

STATE OF MICHIGAN  
DEPARTMENT OF ATTORNEY GENERAL  
OFFICE OF HEALTH, EDUCATION & FAMILY SERVICES

In the matter of:  
MARQUETTE GENERAL HOSPITAL/  
PROPOSED SALE TO FOR-PROFIT DUKE  
LIFEPOINT HEALTHCARE

/

PUBLIC FORUM  
102 East Main Street, Marquette, Michigan -  
Tuesday, July 17, 2012 - 5:00 p.m.

APPEARANCES:

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2 FOR MARQUETTE

GENERAL HOSPITAL: MR. GARY MULLER, CEO

3  
FOR DUKE LIFEPOINT: MR. WILLIAM CARPENTER, CEO

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1 Marquette, Michigan

2 Tuesday, July 17, 2012 - 5:02 p.m.

3 MS. ISAACS: Good evening. Thank you all for  
4 coming this evening. I know you all have busy lives and  
5 busy schedules. This is an important issue, and we  
6 represent the Attorney General's office this evening. We  
7 are here for a public meeting to hear comments about the  
8 changes that are about to occur at Marquette Hospital in  
9 your community. I'm going to later introduce the team, but  
10 all the people that are currently sitting at this table are  
11 from the Attorney General's office. I want you to know that  
12 it's very important to the Attorney General that we have  
13 transparency in this issue. All of the information that we  
14 are gathering we will put on our website, the Attorney  
15 General's website. It's easy to find. We will be taking  
16 public comment tonight, and our moderator will tell you the  
17 ground rules in a bit.

18 Just to let you know how this is going to go, we are  
19 going to have people explain the arrangement that is  
20 occurring here with Marquette Hospital, and we are very  
21 pleased to have tonight the Chief Executive Officer, Gary  
22 Muller, representing Marquette. At this table we are also  
23 pleased to have Mr. Bill Carpenter. He is the CEO of  
24 Lifepoint Hospitals and he is the chairman. Both of those  
25 gentlemen will speak. We will then allow public comment.

26

1           There may be questions. We realize there will be questions.  
2           We will save all of the answers to those questions until the  
3           very end, and we are hopeful that the two gentlemen speaking  
4           may be able to answer those questions. Additionally, you  
5           may also comment to the Attorney General's Office in  
6           writing. You may do it electronically by e-mail, and we  
7           will receive those comments again. Those will be posted  
8           online. And we have with us this evening a court reporter  
9           who will be recording what is stated tonight. We have  
10          someone who will be helping us time, and we may need to  
11          limit the length of testimony tonight, so bear with us so  
12          that we can get everyone -- so that everybody gets a fair  
13          opportunity to say what they want to say at this point. I  
14          will allow both Mr. Muller and Mr. Carpenter to introduce or  
15          acknowledge anyone that they would like to on their team  
16          that's been working on this project. And, as I said, when  
17          we begin to hear from the people in the audience, I will  
18          introduce the Attorney General's staff here. Again, we  
19          represent the Attorney General. He's been asked to review  
20          this and to sign off on this, so we do take this seriously  
21          to look at the transaction as it affects the people who live  
22          in the Marquette area.

23                 So I will now ask Mr. Muller or Mr. Carpenter to speak.

24                         MR. MULLER: First of all, let me thank our  
25                         Attorney General's team led by Carol, and welcome to the  
26

1 U.P.

2 MS. ISAACS: Thank you.

3 MR. MULLER: We're glad to have you guys here. I  
4 would like to also thank, first of all, our Board of  
5 Directors who led this process. We have several in the  
6 audience. Without going into the names of the fourteen,  
7 would you all just stand up and let people know you're here,  
8 please?

9 (Board Members stand up)

10 MR. MULLER: Okay. Thank you. So the MGH Board  
11 actually led an extremely thorough process to assure our  
12 community's access to quality healthcare for generations.  
13 It is a pleasure for me, along with Lifepoint's CEO, Bill  
14 Carpenter, to share some key points with you. First of all,  
15 hospitals today are in a very, very difficult business.  
16 Looking historically over my career and actually the history  
17 here in Marquette, we've gone through cycles, and we're  
18 actually, in my opinion, in a down cycle for hospitals, that  
19 we and our Board planned for the future being an up cycle.  
20 Reimbursement is declining. Access to capital is limited.  
21 Many healthcare organizations are struggling in the U.P. to  
22 invest in necessary tools, technologies, renovations and  
23 infrastructure. Marquette General, like many hospitals, was  
24 faced with a critical decision. Do we stay the way we are?  
25 Do we cut services? Do we cut staff? But our Board decided  
26

1 to remain a viable organization and partner with a very  
2 strong, and the best one in the country, national  
3 organization. Knowing the great potential for growth and  
4 expansion of healthcare services that exist in the U.P.,  
5 Marquette General's board chose Duke Lifepoint. We explored  
6 potential partnerships that would help us strengthen our  
7 hospital for the future, and enhance the healthcare provided  
8 throughout this whole entire region. So our Board carefully  
9 reviewed affiliation options with organizations from across  
10 the country, and Duke Lifepoint was selected as the ideal  
11 choice for Marquette General, our employees, volunteers,  
12 medical staff and the communities we serve in the U.P.

13 Duke Lifepoint surpassed our stated selection criteria,  
14 which includes commitment to grow Marquette General and  
15 expand the services the hospital provides, enhance the  
16 quality of care provided at Marquette General for decades,  
17 invest in our hospital, its infrastructure and services,  
18 uphold our commitment to provide quality charity care,  
19 employ all of our staff members and insure that Marquette  
20 General continues to be a great place to work, maintain  
21 collaborative relationships with physicians and be a great  
22 neighbor to all of our surrounding communities and  
23 contributor to those communities through greater strength at  
24 Marquette General.

25 Over the last several weeks -- it seems like longer,  
26



1 but it's been quite a few weeks -- we've been engaged in a  
2 very thorough due diligence process to insure that a  
3 relationship with Duke Lifepoint is right culturally,  
4 economically and strategically for our hospital and our  
5 community, and we've got a final agreement. This includes,  
6 as part of the due diligence, a trip I made to Nashville.  
7 Bill and his team hosted me for a couple days. Brad Cory,  
8 Dr. Noren and I attended Lifepoint's leadership meeting last  
9 month to meet the national Lifepoint team, and we came away  
10 not just pleased to be a part of it, but really quite  
11 honestly honored that they would bring us into their team.

12 The definitive agreement does include many features  
13 that are crucial to our future and those in this room.  
14 Marquette General's debt will be eliminated. Debt-free.  
15 All employees will be offered employment, subject to  
16 standard pre-employment screening, like we do at Marquette  
17 General. Obligations under our contract with the Michigan  
18 Nurses Association will be assumed. Our pension program  
19 will be fully funded, so everybody who started with  
20 Marquette General 50 years ago has a pension plan, their  
21 obligation -- their pension will be fully funded forever, so  
22 when they retire, they will have whatever is owed. Over the  
23 next ten years, 350 million dollars in committed investments  
24 will be made in physician recruitment and capital  
25 improvements projects, including state of the art outpatient  
26

1 surgery, comprehensive cancer care, private patient rooms,  
2 new technology and new IT infrastructure -- technology. A  
3 charitable foundation that supports healthcare  
4 organizations, not Marquette General. Other initiatives in  
5 healthcare in the U.P. will be formed with at least 15  
6 million dollars from the proposed transaction.

7 This acquisition will also change Marquette General  
8 from a tax exempt to a taxpaying entity in our community.  
9 This shift will add significant resources to our community,  
10 and will help to fund local projects, support schools, keep  
11 our roads safe and citizens. All of this cannot be done the  
12 way we're going in healthcare today.

13 In joining Duke Lifepoint, we have a great opportunity  
14 to grow and strengthen Marquette General and our  
15 communities, and I continue to say for generations. It's  
16 not just us, it's not our kids, but it's our children's  
17 children's children. It is up to MGH's physicians and  
18 management to utilize Lifepoint Hospital's support center,  
19 services, and everyone looks forward to doing this soon to  
20 immediately realize the opportunities we have in front of  
21 us.

22 You're going to hear more specifics from the Lifepoint  
23 side and our new partners, but I want to thank a couple  
24 people, if I could. First of all, the staff that took a lot  
25 of their time, our senior team, Jan Hillman I think is out  
26

1           there. Jan sort of facilitated our strategic look at all  
2           this, which our Board did. We've got Jerry Warden. Jerry  
3           Worden aged and lost hair and it turned gray, because he was  
4           the -- where is Jerry? Jerry worked with Lifepoint lawyers  
5           on the agreement. Dave Grazer is our chief operating  
6           officer. He kept things going, because we took a lot of our  
7           time. And then Tom Noren is not here. Dr. Noren's mother  
8           is ill. He would love to be here. But those guys, in  
9           addition to our Board, really are committed to doing the  
10          right thing. So I thank you.

11                         MS. ISAACS: Thank you.

12                         MR. CARPENTER: General Isaacs, members of the  
13          Attorney General staff, thank you for hosting this meeting  
14          tonight. Thanks to all of you for coming. My name is Bill  
15          Carpenter. I'm the chairman and chief executive officer of  
16          Lifepoint Hospitals, and it's a pleasure to be here on  
17          behalf of Duke Lifepoint Healthcare. Let me introduce a few  
18          people who are here with us tonight so that you know them.  
19          Dr. Lanny Copeland is here in the front row. Dr. Lanny  
20          Copeland is Lifepoint Hospitals chief medical officer. Paul  
21          Hannah is a senior vice president for development at  
22          Lifepoint, and he is here along with his colleague and our  
23          colleague from Duke University Health System, David  
24          Ziolkowski (phonetic), who works closely together with Paul  
25          on the development side. Diane Huggins is our vice

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1 president in charge of corporate communications, and she has  
2 been working closely, and will work closely following  
3 transaction in order to make sure that the communication  
4 plan for Marquette General is clearly understood in the  
5 community, because it very important to us that that  
6 happens. And then, finally, Ken Marlow from the law firm of  
7 Waller Lansden Dortch and Davis in Nashville is here with  
8 us, and he's been working closely with the folks at  
9 Marquette, as well as helping with the Attorney General's  
10 review.

