1)	(2)	(3)	(3)	(5)	(6)
LINE	DESCRIPTION	FY 2015 ACTUAL	FY 2016 SEPTEMBER	AMOUNT DIFFERENCE	% DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$1,675,853	$0	($1,675,853)	-100%
2	Short Term Investments	$0	$0	$0	0%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$9,554,938	$0	($9,554,938)	-100%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,506,354	$0	($1,506,354)	-100%
8	Prepaid Expenses	$1,497,131	$0	($1,497,131)	-100%
9	Other Current Assets	$329,908	$0	($329,908)	-100%
	Total Current Assets	**$14,564,184**	**$0**	**($14,564,184)**	**-100%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$3,425,921	$0	($3,425,921)	-100%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$224,917	$0	($224,917)	-100%
4	Other Noncurrent Assets Whose Use is Limited	$843,587	$0	($843,587)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$4,494,425**	**$0**	**($4,494,425)**	**-100%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,467,074	$0	($3,467,074)	-100%
7	Other Noncurrent Assets	$8,986,456	$0	($8,986,456)	-100%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$66,495,422	$0	($66,495,422)	-100%
2	Less: Accumulated Depreciation	$45,821,926	$0	($45,821,926)	-100%
	Property, Plant and Equipment, Net	**$20,673,496**	**$0**	**($20,673,496)**	**-100%**
3	Construction in Progress	$0	$0	$0	0%
	Total Net Fixed Assets	**$20,673,496**	**$0**	**($20,673,496)**	**-100%**
	Total Assets	**$52,185,635**	**$0**	**($52,185,635)**	**-100%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$8,861,782	$0	($8,861,782)	-100%
2	Salaries, Wages and Payroll Taxes	$1,895,078	$0	($1,895,078)	-100%

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
3	Due To Third Party Payers	$2,212,362	$0	($2,212,362)	-100%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$11,987,500	$0	($11,987,500)	-100%
6	Current Portion of Notes Payable	$838,274	$0	($838,274)	-100%
7	Other Current Liabilities	$10,142,734	$0	($10,142,734)	-100%
	Total Current Liabilities	**$35,937,730**	**$0**	**($35,937,730)**	**-100%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$4,572,057	$0	($4,572,057)	-100%
	Total Long Term Debt	**$4,572,057**	**$0**	**($4,572,057)**	**-100%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$7,433,424	$0	($7,433,424)	-100%
	Total Long Term Liabilities	**$12,005,481**	**$0**	**($12,005,481)**	**-100%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($498,600)	$0	$498,600	-100%
2	Temporarily Restricted Net Assets	$471,516	$0	($471,516)	-100%
3	Permanently Restricted Net Assets	$4,269,508	$0	($4,269,508)	-100%
	Total Net Assets	**$4,242,424**	**$0**	**($4,242,424)**	**-100%**
	Total Liabilities and Net Assets	**$52,185,635**	**$0**	**($52,185,635)**	**-100%**

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - SEPT	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$171,319,321	$0	($171,319,321)	-100%
2	Less: Allowances	$102,596,531	$0	($102,596,531)	-100%
3	Less: Charity Care	$221,056	$0	($221,056)	-100%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$68,501,734**	**$0**	**($68,501,734)**	**-100%**
5	Provision for Bad Debts	$3,114,000	$0	($3,114,000)	-100%
	Net Patient Service Revenue less provision for bad debts	**$65,387,734**	**$0**	**($65,387,734)**	**-100%**
6	Other Operating Revenue	$590,810	$0	($590,810)	-100%
7	Net Assets Released from Restrictions	$23,905	$0	($23,905)	-100%
	Total Operating Revenue	**$66,002,449**	**$0**	**($66,002,449)**	**-100%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$24,833,219	$0	($24,833,219)	-100%
2	Fringe Benefits	$6,111,895	$0	($6,111,895)	-100%
3	Physicians Fees	$4,050,496	$0	($4,050,496)	-100%
4	Supplies and Drugs	$10,665,670	$0	($10,665,670)	-100%
5	Depreciation and Amortization	$1,804,654	$0	($1,804,654)	-100%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$975,626	$0	($975,626)	-100%
8	Malpractice Insurance Cost	$1,058,521	$0	($1,058,521)	-100%
9	Other Operating Expenses	$20,739,982	$0	($20,739,982)	-100%
	Total Operating Expenses	**$70,240,063**	**$0**	**($70,240,063)**	**-100%**
	Income/(Loss) From Operations	**($4,237,614)**	**$0**	**$4,237,614**	**-100%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$228,556	$0	($228,556)	-100%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$0	$0	$0	0%
	Total Non-Operating Revenue	**$228,556**	**$0**	**($228,556)**	**-100%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($4,009,058)**	**$0**	**$4,009,058**	**-100%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**($4,009,058)**	**$0**	**$4,009,058**	**-100%**
	Principal Payments	$184,222	$0	($184,222)	-100%

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$1,805,602	$0	($1,805,602)	-100%
2	Short Term Investments	$0	$0	$0	0%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$12,246,951	$0	($12,246,951)	-100%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,523,756	$0	($1,523,756)	-100%
8	Prepaid Expenses	$1,880,119	$0	($1,880,119)	-100%
9	Other Current Assets	$537,387	$0	($537,387)	-100%
	Total Current Assets	**$17,993,815**	**$0**	**($17,993,815)**	**-100%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$4,452,119	$0	($4,452,119)	-100%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$224,917	$0	($224,917)	-100%
4	Other Noncurrent Assets Whose Use is Limited	$0	$0	$0	0%
	Total Noncurrent Assets Whose Use is Limited:	**$4,677,036**	**$0**	**($4,677,036)**	**-100%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,467,074	$0	($3,467,074)	-100%
7	Other Noncurrent Assets	$1,486,054	$0	($1,486,054)	-100%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$97,485,005	$0	($97,485,005)	-100%
2	Less: Accumulated Depreciation	$70,147,136	$0	($70,147,136)	($1)
	Property, Plant and Equipment, Net	**$27,337,869**	**$0**	**($27,337,869)**	**-100%**
3	Construction in Progress	$0	$0	$0	0%
	Total Net Fixed Assets	**$27,337,869**	**$0**	**($27,337,869)**	**-100%**
	Total Assets	**$54,961,848**	**$0**	**($54,961,848)**	**-100%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				

JOHNSON MEMORIAL MEDICAL CENTER, INC.					
TWELVE MONTHS ACTUAL FILING					
FISCAL YEAR 2016					
REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION					
(1)	(2)	(3)	(3)	(5)	(6)
LINE	DESCRIPTION	FY 2015 ACTUAL	FY 2016 SEPTEMBER	AMOUNT DIFFERENCE	% DIFFERENCE
1	Accounts Payable and Accrued Expenses	$12,652,911	$0	($12,652,911)	-100%
2	Salaries, Wages and Payroll Taxes	$2,677,952	$0	($2,677,952)	-100%
3	Due To Third Party Payers	$2,446,731	$0	($2,446,731)	-100%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$29,141,197	$0	($29,141,197)	-100%
6	Current Portion of Notes Payable	$838,274	$0	($838,274)	-100%
7	Other Current Liabilities	$11,243,011	$0	($11,243,011)	-100%
	Total Current Liabilities	**$59,000,076**	**$0**	**($59,000,076)**	**-100%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$4,572,057	$0	($4,572,057)	-100%
	Total Long Term Debt	**$4,572,057**	**$0**	**($4,572,057)**	**-100%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$4,932,692	$0	($4,932,692)	-100%
	Total Long Term Liabilities	**$9,504,749**	**$0**	**($9,504,749)**	**-100%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($18,535,995)	$0	$18,535,995	-100%
2	Temporarily Restricted Net Assets	$553,275	$0	($553,275)	-100%
3	Permanently Restricted Net Assets	$4,439,743	$0	($4,439,743)	-100%
	Total Net Assets	**($13,542,977)**	**$0**	**$13,542,977**	**-100%**
	Total Liabilities and Net Assets	**$54,961,848**	**$0**	**($54,961,848)**	**-100%**

JOHNSON MEMORIAL MEDICAL CENTER, INC.					
TWELVE MONTHS ACTUAL FILING					
FISCAL YEAR 2016					
REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION					
(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - SEPT	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$206,688,056	$0	($206,688,056)	-100%
2	Less: Allowances	$113,763,631	$0	($113,763,631)	-100%
3	Less: Charity Care	$221,056	$0	($221,056)	-100%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$92,703,369**	**$0**	**($92,703,369)**	**-100%**
5	Provision for Bad Debts	$3,470,135	$0	($3,470,135)	-100%
	Net Patient Service Revenue less provision for bad debts	**$89,233,234**	**$0**	**($89,233,234)**	**-100%**
6	Other Operating Revenue	$1,190,422	$0	($1,190,422)	-100%
7	Net Assets Released from Restrictions	$36,593	$0	($36,593)	-100%
	Total Operating Revenue	**$90,460,249**	**$0**	**($90,460,249)**	**-100%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$40,500,652	$0	($40,500,652)	-100%
2	Fringe Benefits	$10,064,877	$0	($10,064,877)	-100%
3	Physicians Fees	$4,050,496	$0	($4,050,496)	-100%
4	Supplies and Drugs	$12,485,965	$0	($12,485,965)	-100%
5	Depreciation and Amortization	$2,419,144	$0	($2,419,144)	-100%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$1,503,067	$0	($1,503,067)	-100%
8	Malpractice Insurance Cost	$1,056,331	$0	($1,056,331)	-100%
9	Other Operating Expenses	$25,211,129	$0	($25,211,129)	-100%
	Total Operating Expenses	**$97,291,661**	**$0**	**($97,291,661)**	**-100%**
	Income/(Loss) From Operations	**($6,831,412)**	**$0**	**$6,831,412**	**-100%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$159,517	$0	($159,517)	-100%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$69,138	$0	($69,138)	-100%
	Total Non-Operating Revenue	**$228,655**	**$0**	**($228,655)**	**-100%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($6,602,757)**	**$0**	**$6,602,757**	**-100%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**($6,602,757)**	**$0**	**$6,602,757**	**-100%**

JOHNSON MEMORIAL MEDICAL CENTER, INC.
CONSOLIDATED STATEMENT OF CASH FLOW

		Nine months ended September 30, 2016
Operating activities and non-operating income		
Deficiency of revenues over expenses	**$**	**(3,989,078)**
Adjustments to reconcile deficiency of revenues over expenses to net cash provided in operating activities and non-operating activities:		
Depreciation and amortization		**2,481,154**
Bad debts		**3,183,064**
Increase in pension and other accrued expenses		**801,386**
Other changes in net assets		**96,063**
Change in working capital, other than cash and cash equivalents		**2,513,860**
Net cash provided by operating activities		**5,086,449**
Investing activities		
Purchase of property, plant and equipment, net		**(1,679,032)**
Decrease in long term investments		**269,872**
Increase in other assets		**(798,396)**
Net cash used in investing activities		**(2,207,556)**
Financing activities		
Principal payments on long-term debt		**(819,824)**
Net cash used in financing activities		**(819,824)**
Net increase in cash and cash equivalents		**2,059,069**
Cash and cash equivalents at beginning of period		**-**
Cash and cash equivalents at end of period	**$**	**2,059,069**

JOHNSON MEMORIAL MEDICAL CENTER, INC.
CONSOLIDATED STATEMENT OF CHANGES IN COMPONENTS OF WORKING CAPITAL OTHER THAN CASH AND CASH EQUIVALENTS

		Nine months ended September 30, 2016
Changes in current assets:		
Assets whose use is limited required for current liabilities	**$**	**208,225**
Accounts receivable--patients, net		**(13,228,768)**
Other current assets		**(3,413,454)**
Inventory of supplies		**63,398**
Prepaid expenses		**719,973**
		(15,650,626)
Changes in current liabilities:		
Accounts payable		**(4,509,604)**
Salary and wages, payroll taxes and amounts withheld from employees		**1,886,309**
Due to affiliates		**22,551,291**
Other current liabilities		**(573,651)**
Due to third party reimbursement agencies		**(1,189,859)**
		18,164,486
Changes in working capital other than cash and cash equivalents	**$**	**2,513,860**

Attachment B

JOHNSON MEMORIAL HOSPITAL
CONSOLIDATED STATEMENT OF CASH FLOW

		September 30 2016
Operating activities and non-operating income		
Deficiency of revenues over expenses	**$**	**(3,473,942)**
Adjustments to reconcile deficiency of revenues over expenses to net cash provided in operating activities and non-operating activities:		
Depreciation and amortization		**2,839,922**
Bad debts		**2,385,036**
Decrease in pension and other accrued expenses		**(1,889,312)**
Other changes in net assets		**(160,459)**
Change in working capital, other than cash and cash equivalents		**5,287,169**
Net cash provided by operating activities		**4,988,414**
Investing activities		
Purchase of property, plant and equipment, net		**(2,002,371)**
Decrease in long term investments		**269,872**
Decrease in other assets		**(805,530)**
Net cash used in investing activities		**(2,538,029)**
Financing activities		
Principal payments on long-term debt		**(754,213)**
Net cash used in financing activities		**(754,213)**
Net increase in cash and cash equivalents		**1,696,172**
Cash and cash equivalents at beginning of period		**-**
Cash and cash equivalents at end of period	**$**	**1,696,172**

JOHNSON MEMORIAL MEDICAL CENTER, INC.
CONSOLIDATED STATEMENT OF CHANGES IN COMPONENTS OF WORKING CAPITAL OTHER THAN CASH AND CASH EQUIVALENTS

		September 30 2016
Assets whose use is limited required for current liabilities	**$**	**208,225**
Accounts receivable--patients, net		**(11,271,174)**
Other current assets		**(3,309,083)**
Inventory of supplies		**63,398**
Prepaid expenses		**694,257**
		(13,614,377)
Changes in current liabilities:		
Accounts payable		**(4,954,229)**
Salary and wages, payroll taxes and amounts withheld from employees		**1,658,036**
Due to affiliates		**23,268,975**
Other current liabilities		**98,693**
Due to third party reimbursement agencies		**(1,169,929)**
		18,901,546
Changes in working capital other than cash and cash equivalents	**$**	**5,287,169**

Attachment C

Johnson Memorial Hospital

Monthly Financial Measurement/Indicators		Sept 16 YTD*		Sept 15 YTD	Comments
A. Operating Performance:					
Operating Margin		(6.8%)		(6.4%)	operating income/operating revenues
Non-Operating Margin		NA		NA	
Total Margin		(0.4%)		(2.2%)	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue		2.3%		1.8%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio		0.8		0.4	current assets/current liabilites
Days Cash on Hand		9.6		8.9	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD
Days in Net Accounts Receivables		100.8		53.3	net ar/net patient ser rev/days in yr
Average Payment Period		183.7		191.7	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity		(399.0%)		410.1%	total debt/total equity(net assets)
Long-term Debt to Capitalization		135.5%		51.9%	LTD/LTD+net assets
Unrestricted Cash to Debt		7.6%		9.6%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio		(4.0)		(3.3)	EBIT/Interest expense
Debt Service Coverage Ratio		(0.12)		(0.11)	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio		(11.3%)		8.1%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations**	$	(3,227)	$	(4,238)	Net income(loss) from operations
Revenue Over/(Under) Expense	$	(3,474)	$	(4,009)	Net gain(loss)
EBIDA	$	(195)	$	(1,458)	based on net income(loss) from operations
Patient Cash Collected		NA		NA	
Cash and Cash Equivalents	$	1,696	$	1,676	from bs
Net Working Capital	$	(7,781)	$	(21,374)	current assets-current liabilities
Unrestricted Assets	$	(6,169)	$	(499)	from bs

*1/1/-9/30/16

Attachment C

Johnson Memorial Medical Center, Inc.

Monthly Financial Measurement/Indicators		Sept 16 YTD*		Sept 15 YTD	Comments
A. Operating Performance:					
Operating Margin		(7.4%)		(7.6%)	operating income/operating revenues
Non-Operating Margin		NA		NA	
Total Margin		(1.2%)		(3.2%)	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue		2.5%		1.7%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio		0.8		0.30	current assets/current liabilites
Days Cash on Hand		10.8		6.9	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
Days in Net Accounts Receivables		106.2		50.1	net ar/net patient ser rev/days in yr
Average Payment Period		175.0		227.0	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity		3117.9%		(255.1%)	total debt/total equity(net assets)
Long-term Debt to Capitalization		96.8%		(51.0%)	LTD/LTD+net assets
Unrestricted Cash to Debt		9.2%		5.2%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio		(4.8)		(3.5)	EBIT/Interest expense
Debt Service Coverage Ratio		(0.4)		(0.1)	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio		1.3%		-24.6%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations	$	(3,744)	$	(6,831)	Net income(loss) from operations
Revenue Over/(Under) Expense	$	(3,989)	$	(6,603)	Net gain(loss)
EBIDA	$	(617)	$	(2,909)	based on net income(loss) from operations
Patient Cash Collected		NA		NA	
Cash and Cash Equivalents	$	2,059	$	1,806	from bs
Net Working Capital	$	(5,887)	$	(41,006)	current assets-current liabilities
Unrestricted Assets	$	84	$	(18,536)	from bs

*1/1-9/30/16

Greer, Leslie

From: Roberts, Karen
Sent: Friday, January 27, 2017 4:03 PM
To: Greer, Leslie; Olejarz, Barbara
Cc: Cotto, Carmen
Subject: FW: Trinity Health Care CON compliance

Put this in the 32002 as well - Karen

From: Capone, Claudio [mailto:Claudio.Capone@TrinityHealth-NE.org]
Sent: Friday, January 27, 2017 3:49 PM
To: Roberts, Karen
Cc: Cotto, Carmen; Schneider, Jennifer; Janeanne C. Lubin-Szafranski
Subject: RE: Trinity Health Care CON compliance

Thanks Karen. We also look forward to working with you on the coordination of our CON filings.

Claudio A. Capone, FACHE
Regional VP of Strategic Planning and Business Development
Trinity Health - New England

claudio.capone@trinityhealth-ne.org
W 860-714-6165
C 860-276-7975

1000 Asylum Avenue, 4th Floor
Hartford, CT 06105

trinityhealth-ne.org | facebook | twitter | instagram

From: Roberts, Karen [mailto:Karen.Roberts@ct.gov]
Sent: Friday, January 27, 2017 3:46 PM
To: Capone, Claudio <Claudio.Capone@TrinityHealth-NE.org>
Cc: Cotto, Carmen <Carmen.Cotto@ct.gov>
Subject: RE: Trinity Health Care CON compliance

Hi Claudio – regarding the setting of compliance due dates for the Trinity - JMH CON, please be advised that we will consider the coordination of these filings in relation to the due dates for the other filings required within this CON and other Trinity CON approvals. Until such time as we can review this matter further and communicate with you, please do not file the material. We will not consider the Applicant(s) to be in non-compliance. Thank you for your patience in this matter and we will be in contact regarding this. Karen

Karen Roberts
Principal Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health

410 Capitol Avenue, MS #13HCA, P.O. Box 340308, Hartford, CT 06134-0308
P: (860) 418-7041 / F: (860) 418-7053 / E: karen.roberts@ct.gov

CONDITIONS BEING CONSIDERED FOR COORDINATION OF FILING DATES:

5. Applicants shall submit to OHCA certain information as required by these Conditions on an annual basis (the "Annual Report") up to and including the third (3rd) anniversary of the Closing Date. The Annual Report shall be furnished to OHCA within thirty (30) days of each anniversary of the Closing Date.

a. All reports and other information required shall be posted on JMMC's website page.
b. All reports shall remain posted until the third (3rd) anniversary of the Closing Date, except to the extent they are superseded or otherwise rendered inaccurate by subsequent reports and/or information required to be posted pursuant to these Conditions.

9. Within one hundred and fifty (150) days following the Closing Date and thereafter on an annual basis, the Applicants shall submit to OHCA its Capital Investment Plan specific to JMMC and JMH detailing the proposed allocation of the capital investment commitment over the three-year period post-closing. The submitted plans shall account for the full commitment as stated in this proposal and include the following in a format to be agreed upon:

a. A list of planned capital expenditures with detailed descriptions and associated estimated costs; and
b. A timeframe for the roll out of the capital projects (including estimated beginning, ending and startup/operation dates); and
c. Written reports updating OHCA on the implementation of the Capital Investment Plan in each Annual Report submitted under this Order. Such reports shall describe all activities and expenditures undertaken as part of the Capital Investment Plan, including but not limited to, a description of the capital project, the dates and amounts of withdrawals from the JMMC's operating account and/or any other sources of funding used to fulfill the capital commitment. The reports shall be signed by JMMC's Chief Financial Officer.

14. JMMC and JMH shall ensure that culturally and linguistically appropriate services are available and integrated throughout its hospital operations, including appropriate interpreter and insurance navigator services for patients, English as a second language training for employees, and cultural competency training for employees. In complying with this Condition, JMMC and JMH shall be guided by the culturally and linguistically appropriate standards published by the U.S. Department of Health and Human Services' Office of Minority Health. For three (3) years following the Closing Date, SFCRHM shall submit a written report on its activities directed at meeting this Condition as part of the Annual Report. The written report shall be posted on JMMC website Page simultaneously with the submission of the Annual Report.

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Olejarz, Barbara

From: Cotto, Carmen
Sent: Monday, February 06, 2017 10:22 AM
To: Olejarz, Barbara
Cc: Roberts, Karen
Subject: FW: Compliance Follow up issues for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045)

Hi Barbara,

Please add the email below in the paper/pdf file for the following docket number's record: TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045).

Thanks,
Carmen

Carmen Cotto, MBA
Associate Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, CT 06134
P: (860) 418-7039 |F: (860) 418-7053 |E: carmen.cotto@ct.gov

www.ct.gov/dph

From: Cotto, Carmen
Sent: Thursday, February 02, 2017 4:23 PM
To: Capone, Claudio (Claudio.Capone@TrinityHealth-NE.org)
Cc: Roberts, Karen
Subject: Compliance Follow up issues for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045)

Hi Claudio,

Below you will see some compliance follow up questions or issues for the Applicants to address.

Please note that this email is a follow up to your compliance submissions, for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045), on December 1, 2016 and that the separate issue related to the coordination of future filings due dates for the three Dockets will be discussed at a future time.

Please submit your responses via electronic mail by using the OHCA general email inbox which is OHCA@ct.gov. In addition, please continue to reference the CON docket number in the subject line of the email when transmitting.

You can contact me at (860) 418-7039 or Karen Roberts, Principal Health Analyst at (860) 418-7041, if you have any questions regarding this request.

Thanks,
Carmen

For Trinity Health-New England (TH-NE) (Docket#15-31979)

1. Condition#8 - Applicants provided the Hospital's Community Health Needs Assessment (CHNA) Implementation Strategy Plan. In reference to this plan, provide a narrative describing how the plan will address the community health needs listed on its CHNA.

2. Condition#14 - Applicants provided a written report that describes the culturally and linguistically appropriate services that are currently in place at the Hospital. In reference to this report, indicate how the Hospital utilized the standards published by the U.S. Department of Health and Human Services' Office of Minority Health as guidance for the development of the report.

For Johnson Memorial (Docket#15-32002)

3. Condition#8 - Provide Johnson Memorial's CHNA Implementation Strategy Plan and a narrative describing how the plan will address the community health needs listed on its CHNA. If not available, indicate when it will be available.

4. Condition#10 - Explain the zero amounts submitted as part of the Balance Sheet and Statement of Operations for the 1/1/16 to 9/30/16 period and resubmit the documents to include the missing data.

5. Condition#14 - Applicants did not provide a written report describing activities meeting culturally and linguistically appropriate services at the Johnson Memorial Hospital. Provide the missing report and indicate how the standards published by the U.S. Department of Health and Human Services' Office of Minority Health were used as guidance for the development of the report.

For Saint Mary's Hospital (Docket#15-32045)

6. Condition#4 - Elaborate on how Saint Mary's Hospital utilized the Healthy Connecticut State Health Improvement Plan data and priorities, as well as any applicable community health improvement plan issued by local health departments in the service area, as the starting point for the development of the Hospital's CHNA.

7. Condition#14 - Provide the status of the Community Representative selected to serve as a voting member of the Hospital's Board of Directors. Provide a narrative describing the selection process.

Carmen Cotto, MBA
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www.ct.gov/dph

Olejarz, Barbara

From: Cotto, Carmen
Sent: Tuesday, February 14, 2017 9:47 AM
To: Olejarz, Barbara
Cc: Roberts, Karen
Subject: FW: Johnson Memorial (Docket#15-32002)
Attachments: Copy of JNSON - Reports 100 150 300 350 9 30 16.pdf

Hi Barbara,

Please add this email and attachment to Johnson's record, Docket# 15-32002.

Thank you,
Carmen

From: Rosadini, Mary Lou [mailto:MRosadin@stfranciscare.org]
Sent: Monday, February 13, 2017 3:36 PM
To: User, OHCA; Cotto, Carmen; Roberts, Karen
Cc: Capone, Claudio; Schneider, Jennifer
Subject: Johnson Memorial (Docket#15-32002)

Carmen,

In response to your request dated 2/2/2017 to Claudio Capone, attached is the correct version of the Balance Sheet and Statement of Operations for the 1/1/16 to 9/30/16 period which includes the missing data.

Thank you,

Mary Lou Rosadini
Executive Associate to Vice President, Finance
Saint Francis Hospital and Medical Center
A Member of Trinity Health – New England

mrosadin@stfranciscare.org
W 860-714-1066

114 Woodland Street
Hartford, CT 06105

stfranciscare.com | facebook | twitter | Instagram | LinkedIn

Begin forwarded message:

From: "Cotto, Carmen" <Carmen.Cotto@ct.gov>
Date: February 2, 2017 at 4:22:58 PM EST
To: "Capone, Claudio (Claudio.Capone@TrinityHealth-NE.org)" <Claudio.Capone@TrinityHealth-NE.org>
Cc: "Roberts, Karen" <Karen.Roberts@ct.gov>
Subject: Compliance Follow up issues for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045)

Hi Claudio,

Below you will see some compliance follow up questions or issues for the Applicants to address.

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Please submit your responses via electronic mail by using the OHCA general email inbox which is OHCA@ct.gov. In addition, please continue to reference the CON docket number in the subject line of the email when transmitting.

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Carmen

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JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$1,675,853	$1,696,173	$20,320	1%
2	Short Term Investments	$0	$0	$0	0%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$9,554,938	$17,416,700	$7,861,762	82%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,506,354	$1,513,473	$7,119	0%
8	Prepaid Expenses	$1,497,131	$776,713	($720,418)	-48%
9	Other Current Assets	$329,908	$3,443,017	$3,113,109	944%
	Total Current Assets	**$14,564,184**	**$24,846,076**	**$10,281,892**	**71%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$3,425,921	$0	($3,425,921)	-100%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$224,917	$0	($224,917)	-100%
4	Other Noncurrent Assets Whose Use is Limited	$843,587	$0	($843,587)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$4,494,425**	**$0**	**($4,494,425)**	**-100%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,467,074	$3,202,165	($264,909)	-8%
7	Other Noncurrent Assets	$8,986,456	$0	($8,986,456)	-100%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$66,495,422	$21,133,133	($45,362,289)	-68%
2	Less: Accumulated Depreciation	$45,821,926	$377,122	($45,444,804)	-99%
	Property, Plant and Equipment, Net	**$20,673,496**	**$20,756,011**	**$82,515**	**0%**
3	Construction in Progress	$0	$0	$0	0%
	Total Net Fixed Assets	**$20,673,496**	**$20,756,011**	**$82,515**	**0%**
	Total Assets	**$52,185,635**	**$48,804,252**	**($3,381,383)**	**-6%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$8,861,782	$3,702,288	($5,159,494)	-58%

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
2	Salaries, Wages and Payroll Taxes	$1,895,078	$2,069,255	$174,177	9%
3	Due To Third Party Payers	$2,212,362	$1,617,582	($594,780)	-27%
4	Due To Affiliates	$0	$13,460,826	$13,460,826	0%
5	Current Portion of Long Term Debt	$11,987,500	$0	($11,987,500)	-100%
6	Current Portion of Notes Payable	$838,274	$992,452	$154,178	18%
7	Other Current Liabilities	$10,142,734	$90,336	($10,052,398)	-99%
	Total Current Liabilities	**$35,937,730**	**$21,932,739**	**($14,004,991)**	**-39%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$4,572,057	$21,457,110	$16,885,053	369%
	Total Long Term Debt	**$4,572,057**	**$21,457,110**	**$16,885,053**	**369%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$7,433,424	$11,040,620	$3,607,196	49%
	Total Long Term Liabilities	**$12,005,481**	**$32,497,730**	**$20,492,249**	**171%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($498,600)	($6,168,689)	($5,670,089)	1137%
2	Temporarily Restricted Net Assets	$471,516	$542,472	$70,956	15%
3	Permanently Restricted Net Assets	$4,269,508	$0	($4,269,508)	-100%
	Total Net Assets	**$4,242,424**	**($5,626,217)**	**($9,868,641)**	**-233%**
	Total Liabilities and Net Assets	**$52,185,635**	**$48,804,252**	**($3,381,383)**	**-6%**

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - SEPT	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$171,319,321	$125,148,528	($46,170,793)	-27%
2	Less: Allowances	$102,596,531	$75,020,725	($27,575,806)	-27%
3	Less: Charity Care	$221,056	$106,845	($114,211)	-52%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$68,501,734**	**$50,020,958**	**($18,480,776)**	**-27%**
5	Provision for Bad Debts	$3,114,000	$2,839,922	($274,078)	-9%
	Net Patient Service Revenue less provision for bad debts	**$65,387,734**	**$47,181,036**	**($18,206,698)**	**-28%**
6	Other Operating Revenue	$590,810	$433,585	($157,225)	-27%
7	Net Assets Released from Restrictions	$23,905	$9,000	($14,905)	-62%
	Total Operating Revenue	**$66,002,449**	**$47,623,621**	**($18,378,828)**	**-28%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$24,833,219	$19,306,685	($5,526,534)	-22%
2	Fringe Benefits	$6,111,895	$4,538,798	($1,573,097)	-26%
3	Physicians Fees	$4,050,496	$4,080,467	$29,971	1%
4	Supplies and Drugs	$10,665,670	$7,477,413	($3,188,257)	-30%
5	Depreciation and Amortization	$1,804,654	$2,385,036	$580,382	32%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$975,626	$646,780	($328,846)	-34%
8	Malpractice Insurance Cost	$1,058,521	$102,815	($955,706)	-90%
9	Other Operating Expenses	$20,739,982	$12,312,821	($8,427,161)	-41%
	Total Operating Expenses	**$70,240,063**	**$50,850,815**	**($19,389,248)**	**-28%**
	Income/(Loss) From Operations	**($4,237,614)**	**($3,227,194)**	**$1,010,420**	**-24%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$228,556	$0	($228,556)	-100%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$0	($246,748)	($246,748)	0%
	Total Non-Operating Revenue	**$228,556**	**($246,748)**	**($475,304)**	**-208%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($4,009,058)**	**($3,473,942)**	**$535,116**	**-13%**

JOHNSON MEMORIAL HOSPITAL

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - SEPT	DIFFERENCE	DIFFERENCE
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**($4,009,058)**	**($3,473,942)**	**$535,116**	**-13%**
	Principal Payments	$184,222	$109,419	($74,803)	-41%

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$1,805,602	$2,059,017	$253,415	14%
2	Short Term Investments	$0	$0	$0	0%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$12,246,951	$19,341,362	$7,094,411	58%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,523,756	$1,513,473	($10,283)	-1%
8	Prepaid Expenses	$1,880,119	$842,626	($1,037,493)	-55%
9	Other Current Assets	$537,387	$3,624,221	$3,086,834	574%
	Total Current Assets	**$17,993,815**	**$27,380,699**	**$9,386,884**	**52%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$4,452,119	$0	($4,452,119)	-100%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$224,917	$0	($224,917)	-100%
4	Other Noncurrent Assets Whose Use is Limited	$0	$0	$0	0%
	Total Noncurrent Assets Whose Use is Limited:	**$4,677,036**	**$0**	**($4,677,036)**	**-100%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,467,074	$3,202,165	($264,909)	-8%
7	Other Noncurrent Assets	$1,486,054	$7,134	($1,478,920)	-100%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$97,485,005	$24,806,605	($72,678,400)	-75%
2	Less: Accumulated Depreciation	$70,147,136	$468,850	($69,678,286)	($1)
	Property, Plant and Equipment, Net	**$27,337,869**	**$24,337,755**	**($3,000,114)**	**-11%**
3	Construction in Progress	$0	$870,370	$870,370	0%
	Total Net Fixed Assets	**$27,337,869**	**$25,208,125**	**($2,129,744)**	**-8%**
	Total Assets	**$54,961,848**	**$55,798,123**	**$836,275**	**2%**
II.	**LIABILITIES AND NET ASSETS**				

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	SEPTEMBER	DIFFERENCE	DIFFERENCE
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$12,652,911	$4,238,037	($8,414,874)	-67%
2	Salaries, Wages and Payroll Taxes	$2,677,952	$2,310,842	($367,110)	-14%
3	Due To Third Party Payers	$2,446,731	$1,668,003	($778,728)	-32%
4	Due To Affiliates	$0	$13,460,826	$13,460,826	0%
5	Current Portion of Long Term Debt	$29,141,197	$0	($29,141,197)	-100%
6	Current Portion of Notes Payable	$838,274	$1,029,362	$191,088	23%
7	Other Current Liabilities	$11,243,011	$203,019	($11,039,992)	-98%
	Total Current Liabilities	**$59,000,076**	**$22,910,089**	**($36,089,987)**	**-61%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$4,572,057	$21,475,969	$16,903,912	370%
	Total Long Term Debt	**$4,572,057**	**$21,475,969**	**$16,903,912**	**370%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$4,932,692	$10,706,202	$5,773,510	117%
	Total Long Term Liabilities	**$9,504,749**	**$32,182,171**	**$22,677,422**	**239%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($18,535,995)	$111,690	$18,647,685	-101%
2	Temporarily Restricted Net Assets	$553,275	$594,173	$40,898	7%
3	Permanently Restricted Net Assets	$4,439,743	$0	($4,439,743)	-100%
	Total Net Assets	**($13,542,977)**	**$705,863**	**$14,248,840**	**-105%**
	Total Liabilities and Net Assets	**$54,961,848**	**$55,798,123**	**$836,275**	**2%**

JOHNSON MEMORIAL MEDICAL CENTER, INC.

