#### STATE OF MICHIGAN

### MICHIGAN DEPARTMENT OF ATTORNEY GENERAL

In the Matter of

The Attorney General's Community Forum on the Proposed Joint Venture between Metro Health and Community Health Systems, Incorporated.

### PUBLIC HEARING

Taken by the Office of the Michigan Department of Attorney General on Thursday, the 23rd day of April, 2015, at the Metro Health Conference Center, 2225 Main Street Southwest, Wyoming, Michigan, at 5:00 p.m.

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None.		

Wyoming, Michigan

Thursday, April 23, 2015 – 5:01 p.m.

MS. ISAACS: I think we are going to begin. We want to be timely. This public hearing is scheduled for about two hours. I will introduce myself. I am Carol Isaacs. I am the Chief Deputy Attorney General and welcome to a public hearing this evening. Thank you for coming. I know this is a really important issue and I also know you could be somewhere else other than this meeting tonight. I am going to give you a little brief background on the hearing so that we know what we are doing and how we will go forward this evening.

In January of 2015, for-profit Community Health Systems agreed to form an 80/20 joint venture with non-profit Metro Health in which CHS will become an eighty percent owner. The contribution agreement and other transaction documents may be viewed at the Attorney General's website, www.michigan.gov/metrohealth. Because the Attorney General protects charitable assets under the Michigan law, the Attorney General's review is a condition of the transaction. This community forum will do three things: 1) provide the public with an overview of the proposed sale; 2) outline the Attorney General's review process; and most importantly, 3) provide the public an opportunity to comment and submit questions. Representatives of Metro Health and CHS will listen to the testimony this evening and you may additionally continue to submit those questions and comments to the Attorney General's Office either through our electronic means of email or you may send that in writing and we will talk more about that.

We have asked representatives today from Metro Health and CHS to be present in today's forum and we will allow an opportunity for those representatives to speak before others in the audience speak. We have a number of people who wish to speak and we will talk about how we are going to orderly do that. The microphones will be live here and

here and there will be a time limit only because we want to make sure that everyone who signed up really gets an opportunity to provide their input today. So representing Metro Health is its CEO Mike Faas and Chairman of the Board, Doyle Hayes, and Chairman Hayes will be making some comments here in a moment. Also, representing CHS is Tom Miller, President of its Division Five Operations. So at this point, I am going to allow Chairman Doyle to begin comments and then we will go to Mr. Miller. Thank you.

MR. HAYES: Thanks Carol and bear with me. I am going to stay on my notes so I keep on track. Good afternoon to the Attorney General's office, Carol Isaacs, Joe Potchen, Will Bloomfield, and Joe Kylman, and good afternoon to the community members, employees, and physicians who are joining us today. Again, my name is Doyle Hayes; I am Chairman of the Board of Metro Health Core. This is an important day for our community and Metro Health. As we move forward in our strategic efforts to create a sustainable choice for quality healthcare in Wyoming and West Michigan communities. More than two years ago, those of us on the board of directors began to explore an exhaustive list of options to best serve our patients, medical staff, our employees, and our community. The effort is of great importance to us, as is our commitment to continuing Metro's legacy of delivering high quality healthcare services to our patients and the region.

I would like to share the thinking behind our decision to explore strategic options and why we chose to affiliate with Community Health Systems. When we decided to explore how we could best position Metro for the future, we wanted to determine that the best interest of the community would be served by Metro Health remaining independent or establishing some kind of strategic relationship. Collaboration is something Metro is known for. As the process began, we placed no limits on what a strategic arrangement might look like being an affiliation, a partnership, joint venture, or even a sale, dynamic factors across the healthcare industry has caused many stand-alone hospitals and smaller systems to align

with larger organizations that have better access to capital and more shared resources. Most of the forward thinking hospital leaders and boards are seeking affiliations and other collaborative relationships that will help their hospitals adapt to, and drive in the evolving healthcare landscape.

Consolidation is occurring across the State and across the country, and the board believed it was in our best interest to align with a strong national organization. Also we believe the time to take action was while Metro was strong and attractive to the best of the best potential partners. The board identified desired outcomes from an affiliation that set the framework for evaluating options and these included maintaining local healthcare options, a complimentary culture, support for medical staff expansion, continuing osteopathic care and teaching, resources for strengthening quality and safety. Resources for service line growth, A-C-O readiness -- that is Accountable Care Organization Readiness, and financial strength. After careful consideration about how to best navigate the many changes happening in the industry and create a superior healthcare delivery – a system for our region, pardon me. The Metro Health Core Board, with the assistance of the professional external advisors, explored a variety of strategic relationship options. We looked for an organization that agreed with the board's strategic vision for the future and would continue to invest in the resources and technology to advance healthcare choices for our patients.

We also wanted an organization with a proven track record of success and best practices eighty percent interest and MHC would have the remaining twenty percent and that would include the hospital facility, its satellite centers, and its affiliated assets. MHC would also receive cash consideration for the value of the eighty percent interest in the joint venture company held by the subsidiary of CHS.

MHS is working closely with the Metro Health Hospital Foundation and the Office of the Attorney General to ensure that the net proceeds from the transaction, as well as

other charitable assets of MHC and the Foundation that are appropriately addressed and furtherance of their charitable non-profit purposes. The affiliation would be the first of its kind involving a non-profit community and a national investor owned healthcare system in West Michigan. CHS would bring strengths and resources from one of the largest and most successful healthcare organizations in the nation, including commitments to invest significant capital, recruit physicians to our community, realize savings to the power of group purchasing, implement new quality and customer services initiatives, as well as other programs that are needed as the healthcare industry continues to transform and undergo its reforms.

We are also excited that retired and current employees can benefit from that partnership as well. In fact, all active employees in good standing at the time of the transaction, will be hired at the same rate of pay and with recognition for their years of service and retirees who rely on the pension will benefit from it and being reviewed by the Pension Benefit Guarantee Corporation and funded in accordance with their rules and regulation. The transaction will benefit the community by preserving Metro's unique model of care and growth of our essential services including; heart, vascular, cancer care, women's services, and emergency care, and the relations – with the relationships, the University of Michigan, Orthopedic Associates of Michigan, Pennock Health, and several others.

A local advisory board composed of the members of the hospital medical staff and local community leaders, would provide essential leadership primarily overseeing quality and strategic initiatives. Our osteopathic residency and fellowship teaching programs will also continue. Caring for people, remain our priority. Our charity care policies will continue so indigent patients will receive needed care.

In summary, we are extremely excited about this opportunity and believe it will reserve a choice in local healthcare for our patients, physicians, and employers. It will

provide our residents with advanced care right here in our community, and result in an even higher level of patient safety and quality. Thanks to the best practice standards and new models of care. It will benefit our employees and businesses in our region through economic stability and will continue local control of healthcare decisions through our advisory board. On behalf of our entire Metro Health family and most importantly, the patients we serve, I look forward to this exciting opportunity to move forward with CHS and raise the bar in the delivery of healthcare in our community. Thank you for your consideration.

MS. ISAACS: Thank you, Chairman Hayes. I would like to recognize Mr. Miller now.

MR. MILLER: Good evening, Chief Deputy Isaacs and other members of the Attorney General's Office, the elected officials and I want to thank all of those who are here today to hear our story and Doyle, thank you and the board, the physicians and the nurses for your confidence in us, we do appreciate that. My name is Tom Miller and I am President of Division Five Operations with Community Health Systems. We are pleased to be part of this hearing and honored to have been selected to help Metro Health continue to provide a choice for quality healthcare in the Wyoming and Greater Grand Rapids community. Through its subsidiaries, Community Health Systems owns, operates and leases 200 hospitals across 29 states with an aggregate of approximately 30,400 beds. In my capacity, as Division Five President, I have corporate oversight all of our affiliate hospitals in Indiana, New Jersey, Ohio, Pennsylvania, and Michigan should our proposed – proposal receive approval from your office and the Department of Community Health.

Community Health Systems was founded in 1985 and is now one of the largest publicly traded hospital companies in the United States. CHS has a history of reinvesting in affiliated hospitals to enhance services, to improve quality of care and increase market share. The company's business model is built upon a philosophy that in order to

succeed; hospitals must have equipment, technology, physicians, skilled staff and facilities that will attract patients. This approach necessitates consistent reinvestment in our local markets and has well served both our organization and our hospitals for thirty years.

Recognizing that healthcare is local and the needs of each community are unique, we use our capital resources and our operational expertise to help community hospitals such as Metro Health, navigate through the evolving healthcare landscape. In our discussions with Metro Health, we recognize the quality of care provided by the outstanding associates and the medical staff. CHS has a strong track record of acquiring and successfully integrating hospitals. We affiliate with hospitals where we believe we can improve operations and where we can work with the local boards, the medical staff and associates, to further enhance care for our communities. Metro Health meets these tenets and provides an opportunity for us to expand into Michigan and add one of the State's fastest growing markets for our organization.

