

Attorney general looking at hospital sale

Hospitals Watsonville Hospital
Final documents may be filed by next week

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WATSONVILLE — Details of the sale of Watsonville Community Hospital to a multi-million dollar health-care corporation were presented in a meeting with the California attorney general Tuesday. The meeting puts the sale agreement one step closer to being finalized.

Hospital officials, including president John Friel, met with California Attorney General Daniel Lungren Tuesday to review the details of the sale to Community Health Systems Incorporated, a Tennessee-based healthcare corporation that has \$850 million in yearly revenues and \$1.6 billion in assets.

Matt Ross, a spokesman for the

attorney general's office, said no official documents were presented by hospital officials, but that he expects to have them within



John Friel

the next week. "They have told us in general (about the sale)," he said. "They let us know they were working on the deal but they gave us no specifics."

Ross said until the attorney general has the final papers regarding the sale, the review process would not begin. "We have no comment as of yet," he said. "Until we have all of the paperwork, we will not go through the review process."

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No hospital official returned phone calls for comment on the details of Tuesday's meeting or the sale agreement.

Once all of the papers are in, a 60-day review process by Lungren will begin. Within those two months, Lungren will announce a public forum at which members of the community can give their input.

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Santa Cruz County Health Services Administrator Charles Moody has committed himself to examine the deal and actively pursue community input to develop a recommendation that will be filed with the attorney general.

Moody and United Way of Santa Cruz County Executive Director Mary Lou Goeke said they intend to participate in any public forums held regarding the sale and to examine community needs.

"We think we're in a neutral position to represent the community," Moody said.

"We intend to be active players in the community review process," he said. "We are going to push the attorney general to uphold that community benefit be as deeply rooted as possible." Moody met with hospital President and CEO John Friel Monday to "reiterate" those intentions.

Goeke, who has participated in committees and forums that explored issues regarding the sale, said though the details may not yet be accessible to the general public, she finds it exciting the public will soon be able to make informed

opinions on the details of the sale.

"Before, there was nothing to react to," she said. "Now, people who are interested in healthcare in the Pajaro Valley can give their input."

As the leader of United Way, which funds several service organizations in Watsonville and the county, Goeke said she found it important to stay abreast of the issues surrounding the hospital and encouraged community members to do the same.

"The more public input the better," she said.

Watsonville Community Hospital has held two public forums since December where members of the community were able to meet Friel and other hospital officials to learn more about the hospital's future, as well as to voice their own concerns of joining a large healthcare corporation.

The hospital's board of directors began requesting information about alliances with a healthcare corporation in 1995 and have been meeting consistently to discuss the issue. The board formed committees to probe into the issue and receive feedback from the community, and even established a telephone answering service on which members of the public could call in with their opinions.