

**TESTIMONY OF NANCY POWELL**

Received on September 27, 2013

In the United States Federal District Court for the District of Idaho  
*Saint Alphonsus Medical Center-Nampa, Inc., et. al. v. St. Luke's Health System Ltd., et. al.*  
Case No. 1:12-cv-00560-BLW

**Page Range: 206:25-207:07**

25 Q. Did -- did Saltzer have -- you  
207:01 mention earlier that, you know, Saltzer wasn't  
02 really thinking about what Saint Al's was doing at  
03 the time. So was the concern based on competition  
04 that we talked about a minute ago? Was that just  
05 based on the fact that St. Luke's had recruited  
06 the Mercy group?  
07 A. Yes.

**Page Range: 119:01-119:12**

02 Q. Do you remember a situation involving  
03 negotiations with Blue Cross where you accused  
04 Blue Cross of acting in bad faith?  
05 A. Which time?  
06 Q. So did that -- did that happen on more  
07 than one occasion?  
08 Q. And when you -- when you made those  
09 comments to Blue Cross, did you believe that  
10 they were negotiating at certain times in bad  
11 faith?  
12 A. Yes.

**Page Range: 214:23-215:17**

23 Q. Okay. And do you remember that at a  
24 certain point the region covered by the  
25 exclusivity agreement, at least in the draft  
215:01 form, was only going to be Nampa and that Saltzer  
02 pushed to have it extended to a broader area of  
03 Canyon County?  
04 A. I believe initially they had just put  
05 Nampa, and we had -- we had it -- we-- I --  
06 I'm not 100 percent certain. I think that the  
07 first letter of intent came out with just Nampa,  
08 and we didn't sign it until it said "Canyon  
09 County."  
10 Q. And --  
11 A. But I don't -- I'm not 100 percent  
12 certain on that.  
13 Q. Okay. And do you remember why it was  
14 that Saltzer wanted that region to be expanded to  
15 cover all of Canyon County?  
16 A. Because we felt that that was our  
17 market.

**Page Range: 210:01 -210:07**

01 Q. All right. Do you remember them ever

02 mentioning the fact that Saltzer seemed to be  
03 strategically aligned with, you know, St. Luke's  
04 views of the health care system or anything of  
05 that nature?  
06 A. Sure, I think something like that  
07 probably was discussed.

**Page Range: 361:02-361:15**

02 Q. Okay. You say, "This is my biggest  
03 concern in truly being able to develop a  
04 clinically integrated organization. We are a  
05 good five years behind the eight ball."  
06 What did you mean by that, that you  
07 were five year -- at least five years behind the  
08 eight ball, or "a good five years behind the eight  
09 ball"?  
10 A. We just implemented NexGen -- it's an  
11 electronic medical record for primary care -- on  
12 September 12 of 2012. Saltzer implemented their  
13 first EMR in 2003. So we were substantially  
14 behind, in my opinion, from getting into the  
15 future of health care.