D-HH/GOH Combination

Workgroup Overview

Document Finalized: 14 March 2019

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THE CHARTIS GROUP

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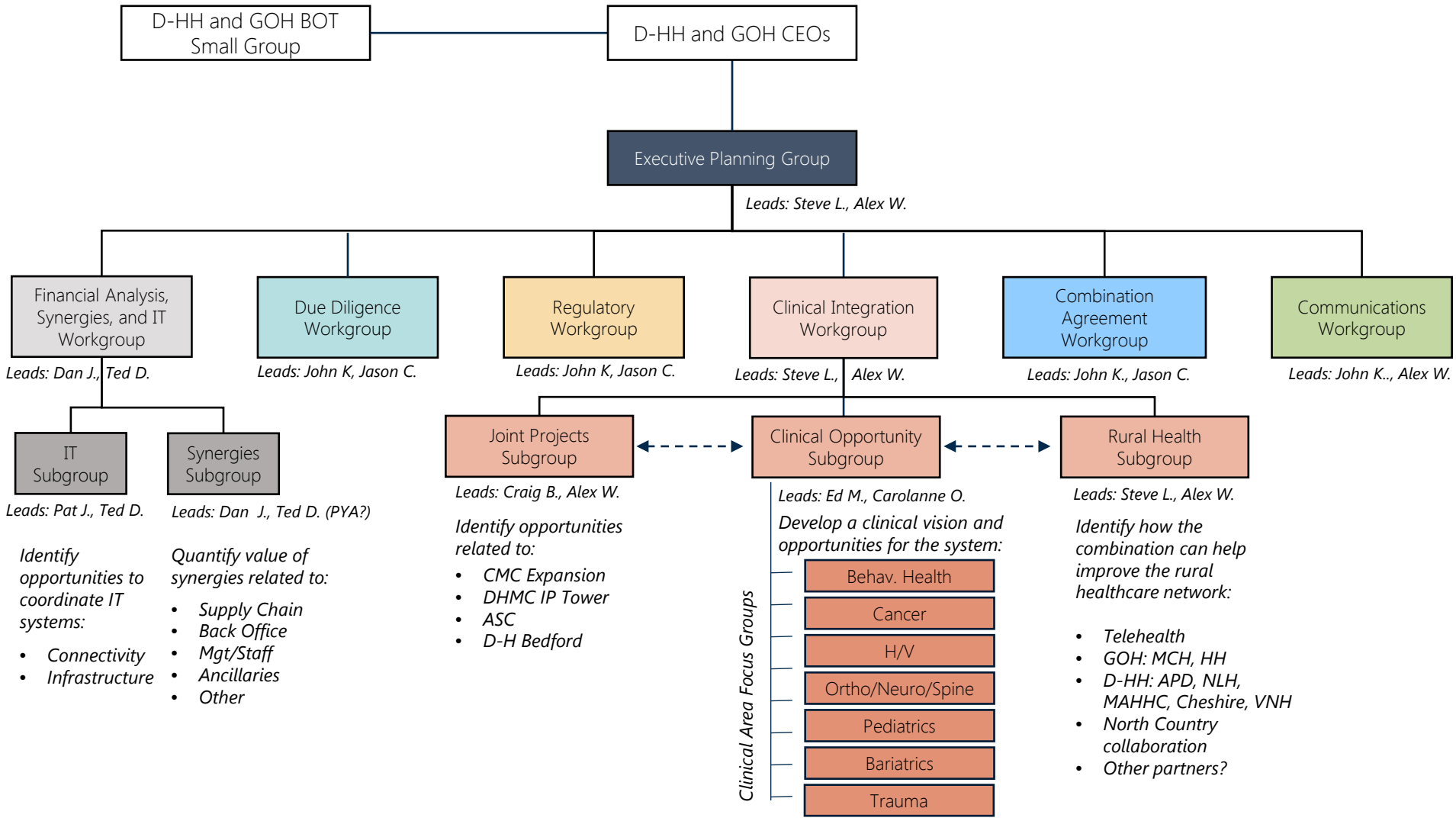
Workgroup Structure



