



SEARCH Meeting Minutes
First Baptist Church, Burnsville
May 1, 2018

Risa Larsen opened the meeting by calling attention to the new SEARCH logo, a joint effort of Connie Sales and Britt Kaufmann. She also asked people new to SEARCH to introduce themselves. Of the 31 people present, 10 were newcomers to a meeting.

Risa announced the effort to organize a YMCA in Mitchell County, suggesting that anyone interested should make note of it on the sign-in sheet.

Karin Rolett set the stage for a discussion of HCA's proposed acquisition of the Mission Health System, including Blue Ridge Regional Hospital. There is a website, www.missionhealthforward.org, for information regarding the sale, and Mission leaders continue to have meetings with community groups, decision makers, and stakeholders. SEARCH's research team has done a lot of fact-finding about how this will affect our community and is looking at how we can become advocates and participants in the new system. Karin likened our local healthcare situation to being on shifting sands.

Susan Larson shared some of what our research and fact-finding has revealed, but she first invited everyone to write questions or comments on the 3 x 5 cards provided so that we can be sure to capture them. In addition to the current meeting, there is one planned by the N.C. Justice Center for May 17 at which one of the four topics will be the local healthcare landscape. She gave an overview of the questions SEARCH is asking. : 1) Will the essential medical services we now have be retained at Blue Ridge Regional Hospital? 2) How does the size and rural nature of Blue Ridge Regional Hospital fit into the constellation of hospitals HCA currently owns? 3) Does the community have any role in the new facility? We understand there the local board of directors will be dissolved. 4) Will there be representation from Mitchell and Yancey counties on the foundation being created from the sale? She also asked if being able to collect taxes on HCA properties will offset the loss of control of the hospital by the community.

Assurances have been made by HCA that no services will be discontinued for five years and that no facility may be sold or shuttered unless it loses money for two consecutive years. Becky Carter clarified that HCA would have to offer that facility to other organizations/systems for purchase and that if another were not found, it would have to offer the hospital to the foundation for purchase.

Susan outlined five key questions. The first question was **"How can we strengthen these provisions to ensure that BRRH as we know it continues to exist?"** The second question related to the kind of hospital we are. HCA is consistently described as an urban-centered system. Our hospital is a Critical Access Hospital with 25 beds. Of the 177 hospitals in HCA's holdings, only two are Critical Access Hospitals. We wondered then **what assurances we have that HCA is committed to continuing to operate the four rural Critical Access Hospitals in the Mission system.**

The third question was about the cost of medical care. Knowing that this will be a for-profit company and believing that large systems drive up the cost of medical care, we wonder what assurances we could have that costs will not go up. **Can the final agreement between HCA and Mission include stipulations to cap or moderate future price increases?**

An attractive feature of the transition is the creation of a large foundation which will address health care issues in the 18 counties currently served by Mission. We understand that the current Mission board will appoint the new foundation board and that some members of the current Mission board will transition to the foundation board. **SEARCH asks that the governing documents of the new foundation stipulate that there be representation from each of the counties covered by the foundation or, at a minimum, there be representation from each of the counties where it currently has a facility.**

The fifth question has to do with community feedback. **What provision is HCA prepared to make to ensure that the management of BRRH and other Mission hospitals is responsive to the needs, concerns and desires of the local communities? Does it use patient advisory councils or other vehicles for consumer input?**

When the floor was then opened for further questions and discussion, Becky Carter came to the front of the respond, answering first from her notes. She said that the assurances of no changes in five years have been extraordinarily strong. As for enforcement, she said she assumed there would be a suit if there were deviations. The Attorney General's role is to keep tabs on the foundation but not on HCA. She said that HCA does commonly have patient/community advisors.

When asked if HCA has a lot of experience buying nonprofits, she responded that they typically buy financially strapped systems and they've done well. A follow-up question was, do those purchases result in creating a foundation, and the response was that the sale has to generate proceeds in order for a foundation to be created.

Someone said that the proceeds are public money, but Mission seems to have taken control of public money and decided how to use "our" funds and who to put on boards. Response was that the Mission Health System Board made this choice for the system and for the people of WNC.

Charlie Hofheimer asked Senator Van Duyn to help us look at other issues related to the purchase of the hospital, for example litigation about buildings and facilities and the lack of local input. Her response was that she'd spoken with the Attorney General and he's interested but so far he has nothing specific to work with. The Buncombe County Manager is also concerned. They all want to think regionally. The Senator personally feels that those are our assets. (She herself is a donor.) She's also concerned about indigent care.

