SENATE JUDICIARY
Exhibit No. 5
Date 2-5-07
Bill No. SB 323

January 25, 2007

Dear Senators and Representatives,

As you know, legislation has been introduced (SB 323, Senator Jesse Laslovich, D-Anaconda and Representative Rick Ripley, R-Wolf Creek) which will grant Benefis Healthcare (Benefis) legislative relief from the Certificate of Public Advantage (COPA) under which it has been operating for over 10 years. The importance of this bill to the healthcare safety net Benefis provides Great Falls and surrounding communities cannot be overstated.

Over the past several weeks, Benefis has become aware of two erroneous arguments raised in opposition to the legislation: (1) elimination of the COPA will allow Benefis to engage in "economic credentialing"; and (2) without the COPA, Benefis will substantially increase its charges. We, representing the Benefis Healthcare Board of Directors, will address each of these concerns in turn.

Benefis has never engaged in "economic credentialing" against physicians who compete against it (or put another way, removed any physician who competes with Benefis from the Medical Staff). Any statements or allegations to the contrary are simply not true, and Benefis has no plans of doing so in the future.

Make no mistake, Benefis' locally comprised citizen board is extremely sensitive to healthcare costs in Great Falls. Benefis prices have been very competitive since the merger, and we exist, in part, to ensure healthcare costs will continue to be affordable in this community. To that end, our Board and management team have set a goal to keep the prices of Benefis Healthcare within the lower half of Montana hospitals with similar scope and levels of service in this state. We are the only hospital board in the entire State of Montana, of which we are aware, to make such a commitment to our community and region.

Benefis accepts the newest competition in town (namely the recent acquisition of the Central Montana Hospital by a partnership of Great Falls Clinic and Essentia Healthcare, a large out-of-state corporation) is here to stay. Due to this new competition, Benefis will likely lose its sole community provider status, resulting in a direct loss of Medicare funds in excess of $1.5 million annually. We will compete, but the COPA must be eliminated to make the playing field less slanted in favor of the new for-profit, physician-owned hospital.

Benefis is a not-for-profit, mission-driven provider. As such, Benefis is the only hospital in this city that has a 24/7 emergency room and takes every patient in need without regard for his or her ability to pay. It is encumbent upon us to do everything in our power to ensure the continued viability of this crucial community asset. In this new competitive environment, relief from the COPA, which is having a growing adverse affect on Benefis, is absolutely critical.

Sincerely,

Chris Ebeling
Chair

Mary Sheehy Moe
Vice Chair

John H. Goodnow
CEO

VHA PARTNER EAST 1101 26th Street South, Great Falls, MT 59405 WEST 500 15th Avenue South, Great Falls, MT 59405 www.benefis.org 406.455.5000