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# Exhibit C-3

1 UNITED STATES DISTRICT COURT  
2 FOR THE EASTERN DISTRICT OF MICHIGAN  
3

4 UNITED STATES OF AMERICA  
and STATE OF MICHIGAN,

5 Plaintiffs,

Case No:

6 v.

2:15-cv-12311

7  
8 HILLSDALE COMMUNITY HEALTH  
CENTER, W.A. FOOTE MEMORIAL  
HOSPITAL, D/B/A/ ALLEGIANCE  
9 HEALTH, COMMUNITY HEALTH  
CENTER OF BRANCH COUNTY, and  
10 PROMEDICA HEALTH SYSTEM, INC.,  
11 Defendants.

Hon. Judith E. Levy

\_\_\_\_\_ /

12  
13 Lansing, Michigan

14 Tuesday, September 20, 2016  
15

16 Confidential Video Deposition of:

17 GEORGIA FOJTASEK,

18 was called for oral examination by counsel for the  
19 Department of Justice, pursuant to Notice, at Michigan  
20 Department of Attorney General, Corporate Oversight  
21 Division, G. Mennen Williams Building, 525 West Ottawa  
22 Street, Lansing, Michigan, before Michele E. French,  
23 RMR, CRR, CSR-3091 of Veritext, a Notary Public in and  
24 for the State of Michigan, beginning at 9:22 a.m.,  
25 when were present on behalf of the respective parties:



1 Hillsdale County physicians.

2 Q So is this accurate, that Allegiance had a  
3 strategy of having "...staff take all steps reasonably  
4 possible to avoid 'antagonizing' HCHC or its  
5 doctors..."? 11:29:27

6 MR. BURNS: Objection as to form. Asked and  
7 answered. She's already answered that exact question.  
8 You just didn't like her answer.

9 MS. ROUSE: I asked that -- she didn't  
10 answer it. 11:29:37

11 BY MS. ROUSE:

12 Q If you could please answer the question.

13 A So that we would take all steps reasonable  
14 to avoid antagonizing the physicians, yes, we did work  
15 to avoid antagonizing the physicians and the doctors, 11:29:47  
16 because we wanted to maintain a referral base there,  
17 particularly for open-heart.

18 BY MS. ROUSE:

19 Q Did Allegiance staff take all steps  
20 reasonably possible to avoid antagonizing HCHC, as 11:29:58  
21 well?

22 A That was our plan.

23 Q And did Allegiance do that because it  
24 recognized that avoiding antagonizing HCHC or its  
25 doctors might make it more likely that they would 11:30:17

1 refer open-heart patients to Allegiance?

2 MR. BURNS: Objection as to form.

3 I think if you read your question back, you  
4 misspoke, Ms. Rouse.

5 THE WITNESS: Can you repeat the question. 11:30:33

6 MS. ROUSE: Can you re-read the question,  
7 please, Michele. Thank you.

8 (Record read as requested.)

9 THE WITNESS: That by avoiding antagonizing,  
10 that it would build the -- build the relationships 11:31:03  
11 that could maintain referrals for open hearts and for  
12 other services. That was our goal.

13 BY MS. ROUSE:

14 Q And part of Allegiance's strategy of  
15 avoiding antagonizing HCHC and its doctors was to 11:31:21  
16 limit certain marketing efforts in Hillsdale County?

17 MR. BURNS: Objection as to form.

18 THE WITNESS: There were things that we  
19 chose not to do based on historic responses, and the  
20 fact that if those were antagonistic to either 11:31:43  
21 Hillsdale Hospital or to its physicians or to its  
22 employees, there were other means of accomplishing our  
23 goals.

24 BY MS. ROUSE:

25 Q Did Allegiance think it was better for 11:32:10

1 Allegiance to avoid competing with Hillsdale on the  
2 lower-end services because it wanted to focus on  
3 getting referrals from Hillsdale Community Health  
4 Center?

