

# Jones: Changes won't result in job losses

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PARKERSBURG — Hospital and government officials Thursday touted the proposed purchase of St. Joseph's Hospital by West Virginia United Health System and its affiliation with Camden-Clark Memorial Hospital.

Camden-Clark CEO Mike King said the move will strengthen local health care by providing expanded services while eliminating duplication.

King, among the key players in the deal to unite the city's two hospitals under United Health System, and representatives from St. Joseph's, Camden-Clark, United Health Systems and Signature Hospital Corp., St. Joseph's parent company, met with *The News and Sentinel* editorial board Thursday afternoon to discuss the proposal, which is subject to regulatory review.

United Health Systems will purchase St. Joseph's from Signature Hospital Corp. for about \$87 million, Tom Jones, chief executive officer at United Health Systems, said. With closing costs, the price will be closer to a \$100 million.

In addition, United Health Systems will be responsible for the debt at Camden-Clark, Jones said.

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St. Joseph's will become a non-profit hospital, he said.

The elimination of overlapping services will not result in jobs losses or layoffs, Jones said. A commitment to the more than 2,100 employees who work at the hospitals has been made and is in the papers for the certificate of need from the West Virginia Health Care Authority.

Some employees may not be doing the same job they had, but they will keep their jobs, he said.

"All hospital employees will be offered jobs at comparable wages and benefits," Jones said.

Rather than focus on job losses, Jones pointed to United Health Systems' joint venture with hospitals in the eastern panhandle, noting that hospital's growth produced additional jobs and economic stimulus to the area.

"By growing services, we will be growing jobs," he said.

King said the city's two hospitals have an opportuni-



Photo by Jess Mancini

From the left, Dr. Christopher C. Colenda, chancellor for health sciences at West Virginia University; Mike King, CEO at Camden-Clark Memorial Hospital; Tom Jones, CEO of West Virginia United Health System; Steve Peterson, chief financial officer at Signature Hospital Corp.; and Jack Julius, CEO at St. Joseph's Hospital, prior to an editorial board meeting at *The Parkersburg News and Sentinel*.

ty under the venture to provide services that neither hospital could support individually.

"But we can do it together," he said.

Five officials representing the combined entity of Camden-Clark and St. Joseph's will join the 21 member United Health Systems governing board. That's in addition to a local board that will oversee the city's hospital system. King and Jones said

decisions affecting the local hospital system will be made on a local level.

Patsy Hardy, secretary of the West Virginia Department of Health and Human Resources, said state officials were thrilled by the proposal. Hardy, representing Gov. Joe Manchin, is a former CEO of St. Joseph's.

King also said the new entity will also strengthen and provide opportunities to

help the Mid-Ohio Valley Rural Health Alliance, which covers seven surrounding counties.

Not all the news from the merger is good.

As a for-profit taxpayer, St. Joseph's paid more than \$9 million in taxes in 2009. The city stands to lose about a million dollars annually in B&O taxes.

However, Mayor Bob Newell remained positive, describing the deal as huge

economic generator for the area. The mayor noted about a quarter of jobs in the city are in the health care field.

"The project is a positive. It doesn't necessarily benefit the city, but it will benefit the community," Newell said. "The city will have to adjust. We are adjusting all the time. This move is a good move."

"Newell sees the big picture," Hardy said.

King said the new system will assist the city in some way with the lost revenue.

Officials said with approval pending from state and federal agencies — which won't come until at least the end of the year — it was far too early to determine what changes will come with the proposed merger, including the new entity's name and logo.

Things will continue "as is" between the Camden-Clark and St. Joseph's until the deal is approved. However, officials said the competition between the two hospitals is over.

"It will be one entity you can all rally around," King said.