Congress of the United States
Washington, DC 20510

October 16, 2019

Andrew Paul
Co-Founder, Chief Executive Officer & Managing Partner
Enhanced Equity Funds
601 Lexington Avenue
55th Floor
New York, NY 10022

Dear Mr. Paul:

We write regarding Enhanced Equity Funds' investment in medical and healthcare companies reportedly employing predatory pricing practices, and to request information about your firm's structure and finances as it relates to these companies. Private equity funds like yours often purchase controlling interests in companies for a short time, then load them up with debt, strip them of their assets, extract exorbitant fees, raise prices and sell them at a profit – implementing drastic cost-cutting measures at the expense of workers, consumers, communities, and taxpayers. For that reason, we have concerns about the rapid spread and effect of private equity investment in many sectors of the economy – including the medical and healthcare industry. We are particularly concerned about your firm's investment in physician staffing companies or emergency medical transportation service companies, both of which have contributed to the growing prevalence of out-of-network "surprise billing." In light of this, we request information about your firm, the portfolio companies in which it has invested, and the performance of those investments.

Surprise billing occurs when individuals unknowingly or unwillingly receive medical services not covered by their health insurance or receive care from physicians who do not have contracts with their health insurance plan. As a result, individuals receiving care from out-of-network providers, for example, pay significantly higher rates, even if the care was at an in-network hospital. And while private health insurance plans may offer some reimbursement for out-of-network care, a large portion of the cost ultimately falls onto patients.[1] This problem is especially acute for patients seeking emergency care – who are not able to select proactively every specialist and clinician treating them, do not have a choice in the ambulance transporting them, or otherwise assume any physician at their in-network hospital is covered by their insurance. In fact, the two largest sources of unexpected medical bills originate from emergency room visits and emergency medical transportation.[2]

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One of the leading causes of surprise billing are visits to the emergency department, where patients are more likely to receive care from out-of-network physicians. On average, about a quarter of emergency department visits at in-network facilities involve out-of-network physicians.[3] Several studies and surveys have found that many families face surprise billing related to out-of-network care, forcing them to deal with an unexpected and burdensome cost.[4] A New York University School of Medicine study found approximately 40 percent of patients relying on out-of-network physicians did so involuntarily, and over half of the individuals that received care from an out-of-network physician had experiences "where cost was not transparent at the time of care."[5] In many cases, unless their insurance provider helps cover the cost, patients have to pay hundreds of dollars more than they would with an in-network physician.[6]

Hospitals around the country are increasingly outsourcing emergency care services to physician staffing firms, further exacerbating the issue of surprise billing since these firms often staff facilities with out-of-network providers. Today, almost two-thirds of hospitals in the United States rely on private physician-staffing companies, many of which are owned by private equity firms.[7] In 2017, private equity firms acquired over 100 physician practices – reportedly paying practice owners as much as $1 million to $2 million per physician.[8] Two of the largest private equity-owned staffing firms – EmCare and TeamHealth – collectively employ tens of thousands of physicians providing services to millions of patients each year.[9]

These physician staffing companies, however, are associated with poorer financial outcomes for patients. While the consolidation of these practices provides physician staffing companies

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"substantial bargaining power vis-à-vis hospitals and insurance companies," they also have the strengthened "ability to raise prices that patients or their insurance companies [have to] pay for these doctors' services."[10] One study found that in the case of EmCare, "out-of-network billing rates increase dramatically in the months after [it] takes over a staffing contract" and physician charges increase on average by $556, a 96% increase – "expos[ing] patients to increased cost sharing and financial risk."[11] The study found that EmCare's entrance into a hospital increased out-of-network rates by 81.5%, while HealthTeam's entrance drove up rates by almost 33%.[12]

Surprise billing also often occurs when patients use ground or air ambulances. Hospitals used to own and manage their own ambulance services, billing insurance companies accordingly. However, more and more emergency medical transportation companies are now owned by private companies, which are able to hike prices and bill at out-of-network rates. Today, two-thirds of air ambulance trips and more than half of ambulance rides are not covered by insurance.[13]

