

**ATTORNEY GENERAL
DEPARTMENT OF JUSTICE**

33 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6397

GORDON J. MACDONALD
ATTORNEY GENERAL



ANN M. RICE
DEPUTY ATTORNEY GENERAL

March 36, 2018

Tracy A. Uhrin, Esquire
Merrimack County Superior Court
PO Box 2880
Concord, NH 03302-2880

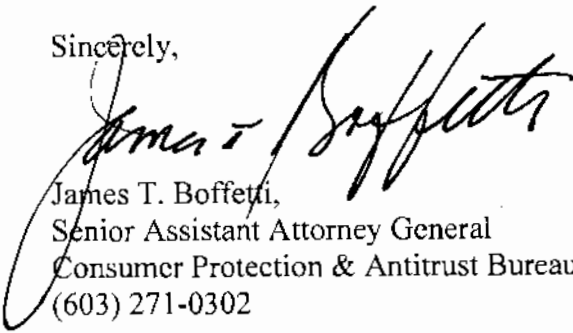
RE: In The Matter Of Patricia Strohla
Docket No.

Dear Clerk Uhrin:

Enclosed please find an Assurance of Discontinuance, signed by both parties, for filing in the above-referenced case.

Thank you for your assistance in this matter.

Sincerely,


James T. Boffetti,
Senior Assistant Attorney General
Consumer Protection & Antitrust Bureau
(603) 271-0302

JTB/mjt

Enclosure

cc: Michael J. Connolly, Esquire, Hinckley, Allen, Snyder, LLP

THE STATE OF NEW HAMPSHIRE

MERRIMACK, SS.

SUPERIOR COURT

IN THE MATTER OF PATRICIA STROHLA

ASSURANCE OF DISCONTINUANCE

The State of New Hampshire, by and through the Office of the Attorney General (the "State"), and LRGHealthcare ("LRGH") hereby enter into the following Assurance of Discontinuance ("Assurance") pursuant to RSA 358-A:7.

THE PARTIES

1. Gordon J. MacDonald is the Attorney General for the State of New Hampshire and is authorized to investigate allegations of unfair or deceptive trade practices under New Hampshire's Consumer Protection Act, RSA 358-A, and to enter into this Assurance in accordance with RSA 358-A:7.

2. Patricia Strohla ("Strohla") is an individual who resides at 280 Village Lane, Brownsville, VT 05037. During the relevant time period covered by this Assurance, Strohla was employed as the Chief Nursing Officer for LRGH. LRGH is a non-profit charitable trust headquartered in Laconia, New Hampshire, comprised of Lakes Region General Hospital, Franklin Regional Hospital and a number of affiliated medical practices.

INTRODUCTION

3. On or about November 1, 2017, the State issued a subpoena to LRGH in connection with an investigation into the circumstances surrounding the hiring of Strohla as LRGH's Chief Nursing Officer on or about November 16, 2016.

4. As a result of the investigation, the State alleges that LRGH and Strohla engaged in one or more unfair or deceptive acts or practices in the conduct of trade or commerce in New Hampshire in violation of the New Hampshire Consumer Protection Act (the "Allegations"). The Allegations are set forth fully below.

ALLEGATIONS

5. In August 2016, LRGH began recruiting Patricia Strohla to become its new Chief Nursing Officer (CNO). LRGH's CEO, Kevin Donovan, and Strohla had previously worked together at Mt. Ascutney Hospital in Vermont, where Strohla was part of the administrative leadership.

6. During the recruiting process, it was discussed that Ms. Strohla did not have her New Hampshire nursing license. Strohla was previously licensed as a registered nurse in the State and Maine, and told LRGH that she would determine what needed to be done in order to bring her Maine license into active status so that it could be transferred to New Hampshire.

7. After learning that Strohla did not possess an active nursing license and prior to Ms. Strohla assuming her duties, LRGH modified the CNO job description by removing the requirement that the applicant possess an active New Hampshire nursing license. Instead, the newly modified job description incorrectly required the applicant to obtain a New Hampshire nursing license within one year of the applicant's date-of-hire.

8. LRGH announced Strohla as the new CNO in an email to all staff on October 20, 2016. Strohla was described as a "RN" (registered nurse) in that email.

9. Strohla began working as the CNO of LRGH on November 16, 2016. At the time, LRGH was aware that Strohla did not possess a New Hampshire nursing license.

10. As is required by law, LRGH issued Strohla an employee badge on or about her date-of-hire. The badge identified Strohla as a RN and was regularly worn by Strohla in the course of her employment, including interacting with the patients and the general public. Contemporaneously, LRGH's website was modified to include the newly-hired Strohla. The website also identified Strohla as a RN.

11. At various points after her date-of-hire, Strohla reviewed and signed off on LRGH policies and procedures relative to various hospital administrative and clinical matters. Strohla identified herself as a RN in the signature line of those policies and procedures.

12. On June 19, 2017, Strohla sought for the first time the reinstatement of her Maine nursing license so that it could be transferred to New Hampshire. Strohla's request was denied because she no longer lived in Maine. However, Strohla later attempted to develop a plan with the New Hampshire Board of Nursing to obtain her New Hampshire nursing license.

