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Michele Volpe  
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**VIA EMAIL**

March 28, 2016

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

Office of Health Care Access  
Department of Public Health  
410 Capitol Avenue  
Hartford, Connecticut 06134  
Attn: Steven W. Lazarus, Health Care Analyst

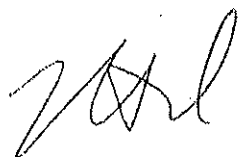
**RE: Eastern Connecticut Health Network, Inc.**  
**Proposed Asset Purchase by Prospect Medical Holdings, Inc.**  
**OHCA Docket Number: 15-32016-486**  
**Attorney General Docket Number: 15-486-01**

Dear Mr. Hawes and Mr. Lazarus:

Prospect Medical Holdings, Inc. ("PMH") hereby submits a copy of the PowerPoint presentation that PMH plans to use as part of its direct testimony at the hearings on March 29, 2016 and March 30, 2016 in connection with the above-referenced docket. Hard copies will be provided at the hearing.

Please do not hesitate to call me at (203) 777- 6995 with any questions.

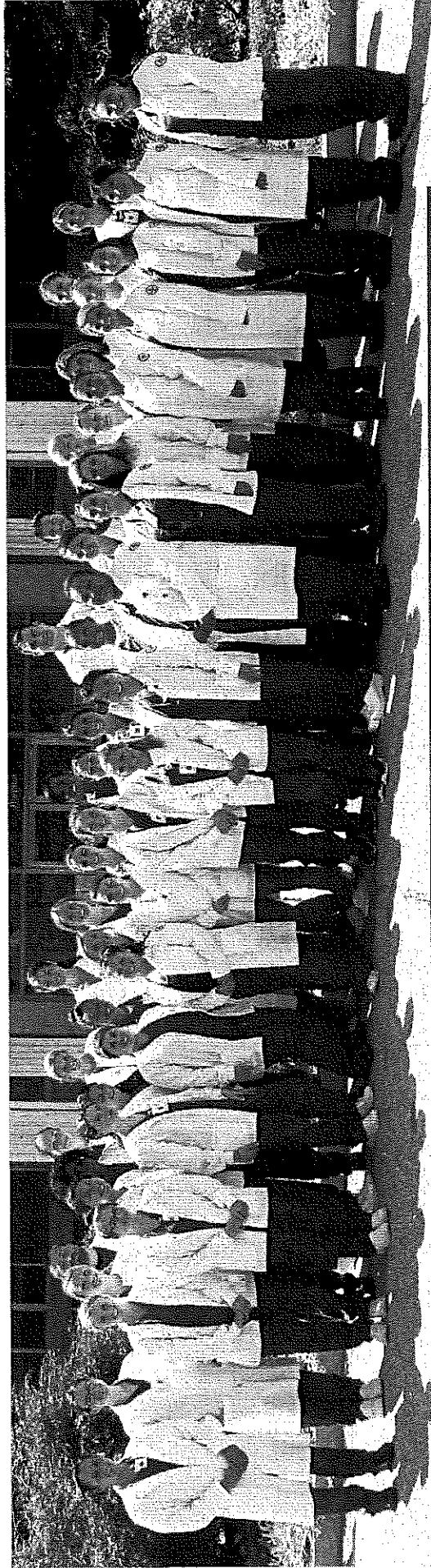
Thank you,



Michele M. Volpe

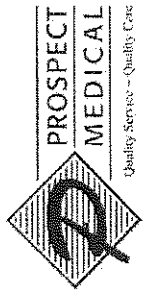
Cc: Kevin Hansted, Staff Attorney, Department of Public Health Division of Office of Health Care Access  
Kimberly Martone, Director of Operations, Department of Public Health Division of Office of Health Care Access  
Perry Zinn-Rowthom, Deputy Attorney General, Office of the Attorney General  
Dennis P. McConville, Senior Vice President and Chief Strategy Officer, Eastern Connecticut Health Network, Inc.  
Thomas M. Reardon, President, Prospect Medical Holdings-East, Inc.  
Frank Saidara, Vice President, Corporate Development, Prospect Medical Holdings, Inc.  
Jonathan Spees, Senior Vice President, Corporate Development, Prospect Medical Holdings, Inc.  
Joyce Tichy, Senior Vice President and General Counsel, Eastern Connecticut Health Network, Inc.  
Rebecca A. Matthews, Wiggin and Dana LLP  
Melinda A. Agsten, Wiggin and Dana LLP

