

§ 999.5(d)(2)(B)

The estimated market value of each health facility or other asset to be sold or transferred by the applicant under the proposed agreement or transaction.

It is generally agreed that the best determination of fair market value is what a willing buyer will pay a willing seller, each acting without the presence of undue influence. In this regard, the DCHS Board and its advisors concluded that the best method to determine fair market value of the DCHS Health Facilities was to cast a wide net for potential bidders, not overly burden the structure of the process, and then closely review and evaluate the terms offered by each bidder. Based on this competitive bidding process, as detailed in the response to § 999.5(d)(2)(C) this led to the finalist bids. Through a final round of bidding and evaluation, the DCHS Board and its independent experts believe that the Prime bid represents the fair market value for DCHS and the DCHS Health Facilities as it has concluded a competitive process to identify the terms of a transaction between a willing buyer and willing seller without undue influence.