As we look to the affiliation with Metro Health, we are excited to support the continued development of the hospital and the role it plays in the community. Our commitments include building on Metro Health's strong foundation in providing safe, quality care, and bringing our resources that focus on supporting the patient experience.

Continuation and growth of Metro Health's clinical services and relationships with organizations and providers such as Mercy Health and the Hope Network, the University of Michigan and the State of Michigan for Metro Health's unique ventilator program. We also committed investing at least \$100 million dollars in capital in facility services, medical technology -- physician recruitment over the next five years. We have agreed to hire all active associates in good standing at the time the transaction is complete, offering the same position, the rate of pay, and recognizing the years of service. We have committed to maintain Metro Health's current medical staff and resources to recruit new physicians to the

community. We have committed to continue the charity care policies for those in need in this community. We committed to continue the residency and fellowship teaching programs that are so well regarded and guidance by a local board of trustees, comprised of local physicians -- community members.

Many aspects of Metro Health will remain the same after the proposed transaction is complete including the name. Patients will be cared for by the same trusted staff and physicians, and will continue to care for the community as they always have. The hospital will continue to actively engage in the community. Continue the relationships with the businesses and organizations that make Wyoming and the Greater Grand Rapids community a great place to live and work. Among the few changes that will take place as a part of the transaction is that the hospital and related satellite centers will become taxpaying businesses and will infuse a significant new revenue stream into the community.

Our organization values the individual surgeons who work in the hospitals and recognize the pivotal role they play in providing quality personalized care. As part of CHS's affiliated hospital, the hospital management team and associates will benefit from best practices developed over the last 30 years. Associates at affiliated hospitals were able to participate in tuition reimbursement programs, professional advancement opportunities, scholarship programs, and numerous employee recognition programs. Associates and team members throughout our systems have the opportunity to develop their careers and our affiliate hospitals offer programs that encourage associates to be engaged in the hospital operations and success.

Simply put, we strive for our hospitals to be great places for our associates to work -- A great place for physicians to practice medicine and a great place for patients to receive care. We look forward to working with the associates of Metro Health and being part of their future's success. I hope my remarks today give you insight of your organization and

an understanding of our genuine interest and excitement for this opportunity to joint venture
with Metro Health. I extend my gratitude to the Metro Health Board of Trustees. We are
honored to have been selected to help the hospital build upon its previous successes. We are
eager to begin working with the medical staff and nursing associates and members of the
community, to provide care and service you expect and we have demonstrated from your
community hospital. I appreciate the time and attention given in the matter from the
Attorney General's Office and we are honored to be here tonight. Thank you.

MS. ISAACS: Thank you, Mr. Miller. I thank you Chairman Hayes. Before I make further remarks – I see a lot of people standing in the back. I don't know if you can see that there are some open chairs here in the front. If you would like to sit down and I don't know how many single chairs are available. If you have something available next to you that someone could sit in, just put your hand up. I think that might help the people in the back be able to see where chairs are open. Thank you very much. Before we get to the public comment portion of our forum, I want to have our Assistant Attorney General Will Bloomfield, who is our specialist in charity law, provide some additional comments, so that we will understand the role of the Attorney General in reviewing this transaction. So, Will would you?

MR. BLOOMFIELD: Thank you. Under Michigan Law, the Attorney General protects the interest of the indefinite and uncertain beneficiaries of charity that is the public. Any asset held for a charitable purpose such as a hospital, is a charitable asset. The Attorney General oversees and protects charitable assets in a number of ways. We register charitable trusts. We register charitable solicitors and we review dissolutions, mergers, and charitable asset sales such as this one. Some basic rules for governing charitable assets are these:

• Assets held by a charity must be used for charitable purposes.

- Charitable property may be sold for fair market value, but it may not be diverted for private benefit.
- Gifts donated with a specific or restricted purpose must be used consistent with that purpose.
- Trustees, directors, officers and others, who exercise control over charitable assets, owe their organizations and beneficiaries, fiduciary duties of loyalty and care.
- Charitable trustees break these rules if they ignore donor intent, divert assets for private benefit, or sell assets below fair market value.

So, Michigan law authorizes the Attorney General to redress the wrongs of charitable trustees by investigating such wrongs and by representing charitable interests in Court. Recognizing the Attorney General's authority, Metro Health and CHS have conditioned this transaction on receipt of the Attorney General's approval.

What is the Attorney General's review process? The Attorney General will only approve the transaction following a thorough and independent review. The Attorney General's review considers the overall fairness of the transaction to the public. This includes ensuring that the bidding process was fair; that the seller receives at least fair market value for its charitable assets that charitable assets remain charitable, that charitable care and core services continue at the hospital and that adequate enforcement exists to hold the buyer to its promises, and to monitor those promises.

MS. ISAACS: Thank you. You see here today, a good portion of the Attorney General's review team for hospitals and we do this not infrequently. Last week we were in Port Huron with a very similar hearing. I want to introduce the team that is present here. At the far left, we have Joe Kylman. He is our auditor in this area. Immediately to my left is Joe Potchen, he is a practice manager and he is the attorney who is in charge of the

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Corporate Oversight Division. To my immediate right, you have already heard from Will Bloomfield and he is our expert in charities law. I want to talk about the review that we actually do in the hospital and tell you what we have done today. As part of our current review, the Attorney General has already requested and received many underlined transaction documents. Earlier today, this review team was here within the hospital for several hours. We have been here since the morning and we have interviewed Metro Health Corporation board members and executives. We have also met with others related to the transaction to get their views on the proposed sale. These interviews helped to ensure that Metro's Health board and executives fulfill their duties of loyalty and care.

This public forum is part of our review. We are a very transparent department and our review is very transparent. You may go to our website and see the documents that are posted there as we obtain those documents, review them and put them up for your viewing. It is important for us to know what the public thinks of the sale and to properly inform the public regarding the sale. In addition, our internal Attorney General staff – we have also contracted with a valuation company. This expert is AlixPartners in this case and they are going to do their own review. Alix is performing an independent valuation of Metro Health's assets and liabilities subject to this transaction. Alix is examining the bidding process to ensure that the market process was a fair and that they are also reviewing the valuation report prepared by the buyers own valuation experts. So a lot of review of the fairness of this transaction and the value related to the money and the assets. What is important here is that the parties, not the taxpayer will be paying for this review and will these results after we review everything be available – again, it will be on the website for the public.

Our review is conducted on behalf of the public. The Attorney General is committed to transparency, public disclosure, and public input. The Attorney General's

office has already posted many of these documents as more documents become available including the transcript from today's public forum. Our experts report in our final report, we will also post these to the website in addition to today's comments. Again, I am going to say that you may submit additional comments through May 1, by mail or email and contact us at AG-hospital@michigan.gov and I want to emphasize that our office is conducting an independent review. We will objectively consider all of the findings of our review, including input from the public and reach appropriate conclusions based on those findings. This input also discusses some crafting appropriate agreements to protect the charitable assets involved in the transaction and to monitor the buyer's post closing agreements and promises. So, saying that, I am now going to turn this over to Joe Potchen who is going to tell us the rules of public testimony here today. Thank you. Joe.

MR. POTCHEN: All right. Now we are going to be moving on to the public testimony. Before you – before the forum started, you were asked to sign-in in the back and if you want to speak today, we ask that you do sign-up in the back today and fill out a comment card. So far, we have approximately 26, 27 maybe about 30 people speaking. You were also asked to, you know, indicate whether you were for, against, or neutral and the reason why we did that is because we wanted to ensure that individuals with diverse viewpoints were given an opportunity to speak.

So what we are going to do is divide it up and call some numbers and then we will call some letters. We will call number, letters, and switch off until we have exhausted all of those – it looks like the letters will be exhausted before the numbers are. When you get up to the podium, we ask that you state your name and if you can clearly state your name, spell it if that's okay. If you are affiliated with the Metro Hospital or CHS, or represent an organization, please identify that organization so we have a record. We do have a court reporter here and everything you say will be transcribed and as Ms. Isaacs said, everything

will be posted on our website from this particular public forum. I do have some additional news – we have an updated chart.

So okay, right now – there is going to be a clock here. It is pretty hard to miss up front. So you will see that and like a yellow light goes on and everything – so you will see that. So numbers – I guess, two and three and A and B – letters A and B can come up and be ready to speak and just as you follow – move quickly through that. So numbers two and three, I guess one is not showing and then letters A and B if you could approach the podium and I think we are going to start with the Mayor.

UNIDENTIFIED SPEAKER: It is number three.

MR. POTCHEN: Right. You are number three. Number two does not want to speak first. So the Mayor wins.