5 A We didn't -- 11:32:26

6 MR. BURNS: Objection as to form.

7 THE WITNESS: -- avoid competing.

8 THE REPORTER: "We didn't avoid competing"?

9 THE WITNESS: We did not avoid competing.

10 BY MS. ROUSE: 11:32:32

11 Q Did Allegiance think it was better to limit  
12 its competition in Hillsdale County on lower-end  
13 services because Allegiance wanted to focus on getting  
14 referrals from Hillsdale Community Health Center and  
15 its physicians? 11:32:49

16 MR. BURNS: Objection as to form.

17 THE WITNESS: We didn't limit competing. We  
18 just did it in a different way.

19 BY MS. ROUSE:

20 Q Allegiance did choose to limit certain 11:33:04  
21 marketing efforts in Hillsdale County as part of its  
22 approach?

23 A Allegiance chose not to put billboards up,  
24 and we chose not to distribute fliers or mailers or  
25 things in the local newspaper. That was our decision. 11:33:21

1 local Hillsdale newspaper are, you know, areas  
2 where -- okay, great, for whatever.

3 And then there is -- for the services that  
4 we both provide, we have made ample use of other  
5 sources of media in order to attract patients, which 11:49:54  
6 has been successful.

7 BY MS. ROUSE:

8 Q Okay. But so Allegiance's -- Allegiance has  
9 a strategy of avoiding marketing competing services in  
10 Hillsdale County in certain ways; right? 11:50:17

11 MR. BURNS: Objection as to form.

12 THE WITNESS: We have made specific  
13 decisions, for example, on a service, as you are well  
14 aware, on the Joint Camp that caused a big reaction,  
15 that we weren't going to do billboards or mailers on 11:50:36  
16 the Joint Camp, a competing service. So each one that  
17 is competing, we evaluate.

18 BY MS. ROUSE:

19 Q And was that your strategy while Mr. Bianchi  
20 was CEO of Hillsdale Community Health Center? 11:50:54

21 A It was our strategy -- when Mr. Bianchi was  
22 there, it was our strategy. It continues to be our  
23 strategy.

24 Q And what is the incident involving an  
25 Allegiance orthopedic billboard that angered 11:51:09



1 Mr. Bianchi?

2 A We were marketing our Joint Camp.

3 Q On a billboard?

4 A On a billboard.

5 Q And what was Mr. Bianchi's reaction to the 11:51:23  
6 Allegiance's marketing its Joint Camp on a billboard  
7 in Hillsdale County?

8 A Well, as best I recall, it resulted in a  
9 phone call to me and in a pretty tasteless billboard  
10 to talk about what a joint really is. 11:51:48

11 Q Around when was this incident?

12 A In the early 2000s.

13 Q And so at that point, Allegiance decided to  
14 avoid marketing its Joint Camp on billboards in  
15 Hillsdale County? 11:52:14

16 A We decided not to proceed with those  
17 billboards, yes.

18 Q Because of Mr. Bianchi's reaction?

19 A Correct.

20 Q And that was because Allegiance thought it 11:52:24  
21 needed to avoid antagonizing Mr. Bianchi in order to  
22 have a mutually beneficial relationship with Hillsdale  
23 Community Health Center?

24 MR. BURNS: Objection as to form.

25 THE WITNESS: It's not just Mr. Bianchi. 11:52:42

1 Q And you did have the chance to edit this  
2 document; right?

3 MR. BURNS: Objection as to form.

4 THE WITNESS: I don't remember the whole  
5 process, truthfully, as to how this -- how we 11:56:46  
6 finalized this document.

7 BY MS. ROUSE:

8 Q But earlier you said you reviewed it; is  
9 that right?

10 MR. BURNS: You can answer that question, if 11:56:55  
11 you reviewed it.

12 THE WITNESS: I did review it.

13 BY MS. ROUSE:

14 Q After Mr. Bianchi's phone call to you about  
15 the Joint Camp billboard by Allegiance, did Allegiance 11:57:11  
16 take down the billboard?

17 A I don't recall what we did.

18 Q But you remember deciding to not run that  
19 kind of billboard in the future?

20 A I do. 11:57:27

21 Q Did you ever tell Mr. Bianchi that  
22 Allegiance did not want to take the business from  
23 Hillsdale Community Health Center that Hillsdale  
24 Community Health Center could perform locally?