The air ambulance industry, in particular, provides a unique look at private equity's role in surprise billing—two out of the three air medical transport companies that make up 67% of the market are private equity-owned.[14] Meanwhile, a 2017 GAO report found that "the median prices providers charged for helicopter air ambulance service approximately doubled, from around $15,000 to about $30,000 per transport" between 2010 and 2014 and further concluded "the increasing role of private equity in the industry could further exacerbate these trends while also reducing transparency."[15] Another GAO investigation of air ambulance transports found "at least two-thirds of transports were out-of-network in 2017," creating an environment where families are likely to receive surprise bills.[16]

Enhanced Equity Funds reportedly owns at least one physician staffing or emergency medical service company. We have introduced legislation, the *Stop Wall Street Looting Act*, to reform the private equity industry by holding private equity firms liable for the responsibilities and debts of companies under their control and increases transparency by requiring private equity managers to disclose fees, returns, and political expenditures.[17] To inform our approach to passing this legislation, and to better understand your firm's role in the medical and healthcare industry, we ask that you provide answers to the following questions no later than October 30, 2019.

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[10] Institute for New Economic Thinking, "Private Equity and Surprise Medical Billing," Eileen Appelbaum and Rosemary Batt, September 24, 2019, https://www.ineteconomics.org/perspectives/blog/private-equity-and-surprise-medical-billing.

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[13] Government Accountability Office, "Air Ambulance: Available Data Show Privately-Insured Patients Are at Financial Risk," March 2019, Pg. 16, https://www.gao.gov/assets/700/697684.pdf.

[14] Prospect, "Private Equity Chases Ambulances," Olivia Webb, October 3, 2019, https://prospect.org/health/private-equity-chases-ambulances-emergency-medical-transport/.

[15] Government Accountability Office, "Air Ambulance: Data Collection and Transparency Needed to Enhance DOT Oversight," July 2017, https://www.gao.gov/assets/690/686167.pdf.

[16] Government Accountability Office, "Air Ambulance: Available Data Show Privately-Insured Patients Are at Financial Risk," March 2019, https://www.gao.gov/assets/700/697684.pdf.

[17] Stop Wall Street Looting Act, S.2155, https://www.congress.gov/bill/116th-congress/senate-bill/2155.

1. Please provide the disclosure documents and information enumerated in Sections 501 and 503 of the *Stop Wall Street Looting Act*.[18]

2. Which physician staffing and emergency medical service companies including all affiliates or related entities, does Enhanced Equity Funds have a stake in or own? Please provide the name of and a brief description of the services each company provides.

    a. Which physician staffing and emergency medical service companies, including all affiliates or related entities, has Enhanced Equity Funds had a stake in or owned in the past ten years? Please provide the name of and a brief description of the services each company provides or provided.

    b. For each Enhanced Equity Funds -owned physician staffing or emergency medical service company, including all affiliates or related entities, please provide the following information for each year that you have had a stake in or owned this company and the five years preceding your investment.
        i. The name of the company
        ii. Ownership stake
        iii. Total revenue
            1. Revenue from in-network billing
            2. Revenue from out-of-network billing
            3. Average revenue per patient from in-network billing
            4. Average revenue per patient from out-of-network billing
        iv. Net income
        v. Total number of employees
            1. Total number of in-network physicians and other healthcare professionals
            2. Total number of out-of-network physicians and other healthcare professionals
        vi. A list of all hospitals, clinics and other medical care facilities with which the staffing company has a contract
        vii. Other private-equity firms that own a stake in the company

3. Has any physician staffing or emergency medical service, including all affiliates or related entities, in which Enhanced Equity Funds has an ownership stake, been found to have violated any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such violations.

4. Has any physician staffing medical emergency service company, including all affiliates or related entities, in which Enhanced Equity Funds has an ownership stake, reached a settlement with any federal or state law enforcement entity related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

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[18] *Id.*

5. Has any physician staffing or emergency medical service company, including all affiliates or related entities, in which Enhanced Equity Funds has an ownership stake, reached a settlement with any individual who was provided medical services by the company related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

Thank you for your attention to this matter.

