

August 24, 2017

The Honorable Jon Husted
Ohio Secretary of State
180 E Broad Street, 16th Floor
Columbus, Ohio 43215

Dear Secretary Husted,

It has come to our attention that there are several businesses operating in Ohio without a valid registration from your office, either because the business registration has expired and has not been reinstated, because the business is operating under the fictitious name of another entity which has subsequently expired or dissolved, or because the business is a partnership that has never registered with your office.

As a pro-life organization that has existed in central Ohio for more than 40 years, the primary focus of our work is educating the public on those things which diminish the value of innocent human life and inviting the community to build a culture that values and protects that innocent human life. Most often, that means working with churches, schools, and families on educational programming and faith-based projects. From time to time, it means that we serve as a watchdog organization, informing the public and elected officials of trends, actions, and activities within communities that support and promote abortion, euthanasia, or related threats to the value of innocent human life.

In such a recent project, we became aware that a network of Ohio abortion clinics, one of which is located here in central Ohio, appears to be in violation of 2919.123 of the Ohio Revised Code, a section dealing with required abortion reporting. In taking a closer look at the clinic and network's business dealings, we observed a mind-boggling number of business and professional shortcuts and violations. We believe that the sum of these infractions violates the letter and the spirit of Ohio's laws protecting consumers and the community at large. While many of these infractions lie outside the authority of the Secretary of State's office, we want to bring those that are within the scope of your office to your attention and respectfully request that you investigate the extent to which your office has enforcement authority or the ability to refer for enforcement these businesses operating outside of the regulatory structure. At a micro level the lapses seem minor, but a macro and connected view becomes decidedly concerning.

Our research suggests that the authority granted to the office of Secretary of State may be limited. If that is the case, verification that you have reviewed our findings and have no further enforcement authority will be helpful as we further engage on the larger policy and educational issues at hand. Certainly Ohio should be a leader in breaking down barriers to businesses of all sizes, and a strong tool in breaking down those barriers is the flexibility to help businesses that make minor filing errors return to compliance without being penalized out of business. However, when that flexibility is willfully ignored or recklessly abused, then our state needs to rethink how

businesses are regulated or restructure how agencies grant licenses and permits to ensure that everyone is operating within our regulatory framework.

Because there is such a confusion of interrelated business entities, fictitious names, registered trade names, and ownership interests, this letter will refer to the physical offices of the businesses as “Capital Care Network of Toledo,” located at 1160 W. Sylvania Ave; Toledo, OH 43612, and “Founder’s Women’s Health,” located at 1243 E. Broad Street; Columbus, OH 43205.

The business relationship between Founder’s and Capital Care Network was first publicly documented in 2012, when a Columbus office of Capital Care Network closed, and Capital Care Network, which at that time owned/operated 4-5 clinics in Ohio and Indiana, acquired (or assumed management of) Founder’s. In media reports¹ at the time, the business transaction was explained as, “It’s going to look like a merger, but it is a purchase.” There do not seem to be any filings at the Ohio Secretary of State that indicate the business was purchased or merged, and in subsequent media reports², the “owner” of Capital Care Network was described as “managing” Founder’s Women’s Health. Irrespective of the exact nature of the working relationship, it is observable that the business activities of both are very integrated.

Founder’s Women’s Health

Founder’s Women’s Health Center is an ambulatory surgical facility (ASF) licensed by the Ohio Department of Health. The ODH license³, available online, lists the owner as “N/A” and the operator as “Downtown Gynecologists.” Contact information for the clinic lists “terriehubbard@gmail.com.” Indeed, The Founder’s Women’s Health Center is registered as a trade name for Downtown Gynecologists, INC. Attached are the trade name application from 2008⁴ and the renewal in 2013⁵. Downtown Gynecologists is a (medical) professional association and was incorporated in 1989 by Dr. Harley Blank, Dr. Karl Schaffer, and Dr. Robert Chosy⁶. Drs. Blank and Schaffer continue to provide medical services at Downtown Gynecologists dba The Founder’s Women’s Health Center. Since 1989, the license has been subject to several cancellations for failure to file continued existence, failure to maintain agent, failure to pay taxes, and failure to file professional annual/biennial reports, etc⁷. At one point the business license lapsed for nearly three years; Downtown Gynecologists was sent a cancellation notice in 2009⁸ and did not file for reinstatement until 2012⁹. Downtown Gynecologists subsequently filed back-dated reports¹⁰ through 2014, but was notified by your office in September of 2016 that it was again delinquent¹¹ and had 30 days to file the mandated report. That report was not filed, and in

