



October 2, 2020

Kenneth W. Field
Jones Day
51 Louisiana Avenue, N.W.
Washington, D.C. 20001

Dear Mr. Field:

Shannon Health System, Inc. filed an Application for a Certificate of Public Advantage to HHSC on June 4, 2020, pursuant to Health and Safety Code Chapter 314A, seeking a Certificate of Public Advantage in connection with the April 20, 2020, asset purchase agreement between Shannon Health and CHSPSC, LLC, for the sale of substantially all the assets used in the operation of San Angelo Community Medical Center (the Proposed Merger). Both hospitals are in Tom Green County.

After reviewing the application and consulting with the Office of the Attorney General, HHSC, as the agency designated by the governor under Health and Safety Code §314A.004 to review and approve or deny applications for Certificates of Public Advantage and to supervise the activities for which a Certificate of Public Advantage is issued, has determined under the totality of the circumstances that the application meets the requirements for issuance of a Certificate of Public Advantage under Health and Safety Code §314A.056(a), as provided in the attached Determination of Findings.

Pursuant to Health and Safety Code §314A.056(c), HHSC finds that it is necessary to include the attached Terms and Conditions in connection with the Certificate of Public Advantage to ensure that the Proposed Merger likely benefits the public.

If you have any questions, you may contact me at Kristi.Jordan@hhs.texas.gov.

Sincerely,

Kristi Jordan
Associate Commissioner
Health Care Regulation