# ECHN and Prospect: Committed to Community



Mitchell Lew, MD, President, Prospect Medical Holdings  
Von Crockett, Senior VP, Corporate Development, Prospect Medical Holdings  
Jonathan Spees, Senior VP, Mergers & Acquisitions, Prospect Medical Holdings  
Tom Reardon, President, Prospect Medical Holdings, East  
Steve Aleman, CFO, Prospect Medical Holdings

**ECHN**<sup>SM</sup>  
Eastern Commercial Health Network



# Who is Prospect?

## We Operate Local Community Hospitals

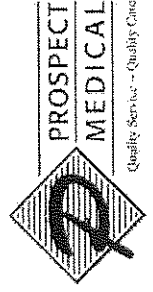
- Local governance; local physician leadership
- Investment in hospitals and our communities
- Continued employment and creation of new jobs
- Expansion of programs/services to improve access and quality





# Our Hospitals

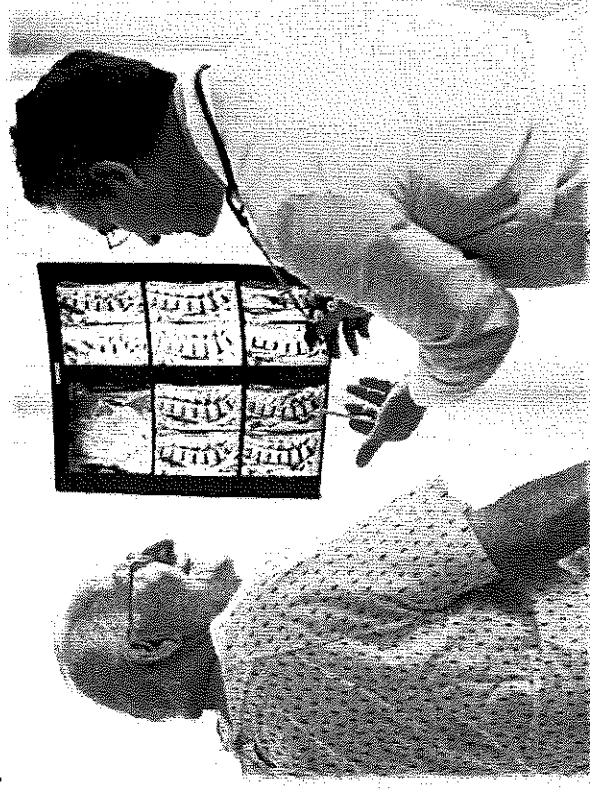
- 14 community hospitals in CA, TX, RI and NJ
- Serving many different communities
- Medical, surgical, tertiary/sub-specialty surgical, psychiatric and long-term care services
- Over 40 outpatient clinics and centers



# Our Medical Groups

## Multi-Specialty Healthcare Provider Without Walls

- Independent Practice Association (IPA) physicians focused on delivering the best care
- Prominent Southern California medical groups
- Growing in TX, RI and NJ
- Contracted with all major health plans
- 8,900 primary care/specialist physicians
- 300,000-plus members
- Coordination of care across the entire continuum
- Goal is better outcomes and higher patient satisfaction