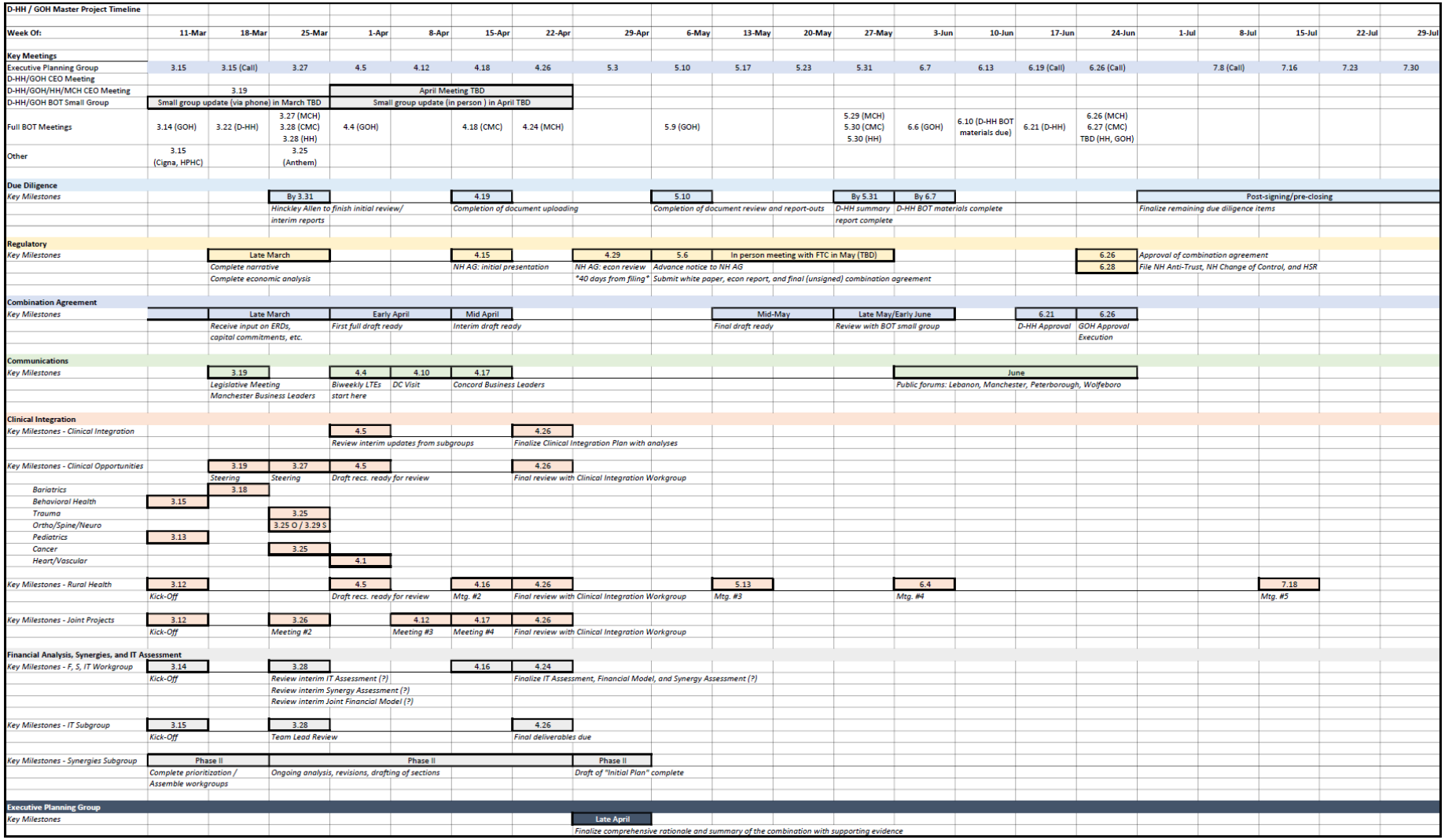
Workgroup Composition

Finalized: 3.14.19 **Project leads are in bold**

	D-HH	CMC	HH	MCH	Other Members / Support	Project Mgt.
Financial Analysis, IT & Synergies	**Dan J.**, Pat J., Craig B., Wendy F. (?)	**Ted D.**, Sue M., Michelle M.	Jeremy R., Josh U.	Rich S.	Chartis / PYA	Jennifer T.
Synergies	**Pat J.**, Dan J. / internal resources as needed	**Ted D.**. / internal resources as needed	Jeremy R., Josh U.	Rich S.	PYA	Jennifer T.
IT	**Pat J.**, Marty P., Peter S.	**Ted D.**, Tom D.	Patrick B.	Peter J.		Mary Beth E.
Due Diligence	**John K.,** Steve L., Dan J., Aimee G., Pat J.	**Jason C,** Ted D., Pam M., Tina, Sue M.	John M.	John M.	Jessica A., Laurie Beth P, Tara S., Lee M., External Support (various)	Cathy P. / Jarrod C.
Regulatory	**John K.**.	**Jason C.,** Sue M., David D., Conor R.	John M.	John M.	External legal teams, Kim H. NERA (Subbu/Tom), Chartis	TBD
Combination Agreement	**John K.**, Steve L.	**Jason C.**, Alex W., Ted D.	John M.	John M.	Other outside legal counsel / Chartis	TBD / Hinckley Allen
