March 12, 2019

Mr. Scott Chan
Deputy Attorney General
California Department of Justice
Office of the Attorney General
Charitable Trusts Section
455 Golden Gate Avenue, Suite 11000
San Francisco, Ca. 94102

Re: St. Joseph Health System ("SJHS") and Adventist Health Systems/West ("AHW")

Dear Mr. Chan:

In a letter dated August 24, 2018, you requested that SJHS and AHW provide your office with additional information pertaining to the Applications for Attorney General Consent submitted by those parties. On behalf of SJHS and AHW (as applicable), set forth herein are explanatory and clarification materials in response to your letter. We will be pleased to provide any further clarification or explanations as needed.

This letter will be included in the Applicants’ website postings and in the hospital reading rooms as a supplement to the extensive materials already included on the websites and in the reading rooms.

(1) No changes will be made to AHW’s Articles of Incorporation or Bylaws as a result of the Master Formation Agreement (“MFA”) or the proposed transaction.

(2) A copy of the Clinical Integration and Collaboration Agreement between St. Joseph Heritage Healthcare, Adventist Health Physician Network and ST Network, LLC (the “CICA”) referenced in the Master Formation Agreement is included in Tab 1. The CICA itself outlines the current plan for the integration process referenced in that agreement.
(3) St. Joseph Heritage Healthcare ("Heritage") and Adventist Health Physician Network ("AHPN") are each separate and independent California nonprofit corporations.\(^1\) Heritage has contracts with the following medical groups:

- Annadel Medical Group
- Humboldt Medical Specialists
- Queen of the Valley Medical Associates

AHPN has contracts with the following medical groups:

- Physicians Network Medical Group
- California Medical Group

Rosters of the physicians employed by the medical groups listed above will be produced by SJHS and AHW.

(4) A copy of Kevin A. Klockenga’s curriculum vitae is included in Tab 2.

(5) SJHS and AHW confirm that the MFA will have no effect on employee salaries, pensions and benefits. As specified in Section (5)(E) of SJHS’s Application for Consent, each of the following hospitals have employees operating under a collective bargaining agreement:

- Queen of the Valley Medical Center
- St. Joseph Hospital of Eureka
- Redwood Memorial Hospital of Fortuna\(^2\)
- Santa Rosa Memorial Hospital.

In addition, with respect to the Adventist Health Clearlake facility, the Memorandum of Understanding between Adventist Health Clearlake Hospital, Inc., dba Adventist Health Clear Lake and Redbud Community Hospital Employees Association, referenced in Section (5)(E) of AHW’s Application for Consent, is still in effect.

(6) The MFA has been amended by the parties to reflect an anticipated closing date of June 1, 2019. A copy of the First Amendment to Master Formation Agreement is included in

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1 Heritage is a California nonprofit public benefit corporation. AHPN is a California nonprofit religious corporation.
2 St. Joseph Hospital of Eureka and Redwood Memorial Hospital of Fortuna operate under the same collective bargaining agreements.
Tab 3. A copy of the First Amendment to the Master Formation Agreement will also be posted on the Applicants’ respective websites (and hospital websites) as part of this response within 24 hours of the date of this letter.

(7) Appendix E (True-Up Calculation) to the Operating Agreement of the ST Network, LLC, was contemplated by the parties to apply only (i) in the event of a dissolution of the company and (ii) an adjustment is required to the distribution of assets to the members of the company in the event of a dissolution. The parties do not anticipate completing Appendix E prior to the closing of the proposed transaction. The parties will complete the appendix, if at all, at a later date.

(8) Section 999.5(d)(3) of Title 11 of the California Code of Regulations, including subsection (d)(3)(A), request information pertaining to “Inurement and Self-Dealing.” Inurement, private benefit and self-dealing are legal terms with specific meanings under the Internal Revenue Code (IRC) and the California Nonprofit Public Benefit Corporation Law. Inurement involves payments to private persons that are in excess of fair market value; private benefit occurs when a charitable organization is operated for personal benefit and not to carry out its charitable purposes; and self-dealing occurs when a member of the board of directors of a California public benefit corporation is a party to a transaction with the charitable corporation and not in compliance with the standards set forth in Cal. Corp. Code § 5233. Under both state and federal law, officers and directors of non-profit public charities may be paid fair and reasonable compensation for services rendered to the charitable corporation. (See, IRC §4958; Calif. Corp. Code §5233; Tax Management Portfolio #451, Tax Exempt Organization Requirements.)

As indicated in Section (3)(A) of SJHS’s and AHW’s Applications for Attorney General Consent, certain executives of SJHS and AHW will become officers and/or employees of the ST Network, LLC. The MFA identifies Kevin Klockenga as the initial President and Chief Executive Officer for the ST Network, LLC. Additional officers and employees of the ST Network, LLC have yet to be appointed. However, each of said persons will be compensated at a level that does not exceed fair market value and all such compensation arrangements will be approved in accord with the standards and policies prescribed pursuant to IRC 4958 and Treasury Regulations § 53.4958-4(b)(1)(ii)(A).

As such, by definition, there will be no inurement, private benefit, or self-dealing involved in the selection and compensation of such persons as officers and/or employees of ST Network, LLC.

(9) AHW anticipates no changes to the types of services available to Medi-Cal recipients at any of its facilities that will be part of the ST Network.
(10) With respect to its facilities that become part of the ST Network, and for at least the next five years, AHW expects to continue to provide community benefit programs at overall levels that are consistent with the historical levels of community benefits provided at those facilities.

(11) Attached at Tab 4 are copies of the current operating and governing agreement and documents for St. Joseph Health Northern California, LLC. These documents were also previously included in Section (4)(B) of SJHS’s Application for Attorney General Consent.

(12) Attached at Tab 5 are numerous letters of support for the proposed transaction between SJHS and AHW that have been received from, inter alia, elected officials, county agencies, local community groups and other interested citizens.

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If you have any questions about the foregoing responses, or require any additional information, please let us know. Thank you for your professional courtesy and cooperation in this matter.

Sincerely,

James R. Schwartz

cc: Quyen Toland, Esq.
Douglas Ross, Esq.
Peggy Ward, Esq.
TAB 1
CLINICAL INTEGRATION AND COLLABORATION AGREEMENT

This CLINICAL INTEGRATION AND COLLABORATION AGREEMENT (this “Agreement”) is entered into effective as of this [__ day of ____, 20__] (the “Effective Date”)¹, by and among St. Joseph Heritage Healthcare, a California nonprofit public benefit corporation (“Heritage”), Adventist Health Physician Network, a California nonprofit religious corporation (“AHPN” and, together with Heritage, the “Foundations”), and ST Network, LLC, a California limited liability company (“ST Network”). Heritage, AHPN and ST Network may hereafter be referred to individually as a “Party” and collectively as the “Parties.”

WHEREAS, AHPN and Heritage have each organized a network of ambulatory clinics and health care providers located in Northern California that provide high-quality and cost-effective professional medical care to patients;

WHEREAS, St. Joseph Health System, a California nonprofit public benefit corporation (“SJHS”), and Adventist Health System/West, a California nonprofit religious corporation d/b/a/ Adventist Health (“AH”), have jointly formed and are the sole members of ST Network;

WHEREAS, as of the Effective Date, pursuant to that certain joint operating agreement dated as of the Effective Date by and among SJHS, AH, and ST Network (the “Operating Agreement”), ST Network will, from and after the Effective Date, operate and manage St. Joseph Hospital of Eureka, Redwood Memorial Hospital of Fortuna, Santa Rosa Memorial Hospital, and Queen of the Valley Medical Center (the “SJHS Hospitals”) and Adventist Health Howard Memorial, Adventist Health Ukiah Valley, Adventist Health Clear Lake, and St. Helena Hospital (the “AH Hospitals”, and, together with the SJHS Hospitals, the “Network Hospitals”);

WHEREAS, the Foundations, SJHS (on behalf of the SJHS Hospitals) and AH (on behalf of the AH Hospitals) currently engage in and/or seek to engage in risk-based, value-based and other reimbursement arrangements with health insurers, health maintenance organizations, health plans and other third-party payors, which agreements may obligate the Foundations or the Network Hospitals to provide services to individuals covered under such agreements on a capitated, risk-sharing, shared savings, or other coordinated basis;

WHEREAS, the Parties and the Network Hospitals share the common goal of providing high quality, cost-effective, and clinically integrated health care services within the counties of Humboldt, Lake, Mendocino, Napa, Solano and Sonoma (the “ST Network Region”);

NOW, THEREFORE, the Parties agree as follows:

1. **Purpose.** This Agreement is intended to serve as an outline of the mutual intention and agreement of the Parties to devote time, personnel and resources toward creating a program of clinical integration among the Parties in order to improve the quality, coordination, and cost-effectiveness of health care delivered by the Parties and the Network Hospitals within the ST Network Region. The Parties agree to work together in good faith to accomplish the goals as outlined in this Agreement. The Parties acknowledge and agree that this Agreement and all rights and obligations set forth herein are limited in scope to Heritage and its operations in the

¹ The Effective Date of this Agreement will be the Effective Date of the Operating Agreement.
ST Network Region, to AHPN and its operations within the ST Network Region, and to the Network Hospitals, including all rural health clinics and/or hospital-based outpatient clinics operated by SJHS Hospitals and AH Hospitals, and that this Agreement shall have no impact on the operations or activities of AH, SJHS, Heritage or AHPN outside of the ST Network Region. For purposes of this Agreement:

(a) “AH Physicians” shall mean physicians employed by or under contract with a medical group that (i) is party to a contract with AHPN to provide professional services in the ST Network Region, or (ii) is party to a contract with an AH Hospital to provide professional services at a hospital-licensed outpatient clinic in the ST Network Region.

(b) “SJHS Physicians” shall mean physicians employed by or under contract with a medical group that (i) is party to a contract with Heritage to provide professional services in the ST Network Region, or (ii) is party to a contract with an SJHS Hospital to provide professional services at a hospital-licensed outpatient clinic in the ST Network Region.

(c) “ST Network Physicians” shall mean AH Physicians and SJHS Physicians.

2. Clinical Integration Model. The Parties shall exercise good faith, commercially reasonable efforts to accomplish the steps necessary and appropriate to implement a model of clinical integration as described in this Agreement. In furtherance of the development of a model of clinical integration, which may include the development and implementation by ST Network or a separate legal entity owned and/or controlled by ST Network (the “CIN Entity”) of a clinically integrated network (the “CIN”), Heritage and AHPN will:

(a) Participate in good faith in the development and ongoing implementation of the model of clinical integration and/or the CIN; and

(b) Engage in various clinical integration activities in coordination with ST Network, the Network Hospitals and/or the CIN Entity, including:

(i) Implementing mechanisms to monitor and control utilization of healthcare services in a manner that is designed to control costs and assure quality of care (e.g., ongoing care management, concurrent and retrospective review of inpatient hospital stays, etc.);

(ii) Jointly developing population health management strategies to improve coordination of care for patients;

(iii) Engaging in joint initiatives to improve the quality of clinical care provided by the Parties;

(iv) Undertaking special projects and initiatives to achieve improved outcomes for members, e.g., collaboration on discharge planning
and post-discharge care with the objective of reducing hospital readmissions;

(v) Facilitating the exchange of clinical and other information between the Parties through the creation and adoption of compatible electronic health records, patient registries, computerized provider order entry capability, health information exchange, clinical data repositories, and/or other information technology platforms;

(vi) Developing clinical practice standards and protocols that are clinically-based and designed to improve quality of care while also controlling costs;

(vii) Providing education to ST Network Physicians to facilitate implementation of clinical practice standards and other clinical integration initiatives; and

(viii) Implementing performance metrics and routine evaluations of ST Network Physicians in order to measure performance, assess practice patterns, and identify areas for improvement, which shall include physician scorecards and performance incentives.

3. Resources to Fulfill Agreement. ST Network, Heritage and AHPN shall designate administrative, clinical, and financial resources to support the development and implementation of the model of clinical integration and/or CIN in accordance with this Agreement. These resources, at a minimum, shall include:

(a) Designated employee(s) or contractor(s) (fully or partially dedicated) responsible for project management and deployment of internal resources to achieve clinical integration tasks and milestones;

(b) Designated employee(s) or contractor(s) (fully or partially dedicated) responsible for key aspects of clinical integration, including but not limited to, information technology improvements, clinical standards of practice, physician evaluations, and quality improvement.

