

# County officials respond to questions concerning Pioneer Memorial Hospital

**Editor's Note:** The following questions and answers were submitted by the County Court. They reflect citizen as well as official positions taken by county officials.

**Q. Some equipment replacement and improvements that were budgeted for this year have not been purchased (i.e. walk-in cooler and delivery room table). What is the reason for this?**

**A.** The hospital did not generate \$926,266.00 as projected in the 1978-79 budget. This required that expenses be curtailed approximately 14 percent. All items on the expense side of the budget were curtailed wherever possible. Cuts were made that least affected health care. This included the walk-in cooler and the OB table. The failure to make these purchases did not make any extra cash available because the money that wasn't spent was money that wasn't there.

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**Q. Is our hospital staff adequate and well-enough trained to give patients the care prescribed by our doctors?**

**A. Yes.**

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**Q. Is Mark Murray paid for delivering medications to the hospital besides being paid for medications?**

**A.** There is a provision of \$600 in the budget for pharmacy consulting services. The State and Federal laws require that the hospital drug function be supervised by a registered pharmacist. The pharmacist also provides other professional services to the medical staff, monitors drug compatibility, drug reactions, helps maintain the hospital drug formulary and is a member of the hospital pharmacy and therapeutic committee.

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**Q. Does the hospital pay any other supplier for delivery besides paying for products delivered?**

**A. No.** (Usual freight charges are paid when applicable.)

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**Q. What is the rate per patient-day at the hospital?**

**A.** The hospital is presently charging the following hospital rates: \$105 for acute care; \$27.50 for nursing home care in the lower level; \$29.50 for nursing home care on the upper level.

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**Q. How many federal tax dollars has the hospital brought back into Morrow County?**

**A.** It is not possible to calculate any precise amount but the hospital board feels that the hospital is responsible for bringing a substantial number of federal dollars back into Morrow County. The large portion of the funds used to construct the hospital came from the federal government. At present, the hospital expects to receive an estimated \$205,000 in grant money for a new wing and x-ray equipment. The county has received federal grant monies for the acquisition of ambulances presently being used in both north and south Morrow County. In addition to grant money, the hospital receives payments on behalf of patients from medicare on a regular basis.

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**Q. What alternatives are being considered in the event that the hospital budget is not passed on June 26?**

**A.** The hospital board and the county court are committed to doing all that is within their means to keep the hospital operating. The county court is going on record, however, that it will not call for or accept the resignations of hospital board members or of any hospital officials. The court has complete confidence in the board and the hospital officials and does not wish to be engaged in any brinkmanship personality struggles in which the hospital's budget is held hostage for personnel changes.

It does not appear to be at all feasible for the hospital to operate without some tax levy. County officials with hospital-related responsibilities are convinced that if the June 26 election fails the following problems will be experienced immediately:

—Credit financing will not be possible because of the constitutional prohibition against creating debts or liabilities in excess of \$5,000.

—Officials with fiscal authority and responsibilities may be reluctant to act at all because of the statutory provisions requiring monies to be budgeted before they can be expended and, further, making them civilly liable for expenditures in such cases.

—Hospital employees will be faced with an employment situation of considerable uncertainty and may find their situation intolerable and, hence, seek employment change.

—Potential hospital patients may turn elsewhere for hospital service, thus exacerbating the decline in hospital utilization.

Alternatives under consideration are: (1) close the hospital; (2) keep the hospital operating with a 5-7 week budget using nontax revenues such as accounts receivable, fees and donations, while a third hospital budget is prepared and put to the voters; (3) same as (2) except utilizing, in addition to all available nontax revenues, contingency money from the county's general fund budget if that budget election passes on June 26; (4) same as (3) except utilizing also any revenue sharing monies which might be made available if the Revenue Sharing Committee is willing to make an exception from its policy of not using revenue sharing money for operating purposes; (5) other, as suggested.

No alternative has yet been developed which is deemed to be acceptable. None of the alternatives eliminate the problems mentioned above and none of them assure the county's ability to continue to operate the hospital.

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**Q. Will it be necessary to close the nursing home if the hospital closes?**

**A.** It probably will be necessary to close the nursing home if the hospital is unable to continue to operate. Without the hospital, the nursing home

alone would have to absorb all costs of administration, kitchen and etc. This would result in a sharp escalation in nursing home costs, probably to the extent that it would not be feasible to continue to operate the nursing home.

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**Q. If the hospital does not pass on June 26, who will have the say as to what budget reductions will be made?**

**A.** The ultimate authority to make these decisions is vested in the county budget committee. That committee is composed of the 3 county court members and 3 additional persons appointed by the court. The budget committee relies heavily upon the recommendations of the hospital board. The hospital board will propose a budget which it feels is reasonable and necessary. Persons or employees who are directly affected by the budget proposals will have the opportunity to present their views to the hospital board. Anyone who is interested in the hospital's budget, can attend the sessions of the hospital board and the budget committee and will be given an opportunity to be heard at all public hearings on the budget.