Communications	**John K.**., Jen G., Rick A., BJ P.	**Alex W.,** Lauren C., Joel M. Rich S., Scott S., Robert D.	Monika O.	Phil M.	Jason C., Lindsey K.	Jen G. / Jennifer T.
Clinical Integration	**Steve L.**, Dan J., Ed M., Sue R., Craig B., Steve P., Pat J., John K.	**Alex W.**, Ted D., Bill G., Carolanne O., Jason C.	Jeremy R.	Cynthia M.	Chartis / Kim D. (HH) / John B. (HH), Robert B. (MCH), Michael L. (MCH)	David K
Joint Projects	**Craig B.**, Steve P., Tom G., Jeff O.	**Alex W.,** Tina L, Sue M., Carolanne O.	-	-	Chartis, LBPA/Harvey	Kathy C / Thom D.
Clinical Opp.	**Ed M.**, Sue R., Craig B., Steve P.	**Carolanne O.**, Bill G., Sue M.	TBD	TBD	Designated D-HH, CMC, HH, and MCH clinical reps / Chartis	Nicole B.
Rural Health	**Steve L.**, Mary O., rural member CEOs	**Alex W.**	Jeremy R.	Cynthia M.		Roland L.
Exec. Planning	**Steve L.**, Dan J., John K.	**Alex W.**, Ted D., Jason C.	Jeremy R.	Cynthia M.	Mark M., John M. / Chartis / others as needed	David K.