(c) Designated principal(s), director(s), officer(s) or employee(s), as required by ST Network and/or the CIN Entity to participate in the governance and ongoing operation of the CIN in furtherance of the clinical integration and other business objectives of the CIN.

(d) Designated employee(s) or contractor(s) (fully or partially dedicated) responsible for monitoring of risk pool and quality measure performance, and payor reporting.

4. Term and Termination. The term of this Agreement shall begin on the Effective Date and continue until terminated by the Parties (the “Term”). Any Party may terminate this
agreement with or without cause, in either case without cost or penalty, upon written notice to
the other Parties.

5. **Scope of Clinical Services; Ethical and Religious Directives.** The Parties
acknowledge and agree that Heritage and the SJHS Hospitals are Catholic organizations that are
subject to the Ethical and Religious Directives for Catholic Health Care Services, as adopted or
amended by the United States Conference of Catholic Bishops from time to time (“ERDs”), and
that Heritage and the SJHS Hospitals will continue to comply with the ERDs after the Effective
Date. Notwithstanding the foregoing, the Parties further acknowledge and agree as follows:

(a) ST Network Physicians shall not be agents of ST Network as a result of the
Parties entering into this Agreement or pursuing the transactions and
arrangements contemplated herein, and ST Network Physicians shall be free to
use their independent professional judgment, and to refer patients to any hospital,
healthcare facility or physician to obtain medical care, including without
limitation those healthcare services which are not in accordance with the ERDs
and may not be provided on behalf of Heritage or an SJHS Hospital, subject to the
best interests of patient care, obligations under contracts with Plans, and
applicable law;

(b) No AH Physician shall be subject to the ERDs as a result of the Parties entering
into this Agreement or pursuing the transactions and arrangements contemplated
herein;

(c) Neither AH, AHPN, nor any AH Hospital shall be subject to the ERDs as a result
of the Parties entering into this Agreement or pursuing the transactions and
arrangements contemplated herein; and

(d) Any disputes between the Parties that are related to ERDs and arise out of this
Agreement or the transactions and arrangements contemplated herein shall be
governed by the dispute resolution provisions of Section 3.5 of the Operating
Agreement.

6. **Compliance with Laws.** The Parties recognize that any activities of the Parties
hereunder or in furtherance of this Agreement shall at all times be subject to, and limited by, all
applicable federal, state and local laws, rules and regulations, including, without limitation, laws
relating to antitrust and fraud and abuse. Notwithstanding anything in this Agreement that may
be construed to the contrary, the Parties intend to and will fully comply with all applicable laws,
including, without limitation, all applicable anti-trust laws and regulations in connection with
their activities and relationship arising from this Agreement.

7. **Confidentiality and Non-Disclosure.** Each Party agrees that it shall not disclose,
disseminate or distribute in any manner to any third party, or use, and shall cause its officers,
directors, agents, employees and authorized representatives not to disclose, disseminate or
distribute in any manner to any third party or use, any Confidential Information, nor make a copy
of any Confidential Information, except for such Party’s officers, directors, agents, employees
and authorized representatives (i) who have a bona fide need to know such Confidential
Information and (ii) who have agreed to abide by the terms of this Paragraph 6. Each of the Parties shall maintain and shall cause its officers, directors, agents, employees and authorized representatives to maintain the Confidential Information in strict confidence and to take such reasonable steps as may be necessary to prevent access by any unauthorized persons to the Confidential Information. The term “Confidential Information” shall mean all information, whether written or oral, relating to the business and affairs of a Party, furnished to the other Party hereto, and its officers, directors, employees, agents and authorized representatives, including the terms of this Agreement, or any subordinate agreement that may be entered into in connection herewith. The term “Confidential Information” shall not include that information which is specifically excluded in this Paragraph. Confidential Information shall not include information which is or becomes a matter of public information other than as a result of any act by the receiving Party) or any of its officers, directors, agents, employees or authorized representatives or which is or becomes lawfully known to the receiving Party) other than through the disclosure by the receiving Party or any of its officers, directors, agents, employees or authorized representatives.

8. Independent Contractors. In the performance of the work, duties and obligations of the Parties pursuant to this Agreement, each of the Parties shall at all times be acting and performing as an independent contractor, and nothing in this Agreement shall be construed or deemed to create a relationship of employer and employee or of partnership or joint venture.

9. Assignment. No Party shall assign, sell or otherwise transfer this Agreement, or any interest herein, without the prior written consent of the other Parties. Any attempted assignment of this Agreement by a Party shall be null and void unless such written consent is obtained.

10. Entire Agreement. This Agreement and all exhibits and other documents furnished pursuant to this Agreement and expressly made a part hereof shall constitute the entire agreement relating to the subject matter hereof between the Parties hereto. Each Party acknowledges that no representation, inducement, promise or agreement has been made, orally or otherwise, by another Party, or anyone acting on behalf of another Party, unless such representation, inducement, promise or agreement is embodied in this Agreement, expressly or by incorporation.

11. Amendments. No amendment to this Agreement shall be valid unless it is in writing and signed by the Parties.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

13. Waiver. The waiver by any Party of any breach by another Party of any of the provisions of this Agreement shall not constitute a continuing waiver or a waiver of any other breach of the same or of a different provision of this Agreement. There shall be no waiver unless in writing signed by the Party against whom the waiver is sought to be enforced.
14. **Third Party Beneficiaries.** The obligations of each Party to this Agreement shall inure solely to the benefit of the other Party, and no person or entity shall be a third-party beneficiary of this Agreement.

15. **Interpretation.** No provision of this Agreement is to be interpreted for or against a Party because that Party or that Party’s legal representative drafted such provision.

16. **Headings.** The headings which are used in this Agreement are for convenience only and shall not affect, in any manner, the meaning or interpretation of this Agreement.

17. **Duplicate Originals.** This Agreement may be executed in any number of counterpart copies, all of which constitute one and the same agreement and each of which shall constitute an original.

18. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors.

19. **Dispute Resolution.** This Agreement shall be governed by the dispute resolution provisions of Section 15 of the Operating Agreement; provided, however, for any disputes between the Parties that are related to ERDs and arise out of this Agreement or the transactions and arrangements contemplated herein, such disputes shall be governed by the dispute resolution provisions of Section 3.5 of the Operating Agreement.

20. **Attorneys’ Fees.** If any legal action shall be required by a Party to enforce the terms of this Agreement, or as a result of a breach or failure to comply with the terms of this Agreement by another Party, the prevailing Party in such action shall be entitled to judgment for all costs and disbursements provided by statute, and all costs reasonably actually incurred, including, without limitation, reasonable attorneys’ fees from the other Party.

[Signature Page to follow]
IN WITNESS WHEREOF, the Parties hereto have set their hands and seals the day and
year first above written.

St. Joseph Heritage Healthcare, a California
nonprofit public benefit corporation

By: ________________________________
Its: ________________________________

Adventist Health Physician Network, a
California nonprofit religious corporation

By: ________________________________
Its: ________________________________

ST Network, LLC, a California limited
liability company

By: ________________________________
Its: ________________________________
KEVIN A. KLOCKENGA, FACHE

3515 Kendell Hill Drive
Santa Rosa, CA  95404
E-mail:  KevinKlockenga@aol.com

EDUCATION

M.H.A. (1992) Health Administration Program, Washington University School of Medicine, St. Louis, Missouri

  Major:  Natural Science; Minor:  Business Administration, Dean’s List

PROFESSIONAL EXPERIENCE

St. Joseph Health System
August 2008 to present

July 2011 to present
Chief Executive Officer, Northern California Region
(5 hospital region within the 16 hospital St. Joseph Health System)

August 2008 to July 2012
President and Chief Executive Officer, St. Joseph Health System – Sonoma County
(2 hospital system in Sonoma County, CA within the 13 hospital St. Joseph Health System)

Catholic Healthcare West, Mercy Hospitals, Bakersfield, CA
(2 hospital system in Bakersfield, CA within the 45 hospital Catholic Healthcare West
(now Dignity Health) system)

October 2005 to August 2008
Chief Operating Officer

Responsible for the operations of two CHW hospitals in Bakersfield, California.

Memorial Hermann Healthcare System, Memorial Hermann Hospital, Houston, TX
(815 bed hospital located in the world renowned Texas Medical Center, the primary teaching hospital for the University of Texas Medical School and the Flagship hospital for the 9 hospital Memorial Hermann Healthcare System)
May 2003 to October 2005
Assistant Vice President, Operations

**Responsible for:** Service Line Management (*Cardiology, General Surgery, Oncology, Orthopedics*); Ambulatory Care Operations (All, including imaging); Acute Rehabilitation Services (PT/OT/Speech); Cardiac Cath Labs; Physician Practice Management (*Internal Medicine, OB/GYN, Med/Peds, Cardiology*); Ancillary Services (Audiology, Neurophysiology, Non-Invasive Cardiology); and, Support Services (Food and Nutrition Services and Environmental Services)

The University of Chicago Hospitals, Louis A. Weiss Memorial Hospital, Chicago, IL

August 2000 to May 2003
Vice President, Operations

**Responsible for:** Ambulatory Care Operations (*University of Chicago Clinics: Bone & Joint Center, Spine Center, Urology, General and Minimally Invasive Surgery, Medical Oncology, Plastic Surgery, Vascular Surgery and Vascular Lab; Diagnostic and Interventional Cardiac Catheterization Lab; Non-invasive Cardiology Lab; and, Radiation Oncology*), Physician Practice Management (Internal Medicine, OB/GYN, Cardiology, Oncology, Orthopedics, Geriatrics), Ancillary Services (Radiology (all modalities), Lab, Pharmacy, Respiratory Therapy) and Support Services (Maintenance, Design & Construction, Property Management, Clinical Engineering, Housekeeping, Food & Nutrition, Security, Parking Management, Patient Transport). 400 FTEs; $125M in Gross Revenue and $45M in Expenses.

Johns Hopkins University, School of Medicine, Department of Medicine, Baltimore, MD

April 1995 to August 2000
Assistant Administrator, Clinical Practice

Responsible for clinical practice of 140,000 ambulatory visits and $65M in professional fee revenue for 300 physicians.

March 1994 to April 1995
Manager, Ambulatory Care Operations

Managed operations of outpatient clinics with 83,000 annual patient visits.

The Methodist Hospital System, Houston, TX

June 1992 to March 1994
Executive Associate (Administrative Fellowship)

Rotated through all departments within the system corporation and five divisions of the hospital.
July 1993 to October 1993
Acting Assistant Manager, Public Safety

Responsible for managing six supervisors, fifty line employees and a $2M operating budget.

Barnes Hospital, St. Louis, MO

July 1990 to June 1992
Evening/Night Administrator

Responsible for acting on behalf of executive administration during the evening, night and weekend hours (while attending graduate school full-time).

Abraham Lincoln Memorial Hospital, Lincoln, IL

January 1989 to July 1990
Operations Coordinator

Under the direction of the President/CEO, coordinated assigned functions of the daily operations of the hospital, including serving as the Risk Manager.

May 1988 to January 1989
Administrative Intern

PROFESSIONAL AFFILIATIONS/LEADERSHIP

American College of Healthcare Executives – 1992 to present
- Chair, Early Career Development Committee (1993)
- Member, Program Committee (1993)
- Member, Early Career Development Committee (1992)
American Unity (Offshore Captive) – Board Member 2010-2016
California Hospital Association – Board Member 2013 to present
Medical Group Management Association - Member 1994-2005
North Bay Leadership Council – Board member 2009-2012
Sonoma County Health Action
Washington University School of Medicine, Health Administration Program Alumni Association
- Board Chair, 2012-2014
- Board of Directors, Director – 2004 to present
- Chair, Board Membership Committee – 2004-2010
- Co-Chair, Board Philanthropy Committee – 2004-2006
Western Health Advantage (HMO) – Board Member 2013 to present
FORMATION

Mission and Mentoring – 2009
Ministry Leadership Center – 2010-12
El Salvador Immersion Trip – 2010
SJH Heritage Pilgrimage (France) - 2010
CHA Ecclesiology and Spiritual Renewal Program for Health Care Leaders (Rome) - 2012
Sponsor Formation Program – 2015-present
TAB 3
FIRST AMENDMENT TO
MASTER FORMATION AGREEMENT

This FIRST AMENDMENT TO MASTER FORMATION AGREEMENT (this “Amendment”) is made and effective this 14th day of January, 2019, by and between ST. JOSEPH HEALTH SYSTEM, a California nonprofit public benefit corporation (“SJHS”) and ADVENTIST HEALTH SYSTEM/WEST a California nonprofit religious corporation doing business as ADVENTIST HEALTH (“AH”) (each, a “Party”, and collectively, the “Parties”). Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement (as defined below).

