

Tier hospitals enhance services, intensify care

By Richard A. Kiley
Staff writer

If one were to sum up in hospital terms the financial condition of the diocese's two Catholic hospitals in the Southern Tier, they might both be described as "guarded."

Yet, in spite of increasing financial pressures brought on by costly construction projects and what hospital officials describe as New York state's "poor" reimbursement policies, both St. James Mercy in Hornell and St. Joseph's in Elmira have been able to improve their services through innovative approaches.

St. James Mercy this week opened its fourth rural family health clinic, or "satellite clinic," as hospital President Sister Mary René McNiff, RSM, likes to refer to these facilities. The newest facility, the Cameron Valley Health Care Center, is an ambulatory, outpatient clinic.

Such clinics represent St. James Mercy's latest move in continuing efforts during the past 15 years to extend health care beyond hospital walls. The Catholic hospital now has family health care clinics in Woodhull, Troupsburg, Greenwood and Cameron.

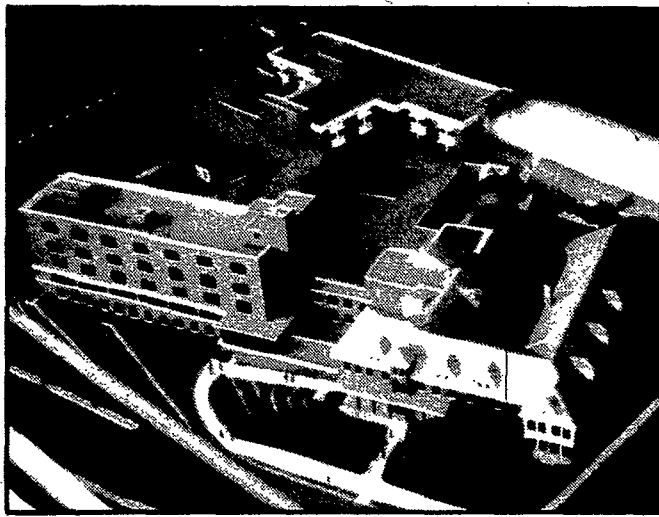
"We wanted to make health care more accessible, more coordinated for people in the area," said Sister McNiff, who has been president of the hospital since 1966. "The rural background makes us more concerned with getting people quality health care. We started the clinics so people could get things closer to home."

Sister McNiff added that the family health clinics have become even more important since the former Bethesda Hospital in Hornell closed in 1985. Officials of St. James Mercy and Bethesda Hospitals had attempted to consolidate their services for nearly 10 years, according to Sister McNiff, but were never able to settle on an acceptable merger plan.

In 1986, St. James Mercy Hospital officials received permission from the state to lease the former Bethesda building. The facility, which is now called Mercycare, is a 55-bed nursing home, which also houses respite-care services for Hornell-area residents.

Merger plans shaky

Merger plans between Elmira's two hospitals, St. Joseph's and Arnot-Ogden, are also in danger of not coming to fruition. Last August, the hospitals approved a strong recommendation from the Elmira Hospital Committee to consolidate the two hospitals into a 500-bed facility in the two existing buildings. Although the merger plan calls for some services to be shifted or consolidated



This model shows how St. James Mercy Hospital in Hornell will look after completion of the hospital's \$23-million construction project.

within the buildings in order to eliminate duplication, each hospital will maintain its own name under the single, umbrella identity called the Elmira Medical Center.

According to Sister Marie Castagnaro, SSJ, president and chief executive officer at St. Joseph's in Elmira, negotiations between St. Joseph's and Arnot-Ogden are proving difficult.

"As far as the consolidation, major issues have to be dealt with," said Sister Castagnaro, who was named president of Elmira's Catholic hospital in May of last year. "We could have a consolidation, and we could not."

Sister Castagnaro said that administrators of Elmira's two hospitals have come to an impasse over "who is going to be responsible for St. Joseph's mortgage and the appropriate use of present facilities."

"Right now, the formula for paying off the mortgage is just not acceptable," she said.

St. Joseph's recently finished \$40 million worth of construction and renovation to the facility, amassing a huge mortgage in the process. The renovation of St. Joseph's operating room facilities and its units for intensive and acute care has enabled the Catholic hospital to offer "modern and state of the art" health services to Elmira-area residents, Sister Castagnaro said.