Sincerely,

Elizabeth Warren
United States Senator

Mark Pocan
Member of Congress

Lloyd Doggett
Member of Congress

October 16, 2019

Anthony J. de Nicola
President & Managing Partner
Welsh, Carson, Anderson & Stowe
599 Lexington Ave. Suite 1800
New York, NY, 10022

D. Scott Mackesy
Managing Partner
Welsh, Carson, Anderson & Stowe
599 Lexington Ave. Suite 1800
New York, NY, 10022

Dear Messrs. de Nicola and Mackesy:

We write regarding Welsh, Carson, Anderson & Stowe's (WCAS) investment in medical and healthcare companies reportedly employing predatory pricing practices, and to request information about your firm's structure and finances as it relates to these companies. Private equity funds like yours often purchase controlling interests in companies for a short time, then load them up with debt, strip them of their assets, extract exorbitant fees, raise prices and sell them at a profit – implementing drastic cost-cutting measures at the expense of workers, consumers, communities, and taxpayers. For that reason, we have concerns about the rapid spread and effect of private equity investment in many sectors of the economy – including the medical and healthcare industry. We are particularly concerned about your firm's investment in physician staffing companies or emergency medical transportation service companies, both of which have contributed to the growing prevalence of out-of-network "surprise billing." In light of this, we request information about your firm, the portfolio companies in which it has invested, and the performance of those investments.

Surprise billing occurs when individuals unknowingly or unwillingly receive medical services not covered by their health insurance or receive care from physicians who do not have contracts with their health insurance plan. As a result, individuals receiving care from out-of-network providers, for example, pay significantly higher rates, even if the care was at an in-network hospital. And while private health insurance plans may offer some reimbursement for out-of-network care, a large portion of the cost ultimately falls onto patients.[1] This problem is especially acute for patients seeking emergency care – who are not able to select proactively every specialist and clinician treating them, do not have a choice in the ambulance transporting them, or otherwise assume any physician at their in-network hospital is covered by their insurance. In

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fact, the two largest sources of unexpected medical bills originate from emergency room visits and emergency medical transportation.[2]

One of the leading causes of surprise billing are visits to the emergency department, where patients are more likely to receive care from out-of-network physicians. On average, about a quarter of emergency department visits at in-network facilities involve out-of-network physicians.[3] Several studies and surveys have found that many families face surprise billing related to out-of-network care, forcing them to deal with an unexpected and burdensome cost.[4] A New York University School of Medicine study found approximately 40 percent of patients relying on out-of-network physicians did so involuntarily, and over half of the individuals that received care from an out-of-network physician had experiences "where cost was not transparent at the time of care."[5] In many cases, unless their insurance provider helps cover the cost, patients have to pay hundreds of dollars more than they would with an in-network physician.[6]

Hospitals around the country are increasingly outsourcing emergency care services to physician staffing firms, further exacerbating the issue of surprise billing since these firms often staff facilities with out-of-network providers. Today, almost two-thirds of hospitals in the United States rely on private physician-staffing companies, many of which are owned by private equity firms.[7] In 2017, private equity firms acquired over 100 physician practices – reportedly paying practice owners as much as $1 million to $2 million per physician.[8] Two of the largest private

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equity-owned staffing firms – EmCare and TeamHealth – collectively employ tens of thousands of physicians providing services to millions of patients each year.[9]

These physician staffing companies, however, are associated with poorer financial outcomes for patients. While the consolidation of these practices provides physician staffing companies "substantial bargaining power vis-à-vis hospitals and insurance companies," they also have the strengthened "ability to raise prices that patients or their insurance companies [have to] pay for these doctors' services."[10] One study found that in the case of EmCare, "out-of-network billing rates increase dramatically in the months after [it] takes over a staffing contract" and physician charges increase on average by $556, a 96% increase – "expos[ing] patients to increased cost sharing and financial risk."[11] The study found that EmCare's entrance into a hospital increased out-of-network rates by 81.5%, while HealthTeam's entrance drove up rates by almost 33%.[12]

