



Virginia MIRC< vamirc@mirc.virginia.gov>

New MIRC Comment

1 message

Fri, Sep 13, 2013 at 3:19 PM

Reply-To: [REDACTED]

To: vamirc@mirc.virginia.gov

First Name - Beth

Last Name - O'Connor

Organization Name - Virginia Rural Health Association

Comment -



When a hospital dies.docx

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Virginia Rural Health Association

The leading voice for rural health in Virginia

September 13, 2013

When a hospital dies – do you send a sympathy card?

On October 1st, Lee Regional Medical Center in Pennington Gap, Virginia will close. It is dead. The jobs that were associated with that facility will die; the money it pumped into the local economy will die.

The major reason listed by the Wellmont Health System for the cause of death is the lack of Medicaid expansion which is intended to offset major cuts in Medicare payments from the Affordable Care Act (ACA).

ACA or “Obamacare” is a compromise. Some people wanted the United States government to create a universal healthcare system, such as those found in other first-world nations. Other people thought a single-payer system would go too far; it would overreach the responsibility of the government. So a deal was struck: hospitals would agree to lower Medicare payments and in return, more of their patients would have insurance.

Unlike a business, a hospital has to accept anyone and everyone who walks through the Emergency Room door, regardless of whether or not they are able to pay for the services they receive. If you are hungry and go to a grocery, but are unable to pay - you will not get food. If you are homeless and go to an apartment complex, but are unable to pay – you will not get a unit. But if you show up in a hospital emergency department and are unable to pay, that facility is required by federal law to see you anyway.

And in small rural hospitals the percentage of people who are unable to pay is much higher than in urban areas such as Richmond. For Lee Regional Medical Center that number is 12%; and uninsured rates at other rural facilities range from 10% to 20%. Do you know of a business that could stay open if 20% of their customers did not pay the bill?

Which brings me back to the compromise - Medicaid expansion was written into the Affordable Care Act to decrease the number of uninsured people hospitals have to treat. Yet Virginia hasn't kept up its end of the deal. More than half of the states have moved forward with Medicaid expansion, but Virginia is dragging its feet. While our elected officials play political football with healthcare, a hospital has died.

In its grave will lay jobs. Lee Regional Medical Center supports 190 full time equivalent positions. These are not low-paying, entry level jobs. These are doctors, nurses, anesthesiologists, therapists.

In its grave will lay the local economy. The hospital, which is the fourth largest employer in the county, pumped \$11.5 million in labor costs into the local economy every year. At almost 24%, Lee County already has the highest poverty rate of any county in the state. Where will that go from here?

“These political decisions clearly can have dire ramifications for small communities and the hospitals that serve them,” said Denny DeNarvaez, Wellmont’s president and CEO.



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Patients in Lee County will have to travel to Lonesome Pine Hospital in Big Stone Gap, over 20 miles away, and Holston Valley Medical Center in Kingsport, Tennessee, over 40 miles away. The mileage will be doubled if one lives in the western end of Lee County. People who have to travel out of their community for service will undoubtedly take their money with them. Dollars spent on gas, food, entertainment and lodging will be stripped out of Pennington Gap, crippling their already fragile tax base.

If it can happen to one small community, it can happen to others. And while a failing town in Pennington Gap may not seem to matter in Richmond, once the dominos start to tumble, it will hurt everyone.

The Virginia Medicaid Innovation and Reform Commission (MIRC) is tasked with determining the way forward regarding Medicaid expansion. I encourage you to visit their website (mirc.virginia.gov), see who the members of the Commission are, and contact them about Medicaid expansion. The site also allows you to review presentations from MIRC meetings and submit comments. You may also wish to attend their next meeting.

Today, Virginia has 24 small, rural hospitals. On October 2nd, it will have 23. How many more will die before Virginia holds up its end of the Medicaid bargain? And where will I send that sympathy card?

Sincerely:

A handwritten signature in black ink, appearing to read "Beth O'Connor", written over a light blue horizontal line.

Beth O'Connor, M. Ed.

Executive Director

Virginia Rural Health Association

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