

1 RHODE ISLAND OFFICE OF THE ATTORNEY GENERAL AND
2 RHODE ISLAND DEPARTMENT OF HEALTH

3
4 PUBLIC MEETING

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7 NOTICE OF APPLICATION

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9 HOSPITAL CONVERSIONS ACT INITIAL APPLICATION OF
10 RHODE ISLAND ACADEMIC HEALTH CARE SYSTEM, INC.,
11 CARE NEW ENGLAND HEALTH SYSTEM ("CNE"), KENT COUNTY
12 MEMORIAL HOSPITAL, WOMEN & INFANTS HOSPITAL OF
13 RHODE ISLAND, BUTLER HOSPITAL, LIFESPAN CORPORATION
14 ("LIFESPAN"), RHODE ISLAND HOSPITAL, THE MIRIAM
15 HOSPITAL, NEWPORT HOSPITAL, AND EMMA PENDLETON
16 BRADLEY HOSPITAL (COLLECTIVELY, THE "TRANSACTIONING
17 PARTIES")

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DATE: FEBRUARY 10, 2022
TIME: 6:00 P.M.
PLACE: ZOOM CONFERENCE

Casey A. Bernacchio, CSR

1 (RECORDED MEETING COMMENCED AT 6:02 P.M.)

2 MS. WEIZENBAUM: Okay. I think we're
3 going to get started. It looks like we do not have
4 people continuing to join at this point -- maybe a
5 couple -- so -- and I know it's a -- this is an
6 evening meeting, so people have things to get back
7 to.

8 This is a joint public informational
9 meeting of the Office of the Attorney General and
10 the Rhode Island Department of Health regarding a
11 proposed hospital conversion.

12 My name is Miriam Weizenbaum, and I'm the
13 chief of the civil division for the Office of the
14 Attorney General here in Rhode Island. And I'd
15 like to first welcome everybody who's here and to
16 thank you for taking the time to participate in
17 this important meeting and this important process.

18 The transaction or conversion as proposed
19 would place a nonprofit Rhode Island parent
20 corporation over Care New England and Lifespan,
21 each designating that parent corporation as its
22 sole corporate member. And after that, until a
23 system CEO is chosen, the current Care New England
24 and Lifespan CEOs will serve as interim co-CEOs
25 during a planning and integration process if the

1 transaction is approved.

2 Both the department of the attorney
3 general and the Department of Health are
4 responsible for reviewing the proposed transaction
5 and either approving it, approving with conditions,
6 or not approving.

7 Lifespan and Care New England's joint
8 application seeking approval was deemed complete on
9 November 16th of 2021 and made public on
10 December 30th, and is posted on the website of the
11 Rhode Island Attorney General.

12 So here from the attorney general's office
13 is Attorney General Peter Neronha; the attorney
14 general's insurance advocate, Maria Lenz; and
15 myself; and other members of our reviewing team.

16 Tonight we will initially be hearing from
17 the attorney general; and then from the interim
18 director of the Department of Health, Dr. James
19 McDonald; and associate director, Sandra Powell.
20 This will be followed by a description of the
21 format that we're following for this meeting, and
22 then we'll turn it over to public comments.

23 So, again, I'd like to thank everybody for
24 participating and turn it over to Attorney General
25 Peter Neronha.

1 MR. NERONHA: Good evening, everyone.

2 First of all, let me welcome everyone to
3 this public hearing. I also, in particular, want
4 to acknowledge our counterparts, colleagues from
5 the Department of Health. Dr. McDonald is with us
6 tonight. I want to thank him for being here and
7 that entire team.

8 Really looking forward to this third
9 session of public comment. I want the public to
10 know that we here at the department -- I care about
11 your voices. I want to hear what you have to say
12 about this proposed transaction.

13 And I also want you to know that the team
14 we have built here is very strong and has done a
15 deep dive into this proposed transaction. And so
16 irrespective of what our decision will ultimately
17 be, the public can rest assured this was a careful
18 analysis, and you will see the fruit of that
19 analysis when we issue our decision.

20 So thank you again for being here, and
21 I'll turn the microphone now over to the next
22 speaker. Thank you very much.

23 DR. McDONALD: Hi. It's Dr. Jim McDonald,
24 interim director of the Rhode Island Department of
25 Health. I want to thank you, Attorney General

1 Neronha, and all the members who are with us this
2 evening.

3 I'm new to this public meeting. I didn't
4 make the first two. I did read the transcripts. I
5 reviewed the application and many of the documents
6 there. So I'm quite familiar now with the process
7 and look forward to just listening tonight and
8 hearing what everybody has to say.

9 You know, public meetings are important.
10 You know, we really want public input, and, you
11 know, we're just very interested in listening
12 tonight.

13 Our public health philosophy at the Rhode
14 Island Department of Health is about centering the
15 voice of the community and ensuring that the
16 community's voice is part of every conversation.

17 In this conversation, on this application,
18 the community's voice is particularly critical. In
19 this process, our charge is to ensure that any
20 health system changes -- to ensure that
21 Rhode Islanders have access to care that is safe,
22 accessible, and affordable. So we can't take
23 determinations on any of those accounts without
24 hearing about your experience and your needs.

25 To get more specific, the review we are

1 doing is under the State's Hospital Conversion Act.
2 It calls on the Rhode Island Department of Health
3 to issue a decision on the application that is a
4 decision to approve, to disapprove, or to approve
5 with conditions of approval.

6 There are several criteria that we are
7 called on to consider specifically. They are
8 character, competence, and commitment of the
9 transacting parties; safeguards to ensure access to
10 affordable care; appropriate access for
11 traditionally underserved populations; appropriate
12 referrals to the new hospitals by employees or
13 physicians; in other words, federal anti-kickback
14 provisions; commitment to collective bargaining,
15 workforce retention, and commitment to employment
16 needs and workforce retraining; whether the public
17 interest will be served considering the essential
18 medical services needed to provide safe and
19 adequate treatment, appropriate access and balanced
20 healthcare delivery to the residents of the state
21 and issues of market share, especially as they
22 affect quality, access, and affordability of
23 services.

24 The comments that you share today will be
25 entered into the public record, will be reviewed

1 closely as we work on our decision.

2 There's a big talented team at the Rhode
3 Island Department of Health that will be managing
4 the review at the Department, along with our
5 leadership. They include Sandra Powell, the
6 associate director for the Division of Policy,
7 Information and Communications; Mike Dexter, the
8 assistant director for the Center for Health
9 Systems Policy and Regulations; Fernanda Lopes, the
10 chief of our Office of Health Systems Development;
11 Jacqueline Kelley and Bruce Tedesco from our legal
12 team; along with consultants we have engaged.

13 So with that, let me turn it over to
14 Sandra Powell who's going to say a few words.
15 Thank you.

16 MS. POWELL: Good evening. And thank you,
17 Dr. McDonald, and thanks -- hello to everyone who
18 is here and our colleagues at the Rhode Island
19 attorney general's office.

20 I just wanted to add a couple words that
21 we at RIDOH, echoing what Dr. McDonald spoke about,
22 take this review very seriously. We know this is a
23 very significant application that's before our
24 agency, as well as the attorney general's office.
25 We really look forward to closely hearing

1 everyone's comments tonight, as we thought about
2 them over the last several meetings, and we really
3 want to hear from the members of the public who are
4 here to speak.

5 With that, I am going to turn it over to
6 Fernanda Lopes who is going to help, working with
7 Maria Lenz from the AG's office -- help to manage
8 and orchestrate our meeting.

9 So, Fernanda, if I could turn it over to
10 you.

11 MS. LOPES: Thank you.

12 Welcome all. My name is Fernanda Lopes,
13 and I serve as the chief of the Office of Health
14 Systems Development at the Rhode Island Department
15 of Health.

16 I'd like to review the framework around
17 the administrative and procedural processes that
18 will be undertaken during today's meeting.

19 First, I'd like to note that this meeting
20 is being recorded and will be posted on the
21 attorney general and RIDOH's websites. We also
22 have a stenographer, so we hope to establish an
23 audio recording and a transcript of this meeting
24 for the record.

25 We have a large number in attendance

1 today. As you know, this meeting is being run
2 virtually, and in order for it to be conducted in
3 an organized and orderly manner, I'm requesting
4 that everyone please remain on mute until it is
5 your turn to provide comments. Muting will help
6 everyone avoid any feedback and allow us all to
7 hear those speaking one at a time. I really
8 appreciate your flexibility in this virtual
9 environment.

10 As the link posted in the public notice
11 for the joint public meeting is a live link, if you
12 haven't already done so and are interested in
13 providing comments during today's meeting, please
14 sign up. Participants will be called on to provide
15 their public comments according to that active
16 list.

17 It's important that person speaking during
18 the course of today's meeting identify themselves
19 by name, affiliation, if any, and please spell it
20 out for the stenographer so the record is clear.

21 Please refrain from posting reactions or
22 engaging in chats on Zoom.

23 Finally, each participant in this meeting
24 will have up to six minutes to speak. I ask that
25 comments provided by those speaking today please be

1 pointed, succinct, and concise so that we have an
2 opportunity to hear from all who have public
3 comments to share.