Arnot-Ogden officials, however, are pushing to consolidate nearly all inpatient medical and surgical services

under their roof, Sister Castagnaro said. This measure would leave outpatient care to St. Joseph's, which has become renowned for its centers of behavioral science, and alcohol and substance-abuse rehabilitation. Yet St. Joseph's, like most hospitals, depends heavily on the revenue produced by treating trauma patients — revenue it would lose if Arnot-Ogden becomes the principal trauma center.

"The state is going to take a long, hard look at the split in services," Sister Castagnaro said in rebuttal to an article in the Elmira *Star-Gazette* reporting that the two hospitals had agreed on a plan to divide services. "The state approved our 'Quest '82' (renovation) project so I would imagine they would like to see our hospital use the areas we improved upon," she said.

When and if St. Joseph's and Arnot-Ogden agree on a plan to distribute services, officials must then present it to the Finger Lakes Health Systems Agency and also receive approval from the New York State Department of Health. Further examination of the plan will be made by the Project Review Committee of the State Hospital Review and Planning Council.

Officials of St. Joseph's and Arnot-Ogden hospitals announced last August that they could merge services within three to five years, but Sister Castagnaro said that "may not be possible now."

Some of the delay could be due to the state's slow approval process. Before embarking on the extensive renovation project, St. Joseph's Hospital applied for its Certificate of Need — the application by which hospitals justify spending money for construction and programmatic changes — in 1982, but work wasn't begun until 1983.

Creating access to care

Meanwhile, Hornell's St. James Mercy is in the midst of a \$23-million project of expanding and renovating its emergency rooms and life-saving facilities. Financed through a Hornell capital fund drive and a loan from the federal Housing and Urban Development agency, the construction is the first major renovation of the 99-year-old hospital in two decades.

According to Janis Conklin, the hospital's director of public relations, the work will attain for the hospital a new emergency-room center, a surgical suite with a ventilation system to keep air outside operating rooms from entering, and a critical/cardiac care unit above the emergency room and adjacent to the surgical suite.

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Mercy Health continues to meet Auburn area's health-care needs

By Lee Strong
Staff writer

AUBURN — Many Catholic hospitals today are facing difficult choices in light of financial woes, competition and staffing shortages. Some hospitals will have to close, cut back on staff and services, merge with other health-care institutions, or come under new management in light of these problems.

Mercy Health and Rehabilitation Center in Auburn ceased operations as a hospital in 1977 — not because of these problems, but because of a decision made by the State of New York.

"During that time, the state was closing facilities across the state because the state thought there was an excess of acute care beds," explained Sister Mary Aquin McKenzie, OSF, administrator of Mercy Health.

The decision to close the hospital was actually made in the late 1960s when the state's health department determined that Cayuga County needed only one acute-care facility, Auburn Memorial Hospital. Mercy Hospital administrators agreed to phase out their acute-care beds, a process completed in 1977. On July 31 of that year, the hospital lost its license.

Mercy Health is now an extended-care facility for the elderly, with 252 skilled-nursing beds and 45 intermediate-care beds. The facility also offers an adult medical day-care program and outpatient physical/occupational-therapy services. In addition, this August a project to convert the former hospital building into 40 apartments for the elderly will be completed.

The facility's continued operation is due to decisions made concurrent with the determination to close. The same studies of the Cayuga County region that led the state to close the hospital also showed that the

county needed additional extended-care beds for the elderly. In fact, Cayuga County currently has the state's fourth largest population over age 65, Sister McKenzie reported.

In light of this new focus, Mercy changed plans to construct a new hospital building and instead erected a 10-story building to house the extended-care facility. Construction began in 1970, and the first resident moved in in 1972.

