

# Supreme Court of Pennsylvania

## Court of Common Pleas Civil Cover Sheet Delaware

County

For Prothonotary Use Only:

Docket No:

CV-2022-003445

FILED  
2022 MAY 18 PM 2:43  
DELAWARE

The information collected on this form is used solely for court administration purposes. This form does not supplement or replace the filing and service of pleadings or other papers as required by law or rules of court.

### Commencement of Action:

- ☒ Complaint ☐ Writ of Summons ☐ Petition  
☐ Transfer from Another Jurisdiction ☐ Declaration of Taking

Lead Plaintiff's Name:

County of Delaware

Lead Defendant's Name:

Prospect Crozer, LLC, d/b/a Crozer Health

Are money damages requested? ☐ Yes ☒ No

Dollar Amount Requested: ☐ within arbitration limits  
(check one) ☐ outside arbitration limits

Is this a Class Action Suit? ☐ Yes ☒ No

Is this an MDJ Appeal? ☐ Yes ☒ No

Name of Plaintiff/Appellant's Attorney: Edward D. Rogers, No. 69337; additional counsel noted on complaint

☐ Check here if you have no attorney (are a Self-Represented [Pro Se] Litigant)

**Nature of the Case:** Place an "X" to the left of the **ONE** case category that most accurately describes your **PRIMARY CASE**. If you are making more than one type of claim, check the one that you consider most important.

### TORT (do not include Mass Tort)

- ☐ Intentional  
☐ Malicious Prosecution  
☐ Motor Vehicle  
☐ Nuisance  
☐ Premises Liability  
☐ Product Liability (does not include mass tort)  
☐ Slander/Libel/ Defamation  
☐ Other:

### CONTRACT (do not include Judgments)

- ☐ Buyer Plaintiff  
☐ Debt Collection: Credit Card  
☐ Debt Collection: Other  
  
☐ Employment Dispute: Discrimination  
☐ Employment Dispute: Other  
  
☐ Other:

### CIVIL APPEALS

- Administrative Agencies  
☐ Board of Assessment  
☐ Board of Elections  
☐ Dept. of Transportation  
☐ Statutory Appeal: Other  
  
☐ Zoning Board  
☐ Other:

### MASS TORT

- ☐ Asbestos  
☐ Tobacco  
☐ Toxic Tort - DES  
☐ Toxic Tort - Implant  
☐ Toxic Waste  
☐ Other:

### REAL PROPERTY

- ☐ Ejectment  
☐ Eminent Domain/Condemnation  
☐ Ground Rent  
☐ Landlord/Tenant Dispute  
☐ Mortgage Foreclosure: Residential  
☐ Mortgage Foreclosure: Commercial  
☐ Partition  
☐ Quiet Title  
☐ Other:

### MISCELLANEOUS

- ☐ Common Law/Statutory Arbitration  
☐ Declaratory Judgment  
☐ Mandamus  
☐ Non-Domestic Relations  
☐ Restraining Order  
☐ Quo Warranto  
☐ Replevin  
☒ Other: Ordinance Violations  
Injunctive Relief

### PROFESSIONAL LIABILITY

- ☐ Dental  
☐ Legal  
☐ Medical  
☐ Other Professional:

COUNTY OF DELAWARE

Plaintiff,

vs.

PROSPECT CROZER, LLC, d/b/a CROZER  
HEALTH;

PROSPECT DCMH, LLC, d/b/a CROZER  
HEALTH and DELAWARE COUNTY  
MEMORIAL HOSPITAL;

PROSPECT CCMC, LLC, d/b/a CROZER-  
CHESTER MEDICAL CENTER and  
CROZER-CHESTER MEDICAL CENTER  
COMMUNITY CAMPUS;

PROSPECT MEDICAL HOLDINGS, INC.;

Defendants.

: COURT OF COMMON PLEAS  
: DELAWARE COUNTY

: No. CV-2022-003445

**NOTICE TO DEFEND**

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by an attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER. IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

**LAWYERS' REFERENCE SERVICE  
FRONT AND LEMON STREETS  
MEDIA, PA 19063  
610-566-6625**

BALLARD SPAHR LLP  
BY: Edward D. Rogers, No. 69337  
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COUNTY OF DELAWARE, SOLICITOR'S OFFICE  
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*Attorneys for Plaintiff*

**TO DEFENDANTS: You are hereby notified to file a written response to the enclosed Complaint within twenty (20) days from service hereof or a judgment may be entered against you.**

COUNTY OF DELAWARE

Plaintiff,

vs.