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The air ambulance industry, in particular, provides a unique look at private equity's role in surprise billing—two out of the three air medical transport companies that make up 67% of the market are private equity-owned.[14] Meanwhile, a 2017 GAO report found that "the median prices providers charged for helicopter air ambulance service approximately doubled, from around $15,000 to about $30,000 per transport" between 2010 and 2014 and further concluded "the increasing role of private equity in the industry could further exacerbate these trends while also reducing transparency."[15] Another GAO investigation of air ambulance transports found "at least two-thirds of transports were out-of-network in 2017," creating an environment where families are likely to receive surprise bills.[16]

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WCAS reportedly owns at least one physician staffing or emergency medical service company. We have introduced legislation, the *Stop Wall Street Looting Act*, to reform the private equity industry by holding private equity firms liable for the responsibilities and debts of companies under their control and increases transparency by requiring private equity managers to disclose fees, returns, and political expenditures.[17] To inform our approach to passing this legislation, and to better understand your firm's role in the medical and healthcare industry, we ask that you provide answers to the following questions no later than October 30, 2019.

1. Please provide the disclosure documents and information enumerated in Sections 501 and 503 of the *Stop Wall Street Looting Act*.[18]

2. Which physician staffing and emergency medical service companies including all affiliates or related entities, does WCAS have a stake in or own? Please provide the name of and a brief description of the services each company provides.

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    b. For each WCAS-owned physician staffing or emergency medical service company, including all affiliates or related entities, please provide the following information for each year that you have had a stake in or owned this company and the five years preceding your investment.
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3. Has any physician staffing or emergency medical service, including all affiliates or related entities, in which WCAS has an ownership stake, been found to have violated

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any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such violations.

4. Has any physician staffing medical emergency service company, including all affiliates or related entities, in which WCAS has an ownership stake, reached a settlement with any federal or state law enforcement entity related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

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Thank you for your attention to this matter.

Sincerely,

Elizabeth Warren
United States Senator

Mark Pocan
Member of Congress

Lloyd Doggett
Member of Congress

October 16, 2019

Michael Fisch
Managing Director & Chief Executive Officer
American Securities
299 Park Avenue, 34th Floor
New York, NY 10171

Dear Mr. Fisch:

We write regarding American Securities' investment in medical and healthcare companies reportedly employing predatory pricing practices, and to request information about your firm's structure and finances as it relates to these companies. Private equity funds like yours often purchase controlling interests in companies for a short time, then load them up with debt, strip them of their assets, extract exorbitant fees, raise prices and sell them at a profit – implementing drastic cost-cutting measures at the expense of workers, consumers, communities, and taxpayers. For that reason, we have concerns about the rapid spread and effect of private equity investment in many sectors of the economy – including the medical and healthcare industry. We are particularly concerned about your firm's investment in physician staffing companies or emergency medical transportation service companies, both of which have contributed to the growing prevalence of out-of-network "surprise billing." In light of this, we request information about your firm, the portfolio companies in which it has invested, and the performance of those investments.

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[6] New England Journal of Medicine, "Out-of-Network Emergency-Physician Bills — An Unwelcome Surprise," Zack Cooper, and Fiona Scott Morton, November 17, 2016, https://www.nejm.org/doi/pdf/10.1056/NEJMp1608571?articleTools=true.

[7] Yale University and National Bureau of Economic Research, "Surprise! Out-of-Network Billing for Emergency Care in the United States," Zack Cooper, Fiona Scott Morton and Nathan Shekita, December 2018, https://isps.yale.edu/sites/default/files/publication/2019/03/oon_doctors_dec2018.pdf.

[8] American College of Physicians, "Private Equity Acquisition of Physician Practices," Lawrence P. Casalino et al. January 15, 2019, https://annals.org/aim/article-abstract/2720155/private-equity-acquisition-physician-practices.