WHEREAS, the Parties entered into a Master Formation Agreement dated April 10, 2018 (the “Agreement”), pursuant to which the Parties will form an integrated health care delivery network in northern California; and

WHEREAS, the Parties desire to amend the Agreement to reflect the intended Closing date.

NOW THEREFORE, the Parties agree as follows:

1. Amendment of Agreement.

   a. Section 7.1 is hereby amended and restated in its entirety as follows:

   “7.1 Closing

      Subject to the satisfaction or waiver by the appropriate Party of all the conditions precedent to Closing specified herein, the consummation of the transactions described in this Agreement (the “Closing”) shall take place through the electronic exchange of documents on June 1, 2019, or such other date mutually agreed upon by the Parties (the “Closing Date”). The Closing will be effective as of 12:01 a.m. on the day following the Closing Date (the “Effective Time”).”

   b. Section 13.1(a)(iii) is hereby amended and restated in its entirety as follows:

   “(iii) by either Party if the Closing shall not have occurred on or before December 31, 2019; provided, however, that this provision shall not be available to SJHS if AH has the right to terminate this Agreement under subsection (iv) and this provision shall not be available to AH if SJHS has the right to terminate this Agreement under subsection (v);”

2. Remaining Provisions of the Agreement. The remaining provisions of the Agreement which are not amended hereby shall remain in full force and effect and shall not be affected by this Amendment.

3. Entire Agreement. This Amendment and the Agreement shall be read together as a single agreement, and together constitute the entire agreement between the Parties with respect to the subject matter hereof.

4. Counterparts; Facsimile Signatures. This Amendment may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall
constitute one and the same instrument. Facsimile signatures shall be treated as if they are original signatures.

IN WITNESS WHEREOF, the Parties have executed this Amendment to be effective as of the date first set forth above.

ST. JOSEPH HEALTH SYSTEM
By: ______________________________
    Mike Butler
Its: President
Date: 11/15/19

ADVENTIST HEALTH SYSTEM/WEST
By: ______________________________
    Scott Reiner
Its Chief Executive Officer
Date: ______________________________
constitute one and the same instrument. Facsimile signatures shall be treated as if they are original signatures.

**IN WITNESS WHEREOF**, the Parties have executed this Amendment to be effective as of the date first set forth above.

**ST. JOSEPH HEALTH SYSTEM**

By: ____________________________
    Mike Butler

Its: President

Date: ____________________________

**ADVENTIST HEALTH SYSTEM/WEST**

By: ____________________________
    Scott Reiner

Its Chief Executive Officer

Date: __/24/19
TAB 4
Amendment to Articles of Organization of a Limited Liability Company (LLC)

To change information of record for your California LLC, you can fill out this form, and submit for filing along with:

- A $30 filing fee.
- A separate, non-refundable $15 service fee also must be included, if you drop off the completed form.
- To file this form, the status of your LLC must be active on the records of the California Secretary of State, or if suspended, this form can only be filed to list a new LLC name. To check the status of the LLC, go to kepler.sos.ca.gov.

**Important!** To change the LLC addresses, or to change the name or address of the LLC's agent for service of process, you must file a Statement of Information (Form LLC-12). To get Form LLC-12, go to www.sos.ca.gov/business/be/statements.htm.

Items 4-6: Only fill out the information that is changing. Attach extra pages if you need more space or need to include any other matters.

For questions about this form, go to www.sos.ca.gov/business/be/filing-tips.htm.

1. **LLC's Exact Name** (on file with CA Secretary of State)
   St. Joseph Health Northern California, LLC

2. **LLC File No.** (issued by CA Secretary of State)
   201630710112

**Purpose**

3. The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

**New LLC Name** (List the proposed LLC name exactly as it is to appear on the records of the California Secretary of State.)

4. **Proposed LLC Name**
   The proposed new name must include: LLC, L.L.C., Limited Liability Company, Limited Liability Co., Ltd., Liability Co. or Ltd. Liability Company, and may not include: bank, trust, trustee, incorporated, Inc., corporation, or corp., insurer, or insurance company.

**Management** (Check only one.)

5. The LLC will be managed by:
   [ ] One Manager  [x] More Than One Manager  [ ] All Limited Liability Company Member(s)

**Amendment to Text of the Articles of Organization** (List both the current text, and the text as amended by this filing.)

6. See attached addendum.

**Read and sign below:** Unless a greater number is provided for in the Articles of Organization, this form must be signed by at least one manager, if the LLC is manager-managed or at least one member, if the LLC is member-managed. If the signing manager or member is a trust or another entity, go to www.sos.ca.gov/business/be/filing-tips.htm for more information. If you need more space, attach extra pages that are 1-sided and on standard letter-sized paper (8 1/2'' x 11''). All attachments are part of this document.

Assistant Secretary of St. Joseph Health System, its sole member

Your business title

Shannon G. Dwyer

Print your name here

Sign here

Make check/money order payable to: Secretary of State

Upon filing, we will return one (1) uncertified copy of your filed document for free, and will certify the copy upon request and payment of a $5 certification fee.

By Mail
Secretary of State
Business Entities, P.O. Box 944228
Sacramento, CA 94244-2280

Drop-Off
Secretary of State
1500 11th Street, 3rd Floor
Sacramento, CA 95814

2014 California Secretary of State
www.sos.ca.gov/business/be
ADDENDUM
TO
ARTICLES OF ORGANIZATION
OF
ST. JOSEPH HEALTH NORTHERN CALIFORNIA, LLC
(LLC File No. 201630710112)

7. Member.

The sole corporate member of the limited liability company is St. Joseph Health System, a California nonprofit corporation and qualifying organization as such term is defined in Article 9 of these Articles.

8. Exempt Purposes.

A. The limited liability company is organized and shall be operated exclusively for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Federal Tax Code”) and section 214 of the California Revenue and Taxation Code (the “California Tax Code”). It will be operated exclusively to further the exempt purposes of its members as specified in Federal Tax Code section 501(c)(3) and California Tax Code section 214.

B. No substantial part of the activities of the limited liability company shall consist of carrying on propaganda, or otherwise attempting to influence legislation (except as otherwise provided in Section 501(h) of the Federal Tax Code), and the limited liability company shall not participate or intervene in any political campaign (including the publication or distribution of statements) on behalf of any candidate for public office.

C. All property and assets of the limited liability company are irrevocably dedicated to exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214. No part of the net income or assets of the limited liability company shall ever inure the benefit of any officer thereof or to the benefit of any other private person, except that the limited liability company is authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of its exempt purposes.

9. Requirements for and Limitations on Membership.

Each member of the limited liability company must be a qualifying organization. A qualifying organization is an organization that is either: (i) an organization that qualifies for exemption under Federal Tax Code section 501(c)(3) and California Tax Code section 214; or (ii) a government entity that is considered a governmental unit or wholly owned instrumentality of a state or political subdivision for purposes of the Federal Tax Code and that is exempt from property taxation under section 3 of Article XIII of the California Constitution, as to property owned by the state under subdivision (a), or as to property owned by a local government under subdivision (b), or as to property used exclusively for public schools, community colleges, state colleges and state universities under subdivision (d). Any direct or indirect transfer of any...
Code section 501(c)(3) and California Tax Code section 214, and which has established its tax-
 exempt status under Federal Tax Code section 501(c)(3).

F. The limited liability company shall not distribute any assets to a member that ceases to
be a qualifying organization, and the limited liability company, interests in the limited liability
company (other than membership interests), or its assets may be availed of or transferred
(whether directly or indirectly), to a nonmember that is not a qualifying organization only in
exchange for fair market value.

11. Limitations on Amendments.

Any amendment to these Articles of Organization and the limited liability company
operating agreement must be consistent with Federal Tax Code section 501(c)(3) and California
Tax Code section 214, and such power to alter, amend or repeal the Articles of Organization and
the Operating Agreement shall be vised with St. Joseph Health System, subject to the reserved
rights of the Ministry.

12. Limitations on Mergers and Conversions.

The limited liability company is prohibited from merging with, or converting into, a for-
profit entity.

13. Compliance with State Law.

These Articles of Organization are consistent with the California Revised Uniform
Limited Liability Company Act, and are enforceable at law and in equity.
membership interest in the limited liability company to any person other than a qualifying organization is prohibited.

In the event that a member ceases to be a qualifying organization, such disqualified organization shall forfeit its membership interest in the limited liability company and all of its rights as member in the limited liability company shall be terminated no later than 90 days after the date on which it ceased to qualify as a qualifying organization. All qualifying members of the limited liability company will expeditiously and vigorously enforce all of their rights in the limited liability company and will pursue all legal and equitable remedies to protect their interests in the limited liability company.

10. Dedication of Assets.

A. The property owned by the limited liability company is irrevocably dedicated to exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214.

B. Upon dissolution, all assets remaining after the payment of liabilities shall be distributed for use in furtherance of the exempt purposes of the limited liability company set forth in Article 8 of these Articles, to the St. Joseph Health Ministry (the “Ministry”), a California nonprofit corporation and a qualifying organization that is organized and operated for exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214, if it is then in existence and a qualifying organization organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214.

C. If the Ministry is not then in existence or a qualifying organization being so operated, then all remaining assets shall be distributed to the Sisters of St. Joseph of Orange (the “Congregation”), a California nonprofit corporation and a qualifying organization that is organized and operated for exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214, if it is then in existence and a qualifying organization organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214.

D. If the Congregation is not then in existence or a qualifying organization being so operated, then all remaining assets shall be distributed to the participating health institutions of the limited liability company, all of which are qualifying organizations that are organized and operated for exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214, in such proportions as may be determined by Providence St. Joseph Health in its sole and reasonable discretion, if any such health institutions are still in existence and a qualifying organization organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code section 501(c)(3) and California Tax Code section 214.

E. If there are no such health institutions in existence or being a qualifying organization so operated, then all remaining assets shall be distributed exclusively to another organization(s) organized and operated exclusively for exempt purposes within the meaning of Federal Tax
1. Limited Liability Company Name (See instructions – Must contain an LLC ending such as LLC or L.L.C. "LLC" will be added, if not included.)

St. Joseph Health Northern California, LLC

2. Business Addresses

a. Initial Street Address of Designated Office in California - Do not list a P.O. Box

3345 Michelson Drive, Suite 100

City (no abbreviations) | State | Zip Code
----------------------|-------|-------
Irvine               | CA    | 92612

b. Initial Mailing Address of LLC, if different than Item 2a

City (no abbreviations) | State | Zip Code
----------------------|-------|-------

3. Agent for Service of Process

a. California Agent's First Name (if agent is not a corporation)

Shannon

Middle Name | Last Name | Suite
-------------|-----------|------
             | Dwyer     |      

b. Street Address (if agent is not a corporation) - Do not list a P.O. Box

3345 Michelson Drive, Suite 100

City (no abbreviations) | State | Zip Code
----------------------|-------|-------
Irvine               | CA    | 92612

c. California Registered Corporate Agent's Name (if agent is a corporation) - Do not complete Item 3a or 3b

4. Management (Select only one box)

The LLC will be managed by:

☐ One Manager  ☐ More than One Manager  ☑ All LLC Member(s)

5. Purpose Statement (Do not alter Purpose Statement)

The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

6. The Information contained herein, including in any attachments, is true and correct.

Organizer sign here

Shannon Dwyer, Secretary

Print your name here

2016 07 10

201630710112

FILED
Secretary of State
State of California
OCT 27 2016

This Space For Office Use Only

LLC-1 (REV 06/2016)
Welcome to California

Congratulations on the registration of your limited liability company with the California Secretary of State. Please see below for important information.

Required Statement of Information

California law requires limited liability companies to keep their public record updated by filing a Statement of Information with the California Secretary of State.

Limited liability companies must file a complete Statement of Information (Form LLC-12) within the first 90 days of filing the Articles of Organization or Application to Register, and then every 2 years after that before the end of the month of the registration date.

Statements of Information for limited liability companies must be submitted on paper to the California Secretary of State, and can be mailed or delivered in person (drop off) to the Sacramento office. Additional information regarding Statements of Information, including forms, instructions and current fees is available at www.sos.ca.gov/business/be/statements.htm.

Current processing times for Statements of Information may be found at www.sos.ca.gov/business/be/processing-times.htm.

