

Administrator Claims:

Community Hospital's Offer Is Designed To Stifle Dominican

The proposal Thursday by Community Hospital of Santa Cruz to provide health care for the county indigent was "clearly designed to prevent Dominican Santa Cruz Hospital from expanding," Dominican's administrator charged today.

The Community proposal claims estimated savings of \$1.65 million over a 15-year period.

Sister Josephine Sullivan said in a statement, "AMI's (American Medical International Corp., Community's owner) proposal seems to be a last-minute reaction to block a cooperative effort between the county and Dominican Hospital.

"I am pleased that AMI made this proposal, because it focuses attention on the differences between the corporate philosophy of a for-profit conglomerate, such as AMI, and the approach of a non-profit locally-based hospital like Dominican.

"Dominican's approach has been to seek the cooperative cooperation of the county in filling the unmet health care needs in Santa Cruz. AMI's proposal does not, and is clearly designed to prevent Dominican from expanding.

"After careful analysis, I believe that Dominican's proposal will prove to be more beneficial to the county, the taxpayers, but most importantly to the people who need the services we are trying to provide."

Plans by Dominican to expand were announced Feb. 8 along with a proposed agreement with the county covering the delicensing of 47 surgical-medical beds the county does not use or have set up in the former county hospital on Emeline Avenue.

Dominican proposed to subsidize indigent care here for 10 years at \$20,000 per year, to

provide meals to the county neuropsychiatric ward at a cost of \$7.32 per patient per day, to lower its customary and usual rates to Medicare rates. The Dominican package was estimated by county analysts to offer a savings of some \$1.2 million over a 15-year period. Dominican would also build a 53-bed skilled nursing facility and add critical care and pediatric beds at the hospital, in addition to the 47 medical-surgical beds it will apply for at the state health offices after the county agrees to delicense them.

The Community proposal offers to subsidize indigent care for 15 years at \$35,000 per year,

to provide meals to the county neuropsychiatric ward at a cost of \$7 per patient per day, to provide a 22 percent discount from its usual rates for the indigent inpatients after the free-care subsidy has been used up.

The Dominican offer is keyed to getting the 47 medical surgical beds now licensed to the county; the Community offer allows the county to retain the bed licenses for possible county use at some future date.

The Community proposal is now being analyzed by the County Administrative Office, and the Dominican proposal will get a public hearing by the Board of Supervisors Tuesday.

SANTA CRUZ SENTINEL
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