Bron Rammell, Idaho State Bar No. 4389
May, Rammell & Wells, Chartered
216 W. Whitman / P.O. Box 370
Pocatello, Idaho 83204-0370
Telephone: (208) 233-0132
Facsimile: (208) 234-2961

Attorney for Plaintiff

IN THE DISTRICT COURT OF THE SIXTH JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF BANNOCK

JONATHAN MORGAN, D.O., Plaintiff, vs. ARDENT HEALTH PARTNERS, Inc, a Delaware corporation doing business in Idaho; POCATELLO HOSPITAL, LLC, d/b/a PORTNEUF MEDICAL CENTER, an Idaho limited liability company; ROGER PASSMORE, as an individual; JACOB DELAROSA, as an individual. Defendants.	CASE NO. CV03-26-00276 **COMPLAINT AND DEMAND FOR JURY TRIAL UNDER I.R.C.P. 38** Brower, Cody L.

COMES NOW Jonathan Morgan, by and through his attorneys of record, May Rammell & Wells, Chtd., and hereby files this Complaint against Defendants as follows

JURISDICTION AND PARTIES

1. At all times relevant to this cause of action, Plaintiff Jonathan Morgan was a resident of Bannock County, State of Idaho.
2. Defendant Ardent Health Partners, Inc. is a foreign corporation authorized to do business in the State of Idaho and conducts business in Bannock County, Idaho, through its ownership, operation, and/or control of Pocatello Hospital, LLC d/b/a Portneuf Medical Center.

3. Defendant Pocatello Hospital, LLC is an Idaho limited liability company with its principal place of business in Bannock County, State of Idaho, and doing business in Bannock County, Idaho, as Portneuf Medical Center.
4. Defendant Roger Passmore is a resident of Bannock County, State of Idaho.
5. Defendant Jacob Delarosa is a resident of Bannock County, State of Idaho.
6. Jurisdiction in the Sixth Judicial District in and for the County of Bannock, State of Idaho, is proper pursuant to Idaho Code § 5-404.
7. Venue is appropriate with this Court pursuant to Idaho Code § 5-404 as Defendants reside in and/or conduct business in Bannock County and because a substantial part of the events and omissions giving rise to these claims occurred in Bannock County.

FACTUAL ALLEGATIONS

8. The preceding paragraphs are renewed and incorporated herein by this reference.
9. Plaintiff Jonathan T. Morgan, D.O. ("Dr. Morgan") is a licensed neurosurgeon who, at all material times, provided neurosurgical and neuro-trauma services at Portneuf Medical Center ("PMC") in Pocatello, Idaho.
10. On or about May 27, 2019, Dr. Morgan entered into a Professional Services Agreement ("PSA") with LHP Pocatello, LLC, an affiliate of Defendant Pocatello Hospital, LLC d/b/a Portneuf Medical Center, to provide neurosurgical services and call coverage for hospital patients.
11. Under the PSA, Dr. Morgan was required to perform his duties in full compliance with professional standards and all applicable laws.

12. The PSA also preserved Dr. Morgan's independent medical judgment and prohibited PMC and its affiliates from directing, controlling, or influencing his patient-care decisions for financial or administrative reasons.
13. PMC and its affiliates were required to maintain a safe, lawful, and properly equipped surgical environment.
14. PMC's contractual obligations included maintaining equipment in operable condition, ensuring compliance with federal and state accreditation standards, and cooperating with Dr. Morgan to enable performance of his duties.
15. The PSA further required PMC to pay Dr. Morgan within thirty (30) days of receiving his RVU and call documentation, to administer RVU accounting honestly and in good faith, and prohibited the Hospital from engaging in conduct that would impede his lawful medical practice.
16. PMC and its affiliates owed implied contractual duties not to hinder Dr. Morgan's performance, not to obstruct or undermine his ability to safely practice neurosurgery, and to act in good faith when administering all contractual rights and obligations.
17. Beginning in late 2019 and continuing into 2020, Dr. Morgan noted that critical neurosurgical equipment, including the Stealth navigation and O-arm imaging systems, became inoperative or unreliable.
18. These systems remained nonfunctional for nearly two years, forcing Dr. Morgan to perform complex procedures under unsafe and substandard conditions.
19. PMC's failure to maintain this equipment violated both the express and implied duties owed to Dr. Morgan under the PSA.
20. Defendants were made aware of this problem.

21. Defendants, rather than fix the issue, sought an opportunity to make more money out of the situation.
22. PMC entered into an "earn-out" arrangement with Medtronic, Inc., under which increased physician utilization of Medtronic implants would offset the cost of new equipment.
23. PMC then began replacing equipment under the Medtronic "earn out" arrangement.
24. PMC's financial alignment with Medtronic created pressure and incentives contrary to the PSA's protections for Dr. Morgan's independent judgment.
25. PMC knew that the arrangement with Medtronic was not in the best interests of its patients and patrons.
26. Dr. Morgan and others addressed this with PMC at the time.
27. Under pressure from PMC, Dr. Morgan ultimately agreed to use Medtronic products in good faith, but only for appropriate cases.
28. He objected to and said he would not agree to any directive requiring him to use particular devices for financial reasons over patient care and need.
29. PMC continued to insist that he use the Medtronic devices in all circumstances.
30. PMC's conduct constituted interference with Dr. Morgan's independent medical judgment, contrary to the PSA.
31. By 2021 and 2022, Dr. Morgan began noticing a sharp increase in post-operative infections among neurosurgical patients.
32. He observed multiple irregularities in operating-room procedure, including damaged instrument wrappers, punctured pan covers, and visibly unclean surgical instruments.
33. He reported these concerns to PMC.

34. Chief Medical Officer Dr. Roger Passmore personally participated in dismissing these reports, repeatedly assuring Dr. Morgan that sterile processing had no issues despite having no legitimate basis to make such assurances.
35. Almost immediately, PMC began making excuses and blaming the devices Dr. Morgan was using, and members of his team for the infections.
36. Dr. Morgan asked for an investigation into the cause of the visibly unsanitary instruments.
37. PMC effectively refused to do any investigation, blamed others, and limited Dr. Morgan's ability to confirm the cause of the defects.
38. PMC's refusal to investigate or correct sterile-processing failures breached the PSA's implied duties of cooperation, good faith, and non-hindrance.
39. During this period, Dr. Passmore exercised personal authority to block investigations, override instrument-tray culture orders, and shape a false narrative blaming Dr. Morgan and his team for infections.
40. Because of his duties to his patients, Dr. Morgan temporarily suspended elective surgeries pending PMC's conducting an internal review to identify the source of contamination.
41. The hospital's initial report claimed that the infections were linked to inexperienced surgical technologists being assigned to neurosurgery.
42. This seemed unlikely and inconsistent with Dr. Morgan's experience, but he relied on the information and integrity of PMC and its agents to ensure the safety and welfare of hospital patients.