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2016

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - SEPT	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$206,688,056	$128,592,375	($78,095,681)	-38%
2	Less: Allowances	$113,763,631	$75,542,906	($38,220,725)	-34%
3	Less: Charity Care	$221,056	$106,845	($114,211)	-52%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$92,703,369**	**$52,942,624**	**($39,760,745)**	**-43%**
5	Provision for Bad Debts	$3,470,135	$3,183,064	($287,071)	-8%
	Net Patient Service Revenue less provision for bad debts	**$89,233,234**	**$49,759,560**	**($39,473,674)**	**-44%**
6	Other Operating Revenue	$1,190,422	$803,296	($387,126)	-33%
7	Net Assets Released from Restrictions	$36,593	$9,930	($26,663)	-73%
	Total Operating Revenue	**$90,460,249**	**$50,572,786**	**($39,887,463)**	**-44%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$40,500,652	$21,689,957	($18,810,695)	-46%
2	Fringe Benefits	$10,064,877	$4,991,248	($5,073,629)	-50%
3	Physicians Fees	$4,050,496	$4,086,467	$35,971	1%
4	Supplies and Drugs	$12,485,965	$7,695,533	($4,790,432)	-38%
5	Depreciation and Amortization	$2,419,144	$2,481,154	$62,010	3%
6	Bad Debts	$0		$0	0%
7	Interest Expense	$1,503,067	$646,780	($856,287)	-57%
8	Malpractice Insurance Cost	$1,056,331	$110,494	($945,837)	-90%
9	Other Operating Expenses	$25,211,129	$12,614,805	($12,596,324)	-50%
	Total Operating Expenses	**$97,291,661**	**$54,316,438**	**($42,975,223)**	**-44%**
	Income/(Loss) From Operations	**($6,831,412)**	**($3,743,652)**	**$3,087,760**	**-45%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$159,517	$1,325	($158,192)	-99%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$69,138	($246,751)	($315,889)	-457%
	Total Non-Operating Revenue	**$228,655**	**($245,426)**	**($474,081)**	**-207%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($6,602,757)**	**($3,989,078)**	**$2,613,679**	**-40%**

JOHNSON MEMORIAL MEDICAL CENTER, INC.					
TWELVE MONTHS ACTUAL FILING					
FISCAL YEAR 2016					
REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION					
(1)	(2)	(3)	(3)	(5)	(6)
		FY 2015	FY 2016	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	JAN - SEPT	DIFFERENCE	DIFFERENCE
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**($6,602,757)**	**($3,989,078)**	**$2,613,679**	**-40%**

Olejarz, Barbara

From: Cotto, Carmen
Sent: Monday, February 06, 2017 10:22 AM
To: Olejarz, Barbara
Cc: Roberts, Karen
Subject: FW: Compliance Follow up issues for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045)

Hi Barbara,

Please add the email below in the paper/pdf file for the following docket number's record: TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045).

Thanks,
Carmen

Carmen Cotto, MBA
Associate Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, CT 06134
P: (860) 418-7039 |F: (860) 418-7053 |E: carmen.cotto@ct.gov

www.ct.gov/dph

From: Cotto, Carmen
Sent: Thursday, February 02, 2017 4:23 PM
To: Capone, Claudio (Claudio.Capone@TrinityHealth-NE.org)
Cc: Roberts, Karen
Subject: Compliance Follow up issues for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045)

Hi Claudio,

Below you will see some compliance follow up questions or issues for the Applicants to address.

Please note that this email is a follow up to your compliance submissions, for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045), on December 1, 2016 and that the separate issue related to the coordination of future filings due dates for the three Dockets will be discussed at a future time.

Please submit your responses via electronic mail by using the OHCA general email inbox which is OHCA@ct.gov. In addition, please continue to reference the CON docket number in the subject line of the email when transmitting.

You can contact me at (860) 418-7039 or Karen Roberts, Principal Health Analyst at (860) 418-7041, if you have any questions regarding this request.

Thanks,
Carmen

For Trinity Health-New England (TH-NE) (Docket#15-31979)

1. Condition#8 - Applicants provided the Hospital's Community Health Needs Assessment (CHNA) Implementation Strategy Plan. In reference to this plan, provide a narrative describing how the plan will address the community health needs listed on its CHNA.

2. Condition#14 - Applicants provided a written report that describes the culturally and linguistically appropriate services that are currently in place at the Hospital. In reference to this report, indicate how the Hospital utilized the standards published by the U.S. Department of Health and Human Services' Office of Minority Health as guidance for the development of the report.

For Johnson Memorial (Docket#15-32002)

3. Condition#8 - Provide Johnson Memorial's CHNA Implementation Strategy Plan and a narrative describing how the plan will address the community health needs listed on its CHNA. If not available, indicate when it will be available.

4. Condition#10 - Explain the zero amounts submitted as part of the Balance Sheet and Statement of Operations for the 1/1/16 to 9/30/16 period and resubmit the documents to include the missing data.

5. Condition#14 - Applicants did not provide a written report describing activities meeting culturally and linguistically appropriate services at the Johnson Memorial Hospital. Provide the missing report and indicate how the standards published by the U.S. Department of Health and Human Services' Office of Minority Health were used as guidance for the development of the report.

For Saint Mary's Hospital (Docket#15-32045)

6. Condition#4 - Elaborate on how Saint Mary's Hospital utilized the Healthy Connecticut State Health Improvement Plan data and priorities, as well as any applicable community health improvement plan issued by local health departments in the service area, as the starting point for the development of the Hospital's CHNA.

7. Condition#14 - Provide the status of the Community Representative selected to serve as a voting member of the Hospital's Board of Directors. Provide a narrative describing the selection process.

Carmen Cotto, MBA
Associate Health Care Analyst
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Connecticut Department of Public Health
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User, OHCA

From: Capone, Claudio <Claudio.Capone@TrinityHealth-NE.org>
Sent: Thursday, March 09, 2017 11:35 PM
To: User, OHCA; Cotto, Carmen
Cc: Janeanne C. Lubin-Szafranski; Schneider, Jennifer
Subject: TH-NE Responses to Conditions for CONs 15_32045 15_31979 15_32002
Attachments: Responses to Conditions 15_32045 15_31979 15_32002.pdf

Hello Carmen,

In response to your February 2, 2017 email titled, " Compliance Follow up issues for TH-NE (DN:15-31979), Johnson (DN:15-32002) and ST Mary's (DN:15-32045)," attached are Trinity Health - New England's responses.

Please feel free to contact me with any questions you may have.

Regards,

Claudio A. Capone, FACHE
Regional VP of Strategic Planning and Business Development
Trinity Health - New England

claudio.capone@trinityhealth-ne.org
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Trinity Health
New England

Carmen Cotto
Office of Health Care Access
Connecticut Department of Public Health
410 Capital Avenue
MS#13HCA
P.O Box 340308
Hartford, CT 06134-0308

March 9, 2017

RE: Docket Number: 15-32045-CON Transfer of ownership of Saint Mary's Health System, Inc. to Trinity Health Corporation and Trinity Health-New England; Docket Number 15-31979-CON for Trinity Health – New England; Docket Number 15-32002-CON for Johnson Memorial

Dear Ms. Cotto:

In accordance with the TH-NE compliance follow up questions for the above CONs, enclosed is responses for each of the conditions noted.

Please do not hesitate to contact me if you have any questions regarding this matter at 860-714-6165.

Thank you for your attention to this matter.

Sincerely,

Claudio A. Capone
Regional Vice President
Strategic Planning and Business Development

Enc.

For Trinity Health-New England (TH-NE) (Docket#15-31979)

1. **Condition#8 - Applicants provided the Hospital's Community Health Needs Assessment (CHNA) Implementation Strategy Plan. In reference to this plan, provide a narrative describing how the plan will address the community health needs listed on its CHNA.**

   The CHNA conducted in 2016 identified 5 significant health needs within the Greater Hartford community. Those needs were then prioritized based on a Community Conversation Meeting that took place on September 13, 2016. The 5 significant health needs identified in the Community Conversation Meeting included: Community Safety & Violence, Housing Insecurity, Family & Social Support, Employment & Poverty, Access to Care.

   In addition to findings from the Community Conversations, the quantitative CHNA data identified other areas of need within the Hartford community and beyond. High rates of obesity, diabetes and heart disease are of concern for both residents and health professionals; tobacco use rates in Hartford are higher than national averages and are similar in adult and youth populations; concerns about access to healthcare are particularly acute for those in need of behavioral health services. And finally for the city of Hartford in particular the issues of unstable housing; violence; employment and education were all identified as significant needs.

   - **See Attachment 1** for the Implementation Strategy for Saint Francis Hospital and Medical Center
   - **See Attachment 2** for the Implementation Strategy for Mount Sinai Rehabilitation Hospital

2. **Condition#14 - Applicants provided a written report that describes the culturally and linguistically appropriate services that are currently in place at the Hospital. In reference to this report, indicate how the Hospital utilized the standards published by the U.S. Department of Health and Human Services' Office of Minority Health as guidance for the development of the report.**

   The Curtis D. Robinson Center for Health Equity was given the work of developing a comprehensive Language Services Program. In the last two years, phase I of the program has successfully been implemented around Saint Francis Medical Center, the Mount Sinai campus and our various off-site locations. The services include language

interpretation and translation of documents to assist patients who are deaf or hard of hearing, have a speech disability or have limited English skills. These resources are referred to as the 3 +1 Options and include telephone-based interpreting, video remote interpreting (VRI-MARTTI), in-person interpreting/ ASL or CDI and written translation of vital and non-vital documents. Each department on both campuses is equipped with dual handset phones for telephonic interpretation and there are 40 Video Remote Interpreter (VRI) - Martti carts on site on both campuses that are readily used by staff for patients and their companions. Off-site St. Francis Care physicians and non-St. Francis Care physician offices and affiliates who are on site also have access to language resources.

In addition to the already established Language Services Program, phase II of the program, the Qualified Medical Interpreter training, began shortly after. The training entails identifying qualified bi-lingual/multilingual staff to become Qualified Medical Interpreters. Thus far, there have been 4 cohorts to complete this training and a total of 30 staff members to successfully complete and pass the course. To partake in this training, each staff had to successfully pass the language proficiency assessment administered by Interpreters and Translators, Inc., (iTi), and complete the 40 hour in person training offered once a week for 5 weeks on-site at the Center for Health Equity. The training includes content such as the foundation of the profession of community interpreting, the code of ethics and standards of practice, culture and mediation and guides interpreters on how to intervene when a communication barrier arrives.

Most recently, based on OCR's Section 1557, all language service notices and signage were updated to include the top 15 Non-English Spoken languages indicating to all patients that language resources were available to them at no cost. As for the current state of the program, there are on-going in-person educational trainings for all medical staff, volunteers, learners and contractors. A newly revised annual health stream training for all current employees and new employees is available and there has been an update and enhancement of Martti software and distribution system. The medical interpreter training for qualified staff will continue as well bi-annually.

For Johnson Memorial (Docket#15-32002)

3. **Condition#8 - Provide Johnson Memorial's CHNA Implementation Strategy Plan and a narrative describing how the plan will address the community health needs listed on its CHNA. If not available, indicate when it will be available.**

The CHNA conducted in 2016 identified significant health needs within the JMH community. Those needs were then prioritized based on a Community Conversation and focus groups with key stakeholders held during 2016. Significant health needs identified, in order of priority include: Healthy Behavior Change Diet & Exercise, Substance Abuse & Tobacco Use, Access to health care, and Poverty & Employment.

- **See Attachment 3** for the Implementation Strategy for Johnson Memorial

4. **<u>Condition#10</u> - Explain the zero amounts submitted as part of the Balance Sheet and Statement of Operations for the 1/1/16 to 9/30/16 period and resubmit the documents to include the missing data.**

   Please reference the response for the above condition in the email submission from Mary Lou Rosadini on February 13, 2017.

5. **<u>Condition#14</u> - Applicants did not provide a written report describing activities meeting culturally and linguistically appropriate services at the Johnson Memorial Hospital. Provide the missing report and indicate how the standards published by the U.S. Department of Health and Human Services' Office of Minority Health were used as guidance for the development of the report.**

   Johnson Memorial Hospital has adopted the work done at Saint Francis Hospital and Medical Center as it relates to linguistically appropriate services. The Curtis D. Robinson Center for Health Equity was given the work of developing a comprehensive Language Services Program. In the last two years, Phase I of the program has successfully been implemented at Johnson Memorial Hospital and its off-site locations. The services include language interpretation and translation of documents to assist patients who are deaf or hard of hearing, have a speech disability or have limited English skills. These resources are referred to as the 3 +1 Options and include telephone-based interpreting, video remote interpreting (VRI-MARTTI), in-person interpreting/ ASL or CDI and written translation of vital and non-vital documents. Each department on both campuses is equipped with dual handset phones for telephonic interpretation and there are 40 Video Remote Interpreter (VRI) - Martti carts on site on both campuses that are readily used by staff for patients and their companions. Off-site Johnson Memorial Hospital physicians and non- Johnson Memorial Hospital physician offices and affiliates who are on site also have access to language resources.

   Most recently, based on OCR's Section 1557, all language service notices and signage were updated to include the top 15 Non-English Spoken languages indicating to all

patients that language resources were available to them at no cost. As for the current state of the program, there are on-going in-person educational trainings for all medical staff, volunteers, learners and contractors. A newly revised annual health stream training for all current employees and new employees is available and there has been an update and enhancement of Martti software and distribution system. The medical interpreter training for qualified staff will continue as well bi-annually. There is an annual review of language access needs of the patient population served by Johnson Memorial Hospital.

For Saint Mary's Hospital (Docket#15-32045)

6. **Condition#4 - Elaborate on how Saint Mary's Hospital utilized the Healthy Connecticut State Health Improvement Plan data and priorities, as well as any applicable community health improvement plan issued by local health departments in the service area, as the starting point for the development of the Hospital's CHNA.**

   In collaboration with the Greater Waterbury Health Improvement Partnership (GWHIP), Saint Mary's Hospital along with five additional organizations, including the City of Waterbury Health Department utilized the Healthy Connecticut State Health Improvement Plan (2014). The data and priorities within the Healthy Connecticut State Health Improvement Plan were observed and the roadmap to complete the stated initiatives were noted throughout the community-wide coalition. In addition, the Greater Waterbury Health Improvement Partnership used the data to ensure that the service areas that are included within the 2016 Community Health Needs Assessment will benefit and see successful results in advancing Connecticut's population health. With the seven focus areas that were touched on in the Healthy Connecticut State Health Improvement Plan, the Greater Waterbury Health Improvement Partnership plans to address the following five which all fall into the addressed priorities of the state including: Access to Care, Mental Health/Substance Abuse, Chronic Disease, Tobacco Use and Asthma, and Health Communications. It should be noted that Saint Mary's Hospital 2016 Community Health Needs Assessment Implementation Plan was filed publicly on Wednesday, February 15, 2017 and shows the direct alignment with the Healthy Connecticut State Health Improvement Plan.

   - **See Attachment 4** for the Saint Mary's Hospital 2016 Community Health Needs Assessment Implementation Plan

7. **<u>Condition#14</u> - Provide the status of the Community Representative selected to serve as a voting member of the Hospital's Board of Directors. Provide a narrative describing the selection process.**

   As required in the Agreed Settlement, the Saint Mary's Hospital Board Chair, and the President, consulted Waterbury Mayor Neil O'Leary in August 2016 regarding the appointment of a community representative to serve as a voting member of the Saint Mary's Hospital Board. The Mayor recommended Attorney Linda Wihbey, Corporation Counsel for the City of Waterbury, as a person who will effectively and without bias, consider matters affecting quality and safety, and the health needs of the local community. Attorney Whibey's appointment was approved by the Saint Mary's and the Trinity Health-New England boards in September 2016.

ATTACHMENT 1

Saint Francis Hospital and Medical Center
Community Health Needs Assessment Implementation Strategy
2016 - 2019

Saint Francis Hospital and Medical Center (SFHMC) completed a comprehensive Community Health Needs Assessment (CHNA) that was adopted by the Board of Directors on June 22, 2016. SFHMC performed the CHNA in adherence with certain federal requirements for not-for-profit hospitals set forth in the Affordable Care Act and by the Internal Revenue Service. The assessment took into account input from community members, and various community organizations.

The complete CHNA report is available electronically at http://www.saintfranciscare.com/About_Us/Hospital_Publications.aspx or printed copies are available by emailing: plarivie@stfranciscare.org

Hospital Information and Mission Statement

MISSION
We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

CORE VALUES

- **Reverence:**
  We honor the sacredness and dignity of every person.
- **Commitment to Those who are Poor:**
  We stand with and serve those who are poor, especially those most vulnerable.
- **Justice:**
  We foster right relationships to promote the common well, including sustainability of Earth.
- **Stewardship:**
  We honor our heritage and hold ourselves accountable for the human, financial and natural resources entrusted to our care.
- **Integrity:**
  We are faithful to who we say we are.

Saint Francis Hospital and Medical Center's service area comprises urban, suburban, and rural communities that together form a rich mixture of highly diverse races and ethnicities, and a wide range of socioeconomic categories.

Its primary service area includes 25 towns and corresponds largely with the greater Hartford region. The Hospital's secondary service area includes 28 towns largely to the west and south of the primary service area. These towns are more rural, and their needs are very different than those of the city of Hartford, which has more than three times as many patients discharged from Saint Francis than any other municipality.

A comparison of population density, household income, and median age reveal that these communities are anything but uniform, and the resources for addressing concerns and needs of their residents differ as well. Yet, many of the health issues they face are similar; obesity, diabetes, heart disease, and behavioral health were all mentioned by the leaders of health districts who serve these towns.

Hartford's population of 125,000 is composed of all races and myriad ethnicities. Some 44 percent of its citizens are Hispanic/Latino and 35 percent Black/African American, with subgroups that include refugees and immigrants

from Africa, Eastern Europe, the Middle East, Asia, South America, and the West Indies. Additionally, 22 percent of the total population in Hartford is foreign born, bringing a tremendous diversity to the city.

The city is proportionately younger than the rest of the state as well as the country; over 25 percent of its residents are under age 17 and only 9 percent are over age 65, compared to 22 percent and 15 percent respectively for the state as a whole. This affects age-related health issues, such as some forms of cancer, violence, and accidental injury.

Hartford is a city of vibrant neighborhoods – 17 distinct neighborhoods, to be exact – with a variety of housing stock ranging from high-rise downtown luxury apartments and condos to historic houses to single-family homes and a variety of rental options. The city's many neighborhoods are supported by a roster of community organizations that focus on issues, such as economic development, housing, and assimilation of new immigrants, education, and historic preservation.

Health Needs of the Community

The CHNA conducted in 2016 identified 5 significant health needs within the Greater Hartford community. Those needs were then prioritized based on a Community Conversation Meeting that took place on September 13th. The 5 significant health needs identified in the Community Conversation Meeting included:

Community Safety & Violence	• Ranked as the highest priority at the Community Conversation Meeting • 54% of Hartford residents said it was not safe to walk in their neighborhood
Housing Insecurity	• Home ownership is only 26% in Hartford • 32% of renters are subsidized
Family & Social Support	• 59% of residents said they "do not trust neighbors" • Limited support for positive health behaviors
Employment & Poverty	• Only 59% of Hartford residents are regularly employed • 79% of Hartford household are below adequate income levels
Access to Care	• 50% of residents are worried about the cost of care • 23% of residents don't have a regular doctor

In addition to findings from the Community Conversation, the quantitative CHNA data identified other areas of need within the Hartford community and beyond. High rates of obesity, diabetes and heart disease are of concern for both residents and health professionals; tobacco use rates in Hartford are higher than national averages and are similar in adult and youth populations; concerns about access to healthcare are particularly acute for those in need of behavioral health services. And finally for the city of Hartford in particular the issues of unstable housing; violence; employment and education were all identified as significant needs.

Hospital Implementation Strategy

Saint Francis Hospital and Medical Center's resources, mission, goals, strategic priorities and the significant health needs identified through the most recent CHNA process were all considered during the development of the hospital's Implementation Strategy. The Hospital's Well Being 360 (WB360) project, which was selected to be part of Trinity Health's national Transforming Communities Initiative, combines resources from the hospital, community groups, state and local government departments, and national resources to create a collaborative approach to improving the health of the community.

The WB360 project will address identified health needs by:

- Engaging in an **anchor institution** approach designed to impact high-need neighborhoods in Hartford's North End by addressing social determinants of health.

- Encouraging health behavior change through the support of evidence-based programs in the areas of **diet, exercise** and support for changes in **tobacco policy.**

- Testing a model of clinical care that integrates the healthcare delivery system with social support programs, with a specific focus on **behavioral health.**

- Transforming the physical environment through support of local partner agencies working to improve **housing, neighborhood safety** and opportunities for **physical activity.**

Transforming Communities - Well Being 360
The Implementation Strategy to be executed by SFHMC is called the Well Being 360 and includes an investment from the hospital as well as leveraged resources from the Trinity Health system and community partnering agencies. The work will include the development of a coalition with the goal of bringing all of the varied resources to the table for collective impact approaches to address the social determinants of health that are so significant in the city's poorest neighborhoods. The work will involve community investments based on a set of principles agreed upon by the WB360 Steering Committee. Well Being 360 investments will be made based on:

1. Alignment with CHNA identified needs and health system priorities;
2. Strong evidence of effectiveness in achieving targeted outcomes;
3. Capacity to implement solutions and build coalition with community partners and residents;
4. Value of the investment (impact per dollar invested) in achieving short-term and longer-term outcomes; and
5. Sustainability of solution after initial investment.

Significant Health Needs That Will Not be Addressed:
SFHMC acknowledges the wide range of priority health issues that emerged from the CHNA process, and determined that it could effectively focus on only those health needs which it deemed most pressing, under-addressed, and within its ability to influence. SFHMC will not take action on the following health needs:

- Housing Insecurity
  The Partnership for Stronger Communities has done significant work in the area of homelessness prevention and is taking the lead on this community health issue. We will collaborate with them on this work but expect to serve in a supportive role.

- Employment and Poverty:
  The health collaborative being developed by our partner Community Solutions in the North End of Hartford will serve as the leader for this work.

- Sexual Activity:
  The City of Hartford has a strong program in this area and this issue was rated as a low priority in our Community Conversation.

- Air and Water Quality:
  Although these were mentioned by community members as a concern, the City of Harford and its partner agencies are focused on this work.

This implementation strategy specifies community health needs that the Hospital has determined to meet in whole or in part and that are consistent with its mission. The Hospital reserves the right to amend this implementation strategy as circumstances warrant. For example, certain needs may become more pronounced and require enhancements to the described strategic initiatives. During the three years ending in September of 2019, other organizations in the community may decide to address certain needs, indicating that the Hospital then should refocus its limited resources to best serve the community.

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 - 2019			
HOSPITAL FACILITY:	SFHMC		
CHNA SIGNIFICANT HEALTH NEED:	Community Safety and Violence		
CHNA REFERENCE PAGE:	P. 23	**PRIORITIZATION #:** 1	
BRIEF DESCRIPTION OF NEED: Excessive violence, concerns for safety in neighborhoods, and lack of opportunities for diversion.			
GOAL: Create partnerships with four local organizations to increase diversionary options for youth and improve the physical environment to promote safety.			
OBJECTIVE: Work with local community agencies and develop a work group on violence prevention.			
ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED: 1. Develop a coalition work group focused on violence prevention. 2. Provide monetary support to community agencies. 3. Identify best practices for small cities.			
ANTICIPATED IMPACT OF THESE ACTIONS: 1. Stronger collaborative relationships. 2. Strengthened community agencies focused on violence prevention. 3. By next survey, increased feelings of safety.			
PLAN TO EVALUATE THE IMPACT: DataHaven Survey – Comparison of 2019 and 2016. Community Conversations			
PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT: Coalition Leadership Monetary Support of Partners.			
COLLABORATIVE PARTNERS: Hartford Communities That Care Community Solutions Peace Builders			

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 - 2019			
HOSPITAL FACILITY:	SFHMC		
CHNA SIGNIFICANT HEALTH NEED:	Family and Social Support (Healthy Behaviors - Diet & Exercise)		
CHNA REFERENCE PAGE:	20	**PRIORITIZATION #:** 2a	

BRIEF DESCRIPTION OF NEED:

High rates of Obesity, Diabetes and Heart Disease are impacted significantly by behaviors. In Hartford, the Obesity rate is 33% and those impacted by diabetes in a survey completed by the CDRCHE included 68% of participants.

GOAL:
Provide easily accessible programs that focus on healthy eating and active living behaviors that result in positive health changes.

OBJECTIVE:
Engage 120 participants in the first year of the programs and establish and on-going, sustainable process for providing the programs to those residents with the highest need.

Collaborate with the Complete Streets Committee to move forward on changes to the environment that encourage physical activity.

ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED:
Identify appropriate partners to provide the programs in community settings.
Develop a referral system to identify high need patients and provide high quality actionable referrals.
Invest in programs to they can be provide free of charge to patients and residents in need of these support services.

ANTICIPATED IMPACT OF THESE ACTIONS:
Better relationships with program participants.
Increase knowledge and healthy behaviors for those who complete the programs.
Improved long term health outcomes.

PLAN TO EVALUATE THE IMPACT:
Pre and post-test screening of knowledge and behavior.
Development of Patient Advisory Board to support on-going engagement.
In year 3 - Review of health records for up to 10% of program participants.

PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT:
Well Being 360 Investment
In-Kind support for data collection and program evaluation.

