

Prairie Lakes Healthcare System/Brown Clinic Letter of Intent
FREQUENTLY ASKED QUESTIONS

What is taking place between Prairie Lakes Healthcare System and Brown Clinic?

On May 4, 2023, Prairie Lakes Healthcare System and Brown Clinic announced the signing of a Letter of Intent for the planned acquisition of Brown Clinic by Prairie Lakes. Pending successful completion of a definitive agreement and period of due diligence, the transaction would be finalized in approximately 90 days. This would be followed by the integration of Brown Clinic operations into Prairie Lakes Healthcare System. The combination of Brown Clinic with Prairie Lakes is designed to strengthen and provide a full continuum of healthcare services to the Watertown region.

What is a Letter of Intent? Does it mean this acquisition will take place?

A letter of intent outlines the general plans for an agreement between two or more parties before a legal agreement is finalized. A letter of intent is not a contract and cannot be legally enforced and therefore does not mean this acquisition will occur; however, it signifies a serious commitment from one involved party to another.

What is due diligence and what happens during due diligence?

Due diligence is a period of review, assessment, and evaluation of the potential acquisition. This happens before the terms of a formal agreement are finalized and agreed upon by both parties and provides the opportunity to identify any potential issues that could compromise the acquisition and defines the terms for the future contract.

Why are you doing this?

This potential acquisition will result in unifying two patient-centered healthcare organizations which formalizes a long-standing successful working relationship between Prairie Lakes and Brown Clinic. This would enhance the comprehensive range of healthcare services available by providing a clinically integrated experience, support medical provider growth, and continue to strengthen the exceptional care our teams provide every day to the Watertown region.

How will this affect patients?

During the period of due diligence, patients can be confident their care received at both organizations will continue uninterrupted and unchanged. By combining our healthcare teams and services, patients of Prairie Lakes Healthcare System and Brown Clinic could benefit from a strengthened continuum of exceptional healthcare in the Watertown region.

Will the name of Brown Clinic change?

Over the next few months, we'll be working through a multitude of details. Some specifics may or may not be resolved until after the transaction is finalized. We will share information on important topics, like this one, as we are able. In the meantime, our patients and community can be confident they will continue to receive the excellent patient-centered healthcare services they've come to expect from both organizations, each of which is highly regarded in the Watertown community.

Is this acquisition financially driven?

We see this as an opportunity to formalize a long-standing successful working relationship and together strengthen and streamline access to a comprehensive range of exceptional healthcare in the Watertown region. As we dig into the details over the next few months and come to a definitive agreement, we expect we will find efficiencies, as well as additional opportunities to grow positively together.

Will there be any reduction in staffing due to duplicate roles for the combined organizations?

The professionalism and commitment to outstanding patient care by the Brown Clinic and Prairie Lakes teams is at the heart of this plan. Discussion and assessment of specifics will be part of the due diligence process.

What are your future growth plans following the acquisition?

While we are engaged in the due diligence period and working to finalize the agreement, we are also focused on ensuring exceptional healthcare continues to meet the needs of patients in this region.

Both organizations have been very involved in the Watertown community. Will this change?

We are both hometown-based, hometown-committed healthcare organizations with rich histories of engagement in our communities. You can expect that support and commitment to the Watertown region to continue.