# Coordinated-Regional-Care

## Prospect's Innovative Care Delivery Model

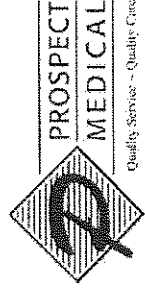
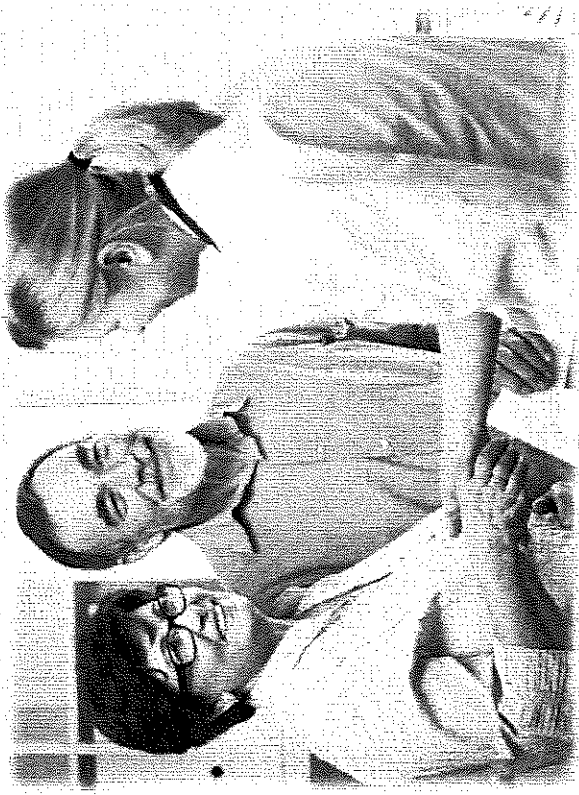
- Coordinated-Regional-Care (C-R-C) integrates hospitals, physicians and other medical and community providers, working closely with health plans and government payers to achieve improved patient care and satisfaction
  - Implemented in 7 regions in CA, TX and RI; in development in NJ, CT and PA
  - Population health management
  - Unique model of care provides higher value



# Improved Care and Outcomes

## Our Patient-Centered and Physician-Led Approach

- Multi-disciplinary care teams for high-risk patients (24/7)
- Patient and family engagement
- Homebound program
- Disease-specific care plans
- Integrated behavioral health
- Quality care coordinators (day-to-day outreach)
- Hospital/SNF/institutional case management
- Physician-led network

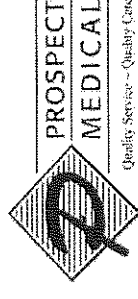




# Prospect's Commitment to Quality

## Our Award-Winning Southern California Medical Groups

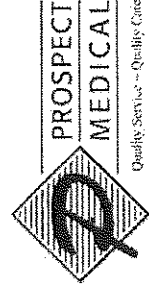
- California Association of Physician Groups (CAPG) Standards of Excellence Program – “Elite Status” (2012-2015)
- Integrated Healthcare Association (IHA) recognition of outstanding performance in “Meaningful Use of Health IT” and “Clinical Quality”
- Awards from the State of California Department of Managed Health Care (DMHC) for excellence in cardiovascular disease, cholesterol control and diabetes care
- 4 and 5 STAR – Medicare health plan quality and performance ratings



# Prospect's Commitment to Quality

## Our Hospitals' Distinctions and Awards

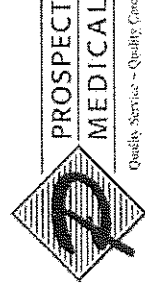
- Blue Cross/Blue Shield (RI) Blue Distinction Center for Hip, Knee & Spine Surgery Programs, 2016 (Roger Williams Medical Center and Our Lady of Fatima Hospital, RI)
- American College of Surgeons-designated Academic Comprehensive Cancer Center, 2015 (Roger Williams Medical Center, RI)
- Joint Commission-certified for Advanced Primary Stroke Center, Diabetes Center and Joint Hip Replacement, 2015 (Our Lady Of Fatima Hospital, RI)
- Joint Commission Bariatric Center of Excellence (Nix Medical Center, TX)
- CareChex Awards – Top 10% nationwide – General Surgery (Nix Medical Center, TX); Vascular Surgery (Los Angeles Community Hospital, CA); Hip Fracture (Southern California Hospital at Culver City, CA)



