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## Owning part of PMC

*Foundation would get 20 percent under plan*

POCATELLO — A revised Portneuf Health Care Foundation, the nonprofit entity founded to support Portneuf Medical Center, will be the 20-percent owner of PMC should voters in November approve a plan that includes Bannock County relinquishing ownership of the hospital, PHCF's board president said Saturday.

PMC officials and the Bannock County Commission are considering two health care systems to partner with the hospital in a future governance agreement. The joint venture would be 80 percent owned by the health care system, while 20 percent ownership would go to a locally controlled nonprofit entity.

For 80 percent ownership, the new partner would complete PMC's \$200 million consolidation project currently stalled at its Hospital Way property. Although there would be an imbalance in ownership, governance would be split equally with each entity controlling half the seats on the joint venture's board.

Because PMC is owned by Bannock County, voters must approve giving up that ownership. Relinquishing ownership in tandem with creating the joint venture will be on the November ballot.

Dr. Jack Mooney, in his second year as president of PHCF's board, said that if voters approve the plan PHCF will be completely retooled to focus on its 20-percent ownership of PMC.

"Basically we are offering the (Bannock) County Commissioners a 501(c)(3) nonprofit that is ready to go," Mooney said.

The mission of PHCF will be changed to reflect its new role and its current 19-member board will be shifted to a newly created entity within PHCF, making room for a new seven-member board of directors. The changes will happen only if voters approve the new hospital governance plan and once implementation of that plan has happened, likely in January.

Greg Gunter, president of Rave Communications, which has been retained by PMC and the Bannock County Commission to handle public information during the process of bringing the new governance plan to voters, said the seven individuals who will comprise PHCF's new board have already been chosen.

Gunter also said a preferred partner for PMC should be announced by the end of this week, barring any negotiation related delays. "At this point, the Bannock County Commissioners, the hospital administration and the consultants anticipate being able to announce a preferred partner by the end of the work week," Gunter said. "But that is dependent, first and foremost, on being able to negotiate the best possible agreement for the community."

After several months of searching for a health care system to partner with PMC, it was announced last month that Brentwood, Tenn.-based LifePoint Hospitals and Plano, Texas-based Legacy Hospital Partners were the two finalists.

Legacy was formed earlier this year by seven former executives of Triad Hospitals, a conglomerate of hospital partnerships that was acquired by Community Health Systems last year.

LifePoint was founded in 1999 and operates 48 hospitals in 17 states. Of those, 44 are the lone facility in their respective communities.

Both hospitals, during their individual visits to Pocatello last month, advocated an equitable split of governance, ensuring significant local control in PMC's future direction.

Gunter said negotiations continue daily with both health care systems.

If voters approve the new joint venture and PHCF does change its role to one of hospital ownership from hospital support vehicle, Mooney said great things could come out of it.

PHCF has nearly \$3.5 million in funds raised to help build a new emergency center at the consolidated hospital. However, because PMC's new partner will be a for-profit entity — while PMC remains a nonprofit hospital — those donations can no longer be used to build at PMC.

A new entity within PHCF, called the Portneuf Health Care Foundation Endowment Board, will be created using the 19 members currently on the PHCF board. The money already donated to PHCF will move to the Endowment Board, as well, where Mooney said it will be used for any number of possible projects.

No money from PHCF as a PMC owner and the new Endowment Board will intermingle, Mooney said. While the Endowment Board will be under PHCF's umbrella, the two will not intermingle financially.

Mooney said most of those who donated toward that \$3.5 million have already indicated they will not ask for their donation back, even if it is not used for its original intention.

“This change could give us a chance to do many great things in health care in our community and county,” Mooney said. “There are many avenues we could pursue. I can't imagine how many things will eventually be discussed.”