43. Despite PMC's claims that the problems were caused by the surgical team, PMC continued to staff neurosurgical cases with unqualified personnel and failed to implement any corrective measures.
44. This caused Dr. Morgan to question the genuineness of the hospital's report about the cause of the defects and the lack of sterilization.
45. When Dr. Morgan persisted in raising safety concerns, hospital administrators downplayed the problems and informed him that his contract required that he resume elective surgeries in order to maintain revenue targets.
46. This statement was false, inconsistent with the PSA, and constituted bad-faith interference with Dr. Morgan's contractual rights.
47. In 2022, PMC hired a physician assistant ("PA") to assist Dr. Morgan in neurosurgery.
48. Dr. Morgan later discovered that the PA's wound-closure technique was improper and directly contributed to wound dehiscence and an infection.
49. He brought his concerns about the PA's skill to the attention of PMC, but they largely dismissed his complaints.
50. Dr. Morgan continued to feel that even if the PA or surgical team members could be assigned some blame for some infections, that the core problem was cleaning and sterilization of the tools and instruments, and voiced this to PMC.
51. The PA was eventually terminated.
52. The infections continued.
53. Dr. Morgan continued to resist doing elective surgeries consistent with the PSA's allowance for independent medical judgment until PMC corrected the infection issues and addressed the cleaning and sterilization concerns and complaints.

54. The Defendants retaliated against him by threatening a breach of contract unless he increased his elective surgeries.
55. Throughout 2022 and 2023, as Dr. Morgan continued raising concerns about contaminated trays, unexplained infections, cancelled culture orders, and unsafe staffing, his relationship with PMC's administration became increasingly adversarial.
56. The PSA required PMC to provide timely RVU accounting and payment, but the case file shows a consistent pattern of the hospital ignoring its own obligations whenever Dr. Morgan pressed the administration on patient-safety failures or resisted pressure to increase case volume under unsafe conditions.
57. Rather than addressing the contamination issues Dr. Morgan repeatedly documented, PMC responded by disputing his concerns, blaming his team, discouraging inquiries into sterile processing, and threatening him with breach of contract.
58. In this environment, the administrative functions that controlled his compensation, RVU reporting, documentation approval, and monthly reimbursement became another point of leverage for PMC.
59. By late 2023, this pattern manifested in the hospital's financial dealings.
60. By late 2023, PMC's delays in reimbursing Dr. Morgan under the PSA became chronic.
61. Required RVU reports were incomplete or late, and payments often arrived weeks or months beyond the 30-day contractual deadline.
62. PMC's chronic underpayment and delayed accounting constituted a material breach of the PSA and a violation of its implied duty of good faith.

63. On March 3, 2025, Dr. Morgan met with Chief Medical Officer Dr. Roger Passmore and other administrators to discuss unsafe staffing, infection control, and an alleged $800,000 equipment balance related to the Mazor robotic spine system.
64. Dr. Morgan again reiterated his patient-safety concerns and objected to continued pressure to increase Medtronic implant usage under the circumstances.
65. His concerns were not only dismissed, he was threatened with being in breach of contract.
66. PMC's threats were contrary to the PSA, which expressly prohibited interference with Dr. Morgan's medical judgment.
67. At that meeting, Dr. Passmore personally threatened Dr. Morgan with contractual consequences, falsely accused him of being the source of infections, and attempted to coerce him into performing elective cases under unsafe conditions.
68. Dr. Morgan continued to refuse to do the elective surgeries because of the infections concerns, but non-elective surgery still needed to be performed.
69. Dr. Morgan was forced to rely on the trust, truth, and integrity of PMC that the tools and instruments he was using were safe and clean.
70. PMC repeatedly told him they were safe and clean and that they verified that there were no internal issues causing infections or a lack of cleaning or sterilization.
71. In the following weeks, multiple neurosurgical patients developed severe post-operative infections caused by organisms such as MRSA, Serratia, Enterobacter, Acetobacter, and Pseudomonas.

72. These were not minor or routine surgical-site issues; they were aggressive, deep infections requiring washouts, prolonged IV antibiotics, and in some cases emergency re-operations.
73. The organisms appeared in clusters that spanned different patients, procedures, and operative days, including healthy patients with no immunocompromising conditions.
74. The recurrence of the same organisms across unrelated cases is a classic sign of systemic contamination within sterile processing rather than any isolated lapse by a surgeon or assistant, and the pattern directly contradicts PMC's repeated claims that the infections were caused by Dr. Morgan's technique or by inexperienced staff.
75. PMC's refusal to investigate or disclose the source of contamination hindered Dr. Morgan's ability to perform his contractual duties and violated the PSA's implied duty to cooperate and provide a safe and lawful surgical environment.
76. As a result, and out of concern for patients, Dr. Morgan personally ordered microbial cultures of surgical instrument trays to determine whether contamination originated in the Sterile Processing Department.
77. Dr. Passmore personally cancelled these orders on multiple occasions, knowingly obstructing efforts to identify the source of infections.
78. Despite hospital administrators' cancelling of his testing orders, Dr. Morgan was determined to take microbial cultures out of concern for the safety and welfare of the patients.
79. The cultures were performed by the hospital laboratory and returned positive for Staphylococcus aureus (including MRSA) and Streptococcus species, the same organisms found in numerous post-operative infections.

80. These results confirmed Dr. Morgan's concerns that he had been raising with the Defendants, including active bacterial contamination within Portneuf Medical Center's sterilization and instrument-processing system.

81. When the findings were presented to PMC, the Defendants not only disregarded them, they persisted in blaming others.

82. They refused to accept any responsibility and began to offensively attack Dr. Morgan and others.

83. For example, instead of acknowledging the findings, PMC's Operating Room Director and senior administrators publicly claimed that Dr. Morgan's personal hygiene, surgical technique, or refusal to be cultured caused the infections.

84. These statements were false and made in the presence of hospital staff and referring physicians.

85. During this same period, an independent vendor and member of Dr. Morgan's surgical team, Dallin J. Caudle, also documented contaminated trays and identified and reported similar safety issues and complaints.

86. In July 2025, General Surgeon Dr. Jacob Delarosa personally confronted and attempted to silence individuals raising concerns about Dr. Morgan's departure and sterile-processing failures.

87. Dr. Delarosa aggressively warned that elevating these concerns would result in retaliation from hospital leadership, conduct that served to suppress reporting of patient-safety issues and protect PMC's false narrative.