COLLABORATIVE PARTNERS:
YMCA - Diabetes Prevention Program
Live Well – Diabetes Prevention Program
Cooking Matters – Food Access and Budgeting Program
City of Hartford Complete Streets Committee

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 - 2019			
HOSPITAL FACILITY:	SFHMC		
CHNA SIGNIFICANT HEALTH NEED:	Family and Social Support (Resources for Tobacco Use)		
CHNA REFERENCE PAGE:	21	**PRIORITIZATION** #: 2b	
BRIEF DESCRIPTION OF NEED: Tobacco Use in Connecticut is at 16%, well above the Healthy People 2020 goal of 12%. Rates among Connecticut youth are similar to adults, which highlight an opportunity to have an impact on health outcomes.			
GOAL: Make changes to tobacco policy at the state and local level to support tobacco cessation. Focus on youth smoking rates			
OBJECTIVE: Collaborate with a statewide coalition to encourage tobacco use cessation. Develop relationships with clinical leaders to improve tobacco screening and referral.			
ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED: Identify local resources for patients and others to access. Engage youth and others in messaging about tobacco cessation.			
ANTICIPATED IMPACT OF THESE ACTIONS: Change in legislation that makes it harder to market e-cigarettes. Improved messaging on campus about the prohibition of tobacco products of all kinds including e-cigarettes. Decreased uptake of smoking among young adults.			
PLAN TO EVALUATE THE IMPACT: Review legislative accomplishments for the past 12 months. Identify signage changes regarding tobacco free campus. Examine rates of smoking in young adults.			
PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT: Well Being 360 Investment Changes in campus wide signage			
COLLABORATIVE PARTNERS: MATCH Coalition Regional Health Ministry Sites: Johnson Memorial; Mount Sinai; Saint Mary's; Mercy Medical Center			

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 - 2019			
HOSPITAL FACILITY:	SFHMC		
CHNA SIGNIFICANT HEALTH NEED:	Access to Healthcare (Focus on Behavioral Health)		
CHNA REFERENCE PAGE:	23	**PRIORITIZATION #:** 3	
BRIEF DESCRIPTION OF NEED: Access to behavioral health services is limited for patients on Medicaid and over 40 of survey respondents said they feel down sometimes or often. According to the report, My Brothers Keeper 06120, trauma and behavioral health impact academic performance; criminal behavior; ability to develop trusting relationships; employment and drug use.			
GOAL: Develop and pilot an electronic referral system embedded in the EMR that enables providers to make referrals and monitor follow through.			
OBJECTIVE: Enroll 300 patients in the program and monitor the delivery of support services to those referred.			
ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED: Partner with community agency to develop the project. Collaborate with home care agencies who provide in home clinical and social support services. Monitor outcomes of the project to determine feasibility of large scale implementation.			
ANTICIPATED IMPACT OF THESE ACTIONS: Improved satisfaction for patients enrolled in the project. Decreased need for urgent care services. Increased stability in patient's lives.			
PLAN TO EVALUATE THE IMPACT: Survey of patient satisfaction. Monitor use of ED services. Interview sample of patients about quality of life changes.			
PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT: Coordination of project activities in safety net clinics. Collaboration with partner agencies in meetings; problem solving and monitoring of program outcomes. Support for grant funding applications.			
COLLABORATIVE PARTNERS: Community Solutions Ambulatory Care Clinic Home Care Agency (yet to be identified) Intercommunity; Wheeler Clinic			

Adoption of Implementation Strategy

On 1-20-17 the Mission Committee of the Board of Directors for Saint Francis Hospital & Medical Center met to discuss the 2016-2019 Implementation Strategy for addressing the community health needs identified in the 2016 Community Health Needs Assessment. Upon review, the Mission Committee recommends approval by the full Board of Directors at their next meeting of this Implementation Strategy and the related budget.

Name & Title SVP Mission Integration Trinity Health - New England

01/25/2017
Date

ATTACHMENT 2

Mount Sinai Rehabilitation Hospital
Community Health Needs Assessment Implementation Strategy
2016 - 2019

Mount Sinai Hospital (MSRH) completed a comprehensive Community Health Needs Assessment (CHNA) that was adopted by the Board of Directors on September 30, 2016. SFHMC performed the CHNA in adherence with certain federal requirements for not-for-profit hospitals set forth in the Affordable Care Act and by the Internal Revenue Service. The assessment took into account input from community members, and various community organizations.

The complete CHNA report is available electronically at http://www.saintfranciscare.com/About_Us/Hospital_Publications.aspx or printed copies are available by emailing: plarivie@stfranciscare.org

Hospital Information and Mission Statement

MISSION
We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

CORE VALUES

- **Reverence**:
  We honor the sacredness and dignity of every person.

- **Commitment to Those who are Poor:**
  We stand with and serve those who are poor, especially those most vulnerable.

- **Justice:**
  We foster right relationships to promote the common well, including sustainability of Earth.

- **Stewardship:**
  We honor our heritage and hold ourselves accountable for the human, financial and natural resources entrusted to our care.

- **Integrity:**
  We are faithful to who we say we are.

Mount Sinai Rehabilitation Hospital's service area comprises urban, suburban, and rural communities that together form a rich mixture of highly diverse races and ethnicities, and a wide range of socioeconomic categories. Most patients seen have disabilities; spinal cord injuries; brain injuries; and complications due to stroke. Stroke is the most common reason for hospitalization and risk factors include diabetes, obesity and smoking; all of which were identified in the CHNA as priorities. Additionally, patients with Multiple Sclerosis and other neurological diseases are frequently served by Mount Sinai Rehabilitation Hospital. Trauma due to gunshots, violence, motor vehicle accidents and other accidents are also common; as are amputees who suffer with diabetes. Mount Sinai serves to treat the consequences of these conditions with primary treatment and engages in secondary prevention through education, community outreach and programs to reduce incidence.

Mount Sinai serves the entire State of Connecticut. Its primary service area includes 25 towns and corresponds largely with the greater Hartford region. The Hospital's secondary service area includes 28 towns largely to the west and south of the primary service area.

Hartford's population of 125,000 is composed of all races and myriad ethnicities. Some 44 percent of its citizens are Hispanic/Latino and 35 percent Black/African American, with subgroups that include refugees and immigrants from Africa, Eastern Europe, the Middle East, Asia, South America, and the West Indies. Additionally, 22 percent of the total population in Hartford is foreign born, bringing a tremendous diversity to the city. The city is proportionately younger than the rest of the state as well as the country; over 25 percent of its residents are under age 17 and only 9 percent are over age 65, compared to 22 percent and 15 percent respectively for the state as a whole. This affects age-related health issues, such as some forms of cancer, violence, and accidental injury. The MSRH has a special focus on veterans and on neurological illnesses especially multiple sclerosis

Health Needs of the Community

The CHNA conducted in 2016 identified 5 significant health needs within the Greater Hartford community. Those needs were then prioritized based on a Community Conversation Meeting that took place on September 13th. The 5 significant health needs identified in the Community Conversation Meeting included:

Community Safety & Violence	• Ranked as the highest priority at the Community Conversation Meeting • 54% of Hartford residents said it was not safe to walk in their neighborhood
Housing Insecurity	• Home ownership is only 26% in Hartford • 32% of renters are subsidized
Family & Social Support	• 59% of residents said they "do not trust neighbors" • Limited support for positive health behaviors
Employment & Poverty	• Only 59% of Hartford residents are regularly employed • 79% of Hartford household are below adequate income levels
Access to Care	• 50% of residents are worried about the cost of care • 23% of residents don't have a regular doctor

In addition to findings from the Community Conversation, the quantitative CHNA data identified other areas of need within the Hartford community and beyond. High rates of obesity, diabetes and heart disease are of concern for both residents and health professionals; tobacco use rates in Hartford are higher than national averages and are similar in adult and youth populations; concerns about access to healthcare are particularly acute for those in need of behavioral health services.

Hospital Implementation Strategy

Mount Sinai Rehabilitation Hospital's resources, mission, goals, strategic priorities and the significant health needs identified through the most recent CHNA process were all considered during the development of the hospital's Implementation Strategy.

The health priorities for the Mount Sinai Rehabilitation Hospital and the Mandell Center for Comprehensive Multiple Sclerosis Care include:

1. Access to comprehensive rehabilitation facilities (focus on Veterans)
2. Patient frustration with disjointed rehabilitation care
3. Lack of coordinated and comprehensive care for MS patients
4. Increased need for research to better understand MS treatment options

The Physical Medicine and Rehabilitation (PM&R) Service Line at Mount Sinai Rehabilitation Hospital strives to facilitate and enhance individual recovery, function, and optimal performance with an emphasis on those populations with impairments that either place them at risk or result in temporary and/or permanent disability.

It serves as a regional and national leader in the delivery of coordinated rehabilitation services providing;

2015

- Neurology
  - Neurologist 4 days/wk
  - PA Full time
  - Recruiting second neurologist
- Physiatry
- Urology
  - Urologist 1.5 days/wk
  - Urodynamics RN
  - Ultrasound tech
- Infusion Center
  - Infusion Nurse Full time
  - Per diem Infusion Nurses-2
  - Medical Assistant
- Case Management
- Skilled Therapy:
  - PT (3), OT (2), ST (1) –dedicated MS team
- Neuropsychology
- New Services
  - Pharmacy
  - Integrative Medicine(yoga, accupuncture)

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 – 2019			
HOSPITAL FACILITY:	Mount Sinai Rehabilitation Hospital		
CHNA SIGNIFICANT HEALTH NEED:	Access to Rehabilitation Healthcare Services (focus on veterans)		
CHNA REFERENCE PAGE:	22	**PRIORITIZATION #:** 1	

BRIEF DESCRIPTION OF NEED:
Veterans are in need of support programs focusing on their unique set of needs.

GOAL:
Improve the resources, and increase the quality of the programs available for Veterans

OBJECTIVE:
Enhance the relationship with the Veterans Administration to provide high quality accessible rehabilitation services across the state to veterans in need of support.

ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED:
- Increase staff appropriately
- Establish referral coordinator program to facilitate proper patient transitions to MSRH
- Create educational/training programs

ANTICIPATED IMPACT OF THESE ACTIONS:
- Improve access of programs for Veterans
- Broaden array of resources
- Increase participation of Veterans in support programs

PLAN TO EVALUATE THE IMPACT:
- Patient Satisfaction Survey Responses
- Conversations with Veterans Administration Leadership
- Number of veterans participating in programs

PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT:
- Staffing for Outreach to the Veteran population
- Leadership participation at board level or committees with a focus on Healthcare for Veterans
- Amputee Informational series
- Health & Fitness Initiatives through Outpatient Services
- Community Outreach Programs including: Adaptive Rowing; Golfers in Motion; and others.

COLLABORATIVE PARTNERS:
1. Quinnipiac University
2. Department of Veterans Affairs

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 – 2019			
HOSPITAL FACILITY:	Mount Sinai Rehabilitation Hospital		
CHNA SIGNIFICANT HEALTH NEED:	Access to Rehabilitative Services (continuity of rehabilitation services)		
CHNA REFERENCE PAGE:	22	**PRIORITIZATION #:** 2	

BRIEF DESCRIPTION OF NEED:
Provide comprehensive rehabilitation services to those who suffer from brain injury, stroke, heart disease and other chronic illness.

GOAL:
Enhance efficiency in recovery, community reintegration and secondary prevention.

OBJECTIVE:
Improve long-term functional and health status and improve the likelihood of independent living and a high quality of life

ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED:
- Education and Training for rehabilitation professionals, patients, and the community
- Research and clinical innovation to advance in the field of rehabilitation medicine
- Advocacy in partnerships to ensure the needs of those with disabilities are recognized, understood, and addressed by policy makers

ANTICIPATED IMPACT OF THESE ACTIONS:
- Reduce the likelihood of complications, relapse, and/or re-hospitalizations
- Halt or slow the progression of primary and secondary disabilities (maintain functioning and prevent further deterioration)

PLAN TO EVALUATE THE IMPACT:
- Monitor discharge, transfers and readmissions rates
- Report on capability to manage patient population
- Outline set of added services

PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT:
- Powerful Tools For Caregivers
- Integrative Medicine- Acupuncture, massage on campus
- Monthly Stroke Survivors Support Group
- Spinal Cord injury Informational Series
- Community Outreach Programs including: Adaptive Rowing; Golfers in Motion and others

COLLABORATIVE PARTNERS:
- Acute Care Hospitals and Trauma Centers across the state
- Emergency Department staff
- CT State Department of Public Health
- Stoke Center at SFHMC

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 - 2019			
HOSPITAL FACILITY:	Mount Sinai Rehabilitation Hospital		
CHNA SIGNIFICANT HEALTH NEED:	Access to Healthcare (rehabilitation services for patients with MS)		
CHNA REFERENCE PAGE:	22	**PRIORITIZATION #:** 3 & 4	

BRIEF DESCRIPTION OF NEED:
Provide comprehensive interdisciplinary care for those with Multiple Sclerosis to achieve optimal outcomes.

GOAL:
Become Center of Excellence for MS. Provide high quality state of the art care to those suffering from Multiple Sclerosis. Expand community access for our Center of Excellence for MS.

OBJECTIVE:
- Expand services area reach beyond current primary service area.
- Increase partners in order to address disjointed care
- Advocate at the payor and legislative level regarding access to services

ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED:
- Enhance the coordination of MS Care
- Improve research portfolio and numbers of patients involved in trials
- Integrate State of the art technologies to enhance clinical outcomes

ANTICIPATED IMPACT OF THESE ACTIONS:
- Value driven rehabilitation care across the continuum
- Work with partners to ensure the needs of those with MS are addressed by policymakers

PLAN TO EVALUATE THE IMPACT:
- Measure the development of innovative interdisciplinary care programs
- Increase in portfolio of new technology, trials and robotics (hyperbaric chamber treatment)
- Improved research infrastructure

PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT:
- C.A.R.P. Community Adaptive Rowing Program
- Golfers in Motion and other Physical Therapy Programs
- Men's MS Support Group
- Patient Led Support Group for individuals with MS
- MS International Symposium Patient Day (Education, Resources, support for individuals with MS, families & clinicians)
- MS center facilitated Education Seminars for Patients with MS/families related to DMT options

COLLABORATIVE PARTNERS:
1. Multiple Sclerosis Society
2. Research Support
3 Mandell Family Foundation

Adoption of Implementation Strategy

On 1-24-17 the Mission Committee of the Board of Directors for Mount Sinai Rehabilitation Hospital met to discuss the 2016-2019 Implementation Strategy for addressing the community health needs identified in the 2016 Community Health Needs Assessment Upon review, the Mission Committee recommends approval by the full Board of Directors at their next meeting of this this Implementation Strategy and the related budget

Howard Orr 1/25/17

Howard Orr
Mount Sinai Rehabilitation Hospital
Board Chairman

Date

ATTACHMENT 3

Trinity Health – New England
Johnson Memorial Hospital
Community Health Needs Assessment Implementation Strategy
Fiscal years 2016-2019

Johnson Memorial Hospital (JMH) completed a comprehensive Community Health Needs Assessment (CHNA) that was adopted by the Board of Directors on 2-7-17. JMH performed the CHNA in adherence with certain federal requirements for not-for-profit hospitals set forth in the Affordable Care Act and by the Internal Revenue Service. The assessment took into account input from representatives of the community, community members, and various community organizations.

The complete CHNA report is available electronically at www.jmmc.com or printed copies are available from Patricia Lariviere plarivie@stfranciscare.org

Hospital Information and Mission Statement

Mission

We, Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

Our Core Values

Reverence
We honor the sacredness and dignity of every person.

Commitment to those who are poor
We stand with and serve those who are poor, especially those most vulnerable.

Justice
We foster right relationships to promote the common good, including sustainability of Earth.

Stewardship
We honor our heritage and hold ourselves accountable for the human, financial and natural resources entrusted to our care.

Integrity
We are faithful to who we say we are.

Johnson Memorial Hospital is a 92-bed hospital located in Stafford Springs Connecticut that has been an anchor institution in north central Connecticut for 104 years. The Hospital moved from its original location on East Street in Stafford Springs to its present location on Chestnut Hill Road in 1975. During the 1980s, few health care organizations throughout the United States were branching out by creating subsidiaries, and Johnson Memorial Hospital (JMH) was one of the first to bring this type of business structure to Connecticut. Early in the decade, Johnson Health Care, Johnson Development Fund and Wellcare joined Johnson Memorial Hospital under the Johnson Memorial Corporation umbrella. Soon after, the

organization opened Connecticut's first free-standing, hospital-affiliated outpatient surgery center, Johnson Surgery Center. In the intervening years, Johnson has continued expanding services to meet the community's needs. In September 2010, JMH emerged from Chapter 11 as an independent, community-based health care provider as it had been for nearly a century. In July of 2012, JMH and Saint Francis *Care* signed an Affiliation Agreement, resulting in a mutually beneficial relationship that has provided the community with a sustainable, high quality healthcare resource. As a result, JMH has experienced improved operations by all measures of financial performance.

In 2016, Johnson Memorial Hospital and the other Johnson entities became part of Trinity Health - New England, an integrated health care delivery system that is a member of Trinity Health, Livonia, MI, one of the largest multi-institutional Catholic health care delivery systems in the nation. Today, Johnson Memorial Hospital and Home & Community Health Services provide a continuum of health care services to those living and working in north central Connecticut and western Massachusetts.

Health Needs of the Community

The CHNA conducted in 2016 identified significant health needs within the JMH community. Those needs were then prioritized based on a Community Conversation and focus groups with key stakeholders held during 2016. Significant health needs identified, in order of priority include:

Healthy Behavior Change: Diet & Exercise	• 66% of JMH survey respondents are either overweight or obese • High Blood Pressure is the leading cause of hospitalization.
Substance Abuse & Tobacco Use	• Opioid use had increased significantly • 16% of CT adult smoke and youth rates are similar
Access to health care.	• 23% of residents indicate postponing care due to access. • Of those 56% said that cost was a significant factor.
Poverty and Employment	• Although the population is educated, employment opportunities are limited. • 12% of residents indicated the need to participate in food pantries due to limited income for food.

Hospital Implementation Strategy

JMH resources and overall alignment with the hospital's mission, goals and strategic priorities were taken into consideration of the significant health needs identified through the most recent CHNA process.

Significant health needs that will not be addressed

Johnson Memorial Hospital acknowledges the wide range of priority health issues that emerged from the CHNA process, and determined that it could effectively focus on only

those health needs which it deemed most pressing, under-addressed, and within its ability to influence. JMH will not take action on the following community needs:

- **Poverty and lack of employment opportunities.**
- **Lack of public transportation resources.**

This implementation strategy specifies community health needs that the Hospital has determined to meet in whole or in part and that are consistent with its mission. The Hospital reserves the right to amend this implementation strategy as circumstances warrant. For example, certain needs may become more pronounced and require enhancements to the described strategic initiatives. During the three years ending 2019, other organizations in the community may decide to address certain needs, indicating that the Hospital then should refocus its limited resources to best serve the community.

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 – 2019			
HOSPITAL FACILITY:	Johnson Memorial Hospital		
CHNA SIGNIFICANT HEALTH NEED:	Support for Healthy Behavior Change: Diet & Exercise		
CHNA REFERENCE PAGE:	Pages 15,17,18	**PRIORITIZATION #:** 2	

BRIEF DESCRIPTION OF NEED:

High rates of Obesity, Diabetes and Heart Disease are impacted significantly by behaviors. In the JMH service area 66% of residents are either overweight or obese. And high blood pressure is the most common reason for hospitalization.

GOAL:
Provide easily accessible programs that focus on healthy eating and active living behaviors that result in positive health changes.

OBJECTIVE:
Engage 60 participants in the first year of the programs and establish and on-going, sustainable process for providing the programs to those residents with the highest need.

ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED:
Identify appropriate partners to provide the programs in community settings.
Develop a referral system to identify high need patients and provide high quality actionable referrals.
Invest in programs so they can be provide free of charge to patients and residents in need of these support services.

ANTICIPATED IMPACT OF THESE ACTIONS:
Better relationships with program participants.
Increase knowledge and healthy behaviors for those who complete the programs.
Improved long term health outcomes.

PLAN TO EVALUATE THE IMPACT:
Pre and post-test screening of knowledge and behavior for program participants.
In year 3 - Review of health records for up to 10% of program participants.

PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT:
In-Kind support for data collection and program evaluation.

COLLABORATIVE PARTNERS:
American Heart Association
Diabetes Prevention Programs

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 – 2019			
HOSPITAL FACILITY:	Johnson Memorial Hospital		
CHNA SIGNIFICANT HEALTH NEED:	Substance Abuse and Tobacco Use		
CHNA REFERENCE PAGE:	17	**PRIORITIZATION** #: 3	

BRIEF DESCRIPTION OF NEED:
Tobacco Use in Connecticut is at 16%, well above the Healthy People 2020 goal of 12%. Rates among Connecticut youth are similar to adults, which highlight an opportunity to have an impact on health outcomes.
Opioid use has increased significantly in the rural areas of the service area.

GOAL:
Make changes to tobacco policy at the state and local level to support tobacco cessation.
Engage programs that focus on youth smoking rates
Develop a set of substance abuse prevention and treatment resources.

OBJECTIVE:
Collaborate with a statewide coalition to encourage tobacco use cessation.
Develop relationships with clinical leaders to improve tobacco screening and referral.
Engage partners in development of resources for opioid abuse.

ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED:
Identify local resources for patients and others to access.
Engage youth and others in messaging about tobacco cessation.

ANTICIPATED IMPACT OF THESE ACTIONS:
Change in legislation that makes it harder to market e-cigarettes.
Improved messaging on campus about the prohibition of tobacco products of all kinds including e-cigarettes.
Decreased uptake of smoking among young adults.
Identification and education of providers and others about resources to address substance abuse.

PLAN TO EVALUATE THE IMPACT:
Review legislative accomplishments for the past 12 months.
Identify signage changes regarding tobacco free campus.
Examine rates of smoking in young adults with Data Haven support.
Survey of providers and patients about knowledge of substance abuse resources.

PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT:
Changes in campus wide signage
In-Kind support for resource identification

COLLABORATIVE PARTNERS:
MATCH Coalition
Regional Health Ministry Sites: Johnson Memorial; Mount Sinai; Saint Mary's; Mercy Medical Center

CHNA IMPLEMENTATION STRATEGY FISCAL YEARS 2016 – 2019			
HOSPITAL FACILITY:	Johnson Memorial Hospital		
CHNA SIGNIFICANT HEALTH NEED:	Access to Healthcare		
CHNA REFERENCE PAGE:	20	**PRIORITIZATION #: 1**	
BRIEF DESCRIPTION OF NEED: 23% of survey participants indicated they have postponed healthcare in the past 12 months because of limited access. The most common reason sited was cost with 56% of those who said the postponed care attributing cost to the reason for doing so.			
GOAL: Work to improve understanding of healthcare costs; improve enrollment in health insurance and decrease the numbers reporting that care is postponed due to access.			
OBJECTIVE: Enroll 100 patients in health insurance or programs or screen them for financial assistance for healthcare resources. Educate providers and patients about the resources available for those with limited income.			
ACTIONS THE HOSPITAL FACILITY INTENDS TO TAKE TO ADDRESS THE HEALTH NEED: Partner with community agency to develop an outreach effort about health insurance resources and the importance of financial screening.			
ANTICIPATED IMPACT OF THESE ACTIONS: Improved satisfaction for patients and greater access to needed health resources. Increased stability in patient's lives.			
PLAN TO EVALUATE THE IMPACT: Survey of patient satisfaction. Measure of patient health insurance coverage.			
PROGRAMS AND RESOURCES THE HOSPITAL PLANS TO COMMIT: Coordination of financial screening resources from Saint Francis with Johnson staff. Staffing of educational programs about health resources in the community.			
COLLABORATIVE PARTNERS: **Saint Francis Hospital** **Financial Aid Counselors** **ACCESS Health CT**			

Adoption of Implementation Strategy

On 2-7-17 the Board of Directors for Johnson Memorial Hospital met to discuss the 2016-2019 Implementation Strategy for addressing the community health needs identified in the 2016 Community Health Needs Assessment. The Board adopted the plan and related budget and designated the chairman of the board to sign the documents for approval.

Patrick Mahon, Chairman

2/15/17
Date

ATTACHMENT 4

Saint Mary's Hospital
Community Health Needs Assessment

Implementation Plan 2016

Saint Mary's HOSPITAL

Exceptional care. Every patient. Every day.

2016 Community Health Needs Assessment Implementation Plan

Following the 2016 Community Health Needs Assessment, Saint Mary's Hospital developed an Implementation Strategy to illustrate the hospital's specific programs and resources that support ongoing efforts to address the identified community health priorities. This work is supported by community-wide efforts and leadership from the executive team and board of directors at Saint Mary's Hospital. The goal statements, objectives and initiatives, and inventory of existing community assets and resources for each of the five priority areas are listed below.

I. Access to Care

Goal: Improve access to comprehensive, culturally competent, quality health services.

Objectives:

- Increase the proportion of patients with health insurance
- Increase the proportion of persons who have a specific source of ongoing care

Key Indicators

- Number of uninsured patients approved for health insurance programs
- Number of patients who report having a primary care provider
- Number of patients participating in the Children & Youth Medical Home Initiative

Existing Programs

Hospital-Based Access to Care Programs

- Saint Mary's has patient financial advocates who help patients qualify for insurance programs such as Medicaid. In 2016, these advocates assisted 1,558 individuals in obtaining insurance coverage.
- In January 2014, Saint Mary's began the insurance and cost estimate program was implemented. Patients, who request an estimate, now receive a document that estimates the cost of care.
- Saint Mary's has a patient tracking system for its Same Day Surgery department as of September 2013.
- Saint Mary's has a comprehensive communication strategy to promote primary care and urgent care through direct patient education, community health events and marketing communications such as search engine optimization, online appointment booking and digital media strategies.
- Saint Mary's promotes the use of a patient's electronic health record as a means of providing access to patient's health information including medications, providers and office visits.
- In October 2016, Saint Mary's installed signage in multiple languages that educates patients and visitors to use our language and interpretation services.
- Saint Mary's is a partner in the Waterbury Health Access Program which improves access to high-quality medical care for uninsured and underinsured residents of Greater Waterbury.
- Saint Mary's Family Health Center and Outpatient Behavioral Health Center provide services to patients who are uninsured, under-insured or have Medicaid. Thousands of patients receive services through these clinics.

Grant-Funded

- Saint Mary's has grant funding from the Connecticut Department of Public Health for The Connecticut Breast and Cervical Cancer Early Detection Program (CBCCEDP), which was formerly known as the Connecticut Cancer and Heart Disease Integrated Health Screening program (CHDIHS). This program provides screening for breast, cervical and colorectal cancer and if a cancer is diagnosed through the grant, funds are available for treatment.
- As one of five hospitals in the state of Connecticut, Saint Mary's received grant funding from the Connecticut Department of Public Health for the Children and Youth with Special Health Care Needs (CYSHCN). This program develops care plans and provides healthcare regardless of income for children and youth with chronic physical and/or behavioral issues not only to Saint Mary's practices but to the community as well.

Initiatives

- Explore further options of care using the PUMP Club model (see section III., Healthy Lifestyles) of direct-to-care access.
- Provide appropriate technology in hospital to enhance patient experience across multiple settings.
- Educate health care providers on resources (e.g., Malta House of Care, Waterbury Health Access Program) for uninsured/underinsured and low income patients and families.
- Explore further development of nurse navigator programs to improve access to primary care and behavioral health.
- Evaluate need for additional mobile screening vehicles in the Greater Waterbury market
- Continue to enhance Autism-friendly space and training for emergency department providers

II. Mental Health and Substance Abuse

Goal: Improve mental health and reduce substance abuse through awareness, access to services, and promoting positive environments.

Objectives:

- Increase mental health and substance abuse screening by primary care providers
- Increase number of points of access for referral to services

Key Indicators

- Number and percent of patients in the Emergency Department whose primary diagnosis is related to mental or behavioral health.
- Length of stay in ED for mental or behavioral health patients.
- Number of ED referrals for mental or behavioral health care services.
- Number of patients who utilize outpatient behavioral health services.

Existing Programs

- Saint Mary's has a twelve-bed inpatient psychiatric unit. In FY 15, 637 patients were discharged from the unit. The average length of stay in the unit is 6.5 days.
- Saint Mary's has an intensive outpatient behavioral health program. Approximately, 1,700 patients receive services through this program each year.
- Saint Mary's Emergency Department is a resource for patients with behavioral health needs. In 2015, 13,254 ED patients had a primary or secondary diagnosis related to behavioral health. These patients represent 18% of total visits (71,762). The average length of stay for behavioral health patients in 2015 the ED was 33 hours or 1.4 days.
- In 2016, Saint Mary's implemented Enhanced Recovery After Surgery (ERAS), a program designed to reduce or eliminate the use of narcotics in surgery.

Initiatives

- Spearhead efforts to create and organize a Community Care Team focused on high risk behavioral health patients with efforts from the Greater Waterbury Health Improvement Partnership.
- Complete construction of Behavioral Health unit in the Emergency Department to better meet patient needs.
- Continue to participate in the Connecticut Behavioral Health Partnership, which is organized through ValueOptions, Association of Ambulatory Behavioral Health, and the Mental Health Association of Connecticut.
- Increase education and percentage of narcotic-free surgeries completed at Saint Mary's Hospital.
- Continue to evaluate use of telemedicine for mental and behavioral health.

III. Healthy Lifestyles (Obesity, Heart Disease, and Diabetes)

Goal: Reduce chronic health disease through awareness and education.

Objectives:

- Enact process to collect data within Physician Network Organization on patient Body Mass Index (BMI) levels.

Key Indicators

- Number of patients with a Body Mass Index (BMI) screening.
- Number of patients with a calculated Body Mass Index (BMI) of overweight or obese that were referred to additional care.
- Number and percent of patients receiving inpatient and outpatient nutritional counseling.
- Number of children who receive meals through the Health Nutrition Grant.
- Number and percent of hospital meals that meet Sodexo's Mindful Meal Selection Program.
- Percent of healthy options placed in vending machines on hospital campus.

Existing Programs

Hospital-Based Healthy Lifestyles Programs

- Saint Mary's offers inpatient nutritional counseling and a significantly expanded outpatient nutritional counseling services that provide support groups and education.
- Saint Mary's has a bariatric program. Services offered through the program include monthly educational seminars, nutritional counseling, gastric bypass and gastric banding surgery, and support groups. In FY 2015, 131 patients had bariatric surgery.
- Saint Mary's has expanded and enhanced Cardiac Rehabilitation wellness program.
- Food services at Saint Mary's are provided by Sodexo. Sodexo offers a program titled Mindful by Sodexo that includes healthy and nutritious food options.
- Beginning in 2016, Saint Mary's now offers breastfeeding classes taught by a certified lactation consultant specifically for mothers returning to work.
- Saint Mary's was awarded a grant to pilot the American College of Cardiology Nurse Navigator Program in 2014. Since then, the pilot has expanded into the PUMP Club; this program provides patients with Congestive Heart Failure education and coordination of post-acute care services.
- In 2016, Saint Mary's Hospital achieved its Chest Pain Center Accreditation with Primary PCI and Resuscitation from the American College of Cardiology Accreditation Services (formerly Society of Cardiovascular Patient Care).
- In 2016, Saint Mary's added a new Diabetes and Endocrinology Center.

Grant-Funded

- Saint Mary's is also a grant recipient of the WISEWOMEN™ program which helps women understand and reduce their risk for heart disease and stroke by providing services and screenings to promote lasting heart healthy lifestyles.
- Saint Mary's Children's Development Center has a Bureau of Health Nutrition Grant to provide lunch and snacks for children who live in poverty. This grant is partially funded by the Department of Education.

