IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

COMMONWEALTH OF PENNSYLVANIA,

Plaintiff, CIVIL ACTION NO.

V.

CAPITAL HEALTH SYSTEM SERVICES
AND POLYCLINIC HEALTH SYSTEM,

Defendants.

FINAL JUDGMENT

WHEREAS the Commonwealth of Pennsylvania ("Commonwealth")

filed a Complaint in this matter on _______, as a direct

purchaser of inpatient acute-care hospital services in

Cumberland, Dauphin, and Perry Counties and as parens patriae to

protect its general economy, pursuant to section 7 of the Clayton

Act, 15 U.S.C. § 18;

WHEREAS Capital Health System Services ("CHS") and
Polyclinic Health System ("PHS") agreed on September 28, 1994, to
merge these two independent health-care entities (hereinafter
referred to as "New Co") into an integrated community health-care
delivery system for central Pennsylvania;

WHEREAS New Co is expected to generate a net cost savings of at least \$70 million over the first five-year period following implementation and annual savings thereafter of about \$21 million, to improve quality of health care for central Pennsylvania residents, and to increase access to health care services for central Pennsylvania residents, including the indigent and the otherwise underserved;

WHEREAS the Office of Attorney General of the Commonwealth ("Attorney General") is responsible for enforcement of the federal antitrust laws and is authorized to bring suit on behalf of the Commonwealth as a direct purchaser of inpatient acute-care hospital services and as parens patriae to protect its general economy;

WHEREAS CHS and PHS have cooperated fully with the Attorney General's investigation of the proposed consolidation;

WHEREAS the Attorney General has concluded its investigation of the proposed consolidation of the two health-care systems and believes that, without this Final Judgment, it may raise anticompetitive concerns under the federal antitrust laws;

WHEREAS CHS and PHS desire to assure the Attorney General and the community that they intend to operate New Co in accordance with their mission and continue their commitment of providing quality, affordable health care to the community;

WHEREAS CHS and PHS, desiring to resolve the Attorney

General's concerns without trial or adjudication of any issue of

fact or law, have consented to entry of this Final Judgment; and

WHEREAS this Final Judgment is not an admission of liability by CHS, PHS, or New Co as to any issue of fact or law and may not be offered or received into evidence in any action as an admission of liability; it is hereby ORDERED:

I. Jurisdiction

1. This Court has jurisdiction over the subject matter of this action and each of the parties consenting to this Final Judgment. The Complaint states a claim upon which relief may be granted.

II. Definitions

As used in this Final Judgment:

- 2. "Capital Health System Services" ("CHS") means the nonprofit tax-exempt corporation organized under the laws of the Commonwealth of Pennsylvania that is the corporate parent of Harrisburg Hospital ("HH"), a nonprofit tax-exempt hospital located at 111 South Front Street, Harrisburg, Pennsylvania, and Seidle Memorial Hospital ("SMH"), a nonprofit tax-exempt hospital located at 120 South Filbert Street, Mechanicsburg, Pennsylvania.
- 3. "Polyclinic Health System" ("PHS") means the nonprofit tax-exempt corporation organized under the laws of the Commonwealth of Pennsylvania that is the corporate parent of the Polyclinic Medical Center ("PMC"), a nonprofit tax-exempt hospital located at 2601 North Third Street, Harrisburg, Pennsylvania.

- 4. "New Co" means the nonprofit corporation that CHS and PHS will create pursuant to their September 28, 1994, agreement to merge.
 - 5. "Member Hospital" means HH, PMC or SMH.
- 6. "Managed-Care Plan" means a health maintenance organization, preferred provider organization, or other health-service purchasing program which uses financial or other incentives to prevent unnecessary services and includes some form of utilization review.
- 7. "Health Plans" means all types of organized health-service purchasing programs, including but not limited to managed-care plans, offered by third-party payors, health-care providers or any other person.
- 8. "Health-Care Provider" means physicians, hospitals, laboratories and physician networks.
- 9. "Acquire" means to purchase the whole or the majority of the assets, stock, equity, capital or other interest of a corporation or other business entity, or to receive the right or ability to designate the majority of directors or trustees or otherwise control the management of a corporation or other business entity.
- 10. "Net Cost Savings" means the difference between the total expenditures that CHS and PHS would have incurred absent the consolidation of the two health systems and their total expenditures actually made, minus the total expenditures incurred to implement the consolidation into New Co. As a guide to help

calculate net cost savings, the parties will use the Efficiency Study for the Consolidation of CHS and PHS, dated November 1994, as amended.