### JACK POLL

(AT 5:28 p.m., called and spoke as follows)

MR. POLL: Okay. I am from the City of Wyoming, My name is Jack Poll and I have had the privilege of being Mayor in the City of Wyoming for six years now. So welcome to our community.

MS. ISAACS: Thank you.

MR. POLL: Metro has been a good neighbor to the City of Wyoming. A number of years ago, we were very supportive of the opportunity to have Metro Hospital move into our community because we knew it would provide services that would be exceptional to our residents and neighboring communities. Metro has since been an invaluable community resource. As a healthcare professional myself, I recognize the immense value Metro imparts as it provides primary and emergency care to residents of Wyoming and those of our neighboring communities. They are providing cutting edge medical services. Metro's clinical, operational and community focus work has been

recognized and awarded both locally and nationally.

Metro has been an excellent community partner in Wyoming. Their drug take back program and mercury thermometer program just for example, benefit not only the health of our community, but also help preserve our environment. Metro Health Farmer's Market and Community Gardens positively impact the health and well-being of our community and if you get here on Thursday, you need to come, because it is a beautiful operation that they have here on their facility.

We believe Metro has always acted in the very best interest of our community. As a city we are happy for them as they begin to explore the lucrative capital market. We trust the option will make them stronger in an ever changing healthcare system. We are supportive of decisions that will position Metro to grow and continue to provide great care. We are appreciate of the opportunity for Metro to explore expanded clinical services options for our community, invest in new technologies and services and provide improved access to nationally known healthcare organizations. The City of Wyoming and our community deserve the best care and we are grateful to have Metro provide that for us. Thank you.

MS. ISAACS: Thank you.

MR. POTCHEN: Thank you. Right on time. Ms. Karr – A.

### **CAROL KARR**

(At 5:31 p.m., called and spoke as follows)

MS. KARR: My name is Carol Karr, K-a-r-r, and I am Chair of the Metro Health Hospital Foundation Board of Trustees. I served on the Foundation Board since 2004 and I have chaired the board for the last three years. In my professional life, I practiced law for 35 years as an estate planning and tax attorney. As part of my profession, I created and advised many non-profit organizations and I served on a variety of charities in this

community. The foundation – the Metro Foundation Board of Trustees is a dedicated group of individuals, business owners, professionals, community leaders, many of whom are here tonight. Along with our attorneys Warner Norcross, we are working closely with the Michigan Attorney General's Office and with Metro Health Corporation to protect the charitable assets for this community. The Foundation's number one priority has always been and will continue to be to protect the charitable assets for our community and we are confident that we can do that. Thank you.

MS. ISAACS: Thank you.

MR. POTCHEN: Thank you. Dr. Gordon, number two. If number four wants to come up and C wants to come up, or not yet, just get ready. You are on deck.

#### LAURAANN GORDON

(At 5:32 a.m., called and spoke as follows)

DR. GORDON: Thank you. I saw that number three was the Mayor and I wanted to give deference for him to speak first.

MR. POTCHEN: Okay.

DR. GORDON: My name is LauraAnn Gordon and I am a member of the community for about 23 years and I have been following Metro Health for about ten years and one of the things that I noticed about Metro Health is that they have a competitive environment. They have done more than just lip service in terms of providing community care to – excuse me, providing exceptional care to the community. It is at the very heart of all of the planning and execution that they do.

It is very important at least to me as a community member, that any partnership that results continues the good work that Metro Health has done in the community. I have followed CHS as well, and I have seen that in the communities that they have entered, they leave the mission and the character of the community hospitals intact,

which is very, very important in this circumstance as well, because of this – the competitive environment of healthcare. It is my hope that my peers in this community will also support the initiative that is coming forward. I think that the joint venture will allow Metro Health to continue to be a strong and viable community choice in West Michigan and that the mission that it currently serves will be continued and even strengthened because of this alliance. This is a great opportunity to have CHS continue participation in the West Michigan market right here at Metro Health. Thank you so much.

MS. ISAACS: Thank you.

MR. POTCHEN: Thank you. I think Lody is next. I got B, sorry.

### LODY ZWARENSTEYN

(At 5:34 p.m., called and spoke as follows)

MR. ZWARENSTEYN: Good afternoon, I am Lody Zwarensteyn, and I come here to offer comments as a private citizen, not connected with any of the affected parties. For 42 years I was privileged to serve with the Alliance for Health, Regional Non-profit Health Planning Agency and over the past two decades up to my retirement, served as its president. Over this period, I have been able to observe, influence, and/or participate in the development of the Metro Health Corporation and its Metro Health Hospital and other subsidiaries. Each major capital expenditure, significant equipment or new service project, came under our review for purposes of the State's certificate of need program and this included the planning and construction of the current Metro Hospital right here. With the transfer of assets though from a non-profit corporation to a for-profit corporation, the question of disposition of assets from the transfer comes before the Attorney General.

In many other states where such transfers have occurred, the various states' attorney general's have declared that remaining assets should be placed in trusts to serve the communities that have invested in the non-profit corporation through their volunteer time,

volunteer financial contributions, as well as through on-going use and any payment for the facility services. Any assets of the non-profit Metro Health should be placed where they can do the most good for the community that has been served. Such assets should be directed to continuing the tradition of care and community good that has been provided by Metro Health. Also, they should be placed where they can do the most good for the largest number of people. I can think of no better place to assign the assets than the Grand Rapids Community Foundation.

The Grand Rapids Community Foundation was chartered to serve the community in many ways. It has a rich and lasting tradition that easily can continue to serve the community. It has the investment know-how to wisely invest funds and gain greatest return. It can establish a donor advise fund oversee the use of funds in ways that would be acceptable to the Metro Health community. It is flexible. Please give careful consideration to the Grand Rapids Community Foundation as the recipient of remaining Metro Health assets and it will be able to put these to the greatest good. Thank you.

MR. POTCHEN: Thank you. Number four, Patrick.

#### PATRICK REID

(At 5:36 p.m., called and spoke as follows)

MR. REID: Good evening. My name is Patrick Reid. R-e-i-d, the CEO of Orthopedics Associates of Michigan. Thank you for the opportunity today to provide OAM's full support of the proposed joint venture between Metro Health and Community Health Systems. With our team of over 30 orthopedic specialists, OAM is the largest independent orthopedic practice in the State and we have been serving patients throughout Western Michigan since the early 1970s. Our physicians practice at all of the Grand Rapids based hospitals, OAM has a strong and growing relationship with Metro Health and we have a vested interest in Metro Health's ability to continue to provide quality

services to the people of this community.

In 2010, we established Metro Health OAM Surgery Center. This surgery center has four surgical suites dedicated 100 percent to orthopedics. In 2013, we expanded our relationship and established a center of excellence for orthopedics at Metro campus and today, we are exploring the opportunities of establishing an orthopedic institute on Metro campus. We have met with the leadership of CHS. We were familiar with their business models and the communities throughout the country. CHS believes in partnering with independent practices. This provides the community with more choice. This provides the community with access to specialized services, like subspecialty orthopedics that an independent practice like OAM provides. CHS is financially committed to Metro Health and Western Michigan. This strong commitment will allow OAM, Metro and CHS to continue to provide the highest quality, lowest cost, orthopedic services in the community.

Finally, CHS will bring proven clinical and business models for orthopedic care that will allow OAM to effectively reduce costs for population management and clinically integrated networks. Considering a favorable outcome from the Attorney General's review, we look forward to partnering with Metro and CHS as we continue to expand choice, lower cost, and offer the highest quality orthopedic care to the people of West Michigan. Thank you.

MR. POTCHEN: Thank you.

MS. ISAACS: Thank you.

MR. POTCHEN: C – Debbie McKinney?

#### **DEBBIE MCKINNEY**

(At 5:39 p.m., called and spoke as follows)

MS. MCKINNEY: Good evening. My name is Debbie McKinney, and I am a nurse at Affinity Medical Center Ohio, a CHS hospital. I have been a nurse for

over 15 years at Affinity. I drove over six hours to be here at this meeting because I think it is important for CHS nurses to describe the experience at CHS hospitals. I work on a medical telemetry floor.

On many days, my nurses – my hospital floor is short staffed and I have to care for up to five to eight patients at one time. Research shows that patient complication immortality increase when RN's have too many patients at one time. In addition to short staffing, nurses on my unit regularly have to deal with insufficient resources. Not enough blood pressure cuff thermometers, not even clean linens for our patients to lay on. It has gotten so bad that I have actually had to purchase my own equipment to use on the patients.