Initiatives

- Evaluate ways to continue to improve meal choices and healthy vending options at the hospital.
- Enhance existing breast feeding policies and procedures through exploration of Baby Friendly designation.
- Continue to promote education about heart disease including preventions such as Early Heart Attack Care and Hands-Only CPR.
- Support the Waterbury Department of Public Health's food and nutrition programs (such as the Healthy Corner Stores Initiative Food Prescription Programs).
- Explore potential to facilitate training for and hosting of American Diabetes Association's Live Well with Diabetes within the hospital network.

IV. Tobacco Use and Asthma

Goal: Become a leader in expanding our role with tobacco control to reduce illness, disability, and death related to tobacco use and secondhand smoke exposure. In addition, reduce the incidence and progression of asthma in the Greater Waterbury region.

Objectives:

- Following Connecticut Department of Public Health guidelines and Connecticut Hospital Association tools to reduce asthma hospitalizations and Emergency Department visits.
- Increase tobacco screening, counseling, and education about health risks of using tobacco
- Increase publicity of Saint Mary's tobacco and e-cigarette free environments.
- Enact process to collect data within Physician Network Organization on the percentage of adult patients screened for tobacco use and cessation intervention.

Key Indicators

- Number of patients that receive a tobacco screening.
- Number of patients who receive a smoking cessation referral.
- Number of patients who successfully complete smoking cessation counseling.
- Number of physicians participating in the Easy Breathing Program.

Existing Programs

- All patients who are discharged from Saint Mary's Hospital receive Smoking Cessation educational materials in their discharge packets.
- The Easy Breathing program works to inform physician practices and foster a community-based approach to pediatric asthma and review program data at the community level.
- Continue to explore efforts Greater Waterbury Region Asthma Coalition and the statewide health improvement initiative by Connecticut Hospital Association.

Initiatives

- Evaluate opportunities to pilot incentive program to increase smoking cessation rates.
- Support Regional Health Ministry in efforts on Tobacco 21, Smoke Free Movies and other tobacco control policies in the state of Connecticut
- Initiate and properly educate patients on Smoke Free Campuses including the use of E-cigarettes
- Upon implementation of new Electronic Health Record, report to Trinity Health System Office the number of patients screened for tobacco use and cessation intervention.
- Support Greater Waterbury Region Asthma Coalition in implementing Asthma Action Plan in Emergency Department.
- Increase education to patients regarding asthma triggers including poor air quality days and second-hand smoke.

V. Health Communications

Goal: As a member of the Greater Waterbury Health Improvement Partnership, Saint Mary's Hospital will be a leader in advancing the ability for quality health information and increase the target area's health literacy.

Objectives:

- Increase visibility of health and well-being programs in the Greater Waterbury community through various community tools and provider education
- Increase availability of Greater Waterbury Health Improvement Partnership reports and data

Key Indicators

- Number of people who engage in Greater Waterbury Health Improvement Partnership website and social media posts.

Existing Programs

- A communications workgroup has been formed within the Greater Waterbury Health Improvement Partnership.

Initiatives

- Assist with creation and promotion of Greater Waterbury Health Improvement Partnership website, social media and communication vehicles.

Appendix A: CHNA Implementation Plan Resources

Bridge to Success Community Partnership
Catholic Charities
Catholic Family Services
Chesprocott Health District
City of Waterbury
Community Health Centers, Inc.
Connecticut Community Foundation
End Hunger Connecticut
Family Services of Greater Waterbury
Greater Waterbury Health Improvement Partnership (GWHIP)
Harold Leever Regional Cancer Center
Healthcare without Harm
Local and national legislators
Malta House of Care
Neighborhood Housing Services of Waterbury
New Opportunities, Inc.
Pomperaug District Department of Health
Public and Private School Systems
StayWell Health Center, Inc.
Trinity Health
Trinity Health – New England
United Way of Greater Waterbury
Value Options
Visiting Nurses Association
Waterbury Department of Public Health
Waterbury Health Access Program
Waterbury Youth Services
Wellmore Behavioral Health

User, OHCA

From: Cotto, Carmen
Sent: Thursday, May 25, 2017 2:23 PM
To: Capone, Claudio
Cc: Roberts, Karen; User, OHCA
Subject: RE: Trinity Health -New England CON filing requirements

Hi Claudio,

We will get back to you on the matter of coordinating the due dates.

Meantime, please provide us with a reason for your request for an extension by no later than midday tomorrow, Friday, May 26, 2017.

Thanks,
Carmen

Carmen Cotto, MBA
Associate Health Care Analyst
Office of Health Care Access
Connecticut Department of Public Health
410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, CT 06134
P: (860) 418-7039 |F: (860) 418-7053 |E: carmen.cotto@ct.gov

www.ct.gov/dph

From: Capone, Claudio [mailto:Claudio.Capone@TrinityHealth-NE.org]
Sent: Thursday, May 25, 2017 7:09 AM
To: Cotto, Carmen <Carmen.Cotto@ct.gov>
Cc: Roberts, Karen <Karen.Roberts@ct.gov>
Subject: RE: Trinity Health -New England CON filing requirements

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From: Roberts, Karen
Sent: Friday, February 24, 2017 11:38 AM
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Cc: Cotto, Carmen <Carmen.Cotto@ct.gov>
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III. ***Certain Agreed Upon Conditions from Docket Number 15-32045-CON, St. Mary's/Trinity***
- CLOSING/TRANSACTION DATE WAS AUGUST 1, 2016

5. Within one hundred and eighty (180) days following the Closing Date, TH-NE shall submit a plan demonstrating how health care services will be provided by the Hospital for the first three years following the Transfer Agreement, including any consolidation, reduction, or elimination of existing services or introduction of new services (the "Services Plan"). The Services Plan will be provided in a format mutually agreed upon by OHCA and TH-NE. OHCA is imposing this Condition to ensure continued access to health care services for the patient population. *Legal and Factual Basis: Conn. Stat. §§ 19a-613(b), 19a-639(a)(5),(6) (7),(8),(9),(11) & (12); FF 21-22, 24-25.*

180 DAYS OF THE CLOSING DATE IS JANUARY 28, 2017. THIS MATERIAL REMAINS DUE AT THIS TIME.

7. Within one hundred and eighty (180) days following the Closing Date and thereafter on the same semi-annual schedule as set forth in Condition 8 below until the capital commitment is satisfied TH-NE shall submit to OHCA a report on the capital investments ("Capital Investment Report") it has made in the Hospital and its affiliates from the minimum $100 million Commitment Amount. The Capital Investment Report shall include the following in a format to be agreed upon:

    a. A list of the capital expenditures that have been made in the prior one hundred and eighty (180) days with descriptions of each associated project; and
    b. An explanation of why each expenditure was made and a timeframe for the roll out of the associated capital project (including estimated beginning, ending and startup/operation dates); and
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12. TH-NE shall maintain community benefit programs and community building activities for the Hospital for three (3) years after the Closing Date consistent with the Hospital's most recent Schedule H of IRS Form 990 or shall provide such other community benefit programs and community building activities that are at least as generous and benevolent to the community as the Hospital's current programs, and TH-NE shall apply no less than a 1% increase per year for the next three (3) years toward the Hospital's community building activities in terms of dollars spent.

    In determining the Hospital's participation and investment in both community benefits and community building activities, TH-NE shall address the health needs identified by the applicable CHNA in effect at the time and the population health management objectives, including social determinants of health, contained in the related Implementation Strategy.

    d. On an annual basis, TH-NE shall identify the amounts and uses related to community benefits and community building and shall discuss how such investments and support are being applied toward the health needs identified in the CHNA and population health management objectives. Such reporting shall be filed within thirty days of the anniversary date of the closing for three years and shall be posted on the Hospital's website. OHCA is imposing this Condition to ensure continued access to health care services for the patient population. *Legal and Factual Basis: Stat. §§ 19a-613(b), 19a-639(a)(5),(6) & (11); FF 35.*

THIRTY DAYS OF THE CLOSING DATE IS AUGUST 31ST. THIS MATERIAL MAY INSTEAD BE FILED EACH NOVEMBER 30TH ALONG WITH THE MATERIAL DUE PURSUANT TO CONDITIONS #8 AND #9.

13. TH-NE shall work toward making culturally and linguistically appropriate services available and integrated throughout the Hospital's operations. Specifically, TH-NE shall ensure that the Hospital shall take reasonable steps to provide meaningful access to each individual with limited English proficiency eligible to be served or likely to be encountered in its health programs and activities, in accordance with the implementing regulations of Section 1557 of the Patient Protection and Affordable Care Act. Additionally, TH-NE shall provide at the Hospital, appropriate insurance navigator services for patients and, where appropriate, English as a second language and cultural competency training for employees. In complying with this Condition, TH-NE shall ensure that the Hospital shall be guided by the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care published by the U.S. Department of Health and Human Services' Office of Minority Health. For three (3) years following the Closing Date, TH-NE shall submit a written report on its activities directed at meeting this Condition. Such reporting shall be filed within thirty (30) days of the anniversary date of the closing for three years and shall be posted on the Hospital's website. OHCA is imposing this Condition so as to ensure continued access to health care services for the patient population. *Legal and Factual Basis: 45 C.F.R. §92.201; Stat. §§ 19a-486d(a), 19a-613(b), 19a-639(a)(5),(6) & (11); FF 29.*

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NOTICE: This email and/or attachments may contain confidential or proprietary information which may be legally privileged. It is intended only for the named recipient(s). If an addressing or transmission error has misdirected this email, please notify the author by replying to this message. If you are not the named recipient, you are not authorized to use, disclose, distribute, make copies or print this email, and should immediately delete it from your computer system. Saint Francis Hospital and Medical Center has scanned this email and its attachments for malicious content. However, the recipient should check this email and any attachments for the presence of viruses. Saint Francis Hospital and Medical Center and its affiliated entities accepts no liability for any damage caused by any virus transmitted by this email.

User, OHCA

From: Roberts, Karen
Sent: Friday, May 26, 2017 4:37 PM
To: Capone, Claudio
Cc: Cotto, Carmen; Clarke, Ormand; Martone, Kim; Cable, Kimberly (KCable@stfranciscare.org); User, OHCA
Subject: RE: Trinity Health -New England CON filing requirements

Hi Claudio – we have received your request below for additional time to file the required May 31st semi-annual reports for the three Trinity-related transfer of ownership CONs, as follows:

St. Francis – Trinity DN 15-31979-CON
Johnson – Trinity DN 15-32002-CON
St. Mary's –Trinity DN 15-32045-CON

We find it acceptable for the reason that you expressed in your email to Mr. Cotto on May 25th, to provide you with additional time to fulfill this filing for these three docket numbers, but we would appreciate it if the filings are received by end of business day on Wednesday, June 7th.

Sincerely,

Karen Roberts
Principal Health Care Analyst
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Connecticut Department of Public Health
410 Capitol Avenue, MS #13HCA, P.O. Box 340308, Hartford, CT 06134-0308
P: (860) 418-7041 / F: (860) 418-7053 / E: *karen.roberts@ct.gov*

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    d. On an annual basis, TH-NE shall identify the amounts and uses related to community benefits and community building and shall discuss how such investments and support are being applied toward the health needs identified in the CHNA and population health management objectives. Such reporting shall be filed within thirty days of the anniversary date of the closing for three years and shall be posted on the Hospital's website. OHCA is imposing this Condition to ensure continued access to health care services for the patient population. *Legal and Factual Basis: Stat. §§ 19a-613(b), 19a-639(a)(5),(6) & (11); FF 35.*

THIRTY DAYS OF THE CLOSING DATE IS AUGUST 31ST. THIS MATERIAL MAY INSTEAD BE FILED EACH NOVEMBER 30TH ALONG WITH THE MATERIAL DUE PURSUANT TO CONDITIONS #8 AND #9.

13. TH-NE shall work toward making culturally and linguistically appropriate services available and integrated throughout the Hospital's operations. Specifically, TH-NE shall ensure that the Hospital shall take reasonable steps to provide meaningful access to each individual with limited English proficiency eligible to be served or likely to be encountered in its health programs and activities, in accordance with the implementing regulations of Section 1557 of the Patient Protection and Affordable Care Act. Additionally, TH-NE shall provide at the Hospital, appropriate insurance navigator services for patients and, where appropriate, English as a second language and cultural competency training for employees. In complying with this Condition, TH-NE shall ensure that the Hospital shall be guided by the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care published by the U.S. Department of Health and Human Services' Office of Minority Health. For three (3) years following the Closing Date, TH-NE shall submit a written report on its activities directed at meeting this Condition. Such reporting shall be filed within thirty (30) days of the anniversary date of the closing for three years and shall be posted on the Hospital's website. OHCA is imposing this Condition so as to ensure continued access to health care services for the patient population. *Legal and Factual Basis: 45 C.F.R. §92.201; Stat. §§ 19a-486d(a), 19a-613(b), 19a-639(a)(5),(6) & (11); FF 29.*

THIRTY DAYS OF THE CLOSING DATE IS AUGUST 31ST. THIS MATERIAL MAY INSTEAD BE FILED EACH NOVEMBER 30TH ALONG WITH THE MATERIAL DUE PURSUANT TO CONDITIONS #8 AND #9.

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User, OHCA

From: Capone, Claudio <Claudio.Capone@TrinityHealth-NE.org>
Sent: Wednesday, June 07, 2017 3:47 PM
To: User, OHCA; Cotto, Carmen; Roberts, Karen
Cc: Schneider, Jennifer; John Rodis; Kyle Jurczyk; Janeanne C. Lubin-Szafranski
Subject: Trinity Health - New England Conditions of CON Filings
Attachments: Saint Francis Trinity Health order requirements Summary of Cost Saving ....pdf; Saint Francis Trinity Health order requirements Summary of Cost Saving draft v1.docx; Johnson Trinity Health New England 5-30 order requirements.pdf; Attachment C Supplemental Stats for JMH.XLSX; Attachment A Detail of 6 month savings 10-1-2016 to 3-31-2017.xlsx; Attachment B JMH report 100-150.xlsx; Saint Mary's Key CON stats Mar 2017.xlsx; Saint Mary's Capital Exp - FA OCHA Info thur MAR17.xlsx; Saint Mary's Report 100_150_300_350_March 2017.xlsx; 15_31979 Attachment C TH-NE Financial Statistics -Mar 17- comp to Sept 16.xlsx; 15_31979 Attachment B2 Cashflow.xls; 15_31979 Attachment B1 TH-NE - CT - SAFNS - Reports 100 150 300 350 3.31.17.xlsx; 15_31979 Attachment A Detail of 6 month savings 3-31-2016.xlsx

Importance: High

Hello,

Attached are Trinity Health – New England's June 7th filings pursuant to our CON Conditions as delineated in Docket Numbers:

- 15-31979-CON, St. Francis/Trinity
- 15-32002-CON, Johnson Memorial/Trinity
- 15-32045-CON, St. Mary's/Trinity

Please feel free to contact me with any questions you may have regarding the attached.

Regards,

Claudio A. Capone, FACHE
Regional VP of Strategic Planning and Business Development
Trinity Health - New England

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CON Docket No. 15-31979-CON- Transfer of ownership of Saint Francis Care, Inc. to Trinity Health Corporation

Response to Items #10 and #11 of the Settlement and Order dated 8/1/2015 for the Six Month Period Ended March 31, 2017

10. For three (3) years following the Closing Date, the Applicants shall file the following information with OHCA on a semi-annual basis for both the Hospital and its immediate parent (SFC or its successor legal entity) for purposes of this Order, semi-annual periods are October 1 - March 31 and April l - September 30. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31 and November 30, beginning May 31, 2016:

a) The cost saving totals achieved in the following Operating Expense Categories for both the Hospital and its immediate parent (SFC or its successor legal entity, SFCRHM): Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The information shall also contain narratives describing:

1. the major cost savings achieved for each expense category; and

Since October 1, 2015, the leaders within the functional areas at Saint Francis Hospital and Medical Center have been working closely with Trinity Health to identify and implement changes to realize cost saving opportunities. As previously reported, a significant benefit with annual ongoing savings for Saint Francis was the defeasance of Saint Francis' long term debt of approximately $246 million with proceeds from an intercompany loan. In addition, the Series F Fixed Pay SWAP was novated to Trinity Health on October 1, 2015. The result of this SWAP was an improvement in Saint Francis' net assets of $44 million. Furthermore, the transfer of this SWAP removes the financial risks associated with the change in interest rates and the impact on Saint Francis net assets. For example, in FY 2015, Saint Francis recorded a $14.8 million non-operating loss related to this interest rate SWAP. Additional interest expense savings for the six months ended March 31, 2017 was approximately $226,000 as a result of favorable interest rates.

Another significant change was the inclusion of Saint Francis into the Trinity Health insurance program. This created an overall decrease in annual premiums of approximately $1.3 million exclusive of one time tail coverage costs incurred as part of the transaction. The benefit related to this change was $650,000 for the six month period ended 3/31/2017. In addition, Saint Francis will realize an additional annual savings in insurance premiums of $1.8 million effective 7/1/2017.

Lastly, leveraging the Trinity Health actuarial expertise whose approach is to more closely align mortality assumptions with plan participant demographics in the Trinity Health pension plans, Saint Francis' projected benefit obligation was further evaluated. As a result, Saint Francis recognized an annual benefit in pension expense of $4.2 million for the twelve month period

ended September 30, 2016. For the period from October 1, 2016 to March 31, 2017 the realized benefit was $2.3 million. Furthermore, Trinity and Saint Francis have developed a plan to continue to adequately fund the Saint Francis defined benefit plan consistent with the Trinity Health funding policy. Based on the current obligations under the plan and current funding level, Saint Francis will make contributions of $32.9 million to the plan during the period 7/1/2017-6/30/2018. Historically, Saint Francis was only able to contribute approximately $9 million to the plan annually.

Just prior to Saint Francis joining Trinity Health, a class action lawsuit was brought against Saint Francis relating to the question as to whether Saint Francis' defined benefit plan should be administered as a qualified "church plan" or a plan subject to Employee Retirement Income Security Act (ERISA). Trinity Health system office risk management collaborated with local leadership and was instrumental in resolving this matter. Furthermore, $800,000 of legal fees associated with this matter was paid for by Trinity Health on behalf of Saint Francis.

In January 2017, the employees of Saint Francis were brought onto to Trinity Health benefit programs which provided several enhancements to their benefits. The most significant change is that colleagues working more than twenty hours per week are participating in a defined contribution retirement program which provides a base core contribution of 3% for everyone and a matching contribution for the first 6% of a colleague's contribution. The new health insurance program provides comprehensive coverage at a lower average employee contribution compared to what had previously been provided.

Saint Francis continues with the transition to the Trinity Health Group Purchasing Organization, HPG. During the period October 1, 2016 to March 31, 2017, this effort has resulted in net supply chain savings of approximately $1.7 million. Most of the current saving was achieved by reducing the cost on existing goods through the implementation of the Trinity Health National Agreements. Other contract savings were realized with various revenue cycle vendors and totaled $219,000 during the same period. Supply Chain integration activity will continue in FY17 and FY18.

Trinity Health – New England, Inc. (TH – NE, formerly known as Saint Francis *Care*, Inc.), on behalf of its member hospitals including Saint Francis Hospital and Medical Center, Johnson Memorial Hospital and Saint Mary's Hospital, is currently working with Trinity Health on ensuring these hospitals continue to deliver high quality care and remain low cost providers within the community. TH-NE and Trinity Health have engaged external consultants to assist in performance improvement, integration, regionalization strategy, productivity improvements and other cost reductions. Resources from Trinity Health system office are supporting these efforts and are on-site on a regular basis. Furthermore, Trinity Health has assumed 50% of these costs totaling over $1.0 million benefit to the Connecticut hospitals within TH - NE.

Except where otherwise noted, these cost savings will continue to be realized in future years. Furthermore, we continue to identify cost saving opportunities with vendors and will report those cost savings when realized in future reporting periods. See **Attachment A** for expense savings by category.

2. the effect of these cost savings on the clinical quality of care.

There has been no negative impact to clinical quality of care as a result of these cost savings. Saint Francis continues to have a strong census as well as being recognized for its clinical excellence.

See **Attachment D.**

b) A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for the Hospital and its immediate parent (SFC or its successor legal entity, SFCRHM). The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/150, 300/350 or successor reports.

See **Attachment B.**

11) For three (3) years following the Closing Date, SFCRHM shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for the Hospital and for SFCRHM. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016.

See **Attachment C** for Financial Indicators.

Attachment A

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
Cost Savings/Synergies 10/1/2016-3/31/2017

LINE	DESCRIPTION	Savings 10/1/2016-3/31/2017 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	
B.	Fringe Benefits (pension)	$2,300
C.	Contractual Labor Fees	
D.	Medical Supplies and Pharmaceutical Cost	$1,664
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$226
H.	Malpractice Insurance Cost	$650
I.	Utilities	
J.	Business Expenses (insurance and IT)	
K.	Other Operating Expense	$219
	Total savings 10/1-3/31	$5,059

Attachment B1

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$17,282,000	$14,863,000	($2,419,000)	-14%
2	Short Term Investments	$37,626,000	$22,759,000	($14,867,000)	-40%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$64,589,000	$84,118,000	$19,529,000	30%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$47,486,000	$36,994,000	($10,492,000)	-22%
6	Due From Third Party Payers	$5,513,000	$675,000	($4,838,000)	-88%
7	Inventories of Supplies	$8,913,000	$8,964,000	$51,000	1%
8	Prepaid Expenses	$3,861,000	$2,797,000	($1,064,000)	-28%
9	Other Current Assets	$3,498,000	$3,950,000	$452,000	13%
	Total Current Assets	**$188,768,000**	**$175,120,000**	**($13,648,000)**	**-7%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$55,311,000	$56,453,000	$1,142,000	2%
2	Board Designated for Capital Acquisition	$42,931,000	$45,721,000	$2,790,000	6%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$2,118,000	$0	($2,118,000)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$100,360,000**	**$102,174,000**	**$1,814,000**	**2%**
5	Interest in Net Assets of Foundation	$13,266,000	$10,935,000	($2,331,000)	-18%
6	Long Term Investments	$48,717,000	$51,061,000	$2,344,000	5%
7	Other Noncurrent Assets	$7,050,000	$8,864,000	$1,814,000	26%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$418,811,000	$428,235,000	$9,424,000	2%
2	Less: Accumulated Depreciation	$43,734,000	$62,758,000	$19,024,000	43%
	Property, Plant and Equipment, Net	**$375,077,000**	**$365,477,000**	**($9,600,000)**	**-3%**
3	Construction in Progress	$14,905,000	$28,823,000	$13,918,000	93%
	Total Net Fixed Assets	**$389,982,000**	**$394,300,000**	**$4,318,000**	**1%**
	Total Assets	**$748,143,000**	**$742,454,000**	**($5,689,000)**	**-1%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$34,163,000	$30,624,000	($3,539,000)	-10%
2	Salaries, Wages and Payroll Taxes	$38,144,000	$31,397,000	($6,747,000)	-18%
3	Due To Third Party Payers	$8,953,000	$7,509,000	($1,444,000)	-16%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$6,925,000	$6,690,000	($235,000)	-3%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$9,045,000	$9,764,000	$719,000	8%
	Total Current Liabilities	**$97,230,000**	**$85,984,000**	**($11,246,000)**	**-12%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$237,732,000	$235,217,000	($2,515,000)	-1%
	Total Long Term Debt	**$237,732,000**	**$235,217,000**	**($2,515,000)**	**-1%**
3	Accrued Pension Liability	$227,408,000	$209,405,000	($18,003,000)	-8%
4	Other Long Term Liabilities	$51,868,000	$52,668,000	$800,000	2%
	Total Long Term Liabilities	**$517,008,000**	**$497,290,000**	**($19,718,000)**	**-4%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$49,222,000	$70,673,000	$21,451,000	44%
2	Temporarily Restricted Net Assets	$29,372,000	$32,054,000	$2,682,000	9%
3	Permanently Restricted Net Assets	$55,311,000	$56,453,000	$1,142,000	2%
	Total Net Assets	**$133,905,000**	**$159,180,000**	**$25,275,000**	**19%**
	Total Liabilities and Net Assets	**$748,143,000**	**$742,454,000**	**($5,689,000)**	**-1%**

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -MAR	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$2,252,204,000	$1,225,669,000	($1,026,535,000)	-46%
2	Less: Allowances	$1,498,710,000	$828,362,000	($670,348,000)	-45%
3	Less: Charity Care	$8,463,000	$9,103,000	$640,000	8%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$745,031,000**	**$388,204,000**	**($356,827,000)**	**-48%**
5	Provision for Bad Debts	$14,575,000	$8,642,000	($5,933,000)	-41%
	Net Patient Service Revenue less provision for bad debts	**$730,456,000**	**$379,562,000**	**($350,894,000)**	**-48%**
6	Other Operating Revenue	$38,574,000	$18,266,000	($20,308,000)	-53%
7	Net Assets Released from Restrictions	$3,397,000	$1,993,000	($1,404,000)	-41%
	Total Operating Revenue	**$772,427,000**	**$399,821,000**	**($372,606,000)**	**-48%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$258,412,000	$122,840,000	($135,572,000)	-52%
2	Fringe Benefits	$63,421,000	$27,879,000	($35,542,000)	-56%
3	Physicians Fees	$52,062,000	$22,292,000	($29,770,000)	-57%
4	Supplies and Drugs	$115,390,000	$65,971,000	($49,419,000)	-43%
5	Depreciation and Amortization	$44,179,000	$19,210,000	($24,969,000)	-57%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$8,115,000	$4,421,000	($3,694,000)	-46%
8	Malpractice Insurance Cost	$8,753,000	$4,721,000	($4,032,000)	-46%
9	Other Operating Expenses	$211,691,000	$115,900,000	($95,791,000)	-45%
	Total Operating Expenses	**$762,023,000**	**$383,234,000**	**($378,789,000)**	**-50%**
	Income/(Loss) From Operations	**$10,404,000**	**$16,587,000**	**$6,183,000**	**59%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$6,882,000	$4,945,000	($1,937,000)	-28%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	($4,960,000)	($421,000)	$4,539,000	-92%
	Total Non-Operating Revenue	**$1,922,000**	**$4,524,000**	**$2,602,000**	**135%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$12,326,000**	**$21,111,000**	**$8,785,000**	**71%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**$12,326,000**	**$21,111,000**	**$8,785,000**	**71%**
	Principal Payments	$0	$0	$0	0%

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$72,316,000	$49,467,000	($22,849,000)	-32%
2	Short Term Investments	$49,401,000	$30,955,000	($18,446,000)	-37%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$124,168,000	$137,830,000	$13,662,000	11%
4	Current Assets Whose Use is Limited for Current Liabilities	$5,754,000	$0	($5,754,000)	-100%
5	Due From Affiliates	$3,147,000	$6,481,000	$3,334,000	106%
6	Due From Third Party Payers	$5,513,000	$675,000	($4,838,000)	-88%
7	Inventories of Supplies	$14,316,000	$15,242,000	$926,000	6%
8	Prepaid Expenses	$8,569,000	$7,391,000	($1,178,000)	-14%
9	Other Current Assets	$13,155,000	$13,435,000	$280,000	2%
	Total Current Assets	**$296,339,000**	**$261,476,000**	**($34,863,000)**	**-12%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$71,841,414	$73,184,000	$1,342,586	2%
2	Board Designated for Capital Acquisition	$67,971,586	$72,277,000	$4,305,414	6%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$24,717,000	$0	($24,717,000)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$164,530,000**	**$145,461,000**	**($19,069,000)**	**-12%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$52,748,000	$58,285,000	$5,537,000	10%
7	Other Noncurrent Assets	$18,518,000	$17,556,000	($962,000)	-5%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$551,097,000	$570,246,000	$19,149,000	3%
2	Less: Accumulated Depreciation	$49,168,000	$79,463,000	$30,295,000	$1
	Property, Plant and Equipment, Net	**$501,929,000**	**$490,783,000**	**($11,146,000)**	**-2%**
3	Construction in Progress	$23,674,000	$40,973,000	$17,299,000	73%
	Total Net Fixed Assets	**$525,603,000**	**$531,756,000**	**$6,153,000**	**1%**
	Total Assets	**$1,057,738,000**	**$1,014,534,000**	**($43,204,000)**	**-4%**

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$68,313,000	$63,707,000	($4,606,000)	-7%
2	Salaries, Wages and Payroll Taxes	$75,613,000	$67,903,000	($7,710,000)	-10%
3	Due To Third Party Payers	$15,903,000	$16,154,000	$251,000	2%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$7,821,000	$7,479,000	($342,000)	-4%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$11,999,000	$13,487,000	$1,488,000	12%
	Total Current Liabilities	**$179,649,000**	**$168,730,000**	**($10,919,000)**	**-6%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$256,156,000	$253,458,000	($2,698,000)	-1%
	Total Long Term Debt	**$256,156,000**	**$253,458,000**	**($2,698,000)**	**-1%**
3	Accrued Pension Liability	$314,044,000	$288,664,000	($25,380,000)	-8%
4	Other Long Term Liabilities	$79,162,000	$61,880,000	($17,282,000)	-22%
	Total Long Term Liabilities	**$649,362,000**	**$604,002,000**	**($45,360,000)**	**-7%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$123,226,000	$132,238,000	$9,012,000	7%
2	Temporarily Restricted Net Assets	$33,642,000	$36,380,000	$2,738,000	8%
3	Permanently Restricted Net Assets	$71,859,000	$73,184,000	$1,325,000	2%
	Total Net Assets	**$228,727,000**	**$241,802,000**	**$13,075,000**	**6%**
	Total Liabilities and Net Assets	**$1,057,738,000**	**$1,014,534,000**	**($43,204,000)**	**-4%**