4 If you've already submitted written
5 comments, please be advised that those are part of
6 the record and do not need to be repeated here
7 today. Written comments will continue to be
8 accepted through tomorrow, February 11, 2022, in
9 place of or should you want to supplement your
10 verbal comments today.

11 We're here to listen to public comments
12 regarding the Care New England/Lifespan Hospital
13 Conversions Act application currently under review
14 by both agencies. All verbal and written comments
15 will be considered by our agencies.

16 So with all of that said, I'll call upon
17 Attorney Rocha to introduce applicant
18 representatives for some brief comments. Thank
19 you.

20 Pat?

21 MS. ROCHA: Thank you, Fernanda.

22 Once again, the transacting parties want
23 to thank General Neronha and Dr. McDonald and their
24 teams for hosting this public meeting.

25 I'm going to turn it over to Dr. Fanale,

1 the president and CEO of Care New England. We'll
2 then turn it over to Dr. Babineau, the president
3 and CEO of Lifespan.

4 President Paxson sends her regrets. She
5 has a corporation meeting, and she's not able to
6 attend this evening.

7 So, Dr. Fanale?

8 DR. FANALE: Thanks, Pat. And thanks to
9 the attorney general and Dr. McDonald from the
10 Department of Health, Sandra Powell, and everybody
11 else from the Department. Thanks for all your work
12 you've done on this. I know the review has been a
13 long process.

14 Going into the third in this series of
15 meetings, I thought I'd probably talk for about
16 seven to -- seven to eight minutes, but I'm not
17 going to. I tried to inject a little levity
18 tonight.

19 But on all seriousness, you know, I've
20 said it before, and Dr. Babineau will say it also,
21 we think this is exceedingly important for the
22 State of Rhode Island. I know there's a lot of
23 discussion about this as far as size,
24 consolidation, but I just want everyone to
25 understand from -- the deepest of our commitment is

1 to commit to an organization that will serve the
2 community better, provide better access to the
3 communities that we serve, a commitment to quality.
4 We've laid this out in several documents in -- as
5 part of the application. We understand oversight's
6 important. And we want to live up to our pledges
7 and be held to those pledges.

8 But importantly, this is a time where we
9 have an opportunity to build a resilient health
10 care system in the state of Rhode Island that will
11 truly keep Rhode Islanders local and take care of
12 them here and improve all the things that I just
13 said.

14 Imagine having an NCI designated cancer in
15 the state for the first of its kind. Of course, as
16 we've talked over the past couple of weeks, we
17 won't be able to do that unless we do it together.
18 It just won't be the same.

19 We've committed to labor, to make sure
20 that we work closely with labor, and to commit to
21 saving as many jobs as we can, and also to work
22 with labor to have good jobs, good paying jobs for
23 the community.

24 So, in closing, this is an important time
25 in our future, certainly at Care New England,

1 certainly at Lifespan, but really, really
2 importantly in the lives of Rhode Islanders. And I
3 hope that everybody has a chance to comment and
4 understands why we think this is so important.

5 So I'll turn it over to Tim.

6 DR. BABINEAU: Great. Thanks, Dr. Fanale.

7 Good evening, everybody. It's great to
8 see everybody again. To echo the comments,
9 Attorney General Neronha, Dr. McDonald, thank you
10 both for the amount of work both of your offices
11 and staff have put into this important discussion
12 and analysis. It is probably the most important
13 thing the State has undertaken in the last decade,
14 so we thank you for your effort.

15 Also, I know there are a lot of caregivers
16 on the call tonight, and I know I can speak for
17 Dr. Fanale when I want to just thank the caregivers
18 on the call tonight for their heroic efforts for
19 the last year or two during the pandemic. It has
20 been nothing short of extraordinary. And, quite
21 frankly, it had been the pandemic that brought the
22 two parties together. So for the caregivers on the
23 call tonight, a sincere and heartfelt thank you on
24 behalf of myself and Dr. Fanale.

25 I'm going to be brief. I was thinking

1 this morning, it was about 22 months ago that
2 Dr. Fanale and I first called each other and said,
3 You know what? As we've learned to work together
4 during the pandemic, patients are benefitting, and
5 maybe this is something we should give one more
6 try.

7 So for 22 months, and 30 days a month --
8 for 660 days I have woken up every single day and
9 thought about this merger. I've thought about this
10 merger for 660 days. And it's interesting. In the
11 beginning, I was thinking about it from the
12 perspective and lens of Lifespan's CEO. And about
13 midway through, and certainly in the last couple
14 months, I've really shifted my thinking, and I'm
15 thinking about it in the terms of the physician and
16 the surgeon I am.

17 And, again, I'm pretty sure I can speak
18 for Dr. Fanale for this. We've both been
19 caregivers and doctors all our lives, all our
20 lives, and all we've really cared about is taking
21 the best care of the patients we can.

22 And after 660 days, I can tell you as a
23 doctor -- not as a CEO, as a doctor -- this merger
24 is in the absolute best interest of the patients
25 and the communities we serve. I say that

1 recognizing my ethics as a doctor. I couldn't
2 advocate for this if I didn't believe that in every
3 fiber of my being. It is in the best interest of
4 the patients and the communities we serve. It's in
5 the best interest of our employees. It's in the
6 best interest of the State of Rhode Island.

7 We have tried very, very hard to listen to
8 the voice of the community, and I think we've done
9 a pretty good job. That's why tonight is so
10 important. The work of the Rhode Island
11 Foundation, the previous two public hearing
12 meetings, we really, really care about what the
13 community has to say. I think we've listened. I
14 think you can see on the commitments we've made on
15 the website we're committed to listening to the
16 concerns of the community and committing --
17 Dr. Fanale and I are committing to address those
18 concerns.

19 So, again, we appreciate your time
20 tonight. We know everybody's busy, but we
21 appreciate everybody who is on the call tonight,
22 and I look forward to hearing the public comments.
23 Thank you.

24 MS. LOPES: Thank you, Dr. Babineau.

25 I'd like to call upon Senator Louis

1 DiPalma, please.

2 MS. LENZ: Fern, I do not see
3 Senator DiPalma on the list, but what I'm going to
4 do is unmute everyone so -- in case he is on the
5 phone.

6 MS. LOPES: Senator DiPalma?

7 I can circle back.

8 I'll go to the next individual signed up
9 to speak, is Laurie Gaddis Barrett.

10 MS. LOPES: Fern, I also do not see
11 Ms. Barrett's name, but everyone is unmuted.

12 So if Ms. Barrett is on the phone, please
13 speak.

14 We'll circle back.

15 MS. LOPES: Next on the list is Dana
16 Ciolfi, I believe it's pronounced, or "Ciolfi." I
17 see Dana.

18 MS. CIOLFI: It's Dana Ciolfi.

19 MS. LOPES: Thank you.

20 MS. CIOLFI: Dana Ciolfi. It's D-a-n-a
21 C-i-o-l-f-i.

22 Good afternoon. My name is Dana Ciolfi.
23 I am a medical technologist in the microbiology lab
24 at Women & Infants Hospital, and I've worked here
25 for 42 years. Thank you for allowing me the time

1 to speak today.

2 I have had the experience of working at
3 Women & Infants both as a stand-alone hospital and
4 one that is part of a system. The difference
5 between the two is stark. And although I'm well
6 aware that stand-alone hospitals seem to be a thing
7 of the past due to many factors, which include
8 payer mix, reimbursements, and overall operational
9 costs, I don't believe we need to be part of a
10 monopoly in order to provide excellent health care
11 to the State of Rhode Island.

12 As a stand-alone hospital, Women & Infants
13 always operated in the black. It was an important
14 aspect of our operations for both management and
15 the union, and we worked together to achieve that
16 goal for many years. We were nationally ranked as
17 one of the country's best OB-GYN hospitals, and we
18 were written up in Rhode Island Monthly magazine as
19 one of the best places to work in Rhode Island.

20 Although we had had -- often had differing
21 opinions on some issues, union and management
22 worked together to achieve proper safe staffing
23 levels throughout the hospital departments, which
24 kept overtime most often unnecessary and,
25 therefore, infrequent.

1 Women & Infants maintained a very high
2 degree of patient satisfaction, which was based on
3 our Press Ganey patient survey results. Major
4 problems and issues, whether they be departmental
5 or hospital-wide, were most often handled swiftly
6 and fairly by management and union members working
7 together. And in the unforeseen event of high
8 patient census or emergencies, our nursing
9 administrators would often don scrubs and rush to
10 the assistance of our nursing staff. We were a
11 well run, financially sound, close-knit institution
12 that was beloved by the citizens of Rhode Island,
13 along with all of us that work there.

14 After Women & Infants merged with the Care
15 New England system, everything changed. Though we
16 still provide excellent care to our patients, as an
17 employee, there is little resemblance to the
18 Women & Infants we once were.