11 So a brief overview, if you will, of Duke Lifepoint.  
12 Duke Lifepoint Healthcare was established in 2011 as a joint  
13 venture of Duke University Health System, a world renowned  
14 academic medical center known for medical excellence, and  
15 Lifepoint hospitals, a hospital operator with more than 50  
16 community hospitals located in 18 states across the country  
17 that is dedicated to insuring quality healthcare close to  
18 home. Duke and Lifepoint came together because we share a  
19 vision for transforming healthcare delivery by combining  
20 Duke's expertise and leadership in the development of  
21 clinical services and quality systems with Lifepoint's  
22 extensive operational resources and experience in  
23 successfully managing community based hospitals. Together  
24 we are seeking to establish a network of hospitals,  
25 physicians and other healthcare providers that is quality  
26

1 driven, financially strong and well prepared to grow and  
2 succeed in an ever evolving healthcare landscape.

3 So why does Duke Lifepoint want to come to the Upper  
4 Peninsula? Well, you all know Marquette General is a great  
5 hospital, a great regional referral center that has been a  
6 vital part of the Upper Peninsula for decades. We believe  
7 that it is an ideal hospital for Duke Lifepoint. We chose  
8 to partner with Marquette General because it and Duke  
9 Lifepoint are committed to many of the same principles,  
10 insuring that every person in the Upper Peninsula has access  
11 to quality healthcare, creating an excellent workplace for  
12 the employees, maintaining a collaborative relationship with  
13 physicians and being a great community partner. We want to  
14 be good neighbor. With this acquisition, Marquette General  
15 will be an integral part of Duke Lifepoint Healthcare. It  
16 will have access to distinguished clinical and quality  
17 experts at Duke and operational, financial and clinical  
18 experts at Lifepoint. It will also be able to collaborate  
19 and share best practices with peer hospitals in our networks  
20 nationwide. Duke Lifepoint Healthcare is excited to become  
21 a part of the Upper Peninsula. We see a tremendous amount  
22 of potential here, and are committed in investing in  
23 Marquette General and insuring the long term health of the  
24 hospital and the communities it serves.

25 A little bit about the transition process that we  
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1           envision. When the acquisition is completed, we will begin  
2           a strategic planning process that will involve Marquette  
3           General's Board, leadership team, physicians and staff, as  
4           well as the broader community. This process will help us  
5           prioritize the investments that we'll make with you here  
6           from service expansion to building construction. Duke  
7           Lifepoint is thrilled to be the chosen partner for Marquette  
8           General. Marquette General is your regional hospital, and  
9           it will remain your regional hospital for the future. Our  
10          commitment to you is that we believe strongly in local  
11          governance and input of all of our hospitals. We take very  
12          seriously all of our responsibilities to be accountable for  
13          the community. We're committed to charity care, and we will  
14          adopt the existing policy that's already in place to serve  
15          the needs of this community. The policy of Marquette  
16          General is very consistent with the charity care policies  
17          that we have in place at all of our hospitals. We're  
18          committed to insuring that Marquette General is a great  
19          place to work, and that's very important to us. We'll build  
20          on the strengths of Marquette General to make it even a  
21          stronger institution. Our vision at Lifepoint Hospital is  
22          to make this hospital and every hospital in our system a  
23          place where people choose to come for healthcare, a vital  
24          resource for the healthcare needs of the community, to be a  
25          place where physicians want to practice because they have  
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1 access to the best clinical staff and technology that helps  
2 them take care of their patients, and where employees want  
3 to work. That clinical staff, the housekeeping staff, the  
4 dietary staff of the hospital are your neighbors, and it's  
5 important for them to have a great place to work. I'm going  
6 to stop now and look forward to the rest of the program.  
7 But thank you so much for welcoming Duke Lifepoint to the  
8 community and your support of this hospital.

9 MS. ISAACS: Thank you. And before we get to the  
10 public comment portion of our forum, I want to have one of  
11 our attorneys outline the Attorney General's role in  
12 reviewing this transaction. And when I do this, I'm going  
13 to introduce the people who are here as part of the team  
14 reviewing this transaction for the Attorney General. I'm  
15 Carol Isaacs; I am the Chief Deputy for Attorney General  
16 Bill Schuette, reporting directly to him. Mr. Bob Ianni is  
17 here; he's one of our Bureau Chiefs. He has decades of  
18 experience in the Attorney General's Office. Katharyn  
19 Barron to my right is a Division Chief, and within her  
20 division she manages many attorneys; our charitable trusts  
21 section is just one of her responsibilities. Mr. Joe  
22 Potchen is here. He has long-term experience in healthcare  
23 representing the State Department that does certificate of  
24 need and other health issues. Thomas Marks is here. He is  
25 not only an Assistant Attorney General doing health issues,  
26

1 he is also a physician. And we have Mr. William Bloomfield,  
2 and his speciality, his entire practice in the office is  
3 devoted to non-profit and charitable issues. We have Joseph  
4 Kylman here. He is an auditor that has been with the office  
5 for a very long time. I won't tell them how long. And we  
6 have our communications director here, Joy Yearout  
7 (phonetic). So that's the entire review team. We are  
8 taking an objective hands-off review of this and will be  
9 making recommendations to the Attorney General and reporting  
10 directly back to the public. So very brief comments will be  
11 made by Assistant Attorney General William Bloomfield about  
12 the role of the Attorney General in this transaction -- this  
13 proposed transaction.

14 MR. BLOOMFIELD: Under Michigan law, the Attorney  
15 General protects the interests of indefinite and uncertain  
16 beneficiaries of charity; that is the public. Any asset  
17 held for a charitable purpose such as a hospital is a  
18 charitable asset. The Attorney General oversees and  
19 protects charitable assets in a number of ways. Registering  
20 charitable trusts, registering charitable solicitors,  
21 reviewing dissolutions, mergers and charitable asset sales  
22 such as this one. Some basic rules governing charitable  
23 assets are: Assets held by a charity must be used for  
24 charitable purposes. Charitable property may be sold for  
25 fair market value, but it may not be diverted for private  
26



1 use. Gifts donated with a specific or restricted purpose  
2 must be used consistent with that purpose. Trustees,  
3 directors, officers and others who exercise control over  
4 charitable assets owe their organizations and beneficiaries  
5 high standards of loyalty and care, also known as fiduciary  
6 duties. Charitable trustees break these rules if they  
7 ignore donor intent, divert assets for private benefit or  
8 sell assets below fair market value. Michigan law  
9 authorizes the Attorney General to redress the wrongs of  
10 charitable trustees by investigating wrongs and representing  
11 charitable interests in court. Recognizing the Attorney  
12 General's authority in this area, Marquette General and Duke  
13 Lifepoint have conditioned the sale on receipt of the  
14 Attorney General's approval or no objection.

15 So what is the Attorney General's review process? The  
16 Attorney General will only review the sale following a  
17 thorough and independent review. Overall, the Attorney  
18 General's review considers the overall fairness of the  
19 transaction to the public. This includes insuring that the  
20 bidding process is fair, that Marquette General receives at  
21 least fair market value for its charitable assets, that all  
22 charitable assets remain charitable, that charitable care  
23 and core services continue, and that adequate enforcement  
24 exists to hold Duke Lifepoint to its promises.

25 MS. ISAACS: I want to make a few comments about  
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1           our process here today. And I have to tell you, I drove to  
2           Marquette and it was a beautiful drive. You have a lovely  
3           community, and I haven't spent a lot of time here, but I did  
4           enjoy my drive up, so I just admire where you live, and it's  
5           a lot cooler here than where I came from. Yeah, a lot  
6           cooler. As part of the current review, we didn't just come  
7           up for this Forum. We have really spent the day, and that  
8           is because we needed to have discussions with the people who  
9           were involved with this process. We have already requested  
10          and received underlying transition documents, and we've  
11          reviewed those and will continue to review. Earlier today,  
12          this review team interviewed the Marquette Board members,  
13          executives, employees and others related to the transaction  
14          to get their views on the proposed sale, and now we are here  
15          to get the view of the public. These interviews also help  
16          to insure that Marquette's Board and executives fulfill  
17          their duties of loyalty and care to the public. This Public  
18          Forum is part of our review. It's important for us to know  
19          what the public thinks of the sale, and to properly inform  
20          the public regarding the sale. In addition to our internal  
21          Attorney General staff review, the office is also contracted  
22          with a valuation expert, this is the Stout Risius Ross,  
23          better known as SRR, to do its own review. SRR is currently  
24          performing an independent valuation of Marquette's assets  
25          and liabilities subject to the sale. SRR is also examining  
26

1 the bidding process to insure that the market process was  
2 fair. And I do want to state that the taxpayers of Michigan  
3 are not funding this review; this is being funded all by the  
4 parties. Duke Lifepoint will be paying for this review as a  
5 cost of the transaction.

6 So when will the AG's review be available to the  
7 public, and will it be? Yes, it will be. Again I state  
8 that it is online and there is a website that you may  
9 access, and it will be updated. As we receive updates, we  
10 will post those. I'm now going to turn this over to the  
11 moderator, which is Katharyn Barron, next to me, and she's  
12 going to start the process of testimony.

13 MS. BARRON: It's your turn. The procedure we're  
14 going to follow for the comments and questions portion of  
15 the agenda is as follows: Your comments or your questions  
16 will be made consistent with the order of the red numbers  
17 you got. You were asked if you wanted to make a question or  
18 a comment to fill out a card, and when you turned that card  
19 in, you got a number. And so we're going to start with the  
20 odd numbers on your left, my right, and proceed numerically,  
21 going back and forth. We're going to alternate side to  
22 side; of course starting with number 1. To keep the Forum  
23 comments moving, we are going to use a timer. You'll have  
24 approximately three minutes. Please try to stick to that  
25 time. Let's also try to have a couple of people in line.

