

CASE STUDY: WILSON MEDICAL CENTER



Stroudwater's Affiliations team engaged with Wilson Medical Center (WMC) in 2012. A profitable, \$140M annual net revenue community hospital with a strong balance sheet, WMC was confronting a consolidating market and ever-larger competing systems. The Stroudwater team worked with WMC leadership to find the best approach for WMC to achieve its strategic objectives.

After broad solicitation of proposals from in-state and out-of-state systems including for-profit and not-for-profit organizations, WMC decided to pursue an 80/20 joint venture with Duke LifePoint. Stroudwater supported WMC throughout the affiliation process, allowing them to find the unique solution that allowed WMC to realize its mission and vision and continue serving its community. WMC and DLP now share governance 50/50, with a \$120M minimal capital investment over next 10 years.

The affiliation agreement preserved WMC's core services and maintained its charity care policies, and allowed for the creation of a local foundation with in excess of \$120M in assets.

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