

Medical center will 'find a way' to stay open

By K.C. Mehaffey World staff writer

WENATCHEE ? With the strong support of politicians and other hospitals, the [Wenatchee Valley Medical Center](#) now says closing is not an option, even if a bill passed in the U.S. House of Representatives becomes law.

"Our doors are going to stay open. Even though this could be a significant hit to us, we will find a way, through reorganization or restructuring, to continue to provide medical services," said CEO and board chairman Dr. David Weber.

On Wednesday, under the initial shock of proposed legislation, Weber said the medical center feared it could be forced to close if provisions of a House version of a children's health bill became law.

But support from the Washington Hospital Association, and both Republican and Democratic congressmen and senators, make medical center officials more confident of its future, he said.

The bill, which reauthorizes funding for the State Children's Health Insurance Program, includes a provision that prohibits physician-owned hospitals from receiving Medicare reimbursements.

The medical center is owned by 152 physicians, and 41 percent of its business is from Medicare.

Weber said he's more hopeful than he was when the bill passed the House on Wednesday that this provision will not make it into the version that becomes law.

"Doc Hastings' comments on the floor of the House have gotten a tremendous amount of publicity," he said, generating an outpouring of support for the medical center. In addition, he said, "Sen. Maria Cantwell is adamant she will work to make sure this bill would not contain language that would hurt the [Wenatchee Valley Medical Center](#)."

The Senate's version of the bill, which passed 68-31 on Thursday, does not include the Medicare reimbursement restrictions.

Differences in the two versions must be reconciled, and President George Bush has threatened a veto of the House or the Senate bill.

With a 28-bed hospital and eight clinics, the [Wenatchee Valley Medical Center](#) is a driving force of North Central Washington's health care scene. It provides the majority of doctors at many hospitals, and offers the only services in many specialties.

"They are the bulk of our medical staff, so anything that affects them will affect us," said Jack Evans, president of Central Washington Hospital in Wenatchee. He said about 80 percent of doctors who work at the hospital are employed by the [Wenatchee Valley Medical Center](#).

The hospital has won national recognition in the last few years, and that's in large part due to doctors employed by the medical center, he said. "This is the best medical staff I've seen in my

career," Evans said.

Warner Bartleson, administrator of North Valley Hospital in Tonasket, said [Wenatchee Valley Medical Center](#) provides six of his hospital's eight doctors, so he's extremely concerned about the bill. "You're rarely going to see a rural area like ours that has better health care," he said. "Both [Wenatchee Valley Medical Center](#) and Central Washington Hospital are top quality. We need them to be economically viable or we are not going to have a good health care system."

Evans added, "It's not a law that makes sense, so I just can't imagine it'll go through."

Mike Decesare, spokesman for Rep. Jim McDermott in Seattle, who voted for the bill, said the provision was aimed at protecting American taxpayers and patients from the waste, fraud and abuse that has occurred at some physician-owned hospitals.

"When you have such a huge piece of legislation, one thing you're always going to see is exceptions to the rule. ...This was not aimed at Wenatchee," he said.

Decesare added, "There's a long way to go before this becomes law," and there are still opportunities to fix language and prevent the unintended consequences to the [Wenatchee Valley Medical Center](#).

Weber said in some states, for-profit hospitals owned by physicians have come under fire for "cherry picking," or the practice of taking only patients who can pay, or who have good insurance, or for doing procedures that are more highly reimbursed, he said.

He said the [Wenatchee Valley Medical Center](#) -- started by three physicians in 1940 with the intent of creating a facility similar to the Mayo Clinic -- takes all patients regardless of their ability to pay. "We are not a specialty hospital. We are a general hospital with medical, general and rehab services."

Molly (Gutierrez) Sandvig, executive director for Physician Hospitals of America, said the problems with specialty hospitals are being addressed through policy changes at the Centers for Medicaid and Medicare, with provisions her association supports, like lower reimbursements rates for those that treat lower risk patients. "We think that's fair," she said.

But the attempt to cut out all physician-owned hospitals from Medicare reimbursements is not, she said. "It's a very thorough and vicious attack on our industry. These hospitals would be basically forced through a fire sale."

She added, "The way the current legislation is drafted, it really looks like the first step toward socialized medicine."

Sandvig said there are about 165 physician-owned hospitals nationwide, and her organization represents about half of them. The [Wenatchee Valley Medical Center](#) is not a member.

K.C. Mehaffey:

422-3850, 997-2512