PROSPECT CROZER, LLC, d/b/a CROZER HEALTH;

PROSPECT DCMH, LLC, d/b/a CROZER HEALTH and DELAWARE COUNTY MEMORIAL HOSPITAL;

PROSPECT CCMC, LLC, d/b/a CROZER-CHESTER MEDICAL CENTER and CROZER-CHESTER MEDICAL CENTER COMMUNITY CAMPUS; and

PROSPECT MEDICAL HOLDINGS, INC.;

Defendants.

COURT OF COMMON PLEAS  
DELAWARE COUNTY

No. CV-2022-003445

OFFICE OF  
JUDICIAL SUPPORT  
DELAWARE CO. PA.

2022 MAY 18 PM 2:43

FILED

**COMPLAINT – CIVIL ACTION INCLUDING A REQUEST FOR INJUNCTIVE RELIEF UNDER RULE 1531**

The County of Delaware (“Plaintiff” or “County”), by and through its solicitor and undersigned counsel, hereby files this Complaint against Defendants, Prospect Crozer, LLC, d/b/a Crozer Health; Prospect DCMG, LLC, d/b/a Crozer Health and Delaware County

Memorial Hospital; Prospect CCMC, LLC, d/b/a Crozer-Chester Medical Center and Crozer-Chester Medical Center Community Campus; and Prospect Medical Holdings, Inc. (collectively, "Defendants"), and in support thereof avers as follows:

### **PARTIES**

1. Plaintiff is a Second Class A county of the Commonwealth of Pennsylvania.
2. Prospect Medical Holdings, Inc. is a Delaware corporation with a registered business address c/o Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801, and with a corporate office at 3415 South Sepulveda Boulevard, 9<sup>th</sup> Floor, Los Angeles, CA 90034.
3. Prospect Medical Holdings, Inc. owns, controls, and/or operates Prospect Crozer, LLC, Prospect DCMH, LLC, and Prospect CCMC, LLC.
4. Prospect Crozer, LLC is a Pennsylvania limited liability company with a registered business address c/o CT Corporation System, 600 N 2nd St, Suite 401 Harrisburg PA 17101.
5. Prospect Crozer, LLC does business under the fictitious name Crozer Health.
6. Crozer Health has a regular place of business activity at 100 W Sproul Road, Springfield, PA 19064.
7. Prospect DCMH, LLC is a Pennsylvania limited liability company with a registered business address c/o CT Corporation System, 600 N 2nd St, Suite 401 Harrisburg PA 17101.
8. Prospect DCMH, LLC does business under the fictitious name Crozer Health.
9. Prospect DCMH, LLC also does business under the fictitious name Delaware County Memorial Hospital.
10. Delaware County Memorial Hospital has a regular place of business activity at 501 North Lansdowne Avenue, Drexel Hill, PA 19026.

11. Prospect CCMC, LLC is a Pennsylvania limited liability company with a registered business address c/o CT Corporation System, 600 N 2nd St, Suite 401 Harrisburg PA 17101.

12. Prospect CCMC, LLC does business under the fictitious name Crozer-Chester Medical Center.

13. Crozer-Chester Medical Center has a regular place of business activity at 1 Medical Center Blvd Upland, PA 19013.

14. Prospect CCMC, LLC also does business under the fictitious name Crozer-Chester Medical Center Community Campus.

15. Crozer-Chester Medical Center Community Campus has a regular place of business activity at 301 West 15th Street, Chester PA 19013.

16. Prospect Medical Holdings, Inc., by and through its subsidiaries or affiliates Prospect Crozer, LLC, Prospect DCMH, LLC, and/or Prospect CCMC, LLC, owns, controls, and/or operates the Delaware County, Pennsylvania entity commonly referred to as Crozer Health, including its locations Delaware County Memorial Hospital, Crozer-Chester Medical Center, and Community Campus.

17. Crozer Health is the leading behavioral health provider in Delaware County, Pennsylvania. It employs 45 psychiatrists—the largest staff of board-certified and board-eligible psychiatrists in the county—as well as 22 advanced practice professionals. Services include emergency care, outpatient counseling, and inpatient psychiatric treatment. In total, Crozer Health has 106 beds dedicated to behavioral health treatment: 34 adult psychiatric beds, 20 geriatric psychiatric beds, and 52 substance abuse beds.

