Massachusetts Nurses Association MNA SM National Nurses United

August 25, 2014

VIA CERTIFIED MAIL

The Honorable George C. Jepsen
Attorney General
Office of the Attorney General
55 Elm Street
Hartford 06106

The Honorable Jewel Mullen
Commissioner
Department of Public Health/Office of Health Care Access
410 Capitol Avenue
Hartford, CT 06134

Re: CON Determination of ECHN for the Tenet Purchase of ECHN (including Manchester & Rockville Hospital) - Docket Number 14-31926-DTR.;

Dear Attorney General Jepsen and Commissioner Mullen:

Pursuant to the Connecticut Uniform Administrative Procedures Act (UAPA), Connecticut General Statutes (CGS) §§ 4-166 and 4-177a (a) and (b); and §§ 19a-9-26(a) and 19a-9-27 of the Regulations of Connecticut State Agencies, the Massachusetts Nurses Association hereby requests the opportunity to participate in the above proceeding as an intervenor with full procedural rights.

Preliminary Statement & Interest in Participation

Tenet Healthcare has petitioned your offices for permission – as part of a joint venture with Yale-New Haven Health Services Corporation – to purchase Eastern Connecticut Health Network Health Network (ECHN), which includes Manchester Memorial Hospital and Rockville General Hospital. The Massachusetts Nurses Association's (MNA) interest in this proceeding is multi-fold. The MNA represents more than 900 nurses at two hospitals owned and operated by Tenet in Massachusetts, hospitals that were owned by Tenet less than a decade ago and sold to Vanguard Health System (VHS) sold in 2004 to offset legal costs; Tenet acquired VHS and all of its holdings in 2013. The MNA's experience with Vanguard and Tenet in Massachusetts and the evidence summarized below and attached to this letter regarding their activities in other states suggest that approving this venture would not be in the best interests of the people of Connecticut, or the patients and nurses at ECHN's two hospitals.

Tenet-Vanguard's aggressive growth plan is a significant threat to the hospitals it operates in Massachusetts. Tenet's ongoing attempt to acquire Greater Waterbury Health Network (GWHN) was only the beginning of its expansion into Connecticut, as acquisition plans for Rockville General and Manchester Memorial, Bristol Hospital, have followed. Today, Tenet-Vanguard owns 79 hospitals and

193 outpatient centers, and these new acquisitions will further enhance its debt burden, despite its existing difficulties meeting financial obligations.

Manner/Extend we propose to participate

The MNA respectfully requests intervenor status with full procedural rights, including the rights to inspect and copy records, present evidence and argument, and cross-examine witnesses.

Summary of Evidence

Tenet Healthcare

Tenet Healthcare is an organization with a significant history of fraud. In the last ten years, Tenet paid out well over $1 billion to state and federal governments, whistleblowers, patients who were subjected to unnecessary cardiac surgery, and others to settle multiple claims of Medicare fraud in its facilities. In 2006, Tenet even sold off 11 hospitals in four states, including three in Massachusetts, to finance the settlement of a Medicare fraud case. And beyond its history of fraud, Tenet is also a highly leveraged company. Since its purchase of Vanguard, Tenet's holdings have ballooned to 79 hospitals and 193 outpatient centers. The impacts of an operation of this scale may include service consolidation, shifting capital priorities, more hospital sales to finance fraud settlements, ongoing problems with safe staffing for patient care, and so on. It would be prudent for Connecticut regulators to closely scrutinize these factors while considering Tenet's petition for transfer of ownership of ECHN Health System.

Tenet-VHS in Massachusetts

At St. Vincent Hospital, the collective bargaining agreement contains language requiring staffing standards that offer both a manageable workload for nurses and access to safer care for patients. Significantly, the patient safety and staffing protections were won only after a nearly two-month nurses' strike with the previous owner, Tenet Healthcare Corp., which re-acquired the hospital along with all of VHS's holdings in 2013. However, staffing levels at both campuses of MetroWest Medical Center (where there has not been a strike yet) remain among the lowest in the Boston metro west area. The differences between these two Vanguard operations suggest that, absent the threat of a strike, the corporation will not act on its own to ensure safe nurse staffing levels.

