

STATE OF NEW HAMPSHIRE
DEPARTMENT OF STATE

_____))
IN THE MATTER OF:))
Local Government Center, Inc., et al.) C-2011000036
RESPONDENTS))
_____)

STATEMENT OF ADDITIONAL STIPULATED FACTS

The New Hampshire Bureau of Securities Regulation (“Bureau”), HealthTrust, Inc. (“HealthTrust”), and the eight municipalities that were granted intervenor status in the matter (“Intervenors”) jointly submit the following Statement of Additional Stipulated Facts in advance of the hearing on the merits of the issues presented in this remanded proceeding.¹

19. For the period 2003 through 2010, for any year in which any of the political subdivisions listed in Exhibits B and C to the Statement of Stipulated Facts participated in HealthTrust, each political subdivision was a party to an Application and Participation Agreement that provided the Member agreed to be bound by the provisions of HealthTrust’s and the Local Government Center’s Bylaws and any and all amendments thereto which are duly adopted from time to time.

20. During 2003 through 2010, Section 4.8 of the Local Government Center’s Bylaws consistently provided that “[a] Participant that is terminated or withdraws from one or more Trusts shall thereupon and at all times thereafter have no right to, or claim on, without limitation, any of the assets, income, distributions (whether past, present or future), reserves or property,

¹ The Bureau and HealthTrust have submitted respective motions to exclude evidence. Neither party withdraws its motion or waives its right to contest the admissibility of any or all of the evidence cited in the previously filed Statement of Stipulated Facts or this Statement of Additional Stipulated Facts. Rather, as ordered by the Presiding Officer, the parties have negotiated in good faith to arrive at stipulated facts in the event that the Presiding Officer receives evidence during the merits hearing scheduled to commence on September 8, 2016.

whether or not then owned or after acquired, of the Trust from which it is terminated or withdraws.”

21. During 2014, the standard Application and Participation Agreements that had been entered into and executed by HealthTrust Members in order to participate in HealthTrust, including the political subdivisions listed in Exhibit C to the Statement of Stipulated Facts, provided that the Member agreed to be bound by the HealthTrust Bylaws and any and all amendments thereto which are duly adopted from time to time.

22. During 2014, Section 4.7(a) of the HealthTrust Bylaws provided that “[a] Member that is terminated or withdraws from a Coverage Program shall thereupon and at all times thereafter have no right to, or claim on, without limitation, any of the assets, income, distributions (whether past, present or future), reserves or property, whether or not then owned or after acquired, of HealthTrust related to that Coverage Program.”

23. On June 3, 2014, the HealthTrust Board unanimously approved a Motion “to authorize staff that subject to the receipt of payment of the \$17.1 million debt from PLT, HealthTrust declares a \$17.1 million surplus to be distributed on September 8, 2014, as a check or contribution holiday to the member groups as ordered by the BSR or the Hearing Officer to receive such distribution, or if no such order is issued, to HealthTrust’s Medical and Dental Members proportionally to contribution received during Fiscal Year 2014 (September 1, 2013 - June 30, 2014) as provided for in the HealthTrust, Inc. Bylaws.”

Respectfully submitted,

N.H. Bureau of Securities Regulation

HealthTrust, Inc.

By Its Attorneys,

By Its Attorneys,

/s/ Adrian S. LaRochelle
Adrian S. LaRochelle (NH Bar #20350)
N.H. Bureau of Securities Regulation

/s/ Michael D. Ramsdell
Michael D. Ramsdell (NH Bar #2096)
Ramsdell Law Firm, P.L.L.C.

107 N. Main Street, Rm. 204
Concord, NH 03301
adrian.laroche@sos.nh.gov

Town of Salem, et al.

By Their Attorneys,

/s/ Richard J. Lehmann
Charles G. Douglas, III (NH Bar #669)
Richard J. Lehmann (NH Bar #9339)
14 South Street, Suite 5
Concord, NH 03301
(603) 224-1988

46 South Main Street
Concord, NH 03301
(603) 856-7536
mramsdell@ramsdelllawfirm.com

/s/ David I. Frydman
David I. Frydman (NH Bar #9314)
General Counsel
HealthTrust, Inc.
25 Triangle Park Drive
P.O. Box 617
Concord, NH 03302-0617
603-230-3373
dfrydman@healthtrustnh.org