

## **eMail Sent to Greater University Community in Response to Letter from A&S Faculty:**

Date: Thu, Jul 21, 2011 at 5:08 PM

Subject: Message from the President, Provost and EVP for Health Affairs  
re: Hospital merger

Dear Colleagues:

Over the last couple of days we've received letters, emails and phone calls expressing concerns about the proposed merger among University of Louisville Hospital, Jewish Hospital & St. Mary's Healthcare and Saint Joseph Health System, especially as it relates to academic freedom around men's and women's reproductive health and commitments to underserved populations. Frankly, we can't remember when we've experienced this level of misinformation moving through the university and the community as quickly as this has, and some of the statements that are circulating contain serious factual errors.

As we try to address the concerns we are hearing, let us start with a thank-you. As always, we appreciate your caring, your willingness to tell us how you feel, and your stalwart stewardship and defense of the thing that is at the core of the academy - the protection of our most sacred value of freedom of thought and the ability to teach, conduct research, and disseminate knowledge as your discipline and your integrity call upon you to do. The academy stands for open and free discourse on issues. At the same time, facts and complete information are critical for such dialogue to be helpful. Despite our best attempts to communicate the facts to you, the complexity of the situation, coupled with the confusing articles in the media, has led to our decision to once again lay out the facts for you.

With that in mind, here is a summary of some of the responses that we have given to those who are asking us what is going on and wondering how it will affect them and our community.

UofL Hospital, Jewish Hospital & St. Mary's HealthCare, and Lexington-based Saint Joseph Health System (owned by Catholic Health Initiatives, abbreviated as CHI and headquartered in Denver) have signed documents intending to create a legally merged entity (please note that neither the university, nor our medical school, are part of the merger). The proposed merger involves 15 hospitals, about 3,000 physicians and

about 2,000 licensed inpatient hospital beds and \$2.1 billion/year in hospital revenue. There are many details still to be worked out as the discussions proceed and the proposal is reviewed by the Federal Trade Commission, but the overarching goal of the merger is to increase the capacity to provide quality medical care for everyone in our community - including those who are unable to pay. Every clinical service that is currently being offered at any community hospital involved in the merger is still being offered - and will continue to be offered. At this point, nobody has been affected by any of this, and we anticipate it will take nearly a year for any changes that might happen to take place.

The merger documents stipulate that the primary practice site for our faculty will be at the downtown academic medical center. This is defined as the current physical facilities of Jewish Hospital downtown, the Frazier Rehabilitation Tower, and the University Hospital. This proposed facility will be governed by a subcommittee of the merged entity's Board of Trustees. This subcommittee will have 11 members - seven are appointed by the university.

Although legally separate, UofL Hospital is an important part of our extended family. Many of our physicians practice there and the involvement of our faculty, staff and students is crucial to the hospital's ability to provide trauma care, cancer care, stroke care, women's health, and many other clinical services, including those to people who can't pay. But our faculty physicians also practice at the Louisville Veteran's Administration Medical Center, Kosair Children's Hospital, Norton, Jewish, Baptist East and many other community hospitals, clinics and outreach centers.

This is a hospital merger. This is not a merger of the university, the Schools of Medicine or Dentistry, the faculty practice plans, or the assets of the schools or university. All university and physician endeavors - clinics, faculty practices, medical education, health care plans - will continue to function as they always have. Because so many of our research and clinical programs are closely allied with University Hospital and so many of our physicians practice there and at Jewish, a major resource that we bring to the proposed merger is our faculty's expertise. The merger will not compromise academic freedom by restricting the freedom to teach, to discover, or to practice. University Hospital will become part of the new merged entity, but the university will not.

The current University Hospital Board - and three of our deans (Hudson,

Halperin, and Hern) sit on that board - voted in favor of proceeding with negotiations toward merger. There are clear advantages for us and for our physicians. First, the merger insures that we have places for our students, residents and our physicians to practice in a complex and evolving hospital environment. Second, it provides greater shared resources for our community so that we can reduce costly duplication of services, combine small, good programs into larger great ones, and as one entity, build on the strengths of each partner. Third, it will bring an influx of new resources to us and to our community that are essential if we are to maintain and expand our health care leadership role. Fourth, it will increase our opportunities for faculty research and for patients to enroll in clinical trials to discover new cures for diseases. These are all good things.

But, there are also uncertainties and these have been openly acknowledged and discussed every step along the way. Early on, Dean Halperin of the School of Medicine addressed the difficulty of trying to merge very different cultures - especially those views on health care that are based in faith traditions. The doctors, staff members, administrators and lawyers who methodically resolved these issues could write a case study on tolerance and diversity. They have carefully addressed a myriad of issues that could have derailed all of this at any point along the way. From our perspective, while the university is not part of the merger, our physicians will be key elements of its success, so our first goal in the discussions was to protect our students' education and the independence of our faculty.

Three issues emerged on which there could be no compromise: UofL faculty will continue to provide a full range of reproductive health services to the men and women of this region; second, the University of Louisville medical school will maintain full accreditation, including comprehensive instruction in reproductive health care to our medical students and residents; and third, the university would continue to have a comprehensive and fully accredited curriculum for the training of interns and residents in the disciplines of obstetrics/gynecology and urology. These were - and continue to be - non-negotiable. Because our physicians would be practicing in the merged entity, we also agreed that we would take no action which would compromise CHI's compliance with the ethical and religious directives of the Catholic Church. That means exactly what it says: CHI's compliance, not the compliance of our faculty, students or patients.