VHS in Michigan

The terms of Tenet's proposed acquisition of ECHN are as yet unknown, but in its letter to your offices, Tenet has pledged that the new entity, VHS of Eastern Connecticut, will continue to operate Rockville General and Manchester Memorial, make significant capital investments and improvements, and develop an affordable healthcare network.[1] These promises are similar to those made by VHS to the State of Michigan and the people of Detroit when it acquired Detroit Medical Center's (DMC) eight hospitals in 2011. Legacy DMC, the organization appointed by the Michigan Attorney General to ensure that VHS meets its commitments reported in two consecutive years that Vanguard made dramatically fewer investments in DMC than promised. Between 2011 and 2012, Vanguard underfunded routine capital expenditures by more than $20 million, and spent $80 million less than promised on specified capital projects.[2] Vanguard also pushed back the deadlines to complete many projects by months and, in some cases, years. And Legacy DMC expressed real concern that the organization was not fulfilling its mission to improve access to care and financial aid for low-income patients.

[1] Letter from Wiggin and Dana LLP, June 4, 2014

[2] See attachment: Vanguard Health Systems: Michigan

VHS in Arizona

Vanguard Health System operates Phoenix Health Plan (PHP), a Medicaid managed care system which has provided health coverage to 186,000 consumers in nine Arizona counties for twenty-five years. In January of 2013, the Arizona Health Care Cost Containment System (AHCCCS) issued an RFP for those contracts, but the following month, Vanguard announced that AHCCCS did not renew its contract with Phoenix Health Plan. Vanguard's failure to secure its long-held contract to provide managed care is the direct result of coming up short vis-à-vis its competitors in a variety of areas, including member-centeredness, disease management, improved outcomes, and cost-savings. It is also clear from evaluators' responses to VHS's performance in many areas that the company refused to provide the State of Arizona with enough information to adequately review its activities, the same charge waged against it in Michigan. Transparency appears to be an ongoing challenge for Vanguard Health Systems.

Tenet Acquisition of VHS

Tenet Healthcare's acquisition of Vanguard Health, which was finalized last year, means that the State of Connecticut is being asked to approve a venture with an organization that has a significant history of fraud. In the last ten years, Tenet paid out well over $1 billion to state and federal governments, whistleblowers, patients who were subjected to unnecessary cardiac surgery, and others to settle multiple claims of Medicare fraud in its facilities. In 2006, Tenet even sold off 11 hospitals in four states to finance the settlement of a Medicare fraud case. And beyond its history of fraud, Tenet is also a highly leveraged company. Since assuming Vanguard Health Systems, Tenet's holdings include 79 acute care hospitals and 193 outpatient centers.[3] The impacts of an operation this scale may include service consolidation, shifting capital priorities, more hospital sales to finance fraud settlements, ongoing problems with safe staffing for patient care, and so on.

Conclusion

The MNA will demonstrate that the evidence summarized above, as well as additional evidence presented at the hearing, indicates that Tenet Healthcare/Vanguard Health System's business practices in Arizona, Michigan, Massachusetts, and elsewhere show a pattern of refusal to live up to promises, provide transparency to state overseers, or prioritize patient care.

Again, we request that the MNA be granted intervenor status with full procedural rights.

[3] Matthew Sturdevant. "Saint Mary's Hospital To Be Acquired By Tenet Healthcare," *The Hartford Courant*. July 08, 2014

Until last year, Tenet Healthcare Corporation and Vanguard Health Systems (VHS) were distinct operations, with the latter being the party to the initial application in Connecticut to purchase Greater Waterbury Health Network (GWHN). The Massachusetts Nurses Association is including in this document evidence regarding both Tenet Healthcare and Vanguard, as VHS is a named party in some of the Tenet conversion applications and most of the facilities now owned by Tenet still operate under the same management teams.

Tenet Healthcare Corporation – Vanguard Health Systems: Massachusetts

Tenet Healthcare owned St. Vincent Hospital in Worcester, as well as MetroWest Medical Center (comprised of Leonard Morse in Natick and Framingham Union Hospital in Framingham) for less than a decade when it sold the hospitals to VHS in 2004 to settle Medicaid fraud claims. Today, despite common ownerships, conditions and interest in patient safety vary widely from one hospital to another.

At St. Vincent Hospital, the collective bargaining agreement contains language requiring staffing standards that offer both a manageable workload for nurses and access to safer care for patients. Significantly, the patient safety and staffing protections were won only after a nearly two-month nurses' strike with Tenet Healthcare. However, staffing levels at both campuses of MetroWest Medical Center (where there has not been a strike yet) remain among the lowest in the Boston metro west area. The differences between these two operations suggest that, absent the threat of a strike, the corporation will not act on its own to ensure safe nurse staffing levels.