11. "Hospital" means a health care facility, licensed as a hospital, having a duly organized governing body with overall administrative and professional responsibility, and an organized professional staff that provides 24-hour impatient care, that may also provide outpatient services, and having as a primary function the provision of impatient services for medical diagnosis, treatment, and care of physically injured or sick persons with short term or episodic health problems or infirmities.

III. Terms

- 12. Anticipated Savings and Price Reductions. CSH and PHS intend to merge and consolidate services into New Co, increase efficiency, and reduce the cost of delivering health-care services so that the cost to the community of those services will be lower than they would have been absent the merger.
- \$70 million in net cost savings by [five years after closing].

 At least 80% of the net cost savings New Co achieves in each of the first five years shall be passed on to consumers or other purchasers of health-care services in the form of low-cost or no-cost health-care programs for the community or by reducing prices or limiting actual price increases for existing services. Prior

to passing on any such cost savings to consumers or other purchasers of health-care services in the form of low-cost or nocost health-care programs, New Co shall submit in writing to the Office of Attorney General their proposal(s) for passing on such cost savings, which will be automatically approved unless the Office of Attorney General objects to any specific proposal within ten (10) business days following receipt of such proposal. At a minimum, the following cumulative net cost savings shall be passed on: \$0 by [one year after closing]; \$5.6 million by [two years after closing]; \$24 million by [three years after closing]; \$40 million by [four years after closing]; and \$56 million by [five years after closing]. These savings shall be documented in the annual report described in Paragraph 23. The parties will develop a mutually-agreed upon model to measure the net cost savings on a case mix, inflation index adjusted net cost per admission basis in comparison to pre-merger costs, and the cumulative net cost savings passed on to consumers on a case mix, inflation index adjusted net revenue per admission basis. If New Co fails to meet the targeted net cost savings in any given fiscal year, the shortfall amount shall be carried forward into subsequent fiscal years until the full net cost savings amount has been realized by New Co, including the portion to be passed on as described above. If New Co exceeds the targeted net cost savings in any given year, the excess amount shall be credited towards New Co's target for the next fiscal year.

- 12.2 If by [five years after closing], New Co has not achieved \$70 million in net cost savings, New Co shall pay in cash an amount equal to \$70 million less the amount of savings actually achieved into a fund established by the Attorney The Attorney General shall use this money to fund lowcost or no-cost health-care services to Cumberland, Dauphin and Perry County residents, such as child immunizations, mammograms, drug and alcohol abuse treatment programs, or other health-care services needed by the community for which adequate resources are not available. The Attorney General shall select, after receiving any input from New Co, a charitable organization to administer these funds. If New Co has not achieved \$70 million in net cost savings, New Co shall have an opportunity to demonstrate, to the satisfaction of the Attorney General, that circumstances beyond its control have prevented achievement of the savings.
- 12.3 If by [five years after closing], New Co has not achieved at least \$66.5 million of the anticipated net cost savings, the restrictions on changes in the case-mix adjusted net inpatient revenue per admission contained in Subparagraph 12.4 shall continue until [ten years after closing], regardless of whether the Final Judgment is terminated any time earlier pursuant to Paragraph 33.
- 12.4 New Co's case-mix adjusted net inpatient revenue per admission for all inpatients treated during the fiscal year under consideration at member hospitals (hereinafter "Revenue"), in

fiscal years subsequent to 1994-95, shall not exceed the combined Revenue of the member hospitals for 1994-95, as adjusted pursuant to Subparagraph 12.5, and excluding the effects of New Services, as defined in Subparagraph 12.6, outlier cases, and externally imposed requirements, including but not limited to changes in payment methods or reimbursement methods imposed or implemented by state or federal regulations.