Workgroup Timeline

Developed: 3.14.19



D-HH / GOH Master Project Timeline																					
Week Of:	**11-Mar**	**18-Mar**	**25-Mar**	**1-Apr**	**8-Apr**	**15-Apr**	**22-Apr**	**29-Apr**	**6-May**	**13-May**	**20-May**	**27-May**	**3-Jun**	**10-Jun**	**17-Jun**	**24-Jun**	**1-Jul**	**8-Jul**	**15-Jul**	**22-Jul**	**29-Jul**
Key Meetings																					
Executive Planning Group	3.15	3.15 (Call)	3.27	4.5	4.12	4.18	4.26	5.3	5.10	5.17	5.23	5.31	6.7	6.13	6.19 (Call)	6.26 (Call)		7.8 (Call)	7.16	7.23	7.30
D-HH/GOH CEO Meeting																					
D-HH/GOH/HH/MCH CEO Meeting		3.19		April Meeting TBD																	
D-HH/GOH BOT Small Group	Small group update (via phone) in March TBD			Small group update (in person) in April TBD																	
Full BOT Meetings	3.14 (GOH)	3.22 (D-HH)	3.27 (MCH) 3.28 (CMC) 3.28 (HH)	4.4 (GOH)		4.18 (CMC)	4.24 (MCH)		5.9 (GOH)			5.29 (MCH) 5.30 (CMC) 5.30 (HH)	6.6 (GOH)	6.10 (D-HH BOT materials due)	6.21 (D-HH)	6.26 (MCH) 6.27 (CMC) TBD (HH, GOH)					
Other	3.15 (Cigna, HPHC)		3.25 (Anthem)																		
Due Diligence																					
Key Milestones			By 3.31			4.19			5.10			By 5.31	By 6.7				Post-signing/pre-closing				
			Hinckley Allen to finish initial review/ interim reports			*Completion of document uploading*			*Completion of document review and report-outs*			*D-HH summary report complete*	*D-HH BOT materials complete*				*Finalize remaining due diligence items*				
Regulatory																					
Key Milestones		Late March				4.15		4.29	5.6	In person meeting with FTC in May (TBD)						6.26	*Approval of combination agreement*				
		Complete narrative				*NH AG: initial presentation*		*NH AG: econ review*	*Advance notice to NH AG*							6.28	*File NH Anti-Trust, NH Change of Control, and HSR*				
		Complete economic analysis						**40 days from filing**	*Submit white paper, econ report, and final (unsigned) combination agreement*												
Combination Agreement																					
Key Milestones		Late March		Early April		Mid April				Mid-May		Late May/Early June			6.21	6.26					
		Receive input on ERDs, capital commitments, etc.		*First full draft ready*		*Interim draft ready*				*Final draft ready*		*Review with BOT small group*			*D-HH Approval*	*GOH Approval Execution*					
Communications																					
Key Milestones		3.19		4.4	4.10	4.17							June								
		Legislative Meeting Manchester Business Leaders		*Biweekly LTEs start here*	*DC Visit*	*Concord Business Leaders*							*Public forums: Lebanon, Manchester, Peterborough, Wolfeboro*								
Clinical Integration																					
Key Milestones - Clinical Integration				4.5			4.26														
				Review interim updates from subgroups			*Finalize Clinical Integration Plan with analyses*														
Key Milestones - Clinical Opportunities		3.19	3.27	4.5			4.26														
		Steering	*Steering*	*Draft recs. ready for review*			*Final review with Clinical Integration Workgroup*														
Bariatrics		3.18																			
Behavioral Health	3.15																				
Trauma			3.25																		
Ortho/Spine/Neuro			3.25 O / 3.29 S																		
Pediatrics	3.13																				
Cancer			3.25																		
Heart/Vascular				4.1																	
Key Milestones - Rural Health	3.12			4.5		4.16	4.26			5.13			6.4						7.18		
	Kick-Off			*Draft recs. ready for review*		*Mtg. #2*	*Final review with Clinical Integration Workgroup*			*Mtg. #3*			*Mtg. #4*						*Mtg. #5*		
Key Milestones - Joint Projects	3.12		3.26		4.12	4.17	4.26														
	Kick-Off		*Meeting #2*		*Meeting #3*	*Meeting #4*	*Final review with Clinical Integration Workgroup*														
Financial Analysis, Synergies, and IT Assessment																					
Key Milestones - F, S, IT Workgroup	3.14		3.28			4.16	4.24														
	Kick-Off		*Review interim IT Assessment (?)*				*Finalize IT Assessment, Financial Model, and Synergy Assessment (?)*														
			Review interim Synergy Assessment (?)																		
			Review interim Joint Financial Model (?)																		
Key Milestones - IT Subgroup	3.15		3.28				4.26														
	Kick-Off		*Team Lead Review*				*Final deliverables due*														
Key Milestones - Synergies Subgroup	Phase II		Phase II					Phase II													
	Complete prioritization / Assemble workgroups		*Ongoing analysis, revisions, drafting of sections*					*Draft of "Initial Plan" complete*													
Executive Planning Group																					
Key Milestones								Late April													
								Finalize comprehensive rationale and summary of the combination with supporting evidence													

Appendix:
Workgroup Charters (3/5/19)

Financial Analysis, Synergies, and IT Workgroup

Deliverables	
1. Direct and Support the Work of Subgroups (Due: Late April)	Review and approve the recommendation of the subgroups: 1. Synergies – define areas of focus and approach to quantify value 2. IT Opportunities – near term/long term opportunities and financial implications
2. Revised Financial Projections for Combination (Due: Late April)	1. Develop a 5 year combined financial projection (with accompanying balance sheets, income statements, cash flow metrics, financial metrics, credit rating estimates, etc.) that incorporates input from: • Synergy assessment • IT assessment • Other relevant input from other groups (e.g. Clinical Opportunities, Joint Projects, etc.) 2. Develop best/worse/base case scenarios for model and identify implications for operations, borrowing, sequencing of capital projects, etc.
4. Agree on Approach to Other Pertinent Financial Matters (Due: Late April)	1. Agree on an approach to other pertinent financial matters, including: • Communications plan to rating agency • Timing / process for GOH members joining D-HH's obligated group • Opportunities for funding pension plans • Change of fiscal year • Others?