# Prospect's Commitment to Quality

## Our Investment In Quality

- Engaged nationally recognized consulting firm
- Created additional corporate quality leadership
- Established regional hospital quality oversight
- Advancing our hospitals as High Reliability Organizations (HROs)

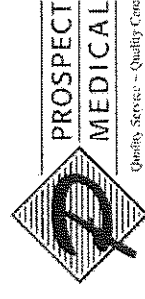


# Prospect's Model in Practice

## CharterCARE Health Partners Accomplishments

### Prospect ...

- Formed a multi-specialty IPA with 100+ primary care providers
- Increased employed physicians by 50+
- Expanded outpatient clinics beyond service area
- Invested in outpatient oncology center
- Achieved academic certification of cancer center
- Provided significant strategic capital
- Is implementing Medicaid value-based pilot

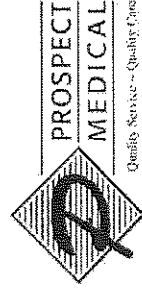


# Why Connecticut?

## Favorable Environment for New Healthcare Delivery Models

- Forward-thinking regulatory and government leadership
- Medicaid expansion
- Health plans receptive to value-based payment
- High-quality hospitals and physicians in need of coordinated care model
- State budget issues create imperative for immediate action

**Prospect has the knowledge and experience to successfully operate hospitals, make investments and transform the healthcare delivery model**



# ECHN/Prospect Partnership Advantages

## Quality + More Efficient Care = Better Value

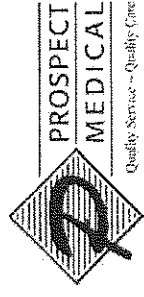
- Integration of ECHN, physicians, community providers and health plans
- Better care and health of patients
- Higher patient satisfaction from personalized care
- Improved access to capital and financial strength
- Sustainable delivery model preserves Manchester and Rockville hospitals, physician practices and quality healthcare



# Our Commitment to the Community

## What Prospect Brings to ECHN

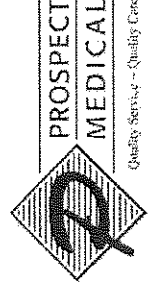
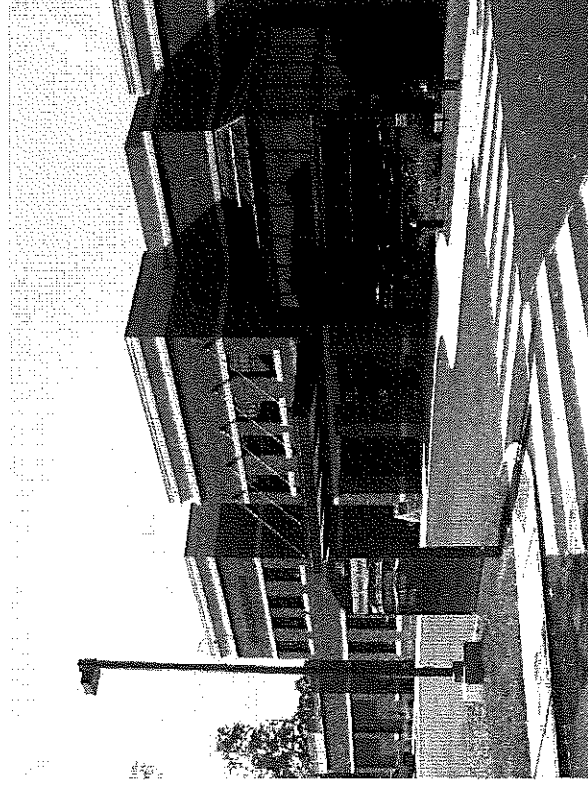
- Purchase price – \$105 million
- Capital expenditures – \$75 million
- Charity care – commitment to maintain current policies
- Management – commitment to local management
- Local advisory board – physicians and community leaders
- Medical staff – maintain and support
- Hospital services – maintain and grow
- Employees – hire all employees in good standing
- Quality – retain quality programs at ECHN hospitals