Other Business Information and Resources

All business entities are subject to state and federal tax laws. You may wish to contact the following agencies to assist you with these issues:

- Internal Revenue Service – www.irs.gov or call (800) 829-1040 for forms and issues concerning Federal tax, employer identification numbers, subchapter S elections
- Franchise Tax Board – www.ftb.ca.gov or call (800) 852-5711 for forms and issues concerning franchise tax and state income tax requirements
- State Board of Equalization – www.boe.ca.gov or call (916) 445-6464 for forms and issues concerning sales taxes or use taxes

Please refer to www.sos.ca.gov/business/be/resources.htm for a list of other agencies you may need to contact to ensure proper compliance with the laws of the State of California. Please be aware that the California Secretary of State does not license limited liability companies. For licensing requirements, please contact the California city and/or county where the principal place of business is located and/or the state agency, or board with jurisdiction over the activities of the limited liability company.
OPERATING AGREEMENT

OF

ST. JOSEPH HEALTH NORTHERN CALIFORNIA, LLC

(a California Limited Liability Company)

Dated and Effective

as of

March 8, 2017
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OPERATING AGREEMENT

of

ST. JOSEPH HEALTH NORTHERN CALIFORNIA, LLC
(a California Limited Liability Company)

This Operating Agreement is dated effective as of March 8, 2017, by and between St. Joseph Health Northern California, LLC, a California limited liability company (the “Company”) and St. Joseph Health System, a California nonprofit public benefit corporation, as the sole member of the Company (“SJHS” or the “Member”). Capitalized terms used in the text of this Agreement shall have the meanings ascribed, to them by definition in this Agreement or in Appendix A attached hereto and incorporated herein by this reference.

1. Articles of Organization. Articles of Organization for the Company were filed on October 27, 2016, the date on which the term of the Company began. The Articles of Organization were amended on December 27, 2016.

2. Name. The name of the Company is “St. Joseph Health Northern California, LLC.” The business of the Company may be conducted under that name or, upon compliance with applicable laws, any other name that the Governing Board deems appropriate or advisable, including as to the four hospitals owned and operated by the Company, the following fictitious business names: Santa Rosa Memorial Hospital, Queen of the Valley Medical Center, St. Joseph Hospital of Eureka and Redwood Memorial Hospital of Fortuna (the “Hospitals” or “hospital ministries”), subject to the reserved rights of the Member.

3. Purpose.

3.1. Principal Purpose. The principal purpose of the Company is to carry on any lawful business or activity which may be conducted by a limited liability company under the California Revised Uniform Limited Liability Company Act, as amended from time to time (the “Act”), including specifically the ownership, maintenance, promotion and operation of the four Hospitals as well as related charitable health programs and businesses, and to exercise all other powers necessary or reasonably connected or incidental to such purpose and business that may be legally exercised by the Company under the Act.

3.2. Agreement Regarding Furtherance of Charitable Purpose. The Company and its Member acknowledge that the Member is a California nonprofit public benefit corporation exempt from taxation pursuant to Federal Tax Code Section 501(c)(3). In this regard, the Company and the Member hereby agree as follows:

(a) The business of the Company shall at all times be operated and managed in compliance with the mission and charitable purposes of the Member within the meaning of Federal Tax Code Section 501(c)(3);

(b) The charitable purposes of the Member shall override any duty to maximize profits and shall serve as a guiding principle for the Member and the Governing Board in their decisions and voting on all matters;
(c) In carrying out its Member’s charitable purposes of promoting health and subject to the principle that community benefit overrides any duty to maximize profits, the Company will:

(i) Further the accomplishment of the tax-exempt purposes of the Member by enhancing the quality, availability, convenience, and access of health care services provided within the Service Areas of each of the Hospitals, and by otherwise promoting the general health and well-being of the persons residing in the Service Areas of each of the Hospitals;

(ii) Participate in Medicare and Medicaid programs to the extent permitted by applicable law;

(iii) Will cause Company providers to provide quality health care and health services to all persons needing care without regard to race, creed, color, religion, national origin, citizenship, sex, disability, age, insurance coverage, or ability to pay;

(iv) Abide by a conflicts of interest policy that (1) requires members of the Governing Board to disclose relevant financial interests, (2) provides a procedure for the Company to determine whether a conflict of interest exists and (3) sets forth a process to address any conflicts that arise; such a policy would also address remedial action for members of the Governing Board that fail to comply with the policy;

(v) Act consistently with the charity care policies of the Member to ensure that quality care services are available and provided to all members of the community and that no individual will be denied care by the Company based on the individual’s financial status or inability to pay for the full cost of services rendered by the Company; and

(vi) Request that the Governing Board provide to the Member, on an annual basis, a report summarizing the community benefits of the Company, including specifically charity care provided, for said period.

3.3. Compliance with Ethical and Religious Directives. For so long as SJHS or any of its Affiliates is a Member, the Company and SJHS acknowledge that the Member operates in a manner that is consistent with the SJHS Mission and Core Values and the Roman Catholic moral tradition as articulated in such documents as the ERDs.


(a) Exempt Purposes.

(i) The Company is organized and shall be operated exclusively for one or more exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and Sections 214 and 23701d of the California Revenue and Taxation Code (the “California Tax Code”). It will be operated exclusively to further the exempt purposes of its members as specified in Federal Tax Code Section 501(c)(3) and California Tax Code Sections 214 and 23701d.

(ii) No substantial part of the activities of the Company shall consist of carrying on propaganda, or otherwise attempting to influence legislation (except as
otherwise provided in Section 501(h) of the Federal Tax Code), and the Company shall not participate or intervene in any political campaign (including the publication or distribution of statements) on behalf of any candidate for public office.

(iii) All property and assets of the Company are irrevocably dedicated to exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214. No part of the net income or assets of the Company shall ever inure the benefit of any officer thereof or to the benefit of any other private person, except that the Company is authorized and empowered to pay reasonable compensation for services rendered, and to make payments and distributions in furtherance of its exempt purposes.

(b) Requirements for and Limitations on Membership.

(i) Each member of the Company must be a qualifying organization. A qualifying organization is an organization that is either: (i) an organization that qualifies for exemption under Federal Tax Code Section 501(c)(3) and California Tax Code Section 214; or (ii) a government entity that is considered a governmental unit or wholly owned instrumentality of a state or political subdivision for purposes of the Federal Tax Code and that is exempt from property taxation under Section 3 of Article XIII of the California Constitution, as to property owned by the state under subdivision (a), or as to property owned by a local government under subdivision (b), or as to property used exclusively for public schools, community colleges, state colleges and state universities under subdivision (d). Any direct or indirect transfer of any membership interest in the Company to any person other than a qualifying organization is prohibited.

(ii) In the event that a member ceases to be a qualifying organization, such disqualified organization shall forfeit its membership interest in the Company and all of its rights as member in the Company shall be terminated no later than 90 days after the date on which it ceased to qualify as a qualifying organization. All qualifying members of the Company will expeditiously and vigorously enforce all of their rights in the Company and will pursue all legal and equitable remedies to protect their interests in the Company.

(c) Dedication of Assets.

(i) The property owned by the Company is irrevocably dedicated to exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214.

(ii) Upon dissolution, all assets remaining after the payment or provision for payment of debts and liabilities shall be distributed for use in furtherance of the exempt purposes of the Company set forth in Article 3 of this Agreement, to the St. Joseph Health Ministry ("SJHM"), a California nonprofit corporation and a qualifying organization that is organized and operated for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, if it is then in existence and a qualifying organization organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, as those sections now exist or may subsequently be amended.
(iii) If SJHM is not then in existence or a qualifying organization being so operated, then all remaining assets shall be distributed to the Sisters of St. Joseph of Orange (the "Congregation"), a California nonprofit corporation and a qualifying organization that is organized and operated for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, if it is then in existence and a qualifying organization organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, as those sections now exist or may subsequently be amended.

(iv) If the Congregation is not then in existence or a qualifying organization being so operated, then all remaining assets shall be distributed to the participating health institutions affiliated with the Member, all of which are qualifying organizations that are organized and operated for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, in such proportions as may be determined by PSJH in its sole and reasonable discretion, if any such health institutions are still in existence and a qualifying organization organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, as those sections now exist or may subsequently be amended.

(v) If there are no such health institutions in existence or being a qualifying organization so operated, then all remaining assets shall be distributed exclusively to another organization(s) organized and operated exclusively for exempt purposes within the meaning of Federal Tax Code Section 501(c)(3) and California Tax Code Section 214, and which has established its tax-exempt status under Federal Tax Code Section 501(c)(3) and California Tax Code Sections 214 and 23701d, as those sections now exist or may subsequently be amended.

(vi) The Company shall not distribute any assets to a member that ceases to be a qualifying organization, and the Company, interests in the Company (other than membership interests), or its assets may be availed of or transferred (whether directly or indirectly), to a nonmember that is not a qualifying organization only in exchange for fair market value.

(d) Limitations on Amendments. Any amendment to the Articles of Organization and the operating agreement must be consistent with Federal Code Section 501(c)(3) and California Tax Code Section 214, and such power to alter, amend or repeal the Articles of Organization and the Operating Agreement shall reside with the Member, subject to the reserved powers of PSJH.

(e) Limitations on Mergers and Conversions. The Company is prohibited from merging with, or converting into, a for-profit entity.

(f) Compliance with State Law. The Articles of Organization of the Company are consistent with the Act, and are enforceable at law and in equity.

3.5. Hospital Ministries. Each of the four hospital ministries owned and operated by the Company shall be operated as a separate division, with its own budgets, financial statements, on-site management and workforce.
4. **Term.** The term of the Company shall be perpetual, unless the Company is earlier dissolved in accordance with Article 12.

5. **Principal Place of Business.** The principal place of business of the Company shall be 1165 Montgomery Drive, Santa Rosa, CA 95405. The Manager may relocate the principal place of business or establish additional offices from time to time.

6. **Registered Office and Registered Agent.** The Company’s initial registered agent and the address of its initial registered office are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shannon Dwyer</td>
<td>3345 Michelson Drive, Suite 100,</td>
</tr>
<tr>
<td>PSJH General Counsel, Assistant</td>
<td>Irvine, CA 92612</td>
</tr>
<tr>
<td>Corporate Secretary</td>
<td></td>
</tr>
</tbody>
</table>

The registered office and registered agent may be changed by the Governing Board from time to time in accordance with the requirements of the Act.

7. **Member.**

7.1. **Name and Address.** The name and address of the Member are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Joseph Health System</td>
<td>3345 Michelson Drive, Suite 100</td>
</tr>
<tr>
<td></td>
<td>Irvine, CA 92612</td>
</tr>
</tbody>
</table>

7.2. **Reserved Powers.** The Company shall be operated and controlled by the Governing Board, except that certain powers shall be reserved to the Member and its corporate member, PSJH, to further the purposes and philosophy of the health care ministry of the Congregation, in accordance with the tradition, teachings, spirit and ethical principles of the Roman Catholic Church. The powers reserved to the Member may be initiated and exercised by the Member or if initiated by the Governing Board, must be submitted to and receive approval of the Member, and the action of the Member shall be final, subject to any further reserved rights of PSJH. The powers reserved to PSJH and the Member are set forth in the Authority Matrix.

7.3. **Action by the Member.** The Member shall act by vote of its governing board subject only to limitations or requirements imposed by the Articles of Incorporation, Bylaws and Authority Matrix of the Member or applicable law.

7.4. **Proof of Action.** The vote, written assent or other action of the Member shall be evidenced by, and the Company shall be entitled to rely upon, a Certificate of the Secretary of the Member stating (i) the actions taken by the Member, (ii) that such actions were taken in accordance with the Articles of Incorporation and Bylaws of the Member, and (iii) the authorization of the Member for such certification.
7.5. **Requests for Action by Member.** Requests for action by the Member or its corporate member may be made through the Chief Executive of the Member or such other person as the Board of Trustees of the Member shall designate.

7.6. **Meetings of the Member.** Meetings of the Member shall be held in accordance with its Bylaws and applicable law.

7.7. **Limited Liability.** Except as provided under the Act or as expressly set forth in this Agreement or another agreement (such as a guarantee), the Member shall not be personally liable for any debt, obligation or liability of the Company, whether that liability or obligation arises in contract, tort or otherwise.

8. **Regulatory and Compliance Matters.**

8.1. **Compliance with Health Care Laws.** The Member understands that the Company’s operations are subject to the Health Care Laws, including the Anti-Kickback Statute. It is the intention of the Company and its Member that the Company be organized and operated in a manner that complies with the Anti-Kickback Statute and all other Health Care Laws.

