

RESPONSE TO #9

1. Why have Valley Regional Hospital and Dartmouth Health decided to affiliate?

A: Dartmouth Health and Valley Regional Hospital (VRH) have enjoyed a close collaborative working relationship for many years across many services, including:

- *Cardiology*
- *Oncology*
- *Pathology*
- *Radiology*
- *Other services*

Having VRH join Dartmouth Health will build upon this close relationship and enable the integration of its clinical, administrative and financial resources to sustain efficient, high-quality care for the rural communities served by both VRH and Mt. Ascutney Hospital and Health Center (MAHHC), which is an existing Dartmouth Health member.

Both Dartmouth Health and VRH share a deep commitment to expanding access to care throughout Claremont and Sullivan County, and believe that combining our resources will allow us to better meet the needs of patients in the region - now and in the future.

2. Is this a merger?

A: No. This is not a merger. Valley Regional Hospital will become a part of the Dartmouth Health system, but it will maintain its own Board of Trustees for local decision making around healthcare delivery. We envision VRH will be a well-integrated member of Dartmouth Health system, which includes combining some administrative staff from Mt. Ascutney Hospital and Health Center to help oversee VRH. However, VRH will maintain its own Chief Medical Officer.

3. How much control will Dartmouth Health have over Valley Regional Hospital?

A: As proposed in the Letter of Intent (LOI), the Valley Regional Hospital Board of Trustees will retain authority on matters traditionally within the purview of a non-profit healthcare organization, such as identifying the health needs of its community and overseeing its delivery of care.

Dartmouth Health's Board of Trustees would hold certain oversight powers, including but not limited to appointment and ratification of VRH board members, approval of

operational and capital budgets and other strategic decisions, pending the outcome of further discussions.

4. Who would be the Valley Regional Hospital's CEO and other administrators?

A: The administration of VRH would undergo an alignment with the leadership of Mt. Ascutney Hospital and Health Center (MAHHC), which is already a Dartmouth Health member. As proposed in the Letter of Intent, MAHHC Chief Executive Officer Joseph Perras, MD would serve as CEO of both hospitals. MAHHC Chief Financial Officer David Sanville will be appointed as CFO of both hospitals. It is envisioned that staff supervisors for both Mt. Ascutney and Valley Regional would regularly split their time at both campuses.

5. Will Valley Regional Hospital be changing its name?

A: Both Valley Regional Hospital and Dartmouth Health will develop a branding strategy that will continue to respect the historic and unique identity of Valley Regional Hospital, and the quality that name represents, as well as reflect the value of its affiliation with Dartmouth Health. Long-term we envision that the same signpost brand adopted by the other Dartmouth Health members will be implemented, but Valley Regional Hospital's name will be maintained.

6. Will Valley Regional Hospital retain its tax-exempt status?

A: Yes. Neither Valley Regional Hospital nor Mt. Ascutney Hospital and Health Center will be required to take any action that would jeopardize its tax-exempt status or public charity status under state or federal law. All parties affirm their commitment to comply with all applicable laws and regulations that govern charitable organizations in New Hampshire.

7. How will this affiliation affect the employees of Valley Regional Hospital?

A: Valley Regional Hospital employees will be supported by the resources available to Dartmouth Health system members. We don't anticipate any changes to the daily workflow of staff.

8. Will there be layoffs?

A: All healthcare organizations are struggling with problems of adequate staffing and workforce development. Rather than eliminating positions, we are hopeful to lower costs

through better delivery and coordination of care and more efficient procurement of resources. The affiliation is also aiming to help meet capacity needs which should result in more jobs, not less. We do not intend for there to be layoffs. We hope that, by working together, we can develop effective ways to address the workforce challenges of health care in NH and better recruit and retain highly-skilled providers.

9. How much is the competition for healthcare workforce driving the affiliation?

A: Valley Regional Hospital and Dartmouth Health have a long history of working together to provide care for the people of Claremont and Sullivan County. Dartmouth Health has provided access to specialty care providers that Valley Regional, in some cases, would not be able to provide on our own. Dartmouth Health is proud of its ability to provide its employees with a wide range of opportunities to grow their entire careers here. Health Care workers who want to work in a larger academic setting can work at Dartmouth Hitchcock Medical Center and those that prefer a critical access, homecare, or a community hospital have those as options.

10. What will an affiliation mean for Valley Regional Hospital patients?

A: By enabling greater access to Dartmouth Health resources, VRH patients will benefit from easy access to high-quality, sub-specialty

Day to day operations at the local level will be largely unaffected by the affiliation.

11. What is the process for affiliation, moving forward?

A: The process began with a Letter of Intent signed by the chief executives of Dartmouth Health, Valley Regional Hospital and Mt. Ascutney Hospital and Health Center. A public listening session was held on September. 8, 2022.

A Joint Affiliation Committee (JAC) comprised of approximately equal numbers of representatives from both VRH and Dartmouth Health will convene to create an integration plan for VRH and MAHHC, and resolve any differences between the parties before closing the deal.