¹ See Attachment 1

² See Attachment 2

³ See Attachment 3

⁴ See Attachment 4

⁵ See Attachment 5

⁶ See Attachment 6

⁷ See Attachment 7

⁸ See Attachment 8

⁹ See Attachment 9

¹⁰ See Attachment 10

¹¹ See Attachment 11

October of 2016, Downtown Gynecologists was sent¹² a cancellation notice by your office. Nonetheless, Downtown Gynecologists, dba The Founder's Women's Health Center, continues to be open and treat patients as well as advertise online, etc.

As we understand it, one of the statutory requirements of a licensed professional association, pursuant to Ohio Revised Code Section 1785.06, is that each professional association must submit a biennial report to provide your office with the names and addresses of shareholders as well as *a statement that they are duly licensed and legally authorized to render the same professional service for which the professional association was granted*. Drs. Schaeffer¹³ and Blank¹⁴ are actively licensed physicians in the State of Ohio. However, Dr. Robert Chosy¹⁵ retired from the practice of medicine several years ago and his medical license expired in 2009. Under Ohio Administrative Code 4731-22¹⁶, a physician who is retired and enjoys emeritus status is no longer licensed to the practice of medicine in the State of Ohio. Ohio law seems to require that **each member** of a professional association be actively licensed to the practice for which the Association was formed (ORC 1785.02), not just a majority. If Dr. Chosy, by virtue of his retirement and expired medical license, is not authorized to practice medicine and by some other rule or ruling is not permitted to be a member of a licensed (medical) professional association, it is curious that he continues to be a member of Downtown Gynecologists, INC and that Dr. Blank or Founder's administrator Judith Nolan signed the 2010, 2012, and 2014 Biennial Reports¹⁷ to your office certifying that he was. The language of the report form from your office states, "Authenticating this form constitutes a certification that all the below listed shareholders are duly licensed or otherwise legally authorized to render the professional services in this state of the profession that is listed above."

Moreover, the physical property of 1243 E. Broad Street; Columbus, OH 43205 is, according to the Franklin County Auditor's website, owned¹⁸ by Twelve Forty Three Company. There does not seem to be a business registered at the Ohio Secretary of State's Office for that company, nor does there seem to be any reasonable variation of that name registered. However, in July of 1990, a filing with the Franklin County Recorder's office lists a fictitious name certificate¹⁹ for a general partnership between Harley Blank, Robert Chosy, and Karl Schaeffer, MDs, in the name of The Twelve Forty Three Company.

Capital Care Network of Toledo

Capital Care Network of Toledo is an ambulatory surgical facility (ASF) licensed²⁰ by the Ohio Department of Health (ODH) in Toledo, Ohio. According to the ODH license, the clinic is operated by T&S Management of Columbus, LLC. The legal status of the clinic is currently the

¹² See Attachment 12.

¹³ See Attachment 13

¹⁴ See Attachment 14

¹⁵ See Attachment 15

¹⁶ See Attachment 16

¹⁷ See Attachment 17

¹⁸ See Attachment 18

¹⁹ See Attachment 19

²⁰ See Attachment 20

subject of litigation²¹ pending before the Ohio Supreme Court. In the appellee's brief²² filed June 29, 2017 as part of that case, attorneys for Capital Care Network note, "Terrie Hubbard became the owner of Capital Care in 2010, and prior to that worked for Capital Care as a registered nurse for eight years."