8.2. **Compliance Matters.**

(a) The Member recognizes the need to conduct the operations of the Company in accordance with the highest standards of business ethics and integrity and in compliance with all applicable laws and regulations and governmental guidelines and pronouncements.

(b) The Company shall implement the Member’s Integrity, Compliance and Privacy Program, which is substantially based on the seven (7) elements of an effective compliance program as defined in the United States Federal Sentencing Guidelines, Chapter 8, Part B and all applicable elements of the Health Insurance Portability and Accountability Act of 1996, 45 CFR, Parts 160 and 164 with respect to any of its activities that relate to such standards. The compliance plan shall require that any material or significant Compliance Issues be brought promptly to the Governing Board’s attention. Upon request from either the Member or a member of the Governing Board, Company’s counsel or a compliance officer shall cause a confidential report to be delivered to the Member and/or the Governing Board on material compliance-related issues.

9. **Management of the Company.**

9.1. **Management by the Governing Board.** The business, property and affairs of the Company shall be the responsibility of a board of managers (the “Governing Board”). Except for situations in which the approval of the Member is expressly required by the Articles of Organization, this Agreement, the Act or the Authority Matrix, the Governing Board shall have, subject to this Agreement and applicable law, full, complete and exclusive authority, power and discretion to manage and control the business, property and affairs of the Company to make all decisions regarding the foregoing matters and to perform any and all other acts or activities customary or incident to the management of the Company’s business, property, and affairs including resolving matters involving the scope and intent of the terms of this Agreement.

(a) Regular Meetings. Regular meetings of the Governing Board shall be held on such dates and at such times and places (not less than once each calendar quarter) as the Governing Board shall from time to time determine. Regular meetings may be held without notice.

(b) Special Meetings. Special meetings of the Governing Board shall be held whenever called by or at the request of at least twenty-five percent (25%) of the Managers, but in no case may a special meeting be called by less than two (2) Managers. Special meetings of the Governing Board shall be held not less than ten (10) days after written notice is delivered to each Manager as provided in Section 17.11 (Notices). Notice of each such special meeting shall specify the date, time and place of the meeting, and shall specify the purpose of the meeting. Notice of any special meeting may be waived in writing (either before or after such meeting) and shall be waived by any Manager by attendance at or participation in the meeting, unless the Manager objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called, noticed or convened.

(c) Waiver. Whenever any notice is required to be given to any Manager under this Agreement, a waiver thereof in writing signed by such individual, whether before or after the time stated therein, shall be equivalent to the giving of such notice. All such waivers shall be made a part of the minutes of the meeting.

(d) Quorum for Meetings; Adjournment. The presence of a majority of Managers shall constitute a quorum at any meeting of the Governing Board. A majority of the Managers present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Managers who were not present at the time of the adjournment.

(e) Voting. Each Manager shall have one (1) vote on all matters. Managers may not vote by proxy.

(f) Manner of Acting; Minutes. If a quorum is present, the affirmative vote of a majority of the Managers present at a meeting of the Governing Board shall constitute the formal act of the Governing Board, except as may be otherwise specifically provided by the Act or this Agreement. Minutes of all meetings shall be maintained and distributed to each Manager promptly after each meeting.

(g) Action by Written Consent. Action required or permitted to be taken at a meeting of the Governing Board may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, executed by all Managers, and such consent shall have the same force and effect as a vote at a duly held meeting.

(h) Meeting Held by Telephone or Similar Communications Equipment. Meetings of the Governing Board may be conducted by conference telephone, electronic video screen communication or similar communications equipment, as long as all Managers participating in the meeting can speak to and be heard by each other at the same time, and participation by such means shall constitute presence in person at a meeting.
(i) **Conflicts of Interest Policy.** The Governing Board shall adopt the Member’s conflicts of interest policy to be applied to all Managers (the “Conflicts of Interest Policy”). The Conflicts of Interest Policy shall provide mechanisms for ensuring the disclosure of relevant financial interests and the manner in which such financial interests will be handled to prevent participation of interested Managers in Governing Board actions. The Conflicts of Interest Policy shall also provide that a conflict of interest shall not exist with respect to a Manager on account of such Manager’s simultaneous service as an officer of a Member and that, as such, Managers shall be able to act on matters presented to the Governing Board for decision with due regard for the interests of such Member, even if such interests conflict with the interests of the Company.

### 9.3. Designation of Managers.

(a) The Company shall have no more than nine (9) persons (“Managers”) serving on the Governing Board. The Member shall have the power and authority to appoint the Managers to the Governing Board, subject to the reserved powers of PSJH. The President/Chief Executive Officer of SJHS or designee shall serve as an ex officio Manager of the Governing Board with the right to vote. SJHM shall designate one (1) individual to serve as a Manager (“Designated Manager”). The designee of St. Joseph Health Ministry shall be, by preference, a member of the Congregation, but may be an otherwise qualified individual. The initial Managers are listed on Appendix B attached hereto.

(b) The term of office of the Managers shall be three (3) years, provided that the then-current Managers shall continue to serve in such capacity until their successors are duly appointed. Designated Managers will not have stated terms in office, but shall serve at the pleasure of SJHS or SJHM, respectively.

(c) Managers may be removed at any time by the Member.

(d) Managers may be re-elected for up to two (2) consecutive terms. However, Designated Members shall be *ex officio* voting members of the Governing Board.

(e) Any Manager may resign at any time by giving written notice to the Governing Board without prejudice to the rights, if any, of the Company under any contract to which that Manager is a party. The resignation of any Manager shall take effect upon receipt of that notice or at such later time as shall be specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

(f) A vacancy shall be declared in a seat on the Governing Board held by a Manager upon the death, disability, resignation or removal of such Manager. The Member shall fill the vacancy by appointing a replacement Manager.

### 9.4. Performance of Duties; Liability of Managers.

(a) **Fiduciary Duties of Managers and Member.** Pursuant to Section 17704.09 of the Act (as applicable to a manager-managed limited liability company):
(i) Each Manager owes the Company and the Member the fiduciary duties of loyalty and care.

(ii) Each Manager’s duty of loyalty to the Company and the Member is limited to the following: (i) to account to the Company and hold as trustee for the Company any property, profit, or benefit derived by such Manager in the conduct and winding up of the activities of the Company or derived from a use by such Manager of the Company property, including the appropriation of a Company opportunity; (ii) to refrain from dealing with the Company in the conduct or winding up of the activities of the Company as or on behalf of a party having an interest adverse to the Company; and (iii) to refrain from competing with the Company in the conduct or winding up of the activities of the Company.

(iii) Each Manager’s duty of care to the Company and the Member in the conduct and winding up of the activities of the Company is limited to refraining from engaging in grossly negligent or reckless conduct, intentional misconduct, or a knowing violation of law.

(iv) Each Manager and Member shall discharge its duties to the Company and the Member under the Act or this Agreement and exercise any rights consistent with the obligation of good faith and fair dealing.

(v) A Manager does not violate a duty or obligation under the Act or this Agreement merely because the Manager’s conduct furthers the Manager’s own interest.

(vi) Except as provided in the Act or this Agreement, a Member does not have any fiduciary duty to the Company or to any other Member solely by reason of being a Member.

(b) Certain Duties. In reference to the Managers’ fiduciary duties under this Agreement, the Member acknowledges and agrees that (i) a Manager appointed to the Governing Board has and will continue to owe a fiduciary duty to the Member that appointed said Manager, (ii) a Manager is not required to disregard or subjugate his or her fiduciary duty to his or her appointing Member in order to meet any fiduciary obligation to the Company, and (iii) no Manager will be in breach of any fiduciary duty for acting consistently with the foregoing. Similarly, any officer or member of a committee of the Governing Board is not required to disregard or subjugate his or her fiduciary duty to his or her employer in order to meet a fiduciary obligation, if any, to the Company, and no such person will be in breach of any such fiduciary duty for acting consistently with the foregoing.

(c) Reliance on Others. In performing its duties, the Governing Board is entitled to rely on information, opinions, reports or statements, including, but not limited to, financial statements and other financial data, of the following persons or groups unless it has knowledge concerning the matter in question that would cause its reliance to be unwarranted, and provided that the Governing Board acts in good faith and after reasonable inquiry when the need therefor is indicated by the circumstances:
(i) One or more officers, employees or other agents of the Company whom the Governing Board reasonably believes to be reliable and competent in the matters presented;

(ii) Any attorney, independent accountant, valuation consultant, or other person as to matters that the Governing Board reasonably believes to be within the person’s professional or expert competence; and

(iii) A committee (acting by a majority of its members) designated by the Governing Board, as to matters within its designated authority, if the Governing Board reasonably believes the committee merits its confidence.

(d) **Devotion of Time.** No Manager is obligated to devote all of his or her time or business efforts to the affairs of the Company, but shall devote whatever time, effort and skill he or she reasonably determines to be necessary and appropriate to satisfy his or her duties and obligations as a Manager.

9.5. **No Compensation.** Managers shall not be compensated for their services; however, the Company may reimburse the Managers for reasonable travel and other expenses incurred.

9.6. **Designation of Officers.** The Governing Board may, from time to time, set forth in writing a designation of officers of the Company, delegation to such officers such authority and duties as the Governing Board may deem advisable, and assignment of titles (including, but not limited to, chair, vice-chair, president, chief executive, vice-president, secretary and/or treasurer) to any such officer. Unless the Governing Board otherwise sets forth in writing, if the title assigned to an officer of the Company is one commonly used for officers of a business corporation formed under the California General Corporation Law, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are customarily associated with such office pursuant to the California General Corporation Law. Any number of titles may be held by the same officer. Any officer to whom a delegation is made pursuant to this Section shall serve in the capacity delegated unless and until such delegation is revoked by the Governing Board or such officer resigns.

9.7. **Agents.** The Governing Board may authorize one or more agents to enter into any contract or to otherwise act on behalf of the Company. Such authority may be general or defined to specific instances, but shall not exceed the authority of the Governing Board under this Agreement. Unless authorized to do so by this Agreement or by the Governing Board, no employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable for any purpose.

(a) **Committees of the Governing Board.** The Governing Board may from time to time establish committees and task forces as it deems necessary or appropriate and may by resolution, policy, or otherwise establish the composition, role, and duties of any committees; provided that, no committee shall have the power to take or approve action requiring approval of the Governing Board or the Member. Appointments to and removal from committees will be made by the Governing Board. The rules regarding notice, quorum and valid action of the committees shall be the same in substance as the procedures in Section 9.2(a) (Regular Meetings), Section 9.2(b) (Special Meetings), Section 9.2(c) (Waiver), Section 9.2(d) (Quorum of Meetings; Adjournment), Section 9.2(e) (Voting), Section 9.2(f) (Manner of Acting), Section 9.2(g) (Action by Written Consent), and Section 9.2(h) (Meeting Held by Telephone or Similar Communications Equipment), or otherwise as the Governing Board may agree.

(b) Committees may be formed by the Governing Board, consistent with the Governance Redesign Principles.

(c) **Community Ministry Board.** The Governing Board may, from time to time, delegate certain Board responsibilities to a Community Ministry Board as set forth in Community Ministry Board Bylaws or by policy. In matters that have been delegated by the Governing Board to a Community Ministry Board, the Community Ministry Board shall have full authority and be accountable to the Governing Board with respect to the matters delegated and shall serve as the governing body of the Corporation’s Ministry for fulfilling such delegated responsibilities consistent with applicable federal and state laws and regulations, meeting Medicare conditions of participation requirements, and fulfilling compliance with The Joint Commission’s requirements. The Medical Staff and Quality of Professional Services functions set forth in Section 13 and Section 14 are hereby delegated to the Community Ministry Boards.


10.1. **Capital Contribution.** The initial capital of the Company shall be received by mechanism of the Contribution Agreements. The Member may make additional capital contributions as it deems necessary or desirable from time to time.

10.2. **Distributions.** The Member may, in its discretion, cause the Company to make distributions of cash or other assets of the Company to the Member from time to time as permitted by the Act.

10.3. **Rights of Creditors and Third Parties.** This Agreement is entered into between the Company and the Member for the exclusive benefit of the Company, the Member, and their successors and assigns. This Agreement is expressly not intended for the benefit of any creditor of the Company or any other person. Except and only to the extent provided by applicable statute, no creditor or third party shall have any rights under this Agreement or any agreement between the Company and the Member with respect to any contribution or otherwise.

