

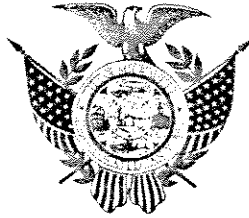
**MICHAEL J. MURPHY**

ALDERMAN, 10TH DISTRICT

City Hall, Room 205  
200 East Wells Street  
Milwaukee, WI 53202-3570

Phone (414) 286-2221  
Fax (414) 286-3456

e-mail: [mmurph@milwaukee.gov](mailto:mmurph@milwaukee.gov)  
website: [www.milwaukee.gov/district10](http://www.milwaukee.gov/district10)



**CHAIR:**  
Finance & Personnel Committee  
Milwaukee Arts Board

**MEMBER:**  
Judiciary & Legislation Committee  
Steering & Rules Committee  
Zoning, Neighborhoods & Development

April 9, 2007

Mr. Leo P. Brideau  
President & Chief Executive Officer  
Columbia St. Mary's  
2025 E. Newport Ave.  
Milwaukee, WI 53211

Mr. William D. Petasnick  
President & Chief Executive Officer  
Froedtert & the Medical College of Wisconsin  
9200 West Wisconsin Avenue  
Milwaukee, WI 53226

**Re: Invitation to Appear Before the City of Milwaukee Common Council's  
Finance & Personnel Committee to Discuss the Merger of Columbia St.  
Mary's and Froedtert**

Gentlemen:

You have announced your signing of a letter of intent to form a partnership between Columbia St. Mary's and Froedtert & Community Health. Under your proposal, Columbia St. Mary's and Froedtert would become financially integrated, governed and managed as a single local entity.

According to a press release issued by Froedtert on April 1, 2007, the proposed partnership between Columbia St. Mary's and Froedtert & Community Health would:

- Enhance geographic access for existing and future patients of Froedtert & Community Health and Columbia St. Mary's.
- Improve patient access to physician services within the system through the addition of clinic sites to the organization, closer alignments with independent community physicians, and continuation of Froedtert's strong partnership with the Medical College of Wisconsin Physicians Group.
- Enhance care coordination across the new organization, including electronic connections to ensure that patient health information is accessible to care teams at all sites.

- Maximize resources and strengthen already strong clinical programs in cancer, neurosciences, cardiovascular, orthopedics and women's services.
- Help control the growth of healthcare costs by eliminating unnecessary duplication of services and making the most efficient use of existing and new facilities; positioning the organization to achieve economies of scale while maintaining high-quality, accessible care.
- Foster collaboration around patient safety and quality. Columbia St. Mary's and Froedtert & Community Health are leaders in quality and safety; the proposed partnership would enhance learning and speed improvements.
- Lead efforts to connect underserved populations to health care. The organizations share a commitment to increase access to primary healthcare for inner-city residents and a history of providing healthcare for the vulnerable.
- Expand physician training opportunities and clinical research in collaboration with the Medical College of Wisconsin.

As you are aware, healthcare costs in southeastern Wisconsin are among the highest in the nation. If the partnership between Columbia St. Mary's and Froedtert is consummated later this year as anticipated, it likely will be at least a few years until the merger is successful and any real cost efficiencies for healthcare consumers can be measured.

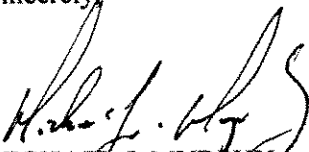
As the chairperson of the City of Milwaukee Common Council's Finance & Personnel Committee, I oversee the annual review of the city budget, which has included substantial increases in employee healthcare costs for each of the 17 budget processes in which I have participated.

The 2007 City Budget includes \$106.7 million for employee health care benefits, which includes \$71.6 million for HMOs and \$29.9 million for the basic plan. During the past 5 budget years, the City's total healthcare costs have grown \$25.8 million or 31.9%, from \$80.9 million budgeted for 2003 to \$106.7 million in 2007.

**Please accept my invitation to appear before the Finance & Personnel Committee at its next regular meeting on May 2, 2007 at 9:00 AM in Room 301B of City Hall, to discuss the goals of the merger and its potential impact on healthcare costs for consumers in Wisconsin—and Milwaukee taxpayers as well.**

I look forward to meaningful dialogue with you on this important issue. Please feel free to contact me with any questions or concerns.

Sincerely,



MICHAEL J. MURPHY  
Alderman, 10<sup>th</sup> District

Cc: Mayor Tom Barrett  
All Common Council Members  
Mark Nicolini  
Mike Brady  
Bevan Baker