Synergies Subgroup

Deliverables	
1. Synergy Assessment (Due: Mid/Late-April)	1. Confirm high-level opportunities for synergies through focused discussions with D-HH and GOH members, for example: • Purchasing – supply chain synergies • Human Resources – staffing and back office synergies • Insurance – insurance synergies • Lab / Ancillaries – clinical synergies • Rural Hospital – highlight synergies that will impact rural hospitals the most (e.g. eliminating audit expense) • Cost of Capital – financing synergies • Others 2. Conduct a detailed assessment of these opportunities, including: • Expected value of synergies (i.e. costs saved) • Expected value of investments needed to realize synergies, if any

IT Subgroup

Deliverables	
1. IT Assessment (Due: Mid/Late-April)	Understanding that GOH and D-HH will not be able to achieve full integration immediately: 1. Conduct an inventory of key D-HH and GOH IT systems to establish the current state 2. Develop a high-level vision for what long-term IT connectivity looks like (with a high-level timeline) with assessments of: • EMR • Oracle/PeopleSoft 3. Identify how the system can achieve interim connectivity of critical systems (e.g. EMR, email, voice, etc.) 4. Identify high-level resource requirements to achieve interim and long-term IT connectivity

Due Diligence Workgroup

Deliverables	
1. Full Due Diligence Reports (Due: May for "high priority items) (Due: After June for "low priority items)	Develop full due diligence reports specific to D-HH and GOH members to help each party understand the current state and identify any potential issues / risks. This involves: 1. Finalizing master list of due diligence categories 2. Identifying which "high priority" due diligence items must be completed prior to approving the Combination Agreement in May/June and which "low priority" ones can be completed afterwards (as part of closing procedures) 3. Identifying existing documents that can be used to expedite the due diligence process 4. Marshalling internal/external resources to complete due diligence on items that do not currently have supporting documents

Regulatory Workgroup

Deliverables	
1. Develop a Regulatory Strategy (Due: ongoing)	Develop a regulatory strategy to manage ongoing relations with the NH AG and FTC
2. Finalize Rationale and Supplementary Regulatory Documents (Rationale and Initial Pricing Analysis Due: late March) (Due: by July, or earlier as needed)	Finalize rationale and regulatory documents to accompany the regulatory filings and/or provide interim updates to regulators. This will be based on NERA findings, internal D-HH/GOH information, and business plan supplied by the Executive Planning Group – key focus areas include: 1. rationale for the combination with specific business case, operational activities, and combination-specific benefits 2. analysis of competition 3. approach to clinical services (e.g. behavioral health, rural health, etc.) 4. others
3. Prepare Regulatory Filings (Due: June)	Prepare regulatory filings and all related materials for: 1. NH Change of Control (Jason C. to lead) 2. NH Anti-Trust 3. Hart-Scott Rodino

Combination Agreement Workgroup

Deliverables	
1. Combination Agreement (1st Full Draft Due: Early April) (Final Draft Due: Early May)	Draft a combination agreement for final approval of D-HH, and GOH BOTs and the Bishop/ethicist. This involves: 1. Confirming the outline for the desired Combination Agreement based on executed LOI 2. Documenting and collating key decisions that have been recommended through the other workgroups and approved by D-HH and GOH leadership 3. Identifying other key elements of the Combination Agreement that need to be decided and correspond with other workgroups to ensure those issues are being addressed, including: • Reserve powers • Clinical services – commitments, what is considered a core service, process for future decisions • ERDs • Capital commitments (?) • Others (e.g. obligated group, Benevera/Tufts issues, etc.) 4. Drafting and revising versions for review by the BOTs of each organization (e.g. D-HH, GOH, CMC, MCH, and HH) as well as other key stakeholders (e.g. Bishop/ethicist, etc.)

