

Hospitals - PURCHASE Hospital-sale furor grows

Purchase provokes uproar, says county supervisor

By TOM LONG
Sentinel staff writer

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SANTA CRUZ — Angry protests over Dominican Hospital's purchase of its closest competitor continued Wednesday while Dominican officials discussed the future of what was once Community Hospital.

"In terms of just what appears to be a spontaneous and unrehearsed public reaction, there is more on this issue than any other issue since I've been on the board," said San Lorenzo Valley Supervisor Fred Keeley Wednesday.

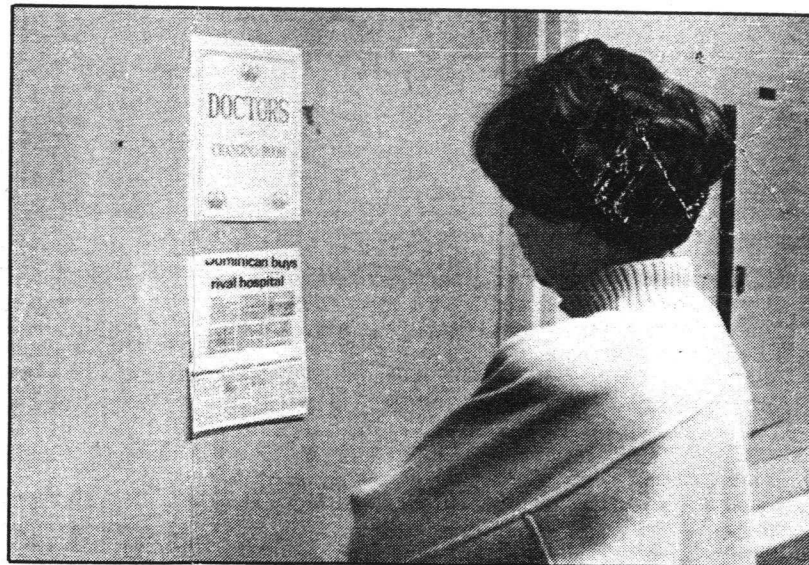
"There are women who are calling wondering about what effect this is going to have on family planning choices. There are par-

ticipants in various health care programs who want to know what the lack of competition means. There are physicians and nurses who have called concerned about their employment," Keeley said. "And, quite frankly, there have been county employees calling who are concerned about their health care plans."

Keeley said that he and many others are skeptical about whether the purchase will really prove to be good for county residents.

"It will have to be proven to me that a monopoly on health services is in the best interest of the consumers," Keeley said. "My instinctive reaction is monopolies don't provide that. But I'm willing to be educated."

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Dan Coyro/Sentinel

Workers posted articles about sale of former Community Hospital.

Employees are scared, angry

By TOM LONG
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SANTA CRUZ — Employees of Community Hospital — now known as Dominican Community — are still confused, scared and angry about what the future holds for them.

"They (Dominican Hospital) are the only game in town now," said Teresa Stewart, a nurse at Community's birth center. "They told us they're basically going to take away our seniority."

Stewart and other nurses at Community said they have been told that they will be able to apply for jobs with Dominican once the hospital decides what to do with its new acquisition.

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Hospital officials have said that they do not yet know what will become of Community Hospital and are taking 30 days to make that decision. But many staff members say they've already been told what their employment future holds.

"(Dominican) is going to move all their night nurses to the day positions and offer us what's left," Stewart said.

"It could mean that people who have been on the day shift here for 10 years will suddenly have to go nights," said Nadine Johnson, another nurse who works at Community's birth center.

But Sister Julie Hyer, Dominican's president and chief executive officer, said Wednesday, "No decisions have been made regarding any employees. No statements have been made as to the shifts people will be working."

Hyer said that the employment situation at Community is "status quo." She said employees are being paid the same salaries as before the sale, that their retirement benefits have carried over and said, "We recognize the number of years they have been serving (Community); for purposes of hiring Dominican will give first preference to former (Community) employees over individuals applying from outside the organization."

Still, the mood of Community's employees has been both depressed and anxious since they learned the hospital had been bought by Dominican last Friday.

"We were all shocked," said Johnson. "We read it in

the newspaper first. It's confusing for everybody, patients and staff."

Since the purchase, Johnson said she's found her anxiety level climbing, and not just because she might lose her job or her seniority.

Seven months pregnant, she is worried that her insurance benefits will be canceled because Dominican's insurance policy is not the same as Community's was and she will not be able to apply for a job at the end of the 30-day period because she'll need to go on maternity leave.

"I feel like I'm stuck right in the middle," Johnson said. "I get insurance at Community but not at Dominican. It's just real stressful."