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**Q. If the hospital's doors are closed, will employees be paid for accumulated vacation time and will their contributions towards retirement be refunded or frozen?**

**A. Yes.** Krebs: "I presume that the county will follow its normal policy in pay for accrued vacation time if that is its normal policy. As to accrues in any county retirement, I assume that the employee's contribution can be refunded but I am not sure at all what disposition there might be as to the employer's contribution. This would need to be verified with the manager of the fund."

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**Q. How many elections can be held on the hospital budget?**

**A.** Realistically, the hospital board and the county court do not expect to be able to hold more than one additional hospital budget election. Tax levying bodies are required to

notify the assessor by July 15 of their tax levies. The assessor is authorized to allow an extension of time, but any such extension would be limited. Approximately 35 days must be allowed between elections. Eventually, the tax levies must be made and once they are extended on the tax rolls they cannot be increased until the next budget year.

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**Q. The hospital board has a contract with the Oregon Association of Hospitals. The purpose is to complete short-term and long-range planning required by Public Law 93-641. Does the hospital board feel that it can devote the time necessary for meetings and other functions to fulfill its end of the contract?**

**A. Yes.** Serving on the hospital board entails a broad range of duties which extend well beyond simply attending regular monthly meetings. The board entered into its contract with the Oregon Association of Hospitals in good faith, intends to hold up its end of the contract, and believes that it is fully able to do so.

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**Q. Will Medicare pay for my care in the Pioneer Memorial Hospital Nursing Home?**

**A. No.** Pioneer Memorial Hospital Nursing Home is an Intermediate Care Facility.

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**Q. Will Medicare pay for nursing home care in any nursing homes?**

**A. Yes.** Medicare pays for much of the care in Skilled Nursing Facilities if the patient meets all five of the following requirements:

1. You have been in a hospital at least 3 days in a row (not counting the day of discharge) before you transfer to a participating skilled nursing facility.
2. You are transferred to the skilled nursing facility because you require further care for a condition which was treated in the hospital.
3. You are admitted to a facility within a short time (generally within 14 days) after you leave the hospital.
4. A doctor certifies that you need, and you continue to

receive, skilled nursing or skilled rehabilitation services on a daily basis.

5. The facility's Utilization Review Committee or the Professional Standards Review Organization in the area does not disapprove your stay.

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When all five conditions are met, hospital insurance can help pay for your care for up to a maximum of 100 days in each benefit period—only if this level of care is needed for that length of time.

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**Q. Why is Pioneer Memorial Hospital nursing home not a Skilled Care Facility?**

**A. 1.** There would not be enough call for a skilled nursing home care in this rural area because most nursing home patients do not qualify for skilled nursing care.

**2.** The increase in requirements (personnel & facility) would increase the cost of health care in the form of daily service charges and taxes. A study by the Pioneer Memorial Hospital Board of Trustees indicates that the increase in personnel requirements alone of a Skilled Nursing Facility would be approximately \$1,382 per week.

**3.** The increased number of health care professionals necessary to meet the Skilled Nursing Facility requirements are not available in the Heppner area at this time.

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**Q. Are there any insurances or agencies that provide financial help for Intermediate Care Nursing Services?**

**A. Yes.** Welfare will help pay for much of the care for those who qualify.

**Q. What type of a contract does the hospital have with its administrators?**

**A.** The hospital board has developed a job description for the administrator. The administrator was retained by the board to perform those duties contained in the job description. He serves at the pleasure of the board, meaning that he does not have a written contract of employment. The board evaluates his performance by measuring the job he does against the criteria established in the job description.

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**Q. Is it true that Pioneer Memorial Hospital charges higher nursing home rates than any of the other 5 nearest nursing homes? If true, are there any plans being formulated to make a rate reduction possible?**

**A.** The hospital board has recently studied comparative figures for nursing homes and has found that its nursing home rates are generally competitive with those of other nursing homes in this area. The board feels that its rates are as low as possible under present circumstances and has not found any programs which would enable it to reduce rates. In fact, the hospital's auditors have suggested a rate increase of 10 percent and the proposed budget incorporates this suggestion. The hospital board feels that any rate reduction from what is proposed would have to be offset either by reductions of service or by additional tax dollars.

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**Q. What are the duties of the Director of Nursing?**

**A.** The Director of Nursing Service plans, organizes, directs and coordinates the activities of the Nursing Department, Ambulance and Emergency Medical Services, Housekeeping and Laundry services in support of medical care to meet the needs of the patient, medical staff, and pursuant to administrative policies.



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