

Board cancels merger of Elmira hospitals

By Lee Strong
Staff writer

The board of directors-designate of the Elmira Medical Center — which was to have merged St. Joseph's and Arnot-Ogden hospitals in Elmira — voted Monday evening, Aug. 7, to cancel the merger.

In announcing their decision, board members cited disputes over service distribution and responsibility for St. Joseph's \$35-million mortgage as the major reasons for cancelling the merger.

"The merger plans are not achievable at this time," said Al Barto, vice president of St. Joseph's. "That was the decision made last night."

The two hospitals agreed to the merger in August, 1988, setting an estimated time frame of three to five years for completion of the project. The agreements stipulated that St. Joseph's would retain its Catholic identity, and that no money from Arnot-Ogden's endowment fund would be used to pay off St. Joseph's mortgage.

St. Joseph's mortgage is held by two governmental agencies, the Federal Housing Administration and the New York State Medical Care Facilities Financing Agency. The two agencies agreed to the merger on the condition that Arnot-Ogden would share responsibility for mortgage payments. Thus, if St. Joseph's were unable to

make its payments, the agencies could assume not only St. Joseph's assets, but those of Arnot-Ogden as well.

Under the terms of the mortgage, the agencies have the right to block a merger if their requirements are not met, and they indicated they would do so unless Arnot-Ogden's assets were available as security for the mortgage. Officials from Arnot-Ogden said they were unwilling to make their assets available.

St. Joseph's took on the 30-year mortgage to finance a building expansion project, which included a refurbishing of the emergency room. Arnot-Ogden currently holds no mortgage, but had planned to apply for one after the merger to pay for planned renovations to its facilities.

In a statement issued Aug. 7, Ben E. Lynch, acting chairman of the board of directors-designate for the combined hospitals, explained that the state and federal governments reimburse hospitals for their mortgage costs at a fixed rate. Currently, 92 percent of St. Joseph's mortgage costs are being reimbursed by the government.

"Our financial projections showed that if this rate had remained the same, the mortgage payments could be made by the Elmira Medical Center," Lynch said. But Lynch pointed out that legislation has been introduced at both state and federal levels

to reduce the amount of money hospitals receive to cover mortgage costs. The possibility exists, he said, that the reimbursement rate could be reduced so much that making the mortgage payments would cause financial problems for the combined hospitals.

"After three years of work without an acceptable plan, the Elmira Medical Center Board-Designate has concluded that further study will not be productive," Lynch declared.

Lynch also said that even though the merger had fallen through, both hospitals had profited from the work involved in preparing for it. Both hospitals had undertaken studies of current and future health-care needs of the Elmira area, and these studies have produced joint efforts in a number of departments and services. "Both hospital boards will form a joint committee to work on cooperative projects where this is indicated," he predicted.

The decision not to merge ends a process that began in 1986 when the Elmira Hospitals Committee began to examine the possibility of consolidating the two hospitals' services. The committee resolved on Dec. 17, 1987, to pursue consolidation, agreeing that it would be in the best interest of the community and that such a move would eliminate unnecessary duplication of

services and build a stronger health-care system for the region.

On August 11, 1988, the boards of both hospitals accepted a "memorandum of understanding" drafted by the Elmira Hospitals Committee. The board of directors-designate for the Elmira Medical Center began meeting in Nov., 1988, to develop the financial, operational and facilities plans needed to apply for state certification for the new entity. As part of the plan, the board agreed that St. Joseph's would retain responsibility for its mortgage payments.

In a letter dated July 19, 1989, however, the two mortgage agencies declared that they were unable to deviate from the rules requiring that Arnot-Ogden's assets be made available as security for the mortgage.

Barto said it is unlikely that the two hospitals will attempt another merger in the future. He indicated that St. Joseph's Hospital would simply continue to function as it had in the past, and said that the hospital is not in financial trouble at this time.

"There's no problem in the foreseeable future as far as the mortgage or the continued operation of the hospital," Barto concluded.

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Enriching effort

Our annual education supplement focuses on efforts to enrich the faith lives of all Catholics and to foster Bishop Clark's call for a well-integrated catechetical plan. See second section.



'Days of rest' fill resort churches

By Lee Strong
Staff writer

Summertime means vacation.

And vacation means relaxing, getting away from the city, forgetting responsibilities for a while.