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -MAR	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$2,903,594,000	$1,990,018,000	($913,576,000)	-31%
2	Less: Allowances	$1,902,814,000	$1,329,832,000	($572,982,000)	-30%
3	Less: Charity Care	$16,893,000	$14,729,000	($2,164,000)	-13%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$983,887,000**	**$645,457,000**	**($338,430,000)**	**-34%**
5	Provision for Bad Debts	$21,382,000	$16,997,000	($4,385,000)	-21%
	Net Patient Service Revenue less provision for bad debts	**$962,505,000**	**$628,460,000**	**($334,045,000)**	**-35%**
6	Other Operating Revenue	$48,990,000	$36,152,000	($12,838,000)	-26%
7	Net Assets Released from Restrictions	$7,991,000	$2,494,000	($5,497,000)	-69%
	Total Operating Revenue	**$1,019,486,000**	**$667,106,000**	**($352,380,000)**	**-35%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$447,852,000	$314,233,000	($133,619,000)	-30%
2	Fringe Benefits	$94,930,000	$52,558,000	($42,372,000)	-45%
3	Physicians Fees	$33,406,000	$24,902,000	($8,504,000)	-25%
4	Supplies and Drugs	$162,109,000	$107,533,000	($54,576,000)	-34%
5	Depreciation and Amortization	$50,735,000	$30,251,000	($20,484,000)	-40%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$9,056,000	$5,047,000	($4,009,000)	-44%
8	Malpractice Insurance Cost	$12,300,000	$9,480,000	($2,820,000)	-23%
9	Other Operating Expenses	$212,471,000	$114,986,000	($97,485,000)	-46%
	Total Operating Expenses	**$1,022,859,000**	**$658,990,000**	**($363,869,000)**	**-36%**
	Income/(Loss) From Operations	**($3,373,000)**	**$8,116,000**	**$11,489,000**	**-341%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$5,917,000	$6,960,000	$1,043,000	18%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$54,901,000	($448,000)	($55,349,000)	-101%
	Total Non-Operating Revenue	**$60,818,000**	**$6,512,000**	**($54,306,000)**	**-89%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$57,445,000**	**$14,628,000**	**($42,817,000)**	**-75%**
	Other Adjustments:				

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -MAR	DIFFERENCE	DIFFERENCE
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**$57,445,000**	**$14,628,000**	**($42,817,000)**	**-75%**

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
CONSOLIDATED STATEMENT OF CASH FLOW

	Six Months Ended March 31 2017
Operating activities:	
Increase in net assets	**$ 21,111,000**
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	**19,210,000**
Bad debts	**8,642,000**
Unrealized and realized gains on investment	**1,142,000**
Restricted contributions and investment income	**2,682,000**
Equity transfer	**340,000**
Changes in:	
Accounts receivable--patients, net	**(28,171,000)**
Due from affiliated entities	**10,492,000**
Due from third party reimbursement agencies	**4,838,000**
Inventory of supplies	**(51,000)**
Prepaid expenses	**1,064,000**
Other assets	**(2,266,000)**
Accounts payable	**(3,539,000)**
Salary and wages, payroll taxes and amounts withheld from employees	**(6,747,000)**
Due to third party reimbursement agencies	**(1,444,000)**
Other current liabilities	**719,000**
Accrued pension and retiree health costs	**(18,003,000)**
Other long term liabilities	**800,000**
Net cash provided by operating activities	**10,819,000**
Investing activities:	
Purchases of property, plant and equipment, net	**(23,528,000)**
Decrease in assets whose use is limited	**(1,814,000)**
Decrease in investments	**14,854,000**
Net cash used in investing activities	**(10,488,000)**
Financing activities	
Principal payments on long-term debt	**(2,750,000)**
Net cash used in financing activities	**(2,750,000)**
Net decrease in cash and cash equivalents	**(2,419,000)**
Cash and cash equivalents at beginning of period	**17,282,000**
Cash and cash equivalents at end of period	**14,863,000**

TRINITY HEALTH - NEW ENGLAND, INC.
CONSOLIDATED STATEMENT OF CASH FLOW

	Six Months Ended March 31 2017
Operating activities:	
Increase in net assets	**$ 14,628,000**
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	**30,251,000**
Bad debts	**16,997,000**
Unrealized and realized gains on investment	**1,142,000**
Restricted contributions and investment income	**2,738,000**
Equity transfer	**(5,433,000)**
Changes in:	
Accounts receivable--patients, net	**(30,659,000)**
Due from affiliated entities	**(3,334,000)**
Due from third party reimbursement agencies	**4,838,000**
Inventory of supplies	**(926,000)**
Prepaid expenses	**1,178,000**
Other assets	**682,000**
Accounts payable	**(4,606,000)**
Salary and wages, payroll taxes and amounts withheld from employees	**(7,710,000)**
Due to third party reimbursement agencies	**251,000**
Other current liabilities	**1,488,000**
Accrued pension and retiree health costs	**(25,380,000)**
Other long term liabilities	**(17,282,000)**
Net cash used in operating activities	**(21,137,000)**
Investing activities:	
Purchases of property, plant and equipment, net	**(36,404,000)**
Decrease in assets whose use is limited	**24,823,000**
Decrease in investments	**12,909,000**
Net cash provided by investing activities	**1,328,000**
Financing activities	
Principal payments on long-term debt	**(3,040,000)**
Net cash used in financing activities	**(3,040,000)**
Net decrease in cash and cash equivalents	**(22,849,000)**
Cash and cash equivalents at beginning of period	**72,316,000**
Cash and cash equivalents at end of period	**49,467,000**

Saint Francis Hospital and Medical Center

		Mar 17 YTD		Sept 16 YTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin		4.1%		1.3%	operating income/operating revenues
Non-Operating Margin		NA		NA	
Total Margin		10.1%		8.1%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue		0.7%		0.6%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio		2.0		1.9	current assets/current liabilites
Days Cash on Hand		41.7		49.7	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
Days in Net Accounts Receivables		39.4		33.9	net ar/net patient ser rev(after bd)/days in yr
Average Payment Period		43.0		44.1	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity		152.0%		182.7%	total debt/total equity(net assets)
Long-term Debt to Capitalization		59.6%		64.0%	LTD/LTD+net assets
Unrestricted Cash to Debt		34.5%		40.0%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio		4.8		2.3	EBIT/Interest expense
Debt Service Coverage Ratio		3.6 x		4.2 x	(Net income+int+depr)/(st debt+int exp)
Equity Financing Ratio		21.4%		17.9%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations	$	16,587	$	10,404	Net income(loss) from operations
Revenue Over/(Under) Expense	$	21,111	$	12,326	Net gain(loss)
EBITDA	$	40,218	$	62,698	based on net income(loss) from operations
Patient Cash Collected		NA		NA	
Cash and Cash Equivalents	$	37,622	$	54,908	from cons bs
Net Working Capital	$	89,136	$	91,538	current assets-current liabilities
Unrestricted Assets	$	70,673	$	49,222	from cons bs

Source=SAFNS reports 100 150 300 350 331

Trinity Health - New England, Inc (Formerly Saint Francis Care, Inc.)

	Mar 17 YTD	Sept 16 YTD	Comments
Monthly Financial Measurement/Indicators			
A. Operating Performance:			
Operating Margin	1.2%	(0.3%)	operating income/operating revenues
Non-Operating Margin	NA	NA	
Total Margin	6.5%	5.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	0.9%	0.7%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:			
Current Ratio	1.6	1.6	current assets/current liabilites
Days Cash on Hand	44.2	71.2	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
Days in Net Accounts Receivables	38.9	46.1	net ar/net patient ser rev/days in yr
Average Payment Period	48.8	67.5	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:			
Long-term Debt to Equity	107.9%	115.4%	total debt/total equity(net assets)
Long-term Debt to Capitalization	51.2%	52.8%	LTD/LTD+net assets
Unrestricted Cash to Debt	0.6	0.7	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio	2.6	0.6	EBIT/Interest expense
Debt Service Coverage Ratio	3.5 x	3.3 x	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio	23.8%	21.6%	Net assets/total assets
D. Additional Statistics (in thousands)			
Income(Loss) from Operations	$ 8,116	$ (3,373)	Net income(loss) from operations
Revenue Over/(Under) Expense	$ 14,628	$ 57,445	Net gain(loss)
EBITDA	$ 43,414	$ 56,418	based on net income(loss) from operations
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	$ 80,422	$ 121,717	from ct0cons hfm
Net Working Capital	$ 92,746	$ 116,690	current assets-current liabilities
Unrestricted Assets	$ 132,238	$ 123,226	from ct0cons hfm

Saint Francis Awards, Accreditations and Recognitions
Fiscal Year 2016 and 2017

Connecticut Joint Replacement Institute ISO 9001:2015 Certified
The Connecticut Joint Replacement Institute at Saint Francis Hospital and Medical Center (CJRI) has been recertified in compliance with the International Standards Organization's (ISO) 9001:2015 standard for health care. First certified in 2014 as an ISO 9001:2008 Quality Management System compliant organization, the Connecticut Joint Replacement Institute (CJRI) remains the only health care facility in Connecticut to be compliant with ISO standards. There are approximately 500 health care providers nationwide with this distinction. The three-year re-certification is awarded by DNV-GL Certification Inc., of Houston, TX, following an intensive audit of CJRI's workflows, quality and safety measurement tools. (Feb. 2017)

2017 Women's Choice Award® as one of America's Best Hospitals for Heart Care
Saint Francis Hospital and Medical Center has been named one of America's Best Hospitals for Heart Care by the Women's Choice Award®, America's trusted referral source for the best in healthcare. The award signifies that Saint Francis Hospital and Medical Center is in the top 9% of 4,789 U.S. hospitals offering heart care services. (Jan. 2017)

2017 Women's Choice Award®, America's Best Hospitals for Bariatric Surgery
Saint Francis Hospital and Medical Center has been named as one of America's Best Hospitals for Bariatric Surgery by the Women's Choice Award®, America's trusted referral source for the best in healthcare. The award signifies that Saint Francis Hospital and Medical Center is in the top 8% of 4,789 U.S. hospitals reviewed. This is the second consecutive year that Saint Francis Hospital and Medical Center has received the Women's Choice Award for Bariatric Surgery. (Jan. 2017)

2017 Women's Choice Award®, America's Best Hospitals for Obstetrics
Saint Francis Hospital and Medical Center has been named as one of America's Best Hospitals for Obstetrics by the Women's Choice Award®, America's trusted referral source for the best in health care. The award signifies Saint Francis Hospital and Medical Center is in the top 17% of 2,815 U.S. hospitals offering obstetrics. (Jan. 2017)

Electronic Medical Record Adoption Model (EMRAM) Stage 7 Award
In recognition of its collaboration among operational, IT resources and partnering vendors to create the best system for delivering care to their patients, Saint Francis Hospital and Medical Center has been awarded with the Electronic Medical Record Adoption Model (EMRAM) Stage 7 Award. Saint Francis collaborated with a specialized niche electronic medical record (EMR) software company and one large vendor to build, test workflow, study, report and exchange data between the two systems. (Nov. 2016)

Transforming Communities Initiative
Saint Francis Hospital and Medical Center, through the Curtis D. Robinson Center for Health Equity, launched the Transforming Communities Initiative that will unite health care systems, community groups and development agencies to address health disparities in Hartford's North End. The Transforming Communities Initiative will bring together Saint Francis, the City of Hartford and Community Solutions to develop programs and strategies aimed at reducing obesity, promoting tobacco-free living, and addressing social determinants that impact current and future health outcomes for the people of the North End of Hartford.

Saint Francis is the second Trinity Health – New England provider to be chosen to be part of a larger Transforming Communities Initiative launched by Trinity Health. The first six participants announced in April included Mercy Medical Center. Over the next five years, Trinity Health will invest approximately $80 million in grants, loans, community match dollars and services in those communities.

"A" Rating for the Leapfrog Group
Saint Francis Hospital and Medical Center is one of only six hospitals in the state designated with an "A" safety score rating by the Leapfrog Group. This is the 8th "A" rating since 2012, something no other hospital has attained. The Hospital Safety Score℠ grades hospitals on their overall performance in keeping patients safe from harm and preventable errors. The grades are derived from analysis of publicly available data using evidence-based, national measures of hospital safety. Leapfrog assigned scores to more than 2,500 hospitals nationwide, including 27 hospitals in Connecticut.

Becker's Hospital Review - "100 Hospitals with Great Orthopedic Programs"
Saint Francis Hospital and Medical Center has been named to Becker's Hospital Review 2016 list recognizing it as one of the "100 Hospitals with Great Orthopedic Programs" in the United States. Saint Francis is the only Connecticut hospital on the list and appears for the third consecutive year.

Women's Choice Award
Saint Francis Hospital and Medical Center has received the 2016 Women's Choice Award® as one of America's Best Breast Centers. This evidence-based designation is the only award that identifies the country's best breast centers based on robust criteria that considers female patient satisfaction and clinical excellence. The list of over 374 award winners, including the Maximilian E. and Marion O. Hoffman Foundation Breast Health Center at Saint Francis, represents breast centers that have met the high standards of the National Accreditation Program for Breast Centers (NAPBC) and carry the Breast Imaging Center of Excellence (BICOE) seal from the American College of Radiology. They have also scored above the national average on the Centers for Medicare and Medicaid Services patient recommendation measures, or their equivalent.

Johnson Memorial Hospital

Monthly Financial Measurement/Indicators	Mar 17 YTD	Sept16* YTD	Comments
A. Operating Performance:			
Operating Margin	1.2%	-7.0%	operating income/operating revenues
Non-Operating Margin	NA	NA	
Total Margin	6.4%	-0.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	1.3%	1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:			
Current Ratio	0.8	0.8	current assets/current liabilites
Days Cash on Hand	15.5	9.9	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD
Days in Net Accounts Receivables	76.9	109.4	net ar/net patient ser rev/days in yr
Average Payment Period	164.0	186.9	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:			
Long-term Debt to Equity	823.7%	-402.5%	total debt/total equity(net assets)
Long-term Debt to Capitalization	89.0%	133.8%	LTD/LTD+net assets
Unrestricted Cash to Debt	8.1%	7.5%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio	2.0	(4.5)	EBIT/Interest expense
Debt Service Coverage Ratio	2.59 x	-0.3 x	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio	6.1%	-11.3%	Net assets/total assets
D. Additional Statistics (in thousands)			
Income(Loss) from Operations*	$ 399	$ (3,214)	Net income(loss) from operations
Revenue Over/(Under) Expense	$ 350	$ (3,474)	Net gain(loss)
EBIDA	$ 2,107	$ (247)	based on net income(loss) from operations
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	$ 1,766	$ 1,696	from bs
Net Working Capital	$ (2,835)	$ (7,177)	current assets-current liabilities
Unrestricted Assets	$ 2,084	$ (6,169)	from bs

*reflects 01/16-09/30/16

	Saint Mary's Health System (Consolidated)	Month		Year to Date	
		Mar 2017	Prior Year	Mar 2017	Prior Year
A.	**Operating Performance**				
	Operating Margin	7.3%	6.6%	2.4%	2.4%
	Non-Operating Margin	1.3%	-0.2%	0.3%	0.3%
	Total Margin	8.6%	6.4%	2.8%	2.7%
	Bad Debt as % of Gross Revenue	0.1%	1.3%	1.0%	1.3%
B.	**Liquidity**				
	Current Ratio	1.89	2.13	1.89	2.13
	Days Cash on Hand	26	24	26	24
	Days in Net Accounts Receivable	38	41	38	41
	Average Payment Period	50	55	50	55
C.	**Leverage and Capital Structure**				
	Long-term Debt to Equity	0.01	0.24	0.01	0.24
	Long-term Debt to Capitalization	0.01	0.20	0.01	0.20
	Unrestricted Cash to Debt	28.23	1.44	28.23	1.44
	Times Interest Earned Ratio	595.9	86.4	209.20	33.87
	Debt Service Coverage Ratio	14.0	11.5	8.38	6.64
	Equity Financing Ratio	2.63	3.85	2.63	3.85
D.	**Additional Statistics (in thousands)**				
	Income from Operations	$ 2,044	$ 1,854	$ 3,871	$ 3,725
	Revenue Over/(Under) Expense	$ 2,398	$ 1,807	$ 4,411	$ 4,199
	EBITDA	$ 3,512	$ 2,872	$ 12,568	$ 9,959
	Patient Cash Collected	$ 27,894	$ 28,833	$ 149,302	$ 148,473
	Cash and Cash Equivalents	$ 20,937	$ 19,016	$ 20,937	$ 19,016
	Net Working Capital	$ 23,409	$ 25,933	$ 23,409	$ 2,533
	Unrestricted Assets	$ 60,607	$ 36,777	$ 606,607	$ 36,777
	Credit Ratings (S&P, FITCH and Moody's)				

Source=SAFNS reports 100 150 300 350 3311

Trinity Health - New England, Inc (Formerly Saint Francis Care, Inc.)

Monthly Financial Measurement/Indicators	Mar 17 YTD	Sept 16 YTD	Comments
A. Operating Performance:			
Operating Margin	1.2%	(0.3%)	operating income/operating revenues
Non-Operating Margin	NA	NA	
Total Margin	6.5%	5.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue	0.9%	0.7%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:			
Current Ratio	1.6	1.6	current assets/current liabilites
Days Cash on Hand	44.2	71.2	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
Days in Net Accounts Receivables	38.9	46.1	net ar/net patient ser rev/days in yr
Average Payment Period	48.8	67.5	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:			
Long-term Debt to Equity	107.9%	115.4%	total debt/total equity(net assets)
Long-term Debt to Capitalization	51.2%	52.8%	LTD/LTD+net assets
Unrestricted Cash to Debt	0.6	0.7	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio	2.6	0.6	EBIT/Interest expense
Debt Service Coverage Ratio	3.5 x	3.3 x	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio	23.8%	21.6%	Net assets/total assets
D. Additional Statistics (in thousands)			
Income(Loss) from Operations	$ 8,116	$ (3,373)	Net income(loss) from operations
Revenue Over/(Under) Expense	$ 14,628	$ 57,445	Net gain(loss)
EBITDA	$ 43,414	$ 56,418	based on net income(loss) from operations
Patient Cash Collected	NA	NA	
Cash and Cash Equivalents	$ 80,422	$ 121,717	from ct0cons hfm
Net Working Capital	$ 92,746	$ 116,690	current assets-current liabilities
Unrestricted Assets	$ 132,238	$ 123,226	from ct0cons hfm

Saint Francis Hospital and Medical Center

		Mar 17 YTD		Sept 16 YTD		Comments
Monthly Financial Measurement/Indicators						
A.	**Operating Performance:**					
	Operating Margin		4.1%		1.3%	operating income/operating revenues
	Non-Operating Margin		NA		NA	
	Total Margin		10.1%		8.1%	Operating cash flow margin (EBIDA/operating revenue)
	Bad Debt as % of Gross Revenue		0.7%		0.6%	bad debt/total patient serv. Revenue(before allowances)
B.	**Liquidity:**					
	Current Ratio		2.0		1.9	current assets/current liabilites
	Days Cash on Hand		41.7		49.7	(cash and cash equiv+board restr. cash)/(total exp-depr)/YTD days in yr
	Days in Net Accounts Receivables		39.4		33.9	net ar/net patient ser rev(after bd)/days in yr
	Average Payment Period		43.0		44.1	current liabilities/(total exp-depr)/YTD days in yr
C.	**Leverage and Capital Structure:**					
	Long-term Debt to Equity		152.0%		182.7%	total debt/total equity(net assets)
	Long-term Debt to Capitalization		59.6%		64.0%	LTD/LTD+net assets
	Unrestricted Cash to Debt		34.5%		40.0%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
	Times Interest Earned Ratio		4.8		2.3	EBIT/Interest expense
	Debt Service Coverage Ratio		3.6 x		4.2 x	(Net income+int+depr)/(st debt+int exp)
	Equity Financing Ratio		21.4%		17.9%	Net assets/total assets
D.	**Additional Statistics (in thousands)**					
	Income(Loss) from Operations	$	16,587	$	10,404	Net income(loss) from operations
	Revenue Over/(Under) Expense	$	21,111	$	12,326	Net gain(loss)
	EBITDA	$	40,218	$	62,698	based on net income(loss) from operations
	Patient Cash Collected		NA		NA	
	Cash and Cash Equivalents	$	37,622	$	54,908	from cons bs
	Net Working Capital	$	89,136	$	91,538	current assets-current liabilities
	Unrestricted Assets	$	70,673	$	49,222	from cons bs

Attachment A

Johnson Memorial Hospital
Cost Savings/Synergies 10/1/2016-3/31/2017

LINE	DESCRIPTION	Savings 10/1/2016-3/31/2017 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	$1,675
B.	Fringe Benefits (workers comp)	$335
C.	Contractual Labor Fees	($1,204)
D.	Medical Supplies and Pharmaceutical Cost	$75
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$30
H.	Malpractice Insurance Cost	
I.	Utilities	
J.	Business Expenses (insurance)	$114
K.	Other Operating Expense	$373
	Total savings 10/1/2016-3/31/2017	$1,398

DESCRIPTION	DEPT	QUAN	CLASS	TYPE	ACQ DATE	ENTRY PER
FABIUSTIRO ANESTHESIA MACHINES	7220	1	MOVEABLE	MEDICAL	8/31/2016	11/2016
INTELLIVUE MONITORS & ACCESSORIES	7220	1	MOVEABLE	MEDICAL	8/31/2016	11/2016
STERILIZATION CONTAINER	7570	1	MOVEABLE	MEDICAL	8/31/2016	11/2016
ISTAT 1 WIRELESS ANALYZER	7361	3	MOVEABLE	MEDICAL	8/31/2016	11/2016
SCOPES 0 DEG & 30 DEG CURETTATE	7850	4	MOVEABLE	MEDICAL	8/31/2016	11/2016
VC- 10 VACUUM	7850	1	MOVEABLE	MEDICAL	8/31/2016	11/2016
BLADDER SCAN BVI 9400	7850	1	MOVEABLE	MEDICAL	8/31/2016	11/2016
LIPOSCULTPTOR & ACCESSORIES	7850	1	MOVEABLE	MEDICAL	8/31/2016	11/2016
SUTURE RETRIEVER ACCESSORIES	7850	40	MOVEABLE	MEDICAL	8/31/2016	11/2016
SCOPE HOPKINS 11 30 DEG	7850	4	MOVEABLE	MEDICAL	8/31/2016	11/2016
B3000 BLACK BADGE & BATTERIES	7010	40	MOVEABLE	MEDICAL	8/31/2016	11/2016
CO2 MONITOR & ACCESSORIES	7540	4	MOVEABLE	MEDICAL	8/31/2016	11/2016
ARTIC SUN 5000E TEMP	6500	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
OPTIPLEX 7040 PC & MONITORS	9080	10	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
BUILDING SIGN	7850	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
CONDENSING UNIT	7850	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
HVAC CLEANING & SANTIZING	7850	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
FIRE & SMOKE DAMPER	8300	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
FLOOR SCRUBBERS SINGLE & DUAL	8100	2	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
DEHUMIDIFIER TRAGER BASEMENT	8300	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
EXPANSION VALVE TRAGER	8300	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
WALL COVERING - AUDITORIUM	8300	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
COOLONG COL REPLACEMENT	8300	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
CATH LAB # 2 RENOVATION	8300	1	BLDG IMPR	NONMEDICAL	8/31/2016	11/2016
SLEEP LAB RENOVATION	8300	1	BLDG IMPR	NONMEDICAL	8/31/2016	11/2016
BOARDROOM RENOVATION	9000	1	BLDG IMPR	NONMEDICAL	8/31/2016	11/2016
10 FT HOSES	7540	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
REVERSE OSMOSIS SYSTEM	7010	1	MOVEABLE	NONMEDICAL	8/31/2016	11/2016
HARMONYAIR LIGHT SYSTEM	7070	1	FIXED	NONMEDICAL	8/31/2016	11/2016
RECUMBENT CROSS TRAINER	7420	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
CONTAINERS FOR STERILIZATION	7570	75	MOVEABLE	MEDICAL	9/30/2016	12/2016
TITANIUM GE MRI TOOL KIT	8320	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
LIPOTOWER ASPIRATOR / INFIL	7850	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
LIGHT HANDLE CAMERA COVER	7010	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
CART, SINGLE TIER CORNER	7280	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
CAMERA, CODER & STORAGE	8350	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
VOLUSON P8	7070	1	MOVEABLE	MEDICAL	9/30/2016	12/2016
CARBON FIBER BOARD	7460	1	MOVEABLE	NONMEDICAL	9/30/2016	12/2016
CHESHIRE UC INSTALL	7700	1	FIXED	NONMEDICAL	9/30/2016	12/2016
DELL OPTOPLEX 7040	9080	1	MOVEABLE	NONMEDICAL	9/30/2016	12/2016
MARKETING FURNITURE	9190	1	MOVEABLE	NONMEDICAL	9/30/2016	12/2016
NVSC PAINTING (WATER DAMAGE)	7850	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016

NVSC PAINTING (WATER DAMAGE)	7850	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
COUNTER FOR PSYCHIATRIC WARD	8300	1	FIXED	NONMEDICAL	9/30/2016	12/2016
FEASABILITY STUDY OPEN OFFICE	8300	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
COUNTER TOPS THROUGHOUT HOSPITAL	8300	1	FIXED	NONMEDICAL	9/30/2016	12/2016
AUDITORIUM RENOVATION	8300	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
FIRE STOP	8300	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
MAIN MEGAWATT METER REPLACEMENT	8300	1	FIXED	NONMEDICAL	9/30/2016	12/2016
EPOXY COATED SHOWER BASE	8300	1	MOVEABLE	NONMEDICAL	9/30/2016	12/2016
BLASIUS 2014 CHEVROLET CRUZE	7361	1	AUTO	NONMEDICAL	9/30/2016	12/2016
SLEEP LAB BUDGETED CONTRACT	7980	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
MEP	7980	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
RODI PIPING & INSTALL	7010	1	FIXED	NONMEDICAL	9/30/2016	12/2016
SEER 1000	7901	1	MOVEABLE	MEDICAL	10/31/2016	01/2017
MAMMOTEST	7280	1	MOVEABLE	MEDICAL	10/31/2016	01/2017
EMERGENCY TEMP WALL	8300	1	BLDG IMP	NONMEDICAL	10/31/2016	01/2017
FURNISH & INSTALL CARPET & TILE	7850	1	FIXED	NONMEDICAL	10/31/2016	01/2017
DAYCARE REMEDIATION	8460	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
BRIO BEDSIDE CABINETS & OVERHEAD ART	7180	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
AAON RTU GAS METERING	8300	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
SYNGO DYNAMICS SYSTEM	9080	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
REMOVE OLD HTP/ PUT NEW IN ITS PLACE	8300	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
BRAINLAB OPTICAL	7010	1	MOVEABLE	MEDICAL	10/31/2016	01/2017
V500 WORKSTATIONS	7540	4	MOVEABLE	MEDICAL	10/31/2016	01/2017
SMART CARE MONITORING	7540	4	MOVEABLE	MEDICAL	10/31/2016	01/2017
AQUILLION PRIME 80	7280	1	MOVEABLE	MEDICAL	10/31/2016	01/2017
MOB 4TH FLOOR LOBBY	8300	1	BLDG IMP	NONMEDICAL	10/31/2016	01/2017
FLEX-X UTRETERSCOPE	7010	1	MOVEABLE	MEDICAL	10/31/2016	01/2017
SLEEP DESIGN MOB	7980	1	BLDG IMP	NONMEDICAL	10/31/2016	01/2017
CDIS MULTIGROUPING	8400	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
LICENSE/ SUPPORT/ TRAINING	8400	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
CARBON FIBER BOARD	7460	1	MOVEABLE	NONMEDICAL	9/30/2016	12/2016
TRANSDUCER CONVEX & LINEAR	7461	2	MOVEABLE	MEDICAL	11/30/2016	02/2017
OR ROOM REPAIRS	7010	1	FIXED	NONMEDICAL	11/30/2016	02/2017
DEHUMIDIFIER INSTALL - TRAGER	8300	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
VIDEO INTERCOM	7980	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
SOFTWARE LICENSE FEES	8400	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
DOOR ACCESS SYSTEM	8460	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
HARMONY LIGHTS/ FP	7850	7	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
CABLING	7980	1	FIXED	NONMEDICAL	10/31/2016	01/2017
CABINET & SHELVES	8300	8	FIXED	NONMEDICAL	11/30/2016	02/2017
FRAME NEW WALL	8300	1	FIXED	NONMEDICAL	11/30/2016	02/2017
CABINETS	7850	1	FIXED	NONMEDICAL	11/30/2016	02/2017
CIRCUIT FOR INBND/OUTBND SWITCHING	8300	1	FIXED	NONMEDICAL	11/30/2016	02/2017
DISPOSABLE LINERS	8100	24	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
PCKGO HEAT EXCHGE/PUMP REPLACEMENT	8300	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
SLEEP LAB PROJECT	7980	1	FIXED	NONMEDICAL	11/30/2016	02/2017

SLEEP LAB PROJECT	7980	1	FIXED	NONMEDICAL	11/30/2016	02/2017
CARPET CHILD DEV	8460	1	FIXED	NONMEDICAL	11/30/2016	02/2017
INTUITIVE ROBOT BUYOUT	7010	1	MOVEABLE	MEDICAL	11/30/2016	02/2017
EV100 CLINICAL PLTFM & SERVICE	7220	1	MOVEABLE	MEDICAL	11/30/2016	02/2017
EV100 CLINICAL PLTFM & SERVICE	6510	1	MOVEABLE	MEDICAL	11/30/2016	02/2017
FURNISH & INSTALL CARPET & TILE	7850	1	FIXED	NONMEDICAL	11/30/2016	02/2017
FURNITURE	9170	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
DOUBLE CATCH BASIN	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- BLOCK WINDOWS IN LAWLOR	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- CONSTRUCTION PROCESS	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- FLOORING VINYL	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- DUCTWORK & EXHAUST FANS INSTAL	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- ELECTRICAL CONTROLS	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- PAINTING STAIRWELLS	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- SECURITY WORK SPACE	8300	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
911 PJT- STRIPPING AND WAXING FLOORS	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT- INTERIOR SIGNS	8300	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
911 PJT-ACCESS CONTROL SYSTEM	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
911 PJT-SPRINKLER HEADS	8300	1	BLDG IMP	NONMEDICAL	11/30/2016	02/2017
INTERIOR SIGN BRAILLE	7980	1	MOVEABLE	NONMEDICAL	11/30/2016	02/2017
V500 WORKSTATIONS	7540	4	MOVEABLE	MEDICAL	10/31/2016	01/2017
1320 WEST MAIN ADDITION	8300	1	BLD IMP	NONMEDICAL	12/31/2016	03/2017
BOLLAND AT OXYGEN TANKS REMOVE & INSTA	8300	1	LAND IMP	NONMEDICAL	12/31/2016	03/2017
4 FT POS PRESS RECIRC COMP	7120	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
HARMONY DUAL & SINGLE LIGHTING	7010	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
DR TRAGER NEW FLOOR & FURNITURE	9831	1	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
ULTRASOUND SPARQ	7290	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
ATRION TELEPHONE SYSTEM	9100	1	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
LIFE POLE W/LIFT & ASSIST	7010	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
BRAVO RECEIVER/SOFTWARE/RECORDER	7850	1	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
PROFESSIONAL DESIGN	8300	1	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
TITAN 450 WATT ZENON LIGHT	7010	3	MOVEABLE	MEDICAL	12/31/2016	03/2017
LIGHT HANDLE CAMERA COVER	7010	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
CDIS TRAINNG/LICENSE	8400	1	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
ATOMLAB 500 DOSE CALIB	7630	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
ULTRAFIN LITHO STIRUP PAIR	7010	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
IS4000 DA VINCI XI	7010	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
STERRAD 100NX ™	7570	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
SEER 1000	7901	6	MOVEABLE	MEDICAL	12/31/2016	03/2017
WEST MAIN TRANSFORMER RELOCATION	8300	1	FIXED	NONMEDICAL	12/31/2016	03/2017
ROBOTIC CARRIER FOR NIGARA	7570	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
FLOORING	7010	1	FIXED	NONMEDICAL	12/31/2016	03/2017
BASE BID	8300	1	FIXED	NONMEDICAL	12/31/2016	03/2017
CART W ACCESSORIES	7570	10	MOVEABLE	MEDICAL	12/31/2016	03/2017
PROFUSION UPGRADE	9080	1	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
CADAVER LIFT CONVEYOR	7361	1	MOVEABLE	MEDICAL	12/31/2016	03/2017
ENTERAL SYRINGE PUMP	6750	3	MOVEABLE	MEDICAL	12/31/2017	03/2018