13. On July 24, 2017, in response to a complaint made by a member of the LRGH staff, the Center for Medicare & Medicaid Services (CMS) conducted an unannounced on-site survey of LRGH. Among other things, CMS found the following:

- a. that LRGH hired Strohla "with knowledge that she didn't possession an active license as is required by state law and federal regulation"; and
- b. that LRGH allowed Strohla to "serve in a senior nursing position and take part in nursing activities, such as, but not limited to endorsing of policy and

procedures and the advising of senior management on nursing matters from 11/16/16 to 7/24/17.”

14. On July 24, 2017, as a result of the unannounced CMS audit, LRGH reassigned Strohla as the Interim Vice President of Operations and named a new interim CNO. All LRGH policies and procedures bearing Strohla’s name were reviewed and approved by the interim CNO, and modified such that Strohla was no longer identified as a RN.

15. By purportedly engaging in the conduct described above, the State alleges that Strohla engaged in unfair and deceptive acts or practices in the conduct of any trade or commerce in New Hampshire in violation of the New Hampshire Consumer Protection Act, RSA 358-A.

RECITALS

WHEREAS, the State has concluded its investigation into the circumstances surrounding the hiring of Patricia Strohla as LRGH’s Chief Nursing Officer on or about November 16, 2016 (hereafter the “Matters Investigated”);

WHEREAS, the State, by and through the Consumer Protection and Antitrust Bureau of the New Hampshire Department of Justice (the “Bureau”), is authorized to enter into this Assurance pursuant to RSA 358-A:4, III;

WHEREAS, the State is willing to accept the terms of this Assurance and settle all potential civil claims it might have against Strohla relative to the Allegations and the Matters Investigated;

WHEREAS, the State and Strohla (together “the Parties”) wish to avoid the expense, uncertainty and inconvenience of litigation;

WHEREAS, Strohla affirmatively denies that she has violated any laws, including the New Hampshire Consumer Protection Act, RSA 358-A;

WHEREAS, the Parties agree there is no just reason for delay and consent to the entry of this Assurance without a trial or adjudication of any issue of fact or law;

NOW, THEREFORE, THE PARTIES STIPULATE AND AGREE AS FOLLOWS:

TERMS OF THE ASSURANCE

16. Strohla agrees that she will not seek licensure in any form from the New Hampshire Board of Nursing for two years from the date the Assurance is accepted.

17. Within 30 business days of the acceptance of this Assurance by the Attorney General, Strohla shall pay the sum of \$1,500 as investigative costs to the State of New Hampshire, to be deposited by the State in the Consumer Protection Escrow Account in accordance with RSA 7:6-f as funds received by the Attorney General on behalf of the State as a result of a settlement or a claim, suit, petition or other action under RSA 358-A, or related consumer protection statutes (the "Settlement Payment").

18. This Assurance constitutes a settlement of a disputed matter. It shall not be considered an admission by Strohla of any violation of state or federal law, or of any other matter of fact or law, or of any liability or wrongdoing by Strohla. This Assurance does not constitute an admission or concession by Strohla for any purpose, nor does this Assurance constitute evidence of any liability, fault, or wrongdoing. Strohla enters into this Assurance for the sole purpose of resolving any and all claims the State may have relating to the Allegations and the Matters Investigated.

19. This Assurance settles and resolves the State's investigation of Strohla concerning her employment by LRGH as Chief Nursing Officer in November 2016 and the Matters Investigated.


20. This Assurance shall be filed in the Merrimack County Superior Court. This matter may be reopened by the Attorney General at any time it is in the public interest to do so. Evidence of a violation of this Assurance shall constitute prima facie evidence of an act or practice declared to be unlawful by RSA 358-A in any action thereafter commenced by the Attorney General.

21. The Parties acknowledge that no other promises, representations, or agreements of any nature have been made or entered into by the Parties. The Parties further acknowledge that this Assurance constitutes the entire agreement amongst the Parties, and that it is not severable or divisible, except that if any provision herein is found to be legally insufficient or unenforceable, the remaining provisions shall continue to operate in full force and effect.

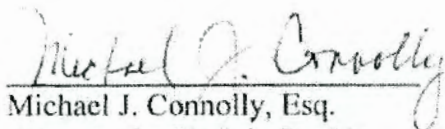
22. This Assurance may not be changed, altered or modified except in writing by both the State and Strohla.

23. This Assurance is effective upon being accepted by the Attorney General, the date of such acceptance to be recorded below.

Patricia Strohla


Patricia Strohla

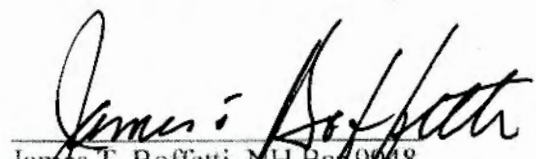
3/20/2018
Date


Michael J. Connolly, Esq.
Attorney for Patricia Strohla

3/20/18
Date

This Assurance is accepted by the Attorney General.

**THE STATE OF NEW HAMPSHIRE
GORDON J. MACDONALD**


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3/26/2018
Date