

HOW DO WE COMPARE ON KEY ELEMENTS?

<i>Topics</i>	HCA-HealthONE	University Hospital	Memorial	Centura Health	Sisters of Charity of Leavenworth
<i>Financial Benefit and Stability</i>	<p>\$500 Million cash</p> <p>\$330 Million from Memorial's account left to City for healthcare or other priorities</p> <p>\$1.2 Billion in capital spending over 40 years</p> <p>\$10+ Million/year in taxes (\$8MM to City & County; \$2 MM to state) or \$400+ Million over 40 years</p>	<p>\$50 - \$74 Million cash "consideration"</p> <p>\$5.6 Million/year in lease payments for 30 years</p> <p>\$1.1 Billion in capital spend</p> <p>Pledge to "cover" PERA liability</p> <p>Expect payments from Memorial to establish medical school</p>	<p>\$5 Million cash</p> <p>\$1.6 Million/year lease payments</p> <p>Pledge to "cover" PERA</p>	<p>No cash payment</p>	<p>Up to \$400 million to cover liabilities, leaving city with approx \$194 Million net</p> <p>\$1 Million cash and \$500,000/year to serve public health needs</p> <p>\$100 Million capital spend first five years</p>
<i>Community Benefits & Quality</i>	<p>Meet or exceed current Indigent Care, Medicaid, Medicare, TriCare levels</p> <p>HealthONE provided \$191 Million in uncompensated medical care costs in 2010 [\$543.4 Million in charges]. Will commit to also maintaining Memorial's levels</p> <p>Will improve quality. CMS quality data for Overall Care & Surgical Care demonstrate HealthONE has higher quality than other bidders (see presentation and www.whynotthebest.org)</p> <p>Will grow Memorial Children's and make Memorial a Southern hub by expanding services</p> <p>HealthONE is a job-grower. Has added 1,000 jobs since 2006 due to increased patient demand for services.</p>	<p>University Hospital accepts TriCare and is part-owner of TriWest</p> <p>University Hospital below every HealthONE hospital in latest CMS quality data for Overall Care & Surgical Care</p> <p>The Children's Hospital in Aurora to take over Memorial Childrens</p>	<p>Lost more than 400 full-time jobs from 2008 to 2010</p> <p>Memorial below every HealthONE hospital in latest CMS quality data for Overall Care & Surgical Care</p>	<p>Maintain competitive environment in Colorado Springs, but with cooperation on key services</p> <p>Create a "Community Health Collaborative"</p> <p>Centura hospitals below HealthONE hospitals in latest CMS quality data for Overall Care & Surgical Care below all HealthONE hospitals</p>	<p>Would follow Catholic Directives if they lease</p> <p>Commit to expand charity care and community benefits</p> <p>Exempla hospitals below every HealthONE hospital in latest CMS quality data on Overall Care and Surgical Care</p>

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<i>GME/Medical Professional Training</i>	<p>Willing to partner with University of Colorado Board of Regents to create local Medical School branch campus</p> <p>Will continue & grow historic support of Graduate Medical Education, Medical Internships, Nursing Schools affiliations</p> <p>Will provide residency program at Memorial</p>	<p>Establish branch campus of UC School of Medicine for 3rd and 4th year medical students and residents, likely in an existing building</p> <p>\$3 Million/year to maintain school; plus portion of tuition to maintain accreditation</p> <p>Conduct Fundraising</p> <p>Possibility to expand GME</p>	<p>Will continue medical student, residencies and physician assistant student education programs</p> <p>Contracted for medical student rotations with 12 medical schools; 9 PA schools and 2 residency programs.</p> <p>In support of branch medical school campus</p>	?	Have several medical school affiliations
<i>Local Control</i>	<p>Memorial local management team makes all day-to-day operations decisions</p> <p>Local Board of Trustees composed mostly of El Paso County citizens</p> <p>Board approves: charity and indigent care policies; Medicare, Medicaid & TriCare participation; significant changes in clinical services; community benefit commitments; and strategic planning and capital recommendations</p>	<p>Local community board with advisory powers</p> <p>Control at University Hospital & joint venture Board</p>	Newly formed, local autonomous Board	Local Board	Local Board
<i>Experience</i>	<p>Hospitals serving communities more than 100 years</p> <p>Best practices learned from network of 164 hospitals</p> <p>Economies of scale available on day 1 through contracts for supplies, medicines, equipment</p> <p>National pilots under way across HCA to best prepare us for healthcare changes</p>	Undefined and untested “partnership” among University Hospital, Poudre Valley, The Children’s Hospital	<p>New organization without operating track record.</p> <p>Potentially new leadership team and Board</p> <p>Lacks economies of scale of larger systems</p>	<p>Move Memorial to independent non-profit, a new organization, without a track record.</p> <p>Lack large system economies of scale</p>	Propose a variety of models – lease, joint venture or affiliation agreement.