Each party will share information to engage in a good faith due diligence review of the business, operations, assets, liabilities, financial condition and prospects of the other party.

12. How long does the affiliation process take?

A: Both parties are working to complete their due diligence, negotiations and integration plan and close the agreement. There is also a process of regulatory review and approval required.

13. Could one of the parties back out of a potential affiliation?

A: Yes. However, the likelihood of this is minimal given the strong, longstanding relationship between DH and MAHHC. Both parties understand that various events might cause the termination of the Letter of Intent, including a significant finding made during the due diligence process, or other significant or adverse changes to the performance of either party.

14. What was the process that ultimately resulted in the signing of a Letter of Intent (LOI)?

A: Our organizations already collaborate in many clinical areas. The strong relationship between our respective leadership teams led to discussions about the other ways we could collaborate beyond our existing clinical partnerships to better serve patients of the region. That quickly evolved into the discussions about forming an affiliation so we could effectively help each other reach our shared goals.

16. What approvals are needed for the affiliation to move forward (AG, NH Charitable Trusts, FTC, Justice Department, others)?

A: Both organizations will conduct due diligence and continue discussions about the affiliation. After a definitive agreement is filed, it will be subject to review and approval by the NH Attorney General's office and its Charitable Trusts Unit, and the Federal Trade Commission.

Future public meetings will be held later this fall, following the filing of our agreement.

17. What will happen to donations and philanthropic support?

A: It's important that donations made to our member hospitals for specific purposes remain in those communities under local controls. Our member organizations have always honored their respective donor restrictions. In addition, the development arms of

each organization will remain separate. Unrestricted funds will only be used for the benefit of the intended hospital communities or groups.

1. Bernie

- a. My name is Bernie Volta uh citizen of Claremont I was born and brought up in Claremont went away came back actually was born at Claremont general hospital um after being away uh came back in my retirement and uh I used to go to a lot of meetings but this is the first one I've gone to in a long time wouldn't miss this one partly because I've been a customer very recently customer valley regional, Mt. Ascutney customer, and the customer of DH. Six days at valley regional 33 days at Mt. Ascutney I was three days at DH too, so as a medical provider once told me aging sucks. Anyway that's some background, now, I want a little background here I learned a few moments ago that the person who took some pictures my question is there media here and that person told me that he was a reporter for the New Hampshire Business Review is there any other media here that I don't recognize who Valley News is here Valley News okay you are from the Valley News.
- b. I have another question of the medical doctors who are up there Dr. Conroy, Dr. Caple, and Dr. Perras what are your medical specialties when you were practicing. I guess one historical question is uh why hasn't this initiative happened before or has this initiative happened earlier and been uh postponed?
- c. I got a question from the audience for Dr. Perras how will you manage both hospitals as CEO won't that be too much um great question number one um i think it will be challenging i think uh that there is currently a great leadership team on both campuses number one um and i i don't feel like the leadership team at Ascutney or valley need a micromanaging handholding ceo because i think they're all operationally uh excellent.
- d. This question uh goes back to a sort of historical probe the hospital originally founded or incorporated or whatever the term was by the Ladies Aid Society is that the correct name um and I think but I'm not sure so this is a question is it the case that a member of that originated group is allotted a seat on the trustees which has been continuously filled uh from origination time if so that suggests that there is some kind of a well I don't know if you call a memorandum or some kind of a legal link between the age the uh ladies aid society and the current corporation and so my question is how would that linkage if it exists maybe you can clarify that for me how would that linkage exist uh if uh affiliation takes place the other thing is not just historical but valley regional hospital was a founding partner of Summercrest nursing home in Newport. um and still I believe holds a stake in that what other financial asset linkages does valley regional have including that one that might be affected by uh moved to affiliate.
- e. I ask you beyond the letter of the LOI where where does the affiliation process go from here is there a timeline or how does that work?
- f. well okay I have to ask something as a prerequisite to that um Dartmouth is a health is a New Hampshire corporation a domestic New Hampshire corporation and presumably it Dartmouth held is a foreign uh um corporation in the city of Vermont in other words Dartmouth health is a domestic corporation in New Hampshire but a foreign corporation in Vermont before i go any further is that a correct assumption?
- g. so but presumably because New Hampshire and Vermont are different states satisfying the voluntary in New Hampshire is there an equivalent in Vermont that Dartmouth health got access to by virtue of the Mt. Ascutney what I'm fishing for is the notion that,

i don't know how to say, I used to live in number one...watch out here comes a political statement that the the the cultural and legal difference between socialist Vermont and live free and die in New Hampshire um is reflected in laws and regulations so did how much adjustment correction of a broadly legal type did Dartmouth held or Mt. Ascutney have to do in its work uh to affiliate you said in 2014 and has then been has that been completed or is there going to be some other New Hampshire Vermont for example Vermont has a much higher degree of regulatory oversight over the health business than New Hampshire does so what effect of the heavy duty Vermont oversight you're going to have on valley regional although of course the Valley Regional on the right side of the river?