88. Dr. Delarosa also made implied threats that Dr. Morgan's supporters or colleagues, like Caudle, would face employment consequences if they continued to question the hospital's handling of infections or his resignation.
89. His reports were likewise dismissed, and he was later blamed and excluded from the hospital.
90. This action affected Dr. Morgan, who had developed a relationship of trust with Caudle, and relied on his assistance in his surgeries.
91. From what Dr. Morgan could see, the actions against Caudle appeared to be in retaliation for identifying and reporting the findings.
92. Despite the incontrovertible mounting evidence of contamination caused by PMC, its employees or agents, Dr. Passmore instructed and insisted that Dr. Morgan resumed elective cases, warning that his refusal would be considered an actionable breach of contract.
93. In May 2025, during a minimally invasive spinal fusion performed on a pediatric trauma patient, Dr. Morgan and vendor representative Dallin Caudle observed that surgical instruments labeled "sterile" contained visible biological residue. Photographic documentation of the instruments was submitted to hospital administration.
94. The following day, a sterile-processing employee privately informed Dr. Morgan that this was not the first time contaminated trays had been delivered to his surgeries.
95. Dr. Morgan immediately notified risk management and requested a full investigation.
96. Shortly thereafter, the Trauma Director instructed Dr. Morgan not to inform affected patients, asserting that patient disclosure was the hospital's responsibility.

97. Dr. Morgan later learned that some patients were never notified, prompting him to contact at least one such patient personally.

98. In June 2025, the Joint Commission conducted an unannounced inspection of PMC's operating-room and sterile-processing facilities.

99. The inspection identified serious deficiencies in sterilization procedures, recordkeeping, and staff competency.

100. On July 3, 2025, unable to ensure patient safety or obtain hospital compliance, Dr. Morgan voluntarily withdrew his surgical privileges at PMC.

101. Dr. Morgan's withdrawal was a direct result of PMC's persistent breaches of express and implied duties under the PSA.

102. Within weeks, the Centers for Medicare & Medicaid Services (CMS) issued formal findings confirming that PMC's Sterile Processing Department was out of compliance with federal standards governing infection control and patient safety.

103. Following Dr. Morgan's withdrawal, hospital administrators and agents, including Dr. Passmore, circulated statements falsely attributing the infections to Dr. Morgan's surgical technique, personal hygiene, and refusal to cooperate with infection-control measures.

104. These statements were communicated to hospital staff, referring physicians, and members of the local medical community, creating the false impression that Dr. Morgan was unsafe and incompetent.

105. The defamatory statements were made despite internal and regulatory findings establishing that contamination originated in PMC's sterile-processing department.

106. Hospital administrators further invoked the PSA's non-compete clause to discourage other regional hospitals from hiring Dr. Morgan, including Bingham Memorial Hospital, where he had begun employment discussions.

107. On or about July 8, 2025, Chief of Surgery Dr. Jacob Delarosa held a closed-door meeting with physician assistant David McDonald after McDonald submitted a complaint on the medical staff website regarding Dr. Morgan's resignation and sterile-processing failures.

108. Dr. McDonald believed the complaint was anonymous and addressed it to Dr. Fenstermaker, but Dr. Delarosa told him he had seen it and that "Nate Carter sees every complaint."

109. In that meeting, Dr. Delarosa told McDonald that everything McDonald had heard from Dr. Morgan over the prior eight months about contract delays and negotiations was "wrong," repeatedly cut McDonald off with "no, no, no" when he attempted to describe Dr. Morgan's concerns, and insisted there had been no ongoing contract negotiations and that "everything was just fine" with Dr. Morgan's contract. These statements directly contradicted what Dr. Morgan and Dr. Cach had reported for months.

110. When McDonald raised the contaminated tray with blood and bone at the end of a neurosurgical case, and the fact that culture orders had been cancelled by Dr. Passmore, Dr. Delarosa dismissed or denied these facts, first asserting that such cancellations "weren't a thing" and then claiming he was not aware of them.

111. He further characterized Dr. Morgan as "risky" and "a little crazy about the infections," and used that characterization to suggest that any increased infection rate was

due to Dr. Morgan's allegedly risky patient selection rather than sterile-processing failures.

112. At the end of the interaction, Dr. Delarosa told McDonald that CEO Nate Carter would review McDonald's complaint and "see what he needs to have done," which McDonald reasonably understood as an implied threat to his job if he continued to support Dr. Morgan or question the hospital's narrative. McDonald left the meeting feeling intimidated and believing that no opinion inconsistent with Dr. Delarosa's was welcome.

113. The hospital's leadership, including Dr. Passmore and Operating Room Manager Deborah Schnider, knowingly cancelled tray cultures, suppressed positive test results, and issued false explanations to conceal their failure to maintain sterile-processing compliance.

114. On July 29, 2025, PMC sent a letter to Bingham Memorial Hospital invoking the non-compete clause in the PSA, a contract that PMC had previously breached as detailed in the preceding paragraphs.

115. PMC's invocation of the non-compete in bad faith, while simultaneously rendering his practice environment unsafe and untenable, constituted an additional breach of the implied covenant.

116. PMC's conduct effectively prevented Dr. Morgan from continuing his medical practice in Southeast Idaho and forced him to seek relocation and employment elsewhere.

117. Dr. Morgan's reports were consistent with PMC's own "speak-up" policy, encouraging staff to report safety risks without retaliation.

118. Nonetheless, the hospital punished him for whistleblowing by discrediting his professional reputation and obstructing his livelihood.

119. As a direct and proximate result of Defendants' conduct, Dr. Morgan has suffered lost income, unpaid contractual compensation, relocation expenses, loss of professional standing, and severe emotional distress.

120. The hospital's actions were undertaken knowingly, willfully, and in reckless disregard of both patient safety and Dr. Morgan's contractual and professional rights.

121. Dr. Morgan's concerns were later validated by the Joint Commission and CMS, which substantiated the very deficiencies he reported and confirmed that Portneuf Medical Center failed to maintain compliance with federal and industry safety standards.

COUNT I
(Breach of Contract)

122. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

123. On or about May 27, 2019, Plaintiff Jonathan T. Morgan, D.O. ("Dr. Morgan") entered into a valid and enforceable Professional Services Agreement ("PSA") with LHP Pocatello, LLC, an affiliate and agent of Defendant Pocatello Hospital, LLC d/b/a Portneuf Medical Center ("PMC").

124. The PSA governed Dr. Morgan's provision of neurosurgical and neuro-trauma services at PMC and established reciprocal contractual duties between the parties, including duties related to patient safety, professional independence, operational cooperation, and compensation.

125. Under the PSA, PMC expressly and impliedly agreed, among other things, to:

a. Maintain a safe, lawful, and properly equipped surgical environment in compliance with federal and state law, accreditation standards, and applicable standards of care;

b. Provide properly functioning surgical equipment, sterile instrumentation, and qualified support staff necessary for neurosurgical procedures;

c. Refrain from directing, controlling, or interfering with Dr. Morgan's independent medical judgment in patient-care decisions;

d. Cooperate in good faith with Dr. Morgan's performance of his contractual duties and not hinder or obstruct his ability to safely provide care; and

e. Accurately account for, timely process, and pay all compensation owed to Dr. Morgan, including wRVU-based compensation and call coverage, within the timeframes required by the PSA.

126. Dr. Morgan fully performed all material obligations required of him under the PSA, including maintaining licensure and credentials, providing continuous neurosurgical coverage, complying with applicable professional standards, and acting in good faith to protect patient safety.