Tenet's acquisition of Vanguard Health Systems has caused concern in Massachusetts as it is still unclear what the effects of the purchase will be on the patients and communities that these hospitals are meant to serve. There are also concerns that the acquisition could impact Vanguard's relationships with other facilities, which include clinical affiliations, joint ventures to purchase community hospitals, and a new cooperative health plan that was only recently approved by the state's Division of Insurance.[1] A Tenet spokesperson said, "It's too early to say what changes patients may see locally after the acquisition goes through."[2]

[1] Robert Weisman. "For-profit hospitals put to test in Mass," *The Boston Globe*. July 12, 2013

[2] Kendall Hatch. "MetroWest Medical Center parent company sold to former hospital owner," *MetroWest Daily News*. June 25, 2013

Tenet Healthcare Corporation – Vanguard Health Systems: Michigan

In 2011, Vanguard Health Systems purchased the non-profit Detroit Medical Center (DMC), which operated nine acute and specialty hospitals in the Detroit area. A cornerstone of the deal was Vanguard's pledge to spend $850 million over five years for facility maintenance and upgrades, and new building projects at DMC. The Michigan Attorney General appointed Legacy DMC, a nonprofit organization, to provide oversight of and produce an annual report on Vanguard's compliance with the Purchase & Sales Agreement (PSA).

Routine Capital Expenditures

The PSA required Vanguard to spend $50 million in capital investments in 2011, but actual investments were nearly $14 million short. VHS of Michigan, Inc. claimed that "routine capital spending will exceed $100 million dollars by the end of calendar year 2012 . . . We will come into full compliance."[3] However, by the end of 2012, Vanguard had spent only $63.3 million, nearly $7 million less than projected, and fell short on its two-year commitment by more than $20million.[4]

DMC Routine Capital Expenditures

Year	Planned	Spent	Shortfall
2011	$50m[5]	$36.4m	$13.6m
2012	$70m	$63.3m	$6.7m
	Total Shortfall (2011-2012):		**$20.3m**

Specified Capital Projects

Vanguard also pledged to make $80 million in specific capital expenditures in the first year following its acquisition of DMC. By the end of 2011, however, VHS had spent less than half that amount, and was required to deposit the unspent $42 million in an escrow account.[6] In 2012, the story was the same, as Vanguard's investments in DMC – which included a new pediatrics department and upgraded emergency and operating rooms amounting to more than $240 million – were $40 million less than the minimum required.[7] Once again, Vanguard was required to deposit the remaining $27.8 million in an escrow account as an alternative to making capital improvements.[8]

Among some of the capital project failures or delays noted in the 2011 Annual Report are the following[9]:

- Harper University Hospital (HUH) Surgical services renovation pushed back from June, 2013 to October, 2013
- Pediatric services renovation pushed back
- HUH Lobby renovation planned completion date moved from May, 2012 to October, 2014
- HUH ED expansion pushed back

[3] VHS of Michigan, Inc. 2011 Annual Report (hereafter 2011 Report), p.3
[4] Ibid.
[5] Annual capital expenditures expected to be an average of $70m, but not less than $50m in the first year
[6] VHS of Michigan, Inc. 2011 Annual Report, p.7
[7] JC Reindl. "DMC parent company falls short of required spending," *Detroit Free Press*. April 16, 2013
[8] Bob Herman. "Vanguard Health Systems Falls Short in Detroit Medical Center Capital Funding," *Becker's Hospital Review*. June 7, 2012
[9] Some of these delays or extended timelines are due to modifications to – and expansion of – the original renovations plans

- Corporate Relocation of Mack Parking Deck: In its 2011 report, VHS projected a completion date of December, but in the following report, it moved to March of 2014[10]
- The addition of more ICU beds was pushed back from February of 2012 to January of 2013. But the 2012 Annual Report said the "project has been put on hold pending the outcome" of a "Master Plan review."[11]
- Detroit Receiving Care Unit renovations: "anticipated to be complete by May 2014, approximately 13 months later than the original completion date"[12]
- The Children's New Tower (pediatric services) completion date pushed back to August of 2016. But the timeline changed again and the new projected completion date is a full year later – August, 2017
- In the 2011 report, VHS stated that the HUH Cardiovascular (CVI) & Outpatient Services Bldg (a/k/a Heart Hospital) would be completed in January 2014. However, in the 2012 report, VHS stated that it will be completed in August 2014, claiming that "the scope and schedule have not changed since the last update."[13] This is clearly a misrepresentation, as the date of completion was pushed back eight months
- Sinai-Grace ED/ICU/FAÇADE/Radiology was originally scheduled to be completed December of 2014, but the completion date was pushed back to February, 2015