26

1 If you can't stand, that's fine. But if you can stand and  
2 come up and wait so that, again, we can keep things moving.  
3 The transcript of the Forum is going to be available on our  
4 website. That's michigan.gov/mgh. That will take you right  
5 to a website. We're very committed to transparency. All of  
6 the documents that we're reviewing are available there, and  
7 the comments that you make tonight will be available there  
8 through the transcript. Will individuals with numbers 1  
9 through 4 now please approach the microphones? Again, when  
10 you begin, please clearly state your name. If you are  
11 affiliated with either the hospital or Duke Lifepoint, even  
12 if you're affiliated with the Foundation that's related to  
13 this, please also indicate that. So let's start with number  
14 1.

15 MS. WATSON OLSON: Good evening. My name is Judy  
16 Watson Olson, and I'm the Vice Chair of the Marquette  
17 General Health System Board. Did I do that right?

18 MS. BARRON: Absolutely.

19 MS. WATSON OLSON: Oh, good. Okay. As Vice Chair  
20 of the Marquette Board of Trustees, I'm here this evening to  
21 address one crucial or perhaps publicly overlooked point,  
22 and that is the point of accountability. The Marquette  
23 General Board wants to assure the community that the  
24 agreement for the acquisition being reviewed by the Michigan  
25 Attorney General's office is a document that will be

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1 carefully monitored for adherence in years to come, through  
2 the structure of boards that we are putting into place.  
3 There will be three boards, and several current board  
4 members and community leaders will serve on these boards.  
5 The boards include a hospital advisory board, a wind down  
6 board, that will wind down the Marquette General Health  
7 System structure, and a new Superior Health Foundation  
8 Board. The new foundation board, which will operate  
9 completely independent from the hospital, will be charged  
10 with more than just managing foundation charitable assets.  
11 Its mandate will include monitoring and enforcing Duke  
12 Lifepoint compliance with the acquisition agreement in the  
13 years to come. In short, the community should be aware that  
14 the Marquette General Health Board is putting into place a  
15 system of legally quantifiable checks and balances that have  
16 been successfully implemented in other communities that have  
17 undergone a similar hospital acquisition process. This  
18 acquisition brings with it an incredible opportunity from  
19 the standpoint of patient care, employment base and taxation  
20 benefits, not only for this community but for the whole  
21 Upper Peninsula and the State of Michigan. The community  
22 and the Attorney General's office have the right and  
23 responsibility to be absolutely satisfied that we are  
24 putting into place an agreement that will be adhered to  
25 absolutely. And I thank you for coming and being here and  
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1 taking the time to assist us in support us here in the Upper  
2 Peninsula. Thank you.

3  
4 My name is Dan Mazzuchi. I live in the City of  
5 Marquette, and I'm a retired physician. My wife and I and  
6 seven kids came here about 40 years ago from the East Coast,  
7 where it's also very warm. We didn't know a soul. We, over  
8 the next few years, got to know an awful lot of very  
9 wonderful people and we have a great debt of gratitude to  
10 pay to the community of Marquette and Marquette medicine.  
11 For my professional life, I came to practice internal  
12 medicine and to start a dialysis unit. Subsequently, after  
13 Michigan State University's College of Human Medicine became  
14 interested in this place, I became its first community dean.  
15 I served a sojourn on campus, three years as associate dean  
16 of the medical school, and then came back here to be CEO of  
17 the U.P. Health Education Corporation, which administers  
18 both the medical student activities and the family practice  
19 residency program here. The people that I found to practice  
20 medicine with when I came here were some of the most  
21 wonderful people in the world. There were 34 of us then.  
22 We had two little hospitals, who had just come together to  
23 merge so that they could survive. We wanted to build. We  
24 didn't know exactly what we were doing, but we know we  
25 wanted more of us than 34. So over the next many years, we  
26

1 were really blessed by having a steady influx of people very  
2 well trained, better trained than we were, representing the  
3 newly evolving medical specialties, surgical specialties and  
4 a very dynamic education program. By hook and by crook, a  
5 campus of a medical school here. It's been here almost 40  
6 years. A residency program. A vital school of nursing,  
7 collaborative arrangements between Northern Michigan  
8 University and our medical community, and now between  
9 Michigan State University and our medical community.  
10 Technology training programs. Every time I go to get a test  
11 done now, I ask the tech "Where did you get your training?"  
12 Almost always it's "Here." These are jobs for our young  
13 people that never used to exist before. Nothing stays the  
14 same, and in time, of course, with all the successes there  
15 came some financial hardship to the hospital. We're all  
16 well aware of that. Our biggest fear was that someday our  
17 place would be bought out by a competitor, someone who would  
18 make decisions based on money alone. I am filled with  
19 optimism at the thought of this particular merger, because I  
20 know the values that it represents and I know the  
21 opportunities that it represents to continue to keep what we  
22 have worked so hard to get. I thank you very, very much.

23 MS. BARRON: Thank you, sir.

24

25

26

1           My name is Hugh Miller, and I'm executive director of  
2           the Upper Peninsula Medical Center here in Marquette. Dr.  
3           Mazzuchi is hard to follow, but I'll give it an attempt. He  
4           actually was very instrumental in what I'm going to talk  
5           about here with the medical center, because he was on board.  
6           We are the largest collection of physicians in the Upper  
7           Peninsula, and we currently have approximately 130  
8           physicians practicing at our facility. We have a staff of  
9           600 additional medical professionals and staff, and we have  
10          a vested interest in seeing this Duke Lifepoint purchase  
11          happen, because we want to become more like what we see  
12          around the country, and I will mention Mayo Clinic and the  
13          Cleveland Clinic and some of the other facilities. We see  
14          that, we also see Duke Lifepoint, and we are very excited  
15          that this may be reality here in Marquette. I have a  
16          personal interest in this, because I can see the benefit to  
17          the patients. And we want to become more of a destination,  
18          we want to recapture some of the business we've lost over  
19          the years, and we feel that this is the best scenario for us  
20          to do that. So, with that, I will just finish by saying  
21          that we want to improve the climate by having more of a  
22          clinic atmosphere here at our facility. We want electronic  
23          medical records to be a common denominator as mandated. We  
24          also would like common registration and common scheduling  
25          and common referrals. So if we can make this more like what  
26



1 we've seen around the country, I think we'll benefit. Thank  
2 you.

3 MS. BARRON: Thank you, sir.

4  
5 Good evening. My name is Tim Larson. I'm the chairman  
6 of Superior Health Partners. I've lived in Marquette for 51  
7 years and served on the MGH board for 18 years, and chairman  
8 for 8 years. My father, Harlan Larson, was involved in  
9 healthcare for over 30 years, and was directly involved with  
10 the merger of the two community hospitals that Dr. Mazzuchi  
11 mentioned, St. Lukes and St. Mary's, which ultimately became  
12 Marquette General Hospital. Representing Superior Health  
13 Partners as board chair, the regional medical center's long  
14 range strength and viability is essential to maintaining the  
15 region's many rural community hospitals. With healthcare  
16 reform, SHP has been working diligently to develop an  
17 accountable care organization. Hospitals are moving from  
18 treating disease and illness to population health and  
19 wellness. Accountable care will insure better healthcare,  
20 better health, lower growth in expenditures through  
21 continuous improvement. With accountable care, physicians  
22 will be looking for ways to treat patients early and  
23 encourage healthy prevention. The new approach will be  
24 entrepreneurial in nature, as you will have to find new  
25 opportunities for growth. The Duke Lifepoint acquisition  
26

1 is a crucial step in insuring Marquette General has the  
2 resources to provided the tertiary services that surrounding  
3 hospitals rely on, including the only coronary cath lab,  
4 neonatal intensive care unit and inpatient behavioral  
5 healthcare. This acquisition will insure that Marquette  
6 General Hospital can move forward to strengthen access of  
7 quality healthcare in the region, rather than planning for  
8 an erosion of its role due to patient migration to  
9 Wisconsin. We believe this acquisition will have an  
10 enormous region-wide impact in terms of assisting rural  
11 primary care hospitals, as well as greatly expand our  
12 ability to deliver crucial tertiary care programs. Thank  
13 you for your time.

14 MS. BARRON: Thank you, sir.

15  
16 Good afternoon. My name is Steve Peffers. I'm the  
17 superintendent of the Marquette Alger Regional Educational  
18 Service Agency. I have over 32 years experience in  
19 education and have lived and worked in Marquette and Alger  
20 counties for the last 27 years. There is no doubt that  
21 bringing a healthcare of Duke Lifepoint's stature to our  
22 community will also bring with it visionary potential for  
23 our local youth. Yes, it means strengthening primary and  
24 tertiary healthcare, which is at the forefront of this  
25 equation, but it also means a lot to the local public school  
26

1 system. The public school system is capped out in terms of  
2 new revenue sources, and current revenue sources have been  
3 declining for the past ten years. Marquette General's  
4 evolving to a for-profit institution means that our local  
5 property and sales tax base will experience a rejuvenation t  
6 is almost unheard of nation-wide and especially in the State  
7 of Michigan in these difficult fiscal times. It equates to  
8 potential well-paying, family sustaining jobs, which equates  
9 to home sales, which equates to teachers, counselors,  
10 paraprofessionals, textbooks, technology updates and other  
11 services for our school districts, as well as an expanding  
12 medical staff community that will enhance the diversity of  
13 our already richly diverse environment. Duke Lifepoint has  
14 agreed to invest significant resources in the transaction,  
15 including significant capital expenditures to improve the  
16 MGH's facilities. This also equates to additional local  
17 jobs and economic improvement in our region. The potential  
18 for additional families moving to the region is also a  
19 realistic factor. More families mean more students for our  
20 schools, which also equates to additional revenue for our  
21 schools. This acquisition is about stability and  
22 opportunity. It will be a major factor in securing  
23 stability and opportunity for the youth of our community  
24 well into the future. I thank you for the opportunity to  
25 speak this afternoon on what I feel are the very positive  
26

1 outcomes of this transaction.

