

30 Prospect Avenue
Hackensack, N.J. 07601
201-996-2000

*Affiliated with the University of
Medicine and Dentistry of New Jersey –
New Jersey Medical School*



September 18, 2009

Mr. Douglas A. Duchak
President
Englewood Hospital
350 Engle Street
Englewood, NJ 07631

Dear Doug:

Thank you for your response to my letter regarding collaborative initiatives between our two institutions. I was disappointed that you have expressed disinterest in the specific proposals we have made to you regarding ways that Englewood Hospital and Hackensack University Medical Center can work collaboratively. I strongly believe that we have presented you with a number of items that not only represent excellent opportunities to serve the public better, but that together could add over \$6 million to the bottom line of your hospital.

In our several talks in person and on the telephone over the past month, I have briefed you on a number of very substantive ways in which we could collaborate, and in my view our conversations, as well as our offers, have been both serious and meaningful. Attached is a summary sheet that includes key areas in which we could be of assistance to your institution, along with a quantification of the estimated value of savings or additional revenue associated with the top four items. These top four items have an estimated quantified value to Englewood of \$3.8-6.4 million per year in the aggregate.

In view of the significant potential benefits of these programs to your hospital, it is my sincere hope that you will reconsider your position after you have seen the attached numbers. I would be happy to sit down with you to discuss this proposal in more detail any time you are open to meeting again.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'R. Garrett'.

Robert C. Garrett
Acting President and CEO

Attachment

OFFERS TO ENGLEWOOD FROM HACKENSACK UNIVERSITY MEDICAL CENTER

September 15, 2009

ITEM	DESCRIPTION	ESTIMATED VALUE SAVINGS/REVENUE
Outpatient clinic restructuring	Our clinic provider, North Hudson Community Action Corp., will consider establishing an additional site in the Englewood-Teaneck area, to help reduce charity care losses sustained by Englewood Hospital	\$1-3 million per year
St. George's Medical School	At our request, our medical school affiliate will consider sending medical students to Englewood Hospital; Englewood already has a training program and therefore has some infrastructure in place to accommodate students	\$1 million per year (assuming 60 students)
LTAC - leased space	Relocation of Care One Long Term Acute Care facility from Pascack Valley Hospital to Englewood Hospital, annual lease payment	\$300,000-\$360,000 per year
LTAC - purchased services	Care One LTAC purchased services, annual value derived from inpatient revenue (approx. 25%) and ancillary revenue (approx. 75%) for services such as dietary, housekeeping, radiology, etc.	\$1.5-2.0 million per year
Clinical affiliations	E.g., bariatric surgery, and surgical oncology, to improve clinical quality promote volume. Many patients from the Englewood area use NYC hospitals. Our surgeons could get privileges at Englewood and perform surgery there on patients who would have otherwise gone to New York.	
Clinical coverage	Possible clinical coverage in areas such as pediatric subspecialties, neurosurgery, or other specialties	
Hospitalist program	Our hospitalist program has recently been restructured, resulting in clinical quality improvement as well as cost savings; we are willing to assist Englewood Hospital in achieving similar improvements	
TOTAL QUANTIFIABLE SAVINGS/REVENUE		\$3.8-\$6.4 million per year

NOTE: Above quantified savings and revenue are based on conservative assumptions, therefore assigned values are on the low side.