



April 23, 2007

The Honorable Michael Murphy
Alderman, 10th District
City Hall, Room 205
200 East Wells Street
Milwaukee, WI 53202-3570

Alderman Murphy:

Thank you for your recent letter and interest in the proposed partnership between Froedtert & Community Health and Columbia St. Mary's.

As you know, the Boards of Directors of our respective organizations recently approved letters of intent to form a partnership. There will be several more steps in this process before we can move forward. The proposed partnership will need to return to each Board of Directors for final approval. The proposed partnership will also need the approval of the Department of Justice (DOJ) and the Federal Trade Commission (FTC).

Because of the steps that remain before the proposed partnership can move forward, we are not able to discuss specific plans to meet the goals of the proposed partnership as outlined in your letter at the May meeting of the Finance & Personnel Committee.

We value the City as a partner and will certainly continue to keep you informed about the proposed partnership as it develops and as additional information is available. We would be willing to provide an update to the Finance & Personnel Committee on the partnership if our Boards of Directors and the DOJ and FTC formally approve it.

As major employers, we appreciate your concerns about the impact of rising healthcare costs on area organizations. We have each experienced this with our own employee benefit plans. Each of our organizations is engaged in outreach to the business community with wellness programming as a way to both control costs and keep employees healthy. Either organization would be happy to talk with the City's employee benefit manager to explore whether our workplace wellness programming might assist in managing the City's benefit costs.

Again, we appreciate your interest in the proposed partnership. If you have questions, or would like to discuss the proposed partnership further, please contact us.

Sincerely,

William D. Petasnick
President & CEO
Froedtert & Community Health

Leo P. Brideau
President & CEO
Columbia St. Mary's