18. In addition to individualized treatment consisting of psychotherapy and pharmacologic intervention, Crozer Health provides a supportive, patient-centered style of care. Experienced, well-respected providers deliver comprehensive physical and emotional diagnosis and treatment for a range of issues, including Attention Deficit/Hyperactivity Disorder (AD/HD), Depression, Generalized Anxiety Disorder, Obsessive-Compulsive Disorder, Panic Disorder, Personality Disorders, Phobias, Postpartum Depression, Post-Traumatic Stress Disorders, Substance Abuse and Addiction, and Suicidal Behavior. Crozer Health also provides intervention to children, adolescents, and adults who are experiencing behavioral disturbances such as suicidal ideations, homicidal ideations, psychosis, depression, or anxiety.

**CROZER HEALTH'S ANNOUNCED CLOSURES OF BEHAVIORAL HEALTH UNITS OR DEPARTMENTS**

19. Delaware County Code § 6-95.H<sup>1</sup> requires, among other things, that (1) hospitals must provide a Closure Plan to the Delaware County Department of Human Services ("DHS") 120 days in advance of the anticipated date of closure of behavioral health units or departments; and (2) hospitals shall not close behavioral health units or departments except pursuant to a written Closure Plan approved by the Health Director of the County.

20. In correspondence addressed to the Division of Licensing, Department of Drug and Alcohol dated April 8, 2022, Matt Shelak, President of Delaware County Memorial Hospital, wrote that facility number 237105, which is the Outpatient Substance Abuse Clinic, "will be closing" effective June 10, 2022.

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<sup>1</sup> As amended by Emergency Ordinance No. 2022-5, a true and correct copy of which is attached as Exhibit A.

21. A true and correct copy of the April 8, 2022 correspondence is attached hereto as Exhibit B.

22. In correspondence addressed to DHS dated April 20, 2022, Kurt Spiegel, the chief executive officer of Crozer Health, wrote that the Crisis Center at Crozer Chester Medical Center and Behavioral Health and Ancillary services at Community Campus “will be closing” effective June 19, 2022.

23. A true and correct copy of the April 20, 2022 correspondence is attached hereto as Exhibit C.

24. In correspondence addressed to the Division of Program Licensure dated April 20, 2022, Stacie Nawn, Senior Administrative Director, Crozer Health, wrote that the First Steps Treatment Center at Crozer Chester Medical Center “will no longer provide Drug and Alcohol treatment services.”

25. A true and correct copy of the April 20, 2022 correspondence is attached hereto as Exhibit D.

26. On April 21, 2022, DHS received a copy of a “Notice from Crozer Health” directed to another entity, Magellan Behavioral Health of Pennsylvania, describing the Crisis Center and Community Campus closures set forth in Spiegel’s April 20, 2022 letter, and further stating that the Delaware County Memorial Hospital Outpatient Substance Abuse Clinic “will be closing” effective June 10, 2022; and that the Crozer Chester Medical Center Inpatient Acute Substance Abuse/Addiction Unit (First Steps) “will be closing” effective June 11, 2022.

27. A true and correct copy of the “Notice from Crozer Health” directed to Magellan Behavioral Health of Pennsylvania is attached hereto as Exhibit E.

28. As of the date of this filing, Crozer Health will be closing the below services at the locations and dates indicated below (the “Closures”):

Location	Services	Date
Delaware County Memorial Hospital (501 N. Lansdowne Ave, Drexel Hill, PA)	Outpatient Substance Abuse Clinic	June 10, 2022
Crozer Chester Medical Center (1 Medical Center Blvd, Upland, PA)	Inpatient Acute Substance Abuse/Addiction Unit (First Steps)	June 11, 2022
Crozer Chester Medical Center (1 Medical Center Blvd, Upland, PA)	The Crisis Center	June 19, 2022
Community Campus (301 W. 15 <sup>th</sup> Street, Chester, PA)	All Mental Health and Substance Use Disorder Treatment Outpatient Services including: Mental Health Outpatient Treatment, including the Clozaril Clinic; Blended Case Management; Certified Peer Specialist; Psychiatric Rehab; School Based Services; Drug Free Intensive Outpatient and Outpatient levels of cares, including Suboxone and vivitrol services; Methadone Maintenance, Intensive Outpatient and Outpatient levels of care; Center of Excellence; Intake, Assessment and Referral; Case Management Services; Al’s Pals; and Youth Prevention	June 19, 2022

29. Through its actions and non-actions, Crozer Health is already carrying out the Closures.

30. Crozer Health has ceased accepting new patients for outpatient care.

31. Crozer Health is scheduling or has scheduled patients for their final behavioral health visits.

32. In January 2022, Crozer Health temporarily suspended its Inpatient Acute Substance Abuse/Addiction Unit (First Steps), but Crozer Health stated its intent to resume First Steps as soon as safely possible. Crozer Health has now ceased all efforts to resume First Steps.