Communications Workgroup

Deliverables	
1. Develop and Execute on Communications Plan (Due: Ongoing)	Develop and execute on a communications plan, which involves: 1. Updating the Phase I communications plan to include post-LOI activities and announcements, especially those related to the following external groups and develop a list of surrogates on key issues: • Regulators: NH AG Office, FTC, NH Charitable Trust • State lawmakers • Local leaders (e.g. mayor, Bishop, etc.) • Public (media, website, public hearings) • Rating agencies • Business leaders (Chamber, BIA) • Concerned Catholic • Advocates for Women's health access • Health policy leaders • Public forums on workforce issues / economic development • University/community college systems • Others 2. Managing internal communications, including: • monthly updates to the BOTs • regular updates to D-HH and GOH staff • interactions among clinicians and broader leadership • others

Clinical Integration Workgroup

Deliverables	
1. Direct and Support the Work of Subgroups (Due: Mid-April)	Review and approve the recommendation of the subgroups: 1. Joint Projects 2. Clinical Opportunities 3. Rural Health
2. Summary of Clinical Integration Opportunities and Related Implications (Due: Mid-April)	1. Summarize clinical integration opportunities and specific benefits of combination: cost, quality, access 2. Discuss cross cutting opportunities and implications such as: • Principles for the pluralistic physician model • Infrastructure/Coordination (e.g. regional referral center) • Academic Medicine (e.g. clinical trials, clinical training) • Partnerships (e.g. VA) • Value-Based Care/Population Health – opportunities for technology, coordination, and outreach 3. Provide high-level estimates of resource requirements and financial implications to the Financial Analysis Workgroup

Joint Projects Subgroup

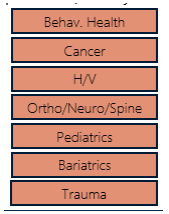
Joint Projects Subgroup

Deliverables	
1. CMC Expansion Opportunities (Due: Mid/Late-April)	1. CMC to review existing plan with D-HH 2. Identify opportunities to expand services through greater collaboration with D-HH 3. Develop a high-level business plan based on opportunities identified, including implications for: volume, scope of services, staffing, construction costs / timing, risks, other costs, etc.
2. DHMC IP Tower Opportunities (Due: Mid/Late-April)	1. D-HH to review existing plan with CMC 2. Identify new opportunities made available by the combination (e.g. transfer center) 3. Summarize impact of combination on the high-level business plan such as: implications for: volume, scope of services, staffing, construction costs / timing, risks, other costs, etc.
3. D-HH ASC Opportunities (Due: Mid/Late-April)	1. D-HH to review existing plan with CMC and GOH members 2. Identify opportunities to expand use of the ASC by GOH members 3. Summarize impact of combination on the high-level business plan such as: implications for: volume, scope of services, staffing, construction costs / timing, risks, other costs, etc.
4. D-H Bedford Opportunities (Due: Mid/Late-April)	1. D-HH to review existing plan with CMC 2. Identify opportunities to jointly replace the D-H Bedford primary care site at Kilton Rd. 3. Develop a high-level business plan based on opportunities identified, including implications for: volume, impact on current leased space at Washington Place, scope of services, staffing, construction costs / timing, risks, other costs, etc.

Clinical Opportunity Subgroup

Deliverables	
1. Summarize Key Clinical Opportunities and Expected Benefits of Combination (Due: Mid-April)	1. Review and finalize recommendations from Clinical Area Focus Groups on potential clinical opportunities 2. Synthesize recommendations to ensure summary opportunities: • speak to D-HH/GO's ability to lower cost, improve quality, and enhance access • provide benefits that could not be accomplished under a less integrated partnership • have clear target/expected metrics (e.g. volume, access improvements, cost reductions, etc.) • as appropriate, define clear commitments to tangible programs/investments that are necessary to see benefits (e.g. DRF beds, expanding programs, etc.) • are integrated, as appropriate, into the discussions and developments of joint projects and rural health subgroups

Clinical Area Focus Groups:
Deliverable Expected from Each Group



Each Clinical Area Focus Group will identify the current state, opportunities, and commitments plus the expected impact on patients and the system. These will be synthesized by the Clinical Opportunity Subgroup.