19 Now we have not operated in the black or
20 been financially sound for years. This is
21 partially due to Women & Infants being used
22 financially to help prop up a declining
23 Kent Hospital and propel it to a place where it was
24 financially healthy enough to remain functioning.

25 Then after the decision was made to make a

1 failing Memorial Hospital part of the CNE system,
2 against the advice of many in the know who warned
3 against it, Women & Infants' finances grew much
4 worse, as we were used to help rescue this
5 collapsing entity.

6 Women & Infants management now dictated to
7 by Care New England administrators stopped being
8 transparent and collaborative with the union and
9 its members, resulting in very little ability for
10 us to work together on many issues. Those Women &
11 Infants administrators who were loyal to the
12 hospital for many years and dedicated to working
13 together with the union members to maintain our
14 representation, our safe staffing levels, our
15 excellent working conditions, and the adherence to
16 our contractual agreements were terminated.

17 As time passed, we were made aware that
18 the leaders of Care New England wanted to, quote,
19 "head in a different direction," unquote, the labor
20 piece and collaboration.

21 We went from a place where grievances,
22 arguments, fighting for fair and safe working
23 conditions were -- and fighting for fair and safe
24 working conditions were an infrequent necessity to
25 it currently being an everyday occurrence.

1 CNE instituted a hiring freeze that at one
2 point lasted for three years which resulted in
3 increases in overtime, which still exists today, as
4 well as many safe staffing issues. The fight for
5 safe staffing is ongoing, beyond the COVID issue.

6 Our union has even tried to identify for
7 management which departments would be losing large
8 numbers of staff to retirement in order to get a
9 jump on hiring and training to ensure patient
10 safety. We were ignored, which led to less staff,
11 diminished concern for safety, and lots of
12 overtime.

13 After years of CNE operating as a system,
14 it was decided to consolidate a few of the
15 laboratories. To that end, exactly two weeks
16 before Christmas 2016, many Kent laboratory
17 employees were told of their pending termination.
18 Merry Christmas.

19 So with the merger of Women & Infants into
20 a smaller system, mainly CNE, staffing suffered,
21 safety suffered, morale suffered, finances
22 suffered, working conditions suffered, and the
23 reputation in our national statewide standing
24 suffered, but the corporate intent was maintained
25 to the detriment of Rhode Island citizens.

1 Now Women & Infants employees are being
2 asked to support a much larger merger with
3 hospitals that have had an even larger corporate
4 culture of care than Care New England. Why would
5 we want to do that? What assurances do we have
6 right now that corporate interests will not
7 overshadow patient interest, as we have already
8 experienced? What assurances do we have now that
9 this monopoly will not abuse its extreme power over
10 employees, union, or community? What assurances do
11 we have now that we will be able to maintain our
12 fair competitive wages, excellent benefits, and job
13 security beyond our current contracts? What
14 assurances do we have now that we will not combine
15 our specialized services, such as the lab and
16 diagnostic imaging and many other areas, into large
17 departments that will have to be moved to larger
18 central locations, diluting those specialties to
19 the detriment of our patients? What assurances do
20 we have that the pension we have worked years for
21 will remain a solvent benefit?

22 Because of our union, Women & Infants
23 employees are well educated in many social,
24 financial, and community issues that will be
25 affected by a looming hospital monopoly. The most

1 important of these issues being the lack of choice
2 in health care for patients and the lack of choice
3 in health care employment for those choosing to
4 work in the field. I do not believe that there can
5 be any assurances to avoid that.

6 Thank you for your time.

7 MS. LOPES: Thank you.

8 I call on Christopher Callaci, please.

9 MR. CALLACI: Good evening. Am I being
10 heard?

11 MS. LOPES: Yes.

12 MR. CALLACI: Let me first say thank you,
13 Attorney General Neronha, and your team for this
14 opportunity, Dr. McDonald, and your team. I know
15 almost everybody on these teams have been around
16 the block in terms of health care. It's a pleasure
17 to come before you guys tonight on this
18 application.

19 My name is Chris Callaci. Last name is
20 spelled C-a-l-l-a-c-i. I am general counsel for
21 the United Nurses & Allied Professionals. We are
22 the largest health care union in the state of Rhode
23 Island, and our membership stretches from Westerly
24 Hospital in the southernmost part of the state all
25 the way up into Woonsocket at Landmark Medical

1 Center, and it includes roughly 1,500 members at
2 Kent County Memorial Hospital, part of the Care New
3 England system, and it includes a membership of
4 nearly 2,500 folks at Rhode Island Hospital.

5 We come to this hearing tonight to offer
6 our full support for this proposed merger. We all
7 remember not too long ago when Care New England was
8 looking to do a transaction with Partners, and
9 there were many leaders in the state, including our
10 then-governor, Governor Raimondo, who called for a
11 Rhode Island solution to a Rhode Island situation.
12 And here it is. Here is a Rhode Island solution, a
13 fully integrated Rhode Island-based not-for-profit
14 health care system, and we ought to grab a hold of
15 it, we ought to embrace it, we ought to support it.

16 Our union knows quite a bit about the
17 world of private equity, money in health care, and
18 for-profits in health care, and we do not want to
19 see a situation where a merger that has the
20 potential that this does, is an opportunity that we
21 do not seize and rather we lose, and then we end up
22 with a Prospect Medical Holdings or a Prime
23 Healthcare scooping up Care New England.

24 I think it's fair to say that Care New
25 England simply cannot stand alone. And this merger

1 is important because if it doesn't go through, they
2 will become part of some bottom-feeding private
3 equity or for-profit entity, and they'll be a
4 further balkanization of our health care system,
5 which we cannot afford.

6 You know, with respect to Prospect, I
7 think General Neronha got it right when, in his
8 press release, he was quoted as saying in a recent
9 transaction where two shareholders bought out
10 Leonard Green at Prospect -- and those are the guys
11 who own Roger Williams Medical Center and Fatima.
12 He got it right when he said -- and I'm quoting
13 him -- that "Prospect cared much more about lining
14 their own pockets than about the people they
15 purported to serve."

16 That is who Prospect Medical Holdings is.
17 They borrowed a billion dollars. They paid
18 themselves half a billion dollars in dividends, and
19 they saddled their hospitals, including the two in
20 Rhode Island, with debt. And we don't need that in
21 Rhode Island.

22 And then we have Prime Healthcare up in
23 the northern part of the state that owns Landmark
24 Medical Center. Go to the website for our
25 Department of Justice, United States Department of

1 Justice. 2018, they had to settle a case that had
2 to do with false claims to Medicare worth
3 \$65 million, and they didn't learn their lesson,
4 because a few years later, in 2021, they settled
5 another case that had to do with kickbacks and
6 additional false claims to Medicare worth
7 \$37 1/2 million. And by the way, in 2017, they
8 were fined by our own Department of Health for a
9 million dollars.

10 And why was that? I'll read a quote from
11 the Providence Journal on that. "The owners" --
12 meaning Prime -- "of Landmark Medical Center and
13 Rehab Hospital have agreed to pay a \$1 million fine
14 for making the facilities tax exempt without
15 permission, then misleading State officials
16 responsible for signing off on the change."

17 The point I'm trying to make here is we
18 that don't need for-profits or private equity in
19 Rhode Island.

20 Now, as a union, we're not concerned about
21 a new entity dominating a labor market. It is
22 important for you as regulators to know that there
23 is very high union density in these systems. And
24 in a new entity, there will be roughly 10,000 union
25 members.

1 Unions in this state, including the UNAP,
2 are not bashful. We advocate for our members.
3 Dr. Babineau can tell you that, and so can
4 Dr. Fanale.

5 In fact, based on that union density and
6 talks with both CEOs, we entered into agreements
7 that do very meaningful things with respect to job
8 security, protections against layoff, career
9 advancement, job opportunities, movement of work in
10 between -- among and in between the hospitals in
11 both systems, a tuition program, extension of the
12 collective bargaining agreements.

13 So that should demonstrate to you as
14 regulators that there is not going to be a
15 dominance by the new entity putting downward
16 pressure on wages and benefits and having that kind
17 of impact.

18 And by the way, the labor market does
19 extend beyond the hospitals in those two
20 facilities. Health care workers in this state can
21 go to work to the north, in Worcester or Boston.
22 There are plenty of hospitals there. They can move
23 out along the south coast to hospitals there. They
24 can go south into Connecticut. So there are a lot
25 of options for health care workers.

1 Shifting from the labor market, I would
2 just say -- and this is not entirely my field of
3 expertise -- but I would say this: I would say
4 that the systems complement each other in very
5 critical ways. There's Women & Infants in the
6 Care New England system. There's Hasbro in the
7 Lifespan system. And it's important to understand
8 that they'll be those kinds of complementary
9 relationships between the two systems if there is
10 an integrated system.

11 I would also say that we're not just
12 talking about the integration of Care New England
13 and Lifespan, but Brown University is part of this
14 mix. And that integrated system is bound to
15 improve the delivery of care and the quality of
16 care in Rhode Island. We're confident of that.

