

Hospital bypasses county OK, gets legislators' help

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Last year, when Carolinas HealthCare System wasn't getting what it wanted from Mecklenburg County, it turned to state legislators for quicker, more favorable, treatment.

In a matter of days, legislators passed a law that circumvented the county and gave the region's largest hospital system what it wanted, even in the last days of a busy legislative session.

The power play started when Carolinas HealthCare asked for the county's OK on its proposal to build a new psychiatric hospital in the town of Huntersville.

County officials delayed signing off, worried that a new suburban hospital could take paying patients away from the county-owned behavioral health center, 66-bed CMC-Randolph, off Billingsley Road.

Carolinas HealthCare, which manages CMC-Randolph under a contract with the county, promised to pick up construction costs and operating losses at the new hospital. But county officials still worried the project would end up costing taxpayers.

Hospital officials found the delay baffling because of the demonstrated need for more psychiatric beds.

About half of the state-operated psychiatric beds have closed in recent years, leaving many patients without places to go. In Charlotte, inpatient occupancy at CMC-Randolph regularly exceeds 100 percent, and that means that 20 to 30 patients routinely wait in emergency departments or other parts of the hospital for a psychiatric bed, hospital officials say.

Lanier Cansler, the state's secretary of health and human services, had been pushing to transfer psychiatric beds from Broughton Hospital, a state psychiatric hospital in Morganton, to the community. But under existing law, Carolinas HealthCare needed Mecklenburg's support to apply for the transfer of beds.

In early May 2011, frustrated by the county's resistance, Carolinas HealthCare CEO Michael Tarwater threatened to build the new hospital in an adjacent county. But he didn't have to make good on that threat.

On June 2, Sen. Fletcher Hartsell, a Republican from Cabarrus County, modified a pending bill so that Carolinas HealthCare would be allowed to work directly with the state to transfer beds from Broughton, circumventing the need for county approval.

The modified bill passed June 16, just two days before legislators adjourned. There was no debate and no reference to the dispute between Carolinas HealthCare and Mecklenburg County.

Hartsell, whose district includes Carolinas Medical Center-NorthEast in Concord, which is owned by Carolinas HealthCare, said he knows the legislative action caused some hard feelings. But he said he introduced the bill because he agreed with Cansler's assessment. "We flat out need the beds. Period."

As early as April, Hartsell said he'd been told by the hospital system's lobbyist, Martha Ann McConnell, of the possible need for legislation to expedite the matter. He said she returned to him in late May with an official request for help.

Once the bill was modified, it didn't take long for Mecklenburg officials to hear about it. Hartsell said he got a call several days later from County Attorney Marvin Bethune, who was his law school roommate. A day or two later, he said, County Manager Harry Jones showed up in Raleigh to ask legislators not to make the exception for Carolinas HealthCare.

Jones said he didn't think the General Assembly should get in the middle of a dispute between Mecklenburg County and Carolinas HealthCare. He also said county officials had neither approved nor opposed the Huntersville project, but had asked for more information.

His plea failed. The bill passed the Senate on June 7 and the House nine days later. It was a stunning turnaround that both offended and impressed county officials.

"It's an example of raw political power that no one else I know has," said Commissioner Bill James, who noted that former Gov. Jim Martin and former Mecklenburg commissioners chairman Carla DuPuy have been on the hospital system's payroll. All are Republicans.

"From a political standpoint, they're the most powerful entity in Mecklenburg County."

In a memo written at the time, County Manager Jones said: "The only conclusion I can draw from your actions is that you hoped to pass this legislation based not on its merits but rather by sneaking it through unnoticed by the county..."

"This willful disregard for open and transparent communication appears to have been a furtive action to capitalize on our trust and the 70-plus year relationship. Mecklenburg County would have preferred hearing directly from you about your legislative attempts at circumvention of county authority, and is stunned that you did not tell us."

COMMENTS

tboard47

Mexico bribery has nothing on North Carolina politics

perchance

This is a marvelous series. I've had enough dealings with hospitals to give full credence to criticism level against them.

The history of how so many "public" hospitals became no longer accountable to taxpayers -- and are operated by trustees with little public control, in many cases kept in the dark by the people who are supposed to hold them liable -- would make a compelling subject.

Any comparison with hospital operations a generation ago would reveal how the lines of authority evolved, leaving "presidents" of local hospitals (in positions once filled by

professionals formerly called administrators, have created businesses that charge what they wish without adult supervision.

This entire subject is worthy of the treatment you are giving it and more.

Thanks, and congratulations to Karen Garloch and her capable cohorts for a comprehensive, and compelling, series