The management of Affinity CHS wants to do more – wants us to do more with less. That has made things unsafe. It feels as though nurses on my unit have turned into assembly line workers. We are pushed to go faster and faster and doing more with less, jeopardizes our patient safety and our nursing license. Nurses know that there is no better way – or, that there are better ways to provide care. We have tried to tell management, but they don't want to hear from us. In fact, we have given you today a sampling of the nursing reports of unsafe practices at three unsafe, or at three CHS facilities. These reports speak to the safety or levels of staffing at CHS facilities – lack of supplies at facilities and poor and insufficient technology provided to staff at these facilities. I continue to be a nurse at Affinity because I want to provide care for the people in my community. Taking care of people is my life's calling and I do so as a privilege. CHS can do better for my community and I encourage the Attorney General to require that they do better for Wyoming, Michigan. Thank you.

MR. POTCHEN: Thank you. We are at number five, Dr. Ringler.

### JAMES RINGLER

(At 5:41 p.m., called and spoke as follows)

DR. RINGLER: Good evening. My name is Dr. James Ringler, I am an Orthopedic Trauma Specialist in Grand Rapids and I am president and managing partner of Orthopedic Associates of Michigan. I join my colleague Patrick and thanking you for the opportunity to speak in support of the proposed joint venture between Metro Health and Community Health Systems. I began my career in the mid 90s as a resident in Grand Rapids and then following a fellowship in 2001, became a practicing orthopedic surgeon in West Michigan. My colleagues and I have been instrumental as part of OAM in developing and advancing the level of orthopedic care within this community and as part of that, we have recently engaged Metro Health through multiple partnerships and programmatic developments. While I have seen a lot of changes in healthcare over my fifteen year career, one thing in the community has not changed and that is the commitment of the medical staff to the highest quality medical care and world class care that can be provided. While many communities aim for that many fall short and in West Michigan, I think we have done quite well, and Metro has been an instrumental part of that.

I know our passion at OAM is for the delivery of quality and innovation and we believe that one of the key factors or drivers for this merger moving forward is a commitment to both of those principles by both Metro Health and CHS.

Patrick outlined for you some of the unique partnerships that OAM has already initiated with Metro Health. Given Community Health System's demonstration and belief in partnering with independent physician practices along with the commitment of significant capital investments, we believe their presence will only enhance our ability to collaborate and improve the orthopedic sub-specialized care that we have provided to the community, to which the community deserves and has been accustomed. As part of this due diligence, we have had the opportunity to visit CHS hospitals and have been impressed with their commitment to community. We look forward to our continued discussions

and partnerships with Metro and our discussions with CHS. Thank you.

MR. POTCHEN: Thank you. Letter D.

UNIDENTIFIED SPEAKER: Letter what? E?

MR. POTCHEN: This is D. Pam –

#### PAM GARDNER

(At 5:44 p.m., called and spoke as follows)

MS. GARDNER: Good evening. My name is Pam Gardner. G-a-r-d-n-e-r, and I am a nurse at Affinity Medical Center a CHS run hospital in Ohio. I have been a nurse for over 23 years, ten of those years at Affinity. I work in a 12 bed ICU. According to the Association for Critical Care Nurses, ICU nurses should only take care of two patients at a time or less. In my unit at Affinity, however, there are many times where we must care for more patients at any given moment. This may not seem like a big deal, but let me explain what this looks like. My third patient, and this is common, might for example need a sheath removed from a femoral artery which is in your groin. The sheath is about as big as this pencil –

(At 5:45 p.m., speaker points to a pencil to illustrate scenario)

MS. GARDNER: -- and it requires one nurse to apply manual pressure onto the groin area to stop the bleeding after removal so that the patient does not bleed out. Pressure must be applied for approximately thirty minutes. It requires another nurse to leave their patients to assist me in taking vital signs and monitoring the patient for complications. This is a high risk procedure. Because it takes two nurses to do so, this leaves four other patients unattended who might be on a ventilator requiring frequent monitoring, or maybe confused, or trying to climb out of bed, or pulling out evasive lines. Another example to the cuts is the fact that we have not had a nurse's aide in the ICU since CHS took over. Nurse's aides feed, change, bath and turn patients. They provide basic hygiene. Something that is

necessary for all patients in the hospital. Because aides are not in the ICU, patients' teeth are rarely brushed, hair does not get shampooed. Patients do not get their baths because we as nurses have to prioritize. A bath is lower on the priority list that when you are trying to keep someone alive, nurses like me have to decide if one patient bleeds out or the other patient continues to breathe. Yet nurses at CHS hospitals are forced to make these kinds of choices every single day, because CHS continually chooses to cut nursing staff to dangerous levels. I continue to work at Affinity because it is where the people I love have to go and seek care. Unfortunately, I have seen CHS cut corners to the point where patients are affected and it is the patients who suffer. It hurts me as a caregiver that I am unable to provide people with the basic care that they need and deserve. I love my community and I don't want to give up on them. I will continue to fight to make my CHS run hospital better. I encourage you, the people of Michigan, to learn from our experience and I encourage the Attorney General to place standards of care and oversight onto this deal. Thank you for your time.

MR. POTCHEN: Thank you. Number six, Dr. Cunningham.

# WILLIAM CUNNINGHAM DO

(At 5:47 p.m., called and spoke as follows)

DR. CUNNINGHAM: Good evening, I am representing the College of Osteopathic Medicine Michigan State University and I also have to tell you that I am also a consultant with Metro Health as they are looking at an executive director for the vice president of medical affairs. My last name is Cunningham, C-u-n-n-i-n-g-h-a-m D-O. This is a letter from Dr. Strampel who unfortunately could not be here. He is a keynote speaker down in a warmer weather state, so I am here to read the letter tonight.

"As the largest medical school in the State, with more than 1,200 osteopathic students statewide and two-thirds of our graduates choosing to practice in Michigan upon completion of their medical education, the Michigan State University College of Osteopathic

Medicine is making a tremendous positive impact on the medical education and delivery of healthcare throughout the State of Michigan.

In addition to our three campuses in Lansing, downtown Detroit, and Clinton Township, we have built an innovative system with 47 hospitals and 31 federally health qualified centers throughout our state-wide campus system to ensure our students have access to the highest quality pre and post doctoral medical education. Metro Health is a longstanding statewide campus system partner providing graduate medical education to over 60 to 70 medical students and residents in the Grand Rapids area each year. The majority of these young men and women choose a primary care specialty and stay in the State of Michigan to practice.

We look forward to continuing this critical partnership with a proposed joint venture between Metro Health and the Community Health System. We have extensive experience working with for-profit health systems including Garden City Hospital now in the Prime Healthcare Network and the Detroit Medical Center, now a tenet hospital. In fact, Detroit Medical Center serves our downtown Detroit Medical School campus. Based on these experiences, and what we know to be Metro Health's deep commitment to osteopathic medical education and to delivering the highest quality community healthcare, we expect that their role in our statewide campus system in osteopathic medical education will only grow stronger under this joint venture. William D. Strampel, DO, Dean of the Michigan State University, College of Osteopathic Medicine." Thank you.

MR. POTCHEN: Thank you. Letter E.

#### **NISCHIT HEGDE**

(At 5:50 p.m., called and spoke as follows)

MS. NISCHIT: Good evening. My name is Nischit Hegde, N-i-s-c-h-i-t Hegde, H-e-g-d-e, and I am here today on behalf of the National Nurse's United, an

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24 25 organization that represents 185,000 bedside nurses throughout the country. As a national community of bedside nurses, we are unified by our common belief that all patients deserve the highest quality healthcare in this country. While this transaction might be Michigan's first experience with CHS, nurses and their communities throughout this country have spent years contending with CHS's practices. Nurses in other states have documented ongoing concerns of quality and safety of patient care at CHS hospitals and the fact that they truly need to accept patient care assignments over their professional objection. Many of these objections have focused on poor staffing within CHS facilities. Though research has found that lower nurse to patient staffing ratios in medical and surgical units significantly reduce patient deaths, CHS has stated in their 10-K the most recent one that quote:

"State mandated nursing staffing ratios could significantly affect labor costs and have adverse impacts on revenues if we are required to limit patient admissions in order to meet the required ratios."

Since 2014 alone CHS has had to settle lawsuits costing the company at least \$160 million -- \$160 million dollars relating to allegations of knowingly and improperly billing government healthcare programs and violating physician self referral laws, violations of the False Claims Act, by making illegal donations to county governments which are used to fund the state share of Medicaid payments to the hospital – those hospitals. This is in addition to the \$2 million dollar unanimous jury verdict against Affinity Medical Center in a defamation character lawsuit after the hospital, at the direction of CHS representatives, unlawfully terminated 26 year employee Ann Wayt, a nurse, in retaliation for her role in union organize – an union organizing campaign. In addition to the list of protections we will submit to you, we believe that the Attorney General should include in this deal protections that secure the rights of RNs to advocate freely on behave of their patients and that CHS and Metro Health consent to the creation of this establishment of community oversight board,

comprised of residents from the greater Wyoming area with the authority to request all information and examine records necessary to ensure that Metro Health Hospital remains open and available to the public. Thank you.

