



**STATE OF CONNECTICUT**  
DEPARTMENT OF PUBLIC HEALTH  
*Office of Health Care Access*

December 11, 2013

VIA FACSIMILE ONLY

Kris Gorman  
Connecticut Surgery Center, LP  
81 Gillett Street  
Hartford, CT 06105

Joanne Roche  
Hartford Surgery Center, LLC  
100 Retreat Avenue  
Suite 100  
Hartford, CT 06106

RE: Certificate of Need Determination Report Number 13-31877-DTR  
Connecticut Surgery Center, LP and Hartford Surgery Center, LLC  
Restructuring of Parent-Level Ownership

Dear Kris Gorman and Joanne Roche:

On December 4, 2013, the Office of Health Care Access ("OHCA") received your Certificate of Need ("CON") Determination Form on behalf of Connecticut Surgery Center, LP and Hartford Surgery Center, LLC ("Petitioners") with respect to the restructuring of parent-level ownership.

Connecticut Surgery Center, LP operates Connecticut Surgery Center, an outpatient surgical facility located at 81 Gillett Street in Hartford. Connecticut Surgery Center, LP is owned and controlled by Connecticut Surgical Center, LLC and several physician investor limited partners.

Hartford Surgery Center, LLC operates Hartford Surgery Center, an outpatient surgical facility located at 100 Retreat Avenue in Hartford. Hartford Surgery Center is owned and controlled by SunSurgery, LLC and several physician investors who hold minority membership interests.

Both Connecticut Surgery Center and Hartford Surgery Center are ultimately owned and controlled by the same parent company, Surgical Care Affiliates, LLC, which is owned and controlled by Surgical Care Affiliates, Inc.

The Petitioners are proposing the following restructuring transaction:

- 1) Connecticut Surgery Center, LP will convert to a limited liability company, to be named Connecticut Surgery Center, LLC;
- 2) Connecticut Surgical Center, LLC, which owns 65% of Connecticut Surgery Center, LP, will change its name to Connecticut Surgical Center GP, LLC ("CSCGP, LLC");
- 3) SunSurgery, LLC, which owns 91% of Hartford Surgery Center, LLC, will transfer its membership interests in Hartford Surgery Center, LLC to CSCGP, LLC;
- 4) A new company, ASC Connecticut Holdings, LLC ("ASCCH, LLC"), will be formed as a subsidiary of CSCGP, LLC;
- 5) CSCGP, LLC and the individual Physician Investors in Connecticut Surgery Center, LLC and Hartford Surgery Center, LLC will contribute all of their membership interests in their respective facilities to ASCCH, LLC in exchange for interests in ASCCH, LLC;

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*(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

- 6) As a result, ASCCH, LLC will own 100% of Connecticut Surgery Center, LLC and Hartford Surgery Center, LLC, with CSCGP, LLC and the individual Physician Investors collectively owning 100% of ASCCH, LLC;
- 7) Surgical Care Affiliates, LLC and Surgical Care Affiliates, Inc. will remain the ultimate parents of Connecticut Surgery Center, LLC and Hartford Surgery Center, LLC; and
- 8) Consistent with the current structure of each center, the Physician Investors will hold a minority, non-controlling interest in ASCCH, LLC (and in turn its subsidiaries, Connecticut Surgery Center, LLC and Hartford Surgery Center, LLC). CSCGP, LLC will hold a majority interest in ASCCH, LLC, through which it will continue to control both Centers per the individual LLCs' operating agreements.

The Centers are subject to management agreements with Surgical Care Affiliates, which will remain in place after the consolidation. In addition, the Centers are currently governed by wholly owned Surgical Care Affiliates subsidiaries, Connecticut Surgical Center, LLC and SunSurgery, LLC (subject to certain limited reserve powers allocated to the Physician Investors), and this will continue to be the case once the transaction is complete.

None of the interests changing hands with respect to the Physician Investors results in a change in control of either Center. Current operating agreements for Connecticut Surgery Center, LLC and Hartford Surgery Center, LLC will be restated to reflect the internal restructuring. However, the restatement of these agreements will in no way affect the ultimate governance or control of the Centers. The Centers are now, and will continue to be, governed and controlled by wholly owned subsidiaries of Surgical Care Affiliates, LLC.

Connecticut General Statutes § 19a-638(a)(2) requires a CON for the "transfer of ownership of a health care facility". Connecticut General Statutes § 19a-630(14) defines a "Transfer of ownership" as a transfer that impacts or changes the governance or controlling body of a health care facility or institution, including, but not limited to, all affiliations, mergers or any sale or transfer of net assets of a health care facility." Based upon the representations made by the Petitioners, the proposed transaction does not affect the governance or control of the Centers. Therefore, OHCA concludes that a *CON is not required*.

Sincerely,



Kimberly R. Martone  
Director of Operations

C: Rose McLellan, License and Applications Supervisor, DPH, DHSR

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\*\*\* TX REPORT \*\*\*  
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FAX SHEET

TO: JOANNE ROCHE

FAX: 866 998-0590

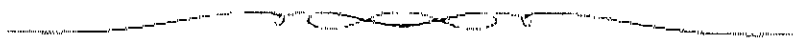
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FROM: OHCA

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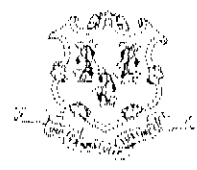


**Comments:**

Determination for DN: 13-31877 regarding restructuring of Parent-Level Ownership is attached.

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\*\*\* TX REPORT \*\*\*  
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FAX SHEET

TO: JOANNE ROCHE

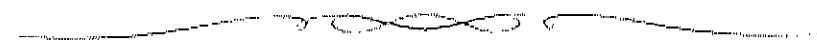
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FROM: OHCA

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Comments:  
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FAX SHEET

TO: KRIS GORMAN

FAX: 860 989-2404

AGENCY: CONNECTICUT SURGERY CENTER

FROM: OHCA

DATE: 12/12/13 Time:

NUMBER OF PAGES: 3  
*(including transmittal sheet)*

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