



June 27, 2014

Honorable Christine M. Roach
Justice of the Superior Court
Suffolk Superior Court, Room 1309
Three Pemberton Square
Boston, MA 02108

Re: Commonwealth of Massachusetts v. Partners Healthcare System, Inc., South Shore Health and Educational Corp., and Hallmark Health Corp., Superior Court Civil Action No. 14-2033 BLS (June 24, 2014)

Dear Honorable Roach:

MASSPIRG writes this letter to ask for a public hearing on the proposed approval of the settlement filed by the Massachusetts Attorney General yesterday, June 24, 2014. Attorney General Coakley is seeking approval of an agreement to settle the anticompetitive concerns arising from the acquisition by Partners Healthcare System, Inc. ("Partners") of South Shore Health and Educational Corp. ("South Shore Health") and Hallmark Health Corporation.

MASSPIRG, is a non profit non partisan public interest organization with a long history of protecting consumers winning concrete results for our health, safety and financial security. Since 1972, we've been a voice for consumers, countering the influence of big banks, insurers, chemical manufacturers and other powerful special interests. Our team of researchers uncovers the facts; our staff bring our findings to the public, through the media as well as one-on-one interactions; and our advocates bring the voice of the public to the halls of power on behalf of consumers.

The Attorney General specifically noted in the filings with the court this week that the acquisitions raise substantial concerns over increased prices and loss of competition for provider services. Recent economic studies have demonstrated that hospital mergers can lead to higher prices and less services.¹ And on February 19 of this year the Massachusetts Health Policy Commission released a study in which it determined there were significant competitive concerns arising from the Partners' acquisition of South Shore Health.

¹ Martin Gaynor et al., Death by Market Power: Reform, Competition and Patient Outcomes In the National Health Service, Apr. 30, 2012, available at http://www.andrew.cmu.edu/user/mgaynor/Assets/Death_by_Market_Power.pdf.

As a public interest group concerned with the protection of consumers, ensuring the public has a meaningful opportunity to review and participate in a merger settlement of this magnitude is essential in determining the best approach. As you know, the proposed settlement agreement is lengthy and complex. Consumers should have the opportunity to review and understand what the settlement agreement entails and what could result from the entry of this settlement. Therefore, we request that before the Court take action on the proposed settlement, it provides an opportunity for the public to fully review the settlement and to file comments on the matter.

Thank you for your time and consideration of the above.

Sincerely,

Deirdre Cummings
Legislative Director
MASSPIRG
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