33. The Closures will result in a chaotic reduction of essential services that jeopardizes thousands of the County's most vulnerable residents and their communities.

34. The compressed timeframe of the Closures has placed extraordinary burdens on County personnel and departments tasked with coordinating the provision of behavioral health services to vulnerable County residents, including DHS and the Chief of Community Services and Community Support.

35. The anticipated closing dates simply do not provide the County with enough time to ensure a safe and orderly transition of former Crozer Health patients to replacement service providers.

36. Melissa Lyon, the Health Director of the County, has determined that Crozer Health has violated and is violating Delaware County Code § 6-95.H, as amended by Emergency Ordinance 2022-5.

## **COUNT I**

### **Violations of Delaware County Code § 6-95.H: Action by Solicitor to Compel Compliance**

37. Plaintiff incorporates each of the foregoing paragraphs by reference as if fully set forth herein.

38. Defendants have determined to close behavioral health units or departments (including mental health and drug and alcohol treatment units or departments) effective June 10, June 11, and June 19, 2022 (as defined above, the Closures).

39. Delaware County Code § 6-95.H(2) prohibits a hospital from closing behavioral health units or departments except pursuant to Closure Plan approved by the County's Health Director.

40. Delaware County Code § 6-95.H(3) requires that an initial Closure Plan be provided to the County Department of Health no later than 120 days from the anticipated date of closure.

41. Defendants have not provided an initial Closure Plan addressing the factors set forth in Delaware County Code § 6-95.H(5) to the County Department of Health, and therefore no Closure Plan addressing the factors set forth in Delaware County Code § 6-95.H(5) has been approved by the County's Health Director.

42. Defendants are violating Delaware County Code § 6-95.H(2) and H(3) by carrying out the Closures despite the lack of an approved Closure Plan.

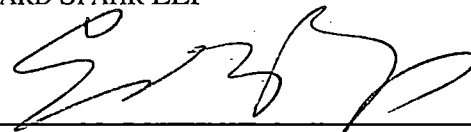
43. These ongoing violations are causing irreparable harm.

WHEREFORE, Plaintiff demands judgment in its favor and against Defendants, for injunctive relief, including (i) enjoining the Defendants, including their officers, directors, or affiliates, from carrying out any and all actions in furtherance of the Closures, and (ii) if necessary appointing a special master or temporary manager to ensure that Defendants prepare an adequate Closure Plan and comply with that plan; and (iii) such other relief as the Court deems appropriate.

Dated: May 18, 2022

COUNTY OF DELAWARE,  
SOLICITOR'S OFFICE  
William F. Martin, No. 39762

BALLARD SPAHR LLP  
By:

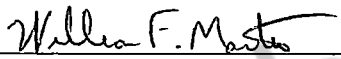


Edward D. Rogers, No. 69337  
Robert J. Clark, No. 308105  
Michael R. McDonald, No. 326873  
Paul K. Ort, No. 326044  
Kayla R. Martin, No. 330601

*Attorneys for Plaintiff*

**VERIFICATION**

I, William F. Martin, Solicitor of the County of Delaware, hereby verify that that the statements made in the Complaint are true and correct to the best of my knowledge, information, and belief. I further verify that I am authorized to make this Verification on behalf of the Plaintiff in this action. I understand that false statements herein are subject to the penalties in 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities.

  
\_\_\_\_\_  
William F. Martin, Esq.  
Solicitor, County of Delaware

**EXHIBIT A**

Copying Prohibited

**COUNTY OF DELAWARE PENNSYLVANIA  
EMERGENCY ORDINANCE NO. 2022-5**

**AN EMERGENCY ORDINANCE OF THE COUNTY OF DELAWARE,  
COMMONWEALTH OF PENNSYLVANIA ADDING PROVISIONS FOR  
HOSPITAL CLOSINGS AND CHANGES IN OWNERSHIP OF LONG-TERM  
CARE FACILITIES AND HOSPITALS TO SECTION 6-95 OF THE  
ADMINISTRATIVE CODE.**

WHEREAS, pursuant to Section 6-121 of the Administrative Code (the "Code") of the County of Delaware, Commonwealth of Pennsylvania (the "County"), the Code may be amended by ordinances of the County Council; and

WHEREAS, the County has created the Delaware County Health Department to help protect and improve the health and welfare of the residents of the County; and

WHEREAS, provision of medical services to the residents of the County is of vital importance to their health and welfare; and

WHEREAS, the County Council desires to ensure the continued provision of medical services to the residents of the County by setting forth certain requirements for the closing of a hospital or specified units or departments of a hospital as well as changes in ownership of long-term care facilities and hospitals in the County; and

