

From: BJ Swanson [mailto:bjswanson@gmail.com]
Sent: Monday, December 12, 2016 10:46 AM
Subject: Oppose Sale of St. Joseph's Regional Medical Center

Hello,

Please reject the sale of St. Joseph's Regional Medical Center to RCCH Healthcare Partners.

RCCH Healthcare Partners name is a cover up for venture capitalists whose priority is profit, not the health of the community. This is evidenced by the sale first to Capella, then RCCH who now seems to be a part of Apollo Global Management, an investment firm. The churning will continue.

Going from a regional non-profit healthcare facility to a trading piece for venture capital firms would be a tragedy. The priority would go from providing healthcare needs for the region to providing exorbitant profits for Ascension, RCCH and the numerous future investment firms who will all try to extract more money from the L-C Valley and region until St. Joseph's will collapse or be chopped up and sold in pieces, the victim of vulture capitalists pillage and plunder.

The Lewiston Community and all of north central Idaho and southeastern Washington depend on St. Joseph's to provide services that the smaller community hospitals cannot provide including cardiac, trauma and psychiatric. Trauma and psychiatric will not provide the profitability required by a for-profit company and will eventually be cut, regardless of all the promises that Ascension and RCCH are touting now. As with all corporate acquisitions, Ascension and RCCH proclaim that nothing will change and the sale will be good for everyone. In acquisitions, those are always the standard words and never turn out to be true. Please do not be so naïve to believe that. "For-profit" means just that; the priority will be profit over all else. Profit that will be siphoned out of the Lewiston Region. The result will be more expensive and poorer quality healthcare.

The full-page ad and editorial by Ascension CEO Robert J. Henkel in the Lewiston Tribune is full of claims of how much Ascension has spent to improve St. Joseph's. Mr. Henkel conveniently fails to mention that those improvements were paid for by revenue produced by SJRMC. AFTER all those improvement expenses were paid, SJRMC still contributed between \$6-\$10 million annually in cash flow directly to Ascension according to SJRMC tax returns.

Ascension acquired SJRMC for \$1 in 2002. Ascension has already made between \$84 - \$140 million clear profit from SJRMC ownership over the last 14 years. If Ascension wants to liquidate SJRMC, they have already received substantial payment. Make them give it back to the Lewiston Community for \$1. That would be fair. If you cannot stop the sale, then make Ascension put the entire \$109 million sale price into a foundation owned and controlled by the Lewiston Community. A \$20 million pittance into a foundation controlled by Ascension is just another smoke and mirrors pillage and plunder scam.

If the Lewiston Community could acquire SJRMC, it could continue being the regional healthcare cornerstone that it has been for the past 118 years. The region needs a strong St. Joe's. There are many excellent hospital management companies that the Lewiston Community could hire to manage St. Joseph's for the best healthcare of Lewiston and the entire region. An example of how this could work is Gritman Medical Center in Moscow. Gritman is a non-profit community owned hospital. The priority is the health of the community, not profits to venture

capitalists. Gritman has been successfully managed by Quorum Health Resources for the past 34 years. Lewiston could do the same.

Please keep St. Joseph Regional Medical Center strong and community owned. Reject the sale of St. Joseph's to RCCH Healthcare Partners.

Thank you,

B. J. Swanson
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Disclaimer: I sit on the board of Gritman Medical Center, I am a financial analyst for Latah Credit Union and a retired commercial banker who has gone through eight banking mergers and acquisitions. The opinions expressed are my own and not of either Gritman Medical Center or Latah Credit Union.