

## **Alamance Regional/Cone Health Q&A's**

### **What's being announced?**

Alamance Regional Medical Center will be joining the Cone Health network. The terms of the partnership are still being finalized. In broad terms, we know this:

- Alamance Regional will retain its name and identity and will become the 6<sup>th</sup> hospital in the Cone Health Network.
- Alamance Regional's operations will be combined into the Cone Health organization.
- We anticipate that after a period of focused research and due diligence, the partnership will result in a full merger of the operations of both organizations.
- Other details related to the more specific aspects of the merger will be thoroughly studied and evaluated by leadership from both Cone Health and Alamance Regional over the coming months.

### **When**

We expect the details of the agreement will be completed and the partnership will be finalized in mid-2012

### **What are the terms of the agreement?**

We expect the details of the agreement will be completed when the partnership is finalized in the spring of 2012.

### **Now that the partnership has been announced, what happens next to consummate the agreement?**

We will conduct a detailed study of the merger benefits for our communities. This study will evaluate, among other things, opportunities for improved efficiencies, program and service growth, and development. We expect this process will be completed prior to finalizing the merger in mid- 2012.

### **What happens to the employees of Alamance Regional? Will there be any layoffs?**

- No. There are no plans for any layoffs. Cone Health has a long history of growth and providing opportunities for employees within the broader organization.
  
- We will take our time to help evaluate our opportunities for combined operational efficiency as we join together.

### **Why are Cone Health and Alamance Regional joining?**

- Alamance Regional and Cone Health are two neighboring healthcare organizations with a lot in common. First and foremost, both organizations share common missions and are focused on providing superior service to all our patients.
- Given the uncertainties in evolving health care environment, Alamance Regional's future is best assured by partnering with a larger system like Cone Health.

- Both organizations value our patients, our employees and our communities. We share common missions, and our cultures and tradition of community service are aligned. Both organizations are well run and focused on being national leaders in the areas of quality, service and cost.
- We are both committed to providing the very best quality care and service. We believe this partnership will create a combined system, well positioned to meet present and future health care needs in our communities and will create a successful merger that will allow us to provide exceptional care to our patients.

**What are the benefits to Alamance Regional?**

- Like Alamance Regional, Cone Health has some of the very best physicians, and healthcare professionals in the region. So, we believe that healthcare in Alamance County will become even stronger now as Alamance Regional and Cone Health to join together and expand our combined network of care.
- Working together, we believe that we will be able to enhance the quality of care, reduce costs and help retain patients locally.
- We feel that this partnership will create a continuum of care for our patients through physician integration opportunities and an expanded healthcare network.
- Cone Health will provide Alamance Regional with access to additional management resources and increased economies of scale for more efficient operations.
- It also means that the citizens of Alamance County will benefit from significant resources that will provide enhanced philanthropic and non-profit support to the community through a hospital foundation, funded by Cone Health.
- In addition, joining with Cone Health will provide the financial support needed by Alamance Regional to help strengthen our ability to bring additional advanced medical care to Alamance County and surrounding areas in the future.
- When it comes to patient care, our goal will always be to treat patients locally. When needed, though, Alamance Regional’s patients will now have ready access to a broader network of services. For example, patients whose healthcare needs can’t be met at Alamance Regional will have increased opportunities to be treated within the broader Cone Health network.
- Importantly, the partnership allows Alamance Regional to compete with larger healthcare systems in the region.

**What are the benefits to Cone Health?**

- Cone Health’s vision is to become a national leader in providing measurably superior healthcare. Partnering with Alamance Regional will allow Cone Health to broaden its footprint in a “smart way,”

thereby providing opportunities for increased economies of scale and skill for the overall Cone Health organization.

- We are joining a neighboring healthcare system that is very much aligned with our vision and values. They are focused on providing superior service and exceptional care to patients.
- Alamance Regional also has some of the best healthcare professionals and support team professionals in the area. We're excited about partnering with them to provide exceptional care to patients in our communities.

#### **What are the benefits to the people of Alamance County?**

- Residents of Alamance County have long enjoyed truly excellent care and service at Alamance Regional. This merger will build upon and further strengthen the depth and breadth of those services for the residents of our community.
- Alamance Regional, like Cone Health has some of the very best physicians and healthcare professionals in the region. So, we believe that healthcare in Alamance County will become even stronger now as Cone Health and Alamance Regional merge and work together to expand our combined network of care.
- It also means that the citizens of Alamance County will benefit from significant resources that will provide enhanced philanthropic and non-profit support to the community through the hospital's Charitable Foundation.

#### **What about Alamance Regional's Senior Leaders?**

We expect Alamance Regional's Senior Leadership Team to remain in place supported by the existing Cone Health Leadership team. As is the case with many new partnerships, reporting relationships will evolve over time.