- 12.5 In determining compliance with Subparagraph 12.4, Revenue shall be adjusted (up or down) for changes in the Consumer Price Index-Urban, plus two percent.
- 12.6 "New Services" means either (a) services not listed on Exhibits 1-A, 1-B or 1-C (copies of which are appended hereto), which list services provided at each of the member hospitals as of entry of this Final Judgment; or (b) material changes in community need, technology, or sophistication of treatment which either (i) require a certificate of need or (ii) require a combination of new capital, personnel and supply expenditures in excess of \$100,000 in any fiscal year. Upon request by the Attorney General, New Co shall provide all information and documentation reasonably necessary to support the application of this subparagraph. If New Services are provided, they shall be described in the annual report to the Attorney General, required by Paragraph 23.
- 12.7 If New Co fails to comply with Subparagraph 12.4, it shall reimburse the excess by lowering its rates in the next fiscal year in an amount equal to the excess. If New Co exceeds

the targeted Revenue savings in any given year, the savings amount shall be credited towards New Co's target for the next fiscal year. In the annual report described in Paragraph 23, New Co shall describe its compliance with this subparagraph.

12.8 Subparagraphs 12.3, 12.4, 12.5, 12.6, and 12.7 shall apply only during those fiscal years when the Commonwealth of Pennsylvania or the federal government does not substantially regulate hospital rates.

13. Nonexclusivity.

- 13.1 New Co shall not enter into any provider contract with any health plan on terms that prohibit New Co from entering into a provider contract for any services New Co offers with any other health plan.
- 13.2 New Co shall not require managed-care plans to contract with its employed doctors as a precondition to contracting with its member hospitals.
- 13.3 New Co shall not restrict an independent physician's ability to provide services or procedures outside the member hospitals, unless performance of duties outside the member hospitals would impair or interfere with the safe and effective treatment of a patient.
- 13.4 New Co shall not prohibit independent physicians who are members in any New Co physician-hospital network from participating in any other physician-hospital networks, health plans, or integrated delivery systems.

14. Nondiscrimination.

14.1 New Co shall not enter into any exclusive contracts with any health-care provider by which it requires that provider to render services only at a member hospital or by which it requires only one physician or group of physicians to provide particular services at a member hospital. New Co may enter into exclusive contracts with anesthesiologists; radiologists; nuclear medicine physicians; pathologists; physiatrists; emergency-room physicians; neonatologists; perinatologists; cardiologists, cardiovascular surgeons, and neurologists for interpretive services only; radiation oncologists; and physicians providing services in New Co's low-income clinics, so long as these contracts are competitively bid at least once every three years and the bidding specifications affirmatively require the winning physician(s) not to refuse unreasonably to participate in any health plans that have provider contracts with the member hospitals. This provision, however, shall not require New Co to terminate any existing contracts, and New Co may require its employed physicians to render services only at member hospitals. New Co may also petition the Attorney General for approval to enter into exclusive contracts with physicians in specialties other than those listed above. The Attorney General shall provide New Co with a response to the petition within ninety (90) days.

- 14.2 Other than as provided in Paragraph 14.1, New Co shall provide an open staff, ensuring equal access to all qualified physicians in Cumberland, Dauphin, and Perry Counties according to the criteria of the Joint Commission on Accreditation of Health Care Organizations and the medical staff by-laws.
- 14.3 New Co shall negotiate in good faith with all health plans with a licensed service area within Cumberland, Dauphin, or Perry Counties which approach it seeking a provider contract.

 This provision, however, shall not be construed to require New Co to enter into a provider contract with any particular health plan.
- 14.4 New Co shall not enter into provider contracts with any licensed health plan operated by New Co itself, in existence now or which may be created, on terms available to that plan solely because it is sponsored by New Co, where doing so would place other comparable licensed health plans at a competitive disadvantage, because of any market power New Co may have rather than from efficiencies resulting from its integration with its health plan.
- care plan proposed by six south central Pennsylvania hospitals, including CHS, New Co will participate in this plan only on nonexclusive terms. Further, New Co will not engage in any "most-favored-nation" pricing with respect to this plan vis-a-vis other competing managed-care plans in its market, and will not cross-subsidize Health Central, Inc. through the operating

revenues of New Co in a manner that would facilitate predatory pricing or other anticompetitive conduct. New Co shall disclose, as part of its annual report pursuant to Paragraph 23, all funds that were provided by New Co to Health Central, Inc. during the preceding fiscal year.