127. PMC materially breached the PSA through multiple, independent acts and omissions, further explained below.

128. PMC failed to maintain properly sterilized surgical instruments and a compliant sterile-processing system, resulting in repeated delivery of contaminated or inadequately processed instrument trays for neurosurgical procedures.

129. PMC's failure to maintain sterile instrumentation and to correct known deficiencies violated its express and implied contractual obligations to provide a safe and lawful

surgical environment and materially interfered with Dr. Morgan's ability to safely perform surgeries under the PSA.

130. Despite the PSA's express protection of Dr. Morgan's independent medical judgment, PMC administrators pressured Dr. Morgan to continue or increase elective surgical volume under conditions he reasonably believed were unsafe for patients.

131. PMC further interfered with Dr. Morgan's contractual performance by cancelling or obstructing instrument-culture orders intended to verify sterility, thereby preventing him from confirming whether surgical conditions complied with professional and regulatory standards.

132. These actions constituted contractual interference and a material breach of PMC's duty not to hinder Dr. Morgan's performance under the PSA.

133. PMC failed to cooperate in good faith by refusing to investigate or remediate known sterile-processing failures, dismissing documented safety concerns, and retaliating against Dr. Morgan for raising issues directly related to patient safety and contractual compliance.

134. PMC's conduct deprived Dr. Morgan of the benefit of his contractual bargain by rendering continued performance unsafe, professionally untenable, and inconsistent with his ethical and contractual obligations.

135. PMC further breached the PSA by failing to timely and accurately process Dr. Morgan's wRVU reports and compensation, including chronic delays in payment beyond the PSA's required timeframes and incomplete or inaccurate accounting.

136. PMC's compensation delays and underpayments were not isolated administrative errors but part of a broader pattern of bad-faith contractual performance occurring while Dr. Morgan raised patient-safety concerns.

137. After PMC's own material breaches rendered continued performance unsafe and impossible, PMC invoked the PSA's restrictive covenant provisions to interfere with Dr. Morgan's ability to obtain alternative employment, including employment discussions with other regional hospitals.

138. PMC's attempt to enforce restrictive covenants under these circumstances constituted an additional breach of the PSA and its implied obligation not to benefit from its own misconduct.

139. Each of the foregoing breaches was material, went to the essence of the PSA, and destroyed the mutual benefit and purpose of the agreement.

140. As a direct and proximate result of PMC's breaches, Dr. Morgan suffered damages including, but not limited to, unpaid contractual compensation, lost income, loss of professional opportunities, relocation expenses, reputational harm, and loss of future earning capacity.

141. Dr. Morgan has suffered and continues to suffer these damages as a foreseeable consequence of Defendants' contractual breaches.

142. Plaintiff is therefore entitled to recover all compensatory damages necessary to make him whole, together with pre- and post-judgment interest, and reasonable attorney's fees and costs pursuant to Idaho Code §§ 12-120(3) and 12-121, as well as such other relief as the Court deems just and proper.

COUNT II

(Breach of the Implied Covenant of Good Faith and Fair Dealing)

143. Plaintiff re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

144. Dr. Morgan and Defendant Pocatello Hospital, LLC d/b/a Portneuf Medical Center ("PMC") entered into a valid and enforceable Professional Services Agreement ("Agreement") effective May 27, 2019, governing Dr. Morgan's provision of neurosurgical services at PMC.

145. Under Idaho law, every contract includes an implied covenant of good faith and fair dealing that requires each party to perform the contract in good faith and to avoid conduct that is arbitrary, unfair, or undertaken in bad faith so as to deprive the other party of the benefit of the agreement. *Fox v. Mountain West Elec., Inc.*, 137 Idaho 703, 710–11, 52 P.3d 848, 855–56 (2002).

146. The PSA vested PMC with discretion over administrative, operational, and compensation-related matters, including sterile-processing oversight, internal investigations, staffing decisions, approval of documentation, compensation processing, and the enforcement of restrictive covenant provisions.

147. The implied covenant required PMC to exercise that discretion for legitimate purposes consistent with the PSA's objectives, and prohibited the use of contractual discretion to retaliate against Dr. Morgan, conceal regulatory noncompliance, or coerce performance under unsafe conditions.

148. Dr. Morgan performed his contractual obligations in good faith and reasonably relied on PMC to exercise its discretionary authority in a manner consistent with patient safety, regulatory compliance, and the parties' shared purpose of providing safe neurosurgical care.

149. PMC breached the implied covenant of good faith and fair dealing by exercising its contractual discretion in an arbitrary, retaliatory, and bad-faith manner.

150. PMC knowingly minimized, concealed, or failed to remediate deficiencies in its sterile-processing and infection-control systems while simultaneously assuring Dr. Morgan that no systemic problems existed and that surgical instrumentation was safe for use.

151. PMC further exercised its discretionary authority to cancel or obstruct instrument-culture testing ordered by Dr. Morgan, not for legitimate clinical or administrative reasons, but to prevent confirmation of contamination and to avoid regulatory scrutiny and internal accountability.

152. After Dr. Morgan raised patient-safety concerns, PMC selectively exercised control over RVU reporting, documentation approval, and compensation timing in a manner that delayed or reduced payments otherwise owed under the PSA.

153. PMC used these administrative and financial controls as leverage to pressure Dr. Morgan to resume or increase elective surgical volume despite unresolved safety risks, conduct that was inconsistent with the justified expectations created by the PSA.

154. PMC invoked alleged contractual obligations and threatened adverse contractual consequences to coerce Dr. Morgan into performing surgeries under conditions he reasonably believed were unsafe, notwithstanding the PSA's express protection of his independent medical judgment.

155. After PMC's own conduct rendered continued performance unsafe and untenable, PMC invoked restrictive covenant provisions of the PSA to interfere with Dr. Morgan's ability to obtain alternative employment and continue his medical practice.

156. PMC's conduct was opportunistic and undertaken to secure contractual benefits while avoiding corresponding obligations, and it deprived Dr. Morgan of the fundamental benefits of the PSA.

157. As a direct and proximate result of PMC's breach of the implied covenant of good faith and fair dealing, Dr. Morgan was deprived of the ability to safely practice medicine, receive timely and accurate compensation, preserve his professional reputation, and continue his career in Southeast Idaho.

158. Dr. Morgan suffered damages, including lost income, unpaid compensation, loss of professional opportunities, relocation expenses, reputational harm, emotional distress, and loss of future earning capacity, all in amounts to be proven at trial.

159. Dr. Morgan is entitled to recover all compensatory damages, together with reasonable attorney's fees and costs pursuant to Idaho Code §§ 12-120(3) and 12-121, and such other and further relief as the Court deems just and proper.

COUNT III
(Tortious Interference with Contract)

160. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

161. At all times material hereto, Dr. Morgan was a party to a valid and enforceable Professional Services Agreement ("PSA") with LHP Pocatello, LLC, an affiliate of Portneuf Medical Center ("PMC"), effective May 27, 2019. The PSA governed Dr. Morgan's neurosurgical services for PMC patients and established reciprocal rights and obligations between Dr. Morgan and PMC.