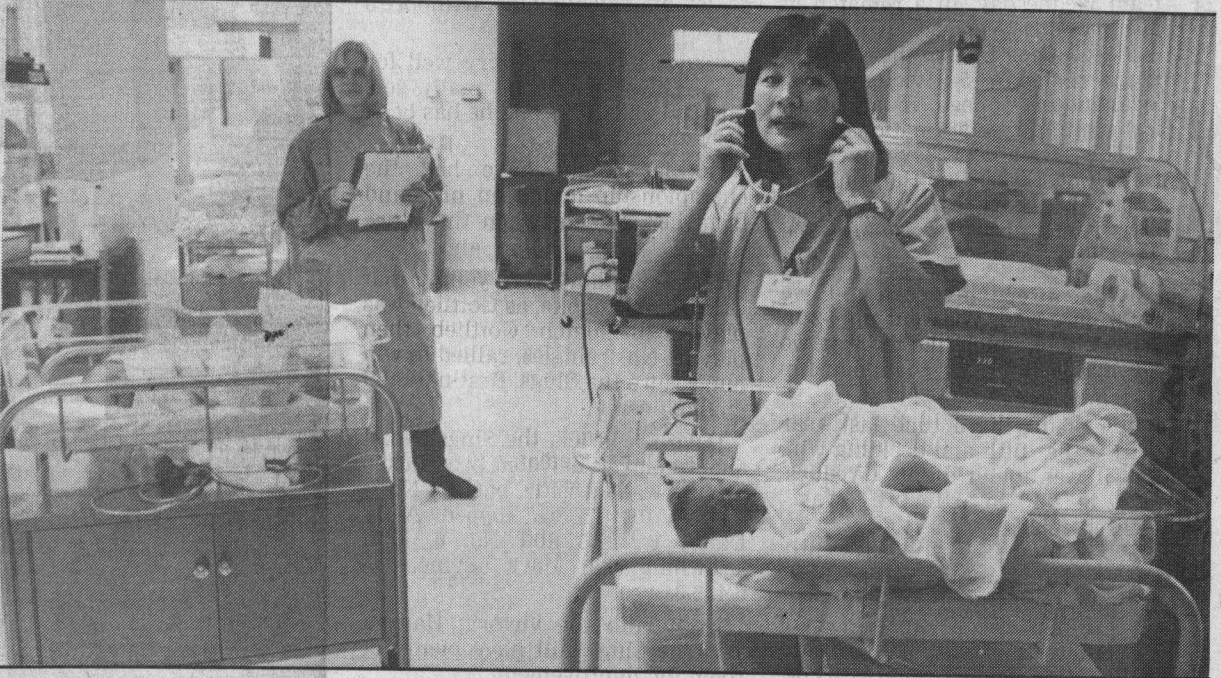
Since the sale, photocopies of newspaper accounts have been posted on the halls at Community. Some of them have substituted promotional photographs from the new movie "Nuns on the Run" for news photos. Under one photograph someone wrote a caption: "Sister Julie Hyer, Saint Or?"

"They keep getting taken down but they keep getting put back up, too," said one employee.

A number of employees have already found other jobs, according to sources. But for some, the search is going to be hard.

"I've already found two other jobs, but they're both over the hill," Stewart said. "I'm a single parent with two kids and now I have to leave my own town to get a job."

"Basically what they're doing is just using us for 30 days and then they're going to throw us aside," Stewart said.



Dan Coyro/Sentinel

Community Hospital Nurse Nadine Johnson is pregnant and concerned about her insurance.

Reaction/ No decision on use

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Dominican announced in mid-January it was exploring the possibility of buying Community Hospital, which was put on the auction block in mid-December by its previous owners, American Medical International. At that time Dominican said it wanted to survey local response to such a purchase.

Following that announcement, one poll of local physicians showed

that a majority preferred having two hospitals in north county. And the board of Community Hospital began an effort to bring physicians and local businesses together to purchase the hospital, motivated by fears that Dominican would have a virtual monopoly on health care if it bought Community.

Dominican made a bid on the hospital last Thursday with no public announcement and closed the deal that same day. Friday morning Community employees came to work to find they were suddenly Dominican employees. The hospital had been bought for \$12.5 million.

Dominican said Friday it would take 30 days to decide what to do with Community and that until that period is up everything will stay the same at the hospital. But many in the medical community said that Dominican already knows what it plans to do with the hospital, most predicting it will either be turned into a psychiatric or convalescent hospital.

"They're claiming they have no plan! They spend \$12.5 million and they have no plan of what they're going to do with the hospital?" asked Teresa Stewart, a nurse at Community. "It's totally absurd — of course they have a plan."

Sister Julie Hyer, president and chief executive officer of Dominican, said Wednesday that while the hospital had been given many suggestions by its medical staff and the community, "We do not have in our minds a fixed plan as to what is going to happen. We're in a transition mode."

Tuesday night the Santa Cruz City Council decided to send a letter to the Federal Trade Commission expressing its concern over the potential impact of the purchase, especially on the city's health insurance premiums. City officials worried that Dominican might not honor contracts that were made with Community, saying Community's health care contract bids have been lower in recent years than Dominican's.

Hyer said Wednesday that Dominican would honor all current con-

tracts with both hospitals.

"I think it's unfortunate that they have written a letter," Hyer said. "I would have liked to have an opportunity to address the council and respond to some of their concerns."

Also Tuesday, the Board of Supervisors asked county health officials for a report on the impact of the purchase.

Keeley said that he is concerned about the possibility of a monopoly and the fact that the largest hospital in the county is being run by a religious organization. Many of the complaints he has heard have concerned the fact that Dominican, as a Catholic hospital, will not offer tubal ligations and other family planning services.

"I understand right now the decisions rather than being based on a medical consideration will be based on a religious philosophy," Keeley said. "That may be well and good for people who share that philosophy, but I know that it's not good for the whole community."

Keeley said that no one from Dominican ever formally asked him what he thought of the purchase idea, despite the fact that the county is the area's largest purchaser of health care. "I don't feel the board was consulted in advance of the purchase," Keeley said.

And indeed, many of the protests since the sale have concerned the speed of the deal.

But Hyer said Wednesday that she thought Dominican had polled the community sufficiently before deciding to make the purchase, saying that AMI had pressed for closing the deal. "I think that based on the time frame that AMI was providing us we did as much as we could do," Hyer said. "Fred Keeley and all the supervisors received an invitation to come to one of our forums for political leaders."

Keeley said Wednesday he definitely wants to discuss the issue. "I hope there's a willingness on the part of the hospital to do that before they've made permanent, lasting decisions," Keeley said.