

Central California Foundation for Health
Notice to Attorney General Pursuant to CA Corp. Code Section 5920

Sect. 999.5(d)(5)(H)

A statement describing all effects that the proposed agreement or transaction may have on health care services provided by each facility proposed to be transferred including, but not limited to, any changes in the types or levels of medical services that may be provided at the health facility or facility that provide similar health care services and a statement of how the proposed transaction may affect the availability and accessibility of health care in the affected communities.

As previously noted, the Affiliation Agreement obligates Adventist Health, throughout the 10-year term of the agreement, to operate the Hospital as a general acute care hospital with not less than its current licensed bed count (105 general acute care beds and 51 skilled nursing beds), providing not less than the specialty services for which the Applicant is currently licensed, including OB-GYN. Accordingly, it is not expected that the proposed transaction will result in any reduction in the types or levels of medical services that will be provided at the Hospital. In fact, given that the Affiliation Agreement also obligates Adventist Health to develop and open a new inpatient obstetrics and delivery facility on the Hospital campus, the proposed transaction is expected to enhance and expand the availability and accessibility of health care in the affected communities. Further, recruiting and maintaining an adequate population of physicians to serve the community served by the Hospital has been an ongoing problem that the Applicant has faced. It is believed that Adventist Health, through its existing physician organization arrangements, will be better able to recruit physicians to serve the community that the Hospital serves as well as better able to retain existing physicians within the community, representing a potential further enhancement in the types and levels of medical services provided at the Hospital.