



Hospital: Merger collapsed over Catholic health care standards

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WATERBURY — Last week, when Waterbury lost its chance for a for-profit, taxpaying, state-of-the-art medical center worth about \$400 million, it also lost a "game-changer" for an aging industrial city struggling to find new roots in the 21st Century.

What went wrong? Why couldn't the city's two hospitals, their deep-pocketed private partner, the mayor and a supportive governor make it happen?

"There is nobody to blame," said Darlene Stromstad, president and chief executive officer of Waterbury Hospital. "It's important, as a community, that we don't waste any effort on engaging in the placing of blame. We don't want to polarize the community."

One thing is certain: the demise of Plano, Texas-based LHP Hospital Group Inc.'s proposal to merge the two hospitals, form a joint venture and construct a new hospital here didn't fail because of a lack of effort, she said.

"The governor, the mayor, the attorney general, the Office of Health Care Access, everybody tried to help us get through the process," Stromstad said. "But at the end of the day, we simply couldn't get through the ERDs."

Stromstad is referring to the Ethical and Religious Directives for Catholic Health Care Services issued by the U.S. Conference of Catholic Bishops and adhered to by Saint Mary's Hospital, which is affiliated with the Archdiocese of Hartford. To participate in the merger, Waterbury Hospital had to allow the newly constructed replacement hospital to follow the directives.

From the start, however, Waterbury Hospital knew that following the ERDs while continuing to offer all of the services it now provides — including women's reproductive health procedures — would not be easy.

"Reproductive rights is an important principle," Stromstad said. "That is a commitment we take very seriously. Our physicians were always very concerned about protecting reproductive rights."

Unfortunately for the three partners, the ERDs proved to be the immovable object to the

irresistible force of women's reproductive rights.

WHEN WATERBURY HOSPITAL agreed in August 2011 to join the proposed joint venture, its late arrival to the party meant it lacked the leverage needed to supersede the plan to adhere to the ERDs.

The ERDs address "care for the beginning of life," by banning contraception, abortion and infertility treatments such as in-vitro fertilization and artificial insemination. The directives also outline prohibitions for "care for the seriously ill and dying." Some of those contradict state and federal patients' rights laws, from which Catholic hospitals are exempt.

LHP and Saint Mary's announced their initial joint venture in March 2011. According to LHP officials, the joint venture then offered to buy Waterbury Hospital. The offer was rejected, but Waterbury Hospital expressed an interest in the joint venture, LHP officials said.

According to Stromstad, the joint venture offered more than just the potential for a merger.

"Our organization agreed with constructing a new hospital," she said. "That is what brought Waterbury Hospital to the table. Anything short of that we did not feel was an advantage."

Both hospitals have aging facilities, so the chance to share a modern, state-of-the-art building designed to meet the region's needs was too good to pass up.

WHEN THE INITIAL LETTER of intent for Waterbury Hospital to join the joint venture was drafted in August 2011, it included Paragraph 8, labeled "Commitment to Maintenance of Services," that specifically stated how the venture would resolve the ERD-women's issues conflict.

"A long-term 'hospital-within-a-hospital' arrangement similar to that successfully employed in other communities in which Catholic and non-Catholic hospitals have merged" would be set up and owned by a separate entity, but lease space in the new hospital. That paragraph, however, also allowed the three parties to "evaluate various aspects" of the arrangement, which was the reason Chad Wable, president and CEO of Saint Mary's Hospital, signed it.

The paragraph had at least two problems, even as the three parties signed on. Officials at both hospitals said they discovered later that, even though other merged Catholic and non-Catholic hospitals have used the hospital-within-a-hospital concept, not one of the Catholic hospitals involved was affiliated with an archdiocese. That meant Archbishop Henry J. Mansell of the Archdiocese of Hartford had the ultimate veto.