162. Defendants had actual knowledge of the PSA, its key terms, and Dr. Morgan's responsibilities under it.

163. Acting individually and in concert, Defendants intentionally and unjustifiably interfered with Dr. Morgan's ability to perform and continue his contractual relationship by taking actions meant to disrupt and undermine his work, including:

a. Cancelling or blocking Dr. Morgan's culture orders and otherwise preventing him from confirming instrument sterility, which impaired his ability to meet professional and legal standards;

b. Discouraging or obstructing investigations into known sterilization and compliance failures inside PMC's facilities;

c. Pressuring Dr. Morgan to perform elective surgeries under conditions he had identified as unsafe;

d. Retaliating against Dr. Morgan for raising patient-safety concerns, including spreading false claims about his surgical technique, professionalism, and hygiene to justify disciplinary action; and

e. Using hospital authority to isolate, discredit, and drive Dr. Morgan from his position, including by invoking contractual provisions to prevent him from practicing elsewhere.

164. Defendants undertook these actions knowing of Dr. Morgan's contract and intending to interfere with his ability to continue performing under it.

165. Their conduct had nothing to do with legitimate medical or operational purposes. It was done to conceal hospital noncompliance, avoid regulatory scrutiny, and protect the financial interests tied to PMC's vendor and reimbursement arrangements.

166. Defendants' actions were carried out in bad faith and through improper means, by deceit, retaliation, and abuse of authority against a physician acting in good faith to

protect patients.

167. As a direct result of Defendants' conduct:

a. Dr. Morgan's contractual relationship with PMC was severely disrupted and made it impossible to continue;

b. Dr. Morgan was effectively forced to withdraw his surgical privileges and cease performing under the PSA; and

c. He suffered substantial losses, including lost income, unpaid compensation, relocation expenses, loss of future professional opportunities, and damage to his reputation, all in amounts to be proven at trial.

168. The facts show that:

a. There was a valid and enforceable PSA between Dr. Morgan and PMC;

b. Defendants knew about that contract and its key terms;

c. Defendants intentionally and without justification interfered with Dr. Morgan's ability to carry out and continue that agreement through improper and retaliatory actions;

d. Their interference disrupted and effectively ended Dr. Morgan's contractual relationship; and

e. Dr. Morgan suffered real and measurable damages as a direct result of that interference.

169. Defendants' conduct was willful, reckless, and done in bad faith, entitling Dr. Morgan to all remedies available under Idaho law, including compensatory and punitive damages.

170. Dr. Morgan is also entitled to recover his reasonable attorney's fees and costs under Idaho Code §§ 12-120(3) and 12-121, as this action arises from a commercial transaction

and was made necessary by Defendants' bad-faith conduct, together with any other relief the Court finds just and proper.

COUNT IV

(Tortious Interference with Prospective Economic Advantage)

171. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

172. After being constructively forced to leave Portneuf Medical Center ("PMC"), Dr. Morgan sought to continue his medical career by pursuing new employment opportunities with other hospitals and healthcare organizations in Southeast Idaho, including Bingham Memorial Hospital ("BMH").

173. At that time, Dr. Morgan had a clear and valid economic expectancy, a reasonable expectation of future employment and income, based on ongoing discussions and serious consideration for a neurosurgical position at BMH.

174. Defendants, including Ardent Health Partners, Inc., Pocatello Hospital, LLC d/b/a Portneuf Medical Center, and their officers and administrators, had actual knowledge of Dr. Morgan's efforts to secure new employment and were aware that his opportunity at BMH represented a significant source of future income and professional advancement.

175. Acting individually and in concert, Defendants intentionally interfered with Dr. Morgan's prospective employment by contacting BMH on July 29, 2025 and asserting that Dr. Morgan was bound by a non-compete provision in his Professional Services Agreement with LHP Pocatello, LLC, and that hiring him would violate that restriction.

176. Defendants knew this assertion was false and misleading.

177. By their own prior conduct, Defendants had breached the PSA and constructively

discharged Dr. Morgan, making it impossible for him to safely and ethically continue working at PMC.

178. Having breached first, Defendants could not lawfully enforce or rely on the PSA's restrictive covenant.

179. Defendants' actions were wrongful by more than the fact of interference itself.

180. They were undertaken in bad faith and to retaliate against Dr. Morgan for exposing unsafe hospital practices, to shield themselves from regulatory scrutiny, and to prevent him from continuing his medical practice in the region.

181. Their conduct was not privileged or justified by any legitimate business interest.

182. As a direct and proximate result of Defendants' intentional and wrongful interference:

a. Dr. Morgan's expected employment with BMH was terminated before it could be finalized;

b. He lost a significant and foreseeable source of future income and professional stability; and

c. He suffered consequential damages, including relocation costs, reputational harm, and loss of earning capacity, all in amounts to be proven at trial.

183. These facts establish each element of this claim, including:

a. Dr. Morgan had a valid and identifiable economic expectancy of employment with BMH;

b. Defendants knew about that expectancy;

c. Defendants intentionally interfered and caused the termination of that prospective opportunity;

d. Defendants' interference was wrongful and motivated by retaliation, bad faith,

and improper purpose beyond mere competition; and

e. Dr. Morgan suffered measurable financial and professional harm as a result.

184. Defendants' conduct was deliberate, malicious, and carried out with reckless disregard for Dr. Morgan's rights, entitling him to all remedies available under Idaho law, including compensatory and punitive damages.

185. Dr. Morgan is also entitled to recover his reasonable attorney's fees and costs under Idaho Code §§ 12-120(3) and 12-121, as this action arises from a commercial transaction and was necessitated by Defendants' bad-faith conduct, together with such other and further relief as the Court deems just and proper.

COUNT V

(Defamation per se and Defamation by Implication)

186. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

187. At all times material hereto, Dr. Morgan was a board-certified neurosurgeon providing surgical services at Portneuf Medical Center ("PMC") pursuant to a valid and enforceable Professional Services Agreement with LHP Pocatello, LLC.

188. Beginning in late 2024 and continuing through mid-2025, PMC experienced abnormally high post-surgical infection rates in neurosurgical procedures performed at its facility.

189. Rather than acknowledge that the source of these infections was the hospital's defective and noncompliant sterile-processing department, PMC's administrative officers and agents made and circulated false and defamatory statements attributing the cause of the infections to Dr. Morgan's surgical technique, wound closure practices, and clinical judgment.

190. These statements were communicated to PMC medical staff, operating-room personnel, and members of the local medical community, including other physicians, employees, and potential referral sources, and were understood by recipients to mean that Dr. Morgan was an incompetent or unsafe surgeon whose negligence caused patient harm.

191. PMC further reinforced these defamatory implications by repeatedly assuring staff that sterile processing had been investigated and found compliant, while continuing to investigate infections as surgeon-specific events and permitting narratives to circulate within the operating room and medical staff that focused on Dr. Morgan's technique, team, and clinical judgment as the likely source of patient harm.

