

**Idaho State Journal, Sunday, March 17, 2013 – by Jimmy Hancock (2 pages)**

## **Suit: PMC blocked medical business**

POCATELLO — Terry Elquist, the former owner of Rocky Mountain Surgery Center who sold the operation to Portneuf Medical Center in 2009, is suing LHP Hospital Partners, PMC's former chief operating officer and its current chief financial officer, claiming they attempted to stop him from establishing a new surgical center in Pocatello.

“We will vigorously defend the hospital and its officers from these allegations,” said Brenda Stanley, chief communications officer at PMC. “We also refute the allegation that we stifled competition due to the fact that the plaintiff recently opened a competing surgery center across from the hospital.”

According to the suit originally filed in Bannock County and subsequently moved to the federal court in Pocatello, Elquist also owned Rocky Mountain Medical Management, a consulting firm, when he sold the Rocky Mountain Surgery Center to PMC in 2009, becoming an employee at the hospital. PMC was not interested in the consulting business, which Elquist retained and continued to operate.

In August 2011, the suit says, Elquist quit working for PMC. A month later, he began talking with Anesthesia Associates of Pocatello, one Elquist's consulting clients, about opening a new surgical center. Their reaction was positive.

That was followed in January 2012 with several organizational meetings to introduce the idea of creating a new surgical center. The suit claims Norm Stephens, PMC's CEO at the time, and John Abreu, the hospital's chief financial officer, became aware of Elquist's intentions and reached out to the partners in Anesthesia Associates.

Later that month, Elquist alleges he met with partners from Anesthesia Associates who he says claimed Stephens and Abreu were putting pressure on them to terminate their contract with Rocky Mountain Medical Management or risk losing their exclusive contract to provide their services for PMC.

Elquist claims in the suit that he later met with Stephens and Abreu and says that Stephens told him it was his intent to stop the new surgery center from being created. He says the two men gave him until about the end of February to make a decision regarding the new center.

The suit alleges that officials with Anesthesia Associates reached out to Elquist in mid-February of 2012 to say the deadline had been moved up, and that the following day he received a letter from the group requesting he inform them in writing that he has ceased pursuing the creation of a new surgical center.

In his suit filed last spring against LHP, Stephens and Abreu, Elquist is claiming the defendants interfered with his current business, Rocky Mountain Medical Management and attempted to stop the creation of another business, the prospective surgical center, causing him economic damages. Elquist is seeking damages in excess of \$10,000.

Howard Burnett, of Hawley Troxell Ennis & Hawley in Pocatello, is representing LHP Hospital Group in the suit, court records show. He declined to comment on the case, but his response to Elquist's claims can be found in the court documents.

Burnett says bluntly in the response that "Plaintiff's antitrust claims are implausible and inadequately pleaded ..." He also writes that Elquist has yet to show in his original complaint or either of the two amended complaints, how the dissolution of the contract between Rocky Mountain Medical Management and Anesthesia Associates stopped Elquist from opening a surgical center.

The response also claims that the plaintiff has brought back into play via its amended complaints, allegations already dismissed by Sixth District Judge Stephen Dunn when the case was in his court.

Burnett also claims in his response that the plaintiff failed to substantially show certain facts pivotal to the allegations, such as defining the relevant market affect by the businesses and adequately showing PMC's market power.

Should the case eventually go to trial, it will be after both sides continue establishing their respective legal footing through numerous motions.

Elquist, and his attorney, Gary Cooper of Cooper & Larsen in Pocatello, declined to talk about the case.

Earlier this month, Elquist did open a new Pocatello surgical center, Skyline Surgery Center, in partnership with several doctors and Bingham Memorial Hospital.