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Mr. Henry Yu
CFO
California Pacific Medical Center (CPMC)
2351 Clay Street
San Francisco, CA 94115

Dear Mr. Yu:

In accordance with our engagement letter dated May 10, 2013, this report summarizes the results of the assessment of unduplicated patients performed by Deloitte & Touche LLP ("Deloitte & Touche" or "D&T") as requested by Sutter Health ("Company" or "Sutter" or "CPMC").

At your request, we performed an assessment of the unduplicated patients to be reported by CPMC to the City of San Francisco related to the entitlement CPMC is seeking from the City of San Francisco to build a new hospital on the CPMC campus. This assessment of unduplicated patients, as defined in the agreement between CPMC and the City of San Francisco, included evaluating whether the number of unduplicated patients treated at the following CPMC campuses: California, Davies, Pacific and St. Luke's, for the prior four calendar years, 2009 through 2012, reasonably represent and are supported by CPMC's Patient Accounting records.

Our procedures included the following:

- D&T conducted interviews of key business managers and performed process walkthroughs to obtain an understanding of how CPMC has developed its unduplicated patient listing. D&T also assessed the process utilized to identify Medi-Cal and Charity Care patients.
- D&T obtained from CPMC the unduplicated patient listings for calendar years 2009 through 2012 and evaluated the process CPMC utilized to develop the listings for reasonableness and completeness of the data.
- D&T performed data analysis on the unduplicated patient listings, starting with raw data extracted from the patient accounting system, to evaluate whether any duplicate patients are included in the listings for calendar years 2009 through 2012.
- D&T selected a random sample of 25 patients from each calendar year (2009, 2010, 2011 and 2012) and evaluated supporting documentation provided by CPMC that supports CPMC's classification of the patient as a Medi-Cal or Charity Care recipient.

Based on the procedures performed above, the unduplicated patient listings developed by CPMC appear reasonable and reflect the number of Medi-Cal and Charity Care patients treated during the past 4 years (2009 through 2012) at the California, Davies, Pacific and St. Luke campuses of CPMC as reflected in the CPMC Patient Accounting records.

The total number of unduplicated patients reported by CPMC for each year is included below:

Year	Number of Charity Care / Medi-Cal Unduplicated Patients
2009	25,862
2010	30,568
2011	31,631
2012	29,138

In addition, we selected 100 random patients (25 patients each from calendar years 2009 through 2012) for additional analysis. The additional analysis including evaluating whether CPMC's documentation supported the classification of each patient as either a Medi-Cal or Charity Care recipient. CPMC provided appropriate documentation to support the classification of each patient and no exceptions were identified.

Deloitte & Touche did not make any management decisions, perform any management functions, or assume any management responsibilities. Our observations and recommendations are based solely on the results of our assessment of the unduplicated patient listings. Our services were performed in accordance with the Statement on Standards for Consulting Services that is issued by the American Institute of Certified Public Accountants. We are providing our observations, advice, and recommendations. However, our services do not constitute an engagement to provide audit, compilation, review, or attestation services as described in the pronouncements on professional standards issued by the American Institute of Certified Public Accountants, and, therefore, we do not express an opinion or other form of assurance with respect to our services.

In addition, we did not provide any legal advice regarding our services nor did we provide any assurance regarding the outcome of any future audit or regulatory examination or other regulatory action; the responsibility for all legal issues with respect to these matters, such as reviewing all deliverables and work product for any legal implications to CPMC, is CPMC's. It is further understood that CPMC management has responsibility for, among other things, identifying and ensuring compliance with laws and regulations applicable to CPMC's activities and for establishing and maintaining effective internal control to assure such compliance. CPMC has responsibility for reviewing and approving any reports and/or deliverables.

Deloitte & Touche's services may include advice and recommendations, but all decisions in connection with the implementation of such advice and recommendations is the responsibility of, and made by, CPMC.

In connection with this assessment, CPMC has informed D&T that the Company has been requested by the City of San Francisco (the "Recipient") to provide it with a paper copy or portable document format (PDF) of the Deliverable for informational purposes. D&T hereby authorizes CPMC to provide the Recipient with a copy of this report ("Deliverable") for such purpose. CPMC acknowledges and

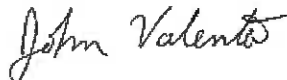
This report is intended solely for the information and internal use of Sutter Health, and should not be used or relied upon by any other person or entity.

agrees that D&T has no responsibility to CPMC with respect to the provision of this Deliverable to the Recipient or with respect to its contents.

CPMC acknowledges that neither the services nor the Deliverable express or will express an opinion or any other form of assurance. The engagement is limited in nature and does not comprehend all matters relating to CPMC that might be pertinent or necessary to CPMC or the Recipient. CPMC acknowledges that it is solely responsible for providing accurate and complete information requested by D&T for its services under the Engagement Letter dated May 10, 2013. The Deliverable may not address all the questions that the Recipient may have. The Deliverable cannot be relied on to disclose errors or fraud should they exist. The Deliverable also may contain sensitive and candid comments about CPMC, Sutter or the engagement that may be subject to interpretation.

Very truly yours,

Deloitte & Touche LLP



By: _____

John Valenta
Director