192. PMC and its representatives knew these statements were false, or acted with reckless disregard for the truth, because:

a. Internal testing, CMS inspection reports, and Joint Commission findings confirmed that the hospital's sterile-processing systems were contaminated and noncompliant with federal standards;

b. Dr. Morgan repeatedly raised these safety concerns to hospital leadership and was instructed not to pursue cultures or investigations that would reveal systemic sterilization failures; and

c. PMC's Chief Medical Officer, Dr. Roger Passmore, personally ordered the cancellation of tray-culture tests that would have demonstrated the true cause of infection.

193. The above-referenced statements and omissions are defamatory per se because they directly impugn Dr. Morgan's professional competence, skill, and ethics in the practice of

medicine and thereby injure him in his trade or occupation.

194. Alternatively, and independently, PMC's communications and omissions constitute defamation by implication as recognized in *Verity v. USA Today*, 164 Idaho 832, 436 P.3d 653 (2019).

195. PMC juxtaposed truthful facts (that Dr. Morgan's patients had post-operative infections) with false implications (that the infections were caused by Dr. Morgan's negligence or lack of skill), while omitting critical facts that PMC's sterile-processing failures were the true cause.

196. The gist and sting of these communications, when taken in context, conveyed a materially false impression of Dr. Morgan's professional performance that was substantially different from the truth, which would have shown Dr. Morgan acted competently and in full compliance with the standard of care.

197. PMC intended or endorsed these defamatory implications and circulated them to deflect regulatory scrutiny and protect its financial interests rather than to advance any legitimate medical purpose.

198. As a direct and proximate result of PMC's statements and omissions, Dr. Morgan suffered harm to his professional reputation, loss of employment and referral opportunities, and other damages to be proven at trial.

199. PMC's conduct was willful, malicious, and in reckless disregard of the truth, entitling Dr. Morgan to punitive damages.

COUNT VI

(False Light Invasion of Privacy)

200. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

201. At all times material hereto, Portneuf Medical Center ("PMC"), through its officers, agents, and employees, made and disseminated statements and omissions to hospital staff, medical professionals, and others in the community regarding Dr. Morgan's surgical practice and infection rates.

202. In these communications, PMC publicized or permitted to circulate the narrative that the elevated rate of post-surgical infections in Dr. Morgan's cases resulted from his poor surgical technique, negligence, or failure to follow proper sterile procedures, when in fact, PMC knew that the infections were caused by the hospital's own defective and contaminated sterile-processing department.

203. By circulating this narrative internally among medical staff, administrative personnel, and members of the medical community, and by failing to correct or retract it, PMC publicly placed Dr. Morgan in a false light that would be highly offensive to a reasonable person.

204. The false light created by PMC's conduct conveyed the impression that Dr. Morgan was an unsafe or incompetent surgeon, that his patients suffered infections due to his personal failings, and that he was professionally unfit to continue practicing neurosurgery at PMC or elsewhere.

205. PMC knew, or acted in reckless disregard of the truth, that these statements and implications were false and misleading. PMC was aware of both CMS reports and Joint Commission findings that confirmed the hospital's sterilization systems were noncompliant and the true source of infection.

206. PMC's actions were intended to protect the hospital's reputation and financial interests, while diverting scrutiny and blame away from its own regulatory violations and negligence.

207. As a direct and proximate result of PMC's false and misleading publicity, Dr. Morgan was publicly portrayed in a highly offensive and inaccurate light, suffered loss of professional reputation, and incurred damages, including economic loss, humiliation, and emotional distress, the precise amount of which will be proven at trial.

208. PMC's conduct was willful, malicious, and in reckless disregard of Dr. Morgan's rights and the truth, entitling him to punitive damages.

COUNT VII

(Quasi-Estoppel)

209. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

210. Defendants, including Pocatello Hospital, LLC d/b/a Portneuf Medical Center, Ardent Health Partners, Inc., and their officers and administrators, repeatedly told physicians and staff, including Dr. Morgan, that concerns about patient safety, infection control, and sterile-processing procedures should be reported immediately and without fear of retaliation.

211. These assurances were made in staff meetings, compliance trainings, and hospital policy materials emphasizing PMC's "speak-up" culture and its stated commitment to transparency and accountability in patient safety.

212. Dr. Morgan was specifically encouraged by hospital leadership to raise safety concerns and follow internal reporting procedures when potential hazards were identified.

213. Relying on those representations and acting in full accordance with his ethical and

professional duties as a surgeon, Dr. Morgan reported repeated instances of contaminated surgical instruments, unsafe staffing, and systemic failures in sterilization that posed serious risks to patient health.

214. His reporting was consistent with hospital policy, state and federal safety regulations, and the core medical oath to "do no harm."

215. After receiving and benefiting from Dr. Morgan's cooperation, Defendants **reversed course**.

216. Instead of addressing the problems he identified, they retaliated against him for doing precisely what he was encouraged to do.

217. Defendants cancelled his culture orders, minimized his reports, circulated false statements blaming him for infections, and ultimately forced him to withdraw his privileges by making continued surgical practice unsafe and untenable.

218. Having promoted a policy of open communication and non-retaliation, Defendants cannot now take the opposite position and punish the very person who relied on that policy in good faith.

219. This contradiction allowed Defendants to gain an advantage, appearing compliant to regulators and staff while discouraging future whistleblowing, and caused Dr. Morgan severe professional and personal harm.

220. This inconsistency is exactly what the doctrine of quasi-estoppel forbids.

221. Portneuf gained the benefits of projecting a culture of safety and compliance, then used its authority to silence and discredit Dr. Morgan when his reports threatened that image. Allowing the hospital to take both positions would be unconscionable.

222. As a direct and proximate result of Defendants' inconsistent and retaliatory conduct,

Dr. Morgan suffered the loss of his hospital privileges, damage to his professional reputation, lost income and opportunities, and emotional distress.

223. Quasi-estoppel bars Defendants from denying the very protections and principles they promised to those who report patient-safety violations in good faith.

COUNT VIII
(Constructive Discharge in Violation of Public Policy)
(Pled irrespective of employment classification)

224. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

225. Portneuf Medical Center (PMC) held itself out as providing sterile processing compliant with applicable standards and represented to Dr. Morgan that instrument trays for his cases were properly cleaned, sterilized, and safe for use, while directing him to maintain clinical services consistent with professional and regulatory standards and hospital policies.

226. Despite those assurances, PMC knew or should have known of material sterilization failures within sterile processing; it interfered with or canceled Dr. Morgan's tray-culture orders that would have confirmed contamination; and it pressured continued or increased surgical volume while downplaying or denying the known risks.

227. When Dr. Morgan acted to protect patient safety by raising concerns, seeking to verify tray sterility, pausing elective cases, and ultimately withdrawing his privileges on July 3, 2025, due to unsafe conditions, PMC retaliated by shifting blame onto him and undermining his ability to practice. This occurred despite subsequent regulatory findings that validated his safety concerns.