17 The last point I would make is that in
18 terms of issues of cost, we have a very rigorous
19 regulatory framework in our state. I have looked
20 at corresponding states, and we're -- we are at the
21 top, which is a good thing. And we also have an
22 Office of Health Insurance Commissioner.

23 So in terms of cost, I think the pledges
24 that Dr. Babineau and Dr. Fanale have made with
25 respect to costs, quality, access, labor are

1 pledges that they're committed to satisfy, but that
2 our regulators can make sure that they satisfy.

3 And given that context, the UNAP is
4 full-throated in its support for this merger.
5 Thank you.

6 MS. LOPES: Thank you.

7 And as a reminder, please limit your
8 comments to less than six minutes.

9 The next person I'll call is Helene
10 Macedo.

11 I see Helene, but she is muted.

12 MS. LENZ: I just asked Ms. Macedo to
13 unmute.

14 MS. LOPES: So I muted Helene Macedo's
15 screen, but I am unable -- there we go.

16 MS. MACEDO: Thank you. I'm Helene
17 Macedo, executive vice president of the United
18 Nurses and Allied vice president. My spelling is
19 H-e-l-e-n-e M-a-c-e-d-o.

20 So, again, thank you. My name is
21 Helene Macedo, and I've been a registered nurse at
22 Rhode Island Hospital for over 30 years. I'm
23 currently a registered nurse case manager. As I
24 said, I'm also the executive vice president for the
25 United Nurses & Allied Professionals.

1 Our union supports the Care New
2 England/Lifespan merger for many compelling
3 reasons.

4 First and foremost, a merger between these
5 two entities will combine their resources to allow
6 for better coordinated patient care than could be
7 accomplished by each system on their own. One such
8 example is a shared medical information system
9 allowing for better patient care throughout the
10 entire merged system.

11 Further, the addition of Brown University
12 will add invaluable research capabilities to the
13 combined system, translating to better patient
14 care.

15 This merger is also a positive because the
16 combined entities will have greater financial
17 capabilities, allowing them to update older
18 facilities and equipment, allowing for both better
19 patient care and staff satisfaction.

20 It goes without saying that these
21 increased financial capabilities will also serve to
22 save the Care New England system. I use the term
23 "save" because if this merger does not go through,
24 Care New England will almost certainly fall into
25 the hands of a for-profit national health care

1 chain.

2 (Zoom technical difficulties.)

3 MS. LENZ: Ms. Criner [sic], your audio is
4 muted.

5 Oh, no. Now it should work.

6 MS. MACEDO: I'm sorry.

7 Several hospitals in our state are already
8 controlled by out-of-state profiteers who seemingly
9 have little regards for the care provided to
10 Rhode Islanders or the staff that provides that
11 care. Blocking this merger would effectively take
12 control of the three Care New England hospitals
13 away from Rhode Island and give it to out-of-state
14 hospital chains.

15 On the labor side of things, the proposed
16 entity would be heavily unionized with unions at
17 Rhode Island Hospital, Kent, Butler, and Women &
18 Infants, translating to over 10,000 unionized
19 workers. As a part of this equation, the unions
20 representing these workers reached an agreement
21 with the executives at Lifespan and Care New
22 England which provides all the unions existing
23 contracts to be honored, allowing members to
24 continue working at multiple facilities, no layoff
25 protections, tuition reimbursement, and workforce

1 development.

2 The unions will also have a seat on the
3 newly -- entity's board.

4 Finally, the unions and the hospitals
5 agreed that potential future work, such as a cancer
6 center or central laboratory, would also be
7 unionized.

8 This merger provides the State of
9 Rhode Island with a Rhode Island solution, keeping
10 control of this state's precious health care in the
11 state. I urge you to approve this merger. Thank
12 you.

13 MS. CRINER: Okay. Keep that unmute. We
14 apolo- -- we apologize for that. We needed to use
15 the same monitor. I'm sorry about that.

16 MS. LENZ: Ms. Criner, you are next to
17 speak, so if you would like to begin.

18 MS. CRINER: Okay. Thank you very much.

19 I appreciate everyone here today. Thank
20 you, Attorney General Neronha, and everyone for
21 giving me the opportunity to speak.

22 My name is Trish Criner. That's T-r-i-s-h
23 C-r-i-n-e-r. I have been a registered nurse at
24 Kent Hospital for over 24 years. I'm an ICU nurse,
25 and I am also the president of the union at Kent,

1 representing over 1,500 employees.

2 Our union strongly supports the
3 CNE/Lifespan transaction for many compelling
4 reasons.

5 First and foremost, many improvements in
6 patient care can and will be accomplished in a
7 coordinated integrated system that cannot be
8 accomplished in separate competing systems.

9 We believe Lifespan and Care New England
10 merged will be better than the sum of the two
11 systems separated. For example, Lifespan and Care
12 New England merged -- for example, a unitary
13 electronic medical information system will be
14 better to coordinate patient care across the
15 system. A Brown Lifespan/Care New England system
16 will be able to develop new services and invest in
17 cutting-edge technologies that neither system could
18 do alone, and be able to do so without duplication.

19 Everyone has to consider what opposing
20 this transaction would mean. Killing this
21 agreement would not result in the status quo, that
22 is, with Care New England and Lifespan standing
23 alone and competing with one another as they do
24 now. Care New England has to make an agreement
25 with someone. It cannot stand alone.

1 Look at what the past 10 years tells us.
2 Care New England has tried to work on an agreement
3 with Lifespan at least twice before this time. A
4 Southcoast/CNE merger was attempted several years
5 ago and failed. Our state leaders sunk a
6 Partners/CNE agreement under the pretense of
7 preferring a so-called Rhode Island solution. All
8 of those transactions were attempted by Care New
9 England because they had to find a partner. A
10 non-profit Rhode Island-based system, such as the
11 one proposed, is far superior for the citizens of
12 our state than the alternative.

13 The alternative would not be no deal.
14 Rather, the alternative here is allowing another
15 three Rhode Island hospitals to fall into the hands
16 of an out-of-state for-profit chain. Today, three
17 once-Rhode Island non-profit community hospitals
18 are now controlled by California-based for-profits.
19 That is more than enough. Having the majority of
20 Rhode Island's hospitals falling under for-profit
21 out-of-state control will be an irreversible
22 disaster.

23 Care New England is in desperate need of
24 financing, income to upgrade outdated facilities
25 and equipment. Funding that they cannot obtain on

1 their own. More modern facilities and better
2 equipment will be a benefit to patients and staff
3 alike.

4 The past 10 years have demonstrated that
5 Care New England cannot continue to stand alone.
6 For a number of years now, our members have lived
7 under a cloud of constant uncertainty of who
8 Care New England will become a part of, not whether
9 or not Care New England would even or could even
10 stand alone. Approval of this application will
11 remove the cloud of uncertainty, provide much
12 needed stability, and improve employee morale.

13 Fears of a monopoly are overstated.
14 Currently, commercial insurance rates are set by
15 the Office of the Health Insurance Commissioner.
16 Medicaid and Medicare rates are set by State and
17 federal governments.

18 And on the labor side, our union, as well
19 as the other fine unions that represent over 10,000
20 employees in the proposed system, has demonstrated
21 that they are more than capable of advocating for
22 their members and making sure they are treated
23 fairly.

24 I will note that a recently completed
25 agreement made between all of the unions in the

1 proposed system and Care New England and Lifespan
2 executives provides for the new entity to honor all
3 existing agreements, permits employees to work in
4 multiple facilities, tuition assistance, and there
5 is an assurance of no layoffs of employees with
6 over four years of service. This agreement is
7 indicative of a future of cooperative labor
8 relations. Additionally, a combined system will
9 provide more career opportunities for employees.

10 The transaction before you is a
11 once-in-a-lifetime opportunity for our state. We
12 can create an integrated Rhode Island-based
13 non-profit health care system, or we can let the
14 for-profit world gobble up three more Rhode Island
15 hospitals. I think the choice is clear. Approve
16 this transaction.

17 Thank you.

18 MS. LOPES: Thank you.

19 Cedric Huntley.

20 MR. HUNTLEY: Good evening. It's Cedric,
21 C-e-d-r-i-c, Huntley, H-u-n-t-l-e-y.

22 And I -- I am the executive director of
23 the Nonviolence Institute. And we've had a
24 partnership with Lifespan for just over 12 years,
25 and we developed that partnership through --

1 intentionally through -- to connect the community
2 to this work. So I come from a community
3 standpoint. I've watched this partnership really
4 connect the community to the care and service at
5 the hospital.

6 And as I listen, I just came up with a
7 question. What an opportunity for Rhode Island to
8 do something for Rhode Islanders; right? What an
9 opportunity to create a collaboration.

10 And so I support the merger. And I can
11 talk about our relationships over the years with
12 Lifespan and how important it is in connecting the
13 community at their most vulnerable time, where they
14 need -- they need to have access, they need to --
15 to their family members. And I've just been very
16 fortunate to just be involved in those
17 opportunities to connect our community.

18 So I say what an opportunity and -- to
19 help Rhode Islanders, to do something
20 collaboratively in support of the community at
21 large. So I support this.