25 A My conversations with him would have been 11:57:44

1           A     Because they have been very clear to us,  
2     going back to the RFP and all, that -- the same as us.  
3     It's the exact same strategy we had. Obviously that  
4     strategy changed. To remain independent, to be able  
5     to support the community and provide services, to           12:55:19  
6     provide a source of economic vitality, and to let them  
7     know we got it, that we understood that as a strategy.  
8     And you have services that are going to be leaving,  
9     and we want to earn and deserve them.

10           I mean, I think all of these exhibits, in           12:55:43  
11     terms of e-mail exchanges, paint that picture very  
12     clearly.

13           Q     Turning back to Fojtasek Exhibit 4. Was  
14     part of earning the referrals from Hillsdale Community  
15     Health Center telling them that you were committed to           12:56:11  
16     respecting those services that can be done locally in  
17     Hillsdale?

18           MR. BURNS: Objection as to form.

19           THE WITNESS: Can you say that again.

20     BY MS. ROUSE:   12:56:26

21           Q     Well, I'll rephrase it.

22           Why did you want to tell Hillsdale Community  
23     Health Center that Allegiance would be respectful of  
24     those services that can be done locally in Hillsdale?

25           A     Because I think they respond more positively   12:56:39

1 to people who respect their situation.

2 Q Why do you think that?

3 A Because that's the way we feel when we  
4 conduct business.

5 Q Can you give me an example? 12:56:54

6 A I can give you an example where we, you  
7 know, established partnerships with the University of  
8 Michigan primarily in order to build and to grow, in  
9 order to build relationships, and where they -- and be  
10 respectful of keeping services available in Jackson. 12:57:16

11 Q You're referring to your joint venture with  
12 University of Michigan on cardiovascular care?

13 A Cardiovascular, radiation oncology. They  
14 supported us over the years with various other  
15 physicians. 12:57:38

16 Q And when you said "I think they respond more  
17 positively to people who respect their situation," do  
18 you mean they're more likely to send referrals?

19 A I think they're more likely to pave the way  
20 for referrals. 12:57:58

21 Q How can the CEO of a health system pave the  
22 way for referrals?

23 A Communications with -- definitely the  
24 physician relationships. If they're employed  
25 physicians, providing us access. The communications 12:58:22

1 A Right.

2 Q And here Mr. Houttekier is trying to get  
3 permission from Mr. Anderson to inform Hillsdale  
4 County physicians about Allegiance's parathyroid  
5 surgery service; right? 13:03:44

6 MR. BURNS: Objection as to form.

7 THE WITNESS: He's wanting to let them know,  
8 and then he goes on to say if there are physicians in  
9 Hillsdale who are performing that type of service,  
10 that we would be respectful. 13:04:02

11 BY MS. ROUSE:

12 Q Is that part of the Allegiance strategy of  
13 avoiding antagonizing Hillsdale Community Health  
14 Center and Hillsdale County physicians?

15 A And being respectful. 13:04:17

16 Q And so when you received this e-mail chain  
17 from Mr. Houttekier, were you surprised to see that he  
18 had asked Mr. Anderson for permission essentially to  
19 let Hillsdale County physicians know about the  
20 parathyroid surgery service? 13:05:03

21 MR. BURNS: Objection as to form.

22 THE WITNESS: Yeah, I don't remember what I  
23 was thinking at the time. What I know -- again, this  
24 is 2008 -- is we were not wanting to do things that  
25 were going to tick off the cadre of referring 13:05:17

1 asking -- was letting the primary care physicians know  
2 specifically about the technique, and Mr. Anderson's  
3 reply is that this is a procedure that their surgeons  
4 believe that they have covered.

5 BY MS. ROUSE: 13:07:32

6 Q And then do you see in Mr. Houttekier's  
7 e-mail to you and Mr. Grannan, he says in his last  
8 sentence, "I will reply to his e-mail and gracefully  
9 thank him for allowing us the opportunity to build..."  
10 a "solid relationship with him based on community 13:07:58  
11 medicine."