Risa said that we're still within the window of the 90-120 letter of intent and that it might be the end of the year before the transaction is completed and, based on the experience in Kansas, it might be another two years before the foundation is set up and giving grants. Becky expressed the concern that the foundation might be "too rich" for just the 18 counties that Mission serves.

There was a question about whether or not the information that goes to the AG's office about the sale would be public. No one knew the answer.

A question about Kansas where HCA did not live up to their obligation and the result was that the foundation sued HCA. Could that happen here? Whose responsibility would it be to keep track of it? The answer was that it would be the foundation's.

There was a question about the cost of care. The response from Becky was that it doesn't depend on what the charge is, people pay what they pay, and BRRH is running at about 11% charity care, a figure that increases every year.

The question was asked about the ratio of HCA-employed doctors to independent doctors, and Becky Carter responded that in most of their markets the majority of the physicians are independent.

The question of why Mission was making this move came up. The response was that it is being done to remain solvent, to survive. Though Mission may look like a large system, it is actually small.

Will Mission employees retain their jobs? Yes, everyone will be transferred into HCA with the current level of seniority. Some back-office jobs will be lost in order for HCA to achieve the level of efficiency for which it is known.

Theresa Coletta spoke of an ACT article in which Dr. Paulus said that Mission lost 70 million. She wondered how the company could remain profitable in light of such losses. Becky clarified that point, saying it wasn't a direct loss but \$70 million of decreased reimbursement. BRRH is also hampered by the payer mix which is weighted heavily towards Medicare and Medicaid.

Mayor Coletta asked what BRRH's debt is and how that figured into all this. She wondered if that debt would be held against us. Becky Carter said that the loss was \$200,000 last year but that we're half a million to the good this year, and that HCA is fully aware of the debt and current losses.

The focus shifted to the N.C. Legislature, and Susan spoke about the N.C. Legislative Committee on Rural Health and the recommendations they made in April to address the discrepancies in health care coverage for rural residents.

Senator Van Duyn spoke about N.C. "capitating" Medicaid which means that hospitals and doctors will not be compensated per visit, but that there will be a set amount allotted per person. This moves the risk away from the State of N.C. onto the insurance or the provider. She would like to see how HCA operates in states that have already "capped" Medicaid. She wants to see numbers. She is concerned that we are changing a lot of things all at one time, nationally and at the state level, and we won't know how to fix it when things go wrong because we won't know what broke it.

Task Force Reports:

Collaboration: Susan reported that the committee met twice and discussed how to share SEARCH's information on the HCA/Mission deal with elected officials. Senator Van Duyn advised the group that any legislation about healthcare would need to go through Senator Hise and that we should engage him.

Research & Outcomes: Jon Ward said the group wants to take on the research needs of the other task forces. He also reported on the Outcomes Task Force. They had met with Becky Carter earlier and will meet quarterly. No deliveries have occurred in the ER. The Outcomes group will likely become a subset of research as Jim Deaton has had to step away from SEARCH and from co-chairing the committee and Diane Creek is overburdened at work.

Communications: Victoria Hicks reported that the logo has been completed and that Risa has developed a media contact list.

Outreach: Karin spoke about Community Conversations, the results of which will be combined with the survey of healthcare needs that the health department does every 2 years. They will then be returned to the community for comment. Outreach seeks more people to be involved with this effort.

Related to this is the Community Conversation about Healthcare being sponsored by the N.C. Justice Center with the help of SEARCH on May 17 at the First Baptist Church in Burnsville. The topics are

Medicaid, the Affordable Care Act, Mitchell & Yancey's changing healthcare landscape, and how to become healthcare advocates. Dinner is included with the free registration. Contact Nicole Dozier at 919-856-2146 or Nicole@ncjustice.org to sign up.

Two other May events were highlighted:

May 15: Workshop on Collaboration, sponsored by WNC Nonprofit Pathways at Grandfather Mountain from 10:30 a.m. to 2:00 p.m. The presenter is Meghan Merritt, Executive Director of the Corpening YMCA in Marion. The link to register for the May 15th workshop is <http://events.constantcontact.com/register/event?llr=pc5muybab&oeidk=a07efbwu55b2f796e5e>

May 29: Rural Day in Raleigh

The next SEARCH meeting will be at Trinity Episcopal Church in Spruce Pine in early June, date tba.

--Meeting notes by Britt Kaufmann, compiled and edited by Susan Larson