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"substantial bargaining power vis-à-vis hospitals and insurance companies," they also have the strengthened "ability to raise prices that patients or their insurance companies [have to] pay for these doctors' services."[10] One study found that in the case of EmCare, "out-of-network billing rates increase dramatically in the months after [it] takes over a staffing contract" and physician charges increase on average by $556, a 96% increase – "expos[ing] patients to increased cost sharing and financial risk."[11] The study found that EmCare's entrance into a hospital increased out-of-network rates by 81.5%, while HealthTeam's entrance drove up rates by almost 33%.[12]

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The air ambulance industry, in particular, provides a unique look at private equity's role in surprise billing—two out of the three air medical transport companies that make up 67% of the market are private equity-owned.[14] Meanwhile, a 2017 GAO report found that "the median prices providers charged for helicopter air ambulance service approximately doubled, from around $15,000 to about $30,000 per transport" between 2010 and 2014 and further concluded "the increasing role of private equity in the industry could further exacerbate these trends while also reducing transparency."[15] Another GAO investigation of air ambulance transports found "at least two-thirds of transports were out-of-network in 2017," creating an environment where families are likely to receive surprise bills.[16]

American Securities reportedly owns at least one physician staffing or emergency medical service company. We have introduced legislation, the *Stop Wall Street Looting Act*, to reform the private equity industry by holding private equity firms liable for the responsibilities and debts of companies under their control and increases transparency by requiring private equity managers to disclose fees, returns, and political expenditures.[17] To inform our approach to passing this legislation, and to better understand your firm's role in the medical and healthcare industry, we ask that you provide answers to the following questions no later than October 30, 2019.

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[10] Institute for New Economic Thinking, "Private Equity and Surprise Medical Billing," Eileen Appelbaum and Rosemary Batt, September 24, 2019, https://www.ineteconomics.org/perspectives/blog/private-equity-and-surprise-medical-billing.

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[12] *Id.*

[13] Government Accountability Office, "Air Ambulance: Available Data Show Privately-Insured Patients Are at Financial Risk," March 2019, Pg. 16, https://www.gao.gov/assets/700/697684.pdf.

[14] Prospect, "Private Equity Chases Ambulances," Olivia Webb, October 3, 2019, https://prospect.org/health/private-equity-chases-ambulances-emergency-medical-transport/.

[15] Government Accountability Office, "Air Ambulance: Data Collection and Transparency Needed to Enhance DOT Oversight," July 2017, https://www.gao.gov/assets/690/686167.pdf.

[16] Government Accountability Office, "Air Ambulance: Available Data Show Privately-Insured Patients Are at Financial Risk," March 2019, https://www.gao.gov/assets/700/697684.pdf.

[17] Stop Wall Street Looting Act, S.2155, https://www.congress.gov/bill/116th-congress/senate-bill/2155.

1. Please provide the disclosure documents and information enumerated in Sections 501 and 503 of the *Stop Wall Street Looting Act*.[18]

2. Which physician staffing and emergency medical service companies including all affiliates or related entities, does American Securities have a stake in or own? Please provide the name of and a brief description of the services each company provides.

    a. Which physician staffing and emergency medical service companies, including all affiliates or related entities, has American Securities had a stake in or owned in the past ten years? Please provide the name of and a brief description of the services each company provides or provided.

    b. For each American Securities-owned physician staffing or emergency medical service company, including all affiliates or related entities, please provide the following information for each year that you have had a stake in or owned this company and the five years preceding your investment.
        i. The name of the company
        ii. Ownership stake
        iii. Total revenue
            1. Revenue from in-network billing
            2. Revenue from out-of-network billing
            3. Average revenue per patient from in-network billing.
            4. Average revenue per patient from out-of-network billing
        iv. Net income
        v. Total number of employees
            1. Total number of in-network physicians and other healthcare professionals
            2. Total number of out-of-network physicians and other healthcare professionals
        vi. A list of all hospitals, clinics and other medical care facilities with which the staffing company has a contract
        vii. Other private-equity firms that own a stake in the company

3. Has any physician staffing or emergency medical service, including all affiliates or related entities, in which American Securities has an ownership stake, been found to have violated any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such violations.

4. Has any physician staffing medical emergency service company, including all affiliates or related entities, in which American Securities has an ownership stake, reached a settlement with any federal or state law enforcement entity related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

[18] *Id.*

5. Has any physician staffing or emergency medical service company, including all affiliates or related entities, in which American Securities has an ownership stake, reached a settlement with any individual who was provided medical services by the company related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

Thank you for your attention to this matter.