	Current State	Opportunities & Commitments
Key Questions	1. What are the community needs in southern NH for these services? 2. What do our individual programs currently look like and what do we currently do together? 3. What is our cost, quality, and access position compared to others in the market (especially MA providers)? How do we perform on risk-based contracts? 4. How does our current limit our ability to work better together?	1. What can D-HH and GOH do together to improve inpatient and outpatient access to this service and reduce outmigration to higher-cost MA providers? • Bring new programs from DHMC to CMC? • Expand existing programs at CMC? • Facilitate CMC's patients getting better access to specialty programs at DHMC? • Others? 2. What opportunities are there to expand access to clinical trials / academic medicine? 3. What can we do to lower the cost of care and improve performance on risk-based contracts and further population-health? 4. How can we better serve vulnerable populations (e.g. veterans, poor, etc.)? 5. Are there any opportunities to improve quality related to: outcomes, convenience, etc.? 6. For each opportunity, what are the tangible things we can commit to doing at or soon after integration to realize these benefits? What do we estimate the quantifiable impact to be?
Supporting Data	*Community Need Overview* • # of cases out-migrating to MA from southern NH • # of D-HH/CMC cases that could be performed in a lower-cost setting (e.g. ASC v. hospital) • Relevant data on other needs *Program Overview* • Location of existing sites / programs • Size of clinical staff in each site / program • Volume of programs (cases, services) • Quality scores (e.g. ALOS, readmission rate, etc.) • % of patients who are Medicaid, veterans • Relative cost of care compared to MA providers • Performance on risk-based contracts	*For each opportunity and corresponding commitment, please quantify the total impact to patients and the system – including:* • Volume (e.g. # of patients who will no longer need to leave NH to get care in MA, # of patients with greater access to clinical trials) • Expected improvements to performance on risk-based contracts (e.g. value of cost savings) • Expected improvements to quality (e.g. % improvement in outcome measures,% improvement in convenience, etc.) • Expected investment required to make the commitments (e.g. hiring additional staff) • Total financial impact on the system (benefits – costs) • Other quantifiable improvements (if applicable) *Finalizing the financial impact will require working with designated members of the Financial Analysis & Synergies Workgroup.*

Rural Health Subgroup (Led by CAH Members)

Deliverables / Activities	
1. Forum for Ongoing Updates (Ongoing)	1. Vehicle to provide ongoing updates to member CEOs on the process related to the combination
2. Define Rural Health Opportunities (Due: Mid/Late April)	1. Identify (and document with internal/external data), the most pressing rural health challenges and needs, such as those related to: demographics, workforce shortage, clinical and social needs, public health crises (e.g. opioid epidemic), financial pressures, others 2. Identify opportunities for D-HH/GO to support rural health providers who are inside the system, via: • Telehealth • eConsults • Strategic staffing / physician outreach • Transfer center / coordination • Partnerships (e.g. NEAH, CREST, etc.) • Other? 3. Develop a high-level plan to execute on the identified opportunities, including resource requirements, high-level timeline, and metrics with targets that will be used to measure progress 4. Identify and document ways in which joining D-HH or GOH has helped APD, MAHHC, NLH, Cheshire, VNH, HH, and MCH
3. North Country Collaboration	1. Conduct an inventory of existing presence and programs in non-member rural hospitals (e.g. North Country) 2. Identify ways in which the combination can support these facilities/programs

Executive Planning Group

The executive planning group is responsible for managing and directing the overall process, as well as synthesizing the recommendations from the other groups into a comprehensive rationale for the combination.

Developed: 2.26.19

Membership
• Leads: Steve LeBlanc, Alex Walker • Others: Dan Jantzen, John Kacavas / Ted Dudley, Jason Cole / Cynthia M. / Jeremy R. • Project management: David Kates • Support: Chartis / external counsel / others as needed

Deliverables	
1. Oversee and Direct All Workgroups (Due: Ongoing)	Manage all workgroups, which includes 1. Finalizing workgroup charters/membership 2. Receiving interim updates, promoting connectivity between workgroups, and resolving issues as they arise 3. Having final approval over all workgroup deliverables and timelines: Financial, Synergies, and IT Assessment / Due Diligence Assessments / Regulatory Filings / Combination Agreement / Communications / Clinical Integration Plan
2. Develop a Comprehensive Rationale for the Combination (Due: late April/early May)	Develop a comprehensive document that summarizes the rationale and benefits of the combination, with supporting documentation and analysis – key elements include: 1. History of CMC and D-HH's relationship 2. Explanation of previously proposed partnership and market changes since then 3. Rationale for the D-HH/GO combination with explanation of market dynamics and alternative options 4. Detailed benefits of the combination based on outputs from the workgroups / independent analysis (as needed): • (1) lower cost of care – price difference compared to MA / synergies / reinvesting savings • (2) enhanced quality – outcomes / convenience / population health / academic medicine / etc. • (3) improved access – meet community needs / reinforce rural healthcare