

§ 999.5(d)(5)(G)

A statement describing all material effects that the proposed agreement or transaction may have on delivery of health care services to the communities served by each facility proposed to be transferred, and a statement of how the proposed transaction will affect the availability and accessibility of health care in the affected communities.

Prime has made substantive multi-year commitments to ensure ongoing access to key health care services to the communities historically served by the DCHS Health Facilities. Prime has agreed to maintain health care services in communities served by the DCHS Health Facilities, including continue to operate each of the Health System's hospitals as a general acute care hospital, maintain policies for the treatment of indigent patients at each hospital, and make a significant capital investment in the DCHS Health Facilities. Therefore, there are no terms of the proposed transaction that will have material negative effects on health care services for the communities served by the DCHS Health Facilities.

The specific commitments include the following:

Charity Care. Under § 7.8(a) of the Definitive Agreement, Prime will maintain policies for the treatment of indigent patients at the DCHS hospitals similar to those policies currently in effect at such hospitals for at least five years following the closing.

Commitment to Preserve Services. Under § 7.8(b) of the Definitive Agreement, in order to ensure adequate access for Medicare and Medi-Cal patients, Prime has committed to operate the Health System's hospitals as general acute care hospitals for at least five years following the closing, offering open emergency departments, subject to physician availability, the needs of the community, and financial viability. No patients will be turned away from the emergency room because of age, race, religion, gender, sexual orientation, payment source or inability to pay.

Capital Commitment. Under § 7.9 of the Definitive Agreement, Prime has agreed to spend or commit to spend at least \$150 million over the first three years following the closing in capital expenditures at the DCHS Health Facilities. This represents a substantial increase of capital investment in the DCHS Health Facilities which will lead to improved facilities and equipment for patients treated at the DCHS Health Facilities.

No Restriction on Medical Services Post-Closing. Neither Prime nor DCHS has in any way restricted the type or level of medical services that may be provided at the DCHS Health Facilities following the closing.