

NMHA
NORTHCENTRAL MONTANA
HEALTHCARE ALLIANCE

SENATE JUDICIARY
Exhibit No. 13
Date 2-5-07
Bill No. SB 323

January 25, 2007

Members of the Montana Legislature
Helena, MT

Dear Montana Senators and Representatives,

The undersigned are members of the Board of Directors of the Northcentral Montana Healthcare Alliance. We are all CEO's of small and rural hospitals in our 10 county region.

The Directors of the NMHA would like to add their voices to those who are asking you to support SB 323 to sunset the COPA for Benefis Healthcare in Great Falls.

All of the member facilities of the NMHA are not-for-profit community hospitals and as such, receive benefit and support from our relationship with Benefis Healthcare. We stand by our earlier letter of support for the relief of COPA regulation as being initially appropriate in 1996, significantly successful 1996-2006, and now due to significant competition, no longer justified.

The presence of an increasingly competitive environment in the healthcare system in Northcentral Montana is undeniable. Many of the members of the NMHA compete with each other for patients and all of them compete with the larger hospitals in the state. But this competition has a "level playing field" and is tempered by common mission, ethical behavior, and united efforts toward the provision of high quality healthcare.

The for-profit trio of Blue Cross/Blue Shield, Great Falls Clinic, and their large out-of-state partner, Essentia Health, has created a healthcare steerage mechanism that will be damaging to Benefis Healthcare and limit choice to patients in our region. And if you don't believe Essentia is a "competitor" just view their "Key Strategies" on their website.

We understood and supported the original intent of the COPA as providing a regulatory substitute for competition following the merger of the two Great Falls hospitals. The need for such regulation no longer exists, in fact, in the face of competition bent on the culling of profitable, fully insured procedures away from community hospitals, the initially supportive oversight of the COPA becomes punitive in nature.

Benefis Healthcare
Great Falls

Big Sandy Medical
Center
Big Sandy

Blackfeet Community
Hospital
Browning

Fort Belknap Service
Unit
Harlem

Liberty County
Hospital
Chester

Marias Medical Center
Shelby

Missouri River Medical
Center
Fort Benton

Mountainview Medical
Center
White Sulphur Springs

Northern Montana
Hospital
Havre

Northern Rockies
Medical Center
Cut Bank

Phillips County
Medical Center
Malta

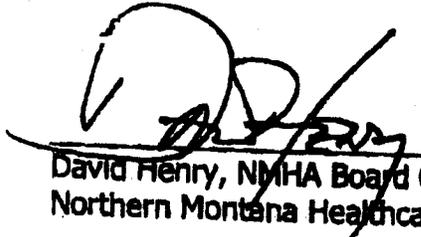
Pondera Medical
Center
Conrad

Sweet Memorial
Nursing Home
Chinook

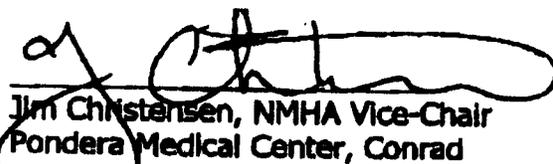
Teton Medical Center
Choteau

We ask you to consider the new information submitted by Benefis Healthcare and others and reconsider your decision to leave the COPA in place. The COPA has served its purpose and must now be eliminated.

Sincerely,



David Henry, NMHA Board Chair
Northern Montana Healthcare, Havre



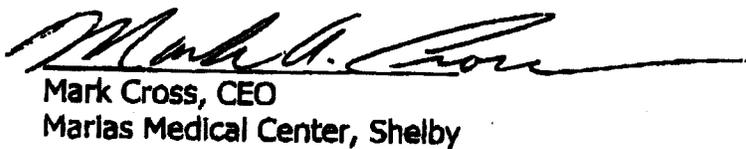
Jim Christensen, NMHA Vice-Chair
Pondera Medical Center, Conrad



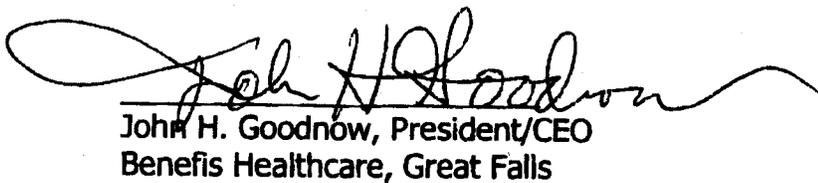
Harry Bold, CEO
Big Sandy Medical Center, Big Sandy



Katharine Ann Campbell, CEO
Mountainview Medical Center, White Sulphur Springs



Mark Cross, CEO
Marias Medical Center, Shelby



John H. Goodnow, President/CEO
Benefis Healthcare, Great Falls



Jack W. King, Executive Director
Northcentral Montana Healthcare Alliance


Jay Pottenger, CEO
Missouri River Medical Center, Fort Benton


Larry Putnam, CEO
Phillips County Hospital, Malta


Cheryl Taylor, CEO
Northern Rockies Medical Center, Cut Bank


Lawrence L. White, Jr., Interim CEO
Liberty County Hospital, Chester