

County officials save hospital at last minute

Written by George Browning

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Washington County Memorial Hospital was on life support last week and Washington County Commissioner John Mishler said they were on the verge of pulling the plug.

The county was faced with a decision to either shut the door of the hospital for good, or be responsible for reimbursing an unknown amount of money to medicare.

"It was so close to closing, there were plans being made to transfer patients," Mishler said. "We were right down to the wire."

News of the hospital's possible closing was kept quiet because they did not want to create panic.

"The hospital employees have been through enough," Mishler said. "We didn't want them to have to worry, until it was time to worry."

A special emergency meeting was held Thursday night with the commissioners, the county council and representatives from St. Vincent to discuss the hospital's fate.

In the end, both the council and the commissioners agreed that the county would cover the cost with the hope that the amount would not exceed \$2.

Kevin Speer, Assistant Vice President of Strategic Planning at St. Vincent said the federal government refused to put a cap on the amount of money that would need to be reimbursed to medicare for unmerited claims submitted by a past administration.

That's a commitment St. Vincent wasn't willing to take without some assurance from the county that they would cover the amount.

". . . St. Vincent and our parent company can not move forward with taking over the hospital without an agreement from the county that all liability be paid back to St. Vincent by the county," Speer said. "This is the only way we can move forward."

The estimate by CMS is \$1.5 million but, Skander Nasser with Bradley Associates, a CPA firm for St. Vincent believes that the number is \$1.3 million due to his researching the cost report of the hospital.

"We have spent many many hours on these numbers and believes there should not be any other major issues regarding CMS and believes if there are any billing errors, they will be washed out, I have been doing this for many years and totally believe no other liability is out there," Speer said.

Current CEO Joseph Roche said, "We have taken over six other critical care access hospitals and there has never been a problem."

One major concern of both the commissioners and council is that of possible medicare fraud committed by the hospital in the past

St. Vincent attorney Jim Hogan said there is no evidence that any fraud took place.

"It would be tough for CMS to prove fraud," he said. "They did not bill for something that they didn't do"

Commissioner Lana Sullivan didn't sugar-coat the problem the county was faced with.

"We have two options, first, an agreement with St. Vincent to cover the liability and place that burden on the tax payers or second close the hospital doors and place that burden on the tax payers," she said.

Commissioner Dave Brown also made his feelings clear.

"If we didn't have a hospital there would be no revenue and a lot of jobs would be lost," he said. "We need to keep those employees jobs!"

Councilman, Jim Nice, asked what would the cost estimate be to the county if the hospital would close?

Mishler stated, the local banks have lots invested in this hospital and the community would

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stand to lose millions along with the the lose of more than 200 jobs.

“Closing the hospital should not even be an option,” Mishler said.

Roche assured those in attendance that he is 95 percent certain that the cost to the county wouldn't exceed \$1.5.

Jim Willey, an attorney with Hall Render, for St. Vincent assured both boards it is a wise investment.

“Many people ask why we would take on this kind of liability and investment,” Willey said. “We answer, 'We are committed to this community for the long haul, 30-40 years to provide health care services.' We are not just looking at being here for a short period.

Commissioner Sullivan made the motion for the commissioners to agree to cover the unknown amount with hopes that it will not exceed \$1.5 to \$2 million and use the local income tax of payroll generated by hospital employees to pay the yearly amount to St. Vincent. Commissioner Brown seconded and the motion was approved 3-0.

Mishler said income tax generated by county employees is an average of \$165,000.

In a past meeting Sullivan said, “If the hospital closed we wouldn't get that money from income tax payments anyway.”

Council member, John Fultz made the same motion to the council, which was seconded by Mington Marshall. All members of both boards were in favor and the motion passed on both counts, unanimously.

“I only voted for this because of the employees, we need all of the employees,” said county councilman, Dawson Sowder.

Mishler said now that the hospital is in good hands officially with St. Vincent, it's time for the county to support it.

“I could understand with the uncertainty of bankruptcy people not wanting to use the hospital,” he said. “But, now it's in good hands and we can assure people that they are going to get good medical care there. If the community wants a hospital, they now have to support it.”

The commissioner's next meeting will be today (Wednesday, Feb. 3) at 10 a.m. In the conference room at the Washington County Government Building.