

# Dominican parent going secular

Hospital owner, anticipating federal overhaul, changes name to Dignity Health

By JONDI GUMZ

jgumz@santacruzsentinel.com

SANTA CRUZ — Dominican Hospital officials announced Monday that they remain wedded to the Catholic mission, despite an announcement by the hospital's parent company, Catholic Healthcare West, to split from the Catholic Church and adopt a new name, Dignity Health.

"We will remain a Catholic hospital, sponsored by the Adrian Dominican Sisters, following the ethical and religious directives for Catholic health care services," Dr. Nanette Mickiewicz, Dominican Hospital president, said in a brief statement Monday. "In the rapidly changing health care environment, this new name and structure position the entire organization for growth and success."

Beverly Grova, who heads the Dominican Hospital Foundation, reiterated that message.

"Everyone can be assured that Dominican's dedication to excellent care, quality and service has not changed, nor has our commitment to looking out for the less fortunate among us," she said.

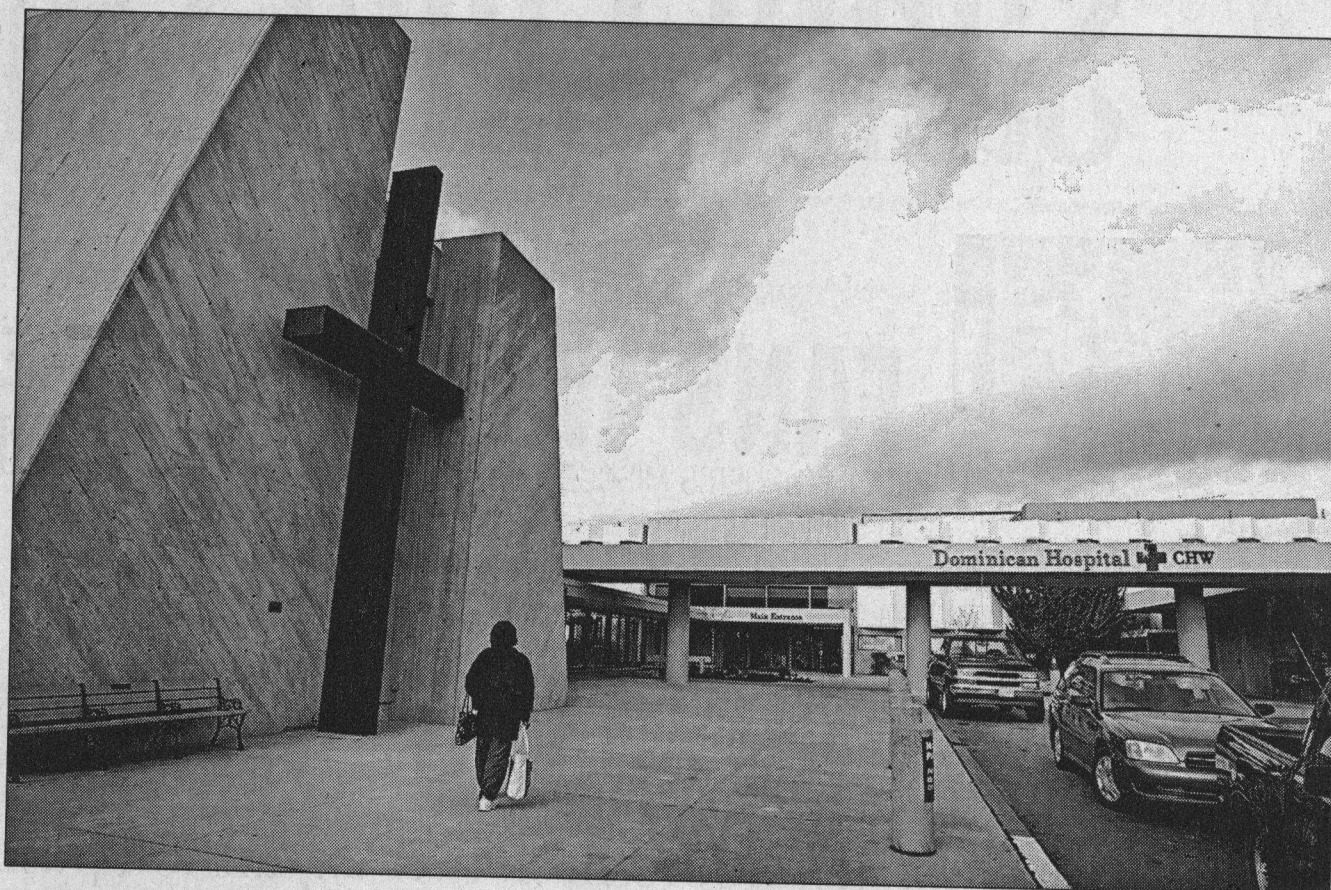
The switch comes as the health care industry prepares for major changes due to take effect in 2014 as part of the federal overhaul.

