

October 1, 2014

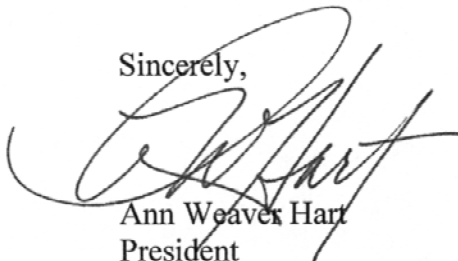
Tom Betlach, Director
Arizona Health Care Cost Containment System
801 E. Jefferson Street, MD 4100
Phoenix, AZ 85034

Dear Director Betlach:

The University of Arizona (UA) and Banner Health (Banner) are aware of the community concern around Graduate Medical Education (GME) and Disproportionate Share Hospital (DSH) funding and that the UA acts as the partner for many hospitals throughout the State. Both entities understand the need for this funding to have a strong healthcare system for the entire State.

To this point, we wanted you to be aware of language that exists in the draft definitive agreement. The UA, The University of Arizona Health Network (UAHN), and Banner have agreed that the final definitive agreement will state that there will be no changes to the GME or DSH partners through January 1, 2019. This commitment will ensure that the healthcare system continues to capitalize on funding and not be negatively impacted by the merger of UAHN into Banner.

Sincerely,



Ann Weaver Hart
President

AWH/ard