MR. POTCHEN: Thank you. And again, I want to repeat our – the office email address if you have comments. It is AG-hospital@michigan.gov if you would like to make comments through the email. We are at number seven.

### MICHAEL GARRETT

(At 3:29 p.m., called and spoke as follows)

MR. GARRETT: My name is Michael Garrett, G-a-r-r-e-t-t, and I am here tonight as a consumer of healthcare. I am here today as a business owner and I am here today as a member of the Metro Health Foundation and I want to wholeheartedly tell you that I support this merger with CHS and Metro. Metro is a special place with my experience here. I have been a patient in the hospital and I have had the care of the nurses, doctors — my own personal doctor is sitting over there and it has been a great experience serving on the foundation board. It has been a great experience being a patient and Grand Rapids needs choice. We need choices in healthcare and having two, three, four strong hospitals — is only good for our community, good for our patients, good for the doctors that work there and we need CHS to join with Metro to bring that strength so that they can continue to offer those things to our community. Thank you.

MR. POTCHEN: Thank you. Letter F.

#### **DIANA SIEGER**

(At 5:54 p.m., called and spoke as follows)

MS. SIEGER: Good evening. My name is Diana Sieger. I am President of Grand Rapids Community Foundation and I appreciate the time this evening. I know that your office is charged with the protection and preservation of the charitable assets

that are being discussed this evening. I know that you do have several options to consider and one I hope you will keep in mind is the role of our local community foundation and philanthropy. Grand Rapids Community Foundation can provide services that honor donor intent.

Our mission focused to provide asset preservation and can be depended on to provide responsive and exemplary services. Community Foundations across the United States have worked with healthcare systems to preserve assets and provide ongoing community benefit. These include conversion foundations, supporting organizations, and advised or designated funds within a community foundation and all are a part of the core business of community philanthropy.

Grand Rapids Community Foundation is Michigan's oldest community foundation -- has been this area's leading source of philanthropic funds since 1922. Grant awards are made possible through the financial gifts from people who care about West Michigan and want to see it thrive. For nearly 100 years, people have depended on our community foundation to protect and grow their charitable assets and carry out their philanthropic intentions. The foundation is experienced in healthcare grant making and has long relationships with organizations such as Cherry Street Health Services, Catherine Care Center, the YMCA and many others.

We have a long history of funding health related projects totaling more than \$22 million dollars and making 1,800 grants in that area. About 30 percent of our general grants are health related and focused on chronic disease prevention among populations where persistent disparities by ethnicity and/or socio-economic status are apart. The foundation's endowment consists of 650 different funds. The types of funds that we administer across -- and they range in size from 25,000 to over \$21 million dollars. Many Grand Rapids families have entrusted their funds and estates to the community foundation. I hope that you

will consider this option as Grand Rapids Community Foundation. Thank you for listening.

MR. POTCHEN: On my chart I have a Mark Tanis, apparently your number I got messed up here. So, Mark Tanis, go ahead.

(At 5:57 p.m., speaker stepped up to podium)

MR. POTCHEN: Are you number one?

MR. TANIS: I was actually number one, but that's all right.

MR. POTCHEN: Yes. Thank you.

MR. TANIS: Okay.

### **MARK TANIS**

(At 5:57 p.m., called and spoke as follows)

MR. TANIS: And, my name is Mark Tanis, T-a-n-i-s. I am the President and Founder of a business in Michigan, the Image Group and I consider this a real privilege just to be here tonight. I never thought I would probably be standing here doing this kind of a thing when we started to work with Metro Health a number of years ago. We are a vendor of Metro Health, providing services both in marketing and communication, advertising, that kind of thing, and we worked with Metro for over ten years. Our business has been around for twenty-seven, okay. When we started with them we had the privilege of starting prior to their move to this location. We got to know them very well.

In our business, we look very quickly at what is their story. What is their plan or difference? What is it? And we found that in the osteopathic roots, there was a wonderful story of care and how they approach the patient and we just in the past few years, which I think is a real high point for us, we took a risk and I didn't expect these banners to be here today, but we know all of these people, because we have had the privilege of meeting them and sitting with them. They are doctors and patients and we took a risk and we said, we can interview the doctors, we can interview the patients and we are going to tell their story.

We are not making it up. We are not putting new faces or stock photography or anything.

We are going to tell the real deal and we thought we would get fifty percent good ones. We got a hundred percent and we had gotten a hundred percent consistently. I would like to say, when we look under the hood of what Metro Health is all about, they deliver some of the finest healthcare anywhere.

We are shocked at the quality of the technology and how advanced they are in many ways. We wholeheartedly support this and we have actually gone out and checked out CHS on our own. What we like about it is they respect the Metro Health brand. It is a community brand. It is owned by the community and it is very important for them to extend that Metro Health vision. We think with CHS's support, they are going to do an even better job of touching the lives of so many people in a wonderful way. So we are excited about it and thank you for the privilege for being here.

MR. POTCHEN: Thank you. G.

#### KEN NYSSON

(At 5:59 p.m., called and spoke as follows)

MR. NYSSON: Good evening. My name is Ken Nysson. Deputy Isaacs, it has been a long time.

MS. ISAACS: Thank you.

MR. NYSSON: I need to put my glasses on.

MS. ISAACS: I do too.

MR. NYSSON: I am from Grand Rapids. I live at 1510 Kenan. I was formally Vice President of Planning here about two, a little over two years ago. I want to talk tonight about a lost opportunity. This institution could be part of the University of Michigan Health System and I think that is a real unfortunate thing, but since this thing is going to go forward, I suspect, I would like to make a couple of recommendations about how

this tax that will have to be paid by this venture capital company to acquire Metropolitan Hospital should be handled. I hate to agree with Lody Zwarensteyn, but the Grand Rapids Foundation would be an excellent choice. I know that staff well. I have worked with them in the past. They are above reproach. I would like to recommend two other organizations -- when Blue Cross became a mutual company the endowment was formed, and I have watched that endowment and their practices since they have begun. It is now headed by a former West Michigan representative. I think that that would also be an excellent choice and the board there is beyond reproach.

The last one is because you are selling this for profit and the tendency of those systems to elaborate care, I would recommend a alternative to all three or all two, was the Center for Sustainable Healthcare at the University of Michigan run by the Altarum Corporation, which is really a part of U of M and they would be able to conduct programs that would look at how we continue to put pressure on costs in healthcare, which is our biggest problem. Thank you very much and again, lastly, it really is a shame that U of M is not here tonight. We do not know in this community what would have been the results of having the University of Michigan here as an institution. Thank you very much.

MS. ISAACS: Thank you.

MR. POTCHEN: Thank you. Number – now number eight.

### JANE M. ROSS

(At 6:02 p.m., called and spoke as follows)

MS. ROSS: Good evening. Is that better?

(At 6:02 p.m., speaker adjusted microphone)

MS. ROSS: I am Jane Ross, R-o-s-s, and I am here tonight as a community member, also as a retired business owner of 27 years and also, a long time member of the Metro Foundation and Hospital Board. So I have kind of a unique perspective having been

involved for so long in both of those and I guess I wanted to speak mostly tonight because we are looking at change, and change is scary and I know that and I know a lot of questions have come up. As a member of the board, those people who know I am affiliated with Metro – they will stop me and they will say, what's going to happen to Metro when this – they call it a sale, goes through -- and I try to talk to them about a number of things. One of them is the care that we took in looking into CHS and looking at their hospitals, hearing what they had to say, what they had to offer, what some of the other people that we had invited to make a proposal for Metro including U of M and realizing that it was CHS that offered the very best for us and in terms of change, we have been through this before.

We have had great changes, especially the move from a small hospital to here on the facility and the thing that we really worked the hardest to do I think, is take the culture of care, individual care that we had in that small hospital and make certain that it survived when we came to our larger hospital. Kind of a small hospital within a big hospital setting and I don't know what Affinity Care was like beforehand, but I know that we – the things we worked hard was to make certain that we would have a great say – fifty percent say, in the board membership of CHS in the new co, and I think that will help to assure that we keep this quality.

MR. POTCHEN: Thank you.

MS. ROSS: Thank you.

MR. POTCHEN: Letter H.

(At 6:05 p.m., no response)

MR. POTCHEN: Letter H? Reed Vander Slik?

## REED VANDER SLIK

(At 6:06 p.m., called and spoke as follows)

MR. VANDER SLIK: Good evening. This will go back up.

(At 6:06 p.m., speaker adjusts microphone)

MR. VANDER SLIK: I am Reed Vander Slik, and it is spelled, V-a-n-d-e-r-s-l-i-k, and I work for Porter Hills. We are a post-acute provider that works with Metro. Just a couple of quick comments – they have been a wonderful partner to us. They are focused on quality. They are – they have just done a great job in working through that. The other thing I would say is, I live on the southwest side of town. We have really appreciated the investment that Metro has made in the southwest side of Grand Rapids and to the access to us. Thank you.