Sincerely,

Elizabeth Warren
United States Senator

Mark Pocan
Member of Congress

Lloyd Doggett
Member of Congress

Congress of the United States
Washington, DC 20510

October 16, 2019

Stephen A. Schwarzman
Chairman, Chief Executive Officer & Co-Founder
Blackstone Group
345 Park Avenue
New York, NY 10022

Dear Mr. Schwarzman:

We write regarding Blackstone Group's (Blackstone) investment in medical and healthcare companies reportedly employing predatory pricing practices, and to request information about your firm's structure and finances as it relates to these companies. Private equity funds like yours often purchase controlling interests in companies for a short time, then load them up with debt, strip them of their assets, extract exorbitant fees, raise prices and sell them at a profit – implementing drastic cost-cutting measures at the expense of workers, consumers, communities, and taxpayers. For that reason, we have concerns about the rapid spread and effect of private equity investment in many sectors of the economy – including the medical and healthcare industry. We are particularly concerned about your firm's investment in physician staffing companies or emergency medical transportation service companies, both of which have contributed to the growing prevalence of out-of-network "surprise billing." In light of this, we request information about your firm, the portfolio companies in which it has invested, and the performance of those investments.

Surprise billing occurs when individuals unknowingly or unwillingly receive medical services not covered by their health insurance or receive care from physicians who do not have contracts with their health insurance plan. As a result, individuals receiving care from out-of-network providers, for example, pay significantly higher rates, even if the care was at an in-network hospital. And while private health insurance plans may offer some reimbursement for out-of-network care, a large portion of the cost ultimately falls onto patients.[1] This problem is especially acute for patients seeking emergency care – who are not able to select proactively every specialist and clinician treating them, do not have a choice in the ambulance transporting them, or otherwise assume any physician at their in-network hospital is covered by their insurance. In fact, the two largest sources of unexpected medical bills originate from emergency room visits and emergency medical transportation.[2]

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[1] New York University School of Medicine, "Out-of-Network Physicians: How Prevalent Are Involuntary Use and Cost Transparency?" Kelly A Kyanko, Leslie A Curry, and Susan H Busch, October 22, 2012, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3681248/.
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One of the leading causes of surprise billing are visits to the emergency department, where patients are more likely to receive care from out-of-network physicians. On average, about a quarter of emergency department visits at in-network facilities involve out-of-network physicians.[3] Several studies and surveys have found that many families face surprise billing related to out-of-network care, forcing them to deal with an unexpected and burdensome cost.[4] A New York University School of Medicine study found approximately 40 percent of patients relying on out-of-network physicians did so involuntarily, and over half of the individuals that received care from an out-of-network physician had experiences "where cost was not transparent at the time of care."[5] In many cases, unless their insurance provider helps cover the cost, patients have to pay hundreds of dollars more than they would with an in-network physician.[6]

Hospitals around the country are increasingly outsourcing emergency care services to physician staffing firms, further exacerbating the issue of surprise billing since these firms often staff facilities with out-of-network providers. Today, almost two-thirds of hospitals in the United States rely on private physician-staffing companies, many of which are owned by private equity firms.[7] In 2017, private equity firms acquired over 100 physician practices – reportedly paying practice owners as much as $1 million to $2 million per physician.[8] Two of the largest private equity-owned staffing firms – EmCare and TeamHealth – collectively employ tens of thousands of physicians providing services to millions of patients each year.[9]

These physician staffing companies, however, are associated with poorer financial outcomes for patients. While the consolidation of these practices provides physician staffing companies

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"substantial bargaining power vis-à-vis hospitals and insurance companies," they also have the strengthened "ability to raise prices that patients or their insurance companies [have to] pay for these doctors' services."[10] One study found that in the case of EmCare, "out-of-network billing rates increase dramatically in the months after [it] takes over a staffing contract" and physician charges increase on average by $556, a 96% increase – "expos[ing] patients to increased cost sharing and financial risk."[11] The study found that EmCare's entrance into a hospital increased out-of-network rates by 81.5%, while HealthTeam's entrance drove up rates by almost 33%.[12]

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Blackstone reportedly owns at least one physician staffing or emergency medical service company. We have introduced legislation, the *Stop Wall Street Looting Act*, to reform the private equity industry by holding private equity firms liable for the responsibilities and debts of companies under their control and increases transparency by requiring private equity managers to disclose fees, returns, and political expenditures.[17] To inform our approach to passing this legislation, and to better understand your firm's role in the medical and healthcare industry, we ask that you provide answers to the following questions no later than October 30, 2019.