22 MS. LOPES: Thank you.

23 Sherri Ann Johnson?

24 MS. LENZ: Fern, I do not see Ms. Johnson,
25 so I'm just going to unmute -- allow everyone to

1 unmute themselves in case Ms. Johnson is on the
2 phone.

3 Ms. Johnson, if you are on the phone, you
4 are now unmuted and may speak.

5 MS. LOPES: I can circle back.

6 Paul MacDonald? Paul MacDonald?

7 MS. LENZ: Fern, I just asked him to
8 unmute.

9 Mr. MacDonald, I see you are unmuted. You
10 may speak.

11 MR. MacDONALD: Good evening, folks.

12 I would like to thank the attorney general
13 for hosting this. I'd like to thank Dr. McDonald
14 and Director Powell from the Department of Health
15 and all the members who are staffing this evening.

16 On behalf of Teamsters Local 251,
17 secretary-treasurer to the chief principal officer
18 Matt Taibbi and President Paul Santos, they send
19 their apologies for not being able to be with you
20 this evening.

21 My name is Paul MacDonald,
22 M-a-c-D-o-n-a-l-d, and I am the legislative
23 director for Teamsters Local 251. I am also
24 president of the Providence Central Labor Council,
25 a labor organization consisting of over 20 labor

1 unions and over 30,000 members.

2 Teamsters Local 251 represent over 7,000
3 members. 2,500-plus-some of them work in Lifespan
4 health care system.

5 Soon you will make a decision on the
6 proposed merger plan of Care New England and
7 Lifespan. And to your credit, you have not acted
8 hastily, but in recognition of the importance of
9 this merger. Quite frankly, you've proceeded in a
10 most thoughtful manner.

11 And just as you have proceeded in a most
12 thoughtful manner, so has Teamsters Local 251.
13 They have done the same, and they've worked the
14 same kind of work that you do, making sure that
15 this merger is something that we all want to
16 support.

17 We look at the merger plan as an
18 opportunity to strengthen the medical needs of all
19 Rhode Islanders, and we're very pleased that the
20 cooperation between both parties have come to this
21 situation, where the previous testimony from other
22 labor leaders indicate clearly that this is a good
23 proposal.

24 Teamsters 251 is very pleased to lend our
25 support for this merger. On behalf of my brothers

1 and sisters in health care and Teamsters president,
2 Paul Santos, we urge and ask for your support of
3 the proposed merger of Care New England and
4 Lifespan.

5 I would like to thank everyone for their
6 work, your work, and the time you've put into all
7 of this, because this is one chance that we have to
8 have a health care industry that will work for
9 everyone: labor, management, and the public.

10 Thank you very much for the opportunity to
11 speak on behalf of Teamsters Local 251.

12 MS. LOPES: Thank you.

13 Kelley McNally.

14 MS. McNALLY: Hi there, everybody. My
15 name's Kelley McNally. Thank you very having me.
16 I am a member of Local 251. I've been a member for
17 38 years. I'm also a Rhode Island Hospital
18 employee. I have been here for 30 years.

19 I come today to be supportive of the
20 merger, and here are the reasons why: I work in
21 the emergency department, and I have been there for
22 30 years. I've never left. Think about being a
23 patient coming into the emergency department, and
24 you've kind of been to a couple different hospitals
25 all over the place, and you're pretty sick. It

1 would give us the opportunity to go into one system
2 and pull all your medical records at one time. The
3 doctors would be able to care for you in one time.
4 They don't have to wait for medical records to come
5 from other places. They don't have to worry about
6 calling this one or that one and hoping that we get
7 stuff on time. We would be able to review your CAT
8 scan records. We'd be able to review your X-rays.
9 It would save money on health care, where things
10 wouldn't have to get repeated over and over again
11 because we didn't have results. Everything would
12 be there for us. It would be cost effective.

13 And I think that something like that would
14 be a community-based -- people would like that
15 better. They wouldn't have to go from place to
16 place. Their stuff would be centrally located for
17 them.

18 Employees here at the hospital would love
19 an opportunity to expand, to grow, to learn more,
20 to have the opportunity to be part of research,
21 things that are coming up from Brown. Brown
22 University comes up with so many different research
23 projects, things that you can learn from. We are a
24 teaching hospital. We learn so much from this
25 hospital. And this would give us the opportunity

1 to give that teaching to all the other employees
2 all over this state, let them learn what we can
3 learn. It would give everyone a global
4 opportunity.

5 It would give our community an opportunity
6 to go and learn -- to go where they want to go
7 within the state. They wouldn't have to worry
8 about, Oh, I just have to go to Rhode Island
9 Hospital for something, or I just have to go here,
10 because we would be collaborative. We would be
11 able to give them the proper care that they need
12 wherever they went. They wouldn't have to worry
13 about one specific area. They wouldn't have to
14 travel all over the place 'cause they'd have
15 everything where they needed it in their areas
16 because things would be centrally located.

17 The hospital would be able to create --
18 from what I understand, they're creating a -- they
19 want to create a large area for the cancer
20 institute, where everything is right there for
21 them. Wouldn't that be a wonderful thought to know
22 that, if you had such a horrible thing happening to
23 you, a disease, you go to one place and you have --
24 you're taken care of, you don't have to go anywhere
25 else?

1 These are things that we don't think about
2 in the CEO aspect, but as a patient, when you come
3 in, it's so much better if you don't have to go
4 other places. It's all just in one place.

5 I know that it seems scary for everyone.
6 Me, as an employee, of course -- 30 years -- it's
7 scary. You think, Oh, well, no. Unions, this,
8 that. No one's going to listen to us.

9 They have protected us. We have strong
10 unions. The Teamster union, Local 251, we are a
11 strong union. We have worked very, very hard to
12 secure the employees, to make sure that they have
13 what they need, that they are not going to lose
14 jobs. They are going to be secure within
15 everything. That pay rates are going to be there.
16 They're going to be secured. The other unions have
17 worked hard to make sure that we are secure. We're
18 not going to have to worry about losing jobs.

19 It's a scary thing for everyone, me as an
20 employee here as well. Of course it's scary.
21 Change is scary. But we can do this together.
22 It's the best thing for this community. It is the
23 best thing for our state. It is gonna make it
24 okay, and we -- together we are going to be able to
25 make it perfect. And I am 100 percent in support

1 of this, and I know that the Teamsters are
2 100 percent in support of this.

3 Thank you.

4 MS. LOPES: Thank you.

5 Gregory Waksmulski?

6 Would that be Greg's phone by any chance?

7 Gregory?

8 MS. LENZ: I just asked "Greg's iPhone" to
9 unmute.

10 Fern, I'm going to allow everyone to
11 unmute themselves in case he is on another phone.

12 MS. LOPES: I can circle back for him as
13 well.

14 Is Jackie Goldman here?

15 MS. GOLDMAN: Hi. Hi there. My name is
16 Jackie Goldman. J-a-c-k-i-e G-o-l-d-m-a-n. And I
17 am representing myself. I'm a public health
18 researcher. And I'm here to testify against the
19 merger.

20 The Lifespan/Care New England merger is
21 not in the best interest of staff or patients of
22 the hospitals. By controlling 80 percent of the
23 market share, there are no guardrails to make sure
24 that rates are not increased at an astronomical
25 rate. With no competition, the hospitals will be

1 able to charge whatever they want, and patients
2 will not be able to explore alternatives.

3 In the past, when hospital mergers like
4 this have gone on, there have been 6 to 18 percent
5 increases in health care for -- health care costs
6 for patients. That means that patients are being
7 saddled with these costs, their health insurance
8 premiums are going to go up, and it will also lead
9 to -- which -- also, the fact that health insurance
10 premiums are going up in a time where already
11 40 percent of Rhode Islanders are underinsured,
12 meaning that they can't get health care because
13 their cost for it and then their insurance doesn't
14 uncover it, this to me seems unconscionable,
15 especially in a time when we're in a global
16 pandemic.

17 Secondly, I know that, you know, these
18 price increases are going up, but at the same time
19 I don't think that money's gonna go to staff. By
20 monopolizing the health care systems, hospitals
21 will be able to get away with not paying their
22 staff sufficiently.

23 We already see people going to other
24 states for better paying health care jobs, and I
25 think that the merger will exacerbate this. And so

1 by not sort of creating a competitive market for
2 laborers, you're going to end up making it so that
3 people end up having to settle for the wages there.
4 And so I think that ultimately this will harm the
5 laborers.

6 I think that if -- you know, me looking at
7 this, I see this as a way to continue the trend
8 that we have of making sure that money does not
9 actually go to the people working at the hospitals,
10 but rather continues just to cover a lot of the
11 executives and other people who are standing to
12 benefit from this merger. I think that as you
13 unearth the details and follow the money, the
14 people who are vastly in support of this merger are
15 also those who stand to benefit financially, and
16 unfortunately those are not the workers or the
17 patient.