MR. POTCHEN: Thank you. Now we are at number nine. Senator?

PETER MACGREGOR

(At 6:06 p.m., called and spoke as follows)

MR. MACGREGOR: Good evening. Welcome to the City of Wyoming. My name is Peter MacGregor and I am the State Senator for the 28th District and you guys are going to get a treat here because you are going to hear from two legislators under two and a half minutes and I will just be a minute.

(At 6:06 p.m., laughter from audience)

MS. ISAACS: Wonderful.

MR. MACGREGOR: I want to offer my support for this proposed joint venture between Metro Health and Community Health Systems. I believe this joint venture is in the best interest of West Michigan and our constituency, my constituency – both Representative Hooker's and my constituency. It will lead to a greater operating efficiencies, lower healthcare costs and enhance patient access to quality of care, but most importantly, because CHS is allowing the high level of local control, this will permit Metro Health to retain its community hospital culture and will in turn serve this community very well. I look forward to the favorable decision by the review team and I appreciate your time. Thank you.

MS. ISAACS: Thank you.

#### THOMAS HOOKER

(At 6:07 p.m., called and spoke as follows)

THOMAS HOOKER: He took more than half. Tom Hooker. I am the State Representative for Byron-Wyoming and I lived and grew up just a few miles north. I live just a few miles south today. I was born in the parent hospital – Grand Rapids the old hospital sixty-five years ago this coming Saturday. I – my family has used Metro Health. My staff – one of my staff member's wife is employed at Metro Health as a nurse and I definitely appreciate all that Metro has been. It has provided great healthcare in the south area. It is continuing job opportunities that were also important to us. I trust and I use the word trust rather than believe – I trust that CHS will keep Metro Health providing top quality healthcare and services that will strengthen the hospital in this area and continue to build on the record of great health services that Metro has begun. Thank you so much.

MS. ISAACS: Thank you.

MR. POTCHEN: The rest I have are numbers. I have no more letters. So again, if you are the next number, you can get ready to speak. I have – I am on number ten with Paul Brand, then eleven and so on.

### PAUL BRAND

(At 6:09 p.m., called and spoke as follows)

MR. BRAND: Paul Brand, B-r-a-n-d, representing the Alliance for Health. There will come a point in the history of our health system in Michigan and nationally the opportunity for Metro Health to be acquired by Community Health Systems – deserves your support. From my perspective as the President and CEO of the Alliance for Health, a transition to a population health model is most likely to become a reality through large health systems like CHS acquiring community hospitals such as Metro Health. The economist scale

and the promised capital investments the CHS acquisition will provide Metro will ensure that a viable local hospital is sustained and empowered to work diligently to improve the health of our community, especially interests of course as we have heard others speak. In the composition of a foundation dedicated to supporting innovative initiatives in community health that could result from your approval.

Your example of a Superior Health Foundation in Marquette demonstrates the significantly endowed foundation dedicated to improving the health status of the community, is a great outcome for such acquisitions as the proposed CHS, Metro Health deal. A community foundation with its local board could be a repository for future partnerships in this region if other similar nonprofit hospitals, acquisitions take place by community health systems or similar for-profit organizations. There is also precedent in preserving the osteopathic residency, training and such transactions notably in Muskegon. Metro's osteopathic legacy of primary and preventive care is an important health choice in our community and an approach that sustains a population health model. Thank you for this chance to lend my support -- to support an opportunity for Metro Health and West Michigan.

MR. POTCHEN: Thank you. Doctor?

### TODD HARTGERINK

(At 6:11 p.m., called and spoke as follows)

DR. HARTGERINK: Good evening. I am doctor Todd Hartgerink, spelled H-a-r-t-g-e-r-i-n-k. I am the Chief of Staff for Metro Health Hospital as well as an independent physician in the emergency department and board member on the hospital board. It appears there is pretty significant community support for this joint venture and as a medical staff I want you to know that we voted nearly unanimously to support this. I think it was 166 to three for this joint venture. It became very obvious to us as physician board members that CHS was the right partner for Metro and especially to us as a medical staff.

1 They have similar goals as we do and they are looking to increase our presence in the market by helping to build service lines such as orthopedics as well as trauma, as well as other lines. They have a very strong commitment to quality care and they are extremely faith -- patient 3 focused. Community Health Systems looks to involve us physicians, not necessarily as 6 employees, but as partners in caring for the patients of our community and that is really important for us as physicians. I have had the opportunity on many occasions over the past two years to meet with almost all of CHS's senior level managers and executives. There was 8 not one time when I did not come away impressed with them and their message which is

best employee experience, best physician experience, and the best community experience. 11

Thank you.

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MS. ISAACS: Thank you.

MR. POTCHEN: Thank you. Number 12?

(At 6:12 p.m., no response)

MR. POTCHEN: Twelve or thirteen?

UNIDENTIFIED SPEAKER: I am thirteen.

MR. POTCHEN: There you go, we will keep it moving.

very similar to what our mission at Metro has been for years and that's patient experience,

#### DAVID ALBRECHT

(At 6:12 p.m., called and spoke as follows)

DR. ALBRECHT: My name is David Albrecht, A-l-b-r-e-c-h-t. I am a physician. I work at Metro. I am also on the hospital board and I have been internist practicing with Metro Health for nearly ten years and to be quite honest, this has been my privilege to be able to be on the board and really serving Metro during this decision and one of the things I think as a community, you have to have trust when you are looking at a

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transaction like this and so, where will this trust come from? It comes from what is up on the wall up here and it is where the physicians and the nurses that really service the hospital and certainly if you walk into Metro, what makes Metro unique and I have been in a lot of house systems in training or residency, is that this system, our health system is different and that is a very common comment -- I had it today. You walk in -- it is different. The reason why is because the physicians and the nurses are highly regarded and that's where that trust comes from and what I can tell you is the physicians that were involved in this decision really believe that this is the best to move us forward. I am passionate – I want to stay at Metro working for the rest of my life in my career and what is different about Metro is that you will see physicians and nurses that have worked here for five, ten, fifteen, twenty years. This is where they retire, which is very unique and different for Metro. It is a West Michigan type of culture and I can tell you that that culture will continue with Community Health Systems. We were very confident of that and that was our number one priority. I want to be able to serve my community, but I got to have a health system and we want to take this place to a place that is a lot better and there is challenges in healthcare and it is going to be hard work, but I can tell you the physicians at Metro, the nurses at Metro are on board for this and we will work hard in the delivery and the care will be good. This will be a good thing.

MR. POTCHEN: Thank you. Number fourteen?

## ADAM WOLFE DO

(At 6:15 p.m., called and spoke as follows)

DR. WOLFE: Thank you for the opportunity to speak tonight. My name is Adam Wolfe, W-o-l-f-e. I am speaking tonight in support of the partnership with CHS. I am speaking as an internal medicine physician here at Metro, as well as, a director in the internal medicine residency at the graduate medical education level here at Metro and currently I serve as the medical director for primary care for our employee medical group here at Metro

as well. Echoing the last two speakers comments, I am very proud of my physician colleagues and their almost unanimous support of this merger. We believe the CHS ownership will keep Metro Health a vital community hospital offering unique experiences to our patients who appreciate the osteopathic approach to care for the whole person. I am relatively new to the organization. I came in 1998 as a third-year osteopathic medical student and completed my internship and residency at Metro. I had the unique experience to be an integral part of the historic move back in 2007 to this current site and continue to be impressed with the evolution of this village concept which is continued to become a reality. Osteopathic approach to patient care is central in the guiding principles here at Metro and are part of our history and fabric. Ensuring a quality medical education experience for our osteopathic students, interns and residence is vital to me and my physician colleagues here and we believe it will be continued to be supported in our organizational structure.

We believe our merger with CHS will continue to support our successful structure for the Metro Health Organization in a number of ways. Commitment to the highest patient quality, shared resources for surrounding development of critical service lines for our patients and shared vision and focus on the development of the clinically integrated network keeping the patient at the center of the (sic). Comprehensive care for the whole person, a commitment to primary care and preventative care, and improving the health of the population we serve are foundations of the osteopathic teaching at Metro Health and I believe will be for years to come with our future relationship with CHS. My colleagues and I continue to be very excited about learning the best practices from the CHS team and to share with CHS our unique experiences and successes at Metro. We are also excited to share what we do with other CHS hospitals nationally. Thank you for the opportunity again to express my support for CHS and Metro Health and your time and consideration to this very important matter.

MS. ISAACS: Thank you.

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MR. POTCHEN: Thank you. A Bob Schellenberg, fifteen?