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[15] Government Accountability Office, "Air Ambulance: Data Collection and Transparency Needed to Enhance DOT Oversight," July 2017, https://www.gao.gov/assets/690/686167.pdf.
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Thank you for your attention to this matter.

Sincerely,

Elizabeth Warren
United States Senator

Mark Pocan
Member of Congress

Lloyd Doggett
Member of Congress

Congress of the United States
Washington, DC 20510

October 16, 2019

Henry R. Kravis
Co-Chief Executive Officer
KKR & Co. Inc.
9 West 57th Street, Suite 4200
New York, NY 10019

George R. Roberts
Co-Chief Executive Officer
KKR & Co. Inc.
9 West 57th Street, Suite 4200
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Dear Messrs. Kravis and Roberts:

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[15] Government Accountability Office, "Air Ambulance: Data Collection and Transparency Needed to Enhance DOT Oversight," July 2017, https://www.gao.gov/assets/690/686167.pdf.
[16] Government Accountability Office, "Air Ambulance: Available Data Show Privately-Insured Patients Are at Financial Risk," March 2019, https://www.gao.gov/assets/700/697684.pdf.

KKR reportedly owns at least one physician staffing or emergency medical service company. We have introduced legislation, the *Stop Wall Street Looting Act*, to reform the private equity industry by holding private equity firms liable for the responsibilities and debts of companies under their control and increases transparency by requiring private equity managers to disclose fees, returns, and political expenditures.[17] To inform our approach to passing this legislation, and to better understand your firm's role in the medical and healthcare industry, we ask that you provide answers to the following questions no later than October 30, 2019.

1. Please provide the disclosure documents and information enumerated in Sections 501 and 503 of the *Stop Wall Street Looting Act*.[18]

2. Which physician staffing and emergency medical service companies including all affiliates or related entities, does KKR have a stake in or own? Please provide the name of and a brief description of the services each company provides.

    a. Which physician staffing and emergency medical service companies, including all affiliates or related entities, has KKR had a stake in or owned in the past ten years? Please provide the name of and a brief description of the services each company provides or provided.

    b. For each KKR-owned physician staffing or emergency medical service company, including all affiliates or related entities, please provide the following information for each year that you have had a stake in or owned this company and the five years preceding your investment.
        i. The name of the company
        ii. Ownership stake
        iii. Total revenue
            1. Revenue from in-network billing
            2. Revenue from out-of-network billing
            3. Average revenue per patient from in-network billing.
            4. Average revenue per patient from out-of-network billing
        iv. Net income
        v. Total number of employees
            1. Total number of in-network physicians and other healthcare professionals
            2. Total number of out-of-network physicians and other healthcare professionals
        vi. A list of all hospitals, clinics and other medical care facilities with which the staffing company has a contract
        vii. Other private-equity firms that own a stake in the company

3. Has any physician staffing or emergency medical service, including all affiliates or related entities, in which KKR has an ownership stake, been found to have violated

[17] Stop Wall Street Looting Act, S.2155, https://www.congress.gov/bill/116th-congress/senate-bill/2155.
[18] *Id.*

any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such violations.

4. Has any physician staffing medical emergency service company, including all affiliates or related entities, in which KKR has an ownership stake, reached a settlement with any federal or state law enforcement entity related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

5. Has any physician staffing or emergency medical service company, including all affiliates or related entities, in which KKR has an ownership stake, reached a settlement with any individual who was provided medical services by the company related to a potential violation of any federal or state laws or regulations? If so, please provide a complete list, including the date and description, of all such settlements.

Thank you for your attention to this matter.

Sincerely,

Elizabeth Warren
United States Senator

Mark Pocan
Member of Congress

Lloyd Doggett
Member of Congress