18 And so because of these reasons, I stand
19 against the health care merger. Thank you so much
20 for your time.

21 MS. LOPES: Thank you.

22 Liam Bendicksen?

23 MS. LENZ: Fern, I do not see his name on
24 the list, but I have unmuted everyone if he is on
25 the phone.

1 MS. LOPES: I'll move on to John Fedo.

2 DR. FEDO: Good evening. Thank you for
3 the opportunity to comment on the Lifespan/Care New
4 England merger. My name is Dr. John Fedo, F-e-d-o,
5 and I'm the dean of the College of Health Sciences
6 at New England Institute of Technology. These are
7 my individual comments and do not represent New
8 England Institute of Technology.

9 I'm in strong support of the merger of
10 Lifespan and Care New England. In reviewing the
11 advantages and disadvantages of the Lifespan/Care
12 New England merger, the advantages far outweigh the
13 disadvantages.

14 As a registered nurse, I'm an advocate for
15 patients, and patients are always at the center of
16 our care.

17 From my perspective, I see three major
18 advantages. The merger, I understand, will support
19 the expansion of care to underserved populations in
20 Rhode Island by adding more ambulatory care
21 centers. Another added benefit to adding more
22 ambulatory care centers will allow for the
23 decompression of clients using emergency
24 departments and reduce health care -- using --
25 excuse me -- emergency departments for nonurgent

1 care.

2 The merger will also allow for
3 streamlining of care, which has been previously
4 mentioned, and will lead to lower health care
5 costs.

6 The merger will provide comprehensive
7 health care across the care continuum and reduce
8 health care disparities for a healthier
9 Rhode Island.

10 From an academic perspective, the
11 realignment of health services and the addition of
12 ambulatory care centers will provide additional
13 experiential learning opportunities for students in
14 the health care sciences.

15 Currently, the majority of student
16 placements take case in acute care setting. With
17 the continued shift that we see of services to
18 outpatient ambulatory care centers, those added
19 care centers will provide a greater opportunity for
20 students to learn how to work with clients in
21 different care settings.

22 I think that the synergy created by the
23 merger will strengthen the health care structure in
24 Rhode Island, and that Lifespan and Care New
25 England are well positioned to meet the challenges

1 ahead.

2 Thank you.

3 MS. LOPES: Thank you.

4 Dr. Peter Hollmann.

5 DR. HOLLMANN: Hi. My name is Peter
6 Hollmann, H-o-l-l-m-a-n-n, and I am speaking for
7 myself on favor of the merger.

8 NHAT and I came to Rhode Island to attend
9 Brown University, and this was the year before the
10 medical school was accredited to graduate its first
11 doctors. I did my residency at Roger Williams
12 General Hospital in internal medicine, and I was
13 the first person who trained in a Rhode Island
14 Hospital in the field of geriatrics, also at the
15 Rog. I was on the board there, and that was at
16 times when we had merger talks with The Miriam;
17 would've been a great name, The Mirage, we thought.

18 I also was on the board when Columbia HCA
19 suited Roger Williams Hospital and was part of the
20 reason why we have the law that is -- why we're
21 having hearings today and watch Lifespan form.

22 I've been very involved with the
23 Rhode Island Medical Society and the Office of the
24 Health Insurance Commissioner and cost trends and
25 care transformation, and I've worked 20-plus years

1 part-time at Blue Cross and Blue Shield.

2 I've been in private practice, and I've
3 been an employee physician.

4 I only say this to note that I've seen a
5 lot from a lot of different perspectives, and I
6 really feel very strongly that Rhode Island health
7 care has been greatly enhanced by the medical
8 school and the teaching hospitals and all the
9 wonderful people that work in them.

10 Teaching, research, and innovation do
11 bring the best to care for us and help our local
12 economy. I'm not a naive Pollyanna. At times I've
13 seen and been very disturbed by people and places
14 that don't work together for the best in our
15 community, but that is not the majority of the
16 time.

17 Rhode Island is a small market. Our
18 competition is out of state. In-state competition
19 doesn't necessarily decrease costs. In fact, it
20 can increase costs due to duplication of services
21 and waste. It can also decrease quality when there
22 are a minimum number of certain kinds of things
23 that need to be done in one place.

24 A Rhode Island market is already heavily
25 consolidated, and, appropriately, it's already

1 significantly regulated. The Office of the Health
2 Insurance Commissioner does not permit the
3 insurance companies to increase rates for hospitals
4 beyond a certain sustainable amount. They also
5 don't allow the insurance companies to even
6 increase payments to affordable care organizations,
7 combinations of physicians and hospitals and other
8 entities, beyond a certain amount.

9 You know, any good thing can be done
10 poorly or have adverse effects, but we can't be
11 ruled by fear. We need to prepare and mitigate.
12 Some of the change that people fear is really
13 inevitable, and a strong Rhode Island health care
14 system is actually the best protection. And we can
15 do this right. I know we can.

16 Failure to act is the worst option. We're
17 in a difficult time, and we can watch inevitable
18 decline, or we can choose the path of success.
19 We're supposed to be the state of hope. We don't
20 intend to be a Boston suburb, and we don't intend
21 to be easy picking for private equity.

22 Rhode Island can collaborate. I've been
23 privileged to work on preserving and improving
24 primary care with practices that are competitors,
25 with payers that are competitors. Everybody came

1 together to help make Rhode Island a better place.
2 I'm very glad to continue to be part of that work
3 with the Care Transformation Collaborative of
4 Rhode Island.

5 I encourage our state to preserve and
6 protect what really matters for high quality,
7 accessible, and affordable health care while we
8 take advantage of an opportunity that I have waited
9 for my entire adult life to occur. This is a
10 chance for us to work together to make our state
11 health care system even better.

12 Thank you for allowing me to talk to you.

13 MS. LOPES: Thank you.

14 Megan Potter, please.

15 MS. LENZ: Fern, I do not see that name,
16 so I'm going to allow everyone to unmute in case
17 Ms. Potter is on the phone.

18 Ms. Potter, if you are there, it is your
19 opportunity to speak.

20 MS. LOPES: I can circle back.

21 I will call on Roberta Feather, please.

22 MS. FEATHER: Hello. My name is
23 Roberta Feather, and I am a professor emeritus from
24 the University of Rhode Island, and I am a private
25 practitioner in the Providence community. And I

1 wish to speak about issues of affordability.

2 I was very disappointed to see the results
3 of a study last week that was done at Johns Hopkins
4 and published on the Becker website talking about
5 unnecessary spending. It writes a number of
6 hospitals that were the big ones, and unnecessary
7 spending. Care New England unfortunately ranked
8 No. 4 in that. That's very disappointing.

9 Another thing I've noticed in reading the
10 application -- and perhaps it was an oversight on
11 my part -- but I have seen very little inclusion
12 about the foundation boards of the hospital. Even
13 on the organization charts, they come directly
14 under the primary leadership.

15 Also, I wanted to talk about some things
16 that are within the agreement that go to the issue
17 of affordability.

18 Within the context, there is mention that
19 the two correct CEOs would remain in their position
20 for a period of two years, and also that it would
21 be three to four years before changes would be made
22 in programs.

23 I've been describing the board of trustees
24 under a new combined plan has many of the older
25 trustees remaining on the board. I really think

1 it's time that the people who have worked on this
2 move on and thinking about recruiting someone who
3 may be --

4 (Telephonic interruption.)

5 MS. FEATHER: -- who may be -- who may be
6 interested in coming in the primary role of a CEO.
7 I think having two prior CEOs around for two years
8 would not be a very attractive feature.

9 And having the same people on the board of
10 trustees, I also would not find to be a very
11 attractive feature. I think the person coming in,
12 hopefully they are nationally known, have a strong
13 reputation to know a lot of people that they could
14 be bringing in to fill up the leadership positions.

15 In terms of talking about the fears around
16 a non-profit or a for-profit hospital taking over,
17 I have that fear myself, but reality is we're
18 looking at two sinking ships that are attempting to
19 merge. I would like to suggest that perhaps there
20 are other legal methods that could be looked at,
21 rather than the "if" factor of a merger, which is
22 illegal, such as joint ventures in some varying
23 degrees.

24 Thank you very much.

25 MS. LOPES: Thank you.

1 James Bailey, please.

2 MR. BAILEY: Hello, everyone. So my name
3 is James Bailey, B-a-i-l-e-y. I teach economics at
4 Providence College, but tonight I am here to speak
5 on behalf only of myself and not Providence
6 College.

7 So as a health economist, I read the
8 literature on mergers like this that happen all
9 over the country, and in general, they seem not to
10 work out very well for the patients and the
11 community.

12 I was reading the report that the Office
13 of the Health Insurance Commissioner prepared in
14 June 2021, putting together their take on the
15 merger, and I would encourage everybody to read
16 that. I generally agree with their read on the
17 literature -- academic literature about similar
18 mergers, which shows that they typically increase
19 prices, usually something in the high single
20 digits, without affecting quality in a measurable
21 way.

22 The merging parties here argue that this
23 time is different, and I agree that some of their
24 arguments, like the unified electronic medical
25 records, do sound reasonable, but I also know that

1 merging parties always have to argue something, and
2 they always want to say that they will be special,
3 that this time will be different. And I hope
4 that's true, but I don't really see the reason that
5 it is.