WHEREAS, pursuant to Section 411(d) of the County Charter, in case of an emergency (including any threat to health, safety and welfare of County residents) an ordinance may be introduced, read once, and put on its final passage at a single Council meeting by unanimous consent of all the Council members present; and

WHEREAS, in light of actions taken recently by Crozer Health to close various behavioral health services units in the County (including mental health and drug and alcohol treatment), any further closures of health services in the County by Crozer Health or other hospitals serving the residents of the County may pose an immediate threat to the health, safety and welfare of County residents; and

WHEREAS, in the judgment of Council, such immediate threat to the health, safety and welfare of County residents is sufficient to justify a determination that an emergency exists in the County under which this Ordinance can be enacted pursuant to Section 411(d) of the County Charter;

IT IS HEREBY UNANIMOUSLY ENACTED AND ORDAINED BY County Council of Delaware County, Commonwealth of Pennsylvania as follows:

**SECTION 1.** The Code shall be amended to add Section 6-95.H and Section 6-95.I to read as set forth in Exhibit A attached hereto.

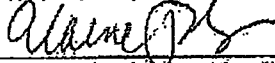
**SECTION 2.** This Ordinance shall take effect upon its adoption.

ENACTED AND ORDAINED by County Council of the County of Delaware, Pennsylvania,  
this 20 day of APRIL 2022.

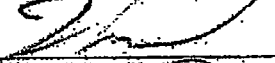
COUNTY OF DELAWARE

ABSENT

Dr. Monica Taylor, Chair



Elaine Paul Schaefer, Vice Chair



Kevin M. Madden

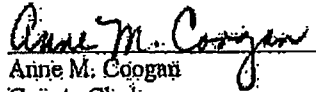


Christine A. Reuther



Richard R. Womack, Jr.

Attested:



Anne M. Coogan  
County Clerk

## Exhibit A.

### **H. Hospital Closings.**

(1) A hospital, as defined in Subsection 1, that determines to close all or most of its units or departments ("a general hospital closing"), or that determines to close an emergency treatment unit or department (including advanced life support services), a labor and delivery unit or department, a behavioral health unit or department (including mental health and drug and alcohol treatment) or another specified unit or department (a "significant impact unit closing"); shall give written notice of an intent to close to the Department of Health upon making such a determination, but in no event less than 180 days from the anticipated date of closure. "Specified Unit or Department" means any unit or department that the Department of Health determines might significantly impact the health and welfare of all or a portion of the County's residents so that advanced notice and planning is warranted. The Department of Health shall give notice of its determination of a specified unit or department to all hospitals operating such a unit or department within 30 days of such determination.

(2) A hospital shall not close any units or departments as part of a general hospital closing or engage in a significant impact unit closing except pursuant to a written Closure Plan approved by the Health Director. Approval shall be based on a determination that continuity of patient care and the health and safety needs of the affected residents have been adequately addressed with respect to the approved portion of the Closure Plan. Such approval may be conditioned on agreement by the hospital to relevant conditions necessary to comply with that standard.

(3) An Initial Closure Plan shall be provided to the Department of Health no later than 120 days from the anticipated date of closure. Updates on the progress of implementation of the Plan, and any changes to any portion of the Plan, whether approved or not, shall be provided every two weeks after provision of the initial Plan until closing is complete.

(4) The Health Director may require attendance at meetings and involvement in discussions by hospital executive staff and administration, as well as access to relevant information and documents, in order to evaluate the proposed Closure Plan and compliance with an approved Closure Plan.

(5) A Closure Plan shall address the following with respect to the hospital for a general hospital closing or with respect to the affected units or departments for a significant impact unit closing:

(a) The reasons for closure,

(b) Plans for the closure of the affected departments and units of the hospital, including with respect to continuity of patient care in each department and unit and the transfer of patients to other facilities,

(c) Plans with respect to specialized programs or groups of patients particularly vulnerable to interruptions in medical care, such as cancer chemotherapy, prenatal care or behavioral health,

(d) Plans for the closure of the Emergency Department, including diversion to other hospital Emergency Departments and the interface with Emergency Medical Services,

(e) Written agreements with other health care providers to accept responsibility for continuing the care of patients receiving ongoing care at the hospital.

(f) Plans for how all medical records (including paper and electronic records) will be maintained throughout and after the closure and how those medical records will be made available to former patients and the physicians who provide care for such patients.

(g) Plans for the maintenance, transfer and disposal of pharmaceuticals, chemicals, hazardous substances and other similar materials located at the facility.

(h) The anticipated timeline for closing the hospital's various units and departments.

