

News Release

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Attorney General's Charitable Trusts Unit Objects to the Proposed Merger Transaction Involving Dartmouth Health and GraniteOne Health

Concord, NH – Attorney General John M. Formella announces the release of the report of the Charitable Trusts Unit objecting to the proposed merger transaction involving GraniteOne Health and Dartmouth Health.

"Free, fair and robust competition is critical to providing employers and patients with options for lower cost and high quality health care services," said Attorney General Formella. "Our state has experienced significant consolidation in health care over the past several years, and this transaction seeking to combine two of our top four largest systems is unacceptable without appropriate protections for consumers in place."

The Attorney General worked tirelessly for many months with both systems to arrive at a resolution in the public's interest. As part of these discussions, the Attorney General proposed remedies that are consistent with remedies used in similar transactions around the country. At this point, despite significant time working with these health care providers to try and find a solution, no agreement has been reached that would satisfy the State's concerns.

"New Hampshire consumers already pay exceptionally high prices for health care," said Attorney General Formella. "Our duty is to protect the public and we will use all enforcement tools available to us to do so. Considerable diligence was put forth to reach common ground with both health care systems. Without remedies in place protecting the public from harm and ensuring the combined system delivers on the promised benefits, the transaction as proposed is not something that I can approve."

The proposal as currently structured would have consolidated two competing health care systems with many hospitals, physician practices and outpatient services, resulting in a single system ultimately to be controlled by Dartmouth Health.

Before the type of transaction involved in this case may take place, New Hampshire law requires the Charitable Trusts Unit to review the proposal and determine whether, among other requirements, the transaction is permitted by applicable law. The Attorney General objects to the combination because the transaction, as proposed, fails this primary requirement.

Part 2, Article 83 of the New Hampshire Constitution requires "free and fair competition in the trades and industries." In addition, RSA 356, the State's Antitrust law, and RSA 358-A, the Consumer Protection Act, all protect free and fair competition. After a fact intensive review by the Consumer Protection and Antitrust Bureau, the Attorney General has concluded that the completion of this proposed transaction would violate the law.

Specifically, the transaction, as proposed, would end the existing competition between the two systems that consumers rely on in several health care markets served by both GraniteOne and Dartmouth Health today and, therefore, would violate state and federal law without sufficient remedies to address the anticompetitive harm.

More than ten years ago, Dartmouth-Hitchcock Health attempted to acquire Catholic Medical Center in Manchester, New Hampshire, which is currently GraniteOne's flagship hospital. In 2010, the Charitable Trusts Unit issued a public report objecting to the transaction, and the parties ultimately decided to abandon the deal.

[The Charitable Trusts Unit's report issued today, May 13, 2022 is attached !\[\]\(99f58673407353e96a019fbca558fd72_img.jpg\).](#)

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