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## Hospital merger process starts

*Legacy, foundation members to meet*

POCATELLO — Now that voters have overwhelmingly approved a new governance plan for Portneuf Medical Center, work to create the Community Benefit Organization will begin almost immediately, an official said Wednesday.

When the final election results were posted at about 1 a.m. on Wednesday, they showed that nearly 77 percent of Bannock County voters said yes to the joint venture on Tuesday.

Gunter said plans were already laid to get started should the approval come. “Right away Legacy Hospital Partners will be holding an organizational meeting with the new board members of the Portneuf Health Care Foundation,” said Greg Gunter, president of Rave Communications in Pocatello, the company hired to handle informing the public about the joint venture.

That meeting will be scheduled within the next couple of weeks and is designed to open communications between those representing the two partners in the Community Benefit Organization.

“The sooner they get together, the better they will be able to hit the ground running,” Gunter said. “It’s important that Legacy Hospital Partners and the new seven board members have solid working relationship.

What voters approved Tuesday was allowing the Bannock County Commission to give the assets of PMC, estimated to have a net value of \$65 million, to the PHCF, which, in turn, will give the assets to the CBO in exchange for 23 percent ownership of the joint venture.

Plano, Texas-based Legacy will give the CBO \$200 million and receive 77 percent ownership of the joint venture. Those funds will be used to pay off PMC’s debt and finance construction of the new facilities on Hospital Way. All parties are working to close on the transaction by Jan. 1.

Seven members of Legacy’s senior management staff, including Chief Executive Officer Dan Moen and a representative of one of the company’s financial backers, were at the Pocatello Holiday Inn, site of Election Central for Bannock County, on Tuesday.

Gunter said the turnout from Legacy personnel was “Phenomenal. I thought it was a clear indication that they consider the success of this joint venture important to Legacy’s future plans,” he said.

Most of Legacy’s senior managers were part of another health care system known as Triad Hospitals, which was acquired by another health care system more than a year ago. Gunter said Moen best stated PMC’s importance to Legacy.

“Dan said that until now, they have been able to refer to their past history with Triad, but they can’t do that any more,” Gunter said. “From this point on, they are going to have to refer to their history as Legacy Hospital Partners. That’s why it’s so important to them that this joint venture do well. This is going to be their flagship.”