

http://www.sonomawest.com/the_healdsburg_tribune/news/healdsburg-district-hospital-on-the-path-to-new-ownership/article_4736c548-d3aa-11ea-8e52-bbb2b25ca70c.html

FEATURED

Healdsburg District Hospital on the path to new ownership

By Rollie Atkinson, Sonoma West Staff

Jul 31, 2020



After years of searching and negotiating to find a strategic partner, the board of directors that oversee the Healdsburg District Hospital this week voted to go forward with final agreements with NorCal Health Connect, an affiliate of Providence St. Joseph Health. Pending a vote by the taxpayer-owners of the Northern Sonoma County Healthcare District (NSCHD) in November, ownership and management of the hospital will change and be final.

The hospital dates its beginning to 1905 and became a community-owned institution

in 2000 with the formation of the voter-approved healthcare district. The district includes Windsor, Healdsburg, Geyserville and Cloverdale communities.

Like almost all small and rural, or semi-rural, hospitals in the country, the north county's hospital has faced increasing financial challenges to continue to serve local healthcare needs and serve as a "medical home" for local doctors and caregivers. The recent spate of wildfires and an extended power outage in 2019 has added more fiscal stress to the hospital. Currently, the hospital is suffering six-figure monthly financial losses due to restricted patient activity under the COVID-19 public health edicts.

"Our Partnership Committee and Board of Directors have worked hard to craft a fair and comprehensive agreement, and to finalize what has been a multi-year conversation with Providence St. Joseph Health. This agreement offers the community the security of preserving the hospital's essential departments and continuing the century-long history it has of serving the community," said Healdsburg District Hospital's Chief Executive Officer, James P. Schuessler, in a prepared statement released to Sonoma West Publishers on Friday.

Earlier this week, it was announced that NorCal Health Connect is acquiring ownership and management of the 80-bed Petaluma Valley community hospital under similar terms as the north county transaction. The value of the Petaluma transaction was reported at \$52.6 million, which also needs district voter approval in November.

—

A Healdsburg hospital spokesperson said a “final purchase price has not yet been determined.”

In both cases, an annual parcel tax charged to property owners in the healthcare districts will remain in place and continue to subsidize hospital operations. The north county’s annual assessment is \$150 per parcel and will not be increasing.

In earlier strategic partnership negotiations between NSCHD and St. Joseph’s, some citizen concerns over the potential loss of specific women’s health services were raised. St. Joseph’s is a Catholic faith-based organization that follows religious directives limiting birth control and related service. The affiliate NorCal Health Connect is not required to follow the same religious-based directives.

"All clinical services provided at HDH currently will be provided subsequent to the closing of the transaction. As a part of the secular organizational structure of Providence St. Joseph Health, the only procedures not permitted in future operation of the hospital are destruction of human embryos, elective abortion, and physician-assisted suicide, none of which are available now," stated the current hospital administration in a prepared statement.

“The NSCHD board believes that this purchase will provide the best assurance that the residents of the District will receive continued, long-term access to acute care hospital services, including the 24/7 emergency room. A larger network can bring additional value into our District by expanding access to comprehensive services and implementing Community Benefit initiatives and programs to address our community’s needs,” said NSCHD Board Chair Erin Gore in the prepared statement.

“Our expectation is that voters will support this initiative to ensure availability of the quality health care they will need well into the future,” said Schuessler. “This agreement will put the hospital on solid financial footing, reducing the uncertainty that small hospitals face in today’s unstable economic environment.”

Voters can familiarize themselves with this agreement in the coming months as they prepare to make their decision in the upcoming election. Board minutes are located on the hospital's website: www.HealdsburgHospital.org. The district will hold three public forums this month to further discuss the transaction and answer questions.

The agreement assures current hospital employees of wage and benefit stability during the ownership transfer and NorCal Health Connect has agreed to maintain clinic operations, assurance of seismic compliance, and guarantees to continue existing District services into the future.

Yet to be determined is any voter or community oversight or advisory process on the future operations of the health institution.