12 A Right.

13 Q Did you understand this to mean that  
14 Allegiance would not market the parathyroid surgery  
15 service with Hillsdale physicians? 13:08:16

16 MR. BURNS: Objection as to form.

17 THE WITNESS: I could take that from his  
18 answer, and also reinforcing that we weren't there to  
19 put them out of business.

20 BY MS. ROUSE: 13:08:28

21 Q Was avoiding marketing parathyroid surgery  
22 services that Hillsdale Community Health Center  
23 physicians could cover part of Allegiance's strategy  
24 of building a mutually beneficial relationship with  
25 Hillsdale Community Health Center? 13:09:00

1 down there.

2 And then as soon as digital became something  
3 we could access easily, we embarked on that. So it  
4 was -- we met our goals and objectives with our  
5 strategies.

13:10:50

6 BY MS. ROUSE:

7 Q But you're saying that the strategy worked  
8 better if you communicated with Hillsdale Community  
9 Health Center about what kind of activity would  
10 antagonize them?

13:11:03

11 A I think it demonstrates --

12 MR. BURNS: Objection as to form.

13 THE WITNESS: -- respect.

14 BY MS. ROUSE:

15 Q So is it -- would it have been difficult for 13:11:18  
16 Allegiance to carry out its strategy without this kind  
17 of communication with Hillsdale Community Health  
18 Center?

19 MR. BURNS: Objection as to form.

20 THE WITNESS: The type of strategy of 13:11:34  
21 communicating? Is that the theme that you're still  
22 on?

23 BY MS. ROUSE:

24 Q I'm asking if it would have been difficult  
25 for Allegiance to carry out its strategy of not

13:11:47

1 antagonizing Hillsdale Community Health Center without  
2 communicating with Hillsdale Community Health Center  
3 about what kinds of activities would antagonize them?

4 A I think that it's all part of building  
5 relationships. 13:12:03

6 Q Why do you need the kind of communication in  
7 Fojtasek Exhibit 5 to build a relationship with  
8 Hillsdale Community Health Center?

9 MR. BURNS: 5 or 6? You said Exhibit 5. Do  
10 you mean 5? 13:12:31

11 BY MS. ROUSE:

12 Q Oh, I'm sorry. I mean 6.

13 A You mean the conversation around the  
14 parathyroid surgery?

15 Q Yes. 13:12:40

16 A Can you repeat the question.

17 MS. ROUSE: Could you repeat --

18 BY MS. ROUSE:

19 Q Well, I'll make the question whole.

20 Why do you need the kind of communication in 13:12:53

21 Fojtasek Exhibit 6 to build a relationship with  
22 Hillsdale Community Health Center?

23 MR. BURNS: Objection as to form.

24 THE WITNESS: I don't know that we need it.

25 Obviously Mike Houttekier here is getting pretty 13:13:04



1 granular, and some of that may be sensitivity just to  
2 the situation down in Hillsdale, where the team was  
3 aware of the styles and the approaches, and they're  
4 just trying to be respectful.

5 BY MS. ROUSE: 13:13:32

6 Q So why does Allegiance need to have the kind  
7 of communication that's in Fojtasek Exhibit 6 to show  
8 it's being respectful?

9 MR. BURNS: Objection as to form.

10 THE WITNESS: I don't know that we 13:14:04

11 personally need this level. This is what staff went  
12 to do, based on what they understood was our strategy  
13 in Hillsdale. Building relationships with -- through  
14 the hospital CEO and with the physicians was what I  
15 know is critical to us being able to get those 13:14:35  
16 referrals that we wanted for high-end services.

17 BY MS. ROUSE:

18 Q In March of 2009, was Allegiance excluding  
19 Hillsdale County from its promotional mailings?

20 MR. BURNS: Objection as to form. 13:15:08

21 THE WITNESS: I don't know the specific -- I  
22 don't know the specifics of that. I assume that,  
23 unless it was a promotional mailing for something that  
24 was a tertiary service that we -- only we provided.