2 MS. BARRON: Thank you, sir.

3  
4 Craig Coccia, neurosurgeon, 20 year member of the  
5 medical staff at Marquette General. Currently the medical  
6 director of the brain and spine program at Marquette  
7 General. I'm also married to a fifth generation Yooper, a  
8 family member of a family that formed the Calumet Public  
9 Hospital, which is now Keweenaw Memorial, and father of a  
10 family that has received care from delivery to cardiac  
11 surgery at this institution. So I look at this transition  
12 from multiple perspectives. This is a unique institution.  
13 You must remember that the distance from Ironwood to Detroit  
14 is more than the distance from Detroit to Washington. The  
15 transportation issues for the urgently sick patient up here  
16 are extraordinary. The mountain biker that has a torn aorta  
17 is imminently going to die unless he has immediate services.  
18 The motorcyclist with a head injury and a cerebral  
19 hemorrhage needs immediate intervention, will not survive a  
20 transfer, even by air, outside of this region. And,  
21 frankly, in the winter you're looking at two to four hours  
22 at a minimum to get across areas of the U.P. to other  
23 centers. We have a very unique resource here. And, as you  
24 mentioned, your responsibility is to maintain the  
25 community's resource. Unfortunately, with the evolution of  
26

1 healthcare, it's not possible to sustain this institution in  
2 its current structure, and this transaction is not merely --  
3 is not simply only a financial transaction. We need  
4 capital, but that capital has to be financial, human and  
5 intellectual. And this is not simply a financial  
6 transaction, and I think you've heard that. Financially,  
7 all non-profit institutions who are providing healthcare in  
8 the State are having tremendous difficulties with access to  
9 capital. Going outside the non-profit structure allows us  
10 greater access to capital in a number of different conduits.  
11 But, most importantly, beyond the finances, which have  
12 received a lot of emphasis publicly, the key here is going  
13 to be the access to human capital and intellectual capital  
14 to maintain the level of care that we need and, most  
15 importantly, to actually improve and build upon that so that  
16 we can provide emergent and daily healthcare services that  
17 are excellent to the area and do not require people to leave  
18 the region.

19 MS. BARRON: Thank you, sir.

20  
21 Good afternoon. My name is Dr. Mike Coyne. I'm a  
22 physiatrist. I am a retired physician and director of the  
23 Upper Peninsula Rehabilitation Unit here. I took care of  
24 Dr. Coccia's patients after he helped them. I'm going to  
25 pursue this comment just a little differently, from a  
26

1 historical perspective, which Dr. Mazzuchi alluded to. I  
2 was the first chief of staff of Marquette General Hospital  
3 back in the '70s. I have never been employed by Marquette  
4 General, although I am a member of the Foundation. I served  
5 also in the community as mayor of the City of Marquette for  
6 three terms and also have been on the City Commission for  
7 about nine and a half years. My family has lived in the  
8 Upper Peninsula for three centuries, which is a long time.  
9 I mention these mainly to put things in perspective. As was  
10 mentioned, in the early '70s there were two hospitals, St.  
11 Mary's and St. Luke's, that were struggling. They were  
12 basically community hospitals and there were 34 physicians.  
13 I can't think of one of them who was a native of the Upper  
14 Peninsula, however. Now there are 200, and probably a large  
15 percentage of them are natives of the U.P. who have come  
16 back to practice here, both in primary care and specialty  
17 care. Well, they were struggling, and the doctors, the two  
18 boards and the community realized that, and had a joint  
19 vision to establish a regional medical center, which did not  
20 exist. They were in the U.P., simply small community  
21 hospitals. Well, as a result Marquette General was formed,  
22 and as Craig very eloquently pointed out, if you have  
23 problems here, you are in real trouble and far away from  
24 things, so this was a very important development. This  
25 turned out to be extremely successful, I think as you've  
26

1           seen the facility and the number of physicians and the  
2           quality of practice and wide spectrum of specialty care  
3           available. As you all know, all of us here know, things are  
4           really different now than they were in the 1970s in terms of  
5           the practice of medicine and how difficult it is to manage  
6           it and to afford it. And, as a result, I think Marquette  
7           General is facing very similar problems historically that  
8           St. Mary's and St. Luke's felt. And as the saying goes,  
9           history repeats itself and we should learn from the past.  
10          And frankly, the past has shown that we were very successful  
11          in developing a regional center, and we have now the same  
12          historical problems that have been mentioned that we're  
13          facing. Now, even though I'm -- I have ten seconds.

14                   MS. BARRON: Continue, sir. You're fine.  
15          Continue.

16                   It's very hard for an Irish politician. As my friends  
17          like Joe and other colleagues keep saying, that I'm  
18          approaching geezerhood. I still am very involved in local  
19          politics and local government and local health issues, and  
20          it's my impression that the people for the most part really  
21          are in favor of this, both in Marquette and throughout the  
22          U.P., particularly those who need this because they're far  
23          from everything. And I think they base that on how hard it  
24          was in the '60s, '50s, '70s before this regional medical  
25          center came into being to get good, quality healthcare. So

26

1           it's coming from -- my comments are coming from someone who  
2           has lived this history and worked hard to make this happen,  
3           this regional medical center happen. And I strongly support  
4           this acquisition. I think it will allow the continuation of  
5           the development of quality healthcare, rather than  
6           stagnation, which I think will happen if something like this  
7           doesn't occur. And I think it will allow for care close to  
8           home, which is very important to all of us. And, as I said,  
9           I think history does repeat itself, and in this case I think  
10          it is going to be a very good thing, just as it was in 1972.  
11          Thank you for the extended time.

12                       MS. BARRON: Thank you, sir.

13  
14           Good afternoon. My name is Joe Constance. I am a  
15           fourth generation resident of Marquette. I have no direct  
16           connection to the hospital. I'm here because I -- no  
17           pressure on you, but I think this is probably the most  
18           important decision this City has faced in 150 years. And so  
19           I thought I'd better come and tell you at least a little  
20           story. Growing up in Marquette, we didn't travel a lot, but  
21           when we did, I remember packing up grandma and grandpa and  
22           we would drive down to Marshfield, Wisconsin for healthcare.  
23           And as an adult, I've done the same thing with my parents  
24           and driven down to either Marshfield or to Mayo Clinic in  
25           Rochester. And, you know, the travel was fun, but I always  
26



1 thought, "Geez, why don't we have more of those services  
2 here." And I have no concept as to how many millions of  
3 dollars flow out of the State of Michigan into other states,  
4 and why can't we have those -- you know, not only stop that  
5 trend, but why can't we reverse that trend and have those  
6 states come here. So I think this is a real critical  
7 decision for us. I'm very proud of my City and our City.  
8 We've won a lot of national awards. We've been the best  
9 place to retire to in the United States, best place for  
10 sportsmen, best place for artists. We've got a world class  
11 museum, a world class library. We've got so many things  
12 going for us. We've got Lake Superior out there. We -- the  
13 healthcare that we're talking about here I think matches  
14 that, and I don't want to see -- I was here when we had the  
15 small hospitals, and I don't want to see us going back to  
16 small hospitals. I think we have the opportunity here to  
17 have a tremendous healthcare system, and I think it's  
18 important to the City. And in reference to Mr. Muller's  
19 comments earlier, he mentioned that Marquette General could  
20 stay where they are now, and as an outsider looking in, I  
21 don't know that that's possible. I think Marquette General  
22 is either going to go to the next step or it's going to die.  
23 And I don't mean die necessarily as a total entity, but it  
24 will be a small community hospital again. And I don't know  
25 that that's the direction that we want to go as a community.  
26

1 I know I don't want to go that way. I'm a partner in  
2 Founders Landing here in Marquette, which is our waterfront  
3 development. We're building condos. And the economic  
4 impact of the hospital goes way beyond healthcare, and I'm  
5 sure you realize that. We've got one purchaser that came  
6 from another community in the Upper Peninsula just because  
7 of our healthcare, and they bought their retirement home  
8 here and they want to live here because of good healthcare.  
9 That's important to us. We've got another unit that was  
10 sold to somebody that's directly connected with the  
11 healthcare industry. So the dollars don't trickle down from  
12 Marquette General. The dollars flow down into the  
13 community. It really is a critical employer and a critical  
14 asset to the city. I think we've got probably three large  
15 employers in this area: We've got the mine, we've got the  
16 hospital and we've got Northern Michigan University. And,  
17 you know, out of all those, I think the hospital is really  
18 the critical player and here's a critical junction. So  
19 please support the sale and on behalf of the Marquette  
20 residents and the other U.P. residents and even the State of  
21 Michigan residents, I think this is a real critical thing  
22 for us. Thank you.