C0MPELLENT SC220 ENCLOSURE	9080	3	MOVEABLE	NONMEDICAL	12/31/2016	03/2017
POWER LED 175 LIGHT SOURCE	7010	2	MOVEABLE	MEDICAL	12/31/2017	03/2018
NVSC PAINTING (WATER DAMAGE)	7850	1	BLDG IMPR	NONMEDICAL	9/30/2016	12/2016
HP DL380 G9 8GB RAM	7280	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
same						
LICENSE/ SOFTWARE/ SUPPORT	7010	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
POWEREDGE R730 SERVER	9080	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
SHELVING	7180	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
same						
COMPELLENT SC220 ENCLOSURE	9080	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
same						
same						
same						
WEST MAIN ADDITION	8300	1	BLDG IMP	NONMEDICAL	1/31/2017	04/2017
TRUSYSTEM 7000DV & ROBOTIC PKG	7010	1	MOVEABLE	MEDICAL	1/31/2017	04/2017
MOB SLEEP LAB RENOVATION	7980	1	BLDG IMP	NONMEDICAL	1/31/2017	04/2017
PARKING GARAGE ASSESSMENT CONDITION	8300	1	BLDG IMP	NONMEDICAL	1/31/2017	04/2017
LIGHTING UPGRADE	8300	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
SUNQUEST PJT/ TV, DESK,ACCESS	7361	3	MOVEABLE	MEDICAL	1/31/2017	04/2017
same						
OR LIGHT SUPPORT SYSTEM	7070	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
SHIMADZU PORTABLE X-RAY	7280	1	MOVEABLE	MEDICAL	1/31/2017	04/2017
WALLS IN SLEEP LAB	7980	1	FIXED	NONMEDICAL	1/31/2017	04/2017
GAS CHARBOILER	8000	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
WARMING CABINET #5524	7340	1	MOVEABLE	MEDICAL	1/31/2017	04/2017
MOB 4TH FL LOBBY NEW WALL & DOOR	8300	1	FIXED	NONMEDICAL	1/31/2017	04/2017
FIRE ALARM PANEL	8300	1	MOVEABLE	NONMEDICAL	1/31/2017	04/2017
O'BRIEN PLUMBING	8300	1	FIXED	NONMEDICAL	1/31/2017	04/2017
PACEMAKER EXTERNAL	6510	1	MOVEABLE	MEDICAL	1/31/2017	04/2017
AQUILION CT SCAN PYMT	7280	1	MOVEABLE	MEDICAL	1/31/2017	04/2017
MONITORS, CAMERAS, LIGHT PKG	7010		MOVEABLE	MEDICAL	42094	6/2015
LICENSE/ SUPPORT/ TRAINING	8400	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
TABLE MOTION UPGRADE	7010	1	MOVEABLE	MEDICAL	2/28/2017	05/2017
FLOORING	7010	1	FIXED	NONMEDICAL	2/28/2017	05/2017
FLOORING	8300	1	FIXED	NONMEDICAL	2/28/2017	05/2017
GAS CHARBOILER INSTALL	8000	1	MOVEABLE	NONMEDICAL	2/28/2017	05/2017
SERVERS	9080	4	MOVEABLE	NONMEDICAL	2/28/2017	05/2017
PROFESSIONAL SERVICES WMUC	7903	1	BLDG IMP	NONMEDICAL	2/28/2017	05/2017
FIBROSCAN 502 TOUCH	7850	1	MOVEABLE	MEDICAL	2/28/2017	05/2017
LIGHT HANDLE CAMERA COVER	7010	1	MOVEABLE	MEDICAL	2/28/2017	05/2017
ACUSON SC2000 MAINFRAME	7220	1	MOVEABLE	NONMEDICAL	2/28/2017	05/2017
CHAIRS, ALL STEEL TASK	7070	15	MOVEABLE	NONMEDICAL	2/28/2017	05/2017
SPECTRUM IV PUMPS	7800	50	MOVEABLE	MEDICAL	2/28/2017	05/2017
same						
ADDITIONAL CAMERAS	8350	9	MOVEABLE	NONMEDICAL	2/28/2017	05/2017
same						
SHELVING & CABINETS	7909	2	MOVEABLE	NONMEDICAL	2/28/2017	05/2017

BASE CABINET & COUNTERTOPS	7070	2	MOVEABLE	NONMEDICAL	2/28/2017	05/2017
URETERSCOPE FLEXIBLE	7010	1	MOVEABLE	MEDICAL	2/28/2017	05/2017
SYNGO DYNAMICS SYSTEM	9080	1	MOVABLE	NONMEDICAL	10/31/2016	01/2017
CART W ACCESSORIES	7570	10	MOVEABLE	MEDICAL	12/31/2016	03/2017
SOFTWARE SERVICES	7280	2	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
					3/31/2017	06/2017
INFUSION ANALYZER	8320	1	MOVEABLE	MEDICAL	3/31/2017	06/2017
					3/31/2017	06/2017
APPLICATION & CERTIFICATE	7980	1	BLDG IMP	NONMEDICAL	3/31/2017	06/2017
ARCHITECTUAL/MEP	7980	1	BLDG IMP	NONMEDICAL	3/31/2017	06/2017
ARCHITECTUAL/MEP	7980		BLDG IMP	NONMEDICAL	3/31/2017	06/2017
TRIAGE PROJECT	8300	1	BLDG IMP	NONMEDICAL	3/31/2017	06/2017
					3/31/2017	06/2017
PF6001 MAIN UNIT	7550	1	MOVEABLE	MEDICAL	3/31/2017	06/2017
FLOORING/INSTALL	7570	1	FIXED	NONMEDICAL	3/31/2017	06/2017
MARTINS ARM RETRACTOR	7010	1	MOVEABLE	MEDICAL	3/31/2017	06/2017
ESPRESSO MACHINE	8000	1	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
UPGRADE VIRTUAL SIS SERVER	9080	1	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
SPECTRUM IV PUMPS	7800	30	MOVEABLE	MEDICAL	3/31/2017	06/2017
PIPE TESTING PJT 911	8300	1	BLDG IMP	NONMEDICAL	3/31/2017	06/2017
MONITOR DEMOSURE SIGNVS4	6150	2	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
MONITOR DEMOSURE SIGNVS4	6130	1	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
DEPT OF MEDICINE DOOR	8300	1	FIXED	NONMEDICAL	3/31/2017	06/2017
FLEX-X URETERSCOPE	7010	1	MOVEABLE	MEDICAL	3/31/2017	06/2017
INTELLIVUE MULTI SERVER	6500	1	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
PRINTER CONNEX 3D	8320	1	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
ASTER TEE (WATER & AIR) SYSTEM	7440	1	MOVEABLE	NONMEDICAL	3/31/2017	06/2017
PROFESSIONAL SERVICES WMUC	7903	1	BLDG IMP	NONMEDICAL	2/28/2017	05/2017

LOCATION	AMT	VENDOR	PO	SCHEDULE 1	METHOD	EST MO.	
ANES	59,992.08	DRAEGER MED	1614690			60	Aug-16
ANES	50,254.20	PHILIPS 19413	1615589			60	Aug-16
NVSC	13,894.57	AESCULAP	1618025			84	Aug-16
LAB	28,060.47	ABBOTT LAB	1617180			60	Aug-16
NVSC	9,618.00	KARL STORZ	1616167			84	Aug-16
NVSC	5,205.50	OLYMPUS 17199	1616166			84	Aug-16
NVSC	18,316.00	VERATHON	1616110			84	Aug-16
NVSC	19,376.45	MICROAIRE	1616161			84	Aug-16
NVSC	38,916.00	ARTHREX	1616174			84	Aug-16
NVSC	9,300.40	KARL STORZ	1616164			84	Aug-16
OR	20,552.00	VOCERA	1616606			84	Aug-16
RESP	5,453.04	DRAEGER MED	1614719			120	Aug-16
CCU	50,494.00	BARD MED	1616616			84	Aug-16
IT	27,050.40	DELL - 18065	1616179			60	Aug-16
NVSC	2,200.00	CONNECTICUT SIGN	1615432			120	Aug-16
NVSC	23,316.00	SARRACCO	1614100			120	Aug-16
NVSC	23,203.50	STEAMATIC OF CT	1616595			60	Aug-16
PLANT	3,650.00	BRAND	1611712			120	Aug-16
PLANT	14,248.40	GRAINGER	1616342			60	Aug-16
PLANT	2,647.50	GOODHILL	1616795			60	Aug-16
PLANT	2,618.00	GOODHILL	1616840			60	Aug-16
PLANT	10,530.30	H2Z DESIGN	1615047			60	Aug-16
PLANT	45,350.00	MACRI	1609255			120	Aug-16
PLANT	70,203.36	O & G IND	1617840			120	Aug-16
PLANT	24,400.75	O & G IND	1617844			120	Aug-16
PLANT	18,518.50	ALL-PHASE	1512213			120	Aug-16
PRESP	647.44	DRAEGER MED	1614693			60	Aug-16
SURGERY	16,500.00	AMERICAN AQUA	1614998			84	Aug-16
WIC	49,805.83	STERIS	1616347			120	Aug-16
CARD REH	4,189.00	NUSTEP	1619582			84	Sep-16
CENTRAL STI	5,130.40	AESCULAP	1618052			84	Sep-16
CLINICAL	3,775.95	IMPREX INTERNATIONAL	1618781			84	Sep-16
NVSC	6,922.35	MICROAIRE	1616161			120	Sep-16
OR	295.92	STERIS	1618734			60	Sep-16
RAD	10,865.17	AFC IND	1616283			120	Sep-16
SECURITY	5,500.00	STERLING SECURITY	1617528			60	Sep-16
WIC	8,480.00	GE HEALTHCARE	1615162			84	Sep-16
CATH LAB	2,250.00	TZ MEDICAL	1600810			84	Sep-16
CHESHIRE U(	8,485.00	STERLING SECURITY	1615061			60	Sep-16
IT	14,596.44	DELL MARKETING	1619402			60	Sep-16
MARKETING	7,144.73	WB MASON	1615438			120	Sep-16
NVSC	5,020.00	D AND D PAINTING	1615061			60	Sep-16

NVSC	28,024.00	D AND D PAINTING	1614102	60	Sep-16
PLANT	2,527.20	DISPLAY WRIGHT	1618457	180	Sep-16
PLANT	2,545.00	H2Z DESIGN	1618458	36	Sep-16
PLANT	15,880.90	DISPLAY WRIGHT	1618662	180	Sep-16
PLANT	18,662.55	H2Z DESIGN	1618858	60	Sep-16
PLANT	9,818.00	BRAND SERVICES	1611773	120	Sep-16
PLANT	2,750.00	MCPHEE	1618701	120	Sep-16
PLANT	10,455.00	THE S CARPENTER	1618624	120	Sep-16
SECURITY	12,805.60	BLASIUS	NA	60	Sep-16
SLEEP	49,863.27	O & G IND	1618810	36	Sep-16
SLEEP	1,400.00	MOSER	1619208	36	Sep-16
SURGERY	13,500.00	HARRY GRODSKY & CO	1615004	120	Sep-16
CARD	1,362.24	GE HEALTHCARE	1616173	84	Oct-16
RAD	121,500.00	MAMMOTONE	1615447	60	Oct-16
PLANT	3,057.97	THE S CARPENTER	1620226	60	Oct-16
NVSC	9,575.00	M FRANK HIGGINS	1620228	60	Oct-16
DAYCARE	4,689.00	COMMUNITY PLAYTHING	1620270	60	Oct-16
PLANT	19,699.20	HILL ROM 17746	1616344	180	Oct-16
PLANT	3,500.00	SIEMENS 3898	1605035	60	Oct-16
IT	67,061.70	SIEMENS 3898	1612127	60	Oct-16
PLANT	2,031.00	INDUSTRIAL RIGGERS	1700378	60	Oct-16
OR	105,000.00	OLYMPUS 16331	1700259	84	Oct-16
RESP	95,513.30	DRAEGER	1614693	60	Oct-16
RESP	26,079.32	DRAEGER	1614719	60	Oct-16
DIAG	265,401.30	TOSHIBA	15209.17	84	Oct-16
PLANT	4,200.00	CLASSIC BLDRS	1700836	120	Oct-16
OR	19,989.90	KARL STORZ	1701017	84	Oct-16
SLEEP	19,940.00	MOSER PILON	NA	120	Oct-16
HEALTH INFC	6,000.00	3M HEALTH	1616620	60	Oct-16
HEALTH INFC	51,927.10	3M HEALTH	1616705	60	Oct-16
CATH LAB	(180.00)	TZ MEDICAL	1600810	84	Oct-16
IR	14,250.00	HITACHI ALOKA	1700321	60	Nov-16
OR	38,156.25	WB MASON	1608995-BL	120	Nov-16
PLANT	2,647.50	GOOD HILL	1616795	84	Nov-16
SLEEP	2,350.00	STERLING SEC	1617656	60	Nov-16
HEALTH INFC	11,645.16	3M HEALTH	1616705	60	Nov-16
CHILD DEV	4,400.00	STERLING SEC	1617874	120	Nov-16
NVSC	9,383.41	STERIS 16811	1613193	180	Nov-16
NVSC	815.00	COMNET CONN	1617660	240	Nov-16
PLANT	2,550.00	DISPLAY WRIGHT	1701804	180	Nov-16
PLANT	5,080.00	DISPLAY WRIGHT	1701803	120	Nov-16
NVSC	9,093.50	DISPLAY WRIGHT	1614233	180	Nov-16
PLANT	13,180.00	ELECTRICAL WHOLESALES	1700192	240	Nov-16
ENVIRON	182.40	HILL ROM	1616344	24	Nov-16
PLANT	75,031.00	MACRI ASSOCIATES	1613188	120	Nov-16
SLEEP	25,118.76	O AND G	1702057	120	Nov-16

SLEEP	78,461.40	O AND G	1702014	120	Nov-16
CHILD DEV	11,532.38	CORPORATE DESIGN	1701974	60	Nov-16
SURERY	310,500.00	DELAGE LANDEN FINANCIA	NA	84	Nov-16
ANES	52,570.00	EDWARDS LIFE	1701214	84	Nov-16
CVU	52,570.00	EDWARDS LIFE	1701215	84	Nov-16
NVSC	4,766.00	M FRANK HIGGINS	1620228	60	Nov-16
QUAL MNGMT	2,895.21	WB MASON	1619347	120	Nov-16
PLANT	10,750.00	LOUREIRO CONTRACTORS	1619902	300	Nov-16
PLANT	1,494.00	NAUGATUCK WINDOW & GI	1606756	120	Nov-16
PLANT	280,237.70	S CARPENTER	VARIOUS	120	Nov-16
PLANT	1,069.96	CORPORATE DESIGN	1608144	120	Nov-16
PLANT	5,028.00	GOOD HILL	1610915	120	Nov-16
PLANT	23,803.46	VULCAN SECURITY	1610516	120	Nov-16
PLANT	8,185.00	D AND D PAINTING	1608155	120	Nov-16
PLANT	10,500.00	RED THREAD	1604378	120	Nov-16
PLANT	1,932.82	PREFERRED BUILDING MAI	NA	120	Nov-16
PLANT	900.00	CONNECTICUT SIGNCRAFT	NA	60	Nov-16
PLANT	6,350.00	TPC ASSOCIATES	1609806	120	Nov-16
PLANT	6,475.00	MACK FIRE	1612267	120	Nov-16
SLEEP	1,400.00	CONNECTICUT SIGNCRAFT	NA	60	Nov-16
RESP	(1,324.81)	DRAEGER	1614693	60	Nov-16
PLANT	7,333.62	CHIANIS & ANDERSON	1703283	180	Dec-16
PLANT	4,450.00	COCCHIOLA PAYING	1620008	180	Dec-16
PHARMACY	16,028.00	NUAIRE	1616345	84	Dec-16
OR	965.00	STERIS	1502633	180	Dec-16
TRAGER	26,143.50	WB MASON	1616821	60	Dec-16
ULTRASOUNI	56,658.23	PHILIPS HEALTH	1703124	60	Dec-16
COMM	567,760.45	ATRION PROJECT	VARIOUS	120	Dec-16
OR	8,899.16	ALIMED	1703472	60	Dec-16
NVSC	6,495.00	COVIDEN	1703750	60	Dec-16
PLANT	9,100.00	MILONE	1620105	120	Dec-16
OR	26,040.00	CARDIO MED	1703743	84	Dec-16
OR	295.92	STERIS	1703058	84	Dec-16
HIS	11,645.16	3M HEALTH 18731	1616705	60	Dec-16
NUCLEAR	5,850.00	PINESTAR	1703759	84	Dec-16
OR	7,370.28	ALIMED	1703469	84	Dec-16
OR	1,860,000.00	INTUITIVE SURGICAL	1704039	84	Dec-16
CENTRAL STI	110,000.00	ADVANCED STERILIZATION	1703849	84	Dec-16
CARDIOLOGY	5,448.96	GE MEDICAL	1616173	84	Dec-16
PLANT	15,588.14	PARK WEST	1704063	120	Dec-16
CENTRAL STI	7,287.00	MEDISAFE	1703738	84	Dec-16
OR	10,750.00	WB MASON	1608995-BL	120	Dec-16
PLANT	10,688.17	O AND G	1704238	120	Dec-16
CENTRAL STI	26,580.10	CARDINAL HEALTH	1704227	120	Dec-16
IT	70,496.00	COMPUMEDICS	1703948	60	Dec-16
BIOMEDICAL	21,945.00	RYAN MEDICAL	1619073	120	Dec-16
NICU	7,125.00	MEDELA	1704567	84	Dec-16

IT	7,411.52	DELL MRKTG 18065	1704225			60	Dec-16
OR	13,990.00	KARL STORZ	1704414			120	Dec-16
NVSC	(24,287.46)	D AND D PAINTING	1614102			60	Dec-16
RAD	10,994.91	MERGE	1704457			60	Jan-17
	(479.91)	MERGE	1704457			60	Jan-17
OR	46,542.00	VOCERA	1703737			60	Jan-17
IT	38,052.03	DELL - 18065	1704231			60	Jan-17
INVENTORY	1,123.49	INTERMETRO	1703952			240	Jan-17
	112.06	INTERMETRO	1703952			240	Jan-17
IT	80.16	DELL - 18065	1704225			60	Jan-17
	2,778.16	DELL - 18065	1704225			60	Jan-17
	57,993.94	DELL - 18065	1704225			60	Jan-17
	28,841.24	DELL - 18065	1704225			60	Jan-17
PLANT	12,109.81	CHAINIS	1704879			240	Jan-17
OR	92,620.00	TRUMPF	1704988			84	Jan-17
SLEEP	1,455.00	MOSER PILON	1705376			240	Jan-17
PLANT	14,350.00	WALKER RESTORATION	1700043			240	Jan-17
PLANT	63,329.38	ENVIRONMENTAL SERVICE	1702731			120	Jan-17
LAB	2,414.88	CDW	1705569			84	Jan-17
	2,936.13	CDW	1705569			84	Jan-17
WIC	12,875.00	CHALLENGE ENG	1616364			180	Jan-17
RAD	44,900.00	MEDICAL IMAGING	1704180			120	Jan-17
PLANT	4,043.49	O AND G IND	1703278			120	Jan-17
FOOD	3,186.69	PERFORMANCE INT	1705599			120	Jan-17
MRI	6,262.80	GETINGE	1705520			120	Jan-17
PLANT	4,200.00	CLASSIC BLDRS	1700836			240	Jan-17
PLANT	10,807.00	SIMPLEX	1705425			120	Jan-17
PLANT	13,063.00	THE S CARPENTER	1703623			300	Jan-17
CVICU	5,800.00	MEDTRONIC 17359	1706312			60	Jan-17
RAD	265,401.30	TOSHIBA	1520917			60	Jan-17
OR	(19,166.00)	STERIS CORP - 16811	1502633	SCHEDULE 1	STRAIGHT	60	Jan-17
HEALTH INFC	(36,162.58)	3M HEALTH	1616705	SCHEDULE 1	STRAIGHT	60	Jan-17
OR	50,000.00	INTUITIVE SURGICAL	1704039			84	Feb-17
OR	7,333.15	WB MASON	1705901-BL			120	Feb-17
PLANT	6,565.60	WB MASON	1608995-BL			120	Feb-17
FOOD	7,838.00	PERFORMANCE INT	1705599			120	Feb-17
IT	81,007.00	SIEMENS - 20981	1615801			60	Feb-17
WMUC	12,780.33	CHIANIS & ANDERSON	12780.33			240	Feb-17
NVSC	85,000.00	ECHOSENS	1704624			84	Feb-17
OR	295.92	STERIS	1707248			84	Feb-17
ANES	123,659.00	SIEMENS - 20981	1704630			60	Feb-17
WIC	6,926.90	WB MASON	1704424			120	Feb-17
CLIN ENG	62,500.00	BAXTER	1706273			84	Feb-17
	34.00	BAXTER	1706273			84	Feb-17
WIC	29,077.00	STERLING SEC	1705797			60	Feb-17
	(5,577.00)					60	Feb-17
BARIATRICS	3,350.00	DISPLAY WRIGHT	1708051			180	Feb-17

WIC	3,500.00	DISPLAY WRIGHT	1708057			180	Feb-17
OR	9,994.95	KARL STORZ	1707452			84	Feb-17
IT	(7,451.29)	SIEMENS 3898	1612127	SCHEDULE 1	STRAIGHT	60	Feb-17
CENTRAL STI	(1,172.80)	CARDINAL HEALTH	1704227			120	Feb-17
RAD	12,085.02	MERGE	1704455			60	Mar-17
	12,085.02	MERGE	1704455			60	Mar-17
CLINICAL EN(	14,429.55	FLUKE	1706335			84	Mar-17
	(24.15)	FLUKE	1706335			84	Mar-17
SLEEP LAB	58,354.02	O AND G	1705880			120	Mar-17
SLEEP LAB	2,910.00	MOSER	1708476			120	Mar-17
SLEEP LAB	2,425.00	MOSER	1708062			120	Mar-17
PLANT	30,549.00	O AND G	1700873			120	Mar-17
	(2,000.00)	O AND G	1700873			120	Mar-17
WOUNDCARE	38,390.00	PERIMED	1705191			84	Mar-17
CENTRAL STI	16,816.50	WB MASON	1705901BL			120	Mar-17
OR	3,699.00	HAYDEN MED	1704106			84	Mar-17
FOOD	11,663.25	PERFORMANCE	1708641			60	Mar-17
IT	90,882.00	SIEMENS	160729			60	Mar-17
EMER	59,250.00	BAXTER	1706273			60	Mar-17
PLANT	12,429.54	GOODHILL	NA (MIKE)			120	Mar-17
OB4 ORTHO	4,769.08	PHILIPS	1706091			60	Mar-17
SH5 MED	2,384.54	PHILIPS	1706091			60	Mar-17
PLANT	5,198.20	VULCAN SEC	1708449			120	Mar-17
OR	9,994.95	KARL STORZ	1708952			84	Mar-17
CRITICAL CAI	7,179.29	PHILIPS	1706111			60	Mar-17
BIO MED	147,360.00	STRATASYS	1709090			60	Mar-17
CARD	22,940.00	CIVCO	1709562			10	Mar-17
WMUC	(12,727.08)	CHIANIS & ANDERSON	12780.33			240	Mar-17
	7,440,759.52						

Explanation	To be paid from
2 new Anesthesia Fabious Tiro machines	Operating cash
2 new patient monitors with easy care cuffs	Operating cash
new sterilization container w/accessories	Operating cash
new ISTAT 1 WIRELESS ANALYZER	Operating cash
new scopes and tray sterilization sterrads	Operating cash
VC- 10 VACUUM curettate system	Operating cash
new Bladder scan w/rolling cart	Operating cash
new LIPOSCULTPTOR handpiece & ACCESSORIES	Operating cash
SUTURE RETRIEVER ACCESSORIES	Operating cash
Sheath High flow arthroscopy & Hopkins scope	Operating cash
B3000 BLACK BADGE & BATTERIES	Operating cash
CO2 MONITOR & ACCESSORIES	Operating cash
Artic Sun 5000E Temp manage system & calibration test unit	Operating cash
20 monitors & 10 Optiplex 7040 SFF w/dual monitor stands	Operating cash
new bldg signage	Operating cash
replace condensing unit	Operating cash
HVAC duct CLEANING & SANTIZING	Operating cash
FIRE & SMOKE DAMPER	Operating cash
New Floor scrubbers (single & dual) and burnisher	Operating cash
deposit for DEHUMIDIFIER in TRAGER BASEMENT	Operating cash
depoisit for EXPANSION VALVE in TRAGER office	Operating cash
deposit for WALL COVERING in AUDITORIUM	Operating cash
AHU-1 Cooling coil replacement	Operating cash
CATH LAB # 2 RENOVATION	Operating cash
SLEEP LAB RENOVATION	Operating cash
Boardroom Project is now complete	Operating cash
4 each of 02 CS hoses & Air CS hoses 10FT Diss Hand	Operating cash
REVERSE OSMOSIS SYSTEM	Operating cash
2 Harmonyair G5 Dual Pkg Light systems	Operating cash
RECUMBENT CROSS TRAINER-the Foundation reimbursed us for this purchase	Foundation Funds
75 sterilization containers	Operating cash
TITANIUM GE MRI TOOL KIT	Operating cash
new LIPOSCULTPTOR handpiece & ACCESSORIES	Operating cash
LIGHT HANDLE CAMERA COVER	Operating cash
CART, SINGLE TIER CORNER	Operating cash
CAMERA, CODER & STORAGE	Operating cash
VOLUSON P8	Operating cash
Board, Carbon fiber TTL ACS Radial	Operating cash
Security Alarm install	Operating cash
24 monitors & 12 Optiplex 7040 SFF w/dual monitor stands, plus software	Operating cash
MARKETING FURNITURE-chairs, credenza, tabletop, etc	Operating cash
interior painting from water damage	Operating cash

interior painting from water damage	Operating cash
Counter Fabrication	Operating cash
Prof srvs for FEASABILITY STUDY OPEN OFFICE	Operating cash
Labor & Materials for COUNTER TOPS THROUGHOUT HOSPITAL	Operating cash
Prof Srvs for AUDITORIUM RENOVATION	Operating cash
FIRE STOP Labor & Materials	Operating cash
MAIN MEGAWATT METER REPLACEMENT	Operating cash
EPOXY COATED SHOWER BASE	Operating cash
BLASIUS 2014 CHEVROLET CRUZE	Operating cash
SLEEP LAB RENOVATION	Operating cash
MEP-SLEEP LAB RENOVATION	Operating cash
RODI PIPING & INSTALL	Operating cash
SEER 1000	Operating cash
MAMMOTEST	Operating cash
EMERGENCY TEMP WALL	Operating cash
FURNISH & INSTALL CARPET & TILE	Operating cash
DAYCARE REMEDIATION	Operating cash
BRIO BEDSIDE CABINETS & OVERHEAD ART	Operating cash
AAON RTU GAS METERING	Operating cash
SYNGO DYNAMICS SYSTEM	Operating cash
REMOVE OLD HTP/ PUT NEW IN ITS PLACE	Operating cash
BRAINLAB OPTICAL	Operating cash
V500 WORKSTATIONS	Operating cash
SMART CARE MONITORING	Operating cash
AQUILLION PRIME 80	Operating cash
MOB 4TH FLOOR LOBBY	Operating cash
FLEX-X UTRETERSCOPE	Operating cash
SLEEP DESIGN MOB	Operating cash
CDIS MULTIGROUPING	Operating cash
LICENSE/ SUPPORT/ TRAINING	Operating cash
CARBON FIBER BOARD	Operating cash
TRANSDUCER CONVEX & LINEAR	Operating cash
OR ROOM REPAIRS	Operating cash
DEHUMIDIFIER INSTALL - TRAGER	Operating cash
VIDEO INTERCOM	Operating cash
SOFTWARE LICENSE FEES	Operating cash
DOOR ACCESS SYSTEM	Operating cash
HARMONY LIGHTS/ FP	Operating cash
CABLING	Operating cash
CABINET & SHELVES	Operating cash
FRAME NEW WALL	Operating cash
CABINETS	Operating cash
CIRCUIT FOR INBND/OUTBND SWITCHING	Operating cash
DISPOSABLE LINERS	Operating cash
PCKGO HEAT EXCHGE/PUMP REPLACEMENT	Operating cash
SLEEP LAB PROJECT	Operating cash