6 In particular, because this time really is
7 different in one other way, it would lead to a
8 particularly large increase in the concentration of
9 the health care market in Rhode Island, much larger
10 than the typical hospital merger.

11 In addition to suggesting that mergers
12 typically increase prices, the academic literature
13 also suggests that mergers this size will typically
14 lead to a reduction in the wages of health care
15 workers by 4 to 7 percent. Now, this is typically
16 attenuated an a high union presence like we have in
17 Rhode Island, but I would still expect the effect
18 on health care workers' wages to be negative, based
19 on the experience of mergers around the country.

20 If we were to allow the merger, the merged
21 entity would be enough of a monopoly that
22 competition would be unlikely to contain prices,
23 and Rhode Islanders would need to rely on rate caps
24 from the Office of the Health Insurance
25 Commissioner. This office does currently seem well

1 run, but there's no guarantee necessarily that that
2 would continue; particularly as a merged entity
3 would gain in political power, as well as market
4 power, and be able to lobby to be allowed to
5 increase prices for what the market would bear,
6 which would be quite a lot following the merger.

7 To conclude, I see the trade-off that
8 Rhode Islanders are being offered. We're sort of
9 being asked, Would you like to pay 10 percent
10 higher prices in order to get unified electronic
11 medical records and to make it easier for
12 researchers at Brown to conduct their research?

13 As a researcher myself, I might be willing
14 to take that trade, but I don't know that the
15 typical Rhode Islander would if you offered them
16 the choice in those terms. And in particular, I
17 suspect that anyone struggling to afford their
18 health insurance premiums would not.

19 Thank you.

20 MS. LOPES: Thank you.

21 Senator Louis DiPalma, please.

22 MR. DiPALMA: Thank you. Thank you for
23 allowing to me to test- -- provide these comments
24 tonight.

25 Thank you for affording me the opportunity

1 to provide some commentary on the Brown/Care New
2 England/Lifespan merger. Full disclosure, I am a
3 Brown alum. That will not influence my comments
4 one way or the other, but I figured I'd -- before I
5 begin my remarks, let me first thank you for what
6 you have already done with the review and analysis
7 of the proposal, are doing, and will be doing. You
8 have the weight of the entire state on your
9 shoulders. Know that you'll be in my prayers that
10 you afford this proposal the extreme due diligence,
11 which is most definitely warranted.

12 It is critically important the proposal
13 evaluation appropriately address what I believe are
14 the four critical areas, including access, quality,
15 affordability, and workforce. From my perspective
16 as a State senator representing District 12, which
17 includes all of Middletown, all of Little Compton,
18 Tiverton, and Newport, and chair of the senate
19 committee and oversight, we need to ensure access
20 is increased, quality improved, services become
21 more affordable, and the workforce be preserved.
22 Hospitals are a significant economic driver in our
23 state of Rhode Island, and we rely on the continued
24 employment of their exemplary staff.

25 I'm reminded of the recent reductions of

1 services at Lifespan's Newport Hospital. This
2 reduction is troubling to my constituents and
3 myself. I'm concerned this reduction of services
4 to my constituents would accelerate any potential
5 post-merger.

6 I ask that you also consider what has just
7 transpired with Prospect Medical Holdings, PMH, in
8 three Connecticut hospitals. You remember what
9 recently transpired with Roger Williams Medical
10 Center and Our Lady of Fatima Hospital. In
11 approximately 2015, PMH acquired hospitals in
12 Connecticut and just recently announced they were
13 selling those to the Yale New Haven Hospital
14 System.

15 I respectfully request that should a
16 merger be approved, conditions be included with
17 quantifiable measures and annual metrics for a
18 period of at least five years, demonstrating how
19 access will be increased, quality improved,
20 services become more affordable, and workforce be
21 preserved.

22 Additionally, restrictions are needed to
23 ensure what PMH just did in Connecticut does not
24 happen with any post-merger in Rhode Island for at
25 least 10 years. With these critical additions

1 attached, I could support the merger.

2 Once again, thanks for the opportunity to
3 provide these comments.

4 MS. LOPES: Thank you.

5 Alexander Palazzo.

6 MR. PALAZZO: Hello.

7 MS. LOPES: Hi.

8 MR. PALAZZO: Hi. My name is spelled
9 A-l-e-x-a-n-d-e-r. My last name is spelled
10 P-a-l-a-z-z-o.

11 And my comment is -- I represent myself,
12 and my comment is I'm in -- not in favor of the
13 merger to go together because I think the -- of
14 course the health care prices are going to go up.

15 I know back a year ago that Care New
16 England and/or Lifespan had a cyber attack. So
17 even if they do -- if they were to favor it to
18 merge, I don't think they have the technology to
19 fix a cyber attack. Or even if they get the health
20 care records together, it wouldn't be a stable
21 partner -- merger, 'cause cyber -- I am an
22 information technology and a cyber security
23 professional, and I don't think -- even if the
24 merger did go through, there has to be a high level
25 of cyber security and information technology

1 protocols to follow if anything happens if it did
2 go through.

3 Other than that, I mean, it sounds like
4 from what I'm hearing from other people that it is
5 a good idea and sometimes a bad idea if the merger
6 was to happen. I mean, if it didn't happen,
7 another entity could grab Care New England or
8 Lifespan Hospital for profit. I mean, being them
9 two being not-profits, that would be a good merger
10 difficulties.

11 That's my comment for today. Thank you.

12 MS. LOPES: Thank you.

13 Heather Kelley?

14 MS. KELLEY: Hi. Good evening. My name's
15 Heather Kelley. That's K-e-l-l-e-y. And I'm a
16 lead organizing with SEIU 1199 New England. We
17 represent about 2,500 members throughout the
18 Care New England system and about 5,000 members
19 throughout the state of Rhode Island.

20 I want to start by noting, as so many
21 already have, that we're still in the heat of the
22 pandemic, that this had an immeasurable toll on our
23 members and on all health care workers in the
24 state, and I want to thank the health care workers
25 who have been on the front lines getting us through

1 these grueling couple of years.

2 I am -- you'll have to forgive me. I'm
3 nine months pregnant, so I get winded quite easily
4 these days.

5 But over the last few weeks, you've heard
6 several of our members and leaders throughout the
7 hospitals express serious concerns about the
8 potential for market dominance if these two systems
9 merge. While those concerns cannot be overstated,
10 we also know that the best protection against an
11 overlarge system is union protection. There really
12 is no better advocate for our patients than the
13 nurses and other frontline health care workers who
14 provide bedside care.

15 Anytime management makes decisions we
16 disagree with, it's our union members that stand
17 together that demand that patients be put first.
18 Our advocacy for patients in public health is part
19 of our DNA.

20 Since the last public hearing, we have
21 reached an agreement between the merging parties
22 and the four unions who represent the workers
23 throughout these systems. This deal will address
24 some of the worst fears we have expressed. Among
25 other details, it will reserve a seat on the board

1 of directors for labor advocates. It will
2 guarantee union representation at some of the
3 large, new medical facilities that have been
4 proposed. It will guarantee that workers who
5 currently work in multiple systems will not be
6 terminated from one system on the first day. It
7 will reserve good union jobs and will prevent any
8 one hospital from being separated and sold to a
9 for-profit entity. These will go along when
10 addressing the anti-competitive aspects about which
11 we have expressed concern.

12 I will just conclude by saying, again, I'm
13 hoping to deliver my second baby at Women & Infants
14 Hospital in the coming weeks, better yet days, and
15 I can say without reservation that there's no one
16 else that I want by my side and with my family than
17 the nurses, dietary workers, phlebotomists, and all
18 the other health care workers who will care for us.

19 When workers have a voice and the ability
20 to collectively bargain and be at the table of the
21 new system, our patients and our community will be
22 protected, and the deal that we have reached
23 accomplishes just that.

24 Thank you.

25 MS. LOPES: Thank you.

1 Valerie?

2 MS. LENZ: Fern, I do not see Valerie, so
3 I'm just going to allow everyone to unmute.

4 Valerie, if you are on the phone, you may
5 provide comment.

6 Fern, we can circle back.

7 MS. LOPES: Sure.

8 Laurie Gaddis Barrett?

9 Sherri Ann Johnson?

10 Gregory Waksmulski?

11 Liam Bendicksen?

12 MS. POWELL: Fernanda, it's a little hard
13 to hear you.

14 MS. LOPES: Oh, sorry. I'll get closer.
15 So I'm circling back to --

16 MS. POWELL: For the last three names.

17 MS. LOPES: Oh, sorry.

18 I'm circling back to those that had signed
19 up, I've called on, but did not provide comments.

20 So I'll go back to Laurie Gaddis Barrett.

21 Sherri Ann Johnson.

22 Gregory Waksmulski.

23 Liam Bendicksen. Liam Bendicksen?

24 Megan Potter.

25 And Valerie.

1 Is there anyone else in attendance who
2 would like to provide comments but has not had an
3 opportunity to speak tonight? Please raise your
4 virtual hands. We can call on you.