25 BY MS. ROUSE: 13:15:23

1 Q You would assume that you would exclude  
2 Hillsdale County --

3 A Yeah. I don't expect --

4 Q -- from mailings for everything except --

5 A Open-heart, as an example. I don't know. 13:15:29

6 Q But to finish my question, you would assume  
7 that Allegiance excluded Hillsdale County from  
8 promotional mailings for everything except for  
9 services that Hillsdale Community Health Center  
10 didn't provide? 13:15:42

11 MR. BURNS: Objection as to form.

12 THE WITNESS: I believe that is the case.

13 BY MS. ROUSE:

14 Q And the reason to exclude Hillsdale County  
15 was the strategy of avoiding antagonizing Hillsdale 13:15:56  
16 Community Health Center and its physicians?

17 A Right.

18 What was the date that you said? You used a  
19 date.

20 Q March 2009. 13:16:09

21 A Yeah, so that would have been a time when we  
22 were really ramping up on tertiary build.

23 Q And the only reason to exclude Hillsdale  
24 County in March of 2009 from promotional mailings for  
25 competing services was because of the strategy that 13:16:34

1 Q Is it consistent with the Allegiance  
2 strategy of avoiding antagonizing Hillsdale Community  
3 Health Center and its physicians to avoid marketing  
4 competing services in Hillsdale County via Physician  
5 Liaisons? 14:22:41

6 MR. BURNS: Objection as to form.

7 THE WITNESS: They market a variety of  
8 services. And as we've already gone over, they -- we  
9 were not to market or try to pull away the competing  
10 services specific by directly marketing those in that 14:22:58  
11 area. That was our strategy.

12 BY MS. ROUSE:

13 Q So the Physician Liaisons in Hillsdale  
14 County don't market competing services?

15 MR. BURNS: Objection as to form. 14:23:14

16 THE WITNESS: I don't -- I mean, I -- I  
17 don't think that we would have the Liaisons go into  
18 all the primary care offices and market general  
19 orthopedics. Specialty orthopedics, absolutely.

20 BY MS. ROUSE: 14:23:34

21 Q And Allegiance wouldn't have its Physician  
22 Liaisons market general orthopedics in Hillsdale  
23 County because Hillsdale Community Health Center  
24 offers those services?

25 A It's a service that those primary care 14:23:49

1           A     He -- I'm sure he did. There was no other  
2     reason for him to call me.

3           Q     And do you see the next line you say, "I  
4     told him that we specifically agreed to screen out  
5     Hillsdale zip codes..."? 14:25:35

6           A     Correct.

7           Q     Are you saying that Allegiance agreed with  
8     Hillsdale Community Health Center to screen out  
9     Hillsdale zip codes from orthopedic mailings?

10          A     No. We agreed -- this was one where Anthony 14:25:49  
11     and I specifically had agreed which zip codes were  
12     going to be suppressed.

13          Q     So the "we" here is referring to you and  
14     Anthony Gardner?

15          A     Correct. 14:26:07

16          Q     So you told Duke Anderson that you and your  
17     VP of Marketing had agreed to screen out Hillsdale zip  
18     codes?

19          A     Right.

20          Q     And in the next line you say that you told 14:26:19  
21     him "...we would find out what happened and be sure  
22     the appropriate apologies are..." sent.

23          A     Right.

24          Q     So you thought it was important for  
25     Allegiance to apologize for the mailing that went to 14:26:42

1 Hillsdale?

2 A Right.

3 Q And was apologizing important to building  
4 your relationship with Hillsdale Community Health  
5 Center? 14:26:56

6 A It was important to building the referral  
7 relationships.

8 Q And it was part of Allegiance's strategy of  
9 avoiding antagonizing Hillsdale Community Health  
10 Center? 14:27:16

11 A Correct.

12 Q Then you've testified previously that in  
13 2009 Allegiance also accidentally sent a Welcome Wagon  
14 mailing to Hillsdale County.

15 A I recall that, yes. 14:27:31

16 Q And Allegiance apologized for sending that  
17 mailing?

18 A We did.

19 Q And was that also important to building the  
20 relationship between Allegiance and Hillsdale 14:27:45  
21 Community Health Center, to apologize for the Welcome  
22 Wagon mailing?

23 A Our approach is one of respect, and we are  
24 an organization, and when people are upset because of  
25 our actions, we apologize. We can -- and we have a 14:27:59

1 term we use, "the blameless apology."