- 14.6 New Co will not use employment, the location of a physician or group practice, or the location where patients will receive any necessary follow-up care to determine referrals from the emergency room. New Co may consider quality of care and reasonable proximity for patient convenience in determining referrals. The referral policy used to inform unassigned patients of the availability of follow-up care shall be provided to the Attorney General within thirty (30) days from entry of this Final Judgment. Should the Attorney General object to this policy, the parties shall attempt to reach a mutually satisfactory resolution. This subparagraph shall not preclude any managed-care plan operated by New Co from limiting referrals to providers with provider contracts with that plan.
 - 14.7 Except as provided in Paragraph 14.1, if New Co establishes or sponsors its own health plan, it shall not base credentialing decisions or other decisions affecting a physician's access to, or working conditions at, a member hospital on whether that physician enters into a provider contract with either New Co's plan or with a competing plan.

15. Health Plans

- 15.1 New Co will not unreasonably terminate any provider contracts to which its member hospitals are parties as of the date of entry of this Final Judgment.
- 15.2 New Co shall attempt, in good faith, to contract with all health plans operating in its service area which offer commercially-reasonable terms on a fully-capitated basis, a percentage of premium revenue basis, or on other terms that require New Co to assume risk. New Co shall not refuse to contract with a health plan solely because such plan proposes a capitated contractual reimbursement methodology. This provision, however, does not require New Co to enter into a provider contract with any particular health plan or with all health plans.

16. Employment of Physicians.

- 16.1 New Co shall be prohibited from employing more than 20% of the physicians in Cumberland, Dauphin and Perry Counties practicing in any of the following areas: family practice/internal medicine, pediatrics, or obstetrics/gynecology, except as provided in Subparagraph 16.2. In calculating this percentage, full-time residency faculty members employed by New Co shall be counted as one half each and physicians employed at the HH or PMC low-income clinics shall be excluded.
- 16.2 New Co may recruit and employ physicians from outside Cumberland, Dauphin, and Perry Counties into those counties, in any of the enumerated areas listed in Subparagraph 16.1 without

regard to or in violation of the 20% limitation in that subparagraph.

- 16.3 In determining New Co's compliance with Subparagraph
 16.1, up to 79 residents employed by New Co shall be excluded.
 Additional residents beyond 79 shall be counted at one half each.
- 16.4 New Co shall not solicit the employment of any physician or group practice within Cumberland, Dauphin, and Perry Counties if such employment would cause New Co to exceed the limitations imposed by Subparagraph 16.1.
- 16.5 New Co may petition the Attorney General in writing for an exception to Subparagraph 16.1 when market conditions exist for employing physicians in any of the enumerated categories above the 20% limitation level. The Attorney General will respond to the petition within thirty (30) days from the receipt of all information reasonably necessary from New Co to analyze the petition.
- 17. Operating Room Scheduling. Operating room scheduling shall be determined by an Operating Room Committee that includes physicians, operating room nurses, and representatives of hospital administration, according to the following criteria:
- 17.1 Operating room time will be assigned in blocks based on physicians' demonstrated need for access to operating rooms.
- 17.2 These assignments will be updated quarterly, based on actual usage of block time. If a particular slot is not reserved by the physician to which it is allocated prior to 24 hours before the time of that slot, the time will be released and will

be assigned to other physicians on a first-come first-served basis. If a physician is not utilizing a sufficient amount of reserved time, that physician's block time will be reassigned at the time of the quarterly update.

- Plans. New Co shall not enter into any provider contract with any health plan on terms which include a most-favored-nation clause to the benefit of New Co or any health-care plan. A most-favored-nation clause is any term in a provider contract that allows the buyer to receive the benefit of any better payment rate, term or condition that the seller gives another provider for the same service. In the case of any existing most-favored-nation clause to the benefit of New Co or any health-care plan in current provider contracts, New Co agrees not to renew or extend such contracts without deleting that term. New Co shall inform the Attorney General of the presence of a most-favored-nation clause in any existing provider contracts by providing a list of such contracts to the Attorney General not more than thirty (30) days from entry of this Final Judgment.
- 19. Ancillary Services. CHS shall, as soon as is practicable but in no event later than twelve (12) months of entry of this Final Judgment, divest all of its assets and interests in Capital Health Products, its durable medical equipment company, to a third-party buyer. Further, New Co shall not require any health-care purchaser or patient to purchase home health services or home infusion therapy services from any entity affiliated with