In November, Waterbury Hospital and LHP officials discussed the idea with the state's Permanent Commission on the Status of Women. The 16-member panel was established by the legislature in 1973 to, among other things, study and improve "women's economic security, health and safety," and to work toward eliminating gender discrimination.

LHP and Waterbury Hospital officials discussed the hospital-within-a-hospital concept with

commission staff in November 2011, said Teresa Younger, the commission's executive director.

"They said, 'Would you all accept a hospital-within-a hospital?' and we said yes," she recalled. "We thought we were done with the conversation, only to find out shortly afterward that was not the case."

Wable said Paragraph 8 was never acceptable to the archdiocese.

"That language was subsequently removed in January 2011, and that was agreed to by all parties," he said. "We knew as soon as we evaluated it that it didn't meet the standards of the ERDs."

STROMSTAD SAID LHP and Waterbury Hospital developed eight different concepts for providing women's health services. Of the eight, five were rejected by the archbishop, two by the commission and one by LHP, Stromstad said.

In addition to the hospital-within-a-hospital concept, the others rejected by the archbishop, she said, were a "hospital beside a hospital" (a separate facility sharing a wall with the replacement hospital); a co-located hospital (a separate facility on the same property); an ambulatory surgical center within the replacement hospital; and a separate surgical center sharing a wall with the hospital.

None of these proposals was acceptable to the archbishop, Stromstad said, because in one way or another they all "shared resources" with the replacement hospital — up to and including sharing parking lots.

Wable said the archbishop's objections are moot, because none of the proposals met the commission's criteria. Stromstad disagreed, saying that while the commission's "litmus test" included accessibility and quality of care, it would have accepted any of the five concepts rejected by the archbishop.

The two rejected by the commission included a free-standing ambulatory surgical center near the new hospital, and a "women's pavilion." Each divided services between the replacement hospital and the separate facility. The commonly cited example was the ability of a pregnant woman delivering her baby via C-section to also have a tubal ligation performed. That surgical procedure sterilizes the fallopian tubes, a permanent method of birth control, and is commonly done following a C-section when requested.

The commission would not accept the surgical center or pavilion because a woman having a C-section in the hospital would then have to be sewn up and schedule the tubal ligation at the separate facility, requiring a second invasive procedure.

While Waterbury Hospital officials said the combination of a C-section and tubal ligation was performed only 76 times last year in its building, Younger said the numbers are irrelevant.

"We don't feel it was our job to compromise on what services are offered to women, whether it's

one or 5,000," she said. "I don't think it's a numbers game. ... If you ask a woman to come back for another procedure, to get opened up again, and then she dies, you tell me and tell that family it was better to have those multiple procedures."

The eighth concept proposed building a separate maternity hospital near the replacement hospital, but LHP rejected the idea as too costly.

STROMSTAD SAID THAT, WHILE TRYING TO DEVELOP A SOLUTION, she spoke to hospital officials nationwide. By the time the eighth proposal was rejected, she had decided there was no solution that would satisfy everyone.

Wable, on the other hand, continues to believe one can be found.

"The work done up to this point was very preliminary and not detailed," he said. "It's important that you really get into the details of what it takes to resolve this issue, and not just be at the 60,000-foot level."

Even though a 14-month search failed to produce a workable solution, Wable called Waterbury Hospital's decision to go its own way "premature."

"We already have a certificate of need application, we already have support from the local delegation, the mayor and all the constituencies," he said. "I don't know if there is enough support for any independent action."

He added that Saint Mary's explored going its own way before entering the joint venture, "only to find ourselves in a situation where the community, the regulators and the medical staff only supported a communitywide solution. To think that Waterbury Hospital can go down the same path and get a different result is hard for me to believe."

Mayor Neil M. O'Leary said it is equally hard for him to accept that there will not eventually be a merger.

"I have enormous respect for Darlene Stromstad, and I can understand her frustration. But as the mayor of the city of Waterbury, I would never give up," he said Saturday. "I'd like to believe, and continue to believe, there is a way to make this happen."