10.4. **Bank Accounts.** All receipts, funds and income of the Company shall be deposited in an account or accounts in the name of the Company in such bank or banks as shall be designated by the Governing Board. All such bank accounts shall be owned by the Company,
and the signatories for such bank accounts shall be persons designated by the Governing Board. The Governing Board may commingle the monies and funds of the Company with monies and funds of any other entity only pursuant to an appropriate cash management arrangement.

10.5. **Accounting Decisions and Reliance on Others.** All decisions as to accounting matters, except as otherwise specifically set forth herein, shall be made by the Member. The Governing Board may rely upon the advice of their accountants as to whether such decisions are in accordance with accounting methods followed for federal income tax purposes. Notwithstanding the foregoing, the Company shall be taxed as a corporation exempt from tax under Federal Tax Code Section 501(c)(3).

10.6. **Accounting Year.** The accounting year of the Company shall end on the last day of December of each year.

11. **Accounting and Records.** The books and records of the Company, showing the assets and liabilities, revenues and expenditures, and all other aspects of the operations, transactions and financial condition of the Company shall be kept, and the financial position and the results of its operations recorded, in accordance with the accounting method followed for federal income tax purposes. Such books initially shall be kept on an accrual basis; provided, however, that the Governing Board may from time to time change the accounting basis on which such books are kept as may be required or permitted by law. The books and records of the Company shall reflect all Company transactions and shall be appropriate and adequate for the Company’s business. At a minimum, the Company shall keep at its principal place of business the following records:

(a) A current list of the full name and last known business or residence address of each Member set forth in alphabetical order, together with the capital contributions, Capital Account, Units and Percentage Interest of each Member;

(b) The full name and business or residence address of each Manager;

(c) A copy of the Articles of Organization and any and all amendments thereto together with executed copies of any powers of attorney pursuant to which the Articles or any amendments thereto have been executed;

(d) Copies of the Company’s federal, state, and local income tax or information returns and reports, if any, for the six (6) most recent taxable years;

(e) A copy of this Agreement and, any all amendments hereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendments thereto have been executed;

(f) Copies of the financial statements of the Company for the six (6) most recent years;

(g) The books and records of the Company as they relate to the internal affairs of the Company for at least the current and past four fiscal years; and
(h) A true copy of business records relevant to the amount, cost, and value of all property owned, claimed, possessed by, or controlled by the Company within any county in California.

12. Dissolution and Liquidation.

12.1. Events of Dissolution. The Company shall dissolve upon the earlier of:

(a) the written agreement of the Member;

(b) the sale, transfer or other disposition of all or substantially all of the Company’s assets unless otherwise determined by the Member in writing;

(c) the entry of a decree of judicial dissolution under the Act; or

(d) The occurrence of any other event that makes it unlawful, impossible, or impractical to carry on the business of the Company.

12.2. Certificate of Dissolution. As soon as possible following the occurrence of any of the events specified in Section 12.1 (Events of Dissolution), the Member shall execute a Certificate of Dissolution in the form prescribed by the California Secretary of State and file the Certificate of Dissolution as required by the Act.

12.3. Winding Up. Upon the occurrence of any event specified in Section 12.1 (Events of Dissolution), the Company shall continue solely for the purpose of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors. The Governing Board shall be responsible for overseeing the winding up and liquidation of the Company, shall take full account of the liabilities of the Company and assets, shall either cause its assets to be sold or distributed, and if sold, as promptly as is consistent with obtaining the fair market value thereof, shall cause the proceeds therefrom, to the extent sufficient therefor, to be applied and distributed as provided in Section 12.4 (Order of Payments Upon Dissolution). The Governing Board winding up the affairs of the Company shall give written notice of the commencement of winding up by mail to all known creditors and claimants whose addresses appear on the records of the Company.

12.4. Order of Payments upon Dissolution. The proceeds of liquidation shall be applied first to the payment of all known debts and liabilities of the Company to creditors other than the Member, then to the payment of the Company’s debts and liabilities to Member, and thereafter as provided in Section 3.4(c) (Dedication of Assets).

12.5. Certificate of Cancellation. The Governing Board shall cause to be filed in the office of, and on a form prescribed by, the California Secretary of State, a certificate of cancellation of the Articles of Organization upon the completion of the winding up of the affairs of the Company.

13. Medical Staff.

13.1. Organization. The Community Ministry Board of each hospital ministry shall cause to be created a medical staff organization, to be known as the “Medical Staff” of the
hospital ministry, whose membership shall be comprised of all physicians, dentists, podiatrists and clinical psychologists who are privileged to attend patients in the hospital ministry. The term “physician” shall include physicians licensed by the State of California regardless of whether they hold an M.D. or D.O. degree. Membership in this medical staff organization shall be prerequisite to the exercise of clinical privileges in each Hospital, except as otherwise specifically provided in the Medical Staff Bylaws.

13.2. Medical Staff Bylaws; the Rules and Regulations.

(a) **Purpose.** The Medical Staff shall have the initial responsibility to formulate, adopt, and recommend to the Community Ministry Board, Medical Staff Bylaws and the Rules and Regulations for its internal governance by a voting procedure specified in the Medical Staff Bylaws. Medical Staff Bylaws and the Rules and Regulations shall be effective only when approved by the Community Ministry Board, which approval shall not be unreasonably withheld. The Medical Staff Bylaws shall create an effective administrative unit to discharge the functions and responsibilities assigned to the Medical Staff by the Community Ministry Board. The Medical Staff Bylaws and the Rules and Regulations shall state the purposes, functions and organization of the staff and shall set forth the policies by which the Medical Staff exercises and accounts for its delegated authority and responsibilities.

(b) **Procedure.** Proposed Medical Staff Bylaw changes will be presented to a meeting of the Community Ministry Board and mailed, including electronic mail, to each Community Ministry Board member at least seven (7) days prior to the meeting at which a vote is to be taken on adoption of the proposed change. No Medical Staff Bylaws or amendments shall become effective without approval by the Community Ministry Board as hereinabove provided. If approval is withheld, the reasons for doing so shall be specified by the Community Ministry Board in writing, and forwarded to the Chief of Staff, and the Medical Executive Committee and Bylaws (if applicable) Committee.

(c) The Community Ministry Board may propose amendments to the Medical Staff Bylaws that it considers necessary for compliance with laws or accreditation requirements or for effective operation of any Hospital. Notice of such proposals will be delivered in writing to the Medical Executive Committee of the Medical Staff for consideration and processing. If the Medical Staff informs the Community Ministry Board that it disagrees with the proposed amendments, the Community Ministry Board shall consider and give great weight to Medical Staff recommendations and views during its deliberations, and will initiate the conflict management process set forth in Section 13.6 if such disagreement cannot be resolved informally. If the Medical Executive Committee does not respond to the Community Ministry Board’s proposal within one hundred and eighty (180) days after receiving notice of it, the proposed Medical Staff Bylaws amendments will be deemed approved by the Medical Staff and become effective automatically.

13.3. Medical Staff Membership and Clinical Privileges.

(a) **Delegation to the Medical Staff.** The Medical Staff shall have the initial responsibility and authority to investigate and evaluate all matters relating to Medical Staff membership, clinical privileges and corrective action, and shall make specific recommendations
to the Community Ministry Board, in writing with appropriate supporting documentation, that will allow the Community Ministry Board to take informed action.

(b) Action by the Community Ministry Board. The Community Ministry Board shall consider all Medical Staff recommendations and take final action on all matters relating to Medical Staff membership, clinical privileges and corrective action. If the Community Ministry Board does not concur in a Medical Staff recommendation relative to Medical Staff membership, clinical privileges or corrective action, it shall refer the matter to an ad hoc committee consisting of three (3) members of the Medical Staff, one of whom shall be the Chief of Staff, three (3) non-physician members of the Community Ministry Board, and the Chief Executive Officer of the Hospital, for review and recommendation before a final decision is made by the Community Ministry Board. If the Medical Staff fails to adopt and submit any required recommendation within the time periods set forth in Medical Staff Bylaws, the Community Ministry Board shall act in any event. Such Community Ministry Board action without a Staff recommendation shall be based on the same kind of documented investigation and evaluation of current ability, judgment and character as is required for Staff recommendations.

(c) Criteria for Board Action. When acting on matters of Medical Staff membership, the Community Ministry Board shall consider the Medical Staff’s recommendations, the needs of the ministry and the community, and the criteria set forth in the Medical Staff Bylaws and Rules. In determining whether to grant clinical privileges to a practitioner, the Community Ministry Board shall consider the Medical Staff’s recommendations, the supporting information on which they are based, and the criteria set forth in the Medical Staff Bylaws. Membership and specific clinical privileges will be considered relative to, among other things, good patient care, professional qualifications, the Hospital’s purposes, needs and capabilities, and community needs. Membership and privileges decisions shall be made in a non-discriminatory manner and no aspect of Medical Staff membership or clinical privileges shall be limited or denied to a practitioner on the basis of gender, age, race, creed, color or national origin, handicap or disability.

(d) Terms and Conditions of Staff Membership and Clinical Privileges. The terms and conditions of Medical Staff membership and clinical privileges shall be specified in the Medical Staff Bylaws, and/or the Rules and Regulations (including any Department-specific rules and regulations), or as more specifically defined in the notice of individual appointment. Appointments to the Medical Staff may be for a maximum term of two (2) years.

(e) Procedure. The procedure to be followed by the Medical Staff and the Community Ministry Board in acting on matters of Medical Staff membership, clinical privileges and corrective action shall be specified in the Medical Staff Bylaws.

13.4. Fair Hearing Plan. Any adverse recommendation made by the Hospital’s Medical Executive Committee and/or any adverse action taken by the Community Ministry Board with respect to a practitioner’s Medical Staff membership, admitting prerogatives or clinical privileges shall, except under circumstances for which specific provision is made in the Medical Staff Bylaws and/or by contract, be accomplished in accordance with the Community Ministry Board approved Fair Hearing Plan then in effect. Such Plan shall provide for procedure to assure fair treatment and afford opportunity for the presentation of all pertinent information. For the purposes of this Section, an “adverse recommendation” of the Medical Staff Executive Committee and an “adverse action” of the Board shall be as defined in the Fair Hearing Plan.
13.5. **Allied Health Professionals.** The Medical Staff shall have the initial responsibility and authority to investigate and evaluate each application by an allied health professional for specified services, department affiliation and modification in the services such allied health professional may perform. The Medical Staff or a designated component thereof shall make recommendations to the Community Ministry Board or to its designee on each such application.

13.6. **Conflict Resolution between the Medical Staff and the Community Ministry Board.** Conflict between the Medical Staff and the Community Ministry Board is resolved according to the Dispute Resolution Policy, as such policy may be amended from time to time, subject to the approval of such policy by the Hospital’s Medical Executive Committee and the Community Ministry Board.

14. **Quality of Professional Services.**

14.1. **Community Ministry Board Responsibility.** The Community Ministry Board is ultimately accountable for the safety and quality of care, treatment and services provided at each Hospital. The Community Ministry Board shall require that: (a) the Medical and Administrative Staffs prepare and maintain adequate and accurate medical records for all patients; (b) there is one level of patient care in each Hospital, so that all patients with the same health problems receive the same level of care, consistent with the professional standards of the community and the Hospital, and that no patient is discriminated against on the basis of race, creed, color, age, religion, sex or ability to pay; and (c) the person responsible for each basic and supplemental medical service cause written policies and procedures to be developed and maintained and that such policies be approved by the Community Ministry Board. The Community Ministry Board shall further require, after considering the recommendations of the Medical Staff, the conduct of specific review and evaluation activities to assess, preserve and improve the overall quality and efficiency of patient care in the ministry. The Community Ministry Board shall provide whatever administrative assistance is reasonably necessary to support and facilitate the implementation and ongoing operation of these review and evaluation activities.

14.2. **Accountability to the Community Ministry Board.** Each Medical Staff shall be accountable to the Community Ministry Board for conducting activities that contribute to the preservation and improvement of the quality and efficiency of patient care provided in each Hospital. These activities shall include:

(a) The conduct of periodic meetings at regular intervals to review and evaluate the quality of patient care through a valid and reliable patient care audit procedure based upon a review of patient medical records;

(b) Ongoing monitoring of patient care practices through the defined functions of the Medical Staff, the other professional services and ministry administration;

(c) Definition of the clinical privileges which may be appropriately granted within the ministry and within each department, delineation of clinical privileges for members of the Medical Staff commensurate with individual credentials and demonstrated ability and judgment, and assignment of patient care responsibilities to other health care professionals consistent with individual licensure, qualifications and demonstrated ability;
(d) Provision of continuing professional education, shaped primarily by the needs identified through the review and evaluation activities;

(e) Review of utilization of the Hospital’s medical resources to provide for their allocation to meet the needs of the patients;

(f) Provision of input to and consultation on quality of care issues at the Hospital; and

(g) Such other measures as the Community Ministry Board may, after considering the advice of the Medical Staff and other professional services and ministry administration, deem necessary for the preservation and improvement of the quality and efficiency of patient care.