In the past year, there have been 82 merger and acquisition deals involving U.S. hospitals, according to The Health Care Mergers and Acquisitions Monthly, a trade publication.

Just four months ago, Dominican

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Hospital celebrated with considerable fanfare its founding by the Adrian Sisters 70 years ago.

According to Kaiser Health News, Catholic Healthcare West leaders said the change has been in development since 2009, when the sisters raised it. They said they consulted with Archbishop George Niederauer of San Francisco and he determined the governance change was consistent with the church's teachings and that it could proceed.

Jean Dunn of Santa Cruz was stunned by the news. Her husband was chief of staff at Dominican Hospital and she volunteered for chaplain services for 35 years and served six years on the hospital's ethics committee.

"I am a Catholic," she said. "It's a monumental disappointment to see Dominican Hospital part of a secular organization."

Dr. Jerome Deck, who served as president of Dominican's medical staff 30 years ago, voiced regret.

"I'm sorry to see the Catholic system is going to knuckle under to business," he said.

Deck, who retired from medicine in 2000, considers the change part of the "leaner and meaner" trend in the business world, in which large banks

buy up smaller community banks and doctors who practice independently are pressured to join larger groups.

"I'm not so sure becoming leaner and meaner is better for the American economy or consumers in general," he said.

Local resident Dale Owen offered a different perspective.

"I think separation of church and administration of health care is a good idea," Owen said. "Religious dogma should not stand in the way of medical decisions made between a patient and his or her doctor, especially if the patient is not a member of the church in question."

As yet, there are no obvious signs of a secular affiliation.

Dominican Hospital spokesman Mike Lee said none of the Catholic Healthcare West signs have been changed but that process is in the works.

Dignity Health is the fifth largest health system in the nation, operating 25 Catholic hospitals and 15 non-Catholic hospitals. It was founded in 1986 when nuns in Burlingame and Auburn merged their health care ministries.

Lloyd Dean, Dignity's president and chief executive officer, said the name change reflects a commitment to being a national leader in health care, supporting the company's "long-term plan to grow and coordinate care."

Dignity is investing \$1.8

million in electronic medical records for the next five years as a way of using data to drive innovation and improve care while cutting costs, Dean said.

In mid-December, the privately run company was designated by Medicare as one of 26 "hospital engagement centers," accepting a mission to change practices to reduce injuries and complications 40 percent and hospital readmissions 20 percent over three years. That initiative is funded by the federal health care overhaul legislation.

Catholic Healthcare West had three layers of management. Nuns from six religious orders served as corporate board members who appointed the 18-member board of directors; together they selected the executive management.

Dignity has a single board that retains nine members from Catholic Healthcare West. They include Sister Julie Hyer, a member of the Adrian Sisters who preceded Mickiewicz as Dominican Hospital president. She did not return a call seeking comment Monday.

The Diocese of Monterey had little comment on Catholic Healthcare West's decision.

"Dignity is an independent organization that operates within the boundaries of the diocese, but is not a part of the diocese," said Dean Warren Hoy, spokesman for the bishop. "Therefore, we can't

appropriately comment on their actions."

Dignity operates three hospitals in the diocese, Dominican in Santa Cruz, Arroyo Grande in Arroyo Grande, and French Hospital in San Luis Obispo, he said, adding, "We do not anticipate any significant changes in these three hospitals' operations as a result of the change to Dignity Health."

Deck pointed out Dominican's Catholic affiliation prevents doctors there from doing a tubal ligation — a procedure to prevent future pregnancies, at the time of a cesarean section — or an abortion.

Those who want a tubal ligation must go to Sutter Maternity and Surgery Center or Watsonville Community Hospital, he said, noting abortions usually are performed at a freestanding outpatient center rather than at a hospital.

"I don't think Dominican Hospital will start doing abortions right away," Deck said, but he expects there will be pressure to perform that service, perhaps by setting up a separate unit.

The crucifixes were missing from the patient rooms last year when he visited a friend at the hospital, he said, but they were back in place when his wife was a patient this month.

"We asked the head nurse about it," he said. "Enough Catholics objected to them being removed."



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