

State of Connecticut

GEORGE C. JEPSEN
ATTORNEY GENERAL



Hartford

August 10, 2011

VIA U.S. MAIL and FACSIMILE (860-509-6501)

Robert J. Anthony, Esq.
Brown Rudnick
City Place I
185 Asylum Street
Hartford, Connecticut 06103

Re: In re St. Mary's Health System, Inc. -- Application

Dear Attorney Anthony:

After our review of the Application for Joint Venture (the "Application") submitted on July 21, 2011, by St. Mary's Health System, Inc. ("St. Mary's"), including St. Mary's Hospital (the "Hospital"), and LHP Hospital Group, Inc. (together with its affiliates and subsidiaries, "LHP"), we have determined that there are minor deficiencies in the Application that require clarification and/or additional production. Conn. Gen. Stat. § 19a-486a(d). Please respond to the following questions and/or submit the following materials to the Commissioner of Public Health (the "Commissioner") and to the Attorney General within 20 days from the date of this letter.

1. In Exhibit 19, St. Mary's Hospital Foundation Summary Chart of Restricted Funds, the applicants identified restricted fund K3 Nursing Education (Bates #874). However, in Exhibit 20, the Restricted Funds documents, there is no production for K3. Please clarify whether there are any documents relating to this restricted fund, and if there are, please produce those documents.

2. The Applicant provided utilization data on page 24 of the Certificate of Need (CON) application that differs from the amounts on record at the Office of Health Care Access (OHCA) (Table 1). Provide an explanation for the discrepancies, the source and calculation, when applicable, of the following data:

Table 1: Utilization Data: Applicants CON vs. OHCA's Records-FY 2010

| Description | CON input | OHCA's Records | CON Reference | OHCA Reference |
|-----------------------------|-----------|----------------|---------------|-------------------------|
| Emergency Department Visits | 68,272 | 67,968 | Q.2, p.24 | HRS*-Report 450- Line K |
| Inpatient Surgeries | 2,881 | 8,642 | Q.2, p.24 | HRS-Report 450-Line I.1 |
| Outpatient Surgeries | 3,662 | 9,804 | Q.2, p.24 | HRS-Report 450-Line I.2 |

*Hospital Reporting System-FY 2010

3. Please indicate which organizational chart includes the newly formed Trinity Medical Group ("TMG"), as referenced on page 65. If it's an omission that needs to be corrected, please revise and resubmit the appropriate organizational chart.

4. In reference to page 34, please describe in detail LHP's experience in its joint ventures involving Portneuf Medical Center in Idaho and Texas Presbyterian Hospital-WNJ in Texas. In particular discuss the improvements the joint venture has made to date on the individual hospitals' array of and access to clinical services and profitability.

Please mail one (1) complete hard copy and one (1) complete electronic copy of the requested materials for approval to the following address:

Office of the Attorney General
55 Elm Street, P.O. Box 120
Hartford, Connecticut 06141-0120
Attn: Gary W. Hawes, AAG

Please also mail one (1) complete hard copy and one (1) complete electronic copy of the requested materials for approval to the following address:

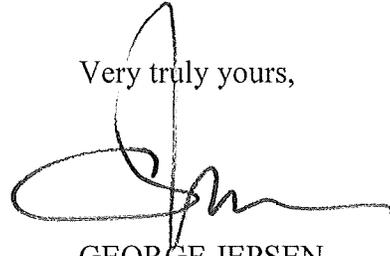
Commissioner of Public Health
410 Capitol Avenue
Hartford, Connecticut 06134
Attn: Melanie A. Dillon

After receipt of these requested materials, the Commissioner and the Attorney General shall review the submission to determine whether the Application is complete. If not, the Commissioner and the Attorney General shall provide written notice of any deficiencies within twenty (20) days of receipt of these requested materials.

Should you have any questions regarding these requests or any other issues relating to the Commissioner's and Attorney General's review, please do not hesitate to contact either Steven Lazarus at the Department of Public Health (860-418-7012; Steven.Lazarus@ct.gov) or Assistant Attorney General Gary W. Hawes at the Office of the Attorney General (860-808-5020; gary.hawes@ct.gov).

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Very truly yours,

A handwritten signature in black ink, appearing to read 'G. Jepsen', with a large, stylized initial 'G'.

GEORGE JEPSEN
ATTORNEY GENERAL

cc: Kimberly Martone, Director of Operations, OHCA
Steven Lazarus, Associate Healthcare Analyst, OHCA
Gary W. Hawes, Assistant Attorney General, OAG