2 Q When Mr. Anderson called you about the  
3 orthopedic mailing in March 2009, did you consider  
4 telling him that Allegiance was free to market  
5 whatever services it wanted in Hillsdale County? 14:28:19

6 A Say that again.

7 Q When Mr. Anderson called you to complain  
8 about the orthopedic mailing that Allegiance  
9 accidentally sent to Hillsdale County, did you  
10 consider telling him that Allegiance was free to 14:28:32  
11 market whatever services it wanted in whatever way it  
12 wanted in Hillsdale County?

13 A He was aware, because we had already had the  
14 discussion, as in these previous documents, that we  
15 respect the need to keep local care local. And I also 14:28:52  
16 talked about keeping that hospital independent so that  
17 we could get referrals rather than having them pulled  
18 away by Borgess, ProMedica, or whoever else would own  
19 them.

20 Q So it wouldn't have made sense for you to 14:29:13  
21 tell him that Allegiance was free to market whatever  
22 it wanted in whatever way it wanted in Hillsdale  
23 County?

24 A It isn't consistent with our strategy.

25 Q If Allegiance was acting independently in 14:29:23

1 its strategy, why did you feel the need to apologize?

2 A Because the strategy included building  
3 relationships.

4 Q Did you do anything with Anthony Gardner to  
5 make sure that this kind of mistake in Allegiance's 14:29:55  
6 marketing wouldn't happen again?

7 A I don't remember what I -- there -- you  
8 know, these incidents -- and if this is the one  
9 related to that, we changed mailing vendors, and there  
10 was a glitch. I don't remember specifically what this 14:30:19  
11 was, but my message was here was whatever our  
12 processes are, we know that we have a specific  
13 marketing strategy. We need to make sure that we're  
14 doing it right. That was his job.

15 Q Do you see in the second-to-the-last 14:30:39  
16 sentence before your PS, you say, "The glitches cause  
17 distrust"?

18 A Right.

19 Q The glitches cause distrust between  
20 Allegiance and Hillsdale Community Health Center? 14:31:23

21 A Correct, and the referring physicians, in  
22 this case Dr. Collins.

23 Q And why do the glitches cause distrust  
24 between Allegiance and Hillsdale Community Health  
25 Center and Hillsdale Community Health Center 14:31:36

1 doing cases at Hillsdale. And what I'm reading here  
2 is that he wanted to be sure that Dr. Owusu -- which  
3 we would, too, because we wouldn't want to tick off a  
4 referral source -- would be -- would not feel that we  
5 were offending him. 15:11:05

6 Q Do you see next to "CV Campaign," it says,  
7 "He is okay with this campaign"?

8 A I see that.

9 Q Was this consistent with Allegiance's  
10 strategy of building a good relationship with 15:11:21  
11 Hillsdale Community Health Center, to see if they were  
12 okay with a campaign?

13 MR. BURNS: Objection as to form.

14 THE WITNESS: Yeah, I don't know the context  
15 and how we were -- I don't know what the context of 15:11:36  
16 this is, because it's -- it's obviously during  
17 open-heart, and it's cardiovascular, so I -- I don't  
18 know what it's related to.

19 BY MS. ROUSE:

20 Q Well, just generally, was it consistent with 15:11:54  
21 Allegiance's strategy of building a good relationship  
22 with Hillsdale Community Health Center to get their  
23 temperature on a campaign that Allegiance was planning  
24 to do in Hillsdale County?

25 MR. BURNS: Objection as to form. 15:12:08



1 THE WITNESS: Getting Mr. Anderson's  
2 temperature is the same as getting the medical staff's  
3 temperature, because he's the one that has the direct  
4 relationship with them. He can be the barometer of  
5 what's going to trigger opportunity or concern. 15:12:25

6 BY MS. ROUSE:

7 Q So was it consistent with the goal of  
8 building a good relationship with Hillsdale community  
9 center -- Hillsdale Community Health Center to get  
10 Mr. Anderson's temperature on a marketing campaign? 15:12:45

11 A It's consistent with what we wanted to do  
12 and accomplish in that community and our strategy of  
13 having good relationships.

