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April 29th, 2025

The Hon. Stacey G. C. Jernigan Chief Bankruptcy Court Judge for the Northern District of Texas ND Texas Bankruptcy Court 1100 Commerce Street, Room 1254 Dallas, TX 75242-1496

Re: Case number: 8:25-bk-80002 - Prospect Medical Holdings, Inc. - Texas Northern

Bankruptcy Court

Dear Judge Jernigan:

We write to you as elected officials representing Delaware County, Pennsylvania. We are dealing with the devastation left behind by Prospect Medical Holding, Inc.'s ("Prospect") decision to close Crozer-Chester and Taylor Hospitals on an expedited timeline after announcing closure one week ago yesterday. Our collective offices have been actively problem-solving reports of compromised patient care, which we are flagging for the Pennsylvania Department of Health. We are also handling calls from hospital employees who lack clear information from Prospect about their pay and benefits, again issues we are flagging for the Pennsylvania Department of Labor and Industry.

Delaware County has a population of 576,720 citizens, the fifth most populous county in Pennsylvania. Prospect's decision to close Crozer-Chester Medical Center and Taylor Hospital has cut the number of hospitals serving Delaware County from four to two. We now have no trauma center left nearby, and the remaining non-Crozer hospitals (Riddle Hospital/Main Line Health and Mercy Fitzgerald Hospital/Trinity) are facing sharp increases in patient volume. Yesterday we received a report from a doctor that some of our local hospitals were already refusing to take transfer patients from Crozer-Chester.

We deeply appreciate how empathetic you have been to the impact on patients and healthcare in our community. We make two urgent, respectful requests we hope you will address at the hearing on April 30th.

- 1. Please require Prospect to pay for ambulance coverage at Crozer-Chester Medical Center for sixteen weeks post-closing. Prospect's current plan of 7 days is woefully inadequate and Pennsylvania state law requires a minimum of 90 days. When Prospect closed Delaware County Memorial Hospital ("DCMH") two years ago, the number of people who continued to show up to DCMH after it was closed and then needed ambulance transport to an open ER was stunning: 155 patients in the first twelve months after closure. Given the higher patient volume at Crozer-Chester Medical Center, we believe Prospect should be required to pay for this expense as part of the \$20M-\$30M they have indicated in past hearings was budgeted for the closure process. The estimated cost to place an ambulance at Crozer-Chester Medical Center is \$70k per month, or \$280,000 total for the four months of coverage we need,
- 2. Please do everything within your power during the bankruptcy proceedings to claw back the \$40M which has been invested after Prospect declared bankruptcy in January to prevent a closure. At the request of the Pennsylvania Attorney General's office, the Commonwealth of Pennsylvania contributed \$10.2M, Delaware County contributed \$9.8M, and the Foundation for Delaware County contributed \$20M. These monies were provided in a good-faith basis to prevent closure. Prospect avoided the Asset Purchase Agreement and kept the investment. We need this money back to facilitate healthcare in the communities that Prospect is leaving behind.

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COUNTY OF DELAWARE GOVERNMENT CENTER BUILDLING

As the judge who has the power to hold Prospect accountable for the devastation they caused in Delaware County, we ask your help to ensure we have the resources we need to continue to provide essential health care in our community.

Sincerely,

Dr. Monica Taylor

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Delaware County Council, Vice Chair

Kevin M. Madden

Delaware County Council, Member

Elaine Paul Schaefer Delaware County Council, Member Christine A. Reuther

Delaware County Council, Member

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