While that may be true, Capital Care Network of Toledo and Capital Care Network do not appear to be businesses or registered trade names associated with Terrie Hubbard. Instead, they were filed as trade names²³ for G&H Management²⁴. The registered trade names of Capital Care Network²⁵ and Capital Care Network of Toledo²⁶ have expired. G&H Management is the subject of numerous State of Ohio lien praecipec between 2012 and 2016 alleging²⁷ that the company owes more than \$17,000 for unpaid commercial activities taxes. If either T&S Management or Ms. Hubbard acquired G&H Management, then their trade names have expired. If neither did, then it is uncertain how Capital Care Network of Toledo has been permitted to operate under that name for nearly a decade.

T & S Management of Columbus, LLC, is a licensed business and is listed as the operator of Capital Care Network of Toledo on the ODH ASF license. The company was incorporated²⁸ in August of 2010 by Terrie and Steven Hubbard. Terrie is a registered nurse licensed²⁹ to practice in Ohio. The filing for the corporation is current, but the company owes a significant amount of money to various taxing authorities including the City of Columbus, the State of Ohio, and the IRS. In tax lien praecipec filed in the Franklin County Court of Common Pleas between 2015 and 2017, Ohio alone claims³⁰ that T & S Management owes the state more than \$220,000 from unpaid commercial activities and withholding taxes. It is unclear if these taxes are from business transactions at Founder's in Columbus or Capital Care Network of Toledo, or both. This Ohio amount, while large, is just a fraction of the total money owed to all taxing entities, which at one recent review amounted to nearly a million dollars.

To be clear, we do not deny that as an organization we deeply object to the nature of the work that is done at Capital Care Network of Toledo and Founder's Women's Health Center. As an organization, we work every day to build a culture that protects innocent human life from the moment of conception until natural death. Were it not for the fact that these businesses exist for the primary purpose of intentionally destroying innocent, unborn, human life, these irregularities would not have come to our attention or be outlined to you. That notwithstanding, we know that abortion is an issue that remains deeply divisive in Ohio and America today. We are prepared to take our defense of the dignity of human life to the marketplace of ideas, and we are willing to stand in judgement for those things which we have done and not done in the furtherance of our

²¹ See Attachment 21

²² Not Attached due to length. See page 10 of Appellee's brief in Capital Care Network of Toledo v. State of Ohio Dept. of Health, 2016-Ohio-5168.

²³ See Attachment 22

²⁴ See Attachment 23

²⁵ See Attachment 24

²⁶ See Attachment 25

²⁷ See Attachment 26

²⁸ See Attachment 27

²⁹ See Attachment 28

³⁰ See Attachment 29

belief in the absolute value of all human lives. We do, however, ask that we are given a level playing field from which to defend the unborn, the elderly, the infirm, and the otherwise vulnerable and to challenge the idea that abortion is safe and legal. There is no level playing field when we follow the regulatory framework established by numerous state, local, and federal entities, but others do not. For example, as a nonprofit, an action as simple as soliciting donations in the City of Columbus requires that we provide financial forecasts, recent tax filings, lists of officers and directors, proof that we are in good standing with the IRS, your office, and the Attorney General's Charitable Solicitations office, and more. While the policies at hand in no way are determined by the Ohio Secretary of State's office, it is absurd that we are able to do all of this and maintain compliance but that a network of surgical centers is unable to maintain its business filings – even after delinquency notices and reminders from your office.

We are not asking that you use your role as Secretary of State to act on a bias for or against the subject of abortion or between pro-life organizations and for-profit abortion providers. However it is very clear is that this network of companies is engaged in business practices that are either completely mismanaged or that willfully ignore the standards that are expected of any entity wishing to do business in the State of Ohio. If it is the former, it is not safe, and if it is the latter, it is not legal.

Therefore, we thank you for providing a forum from which we can petition our elected leaders for redress, for your service, and for your consideration of these points. Should you have any additional questions, I can be reached at our office at 614-445-8508.

Sincerely,

Beth Vanderkooi
Executive Director
Greater Columbus Right to Life

ENC: Attachments