SLEEP LAB PROJECT	Operating cash
CARPET CHILD DEV	Operating cash
INTUITIVE ROBOT BUYOUT	Operating cash
EV100 CLINICAL PLTFM & SERVICE	Operating cash
EV100 CLINICAL PLTFM & SERVICE	Operating cash
FURNISH & INSTALL CARPET & TILE	Operating cash
FURNITURE	Operating cash
DOUBLE CATCH BASIN	Operating cash
911 PJT- BLOCK WINDOWS IN LAWLOR	Operating cash
911 PJT- CONSTRUCTION PROCESS	Operating cash
911 PJT- FLOORING VINYL	Operating cash
911 PJT- DUCTWORK & EXHAUST FANS INSTALL	Operating cash
911 PJT- ELECTRICAL CONTROLS	Operating cash
911 PJT- PAINTING STAIRWELLS	Operating cash
911 PJT- SECURITY WORK SPACE	Operating cash
911 PJT- STRIPPING AND WAXING FLOORS	Operating cash
911 PJT- INTERIOR SIGNS	Operating cash
911 PJT-ACCESS CONTROL SYSTEM	Operating cash
911 PJT-SPRINKLER HEADS	Operating cash
INTERIOR SIGN BRAILLE	Operating cash
V500 WORKSTATIONS	Operating cash
1320 WEST MAIN ADDITION	Operating cash
BOLLAND AT OXYGEN TANKS REMOVE & INSTALL	Operating cash
4 FT POS PRESS RECIRC COMP	Operating cash
HARMONY DUAL & SINGLE LIGHTING	Operating cash
DR TRAGER NEW FLOOR & FURNITURE	Operating cash
ULTRASOUND SPARQ	Operating cash
ATRION TELEPHONE SYSTEM	Operating cash
LIFE POLE W/LIFT & ASSIST	Operating cash
BRAVO RECEIVER/SOFTWARE/RECORDER	Operating cash
PROFESSIONAL DESIGN	Operating cash
TITAN 450 WATT ZENON LIGHT	Operating cash
LIGHT HANDLE CAMERA COVER	Operating cash
CDIS TRAINNG/LICENSE	Operating cash
ATOMLAB 500 DOSE CALIB	Operating cash
ULTRAFIN LITHO STIRUP PAIR	Operating cash
IS4000 DA VINCI XI	Operating cash
STERRAD 100NX ™	Operating cash
SEER 1000	Operating cash
WEST MAIN TRANSFORMER RELOCATION	Operating cash
ROBOTIC CARRIER FOR NIGARA	Operating cash
FLOORING	Operating cash
BASE BID	Operating cash
CART W ACCESSORIES	Operating cash
PROFUSION UPGRADE	Operating cash
CADAVER LIFT CONVEYOR	Operating cash
ENTERAL SYRINGE PUMP	Operating cash

C0MPELLENT SC220 ENCLOSURE	Operating cash
POWER LED 175 LIGHT SOURCE	Operating cash
NVSC PAINTING (WATER DAMAGE)	Operating cash
HP DL380 G9 8GB RAM	Operating cash
HP DL380 G9 8GB RAM	Operating cash
LICENSE/ SOFTWARE/ SUPPORT	Operating cash
POWEREDGE R730 SERVER	Operating cash
SHELVING	Operating cash
SHELVING	Operating cash
COMPELLENT SC220 ENCLOSURE	Operating cash
COMPELLENT SC220 ENCLOSURE	Operating cash
COMPELLENT SC220 ENCLOSURE	Operating cash
COMPELLENT SC220 ENCLOSURE	Operating cash
WEST MAIN ADDITION	Operating cash
TRUSYSTEM 7000DV & ROBOTIC PKG	Operating cash
MOB SLEEP LAB RENOVATION	Operating cash
PARKING GARAGE ASSESSMENT CONDITION	Operating cash
LIGHTING UPGRADE	Operating cash
SUNQUEST PJT/ TV, DESK,ACCESS	Operating cash
SUNQUEST PJT/ TV, DESK,ACCESS	Operating cash
OR LIGHT SUPPORT SYSTEM	Operating cash
SHIMADZU PORTABLE X-RAY	Operating cash
WALLS IN SLEEP LAB	Operating cash
GAS CHARBOILER	Operating cash
WARMING CABINET #5524	Operating cash
MOB 4TH FL LOBBY NEW WALL & DOOR	Operating cash
FIRE ALARM PANEL	Operating cash
O'BRIEN PLUMBING	Operating cash
PACEMAKER EXTERNAL	Operating cash
AQUILION CT SCAN PYMT	Operating cash
MONITORS, CAMERAS, LIGHT PKG	Operating cash
LICENSE/ SUPPORT/ TRAINING	Operating cash
TABLE MOTION UPGRADE	Operating cash
FLOORING	Operating cash
FLOORING	Operating cash
GAS CHARBOILER INSTALL	Operating cash
SERVERS	Operating cash
PROFESSIONAL SERVICES WMUC	Operating cash
FIBROSCAN 502 TOUCH	Operating cash
LIGHT HANDLE CAMERA COVER	Operating cash
ACUSON SC2000 MAINFRAME	Operating cash
CHAIRS, ALL STEEL TASK	Operating cash
SPECTRUM IV PUMPS	Operating cash
SPECTRUM IV PUMPS	Operating cash
ADDITIONAL CAMERAS	Operating cash
ADDITIONAL CAMERAS	Operating cash
SHELVING & CABINETS	Operating cash

BASE CABINET & COUNTERTOPS	Operating cash
URETERSCOPE FLEXIBLE	Operating cash
SYNGO DYNAMICS SYSTEM	Operating cash
CART W ACCESSORIES	Operating cash
SOFTWARE SERVICES	Operating cash
SOFTWARE SERVICES	Operating cash
INFUSION ANALYZER	Operating cash
INFUSION ANALYZER	Operating cash
APPLICATION & CERTIFICATE	Operating cash
ARCHITECTUAL/MEP	Operating cash
ARCHITECTUAL/MEP	Operating cash
TRIAGE PROJECT	Operating cash
TRIAGE PROJECT	Operating cash
PF6001 MAIN UNIT	Operating cash
FLOORING/INSTALL	Operating cash
MARTINS ARM RETRACTOR	Operating cash
ESPRESSO MACHINE	Operating cash
UPGRADE VIRTUAL SIS SERVER	Operating cash
SPECTRUM IV PUMPS	Operating cash
PIPE TESTING PJT 911	Operating cash
MONITOR DEMOSURE SIGNVS4	Operating cash
MONITOR DEMOSURE SIGNVS4	Operating cash
DEPT OF MEDICINE DOOR	Operating cash
FLEX-X URETERSCOPE	Operating cash
INTELLIVUE MULTI SERVER	Operating cash
PRINTER CONNEX 3D	Operating cash
ASTER TEE (WATER & AIR) SYSTEM	Operating cash
PROFESSIONAL SERVICES WMUC	Operating cash

Acct #	Project Name
1600-0001	CIP Holding
1600-0002	Oncology Center Project
1600-0003	MRI Project
1600-0004	Atrion Project
1600-0005	Cheshire Project
1600-0006	Northwest 911 Project
1600-0007	Cardiac Cath Lab Project
1600-0008	Naugatuck Urgent Care
1600-0009	EPIC Project
1600-0010	East Main Street Urgent Care
1600-0011	Wound Care Lobby
1600-0012	Ambulatory Pavillion
1600-0013	West Main Street Urgent Care

Project Description	Balance as of 7/31/16	Aug-Sep Additions
CIP Holding	448,951.00	(445,893.03)
Renovations to Dr Bowen's office located in the HLRCC	495,723.17	145,129.30
Renovations to new MRI area and Behavoiral Health in Emer Rm - 4 Phases to project	3,387,211.50	588,798.05
Phase I of new phone system project	529,483.69	38,021.76
New construction for a Cheshire Urgent Care Ctr and a Primary Care/Specialty Practice	411,202.86	1,173,005.58
Renovations to 2nd floor of Lawlor Bldg for 911 Call Center	342,014.94	6,475.00
Renovations for a new Cardiac Cath Lab	1,680.00	647,552.69
Construction for a new Urgent Care Ctr in Naugatuck - Project was put off until after FY2017, expenses were for Architect designs	7,377.50	3,688.75
Project to convert our systems to EPIC to be consistent with Trinity Systems	-	-
Construction for a new Urgent Care Ctr in Waterbury located near Costco	-	-
Renovations to the Wound Care Lobby	-	-
Construction of new Ambulatory Pavillion	-	-
Renovations to West Main Street Urgent Care - Additions	-	-

Balance as of 9/30/16	Oct-Mar Additions	Balance as of 3/31/17	Project Start Date	Project expected end date	Project Budget
3,057.97	1,202.03	4,260.00			
640,852.47	568,487.73	1,209,340.20	Apr-16	FY 2017	940,000
3,976,009.55	818,747.88	4,794,757.43	Sep-15	Jun-17	5,800,000
567,505.45	(567,505.45)	-	Jan-16	Nov-16	567,505
1,584,208.44	323,873.45	1,908,081.89	Mar-16	FY 2017	2,320,388
348,489.94	(348,489.94)	-	Feb-16	Nov-16	250,000
649,232.69	41,566.49	690,799.18	May-16	FY 2017	815,823
11,066.25	41,884.50	52,950.75	FY 2018	FY 2019	2,100,000
-	2,638,475.44	2,638,475.44	Oct-16	FY 2018	20,000,000
-	588,004.49	588,004.49	Jan-17	Jul-17	3,400,000
-	6,273.90	6,273.90	Mar-17	FY 2017	49,750
-	48,528.48	48,528.48	Jan-17	FY 2019	38,000,000
-	14,495.27	14,495.27	Mar-17	FY 2018	585,000

To be paid from

Operating cash
Operating cash
Operating cash, plus a 767,013 from a State grant
Operating cash

Operating cash

Operating cash
Operating cash

Operating cash

Operating cash & possible loan from Trinity

Operating cash

Operating Cash
Needs Approval
Operating Cash

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
CONSOLIDATED STATEMENT OF CASH FLOW

	Six Months Ended March 31 2017
Operating activities:	
Increase in net assets	**$ 21,111,000**
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	**19,210,000**
Bad debts	**8,642,000**
Unrealized and realized gains on investment	**1,142,000**
Restricted contributions and investment income	**2,682,000**
Equity transfer	**340,000**
Changes in:	
Accounts receivable--patients, net	**(28,171,000)**
Due from affiliated entities	**10,492,000**
Due from third party reimbursement agencies	**4,838,000**
Inventory of supplies	**(51,000)**
Prepaid expenses	**1,064,000**
Other assets	**(2,266,000)**
Accounts payable	**(3,539,000)**
Salary and wages, payroll taxes and amounts withheld from employees	**(6,747,000)**
Due to third party reimbursement agencies	**(1,444,000)**
Other current liabilities	**719,000**
Accrued pension and retiree health costs	**(18,003,000)**
Other long term liabilities	**800,000**
Net cash provided by operating activities	**10,819,000**
Investing activities:	
Purchases of property, plant and equipment, net	**(23,528,000)**
Decrease in assets whose use is limited	**(1,814,000)**
Decrease in investments	**14,854,000**
Net cash used in investing activities	**(10,488,000)**
Financing activities	
Principal payments on long-term debt	**(2,750,000)**
Net cash used in financing activities	**(2,750,000)**
Net decrease in cash and cash equivalents	**(2,419,000)**
Cash and cash equivalents at beginning of period	**17,282,000**
Cash and cash equivalents at end of period	**14,863,000**

TRINITY HEALTH - NEW ENGLAND, INC.
CONSOLIDATED STATEMENT OF CASH FLOW

	Six Months Ended March 31 2017
Operating activities:	
Increase in net assets	**$ 14,628,000**
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation and amortization	**30,251,000**
Bad debts	**16,997,000**
Unrealized and realized gains on investment	**1,142,000**
Restricted contributions and investment income	**2,738,000**
Equity transfer	**(5,433,000)**
Changes in:	
Accounts receivable--patients, net	**(30,659,000)**
Due from affiliated entities	**(3,334,000)**
Due from third party reimbursement agencies	**4,838,000**
Inventory of supplies	**(926,000)**
Prepaid expenses	**1,178,000**
Other assets	**682,000**
Accounts payable	**(4,606,000)**
Salary and wages, payroll taxes and amounts withheld from employees	**(7,710,000)**
Due to third party reimbursement agencies	**251,000**
Other current liabilities	**1,488,000**
Accrued pension and retiree health costs	**(25,380,000)**
Other long term liabilities	**(17,282,000)**
Net cash used in operating activities	**(21,137,000)**
Investing activities:	
Purchases of property, plant and equipment, net	**(36,404,000)**
Decrease in assets whose use is limited	**24,823,000**
Decrease in investments	**12,909,000**
Net cash provided by investing activities	**1,328,000**
Financing activities	
Principal payments on long-term debt	**(3,040,000)**
Net cash used in financing activities	**(3,040,000)**
Net decrease in cash and cash equivalents	**(22,849,000)**
Cash and cash equivalents at beginning of period	**72,316,000**
Cash and cash equivalents at end of period	**49,467,000**

Attachment A

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER
Cost Savings/Synergies 10/1/2016-3/31/2017

LINE	DESCRIPTION	Savings 10/1/2016-3/31/2017 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	
B.	Fringe Benefits (pension)	$2,300
C.	Contractual Labor Fees	
D.	Medical Supplies and Pharmaceutical Cost	$1,664
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$226
H.	Malpractice Insurance Cost	$650
I.	Utilities	
J.	Business Expenses (insurance and IT)	
K.	Other Operating Expense	$219
	Total savings 10/1-3/31	$5,059

CON Docket Number: 15-32002-CON Transfer of Ownership of Johnson Memorial Medical Center to Saint Francis *Care,* Inc.

Response to Items #10 and #11 of the Settlement and Order dated 11/24/2015 for the Six Month Period Ended March 31, 2017

10. For three (3) years following the Closing Date, the Applicants shall file the following information with OHCA on a semi-annual basis for both JMH and its immediate parent, JMMC. For purposes of this Order, semi-annual periods are October 1- March 31 and April 1 - September 30. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016:

a) The cost saving totals achieved in the following Operating Expense Categories for both JMH and its immediate parent, JMMC: Salaries and Wages, Fringe Benefits, Contractual Labor Fees, Medical Supplies and Pharmaceutical Costs, Depreciation and Amortization, Interest Expense, Malpractice Expense, Utilities, Business Expenses and Other Operating Expenses. The categories shall be consistent with the major operating expense categories (Categories A,B,C,D,E,G,H,I,J, and K) which are in use at the time of reporting in the OHCA Hospital Reporting System ("HRS") Report 175 or successor report. The semi-annual submission shall also contain narratives describing:

1. the major cost savings achieved for each expense category; and

Since January 1, 2016, the leaders within the functional areas at Saint Francis Hospital and Medical Center have been working closely with Johnson to identify and implement changes to realize cost savings opportunities. As previously reported, one immediate benefit was the successful restructuring of Johnson's debt as of December 31, 2015 with an intercompany loan from Trinity Health – New England, Inc. In addition, Saint Francis Hospital and Medical Center forgave a loan due from Johnson in the amount of $2,350,000 upon the closing of the transaction. The restructured debt has resulted in a decrease of interest expense in the amount of $30,000 for the six month period ended March 31, 2017.

Another significant savings realized to date was the inclusion of Johnson into the Trinity Health insurance program. This produced an overall decrease in annual premiums for malpractice, workers compensation and other business policies of approximately $1.0 million. Savings realized for the six month period ended March 31, 2017 of $114,000. Furthermore, additional insurance premium savings of $198,000 will be realized for the annual period 7/1/2017 through 6/30/2018.

There have been significant efforts to centralize support functions across Trinity Health-New England including Finance, Revenue Cycle, and Information Systems. This has resulted in reduction of costs at Johnson of $720,000 for the six months ended March 31, 2017.

In addition, Johnson has benefited from the utilization of both regional and system office Legal Services, Compliance and Audit departments. The decrease in legal fees, consulting and auditing costs associated with this transition was $615,000 for the six month period ended March 31, 2017.

Non-salary information technology costs of $308,000 were transferred to the region at the beginning of FY 2017. Other cost reductions due to regionalization were $47,000 and $43,000 in advertising and recruitment expenses. Johnson's portion of these costs are now included in the regional allocation.

The above savings are offset by a regional allocation of $639,660 for the six month period included in other operating expenses in **Attachment A.**

During the first calendar quarter of 2017, the Enfield Oncology staff transitioned to employees of Saint Francis. This transition allows both Saint Francis and Johnson to share resources across both campuses, provide enhanced compensation packages for employees and has resulted in a lower cost to Johnson through this arrangement. Annual savings associated with this staffing restructure is $137,000 and $86,000 was realized for the six month period ended March 31, 2017.

In addition to the cost savings, Johnson has been able to leverage the expertise and resources at Saint Francis Hospital and Medical Center, Trinity Health-New England and Trinity Health in each of the areas identified above.

Interest and insurance savings related to JMMC are included in the amounts described above. There are no additional cost savings within JMMC.

Johnson transitioned to the Trinity Total Rewards program for employee compensation and benefits. Johnson provided its employees with a 2% pay increase on September 1st. Effective 1/1/2017, Johnson employees are participating in Trinity Health's defined contribution plan which provides for a core employer contribution for all employees and matching contributions funded bi-weekly for those employees who make deferrals into the plan. The new health insurance program provides comprehensive coverage at a lower average employee contribution compared to what had previously been provided.

Lastly, Trinity Health – New England, Inc. (TH – NE) working with Trinity Health has engaged consultants to continue to assist in performance improvement, integration, regionalization strategy, productivity improvements and other cost reductions. Resources from Trinity Health system office are supporting these efforts and are on-site on a regular basis. Furthermore, Trinity Health has assumed 50% of these costs totaling over $1.0 million benefit to the Connecticut hospitals within TH - NE.

We continue to identify cost saving opportunities as we align our vendor contracts with Trinity Health system contracts. Supply chain savings Savings realized during the six month period was $75,000.

See **Attachment A** for expense savings by category. Also, refer to financial statistics noting significant improvement in financial performance since the acquisition of Johnson by TH – NE.

2. the effect of these cost savings on the clinical quality of care.

There has been no negative impact to clinical quality of care as a result of these cost savings.

Since joining Trinity Health – New England, Johnson has received the Gold Seal 3-year Joint Commission Accreditation, and has experienced improvements in both patient experience and clinical quality. Areas of clinical quality improvement have been in decreased sepsis in readmission rates, and a reduction in serious safety events were marginal.

Also, Johnson's average daily census and year to date discharges continue to remain strong and Johnson's overall financial performance has improved significantly since the affiliation.

b) A consolidated Balance Sheet, Statement of Operations, and Statement of Cash Flows for JMH and its immediate parent, JMMC. The format shall be consistent with that which is in use at the time of reporting in OHCA's HRS Reports 100/150, 300/350 or successor reports.

See **Attachment B.**

11) For three (3) years following the Closing Date, SFCRHM shall submit to OHCA a financial measurement report. This report shall be submitted on a semi-annual basis and show current month and year-to-date data, and comparable prior year period data for the Hospital and for SFCRHM. The required information is due no later than two (2) months after the end of each semi-annual period. Due dates are May 31st and November 30th, beginning May 31, 2016.

See **Attachment C** for Financial Indicators.

Attachment A

Johnson Memorial Hospital
Cost Savings/Synergies 10/1/2016-3/31/2017

LINE	DESCRIPTION	Savings 10/1/2016-3/31/2017 (In 000's)
I.	**OPERATING EXPENSE BY CATEGORY**	
A.	Salaries & Wages	$1,675
B.	Fringe Benefits (workers comp)	$335
C.	Contractual Labor Fees	($1,204)
D.	Medical Supplies and Pharmaceutical Cost	$75
E.	Depreciation and Amortization	
F.	Bad Debts	
G.	Interest Expense	$30
H.	Malpractice Insurance Cost	
I.	Utilities	
J.	Business Expenses (insurance)	$114
K.	Other Operating Expense	$373
	Total savings 10/1/2016-3/31/2017	$1,398

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$85,944	$369,304	$283,360	330%
2	Short Term Investments	$1,610,228	$1,396,623	($213,605)	-13%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$17,416,699	$9,060,046	($8,356,653)	-48%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,513,473	$1,717,728	$204,255	13%
8	Prepaid Expenses	$676,712	$694,419	$17,707	3%
9	Other Current Assets	$3,525,137	$2,632,601	($892,536)	-25%
	Total Current Assets	**$24,828,193**	**$15,870,721**	**($8,957,472)**	**-36%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$0	$0	$0	0%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$0	$0	$0	0%
	Total Noncurrent Assets Whose Use is Limited:	**$0**	**$0**	**$0**	**0%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,202,165	$3,180,806	($21,359)	-1%
7	Other Noncurrent Assets	$805,530	$693,519	($112,011)	-14%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$20,747,175	$26,423,836	$5,676,661	27%
2	Less: Accumulated Depreciation	$861,533	$2,364,255	$1,502,722	174%
	Property, Plant and Equipment, Net	**$19,885,642**	**$24,059,581**	**$4,173,939**	**21%**
3	Construction in Progress	$870,370	$88,188	($782,182)	-90%
	Total Net Fixed Assets	**$20,756,012**	**$24,147,769**	**$3,391,757**	**16%**
	Total Assets	**$49,591,900**	**$43,892,815**	**($5,699,085)**	**-11%**
II.	**LIABILITIES AND NET ASSETS**				

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$4,482,470	$3,250,101	($1,232,369)	-27%
2	Salaries, Wages and Payroll Taxes	$2,489,512	$2,527,469	$37,957	2%
3	Due To Third Party Payers	$843,823	$1,538,891	$695,068	82%
4	Due To Affiliates	$23,268,975	$10,527,920	($12,741,055)	-55%
5	Current Portion of Long Term Debt	$388,912	$392,827	$3,915	1%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$531,683	$469,090	($62,593)	-12%
	Total Current Liabilities	**$32,005,375**	**$18,706,298**	**($13,299,077)**	**-42%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$22,258,008	$21,525,532	($732,476)	-3%
3	Other Long Term Debt	$0	$0	$0	0%
	Total Long Term Debt	**$22,258,008**	**$21,525,532**	**($732,476)**	**-3%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$954,733	$1,000,286	$45,553	5%
	Total Long Term Liabilities	**$23,212,741**	**$22,525,818**	**($686,923)**	**-3%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($6,168,689)	$2,084,231	$8,252,920	-134%
2	Temporarily Restricted Net Assets	$542,473	$576,468	$33,995	6%
3	Permanently Restricted Net Assets	$0	$0	$0	0%
	Total Net Assets	**($5,626,216)**	**$2,660,699**	**$8,286,915**	**-147%**
	Total Liabilities and Net Assets	**$49,591,900**	**$43,892,815**	**($5,699,085)**	**-11%**

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$168,025,861	$87,365,340	($80,660,521)	-48%
2	Less: Allowances	$106,771,249	$53,863,364	($52,907,885)	-50%
3	Less: Charity Care	$160,880	$73,514	($87,366)	-54%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$61,093,732**	**$33,428,462**	**($27,665,270)**	**-45%**
5	Provision for Bad Debts	$1,977,084	$1,137,539	($839,545)	-42%
	Net Patient Service Revenue less provision for bad debts	**$59,116,648**	**$32,290,923**	**($26,825,725)**	**-45%**
6	Other Operating Revenue	$2,726,640	$634,205	($2,092,435)	-77%
7	Net Assets Released from Restrictions	$18,000	$23,149	$5,149	29%
	Total Operating Revenue	**$61,861,288**	**$32,948,277**	**($28,913,011)**	**-47%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$25,747,624	$11,734,864	($14,012,760)	-54%
2	Fringe Benefits	$6,228,877	$2,764,667	($3,464,210)	-56%
3	Physicians Fees	$5,219,086	$1,363,342	($3,855,744)	-74%
4	Supplies and Drugs	$10,205,613	$5,686,294	($4,519,319)	-44%
5	Depreciation and Amortization	$3,012,066	$1,288,094	($1,723,972)	-57%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$913,249	$420,217	($493,032)	-54%
8	Malpractice Insurance Cost	$293,627	($27,394)	($321,021)	-109%
9	Other Operating Expenses	$15,310,826	$9,319,622	($5,991,204)	-39%
	Total Operating Expenses	**$66,930,968**	**$32,549,706**	**($34,381,262)**	**-51%**
	Income/(Loss) From Operations	**($5,069,680)**	**$398,571**	**$5,468,251**	**-108%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$33,526	$0	($33,526)	-100%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	($241,788)	($48,615)	$193,173	-80%
	Total Non-Operating Revenue	**($208,262)**	**($48,615)**	**$159,647**	**-77%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($5,277,942)**	**$349,956**	**$5,627,898**	**-107%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	($605,078)	$0	$605,078	-100%
	Total Other Adjustments	**($605,078)**	**$0**	**$605,078**	**-100%**

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
	Excess/(Deficiency) of Revenue Over Expense	($5,883,020)	$349,956	$6,232,976	-106%

Johnson Memorial Hospital

		Mar 17 YTD		Sept16* YTD	Comments
Monthly Financial Measurement/Indicators					
A. Operating Performance:					
Operating Margin		1.2%		-7.0%	operating income/operating revenues
Non-Operating Margin		NA		NA	
Total Margin		6.4%		-0.5%	Operating cash flow margin (EBIDA/operating revenue)
Bad Debt as % of Gross Revenue		1.3%		1.0%	bad debt/total patient serv. Revenue(before allowances)
B. Liquidity:					
Current Ratio		0.8		0.8	current assets/current liabilites
Days Cash on Hand		15.5		9.9	(cash and cash equiv+board restr. cash)/(total exp-depr)/YT
Days in Net Accounts Receivables		76.9		109.4	net ar/net patient ser rev/days in yr
Average Payment Period		164.0		186.9	current liabilities/(total exp-depr)/YTD days in yr
C. Leverage and Capital Structure:					
Long-term Debt to Equity		823.7%		-402.5%	total debt/total equity(net assets)
Long-term Debt to Capitalization		89.0%		133.8%	LTD/LTD+net assets
Unrestricted Cash to Debt		8.1%		7.5%	(cash and cash equiv+board restr. cash)/total debt (lt & st)
Times Interest Earned Ratio		2.0		(4.5)	EBIT/Interest expense
Debt Service Coverage Ratio		2.59 x		-0.3 x	(Net inc+int+depr)/(st debt+int exp)
Equity Financing Ratio		6.1%		-11.3%	Net assets/total assets
D. Additional Statistics (in thousands)					
Income(Loss) from Operations*	$	399	$	(3,214)	Net income(loss) from operations
Revenue Over/(Under) Expense	$	350	$	(3,474)	Net gain(loss)
EBIDA	$	2,107	$	(247)	based on net income(loss) from operations
Patient Cash Collected		NA		NA	
Cash and Cash Equivalents	$	1,766	$	1,696	from bs
Net Working Capital	$	(2,835)	$	(7,177)	current assets-current liabilities
Unrestricted Assets	$	2,084	$	(6,169)	from bs

*reflects 01/16-09/30/16

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$85,944	$369,304	$283,360	330%
2	Short Term Investments	$1,610,228	$1,396,623	($213,605)	-13%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$17,416,699	$9,060,046	($8,356,653)	-48%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$0	$0	$0	0%
6	Due From Third Party Payers	$0	$0	$0	0%
7	Inventories of Supplies	$1,513,473	$1,717,728	$204,255	13%
8	Prepaid Expenses	$676,712	$694,419	$17,707	3%
9	Other Current Assets	$3,525,137	$2,632,601	($892,536)	-25%
	Total Current Assets	**$24,828,193**	**$15,870,721**	**($8,957,472)**	**-36%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$0	$0	$0	0%
2	Board Designated for Capital Acquisition	$0	$0	$0	0%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$0	$0	$0	0%
	Total Noncurrent Assets Whose Use is Limited:	**$0**	**$0**	**$0**	**0%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$3,202,165	$3,180,806	($21,359)	-1%
7	Other Noncurrent Assets	$805,530	$693,519	($112,011)	-14%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$20,747,175	$26,423,836	$5,676,661	27%
2	Less: Accumulated Depreciation	$861,533	$2,364,255	$1,502,722	174%
	Property, Plant and Equipment, Net	**$19,885,642**	**$24,059,581**	**$4,173,939**	**21%**
3	Construction in Progress	$870,370	$88,188	($782,182)	-90%
	Total Net Fixed Assets	**$20,756,012**	**$24,147,769**	**$3,391,757**	**16%**
	Total Assets	**$49,591,900**	**$43,892,815**	**($5,699,085)**	**-11%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
1	Accounts Payable and Accrued Expenses	$4,482,470	$3,250,101	($1,232,369)	-27%
2	Salaries, Wages and Payroll Taxes	$2,489,512	$2,527,469	$37,957	2%
3	Due To Third Party Payers	$843,823	$1,538,891	$695,068	82%
4	Due To Affiliates	$23,268,975	$10,527,920	($12,741,055)	-55%
5	Current Portion of Long Term Debt	$388,912	$392,827	$3,915	1%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$531,683	$469,090	($62,593)	-12%
	Total Current Liabilities	**$32,005,375**	**$18,706,298**	**($13,299,077)**	**-42%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$22,258,008	$21,525,532	($732,476)	-3%
3	Other Long Term Debt	$0	$0	$0	0%
	Total Long Term Debt	**$22,258,008**	**$21,525,532**	**($732,476)**	**-3%**
3	Accrued Pension Liability	$0	$0	$0	0%
4	Other Long Term Liabilities	$954,733	$1,000,286	$45,553	5%
	Total Long Term Liabilities	**$23,212,741**	**$22,525,818**	**($686,923)**	**-3%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	($6,168,689)	$2,084,231	$8,252,920	-134%
2	Temporarily Restricted Net Assets	$542,473	$576,468	$33,995	6%
3	Permanently Restricted Net Assets	$0	$0	$0	0%
	Total Net Assets	**($5,626,216)**	**$2,660,699**	**$8,286,915**	**-147%**
	Total Liabilities and Net Assets	**$49,591,900**	**$43,892,815**	**($5,699,085)**	**-11%**