### **BOB SCHELLENBERG**

(At 6:17 p.m., called and spoke as follows)

MR. SCHELLENBERG: Good evening. I am Bob Schellenberg. I grew up in Wyoming. I currently live in Jenison. I am a CPA and an attorney. I practice as a CPA, we have a small firm call Schellenberg and Evers in downtown Grand Rapids and I am here to talk about the numbers because I am a numbers guy. What I would like to address very briefly is the concern regarding the proceeds and the foundation for Metro. As you guys know, you are in charge of carrying out the charitable intent and my experience has been, I do a fair amount of work in preparing form 990s which you are well aware of and also assisting clients in carrying out their charitable attempt either while they are alive or after they are deceased and over the years I had worked a lot with the Grand Rapids Community Foundation and I have found them as an institution to be excellent at carrying out donative intent and they take their jobs seriously. They are very professional and so we have this resource in the community that currently exists that could be used as a receptacle for the proceeds of this proposed transaction. They would provide what I would call those checks and balances through an institution as opposed to personalities and people which change over time from a long standing institution that has developed the policy and procedures to carry out donative intent and do all of those administrative things that need to be done when you are handling those kinds of funds, which includes effectively investing them, managing them and also figuring out how to give the money away, which most people think is an easy job. It is not an easy job. It is a very difficult thing to do and they take their job seriously. So I would like for you to consider concerning the proceeds that is the only reason I am up here discussing this evening, is to consider the Grand Rapids Community Foundation.

Thank you.

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MR. POTCHEN: Thank you. Number sixteen?

## TIM FLAHIVE

(At 6:20 p.m., called and spoke as follows)

MR. FLAHIVE: Good afternoon. My name is Tim Flahive, F-l-a-h-i-v-e, and I just happen to be an ex-patient of Metro and successful survived a partial foot amputation a couple of years ago and these Irish eyes are smiling is how I typically respond to anybody about my experience here because of Metro. What I thought I would do is step out of the box a little bit and think in terms of Metro as being a franchise, a solo franchise, like a baseball team and eventually Metro could be marketed as some place or something as successful as the Red Wings with Gordy Howe, or the Lakers with Magic Johnson, or the Packers with Brett Favre, or the Tigers with Cabrera, okay. All of those persons were franchised players. You have a franchised player here on campus in the cardiology department, Dr. Jihad Mustapha. He is the person that pulled me through and gave me my new life sort to speak and the Metro campus is totally marketable. We have an international airport to bring in persons that would now come from around the world to see Dr. Mustapha perform his diamond back procedure which is in by nine, out by noon and you are a walking miracle when you leave. I think that the Metro campus has – we will call the hospital – their stadium. They have 208 luxury suites with individual bathrooms, beds, and all the ice you can – ice water you can drink with Wi-Fi, okay. Nurses, our cheerleading squad are the nurses. They are dressed in scrubs and footies versus cowboy boots and a mini-skirt as the Dallas Cowboy cheerleaders wear. We have the communities behind us. We have police, fire, churches, schools that participate in Metro events. Your 5-K for example, is a sell every year. Your Metro markets is – you can't park within a half mile of the place on Saturdays during the summer and so what I guess we would end up saying because the

clock is at Pure Michigan, okay. You are here in Michigan, you stay in Michigan, and that cardio team has a no cut clause contract in their agreement. So they are going to stay in Michigan and finish in Michigan. God bless.

MR. POTCHEN: Thank you.

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(At 6:22 p.m., applause from audience)

MR. POTCHEN: Seventeen. Lisa.

## LISA COLELLA

(At 6:22 p.m., called and spoke as follows)

MS. COLELLA: Good evening. I am Lisa Colella, C-o-l-e-l-l-a and I am a manager at Monelli's Italian Grill Restaurant. I am also a member of the community. Metro Health has built an economy in the Grand Rapids metro area from the ground up. In the Wyoming and Byron Center area alone rising hotels, restaurants, and other businesses prosper like Monelli's. These establishments have prospered in the last ten years mainly because of Metro. Metro has shed a new light on the importance of health and wellness in our modern age. Metro has health walks and trails used by the community to stay in shape. They also host a yearly 5-K walk that gets the whole community involved and also the surrounding businesses. Here are just a few things that Metro has brought to this community; new jobs, better economy, community workers, hotels and restaurants, and new guests to the community, and also to our restaurant. For example, parents of a new born came into Monelli's for their first time since – to have dinner once they were released from Metro and since then they returned every week to see the same server they had that night. Metro doesn't just bring in new guests to Monelli's, but the community as well and it also helps build a close relationship between the service team at Monelli's and those working and staying at the Metro Hospital. Thank you.

MS. ISAACS: Thank you.

## MR. POTCHEN: Next is a familiar name – Jim Haveman.

#### JIM HAVEMAN

(At 6:24 p.m., called and spoke as follows)

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MR. HAVEMAN: Deputy Director Isaacs and your colleagues, it is good to be here today. My name is Jim Haveman, H-a-v-e-m-a-n. I am the former director of the Department of Community Health, for both Governor John Engler and Governor Rick Snyder. I retired in September and so I am speaking here as a private citizen. I must tell you I do support this merger consolidation affiliation. I watched this happen all over the State. Whether it would be the Upper Peninsula or at the Eastern part of the State. I often say in speeches that you know, we are going to probably have five to eight health systems in this State. If we really want to practice population health as we have talked about it – if we really want to have the integration that we have talked about, if we really want to have the systems of care, we need to have more affiliations and more mergers like we are seeing here today. So I support it. I also want to say that Metro has been a great partner with the State of Michigan, whether it be the Medicaid program, you know we cover over 2.4 million people in this State. It – we have had to partnership with the ventilator program. We have had the partnership that I personally have been involved with at the clinic there on 36th Street with Hope Network and Mercy Health. I think it is important as you look at your requirements that they continue these commitments as a partner with the State and also continue these fine programs that they have. If they change their mind, then show the justification and the value added if it goes somewhere else. I also want to say that I am really seeing the benefit of community foundations around this State. We have a great organization and we have a strong community foundation here in Grand Rapids. I like the support for the community foundation as you look at the proceeds, and I urge you to move ahead expeditiously, because I think this is the future and we need to move towards it quickly. Thank you very much.

# MR. POTCHEN: Thank you. Number nineteen? Pete Haverkamp?

#### PETE HAVERKAMP

(At 6:26 p.m., called and spoke as follows)

MR. HAVERKAMP: Thank you for the opportunity to speak today. My name is Pete Haverkamp, H-a-v-e-r-k-a-m-p. I am the current director of pharmacy for Metro Health. So I am speaking to you both as an employee and as a resident in the area. I lived here in West Michigan my entire life including here for a period of time and then also on the other side of the State as I feel very passionately about the care that is provided in the State's residence. To be honest with you, I grew up approximately about two miles from our current location on a Christmas tree farm – my parents and my grandparent's home. I graduated from Byron Center High School just down the street from here. I also remember when the area the hospital is currently located at was simply just a field. So remembering in those days how it was necessary for my family when we needed care to travel only to downtown and the extra time it took for us to get to those areas, sometimes had a negative impact on our ability to get that care. I felt personally that a positive impact that Metro Health has had on southern Kent County and you can see there is growth in the area surrounding us.

In my career working as a pharmacist, I had the experience to work in healthcare systems, both larger than Metro and also smaller and I have seen the impact of both types of hospitals can have on their communities they serve. When I worked for a smaller hospital and lived in that area, that connection that the hospital had to the people that they cared for was deep and personal. There was in addition, the hospital was also large with a local employer in that area and had – was a driving force in the area's economy. Unfortunately, what I found with smaller hospitals is that they struggle to access cutting edge technology and capital. They struggle to be included in contracts and insurance plans. They

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simply could not provide the broad types of services in their areas at the speed that they would have liked to. I also worked for larger hospital systems – systems that have the ability to build complex systems that benefitted many patients. I found in those systems that patients felt that their care was sometimes impersonal -- that patients and their families struggled to find their way through the building or where to park – how to build their connection to the patients and to the physicians and as an employee I was really unable to interact with corporate leadership to discuss how my team was. At Metro – and Metro in my opinion, is the right size hospital. It creates that friendly, open and caring environment whereas I as a professional could create the best experiences with patients, physicians, employees in the community I live in. At Metro, I know my CEO Mike Faas on a first name basis, and I report to him directly. I know that when I speak to Mike on issues regarding patients here or safety initiatives or other areas under my supervision, he listens and provides me with guidance and resources I need to help my team take care of the patients in the best way possible. Under CHS just my ability to have that conversation with Mike is not going to go away. The CHS partnership will help me as a pharmacy professional, access to 200 other pharmacy leaders -- I can share ideas with and learn from. CHS has vision for Metro and what we can create together is in direct contrast with divisions offered to Metro by other potential partners. Instead of sending our patients from our area to other hospitals farther away, CHS plans to invest in Metro at our current location. Metro will bring unique advantages to CHS as well. We can help them by sharing how we have our world class environmental program such as the one you have heard today by Mayor of Wyoming and our drug community take back program. Helping them learn from our outstanding quality systems and share our passion for making patients safe. In closing, just as all of us here, I am concerned about the care that my family and my friends receive. Multiple members of my family and close personal friends have been cared for at Metro. I have had the honor of

being able to help make sure that the systems we have created were at the highest care, deeply compassionate and safe. In my opinion, Metro's affiliation with CHS is a likely improvement.