228. Idaho's fundamental public policy protects patient safety and the integrity of medical

care delivered in hospitals. PMC's retaliation for Dr. Morgan's patient-safety actions violates that public policy because it punishes efforts to prevent harm to patients and to ensure the hospital complies with basic sterilization requirements, a matter affecting the public at large—not merely private contractual interests.

229. PMC's conduct directly and proximately caused Dr. Morgan damages, including lost earnings and opportunities, reputational harm, and emotional distress.

230. If the Court determines that an employment relationship existed, PMC's actions constitute wrongful (constructive) discharge in violation of public policy because Dr. Morgan was forced to leave rather than endanger patients by operating under unsafe sterilization conditions.

COUNT IX

(Fraud; and in the alternative, Constructive Fraud)

231. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

232. Portneuf Medical Center and its administrators represented to Dr. Morgan that sterile processing at the hospital complied with applicable standards and that instrument trays provided for his cases were properly cleaned, sterilized, and safe for use. They further indicated there was no systemic sterilization issue explaining increased infections.

233. These representations were false. The hospital knew or should have known of material failures within sterile processing and it interfered with or canceled Dr. Morgan's tray-culture orders that would have revealed contamination and confirmed the problem.

234. The truth about sterile processing and tray sterility was material to whether surgeries could safely proceed at the hospital and to Dr. Morgan's professional obligations to his patients.

235. At the time the representations were made, the hospital knew the statements were false or acted with reckless disregard for their truth, including by suppressing or preventing tray-culture testing that would have exposed contamination.

236. The hospital made these statements and omitted material facts uniquely within its control, with the intent that Dr. Morgan would rely on them by continuing to operate at the hospital and maintain surgical availability, to the hospital's benefit.

237. Dr. Morgan did not know the statements were false. He could not readily discover the true condition of sterile processing because the hospital controlled those systems and blocked or canceled his tray-culture orders when he sought to verify sterility.

238. In reliance on the hospital's assurances and omissions, and consistent with the hospital's policies and the parties' agreement governing clinical services and standards, Dr. Morgan continued to schedule and perform surgeries and attempted to calibrate case selection in good faith.

239. Given the hospital's superior knowledge and exclusive control over sterile processing and compliance systems, as well as the hospital's contractual and policy commitments concerning professional standards and support for clinical services, Dr. Morgan had the right to rely on the hospital's statements and omissions.

240. As a direct and proximate result of the hospital's misrepresentations and concealment, Dr. Morgan suffered consequent injury, including loss of earnings and opportunities, reputational harm, emotional distress, and the need to withdraw privileges on July 3, 2025 for patient-safety reasons after the hospital's failures came to light.

241. In the alternative, even if the court determines that intent to deceive is not proven, the hospital occupied a position of trust and confidence regarding perioperative safety

systems exclusively within its control and owed duties of candor to disclose material facts necessary to ensure surgeries could safely proceed. Its concealment of material facts and half-truths in this confidential or special relationship constitutes constructive fraud, and the same reliance and damages apply.

COUNT X
(Intentional Infliction of Emotional Distress)

242. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

243. At all times relevant, Defendants Pocatello Hospital, LLC d/b/a Portneuf Medical Center, and its officers and administrators owed Plaintiff a duty to act honestly, fairly, and in accordance with the professional standards governing the safe performance of neurosurgical procedures.

244. Defendants engaged in extreme and outrageous conduct by knowingly disregarding patient safety and continuing surgical operations despite repeated warnings of defective and non-sterile equipment in the hospital's sterile processing department.

245. Defendants further acted outrageously by threatening Plaintiff's employment and professional privileges if he did not increase surgical volume, even while aware that doing so placed patients at substantial risk of infection and professional jeopardy for Plaintiff.

246. Defendants, through their Chief Medical Officer and other administrators, intentionally interfered with Plaintiff's attempts to verify sterilization failures by cancelling laboratory culture tests and concealing evidence of contamination, thereby impugning Plaintiff's professional integrity and endangering his license and reputation.

247. Defendants' conduct was undertaken intentionally, or with reckless disregard for the

high probability that it would cause Plaintiff severe emotional distress.

248. As a direct and proximate result of Defendants' conduct, Plaintiff has suffered severe emotional distress, mental anguish, anxiety, and depression. Plaintiff has also endured reputational harm, loss of career opportunities, and significant disruption to his livelihood and sense of professional purpose.

249. Defendants' conduct was malicious, willful, and in conscious disregard of Plaintiff's rights, warranting the imposition of punitive damages to deter similar misconduct in the future.

COUNT XI

(Violation of the Idaho Racketeering Act – I.C. §§ 18-7801–7805)
(Racketeering Predicate: I.C. § 18-1906 – Fraudulent Reports by Corporate Officers)

250. Plaintiff re-alleges and incorporates all preceding paragraphs as though fully set forth herein.

251. At all times relevant, Defendants Pocatello Hospital, LLC d/b/a Portneuf Medical Center ("PMC"), Ardent Health Partners, Inc., and their officers and agents including but not limited to Chief Medical Officer Dr. Roger Passmore, the Operating Room Director, and administrative leadership, constituted an "enterprise" within the meaning of Idaho Code § 18-7803(c).

252. The enterprise functioned as a continuing unit with a common purpose of managing and controlling PMC's operations, protecting its financial and reputational interests, and concealing systemic failures in sterile-processing and perioperative safety.

253. Each Defendant participated, directly and indirectly, in the conduct of the enterprise's affairs through a pattern of racketeering activity consisting of multiple violations of Idaho Code § 18-1906, which is expressly defined as a racketeering predicate under Idaho Code

§ 18-7803(a)(16).

254. On October 29, 2025, PMC issued a written public statement asserting that the hospital had "self-identified an isolated issue" with instrument reprocessing and that the issue had been "successfully addressed," despite knowing that:

a. contamination was widespread;

b. culture results had been concealed;

c. corrective measures had not been sufficiently taken; and

d. Joint Commission had identified multiple deficiencies.

255. This written report was a "statement of its affairs or pecuniary condition" and contained material falsehoods knowingly published by corporate officers, constituting a violation of Idaho Code § 18-1906.

256. Between March and August 2025, Defendants knowingly published false internal statements and summaries of surgical tray culture tests, including:

a. falsely representing cultures as "negative";

b. concealing positive results;

c. delaying processing to invalidate findings;

d. providing inconsistent and mutually contradictory versions of reports.

257. These written and verbal communications constituted "reports" or "statements" of the corporation's affairs, knowingly made false in violation of Idaho Code § 18-1906.

258. In August 2025, PMC officers knowingly misrepresented the findings of an unscheduled Joint Commission inspection by reporting internally that the inspection resulted in "less than five conditions," then "three conditions," and finally "three suggestions," despite knowing the actual findings consisted of approximately twenty

deficiencies and multiple serious conditions of noncompliance.

