

We are living in challenging times. One example is the struggle many California communities face, often unsuccessfully, to keep their local hospital open and fully serving community health needs. In Marin, we still are fighting to hold onto just such a hospital.

Marin General Hospital provides our only designated trauma center, our only birthing services, and critical cancer and heart care as well. The hospital is under new management after a successful transition involving both departing Sutter Healthcare and the governing body, Marin Health Care District.

In sharp contrast to the district's history, over the past three years, the Health Care District board has become united in purpose and action. They are working well together, defining health policies that will improve our entire community's health. Wisely, to keep their focus on our broad public health goals, they modified their by-laws to transfer day to day hospital management to an independent Operating Board.

That Operating Board is in place and working to keep the hospital fiscally sound while also supporting the District's broader community goals. That is no easy task, especially in light of the substantial capital cost of higher seismic standards and continuously improving medical technologies. Hospital industry guidelines recommend a cash reserve equal to at least 100 days of operating costs, plus additional capital to fund emergencies and costly equipment.

To meet those standards, Marin General needs in excess of a hundred million dollars. Regrettably, the new Operating Board assumed fiscal responsibility significantly hampered with a reserve of only \$5 million. This is in sharp contrast to Sutter's 3 other hospitals in the Bay Area, each with cash and reserves in the hundreds of millions of dollars.

It should not have been that way. And it would not have been that way if Sutter hadn't ratcheted up their annual capital transfer of funds from Marin General Hospital fifteen-fold for the last three years. Amazingly, it appears that over a hundred million dollars was siphoned away from our hospital without objection by Sutter's local operating board. Abdication of their fiscal obligation to protect the hospital's future could profoundly affect Marin General's ability to keep existing services in place and new treatment technologies available. That is why the entire community has a stake in how this dispute gets resolved.

During the past two years, a parade of Healthcare District representatives, civic leaders, and long-time Sutter supporters sought to bring the parties together to resolve their differences. Sutter repeatedly rebuffed those efforts.

Unwilling to threaten the hospital's future, the new operating board has moved decisively to force the issue. They sued Sutter, demanding return of the money to the hospital where it was generated and where it is needed.

Support for their move is widespread. Elected officials at all levels of government, joined by leaders on both sides of the hospital's longstanding battle are calling on Sutter to return the excessive transfers that occurred. Such striking solidarity on a previously contentious issue reflects the importance our whole community places on Marin General's future success. There is also a broadly held sense that such an excessive transfer at such a critical time for the hospital was intentional and malicious.

Sutter's attempt to avoid engagement regarding the transfers not only reflects a classically flawed corporate reaction, it also drains the company's legitimate goodwill and sucks all sincerity out of their professed interest in partnering with the community, including working to keep Marin General Hospital whole.

Before further harming our community and undermining their own business future in Marin, Sutter should earnestly attempt to negotiate a resolution with Marin General's new management. In a private, professionally mediated setting, it is quite likely an equitable solution can be found relatively quickly. But, if Sutter counters with expensive legal maneuvers intended to push Marin General closer toward the fiscal cliff, this community's disapproval will resonate loudly long after the court gavel closes the case.

Steve Kinsey
Marin county Supervisor