



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

July 21, 2011

VIA FACSIMILE ONLY

Stephen P. Oster
Administrator
North Haven Surgery Center, LLC
52 Washington Avenue
North Haven, CT 06473

Re: Certificate of Need Determination; Report Number: 11-31707-DTR
North Haven Surgery Center, LLC
Merger of Titan Health Corporation, Inc. into United Surgical Partners International, Inc.

Dear Mr. Oster:

On June 22, 2011, the Office of Health Care Access ("OHCA") received your determination request on behalf of North Haven Surgery Center, LLC ("NHSC"), a subsidiary of Titan Health Corporation, Inc. ("THC") with respect to whether a certificate of need ("CON") is required for THC to merge into United Surgical Partners International, Inc. ("USPI").

NHSC consists of six (6) members. Four (4) of the members are individual physicians while another member is a physician practice owned by a single physician (which altogether with the 4 individual physicians owners, shall be referred to herein as the "Physician Owners"). The other member is Titan Health of North Haven, Inc. ("TNH"). Currently, the Physician owners own 75% of the membership units of NHSC, and TNH owns the remaining 25% of the membership units.

Under the proposed merger, a wholly-owned subsidiary of USPI, USPI Domestic Holdings, Inc. ("USPI Holdings") will form a merger subsidiary (the "USPI SUB") that will merge with and into THC. THC will be the surviving entity in the merger and will continue to own its interest in a total of nineteen (19) ambulatory surgery centers across the United States. The only change in ownership will occur at TNH's parent level, as THC will become a wholly-owned subsidiary of USPI Holdings.

The governance of TNH is controlled by the company's Operating Agreement, which is not being amended or changed in any way as a result of the proposed merger between THC and USPI. The merger will not result in any change or amendments to NHSC's Operating Agreement and thus there will be no impact or change to NHSC's governance resulting from the merger.

Based upon the foregoing, it appears that the merger of THC and USPI through USPI Holdings will not impact or change the governance or controlling body of TNH, as the Physician Owners will continue to own 75% ownership interest in NHSC compared to 25% by TNH. Accordingly, a CON is not required for this proposal pursuant to General Statutes § 19a-638a (2).

Thank you for informing OHCA of your plans and if you have any questions regarding this letter, please contact Steven W. Lazarus, Associate Health Care Analyst at (860) 418-7012.

Sincerely,



Kimberly R. Martone
Director of Operations

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