New Co. If companies not affiliated with New Co cannot provide services in a manner that would permit New Co to contain costs in the context of risk-bearing contracts, New Co may require these services to be purchased from a company affiliated with New Co. In all other circumstances, New Co shall affirmatively inform patients and providers needing home health-care services or home infusion therapy services of the availability of such services from companies not related to New Co. In this regard, New Co's discharge planners must provide each patient requiring home health-care services or home infusion therapy services with a patient choice form, which is appended as Exhibit 2, and with a list of all home health-care and home infusion therapy agencies accredited by the Joint Commission on Accreditation of Health Care Organizations serving Cumberland, Dauphin, and Perry Counties. This provider list must be updated at least quarterly if New Co is requested to do so by a qualified agency; and, if a home health-care or home infusion therapy agency that is not affiliated with New Co is selected by the patient, that agency must be given reasonable access to the patient's records and to the member hospital's premises so that it may begin providing needed services to that patient. The provisions of this paragraph will also be applicable to CHS's durable medical equipment company until the sale of that company is completed.

20. <u>Certificates of Need</u>. New Co shall not oppose certificates-of-need applications filed by other hospitals or other health-care providers with the Pennsylvania Department of

Health unless it notifies the Attorney General in writing, as soon as practicable but at least seven (7) days prior to filing any opposition, and provides a copy of any opposition to the Attorney General when it is filed with the Department.

- 21. Future Sales and Acquisitions of Hospital Assets. New Co shall not, without the prior approval of the Attorney General, acquire any indemnity plan, health maintenance organization, or hospital in Cumberland, Dauphin, or Perry Counties or permit any indemnity plan, health maintenance organization, or hospital in these counties to acquire New Co. New Co may not enter into any joint ventures with any hospital in Cumberland, Dauphin, or Perry Counties; acquire any hospital outside Cumberland, Dauphin, or Perry Counties; or permit any hospital outside Cumberland, Dauphin, or Perry Counties to acquire New Co, without first giving at least 60 days notice to the Attorney General. The preceding sentence, however, shall not apply to joint ventures to provide residency programs or to joint ventures with annual operating costs of below \$100,000.
- 22. Binding on Successors and Assigns. The terms of this
 Final Judgment are binding on New Co and its directors, officers,
 managers and employees, successors and assigns, including but not
 limited to any person or entity to whom New Co may be sold,
 leased or otherwise transferred, during the term of its duration,
 and all persons who are in active concert or participation with
 them and who have actual or constructive notice thereof. New Co
 shall not permit any substantial part of New Co to be acquired by

any other person unless that person agrees in writing to be bound by the provisions of this Final Judgment.

23. Reporting Mechanism.

- during which this Final Judgment is in effect, New Co shall submit to the Attorney General an annual report accompanied by an officer's compliance certificate describing its compliance with this Final Judgment. This report shall include a discussion of the steps taken by New Co to comply with the efficiencies and services reconfiguration plans and the estimated savings from these steps. The Attorney General will provide notice to New Co of any concerns raised by the annual compliance report within a reasonable time after its issuance. New Co will meet with the Attorney General to attempt to resolve any concerns that the Attorney General may raise from its review of the report.
- 23.2 New Co will reimburse the Attorney General for expenses, including the payment of any expert fees, incurred in analyzing and verifying this report, in an amount not to exceed \$10,000 per year. Within sixty (60) days from entry of this Final Judgment, New Co will pay the Attorney General \$5,000 to establish a mutually-agreed upon model to be used to analyze compliance. This amount shall be deducted from the first year's reimbursement requirement. New Co will cooperate with any expert hired by the Attorney General, including but not limited to providing any additional requested information reasonably

necessary to complete the analysis and verification of the compliance report.

- 24. <u>Publication of Efficiency Report</u>. New Co shall prepare, subject to the Attorney General's approval, a condensed version of its efficiency report to be released to the general public within fourteen (14) days from entry of the Final Judgment.
- 25. <u>Compliance</u>. To determine or secure compliance with this Final Judgment, any duly authorized representative of the Attorney General shall be permitted:
- 25.1 Upon reasonable notice, access during normal business hours to all non-privileged books, ledgers, accounts, correspondence, memoranda, and other records and documents, in the possession or under the control of New Co, relating to any matters contained in this Final Judgment; and
- 25.2 Upon reasonable notice, access during normal business hours to interview officers, managers or employees regarding any matters contained in this Final Judgment.
- 26. Complaint Procedure. Any person, including health-care providers, health plans, or consumers of medical services, who wishes to report a possible violation of this Final Judgment shall send a written description of the possible violation to the Chief Deputy Attorney General, Antitrust Section, Office of Attorney General, 14th Floor, Strawberry Square, Harrisburg, Pennsylvania 17120 and to New Co's President, 17 South Market Square, P.O. Box 8700, Harrisburg, Pennsylvania 17105. New Co shall respond in writing to the complainant and to the Attorney