Transparency

One of the "critical covenants" outlined in the agreement among the Michigan Attorney General, Vanguard Health Systems/VHS of Michigan, and Legacy DMC was "the commitment to implement and publicize the more benevolent charitable care policy."[14] As part of the effort to ensure access to charitable care, VHS was required to establish a hotline to assist individuals in applying for financial aid and Medicaid. But Legacy DMC's report indicated that there is minimal volume on the hotline, stating "the minimal volume on the hotline has proved only negative assurance that there is no systematic denial of care."[15]

Additionally, in its first-year compliance review and report to the Michigan Attorney General's office, Legacy DMC expressed frustration that Vanguard withheld information that would allow it to determine whether DMC provided adequate care and financial assistance to the low income:

> " . . . Legacy DMC views its challenge to be obtaining information from VHS of Michigan on an ongoing basis that adequately demonstrated their effectiveness in the treatment of and proper financial assistance for qualifying individuals."[16]

The oversight body's inability to access sufficient information on Vanguard activities has made it impossible to effectively determine whether DMC is providing the care and additional resources to the patients who need it, or fulfilling the charitable mission of the formerly-nonprofit hospitals it acquired.

[10] 2011 Report, p.7; VHS of Michigan, Inc. 2012 Annual Report (hereafter, 2012 Report)
[11] 2012 Report, p.4
[12] 2011 Report, p.5
[13] 2011 Report, p.6; 2012 Report
[14] Joe Walsh & Richard Widgre. Legacy DMC. Letter to: Ms. Katharyn Barron, Division Chief, Consumer Protection Division and Charitable Trust Section, Department of Attorney General, State of Michigan. May 30, 2012
[15] Ibid.
[16] Ibid.

Tenet Healthcare Corporation – Vanguard Health Systems: Arizona

Vanguard Health System operates Phoenix Health Plan (PHP), a Medicaid managed care system which has provided health coverage to 186,000 consumers in nine Arizona counties for twenty-five years. In January, the Arizona Health Care Cost Containment System (AHCCCS) issued an RFP for those contracts.

The RFP process in Arizona required applicants to provide narrative responses to fifteen "Submission Requirements," or criteria used to select contractors. A discussion with the AHCCCS Deputy General Counsel helped clarify the review process.[17] For the first time in Arizona, applicants were ranked not against an ideal, but against one another. Below are the areas in which PHP scored the lowest, along with the scores, a brief description of the Submission Requirement, and the review panel's narrative evaluations:[18]

Submission Requirement #2: Network: Development & Management *(7th)*
(Ensure timely access to care for underserved populations, identify network deficiencies, and manage/improve/sustain network)

- Offeror described processes for managing its network but did not describe in detail how it would use a comprehensive array of data to make network improvements
- Offeror did not address in detail how it would monitor outcomes of process improvements for effectiveness and sustainability

Submission Requirement #3: Program: Data Sharing/Care Coordination *(10th)*
(Using evidenced-based info to improve care coordination, improve outcomes, and create cost efficiencies. Link to implementation of outcome/value-oriented payment models)

- Offeror did not demonstrate use of decision support tools that promote care coordination and improved outcomes at the individual level
- Offeror described limited array of strategies to promote care coordination
- Offeror did not adequately address how payment strategies are designed to promote good outcomes

Submission Requirement #4: Program: Disease Management *(10th)*
(Improving health care outcomes for members with one or more chronic illnesses)

- Offeror did not provide detailed approach for disease management
- Offeror did not describe member-centered approach to care planning and management

Submission Requirement #5: Program: Disease Management *(9th)*
(Coordinating care)

- Offeror included member's empowerment as a goal and affirmed importance of family's participation, but did not clearly describe how the member and his family would be engaged in the care planning process
- Offeror acknowledged member's risks and challenges but did not describe in detail how post-discharge risks would be mitigated

Submission Requirement #6: Program: Medicare Integration/Alignment *(9th)*
(Experience with various Medicare plans, serving members who are enrolled in both Medicare & Medicaid, and increasing/maintaining Medicare & Medicaid enrollment)

- Offeror did not describe distinct approaches for aligned and non-aligned members ("aligned" refers to individuals eligible for both Medicaid and Medicare)
- Offeror did not describe detailed approaches for coordinating with providers
- Offeror did not describe clear and comprehensive process for coordinating care

