

[999.5(d)(10)] The written notice of any proposed agreement or transaction set forth in section 999.5(a)(1) shall include a description of the applicant’s efforts to inform local governmental entities, professional staff and employees of the health facility, and the general public of the proposed transaction. This description shall include any comments or reaction to this effort.

DCHS made the announcement to its internal and external stakeholders in January 2014 of its intent to sell its six hospitals and medical foundation spanning the California coast.

The DCCHS communications team advises and partners with DCCHS leadership, legal counsel and consultants (the “Transaction Team”) to provide periodic communications to employees and the public. The following provides a detailed summary of those efforts.

Reactions to the communications efforts in our hospitals and system office have been positive and many questions have been posed. Comments from physicians include their desire to have their voices heard regarding the sale and are neutral for the most part, with the understanding that once a buyer is announced, then we can better address their questions about the future and how they fit in. Questions from associates primarily have included their concerns about pensions, layoffs, the possibility of bankruptcy, union contracts, and who the buyer is. Associates in general feel very informed and have myriad opportunities to ask questions and voice their concerns.

The DCCHS Corporate Office and each hospital have provided communications in the following ways:

DCCHS Corporate Office

- Monthly DCCHS Board of Director meetings with presentations from Transaction Team leaders and DCCHS CEO.
- Press release announcing the sale was posted on DCCHS website; a special section on www.dochs.org was developed to provide visitors with sale updates.
- DCCHS Corporate Communications leads the media relations efforts, proactively reaching out to reporters with any new information and responding immediately to reporter requests for interviews.
- Sale talking points are provided and updated for leadership and board members and question and answer documents regarding the sale process and timing are provided to leadership.
- Monthly updates to all leadership in the hospitals and medical foundation; letters/memos/phone calls to external stakeholders.
- Members of Houlihan Lokey and senior leadership have attended meetings with leadership each of DCCHS’s primary unions (SEIU, CNA and UNCA) on a regular basis (commencing in January/February 2014) to share information about the sale process.
- Monthly President’s Council meetings with all CEOs and the Transaction Team.
- Regular communications between the Daughters of Charity and local Bishops and other Catholic leaders.

- System Office town halls are offered for associates in the System Office and Caritas Business Services.
- News articles are disseminated to leaders as they appear in the newspapers.
- Corporate Communications assists the CEO and Daughters of Charity in responding to letters from interest groups and individual community members inquiring or commenting on the sale of DCHS.

St. Vincent Medical Center

- CEO has communications with City Council members and other partner organizations regarding the sale, including dissemination of talking points.
- CEO has met with local Health Provider Groups such as Regal, Seoul Medical Group, KAMG, and others to provide updates on the sale process.
- CEO leads weekly director “stand up” meetings with sale updates and directors disseminate the information to their staff members.
- CEO provides updates at quarterly physician staff meetings, monthly Medical Executive Committee, and special meetings such as meetings with hospital-based physicians.
- CEO leads quarterly associate forums and monthly Directors/Managers meetings where updates on the DCHS sale are provided and information is cascaded to staff.
- Individual donors and foundations were initially notified of the pending sale in January. Updated information is disclosed upon submission of grant applications and during funder site visits. All current and prospective donors receive updates upon request.
- St. Vincent Foundation board members are provided regular updates and sale update articles are published in the Foundation newsletter to donors and other community members.

September and October Communications

- Each hospital and the DCHS Medical Foundation continued with regular communication updates to associates, physicians, and volunteers through various channels including in person meetings, department staff meetings, associate and physician newsletters, CEO blogs, donor communications, Facebook postings and website postings.
- The DCHS website’s sale update section has been regularly updated to provide the latest information on the sale.
- The DCHS CEO wrote an Op Ed with facts about the sale that was published in several papers throughout the state of California.
- Hospital CEOs have continued to meet with community leaders and local government officials to keep them apprised of the sale.
- The DCHS System Office responded to more than 10 letters from community members and local government officials sent to Robert Issai, DCHS Board Chair Sr. Marjory Ann Baez, and members of the DCHS Board of Directors regarding the sale of DCHS.

- A press release was posted in early September announcing the deadline for final bids. The press release was posted on Business Wire and on all of the hospital websites.
- A press release was posted October 10, 2014 on the Business Wire and on the hospital websites announcing the sale to Prime Healthcare Services. Facebook pages for all the hospitals also announced the sale.
 - Talking points and FAQs about the sale transaction have been provided to all the hospitals.
- Members of Houlihan Lokey and DCHS CEO Robert Issai have attended Medical Executive Committee meetings and “town halls” in the hospitals to share information about the sale.
- In addition to the sale update section on the DCHS website, a DCHS/Prime Healthcare website (<http://dchsprime.com/>) provides updates for the community and facts about the sale and sale process. The site will include dates of the public hearings once they are known.