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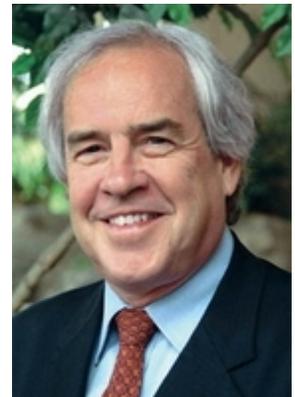
Article published May 14, 2013

Not-for-profit Billings Clinic forms joint venture with RegionalCare

By [Andis Robeznieks](#)

Posted: May 14, 2013 - 6:00 pm ET

Tags: [Acquisitions](#), [Deals](#), [Finance](#), [Hospitals](#), [Montana](#), [Nicholas Wolter](#), [Not-For-Profit](#), [Quality](#), [Systems](#), [Tennessee](#)



Wolter

Not-for-profit Billings (Mont.) Clinic and for-profit, Brentwood, Tenn.-based RegionalCare Hospital Partners have formed a joint venture that seeks to draw on the operational expertise and financial resources of both organizations.

“We don’t think it’s complicated,” said Dr. Nicholas Wolter, CEO of 263-bed Billings Clinic. “Billings Clinic is going to remain not-for-profit.”

Wolter, who was ranked the 41st-most influential physician executive by Modern Healthcare and Modern Physician in 2012, added that his organization will keep its current governance structure, which he described as a medical foundation model with a 250-physician medical group at its core.

The newly formed entity will be known as Billings Clinic RegionalCare LLC, and Wolter compared it to the [joint venture between Durham, N.C.-based Duke University Health System and the publicly traded LifePoint Hospitals system](#), also in Brentwood. Wolter said the new arrangement will not affect existing partnerships Billings has with nine critical-care hospitals in the region, but added that it will put his organization in a good position “to look at new opportunities” in the Northern Rocky Mountain regions of Montana and Wyoming

Discussions had been going on for about 10 months, Wolter said, and—before entering into the agreement—Billings officials visited RegionalCare’s Tennessee headquarters as well as the Eliza Coffee Memorial Hospital in Florence, Ala., which RegionalCare acquired in 2010. Wolter said Billings representatives met with Eliza Coffee board members and physicians, and were pleased to learn that RegionalCare didn’t change any of the hospital’s charity-care policies and didn’t “export jobs” to the central office.

RegionalCare also acquired the then not-for-profit Ottumwa (Iowa) Regional Health Center in 2010. Proceeds from that \$86 million transaction created the [Ottumwa Regional Legacy Foundation charity](#).

[According to a news release](#), the joint venture “will provide multiple options for healthcare organizations” to become affiliated with the new entity, and it will offer potential partners support with physician integration and recruitment, plus clinical protocols and quality-improvement systems. Other offerings could include access to the capital needed for growth strategies, “including technology and facility expansion and renovation,” the release said.

Though all these offerings could be made available, Wolter said there are no immediate partnerships or projects in the pipeline.

“There’s certainly nothing in the works that would lead to any kind of announcement in the near term,” he said.

Billings Clinic participated in the [Medicare Physician Group Practice Demonstration](#), and it also formed an accountable care organization that became part of the [Medicare shared-savings program](#) back in January.

Wolter said there are no current plans to create an [ACO under the joint venture](#), but he didn’t rule out the possibility.

“We have not discussed that in any detail yet,” he said. “But, depending on how these programs evolve, it might be something we might talk about in the future.”

The announcement of Billings joining the CMS program came one day after it was announced that it was also joining the [Mayo Clinic Care Network](#).

Eight-hospital RegionalCare Hospital Partners has been active lately as well. On May 1, the 88-bed Sierra Vista (Ariz.) Regional Health Center became part of RegionalCare, and plans are already developing for building a new [100-bed hospital](#).

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