

- **Registered nurses employed by Marquette General** are represented by the Michigan Nurses Association. Everything in the MOU is subject to due diligence review over the next several months, and the MOU is not a binding agreement. That being said, Duke LifePoint has expressed an intention to assume the collective bargaining agreement.

What happens to the money from the hospital's sale?

- **First, all liabilities related to hospital operations** prior to any transaction must be paid from these funds, including existing construction bonds.
- **Then, remaining funds will be placed** in a foundation to fund local health-related programs, projects and activities. *(For example, the funds could be used for a disease/injury prevention program in the community.)*
- **Finally, it is important to note that** no Board of Trustees member, administration member, or any individual will receive compensation from the acquisition.

Founding Principles



The Marquette General Acquisition Opportunity



Why the MGHS board pursued acquisition by Duke LifePoint.

- **In the face of an uncertain economy**, declining reimbursements, outmigration of patients, and changes in healthcare delivery, many community hospitals are struggling to survive.
- **MGHS has managed to maintain stability**, but our board has recognized that we are at a critical crossroads. We do not produce enough revenue on our own to invest in new technology and services – or to indefinitely maintain our current levels of service.
- **Our choice is to either seek a partner** that can help us grow or begin thinking about how we limit what we provide. Our board chose partnership and growth versus long-term downsizing.
- **We carefully reviewed affiliation options** with organizations from across the country, and Duke LifePoint Healthcare was identified as the ideal strategic partner for MGHS and the community we serve.
- **The organization exceeded our criteria** for a potential partner because it shares our dedication to quality healthcare in this region and commitment to our employees, physicians and patients.
- **Duke LifePoint offers a unique combination** of clinical, quality and operational resources (investment capital) that will help us strengthen our hospital for the future and enhance the healthcare provided throughout the U.P.

Becoming an investor-owned hospital is a huge hospital/ community achievement. Here's why:

- **Financial resources that will make MGHS a stronger, more stable hospital.**
- **The ability to grow our hospital and invest** in new technology and equipment, facility improvements and services.
- **Resources to enhance the quality of healthcare** provided at MGHS and improve healthcare throughout the U.P.
- **Duke University Health System's Quality and Patient Safety programming** speaks for itself. The LifePoint hospital management reputation is top tier.
- **The ability to stem outmigration of local patients** to areas outside the Upper Peninsula. It is estimated that 100 million healthcare dollars left the U.P. last year.
- **New opportunities for professional development** among MGHS staff.
- **Enhanced ability to recruit and retain physicians.**
- **As an investor-owned hospital, MGHS** will become a new source of tax revenue to support local projects, schools and infrastructure.
- **A new charitable foundation that will fund needed programs and services** in the community.

What will not change?

- **Our values and fundamental commitments** to the community will not change. In fact, becoming an investor-owned hospital is an enormous achievement for our community, in that the aspects of MGHS that the community knows and loves will remain the same, while our area's largest employer will now become one of the largest local taxpayers.
- **Our commitment to quality care and patient safety** will not just remain intact, but we expect that commitment to be greatly enhanced by the quality resources Duke LifePoint will provide.
- **Our dedication to charity care.** The current MGHS charity care policy will remain intact.
- **Our dedication to being a great neighbor** to the community.
- **Our commitment to ensuring that MGHS** is a great place to work and to maintaining employees' jobs and wages.
- **Our commitment to excellent working relationships** with our physicians, including recruitment and retention of new physicians.
- **Our commitment to maintain essential clinical services.** As the Upper Peninsula's Regional Medical Center, we expect several crucial tertiary care service lines to strengthen and expand.
- **When the acquisition occurs, we will accept the same insurance plans** that we do today, to the extent these agreements are transferable.