

Worcester health complex is challenged

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WORCESTER — Huddled in the cold, 15 members of a health coalition stood yesterday between Fallon Medical Center and a 25-acre dirt lot, the future downtown home of a proposed hospital complex called Medical City. The positioning was no accident; the coalition hopes to stand in the way of further development on this site until Fallon answers some tough financial questions.

The Central Massachusetts Community Health Coalition wants all Medical City plans put on hold until issues raised by last Sunday's Globe Spotlight Team report are addressed, said Raymond Demers, chairman of the 45-member coalition. Foremost is why the community received so little payback from the sale of Saint Vincent Hospital, a public charitable trust owned by Fallon since 1990.

The Spotlight report on the hospital's sale earlier this year to OrNda HealthCorp of Tennessee, a for-profit hospital chain, showed that Fallon executives and senior doctors were paid nearly \$60 million in a deal linked to the Saint Vincent buy-out. Meanwhile, the community received only \$4 million for decades of property-tax exemptions for the century-old hospital.

Demers said he has serious concerns about the

Coalition seeks answers about proceeds of sale of Saint Vincent Hospital

sale, possible conflicts of interest among the Fallon officials, and whether the \$4 million in community compensation was adequate.

"We have requested a seat at the table and have been denied," Demers said. "Decisions affecting the care of millions of people should not be made behind closed doors."

The coalition wants public hearings held and all financial documents related to the sale released. Some financial details, labeled trade secrets and investigatory materials during a review by the attorney general, were not released as public documents. The Globe has filed suit in Superior Court to obtain the documents.

Fallon supports the attorney general's review of the sale, and will not put its plans on hold, said Paula Green, director of public relations for Fallon Healthcare System. Medical City, Green said in an interview, has been under public scrutiny for years. She also said the attorney general's review of the hospital's sale was a "fair, public process."

Still, the city, OrNda and OrNda's new part-

ner, Tenet Healthcare Corp. of California, will be urged by the coalition to hire a health analyst to review any possible conflicts of interest among Fallon executives who helped to negotiate both the sale of the hospital and a minority interest in the Fallon Clinic, a for-profit doctors' practice. And, Demers said, the coalition will consider legal action to increase the amount set aside for community benefits.

Two other conversions of nonprofit institutions to for-profit companies in Massachusetts each resulted in charitable foundations with about \$40 million. Demers said the city should not settle for \$4 million while giving OrNda and Tenet \$40 million of public land on which to build Medical City, and a possible \$44 million tax break.

"Saint Vincent was acquired six years ago and was worth a certain amount," said Leslie J. Linson, an attorney with the Legal Assistance Corporation of Central Massachusetts, which represents the coalition. "Five years later, it's worth its debt and the community gets nothing."

Meanwhile, Worcester Mayor Raymond V. Mariano and five city council members have asked City Manager Thomas R. Hoover to renegotiate the proposed tax-relief package for Medical City. A council vote is expected by Dec. 3.

Green said Fallon will not renegotiate.