General within thirty (30) days from receipt of any complaint. If the complaint is still unresolved, the Attorney General will attempt to negotiate a satisfactory resolution. If New Co believes any complaint to be frivolous, it may so advise the Attorney General, and its obligations under this paragraph will be satisfied unless it is otherwise advised by the Attorney General to respond more fully to the complaint.

27. Reimbursement of Expenses. Upon entry of this Final Judgment, CHS and PHS shall jointly pay \$50,000 to reimburse the Attorney General's costs incurred to conduct its investigation, which payment shall be used for future Public Protection Division enforcement purposes.

28. <u>Enforcement</u>.

- 28.1 If the Attorney General believes that there has been a violation of this Final Judgment, it shall promptly notify New Co thereof. The Attorney General shall thereafter permit New Co a reasonable opportunity to cure any alleged violation without instituting legal action. If the alleged violation is not substantially cured by New Co within sixty (60) days of notification, the Attorney General may thereafter undertake any remedial action it deems appropriate. This time period shall be extended in circumstances where the sixty (60) day period is not sufficient time to cure the alleged violation.
- 28.2 In any action or proceeding brought by the Attorney General to enforce this Final Judgment or otherwise arising out of or relating hereto, the Attorney General, if it is the

prevailing party, shall recover its costs and expenses, including a reasonable sum for attorneys' fees.

- Legal Exposure. No provision of this Final Judgment shall be interpreted or construed to require New Co to take any action, or to prohibit New Co from taking any action, if that requirement or prohibition would expose New Co to significant risk of liability for any type of negligence (including negligent credentialing or negligence in making referrals) or malpractice.
- 30. Notices. All notices required by this Final Judgment shall be sent by certified or registered mail, return receipt requested, postage prepaid, or by hand delivery, to:

If to the Attorney General:

Chief Deputy Attorney General Antitrust Section Office of Attorney General 14th Floor, Strawberry Square Harrisburg, PA 17120

If to New Co:

President, New Co 17 South Market Square P.O. Box 8700 Harrisburg, PA 17105

Averment of Truth. New Co avers that the information it has provided to the Attorney General in connection with this Final Judgment, to the best of its knowledge, is true and represents the most recent and comprehensive data available, and that no material information has been withheld.

- 32. <u>Termination</u>. This Final Judgment shall expire on the tenth anniversary of its date of entry if it has not terminated prior to that time as provided in Paragraph 33. Notwithstanding the first sentence of this paragraph, enforcement of Paragraph 16 shall expire on the fifth anniversary of entry of this Final Judgment.
- 33. <u>Early Expiration</u>. After [five years from closing], if New Co has complied with the applicable provisions of this Final Judgment, the Attorney General shall join New Co in an application to this Court for an order terminating, in whole or in part, this Final Judgment. The Attorney General shall not unreasonably refuse to join any such application.
- 34. Modification. If either the Attorney General or New Co should believe that modification of the Final Judgment would be in the public interest because of changed or unforeseen circumstances or for other reasons, that party shall give notice to the other, and the parties shall attempt to agree on a modification. If the parties agree on a modification, they shall jointly petition the Court to modify the Final Judgment. If the parties cannot agree on a modification, the party seeking modification may petition the Court for modification and shall bear the burden of persuasion that the requested modification is in the public interest.

Retention of Jurisdiction. Unless this Final Judgment is terminated early pursuant to Paragraph 33, jurisdiction is retained by this Court for ten (10) years after entry to enable any party to apply to this Court for such further orders and directions as may be necessary and appropriate for the interpretation, modification and enforcement of this Final Judgment.

DATED this 20th day of July, 1995.

