

Hospital has aggressive plans

By PAUL BEATTY

Sentinel Staff Writer

SANTA CRUZ — Community Hospital has started a \$9-million to \$10-million doctor's office complex and within 18 months will have its own medical insurance plan.

Hospital Director Jean Adams says the hospital's plan — called "AMICARE" after its parent company American Medical International — is not the same as the Kaiser Foundation plan that he has recently criticized.

"It is a co-op, a partnership of the hospital, doctors and patients," Adams said in describing AMICARE, an insurance that covers

all general medical costs but has lower rates if its members use AMI-contracted doctors and Community Hospital.

Companies and individuals who buy the insurance can use any of AMI's 160 health facilities in this country and other parts of the world, Adams said. AMI got into the insurance business six months ago.

When Kaiser's plans to open a clinic and contract with Dominican Hospital were reported last week, Adams said he didn't want Kaiser in his hospital because it hires doctors, rather than pays them on a fee schedule as does AMICARE.

He said dropping the fee schedule removes the incentive for doctors to give full service. "It results in an underutilization of the health service," he claimed.

A large number of Kaiser members who live in this county said Adams is wrong and they are happy with Kaiser.

Adams says AMICARE is superior in that doctors are enticed to provide the fullest amount of service because they are paid for everything they do.

When Adams took on Kaiser last week, it was not publicly known that AMI was coming forth with its own brand of "health maintenance organization."

Adams said AMICARE does include "the good part of a health maintenance organization (such as Kaiser's) because it has peer review," — a board of physicians who oversee the quality of care.

The doctors who sign up with AMICARE can have other patients

and Community will continue to take other patients.

Community's plans for doctor's offices and clinics will add three major buildings — an average of 20,000 square feet each — the first one to be ready in 18 months.

It will front on Soquel Avenue where an older paint store and a bar have been torn down, and Community will change its major entrance from Frederick Street to Soquel and Marnell avenues. In addition, the exterior of the hospital would be remodeled "to make it more aesthetic."

Building cost is estimated at \$6-\$7 million and the cost of land to extend Community's ownership to Soquel Avenue was about \$3 million. The land buy did not include two corner lots.

By bringing doctors closer, Adams believes it will result in more business for his hospital.

Hospitals have been losing business recently because new technology has made it possible for doctors to perform cataract, hernia, knee and other surgeries in-office.

Adams said that Community has a 10-year plan to build a full service medical facility: doctors, hospital, labs, clinics and pharmacy. He said a new heart center — now in the planning stages — and an eating disorder center at Community are steps in that direction.

Concerning AMICARE, Adams said that some medical analysts are predicting that within 10 years, "the nation's health care system will be dominated by 25 organizations."