(i) A communications and engagement plan with respect to the affected community, which shall include a public meeting held in the affected community.

(j) Changes in the hospital's governing body, administration and medical staff leadership as the closure is implemented.

(k) A plan by the hospital regarding the hospital's efforts to assist affected workers and students with finding suitable employment and educational opportunities and plans with respect to continuation of insurance and to address effects bargaining for represented employees.

(l) Plans with respect to maintaining ongoing hospital security.

(m) Plans for supervising compliance with, and updates of, the Plan.

(6) If the Health Director determines that a hospital, including its officers, directors or affiliates, has violated or is violating the provisions of this Section, the County Solicitor may institute an action in a court of competent jurisdiction to compel compliance with this Section and otherwise enforce the County's police and regulatory powers to protect public health and safety.

(7) If a court finds that a hospital has failed to comply with this Section, the court may, without limitation: (a) enjoin the hospital, including its officers, directors, or affiliates, from carrying out any and all actions in furtherance of the closing until the hospital has given proper notice or has otherwise complied with the requirements of this Section; or (b) appoint a special master or temporary manager to ensure that the hospital prepares an adequate Closure Plan and complies with the Closure Plan.

(8) Nothing in this Section shall be construed as creating obligations for the County or its officials to relieve, discharge, perform, indemnify, or assume liability for any obligation or responsibility whatsoever belonging to the hospital or its officers, directors, and affiliates.

(9) If any clause, sentence, paragraph or part of this Section, or the application thereof to any person or circumstance, shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of this Section nor the application of such clause, sentence, paragraph or part to other persons or circumstances but shall be confined in its operation to the clause, sentence, paragraph or part thereof and to the persons or circumstances directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the legislative intent that this Section would have been adopted had such provisions not been included or such persons or circumstances been expressly excluded from their coverage.



## I. Changes in Ownership of Long-Term Care Facilities and Hospitals.

### (1) Definitions.

(a) "Hospital" means an institution located in or providing services to residents of the County having an organized medical staff established for the purpose of providing to inpatients, by or under the supervision of physicians, diagnostic and therapeutic services for the care of persons who are injured, disabled, pregnant, diseased, sick or mentally ill or rehabilitation services for the rehabilitation of persons who are injured, disabled, pregnant, diseased, sick or mentally ill. The term includes facilities for the diagnosis and treatment of disorders within the scope of specific medical specialties.

(b) "Long-term care facility" means a group living facility that provides long-term medical or personal care to residents of the County who are unable to manage independently in the community, including, but not limited to, assisted living facilities, nursing homes, skilled and unskilled nursing facilities, rehabilitation facilities, and similar group living facilities dedicated to the care of older adults or other medically vulnerable populations other than a long-term care facility owned and/or operated by the County.

(c) "Ownership interest" means ownership involving five percent (5%) or more of the stock, equity or other ownership, including indirect ownership, stake in a facility or the operator of a facility.

(2) The owner and proposed purchaser of a long-term care facility or hospital shall, jointly or separately, give written notice to the Department of Health and shall each post and keep posted, in conspicuous and accessible places on their premises in such locations where notices to employees are customarily posted, notice of an intent to: (a) purchase, sell or otherwise transfer an ownership interest in the facility or hospital; or (b) transfer or obtain a required governmental license to operate such facility or hospital upon making a determination to enter into such a transaction, but in no event less than 45 days prior to the anticipated purchase, sale or transfer of ownership or transfer or application for licensure.

(3) The notice of intent must provide the following:

(a) The name and address of the facility or hospital.

(b) The name, address and a description of the corporate organizational structure of the legal entity seeking to obtain an ownership interest and/or license with respect to the facility or hospital.

(c) The name of all persons or entities with an ownership interest in the entity seeking to obtain an ownership interest and/or license with respect to the facility or hospital; the percentage of each such ownership interest; the names and addresses of any members of the boards or ex-officio corporate officers; any not-for-profit organizations with such an ownership interest. Excluded from this requirement are those persons or entities whose ownership interest is of shares in a publicly traded corporation.

(d) The names and addresses of long-term care facilities and hospitals currently or previously owned or managed by the entity seeking to obtain an ownership interest and/or license with respect to the facility or hospital, or by any of the persons or entities holding a direct or indirect controlling interest in the entity seeking to obtain such an interest or license, and the name of the jurisdictions in which those facilities or hospitals are operated and licensed.