This gets us to the crux of much of the concern we have been hearing

from you: How is it possible to keep both of these commitments? How can we offer a full range of academic clinical, research and educational opportunities while honoring the directives around reproductive rights and the Catholic Church? Here's how: Remember the earlier discussion regarding who is merging? UofL and UofL medical school are not part of the merged entity. In our own clinics and other locations that are not part of the merged entity, our faculty will continue to provide all the services that we have always provided - to paying and non paying patients. To Dean Halperin and his faculty's credit, of the 10 areas that needed to be resolved related to the merged entity and reproductive health care and stem cell research when these discussions started, nine have been worked out, including issues around elective and therapeutic abortion, tubal ligation as a sole procedure or following vaginal delivery, vasectomy, and ectopic pregnancies. The one remaining issue - and the one extensively and hypothetically detailed in last Sunday's Courier Journal - involves the small number of women who have no ability to pay, need to have a caesarean section and have agreed with the physician to do a tubal ligation at the same time (17 cases last year). Just as all the other issues have been worked out, this one will be too; there are a number of exemplars from merged entities (including those involving university faculties practicing at Catholic hospitals and medical schools) around the country where this issue has been successfully resolved.

About \$15 million has been set aside, months ago, to resolve this matter. After the merger is complete, all reproductive services will continue to be offered to all of those who currently receive them, although some may take place in different locations than where they are offered now. And, the university and our faculty will continue to teach students, provide clinical care to patients, and conduct research in all areas of women's and men's reproductive health. This is exactly what we have said to every group we have spoken to about this over the last several months.

As we said earlier, as the new entity becomes operational, there are literally hundreds of issues still to be resolved (just as an example, the new entity does not have a name; we've been affectionately calling it NEWCO, and we still don't know where the corporate headquarters will be). But, we have made a commitment to work this out without compromising patient care, without abandoning commitments to the underserved and uninsured, and with the same integrity and sensitivity to the needs of everyone involved as has been exhibited through hours of talks and negotiations. We simply need more time to choose the best

of the options on the table.

Some have wondered why the hospitals are merging at all, especially why University Hospital cannot continue as it has been. Health care is one of the most dynamic sectors of our economy - especially hospitals. As insurance companies and new health care laws are both changing how health care is reimbursed, many hospitals will be facing financial difficulties - if they are not already - in the very near future. Some have accused us of greed and told us that we're compromising the university for money. We think it would be fairer to say that to ensure that we continue as a university and to ensure that our community has access to the expertise of highly qualified physicians and medical researchers and other health care providers, we simply have to develop new money streams. We have found that we can do things in partnership that we simply can't do alone and while there certainly could have been solutions other than this one, we believe that this one is our best option for dramatically improving the quality of care we can provide as well as benefiting the health sciences center and fostering improved quality of life for those we serve.

In addition to the larger questions, we've also been asked about the impact of the merger on specific university programs, such as university health plan and Cardinal Care.

Because UofL is not part of the merged entity, the university determines what health care services are covered by the plan, consistent with prevailing health plan design in the United States. The health plan will not be affected by the proposed hospital merger and all reproductive health care services that are currently covered by the plan will continue. These include tubal ligations and vasectomies as well as family planning, fertility service and related prescription drugs. With respect to Cardinal Care, we will continue to meet the reproductive health needs of members, and if there are services that are not available through the new merged entity, we will contract with other health care providers for this care. For example, we currently contract with Kosair Children's Hospital for certain pediatric services which are not available at University Hospital.

Executive Vice President of Health Affairs David Dunn and Medical School Dean Edward Halperin addressed many of these issues yesterday for the media (their remarks can be found at: <http://uofl.me/merger-facts>), and we expect that we will continue to address them as we move forward. Please keep talking to us. These are not easy issues and

we expect to continue to address them as we move forward. Please keep talking to us. We have been given a mandate to become a premier metropolitan university, and we believe that the people of our commonwealth deserve the extraordinary medical care that this new entity will help us provide.

James R. Ramsey  
President

Shirley C. Willihnganz  
Executive Vice President and University Provost

David L. Dunn  
Executive Vice President for Health Affairs

## **Later Letter Outlining Plan to Ship Patients to Baptist Hospital for Forbidden Medical Care:**

Date: Wed, Aug 31, 2011 at 12:59 PM  
Subject: Message from University Administration re: hospital announcement

Colleagues,

Many of you have asked questions related to the merger among University Hospital, Jewish Hospital & St. Mary's HealthCare and Saint Joseph Health System. One of the more consistent questions has surrounded the continued provision of ALL reproductive health services for ALL women. Today we have some good news to announce: The University of Louisville is expanding our current relationship with Baptist Hospital East to include all reproductive services, including tubal ligations, which will no longer be offered at University Hospital following the merger.

School of Medicine Dean Edward Halperin and we promised from day one of the merger talks that UofL doctors would continue to provide all reproductive services for women following the merger. Today's action fulfills that promise as UofL physicians will continue to deliver babies and perform tubal ligations at Baptist East. All women – insured and uninsured – will have access to the new facility and its services. The services offered at Baptist East will be in addition to the services offered at University Hospital, JHSMH and St. Joseph facilities.

Women throughout our community also will be able to obtain transportation assistance to Baptist East through a program similar to one that provides assistance to University Hospital and the University of Louisville Ambulatory Care clinics.

This partnership between UofL and Baptist East will take effect once the merger between UofL Hospital and our partners is completed. In the interim, reproductive services currently offered at University Hospital will continue at that location.

This partnership ensures that the University of Louisville will fulfill its commitment to continue to offer a full array of reproductive services for all women in our region. And it ensures that the important decision on where to receive care, appropriately, will be made by patients and their physicians.

More information on the partnership is attached and will be available on UofL Today.

Thank you for your support and your patience as we continue to develop this complicated but vital partnership for our community.

James R. Ramsey, President

Shirley C. Willihnganz, Executive Vice President and University Provost

David L. Dunn, Executive Vice President for Health Affairs