259. These knowingly false reports constitute violations of Idaho Code § 18-1906.

260. The predicate acts above constitute at least two incidents of racketeering conduct under Idaho Code § 18-7803(d).

261. The predicate acts were related in purpose (concealing contamination), method (false reporting), result (misleading staff, regulators, and the public), and participants (PMC officers acting jointly), and occurred over a continuous period from early 2025 through at least October 2025. They were not isolated incidents but part of an ongoing pattern.

262. Each Defendant participated in directing, authorizing, or publishing false reports and statements regarding PMC's contamination problems, sterile-processing failures, Joint Commission findings, and the Plaintiff's role.

263. These acts were taken through the enterprise and for the enterprise's benefit, and constitute participation in the conduct of the enterprise's affairs through racketeering activity.

264. As a direct and foreseeable result of Defendants' false reports and statements, including those blaming Plaintiff and those concealing systemic failures, Plaintiff's hospital access was revoked, his professional reputation was damaged, his business relationships were interfered with, and his income was destroyed.

265. These injuries were caused "by reason of" Defendants' pattern of racketeering activity.

266. Pursuant to Idaho Code § 18-7805, Plaintiff is entitled to treble damages, attorney fees, and all other civil remedies available under the Idaho Racketeering Act.

267. Defendants are jointly and severally liable for all damages.

COUNT XII

(Whistleblower Protection Idaho Code § 54-1301 et seq.)

268. Plaintiff Dr. Jonathan T. Morgan ("Dr. Morgan") is a "health care provider" within the meaning of Idaho Code § 54-1303(7) because he is a "health care professional" under § 54-1303(6) authorized to participate in medical procedures, treatments, and services.

269. Dr. Morgan provided neurosurgical services at Portneuf Medical Center ("PMC") under a Professional Services Agreement with LHP Pocatello, LLC, an affiliate of PMC.

270. As a neurosurgeon, Dr. Morgan routinely "participated" in the provision of medical procedures within the meaning of Idaho Code § 54-1303(9) because he performed, assisted with, and took part in neurosurgical procedures and related patient care.

271. Beginning in late 2024 and continuing through July 2025, Dr. Morgan observed an unusual cluster of surgical site infections in his neurosurgical patients far exceeding the expected rate in a normal neurosurgical practice.

272. Dr. Morgan reasonably believed these infections were caused, at least in part, by systemic failures in PMC's sterile processing department, including the repeated delivery of contaminated or inadequately processed neurosurgical instrument trays.

273. Dr. Morgan reported these concerns to PMC leadership, including the operating room manager, sterile processing leadership, and the Chief Medical Officer.

274. Dr. Morgan specifically disclosed that:

a. sterile processing was failing to meet Joint Commission standards;

b. "sterile" trays contained visible blood, tissue, and bioburden;

c. hospital administration cancelled his orders for instrument tray cultures; and

d. infection organisms cultured from patients were consistent with contaminated

instrumentation.

275. These disclosures were made in good faith and reflected information Dr. Morgan reasonably believed demonstrated violations of laws, rules, standards, ethical duties, and patient-safety obligations.

276. In multiple cases, Dr. Morgan ordered microbial cultures of processed instrument trays to determine whether they were truly sterile.

277. Hospital leadership repeatedly cancelled these culture orders, obstructing Dr. Morgan's efforts to identify the source of the infections and to protect patient safety.

278. In one case involving a minor trauma patient, Dr. Morgan performed emergent neurosurgery using trays processed by PMC.

279. The child later returned with a severe surgical site infection requiring emergent washout and transfer to a tertiary hospital.

280. In another case involving a PMC board member, an independent device representative discovered blood, bone, and tissue inside "sterilized" but unused instruments, further confirming the sterile processing failures.

281. Dr. Morgan reported these findings to PMC leadership, reiterating that sterile processing defects were exposing patients to significant infection risk.

282. Dr. Morgan's reports included concerns that:

a. PMC was violating federal and state sterilization and infection-control regulations;

b. PMC was violating ethical duties to ensure safe surgical environments;

c. sterile processing was grossly mismanaged;

d. administrators abused their authority by cancelling cultures and minimizing contamination; and

e. patients were facing a substantial and specific danger to public health and safety.

283. These disclosures fall squarely within Idaho Code § 54-1305(1) and (2) as protected whistleblower disclosures.

284. Dr. Morgan also objected, on conscience grounds, to continuing elective neurosurgical procedures while sterilization failures remained unresolved.

285. Dr. Morgan informed PMC leadership that proceeding with elective neurosurgery under unsafe conditions would violate his ethical obligation "to do no harm" and his conscience as a physician.

286. Dr. Morgan attempted to pause elective cases until PMC could provide properly sterilized instrumentation.

287. PMC leadership refused to correct the sterilization problems.

288. PMC continued pressuring Dr. Morgan to increase surgical volume.

289. On July 3, 2025, Dr. Morgan withdrew his privileges to prevent further harm to patients because PMC could not provide properly sterilized surgical equipment.

290. Weeks later, PMC was cited by CMS and the Joint Commission for deficiencies in sterile processing and related patient-safety standards, confirming the truth of Dr. Morgan's disclosures.

291. Dr. Morgan's actions constitute protected activity under Idaho Code §§ 54-1304 and 54-1305.

292. After these protected disclosures, all Defendants engaged in adverse and discriminatory actions against Dr. Morgan.

293. These adverse actions included:

a. Telling him that he would be in breach of contract unless he increased his elective surgeries;

b. cancelling or obstructing his instrument culture orders;

c. minimizing or dismissing his safety concerns;

d. undermining his credibility and judgment;

e. creating conditions that forced him to withdraw privileges; and

f. causing him to be effectively blocked from practicing neurosurgery in southeast Idaho.

294. These actions constitute "discrimination" under Idaho Code § 54-1303(2), which includes any adverse action taken because a provider exercised conscience rights or made protected disclosures.

295. Defendants' conduct violated Idaho Code §§ 54-1304(6) and 54-1305(1)–(2).

296. As a direct and proximate result of Defendants' violations, Dr. Morgan suffered:

a. loss of income

b. depletion of personal savings and retirement accounts

c. loss of business opportunities and diminished future earning capacity; and

d. emotional distress, anxiety, and mental strain.

297. Under Idaho Code § 54-1307(1)–(3), Dr. Morgan is entitled to

a. injunctive relief, including reinstatement of privileges and prohibition of further retaliation;

b. actual damages; and

c. reasonable attorney fees and costs.

298. Dr. Morgan seeks judgment against all Defendants for all available statutory relief, including compensatory damages, injunctive relief, attorney fees, costs, and all other relief the Court deems just and proper.

WHEREFORE, Plaintiff respectfully prays for judgment against Defendants as follows:

1. For general and special (compensatory) damages in amounts to be proven at trial.
2. For punitive damages as allowed by law.
3. For equitable relief as necessary to do complete justice.
4. For any further relief the Court deems just and equitable;
5. Plaintiff demands a trial by jury in this matter.

DATED this 21st day of January, 2026.

/s/ Bron Rammell
BRON RAMMELL