[17] Phone conversation with Gina Relkin, Deputy General Counsel, AHCCCS Administration, June 10, 2013
[18] Narrative Submission Ranking and Consensus documents, AHCCCS

Submission Requirement #7: Organization: IOM *(9th)*
(IOM is a reference to an Institute of Medicine study on waste in healthcare. This Requirement is about sustainable models that improve outcomes and reduce waste in the system)

- Offeror provided limited description of technology use to improve outcomes
- Offeror's description lacks specificity regarding how DST profiling and predictive modeling software will be used beyond identification members who are dually eligible and diabetic for participation in Alere disease management program
- Offeror provided limited description of information that will be available via web portal
- Offeror provided limited approach to encourage members to actively participate in their care
- Offeror provided limited evidence of a member-centered care delivery approach
- Offeror provided limited description of value-based purchasing strategies to encourage better care and improve outcomes
- Offeror provided little evidence of a culture of innovation and learning

Oral Presentation: (*10th)*
(Quality and medical management reports, processes, interventions, and staffing used if 10% - twice the estimated state average of 5% - or more of PHP members are readmitted to hospital within 30 days)

- Offeror . . . did not demonstrate clearly how processes or staffing were changed in response to the root cause analysis or how data is used to identify or implement interventions at the hospital or physician level. Offeror also indicated that patients readmitted due to medical instability, as a class, were not a priority for intervention under the performance improvement plan
- Offeror did not discuss any changes in staffing to address the higher than average readmission rate noted in the case study. Offeror also stated its goal is to arrange a follow-up visit with member's PCP between 14 and 30 days after discharge; AHCCCS is introducing a performance standard of seven days
- Offeror stated it is exploring incentives for hospitals and hospitalists to reduce readmission rates but did not indicate whether or when such incentives would be introduced
- Offeror mentioned use of the Peer Review Committee for physician education but did not describe clearly escalation of data/trends to the committee level, for development, implementation and monitoring of interventions to reduce the readmission rate

Despite its twenty-five year history as a health plan provider, on March 23, 2013, Vanguard released a statement saying that AHCCCS did not renew its contract with Phoenix Health Plan.[19] That same day, Vanguard requested a capped contract (i.e., PHP could not accept more members) for Pima and Maricopa counties, where more than 60% of its members live. On April 1st, AHCCCS and Vanguard agreed to a three-year capped program for just Maricopa County, where 98,300 – or 53% – of PHP's consumers reside.[20] In exchange, Vanguard agreed not to appeal AHCCCS's refusal to renew the larger contract.

Vanguard's failure to secure its long-held contract to provide managed care is the direct result of coming up short vis-à-vis its competitors in a variety of areas, including member-centeredness, disease management, improved outcomes, and cost-savings. It is also clear from evaluators' responses to VHS's performance in many Submission Requirement areas that the company refused to provide the State of Arizona with enough information to adequately review its activities, the same charge waged against it in Michigan. Transparency appears to be an ongoing challenge for Vanguard Health Systems.

[19] "Vanguard Health Systems Receives Arizona Medicaid Agency Contract Award Notification," Vanguard press release. March 24, 2013
[20] "Vanguard Health Systems' Phoenix Health Plan Subsidiary Accepts a Capped Contract in Maricopa County," Vanguard press release. April 1, 2013

Tenet Healthcare Corporation – Vanguard: Debt Overload

Tenet-Vanguard's ongoing effort to acquire Greater Waterbury Health Network turned out to be only the beginning of its planned expansion into Connecticut, followed quickly by announcements that it planned to acquire St. Mary's Hospital, Bristol Hospital, Manchester Memorial Hospital, and Rockville General Hospital, and beyond. As Tenet acquires hospital after hospital, it will also assume the debt burden of each facility, enhancing both its debt load and the potential limitations that debt service would place on commitments to safe staffing levels for patients and necessary capital improvements. Vanguard has already proven that it has difficulties meeting financial obligations. In Michigan, for example, Vanguard has failed to fulfill its capital commitments to Detroit Medical Center by tens of millions of dollars and has repeatedly delayed building projects. This problem will be further compounded by the significant debt load and debt service obligations that will result from the Tenet acquisition of the Vanguard portfolio.