(4) No later than 35 days prior to the effective date of sale of an ownership interest in a long-term care facility or hospital, the owner or operator of the facility or hospital shall submit to the County Clerk and post documentary evidence reflecting sale or transfer of ownership on its public and internal

websites, if such exist, in locations where employment-related notices can be readily accessed by employees. Every seven days after the initial submission, the owner or operator shall submit updates to such documents and any changes made to such documents. The documentary evidence shall include:

(a) A copy of any licensing application or license transfer request related to operation of the facility or hospital submitted to the Pennsylvania Department of Health or other Commonwealth of Pennsylvania agency and all supporting documentation.

(b) The names and addresses of all individuals and entities with a current or indirect ownership stake and the new ownership stake in the real property of the facility or hospital.

(c) The names and addresses of the holders, or prospective holders, of any leases related to the facility or hospital.

(5) No more than five business days after receipt of any notice of intent submitted pursuant to subsection (2), the Department of Health shall post on its website the name of the facility or hospital, the incumbent owners of the facility or hospital, and the proposed purchasers identified in the notice of intent.

(6) In addition to submission of the information required under subsection (2) and (4), the entity acquiring an ownership interest shall submit to the Department of Health and post on its public and internal websites, if such exist, in locations where employment-related notices can be readily accessed by employees, information demonstrating the acquiring entity's history of successful financial management including: (a) audited financial statements for the past three fiscal years for each corporate entity with a direct or indirect ownership interest in the acquiring entity; (b) copies of all financing agreements entered into by the acquiring entity related to financing the purchase of the ownership interest in the facility or hospital; and (c) documents demonstrating the acquiring entity's source of funding sufficient to operate the facility or hospital for a minimum of 90 days subsequent to the effective date of the transfer of ownership.

(7) Upon the completion of the sale, the acquiring entity shall submit to the Department of Health and immediately post notice of the transaction and the effective date of the transfer of ownership on its public and internal websites, if such exist, in locations where employment-related notices can be readily accessed by employees.

(8) If any clause, sentence, paragraph or part of this Section, or the application thereof to any person or circumstance, shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of this Section nor the application of such clause, sentence, paragraph or part to other persons or circumstances but shall be confined in its operation to the clause, sentence, paragraph or part thereof and to the persons or circumstances directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the legislative intent that this Section would have been adopted had such provisions not been included or such persons or circumstances been expressly excluded from their coverage.

**EXHIBIT B**

Copying Prohibited



April 8th, 2022

Attention: Division of Licensing, DDAP

This letter is to notify the licensure division of the Department of Drug and Alcohol of a change in activity for facility number 237105. This letter serves as the 60-day notification that effective June 10<sup>th</sup>, 2022 the services at facility number 237105, Prospect DCMH LLC, located at 501 N Lansdowne Ave Drexel Hill, PA 19026 will be closing.

We regret having to take this step, but our patients' safety is always our top priority. The ongoing impacts of COVID-19 have created many challenges to our organization. We will take every step necessary to notify our current clients and arrange for a seamless transition in their care to another local treatment facility.

We continue to assess our health system operations to ensure we're able to provide patients with access to safe, quality care.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Shelak".

Matt Shelak  
President  
Delaware County Memorial Hospital  
Matt.shelak@crozer.org

CC: SCA-Delaware County  
Kevin Grentz

**EXHIBIT C**

Copying Prohibited



April 20<sup>th</sup>, 2022

Sandra Garrison, Director  
Department of Human Services  
20 South 69<sup>th</sup> Street  
Upper Darby, PA 19082

Dear Ms. Garrison,

For the past month, the leadership at Crozer Health has been working with you to address financial deficits the Behavioral Health departments have incurred due to increased expenses and stagnant reimbursement with the intent that services to the community would not be interrupted. To date, you have been provided with the financial information requested, but have not provided any suggested resolution to address the financial challenges being faced by the Behavioral Health departments at Crozer Health. Unfortunately, with the lack of funding in Behavioral Health we can no longer continue to operate at a loss.

We regret to inform you, that this letter is to notify the Delaware County Office of Human Services that the Crisis Center and the Behavioral Health Outpatient and Ancillary services at Community Campus will be closing. This letter serves as the 60-day notification that effective (June 19, 2022) the services will be closing.

