December 11, 2014

The Honorable Kamala D. Harris
Attorney General, California Department of Justice
Office of the Attorney General
1300 I Street
Sacramento, CA 95814

Dear Attorney General Harris:

We the undersigned members of the California Democratic Congressional Delegation respectfully urge the Office of the Attorney General to reject the sale of six hospitals in the Daughters of Charity Health System to Prime Healthcare Services. With six hospitals throughout California, all of our constituents have a public health and cost-shift stake in what happens with this proposed acquisition. It is our belief that under Prime, patient care and healthcare worker rights will suffer at these hospitals.

Our biggest concern is Prime's history of unfair business practices that have resulted in civil and criminal investigations by government agencies for allegedly overbilling Medicare as well as violations of patient confidentiality. The National Labor Relations Board has issued charges against Prime for such illegal practices as unilaterally cutting employee health insurance plans, interrogating and intimidating employees who are supportive of their union, bad faith bargaining and bribing employees to vote to decertify the union. Class action and wage and hour violation lawsuits have been filed against Prime at 11 of their 15 California hospitals.

We would also note that California today needs more safety net hospitals than ever, given that over 2 million Californians have signed up for expanded Medi-Cal under the Affordable Care Act. This growing Medi-Cal need is incompatible with Prime's business model of minimizing the amount of care it delivers to low-income patients.

In closing, we do not believe an acquisition of Daughters of Charity hospitals by Prime is in the best interests of patients or healthcare workers in California. Given Prime's troubled past and regulatory problems, and its incompatibility with the historic safety net mission of Daughters of Charity, we urge you to protect the rights of patients and healthcare workers by rejecting this proposed sale.

Sincerely,

Zoe Lofgren
Member of Congress

Mike Honda
Member of Congress
Mike Thompson
Member of Congress

Sam Farr
Member of Congress

Mark Takano
Member of Congress

Janice Hahn
Member of Congress

Anna G. Eshoo
Member of Congress

Lucille Roybal-Allard
Member of Congress

Xavier Becerra
Member of Congress

Maxine Waters
Member of Congress

Tony Cardenas
Member of Congress

Jackie Speier
Member of Congress

Barbara Lee
Member of Congress

Loretta Sanchez
Member of Congress

George Miller
Member of Congress

Doris Matsui
Member of Congress

Juan Vargas
Member of Congress

Alan Lowenthal
Member of Congress