WALTER W. COHEN Acting Attorney General Commonwealth of Pennsylvania

Carl S. Hisiro

Chief Deputy Attorney General Antitrust Section

James A. Donahue, III Senior Deputy Attorney General Antitrust Section

Office of Attorney General 14th Floor, Strawberry Square Harrisburg, PA 17120 (717) 787-4530

Attorneys for the Commonwealth of Pennsylvania

CAPITAL HEALTH SYSTEM

By) John\S. Cramer

President and Chief Executive

Officer

POLYCLINIC HEALTH SYSTEM

Stephen H. Frank President and Chief Executive

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Attorneys for Capital Health System and Polyclinic Health System

SO ORDERED:

United States District Judge

CSH/dmh/Final.688

HARRISBURG HOSPITAL INPATIENT SERVICES

General inpatient care for HIV/AIDS Birthing room/LDRP room Open-heart Surgery Cardiac intensive care unit Angioplasty Chronic obstructive pulmonary disease service Hemodialysis Medical surgical or other intensive care unit Histopathology laboratory Neonatal intensive care unit Obstetrics unit Pediatric acute inpatient unit Reproductive health services Organized social work services Organ/tissue transplant Orthopedic surgery Occupational therapy services Physical therapy services Respiratory therapy services Speech therapy services Oncology services CT Scanner Diagnostic radioisotope facility

Ultrasound Blood bank Patient education

SEIDLE MEMORIAL HOSPITAL INPATIENT SERVICES

Skilled nursing or other long-term care Organized social work services Physical therapy services Recreational therapy services Speech therapy services

POLYCLINIC MEDICAL CENTER INPATIENT SERVICES

General inpatient care for HIV/AIDS

Birthing Room/LDRP room

Cardiac catheterization laboratory

Open-Heart Surgery

Cardiac Intensive Care Unit

Angioplasty

Chronic obstructive pulmonary disease service

Emergency Department

Medical surgical or other intensive care units

Neonatal Intensive Care Unit

Obstetrics Unit

Pediatric Acute Inpatient Unit

Psychiatric Inpatient Service

Extracorporeal Shock-Wave Lithotripter

Alzheimer's diagnostic/Assessment Services

Comprehensive Geriatric Assessment

Emergency Response (Geriatric)

Geriatric Clinics

Respite Care

Senior Membership program

Patient Education

Community Health Promotion

Worksite Health Promotion

Hemodialysis

Histopathology Laboratory

Blood Bank

Occupational Health Services

Psychiatric Consultation/Liasion Services

Psychiatric Geriatric Services

Megavoltage Radiation Therapy

Rehabilitation Inpatient Unit

Skilled Nursing or Other Long-Term Care Unit

Orthopedic Surgery

Magnetic Resonance Imaging (MRI)

Therapeutic Radioisotope therapy

CT scanner

Reproductive health services

Single photon emission computerized tomography

Organized social work services

Patient representative services

Occupational therapy services

Physical therapy services

Recreational therapy services

Respiratory therapy services

Speech therapy services

Health sciences library

Cardiac rehabilitation program

Non-invasive cardiac assessment services

Mammography Screening Services

Mammography diagnostic services

Oncology services

[NEW CO] REFERRALS FOR HOME HEALTH AND/OR HOME HEALTH EQUIPMENT

DOCUMENTATION OF CHOICE

WAGREG01 Doc: 150525_1

PATIENT:	
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the hospital. A listing of agencies health care services in the region representative from [New Co] will on the agency not listed, upon your your responsibility or that of your health plan. HMO, or physician (beginned)	has recommended that you receive services after you are discharged from as offering visiting nursing and/or home is available for your review. A contact any of these agencies, or any request. Selection of this agency is family, unless your insurance company, cause of special needs) require you to formation on each agency will be provided
CHOICE OF PROVIDER: Include Agency 1. Home Health Agency: 2. Equipment Provider: 3. Other:	
Previous Relationship With Patient/Family Preference Insurance Provider Directive Doctor Recommendation/Directive Hospital Recommendation/Directive Other Explain: Patient/Family No Preference	Home Health Company e tive Explain: ective Explain:
In the event that you or your familattached list of available agencies you so desire. However, you should required and that any agency which behalf. Your selection of an agen	ly do not have a preference from the s, [New Co] can provide this service if d be assured that no such referral is you desire will be contacted on your cy other than [New Co] will in no way event you from receiving future care at
I have had the opportunity to revicare services and have had my ques selection is as indicated above.	ew information related to home health tions answered to my satisfaction. My
Signature	Relationship (if not patient)
Date	Comments: (If unable to obtain signature)
PERSON COMPLETING THIS FORM:	