23 MS. BARRON: Thank you, sir.

24

25

26

1           Good afternoon. My name is Tom Baldini and I'm a  
2           resident of the City of Marquette. I live at 815 Pine  
3           Street. I was a schoolteacher and a school administrator in  
4           the Marquette Area Public Schools for over 20 years. I was  
5           Governor Blanchard's U.P. representative for eight and an  
6           appointee of the president, Congressman Stupak's district  
7           director for eight years, and I'm currently a member of the  
8           Marquette City Commission. I only mention that not to  
9           reinforce what my little Italian immigrant mother thought,  
10          that I couldn't keep a job. Also, though, it gave me a  
11          perspective because of the travel for the Upper Peninsula  
12          and Northern Lower Michigan. The residents of the Upper  
13          Peninsula and Marquette are not unlike those in the other  
14          areas of the State when it comes to change. We're a bit  
15          anxious and we're concerned about anything that's new.  
16          We've been very fortunate, however, in the Marquette area  
17          and the Central Upper Peninsula to have access to excellent  
18          medical care for years from Marquette General as a nonprofit  
19          organization. As Congressman Stupak's district director, I  
20          had the opportunity to be involved in some fashion with most  
21          of the hospitals and healthcare providers in Northern  
22          Michigan and north of Bay City. Concerned, professional  
23          individuals. My own investigation along with past  
24          experience has me here today to publicly -- to be publicly  
25          supportive of this new model of the purchase of Marquette  
26

1 General by Duke Lifepoint. The fact that the bipartisan  
2 political leadership of the area has supported this  
3 acquisition attests to the due diligence of the hospital  
4 administrative team and the soundness, really, of the  
5 proposal. The trustees and administrative team of Marquette  
6 General has attempted to be progressive and futuristic about  
7 healthcare for our region, and this initiative, along with  
8 the eventual association between the two, is just another  
9 step along that path. Granted, a much more ambitious  
10 initiative than previous, but still a very important and  
11 necessary one that many people have alluded to. I've done  
12 some research and found that the foundations which will be  
13 established as a result of this acquisition could have an  
14 impact on our community. Marquette General has been a part  
15 of our community and the hospitals since 1986 when Dr.  
16 Northrup and Hornbogen and several others helped establish  
17 it, and we are hoping that it will continue to be a part of  
18 our community. And one way to insure that is to be a  
19 continuing part of our community and to compensate the local  
20 residents for the loss of taxes for over the years by having  
21 a lasting foundation. I have great hopes for this new  
22 foundation, and that is why the scope and membership of the  
23 foundation is going to be important. I believe the  
24 acquisition holds great promise. Marquette General under  
25 the wing of Duke Lifepoint will be well positioned to adapt,  
26

1 grow and be nimble enough to respond to the inevitable  
2 changes that we face in healthcare delivery and the changing  
3 healthcare system. As skittish as we may all be to change,  
4 I think you will find that the vast majority of the  
5 residents of this community are supportive of this change  
6 because it is the future of this community, and we have  
7 always been and have continued to be supportive of moving  
8 forward where quality is involved. And we thank you for  
9 taking the time to come here and hear our comments. Thank  
10 you.

11 MS. BARRON: Thank you, sir.

12  
13 Good evening. I am Bill Hetrick. I am a member of the  
14 Marquette General Foundation, and I'm a resident of the City  
15 of Marquette. I was born and raised in a community in the  
16 eastern end of the Upper Peninsula, Newberry, not too far  
17 from the Tahquamenon Falls. I am three generations, both on  
18 the maternal end and paternal side. from the Newberry area.  
19 When I was going through my K through 12 years, I realized I  
20 wanted an opportunity, my opportunity. I attended Northern.  
21 Upon graduating from Northern Michigan University, I  
22 realized my opportunity was right here, not just in the City  
23 of Marquette, but my community, as you've heard a couple of  
24 times, was the largest community in the United States. It  
25 extends from Sault Ste. Marie to Ironwood, 310 miles east  
26

1 and west, 100 miles north and south. You know you're in  
2 Yooperland as soon as you cross the Bridge. The Accident  
3 Fund was formed by legislative action in 1912, one hundred  
4 years ago when they said worker's compensation is mandatory.  
5 The Accident Fund was formed for those companies that could  
6 not buy worker's compensation anywhere else. The State saw  
7 to it that a Fund was established. When I graduated from  
8 Northern, I immediately went into insurance and I realized  
9 the Accident fund was the dumping groups for the worker's  
10 compensation. As I went through my years -- I retired one  
11 year ago after 38 years in the insurance business. In 2006  
12 our company was awarded insurance agency of the year in the  
13 independent agency system out of 38,000 independent  
14 insurance agencies in the United States. The Accident Fund  
15 became crucially important to us as in 1991 -- and Mr.  
16 Arens, if you can -- as Carol alluded to your tenure with  
17 the Attorney General's Office, you remember in 1991 when  
18 then Governor Engler said we are the owners of the Accident  
19 Fund. We are going to put it on the auction block. The  
20 Attorney General's office was heavily involved in the back  
21 and forth legal wrangling, as eventually it was decided by  
22 the Michigan Supreme Court that they can sell. The Accident  
23 Fund went on to become one of the most financially solvent  
24 companies under Blue Cross's leadership, and Blue Cross  
25 being a non-profit, that was very important. The Accident  
26

1 Fund is in 46 states. They have probably increased by  
2 tenfold the insurance writings. They are one of the largest  
3 employers in the City of Lansing. And certainly as the  
4 Accident Fund of America has become to the City of Lansing,  
5 I would encourage you to give your endorsement to what we in  
6 the Upper Peninsula in our land of Yoopers say, this is the  
7 most significant thing that has happened certainly in my  
8 lifetime. I thank you very much.

9  
10 I'll stand on my tippy-toes. Good evening. My name is  
11 Melissa Hall. I am not affiliated with the hospital or Duke  
12 Lifepoint. I am the executive director of the Medical Care  
13 Access Coalition. We are a 501C3 faith and community based  
14 organization. We have been coordinating access to volunteer  
15 and donated healthcare for the low income uninsured in our  
16 community for the last ten years. Our organization began  
17 and has its main office here in Marquette County, and we now  
18 serve three counties with our volunteer program, Alger  
19 Schoolcraft and Marquette. Our board is comprised of civic  
20 leaders and representatives from local medical, public  
21 health, faith based and human services groups. Since our  
22 inception in 2001, we have been working closely with  
23 Marquette General and its many caregivers. We have a strong  
24 working relationship with the hospital and have had  
25 representation on our board of directors essentially since  
26

1 the beginning. Currently Jerry Worden sits on our board of  
2 directors as our treasurer, and Dr. Kevin Piggott serves as  
3 our volunteer medical director. Many Marquette General  
4 primary care and specialty care providers and their staffs  
5 donate their time to see our patients at no cost. Marquette  
6 General also donates labs and radiology services, helping  
7 our low income uninsured residents access to critical  
8 diagnostic services. We are very hopeful that the Duke  
9 Lifepoint acquisition of Marquette General will strengthen  
10 the good relationship we've developed and advance the  
11 vitally crucial affordable healthcare mission in our  
12 community and our region. We are especially pleased that  
13 Duke Lifepoint has agreed to a long-term charity care policy  
14 that mirrors Marquette General's existing policy, while  
15 bringing much needed private sector capitalization for  
16 stabilizing and expanding Marquette General medical  
17 services. Our coalition is planning on moving ahead with  
18 our vision to provide all people access to quality,  
19 affordable healthcare by continuing our collaboration with  
20 providers such as Marquette General. We hope you will  
21 consider this longstanding relationship while deliberating  
22 approval of this acquisition.

23  
24 My name is Robert Niemi. I'm a Marquette City  
25 Commissioner, but I do not represent in my remarks the  
26



1 opinion of the City, but that is the spectrum in which I  
2 speak. We've got a great medical center here. We've got  
3 medical care, access medical care comparable to what all you  
4 folks have being from a larger urban area. It's just  
5 amazing the level of care that we have and the asset that we  
6 have here. The -- I'm not sure why the rest of U.P. doesn't  
7 stay here. You know, they go to other areas thinking that  
8 they're going to get better care. Perhaps it's the -- you  
9 know, whatever is in your home town isn't good enough for  
10 you. But, you, we've got a world class medical facility  
11 here, and hopefully it will thrive in the future. My  
12 concern is the foundation that -- or going from a non-profit  
13 to a profit entity, and certainly that's the purview of your  
14 review. We want to be sure that the Foundation is  
15 independent of the hospital, independent of the for-profit  
16 entity and that it serves the community. I'd like to see,  
17 you know, perhaps, an open process forming this Foundation,  
18 and be assured that the Foundation is responsive to the  
19 community, especially the local community here in the  
20 Marquette area. But, you know, I support the Foundation  
21 aspect, and certainly that is going to provide us the  
22 requisite benefit of going from a non-profit to a profit  
23 entity. Thank you.

24 MS. BARRON: Thank you, sir.

25

26

1           My name is Rick Kobasic. I'm from Escanaba, and I'm  
2 not associated with this hospital. And it's not for  
3 Marquette, it's a regional medical center, that I just  
4 thought I'd mention that. I never gave much thought to the  
5 transition and what would happen to the assets when you go  
6 from a non-profit to profit. Apparently I don't have to  
7 worry about it at all, because you seem to be taking care of  
8 it, at least that's what I read. My concern is what will  
9 happen as far as the way the place is managed after.  
10 Hopefully -- I mean I want to be really optimistic about  
11 what happens next. And, please, don't take this personally.  
12 We've never met, but I'm not a big fan. Okay. I've had a  
13 history, a relationship with a very well respected  
14 turnaround firm in the greater Detroit area for well over 20  
15 years. It never ceases to amaze me that consistently when a  
16 turnaround firm comes in, they're greeted like Santa Claus.  
17 Oh, God, we can't wait for your help. Thank god you're  
18 here. Just don't change anything. All right. We don't  
19 want, we don't need that kind of help. They do need that  
20 kind of help; I hope they get that kind of help, because  
21 what I've seen seems to be not the systemic necessarily, but  
22 quite possibly a systemic problem that goes from the top  
23 down. It seems that some people don't see that there might  
24 be a problem in areas because it hasn't been addressed. I  
25 hope that you guys at Duke are very, very concerned about  
26

1 things of that nature, because if you don't look at the  
2 place really hard -- and, by the way, thank you for your  
3 card. I'm going to drop you a line and tell you who I  
4 should, you know, give my outline to, places where I might  
5 suggest you make changes. Because if you don't, if  
6 everything in upper management, the board doesn't -- if  
7 there isn't something to change on the top end, it will be a  
8 little bit like taking a bath and then putting your dirty  
9 clothes back on. It's not -- I can see where the capital  
10 will be greatly appreciated. I know that the assets will be  
11 protected, but I'd like to hear somebody say, "You know,  
12 there's another reason that we're here." I would love to  
13 see this place become another Rochester or Mayo or  
14 Marshfield, and I wish it was. We need this place. We need  
15 it to be better; a lot better. And we need somebody -- you  
16 know, great, you're going to make it a transition from non-  
17 profit to profit. Good. Okay? I hope there's other  
18 changes, especially changes about your approach to medical  
19 care, duty of care and responsibilities to the patients.  
20 Thanks.