5 So hearing no one and seeing no raised
6 hands, we are scheduled to hear public comments
7 until 8:00 p.m. tonight, and the attorney general
8 and Rhode Island Department of Health
9 representatives will remain in this public meeting.
10 We will hold it open until 8:00 should anyone still
11 plan to join us to provide additional comments.

12 While this does not conclude our meeting
13 at this time, I invite you to stay to hear any
14 potential comments from those who may arrive later,
15 or please know that your comments have become part
16 of your record and you're not obligated to stay on
17 Zoom with us.

18 For those of you who will choose to leave
19 our meeting, I'd like to thank you for
20 participating today, and I hope you have the rest
21 of a good night.

22 (Pause.)

23 MS. LOPES: Again, if there's anyone in
24 attendance who would like to provide comments,
25 please raise your virtual hands, and we'll call on

1 you.

2 Rob Settipane?

3 MR. SETTIPANE: Hi. How you doing there?

4 Yeah, Robert Settipane. I'm at work, so I'm
5 wearing my mask. I hope you don't mind. But it's
6 me. I have -- I'd like to make a comment.

7 I'm a private practitioner in Warwick and
8 East Providence. I spell my name
9 S-e-t-t-i-p-a-n-e. S, as in "Sam,"
10 -e-t-t-i-p-a-n-e.

11 You know, I wasn't planning on originally
12 to speak, but because of the silence, I figured why
13 let it go to waste, especially when I have such an
14 esteemed audience.

15 But with regard to this merger issue,
16 yeah, I'm concerned about the monopoly side of it,
17 particularly -- particularly the long-term -- the
18 long-term consequence, 'cause once you create this
19 monopoly, how does it come to an end? It's a -- as
20 someone said, it's a once-in-a-lifetime
21 opportunity, but once you make that decision, that
22 decision 's over. So it is once -- it's
23 once-in-a-lifetime of the state almost.

24 So of course, you know, there's advantages
25 to a monopoly, but how does it benefit the

1 individual?

2 I'm particularly concerned with regard to
3 the viability of other providers, like independent
4 people like myself. I think my patients benefit
5 from my services, and we are at a disadvantage.
6 And I'm particularly concerned because insurances
7 have had the pattern of establishing exclusives,
8 exclusive relationships at certain health care
9 entities. You know, if you have a certain
10 insurance, you're actually obligated to go to a
11 certain pharmacy. You have to go to CVS with
12 certain insurances, or Walgreens. And when that
13 happens, the small guys get cut out of the loop,
14 and that makes it harder for us to survive and stay
15 in the game. And we're also providing -- also
16 providing a vital service.

17 So the -- with the size of the monopoly,
18 it -- there's unattended consequences of the
19 smaller players getting cut out of the loop.
20 That's a big concern of mine. And I think, like,
21 over the years certainly my patients have benefited
22 from that.

23 I would also say that certainly, you know,
24 it's -- a monopoly is better than various things.
25 It's better than the for-profit company coming in

1 and jacking up the prices, but, you know, is it --
2 is it better than Harvard coming in to -- or Mass
3 General? What was Partners now has a new name.
4 It's Mass General Brigham. And, you know,
5 personally I think Rhode Islanders would benefit
6 from two major players competing to see who could
7 deliver a better health care product to our
8 citizens. Why not let Mass General? Certainly the
9 worst outcome is a for-profit out-of-state company,
10 but that's not the only option. That is not the
11 only option. We certainly -- you know, Mass
12 General was interested. They kind of were shut
13 down. But certainly bringing them in, that's
14 better than a monopoly.

15 And one other thing I wanted to say about
16 the -- what's particularly unfair about a monopoly
17 of course -- and I think one of the reasons the
18 unions like it is because it's an easy target.
19 It's an easy target to strike. You can shut down
20 the whole health care system in the state of Rhode
21 Island with a unified strike. So that really works
22 well for the unions.

23 And that -- the price increases 'cause
24 there's no competition. You've got the -- you've
25 got a greater capacity for price increases. Well,

1 those price increases are passed along to
2 insurance, to the health insurance. And when
3 individuals are basically forced or compelled or
4 need to buy health insurance, it's these increased
5 costs passed along directly to them. So the price
6 increases that come along with a monopoly are
7 unfair, but everyone's compelled to buy that
8 product.

9 You know, if you could say if it wasn't --
10 if it was a different product that people didn't
11 need to buy, well, that would be, you know, less of
12 an issue, but this is something that everyone needs
13 to purchase. Everyone needs health insurance.
14 And, sure, that higher price of the health
15 insurance comes straight out of the private
16 citizen's pocket in many cases.

17 So that is particularly unfair when
18 individuals is compelled to pay that higher price
19 as a result of a monopoly situation.

20 Well, those are -- I think that's the end
21 of my unprepared remarks. Thank you for listening.

22 MS. LOPES: Thank you.

23 And, again, if anyone is in attendance who
24 would like to provide comments but has not had an
25 opportunity to speak tonight, please raise your

1 virtual hands, and we'll call on you.

2 Meg Potter?

3 Meg, we can't hear you, but it doesn't
4 appear that you're on mute.

5 MS. LENZ: Ms. Potter, I don't have an
6 opportunity -- you don't have a microphone near
7 your name for some reason.

8 MS. LOPES: If Ms. Potter is connecting to
9 audio, we'll just give her a minute.

10 MS. LENZ: Ms. Potter, you are now
11 unmuted.

12 MS. POTTER: Hi. How are you?

13 MS. LENZ: Good. How are you?

14 MS. POTTER: Oh, good. Thank you.

15 So my name is Meg Potter. That's
16 P-o-t-t-e-r. And I have been wanting to call in
17 just to express some concerns that I have with the
18 merger in terms of the -- I guess I have a -- I'm
19 having a difficult time having good faith in the
20 players frankly both at the DOH and the leadership
21 at Care New England and Lifespan. You know -- and
22 I know there's been a multitude of factors
23 involved.

24 But you guys have had us in a state of
25 emergency for over 700 days. The two hospital

1 systems have both been complaining publicly that
2 they can barely meet the needs of the people. And
3 so I guess I just want to say that it takes a
4 really interesting kind of hubris to ask the public
5 to get behind a merger of two questionable
6 non-profits who really do disguise a lot of income
7 in terms of bonuses and, you know, salaries, and
8 also extending their services through physician --
9 their physician network, et cetera.

10 So, I mean, I just really hope that the
11 public questions whether or not this is in our best
12 interest or not, especially given the auspicious
13 circumstances under which we're being asked to
14 consider it.

15 MS. LOPES: Thank you.

16 Is anyone else interested in providing
17 public comments?

18 (Pause.)

19 MS. LOPES: Again, we are scheduled to
20 hear public comments until 8:00 p.m. tonight, and
21 the attorney general and the Rhode Island
22 Department of Health representatives will remain in
23 this public meeting for another 15 minutes. If
24 anyone has any public comments that they'd like to
25 share, please raise your virtual hands.

1 (Pause.)

2 MS. LOPES: Has anyone joined us recently
3 who would like to provide comments?

4 Again, we will hold this meeting open
5 until 8:00. Should anyone still choose to provide
6 comments, please raise your virtual hands.

7 (Pause.)

8 MS. LENZ: Fern, as we are closing in on
9 8:00, I would just like to put on the record the
10 number of participants in attendance tonight.

11 This meeting started shortly after
12 6:00 p.m., and we quickly had over 100
13 participants, peaking at 6:44 p.m. at 119
14 participants.

15 Right now, at 7:59 p.m. we have 50
16 participants left. We thank you all for your
17 attendance this evening.

18 I am just going to unmute the attorney
19 general and Sandra Powell, if they would like to
20 say any final words.

21 MS. POWELL: All right. Maybe I'll just
22 take one moment to add for the record the
23 appreciation I think of all parties for the
24 earnestness of the comments that were made this
25 evening. As said earlier, we will certainly take

1 them into strict account as we complete -- or
2 continue our review to completion of this merger
3 application before the departments. I want to
4 offer my thanks to everyone who offered a
5 commentary this evening.

6 MS. WEIZENBAUM: On behalf of the Office
7 of the Attorney General, I'd likewise like to thank
8 everybody who participated. You offered very
9 insightful and important comments, and we will take
10 them into consideration as well. So, thank you,
11 and have a good evening.

12 MS. LENZ: The meeting is now concluded.

13 (MEETING CONCLUDED AT 8:01 P.M.)

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C E R T I F I C A T E

I, CASEY A. BERNACCHIO, Shorthand Reporter and Commissioner, hereby certify that the foregoing is a true, accurate, and complete transcription of my stenographic notes taken at the time of the aforementioned matter.

This proceeding was done remotely via web conference and may result in some inaccuracies and/or dropped words created by audio conflicts that may arise during any web-based event.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of February, 2022.



CASEY A. BERNACCHIO
SHORTHAND REPORTER

MY COMMISSION EXPIRES:
DECEMBER 31, 2023