

## **Strong effort in place to save Seton Medical Center**

Dear Friends,

As many of you may have already heard, the owners of Seton Medical Center in Daly City filed for bankruptcy, Friday Aug. 31. This is incredibly disappointing but I can assure you as your county supervisor representing north San Mateo County, I will do everything in my power to maintain Seton as a full-service acute care hospital with an emergency room.

For the record, San Mateo County has contributed \$25 million to Seton since 2013 for patient care and has committed another \$15 million to the hospital for seismic upgrades. The Health Plan of San Mateo, a board I also sit on, loaned the hospital another \$20 million in 2017 to keep the doors open.

When the struggling Daughters of Charity sold its six hospitals to a hedge fund called Blue Mountain in 2015, the state Attorney General's Office approved the sale on a number of conditions. They included that Seton for 10 years must operate as an acute care hospital and offer emergency services. The conditions also included that Seton must continue to provide charity care for needy patients at historical levels and that essential health care services must continue. The Daughters of Charity was rebranded Verity Health and its new operator is called Integrity Healthcare, which is primarily owned by billionaire Dr. Patrick Soon-Shiong.

When Dr. Soon-Shiong invested in the operator last year, he said he wanted to revitalize the entire system. A year later, however, the doctor said the system could not be saved and that Verity was looking to sell some or all of its assets.

Both Blue Mountain and Dr. Soon-Shiong knew the financial turmoil the hospitals were in and the conditions of approval set forth by the Attorney General's Office. That's why it is so

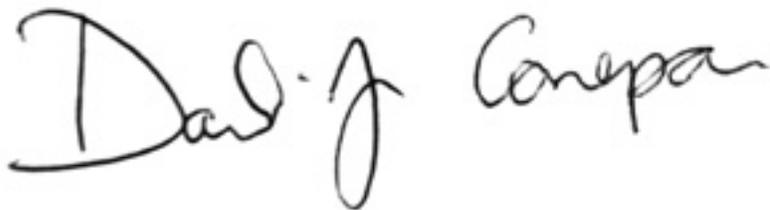
frustrating they have decided to go bankrupt not even three years into the sale.

Why is Seton important? Because it provides health care services to the neediest among us. It sees about 28,000 patients in its ER every year, with about 85 percent of them being on Medicaid or Medi-Cal. It also provides skilled-nursing beds which are lacking in San Mateo County.

Another concern, of course, is about the 1,500 jobs the hospital supports. Seton is Daly City's largest employer and many of its workers have worked at the hospital for decades.

This is a fight for quality patient care for vulnerable patients and the nurses, doctors and staff who care for them. The Daughters of Charity cared for our community and its people. The goal now is to find another operator that continues on that same caring path.

In friendship,

A handwritten signature in black ink that reads "David J. Canepa". The signature is written in a cursive, flowing style.

DAVID J. CANEPA