

# Business

## VNA gets backing from Sutter Health

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Visiting Nurses

By DAN WHITE  
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SANTA CRUZ — In a year of financial hardships, the Mid-Coast VNA Comprehensive Care and Visiting Nurse Association of Santa Cruz County Inc. have entered into a partnership with Sacramento-based Sutter Health this month.

Sutter has guaranteed VNA a line of credit to strengthen the company and help it step up services. Mid-Coast is the parent company of the VNA of Santa Cruz County, which has experienced difficulties this year because of reductions in Medicare reimbursements.

Joan Grewohl, a VNA spokeswoman, said Monday that 89 percent of the VNA's cases are Medicare cases. "Sutter is guaranteeing us a substantial line of credit so we can weather the ups and downs of Medicare reimbursement,"

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she said.

This is a move that VNA has anticipated for months. There will be no changes in the VNA's organization or board of directors, Bill Gleeson of Sutter Health said Monday. He also said there will be no layoffs. The major difference will be that the VNA's financial resources will expand because of its association with Sutter, Gleeson said.

Sutter already has three partnerships with VNAs in Placer, Yolo and Sacra-

mento counties.

This is the latest development in a rocky year for VNA, in which a recent layoff of 14 administrators and staff members, including three of its six vice presidents, was completed to save \$600,000 a year. Although home care is a fast-growing industry in the U.S., VNA has suffered. One major reason is the reduction of Medicare reimbursements.

The local VNA employs 290 people. In

1994, the VNA conducted over 93,000 home visits and provided 28,000 hours of home care to patients.

The move represents an expansion of Sutter Health's operations within Santa Cruz. The health care organization already has almost finished building its new Sutter Maternity and Surgery Center in Santa Cruz. Sutter is also affiliated with the Santa Cruz Medical Clinic. Under the new agreement, Sutter Maternity and Surgery Center will become the sole corporate member of the local VNA organization.

Gleeson said the partnership will also give the VNA access to a group purchasing program for discounted supplies and equipment.

He said patients should not notice any differences. "In fact, Sutter has a history of utilizing local suppliers and local business," Gleeson said.