21 MS. BARRON: Thank you, sir.

22  
23 I'm a little short and I hate public speaking. My name  
24 is Cary Gottlieb. I am a physician in the Upper Peninsula.  
25 Specifically I'm a pathologist. I'm medical director of  
26

1 three hospital laboratories outside of Marquette County. I  
2 also work at the other hospital in Marquette County, Bell  
3 Hospital, which is in Ishpeming, and I'm still on staff at  
4 an additional two hospitals outside of Marquette County. I  
5 am not on staff at Marquette General Hospital. But, with  
6 that said, I want you to know I live here at Marquette City  
7 and I do a lot of driving all through the U.P. because of my  
8 job. I love my city, I love what we have to offer here, and  
9 I also believe Marquette General is an excellent hospital  
10 and we're blessed to have it. Especially given the size of  
11 our community, it's a fantastic facility. I get my primary  
12 care from a Marquette General Hospital employee. The  
13 neurosurgeon who did my back already spoke right here, and I  
14 will probably, unfortunately, have to see him again soon.  
15 And, bluntly, approximately half of my family income comes  
16 from Marquette General Hospital. And I don't want to offend  
17 my friends and co-physicians, but I do have some concerns,  
18 and here they go. I am concerned about Duke Lifepoint as a  
19 for-profit hospital possibly mandating a future decrease in  
20 charity care that Marquette General Health System is  
21 currently providing by shifting the care of those patients  
22 unable to pay their medical bills to the surrounding non-  
23 profit hospitals in the Upper Peninsula. I'd like to have  
24 more details and written confirmation that the current  
25 Marquette General Hospital -- or Marquette General Health  
26

1 System charity care programs will stay at least the same,  
2 preferably even get better for the long term. Two, I am  
3 concerned about potential monopolistic intentions of a for-  
4 profit hospital coming into the Upper Peninsula. It seems  
5 the only way that Duke Lifepoint can make a profit is to  
6 direct care from the surrounding communities to its main  
7 center. This type of growth plan can only succeed if Duke  
8 Lifepoint purchases additional hospitals or can control  
9 patient referrals through its flagship hospital. This, in  
10 turn, might cause the smaller hospitals purchased by Duke  
11 Lifepoint to decrease local healthcare through  
12 centralization of care, and it also might cause similar harm  
13 for those not purchased via increased financial strain due  
14 to loss of patient flow through increased Duke Lifepoint  
15 presence in outside communities. If Duke Lifepoint  
16 increases its presence in Escanaba, for instance, where Mr.  
17 Kobasic is from, we'll get decreased patient care dollars in  
18 Escanaba. And that could hurt the local communities outside  
19 of Marquette. And that is of a concern to me. Thank you  
20 very much for your time.

21 MS. BARRON: Thank you, sir. Just for the help of  
22 our audience, we're on number 15.

23  
24 I was just going to say that, in case you were keeping  
25 score. I have number 15, which means there's nothing I can  
26

1 say that you haven't already heard before. Which means that  
2 there's nothing that anybody else is going to say that you  
3 probably haven't heard tonight, but the line is getting  
4 shorter. My name is Don Ryan. I'm a member of the  
5 Marquette City Commission, but I'm not here representing the  
6 City. I've also been involved with organizations like the  
7 Lake Superior Community Partnership, Operation Action U.P.,  
8 Marquette County Economic Development Corporation. I've  
9 formerly served on the board and as chairman of Bell  
10 Memorial Hospital in Ishpeming. I can tell you, with the  
11 wisdom I've gained from that experience and the years under  
12 this gray hair, that I'm very much in favor of what's being  
13 proposed here tonight. Marquette General, the staff and the  
14 Board has been very transparent throughout this whole  
15 process. We went to a meeting several months ago where they  
16 told us they were going to look to see if they could find a  
17 partner. They explained it to us, they told us what they  
18 were going to do. They've kept us informed through the  
19 whole process. And then when they struck a deal, they came  
20 and told us about that. So this has been a very, very  
21 transparent process, and I think that's very important. The  
22 reason that I think it's so important is this: You know, a  
23 hospital -- the healthcare business is really unique. It  
24 provides services that every one of us need, but it's also a  
25 big economic driver. You can go to any community in

26

1 Northern Michigan that has a hospital, and I can almost  
2 guarantee you that the hospital is the largest employer.  
3 So, you know, this means big things. It means employment,  
4 it means healthcare for our area. People say "Well, you're  
5 for it because it means taxes for the City of Marquette."  
6 Well, that's important, too, but I don't think that's the  
7 most important reason. The most important reason is because  
8 I think it will give us access to healthcare that we don't  
9 have now. Marquette General has done a great job, but I  
10 think Duke Lifepoint can build on that foundation and really  
11 give the Upper Peninsula the kind of healthcare services  
12 they deserve, and, again, prevent more than -- I believe  
13 it's 60 million dollars from leaving the Upper Peninsula to  
14 find healthcare services elsewhere. I have to tell you, as  
15 a City Commissioner, I have a special interest in making  
16 sure that the best interest of our citizens are represented  
17 in this process, and we all recognize MGH as a regional  
18 medical facility. But we also see it here in Marquette as  
19 our own hospital, a place where most of its physical assets  
20 have been located for decades. Obviously we will see some  
21 benefits from investment, from taxes, but we think this  
22 foundation element is very important, so we're going to be  
23 very interested in seeing, as others have pointed out, how  
24 that develops. But as far as this project goes, we think  
25 this is very positive for the future of Marquette and the  
26

1 Upper Peninsula. Thank you.

2 MS. BARRON: Thank you, sir.

3  
4 Good evening and welcome to Marquette. I spent the day  
5 with our Pioneering Healthy Communities person from the YMCA  
6 of Michigan here. I am Lisa Coombs Gerou. I'm the CEO of  
7 the YMCA here in Marquette County, and our Board asked me to  
8 speak on behalf of them this evening to you about this  
9 transaction. We are very much in favor of it. Marquette  
10 General Health Systems has been a very good partner with the  
11 Y for many years. We started here fifteen years ago. They  
12 were instrumental in helping build our facility and they've  
13 been instrumental in helping us grow and serve our  
14 community. We welcome them to continue that partnership  
15 with Duke Lifepoint. As a longtime partner with MGH, we  
16 hope it's a smooth transition and that the partnership  
17 continues with the YMCA. Currently we partner with  
18 Marquette General Health System with a Blueprint for Health,  
19 which is a childhood weight loss program; Live Strong at the  
20 YMCA, which is a cancer survivor program. We provide pre  
21 and post-bariatric surgery fitness programs. We collaborate  
22 on the Community Healthy Weight Challenges, Community  
23 Assessment, and currently we're developing two new programs  
24 that will begin in September, the Balloon Program for  
25 postpartum depression and a new Live Wise program for early  
26



1 stage Alzheimer's. The YMCA recently was selected by the  
2 CDC and the YUSA to provide the evidence based diabetes  
3 prevention program in Marquette County. And the YUSA has  
4 asked us to take that program to a broader spectrum  
5 throughout the U.P. now. And we also partner with  
6 physicians on a referral system to this program. We have a  
7 history of working with Marquette General Health System in  
8 the areas of rehabilitation and aqua therapy. It has been a  
9 very good partnership. We welcome that partnership with  
10 Duke Lifepoint, and we look forward to them becoming part of  
11 our team in our community, and that is Action Policy and  
12 Environmental Change in our community, and that was funded  
13 by the NECDD and the CDC. So we have some folks from your  
14 region up in this area helping us do some of this work.  
15 This work is centered on policy environmental change. We  
16 understand that change is inevitable and it's not easy. At  
17 the Y we see that all the time. We welcome Duke Lifepoint  
18 and we look forward to working together to strengthen our  
19 community here in Marquette County. I thank you for your  
20 time.

21 MS. BARRON: Thank you.

22  
23 Hello. I'm John Bartlett. I also wear many hats. And  
24 Lisa also forgot to say that she's also a very good  
25 basketball player and runs a basketball program called  
26

1 Marquette Magic. And I'm a coach for Marquette Magic with  
2 my daughter who is 11 years old. I am a Board member of  
3 Marquette General Hospital for the past four years. I was  
4 born in Rock, Michigan, which is -- you won't even find it  
5 on a map, but right in the middle of the Upper Peninsula.  
6 We moved to the big city of Gladstone when I was in third  
7 grade and I graduated from Gladstone High School. One of  
8 the AG members knew that it was the Gladstone Braves. I  
9 went to Michigan State for undergrad and for medical school,  
10 and I've been up here for ten year snow since finishing  
11 residency in Grand Rapids. I was asked to be chief of staff  
12 about four years ago and got to know Gary very closely and  
13 Brad on the board and Dr. Tom Noren. I really wish he could  
14 be here tonight, because he would -- he would be beaming  
15 hearing all of the comments by people like Dr. Mazzuchi and  
16 Dr. Coccia. I was honored to be asked to be on the Board,  
17 because as a primary care physician, I get to know my  
18 patients very intimately, and it's something that I really  
19 respect. And I get to hear my patients' questions about  
20 what's going on at the hospital, and they want to know,  
21 should they go to Green Bay for their knee surgery or should  
22 they have it done here, should they have -- what does it  
23 mean to have a private room. And so to have that physician  
24 voice on the Board I thought was extremely important, and  
25 when they asked me to remain on the Board I said absolutely.  
26

1 I was then asked to be part of the process to go and look at  
2 these other institutions, and I can tell you that quality is  
3 the most important part of this process because the high  
4 dollar amount that we could have gotten from other  
5 bidders -- and I heard people in the community say "Oh, you  
6 just went to the highest bidder." That is not true. And we  
7 could have gone to the highest bidder, but they did not  
8 offer the quality that Duke Lifepoint offers. And what does  
9 that mean? A lot of people don't realize that with  
10 healthcare reform, physicians and hospitals are not just  
11 paid based on how many patients you see in a given day.  
12 You're paid on the quality of care that you provide. So  
13 when we were interviewing and we went to these communities  
14 and we talked to these different hospital companies about  
15 what was going on in their communities, we asked them about  
16 what would happen to the smaller hospitals in the Upper  
17 Peninsula. We talked to them about the quality in their --  
18 in their institutions. And the things that were done  
19 through Gary Muller and Tom Noren and we did some things  
20 with quality early on, Tom Izzo can talk to Coach K and they  
21 know what they're talking about, MSU and Duke basketball.  
22 When Tom Noren and I spoke with several of the top hospital  
23 companies in the country about quality, we didn't speak the  
24 same language, because they didn't speak our language. Duke  
25 Lifepoint speaks our language. They understand. If we  
26

1 would have partnered with some of the higher bids that  
2 didn't understand the importance of quality, five, ten years  
3 down the road, we wouldn't be getting paid the way we would  
4 have expected. So quality and finances are intertwined,  
5 more than most people understand. So as a basketball coach,  
6 as a physician, as a Board member, as a parent, as a  
7 community member, I am so excited about the partnership with  
8 Duke.