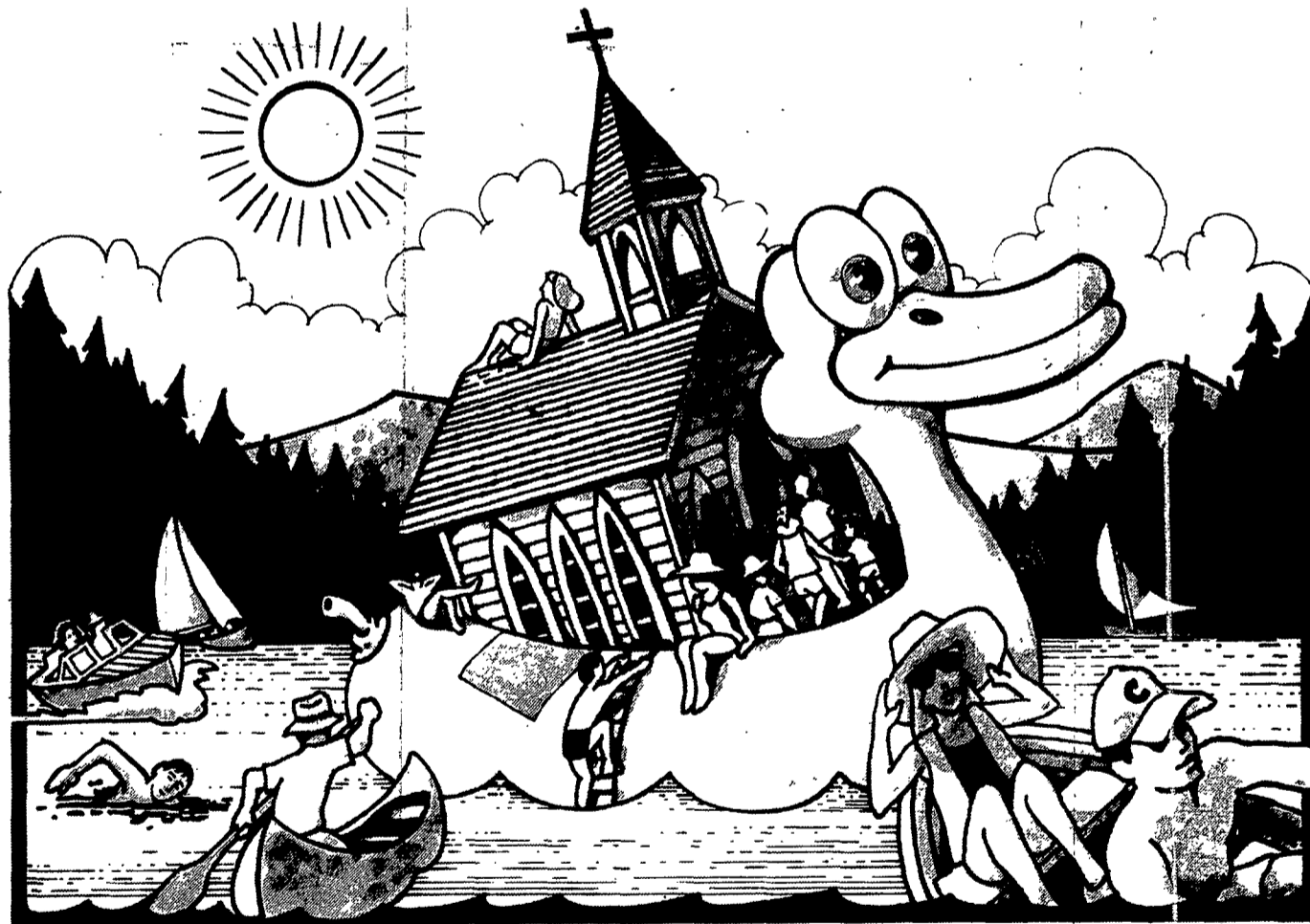
The Diocese of Rochester is blessed with such areas as the Lake Ontario shoreline and the Finger Lakes region, which attract thousands of visitors each year. As a result, parishes in those areas must deal with an influx of vacationers each summer. This influx can mean crowded churches and extra Masses, but also added income and potential parishioners for these parishes.

"Our population pretty much doubles," observed Father William Michatek, pastor of St. Michael's, Penn Yan, and St. Andrew's, Dundee. "We have to add 50 chairs to accommodate them."

Although other parishes do not necessarily experience doubled attendance, all report significant increases during the summer months. Frequently these parishes add Masses in order to accommodate the extra demand, while others, such as St. Mary Magdalene in Wolcott, are even looking to expand their facilities, in part, to make room for summer parishioners.

The increased work load can be a strain, noted Father Michael Hogan, pastor of St. Mary of the Hills, Honeoye, which has been forced to add an extra Mass during summer months. "I leave the rectory before 7:30 and I never get back until after noon," he said. "Especially on the hot days, I find that physically draining."

But even as the summer visitors crowd the churches and add to the work load, resort parishes welcome summer noted Father John Dillon, pastor of Church of the Epiphany in Sodus and St. Rose of Lima in Sodus Point.



"People love to see (the summer people) coming," Father Dillon said. "Some (summer) people come for years and years, and (regular) parishioners are sorry to see them go (at the end of summer.) It's like a big family."

"They bring a lot of vitality and youth that we don't have a lot of," Father Michatek remarked. "Penn Yan is a small, older-type community. (Summer) brings a lot of children and a lot of younger families to the parish."

Summer parishioners can be divided into two types, area pastors explain. Vacationers in one group rent cottages for a few weeks, in some cases on an annual basis. They attend Masses, but rarely become involved in the life of the parish. The second group of summer vacationers tends to own rather than rent their cottages. These people spend not only their vacations at the cottage, but most summer weekends as well. These people are more likely to become known and involved in the nearby parish.

"Many of the summer parishioners consider it their second parish," said Father John Lynch, pastor of St.

Theresa's, Stanley, and St. Mary's, Rushville. He noted that "a fine spirit of friendship and cooperation" exists between the regular parishioners and the summer people.

Father Lynch pointed out that the summer influx also adds to parish life. As an example, he said, "We have a folk group in the summer every Sunday. We only have one once a month during the winter. A third of the people (in the group) are summer people."

Some of the summer visitors eventually become regular parishioners, Father Michatek noted. "A lot of them buy places and retire here and become involved in the parish," he said. "A lot of people are building their dream home down here."

Thomas Negus and his family, for example, are looking forward to eventually living year-round in their summer home at Sodus Point. Even now, they stay at the cottage three weekends a month during the summer, and several times during the winter as well. During their visits, they attend Church of the Epiphany, and occasionally St. Rose

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