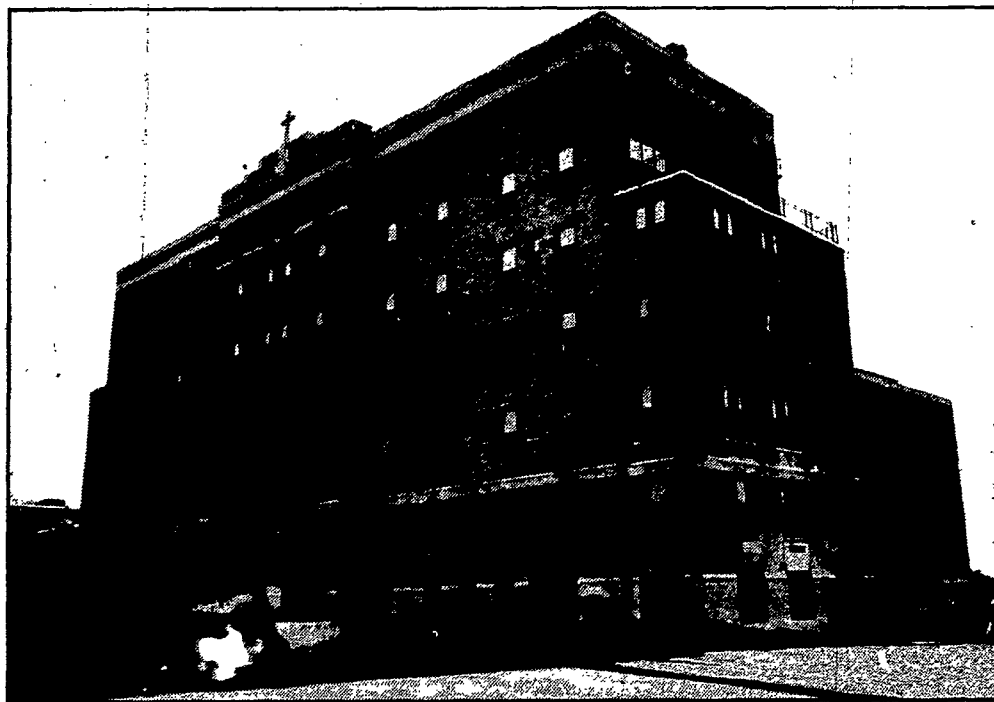
Thus, at the time the hospital closed, Mercy Health had already moved on to its new mission of providing services for the elderly of the Auburn community, Sister McKenzie acknowledged. "It was a struggle for us, but we certainly feel satisfied that we are serving the population of Auburn and the elderly in the community," she said.

Nevertheless, the hospital's closing was still painful, noted Rose Hogan, director of nurses for Mercy Health. "It was traumatic," she said. "Mercy Hospital was a small hospital and was family-oriented for the patients and the staff, so people felt a sense of loss." Some of the staff, in fact, lost their jobs during the transition of the facility to its new extended-care status.

Mercy Health board member F. Michael Stapleton said Catholic lay people in Auburn at the time felt the closing was unnecessary. "It seemed to be a campaign across the state," he suggested, noting that since the closing, Auburn Memorial has, at times, had to turn away patients and cancel elective surgery because of lack of beds.

Stapleton added, however, that "Mercy Health and Rehabilitation has most definitely filled a tremendous need for the area. All you have to do is look at the occupancy rate."

Although no longer a hospital, Mercy Health still faces some of the same prob-



Linda Dow Hayes/Catholic Courier

Construction is nearly complete on a project to convert the former Mercy Hospital building in Auburn into 40 apartments for the elderly. Residents will be able to move in in August.

lems with which Catholic hospitals must contend. Those problems include declining numbers of women religious entering hospital ministry, nursing shortages and reimbursement problems.

The latter problem is particularly troublesome to Mercy Health because as a nursing home, it relies heavily on Medicaid payments — which have not kept pace with costs, Sister McKenzie observed. "You provide a service to the elderly and the poor and the state doesn't reimburse enough," she lamented. "It's a struggle."

Stapleton pointed out that the center has managed to survive financially because of careful management. "The whole staff works together to provide excellent care on

a fiscally responsible basis," he said. "Given all the vagaries of the State of New York Health Department, (Mercy Health is) financially sound and the prognosis for (it) is good."

The continuing survival of Mercy Health is important to the facility's administration and staff because they see part of their mission as preserving a Catholic philosophy in health care. That philosophy includes a respect for the individuality and dignity of each patient, Hogan explained.

"I tell the staff, in these days today when they are certifying nurses' aides, there's no yardstick for the caring and compassion that's shown in this institution," Sister McKenzie concluded.