14.3. Documentation. The Community Ministry Board shall receive, consider and act upon the findings and recommendations emanating from the activities required by Section 14.2. All such findings and recommendations shall be in writing, signed by the persons responsible for conducting the review activities and supported and accompanied by appropriate documentation upon which the Community Ministry Board can take informed action.

15. Indemnification. The Company shall indemnify the Member and each Manager from and against any loss, liabilities, judgments, settlements, penalties, fines or expenses (including legal fees and expenses) incurred in a proceeding to which the Member (and the Member’s officers, directors, trustees, members, officers and employees) or a Manager is a party because he, she or it is, or was, a Member or a Manager; provided, that a Member or a Manager shall not be indemnified from or on account of acts or omissions of the Member or the Manager finally adjudicated to be a breach of this Agreement, gross negligence or reckless or intentional misconduct or a knowing violation of law by the Member or the Manager, conduct of a Member or a Manager adjudged to be in violation of the Act, or any transaction with respect to which it was finally adjudged that such Member or Manager received a benefit in money, property or services to which such Member or Manager was not legally entitled. The right to indemnification conferred in this Section 15 shall be a contract right and shall include the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition; provided, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the Company of an undertaking, by or on behalf of such Member or Manager to repay all amounts so advanced if it shall ultimately be determined that such Member or Manager is not entitled to be indemnified under this Section 15 or otherwise; provided, further, no Member or Manager shall be entitled to be paid such expenses in advance of final disposition in a proceeding that is brought against such Member or Manager by the Company or the Member.

The right to indemnification and payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Section 15 shall not be exclusive of any other right any Member or Manager may have or hereafter acquire under any statute, this Agreement, vote of the Member or otherwise.

No repeal or modification of the Act or this Section 15 shall adversely affect any right of a Member or a Manager to indemnification existing at the time of such repeal or modification for or
with respect to indemnification related to an act or omission of such Member or Manager occurring prior to such repeal or modification.

The Governing Board may purchase insurance with respect to its indemnity obligations under this Section 15.

16. Limitation of Liability. No Member or Manager shall have liability to the Company or its Member for monetary damages for conduct as a Member or a Manager, except for acts or omissions that involve a breach of this Agreement, gross negligence or reckless or intentional misconduct, a knowing violation of law, conduct violating the Act, or for any transaction from which the Member or the Manager has personally received a benefit in money, property or services to which the Member or the Manager was not legally entitled. If the Act is hereafter amended to authorize Company action further limiting the personal liability of the Member or Managers, then the liability of each Member or Manager shall be eliminated or limited to the full extent permitted by the Act, as so amended. No repeal or modification of the Act or this Section 16 shall adversely affect any right or protection of a Member or a Manager existing at the time of such repeal or modification for or with respect to an act or omission of such Member or Manager occurring prior to such repeal or modification.

17. Miscellaneous.

17.1. Assignment. The Member may assign in whole or in part its membership interest in the Company, subject to the reserved powers of PSJH.

17.2. Governing Law. This Agreement shall be construed and enforced in accordance with the internal laws of the State of California, including without limitation, the Act, without regard to the conflict of law’s provisions thereof.

17.3. Amendments. This Agreement may not be amended except by the written agreement of the Member.

17.4. Construction. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural and vice versa, and the masculine gender shall include the feminine and neuter genders and vice versa.

17.5. Headings. The headings in this Agreement are inserted for convenience only and shall not affect the interpretation of this Agreement.

17.6. Waivers. The failure of any person to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

17.7. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid, illegal or unenforceable to any extent, the remainder of this Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.
17.8. **Counterparts; Electronic Signature.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same agreement. This Agreement may be executed by facsimile or pdf signature by any party and such signature shall be deemed binding for all purposes hereof.

17.9. **Successors and Assigns.** Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective legal representatives, successors and assigns.

17.10. **Entire Agreement.** This Agreement, together with Appendices A and B, constitutes the entire Agreement between the parties hereto and supersedes any prior agreements, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof.

17.11. **Notices.** All notices, demands, requests, consents, reports, approvals, or other communications which may be or are required to be given, served, or sent pursuant to this Agreement shall be in writing and shall be (i) provided through Electronic Transmission by the Company or Electronic Transmission to the Company, (ii) mailed by first-class, registered or certified mail, return receipt requested, postage prepaid, (iii) hand-delivered, or (iv) delivered by overnight carrier. Notices shall be addressed to the Member as set forth in this Agreement, and addressed to the Company at the principle offices of the Company specified in this Agreement. Each Member or Company may designate by notice in writing a new address to which any such notice may thereafter be so given, served, or sent. Each notice which shall be mailed or transmitted in the manner described above shall be deemed sufficiently given, served, sent, or received for all purposes at such time as it is delivered to the addressee (with the return receipt or the delivery receipt being deemed conclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

*(Signatures on Following Page)*
IN WITNESS WHEREOF, the Member and the Company have adopted this Agreement effective as of the date first set forth above.

COMPANY: ST. JOSEPH HEALTH NORTHERN CALIFORNIA, LLC,
a California limited liability company

By: ____________________________
Name: Kevin Klockenga
Title: President

MEMBER: ST. JOSEPH HEALTH SYSTEM,
a California nonprofit public benefit corporation

By: ____________________________
Name: Annette M. Walker
Title: Chief Executive
Appendix A

Definitions

For purposes of this Agreement, the following terms shall have the meanings set forth in this Appendix A.

"Act" means California Revised Uniform Limited Liability Company Act, codified in California Corporations Code Section 17701.01 et seq., as it may be amended from time to time.

"Agreement" means this Operating Agreement, as originally executed and as may be amended in the future from time to time.

"Authority Matrix" means the Member’s Sponsorship/Governance/Management Authority matrix as the same may be amended from time to time.

"California Tax Code" has the meaning set forth as Section 3.4(e)(i) of the Agreement.

"Company" has the meaning set forth in the preamble to this Agreement

"Compliance Issue" means any event relating to the business or operations of Company, form or structure of the Company, or the performance by any person of any term, covenant, condition or provision of this Agreement that is likely to expose Company or the Member to a material risk of non-compliance with applicable laws and regulations and governmental guidelines and pronouncements, including but not limited to the Health Care Laws.

"Conflict of Interest Policy" has the meaning set forth in Section 9.2(i) of this Agreement.

"Congregation" has the meaning set forth in Section 3.4(c)(iii) of this Agreement.

"Contribution Agreements" means the contribution agreements with each of Santa Rosa Memorial Hospital, Queen of the Valley Medical Center, St. Joseph Hospital of Eureka and Redwood Memorial Hospital of Fortune.

"Electronic Transmission by the Company" means a communication (i) delivered by facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Company, (ii) delivered to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications under or pursuant to this Agreement, and (iii) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

"Electronic Transmission to the Company" means a communication (i) delivered by facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, that the Company has provided from time to time to the Member or Managers for sending communications to the Company, and (ii) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.
“ERDs” means The Ethical and Religious Directives of Catholic Health Care Services issued by the United States Conference of Catholic Bishops (“USCCB”), modified or amended from time to time by the USCCB, and applied or promulgated by the local Bishops.


“Governing Board” has the meaning set forth in Section 9.1 of this Agreement.

“Health Care Laws” means, to the extent applicable, (i) the False Claims Act, 31 U.S.C. §§3729 et seq.; (ii) Civil Monetary Penalties Law, 42 U.S.C. §1320a 7a; (iii) federal and state anti-kickback statutes, including, but not limited to, 42 U.S.C. §1320a 7b (also known as the “Anti-Kickback Statute”); (iv) federal and state referral laws, including, but not limited to 42 U.S.C. §1395nn (also known as the “Stark Law”); (v) criminal false claims statutes (e.g., 18 U.S.C. §§ 287 and 1001), (vi) the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. § 3801 et seq.), (vii) the anti-fraud and related provisions of the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology Economic Clinical Health Act of 2009 (e.g., 18 U.S.C. §§ 1035 and 1347), (viii) TRICARE Laws (10 U.S.C. § 1071 et seq.), (ix) rules or regulations promulgated pursuant to any of the foregoing statutes; (x) the laws regulating insurance, health benefit plans, carriers, insurers and issuers contained in Title 48 of the Revised Code of Washington, or (xi) any other federal or state law or regulation of general applicability to health care services fraud and kickback/fee-splitting prohibitions governing or regulating the delivery of health care services and management of health care providers, or regulating medical billing or reimbursement, including but not limited to all applicable Medicare and Medicaid statutes and regulations, in each case including the regulations promulgated under such laws, as amended and superseded from time to time.

“Hospitals” has the meaning set forth in Section 2 of the Agreement.

“Managers” has the meaning set forth in Section 9.3(a) of this Agreement.

“Member” means St. Joseph Health System, a California nonprofit public benefit corporation.

“Principles for Governance Redesign” means the Principles for Redesigned Governance Model within St. Joseph Health adopted by the Member.


“SJHM” means St. Joseph Health Ministry.
Appendix B

Initial Governing Board

1. James Houser
2. Sr. Mary Bernadette McNulty, CSJ
3. Conrad Hewitt
4. John Gierck, Jr.
5. George Bo-Linn, M.D.
August 8, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including addressing the social determinants of health for the most vulnerable in Napa County. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Jennifer Henn, PhD
Napa County Public Health
August 15, 2018

Attorney General Xavier Becerra  
California Department of Justice  
P.O. Box 944255  
Sacramento, CA 94244-2550

**SUPPORT FOR ADVENTIST HEALTH/ST. JOSEPH HEALTH PARTNERSHIP**

We are writing as a City Council to express the City of Clearlake’s support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company. Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

The City of Clearlake is a challenging population that has a high need for health and support services. The City has worked closely with Adventist Health to address critical needs in our community, including Project Restoration, a collaborative project that Adventist Health has spearheaded to assist the highest utilizers of emergency services in our area. Adventist Health has been at the forefront of working on local solutions to addressing issues caused by homelessness. Adventist has also been a supporter of our Senior Center and we are looking at other ways for Adventist to partner with the City of Clearlake on projects that improve the quality of life for residents of our city.

Through this work, we have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most.
for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Respectfully,

Mayor Bruno Sabatier
Vice Mayor Phil Harris
Councilmember Joyce Overton
Councilmember Nick Bennett
Councilmember Russ Cremer
August 16, 2018

Attorney General Xavier Becerra  
California Department of Justice  
P.O. Box 94255  
Sacramento, CA 94244-2550

Dear Attorney General Becerra:

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in the Napa County, including being a member of their Community Benefit Committee that identifies, prioritizes and approves programs that serve the most vulnerable and at risk community members particularly those who are homeless or at risk of being homeless in Napa County. Through this work, I have seen firsthand Queen of the Valley-St. Joseph Health’s commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come — especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to its respective culture, faith
tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come.

Thank you for your attention on this important matter.

Sincerely,

Lark Ferrell
Housing Manager
August 8, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including mental health and suicide prevention, which has been identified as a leading health issue in Napa County. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Michele Farhat, Director
Aldea Children & Family Services
Attorney General Xavier Becerra  
California Department of Justice  
P.O. Box 944255  
Sacramento, CA 94244-2550

August 1, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Adventist Health/St. Joseph Health to address critical needs in our community, including issues of homelessness, hunger, and medical care for our most vulnerable citizens. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

We have been told that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Darlene A. Spoor, Ed.D.  
Executive Director
August 8, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including safety-net food programs like our Napa Valley Food Bank and Meals on Wheels program for seniors. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

[Signature]

Dr. Drene Johnson
Executive Director
Community Action Napa Valley
Attorney General Xavier Becerra  
California Department of Justice  
P.O. Box 944255  
Sacramento, CA 94244-2550  

August 10, 2018  

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including **to support health insurance enrollment for children and families in Napa County.** Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Elba Gonzalez-Mares  
Executive Director  
Community Health Initiative  
2140 Jefferson Street, Suite D, Napa, California 94559 707.227.0830
August 7, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community, including serving on their Community Benefit Team, in partnership in the Sonoma Wine Country Senior Games, and in serving the senior community. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Marianne McBride
President and CEO
July 27, 2018

Attorney General Xavier Becerra  
California Department of Justice  
P.O. Box 944255  
Sacramento, CA 94244-2550

Dear Attorney General, Becerra:

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community, including addressing the health care workforce shortage through our local Health Career Academy and Summer Health Career Institute, hosted by Santa Rosa Junior College. Through this work, St. Joseph Health has shown their commitment to help young people connect to and find their path into viable health careers ensuring the economic vitality for them and their families. I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our community and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. I understand that this goal is central to the new network’s mission. Thank you for your attention on this important matter.