The services to be closed include:

The Crisis Center located at 1 Medical Center Blvd. Upland, PA 19013

All Mental Health and Substance Use Disorder Treatment Outpatient Services located at Community Campus at 301 W. 15<sup>th</sup> Street Chester, PA 19013:

- Mental Health Outpatient Treatment, including the Clozaril Clinic
- Blended Case Management
- Certified Peer Specialist
- Psychiatric Rehab
- School Based Services
- Drug Free Intensive Outpatient and Outpatient levels of cares, including Suboxone and vivitrol services
- Methadone Maintenance, Intensive Outpatient and Outpatient levels of care
- Center of Excellence
- Intake, Assessment and Referral
- Case Management Services
- Al's Pals
- Youth Prevention
- Certified Recovery Specialist warm hand off program

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[www.crozerhealth.org](http://www.crozerhealth.org) • 800-254-3258



We regret having to take this step, but our patients' safety is always our top priority. The ongoing impacts of COVID-19 have created many challenges to our organization. We will take every step necessary to notify our current clients and arrange for transitions in their care to another local treatment facility. We look forward to the opportunity to work closely with the County to ensure this transition is as seamless as possible for our shared clients in the Delaware County Community.

We continue to assess our health system operations to ensure we're able to provide patients with access to safe, quality care.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Spiegel'.

Kevin M. Spiegel, FACHE  
President & CEO  
Crozer Health

Cc: Bruce Grimshaw  
Howard Lazarus  
Jonathan Lichtenstein

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**EXHIBIT D**

Copying Prohibited





Mr. Trelton Johnson, Director  
Division of Program Licensure  
One Penn Center  
2601 N. 3<sup>rd</sup> Street, 5<sup>th</sup> Floor  
Harrisburg, PA 17110

Dear Mr. Johnson,

I, Stacie Nawn, Senior Administrative Director of Substance Abuse Services, am writing this letter as the service line leader. The staff that were identified as Project and Facility Director for Prospect CCMC, LLC, D/B/A First Steps Treatment Center have recently left the organization. I am writing to inform you that First Steps Treatment Center wish to relinquish the Drug & Alcohol Treatment license issued to Prospect CCMC, LLC, D/B/A First Steps Treatment Center, facility ID# 237097 located at 1 Medical Center Blvd. Upland, Pa 19013 effective 06/20/2022.

Presently we do not have any active Drug and Alcohol clients and we will no longer provide Drug and Alcohol treatment services. Our records will be kept in a locked container at 1 Medical Center Blvd. Upland, Pa 19013 for a minimum of four years as per regulatory requirement 709.29(a).

Below is the name of the contact agency/individual along with the contact phone number should the Department of Drug and Alcohol Programs need to access facility records after the closure of the facility.

Contact: Stacie Nawn  
Phone number: 610-619-8732  
Contact: Shannon Thompson  
Phone number: 610-619-8441

I understand that if we would decide to provide Drug and Alcohol Treatment services in the future we would have to reapply for a license and we would have to provide a valid Certificate of Occupancy and Zoning approval for the building where we would intend to provide those services.

Sincerely,

Stacie Nawn, LPC  
Senior Administrative Director  
Substance Abuse Services – Crozer Health  
[Stacie.nawn@crozer.org](mailto:Stacie.nawn@crozer.org)  
610-619-8732

**EXHIBIT E**

Copying Prohibited



*Be Well. Do Good.*

## Notice from Crozer Health

Due to the ongoing impacts COVID-19 has created for our organization, Crozer Health will be closing the following services on the dates and locations indicated below:

- As of June 10, 2022:
  - Delaware County Memorial Hospital (501 N. Lansdowne Ave, Drexel Hill, PA)
    - Outpatient Substance Abuse Clinic
- As of June 11, 2022:
  - Crozer Chester Medical Center (1 Medical Center Blvd, Upland, PA)
    - Inpatient Acute Substance Abuse/Addiction Unit (First Steps)
- As of June 19, 2022:
  - Crozer Chester Medical Center (1 Medical Center Blvd, Upland, PA)
    - The Crisis Center
- As of June 19, 2022:
  - Community Campus (301 W. 15<sup>th</sup> Street, Chester, PA)
    - All Mental Health and Substance Use Disorder Treatment Outpatient Services including:
      - Mental Health Outpatient Treatment, including the Clozaril Clinic
      - Blended Case Management
      - Certified Peer Specialist
      - Psychiatric Rehab
      - School Based Services
      - Drug Free Intensive Outpatient and Outpatient levels of cares, including Suboxone and vivitrol services
      - Methadone Maintenance, Intensive Outpatient and Outpatient levels of care
      - Center of Excellence
      - Intake, Assessment and Referral
      - Case Management Services
      - Al's Pals
      - Youth Prevention
      - Certified Recovery Specialist warm hand off program

We regret having to take this step, but our patients' safety is always our top priority. The ongoing impacts of COVID-19 have created many challenges to our organization. We will take every step necessary to notify our current patients and clients and to arrange for transitions in their care to another local treatment facility.

We continue to assess our health system operations to ensure we are able to provide patients with safe, quality care.