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$168,025,861	$87,365,340	($80,660,521)	-48%
2	Less: Allowances	$106,771,249	$53,863,364	($52,907,885)	-50%
3	Less: Charity Care	$160,880	$73,514	($87,366)	-54%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$61,093,732**	**$33,428,462**	**($27,665,270)**	**-45%**
5	Provision for Bad Debts	$1,977,084	$1,137,539	($839,545)	-42%
	Net Patient Service Revenue less provision for bad debts	**$59,116,648**	**$32,290,923**	**($26,825,725)**	**-45%**
6	Other Operating Revenue	$2,726,640	$634,205	($2,092,435)	-77%
7	Net Assets Released from Restrictions	$18,000	$23,149	$5,149	29%
	Total Operating Revenue	**$61,861,288**	**$32,948,277**	**($28,913,011)**	**-47%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$25,747,624	$11,734,864	($14,012,760)	-54%
2	Fringe Benefits	$6,228,877	$2,764,667	($3,464,210)	-56%
3	Physicians Fees	$5,219,086	$1,363,342	($3,855,744)	-74%
4	Supplies and Drugs	$10,205,613	$5,686,294	($4,519,319)	-44%
5	Depreciation and Amortization	$3,012,066	$1,288,094	($1,723,972)	-57%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$913,249	$420,217	($493,032)	-54%
8	Malpractice Insurance Cost	$293,627	($27,394)	($321,021)	-109%
9	Other Operating Expenses	$15,310,826	$9,319,622	($5,991,204)	-39%
	Total Operating Expenses	**$66,930,968**	**$32,549,706**	**($34,381,262)**	**-51%**
	Income/(Loss) From Operations	**($5,069,680)**	**$398,571**	**$5,468,251**	**-108%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$33,526	$0	($33,526)	-100%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	($241,788)	($48,615)	$193,173	-80%
	Total Non-Operating Revenue	**($208,262)**	**($48,615)**	**$159,647**	**-77%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**($5,277,942)**	**$349,956**	**$5,627,898**	**-107%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	($605,078)	$0	$605,078	-100%
	Total Other Adjustments	**($605,078)**	**$0**	**$605,078**	**-100%**
	Excess/(Deficiency) of Revenue Over Expense	**($5,883,020)**	**$349,956**	**$6,232,976**	**-106%**

JOHNSON MEMORIAL HOSPITAL

NINE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

31-Mar-17

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
I.	**ASSETS**			
A.	**Current Assets:**			
1	Cash and Cash Equivalents	$20,572,000	$19,853,000	($719,000)
2	Short Term Investments	$23,000	$0	($23,000)
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$26,298,000	$27,705,000	$1,407,000
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0
5	Due From Affiliates	$0	$0	$0
6	Due From Third Party Payers	$0	$0	$0
7	Inventories of Supplies	$3,889,000	$4,559,000	$670,000
8	Prepaid Expenses	$2,930,000	$2,561,000	($369,000)
9	Other Current Assets	$3,114,000	$2,185,000	($929,000)
	Total Current Assets	**$56,826,000**	**$56,863,000**	**$37,000**
B.	**Noncurrent Assets Whose Use is Limited:**			
1	Held by Trustee	$15,480,000	$15,681,000	$201,000
2	Board Designated for Capital Acquisition	$0	$0	$0
3	Funds Held in Escrow	$0	$0	$0
4	Other Noncurrent Assets Whose Use is Limited	$6,000	$6,000	$0
	Total Noncurrent Assets Whose Use is Limited:	**$15,486,000**	**$15,687,000**	**$201,000**
5	Interest in Net Assets of Foundation	$5,549,000	$5,810,000	$261,000
6	Long Term Investments	$10,973,000	$11,487,000	$514,000
7	Other Noncurrent Assets	$25,740,000	$10,565,000	($15,175,000)
C.	**Net Fixed Assets:**			
1	Property, Plant and Equipment	$91,358,000	$97,843,000	$6,485,000
2	Less: Accumulated Depreciation	$2,656,000	$10,694,000	$8,038,000
	Property, Plant and Equipment, Net	**$88,702,000**	**$87,149,000**	**($1,553,000)**
3	Construction in Progress	$7,780,000	$11,956,000	$4,176,000
	Total Net Fixed Assets	**$96,482,000**	**$99,105,000**	**$2,623,000**
	Total Assets	**$211,056,000**	**$199,517,000**	**($11,539,000)**

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

31-Mar-17

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**			
A.	**Current Liabilities:**			
1	Accounts Payable and Accrued Expenses	$15,420,000	$18,915,000	$3,495,000
2	Salaries, Wages and Payroll Taxes	$5,045,000	$4,123,000	($922,000)
3	Due To Third Party Payers	$1,262,000	$416,000	($846,000)
4	Due To Affiliates	$0	$0	$0
5	Current Portion of Long Term Debt	$89,000	$0	($89,000)
6	Current Portion of Notes Payable	$0	$0	$0
7	Other Current Liabilities	$15,913,000	$11,558,000	($4,355,000)
	Total Current Liabilities	**$37,729,000**	**$35,012,000**	**($2,717,000)**
B.	**Long Term Debt:**			
1	Bonds Payable (Net of Current Portion)	$0	$0	$0
2	Notes Payable (Net of Current Portion)	$0	$0	$0
	Total Long Term Debt	**$0**	**$0**	**$0**
3	Accrued Pension Liability	$83,306,000	$80,137,000	($3,169,000)
4	Other Long Term Liabilities	$9,341,000	$8,303,000	($1,038,000)
	Total Long Term Liabilities	**$92,647,000**	**$88,440,000**	**($4,207,000)**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0
C.	**Net Assets:**			
1	Unrestricted Net Assets or Equity	$62,162,000	$57,279,000	($4,883,000)
2	Temporarily Restricted Net Assets	$1,970,000	$2,055,000	$85,000
3	Permanently Restricted Net Assets	$16,548,000	$16,731,000	$183,000
	Total Net Assets	**$80,680,000**	**$76,065,000**	**($4,615,000)**
	Total Liabilities and Net Assets	**$211,056,000**	**$199,517,000**	**($11,539,000)**

(6) % DIFFERENCE
-3%
-100%
5%
0%
0%
0%
17%
-13%
-30%
0%
1%
0%
0%
0%
1%
5%
5%
-59%
7%
303%
-2%
54%
3%
-5%

(6) % DIFFERENCE
23%
-18%
-67%
0%
-100%
0%
-27%
-7%
0%
0%
0%
-4%
-11%
-5%
0%
-8%
4%
1%
-6%
-5%

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

6 MONTHS ENDED MARCH 31, 2017 AND 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
A.	**Operating Revenue:**			
1	Total Gross Patient Revenue	$406,827,000	$440,801,000	$33,974,000
2	Less: Allowances	$268,852,000	$300,974,000	$32,122,000
3	Less: Charity Care	$855,000	$2,834,000	$1,979,000
4	Less: Other Deductions	$0	$0	$0
	Total Net Patient Revenue	**$137,120,000**	**$136,993,000**	**($127,000)**
5	Provision for Bad Debts	$4,961,000	$3,494,000	($1,467,000)
	Net Patient Service Revenue less provision for bad debts	**$132,159,000**	**$133,499,000**	**$1,340,000**
6	Other Operating Revenue	$5,743,000	$4,849,000	($894,000)
7	Net Assets Released from Restrictions	$0	$0	$0
	Total Operating Revenue	**$137,902,000**	**$138,348,000**	**$446,000**
B.	**Operating Expenses:**			
1	Salaries and Wages	$45,110,000	$48,444,000	$3,334,000
2	Fringe Benefits	$14,267,000	$7,923,000	($6,344,000)
3	Physicians Fees	$9,153,000	$7,176,000	($1,977,000)
4	Supplies and Drugs	$22,612,000	$23,419,000	$807,000
5	Depreciation and Amortization	$5,737,000	$8,042,000	$2,305,000
6	Bad Debts	$0	$0	$0
7	Interest Expense	$119,000	$2,000	($117,000)
8	Malpractice Insurance Cost	$2,351,000	$1,560,000	($791,000)
9	Other Operating Expenses	$25,121,000	$26,618,000	$1,497,000
	Total Operating Expenses	**$124,470,000**	**$123,184,000**	**($1,286,000)**
	Income/(Loss) From Operations	**$13,432,000**	**$15,164,000**	**$1,732,000**
C.	**Non-Operating Revenue:**			
1	Income from Investments	$218,000	$490,000	$272,000
2	Gifts, Contributions and Donations		$0	$0
3	Other Non-Operating Gains/(Losses)	$55,000	$50,000	($5,000)
	Total Non-Operating Revenue	**$273,000**	**$540,000**	**$267,000**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$13,705,000**	**$15,704,000**	**$1,999,000**
	Other Adjustments:			
	Unrealized Gains/(Losses)	$0	$0	$0
	All Other Adjustments	$0	$0	$0
	Total Other Adjustments	**$0**	**$0**	**$0**

SAINT MARY`S HOSPITAL (Hospital Only)

TWELVE MONTHS ACTUAL FILING

6 MONTHS ENDED MARCH 31, 2017 AND 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
	Excess/(Deficiency) of Revenue Over Expenses	$13,705,000	$15,704,000	$1,999,000

(6) % DIFFERENCE
8%
12%
231%
0%
0%
-30%
1%
-16%
0%
0%
7%
-44%
-22%
4%
40%
0%
-98%
-34%
6%
-1%
13%
125%
0%
-9%
98%
15%
0%
0%
0%

(6)
%
DIFFERENCE
15%

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

31-Mar-16

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
I.	**ASSETS**			
A.	**Current Assets:**			
1	Cash and Cash Equivalents	$22,818,000	$22,077,000	($741,000)
2	Short Term Investments	$23,000	$0	($23,000)
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$30,634,000	$32,040,000	$1,406,000
4	Current Assets Whose Use is Limited for Current Liabilities	$3,418,000	$0	($3,418,000)
5	Due From Affiliates	$0	$0	$0
6	Due From Third Party Payers	$0	$0	$0
7	Inventories of Supplies	$3,889,000	$4,560,000	$671,000
8	Prepaid Expenses	$3,515,000	$2,998,000	($517,000)
9	Other Current Assets	$3,192,000	$2,200,000	($992,000)
	Total Current Assets	**$67,489,000**	**$63,875,000**	**($3,614,000)**
B.	**Noncurrent Assets Whose Use is Limited:**			
1	Held by Trustee	$15,480,000	$15,681,000	$201,000
2	Board Designated for Capital Acquisition	$0	$0	$0
3	Funds Held in Escrow	$0	$0	$0
4	Other Noncurrent Assets Whose Use is Limited	$19,537,000	$6,000	($19,531,000)
	Total Noncurrent Assets Whose Use is Limited:	**$35,017,000**	**$15,687,000**	**($19,330,000)**
5	Interest in Net Assets of Foundation	$0	$0	$0
6	Long Term Investments	$15,428,000	$16,137,000	$709,000
7	Other Noncurrent Assets	$6,263,000	$9,726,000	$3,463,000
C.	**Net Fixed Assets:**			
1	Property, Plant and Equipment	$95,973,000	$102,544,000	$6,571,000
2	Less: Accumulated Depreciation	$2,835,000	$11,477,000	$8,642,000
	Property, Plant and Equipment, Net	**$93,138,000**	**$91,067,000**	**($2,071,000)**
3	Construction in Progress	$7,873,000	$12,062,000	$4,189,000
	Total Net Fixed Assets	**$101,011,000**	**$103,129,000**	**$2,118,000**
	Total Assets	**$225,208,000**	**$208,554,000**	**($16,654,000)**

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

31-Mar-16

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**			
A.	**Current Liabilities:**			
1	Accounts Payable and Accrued Expenses	$16,465,000	$19,545,000	$3,080,000
2	Salaries, Wages and Payroll Taxes	$8,160,000	$6,515,000	($1,645,000)
3	Due To Third Party Payers	$1,262,000	$416,000	($846,000)
4	Due To Affiliates	$0	$0	$0
5	Current Portion of Long Term Debt	$337,000	$228,000	($109,000)
6	Current Portion of Notes Payable	$0	$0	$0
7	Other Current Liabilities	$13,842,000	$12,603,000	($1,239,000)
	Total Current Liabilities	**$40,066,000**	**$39,307,000**	**($759,000)**
B.	**Long Term Debt:**			
1	Bonds Payable (Net of Current Portion)	$0	$0	$0
2	Notes Payable (Net of Current Portion)	$586,000	$514,000	($72,000)
	Total Long Term Debt	**$586,000**	**$514,000**	**($72,000)**
3	Accrued Pension Liability	$83,306,000	$80,137,000	($3,169,000)
4	Other Long Term Liabilities	$21,395,000	$9,203,000	($12,192,000)
	Total Long Term Liabilities	**$105,287,000**	**$89,854,000**	**($15,433,000)**
5	Interest in Net Assets of Affiliates or Joint Ventures	$2,588,000	$2,479,000	($109,000)
C.	**Net Assets:**			
1	Unrestricted Net Assets or Equity	$58,749,000	$58,128,000	($621,000)
2	Temporarily Restricted Net Assets	$1,970,000	$2,055,000	$85,000
3	Permanently Restricted Net Assets	$16,548,000	$16,731,000	$183,000
	Total Net Assets	**$77,267,000**	**$76,914,000**	**($353,000)**
	Total Liabilities and Net Assets	**$225,208,000**	**$208,554,000**	**($16,654,000)**

(6) % DIFFERENCE
-3%
-100%
5%
-100%
0%
0%
17%
-15%
-31%
-5%
1%
0%
0%
-100%
-55%
0%
5%
55%
7%
305%
-2%
53%
2%
-7%

(6) % DIFFERENCE
19%
-20%
-67%
0%
-32%
0%
-9%
-2%
0%
-12%
-12%
-4%
-57%
-15%
-4%
-1%
4%
1%
0%
-7%

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

6 MONTHS ENDED MARCH 31, 2017 AND 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
A.	**Operating Revenue:**			
1	Total Gross Patient Revenue	$454,966,000	$491,688,000	$36,722,000
2	Less: Allowances	$297,453,000	$330,877,000	$33,424,000
3	Less: Charity Care	$855,000	$2,834,000	$1,979,000
4	Less: Other Deductions	$0	$0	$0
	Total Net Patient Revenue	**$156,658,000**	**$157,977,000**	**$1,319,000**
5	Provision for Bad Debts	$5,798,000	$4,885,000	($913,000)
	Net Patient Service Revenue less provision for bad debts	**$150,860,000**	**$153,092,000**	**$2,232,000**
6	Other Operating Revenue	$6,156,000	$5,429,000	($727,000)
7	Net Assets Released from Restrictions	$0	$0	$0
	Total Operating Revenue	**$157,016,000**	**$158,521,000**	**$1,505,000**
B.	**Operating Expenses:**			
1	Salaries and Wages	$64,454,000	$69,508,000	$5,054,000
2	Fringe Benefits	$16,909,000	$10,886,000	($6,023,000)
3	Physicians Fees	$9,294,000	$7,401,000	($1,893,000)
4	Supplies and Drugs	$23,572,000	$24,435,000	$863,000
5	Depreciation and Amortization	$6,107,000	$8,676,000	$2,569,000
6	Bad Debts	$0	$0	$0
7	Interest Expense	$128,000	$22,000	($106,000)
8	Malpractice Insurance Cost	$3,343,000	$2,368,000	($975,000)
9	Other Operating Expenses	$29,484,000	$31,355,000	$1,871,000
	Total Operating Expenses	**$153,291,000**	**$154,651,000**	**$1,360,000**
	Income/(Loss) From Operations	**$3,725,000**	**$3,870,000**	**$145,000**
C.	**Non-Operating Revenue:**			
1	Income from Investments	$218,000	$490,000	$272,000
2	Gifts, Contributions and Donations		$0	$0
3	Other Non-Operating Gains/(Losses)	$55,000	$50,000	($5,000)
	Total Non-Operating Revenue	**$273,000**	**$540,000**	**$267,000**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$3,998,000**	**$4,410,000**	**$412,000**
	Other Adjustments:			
	Unrealized Gains/(Losses)	$0	$0	$0
	All Other Adjustments	$0	$0	$0
	Total Other Adjustments	**$0**	**$0**	**$0**

SAINT MARY`S HEALTH SYSTEM (Consolidated)

TWELVE MONTHS ACTUAL FILING

6 MONTHS ENDED MARCH 31, 2017 AND 2016

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)
		FY 2016	FY 2017	AMOUNT
LINE	DESCRIPTION	ACTUAL	ACTUAL	DIFFERENCE
	Excess/(Deficiency) of Revenue Over Expenses	$3,998,000	$4,410,000	$412,000

(6) % DIFFERENCE
8%
11%
231%
0%
1%
-16%
1%
-12%
0%
1%
8%
-36%
-20%
4%
42%
0%
-83%
-29%
6%
1%
4%
125%
0%
-9%
98%
10%
0%
0%
0%

(6)
%
DIFFERENCE
10%

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 100 - HOSPITAL BALANCE SHEET INFORMATION

(1)	(2)	(3)	(3)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	MARCH	DIFFERENCE	DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$17,282,000	$14,863,000	($2,419,000)	-14%
2	Short Term Investments	$37,626,000	$22,759,000	($14,867,000)	-40%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$64,589,000	$84,118,000	$19,529,000	30%
4	Current Assets Whose Use is Limited for Current Liabilities	$0	$0	$0	0%
5	Due From Affiliates	$47,486,000	$36,994,000	($10,492,000)	-22%
6	Due From Third Party Payers	$5,513,000	$675,000	($4,838,000)	-88%
7	Inventories of Supplies	$8,913,000	$8,964,000	$51,000	1%
8	Prepaid Expenses	$3,861,000	$2,797,000	($1,064,000)	-28%
9	Other Current Assets	$3,498,000	$3,950,000	$452,000	13%
	Total Current Assets	**$188,768,000**	**$175,120,000**	**($13,648,000)**	**-7%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$55,311,000	$56,453,000	$1,142,000	2%
2	Board Designated for Capital Acquisition	$42,931,000	$45,721,000	$2,790,000	6%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$2,118,000	$0	($2,118,000)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$100,360,000**	**$102,174,000**	**$1,814,000**	**2%**
5	Interest in Net Assets of Foundation	$13,266,000	$10,935,000	($2,331,000)	-18%
6	Long Term Investments	$48,717,000	$51,061,000	$2,344,000	5%
7	Other Noncurrent Assets	$7,050,000	$8,864,000	$1,814,000	26%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$418,811,000	$428,235,000	$9,424,000	2%
2	Less: Accumulated Depreciation	$43,734,000	$62,758,000	$19,024,000	43%
	Property, Plant and Equipment, Net	**$375,077,000**	**$365,477,000**	**($9,600,000)**	**-3%**
3	Construction in Progress	$14,905,000	$28,823,000	$13,918,000	93%
	Total Net Fixed Assets	**$389,982,000**	**$394,300,000**	**$4,318,000**	**1%**
	Total Assets	**$748,143,000**	**$742,454,000**	**($5,689,000)**	**-1%**
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$34,163,000	$30,624,000	($3,539,000)	-10%
2	Salaries, Wages and Payroll Taxes	$38,144,000	$31,397,000	($6,747,000)	-18%
3	Due To Third Party Payers	$8,953,000	$7,509,000	($1,444,000)	-16%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$6,925,000	$6,690,000	($235,000)	-3%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$9,045,000	$9,764,000	$719,000	8%
	Total Current Liabilities	**$97,230,000**	**$85,984,000**	**($11,246,000)**	**-12%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$237,732,000	$235,217,000	($2,515,000)	-1%
	Total Long Term Debt	**$237,732,000**	**$235,217,000**	**($2,515,000)**	**-1%**
3	Accrued Pension Liability	$227,408,000	$209,405,000	($18,003,000)	-8%
4	Other Long Term Liabilities	$51,868,000	$52,668,000	$800,000	2%
	Total Long Term Liabilities	**$517,008,000**	**$497,290,000**	**($19,718,000)**	**-4%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$49,222,000	$70,673,000	$21,451,000	44%
2	Temporarily Restricted Net Assets	$29,372,000	$32,054,000	$2,682,000	9%
3	Permanently Restricted Net Assets	$55,311,000	$56,453,000	$1,142,000	2%
	Total Net Assets	**$133,905,000**	**$159,180,000**	**$25,275,000**	**19%**
	Total Liabilities and Net Assets	**$748,143,000**	**$742,454,000**	**($5,689,000)**	**-1%**

SAINT FRANCIS HOSPITAL AND MEDICAL CENTER

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 150 - HOSPITAL STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
LINE	DESCRIPTION	FY 2016 ACTUAL	FY 2017 OCT -MAR	AMOUNT DIFFERENCE	% DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$2,252,204,000	$1,225,669,000	($1,026,535,000)	-46%
2	Less: Allowances	$1,498,710,000	$828,362,000	($670,348,000)	-45%
3	Less: Charity Care	$8,463,000	$9,103,000	$640,000	8%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$745,031,000**	**$388,204,000**	**($356,827,000)**	**-48%**
5	Provision for Bad Debts	$14,575,000	$8,642,000	($5,933,000)	-41%
	Net Patient Service Revenue less provision for bad debts	**$730,456,000**	**$379,562,000**	**($350,894,000)**	**-48%**
6	Other Operating Revenue	$38,574,000	$18,266,000	($20,308,000)	-53%
7	Net Assets Released from Restrictions	$3,397,000	$1,993,000	($1,404,000)	-41%
	Total Operating Revenue	**$772,427,000**	**$399,821,000**	**($372,606,000)**	**-48%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$258,412,000	$122,840,000	($135,572,000)	-52%
2	Fringe Benefits	$63,421,000	$27,879,000	($35,542,000)	-56%
3	Physicians Fees	$52,062,000	$22,292,000	($29,770,000)	-57%
4	Supplies and Drugs	$115,390,000	$65,971,000	($49,419,000)	-43%
5	Depreciation and Amortization	$44,179,000	$19,210,000	($24,969,000)	-57%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$8,115,000	$4,421,000	($3,694,000)	-46%
8	Malpractice Insurance Cost	$8,753,000	$4,721,000	($4,032,000)	-46%
9	Other Operating Expenses	$211,691,000	$115,900,000	($95,791,000)	-45%
	Total Operating Expenses	**$762,023,000**	**$383,234,000**	**($378,789,000)**	**-50%**
	Income/(Loss) From Operations	**$10,404,000**	**$16,587,000**	**$6,183,000**	**59%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$6,882,000	$4,945,000	($1,937,000)	-28%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	($4,960,000)	($421,000)	$4,539,000	-92%
	Total Non-Operating Revenue	**$1,922,000**	**$4,524,000**	**$2,602,000**	**135%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$12,326,000**	**$21,111,000**	**$8,785,000**	**71%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%
	Total Other Adjustments	**$0**	**$0**	**$0**	**0%**
	Excess/(Deficiency) of Revenue Over Expenses	**$12,326,000**	**$21,111,000**	**$8,785,000**	**71%**
	Principal Payments	$0	$0	$0	0%

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
LINE	DESCRIPTION	FY 2016 ACTUAL	FY 2017 MARCH	AMOUNT DIFFERENCE	% DIFFERENCE
I.	**ASSETS**				
A.	**Current Assets:**				
1	Cash and Cash Equivalents	$72,316,000	$49,467,000	($22,849,000)	-32%
2	Short Term Investments	$49,401,000	$30,955,000	($18,446,000)	-37%
3	Accounts Receivable (Less: Allowance for Doubtful Accounts)	$124,168,000	$137,830,000	$13,662,000	11%
4	Current Assets Whose Use is Limited for Current Liabilities	$5,754,000	$0	($5,754,000)	-100%
5	Due From Affiliates	$3,147,000	$6,481,000	$3,334,000	106%
6	Due From Third Party Payers	$5,513,000	$675,000	($4,838,000)	-88%
7	Inventories of Supplies	$14,316,000	$15,242,000	$926,000	6%
8	Prepaid Expenses	$8,569,000	$7,391,000	($1,178,000)	-14%
9	Other Current Assets	$13,155,000	$13,435,000	$280,000	2%
	Total Current Assets	**$296,339,000**	**$261,476,000**	**($34,863,000)**	**-12%**
B.	**Noncurrent Assets Whose Use is Limited:**				
1	Held by Trustee	$71,841,414	$73,184,000	$1,342,586	2%
2	Board Designated for Capital Acquisition	$67,971,586	$72,277,000	$4,305,414	6%
3	Funds Held in Escrow	$0	$0	$0	0%
4	Other Noncurrent Assets Whose Use is Limited	$24,717,000	$0	($24,717,000)	-100%
	Total Noncurrent Assets Whose Use is Limited:	**$164,530,000**	**$145,461,000**	**($19,069,000)**	**-12%**
5	Interest in Net Assets of Foundation	$0	$0	$0	0%
6	Long Term Investments	$52,748,000	$58,285,000	$5,537,000	10%
7	Other Noncurrent Assets	$18,518,000	$17,556,000	($962,000)	-5%
C.	**Net Fixed Assets:**				
1	Property, Plant and Equipment	$551,097,000	$570,246,000	$19,149,000	3%
2	Less: Accumulated Depreciation	$49,168,000	$79,463,000	$30,295,000	$1
	Property, Plant and Equipment, Net	**$501,929,000**	**$490,783,000**	**($11,146,000)**	**-2%**
3	Construction in Progress	$23,674,000	$40,973,000	$17,299,000	73%
	Total Net Fixed Assets	**$525,603,000**	**$531,756,000**	**$6,153,000**	**1%**
	Total Assets	**$1,057,738,000**	**$1,014,534,000**	**($43,204,000)**	**-4%**

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 300 - PARENT CORPORATION CONSOLIDATED BALANCE SHEET INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
LINE	DESCRIPTION	FY 2016 ACTUAL	FY 2017 MARCH	AMOUNT DIFFERENCE	% DIFFERENCE
II.	**LIABILITIES AND NET ASSETS**				
A.	**Current Liabilities:**				
1	Accounts Payable and Accrued Expenses	$68,313,000	$63,707,000	($4,606,000)	-7%
2	Salaries, Wages and Payroll Taxes	$75,613,000	$67,903,000	($7,710,000)	-10%
3	Due To Third Party Payers	$15,903,000	$16,154,000	$251,000	2%
4	Due To Affiliates	$0	$0	$0	0%
5	Current Portion of Long Term Debt	$7,821,000	$7,479,000	($342,000)	-4%
6	Current Portion of Notes Payable	$0	$0	$0	0%
7	Other Current Liabilities	$11,999,000	$13,487,000	$1,488,000	12%
	Total Current Liabilities	**$179,649,000**	**$168,730,000**	**($10,919,000)**	**-6%**
B.	**Long Term Debt:**				
1	Bonds Payable (Net of Current Portion)	$0	$0	$0	0%
2	Notes Payable (Net of Current Portion)	$256,156,000	$253,458,000	($2,698,000)	-1%
	Total Long Term Debt	**$256,156,000**	**$253,458,000**	**($2,698,000)**	**-1%**
3	Accrued Pension Liability	$314,044,000	$288,664,000	($25,380,000)	-8%
4	Other Long Term Liabilities	$79,162,000	$61,880,000	($17,282,000)	-22%
	Total Long Term Liabilities	**$649,362,000**	**$604,002,000**	**($45,360,000)**	**-7%**
5	Interest in Net Assets of Affiliates or Joint Ventures	$0	$0	$0	0%
C.	**Net Assets:**				
1	Unrestricted Net Assets or Equity	$123,226,000	$132,238,000	$9,012,000	7%
2	Temporarily Restricted Net Assets	$33,642,000	$36,380,000	$2,738,000	8%
3	Permanently Restricted Net Assets	$71,859,000	$73,184,000	$1,325,000	2%
	Total Net Assets	**$228,727,000**	**$241,802,000**	**$13,075,000**	**6%**
	Total Liabilities and Net Assets	**$1,057,738,000**	**$1,014,534,000**	**($43,204,000)**	**-4%**

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -MAR	DIFFERENCE	DIFFERENCE
A.	**Operating Revenue:**				
1	Total Gross Patient Revenue	$2,903,594,000	$1,990,018,000	($913,576,000)	-31%
2	Less: Allowances	$1,902,814,000	$1,329,832,000	($572,982,000)	-30%
3	Less: Charity Care	$16,893,000	$14,729,000	($2,164,000)	-13%
4	Less: Other Deductions	$0	$0	$0	0%
	Total Net Patient Revenue	**$983,887,000**	**$645,457,000**	**($338,430,000)**	**-34%**
5	Provision for Bad Debts	$21,382,000	$16,997,000	($4,385,000)	-21%
	Net Patient Service Revenue less provision for bad debts	**$962,505,000**	**$628,460,000**	**($334,045,000)**	**-35%**
6	Other Operating Revenue	$48,990,000	$36,152,000	($12,838,000)	-26%
7	Net Assets Released from Restrictions	$7,991,000	$2,494,000	($5,497,000)	-69%
	Total Operating Revenue	**$1,019,486,000**	**$667,106,000**	**($352,380,000)**	**-35%**
B.	**Operating Expenses:**				
1	Salaries and Wages	$447,852,000	$314,233,000	($133,619,000)	-30%
2	Fringe Benefits	$94,930,000	$52,558,000	($42,372,000)	-45%
3	Physicians Fees	$33,406,000	$24,902,000	($8,504,000)	-25%
4	Supplies and Drugs	$162,109,000	$107,533,000	($54,576,000)	-34%
5	Depreciation and Amortization	$50,735,000	$30,251,000	($20,484,000)	-40%
6	Bad Debts	$0	$0	$0	0%
7	Interest Expense	$9,056,000	$5,047,000	($4,009,000)	-44%
8	Malpractice Insurance Cost	$12,300,000	$9,480,000	($2,820,000)	-23%
9	Other Operating Expenses	$212,471,000	$114,986,000	($97,485,000)	-46%
	Total Operating Expenses	**$1,022,859,000**	**$658,990,000**	**($363,869,000)**	**-36%**
	Income/(Loss) From Operations	**($3,373,000)**	**$8,116,000**	**$11,489,000**	**-341%**
C.	**Non-Operating Revenue:**				
1	Income from Investments	$5,917,000	$6,960,000	$1,043,000	18%
2	Gifts, Contributions and Donations	$0	$0	$0	0%
3	Other Non-Operating Gains/(Losses)	$54,901,000	($448,000)	($55,349,000)	-101%
	Total Non-Operating Revenue	**$60,818,000**	**$6,512,000**	**($54,306,000)**	**-89%**
	Excess/(Deficiency) of Revenue Over Expenses (Before Other Adjustments)	**$57,445,000**	**$14,628,000**	**($42,817,000)**	**-75%**
	Other Adjustments:				
	Unrealized Gains/(Losses)	$0	$0	$0	0%
	All Other Adjustments	$0	$0	$0	0%

TRINITY HEALTH - NEW ENGLAND, INC. (FORMERLY SAINT FRANCIS CARE, INC.)

TWELVE MONTHS ACTUAL FILING

FISCAL YEAR 2017

REPORT 350 - PARENT CORPORATION CONSOLIDATED STATEMENT OF OPERATIONS INFORMATION

(1)	(2)	(3)	(4)	(5)	(6)
		FY 2016	FY 2017	AMOUNT	%
LINE	DESCRIPTION	ACTUAL	OCT -MAR	DIFFERENCE	DIFFERENCE
	Total Other Adjustments	$0	$0	$0	0%
	Excess/(Deficiency) of Revenue Over Expenses	$57,445,000	$14,628,000	($42,817,000)	-75%