#### **What will happen to Alamance Regional's current Board of Directors?**

Four members of the Alamance Regional Board will become members of the Cone Health Board of Trustees. The current Alamance Regional Board will transition to an advisory board consisting of current Alamance Regional Board members, physicians and other community members.

#### **What does this mean for Alamance Regional Physicians?**

- Alamance Regional has some of the very best physicians, nurses and other healthcare and support professionals in the region. The organized medical staff at Alamance Regional will continue to function and exist as it does today. At the same time, there will be opportunities for the two medical staffs to look for ways to collaborate as they jointly explore opportunities to enhance the quality and depth of services that we provide to our communities.
- Local physicians are still in charge of patient referrals to other hospitals. We expect to create relationships and programs that will make it even more attractive and convenient for physicians and patients to refer into the Cone Health network.

- There's also the opportunity for local physicians to consider becoming a part of the Triad Healthcare Network, a physician-led organization partnered with Cone Health that will add value to their practices and prepare them for future changes in healthcare.

**What will happen to the Alamance Regional Charitable Foundation?**

The existing Alamance Regional Charitable Foundation will continue to function as a support organization for the hospital. Additional resources will be made available to provide enhanced philanthropic and non-profit support to the community through the hospital foundation.

**What happens to Alamance Regional's partnerships with others such as Duke for heart surgery coverage, etc.?**

It's too early to know. We haven't worked through those details yet.

**Will any services be added or reduced? If so, which ones?**

In the spirit of providing the best care for our patients, over the next few months we will evaluate a number of options, including which additional clinical services should be available to the community. We don't expect to reduce any services currently being provided by Alamance Regional.

**Will Alamance residents be encouraged to go to Greensboro for care?**

- Alamance Regional has a history of providing comprehensive, high-quality services to the residents of this region. We expect this role to continue and to be strengthened as a result of our partnership.
- When it comes to patient care, our goal will always be to treat patients locally whenever possible.
- Patients in need of services that are not provided by Alamance Regional will have enhanced opportunities to access the broader Cone Health network of services.
- Longer term, Cone Health and Alamance Regional leadership, in collaboration with the Alamance Regional medical staff, will determine which services should be added to the on-site capabilities at Alamance Regional.

**Is this a way to take patients out of Alamance County?**

- No. Alamance Regional has a history of providing comprehensive, high-quality services to the residents of this region. We expect this role to continue and to be strengthened as a result of our partnership.
- When it comes to patient care, our goal will always be to treat patients locally whenever possible.
- Patients in need of services that are not provided by Alamance Regional now may experience greater access to the broader Cone Health network of services.
- Longer term, Cone Health and Alamance Regional leadership, in collaboration with the Alamance Regional medical staff, will determine which services should be added to the on-site capabilities at Alamance Regional.

**Why is Alamance Regional joining with Cone Health instead of UNC or Duke?**

Cone Health and Alamance Regional are two neighboring healthcare organizations with a lot in common. First and foremost, both organizations share common missions and are focused on providing superior service to all our patients. We feel that a local, strategic partnership enhances the quality of care offered to our combined communities.

**Will Cone Health physicians work out of Alamance Regional and vice versa?**

We haven't worked through those details, yet. However, we do believe there's a tremendous opportunity for the two medical staffs to look for ways to collaborate as they jointly look for ways to enhance and improve the quality and services that we provide to the community.

**Will Alamance Regional employees have to work at other Cone Health locations?**

No. Providing the best care for our communities means we want to create the most efficient organization possible. We both value our employees and have a long history of preserving jobs, and giving employees the opportunity to advance or take on additional roles. This now includes the opportunity to consider employment options throughout the broader Cone Health organization.

**What happens to the Kernodle Clinic at Alamance Regional?**

**The Kernodle Clinic is not a part of the merger agreement.**

**Other HR/Employee Questions**

**Will my salary change? Will my paycheck or payday change?**

There will be no salary reductions as a result of this new partnership.

**Will we receive the same level of pay and benefits as our counterparts at Cone Health?**

All Alamance Regional and Cone Health employees will most likely share the same compensation and benefits plans. Going forward, we will take our time to evaluate this before making any decisions.

**How does Cone Health's benefits plan compare to Alamance Regional's?**

We have been neighboring healthcare systems for many years and have competed for staff. Our benefit plans are similar. Blending the two plans will take time and an extensive evaluation before any final decisions are made.

**What impact will this merger have on my retirement/pension, etc.?**

There will be no loss of any earned retirement or pension benefits from Alamance Regional. We haven't yet conducted an analysis of our two plans. This will happen over the next 90 days as we evaluate every aspect of our proposed merger.

**Am I now a Cone Health employee?**

No. These changes will occur when the merger is finalized in mid- 2012.

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