



WATERBURY

COMMUNITY UNITED for **Jobs, Healthcare & Opportunity**

Questions and Answers about the **LHP Takeover** of Waterbury and St. Mary's Hospitals

Why should Waterbury residents be concerned about the sale of our two hospitals to the LHP venture capital group?

There are so many unanswered questions. We need to take a closer look at this sale. What is the intent of LHP, a Texas corporation? Do they have the ability to *improve* healthcare and *protect* good jobs in our city?

Won't LHP bring needed tax revenue into our city?

Yes, but when? And at what cost? Will LHP get tax breaks first? Loan forgiveness? State Bonding funds? This is all public money. Every nickel we give away to attract LHP into our city is *taxpayer* money. Will we simply be helping a profit-making company buy our hospitals with *our* money?

The question is what will they be *taking out* of the city? Over \$10 million in margins/profits would have gone to Texas last year if the two hospitals had been for-profit by LHP.

You say there will be fewer hospital beds when the two existing hospitals are cut down to one. But aren't there too many empty beds now?

Before we make that determination, we need to ask *why* the beds aren't filled. What we *do* know is that doctors have been taking their practices out of town. We also know that hospitals are in sharp *competition* with each other. That's why we see TV and print ads, hear radio programs and receive slick hospital magazines—so we will use hospitals other than our local community hospitals.

Based either on the standard of 2.6 beds per thousand people, or the 3.6 national average of hospital beds, *LHP's plan falls far short*. Right now, with our two hospitals, we average 714 licensed beds per thousand, or 2.5 beds per thousand. That's close to the national average.

For the new hospital, which will service 280,000 people in the Waterbury region, *we need between 735–1000 hospital beds*, not LHP's 350-400 beds!

A newspaper recently reported that there was an overflow of patients even with the two Emergency Rooms we now have. What will happen when there is only one hospital?

Waterbury and St. Mary Hospitals already rank among the highest for the *number of patients seen* and for *long waiting times*. This will only get worse with one hospital and one emergency room.

Waterbury's unemployment rate is over 12%. Won't LHP bring jobs?

Temporary construction jobs, yes. If they are good union jobs for local people, that's great. But how about *after* the hospital is built? Both hospitals have a total of 3900 employees now. St. Mary's has told its employees no one will lose their jobs. Does that mean *2,000 Waterbury Hospital jobs are at risk*? Working families will lose while LHP makes a profit.

The LHP Hospital will be for-profit, but Waterbury and St. Mary's are non-profit. Will that be a problem?

Non-profit hospitals have to report to the IRS if they want to keep their non-profit status. They have to show precisely how they benefit the community, for example, how much charity care they provide. But a for-profit group has no such requirement. LHP says it will meet a "community benefits" standard, but how can they if they don't negotiate with our community? What will those benefits be? Who will oversee and enforce them? We don't know.

Won't the local hospitals have an equal say in the operation of the new hospital?

We have heard several different plans to have a balanced board of directors. But the fact is that LHP will own 80% of the new hospital. Doesn't the owner *always* make the big decisions?

So do you want this new hospital venture in Waterbury to fail?

No! We want to make sure that a small group of Texas businessmen don't come into our state, cut access to healthcare, make money, and then sell! If a for-profit group wants to do business here, it should have to sit down with the community and the affected employees to plan a future that works for all.

Sources:

American Hospital Association, 2009, aha.org/research/rc/stat-studies; Kaiser Family Foundation, statehealthfacts.org; Modern Healthcare, 8/29/11; National Academies Press, *Health Planning in the United States*; WaterburyHospital.org/newsroom; St. Mary's Hospital, stmh.org; Waterbury Republican-American. 2/1/12