- h. if I if I did the division of numbers correctly the beds weren't filled every day of the year just on a pure division basis so the basic thing the statistics are saying is Valley Regional is not over full so they got space now I'm not saying you got space to burn but you got space and that's a new hospital that was built when was the the expand big expansion just after I moved back to Claremont what was it 2005 2006 somewhere in there well anyway the point is so another quote unquote asset that you have is that under you might say under utilized building
- i. what might your excess care capacity be used for and I don't know if the answer is obvious to you but it certainly struck me that a few years ago when... I used to call him big guy the previous administrator uh Wright, yeah big guy, when big guy was here he tried an initiative to try to get some capacity um allocated somehow from the state of New Hampshire to uh address the severe mental health issue, issues that New Hampshire has encompassed in uh comparison to Vermont because Vermont is kind of high on mental health care New Hampshire is kind of like low on mental health care.
- j. Is it a possibility that you all would strategize to try to get some more mental health action uh on the campus there as part of um specialization of that here and also that would that that space that's available um that an attempt was made somehow to utilize already before is that a question is that a possibility question mark?
- k. In order to expand the campus um i don't know how many millions of dollars was expended in reconstruction revitalization and so on but it was a chunk of change financed I forget who the original financiers were but when big guy was here he got a refinance through the department of agriculture which presumably the purpose of which was to reduce the interest burden um so what happens and i don't know where what the current status of that debt is about valley regionals got a debt so how does that debt get in this financial mixture how does that debt get handled and my final thing is a suggestion non-profit organizations have to file with the IRS a form annually known as the 990 Valley Regional's 990 last time I looked which was a couple of years ago was like 85 pages long amazing things you learned looking through 990s so anybody who's got the morbid curiosity that i have um wants more information I encourage you to go to guidestar and um get a copy of the 990.

2. Pascal Graham

- a. How will the merger influence the sexual assault nurse examiner program at VRH?

3. Frank Fred

a. I'm Frank, I'm uh with the chaplaincy team at DHMC and I don't have a question, but just a comment. First of all, I'm very pleased you know to hear you of your story patient experience and it's very timely that actually dh calls you probably to remind you of an appointment that's the cause that I get um but your experience being served you know for three days you know the big house you know up at DHMC and then probably in rehab you know at Mt. Ascutney got me and then back home closer to here is what i understand this whole affiliation and everything DH does that's what we want to do you know to support the patient experience our CEO just spoke on it and from my own experience it's been delightful to see when that has happened and we with our chaplaincy team have been able to support people in different places um Joe has been very supportive of that service we have had people actually being served by the same chaplain at the DHMC you know and then follow them you know at Mt. Ascutney got me my hope would be maybe something like this down the road is also possible here recently last week you know we got a call from our new chaplain you know at APD in Lebanon saying oh we just had a person transferred to the Jack Burns Center you know our hospice house how are we going to best support that person and that family in their final hours I said well follow that patient go over there we talk about seamless care and there are so many opportunities in doing that so I would hope wherever you are and anybody else in this region would get that same seamless care you know high quality and safe and all the terminology we use to support you close to home to where we're at I look forward to seeing you know how this will unfold you know and how can we be partner with the community and different services you know to provide the care that you deserve thank you.

4. Anonymous

- a. Can you explain the difference between merger and affiliation?
- b. What would be the role of the uh Valley Regional Board of Trustees? What would how would they come into play?

Submitted Questions:

1. Hi I worked at Dartmouth and they do match for your 403 plan, will we get that match when we merge?
- Robin Tilton
2. Hello there,
Will I be an employee of Dartmouth, and if so, what does that mean as far as health insurance and/or earned time length of service accrual?
Even I stay an employee of Valley Regional, will there be any changes for me as an employee?
I'm looking forward to the staff meeting,
Thank you,
- Amy (Irmgard Scott)
3. Question 1: Does this arrangement involve coverage from DH for surgeons/doctors? If so, is there a guarantee that these doctors will stay at VRH or would DH pull them out to fill a need at their institution?
4. Question 2: Will we as employees be considered VRH employees or DH employees?
5. Question 3: Will we be paid from VRH or DH?
6. Question 4: How will this affect employee benefits ie. Healthcare Tiers / benefits?
7. Question 5: Will this union affect an employees years of employment, ie. would a long term VRH employee be starting at ground zero?
8. Question 6: VRH once before tried an affiliation with DH and we quickly discontinued it. What makes this time different? – 6
Questions from Eileen Czechowicz
9. Are we going to go EPIC?
10. Affect competition with staffing

11. What is our plan for transportation for getting the public to appointments if each hospital has their niche of services?
12. What is the timeline of affiliation?
13. As a VRH employee will there be any changes for me as an employee?
14. Will DH dictate items local operations such as staffing and schedules?
15. Will Valley remain a critical access hospital?