9 MS. BARRON: Thank you, sir. Good thing you got  
10 your shot off.

11  
12 Hi. I'm Steve Mattson. I was on the Board here at  
13 Marquette General for about fifteen years, and along with a  
14 group of other people, including Jan Hillman here, helped  
15 establish Marquette General's Foundation from the beginning.  
16 I'm going to echo what everyone says here, because it's --  
17 and it looks like I may be the last one. No, it looks like  
18 there's more coming. All right. But I'm going to echo the  
19 same things. And my father, like Tim Larson's father, was  
20 instrumental for 30 years here, and the legacy is strong and  
21 the care about this institution is strong. But it goes back  
22 to all the names that you've heard here, all the people  
23 talking, the legacy of everything that came. It's a special  
24 place, it's a -- we do special things. The stories you hear  
25 when you're on the Foundation about what you can do to  
26

1 impact people's lives. We want that to continue. And  
2 though I haven't been involved in this, the Board I've  
3 trusted. They've put their time and effort in. The process  
4 has been open, and they chose a person who will best fit  
5 this particular circumstance. My only piece that I'd like  
6 to have further examination on is the value of the company,  
7 because this is a transaction and we want to take whatever  
8 else is remaining and continue that in a foundation that I'm  
9 hearing from Judy Watson Olson is a dynamic process still  
10 underway. But it's going to be impactful, and if we can do  
11 more than 15 million dollars, that would be terrific.  
12 Because that, again, is a legacy for hundreds of years and  
13 will impact people and can support the system or can support  
14 other things they can't support in the future. So how this  
15 Board is put together and the best price we can get, because  
16 I think at the last Board it was 72 million dollars worth of  
17 net value, and 15 is what I'm hearing. And obviously we  
18 have to make sure this works for everybody; I'm very  
19 conscious of that. But to the degree we can get more than  
20 15 million dollars, that probably is terrific. Thank you.

21 MS. BARRON: Thank you, sir. Now I understand  
22 we're on 19. I know we have some more numbers out there, so  
23 if you have a number, please --

24 SHERIFF LOVELACE: I'm 19. I know I don't look  
25 it, but I am 19.

26

1 MS. BARRON: You carry it well, sir.

2

3 Sheriff Mike Lovelace. Marquette County, obviously.

4 My only affiliation is I am a member of the Marquette

5 General Hospital Behavioral Health Advisory Committee, but

6 I'm here as the Sheriff, obviously. I guess I'm glad I'm

7 19, because I like what I'm hearing. I like what I'm

8 hearing, but I guess I need to know are we going to continue

9 with the behavioral health and psych unit as it is. I'm

10 hoping that you have a strategic plan for dealing with the

11 mentally ill, because it is a very severe problem in the

12 State of Michigan, not only for us regionally, but the U.P.,

13 as everyone has told you, is a vast place. And Marquette

14 General is the magnet for all of the mentally ill in the

15 Upper Peninsula. And we end up getting them in and out.

16 They get released, we end up getting other counties'

17 mentally ill that we end up dealing with here at our own

18 local level. So I'm hoping that there is a strategic plan

19 in place for dealing with the mentally ill. I'm also hoping

20 that in the future we're looking at a secure psych unit.

21 That is a severe need for us here. If there is not a secure

22 psych unit in the Upper Peninsula, that means all 15 County

23 Sheriffs are going to be transporting mentally ill

24 individuals at a minimum to War Memorial Hospital in Sault

25 Ste. Marie to be evaluated, and from there, who knows where.

26

1 We do mental transports to Saginaw and Ypsilanti on a weekly  
2 basis. I've only got 9 deputies for 1800 square miles in  
3 this county. That means we don't have a midnight shift; the  
4 State Police handle midnight shift for us, because I don't  
5 have enough deputies to do that. And when I have to take  
6 two deputies with a mentally ill individual and drive them  
7 to Ypsilanti, that's two days, motels, meals, gas, and,  
8 guess what, I'm short two deputies that don't get to patrol  
9 Marquette County and deliver basic law enforcement services  
10 to the people of this county. So this is a huge issue for  
11 us, so if we're not looking in that direction, I'd like to  
12 be able to sit down with you and discuss how we can get  
13 there. Because I'm a team player. And it's a problem  
14 throughout the entire State of Michigan. I don't have to  
15 tell the Attorney General staff that; they're well aware of  
16 that, also. I also sit on the governor's clear committee,  
17 which is the committee for law enforcement reinvention in  
18 Michigan, and we're dealing with it at that level, too. It  
19 is a statewide issue, but for us in the U.P., we are the  
20 most underserved population in the State of Michigan. I  
21 don't have to tell you that. Downstate gets the resources.  
22 They have the population, they get the resources. So we  
23 with the least resources have to go the furthest to deliver  
24 the services. So it's a severe need, and I just want  
25 everyone to know that. I'm willing to sit down any time and  
26

1 further discuss how we can fix it. Thank you.

2 MS. BARRON: Thank you, sir.

3

4 Good evening. My name is Denise Koehn. I'm a recent  
5 retiree from the Marquette County Health Department. I was  
6 their nurse clinician for the last 14 years, employed as a  
7 nurse for 20. And I just want to thank Marquette General  
8 Hospital for being a provider for the services that we  
9 provide for all the years that I worked there. But mainly  
10 the Title 10 and Title 15 programs for services we provided.  
11 I'm hoping that that will continue to be something that we  
12 can work with Duke Lifepoint on, and that's why I'm here,  
13 just to champion those folks that I served all those years.  
14 Thank you.

15 MS. BARRON: Thank you.

16

17 Good evening. My name is Ann Sherman. I'm a fourth  
18 generation Yooper, and I am regularly blessed from visits  
19 from my parents who drive two hours from the minuscule town  
20 of Engadine to come to Marquette for healthcare services. I  
21 know you said you drove up here, and you may have gone  
22 through Engadine, but I'm afraid if you blinked, you missed  
23 it. It's a very small place. I'm here today to talk with  
24 you in my capacity as a board member for the YMCA of  
25 Marquette County. If you look at the [YMCAmqt.org](http://YMCAmqt.org) website,

26



1 under the "About" tab, you will see that Marquette General  
2 is a key community partner with the YMCA. Together with our  
3 other community partners, we are collectively committed  
4 three efforts: To giving regional Marquette's young people  
5 the resources to reach their potential; to connecting  
6 neighbors so that they can come together for the common  
7 good; and to providing individuals with the access and  
8 support to lead healthy lives. MGH has been a key supporter  
9 in all three of these objectives, but particularly with  
10 regard to the last, as you might imagine. Through programs  
11 such as Live Strong at the Y, Blueprint for Health, Pre and  
12 Post Bariatric Surgery fitness programs, the Community  
13 Weight Loss Challenge and emerging programs in both diabetes  
14 prevention and Live Wise for early stage Alzheimer's, these  
15 programs offer our community access to evidence based  
16 programs whose results have demonstrated successes beyond  
17 simply physical outcomes. It will be important that future  
18 partnerships can continue a broad and very strong commitment  
19 to affordable healthy living programs for all our citizens.  
20 And I will ask for some assurance that that will remain  
21 true. Thank you.

22 MS. BARRON: Thank you.

23  
24  
25  
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1           Good evening. My name is Cindy Nyquist. I did not  
2           come with a prepared statement. I came, and after sitting,  
3           I'm here to speak from the heart. I am a Registered Nurse,  
4           graduate of Northern Michigan University for my  
5           undergraduate work. I had the opportunity to work at St.  
6           Mary's Hospital. I also watched all of these distinguished  
7           men come up and talk, and I've worked with all of them, and  
8           the thing I noticed, they're all gray, white-haired and  
9           bald. I don't know what happened. I think Dan Mazzuchi --  
10          and I know Brad Cory. When Dan first came up to Marquette  
11          and was asking for the dialysis unit, we were sitting on the  
12          CON review board. And Dan did have some hair back then as  
13          well. My family has been in the Upper Peninsula since the  
14          mid 1800s. We are very fortunate in this community,  
15          extremely fortunate. And the direction that it is going, I  
16          want to begin by saying I am fully supportive of the  
17          direction that is happening here. I am familiar with when  
18          we did not have the services that we have. In the 1970s I  
19          can remember when my mother in law had what we thought was a  
20          stroke, but she didn't get better. You usually -- anyway,  
21          her fabulous physician said we needed to have a CAT scan.  
22          We did not have one in Marquette. We had to go down to  
23          Green Bay, which is a four hour drive. And it is in Green  
24          Bay that we got diagnosed with a very large glioma of the  
25          brain, which is a devastating diagnosis. Marquette has come  
26

