



COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

STEVEN L. BESHEAR
GOVERNOR

December 19, 2011

700 CAPITOL AVENUE
SUITE 100
FRANKFORT, KY 40601
(502) 564-2611
FAX: (502) 564-2517

Dr. Peter Hasselbacher
Kentucky Health Policy Insititute
3505 Winterberry Circle
Louisville, KY 40207

Dear Dr. Hasselbacher:

Thank you for your contacting me with your concerns about the proposed merger between the University of Louisville Hospital, Jewish Hospital, St. Mary's HealthCare and the Saint Joseph Healthcare System, part of the Catholic Health Initiatives (CHI) network of hospitals. The proposed merger could have wide ranging positive impacts for improved healthcare in the Louisville region. I appreciate knowing your opinion on this important issue.

The Commonwealth of Kentucky has two roles in the review of this proposal: to review the legal issues associated with a merger and, just as importantly, to review the public policy of how University Hospital will continue to honor its mission as a public teaching hospital that provides access and care to citizens, especially those who are indigent.

The state must approve changes to the existing leases of public land and facilities as well as any changes to the agreements that provide for the operation of the hospital. Before those approvals will be given, additional discussion and transparency will be needed to provide full disclosure on how the public mission of University Hospital will be honored.

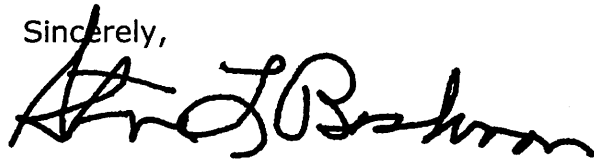
Each time I have spoken with UofL representatives associated with this merger, I have been repeatedly assured that University Hospital's public mission would continue in every aspect of care. However, it is clear there are concerns within the community about issues related to the hospital's future level of access to medical services, and those concerns need to be fully vetted before the Commonwealth takes the legal steps required to approve this merger.

DR. PETER HASSELBACHER
December 16, 2011
Page 2

In order to address the continuing questions related to health care access and availability, my administration is holding a series of conversations with the principals in the proposed merger and other interested parties. The first step in this process was a meeting with Mayor Greg Fischer, Auditor Crit Luallen, Attorney General Jack Conway, representatives of my administration, and the principals involved in the hospital merger to discuss how University Hospital's public mission will continue to be met. I will also seek additional input from the community and other interested parties to ensure that we have fully reviewed the many questions that must be answered before the proposed merger can move forward.

This process will be deliberate and thoughtful, and we will take whatever time is necessary to resolve these issues. Thank you again for your interest in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven L. Beshear", written in a cursive style.

Steven L. Beshear