

# Hospital sale documents deemed complete

Hospitals - Watsonville Hospital  
Surprise announcement by Attorney General leaves city officials and critics scrambling WRP 7-15-98

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WATSONVILLE — A notice from state Attorney General Dan Lungren deeming complete the sale agreement between Watsonville Community Hospital and a large health care conglomerate has left city officials and community members reeling, as they contend the agreement is anything but thorough.

Approximately a dozen community members and health advocates approached the Watsonville City Council Tuesday, anxious to discuss Lungren's rather quiet announcement late last week that the sale agreement between the hospital and Tennessee-based Community Health Systems is complete.

Lungren's announcement starts the 60-day clock for public review,

after which he is required to make a decision on whether the agreement is in the best interest of the community.

Council and community members spoke out to say they wish to extend that Sept. 5 deadline for 45 more days.

No representatives from the attorney general's office returned phone calls.

Watsonville Mayor Dennis Osmer said he learned of the announcement by word of mouth Friday. He requested that an emergency motion be added to the council's agenda urging Lungren to postpone an August 1 public hearing regarding the agreement until more documents are provided by the hospital, and more time is given to review them.

Members of the Pajaro Valley Coalition to Save Community Health, a group of local community and health leaders who have been meeting weekly to review the documents, agreed.

"My concern and certainly the concern of the coalition is that all of a sudden, (the agreement) is deemed complete," Osmer said.

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He, as well as coalition members, noted that documents they considered important — such as the health impact statement and conflict of interest disclosures — were not included in the agreement and were crucial for review.

"The core of the transaction has not changed whatsoever," Watsonville Community Hospital Chief Executive Officer John Friel said today, noting that supplemental documents given to Lungren included hospital schedules and policies "that we didn't think were that im-

portant."

Letters to the attorney general's office from the Consumer's Union and the coalition outlined 24 items not included in the agreement that they contend should be added.

Friel said the hospital didn't provide the coalition or other agencies with the supplemental information because the hospital is not required to, and that all information is available through the attorney general's office.

Friel said that "this transaction is to make the hospital stronger than it is now," and that though he saw "no reason why the attorney general would not support this," the hospital would renegotiate

with CHS if the sale was not approved.

"The attitude of the hospital has been 'Here's the information, you find out whether it's a good deal or not,'" Osmer said. "The question shouldn't be 'Is this a good deal or not,' it should be, 'Where are the documents that make it a good deal?'"

Though Friel was notified late in the afternoon that the council would be discussing the issue, he did not attend the meeting Tuesday. "I don't think that it was notification," he said this morning.

Watsonville Community Hospital submitted the agreement to Lungren May 29, where it was held

for review until Lungren deemed it complete as of July 7. The fact that it took more than a month to review, claimed Amy Newell, co-chair of the coalition, "is an indication that the attorney general's office did not consider the submission complete."

Friel said that the attorney general simply took five weeks to review the agreement, asking for some additional documents until he felt it was complete.

Though a hearing is scheduled to take place August 1 in city council chambers at Watsonville City Hall, a spokesperson from the hospital said it may need to be changed in order to find a facility to hold enough people.

The city council urged for a postponement nonetheless, and will send a letter to the attorney general's office to that effect.

Arcadio Viveros, executive director of Salud Para la Gente and co-

chair of the coalition, said the council's decision Tuesday was to make a simple request that should not cause controversy.

"It was a very simple request — it's just to postpone — that's not going to affect anything," Viveros said. "We want to see all of the paperwork."

The main concern among the coalition members, Viveros said, is that if the attorney general was supplied with any additional necessary documents, the coalition should have received them to review as well; if not, then the agreement is not complete.

"We're beginning to get really skeptical about what they're doing... (but) we'll give them the benefit of the doubt," he said. "When we heard that (the agreement was accepted), it was a total shock to us."