1 a long way over the years, and I am very hopeful. I've  
2 also -- I'm the president and founder of Upper Peninsula  
3 Home Health and Hospice, which I began providing services in  
4 1973. So we've been around doing it for the last 40 years.  
5 We have become one of the leaders and experts in hospice,  
6 palliative care and home health services. We employ a  
7 little over a hundred individuals within this community,  
8 dedicated people. We have worked closely with all of the  
9 hospitals, the physicians, the assisted living, the nursing  
10 homes, and we feel a strong commitment to that continued  
11 relationship, that we are very hopeful that we'll be able to  
12 continue. My son, Dr. Jeffrey Nyquist, in fact was hoping  
13 to be here tonight, but his Dr. Bartlett -- I don't know if  
14 he's still here -- told him that he's too ill to come in  
15 tonight, so he got his mother instead. But my son, with  
16 Duke Lifepoint -- he graduated from Vanderbilt University  
17 with his Ph.D. in neuropsychology, so he spent ten years in  
18 that community. And the one thing that we bring with seeing  
19 our grandchildren there, it was a very family oriented  
20 community. The other questions that have come up and do  
21 come up is for profit and not for profit. While I was doing  
22 home health, hospice and private duty, I was also for over  
23 twenty years a federal auditor for Medicare, and I've been  
24 in almost every state in the country auditing hospitals and  
25 their programs. I have done many in Tennessee. The one  
26

1           thing that I did find that was curious to me is that often  
2           there's a negative connotation to for-profit, proprietary.  
3           But what I did find through going around this country is  
4           that it started at the top and worked through the system.  
5           And just because somebody has a not for profit versus a for-  
6           profit does not make them better or worse than the other.  
7           It really I found were the policies and the programs and the  
8           commitment to the community. I am very, very hopeful and  
9           excited. This community needs to have a strong regional  
10          hospital. I want to see that happen. I live here in  
11          Marquette, my family receives all its services here in  
12          Marquette. I also want to see this future direction to be a  
13          collaborative effort with all of the other facilities across  
14          the Upper Peninsula, because, yes, Marquette deserves to  
15          have this wonderful facility here. But all of the other  
16          communities also need to have access to good services. It  
17          may not be exactly what they're used to now, but we need to  
18          make sure that they receive those services and are triaged  
19          appropriately. And for all of the ancillary services, such  
20          as mine, which is home health and hospice for a good 40  
21          years, I am prayerful that as my son brings our program  
22          through the next 40 years it continues to be a wonderful  
23          collaborative relationship with this organization. Thank  
24          you.

25                           MS. BARRON: Thank you.

26

1           Good evening. My name is Gary LaPlant. I'm a member  
2 of the Marquette General Board. I was a member of the  
3 special committee. I am the executive director of the  
4 Community Foundation for Delta County, as well as the  
5 executive director of the Community Fund Action of the U.P.  
6 I had not expected to come up to the mic tonight, but  
7 several speakers ago there was a gentleman from Escanaba.  
8 He also has a habit of appearing at Escanaba City Council  
9 meetings. I want to represent the true feelings of the  
10 people of Delta County. They care about good healthcare.  
11 They love Marquette General Health System. The employees of  
12 Marquette General at their Escanaba Clinic is absolutely  
13 ecstatic of the possibility of Duke Lifepoint acquiring  
14 Marquette General. Now, I represented employees for a long  
15 time. I'm also a retired Teamster Union principal officer,  
16 and I must have done something successful, because the  
17 Sheriff was a member of mine a long time. Now he's grown up  
18 to be the Sheriff. So Duke Lifepoint, from my view, is  
19 going to insure the long term viability of Marquette General  
20 Health System. They are an excellent organization, they're  
21 a great community fit, a great cultural fit. They have the  
22 economic resources, they have great people. And this will  
23 ensure Marquette General Health System will be able to  
24 provide quality -- high quality care well into the future.  
25 And we certainly hope that the Attorney General's office  
26

1 will agree and approve this. Thank you all very much.

2 MS. BARRON: Thank you, sir.

3

4 I'm Maryanne Shannon, and I am from Sault Ste. Marie,  
5 Michigan, and I am on the hospital board here at Marquette,  
6 and I also serve on the quality and governance committee.  
7 In addition, I'm on the SHP, which is the other organization  
8 that's involved with Marquette General. I am an R.N. I was  
9 probably one of the hardest sells to move from a for-profit  
10 to -- from a not for profit to a for-profit. I was well  
11 educated through the course of the time that we have spent  
12 with this. It was a very long, a very transparent process.  
13 I always felt that I could ask the questions I needed to ask  
14 and I received straightforward answers, and I do appreciate  
15 that from both sides of the group. I want to thank you for  
16 coming, and I want you to know that as a regional person who  
17 lives three hours away -- because in the U.P. we never  
18 measure miles. We always say how far we are. We are -- I'm  
19 three hours away from here, but I do feel that we need a  
20 strong regional hospital. We have an excellent hospital  
21 here. We're going to grow with the changes and we've got a  
22 lot to learn, and I think Duke Lifepoint is going to be a  
23 wonderful partner for us and they share our mission and our  
24 values. And it's all about culture. So thank you very  
25 much.

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1                   MS. BARRON: Thank you. Let the record reflect  
2 that all members of the public were provided an opportunity  
3 to comment, and all members are welcome, and I believe that  
4 concludes our comment and question period. Thank you very  
5 much for all of your comments. And let's -- what we're  
6 going to do now is move to section 5 of our agenda,  
7 providing Mr. William Carpenter and Mr. Gary Muller, if they  
8 feel necessary, an opportunity to comment or respond.

9                   MR. MULLER: Absolutely. First, let me thank the  
10 people who have spoken here today from the heart and from  
11 the truth. I've learned a lot today, I've taken a lot of  
12 notes. And I appreciate them very much, and I will continue  
13 to remain open to further comments. I also want to thank  
14 Attorney General Bill Schuette and his fine staff, who I've  
15 gotten to know and are doing great jobs, Carol Isaacs, Kathy  
16 Barron, Joe Potchen, Bob Ianni, Will Bloomfield, Joe Kylman  
17 and Tom Marks. And we've gotten to know you and will be  
18 open to anything you all have to offer and appreciate your  
19 time. I want to thank our hospital family, because there  
20 are many here who have not spoken, but are here because they  
21 want and are committed to what's best for our community.  
22 They are the best things we have. I think one of the  
23 speakers talked about the human assets. This is what we're  
24 here for. I also forgot to thank Tami Seavoy. I don't know  
25 if Tami is still here. Tami is waving. She's our in-house  
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1           counsel who worked with all of us and really has done an  
2           excellent job from a historical point of view to document  
3           facts in the agreement, so thank you, Tami. I can't express  
4           enough how excited our Board -- and I'm a member of the  
5           Board -- and our team is for this partnership with Duke  
6           Lifepoint that I think we've gotten more information on  
7           today. It does mean a future for our generations, it does  
8           mean the future for our generations is totally secure. It  
9           gives me comfort to sleep well at night knowing that. I was  
10          not sleeping well a year ago. I was sleeping better six  
11          months ago. I'll be sleeping better about two months from  
12          now when we complete the transaction. We are confident Duke  
13          Lifepoint is the ideal partner. We have, as you've heard,  
14          higher offers economically, but not from a quality  
15          standpoint. We would have chosen Lifepoint if it was not  
16          Duke, but with Duke it's a grand slam home run. A home run,  
17          grand slam home run with Duke. I feel that way and that  
18          will happen. We did look in the State of Michigan, again I  
19          want to support our great state. We have great systems. We  
20          work closely with the University of Michigan, Henry Ford and  
21          Spectrum, McClaren, but we chose a partner who had the  
22          commitment to quality as they do, along with capital, which  
23          they did not. So I wanted the record and the people to know  
24          that Michigan was our first choice, but we chose a group  
25          that is going to be part of our state, because they're going  
26



1 to invest in it.

2 We feel this is a marriage. My analogy to marriage is  
3 longstanding. I've been married 41 years, so I can sort of  
4 take liberty. But we intend this to be longer than 41  
5 years, because it's a marriage. It's not going to be  
6 something we get in and out of, and Duke Lifepoint feels the  
7 same way. I want to finish by saying we really look forward  
8 and we're going to do a jump start hopefully in a couple of  
9 months working with Bill Carpenter and the Lifepoint support  
10 team. They're not corporate; they're our hospital support  
11 team. But the point is our patients in the Upper Peninsula  
12 will be much better off. Thank you for everything you all  
13 have given us to help make that better.

14  
15 MR. CARPENTER: General Isaacs and your team, I  
16 want to echo Gary's comments and thank General Schuette for  
17 this process that you all are leading. It truly is  
18 important that these issues are presented and the public is  
19 heard. So thank you on behalf of Duke Lifepoint for being  
20 here as well. Also, Gary, thanks to you and all of the  
21 members of your staff and everyone at Marquette General for  
22 their dedication to this community and the welcome that they  
23 have shown to us, those of us from Duke and Lifepoint. We  
24 really do appreciate it. We have come to know your team  
25 well over the last several months, and we feel stronger

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1 about this marriage at this point than we did when we began.  
2 So it is an exciting thing. We at Duke Lifepoint believe  
3 that Marquette General is an ideal addition to our  
4 organization. We think we'll be a good fit for you. We  
5 believe that in partnership we can make significant  
6 contributions towards strengthening your hospital and this  
7 region. We're excited about the prospect of being a part of  
8 the hospital, being a part of the U.P., bringing the  
9 resources of Duke University Health System and Lifepoint  
10 hospitals to this area, and we look forward to a bright  
11 future together. Thank you.

12 MS. ISAACS: Thank you. In addition to the  
13 comments at today's public forum, the public remains welcome  
14 to contact us through August the 10th. The regular -- by  
15 regular mail or by emailing us at AGMGH@michigan.gov. And I  
16 took a phone call from Attorney General Schuette who is on  
17 his way out of the state for a meeting, and he wanted me to  
18 pass along his thanks that you would help us do our  
19 fiduciary duty in reviewing this proposed transaction, and  
20 he very much appreciates that you all did come out. And let  
21 me say on behalf of the Attorney General's office that we  
22 have found all of you to be delightful, and we appreciate  
23 your cordial behavior today and making us all feel welcome.  
24 So thank you. And our forum, we believe, is over unless  
25 there are additional comments. That's it. Thank you very

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1 much.

2 (Public Forum concluded at 6:44 p.m.)

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