

**KAMALA D. HARRIS**  
**Attorney General**

**State of California**  
**DEPARTMENT OF JUSTICE**



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September 30, 2015

Mayor Pro Tem Terry O'Connell  
50 Park Place  
Brisbane, CA 94005

RE: Proposed Change in Control and Governance of Daughters of Charity Health System

Dear Mayor O'Connell:

The Attorney General is reviewing the proposed change in control and governance of Daughters of Charity Health System, a California nonprofit religious corporation. Through sole membership, Daughters of Charity Health System controls the nonprofit religious corporations that own and operate six California health facilities including **Seton Medical Center Coastside**, a 116 licensed bed skilled nursing facility with 5 licensed general acute-care beds located in Moss Beach, and **Seton Medical Center**, a 357 licensed bed, general acute-care hospital located in Daly City. The "System Restructuring and Support Agreement" is between Daughters of Charity Ministry Services Corporation, a California nonprofit religious corporation, Daughters of Charity Health System, a California nonprofit religious corporation, BlueMountain Capital Management, LLC, a Delaware limited liability company, and Integrity Healthcare, LLC, a Delaware limited liability company. The transaction is being reviewed as required by Corporations Code sections 5914 *et seq.*

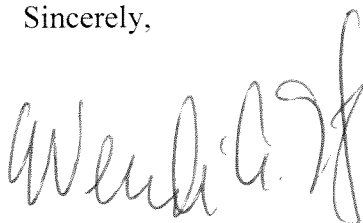
The Attorney General is required by law to hold a public meeting regarding the proposed transaction. The **Seton Medical Center Coastside** meeting has been scheduled for October 16, 2015, beginning at 9:00 a.m., at Mavericks Event Center, 107 Broadway, Half Moon Bay, CA 94019. The California Attorney General will conduct a public meeting concerning **Seton Medical Center** on October 16, 2015, beginning at 1:00 p.m., at Westlake Community Center - Pacelli Gym at Westlake Park, 145 Lake Merced Blvd., Daly City, CA 94015. at Seton Hall Auditorium, 262 South Lake Street, Los Angeles, CA 90057. I am enclosing a copy of the public meeting notice. Prior to the public meeting, the Health Care Impact Statement will be available on the California Attorney General's website at <http://www.oag.ca.gov/charities/nonprofithosp>.

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The terms of the proposed transaction are set forth in a written notice to the Attorney General. If you would like to request a copy of the written notice on CD, please contact Legal Analyst Maria Elena Hernandez at [mariaelena.hernandez@doj.ca.gov](mailto:mariaelena.hernandez@doj.ca.gov) or 213-620-6339 and provide your name and mailing address.

Sincerely,

A handwritten signature in black ink, appearing to read "Wendi A. Horwitz". The signature is fluid and cursive, with a large, stylized initial "W".

WENDI A. HORWITZ  
Deputy Attorney General

For KAMALA D. HARRIS  
Attorney General

Encl.

## **TWO PUBLIC MEETINGS ON THE PROPOSED CHANGE IN CONTROL AND GOVERNANCE OF SETON MEDICAL CENTER COASTSIDE AND SETON MEDICAL CENTER**

The California Attorney General is reviewing the proposed change in control and governance of Daughters of Charity Health System, a California nonprofit religious corporation. Through sole membership, Daughters of Charity Health System controls the nonprofit religious corporation that owns and operates Seton Medical Center Coastside and Seton Medical Center. The "System Restructuring and Support Agreement" is between Daughters of Charity Ministry Services Corporation, a California nonprofit religious corporation, Daughters of Charity Health System, a California nonprofit religious corporation, BlueMountain Capital Management, LLC, a Delaware limited liability company, and Integrity Healthcare, LLC, a Delaware limited liability company. The proposed nonprofit hospital system transaction is being reviewed as required by Corporations Code sections 5914 *et seq.*

The California Attorney General will conduct a public meeting concerning **Seton Medical Center Coastside** on October 16, 2015, beginning at 9:00 a.m., at Mavericks Event Center, 107 Broadway, Half Moon Bay, CA 94019. The California Attorney General will conduct a public meeting concerning **Seton Medical Center** on October 16, 2015, beginning at 1:00 p.m., at Westlake Community Center - Pacelli Gym at Westlake Park, 145 Lake Merced Blvd., Daly City, CA 94015. The purpose of the public meetings is to receive comments on the proposed change in control and governance of each facility and to consider the Health Care Impact Statements prepared by consultants engaged by the California Attorney General in connection with the California Attorney General's review of this proposed transaction, as required by Corporations Code section 5914 *et seq.* Prior to the public meetings, the Health Care Impact Statements will be available on the California Attorney General's website at <http://www.oag.ca.gov/charities/nonprofitosp>.

Persons wishing to present their views orally at either of the public meetings may do so by submitting a sign-up sheet available at the public meeting, by sending an email to [wendi.horwitz@doj.ca.gov](mailto:wendi.horwitz@doj.ca.gov) by October 13, 2015, or by calling Wendi Horwitz at (213) 897-2178 by October 13, 2015. Any individual with a disability seeking reasonable accommodations to attend or participate in the public meetings or to obtain materials or information on the public meetings in an alternative format should contact Wendi A. Horwitz at least five days before the public meetings.

The terms of the proposed transaction are set forth in a written notice to the California Attorney General. A CD of the written notice is available upon request by email to [mariaelena.hernandez@doj.ca.gov](mailto:mariaelena.hernandez@doj.ca.gov) or by telephone at (213) 620-6339. A copy of the written notice of the proposed transaction is also available for public inspection at Seton Medical Center Coastside's Administration Office, 600 Marine Boulevard, Moss Beach, CA 94038 or at Seton Medical Center's Administration Office, 1900 Sullivan Avenue, Suite G210, Daly City, CA 94105.

Persons may and are encouraged to present their views on the proposed transaction in writing to the California Attorney General's Office electronically via email [wendi.horwitz@doj.ca.gov](mailto:wendi.horwitz@doj.ca.gov), via

facsimile at (213) 897-7605, or by mailing a copy to Wendi A. Horwitz, Deputy Attorney General at 300 S. Spring St., Ste. 1702, Los Angeles, CA 90013. The deadline for receipt of written comments is October 20, 2015.