14 Q Can you think of any other time that  
15 Allegiance sought Mr. Anderson's temperature on a 15:13:04  
16 marketing campaign?

17 A I'm not recalling. I know our team was very  
18 attuned to making sure that we were building  
19 relationships down there. That was a very unique  
20 market, with an independent hospital, that had the 15:13:25  
21 opportunity to send referrals north, south, east, and  
22 west, and we wanted them coming north to us.

23 Q Do you see in the next page, under  
24 "Summary," Mr. Grannan writes, "I think he is cautious  
25 related to making sure services offered in the 15:14:05

1 and the University owns one. That's a big deal. We  
2 share staffing. That has to be very carefully  
3 articulated. The cardiac surgeons -- I mean, I've  
4 testified multiple times that was a bet-the-farm deal.  
5 I was very involved. 15:30:43

6 Q Turning back to this document, do you see  
7 the next phrase of the first bullet point says, after  
8 "Our relationship with HCHC is transactional and one  
9 of seeking 'approval' to provide services in their  
10 market." Do you see that? 15:30:59

11 A I do.

12 Q Do you agree that the Allegiance/Hillsdale  
13 Community Health Center relationship is one of seeking  
14 approval to provide services in their market?

15 A I think it's noteworthy that "approval" is 15:31:12  
16 in quotations, and I can't speak for exactly why  
17 Mr. Gardner put it in quotations.

18 Q Can you explain whether you agree -- well,  
19 let me ask. Do you agree that the relationship  
20 between Hillsdale Community Health Center and 15:31:41  
21 Allegiance is one where Allegiance seeks approval to  
22 provide services in Hillsdale Community Health  
23 Center's market?

24 A I would probably -- if I -- I would echo  
25 Mr. Gardner's "approval," in that we talk to them if 15:31:57

1 we think it's going to build relationships, and then  
2 we execute our strategy, and our strategy has -- has  
3 worked. We have marketed. We have built market  
4 share, and we've done it our way.

5 Q Why does Allegiance need to talk to 15:32:15  
6 Hillsdale Community Health Center before it executes  
7 its strategy?

8 MR. BURNS: Objection as to form.

9 THE WITNESS: Anything we do to have  
10 discussions with them is based on executing our 15:32:40  
11 strategy and the way we have it outlined, which is  
12 building relationships based on what we know the  
13 reaction of that market is, led by the CEO and very  
14 influenced by the physicians.

15 BY MS. ROUSE: 15:32:58

16 Q So was it Allegiance's practice to get  
17 Hillsdale Community Health Center's opinion on any  
18 services before actually providing them in Hillsdale  
19 County?

20 MR. BURNS: Objection as to form. 15:33:29

21 THE WITNESS: Well, we would get their --  
22 the bellwether, and in these cases our physicians are  
23 actually on their medical staff doing cases -- certain  
24 cases there, and bringing the higher-end cases back to  
25 Jackson, as has happened with the variety of 15:33:50

1 Q Good afternoon, Miss Fojtasek. Again, Mark  
2 Gabrielse with the Michigan Attorney General's office.

3 Now, throughout this whole deposition, the  
4 word "relationship" has come up a lot. And it sounds  
5 like, as I understand it, Allegiance was working to 17:01:53  
6 build a relationship with Hillsdale Community Health  
7 Center; is that accurate?

8 A Yes.

9 Q And the goal of that relationship from  
10 Allegiance's perspective was to increase referrals 17:02:08  
11 from Hillsdale Community Health Center physicians;  
12 correct?

13 A Correct.

14 Q And to build that relationship with  
15 Hillsdale Community Health Center, at times you 17:02:22  
16 provided information to Mr. Anderson about  
17 Allegiance's plans in the Hillsdale County area?

18 A We would provide him plans of what services  
19 we offered, what physicians we would like to rotate.

20 Q And why would you provide that information 17:02:43  
21 to Mr. Anderson?

22 A Because -- well, first of all, to be able to  
23 find where strategies could align on services that  
24 could be mutually beneficial. And also, depending on  
25 the situation, to test -- use him as a test to what 17:03:09

1 the reaction was going to be in the community.

