

Proskauer Rose Represents Two New York Medical Centers in Acquisition of Hospitals from Saint Vincent Catholic Medical Centers

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January 8, 2007 (New York, NY) - Proskauer Rose LLP, an international law firm with over 700 lawyers worldwide, successfully completed representations of Bayonne Medical Center (BMC) and Wyckoff Heights Medical Center (WHMC) in the acquisition of three hospitals from Saint Vincent Catholic Medical Centers (SVCMC).

The deals arose as part of SVCMC's reorganization following the filing of Chapter 11 bankruptcy in July 2005, one of the largest not-for-profit hospital bankruptcies in U.S. history. Proskauer represented BMC affiliate, Richmond University Medical Center, in its acquisition of St. Vincent's Staten Island Hospital for \$27.5 million. Proskauer also represented WHMC affiliate, Caritas Health Care, Inc., in its acquisition of Mary Immaculate Hospital and St. John's Queens Hospital for \$40 million.

"We are proud to have represented BMC and WHMC throughout this enormously complicated negotiation and sale process that culminated in one of 2006's most significant M&A deals in the hospital sector," said Richard J. Zall, partner in Proskauer's Health Care Department and lead counsel on the transaction. "These transactions will enable the continuation of needed health care services in New York City by transferring ownership to our two clients."

Proskauer helped both clients navigate through the Section 363 bankruptcy sale process, obtaining stalking horse status, negotiating asset purchase agreements, and receiving Bankruptcy Court approval. The firm was also responsible for coordinating the processing of the required New York State Certificate of Need approvals, a process made more complicated because the State of New York was reluctant to process hospital transfers while the Commission on Health Care Facilities in the 21st Century (the "Berger Commission") was developing its recommendations to close and restructure health care facilities. Proskauer's team also helped each client secure and negotiate private acquisition financing for the deals.

In addition to Mr. Zall, Proskauer attorneys involved in the transactions included: partners Jeffrey W. Levitan, Michael T. Mervis, and Robert Projansky; senior counsel Lee A. Barkan, Gail S. Port, and Martha E. Gifford; and associates Andrea Anderson, Jaimi Gaffe, Dina Johnson, Julia McMillen, Yelena Simonyuk, and Gail Wheeler.

Proskauer has one of the leading health care law practices in the world, combining an intimate knowledge of the health care industry with the resources and depth of an international law firm of over 700 attorneys in eight cities across the United States and Europe. The firm's unique blend of industry knowledge and legal skill has enabled it to become an effective, trusted advisor both to well-established and emerging health care companies. Participants across the health care industry rely on Proskauer for the highest quality corporate and transactional, regulatory, reimbursement, litigation, labor, and tax representation. The firm advises both investor-owned companies and not-for-profit organizations and understands the dynamics of the industry, from services and managed care to health information technology and life sciences.

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