Tenet Healthcare is a Dallas-based, for-profit healthcare corporation that operates 49 hospitals in ten states, largely in the South, Southeast, and on the West Coast. Tenet owned three hospitals in Massachusetts: St. Vincent Hospital in Worcester and the two MetroWest Medical Center campuses – Leonard Morse (Natick) and Framingham Union (Framingham) – until 2004, when it sold the hospitals to Vanguard Health Systems. Tenet's announcement last year that it would purchase Vanguard Health Systems, effectively gaining control of every entity it owned, sparked deep concerns in Massachusetts, where the Tenet's operations in the state were marred by bargaining tactics and unsafe staffing levels that required nurses to strike.

Anxieties over the Tenet takeover extend beyond the Massachusetts border. In Michigan, stakeholders are concerned that Tenet's plan to save $100 to $200 million per year and realize additional earnings in the first year following its acquisition of VHS could only be realized through cuts to services.[21] And just last year, Moody's Investors Service placed the ratings of Tenet under review for downgrade, including the company's B1 Corporate Family Rating and B1-PD Probability of Default Rating. The rating action was precipitated by the announcement that Tenet has signed a definitive agreement to acquire Vanguard for a transaction value of $4.3 billion, including the assumption of about $2.5 billion of Vanguard debt. Tenet's acquisition of Vanguard will result in increased leverage and the assumption of a considerable obligation for future capital spending. Additionally, Tenet's history of Medicare fraud has repeatedly cost the company hundreds of millions of dollars and impacted its businesses in several states.

In 2003, Tenet Healthcare paid a $54 million fine to settle allegations that two doctors working at Redding Medical Center in a Redding, California, hospital performed unnecessary cardiac procedures. The penalty settled claims that the hospital billed Medicare, Medicaid and the military's Tricare program for unnecessary procedures between 1997 and 2002.[22] In follow-up settlements related to the case, Tenet sold Redding Medical Center and paid millions to the California Department of Insurance and two

[21] Karen Bouffard. "Tenet Healthcare buying DMC owner Vanguard Health for $1.8B," *The Detroit News*. June 24, 2013

[22] Dorsey Griffith, Sam Stanton and Denny Walsh. "Tenet to pay in heart cases; The $54 million deal avoids some civil, criminal actions in the Redding probe," *Sacramento Bee.* August 7, 2003.

whistleblowers involved in the case, and hundreds of millions to the patients impacted by unnecessary surgeries.[23]

In 2006, Tenet Healthcare agreed to pay the U.S. government more than $900 million (the largest pay-out to date) for allegedly overbilling Medicare by manipulating the program's payment rules and paying kickbacks to physicians who referred patients to its facilities. As a result, Tenet was forced sell 11 of its hospitals to cover the costs. The following year, Tenet paid another $10 million to settle an SEC investigation of Medicare billing and fraudulent accounting practices.[24]

In 2012, Tenet agreed to pay over $42.75 million to settle another round of Medicare fraud allegations. Between 2005 and 2007, Tenet billed Medicare for treating patients at inpatient rehabilitation facilities when these patient stays did not meet the standards to qualify for inpatient care, in violation of the False Claims Act.[25]

And last summer, it was revealed that a former healthcare CFO filed a whistleblower charge in 2009 alleging that Tenet Healthcare paid kickbacks to clinics that directed undocumented pregnant women to give birth in its hospitals, and then filed fraudulent Medicaid claims on those patients. The lawsuit had been sealed by the Department of Justice pending the completion of its own investigation.[26] In year after year and state after state, Tenet Healthcare has demonstrated its willingness to defraud the government and taxpayers to reap financial rewards, and the real costs have been shouldered by its hospitals, which have been sold off or undercut to cover the costs of legal settlements.

It would be prudent for Connecticut regulators to closely scrutinize these factors while considering Tenet's petition to acquire Greater Waterbury Health Network, St. Mary's Heath System, Eastern Connecticut Health Network, and Bristol Hospital.

[23] Sam Stanton and Denny Walsh. "Redding doctors won't be charged; But millions in civil penalties will be levied in medical fraud case," *Sacramento Bee.* November 16, 2005; Julie Appleby. "Tenet accused of $1 billion Medicare fraud," *USA Today*. March 3, 2005.
[24] Bob Moos. "Tenet to pay to end SEC probe Dallas-based hospital operator was accused of Medicare scheme," *The Dallas Morning News.* April 3, 2007.
[25] Jim Landers. "Tenet settling overbill case," *The Dallas Morning News*. April 11, 2012; Jeffrey Young. "Tenet Healthcare 'Proud' To Settle Medicare Fraud Charges For $43 Million," *The Huffington Post.* April 11, 2012
[26] Kate Brumback. "Whistleblower suit: Hospitals defrauded Medicaid," *USA Today.* August 1, 2013.