Sincerely,

Kathy Goodacre  
Executive Director

CTE Foundation Sonoma County  
1030 Apollo Way, Suite 200, Santa Rosa, 95407  
admin@ctesonomacounty.org, 707-708-7080  
www.ctesonomacounty.org  
TAX ID #46-5607272
August 13, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including oral health for low-income uninsured and underinsured children in Napa County. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Jocelle Gallagher
Executive Director
July 30, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

On behalf of the First 5 Sonoma County Commission, I would like to express support for the partnership between Adventist Health and St. Joseph Health, joining these two systems in a joint operating company (JOC). Adventist Health and St. Joseph Health have long-standing histories providing high quality health care, both here in Northern California and across the state. They have both demonstrated their commitment to advocating and caring for the most vulnerable residents of our state, playing critical roles in supporting the social safety net for low-income children, families and individuals.

First 5 Sonoma County has worked closely with St. Joseph Health to address critical needs for vulnerable children in our community, including ensuring that every child has access to health insurance and medical home, a major challenge prior to the passage of ACA. The commitment of St. Joseph Health to the health and well-being of poor and vulnerable children was a major factor in our success as a community to increase access, collaborating across health systems and providers to ensure children’s healthcare needs were met. St. Joseph Health has been a key partner to First 5 Sonoma County over the years in community-wide efforts to expand access to dental health care for children in high need communities. The St. Joseph Health System has long operated a mobile dental clinic to serve low-income residents in Sonoma County, and successfully expand this critical program to increase access to treatment in underserved neighborhoods. This has been an especially effective strategy for meeting children’s oral health and urgent treatment needs in areas where more permanent capacity has been under development.

Through this work, the Commission has seen firsthand St. Joseph Health’s commitment to ensuring that the poorest and most vulnerable Californians have access to needed health and support services. This new network created by partnering with Adventist Health will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is a moral imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care, especially to poor and vulnerable Californians. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come.

Thank you for your attention on this important matter.

Sincerely,

Angie Dillon-Shore
Executive Director
First 5 Sonoma County
July 3, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community through programs and technology; most recently supporting enhanced access to primary care physicians through development of the new St. Joseph Hospital – Eureka Family Medicine Residency Program. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Peg Gardner

PO Box 217
Cutter, CA
95534
Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Similar to Hanna Institute, a new program of Hanna Boys Center, Adventist Health and St. Joseph Health have demonstrated that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

We have worked closely with St. Joseph Health to address critical needs in our community, including the Sonoma Intersections Coalition. St. Joseph Health was selected as the backbone organization for this collaborative initiative due to its centrality as an anchor institution in the community, its previous and current role as a leading convener of other coalitions and stakeholder groups, and the past experience of the Community Partnership Manager in organizing and leading multi-stakeholder coalitions. The Sonoma Intersections Coalition proposes to focus on the issue of housing as a community determinant of health, with a particular focus on equity in housing policies, planning, and development. Through systems and policy change strategies this collaborative hopes to address both individual and collective trauma for communities impacted by the recent Sonoma Complex wildfires and for those experiencing chronic health and safety threats as a result of unstable housing, both prior to and as a result of the fires.

Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.
It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

[Signature]

Brian Farragher, MSW, MBA
Chief Executive Officer
Hanna Boys Center
July 30, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

The Healthcare Foundation works to promote access to healthcare throughout Northern Sonoma County, including early childhood development and access to mental health care. I have worked closely with St. Joseph Health to address critical needs in our community, including the need for trauma-informed mental health professionals to work with those who were affected by the October 2017 wildfires in Sonoma County. This effort includes the recruitment of volunteers to provide counseling pro bono for those without insurance or other resources to pay. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services.
This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Debbie Mason, APR, Fellow PRSA
Chief Executive Officer
Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community, including the work on Health Action Sonoma County. St. Joseph Health has been pivotal leaders in this collective action initiative focusing on health, education and income. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.
It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Lisa Wittke Schaffner
Executive Director
John Jordan Foundation
July 27, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community, including Mobile Health Van onsite reaching over 650 Annually, Promotores provided Nutritional Education Classes with hands on cooking, and also supports our Mental Health Programs with direct funding. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Veronica Vences
Associate Executive Director
La Luz Center
August 16, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

Lake Family Resource Center (Lake FRC) has worked closely with Adventist Health to address critical needs in our community, including sitting as a stakeholder for Project Restoration. Additionally, Lake LRC programs routinely ask for medical documentation (such as well-child visits, lead screenings, hearing/vision exams, hemoglobin results...) for our clients that see Adventist Health doctors and/or hospital. Through this collaborative work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Lisa Morrow
Executive Director
August 8, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including mental health and behavioral health services for low-income families, individuals, and seniors who are uninsured or underinsured. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Rob Weiss
Executive Director
Mentis
August 8, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including housing for low-income individuals and families who live in poverty. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Kathleen Reynolds, President/CEO
Napa Valley Community Housing
July 5, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health in Humboldt County to address critical needs in our community through programs and technology; most recently supporting enhanced access to primary care physicians though development of the new St. Joseph Hospital – Eureka Family Medicine Residency Program. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

K. Jeff Nelson
Fortuna, CA
August 8, 2018

Dear Attorney, General Becerra:

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Queen of the Valley-St. Joseph Health to address critical needs in our community, including low-income chronically ill community members and providing medical clinic for those living with HIV/AIDS and Hepatitis C. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Respectfully Submitted,

Alicia Hardy
Chief Executive Officer
OLE Health

1100 Trancas Street, Suite 300, Napa, CA 94558  707.254.1770  olehealth.org
Dear Attorney General Becerra,

On behalf of our community organization, On The Move, I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are committed to advocating and caring for the most poor and vulnerable Californians. Both systems play critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

Our organization has worked closely with Queen of the Valley—St. Joseph Health to address critical needs in Napa County, including providing Latino parents with the tools and knowledge necessary to better support their children’s successful education through Parent University; and partnering to address the health and wellness needs of vulnerable youth populations in our VOICES program. Personally, I have also served as a member of their Community Benefit Committee that identifies priorities and approves programs that serve the most vulnerable and at-risk community members in Napa County. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Ian Stanley Posadas, Director
On The Move
Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

The mission at PPSC is dedicated to improving the social and economic health of our community by providing programs that strengthen the dignity and self-sufficiency of the individual. We have worked closely with St. Joseph Health to address critical needs in our community, including our partnership to ensure that hot meals to homebound seniors are served on Saturday and Sunday, by contracting with PPSC to prepare the meals for our volunteers to distribute. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

It is all about community,

Elec Hempel
Executive Director
August 2, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Regarding a Letter of Support for the partnership between Adventist Health and St. Joseph Health systems

Dear Attorney General Becerra:

I am writing on behalf of Redwood Community Action Agency to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad, integrated care network for Northern California. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

Redwood has worked closely with the St. Joseph Health Foundation to address critical needs in our community such as the development and creation of the Waterfront Recovery Services’ substance abuse detoxification services and residential treatment program in Eureka as well as numerous other projects that support families and individuals in need. Through this work, we have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities, especially for the most vulnerable patient populations that rely on Medi-Cal and Medicare.
This new partnership will enhance both organizations' abilities to fulfill their missions and better serve patients through more coordinated services that are closer to home. Therefore, we believe that is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Redwood Community Action Agency is private, non-profit community action agency serving Humboldt County’s low to moderate households with a variety of human services including: Homeless transitional and rapid re-housing services; energy assistance, home repair and weatherization services; youth outreach and intervention services; natural resources mitigation and enhancement services; community planning and trail building projects in conjunction with local municipalities, the County and school districts; affordable housing units targeted to serve the low-income households.

Sincerely,

Val Martinez
Executive Director
August 16, 2018

Attorney General Xavier Becerra  
California Department of Justice  
P.O. Box 944255  
Sacramento, CA 94244-2550

Dear Attorney General Becerra:

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with Adventist Health to address critical needs in our community, including serving as a member agency of the Hope Rising Board, supporting Restoration House, and participated in securing a grant for additional housing support. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations' abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network's mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Camille Schraeder  
Chief Executive Officer

Foster/Adoption Services • Behavioral Health Services • Wraparound Services • Residential Care •  
Crisis Services • Transitional Youth Programs • Youth Resource Centers • Youth Homeless Services • Youth Employment Services

Be a Part of the Solution
July 3, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community through programs and technology; most recently supporting enhanced access to primary care physicians though development of the new St. Joseph Hospital – Eureka Family Medicine Residency Program. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Xavier Ayala, SJHF Board Member
3480 F Street
Eureka, CA 95503
(707) 445-5401
xayala@suddenlink.net
July 30, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra:

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community, including care coordination for people using emergency services, mental health care coordination, and health care for people experiencing homelessness. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home. It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Naomi Fuchs
Chief Executive Officer

All of us. For all of you.
July 30, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

As the Executive Director of a human services non-profit serving the most at-need, low-income population in Sonoma County, I am writing in support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

For the past two years, West County Community Services has worked closely with St. Joseph Health to address critical needs in our community, including homelessness and behavioral health. St Joseph has demonstrated its willingness not only to address core issues such as supporting emergency shelters during the winter, but also innovative strategies such as short-term respite care, street counseling and restorative justice at K-8 schools. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

16390 Main St. PO Box 325 Guerneville, CA 95446   Tel: 707-823-1640
www.westcountyservices.org
St Joseph Health has continually taken a leadership role on many local issues: heading task forces on homelessness, piloting behavioral health initiatives and serving as a key partner to those working for social and economic justice in our community. It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable healthcare. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

[Signature]

Tim Miller
Executive Director
West County Community Services
707-823-1640, ext 101
August 3, 2018

Attorney General Xavier Becerra
California Department of Justice
P.O. Box 944255
Sacramento, CA 94244-2550

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health to address critical needs in our community, including collaboration with their Mobile Van to serve homeless residents in the lower Russian River area and many other community-based health projects throughout our shared service area. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

Mary E. Szecsey
Chief Executive Officer
July 5, 2018

Dear Attorney General Becerra,

I am writing to express support for the partnership between Adventist Health and St. Joseph Health as the two systems come together to create a joint operating company (JOC). Both systems have long-standing histories providing compassionate health care in Northern California and across the state. Adventist Health and St. Joseph Health have also shown that they are deeply committed to advocating and caring for the most poor and vulnerable Californians, with both systems playing critical roles in supporting the social safety net in Northern California.

As healthcare and the health needs of Californians continue to evolve, Adventist Health and St. Joseph Health are partnering to create a broad integrated care network for Northern California, which will help make both systems stronger and better positioned to meet these changes. This new network will facilitate regional collaboration to strengthen critical health services, provide better value to patients, preserve and increase access to quality care and improve health outcomes throughout Northern California communities.

I have worked closely with St. Joseph Health in Humboldt County to address critical needs in our community through programs and technology; most recently supporting enhanced access to primary care physicians through development of the new St. Joseph Hospital – Eureka Family Medicine Residency Program. Through this work, I have seen firsthand their commitment to ensuring that the most poor and vulnerable Californians have access to needed health and support services. This new network will ensure that both systems are able to continue to serve our communities and those who need it most for generations to come—especially for vulnerable patient populations that rely on Medi-Cal and Medicare.

It is important to note that each facility will remain faithful to their respective culture, faith tradition, mission and legacy. This new partnership will enhance both organizations’ abilities to fulfill their missions, and better serve patients through more coordinated services that are closer to home.

It is imperative that we support efforts to preserve, strengthen and expand access to quality, affordable health care. This goal is central to the new network’s mission. By working together, the two systems will be better positioned to continue providing care across Northern California for generations to come. Thank you for your attention on this important matter.

Sincerely,

[Signature]

Donald C. Wheeler, M.D.