# Role of ECHN's Local Advisory Board

## Prospect's Commitment to Local Governance

- Serve as a resource for the hospital's Board of Directors regarding Prospect's capital commitment and strategic planning
- Responsible for medical staff credentialing
- Maintain and oversee quality assurance program
- Oversee and manage accreditation
- Support physician recruitment
- Provide input on leadership succession





# Why Prospect?

## Prospect Offers a Unique Healthcare Delivery Model

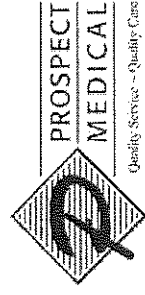
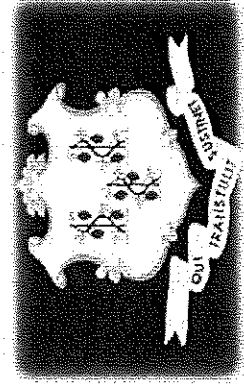
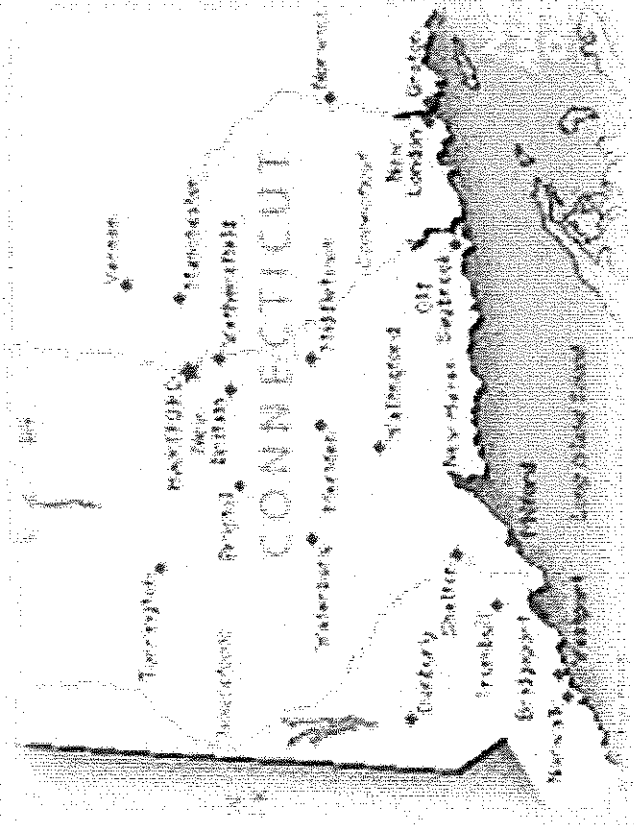
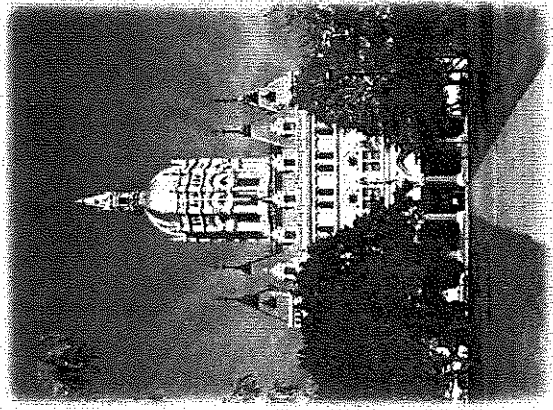
- Promotes better community health
- Empowers local physicians
- Maintains/creates local jobs
- Provides extensive corporate resources/expertise to support local hospital operators
- Maintains local leadership with regional oversight
- Invests significant capital in facilities, service and technologies
- Preserves charity care policies



# Why Prospect?

## ECHN and Prospect – Commitment to Community

- We are committed to Connecticut
- Our innovative delivery model will transform ECHN into a leader in Connecticut healthcare



# Why Prospect?

Prospect and ECHN – Our Goals

HIGH Quality Care

HIGHER Patient Satisfaction

HIGHEST Value