DOUG DIETZMAN

MR. POTCHEN: Thank you. Number twenty?

(At 6:29 p.m., called and spoke as follows)

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MR. DIETZMAN: Good evening. My name is Doug Dietzman, D-ie-t-z-m-a-n. I am the Executive Director for Great Lakes Health Connect. We are a statewide non-profit health information exchange company based here in Grand Rapids and I appreciate the opportunity to share our support tonight for the proposed transaction. Our Great Lakes Health Connect is Michigan's largest and most mature health information exchange with 126 hospitals representing over 82 percent of the acute-care licensed beds in the State as well as, connecting with over 3,200 physician offices and other locations with one or more of our solutions. So the largest HIE's in the country has become a national model for help private sector to establish meaningful, self sustaining, community information exchange. It is relevant because the organization was founded back in 2009 here in West Michigan when Metro Health, along with Spectrum Health and Trinity Health committed together they would not compete on critical data exchange, but instead would collaborate in this area to make sure the right data was shared at the right place at the right time on behalf of the patients and their providers in this region. They put the money alongside that commitment and with a couple of organizations, they subsequently joined the discussion they found at GLHC. That collaboration owned competitors has been an example for others in West Michigan, across the State and it has been a core foundational principle for the integrated statewide network that now exists. Metro Health has served on GLHC Board of Directors from its inception and continues to serve in that capacity today through one

of its physician leaders Dr. Brad Clegg. He has been an important voice in the organization. He has been committed to review GLHC's network to help optimize the data base share with the community as well as the data they get from the community to best serve and care for their patients. The partnership with CHS will further Metro's commitment to the community and will provide additional resources to the development of an inner-connected Michigan healthcare network that supports our citizens wherever their care is delivered or managed and with a favorable outcome of the review, I look forward to working with Metro and CHS on behalf of the people of Michigan. Thank you.

MS. ISAACS: Thank you.

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MR. POTCHEN: Thank you. Number twenty-one?

#### KATY HUCKLE

(At 6:32 p.m., called and spoke as follows)

MS. HUCKLE: Good afternoon. My name is Katy Huckle. That's H-u-c-kl-e, and I am visiting from Cadillac today. I am a banker by day and my husband and I own a daily newspaper, the Cadillac News. I want you to know that I have been following Metro Health venture and I have done a little research and I have heard just wonderful things about your hospital. Trinity Health sold our hospital to Munson Healthcare on February 1 of 2015. The year before the hospital sold I served as President of the Mercy Hospital Board of Directors and the first question our board asked when the hospital sale was announced was what will happen to the foundation assets to move \$14 million dollars? Two things make our Mercy Hospital Foundation unique \$14 million dollars is an unusually robust fund for a hospital our size. Secondly, the fund is made up of only two donations, \$200,000 from a Reed City family and a \$10 million dollar donation from a local business man, Mr. Harvey Pell. Those two donations have grown to over \$14 million dollars. Mr. Pell's granddaughter Helen Lehman is with us this afternoon. We were told by our CEO that the foundation assets

would transfer with the sale of the hospital so that we could maintain local control. In May at our donor appreciation dinner, our donors asked the President and CEO what will happen to the donation assets when the hospital sells. Again he responded, the \$14 million dollars will transfer with the sale and will be locally owned and controlled. One month and fourteen days before our hospital sold we were notified the Trinity Health plan should keep control and ownership of Mr. Pell's legacy. They guaranteed that the funds would be spent only in Cadillac. The family of Mr. Pell reached out to me as President of the Foundation Board of Directors. They implored me to help them move the money to the Cadillac Community Foundation. They went to the media and they went to Trinity Health. So why am I here? It is critical that the buyer and the seller of Metro legally lock down a plan for the proceeds and the foundation assets and that they are transparent -- that the plan benefits community healthcare. It takes courage to ask questions and resolution requires resolve and I wish you the very best with your transition.

MR. POTCHEN: Thank you. Number twenty-two?

(At 6:35 p.m., no response)

MR. POTCHEN: Sheard, I think is the last name. I can't read the first name.

## WADELL SHEARD

(At 6:35 p.m., called and spoke as follows)

MR. SHEARD: Good evening. My name is Wadell Sheard. That is S-h-e-a-r-d. Many people at Metro call me Dell. I work as a chef. In my role, I help prepare meals for the service of our patients, visitors and fellow employees. I want you to know that I think the partnership between Metro Health and Community Health Systems is a good idea. If approved, this partnership will help Metro grow and continue to provide great care, patients and people in our community. The people in our community deserve the very best that what I try to provide every day in the café. I think this partnership will help Metro provide the

1 very best of care. I also like to say that I represent Metro Health and also Unidine organizations. Thank you. 2 3 MS. ISAACS: Thank you. MR. POTCHEN: Thank you. I have two names left and if you would like to 4 5 speak, just make sure you fill out a card back there, but I have two names left. Number 6 twenty-three. **BOB O'CALLAGHAN** 7 8 (At 6:36 p.m., called and spoke as follows) 9 MR. O'CALLAGHAN: Thank you. My name is Bob O'Callaghan. That is 10 spelled, O-c-a-l-l-a-g-h-a-n. I am the President and CEO of the Wyoming Kentwood area Chamber of Commerce and I want to speak a little bit about the kind of member the Metro 11 Health has been. They are a great partnership with the Chamber. They have done a great job 12 in the community. I came to Grand Rapids 36 years ago. Where we are standing today, or 13 sitting was farmland. Mike Faas and the team had a dream for this area and now we have 14 15 Metro village. They have invited many jobs into the area. Many new businesses have continued to grow and my thinking and my confidence is that with the new company coming 16 in, with mutual operational ability, they will continue the great service and the great patient 17 care we have had and able to grow the best world – care we have in the world, right here in 18 Wyoming. Thank you. 19 20 MS. ISAACS: Okay. Thank you. MR. POTCHEN: Last speaker that I have is number twenty-four. Courtney 21 22 Panter. **COURTNEY PANTER** 23 (At 6:37 p.m., called and spoke as follows) 24

MS. PANTER: My name is Courtney Panter. That's P-a-n-t-e-r. I am from

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Representative Lisa Posthumus Lyons' office. Unfortunately, she couldn't be here today because she has the flu. So she wrote a letter that she wanted me to speak for her.

"I am writing today in support of the proposed joint venture between the Metropolitan Hospital and Community Health Systems. Metro Health has been an outstanding responsible community partner in Grand Rapids in the Greater West Michigan area since the 1940s. One does not need to look very far into the fabric of our community to see this organization and its leadership has truly had a profound impact on our region. Metro's commitment to bettering the health and lives of our family, friends and neighbors, is so important and to be commended. This proposed venture with CHS will only serve to increase that great impact exponentially. This added investment by both entities and to our region estimated to be nearly \$125 million over the next five years will only serve to expand on an already world class portfolio facilities talent and practice. For these reasons, I strongly offer my support for and encourage a favorable review of this proposal. Thank you for your time and consideration."

MS. ISAACS: Thank you.

MR. POTCHEN: Thank you. And the Attorney General's office again is going to continue to receive comments through the email or by regular mail. The email address again is AG-hospital@michigan.gov and now our Chief Deputy Isaacs.

MS. ISAACS: Thank you. We are nearly at the end. I am going to offer, they are not mandated to, but if CHS and Metro would like to make closing remarks –

(At 6:39 p.m., no comment from organizations)

MS. ISAACS: They are good. They are not going to make comments. All right. Again, thank you for coming. We appreciate your time and we also appreciate your comments. Thank you. We are closed.

(At 6:39 p.m., meeting adjourned)

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1	STATE OF MICHIGAN	)
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5	I, Portia Bynum, Freelance Certified Court Recorder, CER 5826, in the State of Michigan,	
6	do certify that I transcribed, and recorded the State of Michigan Department of Attorney General's	
7	Office Community Forum on the Proposed Joint Venture between Metro Health and Community	
8	Health Systems, Incorporated; held at Metro Health Conference Center, 2225 Main Street	
9	Southwest, Wyoming, Michigan; on Thursday, April 23, 2015; I further state I assume no	
10	responsibility for inaudible responses from any party or parties not discernible in the recording of	
11	the proceeding. I certify that pages 1 through 50 constitute a full, true and accurate transcript, to the	
12	best of my ability.	
13		Partia Burney
14	April 30, 2015	Portia Bynum
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