2 Q And when you would provide information to  
3 Mr. Anderson, was it your intent to listen to the  
4 feedback Mr. Anderson provided?

5 A I always listened. 17:03:28

6 Q Was it your intent to follow any  
7 recommendations Mr. Anderson provided?

8 MR. BURNS: Objection as to form.

9 THE WITNESS: No.

10 BY MR. GABRIELSE: 17:03:41

11 Q I guess I'm wondering, then, if the goal of  
12 all of this was to build a relationship with them, and  
13 if you were constantly asking him what he thought,  
14 Mr. Anderson what he thought, and then consciously  
15 doing the opposite or going against what he said, 17:03:58  
16 would that build a relationship with -- between  
17 Allegiance and Hillsdale Community Health Center?

18 A It was always balanced, and so we -- you  
19 know, things like the -- the parathyroid surgery, I  
20 mean, it wasn't a hill worth climbing. 17:04:20

21 Oncology and the fact that we had an  
22 Infusion Center that we had just built, a Cancer  
23 Center that we had built that's multi-disciplinary, we  
24 did -- we did marketing through a variety of means  
25 that attract a volume from that area. It was 17:04:43

1 another partner.

2 Q So there was action that Allegiance -- well,  
3 I guess it would be Allegiance -- Allegiance Health  
4 refrained from certain activities that would have made  
5 Hillsdale Community Health Center vulnerable to being 17:16:01  
6 acquired by a larger health system?

7 MR. BURNS: Objection as to form.

8 THE WITNESS: What we -- you know, there's a  
9 two-way street of having our physicians there seeing  
10 patients that builds image and reputation, including 17:16:20  
11 for Hillsdale, and our physicians did procedures  
12 there.

13 BY MR. GABRIELSE:

14 Q Well, earlier you testified you didn't want  
15 to drive Hillsdale out of business; correct? 17:16:30

16 A Correct.

17 Q You didn't want to take all their low-level  
18 services; right?

19 MR. BURNS: Objection as to form.

20 THE WITNESS: And leave the community 17:16:40  
21 without healthcare.

22 BY MR. GABRIELSE:

23 Q So Allegiance refrained from trying to get  
24 those services from Hillsdale Community Health Center?

25 A We were not trying to create a situation in 17:16:53

1 which they were so vulnerable they were going to  
2 partner with a competitor of ours.

3 Q So you took actions with the hope of keeping  
4 Hillsdale Community Health Center independent?

5 A Correct. 17:17:06

6 MR. BURNS: Objection as to form.

7 BY MR. GABRIELSE:

8 Q And you believed that Hillsdale Community  
9 Health Center could assist Allegiance Health in  
10 remaining independent? 17:17:18

11 A Building that referral base, and  
12 particularly for those high-end services, was part of  
13 the overall strategy of independence.

14 Q So Allegiance Health and Hillsdale Community  
15 Health Center could work together to stay independent? 17:17:37

16 MR. BURNS: Objection as to form.

17 THE WITNESS: We -- I think that the  
18 strategy --

19 BY MR. GABRIELSE:

20 Q I'll rephrase it. Hillsdale Community 17:17:54  
21 Health Center and Allegiance Health could work  
22 together to keep from being acquired by a larger  
23 health system?

24 MR. BURNS: Objection as to form.

25 THE WITNESS: I think that if executed in 17:18:03

CERTIFICATE OF NOTARY

STATE OF MICHIGAN       )  
  ) SS  
COUNTY OF INGHAM       )

I, MICHELE E. FRENCH, a Notary Public in and for the  
above county and state, do hereby certify that the  
above deposition was taken before me at the time and  
place hereinbefore set forth; that the witness was by  
me first duly sworn to testify to the truth, and  
nothing but the truth; that the foregoing questions  
asked and answers made by the witness were duly  
recorded by me stenographically and reduced to  
computer transcription; that this is a true, full and  
correct transcript of my stenographic notes so taken;  
and that I am not related to, nor of counsel to either  
party nor interested in the event of this cause.

Dated: September 30, 2016

*Michelle French*

Michele E. French, CSR-3091, RMR, CRR  
Notary Public, Ingham County, Michigan  
My Commission Expires: December 2, 2017