

# Dominican, county say talks needed

By TOM LONG  
Sentinel staff writer

4-1-90

SANTA CRUZ — County officials hope to negotiate with Dominican Hospital on 14 different issues ranging from family planning to establishing a commitment to fair pricing before giving its approval to Dominican's purchase of AMI/Community Hospital.

"Ultimately the county can't make Dominican, as a private hospital, do something it doesn't want to do," county Health Services Administrator Ellie Hall said Friday. "But in the long run, I see the county and Dominican as having so many interdependent issues

*Please see Hospital — A24*

## Hospital/ County has concerns

*Continued from Page A1*

"I'd hope we can negotiate."

Hall listed the 14 issues in a letter addressed to the Board of Supervisors, for review at Tuesday's board meeting. That letter will be accompanied by the county's study of the acquisition, which will be released Monday.

Among the commitments the county will ask Dominican for are a long-term agreement to fair pricing; fair negotiations with local health maintenance organizations and physicians; and expansion of the hospital's ability to serve non-English-speaking patients.

Hall also wants the hospital to reconsider its policy of not offering tubal ligation sterilization to women, and wants assurance that the hospital will not try to steal away some of Watsonville Community Hospital's patients.

Sister Julie Hyer, president and chief executive officer of Dominican, said that most of the issues raised by Hall have come up at Dominican board meetings. "They're all issues that we raised as very important to this community and should in fact be addressed," said Hyer.

"The hospital has had a long-standing good relationship with the county," Hyer said. "We see this as an opportunity to strengthen that relationship."

Between the MediCruz program and the number of employees it has, the county sends more patients to Dominican than any other organization does. But Hall said that if Dominican is willing to negotiate, that might well influence the Federal Trade Commission's investigation launched two weeks ago to determine whether the sale



Bill Lovejoy/Sentinel file

Health officer Ellie Hall wants to discuss issues with Dominican.

violates federal anti-trust laws.

"I think the FTC would be interested in the next few months in what happens in the health-care community, and I think that one thing that could happen is for Dominican to make commitments," Hall said.

In her letter Hall lists both the good and bad things that could happen as a result of Dominican's buying its nearest competitor March 9.

"Although the opportunities for improved health services abound, there is also a darker vision," Hall says in the letter.

"Will Dominican behave like a classic monopoly, becoming inefficient and out of touch with its competitors? Will its prices ... become higher than they would otherwise?" she asks.

She also says the purchase "holds out the promise of greater efficiency in the delivery of medical care, ... more specialization and increased quality of services" and could lead to the fulfillment of a number of unmet needs in the county. These include adolescent psychiatric services, inpatient hospice services and intensive rehabilitation programs, the letter

says.

In the letter, Hall says the county's study "can't really tell us whether the acquisition is ultimately a 'good thing' or not. The answer to that question must unfold over time."

Hall said she and other county officials have met with Dominican in recent weeks to discuss the purchase, and that they will meet again this week.

She also asks the board to approve a public meeting May 2 for members of the Health and Human Service commissions to discuss the possible impact of the sale on the community.

Dominican bought Community Hospital March 9 from American Medical International. Although the Catholic Hospital announced in mid-January that it was looking into buying the hospital, many were taken aback with the speed of the purchase. Hall said that supervisors are still receiving calls from constituents concerned about the sale.

Dominican said the sale's speed was dictated by AMI. The hospital said it would decide what to do with its new property within 30 days of the purchase.